

RTL Group S.A.
Société Anonyme

Audited annual accounts
for the year ended 31 December 2009

Board of Directors' Meeting on 10 March 2010

Ordinary General Meeting on 21 April 2010

RTL Group S.A.

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Directors' report

I. OVERVIEW

Advertising market conditions were extremely challenging across Europe. RTL Group (consolidated) generated a total revenue of EUR 5 410 million (2008: EUR 5 774 million), an EBITA of EUR 755 million (2008: EUR 916 million) and a profit for the year of EUR 298 million (2008: EUR 296 million).

The main developments in 2009 were as follows:

- Mediengruppe RTL Deutschland increased its clear audience leadership over main competitor ProSiebenSat1 to 4.3 percentage points, mainly driven by the strong performance of flagship channel RTL Television;
- Groupe M6 demonstrated its resilience in a strong economic downturn: EBITA remained almost stable, driven by significantly lower programme costs at the M6 main channel and higher profit contributions from its digital channels and diversification activities. Groupe M6 was the only family of channels in France with growing ratings;
- Worldwide production arm FremantleMedia reached again the record results level of the previous year. Despite general pressure on the profit margins, EBITA remained stable. In February 2009, FremantleMedia acquired a 75 per cent stake in Original Productions, the US-based creator of hit TV shows such as *Ice Road Truckers*;
- EBITA of RTL Nederland increased thanks to an early focus on cost reduction. A strong ratings performance was mainly driven by the flagship channel, RTL 4, which significantly increased its audience share to become the clear market leader once again;
- The newly acquired Alpha Media Group initiated comprehensive restructuring and cost reduction measures in reaction to the downturn of the Greek market. Despite these savings, Alpha TV's audience share increased significantly year-on-year, proving that the new programming strategy is working.

Consistently with past year, RTL Group S.A. has continued to centralise financing and treasury functions of the Group through central foreign currency risk management and cash pooling arrangements with Group subsidiaries. Furthermore, RTL Group S.A. has two major investments in CLT-UFA S.A. (99.7% of the share capital) and in FremantleMedia S.A. (100% of the share capital).

The loss of RTL Group S.A. for the year 2009 was EUR 43 million (2008: profit of EUR 113 million), reflecting mainly:

- value adjustments on loans and cash pooling receivable to affiliated undertakings (EUR 169 million);
- operating charges (EUR 37 million);
- dividends received from subsidiaries (EUR 138 million);
- net interest income on amounts owed by/due to affiliated undertakings (EUR 21 million).

II. SUMMARY INCOME STATEMENT

In EUR million	2009	2008
Income		
Operating income	3	3
Financial income ⁽¹⁾	168	373
Extraordinary income	—	<u>5</u>
Total income	171	381
Charges		
Operating charges ⁽²⁾	37	47
Financial charges ⁽³⁾	177	221
Extraordinary charges	—	—
Total charges	<u>214</u>	<u>268</u>
Profit for the financial year	<u>(43)</u>	<u>113</u>

(1) Financial income includes mainly:

- interest on amounts owed by affiliated undertakings, on cash pooling arrangements and on current deposit with shareholder for a total amount of EUR 27 million (2008: EUR 84 million);
- dividends received from subsidiaries (CLT-UF S.A.) for a total amount of EUR 138 million (2008: EUR 164 million);

(2) Operating charges include staff costs of EUR 15 million (2008: EUR 19 million), general and administrative expenses of EUR 19 million (2008: EUR 22 million) and a net wealth tax charge of EUR 3 million (2008: EUR 6 million).

(3) Financial charges include mainly:

- a value adjustment on cash pooling positions and loans owed by Channel 5 Television Group Ltd for a total amount of EUR 169 million;
- interest on amounts owed to affiliated undertakings and on cash pooling arrangements for a total amount of EUR 6 million (2008: EUR 42 million).

III. OWN SHARES

RTL Group has an issued share capital of EUR 191 900 551 divided into 154 787 554 fully paid-up shares with no nominal value.

On 3 April 2006, RTL Group acquired 173 300 own shares for a total acquisition cost of EUR 12 198 587. These shares have been acquired with the view to fulfil the Company's obligation in the event of the exercise of share options by the beneficiaries in the context of the Stock Option Plan issued in 2000.

A non distributable reserve ("Reserve for own shares") had been constituted from the "Profit brought forward" account for an amount equivalent to the acquisition cost.

As at 31 December 2009, the Company holds directly 173 300 own shares (31 December 2008: 173 300) and indirectly through a Company's subsidiary 995 401 own shares (31 December 2008: 995 401).

As at 31 December 2009, RTL Group's share price, as listed on the Euronext stock exchange, was EUR 47.00 per share (31 December 2008: EUR 42.50). The increase in the share price resulted in a reversal of value adjustment amounting to EUR 779 850. An equivalent amount has been transferred from "Profit brought forward" to "Reserve for own shares" in order to reflect the same effect. In 2008, a value adjustment of EUR 4 833 337 was recorded.

IV. SIGNIFICANT LITIGATION

RTL Group has been made a party to litigation between several of its minority shareholders on the one hand and Bertelsmann and GBL on the other hand in relation to the acquisition by Bertelsmann of the RTL Group shares previously owned by GBL. On 8 July 2003, the Luxembourg civil Court rejected the claim of the minority shareholders. The judgement was appealed.

In September 2002, the minority shareholders have filed a lawsuit against RTL Group, its Directors, Bertelsmann, BWTV and WAZ with regard to the free float. They were seeking a Court decision obliging RTL Group to increase the free float and prohibiting other defendants to make additional purchases of RTL Group shares.

IV. SIGNIFICANT LITIGATION (cont.)

The minority shareholders also dispute the decision by RTL Group to de-list its shares from the London Stock Exchange. On 31 December 2002, the Court of appeal of Luxembourg, sitting in summary proceeding, confirmed the Court decision pronounced in summary proceeding on October 25, 2002 that held the claim inadmissible. The de-listing of RTL Group's shares from the London Stock Exchange took effect from 31 December 2002. As a consequence, of the de-listing, the minority shareholders requested the Luxembourg Civil Court to order the re-listing of the shares on the London Stock Exchange. On 30 March 2004, the Court decided to join both claims (free float and de-listing) and dismissed the claims of the minority shareholders. The judgement was appealed.

On 12 July 2006, the Court of Appeal of Luxembourg decided to join the claims (swap, free-float and de-listing) and confirmed the judgements of the court of first instance. The minority shareholders lodged to the Luxembourg Supreme Court ("Cour de Cassation") a final appeal against this judgement, restricted to a limited set of legal issues not involving RTL Group but linked to the acquisition by Bertelsmann of RTL Group shares previously owned by GBL.

On 21 February 2008, the Luxembourg Supreme Court decided to refer the matter to the European Court of Justice for a preliminary ruling procedure. In its ruling of 16 October 2009, the European Court of Justice decided that according to European law there does not exist a general principle of law under which minority shareholders are protected by an obligation on the dominant shareholder, when acquiring or exercising control of a company, to offer to buy their shares under the same conditions as those agreed when a shareholding conferring or strengthening the control of the dominant shareholder was acquired.

The matter has now been referred back to the Luxembourg Supreme Court. The latter is bound by the decision of the European Court of Justice. A final decision of the Supreme Court is expected before the second half of 2010.

RTL Group believes that whatever the outcome of that litigation it should not have any direct impact on the Group, because it has not been a party to that transaction (swap) and its involvement is limited to solely entering any transfer of shares into the shareholders register

Group companies are parties to other litigations, which are disclosed in the consolidated financial statements

V. PROFIT APPROPRIATION

The statutory accounts of RTL Group S.A. show a loss for the financial year 2009 of EUR 42 642 454 (2008: profit of EUR 113 064 016). Taking into account the profit brought forward as at 31 December 2009 of EUR 524 740 600, the share premium (EUR 5 782 185 577) and the loss for the year (EUR 42 642 454), the amount available for distribution is EUR 6 264 283 725.

10 March 2010

The Board of Directors

Board of Directors

Non-Executive Directors

Siegfried Luther, Chairman

Martin Taylor¹, Vice-Chairman and Chairman of Nomination and Compensation Committee

Günther Grüger

Hartmut Ostrowski

Thomas Rabe

Onno Ruding¹, Chairman of Audit Committee

Jacques Santer¹

Executive Director

Gerhard Zeiler (Chief Executive Officer)

¹ Independent director

Independent Auditor's report

To the Shareholders of
RTL Group S.A.

Report on the annual accounts

Following our appointment by the General Meeting of the Shareholders dated April 15, 2009, we have audited the accompanying annual accounts of RTL Group S.A., which comprise the balance sheet as at December 31, 2009, the profit and loss account for the year then ended and a summary of significant accounting policies and other explanatory notes.

Board of Directors' responsibility for the annual accounts

The Board of Directors is responsible for the preparation and fair presentation of these annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of annual accounts that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these annual accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted by the "Institut des Réviseurs d'Entreprises". Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the Auditor's judgment, including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the Auditor considers internal control relevant to the entity's preparation and fair presentation of the annual accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the annual accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these annual accounts give a true and fair view of the financial position of RTL Group S.A. as of December 31, 2009, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts.

Report on other legal and regulatory requirements

The Directors' report, which is the responsibility of the Board of Directors, is in accordance with the annual accounts.

PricewaterhouseCoopers S.à r.l.
Réviseur d'entreprises
Represented by

Luxembourg, March 10, 2010


Marc Minet

RTL Group S.A.

Balance sheet as at 31 December 2009 (expressed in euro)

	Note(s)	2009 EUR	2008 EUR
ASSETS			
Fixed assets			
- intangible assets		1 700 687	1 096 415
- tangible assets		278 193	282 038
- financial assets			
. shares in affiliated undertakings	3	6 577 459 941	6 577 318 104
. loans to affiliated undertakings	4	128 571 670	209 350 321
		<u>6 708 010 491</u>	<u>6 788 046 878</u>
Current assets			
- debtors (becoming due and payable within one year)			
. amounts owed by affiliated undertakings	5	686 799 467	801 508 722
. current deposit with shareholder	6	539 004 179	602 268 913
. other debtors		2 779 723	2 068 085
- transferable securities			
. own shares	7	8 145 100	7 365 250
- cash at bank, cheques and cash in hand	8	152 296 639	192 016 833
		<u>1 389 025 108</u>	<u>1 605 227 803</u>
Prepayments and accrued income	12	<u>222 629 586</u>	<u>262 584 519</u>
Total assets		<u><u>8 319 665 185</u></u>	<u><u>8 655 859 200</u></u>

The accompanying notes form an integral part of these annual accounts.

RTL Group S.A.

Balance sheet as at 31 December 2009 (expressed in euro)

	Note(s)	2009 EUR	2008 EUR
LIABILITIES			
Capital and reserves	9		
- subscribed capital	9.1	191 900 551	191 900 551
- share premium account		5 782 185 577	5 782 185 577
- legal reserve	9.3	19 190 054	19 190 054
- reserve for own shares	7	8 145 100	7 365 250
- other reserves		7 071 800	7 071 800
- profit brought forward		524 740 600	953 606 323
- (loss)/profit for the financial year		<u>(42 642 454)</u>	<u>113 064 016</u>
		6 490 591 228	7 074 383 571
Provisions for liabilities and charges			
- provisions for pensions and similar obligations	13	<u>4 299 512</u>	<u>3 754 591</u>
		4 299 512	3 754 591
Creditors (becoming due and payable within one year)			
- amounts owed to credit institutions		1 547	127 628
- amounts owed to affiliated undertakings	11	1 579 412 698	1 299 453 255
- other creditors		<u>29 292 323</u>	<u>30 510 291</u>
		1 608 706 568	1 330 091 174
Accrued and deferred income	12	<u>216 067 877</u>	<u>247 629 864</u>
Total liabilities		<u>8 319 665 185</u>	<u>8 655 859 200</u>

The accompanying notes form an integral part of these annual accounts.

RTL Group S.A.

Profit and loss account for the year ended 31 December 2009 (expressed in euro)

	Note(s)	2009 EUR	2008 EUR
CHARGES			
Staff costs	13		
- wages and salaries		13 534 110	17 471 113
- social security costs		837 589	850 423
- supplementary pensions		673 261	678 811
		<u>15 044 960</u>	<u>19 000 347</u>
Other operating charges	14	19 124 753	21 536 964
Value adjustments in respect of financial assets and own shares			
- on shares in affiliated undertakings	3	-	120 000
- on loan to affiliated undertakings	4	63 590 941	-
- on own shares	7	-	4 833 337
		<u>63 590 941</u>	<u>4 953 337</u>
Interest payable and similar charges			
- concerning affiliated undertakings	15	6 317 369	42 084 831
- other interest payable and charges		2 967	67 842
- other financial charges	16	106 748 949	168 151 501
- exchange loss, net	20	-	5 537 965
		<u>113 069 285</u>	<u>215 842 139</u>
Taxes other than income taxes	22	3 109 142	6 415 683
Profit for the financial year		<u>-</u>	<u>113 064 016</u>
Total charges		<u><u>213 939 081</u></u>	<u><u>380 812 486</u></u>

The accompanying notes form an integral part of these annual accounts.

RTL Group S.A.

Profit and loss account for the year ended 31 December 2009 (expressed in euro)

	Note(s)	2009 EUR	2008 EUR
INCOME			
Other operating income			
- income from the recharge of services <i>including amounts receivable from affiliated undertakings</i>	17	2 766 679	2 808 577
		<u>2 562 097</u>	<u>1 924 609</u>
		2 766 679	2 808 577
Reversal of value adjustments in respect of financial assets and own shares			
- on shares in affiliated undertakings	3.3	-	110 000 000
- on own shares	7	<u>779 850</u>	<u>-</u>
		779 850	110 000 000
Income from affiliated undertakings			
- dividend income	19	<u>137 855 011</u>	<u>163 923 196</u>
		137 855 011	163 923 196
Other interest receivable and similar income			
- derived from affiliated undertakings	18	27 324 541	84 289 024
- other interest receivable and similar income	18	1 547 589	14 333 849
- other financial income		974 298	667 906
- exchange gain, net	20	<u>48 659</u>	<u>-</u>
		29 895 087	99 290 779
Extraordinary income	21	-	4 789 934
Loss for the financial year		<u>42 642 454</u>	<u>-</u>
Total income		<u>213 939 081</u>	<u>380 812 486</u>

The accompanying notes form an integral part of these annual accounts.

RTL Group S.A.

Notes to the annual accounts as at 31 December 2009

Note 1 - General

RTL Group S.A. (the “Company” or “RTL Group”) was incorporated as a “Société Anonyme” on 30 December 1972 under the name of Compagnie Luxembourgeoise pour l’Audio-Visuel et la Finance, abbreviated to “Audiofina”. The Articles of Association were published in the “Recueil Spécial C des Sociétés et Associations” on 27 March 1973, under the number 52. They were modified on several occasions, the last one being on 17 April 2002. The Company is formed for an unlimited period.

On 25 July 2000, the name of the Company was changed to RTL Group.

The registered office of the Company is established at 45, boulevard Pierre Frieden, L-1543 Luxembourg.

The Company’s financial year starts on 1 January and ends on 31 December of each year.

The purpose of the Company is national and international development in the audiovisual, communication and information sectors and all related technologies. The Company can also take holdings through granting of loans, merging, subscription or other form of investment in any company, undertaking, association or other legal entity, existing or to be constituted, whatever its form or nationality, having a purpose which is similar or complementary to that of the Company. The Company can undertake any commercial, industrial or financial operation linked directly or indirectly to its purpose or of such a nature that it facilitates or favours its realisation. The Company may also undertake any action useful or necessary, for the accomplishment of its purpose.

The Company also prepares consolidated financial statements, which are published according to the provisions of the law.

The consolidated financial statements of RTL Group are included in the consolidated accounts of Bertelsmann AG, the ultimate parent company of RT Group. Bertelsmann AG is a company incorporated under the German law whose registered office is established Carl-Bertelsmann-Strasse 270, D-33311 Gütersloh, Germany. Consolidated financial statements of Bertelsmann AG may be obtained at their registered office.

Note 2 - Summary of significant accounting policies

2.1 Basis of preparation

The annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements. Accounting policies and valuation rules are, besides the ones laid down by the Law, determined and applied by the Board of Directors.

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Notes to the annual accounts as at 31 December 2009

2.2 Significant accounting policies

The main valuation rules applied by the Company are the following:

2.2.1 Fixed assets

Intangible assets are stated at cost less accumulated depreciation. They comprise EDP software amortised on a straight-line basis over their estimated useful life of 3 years.

Tangible assets are stated at cost less accumulated depreciation. Depreciation is recognised on a straight-line basis over the estimated useful lives of the tangible assets.

Shares in affiliated undertakings are recorded at acquisition cost in the balance sheet. A value adjustment is made when there is a durable diminution in their value. These value adjustments are not continued if the reasons for which these value adjustments were made, have ceased to apply.

Loans to affiliated undertakings and other loans are recorded at acquisition cost or nominal value in the balance sheet. When the market value or the recoverable value is lower than the acquisition cost or nominal value, a value adjustment is recorded. These value adjustments are not continued if the reasons for which these value adjustments were made, have ceased to apply.

2.2.2 Current debtors

Current debtors are recorded at their nominal value. They are subject to value adjustments where their recovery is compromised. These value adjustments are not continued if the reasons for which the value adjustments were made, have ceased to apply.

2.2.3 Own shares

Own shares are recorded at acquisition cost and are classified as current assets since the aim of these shares is to fulfil the Company's obligation in the event of the exercise of share options by their beneficiaries in the context of the Stock Option Plan issued in 2000. A value adjustment is recorded when the market value is lower than the acquisition cost. In accordance with article 49.5 of the Law on Commercial Companies, a non distributable reserve ("Reserve for own shares") is constituted for an equivalent amount from "Profit brought forward".

2.2.4 Other transferable securities

Transferable securities are valued at the lower of purchase cost, including expenses incidental thereto and calculated on the basis of FIFO method, or market value, expressed in the currency in which the annual accounts are prepared. A value adjustment is recorded where the market value is lower than the acquisition cost.

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Notes to the annual accounts as at 31 December 2009

2.2.5 Cash at bank, cheques and cash in hand

The Company reports in the balance sheet the net amount of the debit and credit positions of the bank accounts when these positions relate to the same currency of a same bank. If these conditions are not met, credit positions are recorded as bank overdrafts in “Amounts owed to credit institutions”.

Money market investment funds which meet the following criteria:

- Short term investments;
- Highly liquid investments;
- Readily convertible to known amounts of cash;
- Subject to an insignificant risk of changes in value;

are recorded under “Cash at bank, cheques and cash in hand” at their latest official net asset values as provided by the relevant administrators.

2.2.6 Foreign currency translation

The Company maintains its accounts in Euro and both the balance sheet and profit and loss account are expressed in this currency.

Transactions in foreign currencies are recorded at the rate of exchange ruling on the transaction date. With the exception of fixed assets, all assets and liabilities denominated in foreign currencies are converted at the rate of exchange ruling at the balance sheet date. Related realised and unrealised gains as well as realised and unrealised losses are recognised in the profit and loss account.

2.2.7 Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, including most notably exposures to USD and GBP. For the Group as a whole, cash flow, net income and net worth are optimised by reference to EUR. Foreign exchange risks faced by individual Group companies, however, are managed or hedged against the functional currency of the relevant entity.

Group Treasury periodically collects from the Group companies’ forecasts of foreign currency exposures arising from signed output deals and programme rights in order to monitor the Group’s overall foreign currency exposure. Entities exposed to foreign currency risk are responsible for hedging their exposures in accordance with the Treasury policies approved by the Board of Directors. Companies in the Group use forward contracts, transacted with Group Treasury, to hedge their exposure to foreign currency risk. Group Treasury is responsible for hedging the net position in each currency by using external foreign currency derivative contracts.

The foreign currency management policy of the Group is to hedge 100 per cent of the recognised monetary foreign currency exposures arising from cash, receivables, payables, loans and borrowings denominated in currencies other than EUR.

Within this framework, RTL Group enters into foreign currency derivative contracts with banking institutions (external) and with Group subsidiaries (internal).

RTL Group S.A.

Notes to the annual accounts as at 31 December 2009

2.2.7 Foreign exchange risk (cont)

Unrealised losses and gains resulting from the revaluation of the foreign currency derivative contracts (internal and external) are recognised in the profit and loss account with a counterpart in the balance sheet in, respectively, “Accruals and deferred income” and “Prepayments and accrued income”.

2.2.8 Cash pooling arrangements

In order to optimize cash management, RTL Group has implemented a cash pooling policy to centralise the Group liquid funds:

- The local cash pooling includes the majority of the Luxembourg subsidiaries. This automated cash pooling is made with a local banking institution. The conditions of the loans/borrowings are determined on an arm’s length basis and based on specific risks linked to each Group company. The basis rate is EONIA adjusted for a margin (from -0.25% to -0.30% on credit margin and +0.50% on debit margin);
- The European cash pooling comprises the following Group companies: Audiomedia Investments S.A. (Belgium), Bayard d’Antin S.A. (France), CLT-UFA S.A. (Luxembourg), Fremantlemedia Operations B.V. (Netherlands), Fremantlemedia Portugal S.A. (previously Fremantle Produções de Televisao S.A.) (Portugal), Grundy Producciones S.A. (Spain), Grundy Italia S.p.A. (Italy), IPL S.à r.l. (Luxembourg), RTL Group Beheer B.V. (Netherlands) and RTL Belgium S.A. (previously TVI S.A.) (Belgium). The interest rate of loans/borrowings is based usually on EONIA, adjusted for a margin reflecting the specific risks attached to the Group companies.

RTL Group S.A.

Notes to the annual accounts as at 31 December 2009

Note 3 - Shares in affiliated undertakings

Movements of the year are as follows:

	EUR
Acquisition cost as at December 31, 2008	8 476 200 927
Acquisitions	141 837
Disposals	-
Acquisition cost as at December 31, 2009	<u>8 476 342 764</u>
Value adjustments as at December 31, 2008	(1 898 882 823)
Value adjustment for the year	-
Reversal of value adjustment for the year	-
Value adjustments as at December 31, 2009	<u>(1 898 882 823)</u>
Carrying value as at December 31, 2008	6 577 318 104
Carrying value as at December 31, 2009	6 577 459 941

3.1 Acquisitions

During the year 2009, the Company has acquired 709 shares (2008: 373) in CLT-UFA S.A. for a total amount of EUR 141 800 to individual shareholders (2008: EUR 74 600).

3.2 Disposals

During the year 2009, the Company did not dispose any share in affiliated undertakings. As a reminder the Company sold in 2008 its investment in Fremantlemedia Investments PTY Ltd to a third party for an amount of EUR 5 588 569, resulting in a capital gain of EUR 3 221 569 (Note 21).

3.3 Reversal of value adjustment

No reversal of value adjustment has been recorded during the year 2009.

The carrying value of the investment in FremantleMedia S.A. as at 31 December 2009 is in line with the performance of the underlying business. In 2008, a reversal of impairment was recognised for an amount of EUR 110 000 000, mainly due to the outperformance of US business.

RTL Group S.A.

Notes to the annual accounts as at 31 December 2009

3.4 Detail of shares in affiliated undertakings

Name of the company	Legal Form	Country	Activity	Direct % held	Acquisition cost	Value adjustment	Net	Equity before	Result of the
								result for the year (2008)	last period closed (2008)
					EUR	EUR	EUR	EUR	EUR
CLT-UFA	S.A.	Luxembourg	Holding / TV / Radio	99.7	5 503 879 904	-	5 503 879 904	4 925 659 322	1 027 219 801
FremantleMedia	S.A.	Luxembourg	Holding	100	1 830 149 349	(757 149 349)	1 073 000 000	727 263 109	(9 266 604)
Fremantle Productions Asia	Ltd.	Hong Kong	Production	100	1 180 000	(600 000)	580 000	(1 018 591)	1 038 529
Grundy Holdings (Netherlands)	B.V.	The Netherlands	Holding	100	1 136 017 474	(1 136 017 474)	-	131 684	(3 518)
Grundy International Operations	Ltd.	Netherlands Antilles	Holding	100	5 116 000	(5 116 000)	-	51 207	1 510
Immobiliere Bayard d'Antin	S.A.	France	Real Estate - Holding	0.01	37	-	37	207 029 517	76 218 417
					8 476 342 764	(1 898 882 823)	6 577 459 941		

Note 4 - Loans to affiliated undertakings

The loans to affiliated undertakings recorded in fixed assets are detailed as follows:

- An advance of GBP 111 024 690 (EUR 124 341 684) granted to FremantleMedia Ltd, bearing interest at LIBOR1Y GBP + 0.5% and with maturity date 20 August 2013. The interest accrued on the advance at 31 December 2009, presented in current assets, amounts to GBP 768 280 (EUR 860 432);
- A loan of GBP 56 140 654 (EUR 62 874 515) granted to Channel 5 Television Group Limited bearing interest at LIBOR3M +2.5% and with maturity date 2 September 2014. The interest accrued on the loan at 31 December 2009, presented in current assets, amounts to GBP 639 697 (EUR 716 426);
- A loan of JPY 550 871 100 (EUR 4 229 986) granted to Fremantle Japan KK on 14 August 2008, bearing interest at TIBOR1YJPY +1.5% and with maturity date 14 August 2011. The interest accrued on the loan at 31 December 2009, presented in current assets, amounts to JPY 4 290 171 (EUR 32 943).

For the total interest income relating to the loans to affiliated undertakings, see note 5.1.

The loan granted to Grundy Producciones SA on 1 July 2008 for an amount of EUR 1 700 000, bearing interest at EURIBOR6M +3% and with maturity date 1 July 2011 has been reimbursed in advance during the year. At 31 December 2009, the accrued interest of EUR 34 327, with maturity date 31 March 2010, are presented in current assets.

At 31 December 2009, the loan (EUR 62 874 515), the accrued interest (EUR 716 426), the cash pooling receivable (EUR 104 089 126) and related interest accrued (EUR 1 693 961) (Note 5) from Channel 5 Television Group Limited have been fully impaired (EUR 169 374 028) in order to reflect the following:

- worsening of the advertising market and decrease of the net advertising market share;
- increase of the operating loss in spite of a stringent cost reduction undertaken by the management.

RTL Group S.A.

Notes to the annual accounts as at 31 December 2009

Note 5 - Amounts owed by affiliated undertakings

5.1 Loans to Group companies

The loans granted to Group companies are detailed as follows:

- A loan of SGD 5 000 000 (EUR 2 467 186) granted to Fremantle Media Asia Pte Ltd on 17 November 2009, bearing interest at 2.9% and with maturity date 17 February 2010. The interest accrued on the loan at 31 December 2009 amounts to SGD 0 (EUR 0);
- A loan equivalent to EUR 1 975 740 granted to Fremantlemedia Brazil LTDA, bearing interest at 11.30% and with maturity date 19 October 2010. The interest accrued on the loan at 31 December 2009 amounts to EUR 45 892;
- A loan of EUR 53 769 granted to Content Union S.A., bearing interest at 4.264% and with maturity date 28 April 2010. The interest accrued on the loan at 31 December 2009 amounts to EUR 1 579;
- A loan of EUR 54 052 granted to Content Union S.A., bearing interest at 3.725% and with maturity date 7 October 2010. The interest accrued on the loan at 31 December 2009 amounts to EUR 481.

Total interest income on the loans to affiliated undertakings (fixed assets) and amounts owed by affiliated undertakings (current assets) during the year amounts to EUR 10 195 693 (2008: EUR 28 456 353) (Note 18).

5.2 Cash pooling arrangements

As part of the cash pooling arrangements described in note 2.2.8, RTL Group has, as at December 31, 2009, receivable balances with Group companies for a total amount of EUR 787 056 153 (2008: EUR 786 835 044). The interest accrued at 31 December 2009 amounts to EUR 0 (2008: EUR 0).

Total interest income on cash pooling arrangements during the year amounts to EUR 10 479 239 (2008: EUR 32 804 468) (Note 18).

5.3 Interest accrued

As at 31 December 2009, the interest accrued on loans to affiliated undertakings and amounts owed by affiliated undertakings amounts to EUR 1 692 080 (2008: EUR 11 206 481).

At 31 December 2009, the cash pooling receivable and interest accrued on the loan from Channel 5 Television Group Limited (EUR 105 783 087 and EUR 716 426, respectively) have been fully impaired (Note 4).

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Notes to the annual accounts as at 31 December 2009

Note 6 - Current deposit with shareholder

With the view to invest its cash surplus, RTL Group has entered in 2006 with Bertelsmann AG into a Deposit Agreement, the main terms of which are:

- Interest rates are based on an overnight basis on EONIA plus 10 basis points; or on a 1 to 3 month basis on EURIBOR plus 10 basis points;
- Bertelsmann AG has granted to RTL Group as security for all payments due by Bertelsmann AG a pledge on:
 - all shares of its wholly owned French subsidiary Média Communication S.A.S.;
 - since July 2007, all shares of its wholly owned Spanish subsidiary Media Finance Holding S.L.;
 - since October 2008, all interest in the German limited liability partnership Gruner + Jahr AG & Co (73.4% stake);
 - since October 2008, all shares of its wholly owned English subsidiary Bertelsmann UK Ltd.

The interests in Gruner + Jahr AG and shares of Bertelsmann UK Ltd have also been granted as pledge by Bertelsmann AG to CLT-UFA S.A., a subsidiary of RTL Group, in connection with the accounts receivable related to Profit and Loss Pooling and Compensation agreements of CLT-UFA S.A. with Bertelsmann AG.

The total amount of the deposit and the receivables referred to above does not exceed 60% of the fair value of the assets pledged, which is revalued on a regular basis.

As at 31 December 2009, the deposit (principal amount) with Bertelsmann AG amounts to EUR 88 626 227 (2008: EUR 23 636 163) on an overnight basis, and EUR 450 000 000 (2008: EUR 575 000 000) on a 3 month basis. The interest income for the year 2009 amounts to EUR 6 649 609 (2008: EUR 23 028 203) (Note 18), including accrued interest of EUR 377 952 (2008: EUR 3 632 750).

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Notes to the annual accounts as at 31 December 2009

Note 7 - Own shares

On 3 April 2006, RTL Group S.A. acquired 173 300 own shares for a total acquisition cost of EUR 12 198 587 from Group companies, Audiomeia Investments S.A. and B.& C.E. S.A.. The acquisition cost per share (EUR 70.39) has been determined according to the average stock price over the last 6 months preceding the acquisition by RTL Group S.A..

As at 31 December 2009, the Company holds directly 173 300 own shares (2008: 173 300) and indirectly through a Company's subsidiary 995 401 own shares (2008: 995 401).

As at 31 December 2009, RTL Group's share price, as listed on the Euronext stock exchange, was EUR 47.00 per share (31 December 2008: EUR 42.50). The increase in the share price resulted in a reversal of value adjustment amounting to EUR 779 850, recorded in "Reversal of value adjustment in respect of financial assets and own shares". An equivalent amount has been transferred from "Profit brought forward" to "Reserve for own shares" in order to reflect the same effect (Note 9.2). In 2008, a value adjustment of EUR 4 833 337 was recorded.

Note 8 - Cash at bank, cheques and cash in hand

	2009	2008
	EUR	EUR
Cash at bank and on hand	52 486 318	17 191 931
Money market funds	99 810 321	174 824 902
	<u>152 296 639</u>	<u>192 016 833</u>

Total interest income on the money market investment funds during the year amounts to EUR 1 296 688 (2008: EUR 12 309 943) and is recorded in "Other interest receivable and similar income" (Note 18).

Note 9 - Capital and reserves

9.1 Subscribed capital

As at 31 December 2009, the subscribed capital amounts to EUR 191 900 551 and is represented by 154 787 554 fully paid-up shares, with no nominal value.

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Notes to the annual accounts as at 31 December 2009

9.2 Changes in shareholders' equity

The changes in shareholders' equity during the year are summarized in the table below:

	Subscribed Capital EUR	Share premium account EUR	Legal reserve EUR	Reserve for own shares EUR	Other reserves EUR	Profit brought forward EUR	(Loss)/profit for the financial year EUR
As at 31/12/2008	<u>191 900 551</u>	<u>5 782 185 577</u>	<u>19 190 054</u>	<u>7 365 250</u>	<u>7 071 800</u>	<u>953 606 323</u>	<u>113 064 016</u>
Allocation of 2008 result	-	-	-	-	-	113 064 016	(113 064 016)
Dividend distribution	-	-	-	-	-	(541 149 889)	-
Result for the year	-	-	-	-	-	-	(42 642 454)
Other movements (Note 7)	-	-	-	779 850	-	(779 850)	-
As at 31/12/2009	<u>191 900 551</u>	<u>5 782 185 577</u>	<u>19 190 054</u>	<u>8 145 100</u>	<u>7 071 800</u>	<u>524 740 600</u>	<u>(42 642 454)</u>

Changes in shareholders' equity are explained by:

- The loss for the financial year 2009;
- The allocation for the year ended 31 December 2008 by the Annual General Meeting of Shareholders held on 15 April 2009, which decided the allocation of the profit of the financial year 2008 for EUR 113 064 016 to the profit brought forward and to the payment of a dividend of EUR 541 149 889.

9.3 Legal reserve

In accordance with Luxembourg company law, the Company is required to transfer a minimum of 5% of its net profit for each financial year to a legal reserve. This requirement ceases to be necessary once the balance on the legal reserve reaches 10% of the issued share capital. The legal reserve is not available for distribution to the shareholders.

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Notes to the annual accounts as at 31 December 2009

Note 10 - Financing programmes

The following financing programmes have been entered into by RTL Group in previous years:

- EUR 600 million dematerialized treasury notes programme:

On 10 October 2001, RTL Group entered into a EUR 400 million dematerialized treasury notes programme (the "Programme") under Belgian law. Under the Programme, the Company can issue treasury notes (the "Notes") up to an aggregate amount of EUR 400 million. The maturities of the Notes may be determined by the Company and the Notes may be denominated in EUR or any other currency of a country member of the Organisation for Economic Cooperation and Development ("O.E.C.D."), subject to any applicable legal or regulatory restrictions. The Programme is not listed. The Programme has been subsequently increased to EUR 600 million in 2002.

As at 31 December 2009, the balance of the Programme amounts to EUR 0 (2008: EUR 0) and the interest expense for the year amounts to EUR 0 (2008: EUR 0).

- EUR 2 000 million euro medium term note programme:

On 5 November 2001, RTL Group entered into a EUR 2 000 million euro medium term note programme (the "Programme") under English law. Under the Programme, the Company can issue notes (the "Notes"), in series that may be distributed by private or public placement and in each case on a syndicated or non syndicated basis. The maturities and denomination of the Notes may be determined by the Company, subject to any applicable legal or regulatory restrictions. The Programme is listed on the Luxembourg stock exchange.

As at 31 December 2009, the balance of the Programme amounts to EUR 0 (2008: EUR 0) and the interest expense for the year amounts to EUR 0 (2008: EUR 0).

- EUR 1 000 million euro-commercial paper programme:

On 30 May 2001, RTL Group entered into a EUR 1 000 million euro-commercial paper programme (the "Programme") under English law. Under the Programme, the Company can issue notes (the "Notes"), in series that can be interest bearing, index linked or sold at a discount to their face value. The Notes have a maturity of a minimum of 3 days and maximum of 364 days. The Notes can be issued in EUR, USD, GBP, CHF or JPY. The Programme is not listed.

As at 31 December 2009, the balance of the Programme amounts to EUR 0 (2008: EUR 0) and the interest expense for the year amounts to EUR 0 (2008: EUR 0).

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Notes to the annual accounts as at 31 December 2009

Note 11 - Amounts owed to affiliated undertakings

11.1 Short-term advances from Group companies

The balance at 31 December 2009 corresponds to a short-term advance of GBP 404 415 (EUR 452 923) granted by IP Network S.A., and bearing interest at 0.6125% (Libor 3M -0.25%). The interest accrued on the advance at 31 December 2009 amounts to EUR 296.

Total interest expense on short term advances from Group companies during the year amounts to EUR 336 878 (2008: EUR 1 073 839) (Note 15).

11.2 Cash pooling arrangements

As part of the cash pooling arrangements described in note 2.2.8, RTL Group has, as at 31 December 2009, payable balances with Group companies for a total amount of EUR 1 578 959 479 (2008: EUR 1 273 157 542). The interest accrued at 31 December 2009 amounts to EUR 0 (2008: EUR 0).

Total interest expense on cash pooling arrangements during the year amounts to EUR 5 980 491 (2008: EUR 41 010 992) (Note 15).

Note 12 - Prepayments and accrued income and Accrued and deferred income

The amounts within these headings principally relate to the Group foreign exchange derivatives, assets and liabilities amounting to EUR 222 142 902 (2008: EUR 262 051 553) and EUR 213 449 599 (2008: EUR 244 907 866), respectively (Note 2.2.7).

Note 13 - Staff costs

In 2009, the average number of employees of RTL Group is 83 employees (2008: 84), which are dedicated to corporate functions.

The provision for pensions amounts to EUR 4 299 512 as at 31 December 2009 (2008: EUR 3 754 591).

Note 14 - Other operating charges

	2009	2008
	EUR	EUR
General expenses	12 807 252	15 109 453
Fees	5 789 501	5 899 511
Directors' fees	528 000	528 000
	<u>19 124 753</u>	<u>21 536 964</u>

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Notes to the annual accounts as at 31 December 2009

Note 15 - Interest payable and similar charges concerning affiliated undertakings

	2009	2008
	EUR	EUR
Interest on short-term advances from Group companies (Note 11.1)	336 878	1 073 839
Interest on cash pooling arrangements (Note 11.2)	5 980 491	41 010 992
	<u>6 317 369</u>	<u>42 084 831</u>

Note 16 - Other financial charges

	2009	2008
	EUR	EUR
Bank fees	965 862	1 273 932
Waiver of loan to Channel 5 Television Group Ltd	-	159 945 927
Waiver of amounts due by FremantleMedia LLC	-	(1 404 446)
Value adjustment on cash pooling owed by Channel 5 Television Group Limited (Note 5)	105 783 087	-
Value adjustment on other transferable securities (Note 7)	-	4 879 606
Others	-	3 456 482
	<u>106 748 949</u>	<u>168 151 501</u>

Note 17 - Income from the recharge of services

	2009	2008
	EUR	EUR
<u>Group</u>		
Administrative and management services	2 551 053	1 852 148
Others	11 044	72 461
	<u>2 562 097</u>	<u>1 924 609</u>
<u>Third parties</u>		
Administrative and management services	204 582	882 498
Others	-	1 470
	<u>204 582</u>	<u>883 968</u>
	<u>2 766 679</u>	<u>2 808 577</u>

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Notes to the annual accounts as at 31 December 2009

Note 18 - Other interest receivable and similar income

- Other interest receivable and similar income derived from affiliated undertakings

	2009	2008
	EUR	EUR
Interest on loans and amounts owed by affiliated undertakings (Note 5.1)	10 195 693	28 456 353
Interest on cash pooling arrangements (Note 5.2)	10 479 239	32 804 468
Interest on current deposit with shareholder (Note 6)	6 649 609	23 028 203
	<u>27 324 541</u>	<u>84 289 024</u>

- Other interest receivable and similar income

	2009	2008
	EUR	EUR
Interest on money market funds (Note 8)	1 296 688	12 309 943
Interest on bank accounts	250 901	2 023 906
	<u>1 547 589</u>	<u>14 333 849</u>

Note 19 - Dividend income

	2009	2008
	EUR	EUR
CLT-UFA S.A.	137 855 011	162 469 667
Fremantlemedia Investments PTY Ltd	-	1 453 529
	<u>137 855 011</u>	<u>163 923 196</u>

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Notes to the annual accounts as at 31 December 2009

Note 20 - Exchange gain/(loss), net

	2009 EUR	2008 EUR
Realized foreign exchange losses	(289 297 142)	(277 796 071)
Realized foreign exchange gains	291 077 288	315 079 758
Unrealized foreign exchange gains/ (losses) on assets and liabilities and on foreign currency derivatives	31 458 267	(63 078 942)
Unrealized foreign exchange losses/ (gains) on assets and liabilities and on foreign currency derivatives	<u>(33 189 754)</u>	<u>20 257 290</u>
	<u><u>48 659</u></u>	<u><u>(5 537 965)</u></u>

Note 21 - Extraordinary income/(charges)

	2009 EUR	2008 EUR
Gain on disposal of shares in affiliated undertakings (Note 3.2)	-	3 221 569
Others income	<u>-</u>	<u>1 568 365</u>
	<u><u>-</u></u>	<u><u>4 789 934</u></u>

Note 22 - Taxes other than income taxes

	2009 EUR	2008 EUR
Net wealth tax	2 850 035	6 266 814
Other taxes	<u>259 107</u>	<u>148 869</u>
	<u><u>3 109 142</u></u>	<u><u>6 415 683</u></u>

Note 23 - Tax status

The Company is subject in Luxembourg to the general tax regulations applicable to all companies.

As from 1 January 2002, the Company is part of a tax unity including other Luxembourg Group companies. Unused tax losses existing as at 31 December 2009, for the tax unity in Luxembourg amount to EUR 4 519 million (2008: EUR 4 393 million). In the event that one or several Group companies would have taxable income, these companies will not record income tax charge (towards RTL Group), respectively RTL Group will not record income tax profit (towards the Group companies) as long as the tax unity will benefit from unused tax losses.

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Notes to the annual accounts as at 31 December 2009

Note 24 - Commitments

24.1 Foreign currency derivative contracts

As at 31 December 2009, in accordance with the foreign currency management policy described in note 2.2.7, RTL Group has entered into foreign currency derivative contracts with banking institutions (external) and with Group companies (internal). The net foreign currency exposure resulting from the open contracts at year-end can be detailed as follows:

Currency	With banking institutions	With Group companies
AUD	87 805 980	(77 830 374)
CAD	(7 582 363)	7 582 298
CHF	46 000 000	(46 000 000)
DKK	14 911 490	-
GBP	(381 935 979)	119 391 876
HUF	(4 926 483 600)	4 926 470 334
JPY	(5 508 484)	-
PLN	(2 291 200)	-
SGD	(5 000 000)	-
USD	1 185 012 089	(1 187 618 157)
ZAR	11 950 729	(11 950 729)

In the table, the positive amounts correspond to a sale of the related currency (short position) and the negative amounts correspond to a purchase of the related currency (long position).

The residual exposure is explained by the hedging of receivables, payables, loans and borrowings denominated in currencies other than EUR in the accounts of RTL Group.

24.2 Other commitments

As at 31 December 2009, the Company has given guarantees to third parties on behalf of Group companies for an amount of EUR 294 111 531 (31 December 2008: EUR 175 879 882).

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Notes to the annual accounts as at 31 December 2009

Note 25 - Share Option Plan

On 25 July 2000, the Company established a share option programme for certain directors and employees of the Company and its subsidiaries.

All participants in the stock option plan (the "SOP") must be employed by RTL Group or one of its subsidiaries at the time of the grant of options under the SOP. The number of options granted to a participant under the SOP are at the discretion of a compensation committee, established to operate the SOP.

The number of ordinary shares which may be placed under option under the SOP in any year may not be more than a half per cent of the Company's issued ordinary share capital.

The exercise price of the options granted under the SOP will be the average closing middle market price of shares in the Company on the Brussels Stock Exchange over the 20 dealing days preceding the date of grant or such other, higher or lower, amount as determined by the compensation committee.

Options will normally be exercisable as to one third on each of the second, third and fourth anniversaries of the date of grant or in accordance with such other vesting schedule as determined by the compensation committee. Options must normally be exercised before the expiry of 10 years from the date of grant or such shorter period as determined by the compensation committee.

Movements in the number of share options are as follows:

	2009	2008
Options outstanding at 1 January	129 550	139 050
Options issued during the year	-	-
Options exercised during the year	-	-
Options expired/cancelled during the year	<u>(4 750)</u>	<u>(9 500)</u>
Options outstanding at 31 December	<u>124 800</u>	<u>129 550</u>

Share options outstanding at 31 December 2009 have the following terms:

Expiry date	Exercise price	Number of options
	EUR	
2010	85.24	117 600
2010	120	6 000
2011	85.24	<u>1 200</u>
		<u>124 800</u>

The number of share options granted to the Directors of the Company during 2009 is 0 (2008: 0). The number of share options granted to the Directors of the Company as at 31 December 2009 is 11 500 (31 December 2008: 11 500).

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Notes to the annual accounts as at 31 December 2009

Note 26 - Significant litigation

RTL Group has been made a party to litigation between several of its minority shareholders on the one hand and Bertelsmann and GBL on the other hand in relation to the acquisition by Bertelsmann of the RTL Group shares previously owned by GBL. On 8 July 2003, the Luxembourg civil Court rejected the claim of the minority shareholders. The judgement was appealed.

In September 2002, the minority shareholders have filed a lawsuit against RTL Group, its Directors, Bertelsmann, BWTV and WAZ with regard to the free float. They were seeking a Court decision obliging RTL Group to increase the free float and prohibiting other defendants to make additional purchases of RTL Group shares.

The minority shareholders also dispute the decision by RTL Group to de-list its shares from the London Stock Exchange. On 31 December 2002, the Court of appeal of Luxembourg, sitting in summary proceeding, confirmed the Court decision pronounced in summary proceeding on October 25, 2002 that held the claim inadmissible. The de-listing of RTL Group's shares from the London Stock Exchange took effect from 31 December 2002. As a consequence, of the de-listing, the minority shareholders requested the Luxembourg Civil Court to order the re-listing of the shares on the London Stock Exchange. On 30 March 2004, the Court decided to join both claims (free float and de-listing) and dismissed the claims of the minority shareholders. The judgement was appealed.

On 12 July 2006, the Court of Appeal of Luxembourg decided to join the claims (swap, free-float and de-listing) and confirmed the judgements of the court of first instance. The minority shareholders lodged to the Luxembourg Supreme Court ("Cour de Cassation") a final appeal against this judgement, restricted to a limited set of legal issues not involving RTL Group but linked to the acquisition by Bertelsmann of RTL Group shares previously owned by GBL.

On 21 February 2008, the Luxembourg Supreme Court decided to refer the matter to the European Court of Justice for a preliminary ruling procedure. In its ruling of 16 October 2009, the European Court of Justice decided that according to European law there does not exist a general principle of law under which minority shareholders are protected by an obligation on the dominant shareholder, when acquiring or exercising control of a company, to offer to buy their shares under the same conditions as those agreed when a shareholding conferring or strengthening the control of the dominant shareholder was acquired.

The matter has now been referred back to the Luxembourg Supreme Court. The latter is bound by the decision of the European Court of Justice. A final decision of the Supreme Court is expected before the second half of 2010.

RTL Group believes that whatever the outcome of that litigation it should not have any direct impact on the Group, because it has not been a party to that transaction (swap) and its involvement is limited to solely entering any transfer of shares into the shareholders register.

Group companies are parties to other litigations, which are disclosed in the consolidated financial statements.