

CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER

	Notes	2019 €m	2018 €m
Revenue	5. 7. 1.	6,651	6,505
Other operating income		48	74
Consumption of current programme rights		(2,244)	(2,103)
Depreciation, amortisation, impairment and valuation allowance		(267)	(211)
Other operating expenses	7. 2.	(3,112)	(3,150)
Impairment of goodwill and amortisation and impairment of fair value adjustments on acquisitions of subsidiaries		(15)	(120)
Gain/(loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	7. 3.	86	25
Profit from operating activities		1,147	1,020
Share of results of investments accounted for using the equity method	8. 5.	14	56
Earnings before interest and taxes ("EBIT")	3.	1,161	1,076
Interest income	7. 4.	5	9
Interest expense	7. 4.	(37)	(29)
Financial results other than interest	7. 5.	27	7
Profit before taxes		1,156	1,063
Income tax expense	7. 6.	(292)	(278)
Profit for the year		864	785
Attributable to:			
RTL Group shareholders		754	668
Non-controlling interests		110	117
Profit for the year		864	785
EBITA	3.	1,139	1,171
Impairment of goodwill of subsidiaries	8. 2.	–	(105)
Impairment of investments accounted for using the equity method	8. 5. 1.	(50)	(2)
Amortisation and impairment of fair value adjustments on acquisitions of subsidiaries		(15)	(15)
Re-measurement of earn-out arrangements		1	2
Gain/(loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	7. 3.	86	25
Earnings before interest and taxes ("EBIT")	3.	1,161	1,076
EBITDA	3.	1,405	1,380
Depreciation, amortisation and impairment		(281)	(224)
Impairment of goodwill of subsidiaries	8. 2.	–	(105)
Impairment of investments accounted for using the equity method	8. 5. 1.	(50)	(2)
Re-measurement of earn-out arrangements		1	2
Gain/(loss) from sale of subsidiaries, other investments and re-measurement to fair value of pre-existing interest in acquiree	7. 3.	86	25
Earnings before interest and taxes ("EBIT")	3.	1,161	1,076
Earnings per share (in €)			
– Basic	7. 7.	4.91	4.35
– Diluted	7. 7.	4.91	4.35

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER

	Notes	2019 €m	2018 €m
Profit for the year		864	785
Other comprehensive income ("OCI"):			
Items that will not be reclassified to profit or loss:			
Re-measurement of post-employment benefit obligations	8. 15.	(21)	5
Income tax	8. 7.	4	(1)
		(17)	4
Equity investments at fair value through OCI – change in fair value	8. 6.	(2)	2
Income tax	8. 7.	–	1
		(2)	3
		(19)	7
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation differences		6	8
Effective portion of changes in fair value of cash flow hedges	8. 16. 4.	12	32
Income tax	8. 7.	(4)	(10)
		8	22
Recycling of cash flow hedge reserve	8. 16. 4.	(6)	2
Income tax	8. 7.	2	(1)
		(4)	1
		10	31
Other comprehensive income/(loss) for the year, net of income tax		(9)	38
Total comprehensive income for the year		855	823
Attributable to:			
RTL Group shareholders		748	707
Non-controlling interests		107	116
Total comprehensive income for the year		855	823

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	31 December 2019 €m	31 December 2018 €m
Non-current assets			
Programme and other rights	8. 1.	92	91
Goodwill	8. 1., 8. 2.	3,093	2,919
Other intangible assets	8. 1.	233	213
Property, plant and equipment	8. 3.	315	332
Right-of-use assets	8. 4.	380	–
Investments accounted for using the equity method	8. 5.	352	395
Loans and other financial assets	8. 6., 8. 9.	148	133
Deferred tax assets	8. 7.	332	333
		4,945	4,416
Current assets			
Programme rights	8. 8.	1,226	1,236
Other inventories		13	11
Income tax receivable		33	24
Accounts receivable and other financial assets	8. 9.	2,275	2,133
Cash and cash equivalents	8. 10.	377	422
		3,924	3,826
Assets classified as held for sale	8. 11.	88	82
Current liabilities			
Loans and bank overdrafts	8. 12.	157	333
Lease liabilities	8. 12.	59	–
Income tax payable		24	40
Accounts payable	8. 13.	2,778	2,626
Contract liabilities	7. 1.	299	295
Provisions	8. 14.	97	126
		3,414	3,420
Liabilities directly associated with non-current assets classified as held for sale	8. 11.	43	63
Net current assets		555	425
Non-current liabilities			
Loans	8. 12.	631	561
Lease liabilities	8. 12.	373	–
Accounts payable	8. 13.	388	462
Contract liabilities	7. 1.	6	7
Provisions	8. 14.	257	229
Deferred tax liabilities	8. 7.	20	29
		1,675	1,288
Net assets		3,825	3,553
Equity attributable to RTL Group shareholders		3,292	3,047
Equity attributable to non-controlling interests	8. 16. 8.	533	506
Equity	8. 16.	3,825	3,553

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Notes	Share capital €m	Treasury shares €m	Currency translation reserve €m	Hedging reserve €m	Revaluation reserve €m	Reserves and retained earnings €m	Equity attributable to RTL Group shareholders €m	Equity attributable to non-controlling interests €m	Total equity €m
Balance at 1 January 2018	192	(47)	(145)	(20)	69	2,908	2,957	467	3,424
Total comprehensive income:									
Profit for the year	-	-	-	-	-	668	668	117	785
Re-measurement of post-employment benefit obligations, net of tax	-	-	-	-	-	3	3	1	4
Equity investments at fair value through OCI – change in fair value, net of tax	8.16.5.	-	-	-	(1)	4	3	-	3
Foreign currency translation differences	8.16.3.	-	-	10	-	-	10	(2)	8
Effective portion of changes in fair value of cash flow hedges, net of tax	8.16.4.	-	-	-	22	-	22	-	22
Recycling of cash flow hedge reserve, net of tax	8.16.4.	-	-	-	1	-	1	-	1
		-	-	10	23	(1)	675	707	823
Capital transactions with owners:									
Dividends	8.16.6.	-	-	-	-	(614)	(614)	(73)	(687)
Equity-settled transactions, net of tax	8.16.7.	-	-	-	-	5	5	5	10
(Acquisition)/disposal of treasury shares	8.16.2.	-	3	-	-	(4)	(1)	-	(1)
Transactions on non-controlling interests without a change in control	8.16.8.	-	-	-	-	(5)	(5)	(7)	(12)
Transactions on non-controlling interests with a change in control	8.16.8.	-	-	-	-	(4)	(4)	(4)	(8)
Derivatives on equity instruments	8.16.9.	-	-	-	-	2	2	2	4
		-	3	-	-	(620)	(617)	(77)	(694)
Balance at 31 December 2018	192	(44)	(135)	3	68	2,963	3,047	506	3,553
Adjustment on initial application of IFRS 16 (net of tax)	1.30.	-	-	-	-	(33)	(33)	(1)	(34)
Adjusted balance at 1 January 2019	192	(44)	(135)	3	68	2,930	3,014	505	3,519
Total comprehensive income:									
Profit for the year	-	-	-	-	-	754	754	110	864
Re-measurement of post-employment benefit obligations, net of tax	-	-	-	-	-	(14)	(14)	(3)	(17)
Equity investments at fair value through OCI – change in fair value, net of tax	8.16.5.	-	-	-	(2)	-	(2)	-	(2)
Foreign currency translation differences	8.16.3.	-	-	6	-	-	6	-	6
Effective portion of changes in fair value of cash flow hedges, net of tax	8.16.4.	-	-	-	8	-	8	-	8
Recycling of cash flow hedge reserve, net of tax	8.16.4.	-	-	-	(4)	-	(4)	-	(4)
		-	-	6	4	(2)	740	748	855
Capital transactions with owners:									
Dividends	8.16.6.	-	-	-	-	(461)	(461)	(75)	(536)
Equity-settled transactions, net of tax	8.16.7.	-	-	-	-	4	4	4	8
(Acquisition)/disposal of treasury shares	8.16.2.	-	3	-	-	(1)	2	-	2
Transactions on non-controlling interests without a change in control	8.16.8.	-	-	-	-	(14)	(14)	(7)	(21)
Derivatives on equity instruments	8.16.9.	-	-	-	-	(1)	(1)	(1)	(2)
		-	3	-	-	(473)	(470)	(79)	(549)
Balance at 31 December 2019	192	(41)	(129)	7	66	3,197	3,292	533	3,825

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER

	Notes	2019 €m	2018 €m
Cash flows from operating activities			
Profit before taxes		1,156	1,063
Adjustments for:			
– Depreciation and amortisation		278	224
– Value adjustments and impairment		26	157
– Share-based payments expenses		8	10
– Re-measurement of earn-out arrangements		(1)	(2)
– Gain on disposal of assets		(84)	(60)
– Financial results including net interest expense and share of results of investments accounted for using the equity method		62	30
Change of provisions	8. 14.	(20)	(52)
Working capital changes		(6)	(143)
Income taxes paid		(334)	(354)
Net cash from operating activities		1,085	873
Cash flows from investing activities			
Acquisitions of:			
– Programme and other rights		(117)	(104)
– Subsidiaries, net of cash acquired	6. 4.	(235)	(18)
– Other intangible and tangible assets		(107)	(121)
– Other investments and financial assets		(23)	(19)
Current deposit with shareholder	10. 1.	(27)	–
		(509)	(262)
Proceeds from the sale of intangible and tangible assets	8. 1. 8. 3.	4	47
Disposal of other subsidiaries, net of cash disposed of	6. 5.	102	106
Proceeds from the sale of investments accounted for using the equity method, other investments and financial assets	8. 5. 8. 6. 8. 9.	44	30
Interest received		4	7
		154	190
Net cash used in investing activities		(355)	(72)
Cash flows from financing activities			
Interest paid		(27)	(19)
Transactions on non-controlling interests	8. 16. 8.	(44)	(24)
Acquisition of treasury shares	8. 16. 2.	2	(1)
Term loan facility due to shareholder	8. 13. 10. 1.	(232)	94
Proceeds from loans	8. 5. 2. 8. 12.	134	33
Repayment of loans	8. 5. 2. 8. 12.	(7)	(34)
Payment of lease liabilities		(59)	–
Dividends paid		(538)	(686)
Net cash used in financing activities		(771)	(637)
Net increase/(decrease) in cash and cash equivalents		(41)	164
Cash and cash equivalents and bank overdrafts at beginning of year	8. 10.	422	258
Effect of exchange rate fluctuation on cash held		1	–
Effect of cash in disposal group held for sale	8. 11.	(6)	–
Cash and cash equivalents and bank overdrafts at end of year	8. 10.	376	422

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