

# RTL GROUP

KBC

London

April 24<sup>th</sup>, 2006

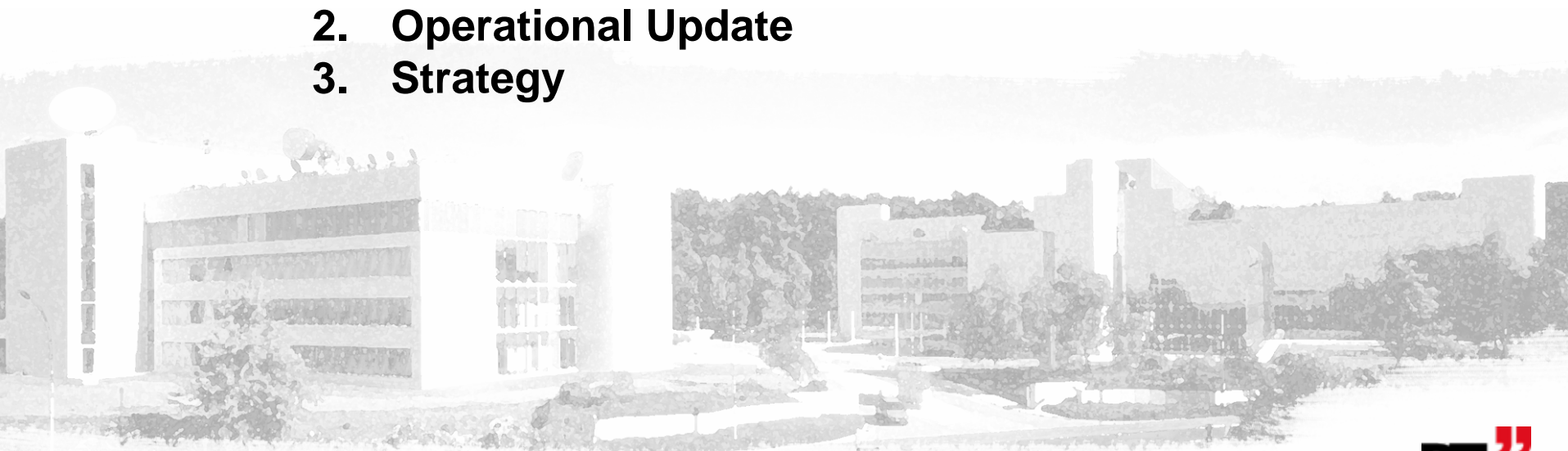


# Agenda

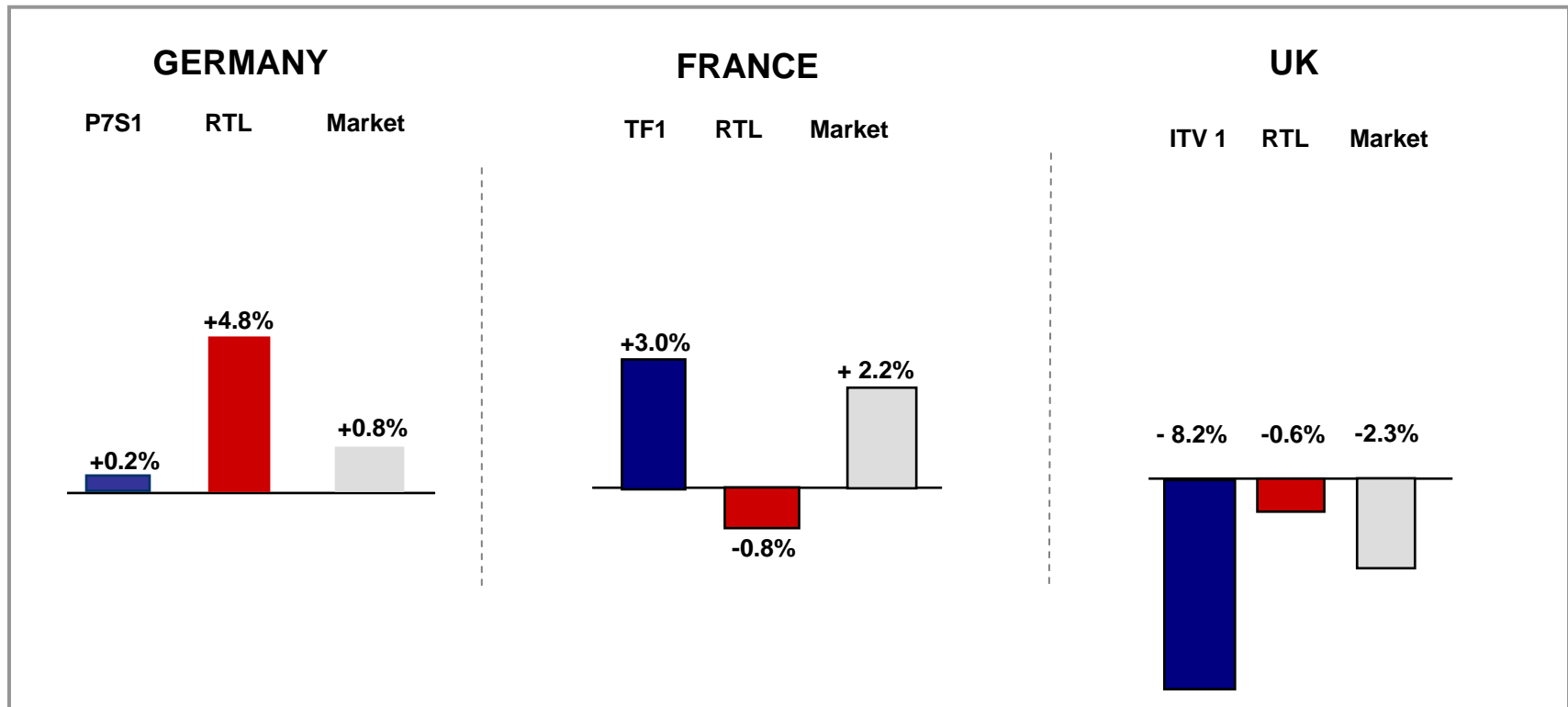
## 1. Advertising Market Developments

## 2. Operational Update

## 3. Strategy



# Advertising Market Developments



Notes : Germany gross, Jan – Mar: AC Nielsen  
France / gross / Jan – Mar: TNS  
UK / net / Jan - May 2006, Five estimate

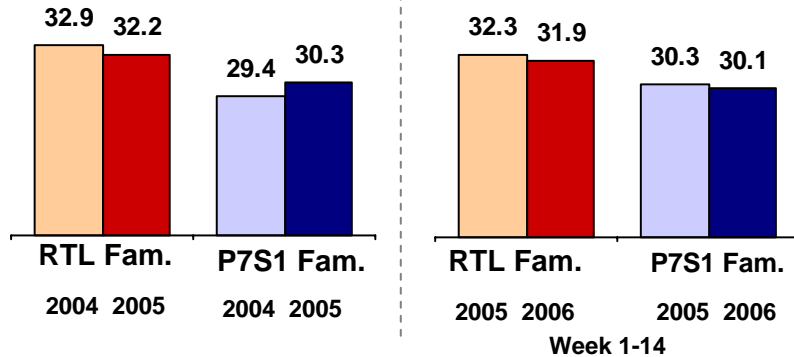
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# German TV

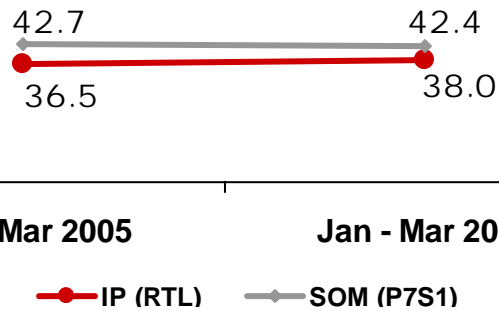
## Family Audience share (14-49) in %



## Audience Share (14-49)

	Week 1-14 2005	Week 1-14 2006
RTL	15.7%	16.0%
VOX	6.5%	6.8%
RTL II	6.8%	5.9%
Super RTL	2.7%	2.6%
<b>RTL Group</b>	<b>32.3%</b>	<b>31.9%</b>
P7S1 Fam.	30.3%	30.1%

## Gross advertising market share (%)



## Comments

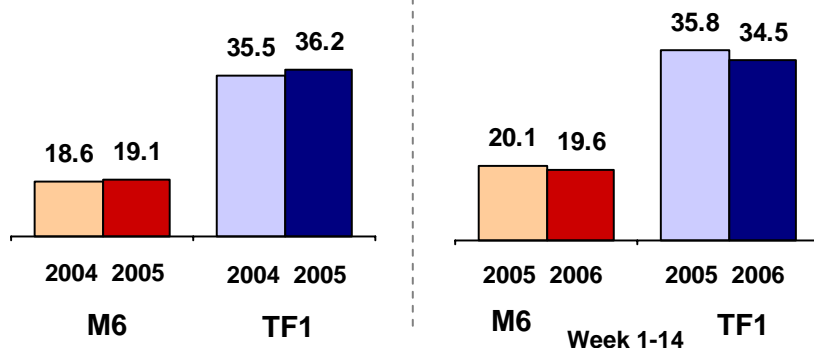
- RTL TV increases share despite Winter Olympics
- Target of 17% audience share at RTL TV maintained
- Advertising market slightly up in first quarter
- Restructuring costs all taken in 2005

Source: GfK

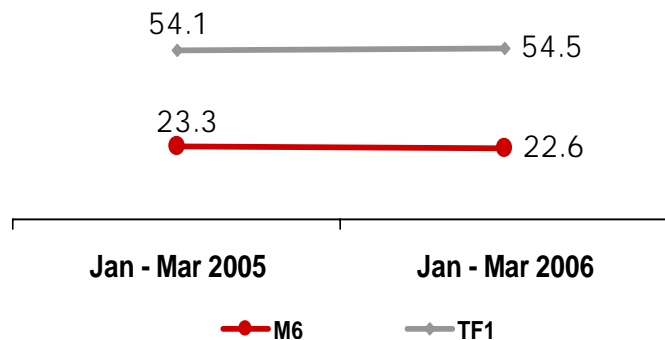
Note: excl. RTL II (incl : 43.3 in 2005 versus 43.9 in 2006)

# French TV

## Audience share (housewives < 50) in %



## Gross advertising market share (%)



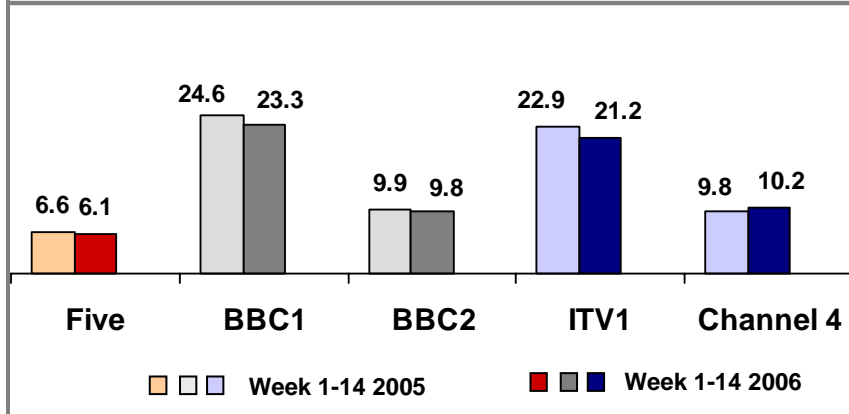
## Comments

- Audience share performance remains good
- Investment in new DTT channels to be continued
- Flexible approach to programming cost development maintained

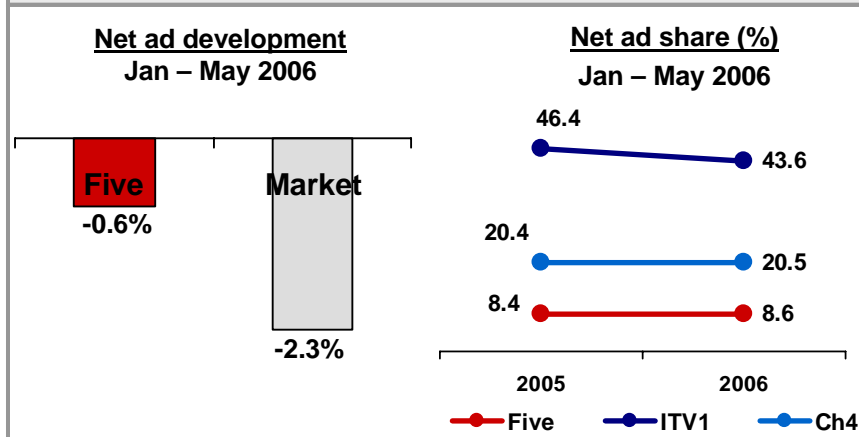
Source: Mediamétrie, TNS

# UK TV

## Audience share (adults, all day) in %



## Advertising market (estimate)



## Comments

- Quarter 1 advertising down significantly but seeing pick up in quarter 2.
- Five continues to out-perform
- Launch of multi-channel offering by end of 2006, across all platforms
- Increased programme budget to continue to drive commercial performance

# Other territories : TV (1)



## Netherlands

- **RTL4 leadership with 17.5% audience share YTD<sup>1)</sup>**  
(- 1.9p vs. 2005)
- **Number 1 commercial family: 31.1 % audience share**  
(-0.8p vs. 2005)
- **Talpa TV – moderately successful launch**



## Belgium

- **Market leader RTL TVi: 24.4% market share YTD<sup>1)</sup>**
- **Number 1 commercial family: 32.1% audience share**  
(-0.4p vs 2005)



## Hungary

- **Market leader: 34.7% audience share YTD<sup>1)</sup>**  
(-1.2p vs 2005)

NL: shp 20-49 (18h-24h); B: shp 18-54 (17h-23h), H: 18-49 (19h-23h);

Sources: SKO/ Mediamétrie - CIM / AGB

1) YTD = week 1-14

# Other territories : TV (2)



## Croatia

- 28.4% (all day) and 29.7% (prime time)
- Start up losses significantly down in only first full year of operations
- Full year profitability now predicted in 2007, two years ahead of schedule



## Spain

- Audience share up in commercial target in Qtr1 (22.7% versus 22.2%)
- Advertising market continues to be positive
- Costs remain under control despite launch of new DTT channels
- Technical problems likely to hinder roll out of La Sexta; Cuatro not yet having an impact



## Portugal

- Audience share leadership maintained : all day share in March up 3.8pp on last year to 35.9%. Primetime share at 39.5%, up from 33.6% in March 2005
- Football rights acquired up until season 2007/2008

Sources: CIM / AGB; Marktest

# Russia : REN TV

- **2006 will be first full year of RTL Group involvement**
- **Changes already being made in programming : Domino Day at end of 2005 brought more text and telephony calls than normally achieved in whole year, Formula 1 rights also acquired**
- **Autumn will reflect input from RTL with full re-launch of programme grid**
- **Market as a whole expected to grow significantly again**
- **However, proposed changes to advertising rules will have an impact :**
  - **currently 20% per day limit;**
  - **from 1 July 2006 reduced to 15% per day with hourly max. of 12 minutes**
  - **from 1 January 2008, further reduction of hourly maximum to 9 minutes**
- **Will have immediate impact on inventory (25% reduction in primetime)**

# FremantleMedia : Business Model

## Production



How CLEAN  
IS YOUR  
HOUSE?



They  
think  
it's all  
over

## Brand Extension

Video &  
mobile  
games



Live  
shows



Other  
consumer  
products



## New Models



Joint Venture with  
Mobliss – launched  
on Sprint Network



Interactive TV -  
performing well on  
Sky TV and ITV1

# FremantleMedia : Key Facts

Production

Telephony

Licensing

Interactive

Video/DVD

Distribution

## Brand licensing & Home Entertainment

- Merchandising, promotions, telephony, video, DVD

## Interactive

- Internet, interactive, wireless

## Distribution

- 19,000 hours
- Major FremantleMedia and 3<sup>rd</sup> party brands, eg. *The Bill*, *Jamie's Kitchen*, *Mr Bean*



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# Our Strategy

## ***Continue with stated policy***

- **Build family of channels as we move ever faster into the digital world**
- **Diversification revenue including pay / direct to customer business models**
- **Geographic expansion**
  - **Central, Southern & Eastern Europe**

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