



FULL-YEAR RESULTS

2017



ENTERTAIN. INFORM. ENGAGE.

Agenda



**Full-year
2017 highlights**



**Group
financials**



**Business & Strategy
update**



**Outlook
2018**

Highlights

Total Video strategy continues to pay off...

BROADCAST



Strong results in Germany and France

CONTENT

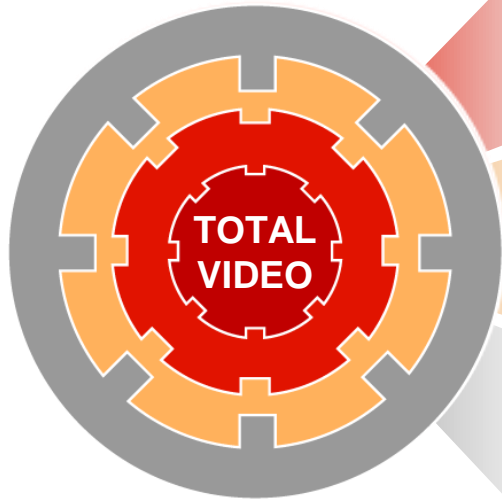


FremantleMedia with higher profits and growing drama slate

DIGITAL



Dynamic digital growth, revenue up by 23%



Highlights

...with another set of record results



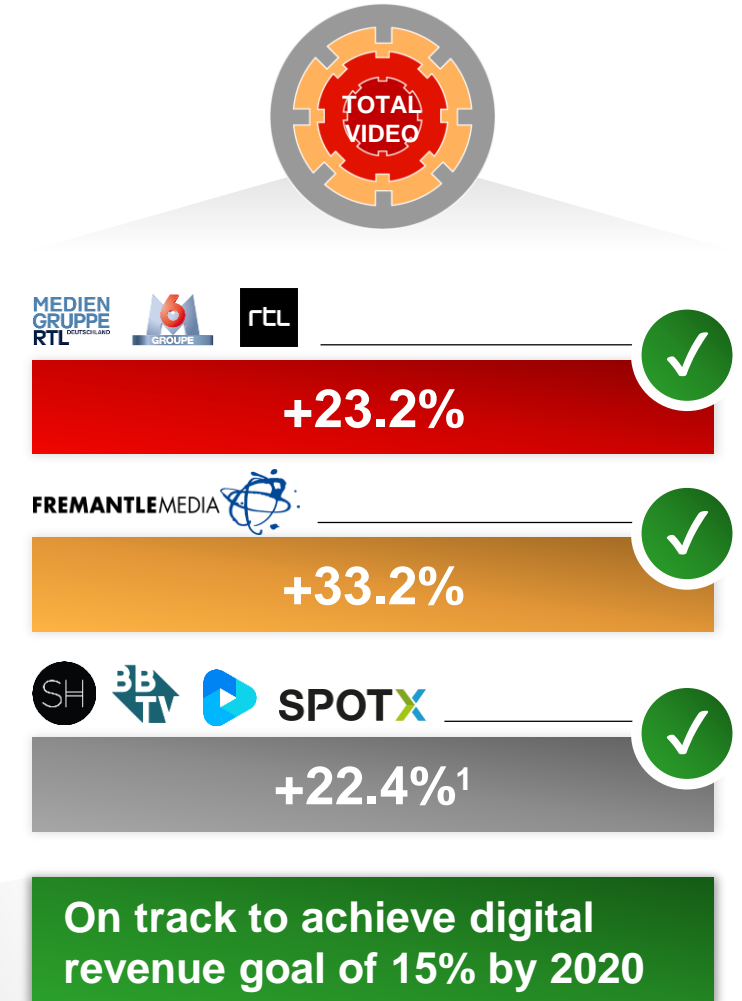
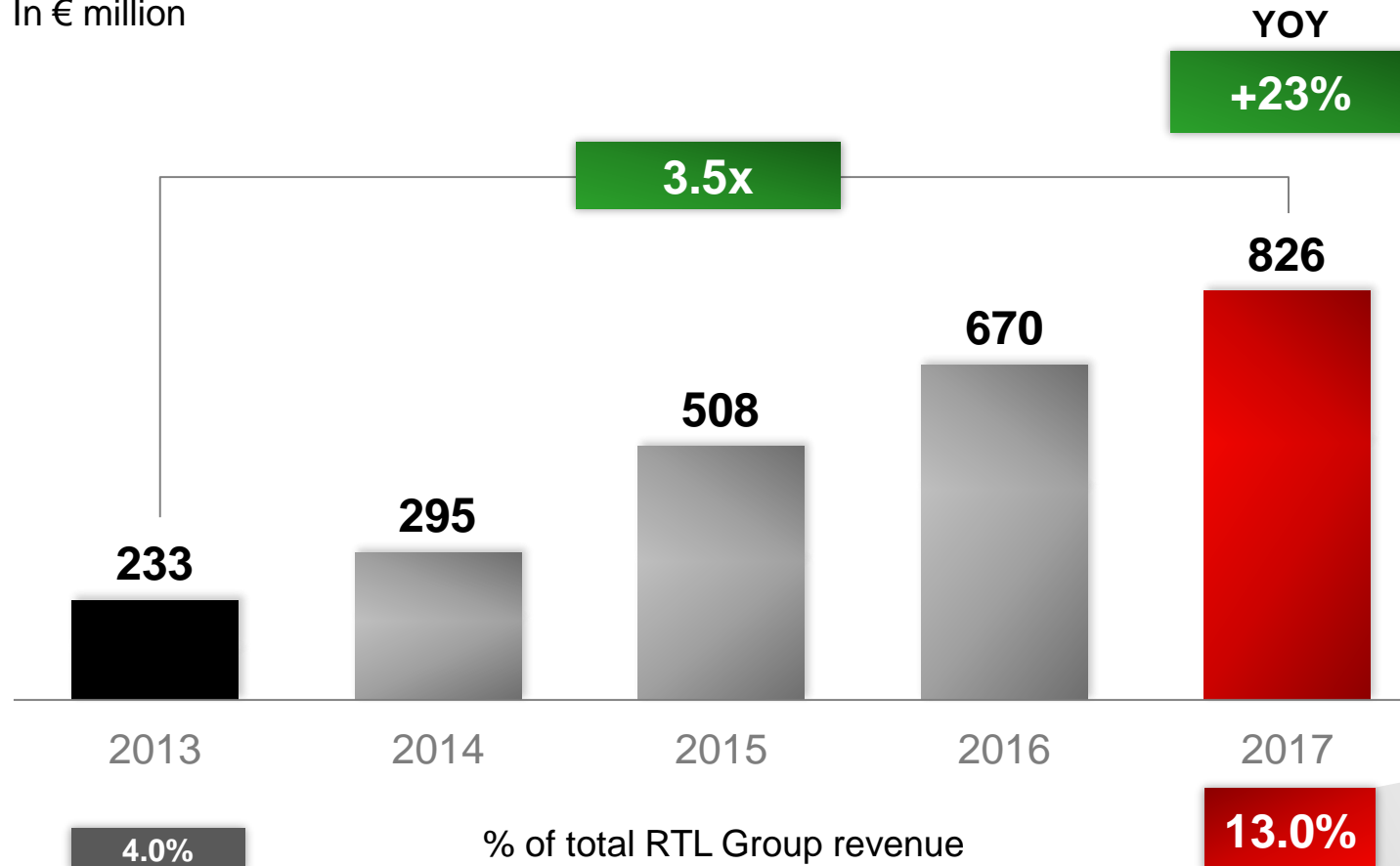
Notes: Revenue and EBITDA percentages refer to year-on-year growth on 2016. 1. Yield is based on average 2017 share price and including €1.00 interim dividend paid in September 2017.

Highlights

Digital: dynamic growth

DIGITAL REVENUE

In € million



Source: Internal figures.

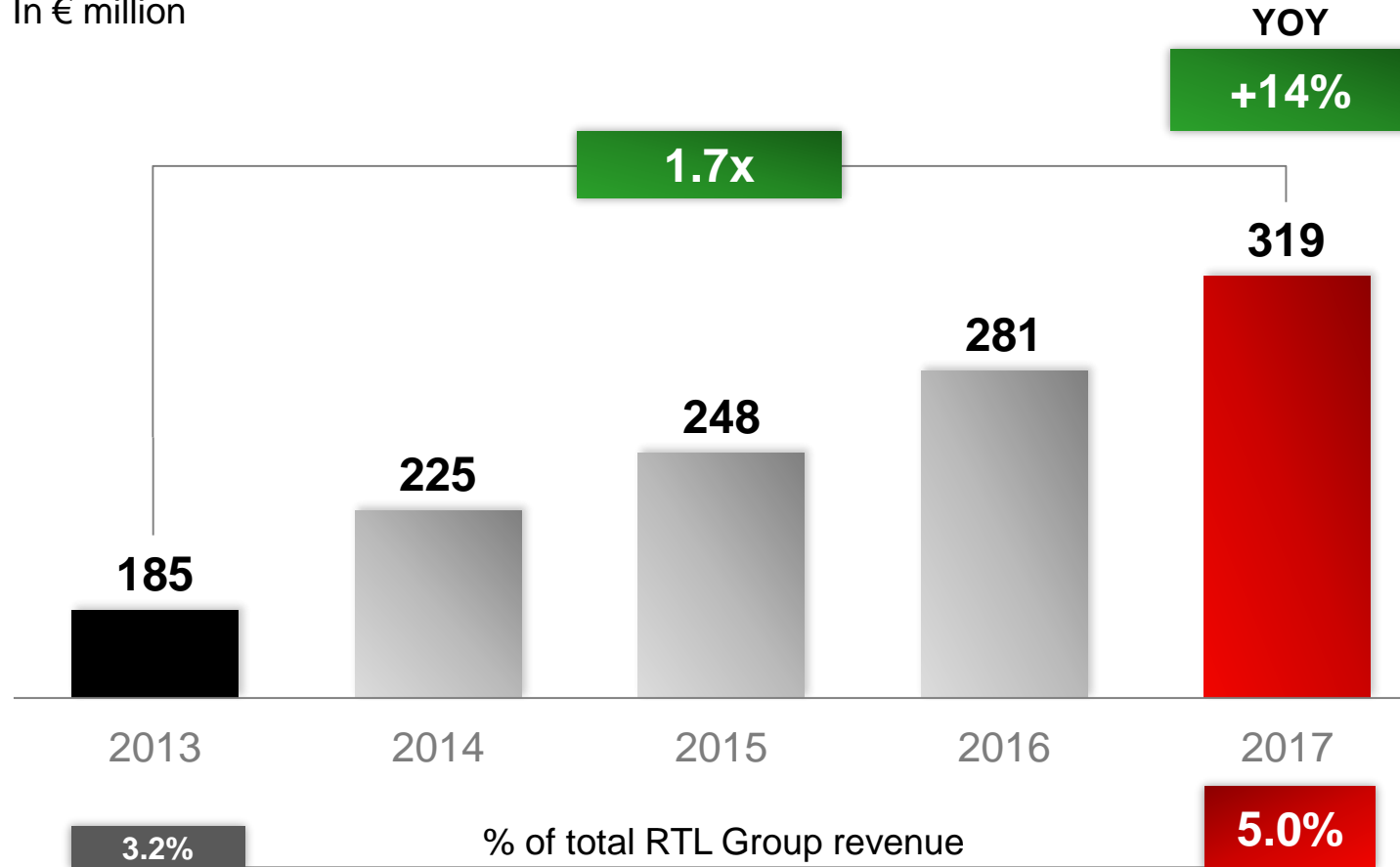
1. Divimove: revenue included in 2017, not 2016.

Highlights

Platform: growing and highly profitable revenue stream

PLATFORM REVENUE¹

In € million



HD channels



Thematic channels



New deals signed in 2017 & 2018



Further growth secured

1. Platform revenue defined as revenue generated across all pay platforms (cable, satellite, IPTV) including subscription and re-transmission fees.

Highlights

Well-diversified revenue mix

RTL GROUP 2017 REVENUE SPLIT

In %

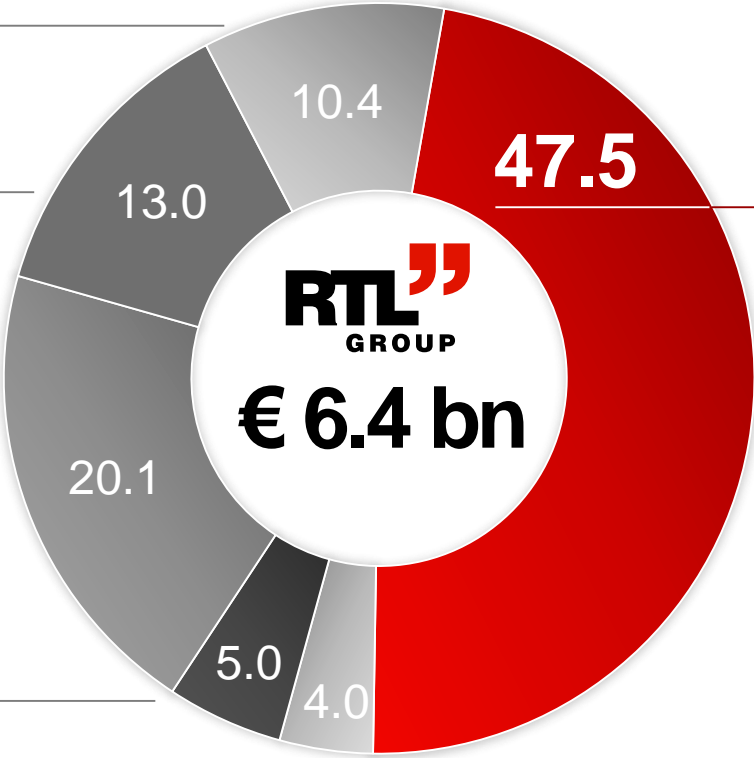
Other¹

Digital

Content

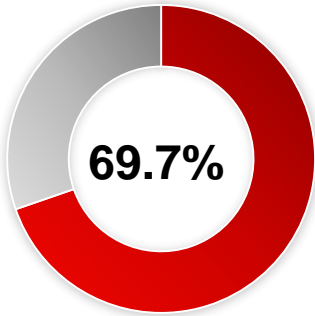
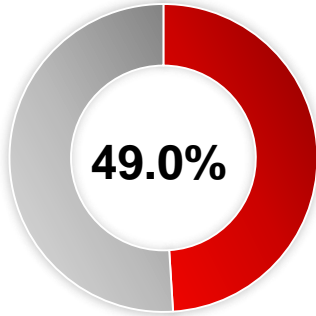
Platform

Radio advertising



TV advertising

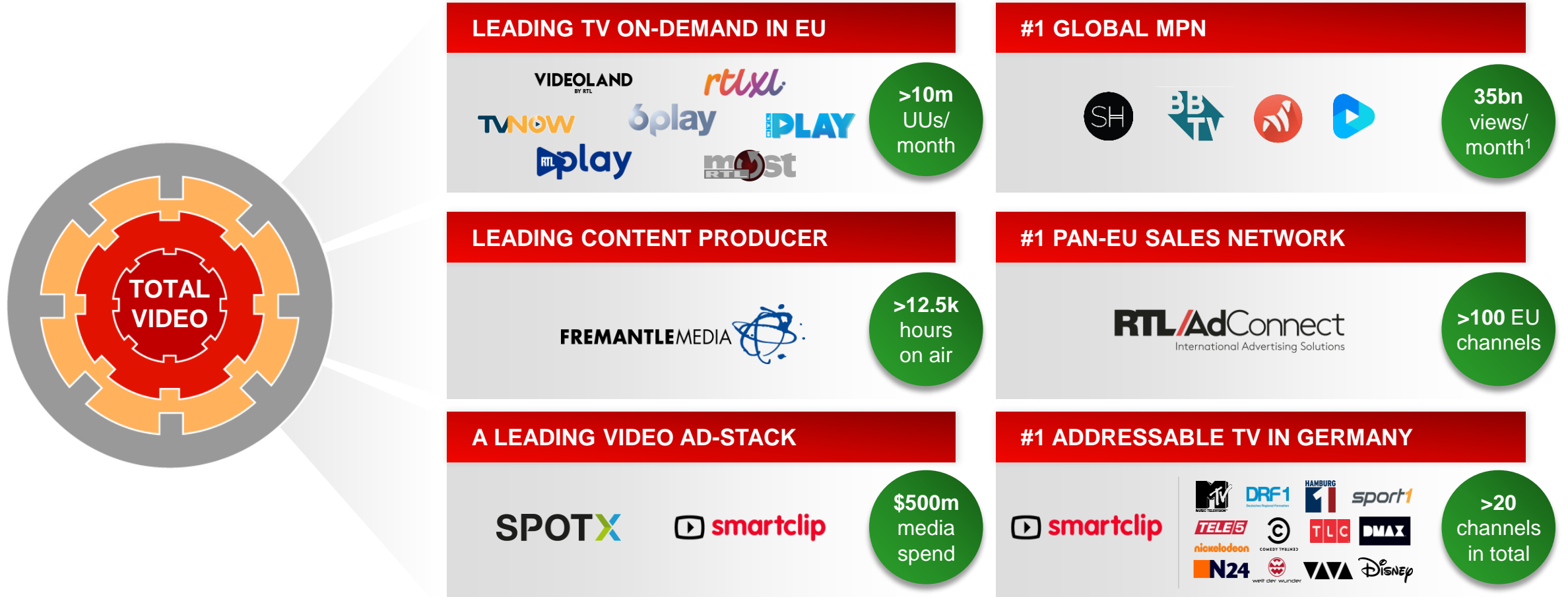
■ TV advertising ■ Other revenue



1. Other includes home shopping, merchandising, e-commerce, technical services, etc.

Consistent strategy

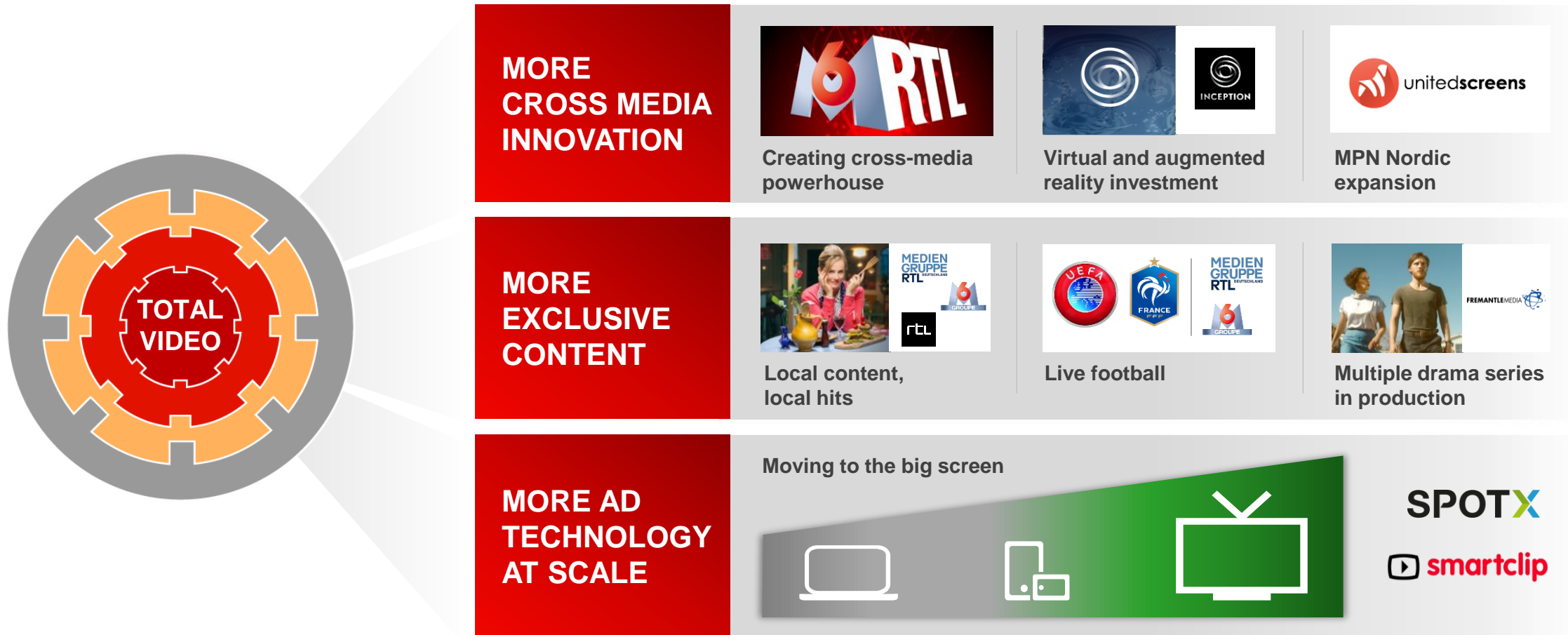
RTL Group accelerating global Total Video offer



1. FY 2017 monthly average.

Strategy 2018 and beyond

Reinvigorating the RTL pioneering spirit



Agenda



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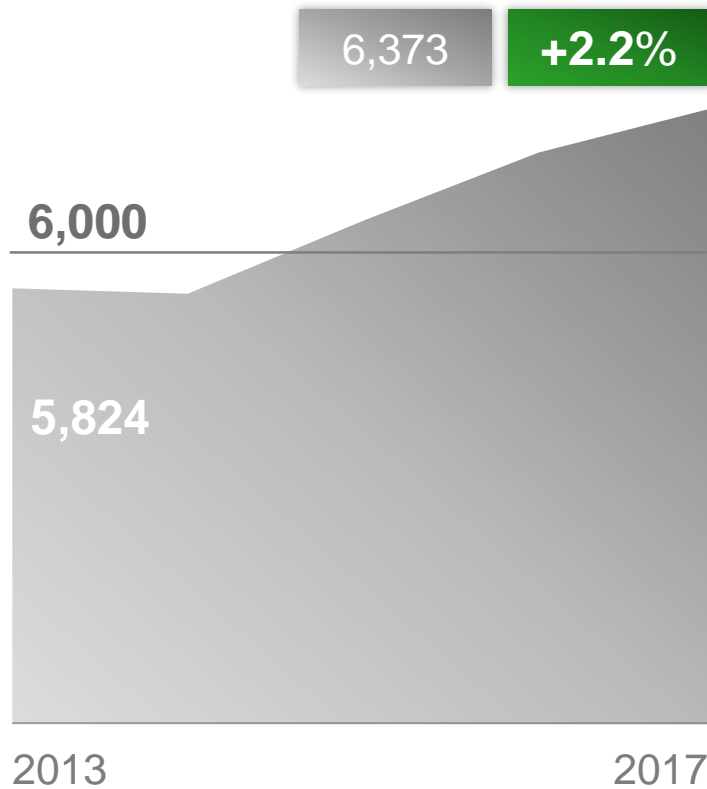


**Outlook
2018**

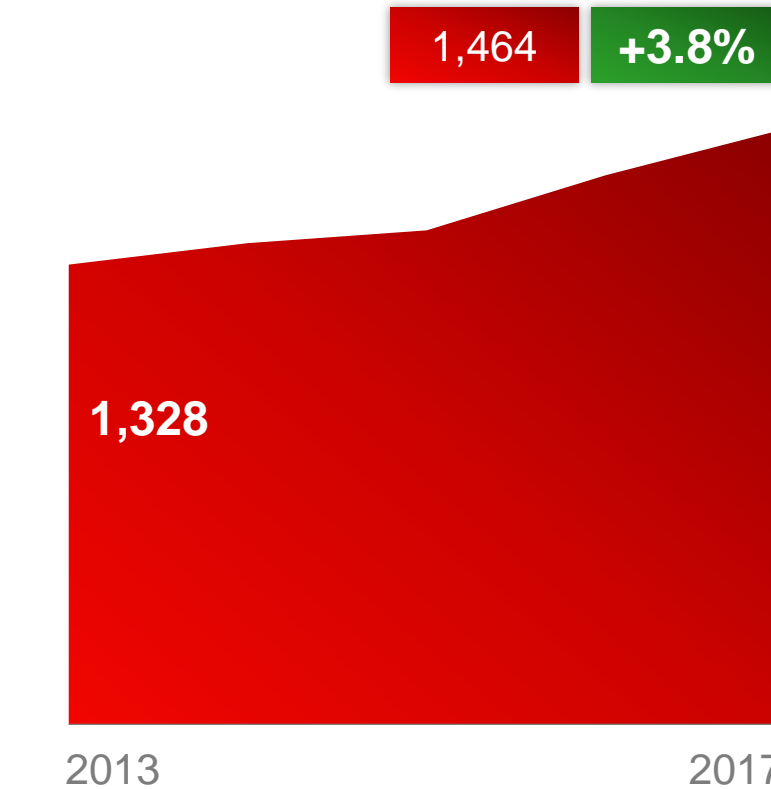
Highlights

Revenue and EBITDA once again at a record level

REVENUE
In € million



EBITDA
In € million



REVENUE

Growth driven by MGRTL, Groupe M6 and digital activities

EBITDA

EBITDA growth driven by MGRTL, FremantleMedia and one-off¹

FCF TO EBITA

Cash conversion at 104%, up 7pp on 2016

1. One-off refers to sale of RTL Group's buildings in Rue Bayard, Paris (€94m).

Review of results 31 December 2017

All key financial metrics up

In € million	Full-year to December 2017	Full-year to December 2016	Per cent change
Revenue	6,373	6,237	+2.2
Underlying revenue	6,338	6,225	+1.8
Operating cost base	5,342	5,209	+2.6
EBITA	1,248	1,205	+3.6
EBITA margin (%)	19.6	19.3	+0.3pp
EBITDA	1,464	1,411	+3.8
EBITDA margin (%)	23.0	22.6	+0.4pp
Net debt	(545)	(576)	–
Net debt EBITDA ratio at end of year	0.37	0.41	–

Record EBITDA for fifth consecutive year

Review of results 31 December 2017

Higher net profit

In € million	Full-year to December 2017	Full-year to December 2016	Per cent change
Reported EBITDA	1,464	1,411	+3.8
Depreciation, amortisation and impairment	(233)	(221)	
Re-measurement of earn-out arrangements and gain / (loss) from sale of subsidiaries other investments and re-measurement to fair value of pre-existing interest in acquire	21	7	
Amortisation and impairment losses of goodwill	(6)	-	
Net financial income / (expense)	(24)	(18)	
Income tax expense	(385)	(363)	
Profit for the year	837	816	+2.6
Profit for the year attributable to RTL Group shareholders	739	720	+2.6

Review of results 31 December 2017

Significantly higher cash conversion

In € million	Full-year to December 2017	Full-year to December 2016
Net cash flow from operating activities	1,023	1,106
Add: Income tax paid	345	267
Less: Acquisition of assets, net	(69)	(210)
Equals: Reported free cash flow (FCF)	1,299	1,163
Acquisition and disposal of subsidiaries and JVs, net of cash acquired	(30)	(60)
Other financial assets (deposit excluded), net	(33)	(23)
Net interest	(13)	(12)
Transactions with non-controlling interests & treasury shares	(147)	(17)
Income tax paid	(345)	(267)
Dividends paid	(687)	(689)
Cash generated / (used)	44	95
EBITA	1,248	1,205
Cash conversion (FCF/EBITA)	104%	97%

Review of results 31 December 2017

Attractive dividend yield

In € million	Full-year to December 2017
Profit for the year attributable to RTL Group shareholders	739
<i>Adjustments for:</i>	
Capital Gain	(62)
Re-measurement	(14)
Restructuring	16
Adjusted net result	679
Ordinary dividend, in € per share	3.00
Ordinary dividend, absolute amount ¹	461
Dividend payout, in %²	68%

Dividend
yield of
5.9%³

1. Based on total share capital less treasury shares held by the Group and liquidity programme.

2. Ordinary dividend, absolute amount / adjusted net result.

3. Including €1.00 interim dividend and based on average share price in 2017 (€68.25).

Agenda



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2017 highlights



Group
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Outlook
2018



#1 TV FAMILY

**MEDIEN
GRUPPE
RTL**
DEUTSCHLAND

IN GERMANY

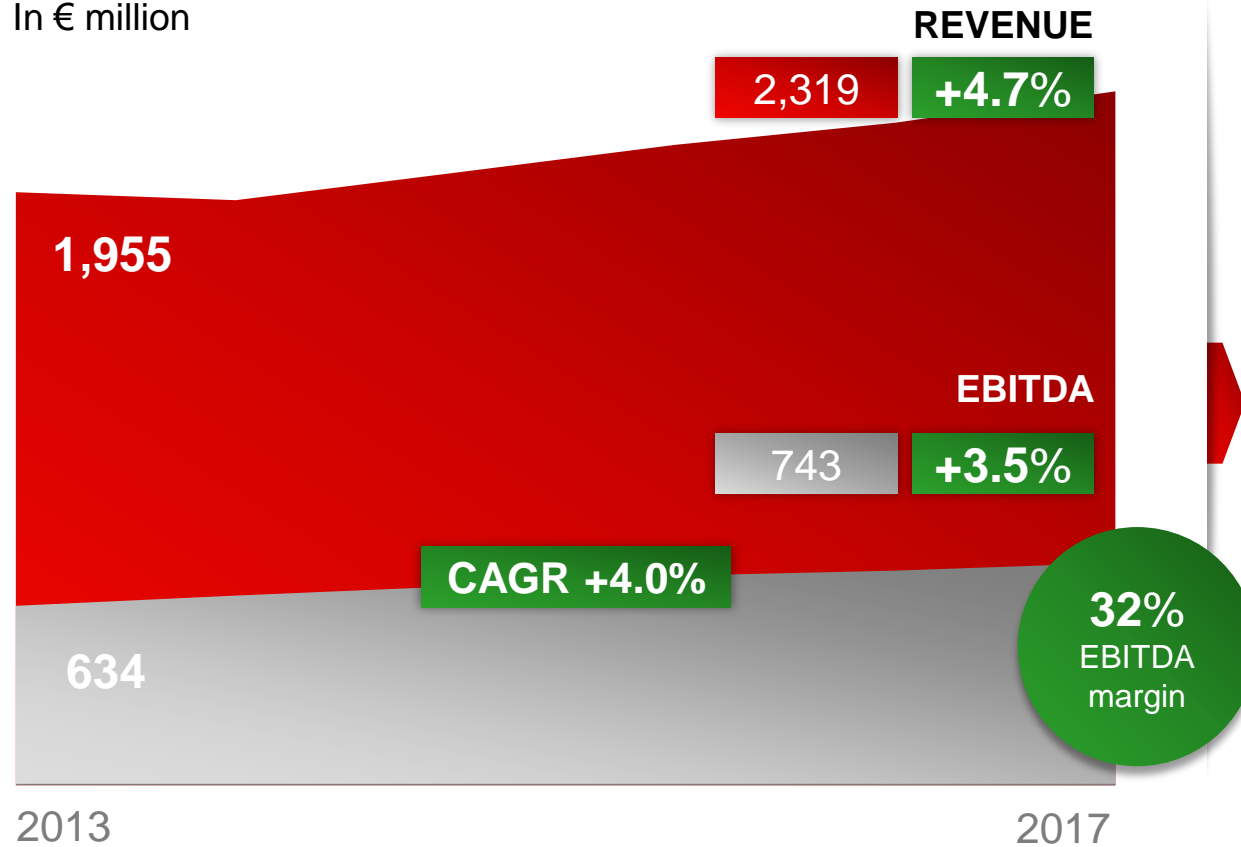
RTL
GROUP

Mediengruppe RTL Deutschland

Another outperformance despite weak ad market

KEY FINANCIALS

In € million



RTL



RTL Television continues as **clear #1**



Der Lehrer

VOX



Another strong year driven by local hits, again surpassing Pro7¹



Die Höhle der Löwen

TV NOW



TV NOW paid subscriber base **surges +80%**



TV NOW & TV NOW Plus

1. Refers to total audience 3+, all day.

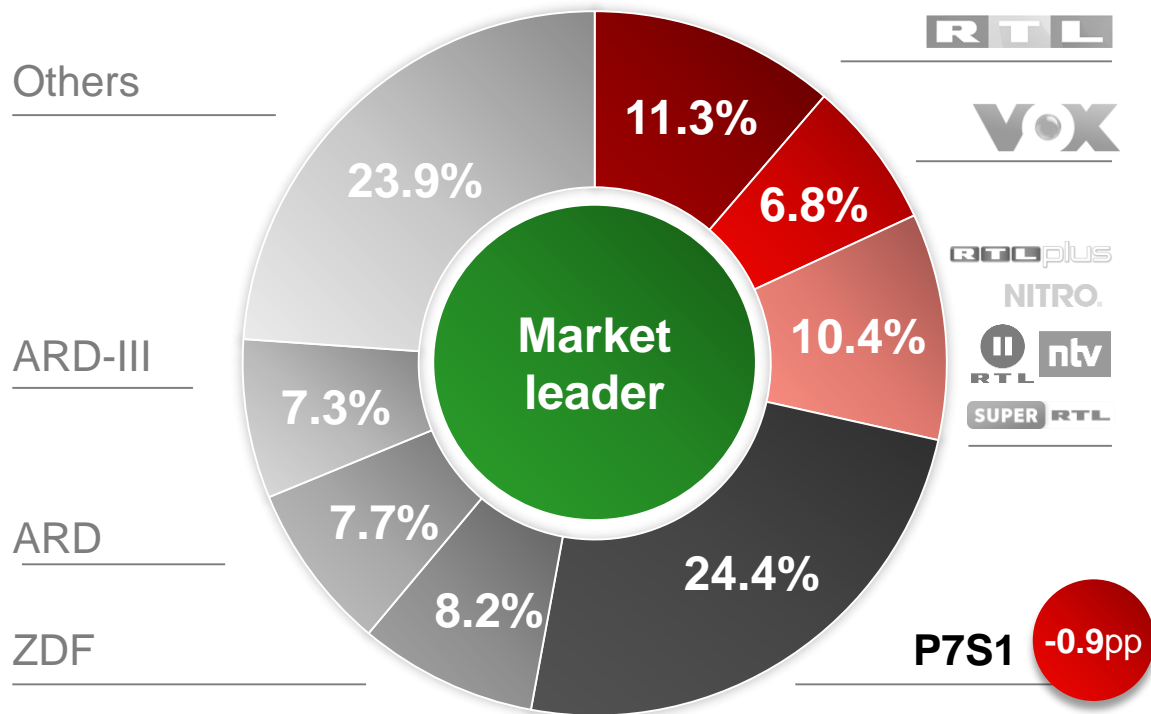
Mediengruppe RTL Deutschland

Lead over P7S1 further increased – highest since 2013

FAMILY OF CHANNELS

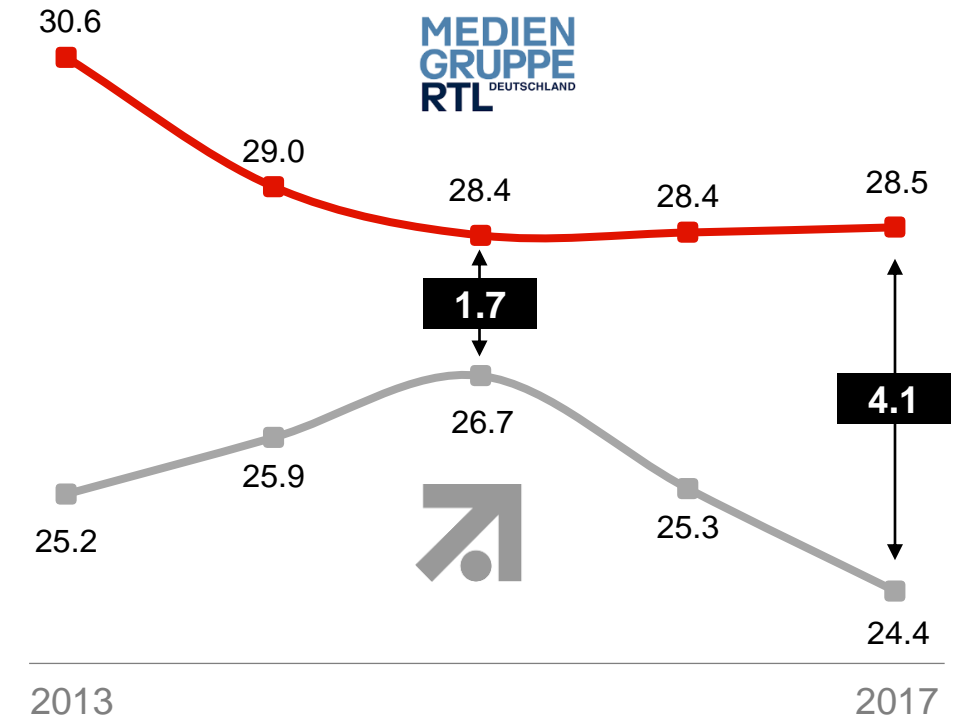
14 to 59, FY 2017

MG RTL 28.5% +0.1pp



LONG-TERM DEVELOPMENT

All day, adults 14-59 years in %



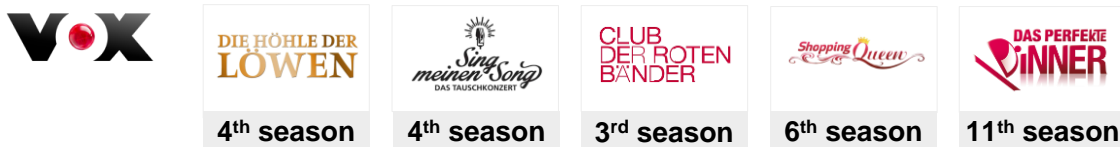
Source: AGF in cooperation with GfK, differences may be due to rounding.
Notes: Audience shares only refer to the free to air channels of the respective broadcasters.

Mediengruppe RTL Deutschland

Local content creates strong unique selling point

Local hits catalogue more valuable than ever...

...especially for building non-linear offers



- ✓ Online-first content
 - ✓ Mainstream appeal

- ✓ US drama OTT channel
 - ✓ Exclusively on TV NOW

Launching end of March

- ✓ Growing VOD distribution agreements



#2 TV FAMILY

IN FRANCE

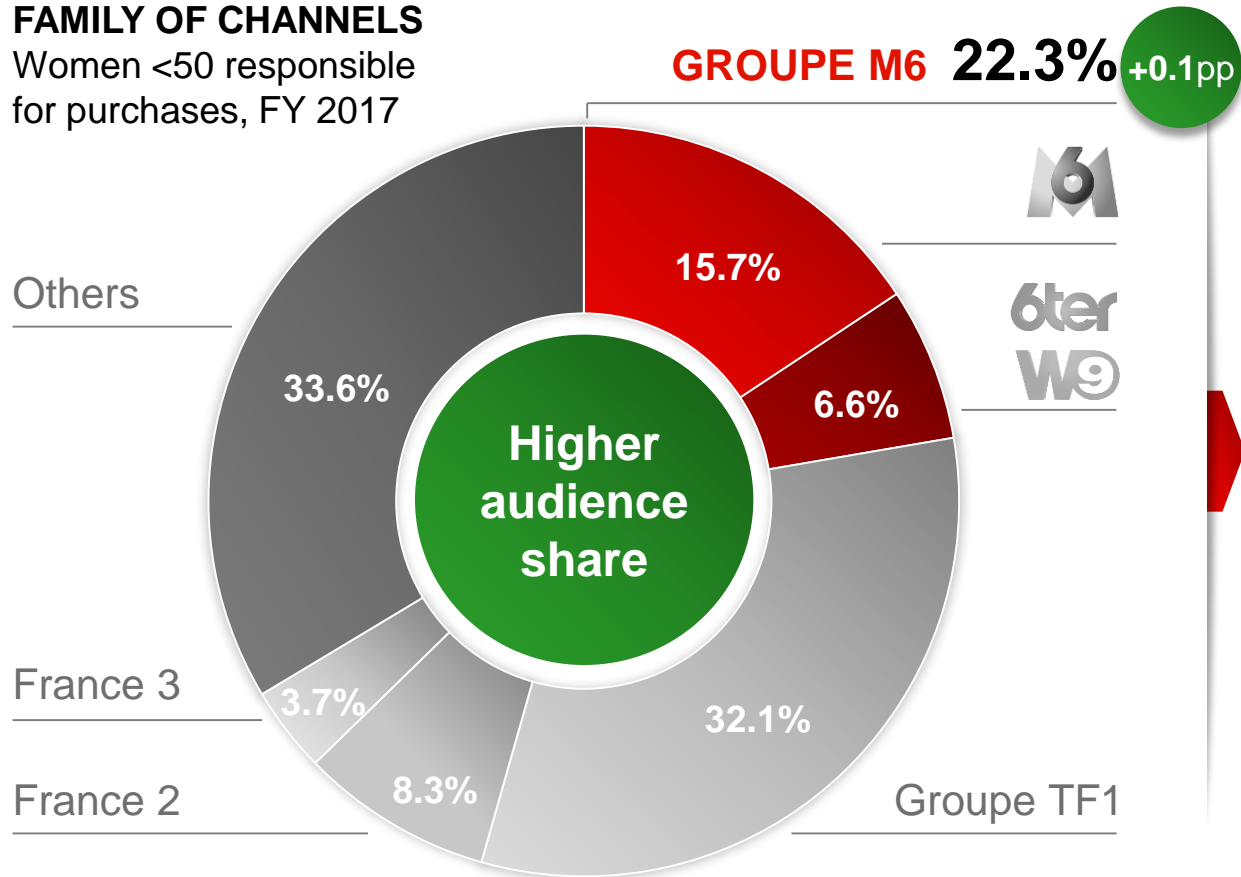


Groupe M6

French business outperformed net TV ad market

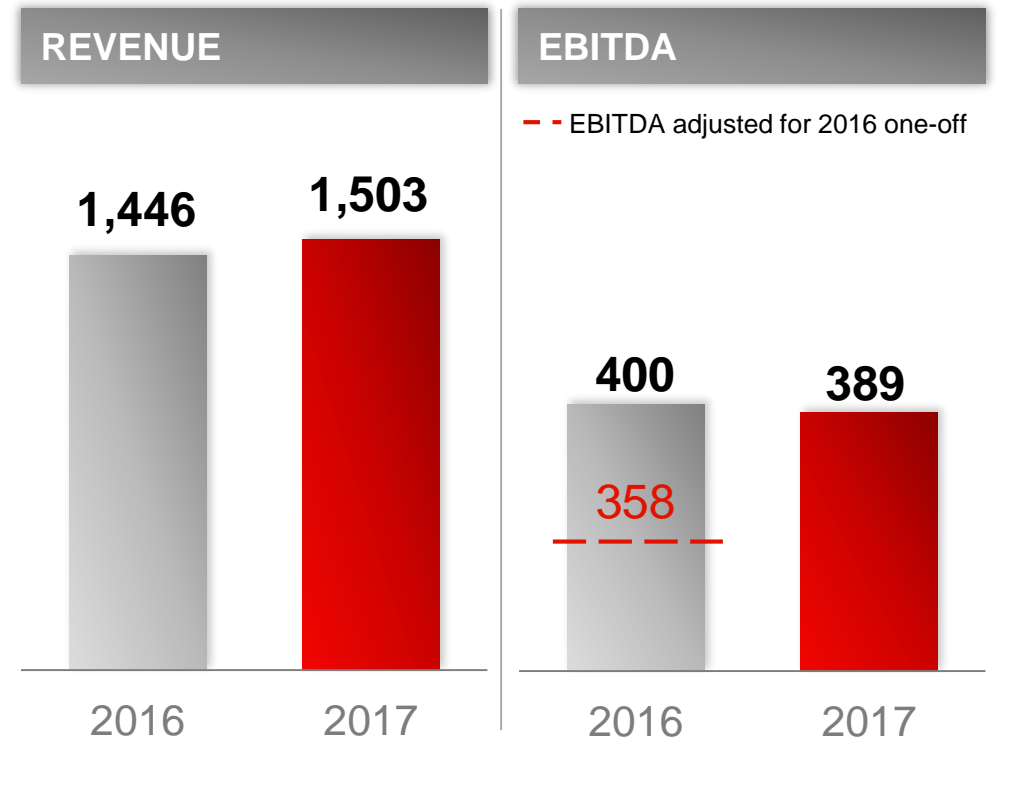
FAMILY OF CHANNELS

Women <50 responsible for purchases, FY 2017



KEY FINANCIALS¹

In € million



Source: Médiamétrie

Notes: Groupe M6: M6, W9 and 6ter; TF1 Group: TF1, TMC, NT1 and HD1; 1. Pro-forma including RTL Radio (France).

Groupe M6

Creating a cross-media powerhouse

Unified TV + radio...

Market-leading sales portfolio



...with leading on-demand TV...

State-of-the-art customisation features



...leveraging unique content

Multi-year French football deal¹



1. Deal includes half the French national team's European Qualifiers for UEFA Euro 2020 and 2022 FIFA World Cup; friendlies, preparation matches, and matches of the first two editions of the new UEFA Nations League (in 2018 and 2020).



#1 TV FAMILY



IN NETHERLANDS

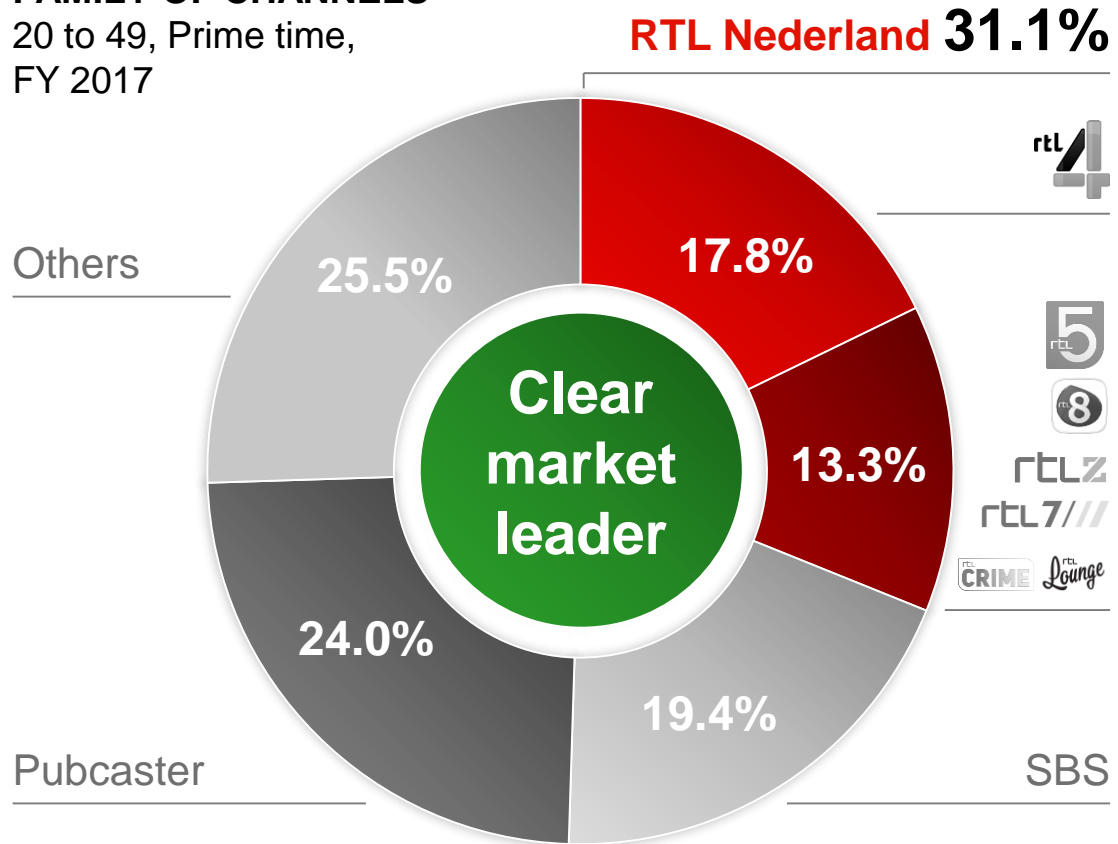


RTL Nederland

Resilient audience shares; digital activities help offset difficult ad market

FAMILY OF CHANNELS

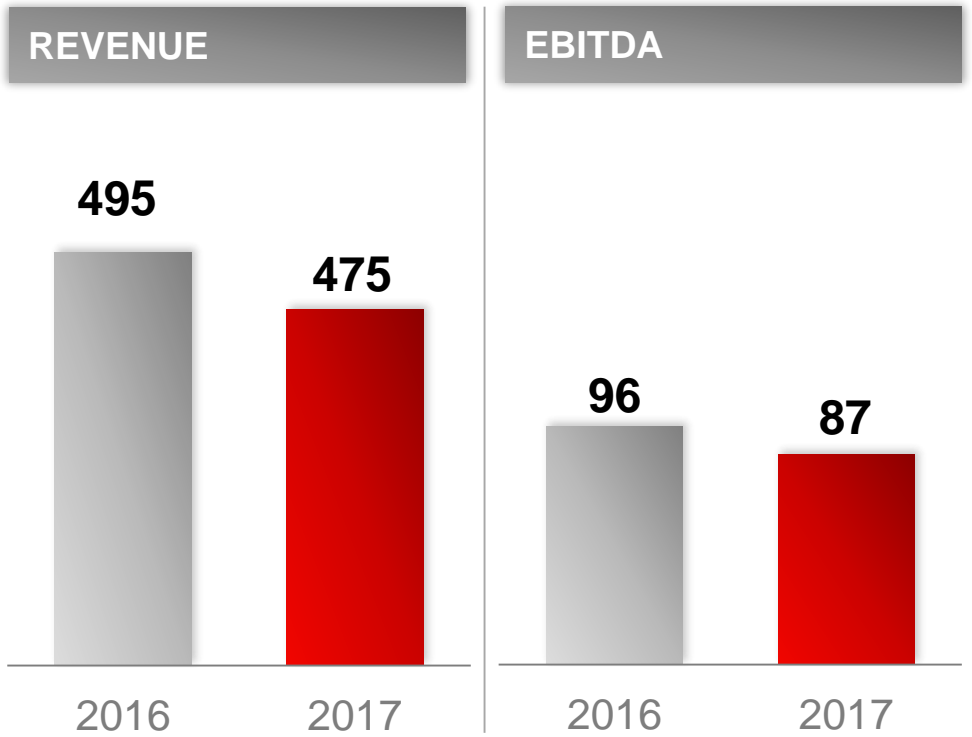
20 to 49, Prime time,
FY 2017



KEY FINANCIALS

In € million

-5.1%
TV ad market



Source: SKO.

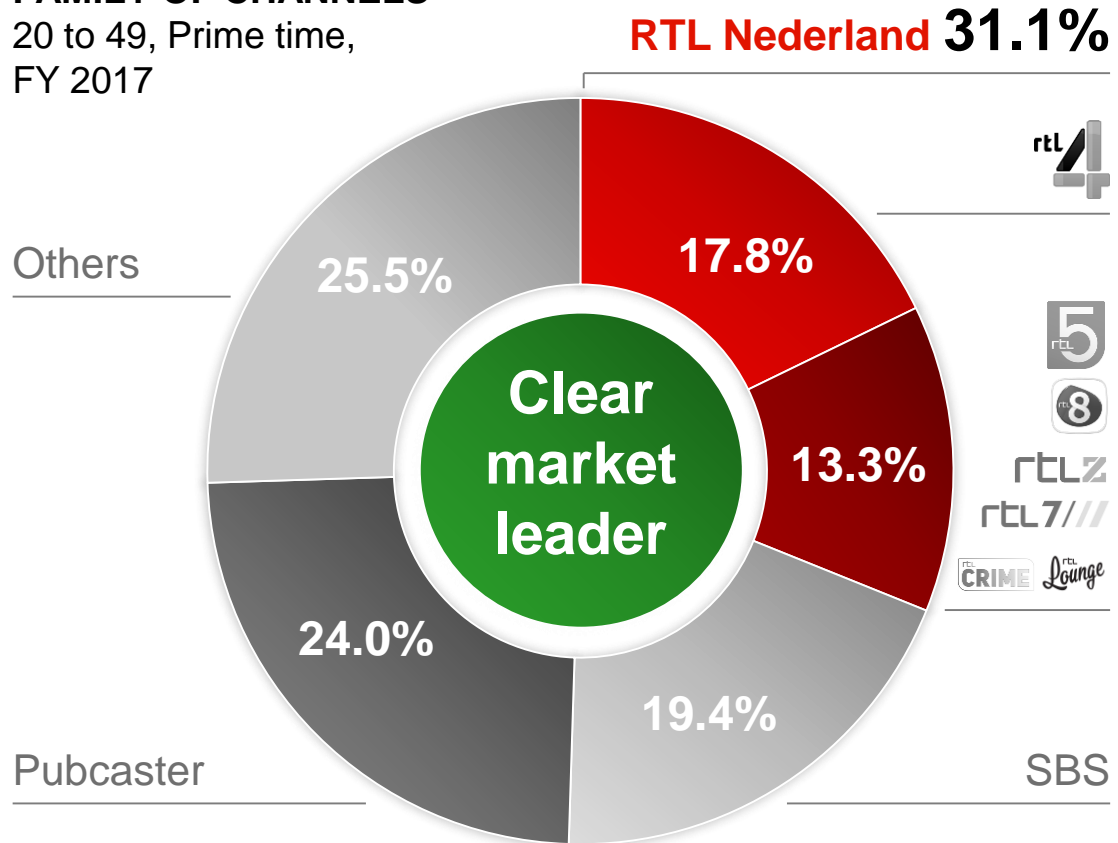
Notes: SBS: SBS6, Net 5, Veronica & SBS 9; Pubcaster: NPO 1, NPO 2 & NPO 3.

RTL Nederland

Continued investments to diversify revenue

FAMILY OF CHANNELS

20 to 49, Prime time,
FY 2017



DIGITAL VIDEO



Strong paid
subscriber growth

VIDEOLAND
BY RTL

+78%

INVESTMENTS



Investment into
cross-platform sales

ad.factor
content marketing x native advertising

CONTENT



Focusing on
local content



Source: SKO.

Notes: SBS: SBS6, Net 5, Veronica & SBS 9; Pubcaster: NPO 1, NPO 2 & NPO 3; 1. Audience share for 25-54 demographic.



***MORE
CREATIVE***



FREMANTLEMEDIA

POWER

RTL
GROUP

FremantleMedia

Push into drama complements exceptional entertainment line-up

TOP ENTERTAINMENT SHOWS

✓

13th season



✓

15th season



✓

17th season



✓ Renewed

American Idol is back –
on ABC 11th of March

abc

HIGH END DRAMA SERIES

Charité: Most popular
German FTA drama launch

ARD

✓ Avg. Audience 7.5m

✓

3rd season



✓

2nd+3rd season



✓

2nd season



✓

2nd season



✓

2nd season



NEW IN 2018

FOXTEL
CANAL+
BBC

Picnic at Hanging Rock

HBO
Rai Italia
CANAL+

My Brilliant Friend

NETFLIX

The Rain

BBC
hulu

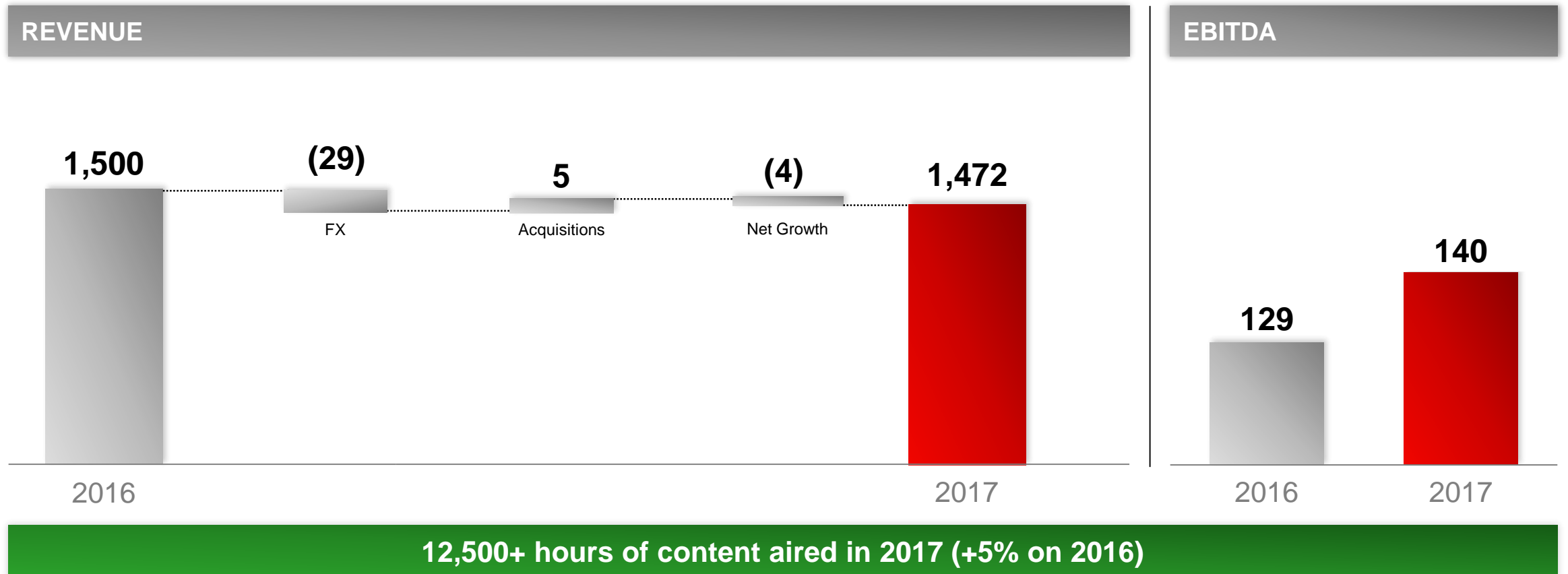
Hard Sun

FremantleMedia

EBITDA growth despite negative FX effects and no American Idol

KEY FINANCIALS

In € million





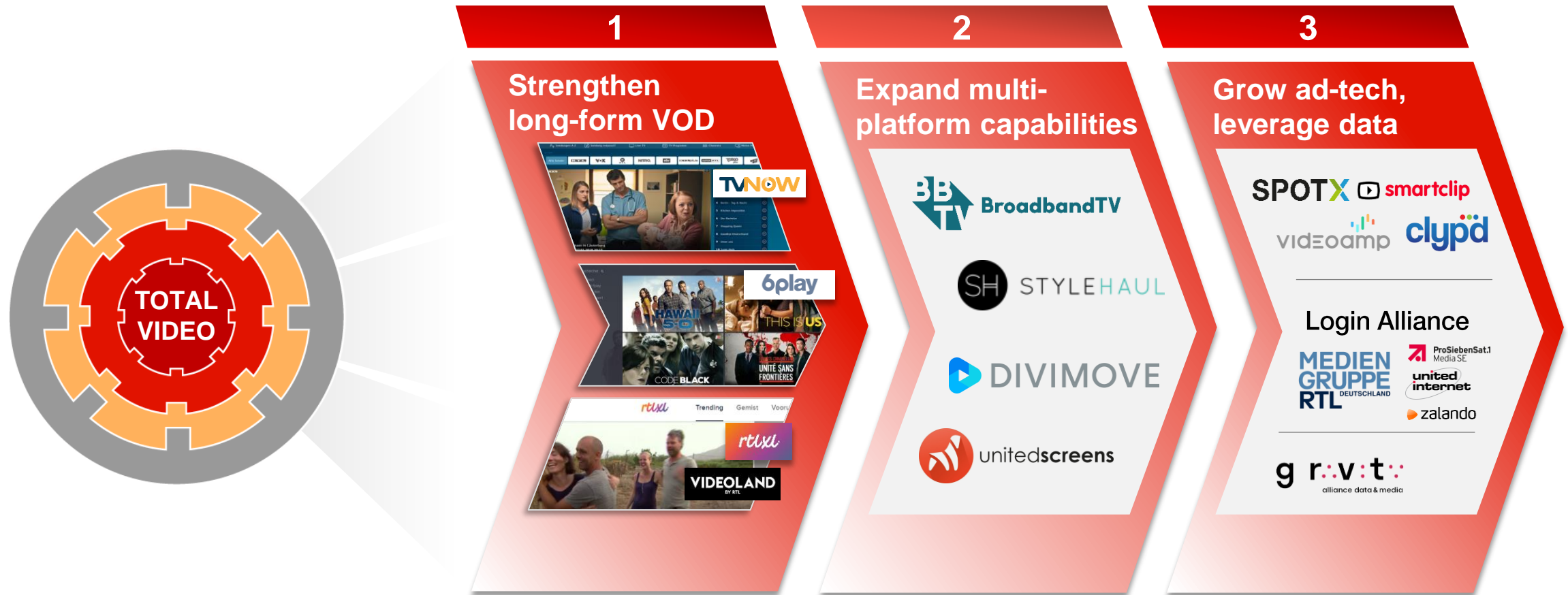
DIGITAL

POWERHOUSE

- SPOTX smartclip
- clypd
- videoamp
- 3B TV
- SH STYLEHAUL
- DIVIMOVE
- unitedscreens

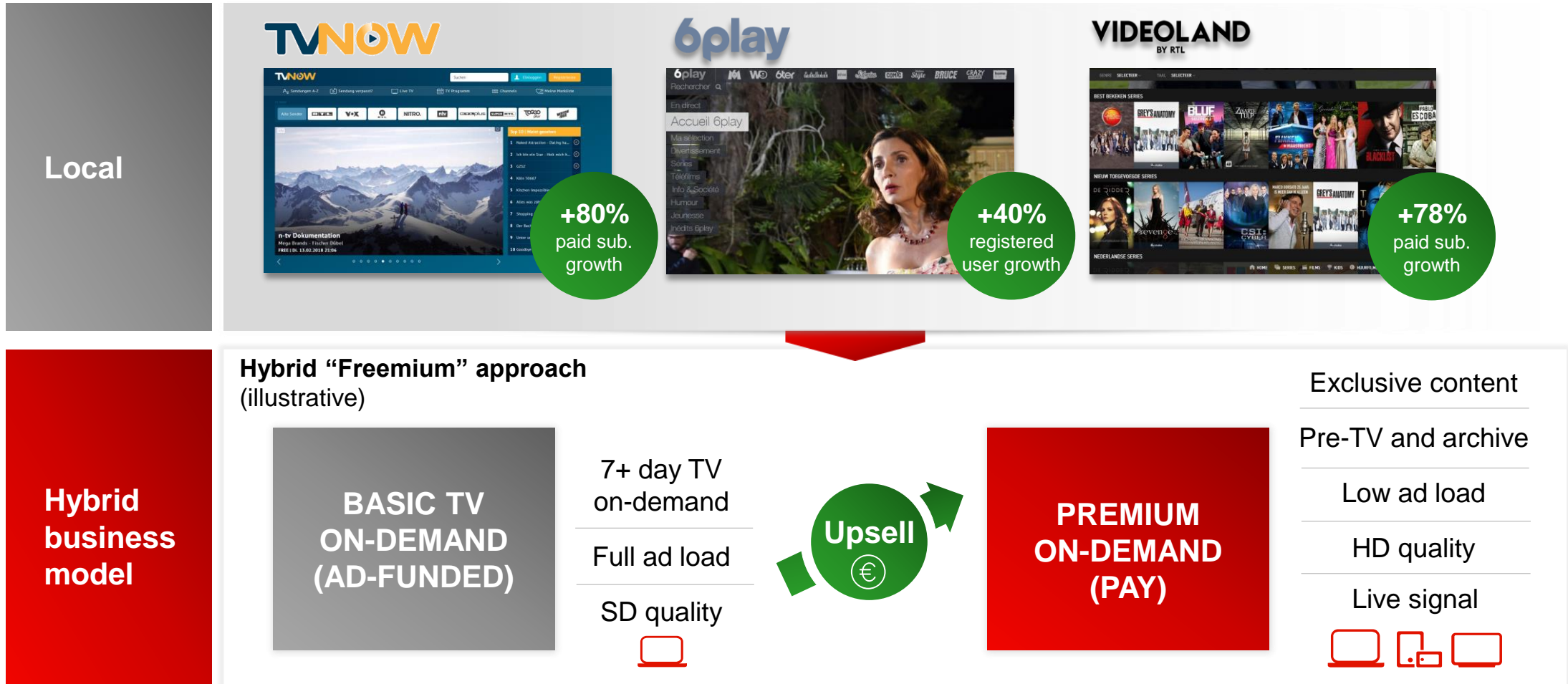
Digital transformation

Expanding our position in Total Video



Digital Video – Long-form

Enhancing our local TV on-demand offers...




Digital Video – Long-form ...accelerated by more group-wide cooperation




Local



+80%
paid sub.
growth



+40%
registered
user growth



+78%
paid sub.
growth

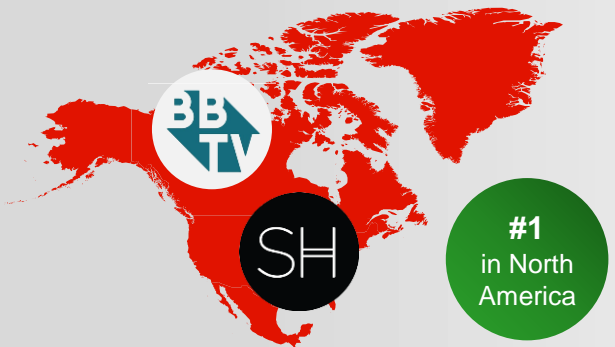
Key
priority
across the
Group

- 1
Grow local content investments with digital first originals
- 2
Develop hybrid business model with strong consumer appeal
- 3
Utilising common VOD tech platform across the Group
 First steps via 6play white-label solution



Digital Video – Short-form

Our multi-platform networks: global #1 on YouTube



BB TV
BroadbandTV

Unmatched global reach & consistent growth

#1 MPN globally

SH
STYLEHAUL

Influencer marketing with data / retargeting expertise


#1 in fashion and beauty

DIVIMOVE

Europe's leading branded content network

#1 MPN in EU

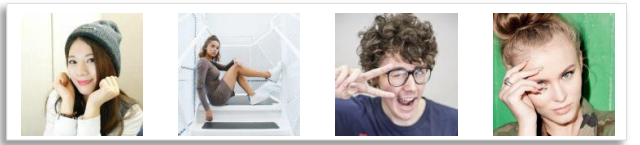
#1 MPN Event in EU – Videodays



united screens

Acquired unique direct sales team for branded content

#1 MPN in Nordics



Advertising technology

One team, one platform: driving monetisation across screens



SPOTX + **smartclip**

- 545** Full-time employees
- 25** Offices around the world
- +380%** OTT / Connected TV revenue growth

RTL AdConnect
International Advertising Solutions

+18% revenue growth

11 markets

Building strategic data alliances:

Germany: Login Alliance

MEDIEN GRUPE RTL DEUTSCHLAND, zalando, united internet, ProSiebenSat.1 Media SE

France: Gravity Alliance

g r : v : t :
alliance data & media

la montagne, LA DÉPÊCHE, FNAC DARTY, la Nouvelle République, Le Télégramme, SUD OUEST, Challenge, Les Echos, Lagardère, SoLocal, Le Parisien, CONDÉ NAST, L'ÉQUIPE, marie claire, SFR, Next Radio TV, SCIENCES Avenir, PM PRISMA MEDIA

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Outlook
2018

RTL Group Outlook for 2018

1

Revenue expected to grow moderately, predominantly driven by FremantleMedia and digital



2018 Guidance – Growth Rates

REVENUE OUTLOOK

In % and € million

Low

High

+2.5%

6,532

+5.0%

6,692

2

EBITDA expected to be broadly stable in 2018 on a normalised basis



EBITDA OUTLOOK

In % and € million

1,464

1,370

One-off gain

EBITDA 2018

+1%

1,384

-1%

1,356

2017 Reported EBITDA

2017 Operational EBITDA



Hilflos Mädchen

TANZSCHULE

56

Juwelen Schmuck

THANK YOU!

SEE YOU SOON