



ISSUER RATING
LongTerm

OUTLOOK
Stable

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Contacts

Lead analyst
Reda Mouaacha
reda.mouaacha@ethifinance.com

Committee chair
Marc Pierron
marc.pierron@ethifinance.com

Rating Action and Rationale

- EthiFinance Ratings affirms RTL Group SA's long-term rating at A, maintaining its Stable outlook.
- RTL Group S.A. is a leading media company operating across television, radio, streaming, content production and digital services in Europe.
- Our rating affirmation reflects RTL Group's solid financial profile, consistent with the "AA" sub-rating category. In FY24, group revenue declined organically by 1.5%, mainly due to phasing effects at Fremantle and flat TV advertising revenue, while streaming grew by 42% yoy, accounting for 6.4% of total revenue (up from 4.5% in FY23). The streaming contribution is expected to rise further to around 12% by 2027, supported by the integration of Comcast's Sky Deutschland and cross-selling to existing RTL+ subscribers. The EthiFinance-adjusted EBITDA margin remained broadly stable at 14.6% (vs 14.4% in FY23). As streaming is expected to reach break-even by FY26, we anticipate a gradual improvement in margins to 15% by 2026, but to decrease to 12.5% in 2027 due to the €2.0bn of full year revenue contribution of Sky D, on a full year basis. Cash flow generated internally (free cash flow after dividends and equity movements) was slightly negative at €52m (vs –€239m in FY23), reflecting nearly €200m lower dividend payments. Although adjusted EBITDA improved modestly, the net adjusted leverage ratio increased by 0.3x yoy, driven by a €245m rise in adjusted net debt. We expect leverage to turn negative to -0.1x by end-2025, supported by the anticipated €1.1 bn cash inflow from the sale of RTL Nederland to DPG Media, completed in July 2025 (announced in December 2023). Part of this cash inflow is likely to be distributed as dividends in 2026. The interest coverage ratio is projected to remain strong at a minimum of 20.0x over our forecast period. Overall, both credit metrics are expected to remain fully consistent with the current rating level, hence our stable outlook.
- RTL recently announced the acquisition of Sky D for an upfront payment of €150m and a share-linked variable consideration of up to €377m. Although Sky D has been historically loss-making, its subscription-based revenue model (accounting for around 88% of total revenues) provides immediate scale in subscription and sports content. The acquisition expands RTL's reach beyond ad-funded streaming into pay-TV and hybrid bundles combining linear, on-demand, and premium sports content. We view this cash-funded transaction as strategically transformative, enhancing RTL's business profile while preserving robust credit metrics. The acquisition should enable meaningful cost synergies through portfolio rationalisation and operational efficiencies. RTL's low leverage, visible cash inflows from recent disposals, and growing recurring streaming revenues mitigate integration risks associated with the historical financial performance of Sky D. Furthermore, RTL benefits from the strong financial and strategic backing of its majority shareholder, Bertelsmann SE, which holds a 76.3% stake and provides the bulk of the group's financing through shareholder facilities from Bertelsmann at a weighted average fixed rate of 3.6%. This support further strengthens RTL's credit quality and competitive positioning within the European media sector.
- However, our rating is constrained by RTL's limited product diversification, due to a heavy reliance on TV-related revenue streams, primarily advertising and content—which accounted for c. 82% of FY24 sales. Streaming revenues (RTL+), although a strategic focus for management, has slightly increased yoy but only represented 6.4% of FY24 sales (vs 4.5% in FY23). At the industry-level, global streaming activity growth is outpacing the traditional linear TV viewership, mainly due to its subscription-based model allowing for recurring and stable revenues generation. This shift is creating a substitution effect, with streaming platforms attracting more advertising as they capture larger audiences, particularly among younger generations.
- Under our methodology, the media & entertainment industry has moderate ESG risks (sector heatmap score between 2 and 3.5), which is neutral for our industry assessment. The company's ESG score remains unchanged (between 1.5 and 3.5), resulting in a neutral impact on our company assessment. Hence, our overall ESG impact is neutral on the company's anchor rating.

Issuer Description

Headquartered in Luxembourg, RTL Group is a leading European media company specializing in broadcasting, content production, and digital entertainment. RTL operates 56 television channels, 7 streaming platforms, and 36 radio stations across several countries, including Germany, France, the Netherlands and Belgium. Its television portfolio is among the largest in Europe, featuring prominent channels like RTL Television in Germany and M6 in France. RTL also owns 'Fremantle', one of the world's largest television content producers. The company is majority-owned by Bertelsmann, a multinational media conglomerate, and is publicly listed on the Frankfurt stock exchange with a market capitalization of €5.3bn as of 15 October 2025.

For FY24, the company reported revenues of €6.25bn for EthiFinance Ratings-adjusted EBITDA of €916m (equivalent to a margin of 14.6%). The EthiFinance Ratings-adjusted net leverage ratio stood at 1.1x.

Liquidity

We assess the liquidity profile of RTL group SA as “Good” reflecting its strong refinancing profile as well as its high level of liquidity.

Main Financial Figures & Forecasts

Main financial figures. millions of EUR						
	FY23	FY24	FY25e	FY26e	FY27e ⁽¹⁾	24vs23
Turnover	6,234	6,254	6,410	6,603	8,801	0.3%
Adj EBITDA ⁽²⁾	896	916	958	1,013	1,102	2.2%
Adj EBITDA Margin ⁽²⁾	14.4%	14.6%	14.9%	15.3%	12.5%	0.3pp
EBIT	620	613	607	651	622	-1.1%
EBIT Margin	9.9%	9.8%	9.5%	9.9%	7.1%	-0.1pp
EBT	722	707	587	645	620	-2.1%
Total Assets	9,251	9,798	9,488	9,028	9,804	5.9%
Equity	5,100	5,193	5,135	4,796	4,771	1.8%
Total Financial Debt ⁽³⁾	1,409	1,590	1,291	1,110	1,029	12.8%
Net Financial Debt ⁽³⁾	758	1,003	-120	261	7	32.3%
Equity/Adj TFD ⁽³⁾	362%	327%	398%	432%	464%	-35.4pp
NFD/ Adj EBITDA ^{(2) (3)}	0.8x	1.1x	-0.1x	0.3x	0.0x	0.2x
Adj Funds From Operations	763	747	737	852	950	-2.1%
Adj FFO/ NFD ⁽³⁾	101%	74%	NA	327%	14062%	-26.2pp
Adj EBITDA/ Interest ⁽²⁾	20.8x	14.5x	20.2x	29.6x	37.3x	-6.3x

(1) We consider that the acquisition of SKY Deutschland from Comcast will be closed on 31 December 2026. Hence, we add adjust FY27e revenues taking into account the Sky's revenue contribution on a full year basis (2) Adj EBITDA excludes (i) the gain / loss from sale of subsidiaries and other investments, (ii) fair value measurement of investments and (iii) the significant special items reported by the company. (3) Total Adjusted Debt includes the IFRS 16 debt, pension benefits and earn-outs on top of the reported debt.

Credit Rating

Credit Rating	
Business Risk Profile	BBB
<i>Industry risk assessment</i>	<i>BBB</i>
<i>Industry's ESG</i>	<i>Neutral</i>
<i>Competitive Positioning</i>	<i>BBB-</i>
<i>Governance</i>	<i>BBB+</i>
Financial Risk Profile	AA-
<i>Cash flow and leverage</i>	<i>AA-</i>
<i>Capitalisation</i>	<i>AAA</i>
<i>Company's ESG</i>	<i>Neutral</i>
Anchor Rating	A
<i>Modifiers</i>	<i>-</i>
Final Rating	A

Rating Sensitivity

- List of ratings:
 - LT Rating: A

Factors that may (individually or collectively) impact the rating:

- Positive factors (↑)

A rating upgrade is unlikely to occur in the near future given the excellent financial profile of the company. However, a potential upgrade could occur if the EBITDA/interest ratio rose above 34.0x, along with a net cash position, on a sustained basis.

- Negative factors (↓)

We could downgrade our rating should the group's credit metrics significantly deviate from our expectations going forward. Such a downgrade could be triggered by an NFD/EBITDA ratio above 0.7x coupled with an EBITDA/interest ratio below 20.0x, on a sustained basis.

Sources of information

The credit rating issued in this report is unsolicited. The credit rating is based exclusively on public information, being the main sources the following:

1. Annual Audit Report.
2. Corporate Governance Report.
3. Corporate Website.
4. Information published in the Official Bulletins.

The information was thoroughly reviewed to ensure that it is valid and consistent, and is considered satisfactory. Nevertheless, EthiFinance Ratings assumes no responsibility for the accuracy of the information and the conclusions drawn from it.

Level of the rated entity participation in the rating process

Unsolicited Credit Rating	
With Rated Entity or Related Third Party Participation	NO
With Access to Internal Documents	NO
With Access to Management	NO

Additional information

- The rating was carried out in accordance with Regulation (EC) N°1060/2009 of the European Parliament and the Council of 16 September 2009, on credit rating agencies. Principal methodology used in this research are :
 - Corporate Rating Methodology - General : <https://www.ethifinance.com/download/corporate-rating-methodology-general/?wpdmdl=35203>
- The rating scale used in this report is available at <https://www.ethifinance.com/en/ratings/ratingScale>.
- EthiFinance Ratings publishes data on the historical default rates of the rating categories, which are located in the central statistics repository CEREP, of the European Securities and Markets Authority (ESMA).
- In accordance with Article 6 (2), in conjunction with Annex I, section B (4) of the Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009, it is reported that during the last 12 months EthiFinance Ratings has not provided ancillary services to the rated entity or its related third parties.
- The issued credit rating has been notified to the rated entity, and has not been modified since.

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