

RTL Group reports strong operating results in second half of 2023 – Dynamic streaming growth continues

In December 2023, RTL Group announced the envisaged sale of RTL Nederland to DPG Media, and therefore presents its full-year results for 2023 without RTL Nederland (IFRS 5, discontinued operations). As RTL Nederland was included in the Group's guidance for 2023, selected pro-forma figures including RTL Nederland are provided below:

Pro-forma figures (including RTL Nederland)¹

- With a strong second half of the year, RTL Group's results came in in line with the guidance for the full-year 2023: On a pro-forma basis, Group revenue of €6.9 billion and Adjusted EBITA of €927 million, the latter including streaming start-up losses of €179 million
- In H2/2023, RTL Group generated an Adjusted EBITA of €677 million on a pro-forma basis, up 16.3 per cent on H2/2022 (€582 million) and the second highest ever – despite challenging advertising markets and significant streaming start-up losses

Reported figures (continuing operations, without RTL Nederland)²

- Group revenue down 5.4 per cent to €6.2 billion due to lower TV advertising revenue and lower Fremantle revenue; Group revenue down 4.1 per cent organically
- Adjusted EBITA at €782 million; Adjusted EBITA margin of 12.5 per cent
- Proposed dividend of €2.75 per share, in line with the Group's dividend policy
- RTL Group's family of TV channels in Germany increased its lead over main commercial competitor ProSiebenSat1 to 5.8 percentage points, the highest lead in the last 10 years
- Paying subscribers for RTL Group's streaming services in Germany, Hungary and France up 30.5 per cent to 5.6 million; streaming revenue up 72.6 per cent to €283 million
- Following the envisaged disposal of the Dutch streaming service Videoland and the investments in M6+ in France, RTL Group has updated the targets for its streaming services RTL+ in Germany, M6+ in France and RTL+ in Hungary: by 2026, the Group aims to reach around 9 million paying subscribers and around €750 million of streaming revenue. RTL Group plans to increase its content spend to around €500 million and to become profitable by 2026

¹ The pro-forma figures for the financial year 2023 include RTL Nederland. RTL Group's outlook for the full-year 2023, as communicated on 8 November 2023, is based on these pro-forma accounts

² Due to the reached agreement to sell RTL Nederland, as communicated on 15 December 2023, the operating segment RTL Nederland is classified as held for sale and presented as discontinued operations in RTL Group's consolidated accounts for the year 2023 (Application of IFRS 5 'Non-current assets held for sale and discontinued operations' to the operating segment RTL Nederland). The figures of the consolidated income statement and the consolidated cash flow statement for the year 2022 are restated in accordance with IFRS 5 to report the discontinued operations separately from continuing operations. If not indicated otherwise, all figures presented/reported in this document refer to continuing operations

Luxembourg, 14 March 2024 – RTL Group announces its audited results for the year ended 31 December 2023.

Challenging TV advertising markets, continued dynamic streaming growth

- **Group revenue** was down 5.4 per cent to €6,234 million (2022: €6,589 million), mainly due to significantly lower TV advertising revenue from broadcasting businesses and lower Fremantle revenue. Group revenue was down 4.1 per cent organically³ compared to 2022.
- **TV advertising revenue** across the Group was down 8.2 per cent year on year, despite market share gains, particularly in Germany.
- **Streaming revenue**⁴ was up 72.6 per cent to €283 million (2022: €164 million), thanks to the rapidly growing number of paying subscribers, higher revenue per subscriber and the first-time inclusion of 6play in France.
- **Distribution revenue**⁵ was stable at €331 million (2022: €332 million).
- **Adjusted EBITA**⁶ declined to €782 million (2022: €922 million), mainly due to lower profit contributions from RTL Deutschland as the German TV advertising market decreased significantly in 2023. The Adjusted EBITA includes **streaming start-up losses** of €176 million (2022: €222 million). The **Adjusted EBITA margin**⁶ was 12.5 per cent (2022: 14.0 per cent).
- Group profit from continuing operations was €483 million (2022: €642 million). Group profit from discontinued operations was €115 million (2022: €124 million). **Total Group profit** was €598 million (2022: €766 million).
- **Total net cash from operating activities** was €537 million, thereof €77 million from discontinued operations. The operating cash conversion rate⁷ for continuing operations was 68 per cent (2022: 49 per cent). RTL Group had **net debt**⁸ of €-291 million at the end of 2023 (end of 2022: net cash of €180 million).
- For RTL Group's Annual General Meeting on 24 April 2024, RTL Group's Board of Directors has proposed a **dividend** of €2.75 per share for 2023. The ex-dividend date of the dividend payment would be 25 April 2024 and the payment date 29 April 2024.
- Based on the average share price in 2023 (€38.44⁹), the proposed dividend of €2.75 per share represents a **dividend yield** of 7.2 per cent.

³ Adjusted for portfolio changes and at constant exchange rates. Further details can be found in **Key performance indicators** on page 23 of RTL Group's Full-year results 2023 report

⁴ Streaming revenue includes SVOD, TVOD, in-stream and distribution revenue from RTL+ in Germany, 6play in France and RTL+ in Hungary (including RTL+/RTL+ Active/RTL+ Light)

⁵ Revenue generated across all distribution platforms (cable, satellite, internet TV) including re-transmission fees

⁶ See **Key performance indicators** on pages 23 to 25 of RTL Group's Full-year results 2023 report

⁷ Operating cash conversion rate reflects the level of operating profits converted into cash. Further details can be found in **Key performance indicators** on page 26 of RTL Group's Full-year results 2023 report

⁸ Net cash/(debt) excludes current and non-current lease liabilities. Including these, net debt as of 31 December 2023 was €-592 million (31 December 2022: net debt of €-205 million). See **Key performance indicators** on page 27 of RTL Group's Full-year results 2023 report

⁹ Frankfurt Stock Exchange

CEO's quote

"We demonstrated the resilience of our businesses"

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

"In 2023, we demonstrated the resilience of our businesses in a particularly challenging environment. As announced, we invested through the cycle. We grew our streaming services, extended our market leadership positions, in particular in Germany, and released globally acclaimed content. The second half of 2023 was one of the most profitable half-years in the history of RTL Group despite weak advertising markets and significant investments, enabling us to pay an attractive dividend. Our shareholders will also benefit in 2025 from the value crystallised by the expected sale of RTL Nederland for €1.1 billion.

Our strategic framework remains unchanged. It will continue to guide us in 2024: to strengthen our core businesses, to grow our streaming and content businesses, and to build alliances and partnerships."

Strategy

Consolidation

In December 2023, RTL Group announced that it has reached an agreement on the sale of **RTL Nederland** to **DPG Media**, a leading multimedia company active in the Netherlands, Belgium and Denmark. Subject to regulatory approvals and the consultation process with the respective works councils, the all-cash transaction is expected to close around mid-2024. The total consideration on a debt- and cash-free basis and with a normalised net working capital, to be paid at closing, amounts to €1.1 billion.

Core

Strengthening RTL Group's core

In 2023, **RTL Deutschland's** combined audience share in the main commercial target group of viewers aged 14 to 59 increased to 27.4 per cent (2022: 26.8 per cent), extending the lead over its main commercial competitor ProSiebenSat1 to 5.8 percentage points – the biggest lead in the last 10 years (2022: lead of 4.5 percentage points). RTL and Vox were the number-one and number-two commercial channels in Germany in the commercial target group of viewers aged 14 to 59.

The combined audience share of **Groupe M6's** free-to-air channels in the commercial target group (women under 50 responsible for purchases) reached 21.9 per cent (2022: 22.3 per cent), thereby representing the second-most-watched commercial family of TV channels in France. In the target group of viewers aged 25 to 49, the combined audience share of Groupe M6 was slightly up to 20.5 per cent (2022: 20.3 per cent).

As the exclusive TV partner of **NFL** in Germany, **RTL Deutschland** kicked off its coverage in September, scoring higher audience shares in the target groups of viewers aged 14 to 59 and 14 to 49 compared to the average audience shares of the previous season. The NFL has been particularly successful with young viewers: with an average audience share of 23.0 per cent (kick-off 22:00) in the target group of young men (aged 14 to 29) in 2023, RTL is reaching viewers who are particularly important for advertising sales on linear TV.

RTL Group continued to invest significantly in content across all genres. This included investments in **rights for live sports events** to strengthen its linear TV channels and gain new subscribers for its streaming services:

- In March 2023, RTL Deutschland announced the renewal of the exclusive broadcasting and streaming rights for the **Uefa Europa League** and **Uefa Europa Conference League**. For the seasons 2024/25 to 2026/27, the matches will be shown on its linear channels RTL and Nitro as well as its streaming service RTL+.
- **RTL Deutschland** acquired the exclusive free-TV rights to 12 Uefa Euro 2024 matches from Deutsche Telekom. **Groupe M6** will share the free-to-air TV rights for the **Uefa Euro 2024** with TF1 and will broadcast 13 matches. These matches include the final, one semi-final and two quarter-finals (including the match of France if the team qualifies).
- In June 2023, **RTL Hungary** announced that it has acquired the broadcasting rights for the **Uefa Champions League**. Starting in the 2024/25 season, RTL Hungary will be the home of the Uefa Champions League matches for three years and will broadcast around 200 live games per season – including the finals – on linear TV and on its streaming service RTL+.
- In March 2024, **Groupe M6** announced that it acquired the exclusive free-to-air TV rights for the majority of the matches of the **Fifa World Cup in 2026 and 2030** – representing 54 matches for each tournament. This significant acquisition strengthens Groupe M6's event-based, free-to-air sports offering and its streaming service M6+.

Growth: Streaming

Boosting growth businesses – Streaming

By the end of 2023, RTL Group had registered **5.569 million paying subscribers** for its streaming services RTL+ in Germany and Hungary and 6play in France, up 30.5 per cent year on year (31 December 2022: 4.267 million).

- The number of paying subscribers for the German streaming service **RTL+** increased by 23.0 per cent to 4.941 million, compared to 4.016 million at the end of December 2022. The growth was driven by the strategic partnership with Deutsche Telekom to bundle RTL+ Premium in Magenta TV, as well as increasingly attractive content such as leading reality TV formats, football matches of the Uefa Europa League and the growing number of originals such as *Sisi* and *Pumuckl's New Adventures*. In November 2023, RTL+ was the most-used streaming service in Germany, ahead of all major streaming services in the German market, based on usage time per user¹⁰.
- In August 2023, **RTL Deutschland** started the roll-out of Germany's first multimedia app RTL+, which offers video, music, podcasts, audiobooks and magazine content in one single app.
- In March 2024, **Groupe M6** presented its investment plan for its streaming service **M6+** (previous 6play). The additional investments of €100 million in content, technology and marketing will build up over time. The service will be primarily financed by advertising (AVOD), complemented by a premium subscription tier (SVOD). The service will run on the technology platform provided by Bedrock and is set to launch in May 2024.

¹⁰ Source: Consumer Panel Services GfK: SVOD-Tracker

Growth: Fremantle

Boosting growth businesses – Fremantle

Fremantle, RTL Group's global content business, targets full-year revenue of €3 billion by 2025/2026. To reach this goal, RTL Group is investing in Fremantle across all three content pillars – **entertainment, drama and film**, and **documentaries**:

- In March 2023, Fremantle launched its new label **Undeniable**, which will focus on producing world-class premium feature documentaries.
- In February 2024, Fremantle reached an agreement with Oaktree Capital Management to fully acquire **Asacha Media Group**, a European production group based in France that owns stakes in eight production companies in France, Italy and the UK. Successful formats from this portfolio include *Death in Paradise* for BBC One and *Scènes de ménages* for M6. Asacha Media Group is diversified in geography, genre and its customer base, complementing Fremantle's footprint in Europe and strengthening Fremantle's position as home to top and new talent.
- In February 2024, Fremantle acquired an 80 per cent stake in the Asian production company **Beach House Pictures**. The Singapore-based company operates in Japan, Korea and China as well as the US, UK and Europe, and is focused on non-scripted entertainment such as *MasterChef Singapore*.

Fremantle had **major creative successes** in 2023 and won 145 awards (2022: 115). The film *Poor Things* from Fremantle company Element Pictures was awarded four Academy Awards (Oscars) out of eleven nominations, alongside winning two Golden Globes and The Golden Lion at the Venice Film Festival. Wildside film *C'è ancora domani* (There's Still Tomorrow) won three awards at the Rome Film Festival and was Italy's most successful film of the year. In 2024, Fremantle will deliver several films such as *Queer*, starring Daniel Craig, and *Without Blood*, directed by Angelina Jolie and starring Salma Hayek.

Alliances and partnerships

Fostering alliances and partnerships

To compete with the global tech platforms, RTL Group is **fostering alliances and partnerships in the European media industry**. These focus on national and international advertising sales and joint investments in advertising and streaming technology solutions via Smartclip and Bedrock.

In August 2023, RTL Deutschland's advertising sales house, **Ad Alliance**, signed an agreement to take over the **advertising sales of the digital portfolio of Bauer Advance** from 1 January 2024. In March 2024, the agreement was extended to also take over the advertising sales of Bauer Advance's print portfolio from 1 January 2025. The partnership includes all brands of the Bauer Media Group.

In December 2023, **Sky Deutschland** and RTL Deutschland announced a strategic two-year **content partnership** to offer German viewers access to even more live sport. This includes sublicensing seven Formula 1 races, one game from the English Premier League per match week on RTL+, and three conference broadcasts of the 2nd Bundesliga for RTL Deutschland. The partnership also includes selected highlights rights and Sky fiction productions.

As part of the envisaged sale of RTL Nederland, **RTL Group** and **DPG Media** will enter into a strategic partnership, spanning from technology to advertising sales and content. At the time of closing of the transaction, the service agreements for RTL Nederland in the areas of streaming technology (via Bedrock), broadcasting operations (via RTL Group’s technical services provider BCE) and international advertising sales (via RTL AdAlliance) will be renewed for at least three years. RTL Nederland will also continue to use the solutions provided by RTL Group’s advertising technology business, Smartclip.

In February 2024, **RTL Deutschland** and **ProSiebenSat1** announced an advertising technology partnership, which will bundle the services of their advertising technology businesses, Smartclip and Virtual Minds. This will enable advertisers to book advertising campaigns across all inventories – linear and non-linear, including the streaming services RTL+ and Joyn.

Outlook

The geopolitical and macroeconomic environment remains volatile, and the impact on RTL Group’s businesses continues to be hard to predict. On the basis of a slight recovery of the German TV advertising market and broadly stable advertising markets in the Group’s other territories,

- RTL Group expects its full-year **revenue** for 2024 to increase to around €6.6 billion, based on higher revenue from RTL Deutschland (mainly driven by strong growth in streaming revenue) and Fremantle (mainly driven by a recovery in the US market and acquisitions).
- RTL Group expects its **Adjusted EBITA** for 2024 to be around €750 million, with a variance of plus/minus €50 million, depending on the development of the German and French TV advertising markets in 2024. This Adjusted EBITA outlook includes higher content costs, primarily for the broadcast of Euro 2024 matches in France and Germany, and higher streaming start-up losses (2023: €176 million) primarily due to the investments in M6+ in France.
- RTL Group’s **dividend policy** remains unchanged: RTL Group plans to pay out at least 80 per cent of the adjusted full-year net result.

	2023	2024e
Revenue	€6,234m	~€6.6bn
Adjusted EBITA	€782m	~€750m (+/- €50m)
thereof streaming start-up losses	€176m	~€200m

Strategic targets for RTL Group's streaming services

	2023 ¹¹	2026e ¹²
Paying subscribers	5.6m	~9m
Streaming revenue	€283m	~€750m
Content spend per annum	€270m	~€500m

Profitability is expected by 2026¹³.

Fremantle targets

Fremantle targets full-year revenue of €3 billion by 2025/2026.

To achieve this goal, RTL Group is investing significantly in Fremantle – both organically and via acquisitions – across entertainment, drama and film, and documentaries.

After integrating its acquired labels/production companies into the Fremantle network and reducing overhead, Fremantle's Adjusted EBITA margin is expected to increase to 9 per cent by 2026.

¹¹ RTL+ in Germany, 6play in France and RTL+ in Hungary

¹² RTL+ in Germany, M6+ (previous 6play) in France and RTL+ in Hungary

¹³ Total of Adjusted EBITA from RTL+ in Germany and Hungary, M6+ in France and Bedrock as consolidated on RTL Group level. The Adjusted EBITA of RTL+ in Germany and Hungary and M6+ includes synergies with TV channels at business unit level. For the definition of Adjusted EBITA please see **Key performance indicators** on pages 23 to 24 of RTL Group's Full-year results 2023 report

Financial review

	2023	2022	Per cent change
	€ m	€ m	
Revenue	6,234	6,589	(5.4)
Adjusted EBITA	782	922	(15.2)
Adjusted EBITA margin (%)	12.5	14.0	
Adjusted EBITA	782	922	(15.2)
Significant special items	(125)	(42)	
Impairment and reversals of investments accounted for using the equity method	–	(5)	
Impairment of goodwill and amortisation and impairment of fair value adjustments on acquisitions of subsidiaries	(43)	(46)	
Impairment and reversals on other financial assets at amortised cost	(2)	(30)	
Gain/(loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in aquiree	40	107	
Fair value measurement of investments and re-measurement of earn-out arrangements	(32)	(78)	
EBIT	620	828	(25.1)
Financial result	(13)	(56)	
Income tax expense	(124)	(130)	
Group profit from continuing operations	483	642	
Group profit from discontinued operations	115	124	
Total Group profit	598	766	(21.9)
Attributable to:			
– RTL Group shareholders	467	673	(30.6)
Continuing operations	352	549	(35.9)
Discontinued operations	115	124	(7.3)
– Non-controlling interests	131	93	+40.9
Continuing operations	131	93	+40.9
Discontinued operations	–	–	
Basic and diluted EPS (in €)	3.02	4.35	(30.6)
Basic and diluted EPS from continuing operations (in €)	2.27	3.55	(35.9)
Basic and diluted EPS from discontinued operations (in €)	0.74	0.80	(7.3)

Download

All documents on the full-year results 2023 are available to download at: [RTL Group full-year results 2023](#)

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About RTL Group

RTL Group is a leading entertainment company across broadcast, streaming, content and digital, with interests in 60 television channels, seven streaming services and 36 radio stations. The Group's families of TV channels are either number one or number two in six European countries, while RTL Group owns or has interests in radio stations in France, Germany, Spain and Luxembourg. RTL Deutschland is the Group's largest business unit and Germany's first cross-media champion, operating across TV, streaming, radio, digital and publishing. RTL Group's streaming services include RTL+ in Germany and Hungary, Videoland in the Netherlands and 6play/M6+ in France. Fremantle is one of the world's largest creators, producers and distributors of scripted and unscripted content, responsible for more than 11,000 hours of programming per year, alongside an international network of teams operating in 27 countries. The streaming tech company Bedrock and the ad-tech company Smartclip are also owned by RTL Group. As a market leader, RTL Group strives to foster alliances and partnerships within the European media industry, for example by building a one-stop advertising sales house in Germany with Ad Alliance and driving international advertising sales with RTL AdAlliance. Bertelsmann is the majority shareholder of RTL Group, which is listed on the Luxembourg and Frankfurt stock exchanges and in the MDAX stock index.