INTERIM REPORT JANUARY–SEPTEMBER 2013

THE LEADING EUROPEAN ENTERTAINMENT NETWORK

RTL GROUP

HIGHLIGHTS

JULY TO SEPTEMBER 2013

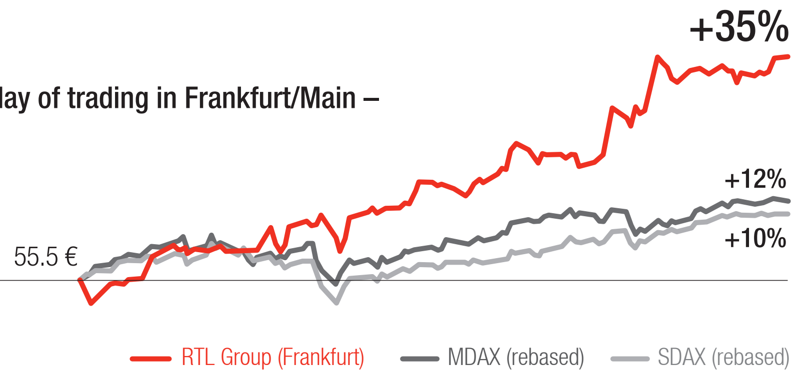
Joining forces in high growth markets in Asia

In August 2013, RTL Group teamed up with CBS Studios International, the leading supplier of programming to the international television marketplace, to form a joint venture which will operate two pay-TV channels in South East Asia: **RTL CBS Asia Entertainment Network**.

The first channel named **RTL CBS Entertainment HD** was launched in early September 2013 and is already on air in Thailand, Malaysia, Singapore and the Philippines. Its programme schedule consists of general entertainment hits such as RTL Group's *The X Factor USA* and *America's Got Talent* as well as CBS's *Elementary*, *Under The Dome, Late Show With David Letterman* and *Entertainment Tonight*.

The second channel, **RTL CBS Extreme HD**, is scheduled to launch in spring 2014. It is dedicated to action adventure, reality series and extreme sports.

Share price performance since first day of trading in Frankfurt/Main – RTL Group vs MDAX and SDAX
(30 April to 30 September 2013)



RTL Television scores

RTL Television's has landed a coup by securing the rights to the qualifying matches of the German national football team for the 2016 European Championship final round and the 2018 World Cup. From September 2014 to October 2017, RTL Television will broadcast 20 matches live and exclusive. The rights package also includes extensive highlights rights to all the other qualifying matches for the championships, including attractive rights for online and mobile. With this deal, the channel is investing in its brand, offering a highly attractive programming portfolio for both viewers and advertisers. As the matches are scheduled over several months, there is no over-saturation, and some of the matches will take place in the strong months for advertising sales.

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RTL GROUP REPORTS SIGNIFICANT PROFIT GROWTH

In the first nine months of 2013, RTL Group grew its EBITA 6.4 per cent to €714 million, while net profit was up 41.2 per cent to €535 million

A promising start to the seasonally important fourth quarter

Luxembourg, 12 November 2013 – RTL Group, the leading European entertainment network, announces its results for the nine months ending 30 September 2013.

	January to September 2013 € m	January to September 2012 € m	Per cent change
Revenue	**4,048**	**4,111**	**(1.5)**
Underlying revenue[1]	**4,065**	**4,111**	**(1.1)**
Reported EBITA[2]	**714**	**671**	**+6.4**
Reported EBITA margin (%)	**17.6**	**16.3**	
Reported EBITA	**714**	**671**	
Reversal of/(loss on) impairment of investment in associates	72	(10)	
Amortisation and impairment of fair value adjustments on acquisitions of subsidiaries and joint ventures	(7)	(8)	
Gain/(loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	5	(1)	
EBIT	**784**	**652**	
Net financial income/(expense)	16	(11)	
Income tax expense	(207)	(192)	
Profit for the period from continuing operations	**593**	**449**	
Loss for the period from discontinued operations	–	(1)	
Profit for the period	**593**	**448**	
Attributable to:			
Non-controlling interests	58	69	
RTL Group shareholders	**535**	**379**	**+41.2**
Basic EPS continuing operations (in €)	**3.48**	**2.48**	
Basic EPS discontinued operations (in €)	–	(0.01)	
Reported EPS (in €)	**3.48**	**2.47**	

Regulated information. The figures presented in the interim management statement are unaudited

1 Adjusted for minor scope changes and at constant exchange rates

2 EBITA represents earnings before interest and taxes excluding impairment of goodwill and of disposal group, and amortisation and impairment of fair value adjustments on acquisitions of subsidiaries and joint ventures, reversal of/(loss on) impairment of investment in associates, re-measurement of earn-out arrangements, and gain or loss from the sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree

RTL Group outperforms challenging market conditions

- Advertising market conditions remained challenging in the first nine months of 2013, in line with local macro-economic developments in Europe. Across the Group's larger markets, RTL Group estimates that only the German TV advertising market was stable (+0.1 per cent) while all other markets were down. Accordingly, reported Group revenue decreased slightly to €4,048 million (January to September 2012: €4,111 million)
- Reported EBITA of €714 million, up 6.4 per cent, primarily driven by Mediengruppe RTL Deutschland
- EBITA margin improved to 17.6 per cent (January to September 2012: 16.3 per cent)
- Net profit attributable to RTL Group shareholders increased significantly by 41.2 per cent to €535 million (January to September 2012: €379 million). The increase reflects higher operating profit and a reversal of a 2012 impairment, totalling €72 million, on RTL Group's shareholding in the Spanish broadcasting company Atresmedia (formerly Grupo Antena 3). This reversal was already announced in the Group's half-year results end of August 2013
- Net cash from operating activities was €694 million, resulting in an operating cash conversion of 110 per cent
- Following the payment of an extraordinary interim dividend of €387 million on 5 September 2013, RTL Group had net financial debt of €451 million as of 30 September 2013 (30 June 2013: €224 million). In September, RTL Group exercised its put option to sell its 7.5 per cent shareholding in Russia's National Media Group; in the framework of this put option, RTL Group received a payment of €81 million

Solid results from all profit centres

- During the first nine months of 2013, EBITA of Mediengruppe RTL Deutschland increased significantly, by 9.0 per cent, to €399 million (January to September 2012: €366 million). This improvement was driven by a combination of higher revenue and continued cost discipline
- In a declining French TV advertising market, estimated to be down 5.2 per cent in the first nine months, Groupe M6 continued to outperform and increase its market share. The company's EBITA was only slightly down to €154 million (January to September 2012: €161 million), mainly due to anticipated start-up losses for the digital channel 6ter, launched in December 2012
- RTL Nederland's EBITA increased by 5.5 per cent to €58 million (January to September 2012: €55 million), mainly driven by higher digital distribution revenue
- FremantleMedia's EBITA decreased to €77 million (January to September 2012: €82 million). Excluding the positive one-off effect in Q3/2012 resulting from the sale of a building in London, FremantleMedia's EBITA would have been up year-on-year

Q3/2013: Slight improvement of TV advertising market conditions

- The summer holiday season means that the third quarter is the weakest in terms of RTL Group's trading patterns
- In the third quarter of 2013, reported Group revenue decreased by 2.1 per cent to €1,269 million (Q3/2012: €1,296 million), while reported EBITA was €162 million (Q3/2012: €165 million). Excluding the positive one-off effect in Q3/2012 resulting from the sale of a building in London, RTL Group's EBITA would have been up year-on-year by 7.3 per cent
- TV advertising market conditions across Europe improved in the third quarter. The rates of decline slowed compared to the first half of the year. The German TV advertising market showed slight growth year-on-year

Highlights from RTL Group's operations

Broadcast: Investments in existing businesses and high-growth Asian markets

- New TV channels in Europe strengthen RTL Group's family of channels: RTL Hrvatska will launch its new children's and family channel, RTL Kockica, in winter 2013
- International expansion focused on growth markets: RTL Group's partnership with CBS Studios International, announced in August 2013, is advancing. The first channel – RTL CBS Entertainment HD – is already on air in Malaysia, Thailand, Singapore and the Philippines

Content: Enduring appeal of talent shows complemented by successful new format launches

- FremantleMedia's major talent shows – *Got Talent, Idols* and *The X Factor* – remained highly popular with audiences worldwide, being produced in more countries than ever before
- FremantleMedia continues to invest in intellectual property, as evidenced by the launch of 39 new formats in 2013 – up 25 per cent year-on-year
- FremantleMedia has strengthened its scripted business and Nordic footprint by acquiring a 51 per cent stake in Miso Film. The Danish independent production company is focused on high end prime-time TV series and films for the Scandinavian and larger European markets.

Digital: Leading presence in online video

- In September 2013, FremantleMedia acquired a minority stake in Divimove, the second largest Multi-Channel Network (MCN) on Youtube in Germany, with the potential of further investments in the future. This strengthens RTL Group's position as the fourth largest MCN operator globally
- RTL Group developed its strong and rapidly growing presence across all digital platforms. In the first nine months of 2013:
  - RTL Group's catch-up TV services and websites, including the Youtube MCN Broadband TV, attracted a total 10.1 billion online video views, up 122 per cent year-on-year
  - FremantleMedia's 135 Youtube channels attracted 4.6 billion views, up 77 per cent year-on-year
  - Online video advertising was up 53 per cent in Germany, 20 per cent in France, and 33 per cent in the Netherlands year-on-year

"We're executing our strategy from a position of strength"

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

"With leading market positions, RTL Group is delivering strong and sustainable profits and cash flows, creating significant value for its shareholders. Performance in Germany has been particularly strong and our other businesses are resilient in facing the challenging economic conditions.

We have had a promising start to the seasonally important fourth quarter. Looking to the rest of the year, we are confident of delivering more than €1 billion in EBITA for the full year of 2013.

We're executing our strategy from a position of strength, and making clear progress around our three pillars – broadcast, content and digital. From prudent levels of cash investment we have developed a series of initiatives that open up new sources for future growth.

More than two billion online video views per month make RTL Group the number one European media company in online video. With strong organic growth plus continued investments in the digital space, we see significant potential for extending this position further."

FINANCIAL REVIEW JANUARY–SEPTEMBER 2013

Advertising market conditions in the first nine months of 2013 remained challenging, although conditions improved in the third quarter. While most markets are still showing negative growth rates on a year to date basis, the rates of decline have slowed when compared to the situation at the end of June. Only the German TV advertising market is estimated to be stable.

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

	January to September 2013 Net TV advertising market growth rate (%)	January to September 2013 Audience share in main target group (%)	January to September 2012 Audience share in main target group (%)
Germany	+0.1[3]	30.7[4]	31.2[4]
France	(5.2)[5]	22.7[6]	23.0[6]
Netherlands	(5.0)[3]	32.3[7]	31.7[7]
Belgium	(3.9)[3]	36.3[8]	36.4[8]
Hungary	(4.6)[3]	37.5[9]	36.4[9]
Croatia	(3.4)[3]	27.5[10]	26.0[10]
Spain	(10.4)[11]	30.7[12]	27.1[12]

Revenue

During the period January to September 2013, revenue was slightly down by 1.5 per cent to €4,048 million (January to September 2012: €4,111 million). On a like-for-like basis (adjusting for portfolio changes and at constant exchange rates) revenue was down 1.1 per cent to €4,065 million (January to September 2012: €4,111 million).

EBITA and EBITDA

Reported EBITA increased by 6.4 per cent to €714 million (January to September 2012: €671 million). The Group's EBITDA[13] for continuing operations was €835 million for the first nine months of the year (January to September 2012: €787 million), resulting in an EBITDA margin of 20.6 per cent (January to September 2012: 19.1 per cent).

Group operating expenses were down 3.1 per cent at €3,381 million, compared to €3,488 million for the first nine months of 2012.

Net debt and cash conversion

The consolidated net debt at 30 September 2013 amounted to €451 million (30 June 2013 net debt of €224 million; 30 September 2012: net cash of €769 million; 31 December 2012: net cash of €1,051 million). The Group intends to maintain a conservative level of gearing of between 0.5 and 1.0 times net debt to full-year EBITDA in order to benefit from a more efficient capital structure.

The Group continues to generate significant operating cash flow with an EBITA to cash conversion ratio of 110 per cent in the first nine months of 2013 (January to September 2012: 108 per cent).

Share of results of associates

The total contribution of the associated companies increased to a profit amounting to €94 million (January to September 2012: €5 million). This amount includes €72 million linked to the reversal of an impairment on Atresmedia. This reversal was already announced at the Group's interim results of August 2013.

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

The net financial income of €16 million (January to September 2012: minus €11 million) reflect impairment losses, positive impacts of fair value and disposal on/of non-monetary investments and a net interest expense of €13 million (January to September 2012: expense of €6 million)

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

This heading includes the costs related to the amortisation of fair value adjustments (mainly Groupe M6).

3 Industry/IREP and RTL Group estimates
4 Source: GfK. Target group: 14–59
5 Source: Groupe M6 estimate
6 Source: Médiamétrie. Target group: housewives under 50 (including digital channels)
7 Source: SKO. Target group: 20–49, 18–24h
8 Source: Audimétrie. Target group: shoppers 18–54, 17–23h
9 Source: AGB Hungary. Target group: 18–49, prime time (including cable channels)
10 Source: AGB Nielsen Media Research. Target group: 18–49, prime time
11 Source: Infoadex and Atresmedia estimate
12 Source: TNS Sofres. Target group: 16–54
13 EBITDA represents EBIT excluding amortisation and impairment of non-current programme and other rights, of goodwill and disposal group, of other intangible assets, depreciation and impairment of property, plant and equipment, reversal of/(loss on) impairment of investments in associates, re-measurement of earn-out arrangements, and gain or loss from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree

Income tax expense

In the first nine months of 2013, the tax expense was €207 million (January to September 2012: expense of €192 million).

Profit attributable to RTL Group shareholders

The profit for the period attributable to RTL Group shareholders was €535 million (January to September 2012: €379 million).

Earnings per share

Reported earnings per share, based upon 153,618,853 shares, was €3.48 (January to September 2012: €2.47 per share).

Outlook

RTL Group confirms its outlook for the full-year 2013 communicated end of August at the occations of the Group's half-year financial results: while visibility on the important fourth quarter still remains limited, RTL Group is confident that it will achieve a similar level of EBITA for the full year as in 2012, of more than €1 billion. RTL Group's net profit for the full-year is expected to increase year-on-year.

REVIEW BY SEGMENTS: JANUARY TO SEPTEMBER 2013

Revenue	January to September 2013 € m	January to September 2012 € m	Per cent change
Mediengruppe RTL Deutschland	**1,361**	1,341	+1.5
Groupe M6	**992**	994	(0.2)
FremantleMedia	**1,035**	1,142	(9.4)
RTL Nederland	**308**	297	+3.7
RTL Belgium	**146**	147	(0.7)
French radio	**122**	126	(3.2)
Other segments	**235**	209	+12.4
Eliminations	**(151)**	(145)	n.a.
Total revenue	**4,048**	**4,111**	**(1.5)**

EBITA	January to September 2013 € m	January to September 2012 € m	Per cent change
Mediengruppe RTL Deutschland	**399**	366	+9.0
Groupe M6	**154**	161	(4.3)
FremantleMedia	**77**	82	(6.1)
RTL Nederland	**58**	55	+5.5
RTL Belgium	**29**	26	+11.5
French radio	**12**	12	–
Other segments	**(15)**	(31)	n.a.
Reported EBITA	**714**	**671**	**+6.4**

EBITA margins	January to September 2013 Per cent	January to September 2012 Per cent	Percentage point change
Mediengruppe RTL Deutschland	**29.3**	27.3	+2.0
Groupe M6	**15.5**	16.2	(0.7)
FremantleMedia	**7.4**	7.2	+0.2
RTL Nederland	**18.8**	18.5	+0.3
RTL Belgium	**19.9**	17.7	+2.2
French radio	**9.8**	9.5	+0.3
RTL Group	**17.6**	**16.3**	**+1.3**

FINANCIAL REVIEW Q3/2013

The months of July and August are particularly low in terms of advertising revenue, due to the summer holiday season, which means that the third quarter is the weakest in terms of RTL Group's trading pattern.

In € million	Q3/2013	Q3/2012	Per cent change
Revenue	**1,269**	**1,296**	**(2.1)**
Cost base	(1,123)	(1,154)	(2.7)
EBITA	**162**	**165**	
EBIT	**164**	**162**	
Interest income	2	2	
Interest expense	(9)	(4)	
Financial result other than interest	18	2	
Profit before taxes	175	162	
Income tax expense	(49)	(45)	
Period for the period from continuing operations	**126**	**117**	
Discontinued operations	–	–	
Profit for the period	**126**	**117**	**+7.7**
EPS	0.76	0.68	

Revenue

In the third quarter 2013, Group revenue declined by 2.1 per cent to €1,269 million (Q3/2012: €1,296 million) mainly due to lower revenues at FremantleMedia resulting from exchange rate effects, lower production revenue in Germany and in the distribution and licensing arm. TV advertising market conditions across Europe have improved in the third quarter with the German TV advertising market estimated to be up 1.3 per cent. The markets in Belgium, estimated growth of 6.5 per cent, and Hungary were also up year-on-year. Elsewhere, markets are still showing negative growth rates although the rates of decline slowed when compared to the situation at 30 June 2013.

EBITA

Reported EBITA was slightly down 1.8 per cent, or €3 million, at €162 million (Q3/2012: €165 million). Excluding the positive one-off effect in Q3/2012 resulting from the sale of a building in London, RTL Group's EBITA would have been up year-on-year by 7.3 per cent.

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

The net financial income in the third quarter amounted to €11 million (Q3/2012: €nil million), driven by the financial results other than interest which amounted to an income of €18 million (Q3/2012: income of €2 million). This positive result has been generated following a decision by Management to initiate a sale of its non-monetary assets due to increased stock market valuations and also the new capital structure of the Group. These assets did not meet the cash and cash equivalent criteria under IAS 7. Once this sale process has been completed, no additional treasury products that do not qualify for IAS 7 will remain in the accounts of RTL Group.

REVIEW BY SEGMENTS: THIRD QUARTER OF 2013 (Q3/2013)

Revenue	Q3/2013 € m	Q3/2012 € m	Per cent change
Mediengruppe RTL Deutschland	**417**	408	+2.2
Groupe M6	**294**	283	+3.9
FremantleMedia	**364**	422	(13.7)
RTL Nederland	**94**	89	+5.6
RTL Belgium	**41**	39	+5.1
French radio	**36**	37	(2.7)
Other segments	**75**	66	+13.6
Eliminations	**(52)**	(48)	n.a.
Total revenue	**1,269**	**1,296**	**(2.1)**

EBITA	Q3/2013 € m	Q3/2012 € m	Per cent change
Mediengruppe RTL Deutschland	**93**	86	+8.1
Groupe M6	**27**	35	(22.9)
FremantleMedia	**30**	42	(28.6)
RTL Nederland	**20**	17	+17.6
RTL Belgium	**4**	1	>100.0
French radio	**(1)**	(1)	–
Other segments	**(11)**	(15)	n.a.
Reported EBITA	**162**	**165**	**(1.8)**

EBITA margins	Q3/2013 Per cent	Q3/2012 Per cent	Percentage point change
Mediengruppe RTL Deutschland	**22.3**	21.1	+1.2
Groupe M6	**9.2**	12.4	(3.2)
FremantleMedia	**8.2**	10.0	(1.8)
RTL Nederland	**21.3**	19.1	+2.2
RTL Belgium	**9.8**	2.6	+7.2
French radio	**n.a.**	n.a.	n.a.
RTL Group	**12.8**	**12.7**	**+0.1**

MEDIENGRUPPE RTL DEUTSCHLAND

Financial results

In the first nine months of 2013, Mediengruppe RTL Deutschland's revenue increased by 1.5 per cent to €1,361 million (January to September 2012: €1,341 million), mainly driven by higher revenue of the broadcast business. EBITA was up significantly from €366 million in the first nine months of 2012, to €399 million – an increase of 9.0 per cent. This improvement was driven by a combination of higher revenue and continued cost discipline.

The German net TV advertising market was estimated to be stable over the reporting period (+0.1 per cent). Following a very strong 2012 – in which Mediengruppe RTL Deutschland (including RTL II) significantly gained market share – the unit's share of the TV advertising market share remained almost stable.

	January to September 2013 € m	January to September 2012 € m	Per cent change
Revenue	**1,361**	1,341	+1.5
EBITA	**399**	366	+9.0

Audience ratings

Since 1 March 2013, **Mediengruppe RTL Deutschland** and its advertising sales house IP Deutschland, has focused on the key commercial target group of viewers aged 14 to 59 (previously: viewers aged 14 to 49). This move recognises demographic changes in the German population.

In the first nine months of 2013, the channels of Mediengruppe RTL Deutschland scored a combined audience share of 30.7 per cent (January to September 2012: 31.2 per cent) in the new target group of viewers aged 14 to 59, 5.8 percentage points ahead of the ProSiebenSat1 channels.

With an audience share of 14.0 per cent in the target group of viewers aged 14 to 59 during the first nine months of 2013 (January to September 2012: 15.2 per cent), **RTL Television** remained the viewers' number one choice by a large margin – 4.5 percentage points ahead of the second highest-rated channel, Sat1.

In September, the launch of the highly anticipated show *Die 2 – Gottschalk & Jauch gegen alle* attracted an average 24.7 per cent of the viewers aged 14 to 59, while the first episode of season seven of *Das Supertalent* – broadcast on 28 September – was watched by an average 24.9 per cent of the viewers aged 14 to 59. Other popular broadcasts included the Formula One races, *Wer wird Millionär?* (Who Wants To Be A Millionaire?) and US series *Bones*. *RTL Aktuell* was again Germany's most popular news programme among viewers aged 14 to 59, attracting an average audience share of 18.2 per cent in the period January to September.

In the first nine months of 2013, **Vox**'s average audience share remained stable at 7.5 per cent in the target group of viewers aged 14 to 59. Especially popular were daytime formats such as *Shopping Queen* and *Verklag mich doch!*. The US series *Arrow* got off to a good start, attracting an average 13.2 per cent of the viewers aged 14 to 59. On 12 September, a documentary/feature film combination was also very popular: the iconic *Dirty Dancing* was watched by 10.4 per cent of the 14 to 59 age group on 12 September, while the subsequent documentary *Dirty Dancing – Der Fluch des Erfolgs* achieved an audience share of 15.6 per cent.

RTL II increased its average audience share to 5.8 per cent among viewers aged 14 to 59 (January to September 2012: 5.5 per cent). In January, RTL II premiered the new daily soap *Köln 50667* – a spin-off of the popular *Berlin – Tag & Nacht* – with double digit audience shares. Since its launch, the format continued to increase its ratings. With more than 2.8 million fans on Facebook, *Berlin – Tag & Nacht* is the most popular fan page of any German TV format. In August, *RTL II News* registered its best audience share since August 2004.

Super RTL remained the clear leader in its target group of children aged 3 to 13 with an average audience share of 23.1 per cent between 6:00 and 20:15. Popular formats included *Mike der Ritter, Der kleine Tiger Daniel* and *DIE – Detektive im Einsatz*. In prime time, Super RTL's popular formats included the US series *Once Upon A Time*.

The news channel **N-TV** attracted 1.0 per cent of the viewers aged 14 to 59 (January to September 2012: 1.0 per cent). Especially popular are N-TV's morning news casts and *Telebörse*, the channel's stock market reports.

RTL Nitro has attracted a growing audience since its launch in April 2012. In the first nine months of 2013, the channel attracted an average 0.8 per cent of viewers aged 14 to 59.

Mediengruppe RTL Deutschland will launch a new pay-TV channel, called Geo Television, in the first half of 2014.

Mediengruppe RTL Deutschland's family of catch-up services recorded a total of 557 million video views up 23 per cent (January to September 2012: 453 million). These services combined with the video portal *Clipfish.de*, Clipfish Music and Clipfish Comedy HbbTV and the unit's channel and thematic websites, remained stable with 896 million video views of professionally produced content. Around 13 per cent of these were generated on mobile devices (January to September 2012: 10 per cent).

GROUPE M6

Financial results

In the first nine months of 2013, Groupe M6's revenue was slightly down to €992 million (January to September 2012: €994 million), mainly due to lower diversification and TV advertising revenue. EBITA decreased only slightly to €154 million (January to September 2012: €161 million), mainly due to anticipated startup losses for 6ter and the cost effect of new taxes introduced in 2013.

While the French TV advertising market was estimated to be down significantly, by an estimated 5.2 per cent compared to the first nine months of 2012, Groupe M6 continued to outperform the market.

	January to September 2013 € m	January to September 2012 € m	Per cent change
Revenue	**992**	994	(0.2)
EBITA	**154**	161	(4.3)

Audience ratings

Groupe M6's combined audience share was 22.7 per cent in the key commercial target group of housewives under 50 during the first nine months of 2013 (January to September 2012: 23.0 per cent).

M6 scored an average audience share of 16.2 per cent in the target group of housewives under 50 (January to September 2012: 17.0 per cent). *L'Amour est dans le pré* was once again the most watched programme of the summer with an average 5.9 million viewers during the entire season. The new daily programme in access prime-time, *La meilleure boulangerie de France*, achieved good ratings in the key target group, with an audience share of 20.8 per cent, as did *Les reines du shopping*. Other popular programmes included magazines such as *Capital*, *Zone Interdite* and *66 Minutes* as well as US series such as *NCIS, NCIS: Los Angeles* and *Body of Proof*.

W9 attracted an average 4.2 per cent of housewives under 50. As the only free broadcaster of the women's Euro 2013 football championship, the channel attracted a high number of viewers, including an average 1.8 million viewers for the France versus Denmark quarter final, and up to 2.6 million viewers for the match's penalty shootout.

The newly launched **6ter** convinced audiences in France. In the target group of housewives under 50, 6ter is the leading channel among the six DTT channels launched in December 2012, with an average audience share of 0.8 per cent.

The catch-up TV services M6 Replay and W9 Replay enable viewers to re-watch the channels' flagship programmes, free, for seven to 15 days after their initial broadcast. They are available on computer, mobile and television via most cable, IPTV and satellite packages in France. The total number of video views on all platforms amounted to over 440 million in the first nine months of 2013 (same level as 2012).

FREMANTLEMEDIA

Financial results

Revenue of FremantleMedia – RTL Group's global production and brand exploitation arm – decreased to €1,035 million during the first nine months of 2013 (January to September 2012: €1,142 million), mainly due to exchange rate effects and lower production revenue from Germany. EBITA decreased to €77 million (January to September 2012: €82 million). Excluding the positive one-off effect in Q3/2012 resulting from the sale of a building in London, FremantleMedia's EBITA would have been up year-on-year.

	January to September 2013 € m	January to September 2012 € m	Per cent change
Revenue	**1,035**	1,142	(9.4)
EBITA	**77**	82	(6.1)

Production businesses
Following a strategic realignment in the first half of 2013, FremantleMedia's strategy is focused on four pillars: Maintaining its leading position in production by nurturing on-air shows and investing in the creative pipeline to develop new formats and brands; Diversifying FremantleMedia's portfolio by strengthening its local businesses and increasing drama; Maximising the global FremantleMedia network by increasing scale in strategic markets; Building a scalable digital business.

The major talent shows – *Got Talent, Idols* and *The X Factor* – remained highly popular with audiences worldwide, being in production in more countries than ever before. FremantleMedia continues to invest in intellectual property as evidenced by the launch of 39 new formats in 2013 – up 25 per cent year-on-year.

FremantleMedia has strengthened its scripted business and Nordic footprint by acquiring a 51 per cent stake in Miso Film. The Danish independent production company is focused on high end prime-time TV series and films for the Scandinavian and larger European markets.

In September 2013, FremantleMedia announced the acquisition of a 26 per cent minority stake in Germany's second-largest Multi-Channel Network Divimove, with the potential of further investments. The deal builds on FremantleMedia's success as the most viewed of any television producer on Youtube. During the first nine months of 2013, its 135 Youtube channels attracted 4.6 billion views, up 77 per cent year-on-year.

RTL NEDERLAND

Financial results

Though the Dutch TV advertising market[14] was estimated to be down 5.0 per cent year-on-year, RTL Nederland outperformed the market and gained market share. Revenue was up 3.7 per cent year-on-year at €308 million (January to September 2012: €297 million), mainly driven by higher digital distribution revenue. EBITA was up 5.5 per cent to €58 million (January to September 2012: €55 million).

	January to September 2013 € m	January to September 2012 € m	Per cent change
Revenue	**308**	297	+3.7
EBITA	**58**	55	+5.5

14 *Spot and non-spot revenue*

Audience ratings

During the first nine months of 2013, RTL Nederland's channels reached a combined prime time audience share of 32.3 per cent in the target group of viewers aged 20 to 49 (January to September 2012: 31.7 per cent), clearly ahead of the public broadcasters (25.8 per cent) and the SBS group (20.4 per cent).

RTL Nederland's flagship channel, **RTL 4**, scored an average prime time audience share of 19.2 per cent in the target group of shoppers aged 20 to 49 (January to September 2012: 18.8 per cent). Popular programmes included the finale of *The X Factor* which attracted 31.4 per cent of the target group and *The Voice Of Holland*, with an audience share of up to 53.1 per cent. The last episode of *Goede Tijden, Slechte Tijden* before the summer break – with an audience share of 47.9 per cent among shoppers aged 20 to 49 – was the most watched end-of-season episode since 1997.

RTL 5 achieved an audience share of 6.5 per cent in its key target group of viewers aged 20 to 34 (January to September 2012: 7.0 per cent). Popular programmes performing well above the channels average, included *Holland's Next Top Model, So You Think You Can Dance, Het Wilde Oosten?* and *Samantha En Michael Willen Rust in de Tent*. On 19 September, RTL 5 registered an audience share of 30.7 per cent for *Expeditie Robinson*, making it the show's most watched episode ever.

The men's channel **RTL 7** scored an average audience share of 7.6 per cent among male viewers aged 20 to 49 (January to September 2012: 7.1 per cent). Popular programmes included the new season of *Voetbal International* and *Tour du Jour*. The talkshow *Derksen and…*, interviewing the grand names of Dutch football, scored an audience share of 15.2 per cent.

During the first nine months of 2013, the women's channel **RTL 8** attracted an average audience share of 3.5 per cent among women aged 20 to

49 (January to September 2012: 3.0 per cent). Classic movies scored well, with *Grease* and *Dirty Dancing* achieving audience shares of 10.2 per cent and 10.6 per cent respectively in July.

In July, RTL Nederland acquired a 65 per cent stake in the leading pay video-on-demand (VOD) company in the Netherlands, which operates the VOD services Videoland and Movie Max Online.

RTL Nederland's network of websites (without syndication partners) generated a total number of video views of 392 million in the first nine months of 2013 (January to September 2012: 319 million). The most popular formats on catch-up were (next to the *Nieuws*) *Goede Tijden, Slechte Tijden, Voetbal International, The Voice Of Holland, The Voice Kids, The Bold And The Beautiful* and *Expeditie Robinson*. The rapid growth of mobile video views is demonstrated by the fact that RTL Nederlands' mobile apps generated 53 per cent of all online video views in 2013 (January to September 2012: 20 per cent).

RTL BELGIUM

Financial results

In the first nine months of 2013, in a TV advertising market estimated to be down by 3.9 per cent year-on-year, RTL Belgium's revenue fell only slightly, by 0.7 per cent to €146 million (January to September 2012: €147 million). EBITA was up 11.5 per cent to €29 million, reflecting cost savings in RTL Belgium's TV business during the first nine months of 2013.

	January to September 2013 € m	January to September 2012 € m	Per cent change
Revenue	**146**	147	(0.7)
EBITA	**29**	26	+11.5

Audience ratings

RTL Belgium's family of TV channels maintained its position as the market leader in French-speaking Belgium with a combined prime time audience share of 36.3 per cent among shoppers aged 18 to 54 (January to September 2012: 36.4 per cent). The flagship channel **RTL-TVI** recorded an audience share of 26.4 per cent in prime time (January to September 2012: 27.3 per cent), while **Club RTL** had an audience share of 7.4 per cent among male viewers aged 18 to 54 in prime time (January to September 2012: 6.3 per cent). **Plug RTL** reported a prime time audience share of 4.6 per cent among 15 to 34-year-old viewers (January to September 2012: 3.9 per cent).

According to the latest CIM audience survey, covering the period April to June 2013, **Bel RTL** and **Radio Contact** were the two most popular radio stations in French-speaking Belgium, with audience shares of 16.8 per cent and 14.6 per cent, respectively.

RTL RADIO (FRANCE)

Financial results

In the first nine months of 2013, the net radio advertising market in France was estimated to be stable compared the same period in 2012. Total revenue of the French RTL radio family decreased to €122 million (January to September 2012: €126 million), while EBITA remained stable at €12 million (January to September 2012: €12 million).

	January to September 2013 € m	January to September 2012 € m	Per cent change
Revenue	**122**	126	(3.2)
EBITA	**12**	12	–

Audience ratings

In the latest audience survey by Médiamétrie, for the period July to August 2013, the French RTL radio family maintained its market leadership. With a combined audience share of 18.2 per cent (July to August 2012: 18.0 per cent), the business unit's three stations – **RTL**, **RTL 2** and **Fun Radio** – continued to lead over their main commercial competitors, the radio family of NRJ (15.7 per cent). Due to the lower usage of radio during the summer holidays, the data of this period is not a major reference.

OTHER SEGMENTS

This segment mainly comprises the fully consolidated businesses RTL Klub (Hungary), RTL Hrvatska (Croatia), RTL Group's Luxembourgish activities, the German radio business, UFA Sports, and the associate Atresmedia (formerly Grupo Antena 3) in Spain.

RTL Hungary
RTL Klub in Hungary and its cable channels continued to operate in a difficult market environment, with the net TV advertising market estimated to be down 4.6 per cent. Revenue of the business unit was slightly up to €67 million (January to September 2012: €65 million), while EBITA improved to €8 million (January to September 2012: €4 million), mainly thanks to cost savings and higher contribution from the cable channels.

With a combined average prime time audience share of 37.5 per cent among viewers aged 18 to 49 in the first nine months of 2013 (January to September 2012: 36.4 per cent), the gap between the Hungarian RTL family of channels and its competitor TV 2 Group amounted to 18.7 percentage points. Flagship channel **RTL Klub** attracted an average 23.3 per cent of viewers aged 18 to 49 in prime time (January to September 2012: 23.7 per cent). The RTL cable channels increased their prime time audience share to 14.2 per cent in the same target group (January to September 2012: 12.7 per cent).

RTL Hrvatska
In Croatia, the advertising market was estimated to be down 3.4 per cent, with RTL Hrvatska clearly outperforming the market. Total revenue increased to €23 million (January to September 2012: €21 million), while EBITA improved significantly to minus €1 million (January to September 2012: minus €6 million).

RTL Hrvatska's channels achieved a combined prime time audience share of 27.5 per cent in the target group of viewers aged 18 to 49 (January to September 2012: 26.0 per cent). The flagship channel **RTL Televizija** recorded a prime time audience share of 20.4 per cent (January to September 2012: 20.5 per cent), while **RTL 2** increased its prime time audience share by 1.6 percentage points year-on-year, to 7.1 per cent. In winter 2013, RTL Hrvatska will launch its new children's and family channel, RTL Kockica.

Atresmeda in Spain
In the first nine months of 2013, Atresmedia significantly outperformed the Spanish TV advertising market that was estimated to be down 10.4 per cent year-on-year. Revenue increased to €581 million (January to September 2012: €513 million), as the market decline was offset by scope effects due to the additional advertising sales of the channels acquired from **La Sexta**. Accordingly, operating profit (EBITDA) – increased to €45 million (January

to September 2012: €12 million). Atresmedia's net profit amounted to €28 million for the first nine months of 2013. The net contribution to RTL Group's EBITA for the reporting period was €7 million, up from €1 million in the previous year.

Following the merger with La Sexta, Atresmedia reached its highest audience level ever in the first nine months of 2013, with an audience share of 30.7 per cent in the target group of viewers aged 16 to 54 (January to September 2012 on constant scope: 27.1 per cent). **Antena 3** and La Sexta were the only major channels in Spain to improve their audience shares year-on-year.

RTL Radio Deutschland reported stable revenue of €37 million in the first nine months of 2013. EBITA amounted to €6 million (January to September 2012: €7 million). **UFA Sports**' revenue increased to €29 million (January to September 2012: €13 million), mainly due to the sale of the Handball World Cup rights in January 2013.

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

for the periods to 30 September

	Three months ending 30 September 2013 € m	Three months ending 30 September 2012 € m	Nine months ending 30 September 2013 € m	Nine months ending 30 September 2012 € m
Continuing operations				
Revenue	**1,269**	1,296	**4,048**	4,111
Other operating income	**10**	19	**25**	33
Consumption of current programme rights	**(447)**	(450)	**(1,313)**	(1,355)
Depreciation, amortisation and impairment	**(39)**	(41)	**(128)**	(120)
Other operating expenses	**(637)**	(663)	**(1,940)**	(2,013)
Amortisation and impairment of fair value adjustments on acquisitions of subsidiaries and joint ventures	**(2)**	(3)	**(7)**	(8)
Gain/(loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	**4**	–	**5**	(1)
Profit from operating activities	**158**	158	**690**	647
Share of results of associates	**6**	4	**94**	5
Earnings before interest and taxes (“EBIT”)	**164**	162	**784**	652
Interest income	**2**	2	**7**	9
Interest expense	**(9)**	(4)	**(20)**	(15)
Financial results other than interest	**18**	2	**29**	(5)
Profit before taxes	**175**	162	**800**	641
Income tax expense	**(49)**	(45)	**(207)**	(192)
Profit for the period from continuing operations	**126**	117	**593**	449
Discontinued operations				
Loss for the period from discontinued operations	**–**	–	**–**	(1)
Profit for the period	**126**	117	**593**	448
Attributable to:				
RTL Group shareholders	**117**	105	**535**	379
Non-controlling interests	**9**	12	**58**	69
Profit for the period	**126**	117	**593**	448
EBITA* (continuing operations)	**162**	165	**714**	671
Reversal of/(loss on) impairment of investments in associates	–	–	**72**	(10)
Amortisation and impairment of fair value adjustments on acquisitions of subsidiaries and joint ventures	**(2)**	(3)	**(7)**	(8)
Gain/(loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	**4**	–	**5**	(1)
Earnings before interest and taxes (“EBIT”)	**164**	162	**784**	652
Earnings per share from continuing operations (in EUR)				
- Basic	**0.76**	0.68	**3.48**	2.48
- Diluted	**0.76**	0.68	**3.48**	2.48
Earnings per share from discontinued operations (in EUR)				
- Basic	**–**	–	**–**	(0.01)
- Diluted	**–**	–	**–**	(0.01)
Earnings per share (in EUR)				
- Basic	**0.76**	0.68	**3.48**	2.47
- Diluted	**0.76**	0.68	**3.48**	2.47

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

** EBITA represents earnings before interest and taxes excluding impairment of goodwill and of disposal group, and amortisation and impairment of fair value adjustments on acquisitions of subsidiaries and joint ventures, reversal of/(loss on) impairment of investments in associates, re-measurement of earn-out arrangements and gain or loss from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree*

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

for the periods to 30 September

	Three months ending 30 September		Nine months ending 30 September	
	2013 € m	2012 € m	**2013 € m**	2012 € m
Profit for the period	**126**	117	**593**	448
Other comprehensive income:				
Items that will not be reclassified to profit or loss:				
Actuarial gains/(losses) on post employment benefit obligations	**5**	(7)	**8**	(30)
Income tax	**(1)**	2	**(2)**	7
	4	(5)	**6**	(23)
Items that may be reclassified subsequently to profit or loss				
Foreign currency translation differences	**(7)**	3	**(17)**	10
Effective portion of changes in fair value of cash flow hedges	**(23)**	(25)	**(17)**	(4)
Income tax	**6**	8	**5**	1
	(17)	(17)	**(12)**	(3)
Change in fair value of cash flow hedges transferred to profit or loss	**(6)**	(10)	**(13)**	(21)
Income tax	**2**	3	**4**	6
	(4)	(7)	**(9)**	(15)
Fair value gains on available-for-sale financial assets	**14**	2	**25**	6
Income tax	**–**	–	**(2)**	(1)
	14	2	**23**	5
	(14)	(19)	**(15)**	(3)
Other comprehensive income/(loss) for the period, net of income tax	**(10)**	(24)	**(9)**	(26)
Total comprehensive income for the period	**116**	93	**584**	422
Attributable to:				
RTL Group shareholders	**107**	82	**526**	364
Non-controlling interests	**9**	11	**58**	58
Total comprehensive income for the period	**116**	93	**584**	422

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

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

	Notes	30 September 2013 € m	31 December 2012 € m
Non-current assets			
Programme and other rights		**123**	124
Goodwill		**2,710**	2,679
Other intangible assets		**203**	202
Property, plant and equipment		**326**	346
Investments in associates	10.	**322**	251
Loans and other financial assets	11.	**134**	239
Deferred tax assets		**368**	377
		4,186	4,218
Current assets			
Programme rights		**1,075**	906
Other inventories		**29**	30
Income tax receivable		**50**	86
Accounts receivable and other financial assets	12.	**1,593**	2,005
Cash and cash equivalents		**377**	650
		3,124	3,677
Assets classified as held for sale		**–**	3
Current liabilities			
Loans and bank overdrafts		**320**	16
Income tax payable		**79**	79
Accounts payable		**2,360**	2,156
Provisions		**196**	221
		2,955	2,472
Net current assets		**169**	1,208
Non-current liabilities			
Loans		**512**	13
Accounts payable		**304**	319
Provisions		**167**	174
Deferred tax liabilities		**60**	62
		1,043	568
Net assets		**3,312**	4,858
Equity attributable to RTL Group shareholders		**2,891**	4,366
Equity attributable to non-controlling interests		**421**	492
Equity		**3,312**	4,858

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 September

	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 2012	**192**	**(44)**	**(150)**	**52**	**76**	**4,470**	**4,596**	**497**	**5,093**
Total comprehensive income:									
Profit for the period	–	–	–	–	–	379	379	69	**448**
Foreign currency translation differences	–	–	10	–	–	–	10	–	**10**
Effective portion of changes in fair value of cash flow hedges, net of tax	–	–	–	(2)	–	–	(2)	(1)	**(3)**
Change in fair value of cash flow hedges transferred to profit and loss, net of tax	–	–	–	(15)	–	–	(15)	–	**(15)**
Fair value gains/(losses) on available-for-sale financial assets, net of tax	–	–	–	–	12	–	12	(7)	**5**
Defined benefit plan actuarial losses, net of tax	–	–	–	–	–	(20)	(20)	(3)	**(23)**
	–	–	10	(17)	12	359	364	58	**422**
Capital transactions with owners:									
Dividends	–	–	–	–	–	(783)	(783)	(89)	**(872)**
Equity-settled transactions net of tax	–	–	–	–	–	2	2	2	**4**
Transactions on non-controlling interests without a change in control	–	–	–	–	–	(15)	(15)	(1)	**(16)**
Transactions on non-controlling interests with a change in control	–	–	–	–	–	–	–	1	**1**
Transactions on treasury shares of associates	–	–	–	–	–	(3)	(3)	–	**(3)**
Derivatives on equity instruments	–	–	–	–	–	2	2	2	**4**
	–	–	–	–	–	(797)	(797)	(85)	**(882)**
Balance at 30 September 2012	192	(44)	(140)	35	88	4,032	4,163	470	**4,633**
Balance at 1 January 2013	192	(44)	(142)	21	96	(2,211)	4,366	492	**4,858**
Total comprehensive income:									
Profit for the period	–	–	–	–	–	535	535	58	**593**
Foreign currency translation differences	–	–	(16)	–	–	–	(16)	(1)	**(17)**
Effective portion of changes in fair value of cash flow hedges, net of tax	–	–	–	(11)	–	–	(11)	(1)	**(12)**
Change in fair value of cash flow hedges transferred to profit and loss, net of tax	–	–	–	(9)	–	–	(9)	–	**(9)**
Fair value gains on available-for-sale financial assets, net of tax	–	–	–	–	22	–	22	1	**23**
Defined benefit plan actuarial losses, net of tax	–	–	–	–	–	5	5	1	**6**
	–	–	(16)	(20)	22	540	526	58	**584**
Capital transactions with owners:									
Dividends	–	–	–	–	–	(1,998)	(1,998)	(137)	**(2,135)**
Equity-settled transactions net of tax	–	–	–	–	–	1	1	2	**3**
Transactions on non-controlling interests without a change in control	–	–	–	–	–	(5)	(5)	1	**(4)**
Transactions on non-controlling interests with a change in control	–	–	–	–	–	–	–	4	**4**
Derivatives on equity instruments	–	–	–	–	–	1	1	1	**2**
	–	–	–	–	–	(2,001)	(2,001)	(129)	**(2,130)**
Balance at 30 September 2013	**192**	**(44)**	**(158)**	**1**	**118**	**(3,672)**	**2,891**	**421**	**3,312**

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 September

	Three months ending 30 September		**Nine months ending 30 September**	
	2013 € m	2012 € m	**2013 € m**	2012 € m
Cash flows from operating activities (including discontinued operations)				
Profit before taxes from continuing operations	**175**	162	**800**	641
Loss before taxes from discontinued operations	**–**	–	**–**	(1)
	175	162	**800**	640
Adjustments for:				
- Depreciation and amortisation	**40**	41	**128**	123
- Value adjustments, impairment and provisions	**4**	6	**44**	80
- Equity-settled share-based payments expenses	**1**	1	**3**	4
- Gain on disposal of assets	**(12)**	(17)	**(18)**	(43)
- Financial results including net interest expense and share of results of associates	**(24)**	–	**(86)**	42
Use of provisions	**(27)**	(10)	**(68)**	(55)
Working capital changes	**4**	47	**71**	49
Income taxes paid	**(48)**	(52)	**(180)**	(277)
Net cash from operating activities	**113**	178	**694**	563
- thereof used in discontinued operations Alpha	**–**	–	**–**	(3)
Cash flows from investing activities (including discontinued operations)				
Acquisitions of :				
- Programme and other rights	**(24)**	(36)	**(58)**	(75)
- Subsidiaries and joint ventures, net of cash acquired	**(7)**	–	**(73)**	1
- Other intangible and tangible assets	**(21)**	(19)	**(54)**	(67)
- Other investments and financial assets	**(5)**	(4)	**(15)**	(34)
Current deposit with shareholder	**–**	(48)	**–**	(25)
	(57)	(107)	**(200)**	(200)
Proceeds from the sale of intangible and tangible assets	**7**	26	**21**	26
Disposal of other subsidiaries and joint ventures net of cash disposed of	**1**	(1)	**–**	(3)
Proceeds from the sale of associates, other investments and financial assets	**107**	2	**113**	35
Current deposit with shareholder	**–**	–	**426**	336
Interest received	**3**	2	**24**	10
	118	29	**584**	404
Net cash from/(used in) investing activities	**61**	(78)	**384**	204
- thereof used in discontinued operations Alpha	**–**	–	**–**	(2)
Cash flows from financing activities (including discontinued operations)				
Interest paid	**(1)**	–	**(2)**	(18)
Transactions with non-controlling interests	**(4)**	(7)	**(3)**	(12)
Proceeds from loans	**291**	–	**800**	8
Repayment of loans	**(1)**	(13)	**(4)**	(55)
Dividends paid	**(391)**	(6)	**(2,137)**	(875)
Net cash used in financing activities	**(106)**	(26)	**(1,346)**	(952)
- thereof used in discontinued operations Alpha	**–**	–	**–**	(20)
Net decrease in cash and cash equivalents	**68**	74	**(268)**	(185)
Cash and cash equivalents and bank overdrafts at beginning of period	**307**	442	**645**	700
Effect of exchange rate fluctuation on cash held	**(1)**	–	**(3)**	1
Cash and cash equivalents and bank overdrafts at end of period	**374**	516	**374**	516

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 parent company, is domiciled and incorporated in Luxembourg. This condensed consolidated interim financial information is presented in accordance with the requirements of IAS 34 Interim Financial Reporting as adopted by the European Union and should be read in conjunction with the consolidated annual financial statements for the year ended 31 December 2012.

RTL 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. The 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 11 November 2013 by the Audit Committee upon delegation granted by the Board of Directors.

2. SIGNIFICANT ACCOUNTING POLICIES

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

1. New and amended standards and interpretations adopted by the Group
The following standards, amendments to standards and new interpretations are mandatory for the first time for the financial period beginning 1 January 2013, but are not currently relevant or have no or very limited impact for the Group:

- IAS 12 (amendments), "Deferred tax: recovery of underlying assets" – effective from 1 January 2013;
- IAS 19, "Employee benefits" (amendments published in June 2011) – effective from 1 January 2013;
- IFRIC 20, "Stripping costs in the production phase of a surface mine" – effective from 1 January 2013;
- IFRS 1 (amendments), "First-time adoption of International Financial Reporting Standards – Government loans" – effective from 1 January 2013;
- IFRS 7 (amendments), "Financial instruments: disclosures on offsetting financial assets and financial liabilities" – effective from 1 January 2013;
- IFRS 13, "Fair value measurement" – effective from 1 January 2013;
- Improvements to IFRSs 2009-2011 – effective from 1 January 2013.

2. Standards and amendments to existing standards that are not yet effective and have not been early adopted by the Group
The following new standard has been published but is not effective for the Group's accounting period beginning on 1 January 2013:

- IFRS 9, "Financial instruments", addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. The Group is yet to assess IFRS 9's full impact and intends to adopt IFRS 9 no later than the accounting period beginning on or after 1 January 2015 (1).

(1) These standards, interpretations and amendments have not been yet endorsed by the European Union.

The following new standards and amendments to standards have been published but are not effective for the Group's accounting period beginning on 1 January 2013 and are expected to have a limited impact for the Group:

- IAS 27, "Separate financial statements" (revised 2011) – effective from 1 January 2014;
- IAS 28, "Associates and joint ventures" (revised 2011) – effective from 1 January 2014;
- IAS 32 (amendments), "Financial instruments: presentation – offsetting financial assets and financial liabilities" – effective from 1 January 2014;
- IAS 36, "Impairment of assets" (amendments) – effective from 1 January 2014 (1);
- IAS 39, "Financial instruments: recognition and measurement" (amendments) – effective from 1 January 2014 (1);
- IFRS 10, "Consolidated financial statements" – effective from 1 January 2014;
- IFRS 11, "Joint arrangements" – effective from 1 January 2014;
- IFRS 12, "Disclosures of interests in other entities" – effective from 1 January 2014;
- IFRS 10, 11 and 12 (amendments), "Transition guidance" – effective from 1 January 2014;
- IFRS 10, 12 and IAS 27 (amendments), "Consolidation for investment entities" – effective from 1 January 2014 (1);
- IFRIC 21, "Levies" – effective from 1 January 2014 (1).

(1) These standards, interpretations and amendments have not been yet endorsed by the European Union.

3. ACCOUNTING ESTIMATES AND JUDGEMENTS

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

In preparing these condensed consolidated interim financial information the significant judgements made by the Management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2012.

4. FINANCIAL RISK MANAGEMENT

4. 1. Financial risks factors

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

The condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the Group's annual financial statements as at 31 December 2012. There have been no changes in the risk management department since year end or in any risk management policies except on interest rate and liquidity risk as described below.

Interest rate risk

Since the payment of an interim dividend on 7 March 2013, RTL Group entered financing agreements with Bertelsmann SE & Co. KGaA (see note 13.). Following this dividend, the Group interest rate risk arises primarily from cash and cash equivalents and from loans payable.

The objective of the interest rate risk management policy is to minimise the interest rate funding cost over the long-term and to maximise the excess cash return.

In order to minimize the interest rate funding cost of the shareholder loan (see note 14.), the Group entered into a 10-year-term loan facility in the amount of €500 million with a fixed interest rate of 2.713 per cent per year. The term loan matures on 7 March 2023. The fair value of 10-year-terms 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 €504 million. Under the same shareholder loan agreement, the Group also has access to a revolving and swingline facility of up to €1 billion. The revolving and swingline facilities mature on 24 February 2018. The interest rates for loans under the revolving and swingline facilities are EURIBOR plus a margin of 0.60 per cent per year and EONIA plus a margin of 0.60 per cent per year, respectively. The balance between the fixed versus floating rate ratio might change substantially following the loan agreements described above. Management intends to maintain a suitable fixed versus floating rate ratio, taking into account interest rate yield curves. This percentage can be reviewed at the discretion of the Treasury Committee until the optimum mix between fixed and floating rates has been achieved. The Group considers if the predominance of floating rate debt is appropriate in view of the overall state of the economy, short-term interest rates and the Group's results.

In order to maximise the excess cash return on cash balances, cross border cash pooling has been set up for most of the entities of the Group. The interest rate strategy defined by RTL Group depends on the net cash position of each company.

When RTL Group has excess cash, the Treasury Committee defines the appropriate average tenor of the short-term placements based on business seasonality and regularly reviewed cash flow forecasts. Interest income depends on the evolution of floating interest rates and can potentially, in a low interest rate environment, generate a shortfall of income against interest expense.

Group Treasury uses various indicators to monitor interest rate risk, such as a targeted net fixed/floating rate debt ratio, duration, basis point value (increase in interest rate costs resulting from a basis point increase in interest rate) and interest cover ratio (i.e. adjusted EBITA over net interest expense as defined by rating agencies).

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, having an adequate amount of committed credit facilities and the ability to close out market positions. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group Treasury. Group Treasury monitors rolling forecasts on the Group's liquidity requirements to ensure it has sufficient headroom to meet operational needs.

In addition to the credit facilities with banks as disclosed in the annual report 2012, RTL Group has credit facilities with Bertelsmann SE & Co. KGaA as disclosed above.

Surplus cash held by the operating entities over and above balances required for working capital management is transferred to Group Treasury. Group Treasury uses such surplus cash to repay, on a timely basis, part(s) of the shareholder loan with Bertelsmann SE & Co. KGaA (see note 14.). Should the Group attain a net cash position (excluding the long term loan with Bertelsmann SE & Co. KGaA), Group Treasury will invest surplus cash in interest bearing current accounts, time deposits, money market funds or other deposits choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the above-mentioned forecasts. Surplus cash may be deposited with Bertelsmann SE & Co. KGaA if terms and conditions exceed, or at least match, those that could be obtained in the market.

4. 2. Accounting classifications and fair value hierarchy

4. 2. 1. Financial instruments by category

The fair value of each class of financial assets and liabilities approximate their carrying amount.

4. 2. 2. Fair value hierarchy

The following table presents the Group's financial assets and liabilities measured at fair value. The different levels have been defined as follows:

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

	Total € m	Level 1 € m	Level 2 € m	Level 3 € m
Assets				
Financial assets at fair value through profit or loss	**40**	–	40	–
Available-for-sale investments	**153**	20	66	67
Derivatives used for hedging	**25**	–	25	–
At 30 September 2013	**218**	20	131	67
Liabilities				
Derivatives used for hedging	**29**	–	29	–
At 30 September 2013	**29**	–	29	–

There were no transfers between levels 1, 2 and 3 during the period.

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

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

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

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, are used to determine fair value for the remaining financial instruments.

The following table presents the change in level 3 instruments for the period ended 30 September.

	Financial assets at fair value through profit or loss € m	Available-for-sale investments € m	**Total € m**
Balance at 1 January	79	57	**136**
Purchases	–	7	**7**
Disposal (see note 12.)	(81)	–	**(81)**
Gains recognised in other comprehensive income	–	3	**3**
Gains recognised in profit or loss	2	–	**2**
Effect of movements in foreign exchange	–	–	**–**
Balance at 30 September	–	67	**67**
Total gains for the period included in profit or loss for assets held at the end of the reporting period	2	–	**2**

5. DISCONTINUED OPERATIONS

On 20 February 2012, RTL Group disposed of Alpha which was presented as a discontinued operation at 30 September 2012 and 31 December 2012.

6. SEGMENT REPORTING

	Mediengruppe RTL Deutschland		Groupe M6	
Three months ending 30 September	2013 € m	2012 € m	2013 € m	2012 € m
Revenue from external customers	**416**	407	**293**	281
Inter-segment revenue	**1**	1	**1**	2
Total Revenue	**417**	408	**294**	283
Profit/(loss) from operating activities	**91**	79	**26**	33
Share of results of associates	**5**	6	**–**	–
EBIT	**96**	85	**26**	33
EBITA (continuing operations)	**93**	86	**27**	35
Impairment of investments in associates	**–**	–	**–**	–
Amortisation and impairment of fair value adjustments on acquisitions of subsidiaries and joint ventures	**(1)**	(1)	**(1)**	(2)
Gain/(loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	**4**	–	**–**	–
EBIT	**96**	85	**26**	33
Interest income				
Interest expense				
Financial results other than interest				
Income tax expense				
Profit for the period from continuing operations				

	Mediengruppe RTL Deutschland		Groupe M6	
Nine months ending 30 September	2013 € m	2012 € m	2013 € m	2012 € m
Revenue from external customers	**1,359**	1,339	**985**	986
Inter-segment revenue	**2**	2	**7**	8
Total Revenue	**1,361**	1,341	**992**	994
Profit/(loss) from operating activities	**388**	353	**149**	155
Share of results of associates	**14**	12	**–**	–
EBIT	**402**	365	**149**	155
EBITA (continuing operations)	**399**	366	**154**	161
Impairment of investments in associates	**–**	–	**–**	–
Amortisation and impairment of fair value adjustments on acquisitions of subsidiaries and joint ventures	**(1)**	(1)	**(5)**	(6)
Gain/(loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	**4**	–	**–**	–
EBIT	**402**	365	**149**	155
Interest income				
Interest expense				
Financial results other than interest				
Income tax expense				
Profit for the period from continuing operations				

	FremantleMedia		RTL Nederland		RTL Belgium		French radio		Other segments		Eliminations		Total Group	
	2013 € m	2012 € m	**2013 € m**	2012 € m	**2013 € m**	2012 € m	**2013 € m**	2012 € m	**2013 € m**	2012 € m	**2013 € m**	2012 € m	**2013 € m**	2012 € m
	324	387	**94**	89	**40**	38	**36**	36	**66**	58	**–**	–	**1,269**	1,296
	40	35	**–**	–	**1**	1	**–**	1	**9**	8	**(52)**	(48)	**–**	–
	364	422	**94**	89	**41**	39	**36**	37	**75**	66	**(52)**	(48)	**1,269**	1,296
	30	42	**20**	17	**4**	1	**(1)**	(1)	**(12)**	(13)	**–**	–	**158**	158
	–	–	**–**	–	**–**	–	**–**	–	**1**	(2)	**–**	–	**6**	4
	30	42	**20**	17	**4**	1	**(1)**	(1)	**(11)**	(15)	**–**	–	**164**	162
	30	42	**20**	17	**4**	1	**(1)**	(1)	**(11)**	(15)	**–**	–	**162**	165
	–	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–
	–	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**(2)**	(3)
	–	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**4**	–
	30	42	**20**	17	**4**	1	**(1)**	(1)	**(11)**	(15)	**–**	–	**164**	162
													2	2
													(9)	(4)
													18	2
													(49)	(45)
													126	117

	FremantleMedia		RTL Nederland		RTL Belgium		French radio		Other segments		Eliminations		Total Group	
	2013 € m	2012 € m	**2013 € m**	2012 € m	**2013 € m**	2012 € m	**2013 € m**	2012 € m	**2013 € m**	2012 € m	**2013 € m**	2012 € m	**2013 € m**	2012 € m
	924	1,037	**308**	297	**145**	146	**120**	124	**207**	182	**–**	–	**4,048**	4,111
	111	105	**–**	–	**1**	1	**2**	2	**28**	27	**(151)**	(145)	**–**	–
	1,035	1,142	**308**	297	**146**	147	**122**	126	**235**	209	**(151)**	(145)	**4,048**	4,111
	77	81	**58**	55	**29**	26	**12**	12	**(23)**	(35)	**–**	–	**690**	647
	–	(10)	**–**	–	**–**	–	**–**	–	**80**	3	**–**	–	**94**	5
	77	71	**58**	55	**29**	26	**12**	12	**57**	(32)	**–**	–	**784**	652
	77	82	**58**	55	**29**	26	**12**	12	**(15)**	(31)	**–**	–	**714**	671
	–	(10)	**–**	–	**–**	–	**–**	–	**72**	–	**–**	–	**72**	(10)
	–	–	**–**	–	**–**	–	**–**	–	**(1)**	(1)	**–**	–	**(7)**	(8)
	–	(1)	**–**	–	**–**	–	**–**	–	**1**	–	**–**	–	**5**	(1)
	77	71	**58**	55	**29**	26	**12**	12	**57**	(32)	**–**	–	**784**	652
													7	9
													(20)	(15)
													29	(5)
													(207)	(192)
													593	449

	Mediengruppe RTL Deutschland		Groupe M6	
	September 2013 € m	December 2012 € m	**September 2013 € m**	December 2012 € m
Segment assets (assets classified as held for sale and associates excluded)	**1,525**	1,476	**1,489**	1,476
Investments in associates	**52**	60	**–**	–
Assets classified as held for sale and assets related to discontinued operations	**–**	–	**–**	–
Segment assets	**1,577**	1,536	**1,489**	1,476
Segment liabilities (liabilities directly associated with non-current assets classified as held for sale excluded)	**905**	849	**665**	618
Segment liabilities	**905**	849	**665**	618
Invested capital	**672**	687	**824**	858

Segment assets				
Deferred tax assets				
Income tax receivable				
Other assets				
Cash and cash equivalents				
Total Assets				

Segment liabilities				
Deferred tax liabilities				
Income tax payable				
Other liabilities				
Total Liabilities				

FremantleMedia		RTL Nederland		RTL Belgium		French radio		Other segments		Eliminations		Total Group	
September 2013 € m	December 2012 € m	**September 2013 € m**	December 2012 € m	**September 2013 € m**	December 2012 € m	**September 2013 € m**	December 2012 € m	**September 2013 € m**	December 2012 € m	**September 2013 € m**	December 2012 € m	**September 2013 € m**	December 2012 € m
1,690	1,763	**391**	361	**158**	172	**148**	179	**504**	558	**(131)**	(123)	**5,774**	5,862
–	–	**–**	–	**–**	–	**–**	–	**270**	191	**–**	–	**322**	251
–	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–
1,690	1,763	**391**	361	**158**	172	**148**	179	**774**	749	**(131)**	(123)	**6,096**	6,113
437	550	**144**	120	**113**	104	**61**	73	**290**	287	**(131)**	(123)	**2,484**	2,478
437	550	**144**	120	**113**	104	**61**	73	**290**	287	**(131)**	(123)	**2,484**	2,478
1,253	1,213	**247**	241	**45**	68	**87**	106	**484**	462	**–**	–	**3,612**	3,635
												6,096	6,113
												368	377
												50	86
												419	672
												377	650
												7,310	7,898
												2,484	2,478
												60	62
												79	79
												1,375	421
												3,998	3,040

7. ACQUISITIONS AND DISPOSALS

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

September 2013

Broadband TV

On 20 June 2013, RTL Group acquired 57.5 per cent of Broadband TV Corp. (51 per cent on a fully diluted per share basis). Broadband TV is the fourth largest multi-channel network on YouTube. The transaction accelerates RTL Group's expansion strategy in the online video market, especially in the new generation of video channels, networks and aggregators distributed via internet and requiring the ability to aggregate, manage and monetise audiences across a large number of channels. The transaction qualified as a business combination since RTL Group gained the control of Broadband TV.

The purchase consideration, partly contributed to Broadband TV, amounted to €23 million, net of cash acquired and resulted in the recognition of a provisional goodwill of €24 million. At 30 September 2013, the contingent consideration based on a variable performance component that includes earn-out mechanisms up to a maximum and undiscounted amount of €11 million, has been recognised for €2 million. The goodwill arising from the acquisition is not expected to be tax deductible. The transaction related costs amount to €2 million.

	2013 €m
Cash and cash equivalents	8
Accounts receivable and other financial assets	5
Accounts payable	(2)
Non-controlling interests	(4)
Net assets acquired	**7**
Goodwill	24
Total purchase consideration	**31**
Less:	
Contingent consideration	(2)
Cash and cash equivalents in operations acquired	(8)
Cash outflow on acquisitions	**21**

The Entertainment Group

On 22 July 2013, RTL Group acquired 65 per cent of The Entertainment Group ("TEG"), the number one Transaction Video-On-Demand company in the Netherlands. TEG, under the brand name Videoland, complements RTL Nederland's offer of non-linear video viewing. The remaining 35 per cent interest is subject to a put/call option based on a variable component. The fair value of the put option has been recognised as a liability. The transaction qualified as a business combination since RTL Group gained the control of TEG for a consideration, net of cash acquired, of €13 million.

The transaction resulted in the recognition of a provisional goodwill of €13 million. At 30 September 2013, contingent consideration amounts to €6 million. Goodwill in connection with this transaction will not be tax deductible. The acquisition-related costs of €0.2 million, mainly consisting of legal fees and due diligence costs, have been recognised in "Other operating expenses".

	2013 €m
Cash and cash equivalents	1
Accounts receivable and other financial assets	4
Accounts payable	(4)
Non-controlling interests	
Net assets acquired	**1**
Goodwill	13
Total purchase consideration	**14**
Less:	
Contingent consideration	(6)
Cash and cash equivalents in operations acquired	(1)
Cash outflow on acquisitions	**7**

Other acquisitions and disposals, increases in interest held in subsidiaries

- On 18 April 2013, RTL Group acquired 20 per cent of Future Whiz Media BV through a contribution to the share capital and share premium and an air-time contribution. The company manages a subscription-based educational online platform in the Netherlands, Squla. The acquisition is in line with the strategy of the Group to expand online. Jointly controlled, the company is proportionately consolidated. The purchase consideration amounted to €2 million, net of cash acquired and resulted in the recognition of a provisional goodwill of €2 million;
- The full amount of the earn-out mechanism granted to the sellers of Original FMM LLC (Original Productions) on 20 February 2009 was paid by RTL Group in January 2013 for an amount of €38 million;
- The put option on Ludia Inc of 9.5 per cent concluded on 1 October 2010 at the time of the acquisition has been exercised and paid in May 2013 by RTL Group for an amount of €5 million. The remaining options are expected to be exercised during the first quarters of 2014 and 2015.

Details of the net assets acquired and goodwill are as follows:

	2013 € m
Purchase consideration:	
– Cash paid	81
– Payments on prior years' acquisitions	(44)
– Contingent consideration	8
– Deferred consideration	1
Total purchase consideration	**46**
Less:	
Fair value of net assets acquired	(5)
Goodwill	**41**

The net assets and liabilities arising from the acquisitions are as follows:

	2013 Fair value € m
Cash and cash equivalents	8
Accounts receivable and other financial assets	9
Accounts payable	(7)
Loans payable	(1)
Non-controlling interests	(4)
Net assets acquired	**5**
Goodwill	41
Total purchase consideration	**46**
Less:	
Payments on prior years' acquisitions	(1)
Contingent consideration	(8)
Payments on prior years' acquisitions	44
Cash and cash equivalents in operations acquired	(8)
Cash outflow on acquisitions	**73**

September 2012

There were no major acquisitions in the period ended 30 September 2012. The Group incurred insignificant acquisition related costs.

Other acquisitions and disposals, increases in interest held in subsidiaries

- On 2 January 2012, RTL Group acquired 100 per cent of Gutscheine.de HSS GmbH (renamed "Smart Shopping and Saving GmbH" since 2 August 2013) operating online couponing sites. The acquisition strengthens RTL Group's position in Germany within the online market. The transaction qualified as a business combination since RTL Group gained the control of Gutscheine.de. The purchase accounting did not lead to recognition of additional identifiable assets and liabilities. The purchase consideration, net of cash acquired, amounts to €3 million resulting in the recognition of a goodwill of €3 million. An amount of €2.5 million was already cashed-out in 2011. At 30 September 2012, the contingent consideration based on a variable performance component included in an earn-out mechanism amounts to €0.5 million.
- On 2 August 2012, the Group acquired 25 per cent of Apareo Holding GmbH which comes in addition to the 50 per cent previously held. The business was launched in 2012 and is based on the development of system solutions for sport organisations, clubs and associations in order to monetise the attractiveness of their brand from an online virtual market place. The transaction qualified as a business combination since RTL Group gained the control of Apareo. The purchase consideration, net of cash acquired, amounted to €2.3 million resulting in the recognition of a goodwill of €2 million. In addition to a capital increase of €0.3 million, an amount of €1.1 million was already cashed-out in 2011. At 31 December 2012, the contingent consideration based on a variable performance component includes an earn-out mechanism fully recognised for an amount of €0.6 million. On 12 August 2013, RTL Group acquired the remaining 25 per cent from the non-controlling shareholders. The acquisition has been accounted for as equity transaction.

8. SEASONALITY OF OPERATIONS

RTL Group's revenue is generally lower in the summer months due to a reduction in advertising spend although this is compensated by higher advertising revenue in the run up to the Christmas period.

9. IMPAIRMENT TEST FOR GOODWILL

No impairment loss on goodwill was recorded during the first nine months of 2013.

Management consider that, at 30 September 2013, no reasonably possible change in the market shares, margin and cash conversion rates would significantly reduce the headroom between the recoverable amounts and the carrying values of the cash-generating units, with the exception of Hungarian-language cable channels and M-RTL.

For Hungarian-language cable channels and M-RTL, if, for the last quarter of 2013 and each of the following years, the estimated revenue growth and the EBITA margin had been reduced by 1 per cent and the discount rate had been increased by 1 per cent, this would have resulted in an impairment loss against goodwill of €20 million.

10. INVESTMENTS IN ASSOCIATES

The recoverable amount of Atresmedia has been determined on the basis of the fair value less costs to sell at 30 September 2013. RTL Group management consequently recorded the full reversal of impairment of investment in associate of €72 million recognised at 31 December 2012 (reversal of €72 million already recorded at 30 June 2013) against the carrying amount of Atresmedia (€246 million at 30 September 2013). Would the stock price of Atresmedia have been 10 per cent lower at 30 September 2013, the reversal on impairment in associate would not be affected.

On 15 January 2013, once the approvals of the competition and media authorities were received, the disposal of the 16 per cent stake of Radio Regenbogen Hörfunk in Baden GmbH & Co. KG (directly held by the associated company AVE I Vermögensverwaltungsgesellschaft mbH & Co. KG and indirectly through AVE V Vermögensverwaltungsgesellschaft mbH also disposed of) was completed. The capital gain and sale proceed amounted to €1 million at 30 September 2013.

On 10 September 2013, RTL Group disposed of the remaining 20 per cent held in arvato systems S4M GmbH to Arvato Systems GmbH. The transaction resulted from the exercise, by Arvato Systems GmbH, of the call option granted in January 2006 when RTL Group disposed of the first 80 per cent interest held in Arvato Systems S4M GmbH. The capital gain and sale proceed amounted to €4 million at 30 September 2013.

11. LOANS AND OTHER FINANCIAL ASSETS

On 13 January 2012, Groupe M6 disposed of its 9.1 per cent interest in Summit Entertainment following the sale of the studio to Lions Gate. RTL Group recognised a capital gain from the disposal of €20 million presented in “Financial results other than interest” and received a 0.4 per cent interest in Lions Gate. This available-for-sale investment is listed on the New York Stock Exchange and presented in level 1 according to the IFRS 7 guidance. During the first nine months of 2013, Groupe M6 disposed of 254,870 shares of Lions Gate out of 531,093 held at 31 December 2012 and recognised a capital gain before tax of €3 million.

Lions Gate investment and other non-monetary financial instruments have been reclassified to current assets in “Accounts receivable and other financial assets” (see note 12.).

12. ACCOUNTS RECEIVABLE AND OTHER FINANCIAL ASSETS

The dividend pay-out of €1.6 billion on 7 March 2013 was funded by the Group’s deposit (€426 million at 31 December 2012) and by debt in the form of shareholder loans from Bertelsmann (see note 14.).

Following the exercise of its put option and the disposal of its 7.5 per cent held in National Media Group (“NMG”), RTL Group has received, on 19 September 2013, €81 million for this financial instrument which was designated at fair value through profit or loss. RTL Group also disposed of some non-monetary financial instruments during the third quarter.

13. DIVIDENDS

On 24 February 2013, the Board of Directors of RTL Group SA decided to distribute an interim dividend, comprising an ordinary dividend of €5.10 per share and an extraordinary dividend of 5.40 per share. The dividends were paid on 7 March 2013.

The Annual General Meeting of the 17 April 2013 declared and approved this interim dividend as final. The dividend paid by RTL Group SA amounted to €1,623 million (2011: €789 million).

On 21 August 2013, RTL Group’s Board of Directors authorised the distribution of an extraordinary interim dividend of €2.50 per share. The payment on 5 September 2013 amounted to €387 million.

14. RELATED PARTY TRANSACTIONS

Financing

Deposits Bertelsmann SE & Co. KGaA

With the view to invest its cash surplus, RTL Group SA 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 its interests in the German limited liability partnership Gruner + Jahr AG Co. KG (73.4 per cent stake);
  - All shares of its wholly owned English subsidiary Bertelsmann UK Ltd.

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

On 7 March 2013, the deposit was reimbursed to RTL Group SA (at 31 December 2012, the amount – principal deposited amounts to €51 million on an overnight basis and €300 illion on a five-month basis). The interest income for the period amounts to €0.2 million (2012: €2.5 million).

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

On 7 March 2013 the deposit was reimbursed to RTL Group Deutschland GmbH (at 31 December 2012, the four-month deposit amounted to €75 million). The interest income for the period is insignificant (2012: €0.5 million).

RTL Group SA 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 September 2013, the balance of the cash pooling payable amounts to € nil million (2012: € nil million). The interest income/expense for the period is insignificant (2012: below €1 million).

Loans from Bertelsmann SE & Co. KGaA

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

- Term loan facility of €500 million until 7 March 2023 bearing interest at 2.713 per cent per annum; RTL Group S.A. has the right to early repay the loan subject to break costs. At 30 September 2013, the term loan balance amounts to €500 million;
- Revolving loans bear interest at the applicable EURIBOR plus a margin of 0.60 per cent per annum, and swingline loans bear interest at EONIA plus a margin of 0.60 per cent per annum. A commitment fee of 35 per cent of the applicable margin is payable where for purposes of calculation of the payable commitment fee the available commitment under the revolving and swingline facilities will be reduced by €200 million. At 30 September 2013, the total of revolving and swingline loan amounts to € 290 million.

The interest expense for the period amounts to €8.4 million. The commitment fee charge for the period amounts to €0.9 million.

Tax

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

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

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 indebtness of RTL Group in the future.

As at 30 September 2013, the balance payable to BCH amounts to €346 million (December 2012: €191 million) and the balance receivable from Bertelsmann SE & Co. KGaA amounts to €299 million (December 2012: €122 million).

For the period ended 30 September 2013, the German income tax in relation to the tax pooling with Bertelsmann SE & Co. KGaA amounts to €84 million (September 2012: €77 million). The Commission amounts to €37 million (September 2012: €38 million).

The UK Group relief of FremantleMedia Group to Bertelsmann Group resulted in a tax income of €3 million (September 2012: €10 million).

Others

In September 2013, RTL Group disposed of the investment held in the associate Arvato Systems S4M GmbH, 100 per cent affiliate of Bertelsmann SE & Co. KGaA (see note 10.).

15. SUBSEQUENT EVENTS

On 6 November 2013, FremantleMedia announced that it signed a deal to acquire a majority stake in Miso Film, a leading Danish scripted independent production company. By acquiring a 51 per cent holding in Miso Film – with the opportunity to acquire the remaining shareholding in the future – FremantleMedia strengthens both its scripted business and its Nordic presence.

FINANCIAL CALENDAR

6 March 2014	**Full-year results 2013**
16 April 2014	**Annual General Meeting (AGM) 2014**
8 May 2014	**Results Q1/2014**

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