

UBS Media Reverse Show

London, 16th of March 2005



Agenda

1. Overview

2. Operational Update

3. Strategy



Results overview 2004

Revenue	4,878	4,452	+9.6%
Reported EBITA	711	487	+46%
Adjusted EBITA	764	561	+36.2%
Reported EBITA margin (%)	14.6%	10.9%	n.a
Adjusted EBITA margin (%)	15.7%	12.6%	n.a
Reported net result	367	14	>100.0
Adjusted earnings per share	2.63	2.14	+22.9%
Dividend per share	0.95	0.80	+18.8%
EBITA conversion (OCF / EBITA)	99%	108%	

Agenda

1. Overview

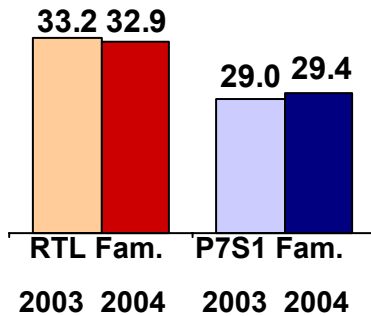
2. Operational Update

3. Strategy



German TV

Family Audience share (14-49) in %

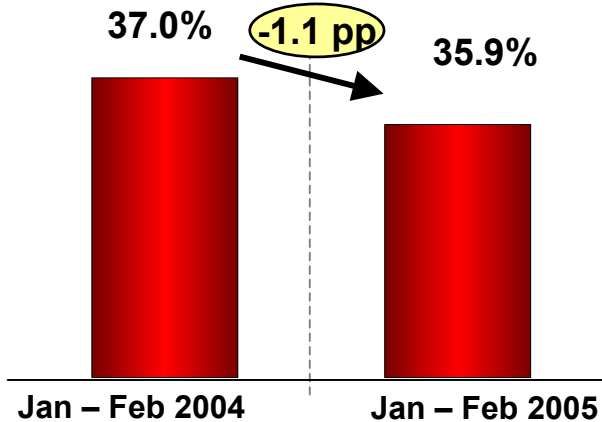


2005

Audience Share (14-49)

	2004 YTD	2005	ch. (pp)
RTL	17.9%	%	
VOX	4.9%	%	
RTL II	7.5%	%	
Super RTL	2.5%	%	
RTL Group	33.4%		
Saban	30.2%		

Station and Share 2005

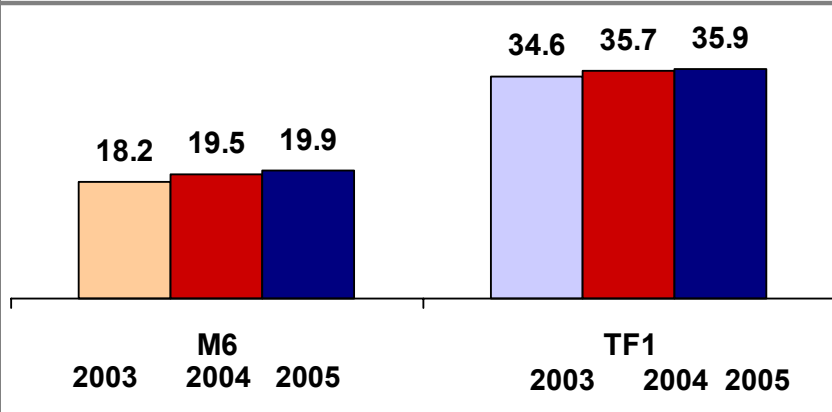


Comments

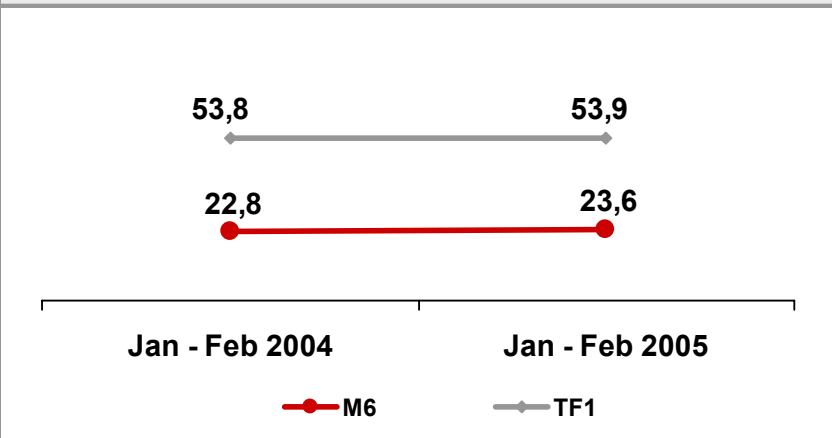
- RTL TV losing share to smaller channels within family
- Advertising market weak at start of 2005
- New digital channel offering being explored – not : Pay TV platform

French TV

Audience share (housewives < 50) in %



Gross advertising market share (%)

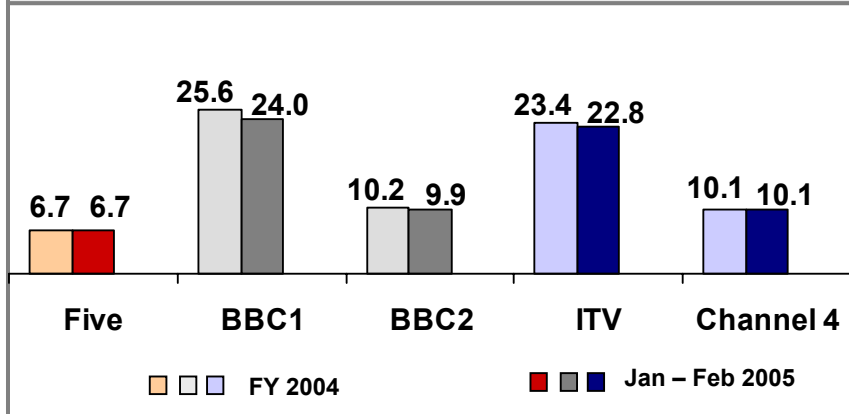


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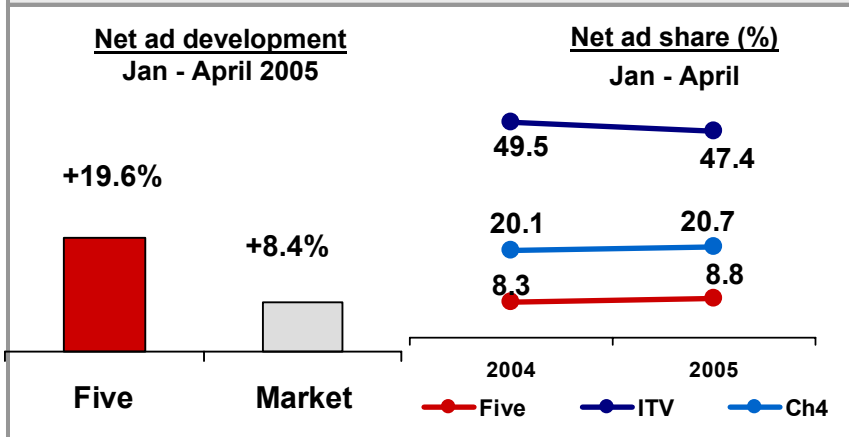
- **Great start to 2005 in terms of audiences**
- **Qtr 1: flat advertising revenue against difficult comparables**
- **Investment in new DTT channels to be made**
- **Flexible approach to programming cost development but gradual move to more “generalist” channel likely**

Source: Mediamétrie, M6 publicité

Audience share (adults, all day) in %



Advertising market



Comments

- Very strong start to ad. market in 2005
- Five continues to out-perform
- New programmes launches such as Joey & 2 ½ Men extremely valuable in terms of younger (16-34) demographics
- Growth strategy maintained – looking to build channel offering

Benelux and Hungary TV



Netherlands

RTL4 leadership with 19.5% audience share YTD¹⁾
(- 0.5p vs. 2004).

Number 1 commercial family: 32.3 % audience share
(- 0.1p vs. 2004)



Belgium

Market leader RTL TVi: 23.6% market share YTD¹⁾

Number 1 commercial family: 32.3% audience share (+ 0.6 vs 2004)



Hungary

Market leader: 35.3% audience share YTD¹⁾



Croatia

30.4% - Successful start; performance beyond business plan; breakeven
earlier than expected

Continued leadership in smaller countries

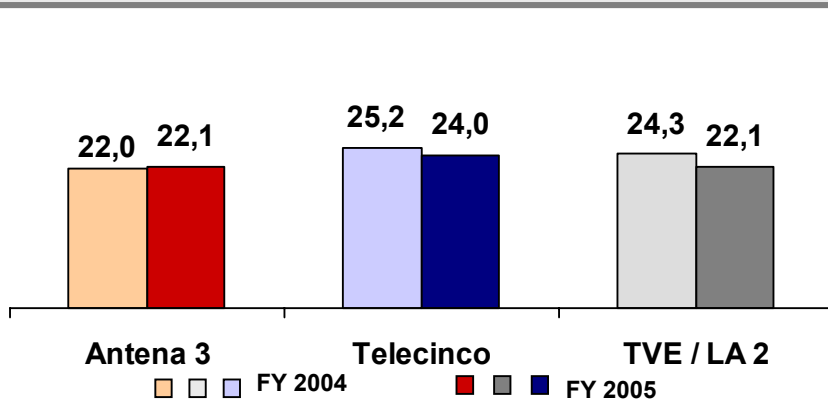
NL: shp 20-49 (18h-24h); B: shp 18-54 (17h-23h), H: 18-49 (19h-23h); H: 18-49, 19H-23H

Sources: SKO/ Mediametrie - CIM / AGB

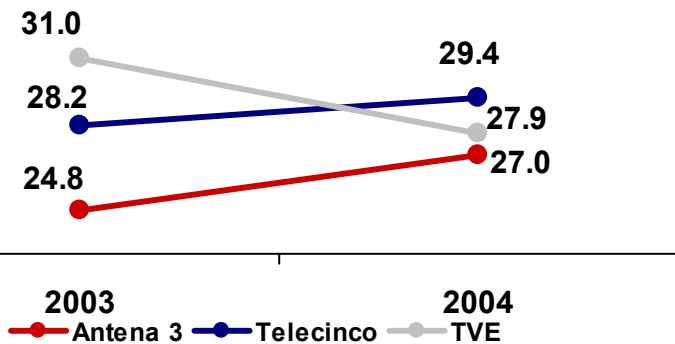
1) YTD = week 1-9

Antena 3

Audience share (13-55, all day) in %



Net Advertising market share (%)



Comments

- Advertising market remains one of strongest in Europe
- A3 continues to out-perform
- “Wise men” review now out – mainly good news for existing FTA operators

Content

- **Continue to leverage existing brands and international network**
- **Exploitation of major formats in “off screen” revenues and profits continues eg Barbie Pop Idol**
- **Most growth to come from internal development - any acquisitions will be small and focused on bringing new talent or formats into the Group**
- **Content becoming more & more valuable in a digital world due to the explosion of new channels and platforms such as 3G => Fremantle therefore core to RTL Group.**

Radio

France :

- **FM network coverage less than 100%**
- **=> possible re-distribution in 2005**
- **Germany => largest radio player but market constrains development**
- **Digital Radio Mondiale (DRM) potential solution to both issues...**

DRM Press clippings

Broadcasting intentions

In a surprisingly open discussion, RTL's chief financial officer, Thomas Rabe, tells Naomi Rovnick about the group's plans for a move into digital satellite via TV broadcaster Five

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RTL pioneers DRM roll-out in Europe

RTL Group, one of the biggest radio and television media groups in Europe, is gearing up to commit significant resources to support the launch of DRM commercial services during 2005. The company views DRM as the ideal technology to enable it to improve the coverage of its existing FM stations and to expand its radio business with new services throughout Europe.

RTL wants to use DRM to improve the coverage of its existing FM stations. According to Dan D'Aversa, Business Development Director at RTL "If we can fill the gaps outside the main cities with DRM, then we will have seamless coverage between the analogue and digital networks. We would have FM in the cities and DRM digital shortwave, medium wave and long wave for the complementary homogeneous, national coverage." Parts of the medium wave AM

Contents

- P2 Satellite radio at the CES, Las Vegas
- P3 Country Focus: Australia
- P5 European countries submit spectrum demands to ITU
- P6 Interview: Colin Crawford

RTL pushes into Europe-wide digital radio

By Chris Oakes

PARIS: Proponents of digital radio broadcasting can cite pockets of minor success in continental Europe — in Denmark, for example, 40,000 digital radios were sold in 2004.

But such figures pale in comparison with Britain, Europe's only mass market for digital radio, where more than 1.2 million digital sets were sold last year.

The Continent faces the same chicken-and-egg problem that Britain set out to solve at the beginning of the decade.

jointly with Texas Instruments.

One of the keys to RTL's decision to start the broadcasts is the larger coverage area made possible by a standard known as DRM, or Digital Radio Mondiale. The latest of the two primary European specifications for digital broadcasts, the standard

Digital AM radio format girds for attack on U.S. market -- Backers seek higher profile, design-ins for DRM, a nonproprietary, international system

Junko Yoshida

Paris - With competing digital satellite systems-XM Radio and Sirius-beginning to penetrate the U.S. market along with one terrestrial system, HD Radio, consumers would seem to have an adequate choice of digital radio formats. But Peter Senger, chairman of the Digital Radio Mondiale (DRM) consortium, thinks otherwise.

Das digitale Kurzwellenradio kommt

Neue Technik sendet in Stereoqualität - Erste

Geräte für den Herbst dieses Jahres erwartet

FRANKFURT/M. Das Kurzwellenradio steht vor einer Renaissance. Sender wie BBC, RTL, der Bayerische Rundfunk oder die Deutsche Welle arbeiten emsig am digitalen Kurzwellenfunk. Die neue Technik des „Digital Radio Mondiale“ (DRM) verspricht Kurzwellenempfang in Stereo und UKW-Qualität.

„2005 ist das Startjahr für DRM“,

res, neu zusammengestelltes Programm geben, das auf Deutsch und Englisch in ganz Europa empfangen werden kann - bis kurz vor Moskau, wie Senger im Gespräch mit der Nachrichtenagentur AP erklärt. In diesem Monat beginnt auch ein Test mit der parallelen Übertragung von Nachrichtensendungen in vier Sprachen auf einem Übertragungskanal.

Empfangsqualität oder auf Grund von Störungen durch Abstrahlungen elektrischer Geräte. Eine entscheidende Verbesserung verspricht sich Senger hier vom Gleichwellenbetrieb, bei dem mehrere Sender mit der gleichen Sendefrequenz zusammenschaltet werden. Auf der IFA soll es erstmals auch Geräte geben, die die Signale von zwei ver-

Radio Luxembourg set to return

Julia Day

It launched the careers of Noel Edmonds, Peter Powell and David Jenson and now, 12 years after disappearing from the airwaves, the legendary Radio Luxembourg, self-proclaimed "station of the stars", is set to be revived.

RTL, a subsidiary of German media group Bertelsmann and Five shareholder that grew out of Radio Luxembourg, is considering resurrecting 'Luxy' by broadcasting it into the UK from overseas on a new radio transmission technique which enables cross-border digital broadcasts.

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Our Strategy

Continue with stated policy

- **Family of channels both FTA and in digital world with potential direct to customer approach in specific cases**
- **Diversification revenue**
- **Geographic expansion**
 - **Central, Southern & Eastern Europe**

Conclusion

- Only true pan-European TV company
- Financially solid
- Proven track record in working with local partners is attractive
- Challenge for 2005 is to execute stated strategy whilst respecting investment criteria (ROIC, Value added)

Continue to actively manage portfolio and further enhance operating margins

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