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2015



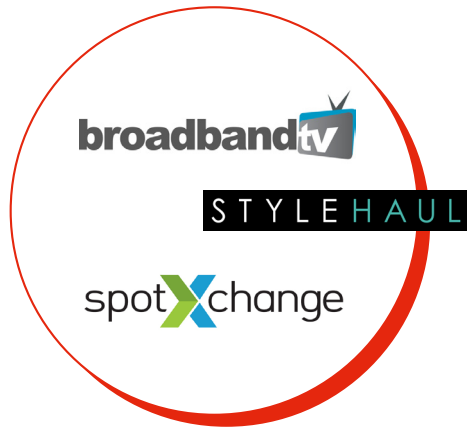
INTERIM

REPORT

JANUARY - JUNE 2015



HIGHLIGHTS



STRENGTHENING GROWTH TOGETHER

In June 2015, RTL Group announced the creation of RTL Digital Hub, a new unit that bundles the company's recent investments in the online video segment, in particular BroadbandTV, StyleHaul and SpotXchange. The new structure promotes the multi-channel networks and growth in the complementary portfolio. Under the decentralised organisational structure of RTL Group, the CEOs of BroadbandTV, StyleHaul and SpotXchange continue to bear full responsibility for their respective companies. RTL Digital Hub also supports external partnerships and synergies with the RTL Group channels, the global production arm FremantleMedia, and other Bertelsmann divisions. In addition, RTL Digital Hub reviews the market intensively for further investment opportunities in the online video business.



Vanity is StyleHaul's first original scripted series and launched in June

FICTION MADE IN GERMANY, CREATING GLOBAL ATTENTION



The *New York Times* calls *Deutschland 83* "fresh and enjoyable"

On 17 June, *Deutschland 83* a series commissioned by RTL Television, produced by UFA Fiction and distributed by FremantleMedia International, made its US debut on AMC's Sundance Channel – even before its broadcast on RTL Television in Germany in autumn 2015. FremantleMedia International has sold the rights to the series to Canal Plus in France. SVT (Sweden), NRK (Norway), DR (Denmark), YLE (Finland) and RUV (Iceland) have also acquired broadcasting rights to the series. Not only did it score excellent audience ratings, viewers and critics praise the series alike.

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STRONG DIGITAL GROWTH AND GERMAN TV BUSINESS DRIVE RTL GROUP HALF-YEAR RESULTS

- Revenue, EBITA and net profit up
- Strong revenue growth in digital: up 94 per cent to €219 million
- Full-year outlook raised
- RTL Group will pay out an extraordinary interim dividend of €1.00 per share

Luxembourg, 27 August 2015 – RTL Group, the leading European entertainment network, announces its results for the six months ended 30 June 2015.

	Half year to June 2015 €m	Half year to June 2014 restated ¹ €m	Per cent change
Revenue	2,788	2,687	+3.8
EBITDA ²	628	612	+2.6
EBITDA margin (%)	22.5	22.8	
Reported EBITA ³	534	517	+3.3
Reported EBITA margin (%)	19.2	19.2	
Reported EBITA	534	517	
Impairment of goodwill of subsidiaries and amortisation and impairment of fair value adjustments on acquisitions of subsidiaries	2	(100)	
Re-measurement of earn-out arrangements	3	1	
Gain/(loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	4	2	
EBIT	543	420	
Net financial expense	(10)	(15)	
Income tax expense	(145)	(159)	
Profit for the period	388	246	+57.7
Attributable to:			
– Non-controlling interests	37	44	
– RTL Group shareholders	351	202	+73.8
Reported EPS (in €)	2.28	1.32	+72.7

¹ All financial data for H1/2014 restated for impact of IFRIC 21

² 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

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

H1/2015: RTL Group net profit up 73.8 per cent

- Reported Group **revenue** was up 3.8 per cent to €2,788 million (H1/2014: €2,687 million) thanks to strongly increasing revenue at Mediengruppe RTL Deutschland, growing digital revenue and favourable exchange rate effects
- Reported **EBITA** was up 3.3 per cent to €534 million compared to €517 million in H1/2014, mainly driven by Mediengruppe RTL Deutschland, resulting in a stable EBITA margin at 19.2 per cent
- RTL Group's **digital revenue**⁴ continued to show very dynamic growth, up 94 per cent to €219 million (H1/2014: €113 million), benefitting from organic growth and new acquisitions
- **Net profit** attributable to RTL Group shareholders was up 73.8 per cent to €351 million (H1/2014: €202 million)
- **Net cash** from operating activities amounted to €295 million, resulting in an operating **cash conversion** of 74 per cent; RTL Group had **net financial debt** of €1,003 million as of 30 June 2015
- On 26 August 2015, RTL Group's Board of Directors authorised the distribution of an extraordinary interim dividend of €1.00 per share, to be paid in September 2015. This reflects the Group's cash flows and its target net debt to full-year EBITDA ratio of 0.5 to 1.0 times

⁴ Excluding e-commerce, home shopping and platform revenue for digital TV

Q2/2015: Dynamic growth of revenue, EBITA and net profit

- In the second quarter of 2015, RTL Group's **revenue** was up 7.7 per cent to €1,480 million (Q2/2014: €1,374 million), driven by higher revenue from Mediengruppe RTL Deutschland, digital assets and FremantleMedia
- **EBITA** was up 4.3 per cent to €340 million (Q2/2014: €326 million)
- **Net profit** attributable to RTL Group shareholders more than doubled in the second quarter to €245 million (Q2/2014: €111 million)

Segments: Mediengruppe RTL Deutschland continues outstanding financial performance

- During the first half of 2015, advertising market conditions showed a mixed picture: looking across the Group's markets, RTL Group estimates that the **net TV advertising markets** in Germany, France and Spain were up, while the market developments in the Netherlands, Belgium and Hungary remained challenging. Nonetheless, all of RTL Group's families of channels – with the exception of Groupe M6 – were outperforming their respective markets
- **Mediengruppe RTL Deutschland's** EBITA reached a new record high for a first half at €343 million, up 9.6 per cent from €313 million in H1/2014, driven by significantly higher TV advertising and also higher diversification revenue
- At **Groupe M6**, EBITA decreased to €105 million (H1/2014: €111 million), mainly reflecting lower EBITA contributions from the company's diversification businesses
- **FremantleMedia's** EBITA was broadly stable at €28 million (H1/2014: €29 million)
- **RTL Nederland's** EBITA was down to €27 million (H1/2014: €44 million), mainly due to challenging advertising market conditions
- **RTL Hungary's** EBITA was up to €16 million (H1/2014: €5 million), driven by one-off effects such as the partial reversal of a stock valuation allowance and the re-claim of the advertising tax paid in 2014

“Transforming RTL Group into a global force in video production, aggregation and monetisation”



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

“In the first half of 2015, RTL Group significantly increased revenue, EBITA and net profit, mainly driven by another strong performance from Medien-gruppe RTL Deutschland and our rapidly growing digital video businesses.

Looking at our recent digital investments, BroadbandTV, StyleHaul and SpotXchange, which are now grouped together in the RTL Digital Hub, revenues have been increasing by high double digit growth rates – and we expect them to continue to do so for the foreseeable future. In terms of RTL Group’s aggregated online video views, we expect our full-year figure from 2014 – 36.4 billion video views – to more than double this year.

In the digital age of total choice, the fundamentals of our business have never been more promising: Linear TV dominates the video market and is the only medium consistently reaching mass audiences day by day. In total, people watch more video con-

tent than ever before – long-form and short-form, linear and non-linear, on the TV screen and on multiple devices. The demand for high-quality video content is growing rapidly, as does online video advertising.

RTL Group has leading market positions across the whole value chain of this rapidly evolving total video market. With our financial strength, it is our ambition to significantly grow RTL Group over the next years – to transform the leading European entertainment network into a global force in video production, aggregation and monetisation.

Assuming there will not be major changes in the economic climate across our markets, we raise our outlook for the full year 2015. We now expect our total revenue to be slightly up compared to the full year 2014. We expect full-year reported EBITA to be in line with last year despite lower contributions from one-off gains in 2015.”

Impressive growth in digital

- In June 2015, RTL Group formed the RTL Digital Hub to drive leadership and growth in the digital video market. The RTL Digital Hub team manages RTL Group's portfolio of digital acquisitions; provides support for their further international expansion; and scans the market for further investments in the online video space
- The companies of the RTL Digital Hub – RTL Group's recently acquired digital businesses BroadbandTV, StyleHaul and SpotXchange – continued to show strong revenue growth, comparing H1/2015 with H1/2014: BroadbandTV was up 84 per cent, StyleHaul was up 112 per cent⁵, SpotXchange was up 90 per cent⁵
- In the first half of 2015:
 - RTL Group's catch-up TV services, websites and multi-channel networks (MCNs) attracted a total 42.5 billion online video views, up 171 per cent year-on-year⁶ (H1/2014: 15.7 billion)
 - FremantleMedia's more than 210 YouTube channels attracted 6.1 billion views, up 35 per cent year-on-year
- RTL Group currently generates more than 8 billion online video views per month⁷ – up 50 per cent compared to the monthly average in Q4/2014
- In April, RTL Group led the most recent financing round for Clypd, a US-based platform for programmatic advertising sales on linear TV, and now holds a 17.4 per cent minority stake in the company (on a fully diluted basis)
- In April, BroadbandTV announced the acquisition of the leading kids content producer and publisher on YouTube, YoBoHo
- At the Newfronts in May 2015, StyleHaul announced a new agreement with Amazon which will see StyleHaul produce short-form videos featuring its digital talent
- In June, BroadbandTV announced an agreement with the Huffington Post to form Outspeak, the first next-generation online video journalism network
- In July, BroadbandTV and BMG announced a commercial agreement to form 'Windfall', a model for the music business set for the digital age, providing an end-to-end solution to find, develop, and service artists across all platforms

⁵ Pro-forma

⁶ Aggregated view

⁷ Aggregated view; pro-forma

FremantleMedia continues its push into scripted prime-time entertainment

- In August 2015, FremantleMedia acquired a 62.5 per cent majority stake in Wildside, an Italian TV and feature film production company. The acquisition strengthens FremantleMedia's prime-time scripted business in the Italian market and bolsters the global content pipeline of FremantleMedia. Wildside is currently producing *The Young Pope*, a joint production of Sky, HBO and Canal Plus, directed by the Academy award-winning director, Paolo Sorrentino and starring Jude Law and Diane Keaton. FremantleMedia International is distributing the title in the non-partner territories
- In June, the US premium cable channel Starz gave the greenlight to FremantleMedia North America's adaptation of Neil Gaiman's acclaimed contemporary fantasy novel *American Gods*
- Having acquired the international distribution rights to UFA Fiction's *Deutschland 83* FremantleMedia International (FMI) announced an agreement with AMC's Sundance TV that saw the Cold War inspired drama become the first German-language series to air on a major US channel. FMI subsequently announced presales of the drama series *Deutschland 83* to Canal Plus (France), SVT (Sweden), NRK (Norway), DR (Denmark), YLE (Finland) and RUV (Iceland)
- In January, FremantleMedia acquired a 25 per cent stake in newly formed, UK-based Corona TV. The deal, which gives FremantleMedia a first look option on all Corona TV output, furthers FremantleMedia's ambition to build its scripted pipeline with projects that will have a cinematic feel and attract international co-production funding

FINANCIAL REVIEW

REVENUE

Advertising market conditions in the first half of 2015 showed a mixed picture: Looking across the Group's markets, RTL Group estimates that the advertising markets in Germany, France, and Spain were up, while the conditions in other countries in which RTL Group operates were challenging.

A summary of RTL Group's key markets is shown below, including estimates of net advertising market growth rates and the audience share of the main target audience group.

	Net TV advertising market growth rate H1/2015 (in per cent)	RTL Group audience share in main target group H1/2015 (in per cent)	RTL Group audience share in main target group H1/2014 (in per cent)
Germany	+3.0 to +4.0 ⁸	28.7 ⁹	29.2 ⁹
France	+2.0 ¹⁰	21.8 ¹¹	21.9 ¹¹
Netherlands	(5.1) ⁸	32.8 ¹²	31.9 ¹²
Belgium	(0.9) ⁸	35.9 ¹³	35.2 ¹³
Hungary	(1.4) ⁸	38.0 ¹⁴	36.2 ¹⁴
Croatia	(0.1) ⁸	26.2 ¹⁵	25.4 ¹⁵
Spain	+9.9 ¹⁶	28.1 ¹⁷	31.3 ¹⁷

8 Industry/IREP and RTL Group estimates

9 Source: GfK, Target group: 14 to 59

10 Source: Groupe M6 estimate

11 Source: Médiamétrie.

Target group: women under 50 responsible for purchases (including digital channels)

12 Source: SKO.

Target group: 20-49, 18h-24h

13 Source: Audimétrie.

Target group: shoppers 18-54, 17-23h

14 Source: AGB Hungary.

Target group: 18-49, prime time (including cable channels)

15 Source: AGB Nielsen Media Research.

Target group: 18-49, prime time

16 Source: Infodex

17 Source: TNS Sofres.

Target group: 16-54

18 All financial data for H1/2014 restated for impact of IFRIC 21

Revenue was up to €2,788 million (H1/2014: €2,687 million)¹⁸. On a like-for-like basis (adjusting for portfolio changes and at constant exchange rates) revenue was up 1.2 per cent to €2,634 million (H1/2014: €2,603 million).

EBITA AND EBITDA

Reported EBITA was €534 million, up when compared to €517 million in H1/2014. This resulted in a stable EBITA margin of 19.2 per cent. With the exception of Mediengruppe RTL Deutschland, RTL Hungary and Atresmedia, all other broadcasting operations reported either lower, or stable, profit contributions reflecting the continued mixed recovery across European TV advertising markets.

The Group's EBITDA was also up at €628 million (H1/2014: €612 million), resulting in an EBITDA margin of 22.5 per cent (H1/2014: 22.8 per cent).

Group operating expenses were at €2,300 million in H1/2015 compared to €2,211 million in H1/2014.

FURTHER GROUP FINANCIALS

Main portfolio changes

Oxygem

On 9 January 2015 Groupe M6, via its subsidiary M6 Web, acquired the entire share capital of French media group Oxygem. The acquisition of Oxygem allows Groupe M6 to extend the range of topics covered by its websites and will significantly boost its digital presence. Oxygem's websites (*CuisineAZ.com*, *Passeportsanté.net*, *Radins.com*, *Météocity.com*) are geared towards everyday themes, such as cookery, health, consumer tips and bargains, weather, beauty and slimming and are aimed mainly at women aged under 50.

YoBoHo

On 1 April 2015, BroadbandTV Corp. has acquired 87.6 per cent (71.3 per cent on a fully diluted basis) of YoBoHo New Media Private Limited and its subsidiary YoBoHo New Media Inc. ("YoBoHo"). RTL Group holds consequently an interest of 50.3 per cent (36.8 per cent on a fully diluted basis). YoBoHo, based in Mumbai, produces kids-and-family oriented video for distribution across digital platforms.

UFA Sports

On 20 April 2015, RTL Group agreed to fully dispose of the interests held in UFA Sports GmbH and its affiliates (Apareo Holding GmbH, its affiliate Apareo Deutschland GmbH and UFA Sports Asia Pte Ltd excluded).

Investments accounted for using the equity method

The total contribution of these investments increased to a profit amounting to €29 million (H1/2014: €24 million).

Interest expense

Net interest expense amounted to €11 million (H1/2014: expense of €14 million) for the six months ended 30 June 2015.

Income tax expense

In the first half of 2015, the tax expense was €145 million (H1/2014: expense of €159 million).

Profit attributable to RTL Group shareholders

The profit for the period attributable to RTL Group shareholders was €351 million (H1/2014: €202 million), an increase of 73.8 per cent. 2014 was negatively impacted by impairments, notably against the goodwill of RTL Hungary for an amount of €77 million.

Earnings per share

Reported earnings per share, based upon 153,600,189 shares, was €2.28 (H1/2014: €1.32 per share).

Net debt position

The consolidated net debt position at 30 June 2015 was €1,003 million (31 December 2014: net debt of €599 million) after the Group paid a final dividend amounting to €538 million (€3.50 per share) for the full year 2014 on 23 April 2015. The Group continues to generate significant operating cash flow with an EBITA to cash conversion ratio of 74 per cent (H1/2014: 90 per cent).

	As at 30 June 2015 € m	As at 31 December 2014 € m
Gross balance sheet debt	(1,336)	(1,104)
Add: cash and cash equivalents	316	483
Add: cash deposit and others	17	22
Net debt position	(1,003)¹⁹	(599)

¹⁹ Of which €126 million held by Groupe M6 (Q4/2014: €256 million)

REVIEW BY SEGMENTS

Half-year to June 2015 (H1 / 2015)

Revenue	H1 / 2015 €m	H1 / 2014 restated ²⁰ €m	Per cent change
Mediengruppe RTL Deutschland	995	927	+7.3
Groupe M6	632	670	(5.7)
FremantleMedia	637	623	+2.2
RTL Nederland	226	224	+0.9
RTL Belgium	104	102	+2.0
RTL Radio (France)	78	80	(2.5)
Other segments	224	154	+45.5
Eliminations	(108)	(93)	n.a.
Total revenue	2,788	2,687	+3.8

EBITA	H1 / 2015 €m	H1 / 2014 restated ²⁰ €m	Per cent change
Mediengruppe RTL Deutschland	343	313	+9.6
Groupe M6	105	111	(5.4)
FremantleMedia	28	29	(3.4)
RTL Nederland	27	44	(38.6)
RTL Belgium	26	26	–
RTL Radio (France)	7	7	–
Other segments	(1)	(13)	n.a.
Eliminations	(1)	–	n.a.
Total EBITA	534	517	+3.3

EBITA margins	H1 / 2015 per cent	H1 / 2014 restated ²⁰ per cent	Percentage point change
Mediengruppe RTL Deutschland	34.5	33.8	+0.7
Groupe M6	16.6	16.6	–
FremantleMedia	4.4	4.7	(0.3)
RTL Nederland	11.9	19.6	(7.7)
RTL Belgium	25.0	25.5	(0.5)
RTL Radio (France)	9.0	8.8	0.2
RTL Group	19.2	19.2	–

²⁰ All financial data for H1/2014 restated for impact of IFRIC 21

REVIEW BY SEGMENTS

Second quarter of 2015 (Q2/2015)

Revenue	Q2/2015 €m	Q2/2014 restated ²¹ €m	Per cent change
Mediengruppe RTL Deutschland	510	478	+6.7
Groupe M6	324	324	–
FremantleMedia	342	310	+10.3
RTL Nederland	128	126	+1.6
RTL Belgium	54	51	+5.9
RTL Radio (France)	43	43	–
Other segments	127	86	+47.7
Eliminations	(48)	(44)	n.a.
Total revenue	1,480	1,374	+7.7

EBITA	Q2/2015 €m	Q2/2014 restated ²¹ €m	Per cent change
Mediengruppe RTL Deutschland	190	179	+6.1
Groupe M6	64	71	(9.9)
FremantleMedia	25	20	+25.0
RTL Nederland	30	38	(21.1)
RTL Belgium	15	13	+15.4
RTL Radio (France)	8	7	+14.3
Other segments	7	(2)	n.a.
Eliminations	1	–	n.a.
Total EBITA	340	326	+4.3

EBITA margins	Q2/2015 per cent	Q2/2014 restated ²¹ per cent	Percentage point change
Mediengruppe RTL Deutschland	37.3	37.4	(0.1)
Groupe M6	19.8	21.9	(2.1)
FremantleMedia	7.3	6.5	+0.8
RTL Nederland	23.4	30.2	(6.8)
RTL Belgium	27.8	25.5	+2.3
RTL Radio (France)	18.6	16.3	+2.3
RTL Group	23.0	23.7	(0.7)

²¹ All financial data for Q2/2014 restated for impact of IFRIC 21

MEDIENGRUPPE RTL DEUTSCHLAND

Financial results

In the reporting period, the German net TV advertising market was estimated to be up between 3.0 per cent and 4.0 per cent year-on-year. Mediengruppe RTL Deutschland's outperformed the TV advertising market and also generated higher diversification revenue. As a result, Mediengruppe RTL Deutschland increased its total revenue significantly by 7.3 per cent to € 995 million (H1/2014: € 927 million). Accordingly, EBITA was up strongly by 9.6 per cent, reaching € 343 million (H1/2014: € 313 million) – the best ever first half operating profit of the unit.

	H1/2015 €m	H1/2014 restated €m	Per cent change
Revenue	995	927	+7.3
EBITDA	350	321	+9.0
EBITA	343	313	+9.6

Audience ratings

In the first six months of 2015, the channels of **Mediengruppe RTL Deutschland** scored a combined audience share of 28.7 per cent in the target group of viewers aged 14 to 59 (H1/2014: 29.2 per cent), well ahead of the ProSiebenSat1 channels which scored a combined audience share of 26.4 per cent.

RTL Television remained the clear market leader in the target group, attracting an audience share of 12.5 per cent (H1/2014: 13.1 per cent), ahead of Sat 1 (9.6 per cent), ProSieben (8.3 per cent), ZDF (8.0 per cent) and ARD/Das Erste (8.0 per cent).

The most-watched programme on RTL Television in the first half of 2015 was the Uefa European Football Championship qualifier between Germany and Georgia on 29 March 2015, with 11.57 million total viewers. The average audience share among viewers aged 14 to 59 was 38.4 per cent. The ninth season of *Ich bin ein Star – Holt mich hier raus!* (I'm A Celebrity – Get Me Out Of Here!) once again proved popular, with an average audience share of 35.9 per cent in the target group of viewers aged 14 to 59, making it the most watched serial TV format in the first half of 2015 in this demographic. Other audience favourites were *Deutschland sucht den Superstar* (Idols) with an audience share of 19.0 per cent (2014: 18.8 per cent) and *Wer wird Millionär?* (Who Wants To Be A Millionaire?) which reached 5.4 million total viewers on average for an audience share of 15.2 per cent. *RTL Aktuell* was again Germany's most popular news programme among viewers aged 14 to 59, with an average audience share of 16.8 per cent.



During the first half of 2015, **Vox**'s average audience share in the target group of viewers aged 14 to 59 was stable at 6.6 per cent (H1/2014: 6.6 per cent). Especially popular was the music show *Sing meinen Song*, with an average audience share of 11.1 per cent in the target group of viewers aged 14 to 59. The album accompanying the show was also popular in the German album charts, ranking at number one or two for seven weeks. Other popular formats included US prime-time series *Rizzoli & Isles* which attracted an average audience share of 9.4 per cent in the target group and the new season of *Grill den Henssler* with an average audience share of 8.4 per cent. *Shopping Queen* continued to be popular in daytime, scoring an average audience share of 7.8 per cent.

RTL II's average audience share among viewers aged 14 to 59 was stable at 5.4 per cent (H1/2014: 5.4 per cent). Shows such as *Köln 50667* and *Berlin – Tag & Nacht* continued to be popular in access prime time. Other popular formats included the docu soaps *Sarah & Pietro...*, *Die Wollnys – eine schrecklich große Familie* and *Die Geissens – eine schrecklich glamouröse Familie*.

RTL Nitro attracted an average 1.8 per cent of viewers aged 14 to 59 during the first six months of 2015, up from 1.5 per cent in the same period in 2014.

Super RTL achieved an average daytime audience share of 18.3 per cent in its target group of children aged 3 to 13 (H1/2014: 20.3 per cent, 6:00 to 20:15) and continued to be the most popular commercial children's channel in Germany, ahead of Nickelodeon (9.6 per cent) and Disney Channel (9.3 per cent). Popular Super RTL formats included *Edelbert und der Tiger* and *Alvin und die Chipmunks*. The public channel Kika reached an audience share of 20.3 per cent in the target group.

The news channel **N-TV** attracted 1.0 per cent (H1/2014: 1.0 per cent) of viewers aged 14 to 59. During the morning, an average 1.9 per cent of all viewers tune in to N-TV.

Digital and diversification

RTL Interactive is responsible for diversification activities within Mediengruppe RTL Deutschland, including digital content and services.

During the first half of 2015, Mediengruppe RTL Deutschland's family of catch-up services – combined with the clip portal *Clipfish.de*, Clipfish Music HbbTV and the unit's channel and thematic websites – generated a total of 611 million video views of professionally produced content (H1/2014: 606 million). Around 20 per cent of these views were generated on mobile devices.

In April 2015, RTL Interactive launched a free video platform for comedy content: **ComedyRocket.de**. The new platform offers an entertaining mix of professional content produced exclusively for online consumption, including sketches produced by M6 comedy platform Golden Moustache and comedy clips from the video portal Clipfish.

With **Kivido**, Super RTL launched the first German-language subscription video-on-demand offer for children in April.

GROUPE M6

Financial results

In the first half of 2015, Groupe M6's revenue was down to € 632 million (H1/2014: € 670 million), mainly due to the scope effect of *Mistergooddeal* which was sold in March 2014, as well as a less favourable cinema release schedule compared to the first half of 2014 (four movies by SND released in H1/2015 compared to nine movies in H1/2014). This was partly offset by higher advertising revenue from 6ter and the acquisition of Oxygem. Accordingly, EBITA decreased to € 105 million (H1/2014: € 111 million), mainly reflecting lower EBITA contributions from the company's diversification businesses. The French net TV advertising market was slightly up by an estimated 2.0 per cent compared to the first half of 2014.

	H1/2015 €m	H1/2014 restated €m	Per cent change
Revenue	632	670	(5.7)
EBITDA	167	159	+5.0
EBITA	105	111	(5.4)

Audience ratings

Groupe M6's combined audience share was 21.8 per cent in the key commercial target group of women under 50 responsible for purchases during the first six months of 2015 (H1/2014: 21.9 per cent).

In the first six months of 2015, flagship channel **M6** scored an average audience share of 14.9 per cent in the target group of women under 50 responsible for purchases (H1/2014: 15.5 per cent). The tenth season of *L'Amour est dans le pré* attracted 5.3 million viewers on average and scored an audience share of 34.2 per cent in the target group, making it the leading programme in terms of both target group and total audience. Successfully renewed, the sixth season of *Top Chef* gained 300,000 viewers compared to the previous season. *Capital* and *Zone Interdite* remained the two most watched magazines in prime time in the target group. The new innovative format *The Island* scored an audience share of 18.6 per cent in the target group and was a digital hit with 2.5 million videos viewed. The exclusive season one of *Scorpion* scored an average 21.2 per cent among women under 50 responsible for purchases, making M6 the most-watched channel in the target group. In access prime-time, *Le 19.45* was still the leading news programme among women under 50 responsible for purchases (with an average audience share of 20.7 per cent) and *Scènes de Ménages* remained the most watched programme in the target group in its time slot.

W9 remained stable, attracting an average 3.7 per cent of women under 50 responsible for purchases (H1/2014: 3.7 per cent). W9 was the most-watched DTT channel in prime time and scored a new DTT record with 4.1 million viewers tuning in to the Uefa women's world cup game between France and Germany. The most-watched series was *Marvel's Agents Of Shield* with an average audience share of 5.3 per cent in the target group.

In the target group of women under 50 responsible for purchases, **6ter** remained the leading channel among the six DTT channels launched in December 2012, attracting an average audience share of 1.9 per cent – up from 1.3 per cent in the first half of 2014. Popular formats include *Norbert Commis d'Office*, movies, *Once Upon A Time* and *Storage Wars*.



Digital and diversification

During the first half of 2015, **M6 Web** reached an average audience of 14.0 million unique users per month across its network (H1/2014: 11.6 million). During the reporting period, Groupe M6's total video views grew significantly to 593 million (H1/2014: 489 million), mainly driven by 6play's success and the development of its multi-channel networks (Golden Moustache, Rose Carpet). In May 2015, M6 expanded its multi-channel network with No Pain No Game, an e-Sport and online gaming dedicated YouTube channel.

In March 2015, **6play** achieved a new record with more than 80 million views, mainly driven by the performances of W9 and 6play exclusive digital channels (Sixième Style, Stories, Comic, Crazy Kitchen). The video views of these digital channels increased by 70 per cent between the second half of 2014 and the first half of 2015. In March, 6play also launched its fifth digital channel, Home Time, a thematic offer focused on decoration and interior design. The 6play app, which was ranked as the most-downloaded French-language app in France (excluding gaming), has now been downloaded more than 20 million times since its launch.

In May, Groupe M6 inaugurated the brand new Stade de Bordeaux, a playground for its football club **Girondins de Bordeaux**.

M6 Films sold 9.1 million cinema tickets in the first half of 2015 (H1/2014: 5.4 million cinema tickets sold).

FREMANTLEMEDIA

Financial results

Revenue at RTL Group's content business, FremantleMedia, increased slightly to €637 million (H1/2014: €623 million), mainly due to positive exchange rate effects offsetting lower production volumes in North America and Germany. Nonetheless, EBITA was broadly stable at €28 million (H1/2014: €29 million), despite lower production volume from North America and Europe.

	H1/2015 €m	H1/2014 restated €m	Per cent change
Revenue	637	623	+2.2
EBITDA ²²	38	51	(25.5)
EBITA	28	29	(3.4)

Production business

In January 2015, FremantleMedia acquired a 25 per cent stake in **Corona TV**. The deal, which gives FremantleMedia a first look option on all Corona TV output, furthers FremantleMedia's ambition to build its scripted pipeline, developing projects with a cinematic feel to attract international co-production funding.

At MipTV in April 2015, FremantleMedia announced an exclusive commercial agreement with **Shanghai Media Group** (SMG)'s BestTV and China Media Capital (CMC) to create and develop entertainment formats for the China market.

Non-scripted

Launched on 26 May 2015, the tenth series of *America's Got Talent* premiered to an audience of 13.8 million viewers on NBC, making it once again the highest rated summer entertainment show in the United States.

In January, *Family Feud* won its highest household ratings for over 20 years. For the 2014/15 season-to-date the series is the number one game show in day-time syndication for the key target of women aged 25 to 54. The celebrity version of *Family Feud* launched on ABC in June as the country's number one show of the night, winning a total audience of 9.6 million and 11.1 per cent share among viewers aged 18 to 49. *Celebrity Family Feud* is now the highest rated summer launch for two years and the highest rated new entertainment launch for the 2014/15 season-to-date in the US.

American Idol series 14 was once again the leading entertainment series on Fox so far this year, winning an average total audience of 10.8 million viewers, representing an audience share of 8.9 per cent among adults aged 18 to 49. *American Idol* has been Fox's number one entertainment show for the past ten years.

Britain's Got Talent, airing in its ninth season from April to May 2015, was the country's highest rated show of the year so far. The series was watched by an average 10.5 million viewers and won an average audience share of 51.1 per cent among viewers aged 16 to 34.

Asia's Got Talent launched on AXN in March, topping the ratings charts among English pay-TV channels in Southeast Asia.



²² Reported EBITDA in 2015 was lower than in 2014 due to amortisation of film rights of the movie *Der Medicus* in 2014.

Airing its 12th season from January to May, *Deutschland sucht den Superstar* (Idols) won an average 4.1 million viewers, averaging an audience share of 19.0 per cent among viewers aged 14 to 59.

In France, the tenth series of *L'Amour est dans le pré* (The Farmer Wants A Wife) launched on 8 June 2015, attracting an average audience share of 34.2 per cent so far for M6 in the key target demographic of women under 50 responsible for purchases.

Scripted

The Returned, a FremantleMedia North America and A+E Studios co-production, launched on A+E in spring 2015 and is also available on Netflix through a global deal secured by FremantleMedia International. In June, the US cable channel Starz gave the go-ahead to FremantleMedia North America's adaptation of Neil Gaiman's acclaimed contemporary fantasy novel *American Gods*.

Having acquired the international distribution rights to UFA Fiction's *Deutschland 83* FremantleMedia International (FMI) announced a commercial agreement with Sundance TV that saw the inspired Cold War drama become the first German-language series to air on a major US channel. FMI subsequently announced presales of the drama series *Deutschland 83* to Canal Plus (France), SVT (Sweden), NRK (Norway), DR (Denmark), YLE (Finland) and RUV (Iceland).

In Norway, the Miso produced drama *Acquitted* became the highest rated drama premiere in TV2's history with 780,000 viewers. The series won an average audience of 660,000 viewers and 35.9 per cent share. The series was sold to SVT1 in Sweden and went on to become one of Sweden's highest ever rated foreign drama launches.

In Australia, *Neighbours* was the leading drama series across all digital free-to-air channels for 2015, winning an average total audience share of 6.2 per cent. In April, Wentworth won an average audience of 313,000 on subscription TV channel SoHo, growing by 8 per cent against the second season.

Kids & Family Entertainment

FremantleMedia Kids & Family Entertainment (FMKFE) has sold programmes to number one free-to-air broadcasters in every continent and on every major network in the US. To further expand its global footprint the company recently opened an office in Hong Kong which has led to a significant increase in sales throughout Asia.

An agreement with Netflix in February will see the highly-anticipated new series of *Danger Mouse* premiere as an original Netflix series on Netflix in the US and internationally in 2016 following its UK launch on the BBC this autumn.

Digital

Europe's leading multi-channel network Divimove – in which FremantleMedia increased its non-controlling shareholding to 51 per cent in December 2014 – attracts 1.3 billion views a month and has 100 million subscribers across its 1,700 digital influencers, including Dutch creator Nikkie de Jager, aka Nikkie-Tutorials, who became a global superstar in June after her video "The Power of MakeUp" was watched more than 20 million times and picked up by global news outlets.

FremantleMedia North America launched BuzzrTV, a digital multicast network, that showcases FremantleMedia's vast portfolio of more than 40,000 game show episodes around the clock.

Shotglass Media was formed in April. The UK business sits alongside FremantleMedia UK labels Talkback, Retort, Boundless, Thames, Newman Street and Euston Films and will focus on creating innovative digital experiences for fans and brands.

FremantleMedia's YouTube presence continued to reach new heights throughout the first half of 2015:

- FremantleMedia content had 6.1 billion views in H1/2015 (H1/2014: 3.7 billion) and added more than 3 million subscribers between January and June 2015, for a total of 23.8 million subscribers.
- FremantleMedia now has 213 YouTube channels across 49 different territories, with over 18 new launches in the first six months of 2015, including *Portugal's Got Talent*, *The X Factor New Zealand*, *Italia's Got Talent*, and *Cambodian Idols*

In the first half of 2015, Ludia reached over 15 million monthly active users across all platforms. During this same period, its games were downloaded 38 million times. *Jurassic World: The Game* achieved 10 million downloads alone in its first two months, is the number one app in 30 countries and is the top grossing app in ten countries.

RTL NEDERLAND

Financial results

The Dutch TV advertising market was estimated to be down 5.7 per cent year-on-year. However, total revenue of RTL Nederland was stable at €226 million (H1/2014: €224 million), due to higher revenue from the lower margin diversification business. This, along with higher costs in the digital business resulted in declining EBITA amounting to €27 million (H1/2014: €44 million).

	H1/2015 €m	H1/2014 restated €m	Per cent change
Revenue	226	224	+0.9
EBITDA	31	47	(34.0)
EBITA	27	44	(38.6)

Audience ratings

During the first six months of 2015, the combined prime-time audience share of RTL Nederland's channels in the target group of viewers aged 20 to 49 was up to 32.7 per cent (H1/2014: 31.9 per cent), clearly ahead of the public broadcasters (24.9 per cent) and the SBS group (20.4 per cent).

RTL Nederland's flagship channel, RTL 4, registered an average audience share of 19.8 per cent in the target group of shoppers aged 20 to 49 (H1/2014: 19.2 per cent). Popular programmes included *The Voice Kids*, *Divorce*, the daily drama *Goede Tijden, Slechte Tijden* and *Familie Kruys*.

RTL 5 achieved an audience share of 6.2 per cent among viewers aged 20 to 34 in the reporting period (H1/2014: 5.9 per cent). Popular programmes included *Bizarre Eters*, *Peter R. De Vries Internetpesters Aangepakt*, *Samantha en Michael Nemen Er Nog Eentje* and movies such as *Taken 2*.

The men's channel RTL 7 scored an average audience share of 6.6 per cent among male viewers aged 20 to 49 in the first half of 2015 (H1/2014: 6.8 per cent). On 26 February 2015, RTL 7 attracted its highest audience share ever – 37.9 per cent – with its broadcast of the Europa League football game between Feyenoord Rotterdam and AS Rome.

During the first six months of 2015, the women's channel RTL 8 attracted an average audience share of 3.3 per cent among women aged 20 to 49 (H1/2014: 3.5 per cent). Among the most popular formats were *CSI: Miami* and movies such as *The Terminal* and *Letters To Juliet*.

Digital and diversification

RTL Nederland's network of websites generated a total 386 million video views²³ (including YouTube) in the first six months of 2015 (H1/2014: 297 million²⁴). The most popular formats were *The Bold & The Beautiful*, *Divorce* and all video content related to the daily soap *Goede Tijden, Slechte Tijden*. RTL Nederland generated 31 per cent of the video views through apps, 46 per cent through syndicated partners (mainly YouTube) and 22 per cent from the programme websites and catch-up service *RTLXL.nl*. (H1/2014: 45 per cent through apps, 26 per cent through syndicated partners and 28 per cent from the programme websites and *RTLXL.nl*).

In April, RTL Nederland took full ownership in the video-on-demand platform Videoland (The Entertainment Group BV).

In January, Couverts, the online table reservation portal owned by RTL Ventures, strengthened its position as market leader with the takeover of the online restaurant guide, Dinersite.



²³ Playlist starts

²⁴ Due to a change in measurement, this figure is different to the one published in the half-year report 2014

RTL BELGIUM

Financial results

Due to higher TV revenue, partly offset by lower revenue from radio activities in the first six months of 2015, RTL Belgium's revenue was up to €104 million (H1/2014: €102 million), while EBITA was stable at €26 million. The net TV advertising market in Belgium was estimated to be down 0.9 per cent in the reporting period.

	H1/2015 €m	H1/2014 restated €m	Per cent change
Revenue	104	102	+2.0
EBITDA	28	28	–
EBITA	26	26	–

Audience ratings

The combined prime-time audience share of **RTL Belgium's** family of TV channels in the target group (shoppers aged 18 to 54) increased to 35.9 per cent (H1/2014: 35.2 per cent). RTL Belgium's lead over the public channels remained high at 17.1 percentage points.

The market-leading channel in French-speaking Belgium, **RTL-TVI**, achieved an average prime-time audience share of 26.1 per cent in the target group (H1/2014: 25.4 per cent), 9.4 percentage points ahead of the second highest-rated channel, the French commercial broadcaster TF1. **Plug RTL** reported a prime-time audience share of 6.1 per cent among young viewers aged 15 to 34 (H1/2014: 4.9 per cent), while **Club RTL** ended the first half of 2015 with a prime-time audience share of 6.1 per cent in its main target group of male viewers aged 18 to 54 (H1/2014: 7.1 per cent).

According to the most recent CIM audience survey, covering April to June 2015, the Belgian radio family had a combined audience share of 31.0 per cent (April to June 2014: 26.5 per cent). **Bel RTL** was the number two general-interest radio station in the French Community (audience share: 14.1 per cent) and **Radio Contact** was the leading music radio station (audience share: 12.9 per cent).

Digital and diversification

In the first half of 2015, the number of unique visitors on the **RTL.be** website has increased to 283,118 per day (up 6 per cent compared to H1/2014). Thanks to a strong mobile adoption in the Belgian population combined with a cross platform strategy at RTL Belgium, mobile visits now represent 35 per cent of the digital traffic compared to 23 per cent in the first half of 2014. RTL Belgium reached an average of 10 million video views every month, for a total of 60 million video views in the reporting period. In September 2015, RTL Belgium will launch a brand new Replay online platform.



RTL RADIO (FRANCE)

Financial results

The net radio advertising market in France declined by an estimated 3.2 per cent compared to the same period in 2014. Revenue of the French RTL radio family decreased to €78 million (H1/2014: €80 million), while EBITA remained stable at €7 million (H1/2014: €7 million).

	H1/2015 €m	H1/2014 restated €m	Per cent change
Revenue	78	80	(2.5)
EBITDA	9	9	–
EBITA	7	7	–

Audience ratings

The latest audience survey by Médiamétrie for the period April to June 2015 showed an increase in cumulated audience in the French radio market by 66,000 listeners year-on-year. The combined audience share of RTL Group's French radio family was up year-on-year to 19.0 per cent (April to June 2014: 17.8 per cent).

The audience share of the flagship station **RTL Radio** was 11.8 per cent (April to June 2014: 11.1 per cent). RTL Radio was the leading French radio station: 4.2 percentage points ahead of the next commercial competitor (April to June 2014: 2.9) and gathering 6.4 million listeners a day (April to June 2014: 5.7 million).

Fun Radio lost 230,000 listeners in cumulated audience year-on-year, reaching 3.5 million listeners a day but its audience share increased by 0.2 percentage points to 4.2 per cent (April to June 2014: 4.0 per cent), the station's best score since 2011.

RTL 2 gained 187,000 listeners in cumulated audience year-on-year, reaching 2.5 million listeners a day (H1/2014: 2.3 million). The station's audience share increased to 3.0 per cent (April to June 2014: 2.7 per cent).

Digital and diversification

According to the latest available Médiamétrie results, covering the first four months of the year 2015, **RTL.fr** has confirmed its position as the leading radio website in France, achieving an average of 3.4 million unique visitors per month compared to 3.5 million for the same period of 2014.



OTHER SEGMENTS

This section comprises the fully consolidated businesses RTL Hungary, RTL Hrvatska (Croatia), the German radio business, and the investment accounted for using the equity method, Atresmedia in Spain. It also includes RTL Group's digital assets SpotXchange, BroadbandTV and StyleHaul, bundled in the RTL Digital Hub.

Revenue of **RTL Hungary** remained stable at €47 million (H1/2014: €46 million) due to higher revenue from the cable channels, while EBITA was strongly up to €16 million (H1/2014: €5 million), mainly due to one-off effects such as the partial reversal of stock valuation allowance and the re-claim of the advertising tax paid in 2014. The Hungarian TV advertising market was estimated to be down 1.4 per cent over the reporting period, compared to the first half of 2014.

With a combined average prime-time audience share²⁵ of 38.0 per cent among viewers aged 18 to 49 (H1/2014: 36.2 per cent), the gap between the Hungarian RTL family of channels and its competitor TV 2 Group increased to 23.2 percentage points (H1/2014: 18.5 percentage points). Flagship channel **RTL Klub** attracted an average 20.6 per cent of viewers aged 18 to 49 in prime time (H1/2014: 19.6 per cent), 9.1 percentage points ahead of its closest commercial competitor TV 2 with 11.5 per cent (H1/2014: 14.8 per cent). The news show *Hirado* was watched by an average 21.1 per cent of the target group (H1/2014: 18.0 per cent), making it the most popular news show in the country. The daily series *Éjjel-nappal Budapest* (Budapest Day & Night) registered an average audience share of 25.2 per cent among viewers aged 18 to 49 in the first half of 2015, while the daily soap *Barátok közt* (Between Friends) attracted an average audience share of 24.2 per cent.

RTL Hungary's cable channels achieved a combined prime-time audience share of 17.4 per cent in the target group (H1/2014: 16.6 per cent). The general entertainment channel **Cool** was the country's leading cable channel, scoring a prime-time audience share of 7.1 per cent (H1/2014: 6.0 per cent), followed by **Film Plusz** with 5.9 per cent (H1/2014: 5.5 per cent). **RTL II**, which was launched at the end of 2012, attracted 2.2 per cent of the viewers aged 18 to 49 in prime time (H1/2014: 3.3 per cent).

The catch-up TV service **RTL Most** is the leading local brand for professionally produced online video content. The service registered 18 million video views in the reporting period (H1/2014: 35 million video views).



²⁵ Since 1 January 2015, the Hungarian audience figures include time-shifted viewing within a seven-day period after broadcast.

RTL Hrvatska: In Croatia, the TV advertising market was estimated to be down 0.1 per cent. Revenue of RTL Hrvatska was stable at €17 million (H1/2014: €17 million), with EBITA being stable at a break-even position.

In March 2015, RTL Hrvatska launched three new channels: **RTL Passion**, **RTL Crime** and **RTL Living**. The new channels replace RTL Plus – Croatia's first IPTV channel – which was founded in 2008, and are available from more than 90 per cent of cable and IPTV operators. The company now operates three free-to-air and three pay-TV channels – more than any competitor.

RTL Hrvatska's channels achieved a combined prime-time audience share of 26.2 per cent in the target group of viewers aged 18 to 49 (H1/2014: 25.4 per cent). This increase was driven by a slightly stronger performance of the two main channels, **RTL Televizija** and **RTL 2**. The flagship channel RTL Televizija recorded a prime-time audience share of 19.0 per cent (H1/2014: 18.2 per cent), while RTL 2 recorded an audience share of 6.2 per cent (H1/2014: 6.0 per cent). RTL Hrvatska's children's channel, **RTL Kockica**, achieved an average daytime (7:00 to 20:00) audience share of 15.3 per cent in the target group of children aged 4 to 14 (H1/2014: 19.3 per cent).

One of the world's most popular formats, *X Factor*, achieved an average audience share of 26.6 per cent. The main news show *RTL Danas* attracted an average audience of 22.0 per cent among viewers aged 18 to 49. A new format, *RTL Direkt*, launched to replace the late news show and gathered an average 14.9 per cent of the viewers in the target group. The second season of *Tri, dva, jedan kuhaj!* (Three, Two, One – Cook), a culinary format developed in-house and broadcast in prime time Mondays to Thursdays, achieved an average audience share of 20.6 per cent. In January, the flagship channel RTL Televizija achieved good ratings with the live broadcast of the 24th Men's Handball World Championship in Qatar: on average 33.7 per cent of the viewers watched a total of 24 matches, while matches with Croatian team averaged an audience share of 52.0 per cent.

RTL Croatia websites registered 7.1 million online video views during the reporting period (H1/2014: 5.1 million), including 1.5 million video views from its catch-up TV platform, **RTL Sada**. The service provides the opportunity for time-shifted viewing of all locally produced shows from RTL Televizija, RTL 2 and RTL Kockica as well as some web-only content.

Atresmedia in Spain: According to Infoadex estimates, the Spanish TV advertising market grew by 9.9 per cent year-on-year. Atresmedia's net revenue increased by 12.2 per cent to €506 million (H1/2014: €451 million), while first-half operating profit (EBITDA) was up 55.0 per cent to €93 million (H1/2014: €60 million), driven by higher revenue, partly balanced by higher costs. Atresmedia has announced a net profit for the reporting period of €55 (H1/2014: €38 million).

In the first half of 2015, Atresmedia's family of channels recorded an audience share of 28.1 per cent in the target group (H1/2014: 31.3). This decline was mainly due to the closure of three channels in May 2014. Flagship channel Antena 3 achieved an audience share of 13.4 per cent in the target group (H1/2014: 13.9 per cent) and Atresmedia's second largest channel, La Sexta, reached 8.3 per cent of the target audience, up from 7.6 per cent in the first half of 2014.

Atresmedia's contribution to RTL Group's EBITA amounted to €11 million (H1/2014: €7 million).

Reported revenue from **RTL Radio Deutschland** was slightly down to €23 million (H1/2014: €24 million), while EBITA remained stable at €4 million.

RTL Digital Hub

In June 2015, RTL Group announced the creation of the RTL Digital Hub, a new unit that bundles the company's recent investments in the online video segment, in particular BroadbandTV, StyleHaul and SpotXchange. RTL Digital Hub also includes the BroadbandTV subsidiary YoBoHo and the shareholding in Clypd, a company specialising in the automated sale of TV advertising.

SpotXchange continues to grow strongly and is working closely with RTL Group to leverage synergies and shared knowledge as the business expands into Europe. The company continued its rapid growth trajectory in H1/2015, with three new offices opened, a 28 per cent increase in global headcount and a 90 per cent increase in net revenue²⁶. Since H1/2014, ad activity on SpotXchange has doubled: In the reporting period, SpotXchange registered 125 million ad impressions each day (H1/2014: 60 million). More than 5 billion video ad decisions are processed daily via SpotXchange (H1/2014: 1 billion). In March 2015, SpotXchange announced the launch of its Benelux operation. With the addition of the stock of publisher Gamehouse, SpotXchange immediately takes a leading role in the Dutch online video market. Videostrip, RTL Nederland's online video advertising platform, has been rebranded as SpotXchange Benelux, offering publishers a way to manage all aspects of their video advertising inventory. SpotXchange is recruiting a team in Hamburg and Munich, to support the company's supply side platform and grow the business across Germany, Austria and Switzerland.

BroadbandTV is the number three multi-channel network (MCN) on YouTube worldwide, with over 37,000 channels and 5.4 billion monthly views. In H1/2015, BroadbandTV registered a total of 23 billion video views – up 138 per cent from H1/2014. BroadbandTV's revenue was up 84 per cent compared to the same period in 2014. According to Comscore it is now the fastest-growing major multi-channel network worldwide. In January, BroadbandTV announced the launch of new hip-hop music network, Opposition, which has become the largest hip-hop network on YouTube. In April, BroadbandTV acquired YoBoHo which operates the leading Kids and Family Entertainment video network, HooplaKidz, with over 8,000 original videos. In June 2015, BroadbandTV announced an exclusive agreement with *The Huffington Post* to launch Outspeak, the first next-generation online video journalism network. Outspeak partners will be featured on YouTube, as well as The Huffington Post domain. In July, BroadbandTV launched Windfall, a joint venture with BMG, designed to accelerate the careers of emerging music artists.

With nearly 6,000 creators, **StyleHaul** is the largest global style community of content creators. The network creates multi-platform marketing campaigns. In the first half of 2015, StyleHaul registered a total of 7.1 billion video views – up 98 per cent compared to H1/2014. In the reporting period, StyleHaul increased its revenue by 112 per cent²⁶. At the NewFronts in May, StyleHaul announced a new agreement with Amazon. As part of an e-commerce content programme, videos from StyleHaul creators are now available on the retailer's Video Shorts section, along with strategic placement on product pages across focused categories including beauty, fashion and lifestyle – the products featured can directly be purchased through in-video annotations and merchandising in the video viewer. In June, StyleHaul launched *Vanity*, its first original scripted series, created by Emmy-Award winner Bernie Su and Canvas Media Studios in collaboration with long-time partner Maybelline. The series stars Alex Frnka, Denise Richards and the model Karrueche Tran, and also features cameos from several StyleHaul creators

²⁶ Pro forma

Principal risks and uncertainties

RTL Group derives the majority of its revenue from the various advertising markets in which the Group operates. This is an area highly exposed to the general economic conditions and consumer confidence. Advertising market conditions in the first half of 2015 showed a mixed picture. With the exception of Germany and France, which were estimated to be up by low single digits and Spain which was up almost 10 per cent, all other European net TV advertising markets in RTL Group's territories were down year-on-year.

The state of the advertising market is just one of the key operational drivers of the Group. Other drivers include audience share, advertising market share and the overall level of programme cost. Should any of these key drivers change substantially compared to the Group's position as at 30 June 2015 then the Group would be impacted – either positively or negatively – in the second half of the year.

The Group's content arm is subject to pricing pressure from its clients and is facing reduced production and distribution volumes for some of its programme genres. Should the business not develop creatively, through the development of new formats, or should it miss a new programming trend, then its results would be affected negatively. Conversely, should the creative renewal proceed rapidly, the business will be positively impacted by this development.

The Group's content arm also derives a substantial proportion of its revenues in foreign currency, notably the US dollar. Should there be sudden unexpected movements in exchange rates, either up or down, then reported revenue would also be impacted either positively or negatively.

The Group continues to monitor its cost base closely but cannot rule out increased programme investments, should the competitive landscape require it, which would have a negative short-term impact on earnings. The launch of new channels by the Group's operating units will also involve programme and other investments which will, in the short-term, have a negative impact on earnings.

RTL Group's 2014 Annual Report sets out the most significant risk factors and litigations relating to the company's operations at the time of going to press. RTL Group does not consider these principal risks and uncertainties to have changed in a material way.

Additional risks and uncertainties not currently known to the Group, or that the Group does not currently deem material, may also have an adverse effect on its business.

Major related party transactions

The major related party transactions can be found in note 14 to the condensed consolidated interim financial information.

Subsequent events

See note 15 to the condensed consolidated interim financial information.

Outlook

RTL Group raises its outlook given at the full-year results 2014 presentation on 5 March 2015: Assuming there will not be major changes in the economic climate across RTL Group's markets, the Group now expects its total revenue to be slightly up compared to the full year 2014. The Group expects full-year reported EBITA to be in line with last year despite lower contributions from one-off gains in 2015.

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

for the periods to 30 June

	Three months ended 30 June		Six months ended 30 June	
	2015 € m	2014 Restated ²⁷ € m	2015 € m	2014 Restated ²⁷ € m
Revenue	1,480	1,374	2,788	2,687
Other operating income	10	12	20	18
Consumption of current programme rights	(489)	(419)	(937)	(852)
Depreciation, amortisation and impairment	(29)	(41)	(96)	(96)
Other operating expenses	(630)	(617)	(1,267)	(1,263)
Amortisation and impairment of fair value adjustments on acquisitions of subsidiaries	4	(98)	2	(100)
Gain/(loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	4	3	4	2
Profit from operating activities	350	214	514	396
Share of results of investments accounted for using the equity method	15	18	29	24
Earnings before interest and taxes ("EBIT")	365	232	543	420
Interest income	2	2	4	4
Interest expense	(8)	(7)	(15)	(18)
Financial results other than interest	-	1	1	(1)
Profit before taxes	359	228	533	405
Income tax expense	(92)	(90)	(145)	(159)
Profit for the period	267	138	388	246
Attributable to:				
RTL Group shareholders	245	111	351	202
Non-controlling interests	22	27	37	44
Profit for the period	267	138	388	246
EBITA²⁸	340	326	534	517
Impairment of goodwill of subsidiaries	-	(88)	-	(88)
Amortisation and impairment of fair value adjustments on acquisitions of subsidiaries	4	(10)	2	(12)
Impairment of disposal group	14	-	-	-
Re-measurement of earn-out arrangements	3	1	3	1
Gain/(loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	4	3	4	2
Earnings before interest and taxes ("EBIT")	365	232	543	420
Earnings per share (in €)				
– Basic	1.59	0.73	2.28	1.32
– Diluted	1.59	0.73	2.28	1.32

²⁷ See note 2²⁸ 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

The accompanying notes form an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

for the periods to 30 June

	Three months ended 30 June		Six months ended 30 June	
	2015 € m	2014 Restated ²⁹ € m	2015 € m	2014 Restated ²⁹ € m
Profit for the period	267	138	388	246
Other comprehensive income:				
Items that will not be reclassified to profit or loss:				
Re-measurement of post-employment benefit obligations	30	(7)	5	(26)
Income tax	(7)	1	(1)	5
	23	(6)	4	(21)
Items that may be reclassified subsequently to profit or loss:				
Foreign currency translation differences	(28)	9	30	(3)
Effective portion of changes in fair value of cash flow hedges	(31)	5	34	6
Income tax	10	(1)	(11)	(1)
	(21)	4	23	5
Change in fair value of cash flow hedges transferred to profit or loss	(5)	1	(14)	–
Income tax	2	–	4	–
	(3)	1	(10)	–
Fair value gains/(losses) on available-for-sale financial assets	(2)	(4)	–	(5)
Income tax	1	–	1	–
	(1)	(4)	1	(5)
	(53)	10	44	(3)
Other comprehensive income/(loss) for the period, net of income tax	(30)	4	48	(24)
Total comprehensive income for the period	237	142	436	222
Attributable to:				
RTL Group shareholders	217	116	398	179
Non-controlling interests	20	26	38	43
Total comprehensive income for the period	237	142	436	222

²⁹ See note 2

The accompanying notes form an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

	Notes	30 June 2015 €m	31 December 2014 Restated ³⁰ €m
Non-current assets			
Programme and other rights		74	93
Goodwill		2,928	2,867
Other intangible assets		211	199
Property, plant and equipment		347	337
Investments accounted for using the equity method	8.	379	381
Loans and other financial assets		191	192
Deferred tax assets		358	395
		4,488	4,464
Current assets			
Programme rights		1,079	1,028
Other inventories		20	15
Income tax receivable		80	56
Accounts receivable and other financial assets	14.	1,686	1,702
Cash and cash equivalents		316	483
		3,181	3,284
Assets classified as held for sale	9.	–	4
Current liabilities			
Loans and bank overdrafts		820	583
Income tax payable		36	42
Accounts payable	14.	2,355	2,459
Provisions		129	166
		3,340	3,250
Net current assets		(159)	38
Non-current liabilities			
Loans	14.	516	521
Accounts payable		404	396
Provisions		245	250
Deferred tax liabilities		61	60
		1,226	1,227
Net assets		3,103	3,275
Equity attributable to RTL Group shareholders		2,684	2,828
Equity attributable to non-controlling interests		419	447
Equity		3,103	3,275

³⁰ See note 2

The accompanying notes form an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

for the periods to 30 June

	Share capital € m	Treasury shares € m	Currency translation reserve € m	Hedging reserve € m	Revaluation reserve € m	Reserves and retained earnings € m	Equity attributable to RTL Group shareholders € m	Equity attributable to non-controlling interests € m	Total equity € m
Balance at 1 January 2014	192	(44)	(168)	(8)	85	3,102	3,159	434	3,593
Total comprehensive income:									
Profit for the period	–	–	–	–	–	202	202	44	246
Foreign currency translation differences	–	–	(3)	–	–	–	(3)	–	(3)
Effective portion of changes in fair value of cash flow hedges, net of tax	–	–	–	5	–	–	5	–	5
Fair value gains/(losses) on available-for-sale financial assets, net of tax	–	–	–	–	(5)	–	(5)	–	(5)
Re-measurement of post-employment benefit obligations, net of tax	–	–	–	–	–	(20)	(20)	(1)	(21)
	–	–	(3)	5	(5)	182	179	43	222
Capital transactions with owners:									
Dividends	–	–	–	–	–	(691)	(691)	(72)	(763)
Equity-settled transactions, net of tax	–	–	–	–	–	1	1	2	3
(Acquisition)/disposal of treasury shares	–	(3)	–	–	–	–	(3)	–	(3)
Transactions on non-controlling interests without a change in control	–	–	–	–	–	–	–	2	2
Transactions on non-controlling interests with a change in control	–	–	–	–	–	(15)	(15)	(4)	(19)
Derivatives on equity instruments	–	–	–	–	–	(2)	(2)	(3)	(5)
Transactions on treasury shares of associates	–	–	–	–	–	12	12	–	12
	–	(3)	–	–	–	(695)	(698)	(75)	(773)
Balance at 30 June 2014 (restated³¹)	192	(47)	(171)	(3)	80	2,589	2,640	402	3,042
Balance at 1 January 2015 (restated³¹)	192	(45)	(149)	42	77	2,711	2,828	447	3,275
Total comprehensive income:									
Profit for the period	–	–	–	–	–	351	351	37	388
Foreign currency translation differences	–	–	29	–	–	–	29	1	30
Effective portion of changes in fair value of cash flow hedges, net of tax	–	–	–	23	–	–	23	–	23
Change in fair value of cash flow hedges transferred to profit or loss, net of tax	–	–	–	(10)	–	–	(10)	–	(10)
Fair value gains/(losses) on available-for-sale financial assets, net of tax	–	–	–	–	1	–	1	–	1
Re-measurement of post-employment benefit obligations, net of tax	–	–	–	–	–	4	4	–	4
	–	–	29	13	1	355	398	38	436
Capital transactions with owners:									
Dividends	–	–	–	–	–	(538)	(538)	(71)	(609)
Equity-settled transactions, net of tax	–	–	–	–	–	2	2	1	3
(Acquisition)/disposal of treasury shares	–	(2)	–	–	–	–	(2)	–	(2)
Transactions on non-controlling interests without a change in control	–	–	–	–	–	(2)	(2)	6	4
Transactions on non-controlling interests with a change in control	–	–	–	–	–	–	–	1	1
Derivatives on equity instruments	–	–	–	–	–	(3)	(3)	(3)	(6)
Transactions on treasury shares of associates	–	–	–	–	–	1	1	–	1
	–	(2)	–	–	–	(540)	(542)	(66)	(608)
Balance at 30 June 2015	192	(47)	(120)	55	78	2,526	2,684	419	3,103

³¹ See note 2

The accompanying notes form an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED INTERIM CASH FLOW STATEMENT

for the periods to 30 June

	Three months ended 30 June		Six months ended 30 June	
	2015 € m	2014 Restated ³² € m	2015 € m	2014 Restated ³² € m
Cash flows from operating activities				
Profit before taxes	359	228	533	405
Adjustments for:				
– Depreciation and amortisation	45	40	100	97
– Value adjustments, impairment and provisions	6	125	27	136
– Share-based payments expenses	2	2	4	3
– Gain on disposal of assets	(4)	(2)	(4)	(3)
– Financial results including net interest expense and share of results of investments accounted for using the equity method	(1)	(5)	17	18
Use of provisions	(35)	(34)	(60)	(50)
Working capital changes	(151)	(66)	(124)	(63)
Income taxes paid	(134)	(92)	(198)	(142)
Net cash from operating activities	87	196	295	401
Cash flows from investing activities				
Acquisitions of:				
– Programme and other rights	(15)	(23)	(48)	(51)
– Subsidiaries, net of cash acquired	(20)	(4)	(45)	(23)
– Other intangible and tangible assets	(25)	(19)	(59)	(37)
– Other investments and financial assets	(8)	(17)	(17)	(22)
Current deposit with shareholder	–	–	–	(75)
	(68)	(63)	(169)	(208)
Proceeds from the sale of intangible and tangible assets	1	1	10	10
Disposal of other subsidiaries, net of cash disposed of	2	–	2	–
Proceeds from the sale of investments accounted for using the equity method, other investments and financial assets	42	–	44	4
Current deposit with shareholder	–	75	–	75
Interest received	1	1	3	3
	46	77	59	92
Net cash from/(used in) investing activities	(22)	14	(110)	(116)
Cash flows from financing activities				
Interest paid	–	(4)	(16)	(25)
Transactions with non-controlling interests	1	1	7	1
(Acquisition)/disposal of treasury shares	(3)	(3)	(2)	(3)
Term loan facility due to shareholder	443	272	240	272
Proceeds from loans	4	4	7	8
Repayment of loans	(2)	(1)	(4)	(4)
Dividends paid	(597)	(750)	(597)	(750)
Net cash used in financing activities	(154)	(481)	(365)	(501)
Net decrease in cash and cash equivalents	(89)	(271)	(180)	(216)
Cash and cash equivalents and bank overdrafts at beginning of period	406	594	479	540
Effect of exchange rate fluctuation on cash held	(10)	4	11	3
Effect of cash in disposal group held for sale	3	–	–	–
Cash and cash equivalents and bank overdrafts at end of period	310	327	310	327

³² See note 2

The accompanying notes form an integral part of this condensed consolidated interim financial information.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1. REPORTING ENTITY AND STATEMENT OF COMPLIANCE

RTL Group SA (the “Company”), the parent company, is domiciled and incorporated in Luxembourg. This condensed consolidated interim financial information is presented in accordance with the requirements of IAS 34 Interim Financial Reporting as adopted by the European Union and should be read in conjunction with the consolidated annual financial statements for the year ended 31 December 2014.

RTL Group (“the Group”) forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Group will be

able to operate within the level of its current facilities. Management have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Therefore RTL Group continues to adopt the going concern basis in preparing its condensed consolidated interim financial information.

This condensed consolidated interim financial information was approved by the Board of Directors on 26 August 2015.

2. SIGNIFICANT ACCOUNTING POLICIES

Changes in accounting policy

The accounting policies have been consistently applied by the Group entities and are consistent with those used in previous year, except as follows:

a. New and amended standards and interpretations adopted by the Group

- IFRIC 21, “Levies”, sets out the accounting for an obligation to pay a levy if that liability is within the scope of IAS 37, “Provisions”. The interpretation addresses what the obligating event is that gives rise to pay a levy and when a liability should be recognised. The adoption of IFRIC 21 did not have a material impact on the consolidated financial statements of the Group as at 31 December 2013 and 2014. However, the effects of IFRIC 21 alter the timing of the recognition of certain levies in France (such as C3S) for the interim reporting. The impact for the six months ended 30 June 2014 results in a decrease in the profit from operating activities of €2 million. The condensed consolidated interim income statement and the condensed consolidated interim statement of comprehensive income have been restated accordingly;
- Annual improvements 2011–2013. The amendments include changes from the 2011–13 cycle of the annual improvements project that affects four standards: IFRS 1, “First time adoption”, IFRS 3 “Business combination”, IFRS 13, “Fair value measurement” and IAS 40, “Investment property”^{33, 34}.

b. Standards and amendments to existing standards that are not yet effective and have not been early adopted by the Group

The following new standards and amendments have been published but are not effective for the Group’s accounting period beginning on 1 January 2015. The Group has yet to assess the impact of the new standards and amendments:

- IAS 19 revised, “Defined Benefit Plans: Employee Contributions” – effective for annual periods beginning on or after 1 July 2014³⁵;
- Annual improvements 2010–2012. These amendments include changes from the 2010–12 cycle of the annual improvements project, that affect seven standards: IFRS 2, “Share-based payment”, IFRS 3, “Business Combinations”, IFRS 8, “Operating segments”, IFRS 13, “Fair value measurement”, IAS 16, “Property, plant and equipment” and IAS 38, “Intangible assets”. This implies consequential amendments to IFRS 9, “Financial instruments”, IAS 37, “Provisions, contingent liabilities and contingent assets”, and IAS 39, “Financial instruments – Recognition and measurement” – effective for annual periods beginning on or after 1 July 2014³⁵;

³³ Endorsed by the European Union for periods on or after 1 January 2015

³⁴ The application of these standards, interpretations and amendments had no significant impact for the Group

³⁵ Endorsed by the European Union for periods on or after 1 February 2015. The Group will therefore apply those standards and amendments as from 1 January 2016

- “Disclosure Initiative (Amendments to IAS 1)” – effective from 1 January 2016 to encourage companies to apply professional judgement in determining the information to disclose in their financial statements³⁶;
- Amendments to IAS 16, “Property, plant and equipment” and IAS 38, “Intangible assets” on depreciation and amortisation and IAS 16, “Property, plant and equipment” and IAS 41, “Agriculture” related to accounting for bearer plants – effective from 1 January 2016. In the first amendment, the IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The IASB has also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. However, past the headline is a rebuttable presumption, and revenue-based amortisation is permitted when it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated³⁶;
- Amendment to IAS 27, “Separate financial statements”, on equity method on separate financial statements – effective from 1 January 2016³⁶;
- Amendment to IFRS 10, “Consolidated financial statements”, IFRS 12 “Disclosure of interests in other entities” and IAS 28, “Associates and joint ventures” on sale or contribution of assets and on investment entities applying the consolidation exception – effective from 1 January 2016³⁶;
- Amendment to IFRS 11, “Joint arrangements” on acquisition of an interest in a joint operation – effective from 1 January 2016³⁶;
- Annual improvements 2012–2014 – effective from 1 January 2016³⁶;
- IFRS 9, “Financial instruments” (and related amendment on general hedge accounting) – effective from 1 January 2018. The IASB has published the complete version of IFRS 9 which replaces the guidance in IAS 39. This final version includes requirements on the classification and measurement of financial assets and liabilities; it also includes an expected credit losses model that replaces the incurred loss impairment model used today³⁶;
- IFRS 14, “Regulatory deferral accounts” – effective from 1 January 2016³⁶;
- IFRS 15, “Revenue from contracts with customers” applies to all contracts with customers except those that are financial instruments, leases or insurance contracts and introduces a five-step process that the Group will have to follow. The new Standard goes beyond just “commercial effect”, “fair value” and “risk and rewards” and will also result in a significant increase in the volume of disclosures related to revenue. IFRS 15 will be applicable for reporting periods beginning on or after 1 January 2018³⁶.

Other restatements

Following the completion of the purchase price allocation during the first half of 2015 for SpotXchange and Style Haul (see note 6.1.), comparative information in the condensed consolidated statement of financial position and the condensed consolidated statement of changes in equity as of 31 December 2014 has been restated for intangible assets, deferred tax, and equity attributable to RTL Group shareholders. As these acquisitions occurred during the second half of 2014, the condensed consolidated June 2014 interim income statement has not been restated.

³⁶ These standards and interpretations have not yet been endorsed by the European Union

3. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of condensed consolidated interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial information the significant judgements made by the management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2014.

4. FINANCIAL RISK MANAGEMENT

4. 1.

Financial risks factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

This condensed consolidated interim financial information does not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the Group's annual financial statements as at 31 December 2014. There have been no changes in the risk management policies and organisation since year end.

4. 2.

Accounting classifications and fair value hierarchy

4. 2. 1.

Financial instruments by category

Except for the long-term loan arrangement with Bertelsmann SA & Co. KGaA, the fair value of each class

of financial assets and liabilities are equivalent to their carrying amount.

The fair value of the 10-year-term facility – calculated as the present value of the payments associated with the debt and based on the applicable yield curve and RTL Group credit spread – amounts to €538 million (December 2014: €555 million).

4. 2. 2.

Fair value hierarchy

The following table presents the Group's financial assets and liabilities measured at fair value.

The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets (or liabilities);
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or the liability that are not based on observable market data (unobservable inputs).

	Total € m	Level 1 € m	Level 2 € m	Level 3 € m
Assets				
Available-for-sale investments	59	11	-	48
Derivatives used for hedging ³⁷	109	-	109	-
At 30 June 2015	168	11	109	48
Liabilities				
Derivatives used for hedging ³⁸	44	-	44	-
Liabilities in relation to put options on non-controlling interests	32	-	-	32
At 30 June 2015	76	-	44	32

There were no transfers between Levels 1, 2 and 3 during the six month period 2015.

	Total € m	Level 1 € m	Level 2 € m	Level 3 € m
Assets				
Available-for-sale investments	58	8	-	50
Derivatives used for hedging ³⁹	78	-	78	-
At 31 December 2014	136	8	78	50
Liabilities				
Derivatives used for hedging ⁴⁰	16	-	16	-
Liabilities in relation to put options on non-controlling interests	30	-	-	30
At 31 December 2014	46	-	16	30

There were no transfers between Levels 1, 2 and 3 during the year 2014.

37 Out of which €34 million are derivatives used to offset currency exposure relating to recognised monetary assets and liabilities for which hedge accounting as defined under IAS 39 is not applied

38 Out of which €30 million are derivatives used to offset currency exposure relating to recognised monetary assets and liabilities for which hedge accounting as defined under IAS 39 is not applied

39 Out of which €24 million are derivatives used to offset currency exposure relating to recognised monetary assets and liabilities for which hedge accounting as defined under IAS 39 is not applied

40 Out of which €13 million are derivatives used to offset currency exposure relating to recognised monetary assets and liabilities for which hedge accounting as defined under IAS 39 is not applied

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. These instruments are included in Level 1. The quoted market price used for financial assets by the Group is the current bid price.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. The main Level 3 related inputs

used by RTL Group relate to the determination of the expected discounted cash flows as well as the discount rates used in the different valuations.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments (Level 2);
- The fair value of forward foreign exchange contracts classified under Level 2 are determined using forward exchange rates at the balance sheet date, with the resulting value discounted back to present value;
- For instruments classified under Level 3, other techniques, such as discounted cash flow analysis, based for the main instruments, on the significant unobservable inputs (e.g. forecast revenue growth rate and market multiple), are used to determine fair value for the remaining financial instruments.

The following tables present the change in Level 3 instruments for the period ended 30 June:

	Financial assets at fair value through profit or loss € m	Available- for-sale investments € m	Total assets € m	Liabilities at fair value through profit or loss € m
Balance at 1 January	–	50	50	30
Effects of movements in foreign exchange	–	–	–	2
Gains/(losses) recognised in other comprehensive income	–	(2)	(2)	–
Balance at 30 June 2015	–	48	48	32

	Financial assets at fair value through profit or loss € m	Available- for-sale investments € m	Total assets € m	Liabilities at fair value through profit or loss € m
Balance at 1 January	–	51	51	–
Acquisitions and additions	–	–	–	16
Balance at 30 June 2014	–	51	51	16

5. SEGMENT REPORTING

	Mediengruppe RTL Deutschland		Groupe M6	
	2015 € m	2014 restated ⁴¹ € m	2015 € m	2014 restated ⁴¹ € m
Three months ended 30 June				
Revenue from external customers	510	478	323	323
Inter-segment revenue	–	–	1	1
Total revenue	510	478	324	324
Profit/(loss) from operating activities	181	168	61	71
Share of results of investments accounted for using the equity method	9	10	1	–
EBIT	190	178	62	71
EBITDA	193	183	88	91
Depreciation and amortisation (amortisation and impairment of fair value adjustments on acquisitions of subsidiaries excluded)	(3)	(4)	(24)	(20)
EBITA	190	179	64	71
Impairment of goodwill of subsidiaries	–	–	–	–
Amortisation and impairment of fair value adjustments on acquisitions of subsidiaries	–	–	(1)	(1)
Impairment of disposal group	–	–	–	–
Re-measurement of earn-out arrangements	–	(1)	(1)	–
Gain/(loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	–	–	–	1
EBIT	190	178	62	71
Interest income				
Interest expense				
Financial results other than interest				
Income tax expense				
Profit for the period				
Six months ended 30 June				
Revenue from external customers	994	926	624	665
Inter-segment revenue	1	1	8	5
Total revenue	995	927	632	670
Profit/(loss) from operating activities	324	298	101	110
Share of results of investments accounted for using the equity method	19	14	1	–
EBIT	343	312	102	110
EBITDA	350	321	167	159
Depreciation and amortisation (amortisation and impairment of fair value adjustments on acquisitions of subsidiaries excluded)	(7)	(8)	(62)	(48)
EBITA	343	313	105	111
Impairment of goodwill of subsidiaries	–	–	–	–
Amortisation and impairment of fair value adjustments on acquisitions of subsidiaries	–	–	(2)	(2)
Re-measurement of earn-out arrangements	–	(1)	(1)	–
Gain/(loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	–	–	–	1
EBIT	343	312	102	110
Interest income				
Interest expense				
Financial results other than interest				
Income tax expense				
Profit for the period				

41 See note 2

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

FremantleMedia		RTL Nederland		RTL Belgium		RTL Radio (France)		Other segments		Eliminations		Total Group	
2015 €m	2014 restated ⁴² €m	2015 €m	2014 restated ⁴² €m	2015 €m	2014 restated ⁴² €m	2015 €m	2014 restated ⁴² €m	2015 €m	2014 restated ⁴² €m	2015 €m	2014 restated ⁴² €m	2015 €m	2014 restated ⁴² €m
309	277	126	126	53	50	43	43	116	77	–	–	1,480	1,374
33	33	2	–	1	1	–	–	11	9	(48)	(44)	–	–
342	310	128	126	54	51	43	43	127	86	(48)	(44)	1,480	1,374
31	11	32	38	15	14	8	7	21	(95)	1	–	350	214
–	1	(2)	–	–	–	–	–	7	7	–	–	15	18
31	12	30	38	15	14	8	7	28	(88)	1	–	365	232
31	25	32	40	16	14	9	8	11	5	1	–	381	366
(6)	(5)	(2)	(2)	(1)	(1)	(1)	(1)	(4)	(7)	–	–	(41)	(40)
25	20	30	38	15	13	8	7	7	(2)	1	–	340	326
–	(9)	–	–	–	–	–	–	–	(79)	–	–	–	(88)
–	–	–	–	–	–	–	–	5	(9)	–	–	4	(10)
–	–	–	–	–	–	–	–	14	–	–	–	14	–
6	1	–	–	–	–	–	–	(2)	1	–	–	3	1
–	–	–	–	–	1	–	–	4	1	–	–	4	3
31	12	30	38	15	14	8	7	28	(88)	1	–	365	232
–	–	–	–	–	–	–	–	–	–	–	–	2	2
–	–	–	–	–	–	–	–	–	–	–	–	(8)	(7)
–	–	–	–	–	–	–	–	–	–	–	–	–	1
–	–	–	–	–	–	–	–	–	–	–	–	(92)	(90)
–	–	–	–	–	–	–	–	–	–	–	–	267	138
–	–	–	–	–	–	–	–	–	–	–	–	–	–
562	556	224	224	103	101	77	79	204	136	–	–	2,788	2,687
75	67	2	–	1	1	1	1	20	18	(108)	(93)	–	–
637	623	226	224	104	102	78	80	224	154	(108)	(93)	2,788	2,687
35	19	29	43	26	27	7	7	(7)	(108)	(1)	–	514	396
(1)	2	(2)	1	–	–	–	–	12	7	–	–	29	24
34	21	27	44	26	27	7	7	5	(101)	(1)	–	543	420
38	51	31	47	28	28	9	9	6	(3)	(1)	–	628	612
(10)	(22)	(4)	(3)	(2)	(2)	(2)	(2)	(7)	(10)	–	–	(94)	(95)
28	29	27	44	26	26	7	7	(1)	(13)	(1)	–	534	517
–	(9)	–	–	–	–	–	–	–	(79)	–	–	–	(88)
–	–	–	–	–	–	–	–	4	(10)	–	–	2	(12)
6	1	–	–	–	–	–	–	(2)	1	–	–	3	1
–	–	–	–	–	1	–	–	4	–	–	–	4	2
34	21	27	44	26	27	7	7	5	(101)	(1)	–	543	420
–	–	–	–	–	–	–	–	–	–	–	–	4	4
–	–	–	–	–	–	–	–	–	–	–	–	(15)	(18)
–	–	–	–	–	–	–	–	–	–	–	–	1	(1)
–	–	–	–	–	–	–	–	–	–	–	–	(145)	(159)
–	–	–	–	–	–	–	–	–	–	–	–	388	246

42 See note 2

	Mediengruppe RTL Deutschland		Groupe M6	
	June 2015 € m	December 2014 restated ⁴³ € m	June 2015 € m	December 2014 restated ⁴³ € m
Segment assets (assets classified as held for sale and investments accounted for using the equity method excluded)	1,554	1,561	1,559	1,477
Investments accounted for using the equity method	65	75	6	6
Assets classified as held for sale	-	-	-	-
Segment assets	1,619	1,636	1,565	1,483
Segment liabilities (liabilities directly associated with non-current assets classified as held for sale excluded)	956	950	621	643
Segment liabilities	956	950	621	643
Invested capital	663	686	944	840
Segment assets				
Deferred tax assets				
Income tax receivable				
Other assets				
Cash and cash equivalents				
Total assets				
Segment liabilities				
Deferred tax liabilities				
Income tax payable				
Other liabilities				
Total liabilities				

⁴³ See note 2

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

FremantleMedia		RTL Nederland		RTL Belgium		RTL Radio (France)		Other segments		Eliminations		Total Group	
June 2015 € m	December 2014 restated ⁴⁴ € m	June 2015 € m	December 2014 restated ⁴⁴ € m	June 2015 € m	December 2014 restated ⁴⁴ € m	June 2015 € m	December 2014 restated ⁴⁴ € m	June 2015 € m	December 2014 restated ⁴⁴ € m	June 2015 € m	December 2014 restated ⁴⁴ € m	June 2015 € m	December 2014 restated ⁴⁴ € m
1,721	1,678	394	388	171	165	166	168	681	646	(126)	(133)	6,120	5,950
15	16	6	7	–	–	–	–	287	277	–	–	379	381
–	4	–	–	–	–	–	–	–	–	–	–	–	4
1,736	1,698	400	395	171	165	166	168	968	923	(126)	(133)	6,499	6,335
455	456	143	118	106	110	59	61	324	367	(122)	(133)	2,542	2,572
455	456	143	118	106	110	59	61	324	367	(122)	(133)	2,542	2,572
1,281	1,242	257	277	65	55	107	107	644	556	(4)	–	3,957	3,763
												6,499	6,335
												358	395
												80	56
												416	483
												316	483
												7,669	7,752
												2,542	2,572
												61	60
												36	42
												1,927	1,803
												4,566	4,477

44 See note 2

6. ACQUISITIONS AND DISPOSALS

6. 1.

Details of main acquisitions

Details of the main acquisitions in the period are set out below. Had the business combinations been at the beginning of the year, the revenue and the profit attributable to RTL Group would not have materially changed.

June 2015

Oxygem

On 9 January 2015, Groupe M6 acquired 100 per cent of Oxygem SA and its subsidiaries ("Oxygem"). Oxygem operates various websites. The acquisition strengthens the monetisation capabilities of Groupe M6 in the online advertising market and will generate significant synergies by cross-fertilising digital expertise. The transaction qualifies as a business combination since RTL Group gained the control over Oxygem.

The purchase consideration amounts to €18 million, net of cash acquired and, in addition, the reimbursement of a loan previously granted to Oxygem by the seller (€6 million). The fair value of the brand names, subscriber database and technology has been measured for €8 million, of which €7 million for the brand names. A corresponding deferred tax liability has been recognised for €3 million. As a result, a provisional goodwill of €17 million has been recognised. The latter is attributable mainly to the synergies expected and to the skills and expertise of the Oxygem workforce. The goodwill will not be tax deductible. Oxygem is allocated to the Groupe M6 cash generating unit.

The transaction-related costs are €0.2 million and are reported in "Operating expenses".

	Fair value at date of gain of control €m
Cash and cash equivalents	2
Other intangible assets	8
Accounts receivable and other financial assets	7
Accounts payable	(3)
Employee benefit obligations	(2)
Interest bearing loans and borrowings	(7)
Net deferred tax liabilities	(2)
Net assets acquired	3
Goodwill	17
Total purchase consideration	20
Loan previously granted by the seller	6
Cash and cash equivalents in operations acquired	(2)
Cash outflow on acquisition	24

YoBoHo

On 1 April 2015, BroadbandTV Corp. ("BBTV") acquired 87.6 per cent (71.3 per cent on a fully diluted basis) of YoBoHo New Media Private Limited and its subsidiary YoBoHo New Media Inc. ("YoBoHo"). RTL Group consequently holds an interest of 50.3 per cent (36.8 per cent on a fully diluted basis) in YoBoHo. YoBoHo, which is based in Mumbai, produces kids-and-family oriented video for distribution across digital platforms. The acquisition of YoBoHo by BBTV supports RTL Group's ambitions to secure a leading position in the global online video market. The transaction qualifies as a business combination since RTL Group gained the control over YoBoHo.

The purchase consideration, partly contributed to YoBoHo, amounts to €9 million, net of cash acquired and contingent on a cash-and-debt free position adjusted for normalised working capital. A provisional goodwill of €8 million has been recognised. The goodwill will not be tax deductible. YoBoHo is allocated to the BBTV cash generating unit.

BBTV also benefits from a call option for the remaining non-controlling interests. The call window opens two years from closing and ends 18 months thereafter; the non-capped strike price is determined pursuant to a fair market value determination mechanism.

The transaction-related costs are €0.3 million and are reported in "Operating expenses".

	Fair value at date of gain of control €m
Accounts receivable and other financial assets	2
Non-controlling interests	(1)
Net assets acquired	1
Goodwill	8
Total purchase consideration	9
Cash outflow on acquisition	9

Other acquisitions and developments

On 7 January 2015, RTL Group acquired 100 per cent of Dinersite BV ("Dinersite"), an online restaurant guide. The combination with Couverts, the online table reservation portal owned by RTL Nederland Ventures BV, creates a leading position in the Dutch online restaurant booking market. The transaction qualifies as a business combination since RTL Group

gained the control of Dinnersite. The purchase consideration amounted to below € 1 million, net of cash acquired. Goodwill is nil.

On 1 April 2015, RTL Nederland BV ("RTL NL") acquired 100 per cent of Grand Gear Media BV, which operates a Dutch digital platform named Bright, a cross-media platform operating in the field of innovative lifestyle related content with a focus on technology, lifestyle and design and the Bright Assets and all Bright digital platforms and databases such as *Bright.nl*, *Uitpakparty*, Bright Ideas, Bright Store and events. The transaction qualifies as a business combination since RTL Group gained control. The purchase price consists of an earn-out mechanism based on revenue and EBITA. At 30 June 2015, the earn-out mechanism has been recognised for €0.3 million. The goodwill of €0.3 million will not be tax deductible.

On 1 April 2015, RTL Group gained the control of Dutch Learning Company BV ("DLC") through a capital increase of € 1 million. From that date, RTL Group holds 80.3 per cent of the share capital of DLC. As a result, a goodwill of € 1 million has been recognised. The goodwill will not be tax deductible. Before 1 April 2015, DLC was accounted for using the equity method. The measurement at fair value of the 37.8 per cent interest previously held was insignificant.

On 7 April 2015, the non-controlling interests of The Entertainment Group BV ("TEG") agreed with RTL Nederland Interactief BV ("RTL Interactief") on the transfer of the remaining 35 per cent held in the share capital for an amount of €3 million fully paid at 30 June 2015. On 22 July 2013, RTL Group had gained the control of TEG, which had been consolidated at 100 per cent.

RTL Group, through FremantleMedia North America Inc, incorporated the new company Big Balls LLC, held at 95 per cent, in order to launch a digital broadcasting network ("digi-net") in the US called Buzzr, scheduling FremantleMedia's large library of classic game shows.

RTL Group had gained the control of SpotXchange Inc and its 100 per cent affiliates ("SpotXchange") on 1 September 2014. Further to the completion of the purchase price allocation and of the true-up exercise during the first half year 2015, the purchase consideration was finally determined at an amount of €113 million, net of cash acquired and including a contingent consideration related to an earn-out mechanism for €9 million. The purchase accounting was completed during the first half of 2015 and resulted in the recognition of a goodwill of €99 million. In addition to the deferred tax asset recognised in 2014 for €8 mil-

lion and related to losses carried forward and share-based arrangements, the following identifiable assets and liabilities were recognised at 30 June 2015:

- Technology for €2 million;
- Brand name for €1 million;
- Customer relationships for €7 million;
- Related deferred tax liability for €4 million.

The earn-out related liability was re-measured by €2 million at 30 June. The related impact was reported in "Other operating expenses". A first instalment of the earn-out was paid during the first half year 2015 for an amount of €7 million.

The call option was measured for € nil million at 30 June 2015.

Fair value
at date of
gain of control
2014
€m

Cash and cash equivalents	4
Other intangible assets	10
Property, plant and equipment	3
Net deferred assets	5
Accounts receivable and other financial assets	32
Accounts payable	(29)
Loans	(2)
Non-controlling interests	(5)
Net assets acquired	18
Goodwill	99
Total purchase consideration	117
Cash and cash equivalents in operations acquired	(4)
Contingent consideration	(9)
Cash outflow on acquisition	104

RTL Group had gained the control of Style Haul Inc ("Style Haul") on 1 December 2014. The initial purchase consideration of €115 million, contingent on a cash-and-debt free position adjusted for normalised working capital, has been reduced by €4 million following the completion of the true-up exercise during the first half year of 2015. This amount was received by the Group at 30 June 2015. The purchase accounting was completed during the first half of 2015 and resulted in the recognition of a goodwill of €100 million. In addition to the identifiable intangible assets (€3 million) and the deferred tax asset (€12 million) related to losses carried forward and stock option plans recognised in 2014, the following identifiable assets and liabilities were recognised at 30 June 2015:

- Brand name for €1 million;
- Related deferred tax liability for €0.4 million.

The earn-out related consideration initially recognised for €8 million was re-measured to €3 million at 30 June 2015. The related impact is reported in “Other operating income”.

The put option liability and the cash settled share based payment arrangement liability are re-measured at fair value through profit or loss at 30 June 2015. The impact was insignificant.

	Fair value at date of gain of control 2014 €m
Cash and cash equivalents	1
Other intangible assets	4
Net deferred tax assets	12
Accounts receivable and other financial assets	5
Accounts payable	(5)
Loans	(4)
Non-controlling interests	(1)
Net assets acquired	12
Goodwill	100
Total purchase consideration	112
Fair value of previously held equity interests	(21)
Net assets contributed	(2)
Contingent consideration	(4)
Cash and cash equivalents in operations acquired	(1)
Cash outflow on acquisition	84

June 2014 (updated at 30 June 2015)

Best of TV

On 7 January 2014, Groupe M6 had acquired 51 per cent of Best of TV SAS and Best of TV Benelux SPRL (“Best of TV”). Best of TV had developed a leading position in France in distributing infomercial and tele-shopping products through major French retail chains. This acquisition enabled Groupe M6 to strengthen the position of its subsidiary, Home Shopping Service, in the home shopping and infomercial business. The transaction qualified as a business combination since RTL Group gained the control of Best of TV. A contingent consideration had been recognised for €5 million at the acquisition date and re-measured through the profit or loss (“Other operating expenses”) for €0.8 million at 30 June 2015 (December 2014: €0.7 million). The contingent liability was paid during the first half of 2015. The purchase consideration amounted to €9 million, net of cash acquired, and resulted in the recognition of a goodwill of €8 million. Goodwill in connection with the transaction is not tax deductible. Best of TV was allocated to the Groupe M6 cash generating unit.

The remaining 49 per cent interest is subject to put and call options based on the fair value of the entity at the exercise date between 2017 and 2025. The amount of the option is capped at €19 million. The put option had been recognised at the acquisition date for €16 million through equity as a liability for the present value of the redemption amount. This is a Level 3 fair value measurement.

The transaction related costs were insignificant.

495 Productions

On 26 March 2014, RTL Group had acquired 75 per cent of 495 Productions Holdings LLC and its 100 per cent affiliates (“495 Productions”). 495 Productions is a US-based production entity specialising in unscripted, female-skewed docu-series for cable networks. This acquisition enabled FremantleMedia to expand and diversify its core TV production business internationally. The transaction qualified as a business combination since RTL Group gained the control of 495 Productions. The purchase consideration, net of cash acquired, amounted to €18 million. The purchase accounting did not lead to the recognition of additional identifiable assets and liabilities. This resulted in the recognition of a goodwill of €20 million. The goodwill was attributable mainly to the skills and talent of 495 Productions workforce and the synergies expected to be achieved from the integration of 495 Productions into the FremantleMedia business. Goodwill in connection with the transaction is tax deductible. 495 Productions was allocated to the FremantleMedia cash generating unit.

The remaining 25 per cent interest is subject to put and call options based on a performance-related component. The put option liability had been recognised through equity for the present value of the redemption amount of €7 million.

The transaction related costs amounted to €0.6 million, mainly consisting of legal fees and due diligence costs reported in “Other operating expenses”.

RTL Group has paid an amount of below €1 million during the first quarter of 2015 corresponding to the deferred consideration.

6. 2.**Assets and liabilities acquired**

Detail of the net assets acquired and goodwill on acquisitions are as follows:

	2015 €m
Purchase consideration:	
– Cash paid	47
– Payments on prior years' acquisitions	(12)
– Loan previously granted by the seller	(6)
Total purchase consideration	29
Less:	
Fair value of net assets acquired	(3)
Goodwill	26

6. 3.**Cash outflow on acquisitions**

The fair value of the net assets and liabilities arising from the acquisitions of the first half of 2015 are as follows:

	2015 Fair value €m
Cash and cash equivalents	2
Other intangible assets	9
Accounts receivable and other financial assets	9
Accounts payable	(4)
Employee benefit obligations	(2)
Interest bearing loans and borrowings	(8)
Net deferred tax asset/(liability)	(2)
Non-controlling interests	(1)
Net assets acquired	3
Goodwill	26
Total purchase consideration	29
Less:	
Payments on prior years' acquisitions	12
Loan previously granted by the seller	6
Cash and cash equivalents in operations acquired	(2)
Cash outflow on acquisitions	45

6. 4.**Disposal**

On 20 April 2015, RTL Group agreed with Lagardère Unlimited Germany GmbH ("Lagardère Unlimited") to fully dispose of the interests held in UFA Sports GmbH and some of its subsidiaries ("UFA Sports"). The subsidiaries apareo Holding GmbH, apareo Deutschland GmbH and UFA Sports Asia Pte Ltd were excluded from the deal and remain with RTL Group. UFA Sports was reported as a disposal group held for sale at 31 March 2015. The German competition authorities approved the transaction on 15 June 2015. In consequence, RTL Group lost control over UFA Sports and derecognised all related assets and liabilities. In conjunction with the disposal, UFA Sports repaid the net amounts owed to and by RTL Group of €11 million thanks to the reserve contribution made by the acquirer Lagardère Unlimited (€6 million). At the same time, RTL Group equalised the net cash position of UFA Sports for €2.5 million, of which €1.4 million for a guarantee granted for commercial bad debts.

	2015 €m
Cash and cash equivalents	(1)
Intangible assets	(6)
Loans and other financial assets	(3)
Accounts receivable	(11)
Accounts payable	6
Employee benefit obligations	1
Interest bearing loans and borrowings	1
Net assets disposed	(13)
Capital reserve injection by the acquirer	6
Incremental costs associated with the disposal	(3)
Waiver of financial liability	3
Loss on the disposal	(7)
Waiver of financial liability	(3)
Cash and cash equivalents in operations disposed	(1)
Cash inflow on disposal	2

7. IMPAIRMENT TEST

On 8 June 2015, RTL Group announced the creation of the RTL Digital Hub, a dedicated team which will develop the Group's investments in the areas of digital video assets, in particular BroadbandTV and YoBoHo, Style Haul, SpotXchange and Clypd (an associated company, see note 8.). The RTL Digital Hub will maximise the value of this highly complementary portfolio of digital video businesses to further strengthen RTL Group's leadership position in a high growth market. The digital hub qualifies as an operating segment (reported in "Other segments") but not, at this stage, a cash generating unit.

RTL Group's management have conducted impairment tests on some cash generating units ("CGU") and investments accounted for using the equity method where indications of a possible change in recoverable amount arose over the six months ended 30 June 2015 and on those that had the most limited headroom at 31 December 2014.

	June 2015		December 2014	
	Perpetual growth rate % a year	Discount rate %	Perpetual growth rate % a year	Discount rate %
Cash-generating units				
FremantleMedia	2.5	7.5	2.5	7.7
Other segments				
– Hungarian language cable channels and M-RTL	2.0	12.8	2.0	12.8
– Style Haul	2.0	13.7	2.0	13.9

The assumptions and results of the impairment testing conducted at 30 June 2015 are described here after.

FremantleMedia

Following continuing pressure on the production and distribution business, due to reduced volumes and pricing, RTL Group's management have updated the business plan to take into account the latest available information, primarily in the United States. FremantleMedia will maintain the strengths of its main franchises and also develop new formats organically while diversifying its portfolio in new genres and maximising its worldwide network. FremantleMedia is thus expecting to slightly increase its EBITA margin over the life of the business plan. Based on this revised plan, the headroom that existed at the level of FremantleMedia has been reduced to €64 million (31 December 2014: €124 million). The value in use on the basis of a discounted cash flow model was retained for determining the recoverable amount.

For FremantleMedia, if, for the second half of 2015 and each of the following periods, the estimated revenue growth and the EBITA margin had been reduced by 1 per cent and the discount rate had been increased by 1 per cent, the compounded effect of these corresponding variations would have resulted in an impairment loss against goodwill of €466 million (€390 million at 31 December 2014).

When taken individually, the following changes in the key assumptions would reduce the recoverable amount of the CGU FremantleMedia as follows:

	30 June 2015 €m	31 December 2014 €m
Variation in:		
Revenue growth by (1) per cent on each period	(155)	(146)
EBITA margin by (1) per cent on each period	(161)	(163)
Discount rate by 100 basis points	(214)	(205)

Hungarian language cable channels and M-RTL

A new advertising tax was adopted on 11 June 2014 and amended by the Hungarian Parliament on 4 July 2014 and came into force on 15 August 2014. The tax was steeply progressive with rates between nil – 40 per cent, and was calculated, in general, on the net revenues derived from advertising plus the margins which the sales houses affiliated to the taxpayers charge to their customers. The tax base was calculated by aggregating the tax bases of affiliated undertakings. As a result, entities belonging to a group of companies were taxed at higher tax rates than independent legal entities. On 18 November 2014, the Hungarian government adopted an amendment by which the highest applicable tax rate was increased from 40 to 50 per cent. This amendment entered in force on 1 January 2015.

On this basis, RTL Group's management had recognised in 2014:

- at 30 June, the full impairment of the goodwill for an amount of €77 million and additional impairment losses on non-current intangible assets for €11 million, of which €9 million related to assets identified in connection with the initial purchase price allocations; and
- at 31 December, a valuation allowance on current programme rights for an amount of €7 million.

On 27 May 2015, the Hungarian Parliament amended retrospectively the advertising tax. The tax rate was changed into a flat rate of 5.3 per cent for a tax base above HUF 100 million and zero under HUF 100 million.

The retrospective impact resulted in a one-off positive impact of €4.5 million reported in deduction of the "Other operating expenses".

In addition, RTL Group's management re-assessed at 30 June 2015:

- the fair value of the non-current intangible assets identified in connection with the initial purchase price allocations and fully reversed the remaining impairment for an amount of €7 million;
- the net realisable value of the current programme rights. This resulted in the recognition of a reversal of €3 million.

Style Haul

The significant increase of video views was not reflected in the revenue growth due to the delayed launch of certain diversification revenue streams, mostly on content revenue, and the lower revenue per thousand impressions ("RPM"). Based on a revised plan, the headroom has been reduced to €6 million (31 December 2014: €14 million). The value in use was retained for determining the recoverable amount.

If, for the second half of 2015 and each of the following periods, the estimated revenue growth and the EBITA margin of Style Haul had been reduced by 1 per cent and the discount rate had been increased by 1 per cent, the compounded effect of these corresponding variations would have resulted in an impairment loss against goodwill of €25 million (€16 million at 31 December 2014).

When taken individually, the following changes in the key assumptions would reduce the recoverable amount of the CGU Style Haul as follows:

	30 June 2015 €m	31 December 2014 €m
Variation in:		
Revenue growth by (1) per cent on each period	(8)	(8)
EBITA margin by (1) per cent on each period	(8)	(8)
Discount rate by 100 basis points	(15)	(14)

8. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Main changes in the Group's ownership interest in associates

June 2015

On 21 January 2015, FremantleMedia Ltd acquired a 25 per cent non-controlling stake in Corona TV Ltd ("Corona"), a newly created TV production company based in the UK. The deal, which gives FremantleMedia a first look option on all Corona TV output, furthers FremantleMedia's ambition to build its scripted pipeline. A loan granted by FremantleMedia will fund the development of scripted television programmes. FremantleMedia hold call options to acquire the remaining shares. The related carrying amount is below €1 million.

On 8 April and 5 June 2015, RTL Group acquired a 19.5 per cent (17.4 per cent on a fully diluted basis) non-controlling interests in CLYPD, Inc. ("Clypd"). Clypd is a programmatic TV start-up based in Boston which focuses on the development of an audience-buying platform for linear TV. The company is complementary to the programmatic online video advertising marketplace that SpotXchange operates. The acquisition price amounts to €10 million. Although RTL Group holds less than 20 per cent of the equity shares of Clypd, management consider that the Group exercises a significant influence in Clypd in view of the representation of RTL Group on the Board of Clypd.

The ownership of RTL Group decreased from 19.2 per cent at 31 December 2014 to 18.6 per cent at 30 June 2015 in Atresmedia. Considering the on-going representation of RTL Group at the Board of Directors and other governing bodies of Atresmedia, RTL Group's management consider that this does not change the significant influence of RTL Group in Atresmedia.

This transaction resulted in a dilution of RTL Group's interest generating a capital gain of €10 million reported in "Gain/(loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree".

On 15 June 2015, FremantleMedia Group Ltd has taken a 35.3 per cent (31.6 per cent on a fully diluted basis) non-controlling interests in UMI Mobile, Inc ("UMI"), a new gaming company in Canada. FremantleMedia is entitled, via a call mechanism, to buy the shares of the departing shareholders. No fair value has been recognised at 30 June 2015. The related carrying amount is below €1 million.

June 2014

The ownership of RTL Group had decreased from 20.5 per cent at 31 December 2013 to 19.2 per cent at 31 March 2014 in Atresmedia since the partial novation, on 19 February 2014, of the Integration Agreement executed on 14 December 2011 with the shareholders of La Sexta and the reduction of the number of treasury shares. In the view of the representation of RTL Group to the Board of Directors and other governing bodies of Atresmedia, management had considered that this did not change the significant influence of RTL Group in Atresmedia. This transaction had resulted in a dilution of RTL Group's interest generating a capital loss of €5 million reported in "Gain/(loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree".

On 21 February 2014, RTL Group had disposed of its ownership in Asia Sports Ventures Pte. Ltd. and recognised a capital gain of €3 million presented in "Gain/(loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree".

Main changes in the Group's ownership interest in joint ventures

June 2015

On 27 January 2015, RTL Group entered into the joint venture Buurtfacts BV ("Buurtfacts"). Buurtfacts is a web and app-based platform with a focus on distributing publicly available news, information and facts on a local level. The other shareholders, who hold 45 per cent, have been granted a put option; the related liability amounts to €0.3 million at 30 June 2015. The carrying amount of Buurtfacts is below €1 million.

June 2014

On 6 February 2014, Vice Media, Inc. and RTL Group had entered in a joint-venture agreement through the creation of Vice Food LLC, held at 70 and 30 per cent, respectively. The venture was set up to operate, commission, develop and produce digital content for a new online digital vertical known as 'Munchies, Food by Vice', across multiple platforms. Vice Media and FremantleMedia are also individually providing content to the venture.

On 15 April 2014, Contact Vlaanderen NV had been liquidated generating a capital gain of €1 million presented in "Gain/(loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree".

On 12 June 2014, RTL Group had disposed of all the shares held in BIG RTL Broadcast Private Limited ("BIG RTL") to the other shareholder, the Reliance Group. The capital loss related to the exit by RTL Group of the joint venture, concluded on 27 May 2011 and previously held at 50 per cent, amounted to €1 million. The capital loss was presented in "Gain/(loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree". The disposal had resulted in an outflow, net of transaction costs, of €1 million.

9. ASSETS CLASSIFIED AS HELD FOR SALE AND LIABILITIES DIRECTLY ASSOCIATED WITH NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

June 2015

RTL Group received in April 2015 an amount of €4 million following the disposal during the first quarter of the investment held in AdSociety. The related capital gain is €0.5 million.

June 2014

At 31 March 2014, Groupe M6 had disposed of 100 per cent of its interests held in Mistergooddeal SA. The sale proceeds amounted to €2 million and the capital gain to €1 million.

10. SEASONALITY OF OPERATIONS

The Group's core broadcast business is subject to strong seasonal fluctuations and hence the results for the first six months of 2015 do not necessarily permit predictions as to its future performance. Advertising revenue is impacted by underlying economic conditions and the cyclical demand for advertising – which during the important fourth quarter help offset the traditionally weaker summer months.

The Group's content arm, FremantleMedia, usually generates a higher proportion of both revenue and EBITA in the second half of the year due, in part, to the seasonality of programme sales but also to the revenue generated by the distribution, licensing and merchandising business. The seasonality is not expected to be different for 2015.

11. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to RTL Group shareholders of €351 million (June 2014 restated: €202 million) and a weighted average number of ordinary shares outstanding during the period of 153,600,189 (June 2014: 153,613,376) calculated as follows:

	June 2015	June 2014 Restated ⁴⁵
Profit attributable to RTL Group shareholders (in € million)	351	202
Weighted average number of ordinary shares:		
Issued ordinary shares at 1 January	154,787,554	154,787,554
Effect of treasury shares held	(1,168,701)	(1,168,701)
Effect of liquidity programme	(18,664)	(5,477)
Weighted average number of ordinary shares	153,600,189	153,613,376
Basic earnings per share (in €)	2.28	1.32
Diluted earnings per share (in €)	2.28	1.32

45 See note 2

12. TREASURY SHARES

The Company's General Meeting held on 16 April 2014 had authorised the Board of Directors to acquire a total number of shares of the Company not exceeding 150,000 in addition to the own shares already held (i.e. 1,168,701 own shares) as of the date of the General Meeting. This authorisation is valid for five years and the purchase price per share is fixed at a minimum of 90 per cent and a maximum of 110 per cent of the average closing price of the RTL Group share over the last five trading days preceding the acquisition.

Following the shareholders' resolution and in order to foster the liquidity and regular trading of its shares that are listed on the stock market in Brussels and

Luxembourg and the stability of the price of its shares, the Company has entered on 28 April 2014 into a liquidity agreement (the "Liquidity Agreement") with a "Liquidity Provider". During the six month period ended 30 June 2015, under the Liquidity Agreement, the Liquidity Provider has:

- purchased 359,944 shares at an average price of €84.75; and
- sold 336,468 shares at an average price of €84.46, in the name and on behalf of the Company.

At 30 June 2015, a total of 34,432 RTL Group shares are held by the Company and €7.6 million are in deposit with the Liquidity Provider under the terms of the Liquidity Agreement.

13. NON-CONTROLLING INTERESTS

Transactions on non-controlling interests without a change in control

On 1 January 2015, RTL Nederland Interactief BV disposed of 49 per cent, out of the 100 per cent held in Videostrip BV ("Videostrip") to SpotXchange Inc (held at 70.8 per cent by the Group) for an amount of €3 million resulting in a dilution of RTL Group's interest of 14.2 per cent with an impact of below €1 million;

CBS Studios International contributed less than €2 million in a capital increase in RTL CBS Asia Entertainment Network LLP, proportionally to its 30 per cent share;

Groupe M6 has acquired and disposed of own shares in respect to the forward purchase contract and the liquidity programme.

14. RELATED PARTY TRANSACTIONS

Financing

Deposits Bertelsmann SE & Co. KGaA

With a view to investing its cash surplus, RTL Group SA entered in 2006 with Bertelsmann SE & Co. KGaA 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 one to six month basis, EURIBOR plus 10 basis points;
- Bertelsmann SE & Co. KGaA grants to RTL Group as security for all payments due by Bertelsmann SE & Co. KGaA a pledge on:
 - All shares of its wholly owned French subsidiary Média Communication SAS;
 - All shares of its wholly owned Spanish subsidiary Media Finance Holding SL;
 - All its interests in the German limited liability partnership Gruner + Jahr GmbH & Co. KG;
 - All shares of its wholly owned English subsidiary Bertelsmann UK Ltd.

At 30 June 2015, RTL Group SA did not hold any deposit with Bertelsmann SE & Co. KGaA (December 2014: € nil million) on a one to six-month basis. The interest income for the period is € nil million (June 2014 restated: €0.1 million).

The interests in Gruner + Jahr GmbH & Co. KG and shares of Bertelsmann UK Ltd have also been granted as pledge by Bertelsmann SE & Co. KGaA to CLT-UFA SA, a subsidiary of RTL Group, in connection with the accounts receivable related to PLP and Compensation Agreements as defined below.

On 22 December 2011, RTL Group Deutschland GmbH, a Group company, and Bertelsmann SE & Co. KGaA entered into an agreement related to the deposit of surplus cash by RTL Group Deutschland GmbH with the shareholder. To secure the deposit, Bertelsmann pledged to RTL Group Deutschland GmbH its aggregate current partnership interest in Gruner + Jahr GmbH & Co. KG.

At 30 June 2015, RTL Group Deutschland GmbH did not hold any deposit with Bertelsmann SE & Co. KGaA (December 2014: € nil million). The interest income for the period is € nil million (June 2014 restated: € nil million).

FremantleMedia North America Inc entered into a Treasury Agreement in North America with Bertelsmann Inc. Interest rates are based on US Libor plus 10 basis points. At 30 June 2015, the balance of the cash pooling payable amounts to € nil million (December 2014: € nil million). The interest income/expense for the period is insignificant (June 2014 restated: insignificant).

Loans from Bertelsmann SE & Co. KGaA

On 7 March 2013, RTL Group Deutschland GmbH, a Group company, and Bertelsmann SE & Co. KGaA entered into a shareholder loan agreement pursuant to which Bertelsmann makes available a term loan facility in the amount of €500 million and a revolving and swingline facility in the amount of up to €1 billion. The main terms of these facilities are:

- Term loan facility of €500 million until 7 March 2023 bearing interest at 2.713 per cent per annum; RTL Group S.A. has the right to early repay the loan subject to break costs. At 30 June 2015, the term loan balance amounts to €500 million (December 2014: €500 million);
- Revolving loans bear interest at the applicable EURIBOR plus a margin of 0.60 per cent per annum, and swingline loans bear interest at EONIA plus a margin of 0.60 per cent per annum. A commitment fee of 35 per cent of the applicable margin is payable where for purposes of calculation of the payable commitment fee the available commitment under the revolving and swingline facilities will be reduced by €200 million. At 30 June 2015, the total of revolving and swingline loan amounts to €776 million (December 2014: €536 million).

The interest expense for the period amounts to €8.5 million (June 2014 restated: €7.2 million). The commitment fee charge for the period amounts to €0.3 million (June 2014 restated: €0.7 million).

Tax

On 26 June 2008, the Board of Directors of RTL Group agreed to proceed with the tax pooling of its indirect subsidiary RTL Group Deutschland GmbH ("RGD") into Bertelsmann Capital Holding GmbH ("BCH"), a direct subsidiary of Bertelsmann SE & Co. KGaA.

To that effect, RGD entered into a Profit and Loss Pooling Agreement ("PLP Agreement") with BCH. Simultaneously, Bertelsmann AG entered into a Compensation Agreement with CLT-UFA SA, a direct subsidiary of RTL Group, providing for the payment to CLT-UFA SA of an amount compensating the above transfer and an additional commission ("Commission") amounting to 50 per cent of the tax saving based upon the taxable profit of RGD.

Based on a tax ruling with the German tax authorities with regard to the taxation of the compensation amount to the minority shareholder of RTL Group S.A., RTL Group Deutschland GmbH is not taxed with corporate tax from 2015 onwards anymore. As a result, RTL Group Deutschland GmbH transfers

100 per cent of its taxable income to BCH which positively impacts the commission income due to CLT-UFA SA.

As at 30 June 2015, the balance payable to BCH amounts to €277 million (December 2014: €432 million) and the balance receivable from Bertelsmann SE & Co. KGaA amounts to €236 million (December 2014: €326 million).

For the period ended 30 June 2015, the German income tax in relation to the tax pooling with Bertelsmann SE & Co. KGaA amounts to €69 million (June 2014 restated: €60 million). The Commission was estimated at €28 million (June 2014 restated: €21 million). The amount of trade tax loss carry forward at the level of Bertelsmann SE & Co. KGaA offset at 30 June 2015 through the PLP is higher compared to 30 June 2014.

The UK Group relief of FremantleMedia Group to Bertelsmann Group resulted in a tax income of €3 million (June 2014 restated: € nil million).

15. SUBSEQUENT EVENTS

On 24 March 2015, RTL Nederland ("RTL NL") announced the acquisition of 34.8 per cent stake in *Reclamefolder.nl* BV ("Reclamefolder") holding the platform for online brochures and offers *Reclamefolder.nl*. RTL NL continues to focus on investments in companies currently in the transition phase from offline to online, with an increasing emphasis on mobile. The transaction was completed on 15 July once the clearance from the European Commission was obtained. RTL NL and the company also entered into a media exposure agreement. The transaction qualifies as a joint arrangement as RTL Group jointly controls the company, which will be reported as a joint venture. In July, RTL NL contributed €2 million to the share capital of the company.

On 22 July 2015, Fremantle Productions North America Inc ("Fremantle Productions") announced the launch, with Jukin Media Inc, of a digital media venture specialising in clip licensing. The venture will manage The Pet Collective, a digital channel currently operated by Fremantle Productions. Jukin Media Inc will operate the venture and partner with FremantleMedia on content production and associated extensions thereof. Fremantle Productions

would hold a non-controlling interest of 35 per cent leading to a significant influence on the governance of the company.

On 1 August 2015, RTL Nederland Ventures BV announced the increase of its interest in the e-learning company Dutch Learning Company BV ("DLC") from 80.3 per cent to 100 per cent for an amount of less than €1 million. The transaction will be accounted for as equity transaction.

On 7 August 2015, FremantleMedia Group Ltd has acquired a 62.5 per cent stake in Wildside Srl, an Italian television and feature film production company. The acquisition enhances FremantleMedia's scripted presence in the Italian market and bolsters the global content pipeline of the Group overall. The transaction qualifies as a business combination since RTL Group gained the control. The initial investment amounts to €25 million, contingent on a cash-and-debt free position. The remaining 37.5 per cent interest is subject to call and put options. The put option will be recognised through equity as a liability for an amount of €8 million (nominal value).

MANAGEMENT RESPONSIBILITY STATEMENT

We, Guillaume de Posch and Anke Schäferkordt, Chief Executive Officers and Elmar Heggen, Chief Financial Officer, confirm, to the best of our knowledge, that the condensed consolidated interim financial information which has been prepared in accordance with IAS 34 as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit or loss of RTL Group and the undertakings included in the consolidation taken as a whole, and that the Directors' report includes a fair review of the development and performance of the business and the position of RTL Group and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

Luxembourg, 26 August 2015



Anke Schäferkordt and Guillaume de Posch
Chief Executive Officers



Elmar Heggen
Chief Financial Officer

AUDITORS' REPORT



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TO THE SHAREHOLDERS OF RTL GROUP S.A.

Report on review of the condensed consolidated interim financial information

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of RTL Group S.A. and its subsidiaries (the "Group") as of 30 June 2015 and the related condensed consolidated interim income statement, statement of comprehensive income, statement of changes in equity and cash flow statement for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes (the "condensed consolidated interim financial information"). The Board of Directors is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, "Interim financial reporting" as adopted by the European Union. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity", as adopted for Luxembourg by the "Institut des Réviseurs d'Entreprises". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34, "Interim financial reporting" as adopted by the European Union.

Luxembourg, 26 August 2015

PricewaterhouseCoopers, Société coopérative
Represented by
Marc Minet

Gilles Vanderweyen



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12 November 2015

Interim results: January to September 2015

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