INTERIM REPORT

JANUARY TO JUNE 2018

RTL GROUP

ENTERTAIN. INFORM. ENGAGE.

American Idol presenter Ryan Seacrest with 2018 winner Maddie Poppe (left)

COMEBACK OF AN IDOL

From March to May 2018, the iconic show, *American Idol*, returned to US screens – this time on ABC. Television's most famous and popular music competition show, produced by Fremantle Media North America and 19 Media Entertainment, registered an average audience of 8.7 million viewers and an average total audience share of 8.7 per cent, performing over 40 per cent higher than ABC's prime-time average.

The format continues to evolve, and became the first reality competition series to allow viewers to watch and vote simultaneously across all US time zones. *American Idol* was the most social prime-time reality series for the first quarter of 2018 and was the number one social TV show on prime time every Monday during its season, according to Nielsen Social TV Ratings. By the end of the season, *American Idol* had accumulated more than 1 billion video views across all social media platforms, and the *American Idol* app was downloaded over 1.2 million times.

salto FORWARD

Groupe M6, France Télévisions and TF1 announced in June 2018 that they will join forces to build Salto – a joint French video platform. This alliance of three French broadcasters reflects their ongoing commitment to keep pace with the changing viewing habits of French consumers. Users of Salto will have access to different subscription models, offering TV broadcasts live or time-shifted, but also varied exclusive content, including news (news, magazines, special events), sports, entertainment, French fiction, US series, documentaries and films.

The platform will also be open to third-party content and will complement the existing ad-financed platforms, MyTF1, 6Play and France.tv. An independent company, owned equally by all three groups, will be set up to operate the platform, following clearance by the relevant authorities.

"CONTINUED ORGANIC GROWTH THROUGH A BROAD AND DIVERSIFIED REVENUE MIX"

Statement from BERT HABETS, Chief Executive Officer of RTL Group

"The good results for the first half of 2018 highlight once again the key strengths of RTL Group: with our broad international footprint across broadcast, content, digital, and an ever-more diversified revenue mix, we continue to grow organically, even in challenging market environments. Our high levels of profit margins and cash generation allow us to combine attractive dividends with significant organic growth initiatives.

In our rapidly changing Total Video industry, growth mainly comes from non-linear or streaming services. We will further increase investments in our video-on-demand services, with a clear focus on local, exclusive content, and gradually adopt a hybrid model – combining a free, advertising-financed service with a premium pay product. First examples of our building strong local streaming champions are the upcoming massive expansion of TV Now in Germany and Videoland in the Netherlands.

Every investment in local, exclusive content strengthens both our linear TV channels and our non-linear on demand services. This local, exclusive content focus is the power engine for our Total Video offers. Especially with FremantleMedia's push into scripted drama, we are fuelling our content pipeline. Currently, FremantleMedia is seeking funding for at least 35 scripted series ideas that we want to realise. As a consequence, international drama productions will already generate more than 20 per cent of FremantleMedia's total revenue in 2019."

STRONG SECOND QUARTER DRIVES RTL GROUP HALF-YEAR RESULTS

Q2/2018: Group revenue up 3.6 per cent; EBITDA up 4.7 per cent

H1/2018: Group revenue up 2.3 per cent; EBITDA up 1.9 per cent

RTL Group confirms full-year 2018 outlook

Interim dividend of € 1.00 per share to be paid in September 2018

Luxembourg, 29 August 2018 – RTL Group announces its results for the six months ended 30 June 2018.

In the first half of 2018, RTL Group continued its successful business development and Total Video strategy. First-half revenue was up for the fourth consecutive year – despite significant negative exchange rate effects and major sporting events such as the Winter Olympics and the Fifa Football World Cup 2018. RTL Group's business model stands for resilient top-line growth, a highly diversified revenue mix and high-quality earnings. RTL Group will foster more organic growth initiatives in two main areas: building video-on-demand services that attract mass audiences across all content genres and continuing FremantleMedia's push into scripted drama.

KEY FINANCIAL FIGURES

JANUARY TO JUNE 2018

	H1 / 2018 € m	H1 / 2017 € m	Per cent change
Revenue	**3,046**	**2,978**	**+2.3**
Underlying revenue[1]	**3,081**	**2,971**	**+3.7**
Reported EBITDA[2]	**638**	**626**	**+1.9**
Reported EBITDA margin (%)	**20.9**	**21.0**	
Reported EBITDA	**638**	**626**	
Impairment of investments accounted for using the equity method	(2)	(2)	
Depreciation, amortisation and impairment	(97)	(101)	
Re-measurement of earn-out arrangements and gain / (loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	9	13	
EBIT	**548**	**536**	**+2.2**
Net financial income / (expense)	(6)	(8)	
Income tax expense	(176)	(165)	
Profit for the period	**366**	**363**	**+0.8**
Attributable to:			
– Non-controlling interests	48	43	
– RTL Group shareholders	**318**	**320**	**(0.6)**
Reported EPS (in €)	**2.07**	**2.08**	**(0.5)**

1 Adjusted for minor scope changes and at constant exchange rates
2 See note 4 to the Condensed Consolidated Interim Financial Information

H1/2018: RECORD FIRST-HALF REVENUE, EXCEEDING €3 BILLION

- Group **revenue** was up 2.3 per cent to a record level of €3,046 million (H1/2017: €2,978 million), driven by digital (+€35 million), FremantleMedia (+€33 million) and RTL Nederland (+€13 million). On a like-for-like basis (adjusted for portfolio changes and at constant exchange rates) revenue was up 3.7 per cent – the highest organic revenue growth rate since 2010

- **Platform revenue** grew by 5.0 per cent to €167 million (H1/2017: €159 million), mainly driven by Groupe M6's renewed distribution agreements signed during the first half of 2018

- RTL Group's **digital revenue**[3] continued to show dynamic growth, up 9.0 per cent to €424 million (H1/2017: €389 million). This was mainly driven by organic growth at BroadbandTV, Ludia and Videoland, as well as portfolio effects such as the first-time consolidation of United Screens

- RTL Group's revenue is highly diversified, with 47.7 per cent from TV advertising, 18.7 per cent from content, 13.9 per cent from digital activities, 5.5 per cent from platform revenue, 4.2 per cent from radio advertising and 10.0 per cent other revenue

- Reported **EBITDA**[4] was up by 1.9 per cent to €638 million (H1/2017: €626 million), mainly thanks to RTL Nederland. Reported **EBITDA margin** came in at 20.9 per cent (H1/2017: 21.0 per cent)

- Despite higher income tax expenses, **net profit** attributable to RTL Group shareholders was almost stable at €318 million (H1/2017: €320 million)

- **Net cash from operating activities** was up 5.6 per cent to €226 million (H1/2017: €214 million), resulting in an operating cash conversion rate of 77 per cent (H1/2017: 78 per cent)

- As of 30 June 2018, RTL Group had a **net debt position** of €943 million (31 December 2017: net debt of €545 million). On 26 April 2018, RTL Group paid out €460 million for the final dividend for the financial year 2017 (€3.00 per share)

- On 28 August 2018, RTL Group's Board of Directors authorised the distribution of an **interim dividend** of €1.00 per share, to be paid in September 2018. This reflects the Group's strong cash flows and its target net debt to full-year EBITDA ratio of 0.5 to 1.0 times

Q2/2018: FREMANTLEMEDIA DRIVES STRONG REVENUE GROWTH

- In the second quarter of 2018, RTL Group's **revenue** was up by 3.6 per cent to €1,630 million (Q2/2017: €1,573 million), mainly driven by digital and FremantleMedia. The successful return of *American Idol* on the US network ABC more than compensated for negative exchange rate effects

- Reported **EBITDA** was up 4.7 per cent to €379 million (Q2/2017: €362 million), driven by RTL Nederland and Groupe M6

- **Net profit** attributable to RTL Group shareholders was €207 million (Q2/2017: €183 million)

OUTLOOK

RTL Group confirms its outlook for the full-year 2018, as most recently communicated at the Q1/2018 results presentation on 17 May 2018:

- RTL Group expects its total revenue for the fiscal year 2018 to continue to grow moderately (+2.5 per cent to +5.0 per cent), driven by the Group's digital businesses and FremantleMedia (excluding exchange rate effects)

- The 2017 EBITDA included a positive one-off effect of €94 million from the sale of buildings in Rue Bayard, Paris. Normalised for this effect, RTL Group expects EBITDA in 2018 to be broadly stable (-1.0 per cent to +1.0 per cent)

3 Excluding e-commerce, home shopping and platform revenue for digital TV
4 See note 4 to the Condensed Consolidated Interim Financial Information

H1/2018[5] – SEGMENTS: MEDIENGRUPPE RTL DEUTSCHLAND AND GROUPE M6 REPORT SOLID PERFORMANCE DESPITE FIFA FOOTBALL WORLD CUP 2018

- **Mediengruppe RTL Deutschland**'s first-half EBITDA was up slightly to €366 million compared to H1/2017 (€363 million)

- At **Groupe M6**, reported EBITDA increased to €182 million (H1/2017: €178 million)

- **FremantleMedia**'s EBITDA was stable at €42 million (H1/2017: €42 million)

- **RTL Nederland**'s EBITDA was up to €32 million (H1/2017: €19 million). This was mainly driven by higher TV advertising revenue

HIGHLIGHTS

Growing on-demand services

- In June 2018, Mediengruppe RTL Deutschland announced its plans to significantly expand its video-on-demand platform TV Now, in particular by offering additional local, exclusive content. The number of paid subscribers for TV Now Plus grew by 43.5 per cent[6]

- In April 2018, RTL Nederland announced that it plans to merge its advertising-financed platform RTL XL and its rapidly growing subscription video-on-demand service, Videoland, into a single platform. Videoland recorded paid subscriber growth of 122 per cent[6]. Total subscriber viewing time increased by 204 per cent in the first six months of 2018, compared to the same period last year

- In June 2018, Groupe M6 announced it would team up with France Télévisions and Groupe TF1 to build Salto – a joint French online video platform providing news, including magazines and special events, sport, entertainment, French fiction, US series, documentaries and films

More exclusive content across all platforms

- From March to May 2018, *American Idol* returned to US screens – for the first time on US network ABC. By the end of the season, *American Idol* had accumulated more than 1 billion video views across all social media platforms and the *American Idol* app was downloaded over 1.2 million times. In May 2018, ABC commissioned another season of *American Idol*, which is expected to air in 2019

- The FremantleMedia Australia production, *Picnic at Hanging Rock,* was successfully launched on Foxtel, BBC and Entertain TV of Deutsche Telekom. The drama series was also sold to Canal+ (France) and Amazon Prime Video (USA)

- Mediengruppe RTL Deutschland continued its strategic focus on in-house productions, with around 70 new productions airing in the first half of 2018, and over 100 planned new formats for the coming season. The number of local fictional series has tripled since 2016 and so reduced the dependence on US fiction

5 2017 comparatives have been re-presented as if the following transfers had occurred on 1 January 2017:
- The transfer of the international activities of Smartclip from Mediengruppe RTL Deutschland to SpotX (shown in "Other segments");
- The transfer of Smartclip Benelux from Mediengruppe RTL Deutschland to RTL Nederland;
- The transfer of RTL Radio (France) to Groupe M6; and
- The transfer of Divimove from FremantleMedia to "Other segments"

6 As at 30 June 2018 compared to 30 June 2017

CORPORATE PROFILE

With interests in 61 television channels, 30 radio stations, a global business for content production and distribution, and rapidly growing digital video businesses, RTL Group entertains, informs and engages audiences around the world.

The Luxembourg-based company owns stakes in TV channels and radio stations in Germany, France, Belgium, the Netherlands, Luxembourg, Spain, Hungary and Croatia. With FremantleMedia, it is one of the world's leading producers of television content: from talent and game shows to drama, daily soaps and telenovelas, including *Idols*, *Got Talent*, *Good Times, Bad Times* and *Family Feud*. With its investments in online video – BroadbandTV, StyleHaul, Divimove and United Screens – RTL Group is the leading European media company in online video. RTL Group also built a global ad tech powerhouse, combining the video ad serving platform SpotX with the European monetisation platform Smartclip in 2018.

The roots of the company date back to 1924, when Radio Luxembourg first went on air. Compagnie Luxembourgeoise de Radiodiffusion (CLR) was founded in 1931. As a European pioneer, the company broadcast a unique programme in several languages using the same wavelength.

RTL Group itself was created in spring 2000, following the merger of Luxembourg-based CLT-UFA and the British content production company Pearson TV, owned by Pearson PLC. CLT-UFA was created in 1997 when the shareholders of UFA (Bertelsmann) and the historic Compagnie Luxembourgeoise de Télédiffusion – CLT (Audiofina) merged their TV, radio and TV production businesses.

Bertelsmann has been the majority shareholder of RTL Group since July 2001, now owning a 75.1 per cent shareholding. RTL Group's shares (ISIN: LU0061462528) are publicly traded on the regulated market (Prime Standard) of the Frankfurt Stock Exchange and on the Brussels and Luxembourg stock exchanges. Since September 2013, RTL Group has been listed in the prestigious MDAX stock index.

For more information, please see the RTL Group Annual Report 2017, p. 56–59.

STRATEGY

RTL Group's Total Video strategy aims to maximise consumers' attention to its broad variety of video offers, across all devices. RTL Group's strategy from the angle of the Group's three strategic areas – broadcast, content and digital – is outlined in the RTL Group Annual Report 2017, pages 66 to 67.

RTL Group does not consider its strategy to have changed in a material way since the publication of the RTL Group Annual Report 2017. However, in 2018, RTL Group started a wide-ranging review of its current strategy and corporate culture under the headline "New frontiers – reinventing RTL's pioneering spirit".

FINANCIAL REVIEW

KEY PERFORMANCE INDICATORS

RTL Group controls its financial situation by means of various key performance indicators (KPIs) such as revenue, audience share in main target groups, EBITDA and EBITA, RTL Group Value Added, net debt and cash conversion. For definitions and more details of these KPIs, please see note 4 to the Condensed Consolidated Interim Financial Information as at, and for the six months ended, 30 June 2018.

REVENUE

RTL Group estimates that the net TV advertising market increased in the first half of 2018 in all markets in which the Group is active – with the exception of French-speaking Belgium, and Spain.

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

	H1/2018 net TV advertising market growth rate (in per cent)	H1/2018 RTL Group audience share in main target group (in per cent)	H1/2017 RTL Group audience share in main target group (in per cent)
Germany	+0.5 to +1.5[7]	27.6[8]	29.4[8]
France	+1.9[9]	21.1[10]	21.8[10]
The Netherlands	+3.2[7]	27.7[11]	32.1[11]
Belgium	(1.4)[7]	35.3[12]	36.9[12]
Hungary	+1.6[7]	27.5[13]	31.6[13]
Croatia	+5.0[7]	28.6[14]	31.3[14]
Spain	(1.0)[15]	28.6[16]	28.8[16]

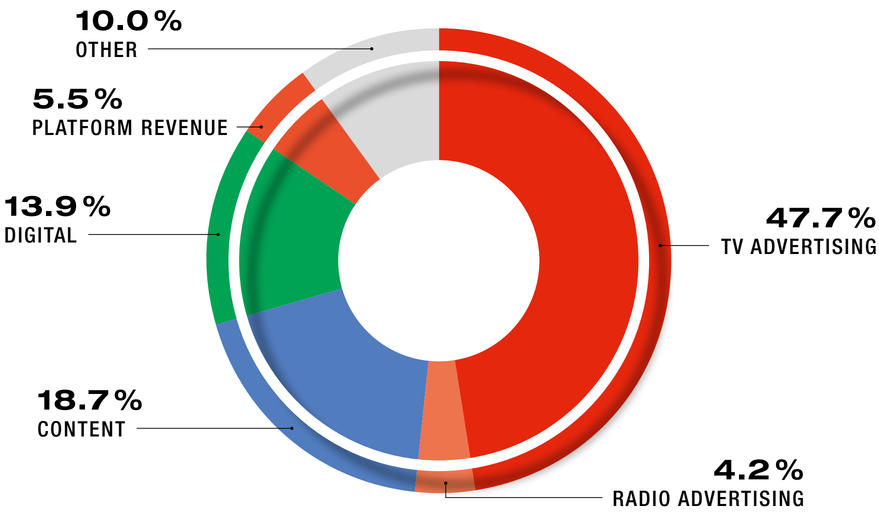
Revenue was up 2.3 per cent to €3,046 million (H1/2017: €2,978 million), driven by digital revenue (+€35 million), FremantleMedia (+€33 million) and RTL Nederland (+€13 million). On a like-for-like basis (adjusted for portfolio changes and at constant exchange rates) revenue was up 3.7 per cent to €3,081 million (H1/2017: €2,971 million). The negative exchange rate effects in the first half 2018 amounted to €59 million.

7 Source: Industry and RTL Group estimates
8 Source: GfK. Target group: 14–59, including pay-TV channels
9 Source: Groupe M6 estimate
10 Source: Mediamétrie. Target group: women under 50 responsible for purchases (free-to-air channels only)
11 Source: SKO. Target group: 25–54, 18–24h
12 Source: Audimétrie. Target group: shoppers 18–54, 17–23h
13 Source: AGB Hungary. Target group: 18–49, prime time (including cable channels)
14 Source: AGB Nielsen Media Research. Target group: 18–49, prime time
15 Source: Infoadex
16 Source: TNS Sofres. Target group: 25–59

RTL GROUP REVENUE SPLIT

RTL Group's revenue is well diversified with 47.7 per cent from TV advertising, 18.7 per cent from content, 13.9 per cent from digital activities, 5.5 per cent from platform revenue, 4.2 per cent from radio advertising and 10.0 per cent other revenue.

In contrast to some competitors, RTL Group recognises only pure digital businesses as digital revenue and does not consider e-commerce, home shopping and platform revenue as digital revenue. Revenue from e-commerce and home shopping are included in 'other revenue'.



EBITDA AND EBITA

Reported **EBITDA** was up by 1.9 per cent to €638 million (H1/2017: €626 million), mainly driven by higher profit contributions from RTL Nederland. Reported **EBITDA margin** came in at 20.9 per cent (H1/2017: 21.0 per cent).

EBITA increased by 2.8 per cent to €548 million (H1/2017: €533 million), while the EBITA margin was 18.0 per cent (H1/2017: 17.9 per cent).

Group **operating expenses** were at €2,542 million in H1/2018 compared to €2,494 million in H1/2017.

FINANCIAL DEVELOPMENT OVER TIME

	H1/2018 €m	H1/2017 €m	H1/2016 €m	H1/2015 €m	H1/2014[17] €m
Revenue	3,046	2,978	2,878	2,788	2,687
EBITDA	638	626	679	628	612
EBITA	548	533	580	534	517

17 Restated for changes in purchase price allocation

FURTHER GROUP FINANCIALS

RTL Group Value Added (RVA)
See note 4 to the Condensed Consolidated Interim Financial Information as at, and for the six months ended, 30 June 2018.

Main portfolio changes
United Screens
In January 2018, RTL Group fully acquired United Screens, the leading multi-platform network (MPN) in the Nordic countries. With this investment, RTL Group expands its footprint as the leading European media company in online video.

Investments accounted for using the equity method
The total contribution of these investments decreased to a profit amounting to €24 million (H1/2017: €30 million).

Interest expense
Net interest expense amounted to €7 million (H1/2017: €10 million) for the six months ended 30 June 2018.

Income tax expense
In the first half of 2018, the tax expense was €176 million (H1/2017: €165 million).

Profit attributable to RTL Group shareholders
The profit for the period attributable to RTL Group shareholders was €318 million (H1/2017: €320 million), a decrease of 0.6 per cent.

Earnings per share
Reported earnings per share, based upon 153,555,364 shares, was €2.07 (H1/2017: €2.08 per share based upon 153,551,929 shares).

NET DEBT POSITION AND CASH CONVERSION

The consolidated net debt position at 30 June 2018 was €943 million (31 December 2017: net debt of €545 million) after the Group paid a final 2017 dividend amounting to €460 million (€3.00 per share) on 26 April 2018. The Group continues to generate strong operating cash flow with an EBITA to cash conversion ratio of 77 per cent (H1/2017: 78 per cent).

Net debt position	**As at 30 June 2018 €m**	As at 31 December 2017 €m
Gross balance sheet debt	(1,170)	(815)
Add: cash and cash equivalents	227	265
Add: cash deposit and others	–	5
Net debt position[18]	**(943)**	**(545)**

18 Of which €126 million of net debt held by Groupe M6 (as at 31 December 2017: €34 million)

REVIEW BY SEGMENTS: HALF-YEAR TO JUNE 2018 (H1/2018)

Revenue	**Half-year to June 2018 €m**	Half-year to June 2017[19] €m	Per cent change
Mediengruppe RTL Deutschland	1,070	1,061	+0.8
Groupe M6	739	743	(0.5)
FremantleMedia	672	639	+5.2
RTL Nederland	241	228	+5.7
RTL Belgium	95	96	(1.0)
Other segments	335	319	+5.0
Eliminations	(106)	(108)	–
Total revenue	**3,046**	**2,978**	**+2.3**

EBITDA	**Half-year to June 2018 €m**	Half-year to June 2017[19] €m	Per cent change
Mediengruppe RTL Deutschland	366	363	+0.8
Groupe M6	182	178	+2.2
FremantleMedia	42	42	–
RTL Nederland	32	19	+68.4
RTL Belgium	20	19	+5.3
Other segments	(4)	5	–
Reported EBITDA	**638**	**626**	**+1.9**

EBITDA margin	**Half-year to June 2018 per cent**	Half-year to June 2017 per cent	Percentage point change
Mediengruppe RTL Deutschland	34.2	34.2	–
Groupe M6	24.6	24.0	+0.6
FremantleMedia	6.3	6.6	(0.3)
RTL Nederland	13.3	8.3	+5.0
RTL Belgium	21.1	19.8	+1.3
RTL Group	**20.9**	**21.0**	**(0.1)**

19 2017 comparatives have been re-presented as if the following transfers had occurred on 1 January 2017:
- The transfer of the international activities of Smartclip from Mediengruppe RTL Deutschland to SpotX (shown in "Other segments");
- The transfer of Smartclip Benelux from Mediengruppe RTL Deutschland to RTL Nederland;
- The transfer of RTL Radio (France) to Groupe M6; and
- The transfer of Divimove from FremantleMedia to "Other segments"

REVIEW BY SEGMENTS: SECOND QUARTER OF 2018 (Q2/2018)

Revenue	Q2/2018 €m	Q2/2017[20] €m	Per cent change
Mediengruppe RTL Deutschland	536	542	(1.1)
Groupe M6	379	383	(1.0)
FremantleMedia	401	368	+9.0
RTL Nederland	131	123	+6.5
RTL Belgium	48	47	+2.1
Other segments	184	164	+12.2
Eliminations	(49)	(54)	–
Total revenue	**1,630**	**1,573**	**+3.6**

EBITDA	Q2/2018 €m	Q2/2017[20] €m	Per cent change
Mediengruppe RTL Deutschland	197	196	+0.5
Groupe M6	106	101	+5.0
FremantleMedia	29	27	+7.4
RTL Nederland	26	18	+44.4
RTL Belgium	9	9	–
Other segments	12	11	+9.1
Reported EBITDA	**379**	**362**	**+4.7**

EBITDA margin	Q2/2018 per cent	Q2/2017 per cent	Percentage point change
Mediengruppe RTL Deutschland	36.8	36.2	+0.6
Groupe M6	28.0	26.4	+1.6
FremantleMedia	7.2	7.3	(0.1)
RTL Nederland	19.8	14.6	+5.2
RTL Belgium	18.8	19.1	(0.3)
RTL Group	**23.3**	**23.0**	**+0.3**

20 2017 comparatives have been re-presented as if the following transfers had occurred on 1 January 2017:
- The transfer of the international activities of Smartclip from Mediengruppe RTL Deutschland to SpotX (shown in "Other segments");
- The transfer of Smartclip Benelux from Mediengruppe RTL Deutschland to RTL Nederland;
- The transfer of RTL Radio (France) to Groupe M6; and
- The transfer of Divimove from FremantleMedia to "Other segments"

MEDIENGRUPPE RTL DEUTSCHLAND

Financial results

In the reporting period, the German net TV advertising market was estimated to be up between 0.5 and 1.5 per cent year-on-year. Total revenue was up to €1,070 million (H1/2017: €1,061 million), despite the Fifa Football World Cup 2018 being broadcast on the public channels. Accordingly, EBITDA was also up to €366 million (H1/2017: €363 million).

	Half-year to June 2018 €m	Half-year to June 2017[21] €m	Per cent change
Revenue	1,070	1,061	+0.8
EBITDA	366	363	+0.8
EBITA	359	357	+0.6

Audience ratings

Mediengruppe RTL Deutschland's combined average audience share in the target group of viewers aged 14 to 59 was down to 27.6 per cent in the first six months of 2018 (H1/2017: 29.4 per cent) – mainly due to the Fifa Football World Cup 2018 being broadcast on the public channels.

The German RTL family of channels remained ahead, by 3.5 percentage points, of its main commercial competitor, ProSiebenSat1 (24.1 per cent, H1/2017: 5.1 percentage points). Mediengruppe RTL Deutschland is consistently working on sharpening the profile of its channel brands and aligning them to its respective target groups. Thus, it succeeded in rejuvenating Vox's audience structure, making Nitro even more male, and positioning RTL Plus in the 'Best Ager' segment.

With an audience share of 10.7 per cent in the target group of viewers aged 14 to 59 during the first six months of 2018 (H1/2017: 11.8 per cent), **RTL Television** remained the viewers' number one choice – ahead of ZDF (9.5 per cent), ARD/Das Erste (8.6 per cent), Sat1 (7.9 per cent) and ProSieben (6.9 per cent) – and was again the only channel with a double-digit audience share in this target group. RTL Television's decrease was mostly attributable to lower audience shares in day time. Despite the effect of the Fifa Football World Cup, prime time and access prime time were in line with expectations – especially with the daily soap *Gute Zeiten, Schlechte Zeiten* (*GZSZ*). *GZSZ* achieved a combined average audience share of 15.7 per cent in the target group of viewers aged 14 to 59 (H1/2017: 15.3 per cent). In the reporting period, it was 32 times the most-watched programme of the day among 14 to 59 year olds (by reach). RTL Television remained the most efficient broadcaster in reaching broad audiences. Out of the top 100 programmes (commercial broadcasters) with the broadest reach in Germany, 88 aired on RTL Television.

The most watched programme on RTL Television in the first half of 2018 was *Ich bin ein Star – Holt mich hier raus!* (I'm A Celebrity – Get Me Out Of Here!). On average, the 12th season was watched by 5.78 million total viewers and registered an average audience share of 33.0 per cent in the target group of viewers aged 14 to 59 (2017: 36.2 per cent). With an average 3.03 million total viewers and an audience share of 15.9 per cent (14 to 59) during the first half of the year, *RTL Aktuell* was once again the most popular news format in the target group.

21 2017 comparatives have been re-presented as if the following transfers had occurred on 1 January 2017:
- The transfer of the international activities of Smartclip from Mediengruppe RTL Deutschland to SpotX (shown in "Other segments");
- The transfer of Smartclip Benelux from Mediengruppe RTL Deutschland to RTL Nederland

In addition, RTL Television launched several new series as part of its push into fiction. One of the highlights was *Sankt Maik*, which scored an average audience share of 10.9 per cent in the target group (14 to 59). The second season of the fiction series *Magda macht das schon!* attracted an average audience share of 12.1 per cent (14 to 59) and was watched by 2.6 million total viewers. Another audience favourite was the sixth season of *Der Lehrer* which was watched by an average of 14.5 per cent of viewers aged 14 to 59.

In the first half of 2018, **Vox** achieved an average audience share of 6.3 per cent among viewers aged 14 to 59 (H1/2017: 6.9 per cent). In prime time, the cooking show *Kitchen Impossible* was especially successful and scored an average audience share of 9.3 per cent. The fifth season of the music show *Sing meinen Song – Das Tauschkonzert* achieved an average audience share of 7.9 per cent. Vox's successful formats in access prime time included the new episodes of *Hot oder Schrott – Die Allestester*, whose Sunday edition achieved an average audience share of 11.4 per cent in the target group. In daytime, fashion fans loved *Shopping Queen* with designer Guido Maria Kretschmer. The new episodes were watched by an average 8.3 per cent of the target group (14 to 59).

During the first six months of 2018, **Nitro** recorded an average audience share of 2.0 per cent (H1/2017: 2.1 per cent) in the target group of viewers aged 14 to 59. The most watched programme on Nitro in the first half of 2018 was *CSI: Vegas* on 17 June 2018 with a 3.7 per cent audience share in the target group.

RTL Plus is constantly growing, and attracted an audience share of 1.3 per cent in the first half of 2018 in the target group of viewers aged 14 to 59 (H1/2017: 1.0). In its main target group of women aged 40 to 64, the channel grew its average audience share to 1.8 per cent (H1/2017: 1.3 per cent). In June 2018, RTL Plus achieved the highest ratings in this target group since its launch in 2016, with a 2.2 per cent share.

The news channel **N-TV** attracted 1.0 per cent (H1/2017: 1.1 per cent) of viewers aged 14 to 59. During the morning, an average of 1.9 per cent of all viewers tuned in to N-TV (H1/2017: 2.3 per cent). A highlight was the new documentary series on fake news, *Echt oder Fake?*, which achieved an average audience share of 1.2 per cent (14 to 59) in June 2018.

Super RTL achieved an average daytime audience share of 21.3 per cent in its target group of children aged 3 to 13 (H1/2017: 21.0 per cent, 6:00 to 20:15), and continued to be the most popular children's channel in Germany, ahead of Kika (17.6 per cent), Disney Channel (11.7 per cent) and Nickelodeon (7.2 per cent). The constant positive results were mainly driven by formats such as *Paw Patrol, Alvin and the Chipmunks* or *The Tom & Jerry Show*.

During the first half of 2018, **RTL II** attracted 4.3 per cent of viewers aged 14 to 59 (H1/2017: 4.5 per cent). In prime time, social documentary series such as *Armes Deutschland – Stempeln oder Abrackern?* (9.1 per cent average audience share) and *Hartz und herzlich* (8.1 per cent average audience share) were very popular. In access prime time, the daily series *Köln 50667* (6.4 per cent) and *Berlin – Tag & Nacht* (6.7 per cent) improved its audience shares strongly compared to H1/2017 (up 19 per cent).

Digital

During the first half of 2018, Mediengruppe RTL Deutschland – combining the unit's video-on-demand services, TV sites, thematic websites, YouTube channels, Facebook pages and the video streaming service Watchbox – generated a total of 769 million video views of professionally produced content (H1/2017: 697 million). Mediengruppe RTL Deutschland's video-on-demand service, **TV Now**, recorded paid subscriber growth for its TV Now Plus offer of 43.5 per cent compared to 30 June 2018. In addition, it registered video view growth of 42.4 per cent compared to the same period of the previous year.

On 21 March 2018, Mediengruppe RTL Deutschland launched **Now US**, a new free-to-air channel focusing on US fiction. The channel is available exclusively via the video-on-demand platform TV Now from 20:15 to 6:00. After broadcast, all programmes are accessible on TV Now for up to 30 days.

In March 2018, Mediengruppe RTL Deutschland, ProSiebenSat1 and United Internet announced the launch of the **European NetID Foundation**. The European NetID Foundation is an independent entity that aims to help internet services from all industries comply with the new European data protection regulations (GDPR). To this end, it has created the NetID open log-in standard.

GROUPE M6

Financial results

The French net TV advertising market was up by an estimated 1.0 per cent compared to the first half of 2017, with Groupe M6 performing in line with the market despite the Fifa Football World Cup being broadcast on a competitor channel. Accordingly, Groupe M6's total revenue was stable at €739 million (H1/2017: €743 million). After the renewal of all distribution agreements during the first half of 2018, Groupe M6 significantly increased its high-margin platform revenue. Consequently, reported EBITDA in the first half of 2018 was slightly up by 2.2 per cent to €182 million (H1/2017: €178 million).

The net radio advertising market in France decreased by an estimated 2.0 per cent compared to the same period in 2017, with Groupe M6's radio family (RTL, RTL 2, Fun Radio) outperforming the market.

	Half-year to June 2018 €m	Half-year to June 2017[22] €m	Per cent change
Revenue	739	743	(0.5)
EBITDA	182	178	+2.2
EBITA	131	124	+5.6

TV audience ratings

The audience share of the Groupe M6 family of free-to-air channels in the commercial target of women under 50 responsible for purchases, slightly decreased and reached an average 21.1 per cent (H1/2017: 21.8 per cent). The total audience share was slightly down to 13.4 per cent (H1/2017: 13.8 per cent).

As the Fifa Football World Cup 2018 was not broadcast on M6, the channel recorded a slight drop in its audience share to 14.6 per cent among women under 50 responsible for purchases (H1/2017: 15.2 per cent). M6 remained the second most-watched channel in France in this target group. The channel's strong prime-time offer which combines popular major brands such as *Top Chef* and flagship information programmes such as *Zone Interdite* formed a strong backbone of M6's programming. Also popular in the first half of 2018 was the launch of the French drama *Souviens-toi*, which registered an average audience share of 20.0 per cent among women under 50 responsible for purchases.

W9's audience share decreased slightly, reaching an average 3.9 per cent in the target group of women under 50 responsible for purchases (H1/2017: 4.1 per cent). The most popular broadcast was that of the Uefa Europa League semi-final between Salzburg and Olympique Marseille (return game). With 22.8 per cent it was the highest total audience share ever for W9.

6ter remained the leader for the commercial target of women under 50 responsible for purchases among the new generation of DTT channels, slightly increasing its audience share to 2.6 per cent (H1/2017: 2.5 per cent). The first half of 2018 was also marked by the launch of the new daily original production *Les Mamans*, which proved to be popular in the late afternoon slot.

22 2017 comparatives have been re-presented as if the transfer of RTL Radio (France) to Groupe M6 had occurred on 1 January 2017

Radio audience ratings

During the first six months of 2018, the Groupe M6's radio family (RTL, RTL 2, Fun Radio) reaffirmed its status as France's leading commercial radio group with an average audience share of 19.8 per cent (H1/2017: 18.8 per cent) – the best result in ten years. All three stations grew at peak radio listening time, and the French RTL radio family was the only commercial radio group to grow continuously over the past four seasons.

The average audience share of the flagship station **RTL Radio** was 12.9 per cent (H1/2017: 12.5 per cent), 6.2 percentage points ahead of the next commercial competitor (H1/2017: 5.7 percentage points). RTL Radio attracted an average of 6.5 million listeners a day (H1/2017: 6.5 million listeners a day).

RTL 2 reached 2.2 million listeners a day (H1/2017: 2.2 million). Its average audience share over the period was up to 3.0 per cent (H1/2017: 2.5 per cent).

Fun Radio registered 3.3 million listeners a day and an average audience share of 3.9 per cent in the first half of 2018 (H1/2017: 3.9 per cent).

Digital

During the reporting period, Groupe M6's total online video views were stable at 1.3 billion (H1/2017: 1.3 billion). **6play** continued to grow significantly with more than 22 million registered users (H1/2017: 17 million registered users) and now generates close to 116 million video views per month on all screens – up 4.4 per cent year on year (H1/2017: 111 million). 34 per cent of French viewers watched Groupe M6 programmes on their TV via 6play over the first half of 2018, representing 19.7 million individuals.

Golden Network, the digital studio dedicated to millennials, combines all of Groupe M6's multi-platform networks (MPNs). It is one of the most attractive French networks with almost 600 million video views per month on YouTube[23]. At the end of June 2018, Golden Moustache, the best-known humour/entertainment brand among viewers aged 10 to 24[24], had 3.2 million subscribers (up 12.5 per cent year on year[25]) and Rose Carpet, the best-known lifestyle brand among viewers aged 15 to 19, had 1.2 million subscribers (up 11.5 per cent year on year).

In June 2018, Golden Network launched five new thematic news media: Golden News, Golden Pop, Golden Food, Golden Genius and Wondher. With this, Golden Network aims to strengthen its editorial expertise on all social platforms and offer news that will complement Groupe M6's traditional media, while appealing to younger audiences.

23 Source: Tubular – July 2018
24 CSA study – February 2018
25 Source: Tubular

FREMANTLEMEDIA

Financial results

Revenue at RTL Group's content business, FremantleMedia, increased by 5.2 per cent to €672 million in the first half of 2018 (H1/2017: €639 million), despite negative exchange rate effects of €43 million. The increase is mainly attributable to the strong performances of FremantleMedia North America (FMNA), UFA and the scope entry of Easy Tiger. FremantleMedia's EBITDA was stable at €42 million (H1/2017: €42 million).

	Half-year to June 2018 €m	Half-year to June 2017[26] €m	Per cent change
Revenue	672	639	+5.2
EBITDA	42	42	–
EBITA	33	31	+6.5

Non-scripted

Television's most successful and recognised music competition – *American Idol* – returned in March 2018 to US screens – this time on ABC. It registered an average audience of 8.7 million viewers and an average total audience share of 8.7 per cent, performing over 40 per cent higher than ABC's prime time average. *American Idol* ranked as ABC's number-one entertainment show of the month in both April and May 2018 for total viewers and the key commercial target group of viewers aged 18 to 49. By the end of the season, *American Idol* had accumulated more than 1 billion video views across all social media platforms and the *American Idol* app was downloaded over 1.2 million times.

The 13th series of *America's Got Talent* – which premiered in late May on NBC – won an average audience of 15.0 million viewers until the end of the reporting period and an average total audience share of 16.2 per cent, ranking as the highest-rated entertainment series of the year so far.

In the US, *Jersey Shore: Family Vacation* won an average audience of 3.1 million viewers, a total audience share of 3.3 per cent and an audience share of 14.4 per cent for the key target group of viewers aged 18 to 34. Peaking with an audience share of 3.8 million viewers on 5 April 2018, *Jersey Shore: Family Vacation* was the highest rated programme on MTV for over 18 months (since the 2016 Video Music Awards in August 2016).

In Germany, UFA Show & Factual's *Wer weiß denn sowas?* (Who Knew?) hit a new ratings high on 23 February 2018, winning a total audience share of 21.3 per cent, ARD/Das Erste's highest share in the slot in over 12 years (average audience share: 16.6 per cent). The prime-time edition *Wer weiß denn sowas? XXL* hit a new audience high in February with 6.7 million viewers tuning in – the show was the highest rated game show in Germany in the first half of 2018.

In the UK, the 12th series of *Britain's Got Talent* won a peak audience of 11.2 million viewers on 28 April 2018, ranking as the UK's highest-rated programme of the first half of 2018. Across the series, it attracted an average 8.7 million viewers, a total audience share of 39.2 per cent and a 51.6 per cent audience share for adults aged from 16 to 34.

FREMANTLEMEDIA · FREMANTLEMEDIA INTERNATIONAL · FREMANTLEMEDIA NORTH AMERICA · 495 PRODUCTIONS · ORIGINAL PRODUCTIONS · FREMANTLEMEDIA UK · UFA · FREMANTLEMEDIA AUSTRALIA · blue circle · ludía · blu · MISOFILM · WILDSIDE · Kwaï · ABOT HAMEIRI

26 2017 comparatives have been re-presented as if the transfer of Divimove from FremantleMedia to "Other segments" had occurred on 1 January 2017

Scripted

FremantleMedia Australia's gripping drama *Picnic at Hanging Rock* starring Natalie Dormer opened both the Berlin and Tribeca Film Festivals. The drama series already launched on Foxtel, BBC and on Deutsche Telekom's EntertainTV and will be launched on Canal+ (France) and Amazon Prime Video (US).

In Germany, UFA Fiction's historical three-part drama *Ku'damm 59* attracted an average 5.85 million viewers and an average total audience share of 16.8 per cent for public broadcaster ZDF. The show also generated a new record for the channel's on-demand service, with an average 1.3 million streams per episode.

In the UK, BBC One broadcast Euston Film's *Hard Sun*, the pre-apocalyptic drama from Neil Cross, with the series premiere watched by 6.2 million viewers across all platforms. With 2.2 million requests, the first episode of *Hard Sun* was the third most requested programme on BBC iPlayer in January 2018.

A first-look deal with Bob Cooper's Landscape Entertainment was announced at FMNA, with the first project being *Michelangelo,* a scripted drama for Hulu that will be written by award-winning South African–British author, Richard Mason. FMNA and Dancing Ledge Productions announced a partnership with popular author Paulo Coelho to develop the first ever TV drama series based on his works.

FremantleMedia International

FMI sold *Hard Sun* to more than 100 territories, including Canal+, VRT (Belgium), HBO Europe (Scandinavia, Spain, Eastern Europe) and Telecom Italia (Italy).

American Idol was sold to more than 150 territories. The latest deal to have been completed was with Amazon Prime Video UK, through which *American Idol* was available exclusively in the UK two days after it first aired in the US.

Digital

FremantleMedia content registered 309 million fans across YouTube, Facebook, Twitter and Instagram (H1/2017: 258 million). In the first six months of 2018, FremantleMedia content had a total of 21.3 billion views (H1/2017: 14.6 billion) and 69 million subscribers across 305 channels (H1/2017: 47 million subscribers across 281 channels).

Britain's Got Talent's YouTube channel reached 10 million subscribers in June 2018. It is the UK's first TV show to reach this milestone, and the first entertainment channel to win 10 million YouTube subscribers across Europe, the Middle East and Africa. *The X Factor Global* YouTube channel recorded 1 million subscribers.

RTL NEDERLAND

Financial results

The Dutch net TV advertising market was estimated to be up 3.2 per cent in the first half of 2018. RTL Nederland's revenue increased by 5.7 per cent to €241 million (H1/2017: €228 million), mainly driven by higher advertising revenue and digital activities. This resulted in a significantly higher EBITDA of €32 million (H1/2017: €19 million).

	Half-year to June 2018 €m	Half-year to June 2017[27] €m	Per cent change
Revenue	241	228	+5.7
EBITDA	32	19	+68.4
EBITA	23	13	+76.9

Audience ratings

As the Fifa Football World Cup 2018 was not broadcast on **RTL Nederland**'s channels, its channels' combined prime-time audience share in the target group of viewers aged 25 to 54 was down to 27.7 per cent in the first half of 2018 (H1/2017: 32.1 per cent), ahead of the public broadcasters (25.4 per cent) and the Talpa TV group (20.3 per cent).

RTL Nederland's flagship channel, **RTL 4**, registered an average audience share of 16.4 per cent in the target group of shoppers aged 25 to 54 (H1/2017: 18.8 per cent). Popular programmes included *The Voice Of Holland*, *The Voice Kids* and the daily drama *Goede Tijden, Slechte Tijden*. Popular drama series include *Soof: Een Nieuw Begin*, *De 12 Van Oldenheim* and *Centraal Medisch Centrum*.

RTL 5 achieved an audience share of 4.2 per cent among viewers aged 25 to 39 in the reporting period, down from 4.9 per cent in the first half of 2017. *Temptation Island* was again the most popular show on RTL 5, while other successful programmes included *Slechtste Chauffeur Van Nederland VIPs*, *Voor De Rechter* and *Levenslang Met Dwang*.

The men's channel **RTL 7** registered an average audience share of 5.6 per cent among male viewers aged 25 to 54 in the first half of 2018 (H1/2017: 7.5 per cent). The decrease was mainly due to lower audience shares of the Uefa Europa League football games as no Dutch team was playing in the tournament in 2018. Sports were once again among the most-watched programmes on RTL 7. The *Darts World Championship 2018* registered 18.3 per cent and the Europa League final 21.0 per cent audience share in the male target group.

During the first six months of 2018, the women's channel **RTL 8** increased its average audience share to 4.1 per cent among women aged 35 to 59 (H1/2017: 3.8 per cent). The most watched programme was the documentary *Meghan Markle Een Amerikaanse Prinses,* with an audience share of 9.0 per cent in the channel's key target group of females aged 35 to 59.

Business and news channel **RTL Z** scored an audience share of 0.8 per cent in the target group of viewers with upper social status aged 25 to 59 (H1/2017: 0.9 per cent).

Digital

RTL Nederland's network of websites, apps and YouTube channels generated a total of 1,241 million video views[28] (including RTL MCN) in the first six months of 2018, an increase of 22 per cent year on year (H1/2017: 1,017 million). The most popular formats and sites were *Buienradar NL*, *RTL Nieuws*, RTL XL, *Weet Ik Veel*, *The Voice of Holland* and *RTL Boulevard*.

RTL Nederland's video-on-demand service, **Videoland**, recorded paid subscriber growth of 122 per cent compared to 30 June 2017. Total subscriber viewing time increased by 204 per cent in the first six months compared to the same period last year. Videoland's high growth was largely driven by the reality format *Temptation Island*, the Dutch original series *De 12 Van Oldenheim,* and the Emmy-winning US drama series *The Handmaid's Tale,* which in The Netherlands is exclusively available on Videoland.

27 2017 comparatives have been re-presented as if the transfer of Smartclip Benelux from Mediengruppe RTL Deutschland to RTL Nederland had occurred on 1 January 2017
28 Playlist starts

RTL BELGIUM

Financial results

In the first half of 2018, the net TV advertising market in French-speaking Belgium was estimated to be down 1.4 per cent. RTL Belgium's revenue was stable at €95 million (H1/2017: €96 million) due to higher sales-house activities. EBITDA was up to €20 million (H1/2017: €19 million), reflecting lower programme cost.

	Half-year to June 2018 €m	Half-year to June 2017 €m	Per cent change
Revenue	95	96	(1.0)
EBITDA	20	19	+5.3
EBITA	18	17	+5.9

Audience ratings

The combined prime-time audience share of **RTL Belgium**'s family of TV channels in the target group (shoppers aged 18 to 54) decreased to 35.3 per cent due to the Fifa Football World Cup 2018 being broadcast on the public channels (H1/2017: 36.9 per cent). Nonetheless, RTL Belgium was clearly ahead of the public channels by 14.0 percentage points (H1/2017: 18.2 percentage points).

The market-leading channel in French-speaking Belgium, **RTL-TVI**, achieved an average prime-time audience share of 26.2 per cent in the target group (H1/2017: 27.0 per cent), 12.9 percentage points ahead of the second highest-rated channel, La Une. **Plug RTL** reported a prime-time audience share of 4.2 per cent among young viewers aged 15 to 34 (H1/2017: 5.2 per cent), while **Club RTL** ended the first half of 2018 with a prime-time audience share of 6.5 per cent in its main target group of male viewers aged 18 to 54 (H1/2017: 6.6 per cent).

According to the most recent CIM audience survey, covering March to June 2018, the **Belgian radio family** has a combined audience share of 27.0 per cent (April to June 2017: 28.1 per cent)[29]. **Radio Contact** achieved an audience share of 13.8 per cent from March to June 2018. **Bel RTL** achieved an audience share of 13.2 per cent from March to June 2018.

Digital

RTL Belgium reached a total of 36.2 million video views in the reporting period (H1/2017: 36.8 million). In the first half of 2018, the number of unique visitors on the websites of RTL Belgium increased to 3.4 million – up 19 per cent compared to the same period of 2017. The *RTL Info* app reached 133,424 unique visitors per day (up 18 per cent compared to H1/2017).

In March 2018, RTL Belgium launched its new video-on-demand platform **RTL Play**, based on the Groupe M6 platform 6Play. Since then, the digital platform has had an average of 155,000 users per month and a total of 1.8 million video views.

In February 2018, RTL Belgium launched a new digital platform, Check, dedicated to the hip-hop culture with a community of 30,000 users watching its content on social networks. It has already had more than 1.8 million video views since its launch.

29 Following a change in methodology, the reporting period for radio audience shares has changed

OTHER SEGMENTS

Other segments include the fully consolidated businesses RTL Hungary, RTL Croatia, the German radio business and the investment accounted for using the equity method, Atresmedia in Spain. It also includes RTL Group's digital assets, SpotX, BroadbandTV, Divimove, StyleHaul and United Screens.

In the first half of 2018, the Hungarian commercial net TV advertising market was estimated to be up by 1.6 per cent. **RTL Hungary**'s revenue was stable at €51 million (H1/2017: €51 million). The unit's EBITDA was down to €6 million (H1/2017: €18 million), mainly due to higher programme cost, part of which is phasing, and the lack of positive one-off effects. In the first half of 2017, a significant positive one-off effect from a change in the ad tax law amounted to €9 million – this included the reclaim of the advertising tax paid in 2014 to 2016.

With a combined average prime-time audience share of 27.5 per cent among viewers aged 18 to 49 (H1/2017: 31.6 per cent), the gap between the Hungarian RTL family of channels and its competitor TV2 Group was 4.2 percentage points (H1/2017: 11.4 percentage points). This decrease is mainly due to increasing audience shares of channels newly launched by TV2 Group in 2016. Flagship channel **RTL Klub** attracted an average 13.1 per cent of viewers aged 18 to 49 in prime time (H1/2017: 16.7 per cent), 2.6 percentage points ahead of its closest commercial competitor TV2 with 10.5 per cent (H1/2017: 9.7 per cent). The news show *Híradó* was watched by an average 18.4 per cent of the target group (H1/2017: 19.4 per cent), retaining its position as the most popular news show in Hungary. The weekly drama series *A mi kis falunk* (Our Little Village) registered an average audience share of 27.6 per cent among viewers aged 18 to 49, which made this programme the most popular Hungarian drama series. The new locally produced drama series *A Tanár* (The Teacher), based on the German RTL Television series *Der Lehrer*, attracted an average audience share of 19.9 per cent (18 to 49).

RTL Hungary's cable channels achieved a combined prime-time audience share of 14.5 per cent in the target group (H1/2017: 14.9 per cent). The movie channel Film+ was the country's leading cable channel, scoring a prime-time audience share of 5.3 per cent (H1/2017: 4.9 per cent), followed by Cool with 3.7 per cent (H1/2017: 4.2 per cent). RTL II attracted 2.9 per cent of the viewers aged 18 to 49 in prime time (H1/2017: 2.9 per cent). The video-on-demand platform RTL Most, which was relaunched based on Groupe M6's platform 6play in February 2018, is the leading local brand for professionally produced online video content, which resulted in an increase of 189 per cent of new registrations compared to H1/2017. The new service registered 16.5 million video views in the reporting period (H1/2017: 12.2 million video views) – an increase of 36 per cent.

In Croatia, the net TV advertising market was estimated to be up 5.0 per cent. **RTL Croatia** performed better than the market and increased its revenue to €21 million (H1/2017: €19 million). Accordingly, EBITDA was up to minus €1 million (H1/2017: minus €3 million).

RTL Croatia's channels achieved a combined prime-time audience share of 28.6 per cent in the target audience 18 to 49 (H1/2017: 31.3 per cent). The decrease is mainly due to the Fifa Football World Cup 2018, which was aired on the public broadcasters.

The flagship channel **RTL Televizija** recorded a prime-time audience share of 19.0 per cent (H1/2017: 20.9 per cent). Local productions remain the cornerstone of the channel. The channel's year began with the broadcast of 17 World Men's Handball Championship matches, which achieved an average audience share of 39.5 per cent in the 18 to 49 commercial target group. The ninth season of locally produced *Ljubav je na selu* (The Farmer Wants A Wife) was one of the highlights, with an average audience share of 22.3 per cent (18 to 49). Season ten of *Big Brother* scored an average audience share of 19.8 per cent in the target audience of viewers aged 18 to 49 and remained Croatia's most popular reality show. The children's singing show *Zvjezdice* (Little Stars) achieved an average audience share of 19.5 per cent (18 to 49).

RTL 2's audience share was 7.2 per cent in prime time (H1/2017: 7.7 per cent), while the only free-to-air children's channel, **RTL Kockica**, had an audience share of 20.3 per cent in the target group of children aged 4 to 14 in the time slot between 7:00 and 20:00 (H1/2017: 24.9 per cent).

In the first half of 2018, **RTL Croatia's digital platforms** recorded an increase of 17 per cent in its page views, to reach 240 million (H1/2017: 205 million), and in its monthly unique visitors which rose by 20 per cent to 2.4 million (H1/2017: 2 million). This growth is the result of the ongoing strategy based on extending the existing digital web properties as well as developing the base of own and operated digital properties, with a special focus on its core brand *vijesti.hr*. Its video views reached 8.7 million, including around 3.0 million video views from the new video-on-demand platform **RTL Play**, which was developed in collaboration with Groupe M6. Its growth was driven by live broadcasts of World Men's Handball Championship matches as well as its re-runs and the tenth season of *Big Brother*.

Atresmedia in Spain: The Spanish net TV advertising market was estimated to be down year-on-year by 1.0 per cent. Atresmedia's total revenue was stable at €551 million (H1/2017: €551 million), while first-half operating profit (EBITDA) was down to €101 million (H1/2017: €117 million) mainly due to higher programme cost. Accordingly, the company's net profit for the reporting period was down to €69 million. The profit share of RTL Group (EBITDA contribution) was €13 million (H1/2017: €15 million).

In the first half of 2018, Atresmedia's family of channels recorded an audience share of 28.6 per cent in the target group of viewers aged 25 to 59 (H1/2017: 28.8 per cent). Flagship channel **Antena 3** achieved an audience share of 12.0 per cent in the target group of viewers aged 25 to 59 (H1/2017: 12.7 per cent) and Atresmedia's second largest channel, **La Sexta**, scored an audience share of 7.5 per cent in the new target audience (H1/2017: 7.1 per cent).

RTL Radio Deutschland reported a revenue increase to €24 million (H1/2017: €22 million), reflecting higher radio advertising revenue. As a result, EBITDA increased to €5 million (H1/2017: €4 million).

In the first half of 2018, **SpotX** advanced its process of merging business operations with Smartclip and continued the expansion of its global OTT footprint. In the reporting period, SpotX revenue (including Smartclip) was down by 14.3 per cent. The decrease is due to challenging market developments that occurred in mid-2017 significantly compounded by the weakening of the US dollar relative to the euro – when measured in US dollars, the revenue decrease was 1.7 per cent. Positive growth returned in the second quarter of 2018: when measured in US dollars, Q2 revenue was up to 6.5 per cent year on year. However, this growth was also reduced by the weakening of the US dollar relative to the euro and resulted in consolidated revenue decreasing by 3.6 per cent (in euro).

SpotX continued to add major broadcasters, cable and satellite companies as well as device manufacturers to its platform, while the company also strengthened its demand facilitation services, connecting more brands (like Hershey's, Coca-Cola, and Hewlett-Packard) and agencies with high-quality inventory. Global ad spend running through the platform increased nearly 30 per cent year on year. SpotX expects that the impact of the company's global OTT strategy will continue to generate growth in the third quarter and beyond.

BroadbandTV, a digital entertainment company which exists to empower creators and inspire audiences, continued to be the market leader across all relevant metrics in its industry in the first six months of 2018, including total views and hours watched. Currently, the business achieves 32.7 billion monthly impressions. In H1/2018, BroadbandTV registered a total of 200.3 billion video views[30] – up 29 per cent from H1/2017. BroadbandTV's revenue was up 22 per cent compared to the same period in 2017, partly affected by negative exchange rate effects (in Canadian dollar: up 30.5 per cent).

At CES (Consumer Electronics Show) in Las Vegas in January 2018, BroadbandTV announced BBTV Interactive, a new business division that builds original games and mobile apps across multiple platforms, for top digital talent. In June 2018, BBTV Interactive launched Squad Rivals, a multi-influencer mobile game featuring fifteen popular digital stars and influencers which, combined, have 41 million YouTube subscribers and over 319 million monthly YouTube video views.

StyleHaul, a global marketing services and media company that connects brands to consumers through data-driven social content, now has a community of over 1,000 YouTube-primary creators with 14.2 billion monthly views in the first half of 2018 (up 13.4 per cent year on year), and has grown globally to over 65,000 highly curated influencers across all social platforms. StyleHaul's revenue was down 11.1 per cent for the first six months of 2018, mainly due to negative foreign exchange rate effects (in US dollar: up 2.2 per cent).

In the first half of 2018, Europe's leading multi-platform network, **Divimove**, attracted a total of 11.5 billion video views (H1/2017: 8.1 billion). The company registered 300 million subscribers – up 88 per cent on the same period in the previous year – across its 900 social influencers in Germany, Spain, the Netherlands, Italy, Poland and France, due to successful influencer management and acquisitions of top influencers in its core markets (H1/2017: 160 million subscribers across its 1,000 social influencers). Divimove's revenue was up 62.5 per cent for the first six months of 2018.

United Screens is the leading multi-platform network in the Nordics. In H1/2018, United Screens registered 3,682 million video views – up 83 per cent on the same period in the previous year. On a pro-forma basis, revenue was up 23.3 per cent year on year[31].

Principal risks and uncertainties

RTL Group derives most of its revenue from the various advertising markets in which the Group operates. This is an area highly exposed to general economic conditions and consumer confidence. Although there have been concerns raised about the Brexit vote's effect on the advertising markets in which the Group operates, there has been, so far, no observable signs of any negative impact.

The state of the advertising market is just one of the key operational drivers of the Group. Other drivers include audience share, advertising market share and the overall level of programme cost. Should any of these key drivers change substantially compared to the Group's position as at 30 June 2018 then the Group would be impacted – either positively or negatively – in the second half of the year.

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

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

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

RTL Group's 2017 Annual Report sets out the most significant risk factors and litigations relating to the company's operations at the time it was released. RTL Group does not consider these principal risks and uncertainties to have changed in a material way.

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

30 Including views from external partners
31 United Screens is consolidated for the first time after the acquisition in January 2018. Revenue presented as if the acquisition would have occured on 1 January 2017

Major related party transactions

The major related party transactions can be found in note 19 to the Condensed Consolidated Interim Financial Information.

Subsequent events

See note 20 to the Condensed Consolidated Interim Financial Information.

OUTLOOK

RTL Group confirms its outlook for the full-year 2018, as most recently communicated at the Q1/2018 results presentation on 17 May 2018:

- RTL Group expects its **total revenue** for the fiscal year 2018 to continue to grow moderately (+2.5 per cent to +5.0 per cent), driven by the Group's digital businesses and FremantleMedia. This is clearly dependent on growth in the second half of 2018 as the results are expected to be more back-end loaded than the prior years and excludes potential foreign exchange impacts.

- The 2017 **EBITDA** included a positive one-off effect of €94 million from the sale of buildings in Rue Bayard, Paris. Normalised for this effect, RTL Group expects EBITDA in 2018 to be broadly stable (-1.0 per cent to +1.0 per cent).

- Given the current economic climate, RTL Group does not see any signs of either a wider advertising market rally or decline – especially with uncertainty around the Brexit and the political elections in Europe – and expects the picture in 2018 to be similar to 2017, with overall slight growth. Accordingly, RTL Group currently believes 2018 will be another challenging year for its TV channels and therefore expects only slight top-line growth from its core broadcast markets.

- **FremantleMedia** – RTL Group's content production arm – will continue to face market pressure on both volumes and pricing but should benefit from the investments made in new businesses and also in the pipeline, especially in drama and digital. Accordingly, RTL Group expects FremantleMedia's revenue to grow between 4 and 7 per cent with EBITDA once again progressing. This revenue growth may be negatively impacted by FX.

- **Digital revenues** are expected to continue to show dynamic double-digit revenue growth and increase their share of RTL Group's total revenue to at least 15 per cent by 2020 to 2022.

- The company will continue to focus on **cash conversion**, and targets 2018 levels to be broadly in line with previous years, not below 85 to 90 per cent.

- RTL Group keeps a **leverage target** of 0.5 and 1.0 times net debt to full-year EBITDA for the financial year 2018.

- The **dividend policy** remains unchanged: RTL Group plans to pay out between 50 and 75 per cent of the adjusted net result for the financial year 2018 as an ordinary dividend.

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

for the periods to 30 June

	Notes	Three months ended 30 June 2018 €m	Three months ended 30 June 2017 €m	Six months ended 30 June 2018 €m	Six months ended 30 June 2017 €m
Revenue	8.	**1,630**	1,573	**3,046**	2,978
Other operating income		**13**	7	**19**	16
Consumption of current programme rights		**(534)**	(535)	**(996)**	(983)
Depreciation, amortisation, impairment and valuation allowance		**(42)**	(49)	**(92)**	(95)
Net impairment losses on financial assets		**(5)**	–	**(5)**	–
Other operating expenses		**(742)**	(703)	**(1,449)**	(1,416)
Amortisation of fair value adjustments on acquisitions of subsidiaries		**(4)**	(4)	**(7)**	(8)
Gain/(loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	11.	**8**	–	**8**	14
Profit from operating activities		**324**	289	**524**	506
Share of results of investments accounted for using the equity method		**19**	20	**24**	30
Earnings before interest and taxes ("EBIT")	4.	**343**	309	**548**	536
Interest income		**1**	1	**6**	2
Interest expense	19.1.	**(7)**	(6)	**(13)**	(12)
Financial results other than interest	9.	**1**	–	**1**	2
Profit before taxes		**338**	304	**542**	528
Income tax expense		**(100)**	(95)	**(176)**	(165)
Profit for the period		**238**	209	**366**	363
Attributable to:					
RTL Group shareholders		**207**	183	**318**	320
Non-controlling interests		**31**	26	**48**	43
Profit for the period		**238**	209	**366**	363
EBITA	4.	**338**	315	**548**	533
Impairment of investments accounted for using the equity method		**–**	(2)	**(2)**	(2)
Amortisation of fair value adjustments on acquisitions of subsidiaries		**(4)**	(4)	**(7)**	(8)
Re-measurement of earn-out arrangements		**1**	–	**1**	(1)
Gain/(loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	11.	**8**	–	**8**	14
Earnings before interest and taxes ("EBIT")	4.	**343**	309	**548**	536
EBITDA	4.	**379**	362	**638**	626
Depreciation, amortisation and impairment		**(45)**	(51)	**(97)**	(101)
Impairment of investments accounted for using the equity method		**–**	(2)	**(2)**	(2)
Re-measurement of earn-out arrangements		**1**	–	**1**	(1)
Gain/(loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	11.	**8**	–	**8**	14
Earnings before interest and taxes ("EBIT")	4.	**343**	309	**548**	536
Earnings per share (in €)					
– Basic		**1.35**	1.19	**2.07**	2.08
– Diluted		**1.35**	1.19	**2.07**	2.08

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

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

for the periods to 30 June

	Notes	Three months ended 30 June 2018 €m	Three months ended 30 June 2017 €m	Six months ended 30 June 2018 €m	Six months ended 30 June 2017 €m
Profit for the period		**238**	209	**366**	363
Other comprehensive income ("OCI"):					
Items that will not be reclassified to profit or loss:					
Re-measurement of post-employment benefit obligations		**–**	6	**2**	6
Income tax		**–**	(2)	**(1)**	(2)
		–	4	**1**	4
Equity investments at fair value through OCI – change in fair value		**–**	–	**–**	–
Income tax		**1**	–	**1**	–
		1	–	**1**	–
		1	4	**2**	4
Items that may be reclassified subsequently to profit or loss:					
Foreign currency translation differences		**28**	(26)	**1**	(34)
Effective portion of changes in fair value of cash flow hedges	17.2.	**40**	(43)	**19**	(51)
Income tax		**(14)**	13	**1**	16
		26	(30)	**20**	(35)
Recycling of cash flow hedge reserve	17.2.	**1**	(4)	**3**	(20)
Income tax		**–**	1	**(1)**	6
		1	(3)	**2**	(14)
Fair value gains/(losses) on available-for-sale financial assets		**–**	(1)	**–**	(2)
Income tax		**–**	–	**–**	–
		–	(1)	**–**	(2)
		55	(60)	**23**	(85)
Other comprehensive income/(loss) for the period, net of income tax		**56**	(56)	**25**	(81)
Total comprehensive income for the period		**294**	153	**391**	282
Attributable to:					
RTL Group shareholders		**263**	127	**343**	239
Non-controlling interests		**31**	26	**48**	43
Total comprehensive income for the period		**294**	153	**391**	282

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

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

	Notes	30 June 2018 €m	31 December 2017 €m
Non-current assets			
Programme and other rights		121	94
Goodwill		3,037	3,037
Other intangible assets		241	243
Property, plant and equipment		345	352
Investments accounted for using the equity method	11.	386	407
Loans and other financial assets	12.	144	137
Deferred tax assets		275	295
		4,549	4,565
Current assets			
Programme rights		1,235	1,156
Other inventories		20	16
Income tax receivable		37	48
Accounts receivable and other financial assets	19. 1.	1,692	1,844
Cash and cash equivalents		227	265
		3,211	3,329
Assets classified as held for sale	13.	19	–
Current liabilities			
Loans and bank overdrafts		601	247
Income tax payable		22	63
Accounts payable	19. 1.	2,084	2,672
Contract liabilities	2.	307	–
Provisions	16.	161	178
		3,175	3,160
Liabilities directly associated with non-current assets classified as held for sale	13.	5	–
Net current assets/(liabilities)		50	169
Non-current liabilities			
Loans	19. 1.	569	568
Accounts payable		463	475
Contract liabilities	2.	2	–
Provisions	16.	249	242
Deferred tax liabilities		29	25
		1,312	1,310
Net assets		3,287	3,424
Equity attributable to RTL Group shareholders		2,837	2,957
Equity attributable to non-controlling interests		450	467
Equity		3,287	3,424

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

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

for the periods to 30 June

	Notes	Share capital €m	Treasury shares €m	Currency translation reserve €m	Hedging reserve €m	Revaluation reserve €m	Reserves and retained earnings €m	Equity attributable to RTL Group shareholders €m	Equity attributable to non-controlling interests €m	Total equity €m
Balance at 1 January 2017		192	(48)	(84)	52	75	2,890	3,077	475	3,552
Total comprehensive income:										
Profit for the period		–	–	–	–	–	320	320	43	**363**
Foreign currency translation differences		–	–	(34)	–	–	–	(34)	–	**(34)**
Effective portion of changes in fair value of cash flow hedges, net of tax	17.2.	–	–	–	(35)	–	–	(35)	–	**(35)**
Recycling of cash flow hedge reserve, net of tax		–	–	–	(14)	–	–	(14)	–	**(14)**
Fair value gains/(losses) on available-for-sale financial assets, net of tax		–	–	–	–	(2)	–	(2)	–	**(2)**
Re-measurement of post-employment benefit obligations, net of tax		–	–	–	–	–	4	4	–	**4**
		–	–	(34)	(49)	(2)	324	239	43	**282**
Capital transactions with owners:										
Dividends	17.3.	–	–	–	–	–	(460)	(460)	(70)	**(530)**
Equity-settled transactions, net of tax		–	–	–	–	–	3	3	2	**5**
(Acquisition)/disposal of treasury shares	17.1.	–	1	–	–	–	–	1	–	**1**
Transactions on non-controlling interests with a change in control	18.	–	–	–	–	–	–	–	1	**1**
Derivatives on equity instruments		–	–	–	–	–	(2)	(2)	(2)	**(4)**
		–	1	–	–	–	(459)	(458)	(69)	**(527)**
Balance at 30 June 2017		192	(47)	(118)	3	73	2,755	2,858	449	3,307
Balance at 1 January 2018		192	(47)	(145)	(28)	69	2,916	2,957	467	3,424
Adjustment on initial application of IFRS 9 (net of tax)	2.	–	–	–	–	–	(5)	(5)	–	**(5)**
Adjustment on initial application of IFRS 15 (net of tax)	2.	–	–	–	–	–	(1)	(1)	–	**(1)**
Adjusted balance at 1 January 2018		192	(47)	(145)	(28)	69	2,910	2,951	467	3,418
Total comprehensive income:										
Profit for the period		–	–	–	–	–	318	318	48	**366**
Re-measurement of post-employment benefit obligations, net of tax		–	–	–	–	–	1	1	–	**1**
Equity investments at fair value through OCI – change in fair value, net of tax	2.	–	–	–	–	(2)	3	1	–	**1**
Foreign currency translation differences		–	–	1	–	–	–	1	–	**1**
Effective portion of changes in fair value of cash flow hedges, net of tax	17.2.	–	–	–	20	–	–	20	–	**20**
Recycling of cash flow hedge reserve, net of tax		–	–	–	2	–	–	2	–	**2**
		–	–	1	22	(2)	322	343	48	**391**
Capital transactions with owners:										
Dividends	17.3.	–	–	–	–	–	(460)	(460)	(67)	**(527)**
Equity-settled transactions, net of tax		–	–	–	–	–	3	3	2	**5**
		–	–	–	–	–	(457)	(457)	(65)	**(522)**
Balance at 30 June 2018		192	(47)	(144)	(6)	67	2,775	2,837	450	3,287

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

CONDENSED CONSOLIDATED INTERIM CASH FLOW STATEMENT

for the periods to 30 June

	Notes	Three months ended 30 June 2018 €m	Three months ended 30 June 2017 €m	Six months ended 30 June 2018 €m	Six months ended 30 June 2017 €m
Cash flows from operating activities					
Profit before taxes		338	304	542	528
Adjustments for:					
– Depreciation and amortisation		46	51	98	101
– Value adjustments and impairment		19	7	21	23
– Share-based payments expenses		3	2	5	5
– Re-measurement of earn-out arrangements		(1)	–	(1)	1
– Gain on disposal of assets		(8)	–	(9)	(15)
– Financial results including net interest expense and share of results of investments accounted for using the equity method		9	(2)	24	14
Change of provisions		(2)	5	(8)	(7)
Working capital changes		(177)	(164)	(166)	(172)
Income taxes paid		(238)	(209)	(280)	(264)
Net cash from/(used in) operating activities		(11)	(6)	226	214
Cash flows from investing activities					
Acquisitions of:					
– Programme and other rights		(30)	(22)	(56)	(47)
– Subsidiaries, net of cash acquired	7.	1	(22)	(11)	(28)
– Other intangible and tangible assets		(30)	(20)	(50)	(62)
– Other investments and financial assets	11.	(8)	(17)	(12)	(21)
		(67)	(81)	(129)	(158)
Proceeds from the sale of intangible and tangible assets		17	3	20	47
Disposal of other subsidiaries, net of cash disposed of	7.	1	–	1	–
Proceeds from the sale of investments accounted for using the equity method, other investments and financial assets	11.	20	2	23	2
Current deposit with shareholder		3	–	–	–
Interest received		–	–	5	2
		41	5	49	51
Net cash used in investing activities		(26)	(76)	(80)	(107)
Cash flows from financing activities					
Interest paid		(1)	–	(15)	(15)
Transactions on non-controlling interests		–	(1)	(1)	–
(Acquisition)/disposal of treasury shares		(1)	(1)	–	1
Term loan facility due to shareholder	19. 1.	457	404	352	302
Proceeds from loans	5. 2. 1.	43	22	53	31
Repayment of loans	19. 2.	(3)	(37)	(37)	(60)
Dividends paid		(525)	(520)	(527)	(520)
Net cash used in financing activities		(30)	(133)	(175)	(261)
Net decrease in cash and cash equivalents		(67)	(215)	(29)	(154)
Cash and cash equivalents and bank overdrafts at beginning of period		292	490	258	431
Effect of exchange rate fluctuation on cash held		2	(3)	(2)	(5)
Effect of cash in disposal group held for sale		(1)	–	(1)	–
Cash and cash equivalents and bank overdrafts at end of period		226	272	226	272

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

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1. REPORTING ENTITY AND STATEMENT OF COMPLIANCE

RTL Group SA (the "Company"), the parent company, is domiciled and incorporated in Luxembourg. This condensed consolidated interim financial information is presented in accordance with the requirements of IAS 34 "Interim Financial Reporting" as adopted by the European Union.

The interim report does not include all notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the consolidated annual financial statements for the year ended 2017.

RTL Group ("the Group") forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Group will be able to operate within the level of its current facilities. Management have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Therefore RTL Group continues to adopt the going concern basis in preparing its condensed consolidated interim financial information.

This condensed consolidated interim financial information was approved on 28 August 2018 by the Board of Directors of RTL Group.

2. SIGNIFICANT ACCOUNTING POLICIES AND CHANGES

The accounting policies applied to the condensed consolidated interim financial information as of and for the period ended 30 June 2018 are the same as those of the previous financial year, except for the adoption of new standards, amendments to existing standards and interpretations that can be found in the consolidated annual financial statements for the year ended 2017.

RTL Group has initially applied IFRS 9 "Financial Instruments" and IFRS 15 "Revenue from Contracts with Customers" at 1 January 2018. Under the transition methods chosen, comparative information has not been restated. Related changes in accounting policies are described below in notes 2.3. and 2.5. respectively.

This note explains the impact of the adoption of IFRS 9 and IFRS 15 on the Group's condensed consolidated interim financial information and also discloses the new accounting policies that have been applied from 1 January 2018, where they are different from those applied in prior periods.

2. 1. Impact of IFRS 9 and IFRS 15 on the condensed consolidated interim financial information

The following table shows the restatements on the opening balance as of 1 January 2018 following the initial application of IFRS 9 and IFRS 15 for each individual line item. The adjustments are explained in more detail by standard in notes 2.2. and 2.4. respectively.

Condensed consolidated interim statement of financial position

	31 December 2017 as originally presented €m	IFRS 9	IFRS 15	1 January 2018 restated €m
Non-current assets				
Programme and other rights	94	–	–	94
Goodwill	3,037	–	–	3,037
Other intangible assets	243	–	–	243
Property, plant and equipment	352	–	–	352
Investments accounted for using the equity method	407	–	–	407
Loans and other financial assets	137	–	–	137
Deferred tax assets	295	1	–	296
	4,565	1	–	4,566
Current assets				
Programme rights	1,156	–	–	1,156
Other inventories	16	–	–	16
Income tax receivable	48	–	–	48
Accounts receivable and other financial assets	1,844	(6)	11	1,849
Cash and cash equivalents	265	–	–	265
	3,329	(6)	11	3,334
Current liabilities				
Loans and bank overdrafts	247	–	–	247
Income tax payable	63	–	–	63
Accounts payable	2,672	–	(245)	2,427
Contract liabilities	–	–	257	257
Provisions	178	–	–	178
	3,160	–	12	3,172
Net current assets	169	(6)	(1)	162
Non-current liabilities				
Loans	568	–	–	568
Accounts payable	475	–	–	475
Provisions	242	–	–	242
Deferred tax liabilities	25	–	–	25
	1,310	–	–	1,310
Net assets	3,424	(5)	(1)	3,418
Equity attributable to RTL Group shareholders	2,957	(5)	(1)	2,951
Equity attributable to non-controlling interests	467	–	–	467
Equity	3,424	(5)	(1)	3,418

2. 2. IFRS 9 “Financial Instruments” – Impact of adoption

IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

The adoption of IFRS 9 from 1 January 2018 resulted in changes in accounting policies and adjustments to the amounts recognised in the condensed consolidated interim financial information as presented in the table above. The new accounting policies are set out in note 2.3. In accordance with the transitional provisions of IFRS 9 paragraph 7.2.15, comparative figures have not been restated.

2. 2. 1. Assumptions made in adopting IFRS 9

Changes in accounting policies resulting from the adoption of IFRS 9 are generally applied retrospectively, but various exceptions are granted.

General assumptions

The Group has elected to apply the limited exemption in IFRS 9 paragraph 7.2.15 relating to transition for classification, measurement and impairment, and accordingly has not restated comparative periods in the year of initial application.

Consequently:

(a) any adjustments to carrying amounts of financial assets or liabilities are recognised at the beginning of the current reporting period, with the difference recognised in opening retained earnings;

(b) financial assets are not reclassified in the condensed consolidated interim statement of financial position for the comparative period;

(c) provisions for impairment have not been restated in the comparative period.

Investments in financial assets are classified as either debt or equity investments by reference to the requirements of IAS 32 “Financial Instruments: Presentation”.

Assumptions related to impairment

The Group has adopted the simplified expected credit loss model for its trade accounts receivable and contract assets, as required by IFRS 9 paragraph 5.5.15, and the general expected credit loss model for debt investments carried at amortised cost.

RTL Group management have further determined that the contract assets have substantially the same risk characteristics as the trade accounts receivable for the same types of contracts, e.g. in terms of cash flow profile and collaterals. The Group has therefore concluded that the expected loss rates for trade accounts receivable are a reasonable approximation of the loss rates for the contract assets.

Assumptions related to hedging

The Group has designated the spot component of its forward contracts as a hedging instrument with forward points being accounted for through income statement under IAS 39, and will continue to do so under IFRS 9. Accordingly, the Group did not have any transition adjustments in this regard.

2. 2. 2. Impact of adoption of IFRS 9

The total impact on the Group’s retained earnings as at 1 January 2018 is as follows:

	2018 €m
Closing reserves and retained earnings as at 31 December 2017 – IAS 39/IAS 18	**2,916**
Increase in provision for trade accounts receivable and contract assets	(6)
Increase in deferred tax assets relating to impairment provisions	1
Adjustment to reserves and retained earnings from adoption of IFRS 9	**(5)**
Opening reserves and retained earnings as at 1 January 2018 – IFRS 9 (before restatement for IFRS 15)	**2,911**

I. Classification and measurement

On 1 January 2018, RTL Group management have assessed which business models apply to the financial assets held by the Group and have classified its financial instruments into the appropriate IFRS 9 categories. The reclassification carried out by RTL Group management had no impact on the Group’s condensed consolidated interim statement of changes in equity nor the condensed consolidated interim income statement.

Equity investments previously classified as available-for-sale
The Group elected to present in Other Comprehensive Income ("OCI") changes in the fair value of all its equity investments that are not held for trading, previously classified as available-for-sale. As a result, assets with a fair value of €54 million were reclassified from available-for-sale financial assets to financial assets at fair value through OCI ("FVOCI") for €50 million and to financial assets at fair value through profit or loss for €4 million. These equity investments remain presented as "Loans and other financial assets" in the condensed consolidated interim statement of financial position.

The accumulated fair value gains, net of tax, of €14 million were reclassified from "Fair value gains/(losses) on available-for-sale financial assets, net of tax" to "Equity investments at fair value through OCI – change in fair value, net of tax" in the revaluation reserve of the condensed consolidated interim statement of changes in equity as of 1 January 2018 (no fair value change during the six-month period ended 30 June 2018).

Unlike IAS 39, to the extent that changes in carrying amounts are recognised in other comprehensive income, the equity investments at fair value through OCI will no longer be recycled to profit or loss when these instruments are sold.

II. Derivatives and hedging activities
As set forth in note 2.2.1., the hedging instruments held by the Group and hedge accounting are not prone to any significant transition adjustment.

III. Impairment of financial assets
The Group's financial assets that are subject to IFRS 9's new expected credit loss model mostly consist of trade accounts receivable, contract assets and other financial assets, all of which are measured at amortised cost.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was insignificant.

The Group was required to revise its impairment methodology under IFRS 9 for each of those classes of assets. The impact of the changes in impairment methodology on the Group's retained earnings and equity is disclosed in the table on page 32.

Trade accounts receivable and contract assets
As set forth in note 2.2.1., for the trade accounts receivable and contract assets, the Group applies the IFRS 9 simplified approach to measuring expected credit losses whereby the Group recognises a loss allowance based on lifetime expected credit loss for all trade accounts receivable and contract assets.

For this purpose, the Group has established a provision matrix for calculating expected losses. The provision matrix is based on an entity's historical default rates over the expected life of the trade accounts receivable and is adjusted for forward-looking estimates.

To measure the expected credit losses, trade accounts receivable and contract assets have been grouped by business unit based on shared credit risk characteristics and the days past due.

On that basis, the loss allowance as at 1 January 2018 was determined as follows for both trade accounts receivable and contract assets:

As at 1 January 2018	Current €m	More than 30 days past due €m	More than 90 days past due €m	**Total €m**
Average expected loss rate	0.15%	1.30%	6.00%	–
Gross carrying amount	1,232	80	49	**1,361**
Loss allowance	2	1	3	**6**

As at 1 January 2018, applying the expected credit risk model resulted in the recognition of a loss allowance on trade accounts receivable and contract assets, which is indicated in note 2.1.

The impact on loss allowance between the incurred loss model of IAS 39 and the expected credit risk model of IFRS 9 is insignificant for the period ending 30 June 2018.

Contract assets, similarly to trade accounts receivable, are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, among others, the failure of a debtor to engage in a repayment plan with the Group.

Other financial assets at amortised cost
Other financial assets at amortised cost mostly include other accounts receivable. As at 1 January 2018, applying the expected credit risk model resulted in the recognition of a loss allowance at 1 January 2018, which is indicated in note 2.1.

The impact on loss allowance between the incurred loss model of IAS 39 and the expected credit risk model of IFRS 9 is insignificant for the period ending 30 June 2018.

2. 3. IFRS 9 “Financial Instruments” – Accounting policies applied from 1 January 2018

2. 3. 1. Investments and other financial assets

Classification
From 1 January 2018, the Group classifies its financial assets in the following measurement categories:
- those to be measured subsequently at fair value (either through OCI, or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity’s business model for managing the financial assets and the contractual terms of the cash flows.

For financial assets measured at fair value, gains and losses will be recorded in either profit or loss or OCI.

For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (“FVOCI”).

Measurement
At initial recognition, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset, in the case of a financial asset not at fair value through profit or loss (“FVPL”). Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments
Subsequent measurement of debt instruments depends on the Group’s business model for managing the asset and the cash flow characteristics of the asset. The Group classifies its debt instruments into three measurement categories:

- Amortised cost: assets that are held in order to collect contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recorded directly in the income statement and presented in “Other operating income” or “Other operating expense”, together with foreign exchange gains and losses. Impairment losses, when applicable, are presented as “Net impairment losses on financial assets” in the condensed consolidated interim income statement;

- FVOCI: assets that are held in order to collect contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Changes in the fair value are taken through OCI, except for the recognition of impairment gains or losses and interest income, which are recognised in the income statement. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in "Financial results other than interest". Interest income from these financial assets is included in finance income using the effective interest rate method. Impairment expenses are presented in "Financial results other than interest" and disclosed separately in the notes to the condensed consolidated interim income statement;

- FVPL: instruments that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt instrument that is subsequently measured at FVPL is recognised in the income statement and presented net within "Financial results other than interest" in the period in which it arises, with the exception of the earn-out arrangement related liabilities which re-measurement is reported in "Other operating income" or "Other operating expense".

Equity instruments
RTL Group subsequently measures all equity investments at fair value. Where the Group's management have elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in the income statement as other income when the Group's right to receive payments is established.

Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from "Equity investments at fair value through OCI – change in fair value, net of tax" in the revaluation reserve of the condensed consolidated interim statement of changes in equity.

Changes in the fair value of financial assets at FVPL are recognised within "Financial results other than interest" in the condensed consolidated interim income statement.

Impairment
From 1 January 2018, the Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade accounts receivable, RTL Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition.

2. 3. 2. Derivative instruments and hedging activities
As stated in note 2.1., RTL Group did not have any significant transition adjustments pertaining to derivative instruments and hedging activities. Accordingly, please refer to the consolidated financial statements as of and for the financial year ended 31 December 2017, which form the basis for this condensed consolidated interim financial information. All hedging relationships designated under IAS 39 at 31 December 2017 met the criteria for hedge accounting under IFRS 9 at 1 January 2018 and are therefore regarded as continuing hedging relationships.

2. 4. IFRS 15 "Revenue from Contracts with Customers" – Impact of adoption
RTL Group has adopted IFRS 15 from 1 January 2018, which resulted in changes in accounting policies and adjustments to the amounts recognised in the condensed consolidated interim financial information. The new accounting policies are set out in note 2.5.

2. 4. 1. Assumptions made in adopting IFRS 15

General assumptions
In accordance with the transition provisions of IFRS 15, the Group has adopted the modified retrospective approach, as a result of which the cumulative effect of initially applying IFRS 15 is recorded as an adjustment to the opening balance as at 1 January 2018.

Application of the new revenue recognition standard has no effect on the cash flows that the Group expects to receive nor on the economics of contracts.

RTL Group management also concluded that costs to obtain and cost to fulfil a contract to be capitalised are not material.

Practical expedients
As permitted by IFRS 15, the Group has decided to apply the following practical expedients as from 1 January 2018:

Contract modifications prior to adoption
The Group has not restated contracts that have been modified prior to 1 January 2018. Instead, RTL Group has reflected the aggregate effect of all of the historic modifications for contracts still in force after 1 January 2018 when:

I. Identifying the satisfied and unsatisfied performance obligations;
II. Determining the transaction price; and
III. Allocating the transaction price to the satisfied and unsatisfied performance obligations.

Financing components
The application of IFRS 15 usually requires an adjustment to the transaction price for the effect of the time value of money if the timing of payment results in a significant financing component. As it pertains to the advertising business, contracts are usually signed for a duration of 12 months or less. RTL Group decided to apply the practical expedient in accordance with IFRS 15 paragraph 63 not to adjust the transaction price for any financing component whenever the period between the transfer of a promised good or service to a customer and the associated payment is one year or less.

Right to invoice approach
For service-only contracts, RTL Group has decided to apply the practical expedient set forth in IFRS paragraph 15.B16, which allows revenue to be recognised for the amount to which the Group has a right to invoice whenever the entity's right to invoice corresponds directly with the value transferred to the customer.

2. 4. 2. Impact of adoption of IFRS 15
As of 1 January 2018, the adjustment resulting from the transition to IFRS 15 on RTL Group's retained earnings is insignificant, while the presentation of certain amounts in the condensed consolidated interim statement of financial position has been changed to reflect the terminology of IFRS 15, as indicated in note 2.1.

Accordingly, contract liabilities of €257 million were previously presented as "Accounts payable" while contract assets are insignificant and continue to be reported in "Accounts receivable and other financial assets". This revised terminology is mainly triggered by the changes of accounting policies stated in note 2.5.

The impact on revenue recognition between IAS 18 and IFRS 15 for the period ending 30 June 2018 is insignificant.

2. 5. IFRS 15 "Revenue from Contracts with Customers" – Accounting policies applied from 1 January 2018
RTL Group has adopted IFRS 15 as issued in May 2014, which resulted in a change in the revenue recognition accounting policy and adjustments to the amounts recognised in the condensed consolidated interim financial information.

The details of the amended significant accounting policies and the nature of the changes in relation to the Group's main revenue streams are set out below.

Advertising revenue
Nature, timing of satisfaction of performance obligations, significant payment terms
As a rule, advertising revenue is recognised during the period over which the related advertisement is broadcast or appears before the public. Sales house and other agencies' commissions are directly deducted from advertising revenue.

IFRS 15 requires the allocation of the transaction price on the basis of stand-alone selling prices, which may impact both the amount and the timing of recognition of revenue. Overall, the timing and amount of revenue recognised for the full year is not affected since contracts are typically for a calendar year period.

Nature of change in accounting policy

Under IFRS 15, both normal and free advertising spots are considered as separate performance obligations and recognised for their relative stand-alone selling price. Accordingly, the estimation of the stand-alone selling price may result in a higher transaction price allocated to free advertising spots as a separate performance obligation. Free advertising spots generate a contract asset if they are aired before normal advertising spots, and a contract liability in the reverse case.

In addition, barter arrangements, whereby particular advertising spots are broadcasted in exchange for other media advertising, generate a contract asset or liability to the extent that the service rendered by the Group does not pertain to the same line of business as the service received from the counterpart.

Content revenue

Nature, timing of satisfaction of performance obligations, significant payment terms

Content revenue mostly consists of revenue generated from the production and licensing of intellectual property to customers.

Customer contracts typically have a wide variety of performance obligations, from production licence contracts to multi-year format licence agreements, as well as ancillary rights and services (e.g. merchandising rights, sponsorship rights and production consulting services) and distribution activities. The application of IFRS 15 requires an assessment of the nature of RTL Group's promise at contract level (right to access or right to use), unit of account for licences and payment mechanisms. The most significant change from IAS 18 to IFRS 15 is whether licences are determined to be a right to access the content (revenue recognised over time) versus a right to use the content (revenue recognised at a point in time).

RTL Group management have determined that for most of the licences granted, the involvement of the Group is limited to the transfer of the licence, where the performance obligation is satisfied at a point in time. Non-refundable minimum guarantees recoupable over royalties are received as part of some production or distribution arrangements. These are recognised in accordance with the classification of the type of licence granted.

In the case of sales-based or usage-based royalties payable in exchange for a licence of intellectual property, the Group recognises revenue when the subsequent sale or usage occurs and when the performance obligation to which some or all of the sales-based or usage-based royalty has been allocated has been satisfied (or partially satisfied).

Nature of change in accounting policy

Under IAS 18, revenue from content was recognised when the customer could generate economic benefit from the exploitation of related rights and the Group had no remaining contractual obligation.

Under IFRS 15, most of the licences granted are licences for which revenue, including minimum guarantees, should be recognised at a point in time.

In parallel, advance payments received from a customer to fulfil non-cancellable arrangements generate a contract liability, while it was previously presented as accounts payable under IAS 18.

Other revenue – Sales of merchandise, professional and consumer services

Overall, IFRS 15 did not have a significant impact on the nature and timing of recognition for this category of revenue.

2. 6. IFRS 16 issued but not yet applied

IFRS 16, effective from 1 January 2019, will result in almost all leases being recognised on the balance sheet, the distinction between operating and finance leases being removed from a lessee accounting perspective. The only exceptions are short-term and low value leases. The accounting for lessors will not significantly change. RTL Group does not intend to adopt the standard before its effective date.

The quantitative impacts and disclosure requirements are currently being determined and analysed.

The Group has decided to adopt IFRS 16 using the modified retrospective application with the cumulative effect of initially applying IFRS 16 recognised as an adjustment to the opening balance of retained earnings at the date of initial application.

Management will also apply the "grandfathering" practical expedient, i.e. not to reassess whether a contract is, or contains, a lease at the date of initial application in accordance with IFRS 16 but to apply IFRS 16 to contracts that were previously identified as leases under IAS 17 and IFRIC 4. The Group has non-cancellable operating lease commitments of €430 million at 30 June 2018 (€441 million at 31 December 2017). However, the Group is currently determining to what extent these commitments will result in the recognition of an asset and a liability for future payments. Some of the commitments may be covered by the exception for short-term and low-value leases, although this is expected to be insignificant.

3. *ACCOUNTING ESTIMATES AND JUDGEMENTS*

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

In preparing this condensed consolidated interim financial information the significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2017.

In addition to other short-term bonus schemes, RTL Group has implemented for its senior management a long-term incentive plan ("LTIP") which runs for the term 2017 to 2019. Management have accrued an amount of €7 million during the period (June 2017: €5 million) on the basis of the achievement of performance targets. The liability related to the LTIP 2017-2019 is €24 million at 30 June 2018 (December 2017: €17 million).

4. *KEY PERFORMANCE INDICATORS*

RTL Group reports different alternative performance measures not defined by IFRS that management believe are relevant for measuring the performance of the operations, the financial position and cash flows, and in decision-making. These key performance indicators ("KPIs") also provide additional information for users of the financial statements regarding the management of the Group on a consistent basis over time and regularity of reporting.

RTL Group's KPIs may not be comparable to similarly titled measures reported by other groups due to differences in the way these measures are calculated.

EBIT, EBITA and EBITDA

EBIT, EBITA and EBITDA are indicators of the operating profitability of the Group. These alternative performance measures are presented on page 25 of the condensed consolidated interim financial information.

EBITA represents earnings before interest and taxes (EBIT) excluding some elements of the income statement:

- "Impairment of goodwill and amortisation and impairment of fair value adjustments on acquisitions of subsidiaries";
- Impairment of investments accounted for using the equity method reported in "Share of result of investments accounted for using the equity method";
- Re-measurement of earn-out arrangements presented in "Other operating income" and "Other operating expense";
- "Gain/(loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree".

EBITA is a component of the RTL Group Value Added (RVA, see below) and presents the advantage to consistently include the consumption, depreciation and impairment losses on programmes and other rights for all businesses that RTL Group operates regardless of their classification on the consolidated statement of financial position (current or non-current).

EBITDA represents earnings before interest and taxes (EBIT) excluding some elements of the income statement:

- "Impairment of goodwill and amortisation and impairment of fair value adjustments on acquisitions of subsidiaries";
- Amortisation and impairment of non-current programme and other rights, of other intangible assets, depreciation and impairment of property, plant and equipment, with the exception to the part concerning goodwill and fair value adjustments (see above), reported in "Depreciation, amortisation, impairment and valuation allowance";
- Impairment of investments accounted for using the equity method included in the "Share of result of investments accounted for using the equity method";
- Re-measurement of earn-out arrangements reported in "Other operating income" and "Other operating expense";
- "Gain/(loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree".

EBITDA is largely used by the financial community, especially by the rating agencies when calculating the "net debt to EBITDA ratio".

Net debt

The net debt is the gross balance sheet financial debt adjusted for:

- "Cash and cash equivalents";
- Investments held to (collect and) sell presented in "Accounts receivable and other financial assets"; and
- Current deposit with shareholder reported in "Accounts receivable and other financial assets".

	June 2018 €m	December 2017 €m
Current loans and bank overdrafts	**(601)**	(247)
Non-current loans	**(569)**	(568)
	(1,170)	(815)
Deduction of:		
Cash and cash equivalents	**227**	265
Marketable securities and other short-term investments	**–**	5
Net debt	**(943)**	(545)

OCC

Operating cash conversion ratio (OCC) means operating free cash flow divided by EBITA, operating free cash flow being net cash from operating activities adjusted as follows:

	June 2018 €m	June 2017 €m
Net cash from operating activities	**226**	214
Adjusted by:		
– Income tax paid	**280**	264
Acquisitions of:		
– Programme and other rights	**(56)**	(47)
– Other intangible and tangible assets	**(50)**	(62)
Proceeds from the sale of intangible and tangible assets	**20**	47
Operating free cash flow	**420**	416
EBITA	**548**	533
Operating cash conversion ratio	**77 %**	78 %

The operating cash conversion ratio reflects the level of operating profits converted into cash available for investors after incorporation of the minimum investments required to sustain the current profitability of the business and before reimbursement of funded debts (interest included) and payment of income taxes. The operating cash conversion of RTL Group's operations is subject to seasonality and may decrease at the time the Group significantly increases its investments in operations with longer operating cycles. RTL Group historically had, and expects in the future to have, a strong OCC due to a high focus on working capital and capital expenditure throughout the operations.

RVA

The central performance indicator for assessing the profitability from operations and return on invested capital is RTL Group Value Added (RVA). RVA measures the profit realised above and beyond the expected return on invested capital. This form of value orientation is reflected in strategic investment and portfolio planning – including the management of Group operations – and is the basis for senior management variable compensation.

The RVA is the difference between net operating profit after tax (NOPAT), defined as EBITA adjusted for a uniform tax rate of 33 per cent, and cost of capital.

The NOPAT corresponds to the sum of (i) EBITA of fully consolidated entities and share of result of investments accounted for using the equity method not already taxed, adjusted for a uniform tax rate of 33 per cent, and (ii) share of result of investments accounted for using the equity method already taxed.

The cost of capital is the product of the weighted average cost of capital (a uniform 8 per cent after tax) and the average invested capital (operating assets less non-interest bearing operating liabilities). 66 per cent of the present value of operating leases and of satellite transponder service agreements (both net of related commitments received from investments accounted for using the equity method) is also taken into account when calculating the average invested capital.

	June 2018 €m	June 2017 €m
EBITA	**548**	533
Deduction of shares of results of investments accounted for using the equity method and already taxed	**(14)**	(14)
	534	519
Net basis after deduction of uniform tax rate	**357**	348
Shares of results of investments accounted for using the equity method and already taxed	**14**	14
NOPAT	**371**	362
Invested capital at beginning of year	**4,123**	4,181
Invested capital at end of the period	**4,257**	4,293
66 per cent of the net present value of operating leases and satellite transponder service agreements at beginning of year	**302**	320
66 per cent of the net present value of operating leases and satellite transponder service agreements at end of the period	**286**	304
Adjusted average invested capital	**4,484**	4,549
Cost of capital	**179**	182
RVA	**192**	180

5. FINANCIAL RISK MANAGEMENT

5. 1. Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency, interest rate, inflation and equity), counterparty credit and liquidity risks.

This condensed consolidated interim financial information does not include all financial risk management information and disclosures required in the annual consolidated financial statements; they should be read in conjunction with the Group's consolidated financial statements as at 31 December 2017. There has been no change in the risk management policies and organisation since year end.

5. 2. Accounting classifications and fair value hierarchy

5. 2. 1. Financial instruments by category

Except for the long-term loan arrangement with Bertelsmann SA & Co. KGaA and the external funding of Groupe M6, the fair value of each class of financial assets and liabilities are equivalent to their carrying amount.

The fair value of the 10-year-term facility – calculated as the present value of the payments associated with the debt and based on the applicable yield curve and RTL Group credit spread – amounts to €541 million (December 2017: €546 million).

The fair value of the 7-year Euro Private Placement bond issued by Groupe M6 amounts to €51 million (December 2017: €50 million). At 30 June 2018, Groupe M6 used €50 million out of the €120 million bilateral committed facilities (December 2017: €10 million).

5. 2. 2. Fair value hierarchy

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

The different levels have been defined as follows:

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

	Total €m	Level 1 €m	Level 2 €m	Level 3 €m
Assets				
Equity investments at fair value through OCI	**38**	6	–	32
Equity investments accounted at FVTPL	**4**	–	–	4
Debt instruments measured at FVTPL	**7**	–	7	–
Derivatives used for hedging[1]	**37**	–	37	–
At 30 June 2018	**86**	**6**	**44**	**36**
Liabilities				
Derivatives used for hedging[2]	**23**	–	23	–
Liabilities in relation to put options on non-controlling interests	**18**	–	–	18
At 30 June 2018	**41**	**–**	**23**	**18**

There were no transfers between Levels 1, 2 and 3 during the six-month period ended 30 June 2018.

	Total €m	Level 1 €m	Level 2 €m	Level 3 €m
Assets				
Available-for-sale investments	**54**	5	–	49
Derivatives used for hedging[3]	**24**	–	24	–
Accounts receivable and other financial assets	**4**	4	–	–
At 31 December 2017	**82**	**9**	**24**	**49**
Liabilities				
Derivatives used for hedging[4]	**38**	–	38	–
Liabilities in relation to put options on non-controlling interests	**18**	–	–	18
At 31 December 2017	**56**	**–**	**38**	**18**

There were no transfers between Levels 1, 2 and 3 during the year 2017.

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

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

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

The Group's finance department, which includes Group Treasury and Controlling teams, perform the recurring and non-recurring valuations of items to be valued at fair value for financial purposes, including Level 3 fair values. These teams report directly to the Chief Financial Officer, who reports to the Audit Committee at least once every quarter, in line with the Group's quarterly reporting dates. The main Level 3 related inputs used by RTL Group relate to the determination of the expected discounted cash flows as well as the discount rates used in the different valuations.

1
- Of which €17 million are derivatives used to offset currency exposure relating to recognised monetary assets and liabilities for which hedge accounting as defined under IFRS 9
- Of which €20 million are derivatives used to offset currency exposure relating to recognised monetary assets and liabilities for which hedge accounting as defined under IFRS 9 is not applied

2
- Of which €12 million are derivatives used to offset currency exposure relating to recognised monetary assets and liabilities for which hedge accounting as defined under IFRS 9
- Of which €11 million are derivatives used to offset currency exposure relating to recognised monetary assets and liabilities for which hedge accounting as defined under IFRS 9 is not applied

3
- Out of which €4 million are derivatives used to offset currency exposure relating to recognised monetary assets and liabilities for which hedge accounting as defined under IAS 39
- Out of which €20 million are derivatives used to offset currency exposure relating to recognised monetary assets and liabilities for which hedge accounting as defined under IAS 39 is not applied

4
- Out of which €23 million are derivatives used to offset currency exposure relating to recognised monetary assets and liabilities for which hedge accounting as defined under IAS 39
- Out of which €15 million are derivatives used to offset currency exposure relating to recognised monetary assets and liabilities for which hedge accounting as defined under IAS 39 is not applied

Specific valuation techniques used to value financial instruments include:

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

The following tables present the change in Level 3 instruments for the six-month period ended 30 June.

	Assets			Liabilities
	Financial assets at fair value through profit or loss €m	Equity investments at fair value through OCI €m	**Total assets €m**	Liabilities at fair value through profit or loss €m
Balance at 1 January 2018	4	45	**49**	**18**
Other changes[5]	–	(13)	(13)	–
Balance at 30 June 2018	4	32	**36**	**18**

	Assets			Liabilities
	Financial assets at fair value through profit or loss €m	Available-for-sale investments €m	**Total assets €m**	Liabilities at fair value through profit or loss €m
Balance at 1 January 2017	3	49	**52**	**28**
Acquisitions and additions	–	3	3	–
Gains and losses recognised in profit or loss (“Financial results other than interest”)	–	–	–	5
Other changes	(3)	–	(3)	(15)
Balance at 30 June 2017	–	52	**52**	**18**

5 Following scope changes as Radio NRW GmbH (see note 11)

6. SEGMENT REPORTING

Three months ended 30 June	Mediengruppe RTL Deutschland 2018 €m	Mediengruppe RTL Deutschland 2017[6] €m	Groupe M6 2018 €m	Groupe M6 2017[7] €m	FremantleMedia 2018 €m	FremantleMedia 2017[8] €m	RTL Nederland 2018 €m	RTL Nederland 2017[6] €m	RTL Belgium 2018 €m	RTL Belgium 2017 €m	Other segments 2018 €m	Other segments 2017[6,8] €m	Eliminations 2018 €m	Eliminations 2017 €m	Total Group 2018 €m	Total Group 2017 €m
Revenue from external customers	**534**	542	**377**	377	**369**	332	**130**	123	**47**	47	**173**	152	**–**	–	**1,630**	1,573
Inter-segment revenue	**2**	–	**2**	6	**32**	36	**1**	–	**1**	–	**11**	12	**(49)**	(54)	**–**	–
Total revenue	**536**	542	**379**	383	**401**	368	**131**	123	**48**	47	**184**	164	**(49)**	(54)	**1,630**	1,573
Profit/(loss) from operating activities	**183**	181	**83**	74	**24**	21	**29**	15	**8**	8	**(3)**	(10)	**–**	–	**324**	289
Share of results of investments accounted for using the equity method	**10**	11	**–**	1	**1**	(2)	**–**	–	**–**	–	**8**	10	**–**	–	**19**	20
EBIT	**193**	192	**83**	75	**25**	19	**29**	15	**8**	8	**5**	–	**–**	–	**343**	309
EBITDA	**197**	196	**106**	101	**29**	27	**26**	18	**9**	9	**12**	11	**–**	–	**379**	362
Depreciation and amortisation (amortisation and impairment of fair value adjustments on acquisitions of subsidiaries excluded)	**(4)**	(3)	**(21)**	(25)	**(5)**	(6)	**(5)**	(3)	**(1)**	(1)	**(5)**	(9)	**–**	–	**(41)**	(47)
EBITA	**193**	193	**85**	76	**24**	21	**21**	15	**8**	8	**7**	2	**–**	–	**338**	315
Impairment of investments accounted for using the equity method	**–**	–	**–**	–	**–**	(2)	**–**	–	**–**	–	**–**	–	**–**	–	**–**	(2)
Amortisation and impairment of fair value adjustments on acquisitions of subsidiaries	**–**	(1)	**(2)**	(1)	**–**	–	**–**	–	**–**	–	**(2)**	(2)	**–**	–	**(4)**	(4)
Re-measurement of earn-out arrangements	**–**	–	**–**	–	**1**	–	**–**	–	**–**	–	**–**	–	**–**	–	**1**	–
Gain/(loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	**–**	–	**–**	–	**–**	–	**8**	–	**–**	–	**–**	–	**–**	–	**8**	–
EBIT	**193**	192	**83**	75	**25**	19	**29**	15	**8**	8	**5**	–	**–**	–	**343**	309
Interest income															**1**	1
Interest expense															**(7)**	(6)
Financial results other than interest															**1**	–
Income tax expense															**(100)**	(95)
Profit for the period															**238**	209

6 SpotX and Smartclip companies (Smartclip AG and Smartclip Benelux BV excluded) have been combined into one integrated Ad-tech unit reported since 1 January 2018 in "Other segments". Smartclip was initially allocated to the operating segment Mediengruppe RTL Deutschland. Smartclip AG continues to be part of the operating segment Mediengruppe RTL Deutschland and Smartclip Benelux BV has been transferred to the operating segment RTL Nederland. 2017 segment information has been accordingly restated as if this transaction had occurred since 1 January. €6 million of goodwill have been reallocated to the cash-generating unit Ad-tech ("Other segments")

7 RTL Radio (France) was transferred to Groupe M6 on 1 October 2017. 2017 segment information has been accordingly restated as if this transaction had occurred since 1 January

8 Divimove does not report any more to FremantleMedia management at 31 December 2017 and has been transferred to "Other segments". 2017 segment information has been accordingly restated as if this change had occurred since 1 January

Six months ended 30 June	Mediengruppe RTL Deutschland 2018 €m	Mediengruppe RTL Deutschland 2017[9] €m	Groupe M6 2018 €m	Groupe M6 2017[10] €m	FremantleMedia 2018 €m	FremantleMedia 2017[11] €m	RTL Nederland 2018 €m	RTL Nederland 2017[9] €m	RTL Belgium 2018 €m	RTL Belgium 2017 €m	Other segments 2018 €m	Other segments 2017[9,11] €m	Eliminations 2018 €m	Eliminations 2017 €m	Total Group 2018 €m	Total Group 2017 €m
Revenue from external customers	**1,068**	1,061	**734**	735	**598**	562	**241**	228	**94**	96	**311**	296	**–**	–	**3,046**	2,978
Inter-segment revenue	**2**	–	**5**	8	**74**	77	**–**	–	**1**	–	**24**	23	**(106)**	(108)	**–**	–
Total revenue	**1,070**	1,061	**739**	743	**672**	639	**241**	228	**95**	96	**335**	319	**(106)**	(108)	**3,046**	2,978
Profit/(loss) from operating activities	**346**	338	**128**	120	**33**	30	**31**	14	**18**	17	**(32)**	(13)	**–**	–	**524**	506
Share of results of investments accounted for using the equity method	**13**	18	**(2)**	1	**1**	(2)	**–**	(1)	**–**	–	**12**	14	**–**	–	**24**	30
EBIT	**359**	356	**126**	121	**34**	28	**31**	13	**18**	17	**(20)**	1	**–**	–	**548**	536
EBITDA	**366**	363	**182**	178	**42**	42	**32**	19	**20**	19	**(4)**	5	**–**	–	**638**	626
Depreciation and amortisation (amortisation and impairment of fair value adjustments on acquisitions of subsidiaries excluded)	**(7)**	(6)	**(51)**	(54)	**(9)**	(11)	**(9)**	(6)	**(2)**	(2)	**(12)**	(14)	**–**	–	**(90)**	(93)
EBITA	**359**	357	**131**	124	**33**	31	**23**	13	**18**	17	**(16)**	(9)	**–**	–	**548**	533
Impairment of investments accounted for using the equity method	**–**	–	**(2)**	–	**–**	(2)	**–**	–	**–**	–	**–**	–	**–**	–	**(2)**	(2)
Amortisation and impairment of fair value adjustments on acquisitions of subsidiaries	**–**	(1)	**(3)**	(3)	**–**	–	**–**	–	**–**	–	**(4)**	(4)	**–**	–	**(7)**	(8)
Re-measurement of earn-out arrangements	**–**	–	**–**	–	**1**	(1)	**–**	–	**–**	–	**–**	–	**–**	–	**1**	(1)
Gain/(loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	**–**	–	**–**	–	**–**	–	**8**	–	**–**	–	**–**	14	**–**	–	**8**	14
EBIT	**359**	356	**126**	121	**34**	28	**31**	13	**18**	17	**(20)**	1	**–**	–	**548**	536
Interest income															**6**	2
Interest expense															**(13)**	(12)
Financial results other than interest															**1**	2
Income tax expense															**(176)**	(165)
Profit for the period															**366**	363

9 SpotX and Smartclip companies (Smartclip AG and Smartclip Benelux BV excluded) have been combined into one integrated Ad-tech unit reported since 1 January 2018 in "Other segments". Smartclip was initially allocated to the operating segment Mediengruppe RTL Deutschland. Smartclip AG continues to be part of the operating segment Mediengruppe RTL Deutschland and Smartclip Benelux BV has been transferred to the operating segment RTL Nederland. 2017 segment information has been accordingly restated as if this transaction had occurred since 1 January. €6 million of goodwill have been reallocated to the cash-generating unit Ad-tech ("Other segments")

10 RTL Radio (France) was transferred to Groupe M6 on 1 October 2017. 2017 segment information has been accordingly restated as if this transaction had occurred since 1 January

11 Divimove does not report any more to FremantleMedia management at 31 December 2017 and has been transferred to "Other segments". 2017 segment information has been accordingly restated as if this change had occurred since 1 January

	Mediengruppe RTL Deutschland		Groupe M6		FremantleMedia		RTL Nederland		RTL Belgium		Other segments		Eliminations		Total Group	
	June 2018 €m	December[12] 2017 €m	**June 2018 €m**	December 2017 €m	**June 2018 €m**	December 2017 €m	**June 2018 €m**	December[12] 2017 €m	**June 2018 €m**	December 2017 €m	**June 2018 €m**	December[12] 2017 €m	**June 2018 €m**	December 2017 €m	**June 2018 €m**	December 2017 €m
Segment assets (assets classified as held for sale and investments accounted for using the equity method excluded)	**1,617**	1,637	**1,804**	1,767	**1,922**	1,935	**387**	408	**168**	166	**787**	818	**(155)**	(201)	**6,530**	6,530
Investments accounted for using the equity method	**63**	79	**11**	14	**15**	17	**7**	8	**–**	–	**290**	289	**–**	–	**386**	407
Assets classified as held for sale	**–**	–	**18**	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**18**	–
Segment assets	**1,680**	1,716	**1,833**	1,781	**1,937**	1,952	**394**	416	**168**	166	**1,077**	1,107	**(155)**	(201)	**6,934**	6,937
Segment liabilities (liabilities directly associated with non-current assets classified as held for sale excluded)	**968**	1,063	**630**	670	**550**	594	**169**	139	**103**	103	**404**	442	**(152)**	(197)	**2,672**	2,814
Liabilities directly associated with non-current assets classified as held for sale	**–**	–	**5**	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**5**	–
Segment liabilities	**968**	1,063	**635**	670	**550**	594	**169**	139	**103**	103	**404**	442	**(152)**	(197)	**2,677**	2,814
Invested capital	**712**	653	**1,198**	1,111	**1,387**	1,358	**225**	277	**65**	63	**673**	665	**(3)**	(4)	**4,257**	4,123
Segment assets															**6,934**	6,937
Deferred tax assets															**275**	295
Income tax receivable															**37**	48
Other assets															**306**	349
Cash and cash equivalents															**227**	265
Total assets															**7,779**	7,894
Segment liabilities															**2,677**	2,814
Deferred tax liabilities															**29**	25
Income tax payable															**22**	63
Other liabilities															**1,764**	1,568
Total liabilities															**4,492**	4,470

12 SpotX and Smartclip companies (Smartclip AG and Smartclip Benelux BV excluded) have been combined into one integrated Ad-tech unit reported since 1 January 2018 in "Other segments". Smartclip was initially allocated to the operating segment Mediengruppe RTL Deutschland. Smartclip AG continues to be part of the operating segment Mediengruppe RTL Deutschland and Smartclip Benelux BV has been transferred to the operating segment RTL Nederland. 2017 segment information has been accordingly restated as if this transaction had occurred since 1 January. €6 million of goodwill have been reallocated to the cash-generating unit Ad-tech ("Other segments")

7. ACQUISITIONS

June 2018

United Screens

On 2 January 2018, UFA Film und Fernseh GmbH ("UFA") acquired 100 per cent of U Screens AB ("United Screens"), a Swedish company with a Finnish subsidiary, for SEK 120 million on a cash and debt free basis. United Screens is the leading multi-platform network ("MPN") in the Nordic countries. With this investment, RTL Group expands its footprint as the leading European media company in online video. A portion of the purchase price has been paid into an escrow account to serve as collateral for cash adjustments and potential warranty claims. A price adjustment of SEK 15 million has been determined on 20 April 2018.

The transaction qualifies as a business combination since RTL Group gained the control of United Screens.

The purchase consideration amounted to €10 million, net of cash acquired. The fair value of identified assets has been allocated to customer contracts (€0.9 million) and to content creators (€0.5 million). A corresponding deferred tax liability has been recognised for €0.3 million. As a result, a goodwill of €9 million has been recognised, attributable mainly to the skills and talent of United Screens' workforce. The goodwill is not tax deductible. United Screens operates as a separate cash-generating unit.

The transaction-related costs are insignificant.

Other acquisitions and transactions

The escrow account related to the disposal on 26 October 2016 of Couverts Reserveren BV by RTL Nederland BV was released during the period for €1 million.

June 2017

Divimove

On 2 February 2017, UFA Film und Fernseh GmbH entered into an agreement with the controlling shareholders of Divimove GmbH ("Divimove") to modify the corporate governance of the company. This change provided the control to RTL Group and extended the exercise period of the call option over the remaining 24.5 per cent until the first half of 2019, at the latest. The strike price of the option is based on a variable component. The fair value of the derivative was €nil million at completion date and remained unchanged at 31 December 2017 and 30 June 2018.

The transaction qualified as a business combination since RTL Group gained the control of Divimove. Before 2 February 2017, Divimove was accounted for using the equity method. The group had recognised a gain of €14 million as a result of re-measuring at fair value its 75.5 per cent interest previously held in Divimove. This fair value was measured by reference to the discounted cash flows model set up by management. The related gain was reported in "Gain/(loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree".

The purchase consideration amounted to €(3) million, net of cash acquired. RTL Group had recognised identifiable intangible assets (customer contracts) for a fair value of €0.6 million and a corresponding deferred tax liability of €0.2 million. As a result, a goodwill of €27 million had been recognised. The latter is attributable mainly to the skills and talent of Divimove's workforce. It is not tax deductible. Divimove operates as a separate cash-generating unit (see note 6).

The transaction-related costs were insignificant.

	Fair value at date of gain of control €m
Cash and cash equivalents	3
Other intangible assets	1
Accounts receivable and other financial assets	3
Loans	(1)
Accounts payable	(4)
Non-controlling interests	(1)
Net assets acquired	**1**
Provisional goodwill	27
Fair value of previously held equity interests	(25)
Call option	(3)
Total purchase consideration	**–**
Cash and cash equivalent in operations acquired	(3)
Cash inflow on acquisition	**(3)**

Other acquisitions and transactions

- The put option held by the non-controlling shareholders of Original Productions LLC, of which control was gained by RTL Group on 20 February 2009, was exercised and paid on 24 March 2017 for an amount of €9 million.

- On 2 April 2017, Divimove GmbH acquired the assets (trademarks, social media channels, website, customer database, etc.) of the company VideoDays GmbH ("VDD"), a YouTube events company based in Germany. The acquisition of VDD for an amount of €0.5 million met the definition of a business combination as Divimove gained the control of VDD.

- The contingent consideration related to Sparwelt GmbH, recognised in September 2014 and re-measured to €4 million at 31 December 2016, was paid during the second quarter 2017.

- The last instalment of the SpotX Inc earn-out was paid during the second quarter 2017 for an amount of €1 million.

- Within the framework of the put and call option rights that were in place between the shareholders of RTL US Holdings, Inc which holds 100 per cent of the shares in Style Haul Inc (Style Haul), RTL Group acquired in June 2017 the remaining shares in RTL US Holding, Inc. As a result, RTL Group held 100 per cent of the shares of Style Haul at 30 June 2017. The fair value of liabilities related to the options representing 3 per cent and the cash settled share-based payment arrangement representing 3 per cent was re-measured to €15 million at the date of exercise (at 31 December 2016: €10 million). The related expense of €5 million was reported in "Financial results other than interest".

- The initial purchase consideration of €48 million for the acquisition of Smartclip on 11 March 2016, contingent on cash-and-debt free position adjusted for normalised working capital, was increased by €2 million paid during the second quarter 2017. The goodwill was adjusted accordingly at 30 June 2017. Additionally, RTL Group exercised its option in April 2017 for an amount of €6 million, unpaid at 30 June 2017 (paid at 31 December 2017).

8. REVENUE

Revenue is disaggregated below by nature and timing of recognition. The table also includes a reconciliation with reportable segments.

Six months ended 30 June	Mediengruppe RTL Deutschland 2018 €m	Groupe M6 2018 €m	FremantleMedia 2018 €m	RTL Nederland 2018 €m	RTL Belgium 2018 €m	Other segments 2018 €m	Total Group 2018 €m
Revenue from advertising	873	526	4	162	77	123	1,765
Revenue from exploitation of programmes, rights and other assets	122	92	586	63	12	147	1,022
Revenue from selling goods and merchandise and providing services	73	116	8	16	5	41	259
	1,068	**734**	**598**	**241**	**94**	**311**	**3,046**
Timing of revenue recognition							
At a point in time	85	125	554	11	2	136	913
Over time	983	609	44	230	92	175	2,133
	1,068	**734**	**598**	**241**	**94**	**311**	**3,046**

Three months ended 30 June	Mediengruppe RTL Deutschland 2018 €m	Groupe M6 2018 €m	FremantleMedia 2018 €m	RTL Nederland 2018 €m	RTL Belgium 2018 €m	Other segments 2018 €m	Total Group 2018 €m
Revenue from advertising	442	275	2	86	38	69	912
Revenue from exploitation of programmes, rights and other assets	58	46	363	34	6	80	587
Revenue from selling goods and merchandise and providing services	34	56	4	10	3	24	131
	534	**377**	**369**	**130**	**47**	**173**	**1,630**
Timing of revenue recognition							
At a point in time	34	54	339	6	2	71	506
Over time	500	323	30	124	45	102	1,124
	534	**377**	**369**	**130**	**47**	**173**	**1,630**

9. FINANCIAL RESULTS OTHER THAN INTEREST

	Note	June 2018 €m	June 2017 €m
Cash flow hedges ineffectiveness		2	9
Net gain on other financial instruments at fair value through profit or loss	7.	–	(5)
Other financial results		(1)	(2)
		1	2

10. IMPAIRMENT TEST

RTL Group's management have conducted impairment tests on some cash generating units ("CGU") and investments accounted for using the equity method where indications of a possible change in recoverable amount arose over the six months ended 30 June 2018 and on those that had the most limited headroom at 31 December 2017. As there were no triggering events for goodwill impairment at FremantleMedia level, management have not updated the impairment calculations.

The assumptions and results of the impairment testing conducted at 30 June 2018 are described hereafter.

Style Haul
In the light of business underperformance and change in local management, RTL Group management has performed as at 30 June 2018 a review of the key assumptions underlying the financial planning. Due to the high uncertainty associated with the projected cash flows and the rapid change of market conditions, the fair value less costs of disposal valuation approach has been modified to better reflect the current organisation and environment Style Haul is operating in.

As of 30 June 2018, the fair value less costs of disposal ("FVLCD") of this cash-generating unit has been derived from a hybrid approach capturing both the market transactions multiples and the forward-looking perspectives on an 18-month period (31 December 2017: FVLCD derived from a DCF valuation model) and applying a discount rate of 25 per cent (31 December 2017: 11 per cent on a DCF valuation model). The increase in discount rate is mainly driven by a modification of the valuation technique. This hybrid model valuation results in a headroom of € nil million at 30 June 2018.

When taken individually:
- a decrease of 20 per cent in revenue projections over the next 18 months would result in a goodwill impairment of €23 million;
- a change of 10 per cent of the multiple (exit value) would result in a goodwill impairment of €13 million;
- there is no reasonable scenario of discount rate increase that would result in a material impairment.

11. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Main changes in the Group's ownership interest in associates

June 2018
On 29 January 2018, Mediengruppe RTL Deutschland GmbH has acquired a 25.1 per cent stake for an amount of €2 million, in the share capital of Nachrichtenmanufaktur GmbH, a company based in Berlin. Nachrichtenmanufaktur GmbH is an editorial office which creates journalistic content for the ntv news app, website and teletext. The related carrying amount is €2 million at 30 June 2018.

Since 8 May 2018, the interest held by the Group in the Radio NRW GmbH ("Radio NRW") has increased from 16.1 per cent to 22.6 per cent following the purchase by Radio NRW of its own shares. Radio NRW operates a German radio network. Radio NRW was previously an equity investment at fair value through OCI. The accumulated fair value was €3 million before tax. The related carrying amount is €4 million at 30 June 2018.

On 24 May 2018, RTL Nederland Ventures BV ("RTL Nederland Ventures") concluded an airtime equity agreement with the controlling shareholders of Sarthro Travelbags BV ("Travelbags"). RTL Nederland Ventures holds 23 per cent of Travelbags, who retail bags and luggage online. The related carrying amount is €3 million at 30 June 2018.

June 2017

On 3 March 2017, Groupe M6, through its subsidiary M6 interactions SAS, announced the launch of 6&7 SAS, a new music production and publishing label. M6 interactions holds 49 per cent of 6&7. An initial contribution of €1 million was made by Groupe M6 to the company on 28 March 2017. The related carrying amount was below €1 million at 31 December 2017 and remained unchanged at 30 June 2018.

In April and June 2017, RTL Group, through its subsidiary UFA Film und Fernseh GmbH, participated in a Series B funding round of VideoAmp, Inc for an aggregate amount of USD 5 million, increasing its share in the company from 21.5 per cent to 25 per cent on a non-diluted basis (24 per cent on a fully-diluted basis). The Group continued to have a significant influence over the company. As part of this Series B funding, VideoAmp, Inc also issued a warrant in favour of UFA Film und Fernseh GmbH whereby UFA Film und Fernseh could receive, upon the execution by VideoAmp, Inc and SpotX, Inc of a hosting agreement, common stock equal to 2 per cent of all the issued and outstanding shares and options as of 19 July 2017 for an exercise price of USD 0.0001 per share. On 9 June 2017, SpotX and VideoAmp entered into the hosting agreement and, as a result, on 12 September 2017, UFA Film und Fernseh exercised its warrant and bought 648,429 shares of common stock for an aggregate price of USD 6,484 recognised at fair value below €1 million through the income statement. The related carrying amount is €6 million at 30 June 2018 (€7 million at 31 December 2017).

On 21 April 2017, FremantleMedia Ltd ("FMM") entered with a 25 per cent stake for an amount of GBP 0.6 million, into the share capital of Duck Soup Films Limited ("DSF"), a Leeds-based production company. A loan agreement of GBP 1 million between FMM and DSF was executed on 21 April. FMM holds call options on the remaining 75 per cent shares exercisable in 2022 and 2024. The strike price of the options is based on a variable component. If FMM does not exercise the call option in 2022 and 2024, the non-controlling shareholders will have the option to require FMM to purchase all the remaining shares, subject to certain conditions, or an option to acquire the shares held by the Group or drag FMM shares to a third party. The fair value of the derivatives was €nil million at 31 December 2017 and remains unchanged at 30 June 2018.

On 24 April 2017, IP Deutschland GmbH ("IPD") acquired a 24.95 per cent stake for € below 1 million in the company Goldbach Audience (Switzerland) AG ("GA"). GA is a subsidiary of the Goldbach Group and specialises in multi-screen advertising.

On 27 April 2017, RTL Nederland ("RTL NL") acquired a 20 per cent stake for a cash investment of €2 million and €1 million media investment in the company Flinders BV ("FL"). FL is a Dutch-based company and operates mainly in the Netherlands, Belgium and Germany, offering design furniture and decoration. In case of a third party transaction RTL NL has the right to acquire the offered shares at the same terms. RTL NL can block a 100 per cent sale in case of a valuation below €20 million and, as from 2021, RTL NL can force a sale in case of a valuation higher than €40 million. RTL NL always has the right to sell its shareholding in case of a sale.

On 28 April 2017, FremantleMedia Ltd ("FMM") acquired a 25 per cent stake in Bend It TV ("Bend It"), a start-up production company, for an amount of GBP 0.5 million and an additional GBP 0.25 million if some specific conditions are met within 24 months of the completion date. A loan agreement for a total of GBP 1.25 million between FMM and Bend It was executed on 28 April 2017. FMM holds call options on the remaining 75 per cent of the shares exercisable in 2022 and 2024. The strike price of the options is based on a variable component. If FMM does not exercise the call option in 2022 and 2024, the non-controlling shareholders will have the option to require FMM to purchase all the remaining shares, subject to certain conditions, or an option to acquire the shares held by the Group or to drag FMM shares to a third party. The fair value of the derivatives was €nil million at 31 December 2017 and remains unchanged at 30 June 2018.

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

June 2018
On 6 June 2018, RTL Nederland Ventures BV Holding has disposed of all shares held in Future Whiz Media BV for €12 million and has generated a capital gain of €8 million.

June 2017
On 11 January 2017, IP Deutschland GmbH ("IPD") acquired 30.0 per cent of Q division GmbH ("Q division") through a capital increase of below €1 million. Q division is a data dealer for automated media purchase and programmatic advertising. The transaction qualified as a joint arrangement as IPD jointly controls the company.

On 2 March 2017, RTL Nederland Ventures BV ("RTL Nederland") increased its ownership from 32.6 per cent to 43.8 per cent of Solvo BV (former Heilzaam BV) acquired in the first quarter 2016. The purchase consideration of €0.9 million was contributed to the company. As the corporate governance was not changed, Solvo BV continued to be jointly controlled.

12. LOANS AND OTHER FINANCIAL ASSETS

	2018 €m	2017 €m
Available-for-sale investments	**–**	54
Equity investments at fair value through OCI	**38**	–
Equity investments accounted at FVTPL	**4**	–
Debt instruments measured at FVTPL	**7**	–
Loans receivable to investments accounted for using the equity method	**16**	14
Loans, accounts receivable and other financial assets	**79**	69
	144	137

13. ASSETS CLASSIFIED AS HELD FOR SALE

On 25 June 2018, Groupe M6 announced that it had entered into exclusive negotiations with Dutch group Albelli for the sale of all shares held in monAlbumPhoto SAS, a leading e-commerce player in France in the printing and processing of photo albums and personalised photo products. Accordingly, monAlbumPhoto SAS is reported as a disposal group held for sale.

At 30 June 2018, the disposal group comprises the following assets and liabilities:

	2018 €m
Non-current assets classified as held for sale, disposal group	
Goodwill	11
Other intangible assets	2
Property, plant and equipment	4
Current assets	
Accounts receivable and other financial assets	1
Cash and cash equivalents	1
	19
Liabilities directly associated with non-current assets classifed as held for sale	
Accounts payable	5
	5

There is no cumulative income or expenses included in OCI relating to the disposal group.

14. SEASONALITY OF OPERATIONS

RTL Group's revenue is generally lower in the summer months of July and August due to a reduction in advertising spend. In 2018, this is likely to be accentuated by the effects of the football World Cup at the beginning of July. In addition, the unseasonably high temperatures experienced so far this summer will inevitably reduce viewing time and put pressure on advertising revenue development. Accordingly, the Group is expecting weak advertising revenue growth across the third quarter of 2018 – however the Group remains confident concerning the traditionally more important advertising revenue generation months at the end of the year.

The Group's content arm, FremantleMedia, usually generates a higher proportion of both revenue and EBITDA in the second half of the year due, in part, to the seasonality of programme sales but also to the revenue generated by the distribution, licensing and merchandising business. This seasonality is not expected to be substantially different for 2018. The full year outcome will depend on the timing of the delivery of certain high value drama shows but also the impact of foreign exchange translation movements, which negatively impacted FremantleMedia's revenue development over the first half of 2018.

15. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to RTL Group shareholders of €318 million (June 2017: €320 million) and a weighted average number of ordinary shares outstanding during the period of 153,555,364 (June 2017: 153,551,929) calculated as follows:

	June 2018	June 2017
Profit attributable to RTL Group shareholders (in €million)	**318**	320
Weighted average number of ordinary shares:		
Issued ordinary shares at 1 January	**154,742,806**	154,742,806
Effect of treasury shares held	**(1,168,701)**	(1,168,701)
Effect of liquidity programme	**(18,741)**	(22,176)
Weighted average number of ordinary shares	**153,555,364**	153,551,929
Basic earnings per share (in €)	**2.07**	2.08
Diluted earnings per share (in €)	**2.07**	2.08

16. PROVISIONS

Following the decision taken in April 2018 to implement the "fan-centric growth strategy", RTL Nederland BV management announced a restructuring plan. A final version of this plan was approved by the staff representatives and the trade unions at the end of June. As a result of the new organisational structure, 43 employees have been made redundant as of 1 August 2018. 12 new positions are being offered to some of those made redundant which might reduce the number to 31 employees leaving the company. €5.3 million restructuring costs have been recognised over the first half of 2018 and the provision for restructuring amounts to €4.4 million at 30 June 2018.

At 30 June 2018, the remaining restructuring provision recognised at 31 December 2017 by RTL Belgium amounts to €8.6 million.

Provisions for litigation are described in the annual report 2017. No significant change occurred over the first half of 2018. No further information is disclosed as it may harm the Group's position.

17. EQUITY

17. 1. Treasury shares

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

Following the shareholders' resolution and in order to foster the liquidity and regular trading of its shares that are listed on the stock market in Brussels and Luxembourg and the stability of the price of its shares, the Company entered, on 28 April 2014, into a liquidity agreement (the "Liquidity Agreement"). During the period ended 30 June 2018, under the Liquidity Agreement, the Liquidity Provider has:

- purchased 100,972 shares at an average price of €67.16; and
- sold 103,775 shares at an average price of €68.41, in the name and on behalf of the Company.

At 30 June 2018, a total of 31,499 (December 2017: 34,302) RTL Group shares are held by the Company and €nil million (December 2017: €1.2 million) are in deposit with the Liquidity Provider under the terms of the Liquidity Agreement.

17. 2. Hedging reserves

The hedging reserve (equity attributable to non-controlling interests included) comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

Between 31 December 2017 and 30 June 2018, the hedging reserve increased by €22 million before tax effect. This consists of:

- increase by €16 million due to foreign exchange contracts that existed at 2017 year end and which were still hedging off-balance sheet commitments at 30 June 2018;
- increase by €3 million due to foreign exchange contracts that existed at 2017 year end which were mainly transferred from the hedging reserve to adjust the carrying value of assets purchased (basis adjustment) and subsequently released to the income statement in 2018;
- increase by €3 million due to foreign exchange contracts entered into in 2018 hedging new off-balance sheet commitments.

Between 31 December 2016 and 30 June 2017, the hedging reserve decreased by €71 million before tax effect. This consists of:

- decrease by €46 million due to foreign exchange contracts that existed at 2016 year end and which were still hedging off-balance sheet commitments at 30 June 2017;
- decrease by €20 million due to foreign exchange contracts that existed at 2016 year end but were mainly transferred from the hedging reserve to adjust the carrying value of assets purchased (basis adjustment) and subsequently released to the income statement in 2017;
- decrease by €5 million due to foreign exchange contracts entered into in 2017 hedging new off-balance sheet commitments.

17. 3. Dividends

On 18 April 2018, the Annual General Meeting of Shareholders decided, after having taken into account the interim dividends of €1 per share paid on 7 September 2017, to distribute a final dividend of €3 per share. Accordingly, an amount of €460 million was paid out on 26 April 2018.

18. *NON-CONTROLLING INTERESTS*

Transactions on non-controlling interests without a change in control

June 2017

- CBS Studios International contributed below €1 million in a capital increase in RTL CBS Asia Entertainment Network LLP, proportionally to its 30 per cent share;
- Groupe M6 has acquired and disposed of own shares in respect to the forward purchase contract and the liquidity programme;
- Smartclip (see note 7);
- StyleHaul (see note 7).

Transactions on non-controlling interests with a change in control

June 2017

This related to Divimove (see note 7).

19. RELATED PARTY TRANSACTIONS

19. 1. Transactions with shareholders

Financing

Deposits Bertelsmann SE & Co. KGaA

With the view to investing its cash surplus, RTL Group entered in 2006 with Bertelsmann SE & Co. KGaA (previously Bertelsmann AG) into a Deposit Agreement, the main terms of which are:

- Interest rates are based on an overnight basis on EONIA plus 10 basis points; or on a one to six month basis, EURIBOR plus 10 basis points;
- Bertelsmann SE & Co. KGaA grants to RTL Group as security for all payments due by Bertelsmann SE & Co. KGaA a pledge on:
  - All shares of its wholly owned French subsidiary Média Communication SAS;
  - All shares of its wholly owned Spanish subsidiary Media Finance Holding SL;
  - All shares of its wholly owned German subsidiary Gruner + Jahr GmbH (former Gruner + Jahr GmbH & Co. KG);
  - All shares of its wholly owned English subsidiary Bertelsmann UK Ltd.

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

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

At 30 June 2018 and 31 December 2017, neither RTL Group SA nor RTL Group Deutschland GmbH hold any deposit with Bertelsmann SE & Co. KGaA. The interest income for the period is €nil million (June 2017: €nil million).

RTL Group SA has additionally entered into a Treasury Agreement in North America with Bertelsmann Inc. Interest rates are based on US Libor plus 10 basis points. At 30 June 2018, the balance of the cash pooling receivable and payable amounts to €nil million (December 2017: €4 million). The interest income/expense for the period is insignificant (June 2017: insignificant).

Loans from Bertelsmann SE & Co. KGaA and Bertelsmann Business Support Sàrl (former BeProcurement Sàrl)

On 7 March 2013, RTL Group Deutschland GmbH, a Group company, and Bertelsmann SE & Co. KGaA entered into a shareholder loan agreement pursuant to which Bertelsmann makes available a term loan facility in the amount of €500 million and a revolving and swingline facility in the amount of up to €1 billion. Revolving loan terminated on February 2018. RTL Group has re-negotiated an extension for another five-year period. The main terms of these facilities are:

- Term loan facility of €500 million until 7 March 2023 bearing interest at 2.713 per cent per annum; RTL Group SA has the right to early repay the loan subject to break costs. On 23 June 2016, the term loan facility of €500 million has been transferred from Bertelsmann SE & Co. KGaA to Bertelsmann Business Support Sàrl controlled by Bertelsmann Luxembourg Sàrl. At 30 June 2018, the term loan balance amounts to €500 million (December 2017: €500 million);
- Revolving loans bear interest at the applicable EURIBOR plus a margin of 0.40 per cent per annum, and swingline loans bear interest at EONIA plus a margin of 0.40 per cent per annum. A commitment fee of 30 per cent of the applicable margin is payable on the undrawn amount of the total credit facility. At 30 June 2018, the total of revolving and swingline loan amounts to €490 million (December 2017: €138 million).

The interest expense for the period amounts to €7.3 million (June 2017: €7.3 million). The commitment fee charge for the period amounts to €0.5 million (June 2017: €0.4 million).

Tax

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

To that effect, RGD entered into a Profit and Loss Pooling Agreement ("PLP Agreement") with BCH for a six-year period starting 1 January 2008. Simultaneously, Bertelsmann SE & Co. KGaA entered into a Compensation Agreement with CLT-UFA SA, a direct subsidiary of RTL Group, providing for the payment to CLT-UFA SA of an amount compensating the above profit transfer and an additional commission ("Commission") amounting to 50 per cent of the tax saving based upon the taxable profit of RGD.

Through these agreements, as from 1 January 2008, Bertelsmann SE & Co. KGaA and the RGD sub-group of RTL Group are treated as a single entity for German income tax purposes.

As the PLP Agreement does not give any authority to BCH to instruct or control RGD, it affects neither RTL Group nor RGD's ability to manage their business, including their responsibility to optimise their tax structures as they deem fit. After six years, both PLP and Compensation Agreements are renewable on a yearly basis. RGD and CLT-UFA SA have the right to request the early termination of the PLP and Compensation Agreements under certain conditions.

On 15 May 2013, the Board of Directors of RTL Group agreed to the amendment of the Compensation Agreement in light of the consumption of the trade tax and corporate tax losses at the level of Bertelsmann SE and Co. KGaA and of the expected level of indebtedness of RTL Group in the future.

The PLP agreement was slightly amended in 2014 on the basis of the change to the German corporate tax law.

In the absence of specific guidance in IFRS, RTL Group has elected to recognise current income taxes related to the RGD sub-group based on the amounts payable to Bertelsmann SE & Co. KGaA and BCH as a result of the PLP and Compensation Agreements described above. Deferred income taxes continue to be recognised, based upon the enacted tax rate, in the consolidated financial statements based on the amounts expected to be settled by the Group in the future. The Commission, being economically and contractually closely related to the Compensation, is accounted for as a reduction of the tax due under the Agreements.

For the interim periods, the Commission is determined on management's reasonable estimate on both expected annual taxable results of the tax group RGD and the tax group Bertelsmann SE & Co. KGaA. This estimate is reviewed on a quarterly basis to take into account actual year-to-date results and material known developments affecting the two entities for the remaining part of the year.

At 30 June 2018, the balance payable to BCH amounts to €307 million (December 2017: €450 million) and the balance receivable from Bertelsmann SE & Co. KGaA amounts to €231 million (December 2017: €267 million).

For the period ended 30 June 2018, the German income tax in relation to the tax pooling with Bertelsmann SE & Co. KGaA amounts to €87 million (June 2017: €69 million). The Commission amounts to €11 million (June 2017: €5 million).

The UK Group relief of FremantleMedia Group to Bertelsmann Group resulted in a tax income of €3 million (June 2017: €1 million).

All Danish entities under common control by an ultimate parent are subject to Danish tax consolidation, which is mandatory under Danish tax law. Blu A/S, a 100 per cent held subsidiary of RTL Group, was elected as the management company of the Bertelsmann Denmark Group.

19. 2. Main transaction with investments accounted for using the equity method

At 30 June 2018, RTL Group owed a cash pooling payable to RTL Disney Fernsehen GmbH & Co. KG for an amount of €11 million (December 2017: €40 million).

20. SUBSEQUENT EVENTS

On 27 July 2018, Groupe M6 announced that it had entered into exclusive negotiations with the US-based investment fund GACP, with a view to selling its entire shareholding in the Football Club Girondins de Bordeaux ("FCGB"). Completion of the transaction remains subject to finalisation of the negotiations, to consultation with employee representative bodies and to approval from the Bordeaux Métropole Council regarding the guarantees offered by GACP in relation to the lease payments owed by FCGB for the use of the stadium.

MANAGEMENT RESPONSIBILITY STATEMENT

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

Luxembourg, 28 August 2018

Bert Habets Chief Executive Officer	**Elmar Heggen** Deputy Chief Executive Officer and Chief Financial Officer

AUDITORS' REPORT

pwc

PricewaterhouseCoopers, Société coopérative,
2 rue Gerhard Mercator
B.P. 1443
L-1014 Luxembourg
T: +352 494848 1
F:+352 494848 2900
www.pwc.lu

Cabinet de révision agréé
Expert-comptable
(autorisation gouvernementale n°10028256)
R.C.S. Luxembourg B 65 477
TVA LU25482518

TO THE SHAREHOLDERS OF RTL GROUP S.A.

Report on review of the condensed consolidated interim financial information

We have reviewed the accompanying condensed consolidated interim financial information of RTL Group S.A. and its subsidiaries (the "Group"), which comprise the condensed consolidated interim statement of financial position as at 30 June 2018, and the related condensed consolidated interim income statement, statement of comprehensive income, statement of changes in equity and cash flow statement for the six-month period then ended, and a summary of significant accounting policies and other explanatory information.

Board of Directors' responsibility for the condensed consolidated interim financial information

The Board of Directors is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union, and for such internal controls as the Board of Directors determines are necessary to enable the preparation of condensed consolidated interim financial information that is free from material misstatement, whether due to fraud or error.

Responsibility of the "Réviseur d'entreprises agréé"

Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review. We conducted our review in accordance with International Standard on Review Engagements (ISRE 2410 "Review of interim financial information performed by the independent auditor of the entity"), as adopted for Luxembourg by the "Institut des Réviseurs d'Entreprises". This standard requires us to comply with relevant ethical requirements and conclude whether anything has come to our attention that causes us to believe that the condensed consolidated interim financial information, taken as a whole, is not prepared in all material respects in accordance with the applicable financial reporting framework.

A review of condensed consolidated interim financial information in accordance with ISRE 2410 is a limited assurance engagement. The "Réviseur d'entreprises agréé" performs procedures, primarily consisting of making inquiries of management and others within the Group, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on this condensed consolidated interim financial information.

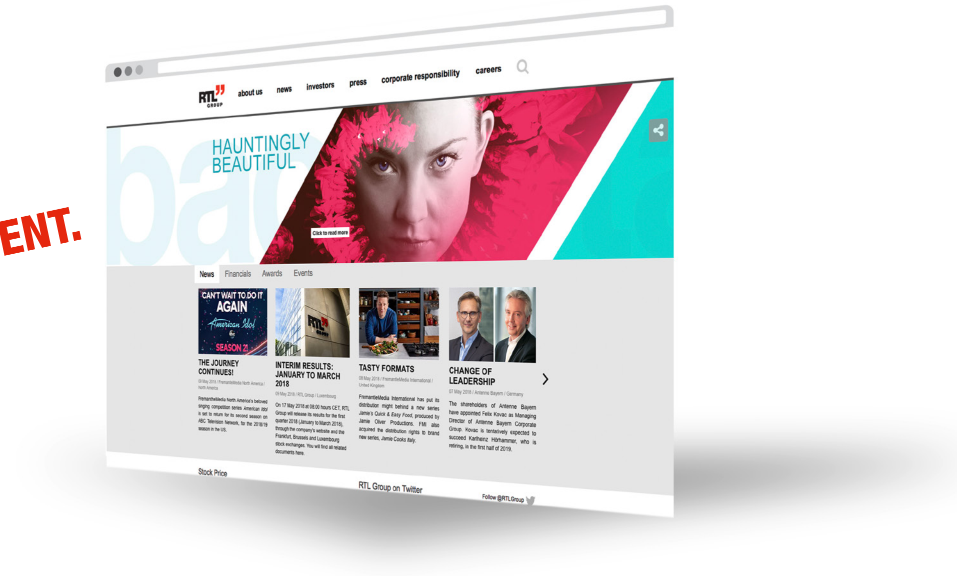
Conclusion

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

Luxembourg, 28 August 2018
PricewaterhouseCoopers, Société coopérative
Represented by

Gilles Vanderweyen　　　*Magalie Cormier*

EXPERIENCE THE WORLD OF RTLGROUP.COM
FACTS. FIGURES.
GLOBAL ENTERTAINMENT.



Financial calendar

8 November 2018 ——— Results January to September 2018
14 March 2019 ——— Full-year results 2018

Credits

Cover ——— Gaëtan BERNARD / M6, © 2018 American Broadcasting Companies, Inc. All rights reserved, RTL Nederland, Mediengruppe RTL / Frank Dicks, FremantleMedia North America. All rights reserved.
Page 2 ——— © 2018 American Broadcasting Companies, Inc. All rights reserved.
Page 3 ——— Ramon Haindl

Publisher

RTL Group
43, Bd Pierre Frieden
L–1543 Luxembourg
Luxembourg

RTLGroup.com
Follow us on
Facebook
LinkedIn
Twitter
Instagram
YouTube

Further information

Media ———
Oliver Fahlbusch
Corporate Communications
Phone: +352 2486 5200
oliver.fahlbusch@rtlgroup.com

Investor relations ———
Andrew Buckhurst
Investor Relations
Phone: +352 2486 5074
andrew.buckhurst@rtlgroup.com