



# HALF-YEAR RESULTS 2012

23 August 2012

**Anke Schäferkordt**, Co-CEO

**Guillaume de Posch**, Co-CEO

**Elmar Heggen**, CFO

ANALYSTS'  
PRESENTATION

The leading European entertainment network

**RTL**  
GROUP

## ● HALF-YEAR HIGHLIGHTS

- Business Review
- Financial Review
- Business Outlook
- Strategy

REVENUE  
**€2.8 billion**

up  
3.3%

REPORTED EBITA continuing operations

**€506 million**

EBITA MARGIN

**18.0%**

CASH CONVERSION

**104%**

NET CASH POSITION

**€634 million**

NET RESULT

**€274 million**

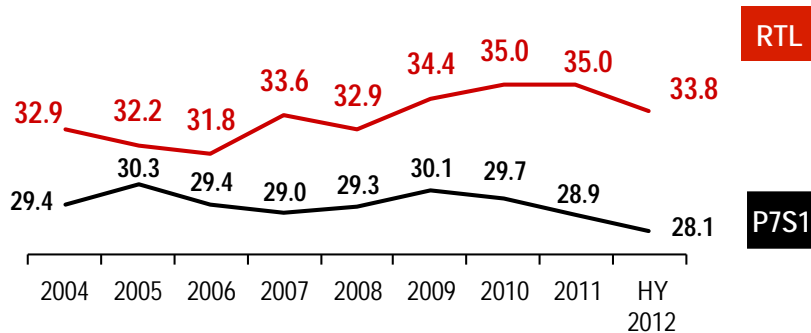
**SOLID RESULTS IN TOUGH ECONOMIC ENVIRONMENT**

# Agenda

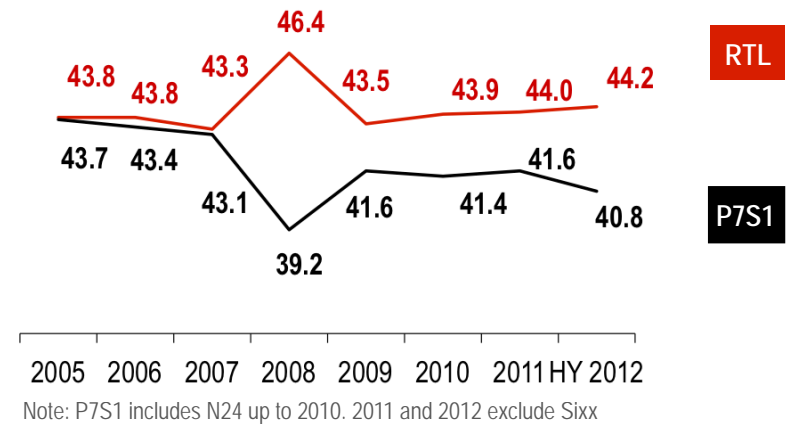
- Half-year highlights
- **BUSINESS REVIEW**
- Financial Review
- Business Outlook
- Strategy

## AUDIENCE SHARE – FAMILY OF CHANNELS

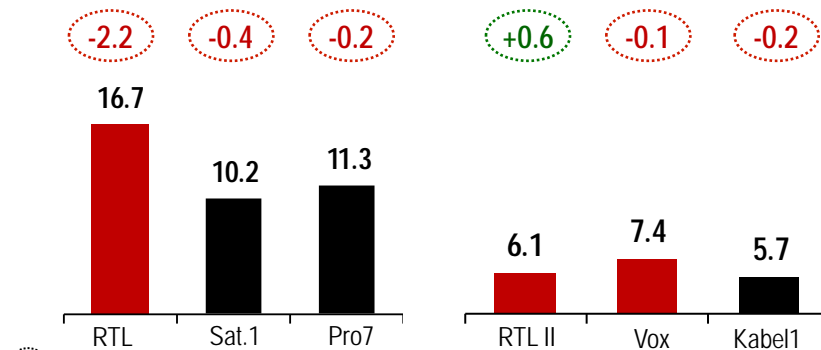
14-49 (in %)



## SHARE OF NET ADVERTISING MARKET (in %)

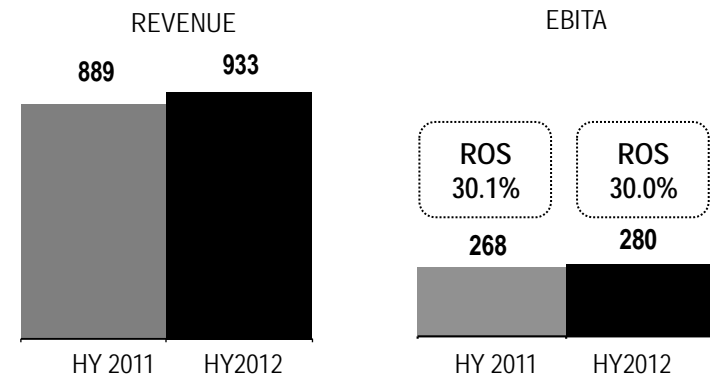


## AUDIENCE SHARE 14-49 (in %)



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

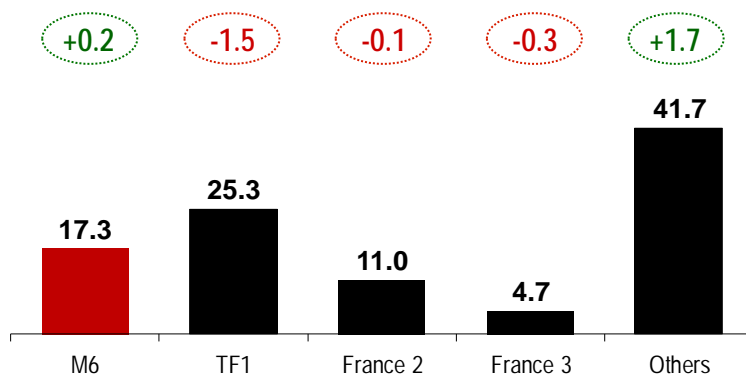
## KEY FINANCIALS (in € million)



BEST FIRST HALF-YEAR FINANCIAL PERFORMANCE EVER

## AUDIENCE SHARE – MAIN CHANNELS

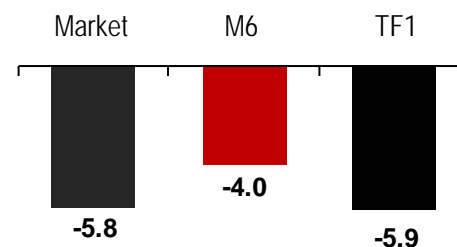
HOUSEWIVES <50 ALL DAY (in %)



X Percentage point deviation vs HY 2011

## NET TV ADVERTISING MARKET DEVELOPMENT

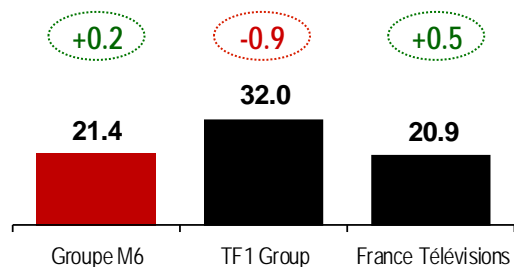
HY 2012 VS HY 2011 (in %)



M6 and TF1: main channels only

## AUDIENCE SHARE – FAMILY OF CHANNELS

HOUSEWIVES <50 ALL DAY (in %)

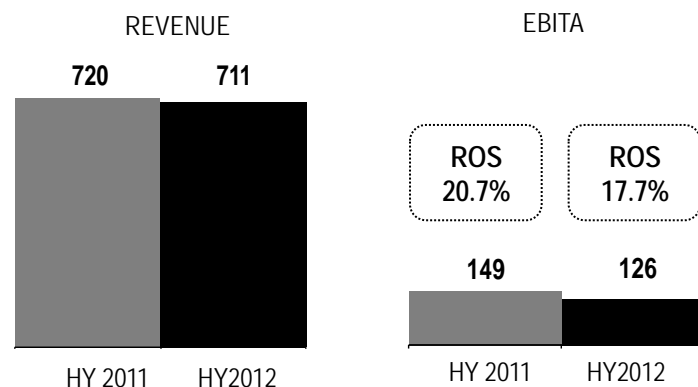


X Percentage point deviation vs HY 2011

Source: Médiamétrie, housewives under 50, RTL Group estimates

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

## KEY FINANCIALS (in € million)



## KEY FACTS 2012

### ● Core franchises remain strong

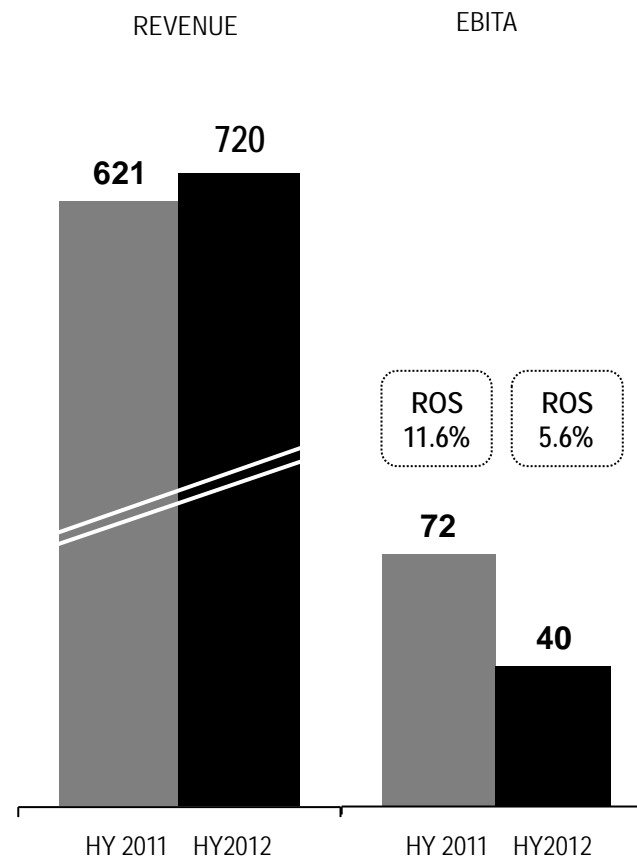
- *American Idol*:  
number one entertainment series  
in the US for the past nine years
- *L'amour est dans le pré*:  
makes M6 the market leader  
in its time slot
- *Britain's Got Talent*:  
number one show in the UK for 2012



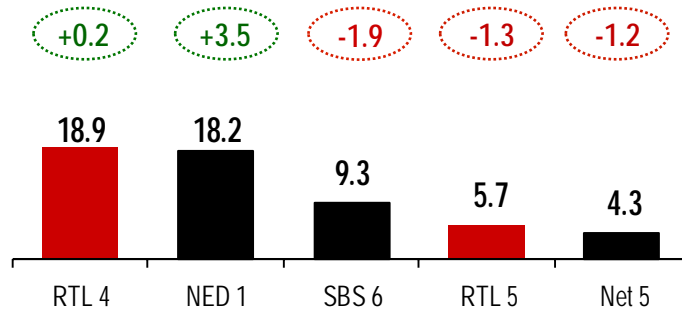
### ● Worldwide presence in production, distribution and digital

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

## KEY FINANCIALS (in € million)



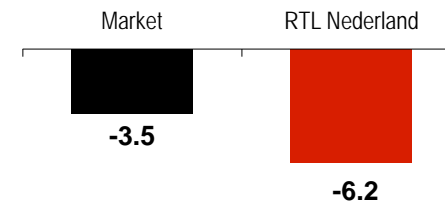
## AUDIENCE SHARE: 20-49, PRIMETIME (in %)



X Percentage point deviation vs HY 2011

## NET TV ADVERTISING MARKET DEVELOPMENT

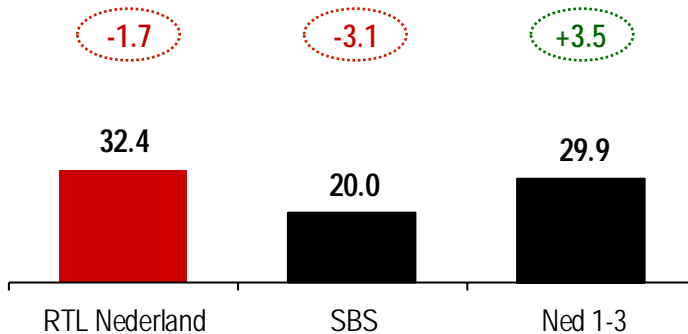
HY 2012 vs HY 2011 (in %)



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

## AUDIENCE SHARE – FAMILY OF CHANNELS

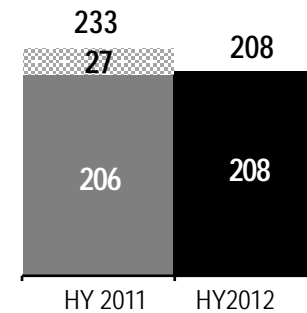
20-49, PRIMETIME (in %)



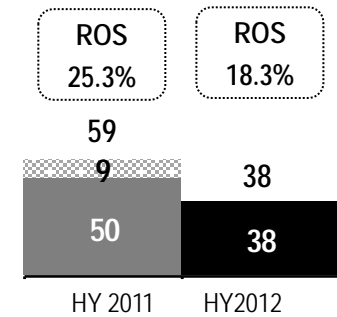
X Percentage point deviation vs HY 2011

## KEY FINANCIALS (in € million)

REVENUE



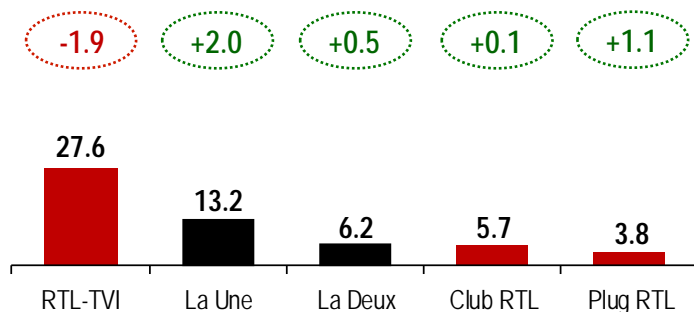
EBITA



■ TV ■ Radio



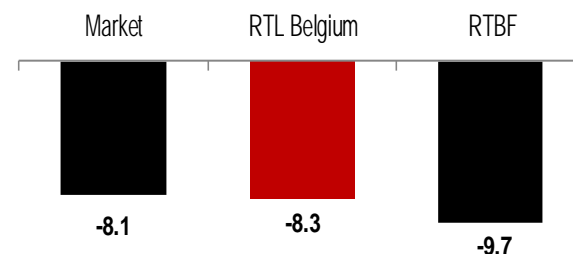
## AUDIENCE SHARE: SHP 18-54, PRIMETIME (in %)



X Percentage point deviation vs HY 2011

## NET TV ADVERTISING MARKET DEVELOPMENT

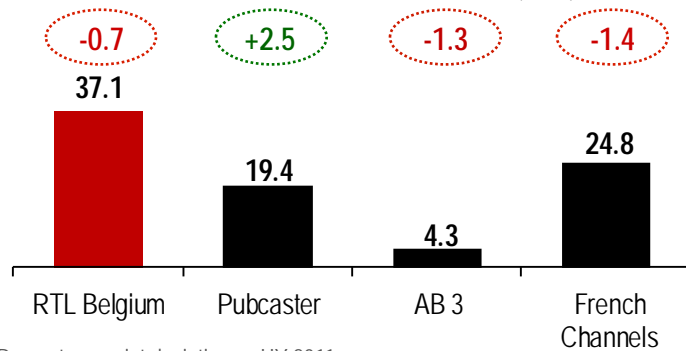
HY 2012 VS HY 2011 (in %)



Source: RTL Group estimates

## AUDIENCE SHARE – FAMILY OF CHANNELS

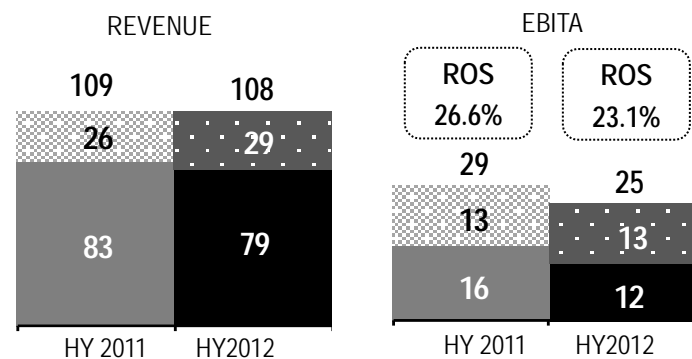
SHOPPERS 18-54, PRIMETIME (in %)



X Percentage point deviation vs HY 2011

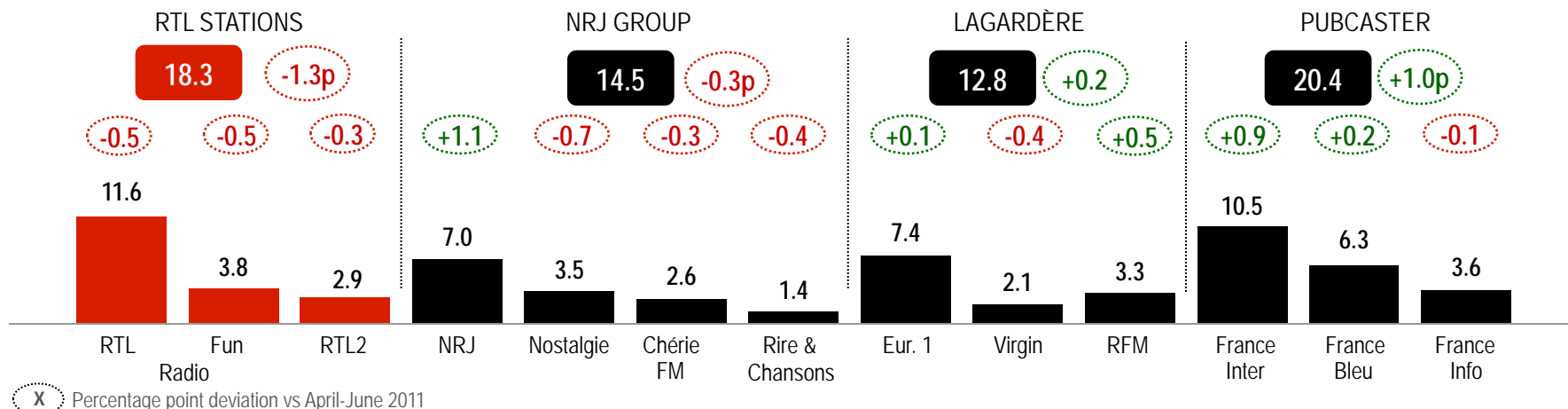
Source: Audimétrie

## KEY FINANCIALS (in € million)



TV Radio

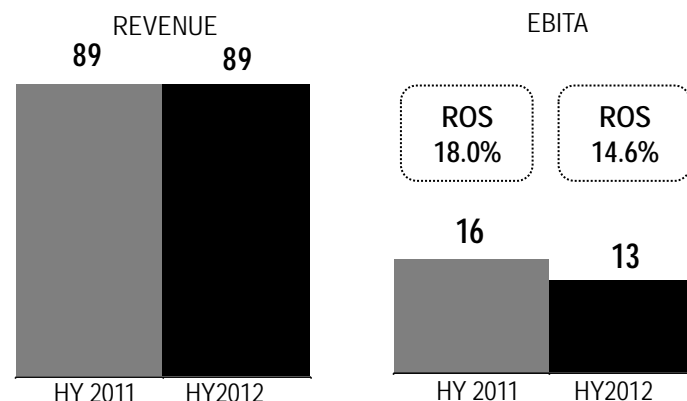
## AVERAGE AUDIENCE SHARE 2012 – 13+, 5-24H, MON – FRI (in %)



### KEY FACTS 2012

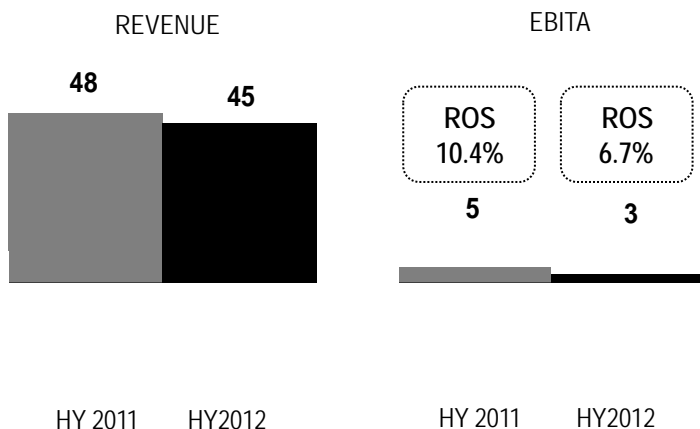
- Audience share of RTL family well ahead of commercial rivals
- Advertising market estimated to be down 2.9 per cent with RTL increasing its share to 26.6 per cent

### KEY FINANCIALS (in € million)

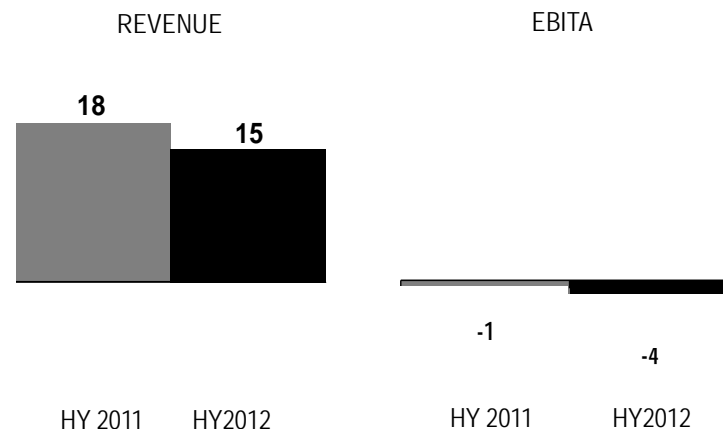


## Others: Hungary, Croatia, Spain

### KEY FINANCIALS, RTL Klub (in € million)



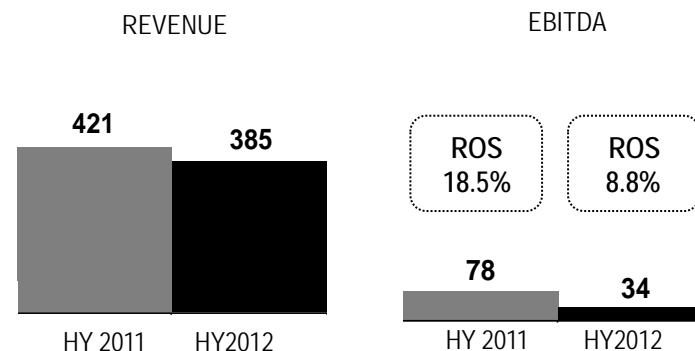
### KEY FINANCIALS, RTL Hrvatska (in € million)



### KEY FACTS 2012

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

### KEY FINANCIALS, Grupo Antena 3 (in € million) 100% VIEW



# Key developments 2012 (1/2)

## CORE



ONGOING

Integration and re-positioning of  
7 cable channels in Hungary



MARCH

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



APRIL

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



SEPTEMBER

**RTL Nederland**  
to launch new digital channel



FALL

Imminent launch of  
first channel in **India**

## CONTENT

MARCH

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



SINCE MAY

FremantleMedia launches  
**Youtube channels**



JULY

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



**New CEO** since 1 July:  
Cécile Frot-Coutaz

CONTINUED INVESTMENTS IN NEW CHANNELS AND CONTENT BUSINESS

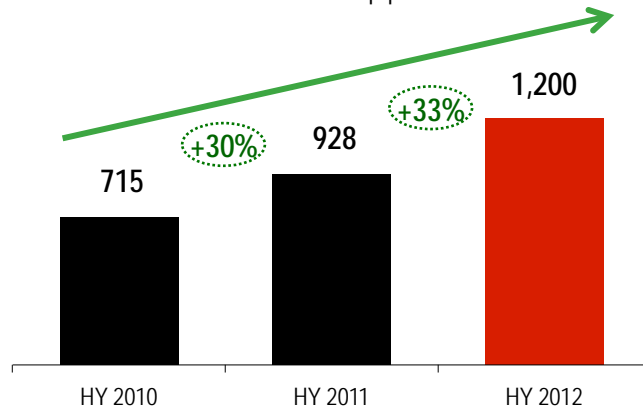
# Key developments 2012 (2/2)

## DIGITAL

### NON-LINEAR TV

#### ONLINE VIDEO VIEWS (in million)

All RTL Group platforms



Examples:



### MOBILE SERVICES



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

**RTL GROUP FURTHER GROWS ITS DIGITAL ACTIVITIES**

# Agenda

- Half-year highlights
- Business Review
- **FINANCIAL REVIEW**
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# Review of Results 30 June 2012, continuing operations (1/2)

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

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

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

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



# Cash Flow Statement as of 30 June 2012

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

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- Half-year highlights
- Business Review
- Financial Review
- **BUSINESS OUTLOOK**
- Strategy

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

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

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

# Agenda

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- Business Outlook
- **STRATEGY**

Strategic focus will be on three key areas





## Core: growth opportunities for TV broadcasting business

### STRENGTHEN

family of channels  
in core markets

LAUNCHED  
APRIL 2012

RTL **NITRO**

LAUNCH  
END 2012

**6ter**

### DRIVE

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

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

### SELECTIVE GROWTH

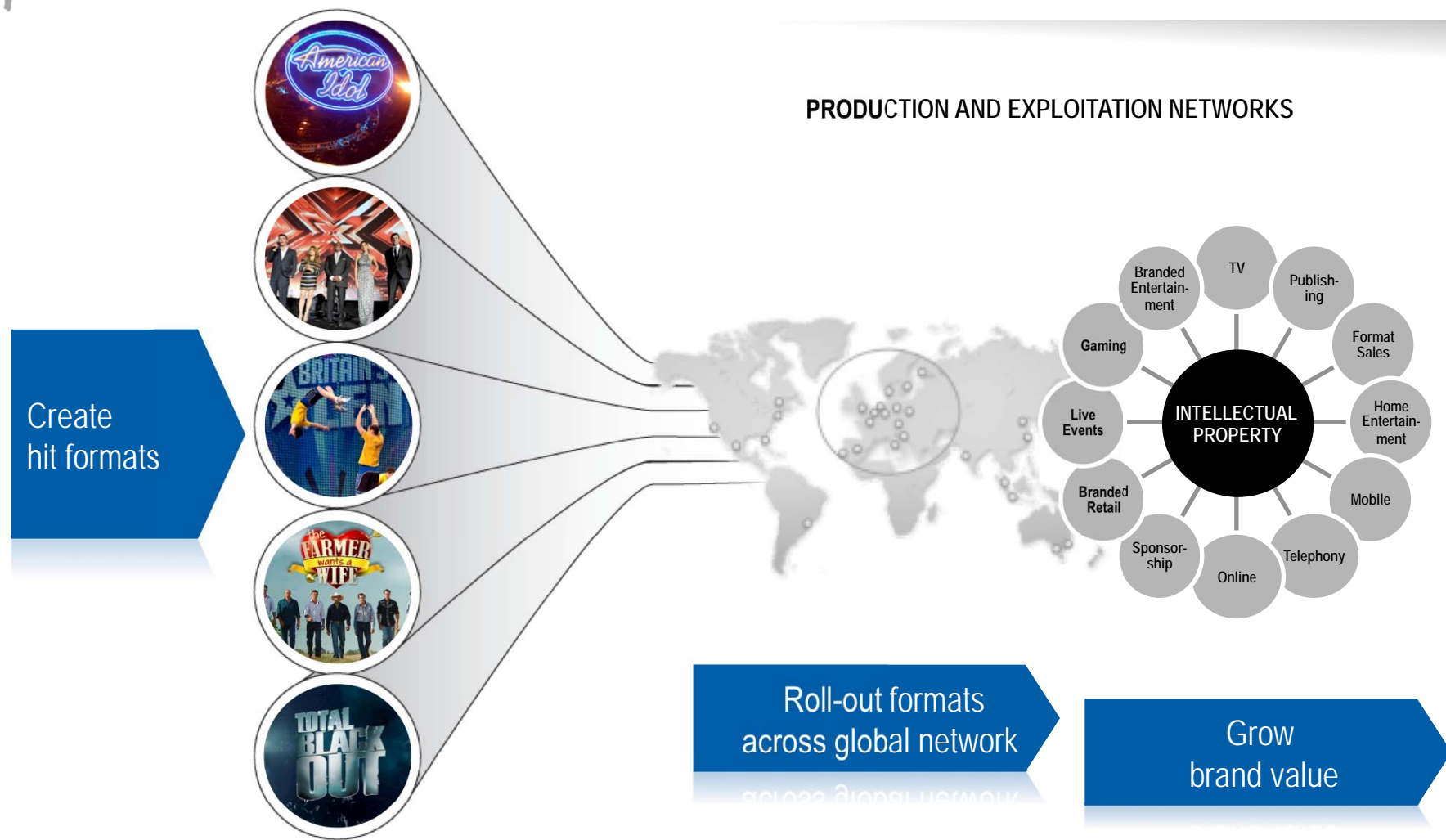
in new territories

**THRILL**  
BIG | RTL

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



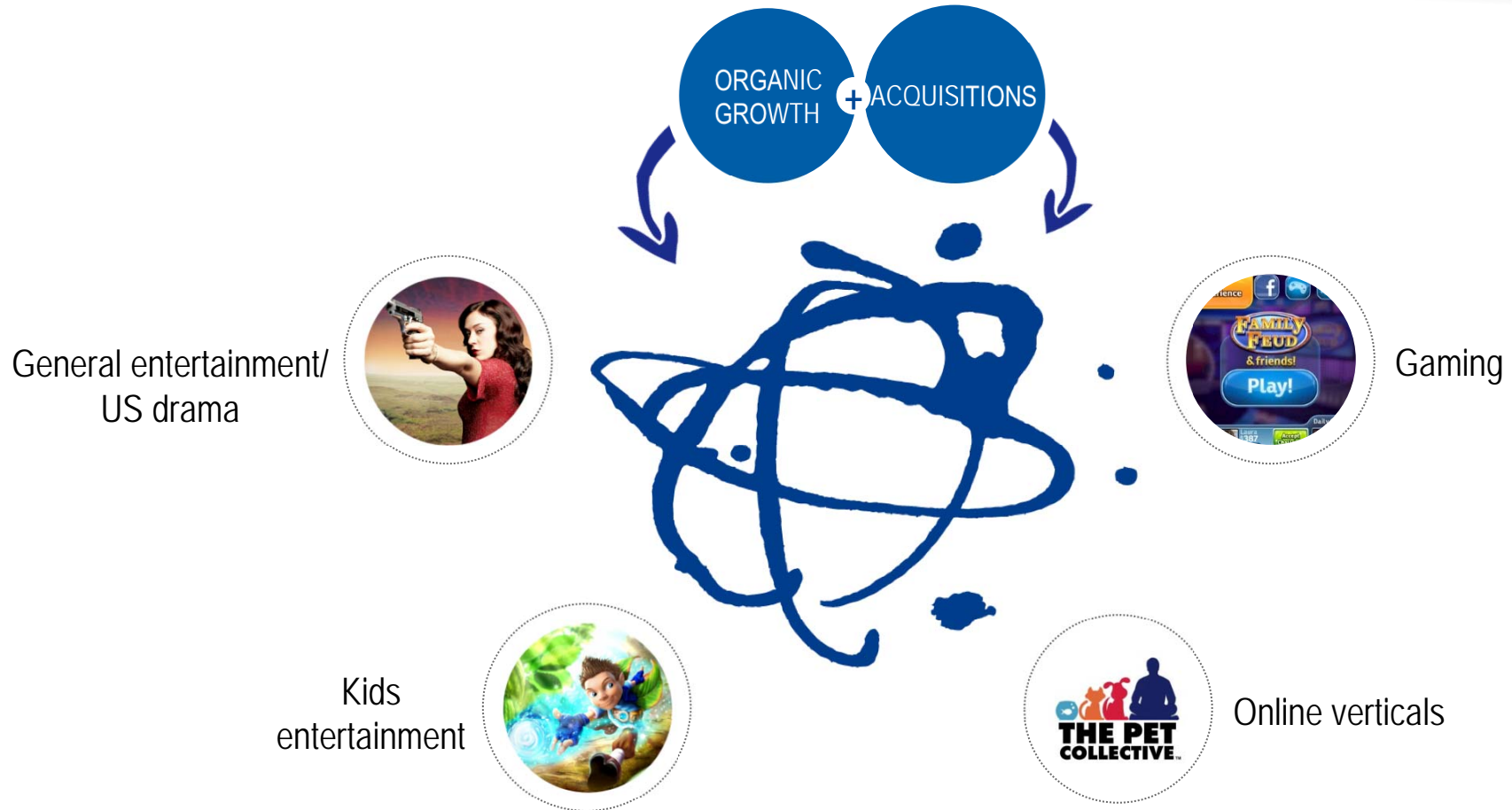
# Content: FremantleMedia creates long-term brand value



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



Content: expand FremantleMedia in new business areas



GROWTH IN NEW INTELLECTUAL PROPERTY ALIGNED WITH NEW EXECUTION CAPABILITIES





# Content: FremantleMedia taps into digital growth

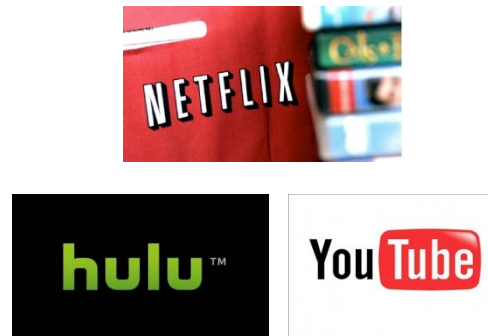
## EXTEND



### ACTIVATE AND ENGAGE AUDIENCE

More than 30 million mobile downloads to date

## DISTRIBUTE



### GLOBAL MULTI-PLATFORM DISTRIBUTION

First deals done

## CREATE



### ORIGINAL PROGRAMME OFFERINGS ON YOUTUBE

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

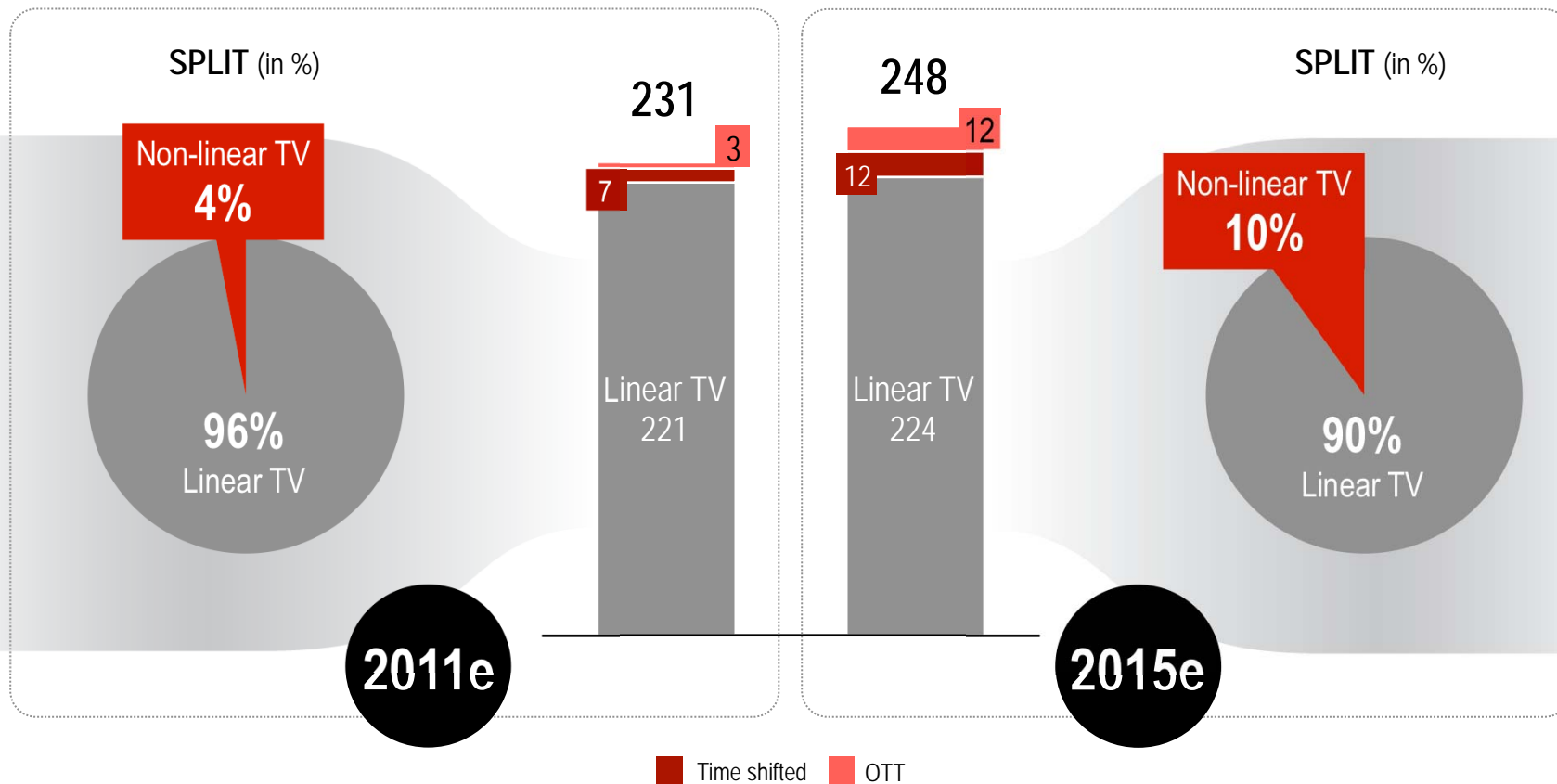
**PRESENCE ACROSS VALUE CHAIN ENSURES GOOD DIGITAL GROWTH PROSPECTS**



# Digital: overall TV consumption will continue to grow

## TV CONSUMPTION IN WESTERN-EUROPE

(in minutes – estimated)



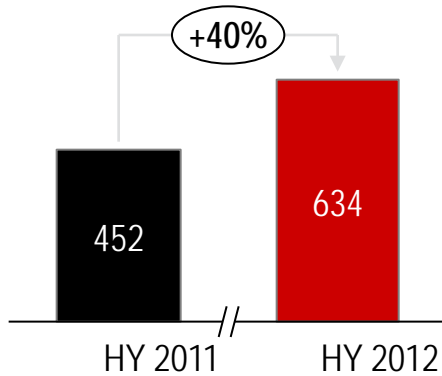
TV CONSUMPTION WILL BENEFIT FROM MULTIPLE DEVICES AND ON-DEMAND OFFERS



# Digital: growing online video on multiple devices

## GERMANY

Total online video views (in m)



**RTL** NOW

RTL NOW VOX NOW CLIPFISH

RTLNITRONOW SUPER RTL NOW CLIPFISH MUSIC

PC



Mobile



Tablet

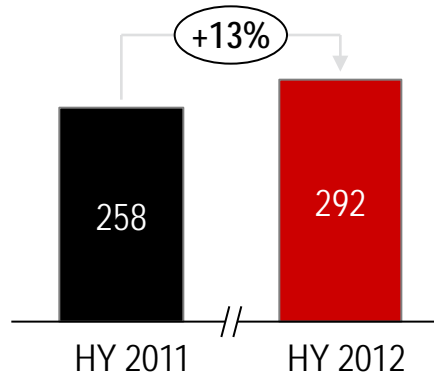


HbbTV



## FRANCE

Total online video views (in m)



**M6**  
REPLAY

M6 REPLAY M6 PASS M6 M6 BONUS

PC



Mobile



Tablet

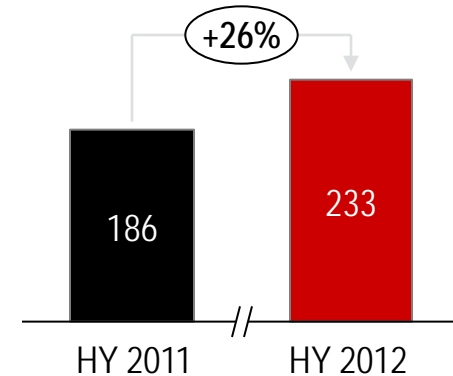


IPTV



## NETHERLANDS

Total online video views (in m)



**rtl** XL

rtl(4) rtl(5) rtl(8)

RTL7

PC



Mobile



Tablet



IPTV



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



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

## ONLINE TV SITES

Drive user engagement



TV

Brands

## BRAND EXTENSIONS

Promote and leverage brand power to drive new revenues



## VERTICALS

Increase scale and reach



Verticals

Ventures

## NEW BUSINESSES

Diversify in non-ad related ventures



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

Conclusion: many growth opportunities, clear strategy





# HALF-YEAR RESULTS 2012

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