

RTL Group reports very strong start to 2016

- **Q1/2016: revenue up 9.5 per cent and EBITA up 18.0 per cent, driven by strong broadcast business and FremantleMedia**
- **Digital revenue up 36.4 per cent; at the same time RTL Group's EBITA margin improved by 1.2 percentage points to 16.0 per cent**
- **RTL Group's full-year outlook remains unchanged**

Luxembourg, 11 May 2016 – RTL Group, the leading European entertainment network, announces its quarterly results to 31 March 2016.

Q1/2016: all indicators up year-on-year

- Reported Group revenue was up 9.5 per cent to €1,432 million (Q1/2015: €1,308 million). This was driven by higher revenue from FremantleMedia, Mediengruppe RTL Deutschland and RTL Group's rapidly growing digital businesses
- Accordingly, reported EBITA was up strongly by 18.0 per cent to €229 million (Q1/2015: €194 million), mainly based on significantly higher profit contributions from Mediengruppe RTL Deutschland and FremantleMedia. The EBITA margin increased to 16.0 per cent (Q1/2015: 14.8 per cent)
- EBITDA was up 16.6 per cent, reaching €288 million (Q1/2015: €247 million), with an EBITDA margin of 20.1 per cent (Q1/2015: 18.9 per cent)
- Net profit attributable to RTL Group shareholders grew by 30.2 per cent to €138 million (Q1/2015: €106 million), driven by the higher operating profit (EBITA) and no impairments compared to last year
- Net cash from operating activities was €319 million (Q1/2015: €208 million), resulting in an operating cash conversion of 150 per cent (Q1/2015: 110 per cent)
- As of 31 March 2016, RTL Group had a net debt position of €393 million (31 December 2015: net debt of €670 million)

Segments: all major profit centres report EBITA growth

- RTL Group estimates that the net TV advertising markets were up in all markets in which the Group is active
- Mediengruppe RTL Deutschland's EBITA grew strongly by 8.5 per cent to €166 million (Q1/2015: €153 million), driven by higher TV advertising revenue

- At Groupe M6, EBITA increased to €48 million (Q1/2015: €41 million), reflecting higher EBITA contributions from the main channel M6, the rights business and the football club Girondins de Bordeaux
- FremantleMedia's EBITA increased to €13 million (Q1/2015: €3 million), benefiting from higher revenue contribution from all major operations (in particular in the UK, North America and Germany), phasing effects as well as scope effects
- RTL Nederland's EBITA was up to €1 million (Q1/2015: loss of €3 million), mainly due to significantly higher TV advertising sales – operating against low comparables of Q1/2015 – and the digital business

“Very strong start to 2016”

Joint statement from Anke Schäferkordt and Guillaume de Posch, Co-Chief Executive Officers of RTL Group:

“RTL Group has recorded a very strong first quarter following the positive performance of our broadcasting business all over Europe. FremantleMedia also positively contributed to the extraordinary result, mainly due to last year's acquisitions and improved results in all major markets.

However, as stated in prior years, the first quarter is not necessarily an indicator for the full year, especially in heavy sports years such as 2016. We expect that TV advertising revenue will be geared towards the first half of year, as advertisers shift their spend due to big sporting events. Accordingly, RTL Group maintains its outlook for the full year 2016 and expects total revenue to increase moderately and EBITA to be broadly stable.

With the acquisition of Smartclip, Mediengruppe RTL Deutschland will significantly expand its capabilities in digital advertising sales and thus complements our growth strategy: In Germany the reach of our portfolio, and thus our advertising inventory, will grow substantially. At the same time the transaction strengthens our technological capabilities in Europe and offers opportunities globally for innovation in cooperation with SpotX.

Based on the strong first quarter results and our very healthy financial position, we have the capacity to explore further investment opportunities throughout the rest of 2016, and we will continue to focus on expanding and developing our digital businesses as well as growing content production. On average, we plan to invest around €250 million per year for acquisitions, applying our strict investment criteria to generate profitable growth.”

RTL Group continues to make steady progress across all strategic pillars

Broadcast:

- RTL Group's families of channels in the Group's core broadcasting markets – Germany, France, the Netherlands and Belgium – gained audiences shares year-on-year during the first quarter of 2016
- In March, Mediengruppe RTL Deutschland announced the launch of two new linear TV channels – both are scheduled to launch on 4 June 2016:
 - RTL Plus will offer a mix of entertainment programmes comprising popular classics and game shows. Starting in autumn, RTL Plus will revive popular game show classics such as *Family Feud*, *Jeopardy*, *Wheel of Fortune* or *Ruck Zuck* with all new episodes
 - Toggo Plus – Germany's first free-to-air time-shift channel – will give viewers a second chance to watch all of Super RTL's children's programmes again, exactly one hour after their initial airing. In addition, instead of ending its broadcasts at 21:15, Toggo Plus will extend children's prime-time viewing by showing top series that are suitable for children up until 22:15
- In May, RTL II will launch RTL II You, an online channel offering both on-demand content and linear streaming – 24 hours a day, seven days a week. The channel will mainly target 14 to 25-year-olds and focus on issues of interest to younger viewers

Content:

- On 11 January 2016, FremantleMedia acquired a 51 per cent majority stake in Abot Hameiri, a leading Israeli production company specialising in entertainment formats, scripted reality and drama
- The farewell season of FremantleMedia North America's *American Idol* on Fox in the United States attracted an average 11.2 million viewers, translating into an average audience share of 9.7 per cent among viewers aged 18 to 49. The show ranked number one or two in this demographic for every single episode
- In April, FremantleMedia India's first web series *Confessions – It's Complicated* premiered exclusively on Facebook. The show includes the use of Facebook Live, which enables people to share their experiences and perspectives in real time

Digital:

- RTL Group's digital revenue¹ continued to show very dynamic growth, up 36.4 per cent to €120 million (Q1/2015: €88 million)
- RTL Group has a strong and rapidly growing presence across all digital platforms. In the first quarter of 2016:
 - RTL Group's catch-up TV services, websites and MCNs attracted a total 58.4 billion online video views, up 212 per cent year-on-year (Q1/2015: 18.7 billion)
 - thereof: FremantleMedia's more than 240 Youtube channels attracted 3.9 billion views, up 44.4 per cent year-on-year (Q1/2015: 2.7 billion)
- RTL Group now generates more than 19 billion online video views per month
- The digital businesses that make up RTL Digital Hub – BroadbandTV, StyleHaul and SpotX – continued to show strong revenue growth. Comparing Q1/2016 with Q1/2015: BroadbandTV was up 143 per cent, StyleHaul was up 29 per cent and SpotX was up 13 per cent
- Mediengruppe RTL Deutschland, Groupe M6 and RTL Nederland reported double-digit online video advertising revenue growth rates. Comparing Q1/2016 with Q1/2015: Mediengruppe RTL Deutschland was up 22 per cent, Groupe M6 was up 22 per cent and RTL Nederland was up 60 per cent
- At the beginning of March 2016, Mediengruppe RTL Deutschland launched a new video service called TV Now. The new offering bundles video content and live stream's from Mediengruppe RTL Deutschland's six free-to-air channels (RTL Television, Vox, N-TV, RTL Nitro, Super RTL and RTL II) into a single, homogeneous brand, replacing the previously separate services associated with individual channels
- In March 2016, Mediengruppe RTL Deutschland announced the acquisition of a 93.75 per cent majority stake in Smartclip, with a call option to acquire the remaining shares. The purchase price was €46.9 million. Smartclip bundles the online video advertising inventory of 700 publishers worldwide, and manages the integration and serving of video advertising to all internet-connected devices. Smartclip complements RTL Group's investments in digital advertising sales, including in particular SpotX. Approval from Germany's Federal Cartel Office was received on 22 April 2016

¹ Excluding e-commerce, home shopping and platform revenue for digital TV

Key financial figures (January to March 2016):

In € million	Q1/2016	Q1/2015	Per cent change
Revenue	1,432	1,308	+9.5
Underlying revenue²	1,413	1,306	+8.2
Reported EBITA³	229	194	+18.0
Reported EBITA margin (%)	16.0	14.8	
EBITDA⁴	288	247	+16.6
EBITDA margin (%)	20.1	18.9	
Reported EBITA	229	194	
Impairment of disposal group	–	(14)	
Impairment of investments accounted for using the equity method and amortisation and impairment of fair value adjustments on acquisitions of subsidiaries	(4)	(2)	
EBIT	225	178	
Net financial expense	(2)	(4)	
Income tax expense	(68)	(53)	
Profit for the period	155	121	
<i>Attributable to:</i>			
<i>Non-controlling interests</i>	17	15	
RTL Group shareholders	138	106	+30.2
Reported EPS (in €)	0.90	0.69	+30.4

The full report for the first-quarter results 2016 will be available to download at www.rtlgroup.com/results-q1-2016

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² Adjusted for minor scope changes and at constant exchange rates

³ EBITA represents earnings before interest and taxes excluding impairment of goodwill and of disposal group, and amortisation and impairment of fair value adjustments on acquisitions of subsidiaries, impairment of investments accounted for using the equity method, re-measurement of earn-out arrangements, and gain or loss from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree

⁴ EBITDA represents EBIT excluding amortisation and impairment of non-current programme and other rights, of goodwill and disposal group, of other intangible assets, depreciation and impairment of property, plant and equipment, impairment of investments accounted for using the equity method, re-measurement of earn-out arrangements, and gain or loss from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree



About RTL Group

RTL Group is the leading European entertainment network, with interests in 57 television channels and 31 radio stations and content production throughout the world. The television portfolio of Europe's largest broadcaster includes RTL Television in Germany, M6 in France, the RTL channels in the Netherlands, Belgium, Luxembourg, Croatia, Hungary and Antena 3 in Spain. The Group also operates the channels RTL CBS Entertainment HD and RTL CBS Extreme HD in Southeast Asia. RTL Group's families of TV channels are either the number one or number two in eight European countries. The Group's flagship radio station is RTL in France, and it also owns or has interests in other stations in France, Germany, Belgium, the Netherlands, Spain and Luxembourg. RTL Group's content production arm, FremantleMedia, is one of the largest international creators, producers and distributors of multi-genre content outside the US. With operations in 29 countries, FremantleMedia's comprehensive global network is responsible for more than 10,000 hours of programming a year and distributes over 20,000 hours of content worldwide. Combining the catch-up TV services of its broadcasters, the multi-channel networks BroadbandTV, StyleHaul and Divimove as well as FremantleMedia's more than 240 YouTube channels, RTL Group has become the leading European media company in online video. RTL Group also owns a majority stake in the programmatic video advertising platform SpotX. For more information, please visit RTLGroup.com and follow RTL Group on Twitter @rtlgroup.