

## RTL Group continues to improve its profitability

Luxembourg, 24 August 2011 – RTL Group, the leading European entertainment network, announces its interim results to 30 June 2011.

### Highlights

In € million	Half year to June 2011	Half year to June 2010	Per cent change
<b>Revenue</b>	<b>2,751</b>	<b>2,661</b>	<b>+3.4</b>
<b>Underlying revenue<sup>1</sup></b>	<b>2,679</b>	<b>2,649</b>	<b>+1.1</b>
<b>Reported EBITA<sup>2</sup></b>	<b>557</b>	<b>537</b>	<b>+3.7</b>
Start-up losses <sup>3</sup>	–	(10)	
Adjusted EBITA	557	547	
<b>Reported EBITA margin (%)</b>	<b>20.2</b>	<b>20.2</b>	
<b>Reported EBITA</b>	<b>557</b>	<b>537</b>	<b>+3.7</b>
Impairment of investment in associates and amortisation and impairment of fair value adjustments on acquisitions	(20)	(5)	
Loss from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	–	(11)	
Net financial expense	(3)	(9)	
Income tax expense	(151)	(155)	
<b>Profit for the period from continuing operations</b>	<b>383</b>	<b>357</b>	
Loss for the period from discontinued operations	(1)	(49)	
<b>Profit for the period</b>	<b>382</b>	<b>308</b>	<b>+24.0</b>
Attributable to:			
Non-controlling interests	58	51	
<b>RTL Group shareholders</b>	<b>324</b>	<b>257</b>	<b>+26.1</b>
<b>Basic EPS continuing operations (in €)</b>	<b>2.12</b>	<b>1.99</b>	
Basic EPS discontinued operations (in €)	(0.01)	(0.32)	
<b>Adjusted EPS (in €)<sup>4</sup></b>	<b>2.06</b>	<b>1.90</b>	<b>+8.4</b>

<sup>1</sup> Adjusted for Radical Media, Ludia and other minor scope changes and at constant exchange rates

<sup>2</sup> EBITA (continuing operations) represents earnings before interest and taxes excluding impairment of investment in associates, impairment of goodwill and of disposal group, and amortisation and impairment of fair value adjustments on acquisitions, and gain or loss from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree

<sup>3</sup> Alpha TV in Greece in 2010

<sup>4</sup> Adjusted earnings per share represents the net profit for the year adjusted for impairment of investment in associates, impairment of goodwill and of disposal group, and amortisation and impairment of fair value adjustments on acquisitions, gain or loss from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree, net of income tax expense and one-off tax effects

### **Revenue, EBITA, net profit – all key indicators up**

- Reported Group revenue up 3.4 per cent to €2,751 million, reflecting higher TV advertising revenues in RTL Group's key territories Germany, France and the Netherlands plus growing revenue from FremantleMedia
- First-half EBITA up 3.7 per cent to €557 million, reaching its highest level yet; this improvement was mainly driven by higher profit contributions from Mediengruppe RTL Deutschland, Groupe M6 and RTL Nederland
- Net profit attributable to RTL Group shareholders up 26.1 per cent to €324 million
- Reported EBITA margin stable at 20.2 per cent
- Net cash from operating activities of €463 million, resulting in operating cash conversion of 96 per cent and net cash position of €973 million at the end of June
- Mixed picture on the European TV advertising markets in the first half of 2011: while the markets in France, the Netherlands and Belgium were up year-on-year, the German market remained flat; the markets in South and Eastern Europe reported lower advertising revenue compared to the first six months of 2010

### **Most of RTL Group's key businesses continue to outperform**

- With RTL Television reporting significantly higher audience ratings, Mediengruppe RTL Deutschland continued to increase its clear audience leadership over its main competitor to a record 7.4 percentage points; EBITA up 4.3 per cent to €268 million
- In France, M6 and W9 reported significant growth, both in terms of advertising revenue and audience share; M6 was the only major French channel to increase its audience share year-on-year; EBITA of Groupe M6 up 11.2 per cent to €149 million
- RTL Nederland succeeded in capitalising its record audience ratings into double-digit growth of TV advertising revenue; EBITA up 84.4 per cent to €59 million
- RTL Group's production arm FremantleMedia reported revenue growth of 4.2 per cent, driven by higher revenue in North America and the first-time full consolidation of recent acquisitions Radical Media and Ludia; FremantleMedia's EBITA down 20.0 per cent to €72 million, mainly due to general pressure on margins and volumes from broadcasters
- RTL Group's channel in Greece, Alpha TV, continues to operate in a difficult market environment: while the channel increased its audience and advertising share, the Greek TV advertising market was still down dramatically

### **RTL Group continues to develop its portfolio**

- In July, RTL Group announced to acquire a portfolio of seven Hungarian cable channels plus a further 31 per cent shareholding in the country's market leader, RTL Klub; this brings RTL Group's shareholding in RTL Klub to 98 per cent
- In July, RTL Group signed agreements with its Croatian business partners, Atlantic and Agrokor, to acquire their respective 13 per cent shareholdings in the Croatian broadcasting operation RTL Hrvatska (RTL Televizija and RTL 2, launched in January 2011)
- In July, RTL Group announced that it had exercised its put option towards Talpa Media Holding. Following this put option, RTL Group will get back Talpa Media's 26.3 per cent minority shareholding in RTL Nederland in exchange for the Group's 73.7 per cent interest in Radio 538
- In June, RTL Group swapped its 30 per cent shareholding in Ren TV for a 7.5 per cent shareholding in the Russian media company National Media Group (NMG), as part of an agreement with the current shareholders of NMG
- In May, RTL Group and Reliance Broadcast Network Limited signed a joint venture agreement to launch thematic TV channels in India; the initial scope of the investment includes two English-speaking channels, which will be launched in the next months

### **RTL Group's new media activities continue to grow strongly**

- RTL Group's online platforms and on-demand offers across Europe collectively generated more than 928 million video views of professionally produced content – up 30 per cent year-on-year
- Total online advertising revenue up 27 per cent year-on-year, driven by video advertising
- In total, RTL Group companies have launched more than 80 mobile applications registering 16 million downloads to date
- Mobile live TV services available in Germany, France, the Netherlands, Belgium and Luxembourg
- In May, cable network operator Kabel BW and Mediengruppe RTL Deutschland signed an agreement to offer Kabel BW subscribers RTL Television, Vox and RTL II in high-definition (HDTV); in addition, the network operator plans to integrate the catch-up TV service RTL Now in its on-demand service



### **“Audience popularity remains key”**

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

“After the strong growth seen in the Western European TV advertising markets in 2010, the first six months of this year show a mixed picture. Nevertheless, RTL Group has again managed to improve all key indicators – revenue, EBITA and net profit.

These strong half-year results confirm our strategy of continuous development of our core business. Maintaining the strong audience popularity of our channels and programmes is essential to outperforming the competition in the advertising markets long-term.

At the same time we've taken important steps in recent months to further strengthen our international portfolio. The new joint venture in India is RTL Group's first broadcasting venture into Asia. We have acquired full control in both Hungary and Croatia, and will now proceed to build strong families of channels in these countries, too.

Despite the current insecurities of the global economy and the strong comparatives of the fourth quarter 2010, we remain cautiously optimistic for the full year.”

#### RTL Group Results Conference Call for the media:

Date: Wednesday 24 August 2011  
11.00 (Luxembourg) / 10.00 (London)

Number to dial: +44 20 3003 2666  
Password: RTL

The slides of the presentation and an audio file of the conference call will be available to download at *RTLGroup.com*.

#### For further information please contact:

Media  
Oliver Herrgesell  
Corporate Communications  
Phone: +352 2486 5200  
[oliver.herrgesell@rtlgroup.com](mailto:oliver.herrgesell@rtlgroup.com)

Investor Relations  
Andrew Buckhurst  
Investor Relations  
Phone: +352 2486 5074  
[andrew.buckhurst@rtlgroup.com](mailto:andrew.buckhurst@rtlgroup.com)

#### **About RTL Group**

RTL Group is the leading European entertainment network, with interests in 40 television channels and 34 radio stations in 10 countries and content production throughout the world. The television portfolio of Europe's largest broadcaster includes RTL Television in Germany, M6 in France, the RTL channels in the Netherlands, Belgium, Luxembourg, Croatia and Hungary, Alpha TV in Greece, and Antena 3 in Spain – the company also has interests in National Media Group in Russia. RTL Group's flagship radio station is RTL in France, and it also owns or has interests in other stations in France, Germany, Belgium, the Netherlands, Spain and Luxembourg. RTL Group's content production arm, FremantleMedia, is one of the largest international producers outside the US. Each year, it produces 9,500 hours of programming across 54 countries.

## Financial review

TV advertising markets in Western Europe in the first half of 2011 again showed a mixed performance: the markets in France, the Netherlands and Belgium were up year-on-year, the German market remained flat, while the markets in Eastern and Southern Europe showed negative growth.

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

	H1/2011 Net TV advertising market growth rate (%)	H1/2011 Audience share in main target group (%)	H1/2010 Audience share in main target group (%)
Germany	(0.4) <sup>5</sup>	35.7 <sup>6</sup>	34.8 <sup>6</sup>
France	+2.5 <sup>7</sup>	22.7 <sup>8</sup>	21.5 <sup>8</sup>
Netherlands	+8.1 <sup>5</sup>	34.1 <sup>9</sup>	31.3 <sup>9</sup>
Belgium	+4.3 <sup>5</sup>	37.8 <sup>10</sup>	39.6 <sup>10</sup>
Spain	(7.4) <sup>11</sup>	17.6 <sup>12</sup>	16.0 <sup>12</sup>
Hungary	(10.1) <sup>5</sup>	32.2 <sup>13</sup>	29.0 <sup>13</sup>
Greece	(29.3) <sup>5</sup>	15.8 <sup>14</sup>	14.6 <sup>14</sup>
Croatia	(2.2) <sup>5</sup>	25.9 <sup>15</sup>	23.9 <sup>15</sup>

Taking the scope changes into account, and at constant exchange rates, underlying revenue increased 1.1 per cent to €2,679 million (2010: €2,649 million).

Group revenue for continuing operations increased by 3.4 per cent to €2,751 million (2010: €2,661 million), largely due to an outperformance by all of RTL Group's broadcasters in their respective markets.

Reported EBITA for continuing operations increased by 3.7 per cent to €557 million (2010: €537 million). The reported EBITA margin was stable at 20.2 per cent.

Included in the Group's EBITA is an impairment against intangible and tangible assets and programme rights of Alpha TV. This amounts to €15 million and is due to the on-going deterioration in the Greek advertising market.

Group operating expenses for continuing operations increased by 2.7 per cent to €2,227 million, compared to €2,168 million in the first half of 2010. On a constant scope basis, operating costs were flat year-on-year.

<sup>5</sup> Source: Industry/IREP and RTL Group estimates; the Netherlands: spot and non-spot revenue

<sup>6</sup> Target group: 14–49

<sup>7</sup> Source: Groupe M6 estimate

<sup>8</sup> Target group: housewives under 50 (including digital channels)

<sup>9</sup> Target group: 20–49, 18–24h

<sup>10</sup> Target group: shoppers 18–54, 17–23h

<sup>11</sup> Source: Infoadex and Grupo Antena 3 estimate

<sup>12</sup> Target group: 16–54 (including digital channels)

<sup>13</sup> Target group: 18–49, prime time

<sup>14</sup> Target group: 15–44

<sup>15</sup> Target group: 18–49 (including RTL 2, launched in January 2011)

The impairment and amortisation loss totalling €20 million includes €3 million relating to the fair value of intangible assets of Alpha TV, an impairment of €7 million against an associate company and the usual amortisation of fair value adjustments on acquisitions of subsidiaries (€6 million).

The net financial loss of €3 million (2010: loss of €9 million) reflects fair value adjustments and a net interest expense of €1 million (2010: expense of €2 million).

The income tax expense decreased slightly to €151 million (2010: €155 million).

The profit attributable to RTL Group shareholders for the period was €324 million (2010: €257 million), an increase of 26.1 per cent.

Adjusted earnings per share, which represents the net profit for the period attributable to RTL Group shareholders adjusted for impairment of investments in associates, impairment of goodwill and of disposal group, and amortisation and impairment of fair value adjustments on acquisitions, gain or loss from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree, net of income tax expense and one-off tax effects, increased by 8.4 per cent to €2.06 (2010: €1.90).

### **Net cash position**

The consolidated net cash position at 30 June 2011 amounted to €973 million (31 December 2010: net cash of €1,456 million; 30 June 2010: net cash of €894 million).

### **Main portfolio changes**

In April, RTL Nederland acquired Buienradar, the country's most popular weather site.

In June, RTL Group swapped its 30 per cent shareholding in Ren TV for a 7.5 per cent shareholding in the Russian media company National Media Group (NMG), as part of an agreement with the current shareholders of NMG.

The Dutch radio assets Radio 538, Radio 10 Gold and Slam FM were classified as held for sale at 30 June 2011, resulting from the decision to exercise RTL Group's put option on Talpa Media Holding, as announced on 28 July 2011.

## Review by segments

Revenue In €million	Half year to June 2011	Half year to June 2010	Per cent change	Per cent of total 2011
Mediengruppe RTL Deutschland	889	864	+2.9	32.3
Groupe M6	720	742	(3.0)	26.2
FremantleMedia	621	596	+4.2	22.6
RTL Nederland	233	190	+22.6	8.5
RTL Belgium	109	116	(6.0)	3.9
French radio	89	90	(1.1)	3.2
Other segments	192	165	+16.4	7.0
Eliminations	(102)	(102)	0.0	(3.7)
<b>Total revenue</b>	<b>2,751</b>	<b>2,661</b>	<b>+3.4</b>	<b>100.0</b>

EBITA In €million	Half year to June 2011	Half year to June 2010	Per cent change	Per cent of total 2011
Mediengruppe RTL Deutschland	268	257	+4.3	48.1
Groupe M6	149	134	+11.2	26.8
FremantleMedia	72	90	(20.0)	12.9
RTL Nederland	59	32	+84.4	10.6
RTL Belgium	29	25	+16.0	5.2
French radio	16	15	+6.7	2.9
Other segments	(36)	(16)	>+100.0	(6.5)
<b>Reported EBITA</b>	<b>557</b>	<b>537</b>	<b>+3.7</b>	<b>100.00</b>

EBITA margins in %	Half year to June 2011	Half year to June 2010	Percentage point change
Mediengruppe RTL Deutschland	30.1	29.7	+0.4
Groupe M6	20.7	18.1	+2.6
FremantleMedia	11.6	15.1	(3.5)
RTL Nederland	25.3	16.8	+8.5
RTL Belgium	26.6	21.6	+5.0
French radio	18.0	16.7	+1.3
Other segments	(18.8)	(9.7)	(9.1)
<b>RTL Group</b>	<b>20.2</b>	<b>20.2</b>	<b>0.0</b>

## **Mediengruppe RTL Deutschland**

In €million	Half year to June 2011	Half year to June 2010	Per cent change
<b>Revenue</b>	<b>889</b>	<b>864</b>	<b>+2.9</b>
<b>EBITA</b>	<b>268</b>	<b>257</b>	<b>+4.3</b>

### Financial results

In the first half of 2011, Mediengruppe RTL Deutschland continued to outperform the German TV advertising market – which was estimated to be almost flat (minus 0.4 per cent) – and slightly increased its combined net share (including RTL II) to 43.6 per cent (2010: 43.3 per cent).

Overall revenue of Mediengruppe RTL Deutschland grew by 2.9 per cent to €889 million (2010: €864 million), while EBITA was up 4.3 per cent to €268 million (2010: €257 million), despite a challenging TV advertising market and higher investments in programming.

### Audience ratings

The combined average audience share of **Mediengruppe RTL Deutschland** in the key 14 to 49 target group increased by 0.9 percentage points to 35.7 per cent (2010: 34.8 per cent) – a new record level. As a result, the RTL family of channels also increased its market leadership over its main commercial competitor (28.3 per cent) and the public broadcasters (22.1 per cent).

This improvement was again driven by the flagship channel **RTL Television**, which remained viewers' number one choice by a large margin, and achieved its best half-year ratings since 2003. With an 18.9 per cent audience share among viewers aged 14 to 49 (2010: 17.8 per cent), the channel came in 7.4 percentage points ahead of the number two commercial channel, ProSieben (11.5 per cent). RTL Television was also the market leader in terms of total audience share, with 14.2 per cent.

RTL Television scored high ratings across all genres, from entertainment shows, live sporting events and daily soaps, to factual entertainment and fiction formats, while its big TV events continued to reach mass audiences. At the beginning of the year, the fifth season of *Ich bin ein Star – Holt mich hier raus!* (I'm A Celebrity... Get Me Out Of Here!) was the most successful yet, both in terms of average total audience (7.62 million viewers) and average share among viewers aged 14 to 49 (42.0 per cent).

In February, an average 7.53 million viewers watched the two-part event movie *Hindenburg*, representing a total audience share of 20.8 per cent, and 27.1 per cent among young viewers. Meanwhile, live broadcasts of the eight Formula 1 races in the reporting period reached an average total audience share of 39.6 per cent, compared to 33.2 per cent in the first half of 2010.

RTL Television remained particularly successful in prime time (20:15 to 23:15), where the channel continued to lead the market in nearly every time slot. The eighth season of *Deutschland sucht den Superstar* (Idols) scored an average audience share of 32.4 per cent in the 14 to 49 age group, while the fourth season of *Let's Dance* reached 20.9 per cent.

German fiction series also performed well, including the third season of *Doctor's Diary* (average audience share 14 to 49: 19.2 per cent) and the second season of *Countdown – Die Jagd beginnt* (average audience share 14 to 49: 17.3 per cent). The newly launched real-life format *Undercover Boss* scored an average audience share of 23.5 per cent in the target group.

RTL Television's main news programme, *RTL Aktuell*, was once again way ahead of its competitors among young viewers, with an average audience share of 20.2 per cent. The show also achieved a higher total audience share (18.6 per cent) than the main news programme of the public channel ZDF, *Heute* (16.2 per cent).

In the first half of 2011, **Vox**'s audience share in the target group of 14 to 49-year-old viewers was 7.5 per cent (2010: 7.7 per cent). The channel's prime time line-up of US series on Monday, Wednesday and Friday evenings continued to perform strongly, featuring quality series such as *CSI: NY*, *Criminal Intent*, *Law & Order: Special Victims Unit* and *Lie To Me*. The docu-soap *Daniela Katzenberger – natürlich blond* reached an average audience share of 9.9 per cent among viewers aged 14 to 49, while *Auto Mobil* became Germany's most popular TV car magazine (average audience share 14-49: 8.5 per cent).

The daily docu-soap *Mieten, kaufen, wohnen* (Renting, Buying, Living) scored an average audience share of 9.3 per cent in the target group. Broadcast in the 18:00 time slot, the format is a powerful lead-in to access prime time, followed by audience favourite *Das perfekte Dinner* (Come Dine With Me) and the daily edition of the celebrity news magazine *Prominent*.

On Saturday 30 April, Vox's all-day documentary experiment *Ein Tag schreibt Geschichte – 30. April 1945* earned the channel a daily market share of 7.0 per cent in the 14 to 49-year-old demographic. Vox joined forces with Spiegel TV and DCTP TV to run 12 hours of meticulously researched documentaries and hourly protocols detailing the day on which Adolf Hitler committed suicide in 1945.

**RTL II** achieved a 5.5 per cent audience share in the 14 to 49 target group during the first half of 2011, down from 6.1 per cent in the first half of 2010. The channel has continued its strategy to launch new show and quiz formats. The four-part talent show *My Name Is* and the clip show *Klick-Stars* proved particularly popular among young viewers, attracting average audience shares of 8.5 per cent and 8.9 per cent respectively.

Other key elements of the channel's programme grid were popular docu-soaps such as *Die Geissens – Eine schrecklich glamouröse Familie*, *Frauentausch* (Wife Swap) and *Die Kochprofis – Einsatz am Herd*, and the 11th season of the reality show *Big Brother* (average audience share 14 to 49: 8.0 per cent).

With an audience share of 24.0 per cent in the target group of 3 to 13-year-olds between 06:00 and 20:15 (2010: 22.8 per cent), **Super RTL** remained well ahead of its two competitors, Kika (19.6 per cent) and Nickelodeon (13.7 per cent). The channel has been the clear leader in the German children's TV market for 13 consecutive years.

Super RTL's pre-school strand, *Toggolino*, scored high average audience shares in the target group with formats such as *Chuggington* (36.8 per cent), *Caillou* (37.1 per cent) and *Bob the Builder* (33.8 per cent). In access prime time, live-action formats such as Disney's *Zeke & Luther* (21.3 per cent) and *Waverly Place* (21.4 per cent) continued to perform well.

The news channel **N-TV** increased its average audience share among viewers aged 14 to 49 to 1.3 per cent (2010: 0.9 per cent) as many people tuned in to follow the channel's extensive coverage of the tsunami and nuclear disaster in Japan, and of the Middle East crisis. In March alone, N-TV produced around 400 shorter news specials and 130 special broadcasts on the events in Japan. As a result, the channel achieved its highest ever monthly audience shares, both in terms of total audience share (1.6 per cent) and among young viewers (2.0 per cent). The channel's website also registered record figures.

#### New media and diversification activities

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

During the first half of 2011, the catch-up TV services RTL Now, Vox Now and Super RTL Now registered 125 million views of long-form videos – complete episodes of series or shows – up 26 per cent year-on-year.

Combining these on-demand platforms with the clip portal *Clipfish.de* and the unit's channel and thematic websites, the number of video views of professionally produced content increased by 26 per cent to 395 million. Proving that popular TV content is a major growth driver on the internet, *Deutschland sucht den Superstar* (Idols) alone increased the number of video views across all portals by 46 per cent to 124 million.

Including all mobile portals and applications of RTL Interactive's portfolio, mobile page impressions soared by 373 per cent to 597 million, while mobile video views more than quadrupled to 27 million. In addition, apps from the news channel N-TV – together with *Mobil.N-TV.de* – collectively generated 611 million mobile page impressions in the first half of 2011 (2010: 150 million).

Since May, the video clip portal *Clipfish.de* has served as Mediengruppe RTL Deutschland's new online destination for music. Under the new Clipfish Music brand, users find over 33,000 music videos – one of Germany's most extensive collections – most of which are also available via the Clipfish app for I-Pad and I-Phone.

In February, RTL Interactive launched a new browser games portal, *Gamechannel.de*, which offers gamers a wide range of high-quality browser games from all the relevant genres, such as strategy, action, business and sports simulators. The portal's social gaming and community features allow members to network with other players, see what games they are active in, and track their successes.

At the end of June 2011, the social network *Wer-kennt-wen.de* had 9.4 million registered members, up from 8.4 million at the end of June 2010.

## Groupe M6

In €million	Half year to June 2011	Half year to June 2010	Per cent change
<b>Revenue</b>	<b>720</b>	<b>742</b>	<b>(3.0)</b>
<b>EBITA</b>	<b>149</b>	<b>134</b>	<b>+11.2</b>

### Financial results

In the first half of 2011, Groupe M6's television activities reported solid revenue growth. Advertising revenue at the M6 main channel increased 5.3 per cent, while the digital channels' advertising revenue rose 10.5 per cent, mainly driven by the strong performance of the free digital channel, W9.

While the overall net TV advertising market in France was estimated to be up 2.5 per cent in the first half of 2011, Groupe M6 clearly outperformed the market, increasing its estimated net share.

Groupe M6's diversification and audiovisual rights revenue fell 14.3 per cent, for two key reasons: its football club, Girondins de Bordeaux, didn't qualify for the Uefa Champions League 2010/11, and the audiovisual rights business had profited from extraordinary DVD sales with *Twilight 2* in the first half of 2010. Consequently, overall revenue of Groupe M6 was down 3.0 per cent to €720 million (2010: €742 million).

Based on significantly higher profit contributions from its television channels, reported EBITA of Groupe M6 was up 11.2 per cent to €149 million (2010: €134 million), resulting in an operating margin of 20.7 per cent (2010: 18.1 per cent).

### Audience ratings

Thanks to its complementary family of channels, the combined total audience share of Groupe M6 increased to 14.8 per cent (2010: 14.2 per cent) over the period. In the main commercial target group of housewives aged under 50, the combined audience share was also up, to 22.7 per cent (2010: 21.5 per cent).

**M6** remained the second most popular channel in France among housewives under 50, reporting an audience share of 17.1 per cent (2010: 16.3 per cent). This made M6 the only major channel to increase its ratings, in an environment which is still marked by ongoing audience fragmentation. As a consequence, M6 continued to reduce the gap to the market leader, TF1. In terms of total audience share (10.5 per cent), M6 has overtaken France 3 to become the third most popular channel.

M6 particularly increased its ratings in access prime time, with the factual entertainment show *Un dîner presque parfait* (Come Dine With Me) and the magazine *100% Mag*. These programmes precede the main news show, *Le 19:45*, and the short drama *Scènes de ménages*.

On average, *Le 19:45* gained 340,000 viewers in the commercial target group year-on-year, making it the news show with the biggest audience increase. With an average audience share of 21.0 per cent in the target group, *Scènes de ménages* achieved the channel's best ratings in the 20:00 time slot since March 2005.

M6's most popular prime time format was the sixth season of the romantic docu-soap *L'amour est dans le pré* (The Farmer Wants A Wife) which achieved an outstanding average audience share of 37.0 per cent in the commercial target group – and made M6 the market leader among all target groups on Monday evenings. Since its second season, the format has consistently improved its ratings. Other established brands in prime time include *Top Chef*, *Pékin Express*, factual entertainment formats with a focus on lifestyle such as *D&Co* and *Maison à vendre* (House For Sale) and the long-running information magazines *Capital*, *Zone Interdite* and *Enquête Exclusive*.

Groupe M6's main digital channel, **W9**, increased its average audience share among housewives aged under 50 to 4.1 per cent (2010: 3.8 per cent), making it the most watched DTT channel in the key commercial target group. Underlining its positioning as a 'mini-generalist' channel, W9 scored high ratings in various genres, including movies, magazines such as *Vies croisées* and *Enquête d'action*, factual entertainments formats, and live broadcasts of Uefa Europa League football matches. Thanks to the US series *Glee*, W9 was the second most popular channel among young viewers aged 15 to 24 in the respective time slot.

In the pay-TV environment, Groupe M6's channels confirmed their leading positions in their key target groups. Among the 87 thematic channels in the Médiamétrie survey *Médiamat Thématik* – which measures TV audiences among French households equipped with cable, satellite or ADSL TV – **Paris Première** ranked second, with an audience share of 0.8 per cent in its target group, while **Téva** was again the top choice of housewives aged under 50 (audience share: 1.4 per cent).

#### New media and diversification activities

The catch-up TV service, **M6 Replay**, registered 167 million online video views in the first half of 2011, up 69 per cent year-on-year, while **W9 Replay** reported 15 million online video views. Both services enable viewers to re-watch the channels' flagship programmes at no cost, for seven to 15 days after their initial broadcast. M6 Replay is available on both computer and television via virtually all cable, IPTV and satellite packages in France, further increasing the number of total video views on the platform.

During the first half of 2011, **M6 Web** reached an average audience of 11.3 million unique users per month across its network of 40 internet sites, with digital online advertising increasing by 30 per cent.

The **M6 app** for I-Pad and I-Phone offers the channel live at no cost, plus catch-up TV services and behind-the-scenes videos. By the end of June 2011, the app had registered more than 1.7 million downloads, making it one of the top free apps on the App Store. In May, the app was enriched with new community and interactive features. Viewers can now enjoy free information on their favourite programmes, and can comment and interact with the show's fan community through social networks, directly from the application.

The **M6 Mobile by Orange** service had reached 2.0 million customers by the end of June 2011, up from 1.8 million the year before, while the M6-branded payment card had over 535,000 customers (end of June 2010: 200,000 customers).

In the previous year, the **audiovisual rights** division benefited from the tremendous success of the *Twilight* movies, in terms of both box office and DVD sales. With no major video release in the first six months of 2011, revenue of the business was down significantly. Groupe M6's mail-order and retail activities – bundled in the unit **Ventadis** – also had to operate in a challenging environment, marked by strong competition.

### **FremantleMedia**

In €million	Half year to June 2011	Half year to June 2010	Per cent change
<b>Revenue</b>	<b>621</b>	<b>596</b>	<b>+4.2</b>
<b>EBITA</b>	<b>72</b>	<b>90</b>	<b>(20.0)</b>

### Financial results

Revenue of FremantleMedia – RTL Group's production and brand exploitation arm – increased by 4.2 per cent to €621 million (2010: €596 million), driven by higher revenue in North America and the first-time full consolidation of both the commercials production and branded-entertainment company, Radical Media, and casual games developer, Ludia. Despite this growth, FremantleMedia reported a lower EBITA of €72 million (2010: €90 million), mainly due to general pressure on margins and volumes from broadcasters. In the first half of 2010, FremantleMedia still had the benefit of the ITV series *The Bill* and of the Australian productions *Biggest Loser* and *So You Think You Can Dance*. In addition, the EBITA was impacted by lower distribution income from FremantleMedia Enterprises (FME).

### Production businesses

In the first half of 2011, FremantleMedia continued to produce the highest rated entertainment shows in the biggest TV markets worldwide, including the US, the UK, Germany, Australia, the Netherlands, and France, along with a strong stable of top-rated and long-running drama series.

In the **US**, *American Idol* – co-produced by FremantleMedia North America (FMNA) and 19 Entertainment – was again the country's most watched prime time entertainment series. Season ten of the programme, broadcast by the Fox network, achieved an average audience share of 21.4 per cent among viewers aged 18 to 49. *American Idol* has been the number one series in the US for the past eight years. Returning once again to US screens this summer, *America's Got Talent* (co-produced by FMNA and Syco) has been the number one series on NBC this year to date, attracting an average audience of 13.4 million viewers and a 12.1 per

cent total audience share. *America's Got Talent* achieved its highest-performing launch episode yet, watched by 15.3 million viewers.

On air since 1972, *The Price is Right* remained the highest-rated daytime show in the US with an average audience of 4.9 million viewers in the first half of 2011. Original Productions' new series, *Storage Wars*, was an instant success on the cable channel A&E, becoming the channel's number one series of all time.

In the **UK**, series five of *Britain's Got Talent* – co-produced by Talkback Thames and Syco – continued to prove popular, with an average audience of 10.7 million viewers on ITV 1 and an average total audience share of 41.7 per cent, making it again the UK's highest rated series in the reporting period.

Returning to UK screens in the spring, series seven of *The Apprentice* (from Mark Burnett Productions) was BBC1's most watched entertainment series of 2011 to date. Attracting an average total audience share of 30.5 per cent, this was the most successful series of *The Apprentice* to date. The fifth season of *Celebrity Juice* was also the most successful series to date, with an average total audience share of 9.4 per cent – over four times ITV 2's average prime time share. *Celebrity Juice* was ITV 2's highest-rated show ever among viewers aged 16 to 34, attracting over 1 million young adults.

The second series of *Take Me Out* (developed by FremantleMedia France) retained its popularity among young viewers, attracting an average audience of 32.9 per cent on ITV 1.

In **Germany**, season eight of *Deutschland sucht den Superstar* (Idols, co-owned with 19 TV) was RTL Television's second most watched entertainment series of the year for viewers aged 14 to 49, with an average 32.4 per cent share of this audience. Airing on RTL Television since 1992, *Gute Zeiten, Schlechte Zeiten* (Good Times, Bad Times) remained Germany's most successful serial drama, winning an average audience share of 23.4 per cent in the commercial target group. The daily soap experienced its highest ratings for all viewers since 2006. Aired in February 2011, the Teamworx production *Schicksalsjahre* was the most watched TV movie on the public broadcaster ZDF since 2007, winning an average audience of 8.4 million viewers across its two parts.

In **Australia**, the fifth series of *Australia's Got Talent* improved its performance year-on-year to win an average total audience share of 30.5 per cent. The third series of *Masterchef* retained its popularity with an average audience of 1.5 million viewers and a 32.5 per cent market share. Peaking with an audience of 2 million viewers, *Masterchef* is the number one show on Network TEN in 2011 to date.

*The Farmer Wants A Wife* had its most successful series to date in France and is the number one programme on M6 for 2011 to date. In the Netherlands, the most recent series of the format was the country's highest-rated entertainment show since 1995. *The X Factor* continued its ratings dominance in Denmark, with an average audience share of 66.8 per cent of the target group of viewers aged 15 to 50. It has been the country's most popular show for the past four years.

FremantleMedia's formats have continued to travel well. In the first half of 2011, the new format *Total Blackout* (FremantleMedia/Fuji TV) was the company's most travelled show, launching in seven markets – Denmark, Belgium, Norway, the Netherlands, Sweden, Ukraine and Indonesia. *Got Talent* aired in five new territories during the first half of 2011 (Pan-Arab, Romania, Switzerland, Thailand and South Korea). The format has now been produced in a total of 44 territories. *The X Factor* travelled to four new territories in the first half of 2011 (India, Chile, Poland and Kazakhstan) and has now been produced in a total of 25 territories.

#### FremantleMedia Enterprises (FME)

FME's Kids Division secured a major global distribution deal with the Disney Channel for *My Babysitter's A Vampire*. The show premiered on the Disney Channel US in June 2011. Outperforming the channel's prime time average by 86.0 per cent in its first week, the show was one of Disney's most successful launches during the first six months of 2011 and is the number one US prime time cable show for kids aged 2 to 11.

FME partnered with world-leading UK kids' channels CBeebies and CBBC to launch a new multi-platform adventure animation series, *Tree Fu Tom*, and a multimedia comedy series, *Strange Hill High*, respectively. In February 2011, FME inked a deal with Random House Children's Screen Entertainment (RHCSE) to co-produce and distribute two new shows: *Fish Head Steve* and *The Amazing Adventures of Charlie Small*. They will be jointly produced and financed by RHCSE and FME, with FME taking on worldwide distribution, licensing and home entertainment rights.

The US cable network TBS ordered *The Wedding Band*, the first commission to come out of FME's US cable drama initiative.

FME launched a host of English-language dramas during the first half of 2011, including *The Sinking of The Laconia*, *The Crimson Petal And The White*, *Exile*, *The Reckoning*, and *Kidnap & Ransom*, and continued worldwide sales of the international hit family drama *Merlin*.

FME, Fox and Syco announced Pepsi as the official sponsor of *The X Factor US*, which will air in autumn 2011, while a record-breaking 122.4 million votes were cast following the *American Idol* performance show on 24 May 2011 – the highest number of votes in the show's history.

## RTL Nederland

In €million	Half year to June 2011	Half year to June 2010	Per cent change
<b>Revenue</b>			
TV	206	164	+25.6
Radio	27	26	+3.8
<b>Total</b>	<b>233</b>	<b>190</b>	<b>+22.6</b>
<b>EBITA</b>			
TV	50	23	>+100.0
Radio	9	9	0.0
<b>Total</b>	<b>59</b>	<b>32</b>	<b>+84.4</b>

### Financial results

Total revenue at **RTL Nederland** increased by a massive 22.6 per cent to €233 million (2010: €190 million), reflecting significantly higher advertising and non-advertising revenue for the profit centre's TV activities. Total EBITA rose by 84.4 per cent to €59 million (2010: €32 million), resulting solely from higher profit contributions from TV activities.

The Dutch TV advertising market<sup>16</sup> was estimated to be up 8.1 per cent over the period. RTL Nederland significantly outperformed, with a 48.4 per cent market share, up from 43.0 per cent in 2010. The company again managed to translate its high audience shares into significantly higher shares of the advertising market.

### Audience ratings

RTL Nederland's family of channels achieved a combined prime time audience share of 34.1 per cent in the main commercial target group of viewers aged 20 to 49 – an impressive increase on the first half of 2010 (31.3 per cent). RTL Nederland remained clearly ahead of its main commercial competitor, SBS group (23.2 per cent), and the public broadcasters (26.3 per cent).

As in the previous year, the ratings increase was driven by the flagship channel **RTL 4**, which achieved strong growth in its average prime time audience share – from 17.3 to 19.3 per cent – in the target group of shoppers aged 20 to 49. RTL 4 was the market leader on all weekdays except Sunday, when the Dutch version of *The Farmer Wants A Wife* was broadcast on the public channel, Nederland 1.

In January, the finale of the first season of *The Voice Of Holland*, an interactive talent show, attracted an audience share of 58.4 per cent in the target group of shoppers aged 20 to 49. Series three of *X Factor*, produced by Blue Circle (a FremantleMedia company), won an average audience share of 29.2 per cent. Other audience favourites in prime time were *Ik Hou Van Holland* (I Love Holland), *All You Need Is Love*, *Welcome Home*, *De Bachelor Curaçao*, *Gepest*, *Herrie XXL* and *De Jongens Tegen De Meisjes*.

<sup>16</sup> Spot and non-spot revenue

**RTL 5** finished the first half of 2011 with a 9.1 per cent audience share in the 20 to 34-year-old demographic, up from 7.9 per cent in the first six months of 2010. On Thursdays, RTL 5 achieved its highest rating, with the reality soaps *Echte Meisjes In De Jungle* and *Oh Oh Tirol*. On Mondays, the channel performed well with fashion and lifestyle programmes such as *America's Next Top Model* and *Project Runway*, while *The Ultimate Dance Battle* on Sundays scored an average audience share of 14.1 per cent in the target group of viewers aged 20 to 34.

**RTL 7** increased its audience share in its main target group (men aged 20 to 49) to 8.0 per cent (2010: 7.0 per cent). In June, the channel scored the highest audience share in its target group (9.1 per cent) since its launch in August 2005. The female-oriented **RTL 8** reported a stable audience share of 3.1 per cent among women aged 20 to 49 in the first half of 2011 (2010: 3.2 per cent). The digital pay-TV channel **RTL Lounge** has up to 1.5 million unique viewers per month.

Hit radio station **Radio 538** plays a range of contemporary and recent chart music, plus dance music and R&B, presented by the Netherlands' most popular DJs. In the first half of 2011, Radio 538 increased its average audience share among listeners aged 20 to 49 to 18.2 per cent (2010: 16.2 per cent), making it the country's leading radio station by a large margin.

#### New media and diversification activities

RTL Nederland's network of websites – including the general portal, *RTL.nl*, the centralised platform for on-demand services, *RTLXL.nl*, and a variety of websites dedicated to popular formats – increased its average number of unique users per month by 83 per cent to 13.0 million (2010: 7.1 million).

The number of video views grew by 57 per cent to 187 million in the first half of 2011. The most popular streams were episodes of the soaps *Goede Tijden, Slechte Tijden* and *As The World Turns*, and clips from the talent show *X Factor*, from *Dames En Heren In De Dop*, and from the *RTL Nieuws* website.

In April, RTL Nederland acquired Buienradar, the country's most popular weather site. Thanks to this acquisition RTL Nederland's digital range increased by 50 per cent, making the company one of the three biggest digital players in the Netherlands. In June, Buienradar was the country's most visited website with 7.3 million unique visitors.

The mobile phone product Sizz – aimed at female consumers and jointly designed by RTL Nederland and Vodafone Nederland – was launched in February. In June, Sizz launched a new app offering exclusive RTL Nederland content to subscribers. The app gives access to funny video clips and a range of RTL Nederland programmes such as *Goede Tijden, Slechte Tijden* and *Editie NL*. The app is commercial-free, and clips can be watched 24 hours a day.

In March, RTL Nederland launched a new dating site called Pepper. In the period from the launch date to end of June 2011, the brand awareness for Pepper grew to 39 per cent among singles aged 20 to 49.

The online restaurant reservation service Couverts, acquired by RTL Nederland in September 2010, has become the country's number two in this market segment. The number of online reservations made via the Couverts system grew by 242 per cent year-on-year.

## RTL Belgium

In €million	Half year to June 2011	Half year to June 2010	Per cent change
<b>Revenue</b>			
TV	83	91	(8.8)
Radio	26	25	+4.0
<b>Total</b>	<b>109</b>	<b>116</b>	<b>(6.0)</b>
<b>EBITA</b>			
TV	16	17	(5.9)
Radio	13	8	+62.5
<b>Total</b>	<b>29</b>	<b>25</b>	<b>+16.0</b>

### Financial results

Although RTL Belgium's TV and radio activities generated higher advertising revenue, total revenue at the Belgian profit centre decreased to €109 million (2010: €116 million), solely due to the deconsolidation of Belga Films (sold end of June 2010). The net TV advertising market in French-speaking Belgium was estimated to be up 4.3 per cent, with RTL Belgium outperforming the market. Total EBITA of the profit centre increased to €29 million (2010: €25 million), reflecting a higher profit contribution from its radio activities.

### Audience ratings

After record highs in the years 2009 and 2010, the combined prime time audience share of the RTL family of TV channels in the target group (shoppers aged 18 to 54) decreased to 37.8 per cent (2010: 39.6 per cent). However, its lead over the public channels remained stable at 20.9 percentage points. In terms of total audience, the RTL family aired 80 of the 100 top programmes in the reporting period.

**RTL-TVI** – the market-leading channel in French-speaking Belgium – achieved a prime time audience share of 29.5 per cent in the target group (2010: 30.8 per cent), 11.8 percentage points ahead of the second highest rated channel, the French commercial broadcaster TF1. **Plug RTL** reported a prime time audience share among young viewers aged 15 to 34 of 2.9 per cent (2010: 4.3 per cent), while **Club RTL** ended the first half of 2010 with a prime time audience share of 5.9 per cent in its main target group of male viewers aged 18 to 54 (2010: 5.8 per cent).

According to the most recent CIM audience survey, covering January to March 2011, the Belgian radio family had a combined audience share of 30.8 per cent (January to June 2010: 35.6 per cent), with **Bel RTL** being the number one radio station in the French community (audience share: 16.2 per cent) and **Radio Contact** being the leading music radio station (audience share: 14.6 per cent).

### New media and diversification activities

In the first half of 2011, the number of video views across RTL Belgium's websites increased by 17 per cent to 15.2 million, driven by the news website *RTLInfo.be*. In June, RTL Belgium's New Media team launched an I-Pad application that allows users to access the entire content of *RTL.be*. The app has already been downloaded more than 10,000 times.

### **French radio**

In €million	Half year to June 2011	Half year to June 2010	Per cent change
<b>Revenue</b>	<b>89</b>	<b>90</b>	<b>(1.1)</b>
<b>EBITA</b>	<b>16</b>	<b>15</b>	<b>+6.7</b>

### Financial results

In a net radio advertising market estimated to be slightly down 0.8 per cent, the French radio profit centre reported a revenue of €89 million (2010: €90 million). The net advertising share of the RTL radio family increased to 26.4 per cent (2010: 26.1 per cent). Reported EBITA of the French radio profit centre was up to €16 million (2010: €15 million).

### Audience ratings

In the latest audience survey (Médiamétrie April to June 2011), RTL Group's French radio family increased its combined audience share to 19.6 per cent (2010: 19.1 per cent), with all three stations achieving higher ratings year-on-year.

The audience share of the flagship station **RTL** was 12.1 per cent (April to June 2010: 11.9 per cent). In a context of strong competition between all general-interest stations, RTL has now been the number one radio station in France for nine consecutive years. The station also remained the clear leader in the other key ratings criteria – daily accumulated audience and time spent listening. The audience shares of the two musical stations, **RTL 2** and **Fun Radio**, increased to 3.2 per cent and 4.3 per cent respectively, with Fun Radio achieving its best rating since 2007 in a survey covering the months April to June.

### New media and diversification activities

RTL Radio's website, *RTL.fr*, has confirmed its position as the number one radio site in France, achieving an average of 2.7 million unique visitors per month in the first half of 2011. In May, RTL Radio launched its I-Pad application, offering mobile internet users all sport, music and other news in a click. All the top moments on the station are accessible in sound or video or as a podcast. The player makes it also possible to listen to RTL live. Apple's most recent TV campaign for the I-Pad in France prominently featured RTL Radio's I-Pad application, providing a significant and free promotional push for the service and the RTL brand.

## Other segments

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

**RTL Klub in Hungary:** The Hungarian net TV advertising market was estimated to be down 10.1 per cent in the first half of 2011. Although RTL Klub clearly outperformed the market and increased its share to 49.1 per cent (2010: 47.5 per cent), consolidated revenue of RTL Klub decreased to €48 million (2010: €50 million), while EBITA was €5 million (2010: €7 million).

RTL Klub's prime time audience share in the key demographic of 18 to 49-year-old viewers increased strongly to 32.2 per cent (2010: 29.0 per cent), driven by audience favourites such as the reality show *Való Világ* – the most watched Hungarian TV programme in the year to date – the talent show *Csillag születik*, the daily soap *Barátok közt* (Between Friends) and RTL Klub's news and information programmes. As a consequence, the channel extended its lead over its closest rival, TV2, to 12.2 percentage points.

The channel's catch-up TV service, RTL Most registered 36.2 million video views in the reporting period, up 106 per cent year-on-year.

**Alpha in Greece:** Alpha had to operate in a highly difficult market. Following the country's debt crisis and a series of austerity measures, the country has experienced a severe economic downturn. In a net TV advertising market estimated to be down 29.3 per cent in the first half of 2011, Alpha's overall revenue decreased to €27 million (2010: €36 million). The channel's advertising sales decreased by 27.5 per cent, resulting in an advertising market share of 17.6 per cent (2010: 17.2 per cent). The channel reported a negative EBITA of €31 million (2010: minus €10 million), which includes an asset impairment of €15 million (see page 5).

Alpha continued to increase its ratings in the first half of 2011, based on its repositioning as a family-oriented channel with a focus on docu-soaps and entertainment. The channel's audience share in the main commercial target group of viewers aged 15 to 44 was 15.8 per cent, up from 14.6 per cent in the first half of 2010. Alpha drew large audiences with its weekday afternoon and access prime time zone. The lifestyle magazine *Kous Kous To Mesimeri* (Gossip At Noon) and *Deste Tous!* (Watch Them!) grew their ratings among young viewers by 34.7 per cent and 60.2 per cent respectively year-on-year. The scripted reality format *Oikogeneiakes Istories* (Family Stories), launched in October 2010, scored an average audience share of 22.8 per cent in the 15 to 44 demographic. As a result, Alpha increased its ratings in the 18:00 to 19:00 time slot by 137 per cent year-on-year.

In prime time, the second season of *Greek Idol* (average audience share 15 to 44: 25.8 per cent) and the satirical comedy show *Al Tsantiri Niouz* (average audience share 15 to 44: 46.8 per cent) scored high audience shares.

**RTL Hrvatska in Croatia:** In a TV advertising market that fell by an estimated 2.2 per cent in the reporting period, revenue of RTL Hrvatska remained stable at €18 million. The profit centre's net TV advertising market share increased to 40.3 per cent (2010: 39.6 per cent). EBITA improved from minus €4 million in the first half of 2010 to minus €1 million, following cost savings in all areas. The profit centre's operating free cash flow was positive and amounted to €3 million (2010: €2 million).

In January 2011, the profit centre launched its second channel, RTL 2, which already achieved an average audience share of 4.8 per cent in the main commercial target group of viewers aged 18 to 49 in the first half of 2011. The channel is positioned as a complementary, younger brother to the general-interest channel RTL Televizija.

The audience share of the flagship RTL Televizija among young viewers was 21.1 per cent, down from 23.9 per cent in the first half of 2010. However, this decrease was more than compensated by the newly launched channel. As a result, RTL Hrvatska's overall share increased by 2 percentage points to 25.9 per cent.

In March, *Big Brother* returned to RTL Televizija after a three-year break and scored excellent ratings, with an average audience share of 30.2 per cent in the target group. It was the first transnational edition of the reality show, gathering a total of 16 candidates from five countries: Croatia, Serbia, Macedonia, Bosnia and Herzegovina and Montenegro. Other successful prime time programmes were the third season of the talent show *Hrvatska trazi zvijezdu* (Idols) and the factual entertainment format *Jezikova juha* (Kitchen Nightmares).

**Grupo Antena 3 in Spain:** After a strong recovery in 2010, the Spanish net TV advertising market declined by an estimated 7.4 per cent in the first six months of 2011. Grupo Antena 3 again clearly outperformed the market, with the company's TV advertising sales remaining stable. As a result, the channel's net share of the Spanish TV advertising market increased to 30.1 per cent (2010: 27.7 per cent).

The main channel, Antena 3, had an audience share of 11.3 per cent in the commercial target group of viewers aged 16 to 54 years (2010: 12.3 per cent). The decrease was due to continued audience fragmentation. However, including its digital channels Neox, Nova and Nitro, the Grupo Antena 3 family grew its combined audience share to 17.6 per cent in the target group (2010: 16.0 per cent).

On a 100 per cent basis, consolidated revenue of Grupo Antena 3 basically remained flat at €421 million (2010: €423 million), while operating profit (EBITDA) decreased to €78 million (2010: €86 million) and net profit was slightly down to €54 million (2010: €58 million).

The profit share of RTL Group was €12 million (2010: €12 million).

### **Principal risks and uncertainties**

RTL Group derives the majority of its revenue from the various advertising markets in which the Group operates. This is an area highly exposed to the general economic conditions and consumer confidence. In Western European markets the Group experienced a mixed advertising market environment in the first half of the year, while there was no sign of recovery yet in Central and Eastern Europe, with an especially difficult development in Greece. Visibility remains limited especially for the critical last quarter.

The state of the advertising markets is just one of the key operational drivers – other drivers include audience shares, advertising market shares and programme costs. Should any of these key drivers change substantially compared to the Group's position as at 30 June 2011, then the Group would be impacted – either positively or negatively – in the second half of 2011.

The Group continues to monitor its cost base closely but cannot rule out increased programme investments, should the competitive landscape require it, which would have a negative short-term impact on earnings.

The Annual Report 2010 sets out the most significant risk factors and litigations relating to RTL Group's operations at the time of that report. RTL Group does not consider that these principal risks and uncertainties have changed.

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

### **Major related party transactions**

RTL Group's major related party transactions are with its largest shareholder, Bertelsmann AG. The related party transactions cover two main areas: financing and tax. Financing is provided to Bertelsmann AG, by RTL Group, using a mixture of overnight and short-term (1 to 3 months) deposits.

The main related party transaction concerning tax concerns the tax pooling of its indirect subsidiary RTL Group Deutschland GmbH ("RGD") into Bertelsmann Capital Holding GmbH ("BCH"), a direct subsidiary of Bertelsmann AG. 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, a direct subsidiary of RTL Group, providing for the payment to CLT-UFA 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.

Bertelsmann AG grants to RTL Group a number of its assets as security for all payments linked to the above deposits and receivable linked to the PLP Agreement.

Management does not expect any major changes to the terms and conditions governing these related party transactions for the remainder of 2011. Further detail on related party transactions can be found in note 11 to the condensed consolidated interim financial information.

### **Subsequent events**

On 27 May 2011, RTL Group signed a joint venture agreement with Reliance Television Private LtD with approval being granted by the Foreign Investment Promotion Board for the joint venture on 6 July 2011. Two thematic channels are scheduled to be launched by this new joint venture by the end of 2011.

On 25 July 2011, RTL Group reached an agreement with the two remaining non-controlling shareholders in RTL Hrvatska, Atlantic and Agrokor, to acquire their stakes in RTL Hrvatska. This transaction will take RTL Group's shareholding in the Croatian broadcasting business to 100 per cent and will be accounted for as an equity transaction since RTL Group already has the control.

On 28 July 2011, RTL Group publically announced that it had exercised its put option on Talpa Media Holding. This put option enables RTL Group to recover the 26.3 per cent interest in RTL Nederland from Talpa Media Holding in exchange for the Group's 73.7 per cent interest in Radio 538. In addition, RTL Group will also sell, at the same terms and conditions as at the

date of acquisition, the radio stations Radio 10 Gold (acquired in 2010) and Slam FM (acquired in 2011) to Talpa Media Holding.

On 28 July 2011, RTL Group acquired an additional 31 per cent stake in RTL Klub, the Group's Hungarian television station. This acquisition will be accounted for as an equity transaction since RTL Group already has the control. RTL Group's stake in RTL Klub following this acquisition amounts to 98 per cent. Alongside this increased stake RTL Group also acquired 100 per cent of seven cable channels thus enabling the creation of a family of channels in Hungary. This transaction qualifies as a business combination since RTL Group acquired the control of these seven channels. Both transactions are subject to regulatory approval.

**Condensed consolidated interim financial information**  
**As at and for the six months ended 30 June 2011**

**CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT**  
**For the six months ended 30 June**

	2011	2010
<i>In EUR million</i>		
<b>Continuing operations</b>		
Revenue	2,751	2,661
Other operating income	13	23
Consumption of current programme rights	(836)	(810)
Depreciation, amortisation and impairment	(95)	(94)
Other operating expenses	(1,296)	(1,264)
Amortisation and impairment of fair value adjustments on acquisitions of subsidiaries and joint ventures	(13)	(5)
Gain / (loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	-	(11)
<b>Profit from operating activities</b>	<u>524</u>	<u>500</u>
Share of results of associates	13	21
<b>Earnings before interest and taxes ("EBIT")</b>	<u>537</u>	<u>521</u>
Interest income	12	9
Interest expense	(13)	(11)
Financial results other than interest	(2)	(7)
<b>Profit before taxes</b>	<u>534</u>	<u>512</u>
Income tax expense	(151)	(155)
<b>Profit for the period from continuing operations</b>	<u>383</u>	<u>357</u>
<b>Discontinued operations</b>		
Loss for the period from discontinued operations	(1)	(49)
<b>Profit for the period</b>	<u>382</u>	<u>308</u>
Attributable to:		
RTL Group shareholders	324	257
Non-controlling interests	58	51
	<u>382</u>	<u>308</u>
<b>EBITA* (continuing operations)</b>	557	537
Impairment of investment in associates	(7)	-
Amortisation and impairment of fair value adjustments on acquisitions of subsidiaries and joint ventures	(13)	(5)
Gain / (loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	-	(11)
<b>Earnings before interest and taxes ("EBIT")</b>	<u>537</u>	<u>521</u>
<b>Earnings per share from continuing operations (in EUR)</b>		
- Basic	2.12	1.99
- Diluted	2.12	1.99
<b>Earnings per share from discontinued operations (in EUR)</b>		
- Basic	(0.01)	(0.32)
- Diluted	(0.01)	(0.32)
<b>Earnings per share (in EUR)</b>		
- Basic	2.11	1.67
- Diluted	2.11	1.67

\* EBITA represents earnings before interest and taxes excluding impairment of investment in associates, impairment of goodwill and of disposal group, and amortisation and impairment of fair value adjustments on acquisitions, and gain or loss from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree

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

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME**  
**For the six months ended 30 June**

<i>In EUR million</i>	2011	2010
<b>Profit for the period</b>	<b>382</b>	308
<b>Other comprehensive income</b>		
Foreign currency translation differences	-	4
Foreign currency translation differences - associates	(1)	20
Effective portion of changes in fair value of cash flow hedges	(41)	105
Income tax	9	(31)
	<u>(32)</u>	<u>74</u>
Change in fair value of cash flow hedges transferred to profit or loss	(4)	2
Income tax	1	-
	<u>(3)</u>	<u>2</u>
Fair value gains/(losses) on available-for-sale financial assets	(5)	(9)
Income tax	-	-
	<u>(5)</u>	<u>(9)</u>
Defined benefit plan actuarial gains/(losses)	7	(12)
Income tax	(2)	3
	<u>5</u>	<u>(9)</u>
<b>Other comprehensive income for the period, net of income tax</b>	<b>(36)</b>	82
<b>Total comprehensive income for the period</b>	<b>346</b>	390
<b>Attributable to :</b>		
RTL Group shareholders	288	337
Non-controlling interests	58	53
<b>Total comprehensive income for the period</b>	<b>346</b>	390

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

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION**

*In EUR million*

	30 June 2011	31 December 2010
<b>Non-current assets</b>		
Programme and other rights	122	124
Goodwill	2,552	2,708
Other intangible assets	196	216
Property, plant and equipment	367	373
Investments in associates	343	358
Loans and other financial assets	254	271
Deferred tax assets	379	415
	<hr/> 4,213	<hr/> 4,465
<b>Current assets</b>		
Programme rights	956	913
Other inventories	30	38
Income tax receivable	58	61
Accounts receivable and other financial assets	2,012	2,506
Cash and cash equivalents	553	841
Assets classified as held for sale	232	-
	<hr/> 3,841	<hr/> 4,359
<b>Current liabilities</b>		
Loans and bank overdrafts	86	92
Income tax payable	122	115
Accounts payable	2,052	2,250
Provisions	188	206
Liabilities directly associated with non-current assets classified as held for sale	100	-
	<hr/> 2,548	<hr/> 2,663
<b>Net current assets</b>	<hr/> 1,293	<hr/> 1,696
<b>Non-current liabilities</b>		
Loans	31	96
Accounts payable	260	313
Provisions	108	113
Deferred tax liabilities	49	42
	<hr/> 448	<hr/> 564
<b>Net assets</b>	<hr/> 5,058	<hr/> 5,597
<b>Equity attributable to RTL Group shareholders</b>	<hr/> 4,532	<hr/> 5,013
<b>Equity attributable to non-controlling interests</b>	<hr/> 526	<hr/> 584
	<hr/> 5,058	<hr/> 5,597

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

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY  
For the six months ended 30 June

In EUR million	Share capital	Share premium	Treasury shares	Currency translation reserve	Hedging reserve	Revaluation reserve	Retained earnings	Equity attributable to RTL Group shareholders	Equity attributable to non-controlling interests	Total equity
<b>Balance as at 1 January 2010</b>	192	6,454	(44)	(205)	4	97	(1,603)	4,895	635	5,530
<b>Total comprehensive income:</b>										
Profit for the period	-	-	-	-	-	-	257	257	51	308
Foreign currency translation differences	-	-	-	48	-	-	(25)	23	1	24
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	-	-	72	-	-	72	2	74
Change in fair value of cash flow hedges transferred to profit or loss, net of tax	-	-	-	-	2	-	-	2	-	2
Fair value losses on available-for-sale financial assets, net of tax	-	-	-	-	-	(9)	-	(9)	-	(9)
Defined benefit plan actuarial losses, net of tax	-	-	-	-	-	-	(8)	(8)	(1)	(9)
	-	-	-	48	74	(9)	224	337	53	390
<b>Capital transactions with owners:</b>										
Dividends	-	-	-	-	-	-	(538)	(538)	(171)	(709)
Equity-settled transactions net of tax	-	-	-	-	-	-	1	1	2	3
Transactions on non-controlling interests without a change in control	-	-	-	-	-	-	2	2	(1)	1
	-	-	-	-	-	-	(535)	(535)	(170)	(705)
<b>Balance as at 30 June 2010</b>	192	6,454	(44)	(157)	78	88	(1,914)	4,697	518	5,215
<b>Balance as at 1 January 2011</b>	192	6,454	(44)	(148)	19	96	(1,556)	5,013	584	5,597
<b>Total comprehensive income:</b>										
Profit for the period	-	-	-	-	-	-	324	324	58	382
Foreign currency translation differences	-	-	-	(2)	-	-	-	(2)	1	(1)
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	-	-	(31)	-	-	(31)	(1)	(32)
Change in fair value of cash flow hedges transferred to profit or loss, net of tax	-	-	-	-	(3)	-	-	(3)	-	(3)
Fair value losses on available-for-sale financial assets, net of tax	-	-	-	-	-	(5)	-	(5)	-	(5)
Defined benefit plan actuarial gains, net of tax	-	-	-	-	-	-	5	5	-	5
	-	-	-	(2)	(34)	(5)	329	288	58	346
<b>Capital transactions with owners:</b>										
Dividends	-	-	-	-	-	-	(768)	(768)	(112)	(880)
Equity-settled transactions, net of tax	-	-	-	-	-	-	1	1	2	3
Transactions on non-controlling interests without a change in control	-	-	-	-	-	-	(2)	(2)	-	(2)
Transactions on non-controlling interests with a change in control	-	-	-	-	-	-	-	-	(6)	(6)
	-	-	-	-	-	-	(769)	(769)	(116)	(885)
<b>Balance as at 30 June 2011</b>	192	6,454	(44)	(150)	(15)	91	(1,996)	4,532	526	5,058

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

**CONDENSED CONSOLIDATED INTERIM CASH FLOW STATEMENT**  
**For the six months ended 30 June**

2011 2010

<b>Cash flows from operating activities (including discontinued operations)</b>		
Profit before taxes from continuing operations	534	512
Loss before taxes from discontinued operations	(1)	(49)
	<b>533</b>	<b>463</b>
Adjustments for :		
- Depreciation and amortisation	92	98
- Value adjustments, impairment and provisions	58	52
- Equity-settled share-based payments expenses	3	3
- (Gain) / loss on disposal of assets	(1)	11
- Financial results including net interest expense and share of results of associates	6	23
Use of provisions	(38)	(47)
Working capital changes	(34)	119
Income taxes paid	(156)	(199)
Net cash from operating activities	<b>463</b>	<b>523</b>
- thereof from discontinued operations	-	1
<b>Cash flows from investing activities (including discontinued operations)</b>		
Acquisitions of :		
- Programme and other rights	(37)	(44)
- Subsidiaries and joint ventures net of cash acquired	(33)	(6)
- Other intangible and tangible assets	(54)	(53)
- Other investments and financial assets	(19)	(9)
	<b>(143)</b>	<b>(112)</b>
Proceeds from the sale of intangible and tangible assets	4	4
Disposal of subsidiaries and joint ventures net of cash disposed of	(1)	4
Proceeds from the sale of associates, other investments and financial assets	8	390
Current deposit with shareholder	270	37
Interest received	10	5
	<b>291</b>	<b>440</b>
Net cash from investing activities	<b>148</b>	<b>328</b>
- thereof used in discontinued operations	(1)	(9)
<b>Cash flows from financing activities (including discontinued operations)</b>		
Interest paid	(4)	(7)
Transaction with non-controlling interests	(2)	(2)
Proceeds from loans	22	38
Repayment of loans	(37)	(36)
Net change in bank overdraft	5	4
Dividends paid	(877)	(702)
Net cash used in financing activities	<b>(893)</b>	<b>(705)</b>
- thereof used in discontinued operations	-	(2)
<b>Net increase / (decrease) in cash and cash equivalents</b>		
	<b>(282)</b>	<b>146</b>
<b>Cash and cash equivalents at beginning of period</b>		
Effect of exchange rate fluctuation on cash held	841	395
Effect of cash in disposal group held for sale	(2)	6
	(4)	-
<b>Cash and cash equivalents at end of period</b>		
	<b>553</b>	<b>547</b>

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 S.A., 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 2010.

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 by the Board of Directors on 23 August 2011.

### **2. Significant accounting policies**

The accounting policies applied by the Group in this condensed consolidated financial information are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2010.

#### **(a) New and amended standards and interpretations adopted by the Group**

The following amendments to standards, new interpretation and amendment to interpretations are mandatory for the first time for the financial period beginning 1 January 2011, but are not currently relevant or have a very limited impact for the Group:

- IAS 32 (amendment), "Classification of right issues" – effective from 1 February 2010;
- IFRIC 19, "Extinguishing financial liabilities with equity instruments" – effective from 1 July 2010;
- IFRS 1 (amendment), "Financial instrument disclosures" – effective from 1 July 2010.
- IFRIC 14 (amendment), "IAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction";
- IAS 24 (revised), "Related party disclosures";
- Improvements to International Financial Reporting Standards 2010.

#### **(b) Standards and amendments to existing standards that are not yet effective and have not been early adopted by the Group**

The following new standards and amendments have been published but are not effective for the Group's accounting period beginning on 1 January 2011. The Group is yet to assess their impacts.

- IFRS 9, “Financial instruments” – effective for annual reporting periods beginning on or after 1 January 2013 (1);
- IFRS 10, “Consolidated financial statements” – effective from 1 January 2013 (1);
- IFRS 11, “Joint arrangements” – effective from 1 January 2013 (1);
- IFRS 12, “Disclosures of interests in other entities” – effective from 1 January 2013 (1);
- IFRS 13, “Fair value measurement” – effective from 1 January 2013 (1);
- IAS 28, “Associates and joint ventures” (revised) – effective from 1 January 2013 (1).

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 2011 and are expected to have a limited impact for the Group:

- IFRS 1 (amendment), “Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters” – effective from 1 July 2011 (1);
- IFRS 7 (amendment), “Amendments to IFRS 7 Financial Instruments: Disclosures” – effective from 1 July 2011 (1);
- IAS 12 (amendment), “Deferred tax accounting for investment properties” – effective from 1 January 2012 (1);
- IAS 1, “Financial Statement presentation” regarding other comprehensive income (amendment) – effective from 1 July 2012 (1);
- IAS 19, “Employee benefits” (amendment) – effective from 1 January 2013 (1);
- IAS 27, “Separate financial statements” (revised) – effective from 1 January 2013 (1).

(1) These standards and interpretations 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.

Except as described below, 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 2010.

During the six months ended 30 June 2011 management re-assessed its estimates in respect of the following:

#### Alpha TV

The unexpected on-going deterioration of the Greek advertising market and the wider macro-economic crisis during the first half-year has meant that an impairment test was carried out for the interim closing, based on an updated business plan.

Based upon this new business plan and taking into account new market and financing assumptions, Management have recorded an impairment loss amounting to €18 million. As goodwill had been fully impaired at 31 December 2010, this loss has been allocated to "Intangible assets" (€3.6 million), "Property, plant and equipment" (€4.7 million) and "Programme rights" (€9.7 million).

#### Onerous contracts

Onerous contracts provisions amount to €83 million (31 December 2010: €100 million). Out of €25 million used during the period (30 June 2010: €25 million), €23 million relate to obligations contracted on rights (30 June 2010: €25 million).

#### 4. Discontinued operations

In EUR million	2011 June	2010 June
Revenue	-	142
Consumption of current programme rights	-	(87)
Depreciation, amortisation and impairment	-	(7)
Other operating expenses	-	(54)
Impairment of disposal group and amortisation of fair value adjustments on acquisitions of subsidiaries and joint ventures	-	(40)
Loss from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	(1)	-
<b>Loss from operating activities</b>	<u>(1)</u>	<u>(46)</u>
<b>Earnings before interest and taxes ("EBIT")</b>	<b>(1)</b>	<b>(46)</b>
Net interest expense	-	(4)
Financial results other than interest	-	1
<b>Loss before taxes</b>	<u>(1)</u>	<u>(49)</u>
 <b>Loss for the period from discontinued operations</b>	 <u>(1)</u>	 <u>(49)</u>
 <b>EBITA (discontinued operations)</b>	 -	 (6)
Impairment of disposal group	-	(39)
Amortisation of fair value adjustments on acquisitions of subsidiaries and joint ventures	-	(1)
Loss from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	(1)	-
<b>Earnings before interest and taxes ("EBIT")</b>	<u>(1)</u>	<u>(46)</u>

## 5. Segment reporting

In Eur million, for the period ended	Mediengruppe RTL Deutschland		Groupe M6		FremantleMedia		RTL Nederland		RTL Belgium		French Radio		Other segments		Eliminations		Total Group	
	June 2011	June 2010	June 2011	June 2010	June 2011	June 2010	June 2011	June 2010	June 2011	June 2010	June 2011	June 2010	June 2011	June 2010	June 2011	June 2010	June 2011	June 2010
Revenue from external customers	887	863	715	738	544	519	233	189	109	115	88	89	174	148			2,750	2,661
Inter-segment revenue	2	1	5	4	77	77	-	1	-	1	1	1	18	17	(102)	(102)	1	-
<b>Total Revenue</b>	<b>889</b>	<b>864</b>	<b>720</b>	<b>742</b>	<b>621</b>	<b>596</b>	<b>233</b>	<b>190</b>	<b>109</b>	<b>116</b>	<b>89</b>	<b>90</b>	<b>192</b>	<b>165</b>	<b>(102)</b>	<b>(102)</b>	<b>2,751</b>	<b>2,661</b>
Profit/(Loss) from operating activities	261	250	141	129	72	90	58	31	29	25	16	15	(53)	(40)	-	-	524	500
Share of results of associates	7	7	-	1	(7)	-	-	-	-	-	-	-	13	13			13	21
<b>EBIT</b>	<b>268</b>	<b>257</b>	<b>141</b>	<b>130</b>	<b>65</b>	<b>90</b>	<b>58</b>	<b>31</b>	<b>29</b>	<b>25</b>	<b>16</b>	<b>15</b>	<b>(40)</b>	<b>(27)</b>	<b>-</b>	<b>-</b>	<b>537</b>	<b>521</b>
<b>EBITA (continuing operations)</b>	<b>268</b>	<b>257</b>	<b>149</b>	<b>134</b>	<b>72</b>	<b>90</b>	<b>59</b>	<b>32</b>	<b>29</b>	<b>25</b>	<b>16</b>	<b>15</b>	<b>(36)</b>	<b>(16)</b>	<b>-</b>	<b>-</b>	<b>557</b>	<b>537</b>
Impairment of investment in associates	-	-	-	-	(7)	-	-	-	-	-	-	-	-	-	-	-	(7)	-
Amortisation and impairment of fair value adjustments on acquisitions of subsidiaries and joint ventures	-	-	(8)	(4)	-	-	(1)	(1)	-	-	-	-	(4)	-	-	-	(13)	(5)
Gain / (loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	-	-	-	-	-	-	-	-	-	-	-	-	(11)	-	-	-	(11)	-
<b>EBIT</b>	<b>268</b>	<b>257</b>	<b>141</b>	<b>130</b>	<b>65</b>	<b>90</b>	<b>58</b>	<b>31</b>	<b>29</b>	<b>25</b>	<b>16</b>	<b>15</b>	<b>(40)</b>	<b>(27)</b>	<b>-</b>	<b>-</b>	<b>537</b>	<b>521</b>
Interest income																12	9	
Interest expense																(13)	(11)	
Financial results other than interest																(2)	(7)	
Income tax expense																(151)	(155)	
<b>Profit for the period from continuing operations</b>																	<b>383</b>	<b>357</b>
In Eur million	Mediengruppe RTL Deutschland	Mediengruppe RTL Deutschland	Groupe M6	Groupe M6	FremantleMedia	FremantleMedia	RTL Nederland	RTL Nederland	RTL Belgium	RTL Belgium	French Radio	French Radio	Other segments	Other segments	Eliminations	Eliminations	Total Group	Total Group
	June 2011	December 2010	June 2011	December 2010	June 2011	December 2010	June 2011	December 2010	June 2011	December 2010	June 2011	December 2010	June 2011	December 2010	June 2011	December 2010	June 2011	December 2010
Segment assets (Assets classified as held for sale and associates excluded)	1,464	1,504	1,510	1,454	1,575	1,549	380	573	176	169	173	190	562	592	(154)	(138)	5,686	5,893
Investments in associates	46	56	2	-	8	15	-	-	-	-	-	-	287	287	-	-	343	358
Assets classified as held for sale	-	-	-	-	-	-	187	-	-	-	-	-	-	-	-	-	187	-
<b>Segment assets</b>	<b>1,510</b>	<b>1,560</b>	<b>1,512</b>	<b>1,454</b>	<b>1,583</b>	<b>1,564</b>	<b>567</b>	<b>573</b>	<b>176</b>	<b>169</b>	<b>173</b>	<b>190</b>	<b>849</b>	<b>879</b>	<b>(154)</b>	<b>(138)</b>	<b>6,216</b>	<b>6,251</b>
Segment liabilities (Liabilities directly associated with non-current assets classified as held for sale excluded)	657	652	653	641	436	439	113	142	112	108	68	83	318	333	(154)	(137)	2,203	2,261
Liabilities directly associated with non-current assets classified as held for sale	-	-	-	-	-	-	8	-	-	-	-	-	-	-	-	-	8	-
<b>Segment liabilities</b>	<b>657</b>	<b>652</b>	<b>653</b>	<b>641</b>	<b>436</b>	<b>439</b>	<b>121</b>	<b>142</b>	<b>112</b>	<b>108</b>	<b>68</b>	<b>83</b>	<b>318</b>	<b>333</b>	<b>(154)</b>	<b>(137)</b>	<b>2,211</b>	<b>2,261</b>
<b>Invested capital</b>	<b>853</b>	<b>908</b>	<b>859</b>	<b>813</b>	<b>1,147</b>	<b>1,125</b>	<b>446</b>	<b>431</b>	<b>64</b>	<b>61</b>	<b>105</b>	<b>107</b>	<b>531</b>	<b>546</b>	<b>-</b>	<b>(1)</b>	<b>4,005</b>	<b>3,990</b>
<b>Segment assets</b>																6,216	6,251	
Deferred tax assets																379	415	
Income tax receivable																58	61	
Other assets																803	1,256	
Assets classified as held for sale																45	-	
Cash and cash equivalents																553	841	
<b>Total Assets</b>																<b>8,054</b>	<b>8,824</b>	
<b>Segment liabilities</b>																2,211	2,261	
Deferred tax liabilities																49	42	
Income tax payable																122	115	
Other liabilities																522	809	
Liabilities directly associated with non-current assets classified as held for sale																92	-	
<b>Total Liabilities</b>																<b>2,996</b>	<b>3,227</b>	

## **6. Acquisitions and disposals**

### **Buienradar**

On 1 April 2011, RTL Group acquired 100 per cent of the leading Dutch internet site providing real-time weather information. The transaction qualified as a business combination since RTL Group gained the control of Buienradar BV. The purchase accounting led to no recognition of additional fair values directly attributable to the net assets acquired. The purchase consideration, net of cash acquired, amounts to €15 million resulting in the recognition of a goodwill of €11 million.

### **Slam FM**

On 1 June 2011, RTL Group acquired 100 per cent of the Dutch radio station Slam FM. The transaction qualified as a business combination since RTL Group gained the control of Slam FM BV. The purchase consideration, net of cash acquired, amounts to €6 million resulting in the recognition of a provisional goodwill of €5 million. It was agreed that in case RTL Group would exercise its put option on Talpa (see note 9.), the shares in Slam FM will be transferred to Talpa on the same terms and conditions as at the date of acquisition.

### **Ludia**

On 1 October 2010, RTL Group gained the control of Ludia and presented a provisional goodwill as at 31 December 2010 of €34 million. The final purchase price allocation led during the first half-year 2011 conducted to no adjustment.

## **7. 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.

## **8. Loans and other financial assets**

As part of an agreement signed on 10 June 2011 with the current shareholders of National Media Group (NMG), RTL Group swapped its 30 per cent shareholding in the Russian TV channel Ren TV for a 7.5 per cent shareholding in National Media Group. NMG holds interests in three major Russian TV channels and the daily newspaper Isvestija. Put and call option agreements have been concluded with rights exercisable in 2013. The non-cash transaction resulted in:

- The disposal of Ren TV, which was classified in 2010 in financial assets at fair value through profit or loss without recognition of any capital gain; and
- The recognition of the investment in NMG in accordance with IAS 39 for an amount of €74 million at 30 June 2011.

This financial asset will be presented in level 3 according to the IFRS7 guidance.

## **9. Non-current assets classified as held for sale and Liabilities directly associated with non-current assets classified as held for sale**

Management decided to exercise the put option on the radio business in the Netherlands. At 30 June 2011 the disposal group Radio 538, Radio 10 Gold and Slam FM comprise assets of €232 million less liabilities of €100 million.

### **Non-current assets**

Goodwill	<b>164</b>
Other intangible assets	<b>12</b>
Property, plant and equipment	<b>1</b>
Deferred tax assets	<b>40</b>
	<hr/>
	<b>217</b>

### **Current assets**

Income tax receivable	<b>1</b>
Accounts receivable and other financial assets	<b>10</b>
Cash and cash equivalents	<b>4</b>
	<hr/>
	<b>15</b>

### **Current liabilities**

Accounts payable	<b>16</b>
	<hr/>
	<b>16</b>

### **Non-current liabilities**

Loans	<b>55</b>
Accounts payable	<b>29</b>
	<hr/>
	<b>84</b>
	<hr/>
	<b>132</b>

## **10. Dividends**

An ordinary dividend in respect of the financial year 2010 of €5.00 per share (2009: €3.50 per share) was declared by the Annual General Meeting held on 20 April 2011. RTL Group parent company's dividend amounted to €774 million (2009: €541 million).

## **11. Related party transactions**

### Financing

As at 30 June 2011, RTL Group had various deposits (overnight and up to three months) amounting to €523 million (December 2010: €793 million) with Bertelsmann AG. These deposits bear an interest rate of either EONIA or EURIBOR plus 10 basis points depending on

the duration of the deposit. The overnight deposit has subsequently been rolled over. The total interest income on these deposits for the period ending 30 June 2011 amounted to €4 million (June 2010: €2 million).

The total amount of the deposit does not exceed 60 per cent of the latest available fair value of the pledged assets presented below.

#### 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, a direct subsidiary of RTL Group, providing for the payment to CLT-UFA 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.

As at 30 June 2011, the balance payable to BCH amounts to €212 million (December 2010: €406 million) and the balance receivable from Bertelsmann AG amounts to €182 million (December 2010: €350 million). Payments related to 2010 have been simultaneously done on 18 April 2011.

For the period ended 30 June 2011, the German income tax in relation to the tax pooling with Bertelsmann AG amounts to €60 million (June 2010: €45 million). The Commission amounts to €30 million (June 2010: €22 million).

#### Pledge

The shares of Media Communications SAS, shares of Media Finance Holding SL, interests in Gruner + Jahr AG & Co KG and shares of Bertelsmann UK Ltd had been granted as pledge by Bertelsmann AG to RTL Group S.A. in connection with the deposit agreement entered into by the two companies on 23 August 2006 as subsequently modified on 28 February 2007 and 17 July 2007.

On 25 November 2008, the shares of Bertelsmann UK Ltd and, on 18 February 2009, the interests in Gruner + Jahr AG & Co KG have been also granted as pledge by Bertelsmann AG to CLT-UFA S.A. related to the Compensation Agreement signed by the two companies on 1 August 2008.

Management re-values the pledges valuation on a regular basis.

## **12. Subsequent events**

On 27 May 2011, RTL Group signed a joint venture agreement with Reliance Television Private LtD with approval being granted by the Foreign Investment Promotion Board for the joint venture on 6 July 2011. Two thematic channels are scheduled to be launched by this new joint venture by the end of 2011.

On 25 July 2011, RTL Group reached an agreement with the two remaining non-controlling shareholders in RTL Hrvatska, Atlantic and Agrokor, to acquire their stakes in RTL Hrvatska. This transaction will take RTL Group's shareholding in the Croatian broadcasting business to 100 per cent and will be accounted for as an equity transaction since RTL Group already has the control.

On 28 July 2011, RTL Group publically announced that it had exercised its put option on Talpa Media Holding. This put option enables RTL Group to recover the 26.3 per cent interest in RTL Nederland from Talpa Media Holding in exchange for the Group's 73.7 per cent interest in Radio 538. In addition, RTL Group will also sell, at the same terms and conditions as at the date of acquisition, the radio stations Radio 10 Gold (acquired in 2010) and Slam FM (acquired in 2011) to Talpa Media Holding.

On 28 July 2011, RTL Group acquired an additional 31 per cent stake in RTL Klub, the Group's Hungarian television station. This acquisition will be accounted for as an equity transaction since RTL Group already has the control. RTL Group's stake in RTL Klub following this acquisition amounts to 98 per cent. Alongside this increased stake RTL Group also acquired 100 per cent of seven cable channels thus enabling the creation of a family of channels in Hungary. This transaction qualifies as a business combination since RTL Group acquired the control of these seven channels. Both transactions are subject to regulatory approval.

## **Management Responsibility Statement**

We, Gerhard Zeiler, Chief Executive Officer, and Elmar Heggen, Chief Financial Officer, confirm, to the best of our knowledge, that the condensed consolidated interim financial information which has been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting, as adopted by the European Union, gives a true and fair view of the assets, liabilities, financial position and profit or loss of RTL Group and that the interim management report includes a fair review of the information required under Art.4 §4 of the Luxembourg Transparency Law of 11 January 2008.

Luxembourg, 23 August 2011

Gerhard Zeiler  
Chief Executive Officer

Elmar Heggen  
Chief Financial Officer



## **Report on review of the condensed consolidated interim financial information**

To the Shareholders of  
**RTL Group S.A.**

---

### *Introduction*

We have reviewed the accompanying condensed consolidated interim statement of financial position of RTL Group S.A. and its subsidiaries (the "Group") as of 30 June 2011 and the related condensed consolidated interim income statement, statement of comprehensive income, statement of changes in equity and cash flow statement for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes (the "condensed consolidated interim financial information"). The Board of Directors is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, "Interim financial reporting" as adopted by the European Union. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

### *Scope of review*

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

### *Conclusion*

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

PricewaterhouseCoopers S.à r.l.  
Represented by

Luxembourg, 23 August 2011

Pascal Rakovsky

Marc Minet

*PricewaterhouseCoopers S.à r.l., 400 Route d'Esch, B.P. 1443, L-1014 Luxembourg  
T: +352 494848 1, F:+352 494848 2900, www.pwc.lu*

*Cabinet de révision agréé. Expert-comptable (autorisation gouvernementale n°00123693)  
R.C.S. Luxembourg B 65 477 - Capital social EUR 516 950 - TVA LU17564447*