

Revenue, EBITA, net profit – all indicators up

Luxembourg, 10 March 2011 – RTL Group, the leading European entertainment network, announces its audited results for the year ended 31 December 2010.

Highlights

In EUR million	Year to December 2010	Year to December 2009 ¹	Per cent change
Revenue	5,591	5,156	+8.4
Underlying revenue²	5,464	5,142	+6.3
Reported EBITA³	1,111	796	+39.6
Restructuring charges	–	25	
Start-up losses ⁴	23	32	
Adjusted EBITA	1,134	853	+32.9
Reported EBITA margin (%)	19.9	15.4	
Adjusted EBITA margin (%)	20.3	16.5	
Reported EBITA	1,111	796	+39.6
Impairment of goodwill and amortisation of fair value adjustments on acquisitions	(63)	(89)	
Loss from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	(7)	–	
Net financial income	14	27	
Income tax expense	(268)	(234)	
<i>of which: Current tax expense</i>	(239)	(201)	
<i>Deferred tax expense</i>	(29)	(33)	
Profit for the year from continuing operations	787	500	+57.4
Loss for the year from discontinued operations	(57)	(202)	
Profit for the year	730	298	
<i>Attributable to:</i>			
<i>Non-controlling interests</i>	119	93	
RTL Group shareholders	611	205	+198.0
Basic EPS continuing operations (in EUR)	4.34	2.64	
Basic EPS discontinued operations (in EUR)	(0.36)	(1.31)	
Reported EPS (in EUR)	3.98	1.33	
Adjusted EPS (in EUR)⁵	4.23	2.85	
Proposed/paid total dividend per share (in EUR)	5.00	3.50	+42.9

Regulated information

¹ Re-presented following application of IFRS 5 to Five (discontinued operations)

² Adjusted for Radical Media, RTL Klub in Hungary, other minor scope changes and at constant exchange rates

³ EBITA (continuing operations) represents earnings before interest and income tax expense excluding impairment of goodwill and disposal groups, amortisation and impairment of fair value adjustments on acquisitions and gain or loss from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree

⁴ Primarily Alpha TV in Greece

⁵ Adjusted earnings per share represents the net profit for the year adjusted for impairment of goodwill, disposal groups and amortisation of fair value adjustments on acquisitions, gain or loss from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree, net of income tax expense and one-off tax effects

Strong revenue growth, EBITA and profit margin on record levels

- Reported Group revenue up 8.4 per cent to EUR 5,591 million as TV advertising markets across Western Europe grew strongly year-on-year
- EBITA up 39.6 per cent to EUR 1,111 million, a new record level, EUR 195 million better than the best result so far; this performance was particularly driven by Mediengruppe RTL Deutschland, Groupe M6, RTL Nederland and RTL Belgium
- Reported EBITA margin of 19.9 per cent (2009: 15.4 per cent); the EBITA margins of the four big broadcasting operations – Mediengruppe RTL Deutschland, Groupe M6, RTL Nederland and RTL Belgium – improved significantly
- Net profit attributable to RTL Group shareholders almost tripled to EUR 611 million from EUR 205 million in 2009
- Net cash from operating activities was EUR 1,130 million, resulting in an operating cash conversion of 110 per cent and a net cash position of EUR 1,456 million at the end of 2010
- Proposed dividend for 2010 of EUR 5.00 per share, based on RTL Group's improved financial performance and robust treasury position (for 2009: dividend of EUR 3.50 per share)

Significantly higher profit contributions from most profit centres

- Mediengruppe RTL Deutschland increased its clear audience leadership over main competitor ProSiebenSat1 to 5.3 percentage points and outperformed a significantly growing TV advertising market; EBITA up 50.5 per cent to EUR 551 million
- Groupe M6 in France showed EBITA growth across all its activities; EBITA up 25.6 per cent to EUR 245 million
- RTL Nederland scored its best ratings since 1999; EBITA up 52.8 per cent to EUR 110 million, driven by significantly higher advertising sales
- RTL Group's production arm FremantleMedia reported revenue growth of 7.5 per cent, driven by higher revenue in North America and France plus portfolio and exchange rate effects; FremantleMedia's EBITA amounted to EUR 140 million
- EBITA of RTL Belgium up 25.0 per cent to EUR 45 million
- RTL Radio in France reporting EBITA growth of 60.0 per cent, reaching EUR 24 million

A disciplined approach to portfolio management, Five sold

- In July, RTL Group sold its UK broadcaster Five to the Northern & Shell company owned by British publisher Richard Desmond. The total cash consideration paid to RTL Group for its 100 per cent shareholding in Five was EUR 118 million
- Targeted acquisitions to strengthen FremantleMedia's business portfolio and international presence
 - October: acquisition of a 62.5 per cent share in Radical Media, FremantleMedia's first large scale move into the branded entertainment market
 - October: acquisition of a further 51 per cent stake in Ludia, a leading developer and publisher of interactive casual games, increasing FremantleMedia's shareholding to 80 per cent
 - April: takeover of the Netherlands-based independent production company Four One Media
 - March: acquisition of the remaining 25 per cent of the production company Blu, the market leader in Denmark and Sweden, taking FremantleMedia's ownership to 100 per cent
- In September, the Croatian Electronic Media Council granted RTL Televizija a concession for a new specialised channel, named RTL 2; the new channel went on air in January 2011
- In September, Grupo Antena 3 launched its third digital channel, Nitro

RTL Group's new media activities growing strongly

- RTL Group's online platforms and on-demand offers across Europe collectively generated more than 1.4 billion video views of professionally produced content – up 46 per cent year-on-year
- Total online advertising revenue up 41 per cent year-on-year, driven by video advertising
- Ongoing extension of RTL Group's online and mobile video services
 - August: launch of a new catch-up TV service in Germany (Super RTL Now)
 - End of September, M6 Web launched 'Pass Séries VIP', a unique subscription service in Europe which gives viewers access to popular US TV series the day after they are broadcast in the United States
 - In October, M6 launched its I-Phone and I-Pad app that offers the channel live, as well as catch-up TV services and behind-the-scenes videos
 - In October, RTL Nederland launched *RTLXL.nl*, a new, centralised platform for its video-on-demand services, including the catch-up TV service, films, series and promotional content
 - In total, RTL Group companies have launched more than 60 mobile applications registering 10 million downloads to date
- Pay-TV channels in Germany, France and the Netherlands are operating at a profit

“New levels of profitability, rock-solid financial position”

Gerhard Zeiler, Chief Executive Officer of RTL Group, said:

“RTL Group’s outstanding results of 2010 reflect a stronger than expected rebound in the Western European TV advertising markets, the enduring impact of our significant cost savings in 2009 and the leading market positions of our families of channels in our key territories. In other words: we’ve capitalised on the economic recovery because our TV channels emerged stronger from the crisis than before.

I am delighted that most of our profit centres improved their operating results, with particularly strong performances from Mediengruppe RTL Deutschland, Groupe M6, RTL Nederland and RTL Belgium. This resulted in new levels of profitability: a full-year EBITA of more than EUR 1.1 billion, a profit margin of 19.9 per cent and a 198.0 per cent jump in net profit to EUR 611 million.

Our continued focus on cash generation led to a net cash position of EUR 1,456 million at the end of 2010. Based on this improved financial performance and robust treasury position, the Board of Directors has decided to recommend a gross dividend payout of EUR 5.00 per share.

Despite the fact that TV profited more strongly than other media from the economic recovery in 2010, it is not possible to give reliable full-year guidance for 2011 at this point in time. As a consequence, RTL Group remains cautious while at the same time being very optimistic about the TV industry’s overall growth prospects.

Against this background, RTL Group’s strategy pursues two main goals: one is the ongoing, further optimisation of our core business as high audience shares will remain the basis of our success. The other goal is to advance the Group’s growth. In 2010, we strengthened our content arm FremantleMedia via several targeted acquisitions and we’ll continue to do so in future. We’ll also continue to invest in new programmes, new channels and in our rapidly growing new media activities.”



RTL Group results conference call for journalists:

Date: Thursday 10 March 2011
11:00 (Luxembourg) / 10:00 (London)

Number to dial: +44 (0)203 003 2666

Password: RTL Group

Slides from the presentation and an MP3 file will also be available to download at RTLGroup.com

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About RTL Group

RTL Group is the leading European entertainment network, with interests in 40 television channels and 33 radio stations in 10 countries and content production throughout the world. The television portfolio of Europe's largest broadcaster includes RTL Television in Germany, M6 in France, the RTL channels in the Netherlands, Belgium, Luxembourg, Croatia and Hungary, Alpha TV in Greece, Ren TV in Russia and Antena 3 in Spain. RTL Group's flagship radio station is RTL in France, and it also owns or has interests in other stations in France, Germany, Belgium, the Netherlands, Spain and Luxembourg. RTL Group's content production arm, FremantleMedia, is one of the largest international producers outside the US. Each year, it produces 9,500 hours of programming across 54 countries.

Revenue

Advertising market conditions in 2010 were extremely good in the Group's main European markets. Most of these territories reported double digit growth following the severe declines seen in 2009. The exceptions remain Eastern Europe, which is still struggling to shake off the worst of the economic and financial crisis, and Greece, which continues to be extremely challenging.

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

	2010 net TV advertising market growth rate (in per cent)	RTL Group advertising market share 2010 (in per cent)	RTL Group advertising market share 2009 (in per cent)	RTL Group audience share in main target group 2010 (in per cent)	RTL Group audience share in main target group 2009 (in per cent)
Germany	+9.1 ⁶	44.0	43.5	35.0 ⁷	34.4 ⁷
France	+10.0 ⁸	23.3	23.0	21.7 ⁹	21.9 ⁹
Netherlands	+10.6 ⁶	41.2	38.7	33.0 ¹⁰	31.7 ¹⁰
Belgium	+11.6 ⁶	71.9	72.0	38.3 ¹¹	38.9 ¹¹
Spain	+4.0 ¹²	27.9	24.7	16.9 ¹³	17.6 ¹³
Hungary	(3.2) ⁶	48.5	46.7	29.1 ¹⁴	30.7 ¹⁴
Greece	(23.8) ⁶	16.7	14.6	13.8 ¹⁵	13.7 ¹⁵
Croatia	(4.4) ⁶	41.2	42.0	24.5 ¹⁶	26.2 ¹⁶

Revenue increased by 8.4 per cent to EUR 5,591 million (2009: EUR 5,156 million). On a like-for-like basis (adjusting for portfolio changes and at constant exchange rates) revenue was up 6.3 per cent, or EUR 322 million, to EUR 5,464 million.

EBITA

Reported EBITA increased by 39.6 per cent to EUR 1,111 million (2009: EUR 796 million) thanks to record levels of profitability in several business units, namely Mediengruppe RTL Deutschland, Groupe M6, RTL Nederland and RTL Belgium.

Group operating expenses were up 3.3 per cent at EUR 4,577 million in 2010 compared to EUR 4,429 million in 2009. On a constant scope basis, costs were up EUR 95 million, or 2.1 per cent.

⁶ Industry/IREP and RTL Group estimates

⁷ Target group: 14-49

⁸ Source: Groupe M6 estimate

⁹ Target group: housewives under 50 (including digital channels)

¹⁰ Target group: 20-49, 18-24h

¹¹ Target group: shoppers 18-54, 17-23h

¹² Source: Infoadex and Grupo Antena 3 estimate

¹³ Target group: 16-54 (including digital channels)

¹⁴ Target group: 18-49, prime time

¹⁵ Target group: 15-44

¹⁶ Target group: 18-49

Review by segments

Revenue In EUR million	Year to December 2010	Year to December 2009*	Per cent change	Per cent of total 2010
Mediengruppe RTL Deutschland	1,892	1,732	+9.2	33.8
Groupe M6	1,459	1,377	+6.0	26.1
FremantleMedia	1,272	1,183	+7.5	22.8
RTL Nederland	429	371	+15.6	7.7
RTL Belgium	219	203	+7.9	3.9
French radio	182	174	+4.6	3.3
Other segments	353	313	+12.8	6.3
Eliminations	(215)	(197)	+9.1	(3.9)
Total revenue	5,591	5,156	+8.4	100.0

EBITA In EUR million	Year to December 2010	Year to December 2009*	Per cent change	Per cent of total 2010
Mediengruppe RTL Deutschland	551	366	+50.5	49.6
Groupe M6	245	195	+25.6	22.1
FremantleMedia	140	155	(9.7)	12.6
RTL Nederland	110	72	+52.8	9.9
RTL Belgium	45	36	+25.0	4.0
French radio	24	15	+60.0	2.2
Other segments	(4)	(43)	n.a.	(0.4)
Reported EBITA	1,111	796	+39.6	100.0

* Re-presented as Five shown as a discontinued operation due to application of IFRS 5

Mediengruppe RTL Deutschland

In EUR million	Year to December 2010	Year to December 2009	Per cent change
Revenue	1,892	1,732	+9.2
Adjusted EBITA	551	374	+47.3
Restructuring costs	–	(8)	n.a.
EBITA	551	366	+50.5

Financial results

With TV advertising revenue up 10.4 per cent, Mediengruppe RTL Deutschland outperformed the German TV advertising market – estimated to have grown by 9.1 per cent – and increased its combined net share (including RTL II) to 44.0 per cent (2009: 43.5 per cent).

Overall revenue of Mediengruppe RTL Deutschland grew by 9.2 per cent to EUR 1,892 million (2009: EUR 1,732 million) as the profit centre's rights trading company, Universum Film, reported lower revenue in 2010, following the exceptional performance of 2009.

The profit centre's EBITA soared 50.5 per cent to EUR 551 million (2009: EUR 366 million), mainly reflecting significantly higher advertising sales, but also comprehensive cost savings, initiated in 2009.

Audience ratings

Despite the fact that 55 of the 64 matches of the highly popular football World Cup were broadcast on the public channels, the combined average audience share of Mediengruppe RTL Deutschland in the key 14 to 49 target group increased to 35.0 per cent (2009: 34.4 per cent) – a new record level. As a result, the RTL family of channels increased its audience leadership over its main commercial competitor, ProSiebenSat1, to 5.3 percentage points.

This improvement was mainly driven by the flagship channel **RTL Television**, which was the number one choice among young viewers by a large margin, and for the 18th consecutive year. With an 18.1 per cent audience share (2009: 16.9 per cent) in its main target group, the channel achieved its best result since 2003, coming in 6.5 percentage points ahead of the number two commercial channel, ProSieben (11.6 per cent). RTL Television also became the market leader in terms of total audience share (13.6 per cent), for the first time since 2003.

The channel scored high ratings across all time slots and genres, from entertainment shows, news and live sporting events, to factual entertainment formats, daily soaps, movies and drama series. The afternoon line-up of docu-soaps and scripted docu programmes – introduced in the second half of 2009 – has led to a significant ratings increase in the target audience between 14:00 and 17:00, up 8.0 percentage points year-on-year to 23.5 per cent.

The channel's most-watched programme in 2010 was the live broadcast of the boxing match between Vitali Klitschko and Shannon Briggs on 16 October 2010, which attracted 13.5 million viewers and proved to be the channel's most popular boxing broadcast in the past three years. Live broadcasts of the 19 Formula 1 races in the reporting period reached an average audience of 6.3 million viewers – an increase of 20.5 per cent compared to 2009. The final race in Abu Dhabi alone was watched by 10.2 million viewers. RTL Television broadcast nine football World

Cup matches – all of which achieved excellent ratings – with an average audience of 9.5 million viewers, representing an average total audience share of 33.2 per cent.

Once again, RTL Television was particularly successful in prime time (20:15 to 23:15), where the channel led the market in nearly every time slot, thanks to its big entertainment shows and strong line-up of factual entertainment formats and drama series. Overall, the channel achieved an average prime time audience share of 18.4 per cent in the 14 to 49 target group (2009: 18.6 per cent).

The seventh season of *Deutschland sucht den Superstar* (Idols) was the most successful since the talent show's first season in 2003, scoring an average audience share of 32.5 per cent in the 14 to 49 age group. The fourth season of *Das Supertalent* (Got Talent) set new ratings records with up to 8.5 million viewers and an average audience share of 37.4 per cent among young viewers.

Following the success of *Doctor's Diary*, *Lasko* and the long-running *Alarm für Cobra 11*, RTL Television established another German series in prime time: the first season of *Countdown – Die Jagd beginnt* achieved an average audience share of 17.3 per cent among young viewers. The most popular US series on German television were again broadcast by RTL Television, including *Dr. House* and *CSI: Miami*. Other audience favourites in prime time included real-life formats such as *Bauer sucht Frau* (The Farmer Wants A Wife) and *Rachs Restaurantschule*, comedy shows such as *Cindy aus Marzahn & Die jungen Wilden* and *Willkommen bei Mario Barth*, plus the long-running quiz show *Wer wird Millionär?* with Günther Jauch.

For the 18th consecutive year, RTL Television's main news programme, *RTL Aktuell*, was way ahead of the competition among young viewers, with an average audience share of 19.9 per cent. The show also scored a higher total audience share (18.2 per cent) than the main news programme of the public channel ZDF, *Heute* (16.6 per cent).

Vox's audience share in the target group of 14 to 49-year-old viewers increased to 7.7 per cent (2009: 7.5 per cent), the second-best audience share in the channel's history.

In 2010, Vox added a new genre to its programme schedule, airing the first season of the German version of the international hit format *X Factor*. The opening two shows were broadcast on the flagship channel RTL Television, to reach a wide audience and create a buzz for the talent show. The subsequent auditions and live shows broadcast on Vox scored an average audience share of 11.8 per cent among young viewers aged 14 to 49, exceeding the channel's average audience share by 53 per cent. *X Factor* was particularly popular with the young female audience (average share among female viewers aged 14 to 29: 21.7 per cent) and also brought Vox many website hits, online video views, and a fast-selling I-Phone app.

As well as quality US series such as *CSI: NY*, *Criminal Intent*, *Law & Order: Special Victims Unit* and *Crossing Jordan*, Vox launched the new series *Lie To Me* in March. With an audience share of 17.6 per cent among young viewers, the series proved to be the highest-rated start of a new US series on German TV in 2010. The newly launched docu-soap *Daniel Katzenberger – natürlich blond* reached an average audience share of 11.7 per cent among viewers aged 14 to 49. The prime time format was aired right after *X Factor*. Vox's blockbuster movies again proved popular in 2010, drawing 18.1 per cent of 14 to 49-year-old viewers for *Van Helsing* and *Terminator 2: Judgement Day* and 17.7 per cent for *Harry Potter and the Philosopher's Stone*.

The daily docu-soap *Mieten, kaufen, wohnen* (Renting, buying, living) scored an average audience share of 8.7 per cent in the target group. Broadcast in the 18:00 time slot, the format has become a powerful lead-in to access prime time, followed by the audience favourite *Das perfekte Dinner* (Come Dine With Me) and the daily edition of the celebrity news magazine *Prominent!*, which began in January 2010 and is particularly popular among women aged 30 to 49. Other in-house productions achieving high ratings included the car magazine *Auto Mobil*,

the pet magazine *Hundkatzemaus*, the coaching series *Der Hundeprofis* (The Dog Professional) and the real-life format *Auf und davon – Mein Auslandstagebuch* (Up and Away – My Diary Abroad). With its four-hour long documentaries examining topics such as the life of Michael Jackson, Vox has established a unique programming strand on Saturday evenings.

RTL II achieved a 6.0 per cent audience share in the 14 to 49 target group, slightly down from 6.2 per cent in 2009. Based on its brand positioning strategy (“It’s fun.”) the channel has established comedy and quiz shows as new genres in its schedule. The ensemble comedy show *Fun Club – Comedystars live*, in which well-known performers share the stage with unknowns and newcomers, scored an average audience share of 6.4 per cent among young viewers. The five prime time quiz shows – which covered topics such as *The IQ test*, *The 80s test* and *The love test* – attracted an average audience share of 7.4 per cent in the target group.

By introducing *X Diaries – love, sun & fun*, RTL II was the first channel to apply the current trend of scripted reality formats to access prime time. The format achieved an average audience share of 6.7 per cent among young viewers. Other key elements of the channel’s programme grid were popular docu-soaps, such as *Frauentausch* (Wife Swap) and *Die Kochprofis – Einsatz am Herd*, and the tenth season of the iconic reality show *Big Brother* (average audience share 14 to 49: 8.6 per cent).

By airing the programme *Tatort Internet – Schützt endlich unsere Kinder* (Crime Scene: Internet – Protect Our Children), RTL II triggered a public debate and raised awareness of the dangers that children face on the internet. The channel aired the report in ten episodes in prime time. On average, the programme attracted 6.7 per cent of the 14 to 49-year-old target demographic, rising to 10.1 per cent among 14 to 29-year-olds.

The channel’s contribution to RTL Group’s EBITA increased to EUR 14 million from EUR 9 million in 2009, reflecting higher advertising revenue.

With an audience share of 22.8 per cent in the target group of 3 to 13-year-olds between 06:00 and 20:15 (2009: 24.2 per cent), **Super RTL** remained well ahead of its two competitors, Kika (20.2 per cent) and Nickelodeon (12.6 per cent). The channel has been the clear leader in the German children’s television market for 12 consecutive years.

Super RTL’s pre-school strand, *Toggolino*, scored high ratings with formats such as *Chuggington*, *Timmy, das Schäfchen* and *Wow! Wow! Wubbzy!*. In access prime time, live-action formats such as Disney’s *Hannah Montana* and *Hotel Zack & Cody* continued to perform well. Highest performing shows in prime time included background magazines for popular RTL Television entertainment shows such as *Das Supertalent – Backstage* and *DSDS – Das Magazin*, and family-oriented programmes such as animated movies. The channel increased its advertising revenue from prime time programming by 20 per cent, reducing its reliance on the advertising market for children’s products.

At the end of 2009, Super RTL acquired the online learning portal Scoyo and integrated the service in its online portfolio. Based on business development and a growing subscriber base, Scoyo reached break-even at the end of 2010.

The news channel **N-TV** reported a stable average audience share of 1.0 per cent among viewers aged 14 to 49. Whenever and wherever news broke, viewers relied on N-TV, which aired around 900 special news bulletins throughout 2010, including the miners’ rescue in Chile, the earthquake in Haiti, the tragedy during the Loveparade in Duisburg, and snow chaos in Germany.

Programmes investigating the effects of the crisis in Greece on the international financial markets attracted many viewers to N-TV. In 2010, the stock exchange programmes *Märkte am Morgen* and *Telebörse* attracted audience shares of up to 5.3 per cent and 4.4 per cent respectively. The channel also scored good ratings in prime time with documentaries such as *Apokalypse der Urzeit* and *Giganten der Moderne: Wolkenkratzer*.

The profit centre's three special-interest digital channels – **RTL Crime**, **RTL Living** and **Passion** – continued to grow steadily and are among the leading pay-TV channels in Germany, Austria and Switzerland, with over 3 million subscribing households.

New media and diversification activities

RTL Interactive is responsible for diversification activities within Mediengruppe RTL Deutschland, including digital content and services. During 2010, consumption of TV content across new platforms such as on-demand services and mobile applications grew strongly.

The catch-up TV service **RTL Now** registered 180 million long-form video views – complete episodes of series or shows – up 32 per cent year-on-year. **Vox Now**, launched in July 2009, reported 29 million video views in the reporting period. At the end of August 2010, RTL Interactive launched the third catch-up TV platform, **Super RTL Now**.

Combining these on-demand platforms with the clip portal *Clipfish.de* and the unit's channel and thematic websites, such as *RTL.de*, *Vox.de* and *Vip.de*, the number of video views of professionally produced content increased by 67 per cent to 571 million. Proving that popular TV content is a major growth driver on the internet, *Deutschland sucht den Superstar* (Idols) alone more than doubled the number of video views across all portals, to 85 million. Video views on the channel website *RTL.de* – relaunched at the end of 2009 – increased by a massive 74 per cent year on year. With an average of 10.3 million unique users per month, *RTL.de* remained the leading TV portal by a large margin, and one of Germany's most popular infotainment sites.

In 2010, Mediengruppe RTL Deutschland launched many new sites and applications for smartphones and tablet PCs. The profit centre's mobile apps had been downloaded 4.8 million times by the end of 2010, and the mobile platforms generated 28.3 million video views. The apps provide 24-hour live access to RTL Television's linear schedule via the RTL app, time-shifted viewing of entire programmes with the RTL Now app, and short video clips of TV and music highlights from the Clipfish app.

Also very popular among users are apps that tie in to strong format brands such as *Deutschland sucht den Superstar* (Idols), *Das Supertalent* (Got Talent) and *Wer wird Millionär?* (Who Wants To Be A Millionaire), which, having generated 1.6 million downloads, was listed as a leading free games app in Apple's Top Apps 2010.

Mobile applications from the news channel N-TV collectively generated 425 million page impressions in 2010. Since their respective launches, the various N-TV apps have been downloaded over 1.6 million times. The N-TV I-Phone app was listed as the most popular free news app in Apple's all time top 30.

At the end of 2010, the social network *Wer-kennt-wen.de* had 9.0 million registered members – up from 7.3 million at the end of 2009.

Groupe M6

In EUR million	Year to December 2010	Year to December 2009	Per cent change
Revenue	1,459	1,377	+6.0
Adjusted EBITA	245	199	+23.1
Restructuring costs	–	(4)	
Reported EBITA	245	195	+25.6

Financial results

In 2010, reported revenue of Groupe M6 increased by 6.0 per cent to EUR 1,459 million (2009: EUR 1,377 million).

Advertising revenue at the M6 main channel increased 10.7 per cent, while the company's digital channels continued to grow strongly – up 14.8 per cent year on year – mainly driven by the strong performance of the free digital channel, W9. In an overall net TV advertising market estimated to be up 10.0 per cent, Groupe M6's share increased to 23.3 per cent (2009: 23.0 per cent).

The group's diversification and audiovisual rights activities reported a slight decrease, as higher revenue from the company's homeshopping, online and licensing activities were compensated by lower revenue from the football club Girondins de Bordeaux, which did not qualify for European competition in the 2010/11 season.

Based on significantly higher profit contributions from all main activities, reported EBITA of Groupe M6 was up 25.6 per cent to EUR 245 million (2009: EUR 195 million), resulting in a significantly improved operating margin of 16.8 per cent (2009: 14.2 per cent).

Audience ratings

Today, 96 per cent of French households have access to multichannel TV, compared with 87 per cent in 2009. Largely due to the rapid expansion of free digital terrestrial television (DTT) in France and the resulting audience fragmentation, traditional channels such as TF1, France 2, France 3 and M6 lost audience share in 2010 (down 4.0 percentage points in total), while the DTT channels gained 4.5 points.

The combined total audience share of Groupe M6 increased slightly to 14.3 per cent (2009: 14.2 per cent), thanks to its complementary family of channels. In the main commercial target group of housewives aged under 50, the combined audience share of Groupe M6 was 21.7 per cent (2009: 21.9 per cent). Over the past five years, Groupe M6 has been the only major broadcasting group to increase its share of the commercial target group (+0.9 points), while Groupe TF1 (-2.7 points) and the public broadcasters (-6.3 points) lost market share.

In this increasingly competitive environment, **M6** remained the second most popular channel in France among housewives under 50, reporting an audience share of 16.5 per cent (2009: 17.2 per cent), and also continued to reduce the gap to the market leader, TF1, despite TF1 broadcasting most of the World Cup matches. In terms of total audience share, M6 (10.4 per cent) is getting closer to its objective of overtaking France 3 (10.7 per cent) and becoming the number 3 channel after TF1 and France 2.

M6 continued to profit from its strong access prime time line-up, with the factual entertainment show *Un dîner presque parfait* (Come Dine With Me) and the magazine *100% Mag*. These programmes lead into the main news show *Le 19.45* and the short drama *Scènes de ménages*, which gained 200,000 viewers in 2010.

Among M6's most popular prime time formats were the fifth season of the romantic docu-soap *L'amour est dans le pré* (The Farmer Wants A Wife) – the most watched summer programme of 2010, with an average audience share of 31.0 per cent in the commercial target group – and the first season of the reality show *Top Chef* (average audience share among housewives aged under 50: 24.2 per cent) in which chefs compete in culinary challenges. The channel successfully launched new shows in prime time, such as the factual entertainment format *Maison à vendre* (House For Sale), the French TV movie series *Victoire Bonnot*, and the US series *Lie To Me*, while its established brands – including entertainment formats *La France a un incroyable talent* (Got Talent) and *Pékin Express*, popular information magazines *Capital*, *Zone Interdite* and *Enquête Exclusive*, and US series such as *NCIS* and *Bones* – continued to attract high ratings.

The channel's most watched programme in 2010, with 8.1 million viewers, was the live broadcast of Bosnia and Herzegovina vs France, a crucial qualifying match for the 2012 Uefa European football championship.

Groupe M6's main digital channel, **W9**, increased its average audience share among housewives aged under 50 to 3.9 per cent (2009: 3.3 per cent), making it the most watched DTT channel in the key commercial target group. Total audience share was also up, from 2.5 per cent to 3.0 per cent. Underlining its positioning as a 'mini-generalist' channel, W9 scored high ratings in various genres, including event shows such as *A la recherche du nouveau Michael Jackson*, the magazine *Vies croisées*, movies and sports, with live broadcasts of the Uefa Europa League. W9 achieved the best ever audience of a French DTT channel (2 million viewers) with the broadcast of *Star Wars: The Revenge of the Sith* on 23 December 2010. In total, W9 aired 45 of the 100 highest-rated programmes across DTT channels in 2010.

In the pay-TV environment, Groupe M6's channels confirmed their leading positions in their key target groups. Among the 84 thematic channels in the Médiamétrie survey Médiamat Thématik – which measures TV audiences among French households equipped with cable, satellite or ADSL TV – **Paris Première** ranked first, with 13 million viewers tuning in each month, while **Téva** was again the top choice of housewives aged under 50 (audience share: 1.0 per cent).

New media and diversification activities

During 2010, the profit contribution from Groupe M6's diversification and audiovisual rights activities increased by 1.3 per cent. Groupe M6's leading role in the field of diversification is highlighted by the fact that the overall share of non-advertising revenue was 44.2 per cent (2009: 47.4 per cent), despite strong growth in advertising sales in the reporting period.

The catch-up TV service **M6 Replay** has registered 453 million online video views since its launch in March 2008, while **W9 Replay**, launched in December 2009, has reported 20 million online video views. Both services – which enable viewers to re-watch the channels' flagship programmes for seven to 15 days after their initial broadcast – increased their distribution. M6 Replay is available on both computer and television via virtually all cable, IPTV and satellite packages in France, increasing the number of total video views on the platform to over 300 million in 2010. W9 Replay became available on TV screens at the end of June 2010.

In October 2010, M6 launched an I-Phone and I-Pad app that offers the channel live at no cost, as well as catch-up TV services and behind-the-scenes videos. By the end of the year the app had registered more than 1 million downloads, making it one of the top free apps on the App Store.

The company also launched a unique subscription service in Europe, called 'Pass Séries VIP', which gives viewers access to popular US TV series the day after they are broadcast in the United States.

In 2010, **M6 Web** reached an average audience of 12.5 million unique users per month across its network of 40 internet sites – compared to 12 million unique users in 2009 – with thematic portals such as *Turbo.fr* (cars), *Deco.fr* (home decoration) and *Clubic.com* (high-tech news) reporting strong growth. In total, Groupe M6 websites registered 460.8 million online video views, up 29.2 per cent year-on-year.

As France opened the online gambling market, Groupe M6 announced a strategic partnership with Mangas Gaming to offer poker and sports betting. This four-year collaboration, announced in April, is built around the sponsorship of poker and sports programmes, the integration of Betclac and Everest poker with online betting services on Groupe M6 sites, and a late-night poker programme on M6.

The **M6 Mobile by Orange** service celebrated its fifth anniversary with 2.0 million customers at the end of 2010 (up 25 per cent year-on-year), while the M6-branded payment card – launched in co-operation with Crédit Agricole in September 2009 – now has over 850,000 customers.

The **audiovisual rights** division benefited from the tremendous success of the *Twilight* movies, in terms of both box office and DVD sales. Groupe M6's mail-order and retail activities – bundled in the unit **Ventadis** – also performed strongly in 2010, with sustained revenue growth at the e-commerce platform *Mistergooddeal.com*, as well as improved margins at Home Shopping Service.

FremantleMedia

In EUR million	Year to December 2010	Year to December 2009	Per cent change
Revenue	1,272	1,183	+7.5
Adjusted EBITA	140	160	(12.5)
Restructuring costs	–	(5)	
Reported EBITA	140	155	(9.7)

Financial results and acquisitions

Revenue of FremantleMedia – RTL Group's production and brand exploitation arm – increased by 7.5 per cent to EUR 1,272 (2009: EUR 1,183 million), driven by higher revenue in North-America and France plus portfolio and exchange rate effects. Despite this growth, FremantleMedia reported a lower EBITA of EUR 140 million (2009: EUR 155 million), mainly due to general pressure on margins and volumes from broadcasters.

In 2010, FremantleMedia strengthened its portfolio and international presence via several mid-sized acquisitions. In March, it acquired the remaining 25 per cent of the production company Blu, taking the company's ownership to 100 per cent. Blu is a market-leading production company in Denmark and Sweden, in which FremantleMedia has held a majority stake since 2005. In April, it took over 100 per cent of the Netherlands-based independent production company Four One Media.

In October, FremantleMedia took a 62.5 per cent share in Radical Media, its first large-scale move into the branded entertainment market. Radical Media is one of the leading TV

commercials production and transmedia companies in the United States, with offices in Australia, China and Germany, and is a pioneer in the field of branded entertainment. The investment is an extension of an ongoing and successful relationship: FremantleMedia Enterprises (FME) has been working with Radical Media since 2008 on several projects such as the critically acclaimed TV series *Iconoclasts* on the Sundance Channel, the documentary *Britney: For The Record* and the table tennis tournament Hardbat Classic on ESPN.

Also in October, FremantleMedia announced the acquisition of a further 51 per cent stake in Ludia, a leading developer and publisher of interactive casual games. The transaction took FremantleMedia's stake in Ludia to 80 per cent. The two companies have collaborated since 2008 on a range of titles for leading games consoles and PCs, as well as mobile applications for well-known FremantleMedia classics such as *The Price Is Right* and *Family Feud*. Ludia has also moved into social games, most recently on Facebook with *The Price Is Right*.

The acquisitions of Radical Media and Ludia form part of FremantleMedia's ongoing plan to broaden and diversify its business by developing new products (beyond TV content), attracting new customers (advertisers and end consumers in addition to TV broadcasters) and developing new business models for entertainment (advertiser-funded and direct-to-consumer).

Production businesses

In 2010, FremantleMedia's global network of production companies was responsible for nearly 9,500 hours of TV programming across 54 countries, making it one of the largest creators of award-winning international programme brands. RTL Group's content arm continued to produce the highest rated entertainment shows for broadcasters in the biggest TV markets worldwide – including the US, the UK, Germany, France and Australia – and distributed its programmes to more than 150 countries.

FremantleMedia entertainment formats continued to travel well in 2010. *Got Talent* – co-owned with Syco – added another 11 territories to its roster in 2010, and was successfully aired in 40 territories by the end of 2010, while the dating format *Take Me Out* (developed by FremantleMedia France) rolled out to nine new territories, taking its total to 16.

In the **US**, *American Idol* – co-produced and co-owned by FremantleMedia North America (FMNA) and 19 Entertainment – was again the country's most watched prime time entertainment series. Season nine of the programme, broadcast by the Fox network, achieved an average audience share of 21.6 per cent among viewers aged 18 to 49, three times higher than the network's prime time average. *American Idol* has been the number one series in the US for the past seven years. Returning to US screens in the summer, the fifth season of *America's Got Talent* (co-produced by FMNA and Syco) was the most successful series on NBC for 2010, attracting an average total audience share of 10.5 per cent. On air since 1972, *The Price Is Right* remained the highest rated daytime game show in the US. The sixth series of Original Production's *Deadliest Catch* was the most successful yet, winning an average audience of 4.5 million viewers and a 3.9 per cent market share on the Discovery Channel.

In the **UK**, series seven of *The X Factor* (co-produced with Syco) was the most successful yet and was the country's number one series of 2010, winning an average total audience share of 48.7 per cent on ITV 1. Nearly a third of the UK population tuned into the final, making it the UK's highest rated show of 2010, with an audience of 17.7 million viewers. Series-on-series, the average audience for *The X Factor* grew by 9 per cent. The fourth series of *Britain's Got Talent* (co-produced by FremantleMedia's Talkback Thames with Syco) was the UK's second highest rated series of 2010, attracting an average audience share of 45.7 per cent on ITV 1. The sixth season of *The Apprentice* (created by Mark Burnett) scored an average audience share of 27.6 per cent, and was BBC 1's second highest entertainment series of 2010.

In March, ITV decided not to re-commission the long-running police series *The Bill*. In July, Talkback Thames launched a restructuring plan to boost development and investment in talent while ensuring a focus on costs and efficiency.

In **Germany**, season seven of *Deutschland sucht den Superstar* (Idols) improved its ratings year-on-year by 23 per cent, while season four of *Das Supertalent* (Got Talent) was the most popular yet, with an average share of 37.4 per cent among viewers aged 14 to 49. Airing on RTL Television since 1992, *Gute Zeiten, schlechte Zeiten* (Good Times, Bad Times) remained Germany's most successful daily soap, winning an average audience share of 22.2 per cent in the key commercial target group of viewers aged 14 to 49. The Teamworx TV movie *Bis nichts mehr bleibt* gained an average audience of 8.8 million viewers and a total audience share of 27.3 per cent on ARD on 31 March 2010, making it the public broadcaster's highest rated TV movie of the year.

In **Australia**, series four of *Australia's Got Talent* has been the most successful yet, scoring an average total audience share of 30.5 per cent. It was also the highest rated entertainment show of the year for broadcaster Seven. Airing on Network Ten, the second series of *Masterchef* improved its performance year-on-year by 13 per cent, attracting an average total audience share of 36.2 per cent. Peaking with an audience of 4.0 million viewers for the series final, *Masterchef* was the most watched non-sports show ever in Australia. Long-running audience favourite, *Neighbours*, celebrated its 25th anniversary on 19 March 2010.

In **France**, series five of *L'amour est dans le pré* (The Farmer Wants A Wife) scored an average total audience share of 21.2 per cent and established itself as M6's most popular entertainment series for 2010. Airing its third series on TF1, *Le juste prix* (The Price Is Right) was the country's highest rated game show for 2010, scoring an average total audience share of 25.8 per cent.

FremantleMedia Enterprises (FME)

FremantleMedia Enterprises (FME) works with FremantleMedia's own brands and those of third parties to create additional revenue opportunities through international content distribution, licensing, new media and home entertainment.

FME continued to grow sales for its catalogue of programming, including entertainment shows *American Idol* (watched in 140 countries) and *America's Got Talent* (110 countries), and global dramas *Merlin* (180 countries) and *Satisfaction* (100 countries).

FME's newly created Children & Family Entertainment division launched its first titles in 2010 – the tween horror/comedy *My Babysitter's A Vampire* and boys' animated action adventure *Monsuno* – and have many more projects in development.

Following the huge success of *Masterchef* in Australia, FME delivered a comprehensive licensing programme to make *Masterchef* one of Australia's leading brands in the food and lifestyle market. Licensing deals were done in numerous categories including cookware, kids' products, publishing and live events.

FME announced an exclusive direct-to-retail deal with K-Mart and Sears in North America for more than 320 Rebecca Bonbon branded products in over 2,000 stores in the US and Canada. This is the latest in a long line of deals around the globe for the graphic property from Yuko Shimizu, the original creator of the multi-billion dollar brand, Hello Kitty. FME represents the Rebecca Bonbon brand globally (outside Japan, Korea and China) and has licensing partners in more than a dozen territories including Brazil, Germany, France, Italy, and the Benelux.

A number of FremantleMedia brands have successfully launched onto social networking, console, mobile and online platforms. *The Price Is Right* and *Family Feud* are among the

fastest, growing games on Facebook. The first I-Phone app for *Britain's Got Talent* jumped to the top of the app charts within days of its launch and remained there throughout the broadcast. The free app was downloaded by over half a million viewers.

RTL Nederland

In EUR million	Year to December 2010	Year to December 2009	Per cent change
Revenue			
TV	373	318	+17.3
Radio	56	53	+5.7
Total	429	371	+15.6
EBITA			
TV	89	53	+67.9
Radio	21	19	+10.5
Total	110	72	+52.8

Financial results

Total revenue at RTL Nederland increased 15.6 per cent to EUR 429 million (2009: EUR 371 million), reflecting higher advertising and non-advertising revenue for TV activities and higher radio advertising sales. Total EBITA of the profit centre increased by 52.8 per cent to EUR 110 million (2009: EUR 72 million), mainly resulting from significantly higher profit contributions from TV activities.

The Dutch TV advertising market was estimated to be up 10.6 per cent over the period, with RTL Nederland outperforming the market and taking a 41.2 per cent share, up from 38.7 per cent in 2009. In particular, during the fourth quarter of the year, the company managed to translate its high audience shares into significantly higher shares of the advertising market.

Audience ratings

RTL Nederland's family of channels achieved a combined prime time audience share of 33.0 per cent in the target group of viewers aged 20 to 49 – up from 31.7 per cent in 2009 – despite the public broadcasters profiting from their football World Cup and Olympic Winter Games coverage. Scoring its highest ratings since 1999, RTL Nederland remained clearly ahead of its main commercial competitor, SBS group (24.0 per cent), and the public broadcasters (28.3 per cent). In the fourth quarter of 2010, RTL Nederland's combined prime time audience share among young viewers reached 36.9 per cent.

As in the previous year, the ratings increase was mainly driven by the flagship channel **RTL 4**, which achieved strong growth in its average prime time audience share – from 17.0 to 18.3 per cent – in the target group of shoppers aged 20 to 49. In October and November of 2010, the channel scored 22.2 per cent of the target group – its best monthly audience share since October 1996. The first series of the highly interactive talent show *The Voice of Holland*, launched in October, contributed strongly to the channel's ratings performance. With an average audience share of 47.7 per cent in the target group, the show has become the most watched talent format ever on RTL 4, even outperforming the first two seasons of *Idols*. Series three of *X Factor*, produced by FremantleMedia, was the highest rated yet, winning an average

audience share of 32.1 per cent among shoppers aged 20 to 49. Launching on RTL 4 in January 2010, the new talent show *My Name Is Michael* also had a successful first series, gaining an average audience share of 24.1 per cent in the target group. Other audience favourites in prime time were *Holland's Got Talent*, *De TV Kantine*, *Ushi & Loesie*, *Ik Hou Van Holland* and *Van Der Vorst Ziet Sterren*.

In access prime time, RTL 4's key programmes – including *RTL Boulevard*, *RTL Nieuws* and the long-running daily soap *Goede Tijden, Slechte Tijden* (Good Times, Bad Times) – continued to perform strongly.

RTL 5 finished 2010 with an 8.8 per cent audience share in the 20 to 34-year-old demographic (2009: 9.6 per cent). The channel's most watched format of the year was the reality soap *Oh Oh Cherso* which scored an average audience share of 45.9 per cent among young viewers aged 20 to 34. Dutch versions of reality shows such as *Benelux Next Top Model*, *Expeditie Robinson*, *So You Think You Can Dance* and *Topchef*, the dating show *Take Me Out*, and the docu soap *Hoe Vind Ik Een Vent?*, following Dutch celebrity Bridget Maasland on her search for a new partner, were particularly popular among young viewers.

RTL 7 had its best year since its launch in 2005, increasing its audience share in its main target group (men aged 20 to 49) to 7.1 per cent, from 6.7 per cent in 2009. Key pillars of the channel's schedule are live broadcasts of football games, the weekly football magazine *Voetbal International* – which had its best year ever – motor sports and movies for men. During the football World Cup the talk show *VI Oranje* won an average audience share of 12.7 per cent among male viewers aged 20 to 49. The channel's highest rated programme was the two-leg Dutch cup final, with the first match attracting an audience share of 62.2 per cent among men aged 20 to 49.

Meanwhile, the female-oriented **RTL 8** reported a prime time audience share of 3.2 per cent among women aged 20 to 49 in 2010 – almost stable compared to 3.3 per cent in 2009. The digital TV channel **RTL Lounge** continues to grow with up to 1.3 million unique viewers per month.

Radio 538 is a hit radio station that plays a range of contemporary and recent chart music, plus dance music and R&B, presented by the Netherlands' most popular DJs. Radio 538 was RTL 4's radio partner for the highly popular talent show *The Voice Of Holland*, and the station also broadcast the final show live on air. In 2010, Radio 538's average audience share among listeners aged 20 to 49 remained stable at 16.2 per cent. Radio 538 and Radio 3FM are the country's leading radio stations. Radio 538's share of the net radio advertising market was 25.6 per cent (2009: 25.1 per cent). In January 2010, RTL Nederland acquired **Radio 10 Gold**, further expanding its family of radio stations following the launch of the digital station RTL Lounge Radio in 2009. Radio 538 handles the day-to-day operations of Radio 10 Gold, which mainly targets female listeners.

New media and diversification activities

RTL Nederland's network of websites – including the general portal, *RTL.nl*, the catch-up TV service *RTLGemist.nl* (rebranded to *RTLXL.nl* in October 2010), and a variety of websites dedicated to popular formats such as *X Factor* – increased its average number of unique users per month by 39 per cent, to 7.1 million (2009: 5.1 million). The number of online video views grew by 41.6 per cent to 262 million (2009: 185 million). The most popular streams were clips and broadcasts from the *RTL Nieuws* website, episodes of the soaps *Goede Tijden, Slechte Tijden* and *As The World Turns*, the entertainment news show *RTL Boulevard*, the talent shows *X Factor* and *The Voice of Holland*, and the reality soap *Oh Oh Cherso*.

Throughout 2010, RTL Nederland expanded the distribution of its content, launching several news services on digital platforms.

In February, RTL Nederland and Philips signed an agreement under which RTL Nederland became the first media company in the Netherlands to provide high-quality content for users of the internet-connected Philips Net TV sets. The agreement means Philips Net TV viewers can access the catch-up TV service directly on their TV screen.

In June, RTL Gemist became available on 3G mobile phones. The service offers free content – such as weather and news – as well as paid content such as *RTL Boulevard* and *Goede Tijden, Slechte Tijden*. Payments are processed via the viewer's mobile phone bill, or by SMS.

In October, RTL Nederland launched *RTLXL.nl*, a new centralised platform for the company's various video-on-demand services, including RTL's entire digital video library: the catch-up TV service, films, series and promotional content. The platform offers both free and paid content, and is available on computers, mobile devices, tablet PCs and Net TV.

In November, RTL Nederland released its first application for the Apple I-Pad. As well as access to all reports from the news shows, users of the *RTL Nieuws* app also have access to the live stream of the DVB-H channel RTL 24, including the news programmes *RTL Nieuws*, *RTL Z*, *Editie NL* and *RTL Boulevard*. Within a single day, it became the most downloaded paid app (available for EUR 0.79) in the Netherlands.

With effect from 1 August 2010, RTL Nederland took over the events company Wentink, a further step in expanding RTL Nederland's activities in the events and entertainment market.

RTL Belgium

In EUR million	Year to December 2010	Year to December 2009	Per cent change
Revenue			
TV	171	158	+8.2
Radio	48	45	+6.7
Total	219	203	+7.9
EBITA			
TV	29	20	+45.0
Radio	16	16	0.0
Total	45	36	+25.0

Financial results

Total revenue at the Belgian profit centre, which includes TV and radio activities, increased 7.9 per cent to EUR 219 million (2009: EUR 203 million), mainly driven by significantly higher TV advertising sales and despite the sale of Belga Films in June 2010. The net TV advertising market in French-speaking Belgium was estimated to be up 11.6 per cent. As a result, total EBITA of the profit centre increased to EUR 45 million (2009: EUR 36 million).

Audience ratings

The combined prime time audience share of the RTL family of TV channels in the target group (shoppers aged 18 to 54) was 38.3 per cent, only slightly down from the previous year's record level of 38.9 per cent. This was a significant achievement, as the football World Cup was broadcast by the public channels (which had a combined audience share of 18.2 per cent in the reporting period). In terms of total audience, the family of channels aired 74 of the year's 100 top programmes.

RTL-TVI – the market-leading channel in French-speaking Belgium – significantly increased its prime time audience share in the target group to 30.0 per cent (2009: 28.9 per cent), thus widening its lead over both the second highest rated channel – the French commercial broadcaster TF1 (to 12.3 percentage points) – and the public broadcaster La Une (to 18.3 percentage points). RTL-TVI was also the clear market leader in terms of total audience share in prime time (26.8 per cent).

The channel's most watched programme of 2010 was the broadcast of the French film *Bienvenue chez les Ch'tis* on 7 March, which achieved a total audience share of 66.6 per cent – a new record for TV audiences in French-speaking Belgium. The film's TV broadcast was part of an evening that RTL-TVI devoted entirely to the Ch'ti phenomenon. Shown at 19:45, the magazine *Le phénomène Ch'tis* attracted a total audience share of 46.7 per cent – also a record figure for that time slot.

RTL-TVI's news programmes remained the clear favourite among viewers in French-speaking Belgium. With a total audience share of 45.8 per cent, the midday news scored the highest ratings every day in 2010, while the main news bulletin, *Le Journal*, was number one on all but four evenings, with an average total audience share of 47.5 per cent – 14.6 percentage points ahead of its direct competitor, *JT*, on the public channel La Une. RTL-TVI also continued to draw large audiences with its early-evening information programmes such as *Tout s'explique*, *Images à l'appui*, *Coûte que Coûte*, *Enquêtes* and the emblematic *Place Royale*.

In access prime time, the factual entertainment show *Un dîner presque parfait* (Come Dine With Me) achieved an average audience share of 32.5 per cent in the main commercial target group of shoppers aged 18 to 54.

In prime time, the first season of *Top Chef* scored an average audience share of 34.9 per cent among shoppers aged 18 to 54, closely followed by the second season of the Belgian version of the romantic docu-soap *L'amour est dans le pré* (The Farmer Wants A Wife) with a 33.7 per cent share in this target group. The highest rated US series were once again aired by RTL-TVI, including *Desperate Housewives*, *NCIS Enquêtes Spéciales*, *CSI: Miami* and *CSI: NY*. On Thursday evenings, traditionally reserved for films, RTL-TVI recorded an average audience share of 32.5 per cent in its main target group.

Club RTL continued to focus on children's programmes during the day and sports in the evening. The channel drew large audiences with its football show *La Coupe*, the live broadcast of the Belgium vs Austria qualifying match for the 2012 Uefa European football championship (audience share among male viewers aged 18 to 54: 35.4 per cent), the animated sitcom *Les Simpson* (The Simpsons), French comedy series *Caméra Café*, and films. Club RTL ended the year with a prime time audience share of 5.5 per cent in its main target group of male viewers aged 18 to 54, down from 7.1 per cent in 2009.

Plug RTL reported a prime time audience share among young viewers aged 15 to 34 of 3.8 per cent (2009: 4.8 per cent). The channel's flagship formats include popular entertainment programmes from Groupe M6, such as *D&Co*, *Pékin Express* and *Nouvelle Star*, plus repeats of hit US series such as *CSI: Miami*, *Lost* and *Heroes*.

According to the CIM audience survey, covering January to June 2010, the Belgian radio family had a combined audience share of 35.6 per cent (2009: 35.1 per cent), with **Bel RTL** reinforcing its status as the number one radio station in the French community (audience share: 18.8 per cent, up 1.6 points year-on-year) and **Radio Contact** being the leading music radio station (audience share: 16.8 per cent, down 1.1 points year-on-year). As a result, the two RTL Belgium stations remained clearly ahead of RTBF's five public radio stations (combined audience share: 34.1 per cent).

New media and diversification activities

In January 2010, RTL Belgium created a new division called RTL New Media to significantly expand the company's digital activities.

In 2010, the number of video views across RTL Belgium's websites increased to 28.8 million, driven by the news website *RTLinfo.be*, which registered 21 million video views (up 62 per cent year on year) and 1.48 million unique users per month (up 24 per cent). The RTL info app for the I-Phone was downloaded 58,000 times, generating 185,000 sessions per month.

The video-on-demand platform, RTL à l'infini, also recorded sound progress, with a 72 per cent increase in the number of videos ordered by digital TV subscribers (1,565,000), compared to 2009. RTL à l'infini is a paid on-demand service, available via IPTV. By pushing the red button on their remote control, viewers in French-speaking Belgium have access to US series broadcast on RTL-TV, Club RTL and Plug RTL for a fee, and other major programmes.

French radio

In EUR million	Year to December 2010	Year to December 2009	Per cent change
Revenue	182	174	+4.6
Adjusted EBITA	24	18	+33.3
Restructuring costs	–	(3)	
Reported EBITA	24	15	+60.0

Financial results

2010 was shaped by the partial recovery of the French radio advertising market, estimated to be up 6.3 per cent, following significant drops in both 2008 and 2009.

During the year, the French RTL radio family aimed to preserve the value of its airtime inventory and to attract new advertising clients. Reported revenue of the profit centre increased 4.6 per cent to EUR 182 million (2009: EUR 174 million). The net advertising share of the RTL radio family decreased slightly to 25.6 per cent (2009: 26.2 per cent).

Reported EBITA of the French radio profit centre was EUR 24 million, up by 60.0 per cent from EUR 15 million in 2009.

The profit centre continued to implement its cost reduction plan, which aims to save 10 per cent between 2009 and 2011. The voluntary redundancy plan, launched at the end of 2009, was finalised with 33 employees opting to take advantage of it.

Audience ratings

As in the previous years, RTL Radio in France confirmed strong audience leadership. RTL Radio, RTL 2 and Fun Radio achieved a combined average audience share of 19.3 per cent, up from 2009 (19.1 per cent). The RTL radio family increased its lead on its main commercial competitors – the radio families of NRJ (14.8 per cent; down 0.3 percentage points on 2009) and Lagardère (13.6 per cent, down 0.5 percentage points on 2009).

The audience share of the flagship station **RTL** remained stable at 12.4 per cent. In a context of strong competition between all general interest stations, RTL was the number one radio station in France for the eighth consecutive year. The station also remained the clear leader in the other key ratings criteria – daily cumulated audience and time spent listening. According to the latest survey from Médiamétrie for the period November to December 2010, RTL Radio had an average audience of 6.87 million listeners per day, the highest level for ten years.

RTL continued to improve its programme grid, launching four new programmes for the season 2010/11. Yves Calvi's morning interview slot, the midday news show hosted by Laurent Bazin and Elisabeth Martichoux, Jacques Pradel's *L'heure du Crime*, and Flavie Flament's afternoon talk show have all performed strongly.

With more than 4 million listeners every day, RTL's prime time news programme – broadcast between 7:30 and 9:30 – is the country's most popular news show, with a total audience share of 14.1 per cent.

Several established formats continued to perform strongly and to maintain their leading position, including *Ca Peut Vous Arriver*, hosted by Julien Courbet, and the station's legendary afternoon hit show, *Les Grosses Têtes*, hosted by Philippe Bouvard. The audience share of *Les Grosses Têtes* was 72 per cent above that of the second highest rated show.

Throughout 2010, RTL Radio confirmed its status as the country's number one radio station by providing exclusive coverage of breaking news events. When the earthquake hit Haiti in January 2010, RTL journalist Philippe Antoine was the first foreign journalist to report from the scene. The station hosted exclusive interviews with public figures such as former UK prime minister Tony Blair and Rolling Stone Keith Richards, while France's first lady, Carla Bruni-Sarkozy, visited the station twice during the year.

Entertainment also figured strongly, with major stars such as Seal, Zucchero, Phil Collins and Roger Hudson choosing the RTL studios for intimate showcases, and rising jazz talent Nikki Yanofski holding a concert in the RTL Grand Studio. The station also hosted Robbie Williams' only European concert, and was involved in events such as the Yannick Noah Tour.

Positioning **Fun Radio** as a 'dance-floor music format' continued to be a winning strategy. In a difficult market for music radio stations – which have lost 4.1 percentage points of total audience share over the past five years – Fun Radio increased its audience share to 4.1 per cent (2009: 3.8 per cent), its best rating since 2002. The station has increased its ratings for seven consecutive audience surveys, and became the number two music radio station, for the first time in its history, in the September to October 2010 survey. The popular morning show, hosted by Manu and Virginie, attracted over 1.8 million listeners each day, an increase of 20 per cent compared to 2009.

Pop-rock radio station **RTL 2** faced growing competition as other stations aimed to copy its successful format. However, the station basically maintained its audience share of 2.8 per cent (2009: 2.9 per cent). The morning show, co-hosted by Christophe Nicolas and Agathe Lecaron, again performed strongly, sticking to its popular pop-rock mix of newcomers (such as Cocoon, Iz and Julian Perretta) and renowned artists (such as U2 and Muse). At the end of the year the

station took to the road, broadcasting live from major French cities and meeting listeners around the country.

New media and diversification activities

Over the course of the year, traffic to the websites operated by **RTL Net** – RTL Radio's online subsidiary – has significantly increased by 14.7 per cent to 3.9 million unique visitors per month (2009: 3.4 million unique visitors). In particular, RTL Radio's website, *RTL.fr*, has confirmed its position as the number one radio site in France. With a monthly average of 2.7 million unique visitors in 2010, the site increased its audience by over 8 per cent compared to 2009 (2.5 million unique visitors). In September 2010, *RTL.fr* was redesigned to offer greater user interaction and more multimedia content. *RTL2.fr* and *Funradio.fr* achieved the highest increases in usage of music radio websites.

During the year, RTL Net developed a number of popular apps for I-Phone and Android smartphones: *Témoins RTL*, which enables users to share and publish photos with other RTL Radio listeners; *RTL Foot*, which offers the latest football results and live information, and immediately became the most downloaded sports app on the French App Store; and *RTL Astro Haas*, which provides free and paid for astrological predictions.

In October 2010, Fun Radio joined forces with the Groupe M6 channels to organise the second *Starfloor* dance music event in Paris. With performers including Kylie Minogue, Kelly Rowland and Bob Sinclar, the 17,000 tickets for the concert had sold out a month before the event took place. The station collaborated with RTL Special Marketing to launch four dance music albums based on the *Starfloor* label, all of which topped the French charts, selling 350,000 copies during 2010 (up 33 per cent on 2009: 264,000 copies). In September, Fun Radio joined forces with Crédit Mutuel Arkéa to launch the first online bank dedicated to 13 to 25-year-olds.

Fun Radio gathered over 1 million fans on the Facebook and Twitter networks, becoming the number one French-language media brand on Facebook, while over 1 million users have downloaded the station's app for I-Phone and I-Pad.

Other segments

This segment comprises the fully consolidated businesses RTL Klub (Hungary), Alpha TV (Greece), RTL Televizija (Croatia), and RTL Group's Luxembourgish activities, plus UFA Sports, the Corporate Centre, new projects, the German radio business and the at-equity participation in Grupo Antena 3 (Spain).

RTL Klub in Hungary operated in a difficult environment in 2010, with the TV advertising market estimated to be down 3.2 per cent amid no signs of an improvement in the investment climate. Consolidated revenue of RTL Klub amounted to EUR 105 million and EBITA to EUR 19 million. In the previous year's results, RTL Klub had been fully consolidated as from 1 April 2009. On a pro forma basis, and in local currency, revenue remained stable year on year, resulting from a slight increase in advertising revenue, while EBITA was up 3.8 per cent, driven by cost savings. As RTL Klub outperformed the net TV advertising market, the channel's share increased to 48.5 per cent (2009: 46.7 per cent).

At the end of 2010, more than 84 per cent of Hungarian households had access to multichannel services – mainly due to the expansion of digital satellite TV – while the total number of Hungarian-speaking channels increased to 91. As a result of this increasing audience fragmentation, RTL Klub's prime time audience share in the key demographic of 18 to 49-year-old viewers decreased to 29.1 per cent (2009: 30.7 per cent). However, RTL Klub clearly

remained the number one channel in Hungary, with a lead of 6.5 percentage points over its closest competitor, TV 2. It was the most watched channel in the target group on 308 out of 365 evenings.

RTL Klub continued to score high ratings in all genres, including docu-soaps such as *Come Dine With Me* and *Gyözike*, the game show *Take It Or Leave It*, US drama series, movies, news and live broadcasts of Formula 1 races. With an average audience share of 33.4 per cent among young viewers, *Barátok Közt* (Between Friends) remained the most popular local daily soap. After a seven-year break, Hungary's most popular reality show, *Való Világ*, returned to the screens in November 2010, achieving an average audience share of 32.9 per cent among young viewers.

RTL Klub's biggest hit in 2010 was the first season of *X-Faktor*, which attracted an average audience share of 53.3 per cent in the target group. The show was so successful that RTL Klub's main competitor, TV 2, moved its established talent show *Megasztár* from its Saturday night slot to Friday evening. Half of the population tuned in to watch the *X-Faktor* final, making it the most watched TV show of the year. The final of the football World Cup in July was Hungary's third most-watched TV programme – behind another *X Faktor* live show.

The channel's catch-up TV service, RTL Most – launched at the end of September 2009 – registered 34.6 million video views in the reporting period. The number of unique visitors to RTL Klub websites increased strongly at the end of 2010, following the launch of dedicated sites for the channel's hit formats, *X-Faktor* and *Való Világ*.

Alpha TV in Greece: Based on its successful repositioning as a family-oriented channel with a focus on docu-soaps and entertainment, Alpha TV continued to increase its ratings in 2010, and gained advertising share in a very difficult market. In a net TV advertising market estimated to be down 23.8 per cent, Alpha TV's overall revenue decreased to EUR 61 million (2009: EUR 70 million). The channel's advertising sales decreased by 13.1 per cent, resulting in an advertising market share of 16.7 per cent, up significantly from 14.6 per cent in 2009. Benefiting from the cost savings implemented in 2009, Alpha TV's start-up losses fell by EUR 13 million year on year, resulting in a negative EBITA of EUR 21 million (2009: minus EUR 34 million).

The channel's audience share in the main commercial target group of viewers aged 15 to 44 was 13.8 per cent (2009: 13.7 per cent). More importantly, the channel gained 0.9 percentage points in the key prime time slot, averaging a 15.6 per cent audience share among young viewers (2009: 14.7 per cent) and maintaining its number three position. Alpha TV registered the highest increase in its core audience with a 2.6 percentage point rise among women aged 25 to 34 in prime time.

The satirical comedy show *Al Tsantiri Niouz* with Lakis Lazopoulos was again the channel's most successful programme, with an average audience share of 50.3 per cent in the target group. Local adaptations of internationally successful factual entertainment formats – including *Come Dine With Me*, *Kitchen Nightmares* and *Home Makeover* – also contributed to the ratings performance, while the weekdays morning show *Kafes me tin Eleni* (Coffee With Eleni) and the weekend morning show *Mes Tin Kali Hara* (Full Of Joy) continued to perform strongly.

With the first season of *Greek Idol* (average audience share 15 to 44: 27.3 per cent) Alpha TV succeeded in winning the highly competitive Monday night slot for the first time in its history. *Big Brother* launched in October 2010. Throughout the season, the reality show achieved an average audience share of 22.8 per cent among young viewers aged 15 to 44. Also in October 2010, Alpha TV introduced the first and only scripted reality daily on Greek television, *Oikogeneiakas Istories* (Family Stories). With an average audience share of 18.9 per cent in the 15 to 44 demographic, the format has almost doubled the channel's ratings in the 18:00 to 19:00 time slot.

RTL Televizija in Croatia: In a TV advertising market that continued to decline – by an estimated 4.4 per cent in 2010 (2009: minus 18.1 per cent) – revenue of RTL Televizija was down to EUR 38 million (2009: EUR 41 million). The channel's net TV advertising market share decreased to 41.2 per cent (2009: 42.0 per cent). Despite a further revenue decrease, EBITA remained stable at minus EUR 3 million, mainly reflecting lower programme costs compared to 2009.

In 2010, RTL Televizija remained the market leader in the main commercial target group of viewers aged 18 to 49, reporting an audience share of 24.5 per cent (2009: 26.2 per cent). The decrease was mainly due to continued audience fragmentation. However, the start of the new season 2010/11 saw increasing prime time ratings for RTL Televizija. With an average prime time audience share of 32.3 per cent, December 2010 was the strongest month since January 2009, when the channel broadcast the handball world championship.

Local adaptations of international hit formats continued to be an important part of RTL Televizija's programme schedule. The second season of *Hrvatska trazi zvijezdu* (Idols) achieved an average audience share of 36.5 per cent among young viewers – 15 per cent more than the first season in 2009 – while the second season of the reality show *Jezikova juha* (Kitchen Nightmares) attracted an average audience share of 31.0 per cent in the target group.

In autumn, the Turkish series *1001 noć* (1001 nights) became a huge audience favourite. On average, *1001 noć* was watched by 38.8 per cent of the 18 to 49 demographic, and the most watched programme in its slot for 76 of the 86 days on which it was broadcast, making it Croatia's most popular drama series ever.

In October 2010, RTL Televizija revamped its news and magazine formats. The main news show – renamed *RTL Danas* – and the celebrity magazine *Exklusiv Tabloid* launched a fresh new look to Croatian viewers. Igor Bobić now hosts the 35-minute long *RTL Danas* from a purpose-built studio, at 18:30. Total audience share has grown, while share of the main target group, aged 18 to 49, was up 8.1 per cent to 33.5 per cent.

Other audience favourites included US series such as *Bones*, *Mentalist*, *Cold Case*, and *Desperate Housewives*, and movies, with the channel airing 16 of the 20 most watched movies on Croatian television in 2010.

Throughout 2010, RTL Televizija strengthened the presence of its brands on all digital platforms. As a result, the main website *RTL.hr* increased the average number of unique users per month by 100 per cent. The site is now among the top 15 websites in Croatia, making it a relevant partner for online advertisers. RTL Televizija's I-Phone app, launched in June 2010, became one of the top three news apps in Croatia.

In September, the Croatian Electronic Media Council granted RTL Televizija a concession for a new specialised channel, named RTL 2. The new channel went on air in January 2011.

Grupo Antena 3 in Spain: After a severe downturn in 2009, the Spanish net TV advertising market grew by an estimated 4.0 per cent in 2010. The commercial channels benefited from the fact that the public channels stopped airing advertisements on 1 January 2010, following a new media law. Grupo Antena 3 clearly outperformed the market, with the company's TV advertising sales surging by 18.5 per cent over the reporting period. As a result, the channel's net share of the Spanish TV advertising market increased to 27.9 per cent (2009: 24.7 per cent).

On a 100 per cent basis, consolidated revenue of Grupo Antena 3 increased by 14.8 per cent to EUR 808 million (2009: EUR 704 million), while operating profit (EBITDA) rose to EUR 157

million (2009: EUR 81 million) and net profit increased substantially to EUR 109 million (2009: EUR 61 million). The profit share of RTL Group was EUR 24 million (2009: EUR 13 million). In 2010, the Grupo Antena 3 family achieved a combined audience share of 16.9 per cent in the commercial target group of viewers aged 16 to 54 years, slightly down from 17.6 per cent in 2009.

The main channel, Antena 3, reported an audience share of 11.8 per cent in the target group of viewers aged 16 to 54 years (2009: 15.4 per cent). This significant decrease was mainly due to continued audience fragmentation, and to the fact that the channel broadcast none of the matches of the highly popular football World Cup.

Grupo Antena 3's digital channels continued their rapid growth. Neox (aimed at young adults) was the leading Spanish digital channel, with an audience share of 2.9 per cent in the commercial target group, up significantly from the 1.4 per cent in 2009. Nova (a female-skewed lifestyle channel) also more than doubled its audience share, to 1.7 per cent (2009: 0.8 per cent). In September 2010, the company launched a third digital channel, Nitro, aimed to appeal to male viewers.

Main portfolio changes

In 2010, RTL Group entered into the process of identifying potential buyers of Five, its broadcaster located in the United Kingdom. The disposal of the Group's 100 per cent shareholding in Five was completed on 23 July 2010 which has resulted in Five being treated as a discontinued operation for the year ended 31 December 2010.

On 15 April 2010, RTL Group signed option agreements with the controlling shareholders of Ren TV Group. Through these agreements, RTL Group has lost its significant influence reflected as follows:

- The investment was reclassified from "Investments in associates" to "Loans and other financial assets". A fair value adjustment has been recognised (EUR 5 million) in "Financial results other than interest";
- The foreign currency translation differences in relation with this investment were recycled from the other comprehensive income to the income statement for an amount of EUR (12) million.

On 4 October 2010 FremantleMedia acquired a 62.5 per cent interest in Radical Media, a transmedia outfit specialising in advertising and branded-entertainment content. This acquisition has been treated as a business combination following the gain of control.

On 18 October 2010, FremantleMedia announced the acquisition of an additional 51 per cent stake in Ludia, a leading developer and publisher of interactive games. The transaction brings FremantleMedia's stake in Ludia to 80 per cent and has been treated as a business combination following the gain of control.

Share of results of associates

EBITA contribution In EUR million	Year to December 2010	Year to December 2009	Per cent change
- Grupo Antena 3	24	13	+84.6
- RTL II	14	9	+55.6
- RTL Klub	-	(2)	n.a.
<i>(In 2009 from 1 January to 31 March)</i>			
Others	2	5	(60.0)
Total	40	25	+60.0

The total contribution of the associated companies increased to EUR 40 million (2009: EUR 25 million). The main reasons for this improvement were the stronger results at Grupo Antena 3 and RTL II. Others include a EUR 3 million impairment charge relating to one of the Group's German radio stations.

Interest income/(expense) and financial results other than interest

Net interest income amounted to EUR 10 million (2009: income of EUR 4 million). The improvement is primarily due to tax-related interest income.

The financial results other than interest include impairments on financial assets as well as fair value adjustments on financial instruments.

Amortisation and impairment of fair value adjustments on acquisitions of subsidiaries, joint ventures and associates

This heading includes the costs related to the amortisation of fair value adjustments on the acquisitions of M6, Radio 538 and Alpha TV. The majority of the expense relates to M6.

Impairment of goodwill, associates and of disposal group

An impairment loss was recorded amounting to EUR 52 million. These impairment losses affect mainly the carrying value of the Group's Greek television activities (EUR 49 million), primarily due to the worse than expected downturn in advertising markets.

Loss from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree

A net loss of EUR 7 million from the sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree was recognised in 2010 (2009: EUR nil million). This is mainly a result of the following:

- An amount of EUR 12 million relating to the re-cycling of the foreign exchange translation reserve (losses) following the loss of significant influence at Ren TV during the year; and
- Following the gain of control at Ludia, a re-measurement exercise was performed on the Group's initial 29 per cent stake which resulted in a gain of EUR 5 million.

Income tax expense

In 2010, the tax expense was EUR 268 million (2009: expense of EUR 234 million).

Following the PLP agreement (see heading 'Related party transactions'), which was approved by the Board on 26 June 2008, a commission income of EUR 56 million, representing 50 per cent of the tax benefit generated at the level of Bertelsmann AG, has been recorded in tax for the year (2009: EUR 45 million).

Loss from discontinued operations

The loss from discontinued operations for the year of EUR 57 million relates solely to Five, which was disposed of during 2010 (2009: loss of EUR 202 million).

Profit for the year attributable to RTL Group shareholders

The profit for the year attributable to RTL Group shareholders was EUR 611 million (2009: EUR 205 million).

Earnings per share

Reported earnings per share, based upon 153,618,853 shares, was EUR 3.98 (2009: EUR 1.33 per share). The adjusted earnings per share, taking into account the amortisation of fair value adjustments on acquisitions and impairment of goodwill, gain or loss from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree, net of income tax expense and one-off tax effects, increased by 48.4 per cent to EUR 4.23 (2009: EUR 2.85) per share.

Net cash position

The consolidated net cash position at 31 December 2010 was EUR 1,456 million (31 December 2009: EUR 789 million). The Group continues to generate significant operating cash flow with an EBITA cash conversion of 110 per cent (2009: 106 per cent).

Net cash position In EUR million	As at 31 December 2010	As at 31 December 2009
Gross balance sheet debt	(188)	(156)
Less: loans receivable ¹⁷	1	2
Gross financial debt	(187)	(154)
Add: cash	841	395
Add: marketable securities and other short-term investments	8	6
Add: cash deposit	794	542
Net cash position	1,456¹⁸	789

¹⁷ The loans receivable relate to TCM (via Groupe M6)

¹⁸ Of which EUR 379 million held by Groupe M6 (2009: EUR 83 million)

Outlook

Despite the fact that TV profited more strongly than other media from the economic recovery in 2010, it is not possible to give reliable full-year guidance for 2011 at this point in time. As a consequence, RTL Group remains cautious while at the same time being very optimistic about the TV industry's overall growth prospects.

Against this background, RTL Group's strategy pursues two main goals: one is the ongoing, further optimisation of the Group's core business as high audience shares will remain the basis of its success. The other goal is to advance the Group's growth. In 2010, RTL Group strengthened its content arm FremantleMedia via several targeted acquisitions and it will continue to do so in future. RTL Group will also continue to invest in new programmes, new channels and in its rapidly growing new media activities

CONSOLIDATED INCOME STATEMENT
for the year ended 31 December 2010

<i>In EUR million</i>	2010	2009
Continuing operations		
Revenue	5,591	5,156
Other operating income	54	43
Consumption of current programme rights	(1,676)	(1,673)
Depreciation, amortisation and impairment	(195)	(179)
Other operating expenses	(2,706)	(2,577)
Impairment of goodwill and of disposal group and amortisation of fair value adjustments on acquisitions of subsidiaries and joint ventures	(60)	(88)
Gain / (loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	(7)	-
Profit from operating activities	1,001	682
Share of results of associates	40	25
Earnings before interest and taxes ("EBIT")	1,041	707
Interest income	35	32
Interest expense	(25)	(28)
Financial results other than interest	4	23
Profit before taxes	1,055	734
Income tax expense	(268)	(234)
Profit for the year from continuing operations	787	500
Discontinued operations		
Loss for the year from discontinued operations	(57)	(202)
Profit for the year	730	298
Attributable to:		
RTL Group shareholders	611	205
Non-controlling interests	119	93
Profit for the year	730	298
EBITA* (continuing operations)	1,111	796
Impairment of goodwill of subsidiaries and joint ventures and of disposal group	(49)	(70)
Impairment of investments in associates	(3)	(1)
Amortisation and impairment of fair value adjustments on acquisitions of subsidiaries and joint ventures	(11)	(18)
Gain / (loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	(7)	-
Earnings before interest and taxes ("EBIT")	1,041	707
Earnings per share from continuing operations (in EUR)		
- Basic	4.34	2.64
- Diluted	4.34	2.64
Earnings per share from discontinued operations (in EUR)		
- Basic	(0.36)	(1.31)
- Diluted	(0.36)	(1.31)
Earnings per share (in EUR)		
- Basic	3.98	1.33
- Diluted	3.98	1.33

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2010

<i>In EUR million</i>	2010	2009
Profit for the year	730	298
Other comprehensive income		
Foreign currency translation differences	21	(7)
Foreign currency translation differences- associates	19	(9)
Effective portion of changes in fair value of cash flow hedges	26	(16)
Income tax	(14)	7
	12	(9)
Effective portion of changes in fair value of cash flow hedges- associates	-	1
Change in fair value of cash flow hedges transferred to profit or loss	6	1
Income tax	(2)	(1)
	4	-
Fair value gains / (losses) on available-for-sale financial assets	(1)	15
Income tax	-	-
	(1)	15
Defined benefit plan actuarial losses	(5)	(7)
Income tax	1	2
	(4)	(5)
Other comprehensive income for the year, net of income tax	51	(14)
Total comprehensive income for the year	781	284
Attributable to:		
RTL Group shareholders	653	194
Non-controlling interests	128	90
Total comprehensive income for the year	781	284

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 December 2010

<i>In EUR million</i>	2010	2009
Non-current assets		
Programme and other rights	124	110
Goodwill	2,708	2,661
Other intangible assets	216	308
Property, plant and equipment	373	364
Investments in associates	358	416
Loans and other financial assets	271	265
Deferred tax assets	415	465
	4,465	4,589
Current assets		
Programme rights	913	1,147
Other inventories	38	34
Income tax receivable	61	42
Accounts receivable and other financial assets	2,506	2,486
Cash and cash equivalents	841	395
Assets classified as held for sale	-	23
	4,359	4,127
Current liabilities		
Loans and bank overdrafts	92	75
Income tax payable	115	152
Accounts payable	2,250	2,164
Provisions	206	183
Liabilities directly associated with non-current assets classified as held for sale	-	10
	2,663	2,584
Net currents assets	1,696	1,543
Non-current liabilities		
Loans	96	81
Accounts payable	313	332
Provisions	113	131
Deferred tax liabilities	42	58
	564	602
Net assets	5,597	5,530
Equity attributable to RTL Group shareholders	5,013	4,895
Equity attributable to non-controlling interests	584	635
Equity	5,597	5,530

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

In EUR million	Share capital	Share premium	Treasury shares	Currency translation reserve	Hedging reserve	Revaluation reserve	Retained earnings	Equity attributable to RTL Group shareholders	Equity attributable to non-controlling interests	Total equity
Balance at 1 January 2009	192	6,454	(44)	(190)	11	79	(1,225)	5,277	594	5,871
Total comprehensive income:										
Profit for the year	-	-	-	-	-	-	205	205	93	298
Foreign currency translation differences	-	-	-	(15)	-	-	-	(15)	(1)	(16)
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	-	-	(7)	-	-	(7)	(1)	(8)
Fair value gains on available-for-sale financial assets, net of tax	-	-	-	-	-	15	-	15	-	15
Defined benefit plan actuarial losses, net of tax	-	-	-	-	-	-	(4)	(4)	(1)	(5)
	-	-	-	(15)	(7)	15	201	194	90	284
Capital transactions with owners:										
Dividends	-	-	-	-	-	-	(538)	(538)	(81)	(619)
Equity-settled transactions net of tax	-	-	-	-	-	-	2	2	3	5
Transactions on non-controlling interests without a change in control	-	-	-	-	-	-	(43)	(43)	1	(42)
Gain of control of M-RTL	-	-	-	-	-	3	-	3	26	29
Derivatives on equity instruments	-	-	-	-	-	-	1	1	2	3
Transactions on treasury shares of associates	-	-	-	-	-	-	(1)	(1)	-	(1)
	-	-	-	-	-	3	(579)	(576)	(49)	(625)
Balance at 31 December 2009	192	6,454	(44)	(205)	4	97	(1,603)	4,895	635	5,530
Total comprehensive income:										
Profit for the year	-	-	-	-	-	-	611	611	119	730
Foreign currency translation differences	-	-	-	57	-	-	(25)	32	8	40
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	-	-	11	-	-	11	1	12
Change in fair value of cash flow hedges transferred to profit and loss, net of tax	-	-	-	-	4	-	-	4	-	4
Fair value losses on available-for-sale financial assets, net of tax	-	-	-	-	-	(1)	-	(1)	-	(1)
Defined benefit plan actuarial losses, net of tax	-	-	-	-	-	-	(4)	(4)	-	(4)
	-	-	-	57	15	(1)	582	653	128	781
Capital transactions with owners:										
Dividends	-	-	-	-	-	-	(538)	(538)	(182)	(720)
Equity-settled transactions net of tax	-	-	-	-	-	-	3	3	3	6
Transactions on non-controlling interests without a change in control	-	-	-	-	-	-	2	2	(1)	1
Transactions on non-controlling interests with a change in control	-	-	-	-	-	-	-	-	3	3
Derivatives on equity instruments	-	-	-	-	-	-	(2)	(2)	(2)	(4)
	-	-	-	-	-	-	(535)	(535)	(179)	(714)
Balance at 31 December 2010	192	6,454	(44)	(148)	19	96	(1,556)	5,013	584	5,597

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 2010

<i>In EUR million</i>	2010	2009
Cash flows from operating activities (including discontinued operations)		
Profit before taxes from continuing operations	1,055	734
Profit before taxes from discontinued operations	(57)	(216)
	<u>998</u>	<u>518</u>
Adjustments for :		
- Depreciation and amortisation	196	196
- Value adjustments, impairment and provisions	134	435
- Equity-settled share-based payments expenses	6	5
- Loss / (Gain) on disposal of assets	32	(8)
- Financial results including net interest expense and share of results of associates	(29)	(16)
Use of provisions	(62)	(76)
Working capital changes	148	(67)
Income taxes paid	<u>(293)</u>	<u>(224)</u>
Net cash from operating activities	<u>1,130</u>	<u>763</u>
- thereof from / (used in) discontinued operations	2	(51)
Cash flows from investing activities (including discontinued operations)		
Acquisitions of :		
- Programme and other rights	(96)	(78)
- Subsidiaries and joint ventures net of cash acquired	(30)	(14)
- Other intangible and tangible assets	(131)	(130)
- Other investments and financial assets	(18)	(28)
Current deposit with shareholder	<u>(254)</u>	<u>-</u>
	<u>(529)</u>	<u>(250)</u>
Proceeds from the sale of intangible and tangible assets	19	19
Disposal of :		
- RTL Shop, net of cash disposed of	-	(2)
- Discontinued operation, net of cash disposed of	108	-
- Other subsidiaries and joint ventures net of cash disposed of	4	2
Proceeds from the sale of associates, other investments and financial assets	403	56
Current deposit with shareholder	-	60
Interest received	<u>22</u>	<u>18</u>
	<u>556</u>	<u>153</u>
Net cash from / (used in) investing activities	<u>27</u>	<u>(97)</u>
- thereof from / (used in) discontinued operations	99	(12)
Cash flows from financing activities (including discontinued operations)		
Interest paid	(13)	(29)
Transactions with non-controlling interests	(1)	(42)
Proceeds from loans	64	109
Repayment of loans	(43)	(64)
Net change in bank overdraft	(1)	(1)
Dividends paid	<u>(721)</u>	<u>(631)</u>
Net cash used in financing activities	<u>(715)</u>	<u>(658)</u>
- thereof used in discontinued operations	(2)	(25)
Net increase in cash and cash equivalents	442	8
Cash and cash equivalents at beginning of year	395	383
Effect of exchange rate fluctuation on cash held	4	4
Cash and cash equivalents at end of year	<u>841</u>	<u>395</u>