

**RTL Group S.A.
Société Anonyme**

**Audited annual accounts
for the year ended 31 December 2014**

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Directors' report

I. OVERVIEW

Advertising markets across Europe were generally positive over the course of 2014 despite mixed macro-economic news flow. RTL Group experienced significant variations across the months and quarters of the year making it difficult to predict market trends with any certainty. With the exception of Belgium, which was down 2.8 per cent, all European net TV advertising markets in RTL Group's territories were up or stable year-on-year.

Against this background, RTL Group generated consolidated total revenue of €5,808 million (2013: €5,824 million), an EBITA of €1,145 million (2013: €1,148 million) and a net profit attributable to RTL Group shareholders of €653 million (2013: €870 million).

The main developments in 2014 were as follows:

- During the reporting period, the combined average audience share of Mediengruppe RTL Deutschland's channels decreased to 29.0 per cent (2013: 30.6 per cent) in the target group of viewers aged 14 to 59. This was mainly due to the fact that major sporting events such as the Olympic Winter Games and the FIFA World Cup were broadcast on the public channels. However, the German RTL family of channels remained ahead of its main commercial competitor ProSiebenSat1 by 3.1 percentage points. EBITA was up from €619 million in 2013 to €650 million - an increase of 5.0 per cent;
- M6 confirmed its status as the second most-watched channel in France among housewives under 50, scoring an average audience share of 15.9 per cent in 2014 (2013: 16.2 per cent). In terms of total audience share, M6 remained the third most popular channel in France for the fourth consecutive year with an audience share of 10.1 per cent. EBITA increased to €209 million (2013: €207 million), driven by higher profit contributions from the company's diversification activities;
- Having completed its strategic realignment and restructure, FremantleMedia has focussed on the implementation of its new strategy. In addition to building a scalable digital operation and developing a primetime scripted business, FremantleMedia continues to drive its core business by investing in and growing its content pipeline. Its production hours aired reached a five year high of 10,094 hours in 2014, up 19 per cent on the previous year (2013: 8,499), while the number of hours of new prime time drama produced in 2014 grew by 28 per cent over the previous year: from 100 formats in 2013 to 128 formats. EBITA decreased to €113 million (2013: €136 million);
- During the reporting period, RTL Nederland's channels reached a combined prime-time audience share of 32.4 per cent in the target group of viewers aged 20 to 49, slightly down from 33.5 per cent in 2013 - mainly due to the broadcast of the FIFA World Cup and Olympic Winter Games on the public channels. Despite this decrease, RTL Nederland's channels remained clearly ahead of the public broadcasters (26.6 per cent) and the SBS group (19.9 per cent). EBITA was stable at €103 million (2013: €103 million), mainly thanks to the positive one-off effect from the sale of the mobile provider Sizz, a cooperation between RTL Ventures and Vodafone;
- With a combined prime-time audience share of 35.2 per cent among shoppers aged 18 to 54 (2013: 36.4 per cent), RTL Belgium's family of TV channels maintained its position as the market leader in French-speaking Belgium - despite the fact that the FIFA World Cup was broadcast by the competition. RTL Belgium's lead over the public channels remained high at 14.7 percentage points. EBITA was stable, reflecting cost savings in RTL Belgium's TV business during the reporting period;
- The French RTL radio family maintained its market leadership with a combined audience share of 18.0 per cent (2013: 18.3 per cent). The three stations - RTL Radio, RTL 2 and Fun Radio - continued to lead over their main commercial competitors, the radio family of NRJ (15.3 per cent) and Lagardère (13.1 per cent). EBITA was down to €21 million (2013: €29 million), mainly reflecting lower advertising revenues linked to market decrease and lower audience shares of the flagship station.

Consistently with the past, RTL Group S.A. ("RTL Group" or the "Company") has continued to centralise financing and treasury functions of the Group through central foreign currency risk management and cash pooling arrangements with Group subsidiaries. Furthermore, RTL Group has two major investments in CLT-UFA S.A. (99.7 per cent of share capital) and in FremantleMedia S.A. (100 per cent of share capital).

The profit of RTL Group S.A. for the year 2014 amounted to €329 million (2013: €1,501 million), mainly reflecting:

- Dividends received from subsidiaries of €1,341 million (2013: €1,784 million), thereof a dividend in kind received from BeProcurement S.A. (former FremantleMedia S.A. until 29 July 2014) of €918 million and an interim dividend from CLT-UFA S.A. of €335 million (2013: €1,477 million);
- Value adjustment on financial fixed assets of €994 million related to BeProcurement S.A. (2013: €250 million);
- Net operating charges, including extraordinary income, and taxes of €26 million (2013: €40 million);
- Net result from interest and others financial items of €9 million (2013: €7 million).

II. SUMMARY INCOME STATEMENT

<i>In € million</i>	2014	2013
Income		
Operating income ⁽¹⁾	3	7
Financial income ⁽²⁾	1,352	1,794
Extraordinary income ⁽³⁾	18	-
Total income	1,373	1,801
Charges		
Operating charges ⁽⁴⁾	47	45
Financial charges ⁽⁵⁾	997	253
Taxes	-	2
Total charges	1,044	300
Profit for the financial year	329	1,501

⁽¹⁾ Operating income mainly relates to the recharge of administrative and management services of €2 million (2013: €7 million). The decrease mainly relates to the one-off effect of costs incurred in 2013 for the public offering on the Frankfurt Stock Exchange

⁽²⁾ Financial income mainly includes dividends of €1,341 million (2013: €1,784 million)

⁽³⁾ Extraordinary income relates to the gain on the contribution of its shares and convertible loan relating to StyleHaul Inc., to an affiliated company

⁽⁴⁾ Operating charges mainly include staff costs of €23 million (2013: €24 million), general expenses of €15 million (2013: €14 million) and consulting fees of €6 million (2013: €6 million)

⁽⁵⁾ Financial charges mainly include a value adjustment on financial fixed assets of €994 million relating to BeProcurement S.A. (2013: €250 million)

III. RESEARCH AND DEVELOPMENT

The Company did not carry out any research and development.

IV. OWN SHARES OR OWN CORPORATE UNITS

RTL Group has an issued share capital of €191,900,551 divided into 154,787,554 fully paid-up shares with no nominal value.

On 3 April 2006, RTL Group acquired 173,300 own shares for a total acquisition cost of €12,198,587. These shares were acquired with the view to fulfil the Company's obligation in the event of the exercise of share options by the beneficiaries in the context of the Stock Option Plan issued in 2000.

Following the shareholders' resolution and in order to foster the liquidity and regular trading of its shares that are listed on the stock market in Brussels and Luxembourg and the stability of the price of its shares, the Company has entered on 28 April 2014 into a liquidity agreement (the "Liquidity Agreement") with Kepler Capital Markets S.A. (the "Liquidity Provider"). During the year 2014, under the Liquidity Agreement, the Liquidity Provider has purchased 637,788 shares for an amount of €49,023,060 and sold 626,832 shares for an amount of €48,169,729.

A non-distributable reserve ("Reserve for own shares or own corporate units") had been constituted from the "Profit brought forward" account for an amount of €13,045,193.

At 31 December 2014, the Company holds directly 184,256 own shares (2013: 173,300) and indirectly through a Company's subsidiary 995,401 own shares (2013: 995,401).

At 31 December 2014, RTL Group's share price, as listed on the Frankfurt Stock Exchange, was €79.12 per share (2013: €93.93).

V. SIGNIFICANT LITIGATIONS

RTL Group is party to legal proceedings in the normal course of its business, both as defendant and claimant.

Most of these claims involve complex issues and the probability of loss and an estimation of damages are difficult to ascertain. A provision is recognised when the risk of a loss becomes likely and when it is possible to make a reasonable estimate of the expected financial effect of a proceeding. The publication of this information on a case-by-case basis, however, would seriously prejudice the company's position in the ongoing legal proceedings or in any related settlement discussions.

The main legal proceedings to which RTL Group is a party are disclosed below.

Several subsidiaries of the Group are being sued by broadcaster RTL 2 Fernsehen GmbH & Co. KG and its sales house El Cartel Media GmbH & Co. KG before the regional court in Düsseldorf in Germany seeking disclosure of information in order to substantiate a possible claim for damages. The proceedings succeed the imposition of a fine in 2007 by the German Federal Cartel Office for the abuse of market dominance with regard to discount scheme agreements ("share deals") IP Deutschland GmbH and SevenOne Media GmbH granted to media agencies. The German Federal Cartel Office argued that these discounts would foreclose the advertising market for small broadcasters. The proceedings involve IP Deutschland GmbH, RTL Television GmbH, VOX Television GmbH, RTL Disney Fernsehen GmbH & Co. KG and n-tv Nachrichten GmbH. Broadcasters MTV Networks Germany GmbH as well as TeleMünchen-TV GmbH had initiated similar proceedings before the regional court in Munich. TeleMünchen-TV GmbH was unsuccessful in first and second instance, the judgment being now final and non-appealable. MTV Networks Germany GmbH withdrew its lawsuit in September 2013.

Brandi Cochran was employed as a model on the television series "The Price Is Right" from July 2002 until February 2010 and is claiming wrongful termination and other allegations due to her gender and pregnancy. Her claim was brought against FremantleMedia North America ("FMNA"). The Court entered judgment in January 2013 and awarded her damages in the amount of \$8,536,384 (compensatory damages of \$766,944 and punitive damages of \$7,769,440; subject to interest at the rate of 10% per annum until paid) plus attorney's fees. FMNA appealed the verdict. FMNA filed post-trial motions for (i) a new trial and (ii) judgment notwithstanding the verdict ("JNOV"). In March 2013, the motion for a new trial was granted (and the verdict was vacated), but the motion for JNOV was denied. FMNA filed an appeal on the denial of the motion for JNOV, while Brandi Cochran appealed the granting of a new trial. A decision on both appeals is expected in late 2014 or early 2015. In December 2014, the Appellate Court remanded the parties for a new trial and allowed Brandi Cochran to introduce new arguments. Trial is expected to commence in late spring / early summer 2015.

VI. CORPORATE GOVERNANCE

The RTL Group Board of Directors is committed to high standards of corporate governance. RTL Group has applied the principles of good governance for years, even before The Ten Principles of Corporate Governance were implemented by the Luxembourg Stock Exchange - principles that RTL Group is in line with and submitted to.

More information on this topic can be found in the "About us" section of the Company's website (*RTLGroup.com*). It contains the group's corporate governance charter, and regularly updated information, such as the latest version of the Company's governance documents (articles of incorporation, statutory accounts, minutes of shareholders' meetings, etc.), and information on the composition and mission of the RTL Board and its Committees. The "Investors" section also contains the financial calendar and other information that may be of interest to shareholders.

A description of the principal characteristics of internal control systems and risk management procedures in relation to financial reporting processes is provided in the consolidated Directors' report of RTL Group.

VII. SUBSEQUENT EVENTS

On 9 January 2015, Groupe M6 has acquired 100 per cent of Oxygem SA and its subsidiaries ("Oxygem"). Oxygem operates various websites. The acquisition will boost the digital development of Groupe M6 and generate many synergies.

On 12 February 2015, FremantleMedia announced it is taking a 25 per cent non-controlling stake in Corona TV, a newly-created TV production company. The deal, which gives FremantleMedia a first look option on all Corona TV output, furthers FremantleMedia's ambition to build its scripted pipeline.

RTL Group management is contemplating different strategic options regarding its sport rights business UFA Sports. One possibility might be the disposal.

VIII. PROFIT APPROPRIATION

The statutory accounts of RTL Group show a profit for the financial year 2014 of €328,520,730 (2013: €1,501,401,563). Taking into account the share premium of €4,691,802,190 (2013: €4,691,802,190) and the profit brought forward of €649,053,229 (2013: €230,798,050), the amount available for distribution is €5,360,326,317 (2013: €6,037,466,168), net of an interim dividend of €309,049,832 (€2.00 per share) as decided by the Board of Directors of RTL Group on 20 August 2014 and paid on 4 September 2014 (2013: €386,535,635 i.e. €2.50 per share).

IX. PRINCIPAL RISKS, UNCERTAINTIES AND OUTLOOK

Principal risks and uncertainties are disclosed in the consolidated financial statements and the related Directors' report.

X. LUXEMBOURG LAW ON TAKEOVER BIDS

The following disclosures are made in accordance with article 11 of the Luxembourg Law on Takeover Bids of 19 May 2006.

a) Share Capital Structure

RTL Group S.A. has issued one class of shares which is admitted to trading on Euronext Brussels, the Luxembourg Stock Exchange and the Frankfurt Stock Exchange. No other securities have been issued. The issued share capital at 31 December 2014 amounts to €191,900,551, represented by 154,787,554 shares with no par value, each fully paid-up.

b) Transfer Restrictions

At the date of this report, all RTL Group S.A. shares are freely transferable but shall be subject to the provisions of the applicable Belgian, Luxembourg and German insider dealing and market manipulation laws, which prevent anyone who has material non-public information about a company from dealing in its shares and from committing market manipulations. A detailed Dealing Code contains restrictions on dealings by directors and certain employees of RTL Group S.A. and its subsidiaries.

c) Major Shareholding

The shareholding structure of RTL Group S.A. at 31 December 2014, excluding 0.8% which is held collectively as treasury stock by RTL Group S.A. and one of its subsidiaries, is as follows: Bertelsmann Capital Holding GmbH 75.1% and the remaining 24.1% is publicly traded.

d) Special Control rights

All the issued and outstanding shares of RTL Group S.A. have equal voting rights and there are no special control rights attached to.

e) Control system in employee share scheme

RTL Group S.A. Board of Directors is not aware of any issue regarding section e) of article 11 of the Luxembourg Law on Takeover Bids of 19 May 2006.

f) Voting Rights

Each share issued and outstanding in RTL Group S.A. represents one vote. The Articles of Association do not provide for any voting restrictions. In accordance with the Articles of Association, a record date for the admission to a general meeting is set and certificates for the shareholdings and proxies shall be received by RTL Group S.A. the 14th day before the relevant at 24 hours (Luxembourg time). Additional provisions may apply under Luxembourg law.

g) Shareholders' agreement with transfer restrictions

RTL Group S.A. Board of Directors has no information about any agreements between shareholders which may result in restrictions on the transfer of securities or voting rights.

h) Appointment of Board members, Amendments of Articles of Association

The appointment and replacement of Board members and the amendments of the Articles of Association are governed by Luxembourg Law and the Articles of Association. The Articles of Association are published under the "About Us" Corporate Governance Section on www.rtlgroup.com.

i) Powers of the Board of Directors

The Board of Directors is vested with the broadest powers to manage the business of RTL Group S.A. It may take all acts of administration and of disposal in the interest of RTL Group S.A. The Board of Directors has set up several committees whose members are directors. The responsibilities and the functionalities of the Board of Directors and its committees are described in the Articles of Association and the Corporate Governance Charter, published under the "About Us" Corporate Governance Section on www.rtlgroup.com.

The Company's Annual General Meeting of the shareholders of 2014 gave the authorization for five years to acquire a total number of own shares not exceeding 150,000 at a minimum price of 90 per cent and a maximum price of 110 per cent of the average closing price over the last five trading days.

j) Significant agreements or essential business contracts

The Board of Directors is not aware of any significant agreements to which RTL Group S.A. is party and which take effect, alter or terminate upon a change of control of RTL Group S.A. following a takeover bid.

k) Agreements with Directors and employees

The Executive Committee members are entitled to contractual severance payments in case of dismissal, to the exception of dismissal for serious reasons.

4 March 2015

The Board of Directors

Board of Directors

Non-Executive Directors

Thomas Rabe, Chairman

Martin Taylor¹, Vice-Chairman and Chairman of Nomination and Compensation Committee

Achim Berg (as from 5 March 2014)

Judith Hartmann (until 31 December 2014)

Bernd Kundrun

Jonathan F. Miller¹ (as from 16 April 2014)

Jacques Santer¹

Rolf Schmidt-Holtz

James Singh¹, Chairman of Audit Committee

Executive Directors

Guillaume de Posch (Co-Chief Executive Officer)

Anke Schäferkordt (Co-Chief Executive Officer)

Elmar Heggen (Chief Financial Officer)

¹ Independent director



Audit report

To the Shareholders of
RTL Group S.A.

Report on the annual accounts

We have audited the accompanying annual accounts of RTL Group S.A., which comprise the balance sheet as at 31 December 2014, the profit and loss account for the year then ended and a summary of significant accounting policies and other explanatory information.

Board of Directors' responsibility for the annual accounts

The Board of Directors is responsible for the preparation and fair presentation of these annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts, and for such internal control as the Board of Directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

Responsibility of the "Réviseur d'entreprises agréé"

Our responsibility is to express an opinion on these annual accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier". Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the judgment of the "Réviseur d'entreprises agréé", including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the "Réviseur d'entreprises agréé" considers internal control relevant to the entity's preparation and fair presentation of the annual accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the annual accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the annual accounts give a true and fair view of the financial position of RTL Group S.A. as of 31 December 2014, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts.

Report on other legal and regulatory requirements

The management report, which is the responsibility of the Board of Directors, is consistent with the annual accounts.

The Corporate Governance Statement, as included in the consolidated directors' report on the consolidated financial statements published on the Company's website www.rtlgroup.com, as of the date of this report is the responsibility of the Board of Directors. This statement is consistent, at the date of this report, with the annual accounts and includes the information required by the law with respect to the Corporate Governance Statement.

PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg, 4 March 2015

A handwritten signature in black ink, appearing to be 'M. Minet', written over a faint, stylized graphic that resembles a signature or a set of initials.

Marc Minet

Balance sheet at 31 December 2014

	Notes	2014 €	2013 €
ASSETS			
Fixed assets			
Intangible fixed assets	3.1.		
- Concessions, patents, licences, trademarks and similar rights and assets, if they were acquired for valuable consideration		147,780	179,307
		<u>147,780</u>	<u>179,307</u>
Tangible fixed assets	3.2.		
- Plant and machinery		2,287	3,317
- Other fixtures and fittings, tools and equipment		92,623	139,419
- Payments on account and tangible fixed assets under development		39,001	-
		<u>133,911</u>	<u>142,736</u>
Financial fixed assets			
- Shares in affiliated undertakings	3.3.1.	6,585,891,264	6,539,019,943
- Amounts owed by affiliated undertakings	3.3.2.	127,422,616	-
- Shares in undertakings with which the undertaking is linked by virtue of participating interests	3.3.3.	-	7,049,831
- Securities and other financial instruments held as fixed assets	3.3.1.	1,383,631	-
		<u>6,714,697,511</u>	<u>6,546,069,774</u>
		<u>6,714,979,202</u>	<u>6,546,391,817</u>
Current assets			
Debtors			
- Amounts owed by affiliated undertakings becoming due and payable within one year	3.4.1./3.4.2.	494,619,584	887,487,738
- Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests becoming due and payable within one year	3.4.3.	-	1,020,785
- Other receivables becoming due and payable within one year		2,041,997	1,975,327
		<u>496,661,581</u>	<u>890,483,850</u>
Transferable securities			
- Own shares or own corporate units	3.5.	13,045,193	12,198,587
Cash at bank, cash in postal cheque accounts, cheques and cash in hand		52,664,203	116,253,844
		<u>562,370,977</u>	<u>1,018,936,281</u>
Prepayments	3.9.	76,011,513	53,330,192
TOTAL ASSETS		<u>7,353,361,692</u>	<u>7,618,658,290</u>

The accompanying notes form an integral part of these annual accounts.

Balance sheet at 31 December 2014

	Notes	2014 €	2013 €
LIABILITIES			
Capital and reserves			
Subscribed capital	3.6.		
Share premium and similar premiums	3.6.1.	191,900,551	191,900,551
Legal reserve		4,691,802,190	4,691,802,190
Reserve for own shares or own corporate units	3.6.2.	19,190,054	19,190,054
Other reserves		13,045,193	12,198,587
Profit or loss brought forward		7,071,800	7,071,800
Profit or loss for the financial year		649,053,229	230,798,050
Interim dividends		328,520,730	1,501,401,563
		(309,049,832)	(386,535,635)
		<u>5,591,533,915</u>	<u>6,267,827,160</u>
Provisions			
Provisions for pensions and similar obligations	3.7.	8,792,153	7,661,960
		<u>8,792,153</u>	<u>7,661,960</u>
Non subordinated debts			
Amounts owed to credit institutions			
- becoming due and payable within one year		1,524	38,227
Trade creditors			
- becoming due and payable within one year		1,505,664	1,842,671
Amounts owed to affiliated undertakings			
- becoming due and payable within one year	3.8.1.	1,641,973,012	1,268,040,377
Tax and social security debts			
- Tax debts	3.8.2.	360,710	300,883
- Social security debts		318,975	260,006
Other creditors			
- becoming due and payable within one year		20,514,480	18,668,713
- becoming due and payable more than one year		2,793,038	-
		<u>1,667,467,403</u>	<u>1,289,150,877</u>
Deferred income	3.9.	85,568,221	54,018,293
TOTAL LIABILITIES		<u><u>7,353,361,692</u></u>	<u><u>7,618,658,290</u></u>

The accompanying notes form an integral part of these annual accounts.

Profit and loss account for the year ended 31 December 2014

	Notes	2014 €	2013 €
CHARGES			
Use of merchandise, raw materials and consumable materials		265,879	182,345
Other external charges	4.4.	20,795,236	20,125,387
Staff costs	4.5.		
- Salaries and wages		20,833,601	21,928,756
- Social security on salaries and wages		1,034,282	886,164
- Supplementary pensions costs		1,284,744	1,209,625
- Other social costs		16,063	1,000
		<u>23,168,690</u>	<u>24,025,545</u>
Value adjustments			
- On formation expenses and on tangible and intangible fixed assets	3.1./3.2.	259,986	457,386
- On current assets		42,546	-
		<u>302,532</u>	<u>457,386</u>
Other operating charges		2,942,434	886,038
Value adjustments and fair value adjustments on financial fixed assets	4.6.	994,152,102	250,000,000
Value adjustments and fair value adjustments on financial current assets. Loss on disposal of transferable securities		6,725	-
Interest and other financial charges			
- Concerning affiliated undertakings	4.7.	815,633	700,679
- Other interest and similar financial charges		1,629,843	1,844,418
		<u>2,445,476</u>	<u>2,545,097</u>
Extraordinary charges	4.8.	122,982	79,675
Income tax		21,400	21,400
Other taxes not included in the previous caption		68,854	1,592,831
Profit for the financial year		328,520,730	1,501,401,563
TOTAL CHARGES		<u><u>1,372,813,040</u></u>	<u><u>1,801,317,267</u></u>

The accompanying notes form an integral part of these annual accounts.

Profit and loss account for the year ended 31 December 2014

	Notes	2014 €	2013 €
INCOME			
Other operating income	4.1.	2,626,548	6,978,003
Income from financial fixed assets			
- Derived from affiliated undertakings	4.2.	1,341,445,415	1,784,379,231
Income from financial current assets			
- Derived from affiliated undertakings	4.3.	8,956,096	8,258,095
- Other income from financial current assets		2,175,478	1,698,895
		<u>11,131,574</u>	<u>9,956,990</u>
Extraordinary income	4.8.	17,609,503	3,043
TOTAL INCOME		<u><u>1,372,813,040</u></u>	<u><u>1,801,317,267</u></u>

The accompanying notes form an integral part of these annual accounts.

1. GENERAL

RTL Group S.A. (the "Company" or "RTL Group") was incorporated as a "Société Anonyme" on 30 December 1972 under the name of Compagnie Luxembourgeoise pour l'Audiovisuel et la Finance, abbreviated to "Audiofina". The Articles of Association were published in the "Recueil Spécial C des Sociétés et Associations" on 27 March 1973, under the number 52. They were modified on several occasions, the last one being on 18 April 2012. The Company is formed for an unlimited period.

On 25 July 2000, the name of the Company was changed to RTL Group.

The registered office of the Company is established at 45, Boulevard Pierre Frieden, L-1543 Luxembourg.

The Company's financial year starts on 1 January and ends on 31 December of each year.

The purpose of the Company is national and international development in the audiovisual, communication and information sectors and all related technologies. The Company can also take holdings through granting of loans, merging, subscription or other form of investment in any company, undertaking, association or other legal entity, existing or to be constituted, whatever its form or nationality, having a purpose which is similar or complementary to that of the Company. The Company can undertake any commercial, industrial or financial operation linked directly or indirectly to its purpose or of such a nature that it facilitates or favours its realisation. The Company may also undertake any action useful or necessary for the accomplishment of its purpose.

The Company is listed on the Brussels, Frankfurt and Luxembourg Stock Exchanges.

The Company also prepares consolidated financial statements which are published according to the provisions of the law.

The consolidated financial statements of RTL Group are included in the consolidated accounts of Bertelsmann SE & Co. KGaA (formerly Bertelsmann AG), the ultimate parent company of RTL Group. Bertelsmann SE & Co. KGaA is a company incorporated under German law whose registered office is established at Carl-Bertelsmann-Strasse 270, D-33311 Gütersloh, Germany. Consolidated financial statements of Bertelsmann SE & Co. KGaA may be obtained at their registered office.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of preparation

The annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements. Accounting policies and valuation rules are, besides the ones laid down by the Amended Law dated 19 December 2002, determined and applied by the Board of Directors.

The annual accounts have been prepared under the historical cost convention except for items relating to foreign exchange hedging activities.

All monetary amounts in the notes are in Euro unless otherwise indicated.

The preparation of annual accounts requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying accounting policies. Changes in assumptions may have a significant impact on the annual accounts in the period in which the assumptions changed. Management believes that the underlying assumptions are appropriate and that the annual accounts therefore fairly present the financial position and results.

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities in the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2.2. Foreign currency translation

The Company maintains its accounts in Euro and both the balance sheet and profit and loss account are expressed in this currency.

Transactions in foreign currencies are recorded at the rate of exchange ruling on the transaction date. With the exception of fixed assets, all assets and liabilities denominated in foreign currencies are converted at the rate of exchange ruling at the balance sheet date. Related realised and unrealised gains as well as realised and unrealised losses are recognised in the profit and loss account.

2.3. Foreign exchange risk and derivatives

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, including most notably exposures to USD and GBP. For the Group as a whole, cash flow, net income and net worth are optimised by reference to Euro. Foreign exchange risks faced by individual Group companies, however, are managed or hedged against the functional currency of the relevant entity.

Group Treasury periodically collects from the Group companies forecasts of foreign currency exposures arising from signed output deals and programme rights in order to monitor the Group's overall foreign currency exposure. Entities exposed to foreign currency risk are responsible for hedging their exposures in accordance with the Treasury policies approved by the Board of Directors. Companies in the Group use forward contracts, transacted with Group Treasury, to hedge their exposure to foreign currency risk. Group Treasury is responsible for hedging the net position in each currency by using external foreign currency derivative contracts.

The foreign currency management policy of the Group is to hedge 100 per cent of the recognised monetary foreign currency exposures arising from cash, receivables, payables, loans and borrowings denominated in currencies other than Euro.

Within this framework, RTL Group enters into foreign currency derivative contracts with banking institutions (external) and with Group subsidiaries (internal).

Unrealised losses and gains resulting from the revaluation of the foreign currency derivative contracts (internal and external) are recognised in the profit and loss account with a counterpart in the balance sheet in "Deferred income" or "Prepayments", respectively.

2.4. Intangible fixed assets

Intangible fixed assets are stated at cost less accumulated amortisation. They include software amortised on a straight-line basis over their estimated useful life of three years. Where the Company considers that an intangible fixed asset has suffered a durable depreciation in value, an additional write-down is recorded to reflect this loss. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

2.5. Tangible fixed assets

Tangible fixed assets are stated at cost, including expenses incidental thereto, less accumulated depreciation. Depreciation is recognised on a straight-line basis over the estimated useful lives of the tangible fixed assets:

- Plant and machinery: four to ten years;
- Other fixtures and fittings, tools and equipment: three to ten years.

Where the Company considers that a tangible fixed asset has suffered a durable depreciation in value, an additional write-down is recorded to reflect this loss. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

2.6. Financial fixed assets

Shares in affiliated undertakings and in undertakings with which the Company is linked by virtue of participating interests are recorded in the balance sheet at acquisition cost, including expenses incidental thereto. A value adjustment is made when there is a durable diminution in their value. These value adjustments are not continued if the reasons for which these value adjustments were made have ceased to apply.

Dividends from shares in affiliated undertakings and participating interests are recognised in the profit and loss account when declared by decision of the General Meeting.

Amounts owed by affiliated undertakings and by undertakings with which the undertaking is linked by virtue of participating interests are recorded in the balance sheet at acquisition cost including expenses incidental thereto or nominal value. When the market value or the recoverable value is lower than the acquisition cost or nominal value, a value adjustment is recorded. These value adjustments are not continued if the reasons for which these value adjustments were made have ceased to apply.

2.7. Debtors

Debtors are recorded at their nominal value. They are subject to value adjustments when their recovery is compromised. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

2.8. Own shares or own corporate units

Own shares or own corporate units are recorded at acquisition cost and are classified as current assets. A value adjustment is recorded when the market value is lower than the acquisition cost. In accordance with article 49.5 of the Law on Commercial Companies, a non-distributable reserve ("Reserve for own shares or own corporate units") is constituted for an equivalent amount from "Profit brought forward".

2.9. Cash at bank, cash in postal cheque accounts, cheques and cash in hand

The Company reports in the balance sheet the net amount of the debit and credit positions of the bank accounts when these positions relate to the same currency in the same bank and a netting agreement exists with the bank. If these conditions are not met, credit positions are recorded as bank overdrafts in "Amounts owed to credit institutions".

2.10. Cash pooling arrangements

In order to optimise cash management, RTL Group has implemented a cash pooling policy to centralise the Group's liquid funds:

- The local cash pooling includes the majority of the Luxembourg subsidiaries: B&CE S.A., Broadcasting Center Europe S.A., CLT-UFA S.A., Data Center Europe S.à r.l., Duchy Digital S.A., IP Luxembourg S.à r.l., IP Network International S.A., Luxradio S.à r.l., Media Assurances S.A., Media Properties S.à r.l., MP B S.A., MP D S.A., MP E S.A., MP H S.A., RTL Belux S.A., RTL Belux S.A. & Cie S.E.C.S. and RTL Group Germany S.A. This automated cash pooling is made with a local banking institution. The conditions of the cash pooling are determined on an arm's length basis and based on specific risks linked to each Group company. The basis rate is EONIA adjusted for a margin (from -0.25% to -0.40% on credit margin with a minimum of 0% in case of very low interest rates and +0.50% on debit margin);

- The European cash pooling comprises the following Group companies: Audiomeia Investments S.A. (Belgium), BLU A/S (Denmark), CLT-UFA S.A. (Luxembourg), FremantleMedia Espana S.A., FremantleMedia Finland OY (Finland), FremantleMedia Norge AS (Norway), FremantleMedia Group Ltd (United Kingdom), FremantleMedia Italia S.p.A. (Italy), FremantleMedia Operations B.V. (Netherlands), FremantleMedia Polska SP. Z.O.O. (Poland), FremantleMedia Sverige AB (Sweden), Immobilière Bayard d'Antin S.A. (France), IP Luxembourg S.à r.l. (Luxembourg), IP Network SRL (Italy), M-RTL ZRT (Hungary), RTL Belgium S.A.(Belgium), RTL Disney Fernsehen GmbH & Co. KG (Germany), RTL Group Beheer B.V. (Netherlands), RTL Group Central and Eastern Europe S.A. (Luxembourg), RTL Group Deutschland GmbH (Germany), RTL Hrvatska d.o.o. (Croatia), RTL Nederland Holding B.V. (Netherlands), RTL Television GmbH (Germany), Universum Film GmbH (Germany). The interest rate of the cash pooling is based on EONIA, adjusted for a margin reflecting the specific risks attached to the Group companies;
- The non-European cash pooling comprises the following Group companies: FremantleMedia Asia Pte Ltd (Singapore), FremantleMedia Australia PTY Ltd (Australia), FremantleMedia Canada Holding Inc. (Canada), FremantleMedia Latin America Inc. (United States), FremantleMedia North America Inc. (United States), Ludia Inc. (Canada), RTL Canada Ltd (Canada) and RTL Group Asia Pte Ltd (Singapore). The interest rate of the cash pooling is based on LIBOR, adjusted for a margin that can extend from +0.50% to +2% and from -0.40% to -0.25%.

Cash pooling arrangements are recorded on the balance sheet as "Amounts owed by affiliated undertakings" or "Amounts owed to affiliated undertakings" respectively.

2.11. Prepayments

The Company reports under this caption expenditure incurred during the financial year but relating to a subsequent financial year.

2.12. Provisions

Provisions are intended to cover losses or liabilities, the nature of which is clearly defined and which, at the date of the balance sheet, are either likely to be incurred or certain to be incurred but uncertain as to their amount or date on which they will arise.

Provisions may also be created to cover charges which originate in the financial year under review or in a previous financial year, the nature of which is clearly defined and which at the date of the balance sheet are either likely to be incurred or certain to be incurred but uncertain as to their amount or the date on which they will arise.

The Company participates in a defined benefit plan. This plan is financed internally via accruals which are determined by independent qualified actuaries using the aggregate cost method (percentage of payroll). The level of accruals exceeds the minimum financing requirement. In case of bankruptcy, the benefits are preserved through the PSVaG insolvency reinsurance.

2.13. Non subordinated debts

Non subordinated debts are recorded at their nominal value or, if applicable, their residual amount.

2.14. Deferred income

This liability item includes income received during the financial year but related to a subsequent financial year.

3. BALANCE SHEET

3.1. Intangible fixed assets

At 31 December 2014, "Intangible fixed assets" mainly consisted of licences which are recorded and amortised according to the policies described in Note 2.4.

In 2014, "Intangible fixed assets" evolved as follows:

Acquisition cost at 31.12.2013	8,771,314
Acquisitions / Increases	166,389
Acquisition cost at 31.12.2014	8,937,703
Accumulated value adjustment at 31.12.2013	(8,592,007)
Amortisation charges for the year	(197,916)
Accumulated value adjustment at 31.12.2014	(8,789,923)
Net book value at 31.12.2013	179,307
Net book value at 31.12.2014	147,780

3.2. Tangible fixed assets

In 2014, "Tangible fixed assets" evolved as follows:

	Plant and machinery	Other fixtures and fittings, tools and equipment	Payments on account and tangible fixed assets under development	Total
Acquisition cost at 31.12.2013	5,800	770,114	-	775,914
Acquisitions	-	14,244	39,001	53,245
Acquisition cost at 31.12.2014	5,800	784,358	39,001	829,159
Accumulated value adjustment at 31.12.2013	(2,483)	(630,695)	-	(633,178)
Depreciation charges for the year	(1,030)	(61,040)	-	(62,070)
Accumulated value adjustment at 31.12.2014	(3,513)	(691,735)	-	(695,248)
Net book value at 31.12.2013	3,317	139,419	-	142,736
Net book value at 31.12.2014	2,287	92,623	39,001	133,911

3.3. Financial fixed assets

3.3.1. Shares in affiliated undertakings

In 2014, "Shares in affiliated undertakings" evolved as follows:

Acquisition cost at 31.12.2013	7,366,885,292
Acquisitions	1,051,845,689
Capital increase	3,025,634
Disposal	(1,828,765,720)
Transfer	(1,383,631)
Acquisition cost at 31.12.2014	6,591,607,264
Value adjustments at 31.12.2013	(827,865,349)
Value adjustment for the year	(994,152,102)
Disposal	1,816,301,451
Value adjustments at 31.12.2014	(5,716,000)
Net book value at 31.12.2013	6,539,019,943
Net book value at 31.12.2014	6,585,891,264

Transactions in shares

Acquisitions

On 29 August 2014, BeProcurement S.A. distributed its investment in FremantleMedia Group Ltd as a dividend in kind to the Company. The dividend was recognised at the fair value of the investment of €918,000,000.

On 31 July 2014, RTL Group acquired for €107,612,514 a 65% majority stake in SpotXchange Inc. a programmatic video advertising platform.

On 30 November 2014, the Company contributed its shares in StyleHaul Inc., an undertaking with which the Company until then had been linked by virtue of a participating interest, as well as a convertible note including accrued interest issued by StyleHaul Inc. which had been converted into shares simultaneously, using the same valuation basis for shares and the note, to FremantleMedia Group Ltd, resulting in an increase of its shareholding in FremantleMedia Group Ltd of €26,233,173.

On 25 June 2014, the Company acquired 2 shares in BeProcurement S.A. from FremantleMedia Group Ltd for €2.

Capital increase

On 4 December 2014, RTL Group fully subscribed a capital increase in RTL Canada Ltd for an amount of €3,025,634.

Disposal

On 1 November 2014, the Company sold 90% of its investment in BeProcurement S.A. at book value to Bertelsmann Luxembourg S.à r.l., an affiliated company, resulting in a corresponding decrease in acquisition cost of €1,828,765,720 and in value adjustments of €1,816,301,451. As a result, the Company now holds 10% in BeProcurement S.A..

BeProcurement has tax losses carried forward amounting to €1.1 billion at 30 September 2014. A twenty five year shareholders agreement has been concluded between Bertelsmann and RTL Group. The shareholders agreement stipulates that 50 per cent of the aggregate amount of corporate and trade tax that, in the absence of existing tax losses carried forward of BeProcurement S.A., if any, would have otherwise been owed by the Company, will be paid to RTL Group as a preferred dividend with a minimum amount of €1 million per year. The minimum dividend of €1 million will be payable as from 2016 onwards.

Transfer

The book value of BeProcurement S.A. remaining after the sale of 90% of the shares originally held of €1,383,631 (see above) was transferred from "Shares in affiliated undertakings" to "Securities and other financial instruments held as fixed assets".

Value adjustment

In 2014, the Company recorded a value adjustment on its investment in BeProcurement S.A. of €994,152,102 in order to reflect the reduced remaining value of the shares after the distribution in kind made by BeProcurement S.A. of its investment in FremantleMedia Group Ltd to the Company (see above).

Details of shares

Name of the company	Legal form	Country	Activity	Direct % held	Acquisition cost	Accumulated value adjustments	Net	Equity before result for the year ⁽¹⁾	Result of the last period closed ⁽¹⁾
Shares in affiliated undertakings									
FremantleMedia Group	Ltd	United Kingdom	Holding	100	944,233,173	-	944,233,173	511,454,587	(378,045,376)
Fremantle Productions Asia	Ltd	Hong Kong	Production	100	1,180,000	(600,000)	580,000	660,696	(7,804) ⁽⁴⁾
SpotXchange	Inc.	USA	Video Advertising	65	107,612,514	-	107,612,514	12,023,514 ⁽²⁾	5,160,820 ⁽²⁾
Grundy International Operations	Ltd	Netherlands Antilles	Holding	100	5,116,000	(5,116,000)	-	65,534	(205)
CLT-UFA	S.A.	Luxembourg	Holding/TV/Radio	99.7	5,504,050,504	-	5,504,050,504	3,266,610,751 ⁽³⁾	380,824,320 ⁽³⁾
RTL Canada	Ltd	Canada	Holding	100	29,406,098	-	29,406,098	24,770,500	(102,559)
RTL Group Asia Pte Ltd	Ltd	Singapore	Holding	100	8,938	-	8,938	8,938	(87,920)
Immobilière Bayard d'Antin	S.A.	France	Real Estate/Holding	0.01	37	-	37	284,099,985	120,238,755
					6,591,607,264	(5,716,000)	6,585,891,264		
Securities and other financial instruments held as fixed assets									
BeProcurement	S.A.	Luxembourg		10	1,383,631	-	1,383,631	716,230,021	50,875,655
					1,383,631	-	1,383,631		

⁽¹⁾ Amounts according to statutory accounts for 2013 (converted into Euro if needed) unless otherwise stated

⁽²⁾ Amounts according to audited accounts at 31 August 2014 (converted in Euro)

⁽³⁾ Amounts according to statutory accounts for 2014. Equity is net of an interim dividend of €17 per share, i.e. a total amount of €335,754,454, paid in December 2014

⁽⁴⁾ Amounts according to statutory accounts for 2012 (converted in Euro)

3.3.2. Amounts owed by affiliated undertakings

In 2014, "Amounts owed by affiliated undertakings" evolved as follows:

Gross amount at 31.12.2013	22,400,000
Increase	127,422,616
Gross amount at 31.12.2014	149,822,616
Value adjustment at 31.12.2013	(22,400,000)
Value adjustment at 31.12.2014	(22,400,000)
Net book value at 31.12.2013	-
Net book value at 31.12.2014	127,422,616

At 31 December 2014, "Amounts owed by affiliated undertakings" consisted of the following:

- Loan of USD 158,216,334 (€127,203,999) granted to Fremantle Productions North America Inc. in two tranches of USD 31,800,000 (€25,566,811) on 2 January 2014 and USD 126,416,334 (€101,637,188) on 1 December 2014, bearing interest at rates of 1.5831% and 1.32645% respectively and with maturity dates of 2 January 2018 and 2 December 2019 respectively. The interest accrued on the loan at 31 December 2014 amounted to USD 271,650 (€218,617);
- Loan of €22,400,000 to Alpha Doriforiki Tileorasi S.A. granted on 24 June 2010 and 1 February 2012, bearing interest as follows: EURIBOR plus 3.50% from 24 June 2010, 0% from 31 December 2011 and 4% from 31 December 2015. Repayments are scheduled in annual instalments of €4,500,000 from 2015 to 2018 with a final instalment for the remaining balance in 2019. The interest accrued on the loan at 31 December 2014 amounts to € nil (2013: € nil). The loan is fully impaired given the systemic Greek crisis.

3.3.3. Shares in undertakings with which the undertaking is linked by virtue of participating interests

On 30 November 2014, RTL Group contributed to FremantleMedia Group Ltd, an affiliated undertaking, its shares held in and the convertible note issued by StyleHaul Inc. for an amount of €26,233,173. This transaction resulted in an extraordinary income of €17,609,503 (Notes 3.3.1., 3.4.3. and 4.8.).

3.4. Debtors

3.4.1. Amounts owed by RTL Group companies

At 31 December 2014, amounts owed by RTL Group companies consisted of:

- Cash pooling with a number of group companies in multiple currencies for €344,260,619 (2013: €729,561,606) bearing interest at an adjusted EONIA rate as described in Note 2.10. above and without maturity date. Total interest income during the year 2014 amounted to €3,837,987 (2013: €5,018,295) (Note 4.3.);
- An advance of GBP 104,377,007 (€131,268,716) granted to FremantleMedia Group Ltd on 20 August 2003, bearing interest at a rate of 1.479% and with maturity date of 20 November 2015. The interest accrued on the advance at 31 December 2014, amounted to GBP 177,598 (€223,355);
- A loan of USD 10,600,000 (€8,522,270) granted to Fremantle Productions North America Inc. on 2 January 2013, bearing interest at a rate of 1.5831% and with maturity date of 2 January 2015. The interest accrued on the loan at 31 December 2014 amounted to USD 42,419 (€33,890);
- A loan of €4,645,000 granted to FremantleMedia Espana S.A. that was restructured on March 2013, bearing interest at a rate of 3.078% and with maturity date of 1 July 2015. The interest accrued on the loan at 31 December 2014 amounted to €146,444;

- A loan of SGD 5,000,000 (€3,059,788) granted to FremantleMedia Asia Pte Ltd on 17 February 2009, bearing interest at a rate of 2.67775% and with maturity date of 31 December 2015. The interest accrued on the loan at 31 December 2014 amounted to SGD 744 (€455);
- A loan of BRL 2,001,905 (€597,102) granted to FremantleMedia Brazil Produção de Televisão Ltda. on 22 August 2011, bearing interest at a rate of 13.7332% and with maturity date of 28 April 2015. The interest accrued on the loan at 31 December 2014 amounted to BRL 48,876 (€14,578);
- Trade receivables with a number of group companies for €1,847,367 (2013: €1,934,314) without interest and maturity date.

Total interest accrued on the amounts owed by affiliated undertakings at 31 December 2014 amounted to €418,722 (31 December 2013: €517,654).

Refer to Note 4.3. for details on "Income from financial current assets derived from affiliated undertakings".

3.4.2. Amounts owed by shareholder

In 2006, RTL Group entered into a "Deposit Agreement" with Bertelsmann SE & Co. KGaA, the main terms of which are:

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

At 31 December 2014, RTL Group S.A. did not hold any deposit with Bertelsmann SE & Co. KGaA (2013: € nil million on a one to three months basis and € nil million on an overnight basis). The interest income for the period is € nil (2013: €0.2 million).

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

At 31 December 2014, accrued interests amounted to € nil (2013: € nil). Refer to Note 4.3. for details on interest income for the year.

3.4.3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating of interests

The convertible note of USD 1,400,000 issued by StyleHaul Inc. on 23 December 2013 converted into shares on 30 November 2014 and was contributed to FremantleMedia Group Ltd, an affiliated undertaking, on the same day (Note 3.3.1.).

3.5. Own shares or own corporate units

On 3 April 2006, RTL Group S.A. acquired 173,300 own shares for an amount of €12,198,587 from Group companies Audiomeia Investments S.A. and B. & C.E. S.A. The acquisition cost per share (€70.39) was determined according to the average stock price over the last 6 months preceding the acquisition by RTL Group S.A..

Following the shareholders' resolution and in order to foster the liquidity and regular trading of its shares that are listed on the stock market in Brussels and Luxembourg and the stability of the price of its shares, the Company has entered on 28 April 2014 into a liquidity agreement (the "Liquidity Agreement") with Kepler Capital Markets S.A. (the "Liquidity Provider"). During the year 2014, under the Liquidity Agreement, the Liquidity Provider has purchased 637,788 shares for an amount of €49,023,060 and sold 626,832 shares for an amount of €48,169,729.

At 31 December 2014, the Company directly held 184,256 own shares (2013: 173,300) and indirectly through a Company's subsidiary 995,401 own shares (2013: 995,401). At 31 December 2014, RTL Group's share price, as listed on the Frankfurt Stock Exchange, was €79.12 per share (31 December 2013: €93.93).

No dividend income is recognised on own shares held by the Company, including shares held under the liquidity agreement. The relevant number of the shares held under the liquidity agreement is determined as of the official date of the dividend payment.

3.6. Capital and reserves

The changes in capital and reserves during the year are summarised in the table below:

	Subscribed capital	Share premium and similar premiums	Legal reserve	Reserve for own shares or own corporate units (Note 3.5.)	Other reserves	Profit or loss brought forward	Interim dividends	Profit or loss for the financial year	Total
At 31.12.2012	191,900,551	4,691,802,190	19,190,054	12,198,587	7,071,800	-	-	1,854,247,717	6,776,410,899
Allocation of 2012 result	-	-	-	-	-	1,854,247,717	-	(1,854,247,717)	-
Dividend distribution	-	-	-	-	-	(1,623,449,667)	(386,535,635)	-	(2,009,985,302)
Profit for the financial year	-	-	-	-	-	-	-	1,501,401,563	1,501,401,563
At 31.12.2013	191,900,551	4,691,802,190	19,190,054	12,198,587	7,071,800	230,798,050	(386,535,635)	1,501,401,563	6,267,827,160
Allocation of 2013 result	-	-	-	-	-	1,114,865,928	386,535,635	(1,501,401,563)	-
Dividend distribution	-	-	-	-	-	(695,764,143)	(309,049,832)	-	(1,004,813,975)
Profit for the financial year	-	-	-	-	-	-	-	328,520,730	328,520,730
Other movements	-	-	-	846,606	-	(846,606)	-	-	-
At 31.12.2014	191,900,551	4,691,802,190	19,190,054	13,045,193	7,071,800	649,053,229	(309,049,832)	328,520,730	5,591,533,915

Changes in capital and reserves can be explained by:

- The profit for the financial year 2014;
- The allocation of the profit for the year ended 31 December 2013 by the Annual General Meeting of Shareholders held on 16 April 2014, which decided the allocation of the profit for the financial year 2013 for €1,114,865,928 to "Profit or loss brought forward" and the payment of a dividend of €4.50 per share, i.e. a total amount of €695,764,143, from "Profit or loss brought forward";
- The payment on 4 September 2014 of an interim dividend of €2.00 per share, i.e. a total amount of €309,049,832 as decided by the Board of Directors of RTL Group S.A. on 20 August 2014;
- The allocation to the "Reserve for own shares or own corporate units" pursuant to article 49.5 of the Law on Commercial Companies of €846,606.

3.6.1. Subscribed capital

At 31 December 2014, the subscribed capital amounted to €191,900,551 and was represented by 154,787,554 shares, all fully paid-up and without designation of nominal value. All shares had equal rights and obligations.

The Company has appointed ING Luxembourg as depository for its unregistered bearer shares to comply with the law of 28 July 2014 regarding the immobilisation of bearer shares in Luxembourg.

3.6.2. Legal reserve

In accordance with Luxembourg company law, the Company is required to transfer a minimum of 5% of its net profit for each financial year to a legal reserve. This requirement ceases to be necessary once the balance of the legal reserve reaches 10% of the issued share capital. The legal reserve is not available for distribution to the shareholders.

3.7. Provision for pensions and similar obligations

The provisions for pensions at 31 December 2014 represented commitments from the Company towards its own employees and amounted to €8,792,153 (2013: €7,661,960).

3.8. Non subordinated debts

3.8.1. Amounts owed to affiliated undertakings

At 31 December 2014, "Amounts owed to affiliated undertakings" consisted of:

- Cash pooling account payable with a number of Group companies for various currencies. At 31 December 2014, the corresponding liability amounted to €1,595,809,265 (2013: €1,236,676,586), of which €966,043,907 towards CLT-UFA S.A. (2013: €770,752,149) and €255,970,681 towards RTL Group Beheer B.V. (2013: €205,056,242). Total interest expense during the year 2014 amounted to €671,556 (2013: €681,456) (Note 4.7.);
- Short-term advances of €30,000,000 from Immobilière Bayard d'Antin S.A. (2013: €15,000,000) granted in two tranches of €15,000,000 bearing interest at 0.614% and €15,000,000 bearing interest at 0.431%. The interest accrued on the advance at 31 December 2014 amounted to €64,758 (2013: €8,483);
- Short-term advances of €8,000,000 from Sodera S.A. (2013: €8,000,000), bearing interest at 0.188%. The interest accrued on the advance at 31 December 2014 amounted to €2,465 (2013: €4,524);
- Short-term advances of €5,000,000 from IP France S.A. (2013: €5,000,000), bearing interest at 0.34%. The interest accrued on the advance at 31 December 2014 amounted to €2,739 (2013: €4,414);
- Short-term advances of €1,500,000 from SERC S.A. (2013: €1,500,000), bearing interest at 0.188%. The interest accrued on the advance at 31 December 2014 amounted to €462 (2013: €848);
- Trade creditors with a number of group companies for €1,593,323 (2013: €1,845,522) without interest and maturity date.

Total interest accrued on the amounts owed to affiliated undertakings at 31 December 2014 amounted to €70,424 (2013: €18,269).

Total interest expense on all short-term advances during the year 2014 amounted to €144,077 (2013: €19,223) (Note 4.7.).

3.8.2. Tax debts

The Company is subject in Luxembourg to the general tax regulations applicable to all companies. The Company has received final assessments for income tax up to 2009 and net wealth tax up to 2010.

From 1 January 2002, the Company is part of a tax unity including other Luxembourg Group companies. Unused tax losses existing at 31 December 2014, for the tax unity in Luxembourg, amount to €4,429 million (2013: €4,381 million). In the event that one or several Group companies would have taxable income, these companies will not record income tax charges (towards RTL Group), respectively RTL Group will not record income tax profits (towards the Group companies) as long as the tax unity will benefit from unused tax losses.

3.9. Prepayments / Deferred income

The amounts primarily related to the Group's foreign exchange derivatives, assets and liabilities amounting to €75,523,237 (2013: €52,784,255) and €85,568,221 (2013: €54,018,293), respectively (Note 2.3.).

4. PROFIT AND LOSS ACCOUNT

4.1. Other operating income

In 2014, "Other operating income" mainly related to the recharge of services and can be broken down as follows:

	2014	2013
Recharges to Group companies		
Administrative and management services	2,215,616	6,474,629
Other	-	37,264
	2,215,616	6,511,893
Recharges to third parties		
Administrative and management services	22,939	24,071
Other	387,993	442,039
	410,932	466,110
Total	2,626,548	6,978,003

The decrease in recharges to Group companies mainly related to the one-off effect of costs incurred in 2013 for the public offering on the Frankfurt Stock Exchange on 30 April 2013 of €4,087,325 which were invoiced to the Company's main shareholder (Note 5.1.).

4.2. Income from financial fixed assets derived from affiliated undertakings

During 2014, "Income from financial fixed assets derived from affiliated undertakings" exclusively related to dividends received and evolved as follows:

	2014	2013
BeProcurement S.A. (Note 3.3.1.)	918,000,000	-
CLT-UFA S.A.		
- Ordinary dividend	88,628,107	307,244,106
- Interim dividend	334,817,295	1,477,135,125
Immobilière Bayard d'Antin S.A.	13	-
	1,341,445,415	1,784,379,231

4.3. Income from financial current assets derived from affiliated undertakings

In 2014, "Income from financial current assets derived from affiliated undertakings" evolved as follows:

	2014	2013
Interest on cash pooling arrangements (Note 3.4.1.)	3,837,987	5,018,295
Interest on loans and advances (Note 3.4.1.)	2,820,897	2,802,113
Foreign exchange gains, net	2,220,937	228,917
Interest on deposit agreement with shareholder (Note 3.4.2.)	76,275	208,770
Total	8,956,096	8,258,095

"Foreign exchange gains, net" evolved as follows:

	2014	2013
Realised foreign exchange gains	260,069,513	263,901,593
Unrealised foreign exchange gains on assets and liabilities and on foreign currency derivatives	30,674,409	21,937,908
	290,743,922	285,839,501
Realised foreign exchange losses	(259,901,893)	(267,524,416)
Unrealised foreign exchange losses on assets and liabilities and on foreign currency derivatives	(28,621,092)	(18,086,168)
	(288,522,985)	(285,610,584)
Total	2,220,937	228,917

4.4. Other external charges

In 2014, "Other external charges" evolved as follows:

	2014	2013
General expenses	14,920,063	14,277,525
Consulting fees	5,875,173	5,847,862
Total	20,795,236	20,125,387

Out of the consulting fees, €1,103,429 (2013: €4,087,325) was rebilled to affiliated undertakings.

4.5. Staff costs

In 2014, the Company had an average of 87 employees (2013: 83) who are dedicated to corporate functions.

4.6. Value adjustments and fair value adjustments on financial fixed assets

In 2014, "Value adjustments and fair value adjustments on financial fixed assets" amounted to €994,152,102. They exclusively related to BeProcurement S.A. (Note 3.3.1.). In 2013, they amounted to €250,000,000 and related to FremantleMedia S.A. (renamed BeProcurement S.A.) (Note 3.3.1.).

4.7. Interest and other financial charges concerning affiliated undertakings

	2014	2013
Interest on cash pooling arrangements (Note 3.8.1.)	671,556	681,456
Interest on short-term advances from Group companies (Note 3.8.1.)	144,077	19,223
Total	815,633	700,679

4.8. Extraordinary income / (charges)

	2014	2013
Gain on contribution of StyleHaul Inc. (Notes 3.3.3. and 3.4.3.)	17,609,503	-
Gain on sale of tangible fixed asset	-	3,043
	17,609,503	3,043
Waiver of loans and cash pool accounts receivable	(122,982)	(79,675)
Total	(122,982)	(79,675)

5. RELATED PARTIES AND RELATED PARTY TRANSACTIONS

At 31 December 2014, the principal shareholder of the Company is Bertelsmann Capital Holding GmbH, a company incorporated under German law. Since the public offering made in 2013, Bertelsmann Capital Holding GmbH holds 75.1%.

During the year 2014, all significant transactions entered into with related parties have been done at arm's length.

5.1. Transactions with shareholders

In 2014, significant transactions with shareholders included management fees for corporate services recharged from the principal shareholder of €869,500 (2013: €708,252).

In 2013, they also included costs of €4,087,325 incurred for the public offering on the Frankfurt Stock Exchange recharged to the principal shareholder and reported in "Other operating income".

5.2. Transactions with key management personnel

Transactions with key management personnel can be summarised as follows:

<i>In € million</i>	2014	2013
Short-term benefits	7.4	6.9
Long-term benefits	2.6	3.7
Post-employment benefits	0.1	0.1
TOTAL	10.1	10.7

5.3. Directors' fees

In 2014, a total of €620,384 (2013: €570,575) was allocated in the form of attendance fees to the members of the Board of Directors.

6. OFF-BALANCE SHEET COMMITMENTS

6.1. Outstanding forward currency contracts

At 31 December 2014, in accordance with the foreign currency management policy described in Note 2.3. RTL Group has entered into foreign currency derivative contracts with banking institutions (external) and with Group companies (internal).

The net foreign currency exposure resulting from the open contracts at year-end can be detailed as follows:

Currency	With banking institutions	With Group Companies
AUD	13,656,946	(13,649,551)
CAD	(10,460,363)	10,460,860
CHF	(56,319,723)	56,319,723
CZK	(10,000)	-
DKK	(10,978)	-
GBP	10,375,002	(10,269,185)
HUF	(2,034,430,388)	2,026,141,829
NOK	105,214	-
PLN	(10,054)	-
RON	9,521	-
SEK	(4,789,785)	4,752,451
SGD	4,143,910	(4,169,031)
USD	954,246,206	(954,733,044)
ZAR	(297,300)	297,300

In the table, the positive amounts correspond to a sale of the related currency (short position) and the negative amounts correspond to a purchase of the related currency (long position).

6.2. Guarantees and other similar commitments

The Company has given guarantees to third parties and to Group companies as detailed below:

	2014	2013
Guarantees and other similar commitments to third parties	206,174,681	186,452,815
Licence agreements to third parties	83,189,356	20,651,541
Long-term commitments to third parties	40,000,000	40,000,000
Other commitments to Group companies	2,332,887	4,691,647

In addition, the Company has issued a letter of support to RTL Hrvatska d.o.o., an affiliated undertaking, confirming that the Company is able and willing to continue to provide financial support to enable the affiliate to continue in operation for at least twelve months.

The Company also declared itself joint and several liable for debts arising from the legal transactions entered into by 13 Dutch entities in which it indirectly holds the majority of shares in the issued share capital. It also provided a letter of comfort to the directors of Fremantle Group Pension Trust Limited, confirming that it would support the on-going funding needs of the Fremantle Group Pension plan.

7. SUBSEQUENT EVENTS

On 9 January 2015, Groupe M6 has acquired 100 per cent of Oxygem SA and its subsidiaries ("Oxygem"). Oxygem operates various websites. The acquisition will boost the digital development of Groupe M6 and generate many synergies.

On 12 February 2015, FremantleMedia announced it is taking a 25 per cent non-controlling stake in Corona TV, a newly-created TV production company. The deal, which gives FremantleMedia a first look option on all Corona TV output, furthers FremantleMedia's ambition to build its scripted pipeline.

RTL Group management is contemplating different strategic options regarding its sport rights business UFA Sports. One possibility might be the disposal.

MANAGEMENT RESPONSIBILITY STATEMENT

We, Anke Schäferkordt and Guillaume de Posch, Co-Chief Executive Officers, and Elmar Heggen, Chief Financial Officer, confirm, to the best of our knowledge, that the 2014 annual accounts which have been prepared in accordance with the Luxembourg legal and regulatory requirements relating to the preparation of annual accounts, give a true and fair view of the assets, liabilities, financial position and profit or loss of RTL Group S.A. and that the Directors' report includes a fair review of the development and performance of the business and the position of RTL Group S.A., together with a description of the principal risks and uncertainties that they face.

Luxembourg, 4 March 2015

Anke Schäferkordt and Guillaume de Posch
Co-Chief Executive Officers

Elmar Heggen
Chief Financial Officer

