

**RTL Group S.A.**  
**Société Anonyme**

**Audited annual accounts**  
**for the year ended 31 December 2013**

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L-1543 Luxembourg  
**R.C.S. Luxembourg: B 10 807**



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## Directors' report

### I. OVERVIEW

In Western, Central and Eastern Europe the Group experienced a difficult advertising market environment in 2013 with only the German market estimated to be slightly up year-on-year. After a difficult start to the year, the decline in advertising markets slowed in France, the Netherlands, Belgium, Spain and Croatia in the second half of the year.

Against this background, RTL Group generated consolidated total revenue of €5,889 million (2012: €5,998 million), an EBITA of €1,152 million (2012: €1,078 million) and a net profit attributable to RTL Group shareholders of €870 million (2012: €597 million).

The main developments in 2013 were as follows:

- The combined average audience share of Mediengruppe RTL Deutschland in the key 14 to 59 target group amounted to 30.6 per cent (2012: 31.3 per cent). The RTL family of channels remained clearly ahead of its main commercial competitor ProSiebenSat1 (25.2 per cent) and the public broadcasters (27.8 per cent). EBITA increased significantly by 7.1 per cent from the record level of €581 million in 2012 to a new high of €622 million in 2013;
- M6 was once again the second most popular channel in France among housewives under 50, with an audience share of 16.2 per cent (2012: 17.0 per cent). In terms of total audience share (10.6 per cent), M6 remained the third most popular channel. Reported EBITA of Groupe M6 decreased by 7.6 per cent to €207 million (2012: €224 million), mainly due to the start-up losses for the digital channel 6ter;
- In 2013, FremantleMedia's global network of production companies was responsible for creating over 8,500 hours of programming, rolling out more than 60 formats and airing 356 productions worldwide. The business also distributed more than 20,000 hours of content in over 200 territories, making FremantleMedia one of the largest creators and distributors of award-winning international programme brands in the world. EBITA was slightly down to €136 million (2012: €138 million);
- RTL Nederland's family of channels achieved a combined prime time audience share of 33.5 per cent in the main commercial target group of viewers aged 20 to 49, slightly up from 2012 (32.3 per cent). All channels experienced growth, or performed at the same level as last year. Consequently, RTL Nederland increased the large gap to its main commercial competitor, SBS Group (20.0 per cent), and was also again ahead of the public-service broadcasters (25.3 per cent). EBITA of RTL Nederland increased to €103 million (2012: €97 million);
- With a combined prime time audience share of 36.4 per cent among shoppers aged 18 to 54 (2012: 36.3 per cent) in French-speaking Belgium the RTL family of TV channels maintained its large lead over the public broadcasters, at 17.6 percentage points (2012: 17.7 percentage points). Over the whole year, RTL Belgium achieved 87 of the top 100 programmes in French-speaking Belgium (2012: 76 out of 100). Total EBITA of RTL Belgium was slightly up to €46 million (2012: €45 million), thanks to continued cost control;
- The French RTL radio family maintained its audience leadership. With a combined average audience share of 18.3 per cent (2012: 18.3 per cent), the three radio stations RTL Radio, RTL 2 and Fun Radio continued to lead over their main commercial competitors – the radio families of NRJ (15.4 per cent, up 0.6 percentage points on 2012) and Lagardère (12.5 per cent, down 0.1 percentage point on 2012). EBITA decreased moderately to €29 million (2012: €30 million), sustained by cost reduction.

Consistently with the past, RTL Group S.A. ("RTL Group") 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 2013 amounted to €1,501 million (2012: €1,854 million), mainly reflecting:

- Dividends received from subsidiaries of €1,784 million (2012: €1,895 million), thereof an interim dividend from CLT-UFA S.A. of €1,477 million (2012: €1,694 million);
- Value adjustment on financial fixed assets of €250 million (2012: €8 million);
- Net interest result of €7 million (2012: €10 million);
- Net operating charges and taxes of €40 million (2012: €43 million).

## II. SUMMARY INCOME STATEMENT

<i>In € million</i>	2013	2012
<b>Income</b>		
Operating income	7	2
Financial income <sup>(1)</sup>	1,794	1,908
<b>Total income</b>	<b>1,801</b>	<b>1,910</b>
<b>Charges</b>		
Operating charges <sup>(2)</sup>	45	46
Financial charges <sup>(3)</sup>	253	11
Taxes	2	(1)
<b>Total charges</b>	<b>300</b>	<b>56</b>
<b>Profit for the financial year</b>	<b>1,501</b>	<b>1,854</b>

<sup>(1)</sup> Financial income mainly includes dividends of €1,784 million (2012: €1,895 million) and interest income of €10 million (2012: €13 million)

<sup>(2)</sup> Operating charges mainly include staff costs of €24 million (2012: €24 million), general expenses of €14 million (2012: €14 million) and consulting fees of €6 million (2012: €5 million)

<sup>(3)</sup> Financial charges include value adjustments on financial fixed assets of €250 million (2012: €8 million) and interest charges of €3 million (2012: €3 million)

## III. 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.

A non-distributable reserve ("Reserve for own shares or own corporate units") had been constituted from the "Profit brought forward" account for an amount equivalent to the acquisition cost.

At 31 December 2013, the Company holds directly 173,300 own shares (2012: 173,300) and indirectly through a Company's subsidiary 995,401 own shares (2012: 995,401).

At 31 December 2013, RTL Group's share price, as listed on the Frankfurt stock exchange, was €93.93 per share (2012: €75.50 as listed on the Euronext stock exchange).

#### **IV. 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 smaller broadcasters 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. IP Deutschland GmbH, RTL Television GmbH, VOX Television GmbH, RTL Disney Fernsehen GmbH & Co. KG and n-tv Nachrichten GmbH are being sued in this respect by RTL 2 Fernsehen GmbH & Co. KG and El Cartel Media GmbH & Co. KG before the regional court of Düsseldorf, Germany. MTV Networks Germany GmbH as well as TeleMünchen-TV GmbH 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.

At the end of 2012, RTL settled two proceedings with the German Federal Cartel Office (FCO) in accordance with section 32b of the German Act Against Restraints of Competition. Pursuant to a decision of the FCO regarding the second proceeding, Pro7Sat1 and RTL Television GmbH, RTL 2 Fernsehen GmbH & Co. KG and RTL Disney Fernsehen GmbH & Co. KG committed to broadcast their main channels in Standard Definition (SD) quality unencrypted via Cable, Satellite and IPTV for 10 years. Encryption of High Definition (HD) channels on all distribution channels remains possible and is not affected by the decision. This settlement decision of the FCO, however, was appealed by Kabel Deutschland (KDG) before the Court of Appeal in Düsseldorf on 25 January 2013. KDG had argued in the FCO proceedings (to which it was a party) that the commitments accepted by the FCO do not address the alleged anticompetitive practices in relation to the HD channels but rather implement new anticompetitive agreements for SD broadcasting, and that they impose the obligation of an inefficient SD/HD-Simulcast and interfere with the entrepreneurial freedom of network operators. These objections were dismissed by the FCO in the commitments decision. If the appeal of KDG were successful, the Court of Appeal would remand the proceeding to the FCO.

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 has 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 has filed an appeal on the denial of the motion for JNOV, while Brandi Cochran has appealed the granting of a new trial. A decision on both appeals is expected in late 2014 or early 2015.

#### **V. 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.

## **VI. SUBSEQUENT EVENTS**

On 7 February 2014, Fox Entertainment announced the cancellation of the programme *X Factor USA*, a FremantleMedia production.

On 18 February 2014, FremantleMedia announced the launch of a new venture with Vice Media to create a multi-channel food platform for a millennial audience. The deal sees both companies investing in the venture, and together they will develop and produce digital content for the Vice food vertical, which FremantleMedia will take to TV around the world. It allows FremantleMedia to extend its production expertise in the digital space, specifically to the Vice audience of young, influential and engaged millennials.

On 19 February 2014, Atresmedia announced that it has entered into a partial novation of the Integration Agreement executed on 14 December 2011 with the company Gestora de Inversiones Audiovisuales La Sexta SA and its shareholders, by virtue of which the terms and conditions governing the integration of this latter within the Atresmedia Group through a takeover merger were agreed. By virtue of this Novation, Atresmedia Corporación has agreed with Gamp Audiovisual SA and Imagina Media Audiovisual SL to advance and permanently settle the transfer of the additional shareholding that would correspond to both companies. Consequently they will receive, out of the treasury stock of Atresmedia Corporación, 2.079 per cent and 1.631 per cent respectively of the capital. The terms and conditions agreed in connection with the company Gala Desarrollos Comerciales SL will remain unchanged. Consequently, they will be entitled to receive an additional share of 0.508 per cent of the capital stock of Atresmedia Corporación on the basis of the results eventually obtained by the Atresmedia Group. RTL Group’s shareholding, as a result of this partial novation, will be reduced from 20.5 per cent to 19.8 per cent. In absence of any change in the governance of Atresmedia, this does not change the significant influence of RTL Group in Atresmedia.

## **VII. PROFIT APPROPRIATION**

The statutory accounts of RTL Group S.A. show a profit for the financial year 2013 of €1,501,401,563 (2012: €1,854,247,717). Taking into account the share premium of €4,691,802,190 (2012 €4,691,802,190), the profit brought forward of €230,798,050 (2012: € nil) and the profit for the financial year of €1,501,401,563 (2012: €1,854,247,717), the amount available for distribution is €6,037,466,168 (2012: €4,922,600,240), net of an interim dividend of €386,535,635 (€2.50 per share) as decided by the Board of Directors of RTL Group S.A. on 21 August 2013 and paid on 5 September 2013 (2012: €1,623,449,667 (€10.50 per share)).

## **VIII. PRINCIPAL RISKS, UNCERTAINTIES AND OUTLOOK**

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

## **IX. 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 2013 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 2013, 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](http://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](http://www.rtlgroup.com). The Board of Directors is not entitled to buy back any additional treasury shares.

**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.

5 March 2014

The Board of Directors

## **Board of Directors**

### **Non-Executive Directors**

Thomas Rabe, Chairman  
Martin Taylor<sup>1</sup>, Vice-Chairman and Chairman of Nomination and Compensation Committee  
Judith Hartmann (from 17 April 2013)  
Thomas Hesse (until 31 December 2013)  
Bernd Kundrun  
Jacques Santer<sup>1</sup>  
Rolf Schmidt-Holtz  
James Singh<sup>1</sup>, Chairman of Audit Committee

### **Executive Directors**

Guillaume de Posch (Co-Chief Executive Officer)  
Anke Schäferkordt (Co-Chief Executive Officer)  
Elmar Heggen (Chief Financial Officer)

<sup>1</sup> Independent director



## **Audit report**

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

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### **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 2013, 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 2013, 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](http://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, 5 March 2014



Marc Minet

## Balance sheet at 31 December 2013

	Notes	2013 €	2012 €
<b>ASSETS</b>			
<b>Fixed assets</b>			
Intangible fixed assets	3.1.		
- Concessions, patents, licences, trademarks and similar rights and assets, if they were acquired for valuable consideration		<u>179,307</u>	<u>583,988</u>
		<b>179,307</b>	<b>583,988</b>
Tangible fixed assets	3.2.		
- Plant and machinery		<u>3,317</u>	<u>2,513</u>
- Other fixtures and fittings, tools and equipment		<u>139,419</u>	<u>172,080</u>
		<b>142,736</b>	<b>174,593</b>
Financial fixed assets			
- Shares in affiliated undertakings	3.3.1.	<b>6,539,019,943</b>	6,762,630,541
- Amounts owed by affiliated undertakings	3.3.2.	-	-
- Shares in undertakings with which the company is linked by virtue of participating interests	3.3.3.	<u>7,049,831</u>	-
		<b>6,546,069,774</b>	<u>6,762,630,541</u>
		<b>6,546,391,817</b>	<b>6,763,389,122</b>
<b>Current assets</b>			
Debtors			
- Amounts owed by affiliated undertakings becoming due and payable within one year	3.4.1./3.4.2.	<b>887,487,738</b>	1,082,028,920
- Amounts owed by undertakings with which the company is linked by virtue of participating interests becoming due and payable within one year	3.4.3.	<b>1,020,785</b>	-
- Other receivables becoming due and payable within one year		<u>1,975,327</u>	<u>2,265,183</u>
		<b>890,483,850</b>	<u>1,084,294,103</u>
Transferable securities			
- Own shares or own corporate units	3.5.	<b>12,198,587</b>	12,198,587
Cash at bank, cash in postal cheque accounts, cheques and cash in hand	3.6.	<b>116,253,844</b>	149,178,767
		<u>1,018,936,281</u>	<u>1,245,671,457</u>
Prepayments	3.10.	<b>53,330,192</b>	60,922,196
<b>TOTAL ASSETS</b>		<b><u>7,618,658,290</u></b>	<b><u>8,069,982,775</u></b>

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

## Balance sheet at 31 December 2013

	Notes	2013 €	2012 €
<b>LIABILITIES</b>			
<b>Capital and reserves</b>			
Subscribed capital	3.7.		191,900,551
Share premium and similar premiums	3.7.1.	191,900,551	191,900,551
Legal reserve	3.7.2.	4,691,802,190	4,691,802,190
Reserve for own shares or own corporate units		19,190,054	19,190,054
Other reserves		12,198,587	12,198,587
Profit brought forward		7,071,800	7,071,800
Profit for the financial year		230,798,050	-
Interim dividends		1,501,401,563	1,854,247,717
		(386,535,635)	-
		<u>6,267,827,160</u>	<u>6,776,410,899</u>
<b>Provisions</b>			
Provisions for pensions and similar obligations	3.8.	7,661,960	6,561,333
		<u>7,661,960</u>	<u>6,561,333</u>
<b>Non subordinated debts</b>			
Amounts owed to credit institutions			
- becoming due and payable within one year		38,227	9,788
Trade creditors			
- becoming due and payable within one year		1,842,671	78,182
Amounts owed to affiliated undertakings			
- becoming due and payable within one year	3.9.1.	1,268,040,377	1,190,151,446
Tax and social security debts			
- Tax debts	3.9.2.	300,883	292,220
- Social security debts		260,006	169,835
Other creditors			
- becoming due and payable within one year		18,668,713	18,472,803
- becoming due and payable more than one year		-	6,210,873
		<u>1,289,150,877</u>	<u>1,215,385,147</u>
<b>Deferred income</b>	3.10.	54,018,293	71,625,396
<b>TOTAL LIABILITIES</b>		<u><u>7,618,658,290</u></u>	<u><u>8,069,982,775</u></u>

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

**Profit and loss account for the year ended 31 December 2013**

	Notes	2013 €	2012 €
<b>CHARGES</b>			
Use of merchandise, raw materials and consumable materials		182,345	233,945
Other external charges	4.4.	20,125,387	19,686,533
<b>Staff costs</b>	4.5.		
- Salaries and wages		21,928,756	22,278,904
- Social security on salaries and wages		886,164	740,467
- Supplementary pensions costs		1,209,625	1,109,242
- Other social costs		1,000	8,202
		<u>24,025,545</u>	<u>24,136,815</u>
Value adjustments on formation expenses and on tangible and intangible fixed assets		457,386	780,367
Other operating charges		886,038	1,332,399
Value adjustments and fair value adjustments on financial fixed assets	4.6.	250,000,000	7,500,000
<b>Interest and other financial charges</b>			
- Concerning affiliated undertakings	4.7.	700,679	2,441,028
- Other interest and similar financial charges		1,844,418	1,012,169
		<u>2,545,097</u>	<u>3,453,197</u>
Extraordinary charges	4.8.	79,675	295,283
Income tax		21,400	1,575
Other taxes not included in the previous caption		1,592,831	(1,461,142)
Profit for the financial year		1,501,401,563	1,854,247,717
<b>TOTAL CHARGES</b>		<u><u>1,801,317,267</u></u>	<u><u>1,910,206,689</u></u>

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

## Profit and loss account for the year ended 31 December 2013

	Notes	2013 €	2012 €
<b>INCOME</b>			
Other operating income	4.1.	6,978,003	1,986,306
<b>Income from financial fixed assets</b>			
- Derived from affiliated undertakings	4.2.	<u>1,784,379,231</u>	<u>1,894,671,390</u>
		<b>1,784,379,231</b>	<b>1,894,671,390</b>
<b>Income from financial current assets</b>			
- Derived from affiliated undertakings	4.3.	8,258,095	11,424,402
- Other income from financial current assets		<u>1,698,895</u>	<u>2,124,591</u>
		<b>9,956,990</b>	<b>13,548,993</b>
Extraordinary income	4.8.	3,043	-
<b>TOTAL INCOME</b>		<u><b>1,801,317,267</b></u>	<u><b>1,910,206,689</b></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 EUR. 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 EUR.

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 company 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".

Money market investment funds which meet the following criteria:

- Short term investments;
- Highly liquid investments;
- Readily convertible to known amounts of cash;
- Subject to an insignificant risk of changes in value;

are recorded under "Cash at bank, cash in postal cheque accounts, cheques and cash in hand" at their latest official net asset values as provided by the relevant administrators.

## 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., FremantleMedia 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: Audiomedia Investments S.A. (Belgium), BLU A/S (Denmark), CLT-UFA S.A. (Luxembourg), FremantleMedia Espana S.A., FremantleMedia Finland OY (Finland), 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 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) and VOX Television 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 Latin America Inc. (United States), FremantleMedia North America Inc. (United States) and Ludia Inc. (Canada). 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

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

In 2013, "Intangible fixed assets" evolved as follows:

Acquisition cost at 31.12.2012	8,771,314
<b>Acquisition cost at 31.12.2013</b>	<b>8,771,314</b>
Accumulated value adjustment at 31.12.2012	(8,187,326)
Depreciation charges for the year	(404,681)
<b>Accumulated value adjustment at 31.12.2013</b>	<b>(8,592,007)</b>
Net book value at 31.12.2012	583,988
<b>Net book value at 31.12.2013</b>	<b>179,307</b>

#### 3.2. Tangible fixed assets

In 2013, "Tangible fixed assets" evolved as follows:

	Plant and machinery	Other fixtures and fittings, tools and equipment	Total
Acquisition cost at 31.12.2012	4,110	750,956	755,066
Acquisitions	1,690	19,158	20,848
<b>Acquisition cost at 31.12.2013</b>	<b>5,800</b>	<b>770,114</b>	<b>775,914</b>
Accumulated value adjustment at 31.12.2012	(1,597)	(578,876)	(580,473)
Depreciation charges for the year	(886)	(51,819)	(52,705)
<b>Accumulated value adjustment at 31.12.2013</b>	<b>(2,483)</b>	<b>(630,695)</b>	<b>(633,178)</b>
Net book value at 31.12.2012	2,513	172,080	174,593
<b>Net book value at 31.12.2013</b>	<b>3,317</b>	<b>139,419</b>	<b>142,736</b>

### 3.3. Financial fixed assets

#### 3.3.1. Shares in affiliated undertakings

In 2013, "Shares in affiliated undertakings" evolved as follows:

Acquisition cost at 31.12.2012	7,340,495,890
Acquisitions / Increases	26,389,402
<b>Acquisition cost at 31.12.2013</b>	<b>7,366,885,292</b>
Value adjustments at 31.12.2012	(577,865,349)
Value adjustments for the year	(250,000,000)
<b>Value adjustments at 31.12.2013</b>	<b>(827,865,349)</b>
Net book value at 31.12.2012	6,762,630,541
<b>Net book value at 31.12.2013</b>	<b>6,539,019,943</b>

The acquisitions / increases related to the creation of RTL Canada Ltd (€26,380,464) and RTL Group Asia Pte Ltd (€8,938).

RTL Canada Ltd holds 57.5% (51% on a fully diluted per share basis) of Broadband TV Corp., a Vancouver based multi-channel network on Youtube which was acquired to accelerate RTL Group's expansion strategy in the online video market, especially in the new generation of video channels, networks and aggregators distributed via the internet.

RTL Group Asia Pte Ltd holds 70% in RTL CBS Asia Entertainment Network LLP, a venture with the number one US network CBS for the launch of two thematic pay channels in South East Asia.

#### Details of shares

Business Unit	Name of the company	Legal form	Country	Activity	Direct % held	Acquisition cost	Accumulated value adjustments	Net	Equity before result for the year <sup>(1)</sup>	Result of the last period closed <sup>(1)</sup>
FremantleMedia	FremantleMedia	S.A.	Luxembourg	Holding	100	1,830,149,349	(822,149,349)	1,008,000,000	715,237,706	992,315
	Fremantle Productions Asia	Ltd	Hong Kong	Production	100	1,180,000	(600,000)	580,000	597,911	(7,062)
RTL Nederland	Grundy International Operations	Ltd	Netherlands Antilles	Holding	100	5,116,000	(5,116,000)	-	57,524	1,791
Other	CLT-UFA	S.A.	Luxembourg	Holding/TV /Radio	99.7	5,504,050,504	-	5,504,050,504	3,218,647,404 <sup>(2)</sup>	472,593,980 <sup>(2)</sup>
	RTL Canada	Ltd	Canada	Holding	100	26,380,464	-	26,380,464	n/a <sup>(3)</sup>	n/a <sup>(3)</sup>
	RTL Group Asia Pte Ltd	Ltd	Singapore	Holding	100	8,938	-	8,938	n/a <sup>(3)</sup>	n/a <sup>(3)</sup>
	Immobilière Bayard d'Antin	S.A.	France	Real Estate/Holding	0.01	37	-	37	215,249,638	68,850,346
						<b>7,366,885,292</b>	<b>(827,865,349)</b>	<b>6,539,019,943</b>		

(1) Amounts according to statutory accounts for 2012 (converted into Euro if needed) unless otherwise stated

(2) Amounts according to statutory accounts for 2013. Equity is net of interim dividend of €75 per share, i.e. a total amount of €1,481,269,650, paid in December 2013

(3) Company established in financial year 2013 only

Based on an internal valuation performed on FremantleMedia S.A. at 31 December 2013, a value adjustment of €250,000,000 was recognised. This mainly results from lower revenue growth and profitability. This is an industry-wide issue facing all production companies as margins are still under considerable pressure from their clients, the broadcasters. The net debt of FremantleMedia S.A. has also increased compared to December 2012. This increase is mainly due to payments of deferred consideration, following an out-performance against the business plan, for a business acquired several years ago.

### 3.3.2. Amounts owed by affiliated undertakings

In 2013, "Amounts owed by affiliated undertakings" evolved as follows:

Gross amount at 31.12.2012	22,400,000
<b>Gross amount at 31.12.2013</b>	<b>22,400,000</b>
Value adjustments at 31.12.2012	(22,400,000)
<b>Value adjustments at 31.12.2013</b>	<b>(22,400,000)</b>
Net book value at 31.12.2012	-
<b>Net book value at 31.12.2013</b>	<b>-</b>

The amount related to a 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 2013 amounts to € nil (2012: € nil).

The loan is fully impaired given the systemic Greek crisis.

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

In 2013, RTL Group acquired an equity stake of 26.1% (on a non-diluted basis) for €7,049,831 in StyleHaul Inc. ("StyleHaul"). StyleHaul is a multichannel network with a focus on fashion and beauty and rapidly became the leader in its category. A convertible loan of USD3,500,000 was issued in December 2013, out of which RTL Group S.A. contributed USD1,400,000 (Note 3.4.3.). Without considering the convertible loan, the interest, on a diluted basis, held by the Company is 21% at 31 December 2013 (Note 3.4.3.).

## 3.4. Debtors

### 3.4.1. Amounts owed by RTL Group companies

At 31 December 2013, amounts owed by RTL Group companies consisted of:

- Cash pooling with a number of group companies in multiple currencies for €729,561,606 (2012: €606,602,080) bearing interest at an adjusted EONIA rate as described in Note 2.10. above and without maturity date. Total interest income during the year 2013 amounted to €5,018,295 (2012: €5,692,865) (Note 4.3.);
- An advance of GBP 92,106,317 (€109,214,819) granted to FremantleMedia Group Ltd on 20 August 2003, bearing interest at a rate of 1.375% and with maturity date of 20 November 2014. The interest accrued on the advance at 31 December 2013, amounted to GBP 145,730 (€172,799);
- A loan of USD 53,000,000 (€38,567,894) granted to Fremantle Productions North America Inc. on 2 January 2013, bearing interest at a rate of 1.84350% and with maturity date of 2 January 2014. The interest accrued on the loan at 31 December 2013 amounted to USD 246,978 (€179,725);

- A loan of €4,085,000 granted to FremantleMedia Espana S.A. that was restructured on March 2013, bearing interest at a rate of 3.214% and with maturity date of 1 July 2014. The interest accrued on the loan at 31 December 2013 amounted to €122,982;
- A loan of SGD 5,000,000 (€2,898,887) granted to FremantleMedia Asia Pte Ltd on 17 February 2009, bearing interest at a rate of 2.60% and with maturity date of 30 December 2014. The interest accrued on the loan at 31 December 2013 amounted to SGD nil;
- A loan of BRL 2,263,846 (€707,564) granted to FremantleMedia Brasil Ltda on 22 August 2011, bearing interest at a rate of 10.46% and with maturity date of 10 June 2014. The interest accrued on the loan at 31 December 2013 amounted to BRL 134,854 (€42,148);
- Trade receivables with a number of group companies for €1,934,314 (2012: € nil) without interest and maturity date.

Total interest accrued on the amounts owed by affiliated undertakings at 31 December 2013 amounted to €517,654 (31 December 2012: €1,072,425).

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

### 3.4.2. Amounts owed by shareholders

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 has granted to RTL Group as security for all payments due by Bertelsmann SE & Co. KGaA a pledge on:
  - **French assets:** all shares of its wholly owned French subsidiary Média Communication S.A.S. Since December 2013, they also include the assets relating to BMG Publishing;
  - **Spanish assets:** since July 2007, all shares of its wholly owned Spanish subsidiary Media Finance Holding S.L. Since December 2013, they no longer include the assets relating to Random House;
  - **German assets:** since October 2008, all interest in the German limited liability partnership Gruner + Jahr AG & Co. KG (73.4% stake);
  - **U.K. assets:** since October 2008, all shares of its wholly owned English subsidiary Bertelsmann UK Ltd. Since December 2013, the U.K. assets also include the Spanish assets relating to Random House and the assets relating to BMG Publishing.

The German and U.K. assets 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 relating to the Profit and Loss Pooling and Compensation agreements of CLT-UFA S.A. with Bertelsmann SE & Co. KGaA which at 31 December 2013 amounted to €389,929,116.

At 31 December 2013, the Company did not hold any deposit with Bertelsmann SE & Co. KGaA (2012: €300,000,000 on a one to five months basis and €51,019,579 on an overnight basis).

Accrued interests amounted to € nil (2012: €78,788). Refer to Note 4.3. for details on interest income for the year.

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

At 31 December 2013, "Amounts owed by undertakings with which the company is linked by virtue of participating of interests" consisted of a convertible loan of USD 1,400,000 (€1,018,775) granted to StyleHaul Inc. on 23 December 2013, bearing interest at a rate of 8% and with maturity date of 23 December 2014 (Note 3.3.3.). The interest accrued on the loan at 31 December 2013 amounted to USD 2,762 (€2,010).



### 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..

At 31 December 2013, the Company directly held 173,300 own shares (2012: 173,300) and indirectly through a Company's subsidiary 995,401 own shares (2012: 995,401). At 31 December 2013, RTL Group's share price, as listed on the Frankfurt stock exchange, was €93.93 per share (31 December 2012: €75.50 as listed on the Euronext stock exchange).

No dividend income is recognised on own shares held by the Company.

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

	2013	2012
Cash at bank, cash in postal cheque accounts, cheques and cash in hand	116,253,844	58,553,734
Money market funds	-	90,625,033
<b>Total</b>	<b>116,253,844</b>	<b>149,178,767</b>

Total interest income on the money market investment funds during the year amounts to €66,397 (2012: €198,919) and is recorded in "Other income from financial current assets".

### 3.7. 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 brought forward	Interim dividends	Profit for the financial year	Total
<b>At 31.12.2011</b>	<b>191,900,551</b>	<b>5,314,333,243</b>	<b>19,190,054</b>	<b>12,198,587</b>	<b>7,071,800</b>	<b>(4,053,487)</b>	<b>-</b>	<b>170,055,129</b>	<b>5,710,695,877</b>
Allocation of 2011 result	-	-	-	-	-	170,055,129	-	(170,055,129)	-
Dividend distribution	-	(622,531,053)	-	-	-	(166,001,642)	-	-	(788,532,695)
Profit for the financial year	-	-	-	-	-	-	-	1,854,247,717	1,854,247,717
<b>At 31.12.2012</b>	<b>191,900,551</b>	<b>4,691,802,190</b>	<b>19,190,054</b>	<b>12,198,587</b>	<b>7,071,800</b>	<b>-</b>	<b>-</b>	<b>1,854,247,717</b>	<b>6,776,410,899</b>
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
<b>At 31.12.2013</b>	<b>191,900,551</b>	<b>4,691,802,190</b>	<b>19,190,054</b>	<b>12,198,587</b>	<b>7,071,800</b>	<b>230,798,050</b>	<b>(386,535,635)</b>	<b>1,501,401,563</b>	<b>6,267,827,160</b>

Changes in capital and reserves can be explained by:

- The profit for the financial year 2013;
- The allocation for the year ended 31 December 2012 by the Annual General Meeting of Shareholders held on 17 April 2013, which decided the allocation of the profit for the financial year 2012 for €1,854,247,717 to "Profit brought forward" and the payment of a dividend of €10.50 per share, i.e. a total amount of €1,623,449,667, from "Profit brought forward";
- The payment on 5 September 2013 of an interim dividend of €2.50 per share, i.e. a total amount of €386,535,635 as decided by the Board of Directors of RTL Group S.A. on 21 August 2013.

### 3.7.1. Subscribed capital

At 31 December 2013, 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.

### 3.7.2. 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.

### 3.8. Provision for pensions and similar obligations

The provisions for pensions at 31 December 2013 represent commitments from the Company towards its own employees and amounted to €7,661,960 (2012: €6,561,333).

### 3.9. Non subordinated debts

#### 3.9.1. Amounts owed to affiliated undertakings

"Amounts owed to affiliated undertakings" consisted of:

- Cash pooling account payable with a number of Group companies for various currencies. At 31 December 2013, the corresponding liability amounted to €1,236,676,586 (2012: €1,185,060,421), of which €770,752,149 towards CLT-UFA S.A. (2012: €805,510,331) and €205,056,242 towards RTL Group Beheer B.V. (2012: €120,090,214). Total interest expense during the year 2013 amounted to €681,456 (2012: €2,190,159) (Note 4.7.);
- Short-term advances of €15,000,000 from Immobilière Bayard d'Antin S.A. (2012: € nil), bearing interest at 0.351%. The interest accrued on the advance at 31 December 2013 amounted to €8,483 (2012: € nil);
- Short-term advances of €8,000,000 from Sodera S.A. (2012: € nil), bearing interest at 0.351%. The interest accrued on the advance at 31 December 2013 amounted to €4,524 (2012: € nil);
- Short-term advances of €5,000,000 from IP France S.A. (2012: € nil), bearing interest at 0.548%. The interest accrued on the advance at 31 December 2013 amounted to €4,414 (2012: € nil);
- Short-term advances of €1,500,000 from SERC S.A. (2012: € nil), bearing interest at 0.351%. The interest accrued on the advance at 31 December 2013 amounted to €848 (2012: € nil);
- Short-term advances of € nil from IP Österreich GmbH (2012: €4,000,000). The interest accrued on the advance at 31 December 2013 amounted to € nil (2012: €66);
- Trade creditors with a number of group companies for €1,845,522 (2012: €1,090,959) without interest and maturity date.

Total interest accrued on the amounts owed to affiliated undertakings at 31 December 2013 amounted to €18,269 (2012: €66).

Total interest expense on all short-term advances during the year 2013 amounted to €19,223 (2012: €250,869) (Note 4.7.).

### 3.9.2. 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 2013, for the tax unity in Luxembourg, amount to €4,381 million (2012: €4,225 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.

### 3.10. Prepayments / Deferred income

The amounts primarily related to the Group's foreign exchange derivatives, assets and liabilities amounting to €52,784,255 (2012: €60,553,668) and €54,018,293 (2012: €71,625,396), respectively (Note 2.3.).

## 4. PROFIT AND LOSS ACCOUNT

### 4.1. Other operating income

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

	2013	2012
<b>Recharges to Group companies</b>		
Administrative and management services	6,474,629	1,692,470
Other	37,264	71,653
	<b>6,511,893</b>	<b>1,764,123</b>
<b>Recharges to third parties</b>		
Administrative and management services	24,071	7,679
Other	442,039	63,279
	<b>466,110</b>	<b>70,958</b>
Other	-	151,225
<b>Total</b>	<b>6,978,003</b>	<b>1,986,306</b>

The increase in recharges to group companies mainly related to costs incurred 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 2013, "Income from financial fixed assets derived from affiliated undertakings" exclusively related to dividends received and evolved as follows:

	2013	2012
CLT-UFA S.A.		
- Interim dividends	1,477,135,125	1,693,781,610
- Ordinary dividends	307,244,106	200,889,765
Immobilière Bayard d'Antin S.A.	-	15
	<b>1,784,379,231</b>	<b>1,894,671,390</b>

#### 4.3. Income from financial current assets derived from affiliated undertakings

In 2013, "Income from financial current assets derived from affiliated undertakings" evolved as follows:

	2013	2012
Interest on cash pooling arrangements (Note 3.4.1.)	5,018,295	5,692,865
Interest on loans and advances (Note 3.4.1.)	2,802,113	3,048,127
Interest on deposit agreement with shareholder (Note 3.4.2.)	208,770	2,500,660
Foreign exchange gains, net	228,917	182,750
<b>Total</b>	<b>8,258,095</b>	<b>11,424,402</b>

"Foreign exchange gains, net" evolved as follows:

	2013	2012
Realised foreign exchange gains	263,901,593	297,856,504
Unrealised foreign exchange gains on assets and liabilities and on foreign currency derivatives	21,937,908	32,031,398
	<b>285,839,501</b>	<b>329,887,902</b>
Realised foreign exchange losses	(267,524,416)	(296,939,292)
Unrealised foreign exchange losses on assets and liabilities and on foreign currency derivatives	(18,086,168)	(32,765,860)
	<b>(285,610,584)</b>	<b>(329,705,152)</b>
<b>Total</b>	<b>228,917</b>	<b>182,750</b>

#### 4.4. Other external charges

During 2013, "Other external charges" evolved as follows:

	2013	2012
General expenses	14,277,525	14,200,923
Consulting fees	5,847,862	5,485,610
<b>Total</b>	<b>20,125,387</b>	<b>19,686,533</b>

#### 4.5. Staff costs

During 2013, the Company had an average of 83 employees (2012: 83) who are dedicated to corporate functions.

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

In 2013, the "Value adjustments and fair value adjustments on financial fixed assets" amounted to €250,000,000. They exclusively related to FremantleMedia S.A. (Note 3.3.1.). In 2012, they amounted to €7,500,000 and related to a loan to Alpha Doriforiki Tileorasi S.A. (Note 3.3.2.).

**4.7. Interest and other financial charges concerning affiliated undertakings**

	2013	2012
Interest on cash pooling arrangements (Note 3.9.1.)	681,456	2,190,159
Interest on short-term advances from Group companies (Note 3.9.1.)	19,223	250,869
<b>Total</b>	<b>700,679</b>	<b>2,441,028</b>

**4.8. Extraordinary income / (charges)**

	2013	2012
Gain on sale of tangible fixed asset	3,043	-
	<b>3,043</b>	-
Waiver of loans and cash pool accounts receivable	(79,675)	(15,142)
Fine on purchase contract with group companies	-	(280,141)
<b>Total</b>	<b>(79,675)</b>	<b>(295,283)</b>

**5. RELATED PARTIES AND RELATED PARTY TRANSACTIONS**

At 31 December 2013, the principal shareholder of the Company is Bertelsmann Capital Holding GmbH, a company incorporated under German law. In the first half of 2013, Bertelsmann reduced its shareholding in RTL Group via a public offering on the Frankfurt Stock Exchange. Following the public offering, Bertelsmann Capital Holding GmbH holds 75.1%.

During the year 2013, all significant transactions entered into with related parties have been done at arm's length.

**5.1. Transactions with shareholders**

In 2013, significant transactions with shareholders included costs of €4,087,325 incurred for the public offering on the Frankfurt Stock Exchange recharged to the shareholder (2012: € nil) and management fees for corporate services recharged from the shareholder of €708,252 (2012: €412,500).

In 2012, the Company had deposited a significant amount with Bertelsmann SE & Co. KGaA (Note 3.4.2.). At 31 December 2013, the balance amounted to € nil.

**5.2. Transactions with key management personnel**

Transactions with key management personnel can be summarised as follows:

<i>In € million</i>	2013	2012
Short-term benefits	6.9	7.0
Post-employment benefits	0.1	0.1
Long-term benefits	3.7	2.5
<b>TOTAL</b>	<b>10.7</b>	<b>9.6</b>

**5.3. Directors' fees**

In 2013, a total of €570,575 (2012: €528,434) 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 2013, 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	20,370,236	(20,370,551)
CAD	(14,337,426)	14,337,857
CHF	(43,141,652)	43,141,652
CZK	(10,288,915)	10,287,415
DKK	272,700	(272,623)
GBP	1,971,302	(1,977,122)
HUF	(2,915,536,466)	2,915,548,689
RON	(14,894)	-
SEK	(6,874,165)	6,875,165
SGD	5,062,191	(5,058,292)
USD	1,156,472,436	(1,156,512,695)
ZAR	(1,259,994)	1,255,569

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:

	2013	2012
Guarantees and other similar commitments to third parties	186,452,815	171,597,889
Licence agreements to third parties	20,651,541	52,628,574
Long-term commitments to third parties	40,000,000	45,000,000
Other commitments to group companies	4,691,647	1,624,843

## 7. SUBSEQUENT EVENTS

On 7 February 2014, Fox Entertainment announced the cancellation of the programme *X Factor USA*, a FremantleMedia production.

On 18 February 2014, FremantleMedia announced the launch of a new venture with Vice Media to create a multi-channel food platform for a millennial audience. The deal sees both companies investing in the venture, and together they will develop and produce digital content for the Vice food vertical, which FremantleMedia will take to TV around the world. It allows FremantleMedia to extend its production expertise in the digital space, specifically to the Vice audience of young, influential and engaged millennials.

On 19 February 2014, Atresmedia announced that it has entered into a partial novation of the Integration Agreement executed on 14 December 2011 with the company Gestora de Inversiones Audiovisuales La Sexta SA and its shareholders, by virtue of which the terms and conditions governing the integration of this latter within the Atresmedia Group through a takeover merger were agreed. By virtue of this Novation, Atresmedia Corporación has agreed with Gamp Audiovisual SA and Imagina Media Audiovisual SL to advance and permanently settle the transfer of the additional shareholding that would correspond to both companies. Consequently they will receive, out of the treasury stock of Atresmedia Corporación, 2.079 per cent and 1.631 per cent respectively of the capital. The terms and conditions agreed in connection with the company Gala Desarrollos Comerciales SL will remain unchanged. Consequently, they will be entitled to receive an additional share of 0.508 per cent of the capital stock of Atresmedia Corporación on the basis of the results eventually obtained by the Atresmedia Group. RTL Group's shareholding, as a result of this partial novation, will be reduced from 20.5 per cent to 19.8 per cent. In absence of any change in the governance of Atresmedia, this does not change the significant influence of RTL Group in Atresmedia.

## **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 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, 5 March 2014

Anke Schäferkordt and Guillaume de Posch  
Co-Chief Executive Officers

Elmar Heggen  
Chief Financial Officer