

RTL Group reports strong revenue growth in the first quarter of 2019

- **Q1/2019: total revenue up 7.2 per cent to €1,518 million**
- **Total digital revenue¹ up 15.8 per cent to €220 million**
- **Strong growth in paying subscribers for RTL Group's video-on-demand (VOD) platforms in Germany and the Netherlands: up 59 per cent year on year**
- **RTL Group confirms full-year 2019 outlook**

Luxembourg, 16 May 2019 – RTL Group today published the following quarterly statement for the first three months of 2019 (Q1/2019).

Thomas Rabe, Chief Executive Officer of RTL Group, said:

“RTL Group had a good start to 2019, with revenue up 7.2 per cent driven by content and digital activities and the timing of the delivery of key Fremantle productions.

To further improve our growth profile, our Total Video 2.0 strategy focuses on two priorities: building local streaming champions in the European countries where we have strong families of channels, and strengthening our global content arm Fremantle. We continue to make good progress on both priorities: at the end of March 2019, RTL Group registered 1.15 million paying subscribers for its video-on-demand platforms in Germany and the Netherlands – up 59 per cent year on year. Fremantle continues to fuel its pipeline for drama productions with the upcoming launches of *Beecham House*, *Baghdad Central* and *La Jauría*.

In the first three months of 2019, RTL Group has continued to actively manage its portfolio with the acquisition of the UK-based video technology company, Yospace, and the sale of Universum Film in Germany, which was completed in April 2019. Also during this period, Groupe M6 announced its plans to acquire TV businesses from Lagardère Group, including the famous children's channel Gulli. This will be a major step towards strengthening our position in France, RTL Group's second largest market. At the same time, we have decided not to acquire the remaining shares of BroadbandTV.”

¹ “Digital” refers to the internet-related activities with the exception of online sales of merchandise (“e-commerce”). Digital revenue spreads over the different categories of revenue, i.e. other advertising sales, revenue from distribution and licensing of content, consumer and professional services

Revenue

	2019 € million	2018 € million	Per cent change
Total revenue	1,518	1,416	+7.2
Underlying revenue²	1,496	1,396	+7.2
Broadcast³	1,084	1,106	(2.0)
Content (Fremantle)	383	271	+41.3
Digital (MPNs & SpotX)⁴	105	84	+25.0
Eliminations	(54)	(45)	–

Reported Group revenue was up 7.2 per cent to €1,518 million (Q1/2018: €1,416 million), mainly driven by Fremantle and digital activities. Underlying revenue was €1,496 million (Q1/2018: €1,396 million), resulting in an organic growth rate of 7.2 per cent.

Revenue from RTL Group's broadcasting operations was down 2.0 per cent, to €1,084 million (Q1/2018: €1,106 million), due to soft TV advertising markets in Germany, partly due to the Easter effect, the Netherlands and Belgium.

Content revenue, which represents Fremantle, was up 41.3 per cent to €383 million (Q1/2018: €271 million), mainly driven by the delivery of *American Gods* and *America's Got Talent: The Champions*. For the full year 2019, RTL Group still expects Fremantle's organic revenue to grow between 4 and 7 per cent, excluding any impact from foreign exchange movements.

Digital revenue generated by RTL Group's MPN activities and SpotX was up 25.0 per cent to €105 million (Q1/2018: €84 million), thanks to growth at both BroadbandTV and SpotX. VOD revenue⁵, generated by RTL Group's broadcasting operations, was up 10.9 per cent to €51 million (Q1/2018: €46 million).

As a result, RTL Group's total digital revenue was up 15.8 per cent to €220 million (Q1/2018: €190 million).

Net debt

As of 31 March 2019, RTL Group had a net debt⁶ position of €334 million (31 December 2018: net debt of €470 million).

² Adjusted for scope changes and at constant exchange rates

³ Combined revenue of Mediengruppe RTL Deutschland, Groupe M6, RTL Nederland, RTL Belgium, RTL Hungary, RTL Croatia, RTL Luxembourg and RTL Radio Deutschland

⁴ Combined revenue of RTL Group's MPN activities and those of SpotX (ad-tech), excluding the SpotX joint ventures with Mediengruppe RTL Deutschland and RTL Nederland

⁵ VOD revenue includes SVOD, TVOD, in-page and in-stream revenue

⁶ Net debt excludes the impact of IFRS 16. Including this, net debt amounts to €745 million

Net TV advertising market growth rates and RTL Group audience shares in main target groups

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

	Q1/2019 net TV advertising market growth rate (in per cent)	RTL Group audience share in main target group Q1/2019 (in per cent)	RTL Group audience share in main target group Q1/2018 (in per cent)
Germany	(5.5) to (6.0) ⁷	28.2 ⁸	28.6 ⁸
France	+2.0 ⁹	21.5 ¹⁰	21.6 ¹⁰
Netherlands	(4.1) ⁷	31.0 ¹¹	32.3 ¹¹
Belgium	(5.9) ⁷	36.3 ¹²	36.9 ¹²

Operational highlights

- At the end of March 2019, RTL Group registered 1.15 million paying subscribers for its video-on-demand platforms (the pay services TV Now in Germany and Videoland in the Netherlands), up 59 per cent year on year.
- On RTL Television in Germany, the broadcast of the German national football team's first qualifying match for the Uefa Euro 2020, against the Dutch, was very successful with an average total audience share of 34.1 per cent and 11.84 million viewers.
- Fremantle had a very successful start to 2019 with the formats *The Greatest Dancer* and *America's Got Talent: The Champions*. Fremantle also continued its push into drama production with the launch of the second season of *American Gods*, which was commissioned for a third season shortly after.
- In March 2019, RTL Radio Deutschland launched Audio Now, a central audio platform for Germany. It offers exclusive audio content as well as popular established podcasts.

⁷ Industry/IREP and RTL Group estimates

⁸ Source: GfK, Target group: 14 to 59, including pay-TV channels

⁹ Source: Groupe M6 estimate

¹⁰ Source: Mediamétrie. Target group: women under 50 responsible for purchases (free-to-air channels only)

¹¹ Source: SKO. Target group: 25 to 54, 18h-24h. Restated for a different audience measurement method, now excluding the screen use coming from devices such as hard disk, DVD and video recorders

¹² Source: Audimétrie. Target group: shoppers 18 to 54, 17h-23h

Outlook

RTL Group confirms its outlook for the full year 2019, as most recently communicated at the full-year 2018 results presentation on 13 March 2019:

- RTL Group expects its total revenue for the fiscal year 2019 to grow moderately (+2.5 per cent to +5.0 per cent) excluding foreign exchange rate effects, driven by the Group's digital businesses and Fremantle.
- RTL Group expects its reported EBITA¹³ to decrease moderately (-2.5 per cent to -5.0 per cent), reflecting investments into the broadcasters' TV schedules and VOD services.

Figures presented in this quarterly statement are not audited.

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About RTL Group

RTL Group is a leader across broadcast, content and digital, with interests in 60 television channels, eight video-on-demand platforms and 30 radio stations. RTL Group also produces content throughout the world and owns several rapidly growing digital video businesses. 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, Hungary and Antena 3 in Spain. RTL Group's families of TV channels are either the number one or number two in eight European countries. The Group's flagship radio station is RTL in France, and it also owns or has interests in other stations in France, Germany, Belgium, Spain and Luxembourg. RTL Group's content production arm, Fremantle, is one of the largest international creators, producers and distributors of scripted and unscripted content in the world. Fremantle has an international network of production teams, companies and labels in over 30 countries, producing over 12,700 hours of original programming and distributing over 20,000 hours of content worldwide. Combining the on-demand services of its broadcasters, the multi-platform networks BroadbandTV, StyleHaul, Divimove, United Screens and Fremantle's more than 300 YouTube channels, RTL Group has become the leading European media company in online video. RTL Group also owns the advanced video ad serving platform SpotX. For more information, please visit RTLGroup.com and follow RTL Group on Twitter @rtlgroup.

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¹³ See note 3 to the Consolidated Financial Statements in the RTL Group Annual Report 2018