



HALF-YEAR RESULTS 2012

23 August 2012

Anke Schäferkordt, Co-CEO

Guillaume de Posch, Co-CEO

Elmar Heggen, CFO

ANALYSTS'
PRESENTATION

The leading European entertainment network

RTL
GROUP

● HALF-YEAR HIGHLIGHTS

- Business Review
- Financial Review
- Business Outlook
- Strategy

REVENUE
€2.8 billion

up
3.3%

REPORTED EBITA continuing operations

€506 million

EBITA MARGIN

18.0%

CASH CONVERSION

104%

NET CASH POSITION

€634 million

NET RESULT

€274 million

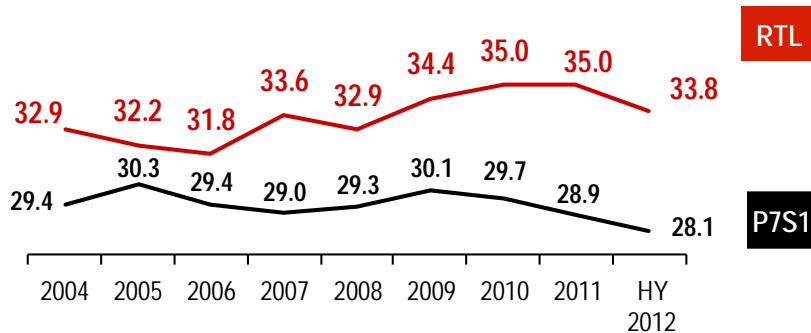
SOLID RESULTS IN TOUGH ECONOMIC ENVIRONMENT

Agenda

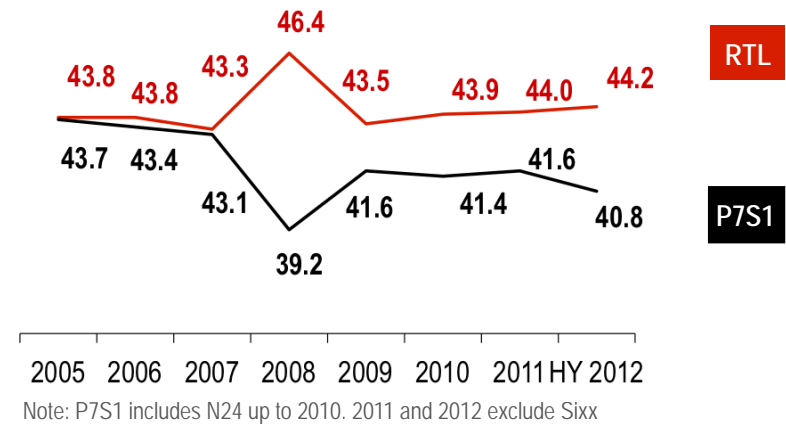
- Half-year highlights
- **BUSINESS REVIEW**
- Financial Review
- Business Outlook
- Strategy

AUDIENCE SHARE – FAMILY OF CHANNELS

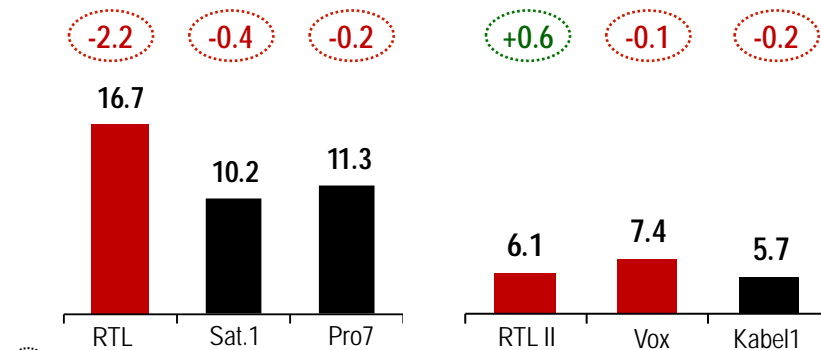
14-49 (in %)



SHARE OF NET ADVERTISING MARKET (in %)

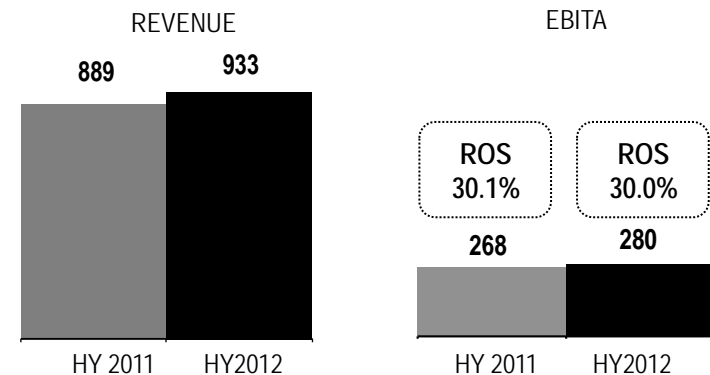


AUDIENCE SHARE 14-49 (in %)



X Percentage point deviation vs HY 2011
Source: GfK, ZAW and RTL Group estimates

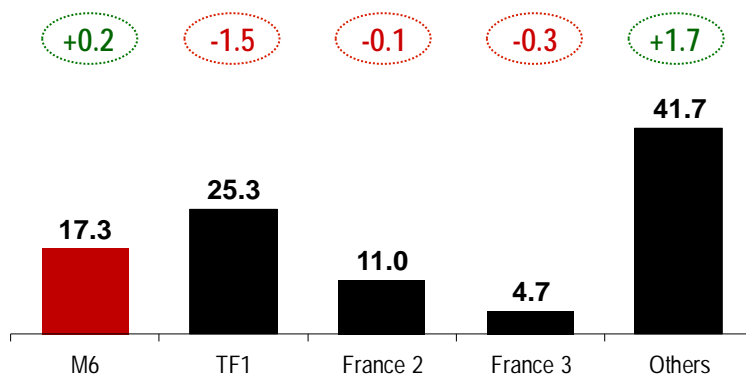
KEY FINANCIALS (in € million)



BEST FIRST HALF-YEAR FINANCIAL PERFORMANCE EVER

AUDIENCE SHARE – MAIN CHANNELS

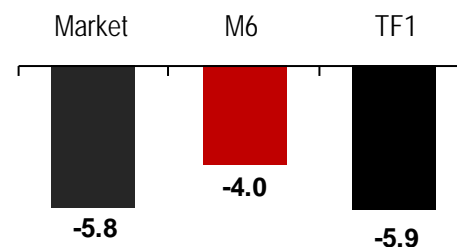
HOUSEWIVES <50 ALL DAY (in %)



X Percentage point deviation vs HY 2011

NET TV ADVERTISING MARKET DEVELOPMENT

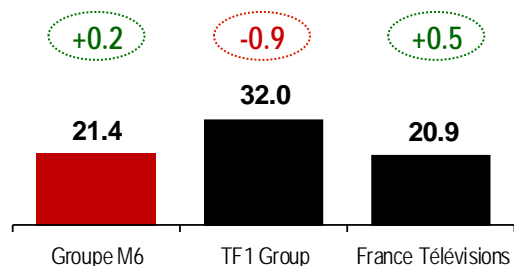
HY 2012 VS HY 2011 (in %)



M6 and TF1: main channels only

AUDIENCE SHARE – FAMILY OF CHANNELS

HOUSEWIVES <50 ALL DAY (in %)

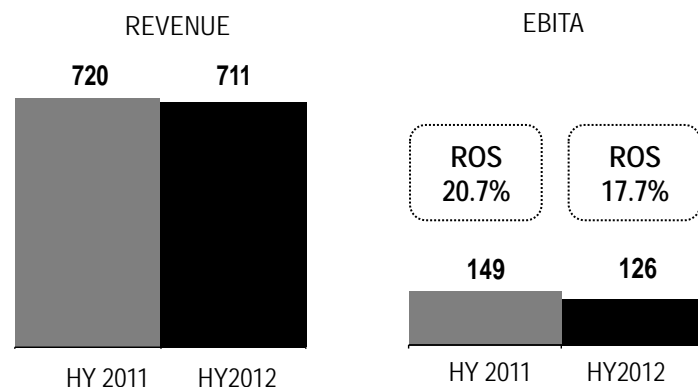


X Percentage point deviation vs HY 2011

Source: Médiamétrie, housewives under 50, RTL Group estimates

Groupe M6: M6 and W9; TF1 Group: TF1, TMC and NT1; France TV: Fr2 – Fr5

KEY FINANCIALS (in € million)



KEY FACTS 2012

● Core franchises remain strong

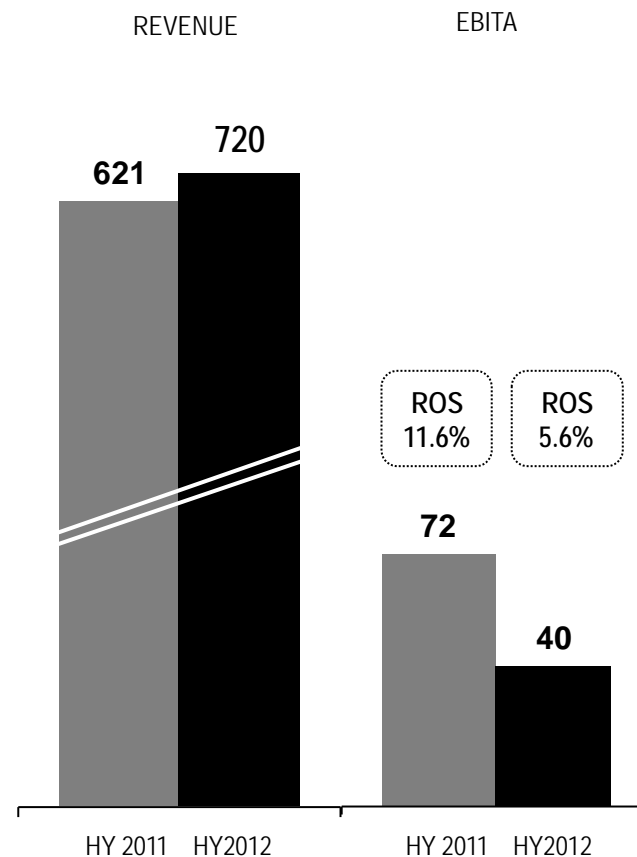
- *American Idol*:
number one entertainment series in the US for the past nine years
- *L'amour est dans le pré*:
makes M6 the market leader in its time slot
- *Britain's Got Talent*:
number one show in the UK for 2012



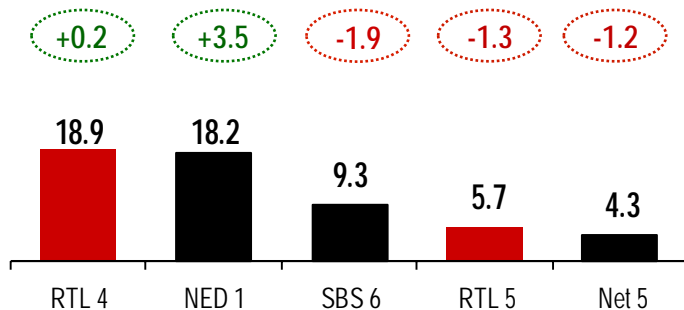
● Worldwide presence in production, distribution and digital

- production: 9,200 hours of TV programming across 58 countries per year
- distribution: catalogue with more than 20,000 hours of programming, licensed to broadcasters in over 180 countries

KEY FINANCIALS (in € million)



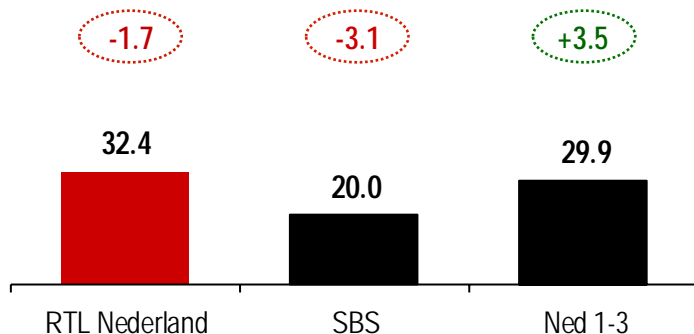
AUDIENCE SHARE: 20-49, PRIMETIME (in %)



X Percentage point deviation vs HY 2011

AUDIENCE SHARE – FAMILY OF CHANNELS

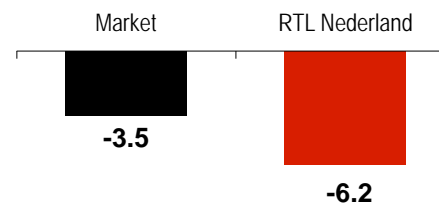
20-49, PRIMETIME (in %)



X Percentage point deviation vs HY 2011

NET TV ADVERTISING MARKET DEVELOPMENT

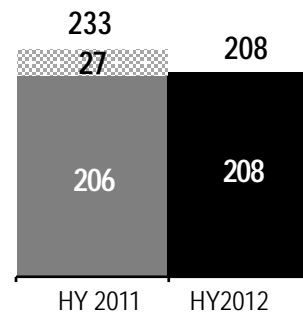
HY 2012 vs HY 2011 (in %)



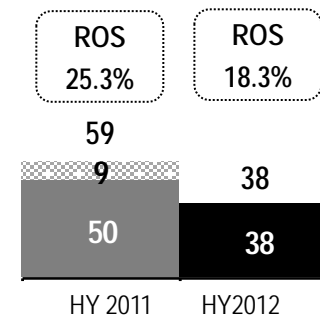
Source: RTL Group estimates (spot and non-spot)

KEY FINANCIALS (in € million)

REVENUE

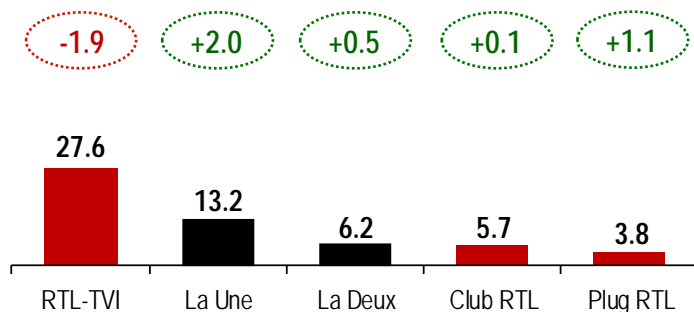


EBITA



■ TV ■ Radio

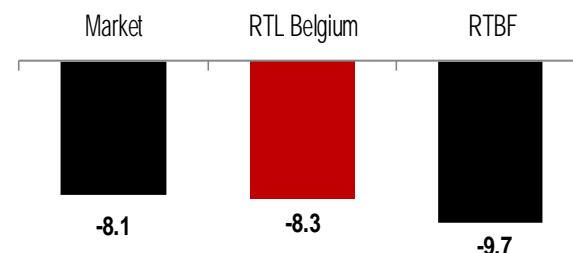
AUDIENCE SHARE: SHP 18-54, PRIMETIME (in %)



X Percentage point deviation vs HY 2011

NET TV ADVERTISING MARKET DEVELOPMENT

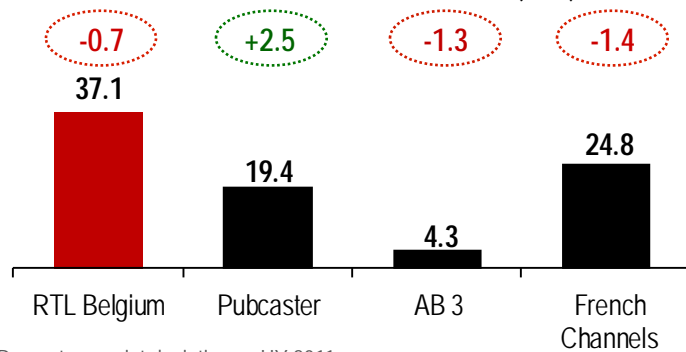
HY 2012 VS HY 2011 (in %)



Source: RTL Group estimates

AUDIENCE SHARE – FAMILY OF CHANNELS

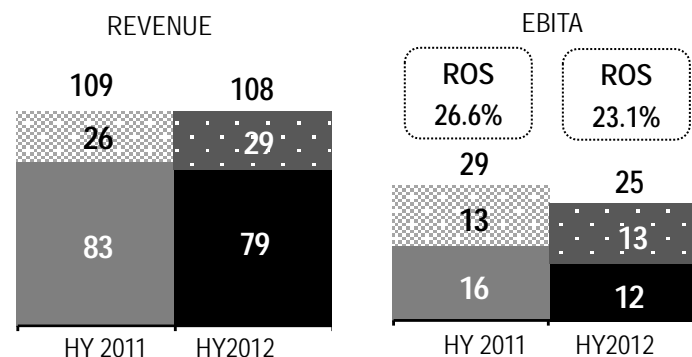
SHOPPERS 18-54, PRIMETIME (in %)



X Percentage point deviation vs HY 2011

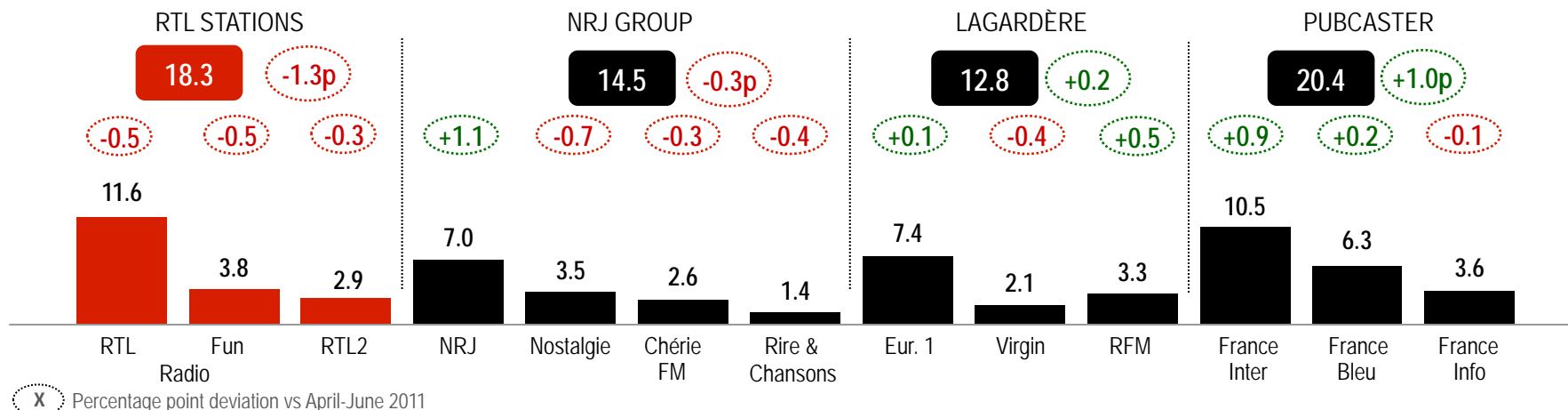
Source: Audimétrie

KEY FINANCIALS (in € million)



TV Radio

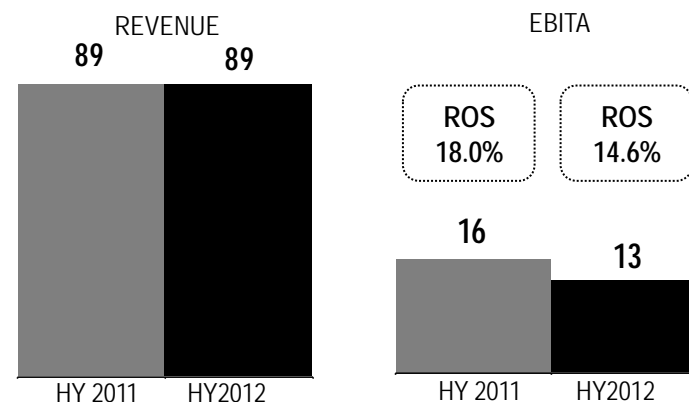
AVERAGE AUDIENCE SHARE 2012 – 13+, 5-24H, MON – FRI (in %)



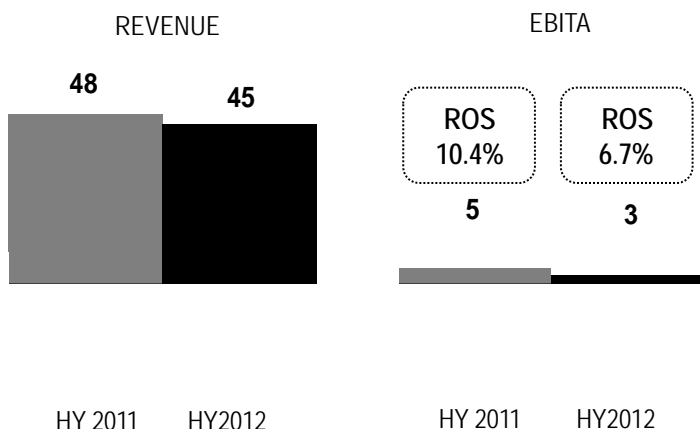
KEY FACTS 2012

- Audience share of RTL family well ahead of commercial rivals
- Advertising market estimated to be down 2.9 per cent with RTL increasing its share to 26.6 per cent

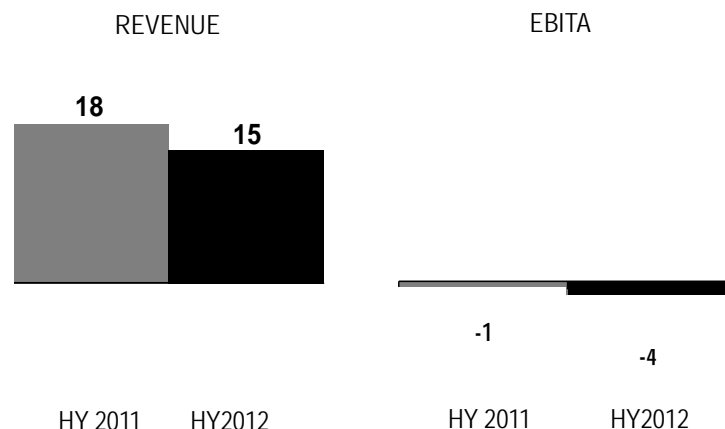
KEY FINANCIALS (in € million)



KEY FINANCIALS, RTL Klub (in € million)



KEY FINANCIALS, RTL Hrvatska (in € million)

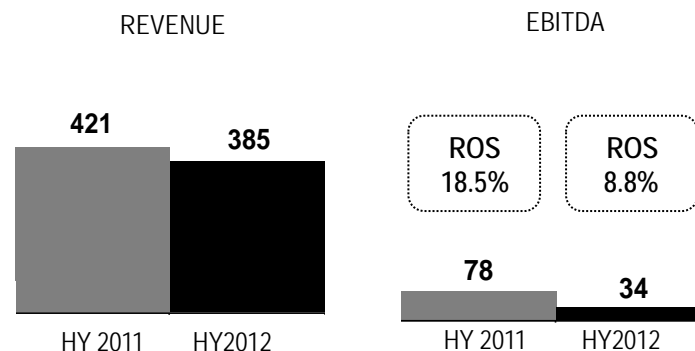


KEY FACTS 2012

- TV advertising markets in HY 2012:
Hungary: -16.3%; Croatia -11.1%;
Spain -16.5%
- Audience shares of family of channels:
Hungary 36.7%; Croatia 24.8%; Spain 18.7%

KEY FINANCIALS, Grupo Antena 3 (in € million)

100% VIEW



Key developments 2012 (1/2)

CORE



ONGOING

Integration and re-positioning of
7 cable channels in Hungary



MARCH

Licence awarded to **Groupe M6**
for launch of 6ter



APRIL

Successful launch of RTL Nitro
by **MG RTL Deutschland**



SEPTEMBER

RTL Nederland
to launch new digital channel



FALL

Imminent launch of
first channel in **India**

CONTENT

MARCH

Global first look deal for **distribution rights** to Hulu's original programming



SINCE MAY

FremantleMedia launches
Youtube channels



JULY

Partnership with Random House
for new **TV programming**



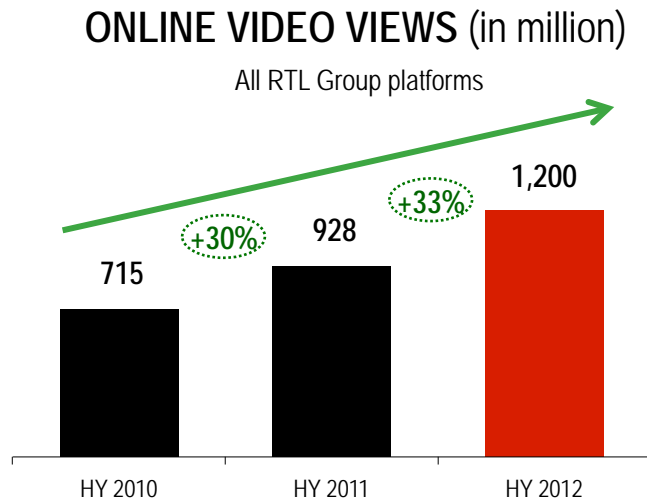
New CEO since 1 July:
Cécile Frot-Coutaz

CONTINUED INVESTMENTS IN NEW CHANNELS AND CONTENT BUSINESS

Key developments 2012 (2/2)

DIGITAL

NON-LINEAR TV



Examples:



MOBILE SERVICES



- More than 220 mobile applications launched
- 65 million downloads to date
- Mobile video views in H1/2012:
+92% in Germany, +99% in France

RTL GROUP FURTHER GROWS ITS DIGITAL ACTIVITIES

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- Business Review
- **FINANCIAL REVIEW**
- Business Outlook
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Review of Results 30 June 2012, continuing operations (1/2)

In € million	Half-year to June 2012	Half-year to June 2011 ¹⁾	Per cent change
REVENUE	2,815	2,725	+3.3
REPORTED EBITA	506	588	-13.9
Reported EBITA margin (%)	18.0	21.6	-3.6pp
Net result attributable to RTL Group shareholders	274	324	-15.4
UNDERLYING REVENUE	2,766	2,698	+2.5
UNDERLYING EBITA	498	580	-14.1

1) Re-presented following the application of IFRS 5 to Alpha Media Group (discontinued operations)

Review of Results 30 June 2012, continuing operations (2/2)

In € million	Half-year to June 2012	Half-year to June 2011	Per cent change
REPORTED EBITA	506	588	-13.9
Impairment of investment in associates and amortisation and impairment of fair value adjustments on acquisitions	(15)	(16)	
Gain / (Loss) from sale of subsidiaries, joint ventures and other investments	(1)	–	
Net financial expense	(11)	(2)	
Income tax expense	(147)	(150)	
PROFIT FOR THE PERIOD – CONTINUING OPERATIONS	332	420	-21.0
LOSS FOR THE PERIOD – DISCONTINUED OPERATIONS	(1)	(38)	
PROFIT FOR THE PERIOD	<u>331</u>	<u>382</u>	-13.4
<i>Attributable to:</i>			
Non controlling interests	57	58	
RTL Group shareholders	274	324	-15.4

Cash Flow Statement as of 30 June 2012

In € million	Half-year to June 2012	Half-year to June 2011
NET CASH FLOW FROM OPERATING ACTIVITIES	385	463
Add: Income tax paid	225	156
Less: Acquisition of assets, net	(87)	(87)
Equals: Reported free cash flow (FCF)	523	532
Acquisition of subsidiaries and JVs, net of cash acquired	1	(33)
Disposal of subsidiaries and JVs, net of cash	(2)	(1)
Other financial assets (deposit excluded), net	3	(11)
Net interest received / (paid)	(10)	6
Transaction with non controlling interests	(5)	(2)
Income tax paid	(225)	(156)
Dividends paid	(869)	(877)
CASH GENERATED / (USED)	(584)	(542)
REPORTED EBITA (CONTINUING AND DISCONTINUED)	503	557
EBITA CONVERSION (FCF/EBITA)	104%	96%

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- **BUSINESS OUTLOOK**
- Strategy

The difficult and volatile economic conditions are not expected to ease over the remainder of the year

No visibility yet for important Q4 – RTL Group maintains its cautious and flexible approach for the business

For the full year, RTL Group expects slight growth in revenue and solid level of EBITA

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- **STRATEGY**

Strategic focus will be on three key areas





Core: growth opportunities for TV broadcasting business



STRENGTHEN

family of channels
in core markets

LAUNCHED
APRIL 2012

RTL **NITRO**

LAUNCH
END 2012

6ter

DRIVE

new revenue stream
opportunities: platform
fees, pay-TV and
subscription

Steady progress in Germany
on platform fees coupled
with strong development
of **HD+** offer

SELECTIVE GROWTH

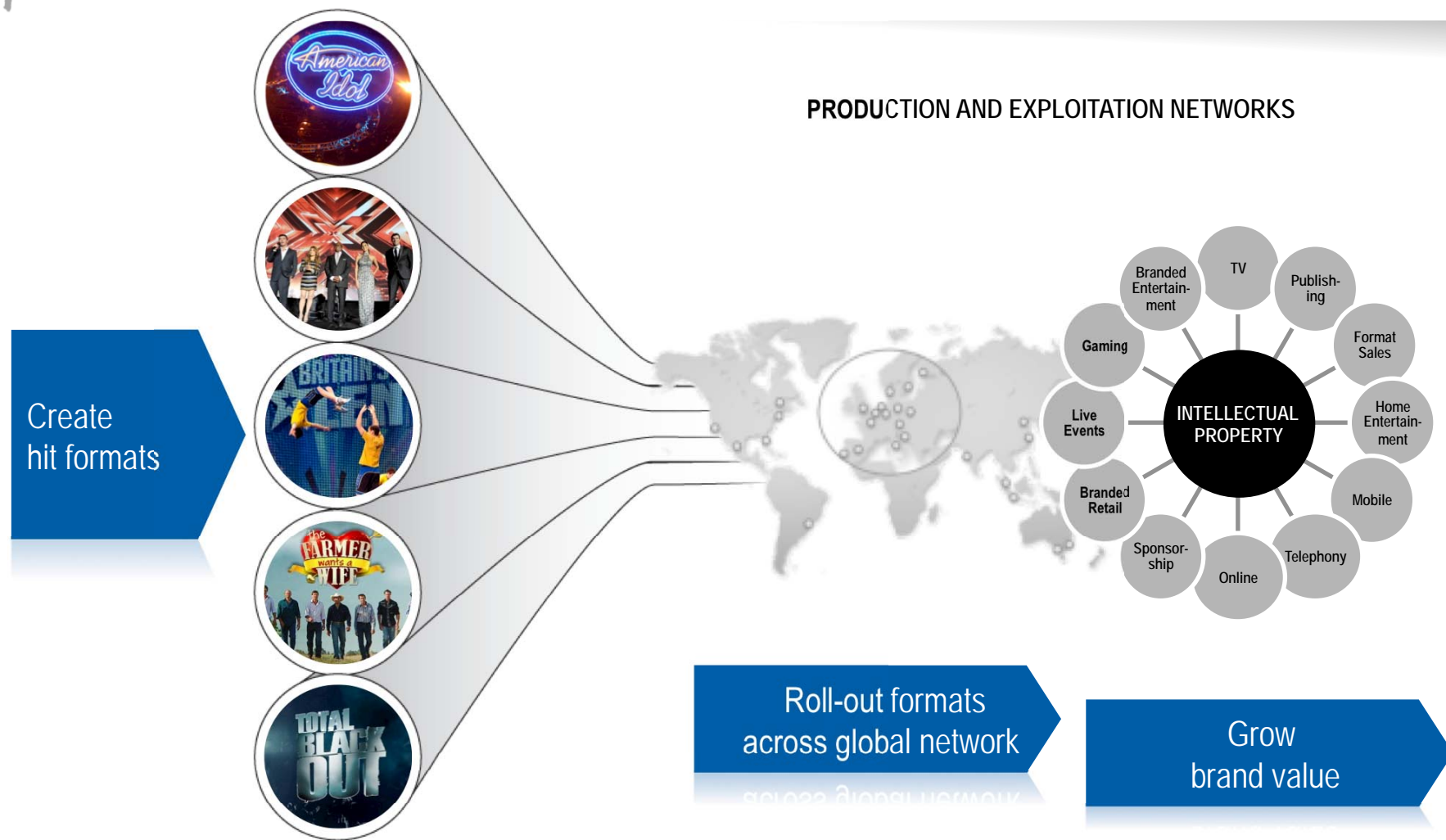
in new territories



INVESTMENTS IN EXISTING AND NEW MARKETS, GROW NON-ADVERTISING REVENUE



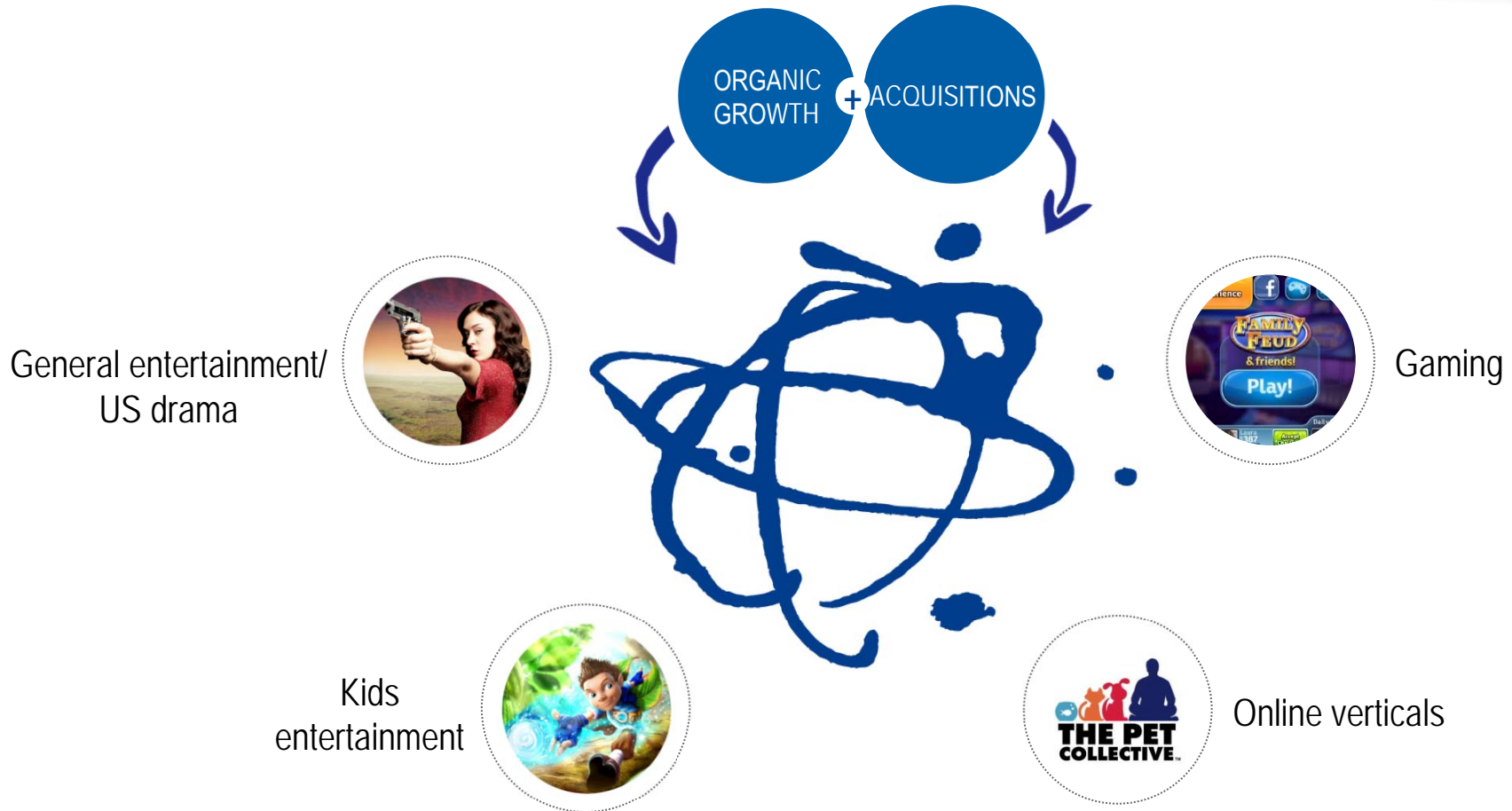
Content: FremantleMedia creates long-term brand value



A GLOBAL BUSINESS MODEL THAT HAS PROVEN DIFFICULT FOR COMPETITORS TO COPY



Content: expand FremantleMedia in new bussiness areas



GROWTH IN NEW INTELLECTUAL PROPERTY ALIGNED WITH NEW EXECUTION CAPABILITIES



Content: FremantleMedia taps into digital growth

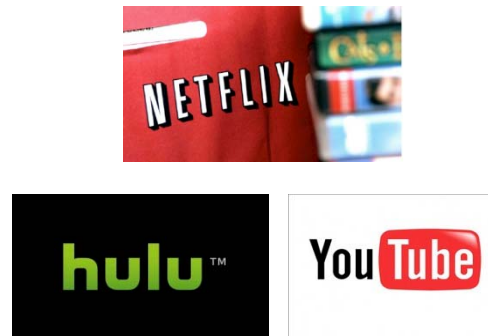
EXTEND



ACTIVATE AND ENGAGE AUDIENCE

More than 30 million mobile downloads to date

DISTRIBUTE



GLOBAL MULTI-PLATFORM DISTRIBUTION

First deals done

CREATE



ORIGINAL PROGRAMME OFFERINGS ON YOUTUBE

1.6 billion video views on Youtube in first six months of 2012

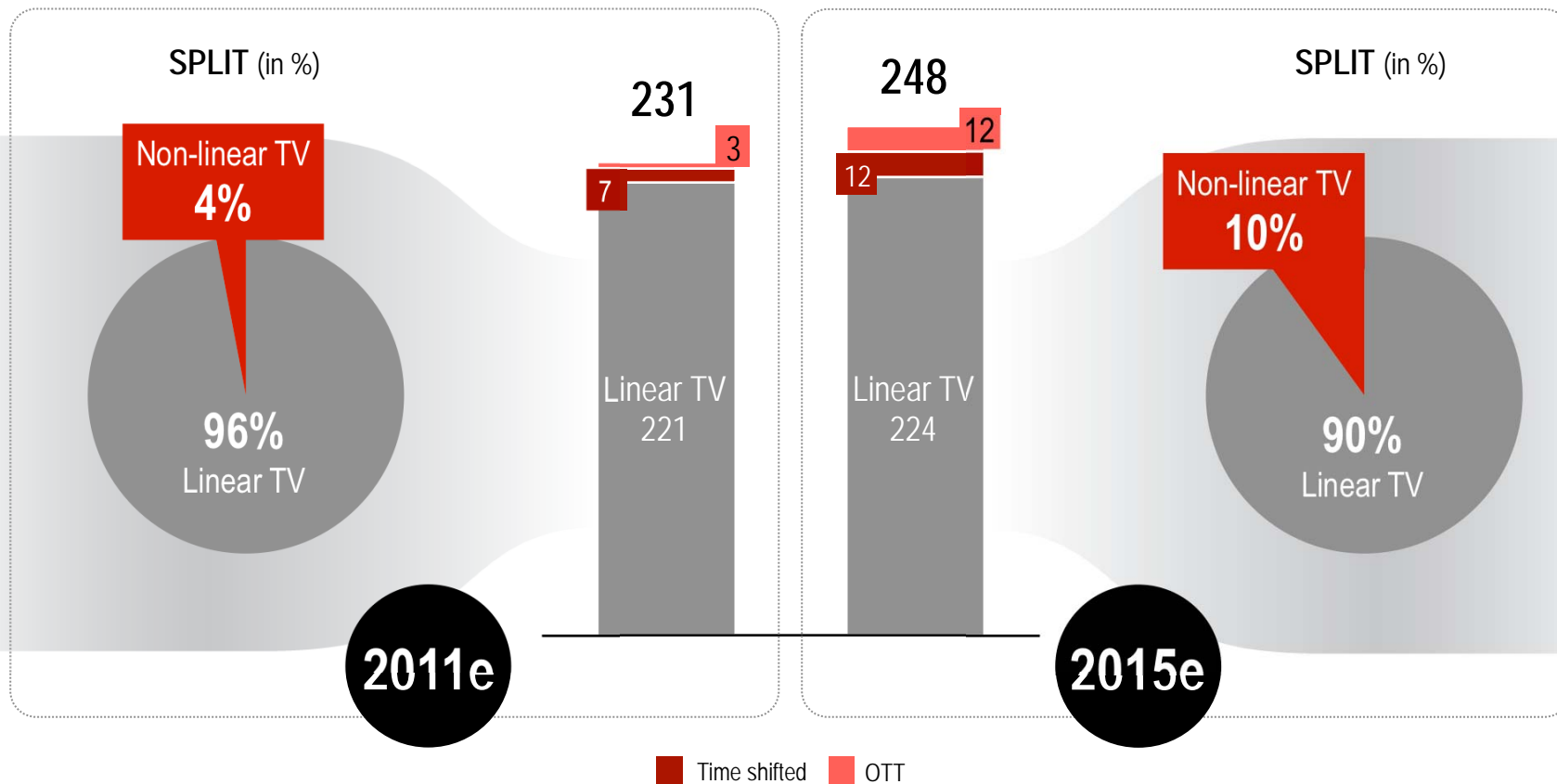
PRESENCE ACROSS VALUE CHAIN ENSURES GOOD DIGITAL GROWTH PROSPECTS



Digital: overall TV consumption will continue to grow

TV CONSUMPTION IN WESTERN-EUROPE

(in minutes – estimated)



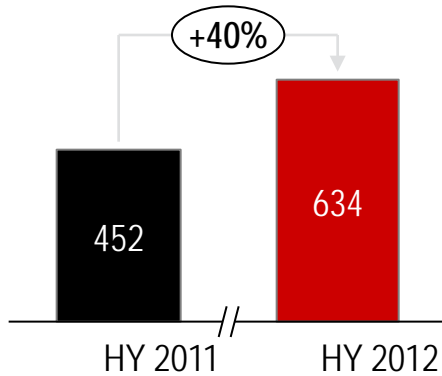
TV CONSUMPTION WILL BENEFIT FROM MULTIPLE DEVICES AND ON-DEMAND OFFERS



Digital: growing online video on multiple devices

GERMANY

Total online video views (in m)



RTL NOW

RTL NOW VOX NOW CLIPFISH

RTLNITRONOW SUPER RTL NOW CLIPFISH MUSIC

PC



Mobile



Tablet

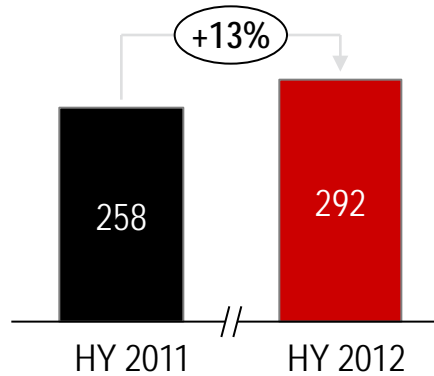


HbbTV



FRANCE

Total online video views (in m)



M6
REPLAY

M6 REPLAY M6 PASS M6 M6 BONUS

PC



Mobile



Tablet

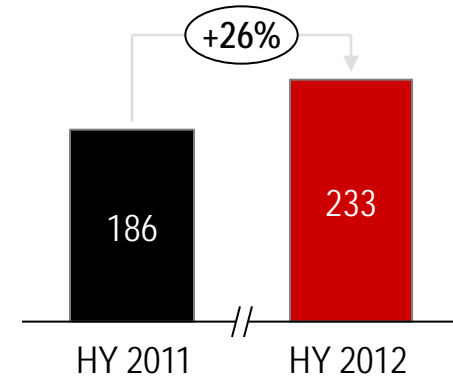


IPTV



NETHERLANDS

Total online video views (in m)



rt XL

rt(4) rt(5) rt(8)

RTL7

PC



Mobile



Tablet



IPTV



PROFESSIONAL CONTENT IS KEY – DELIVERED ON ALL SCREENS AND FOR ALL NEEDS...



Digital: further expand and develop online portfolio, brands and ventures

ONLINE TV SITES

Drive user engagement



TV

Brands

BRAND EXTENSIONS

Promote and leverage brand power to drive new revenues



VERTICALS

Increase scale and reach



Verticals

Ventures

NEW BUSINESSES

Diversify in non-ad related ventures



...BUT WE CAN ALSO CREATE NEW BRANDS WITH THE SUPPORT OF TV PROMOTION

Conclusion: many growth opportunities, clear strategy





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