

the
Leading European
Entertainment Network

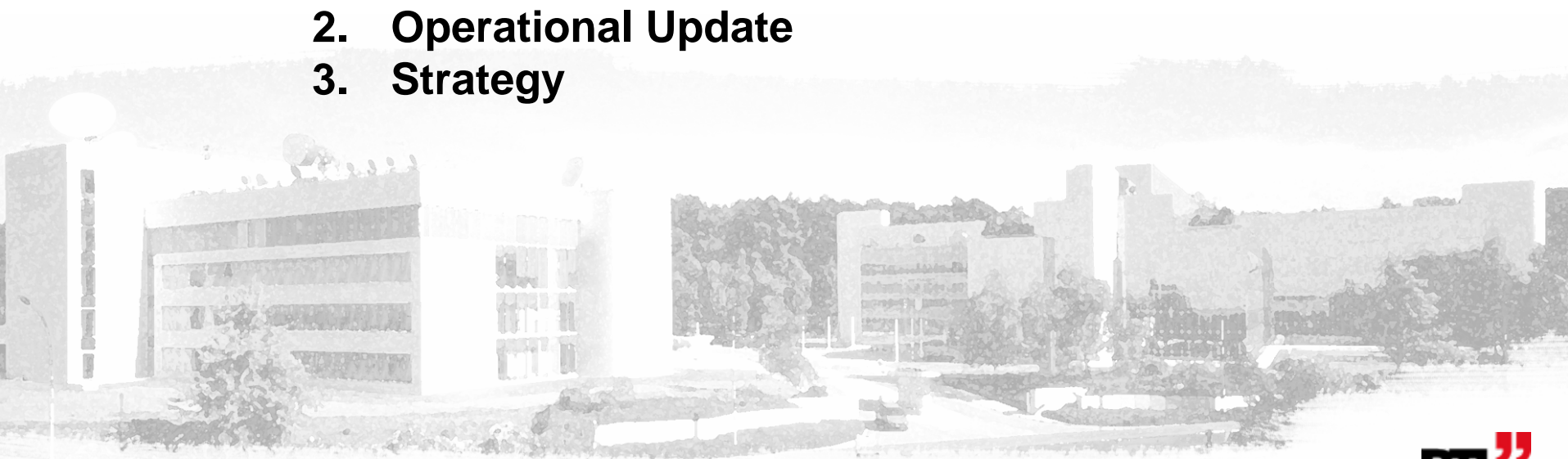


KBC

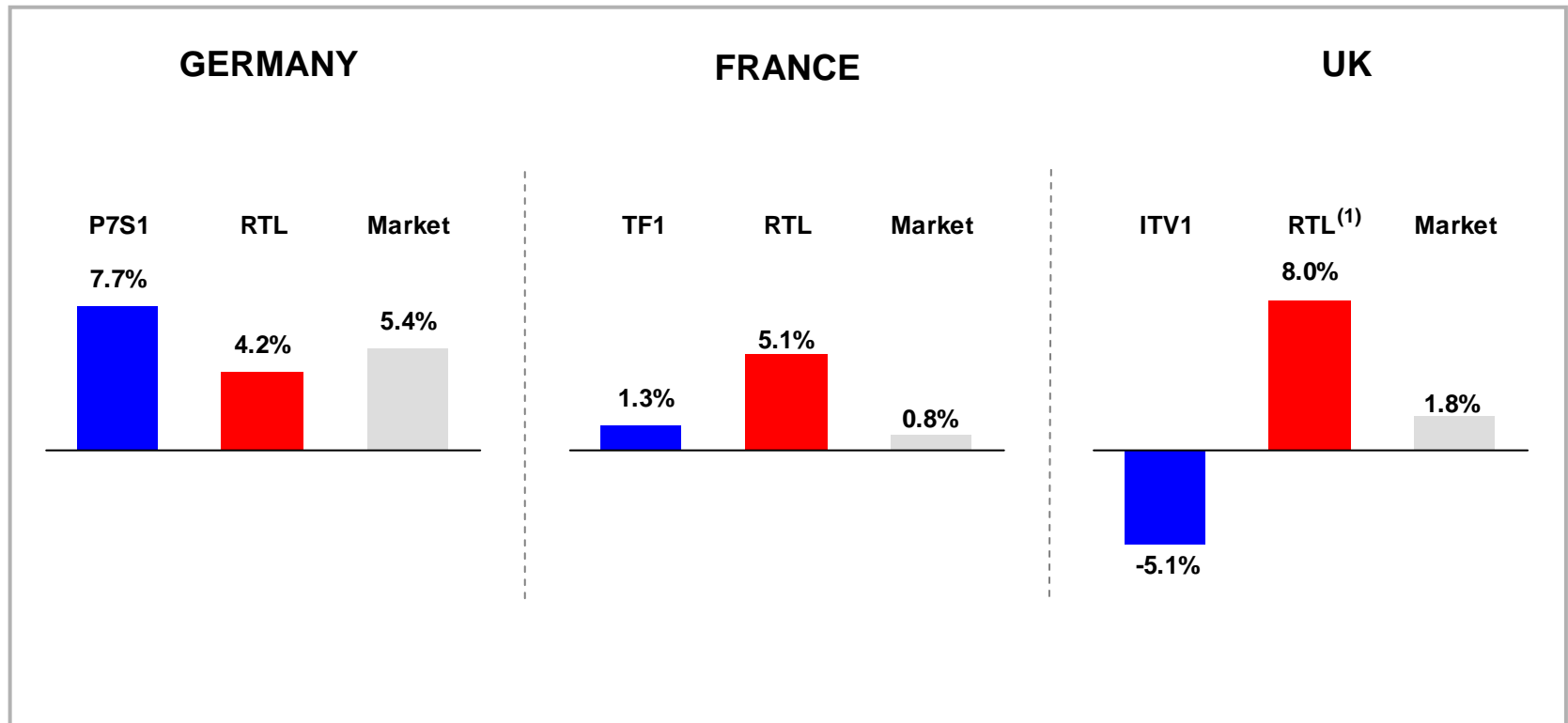
London, 18 October 2007

Agenda

- 1. Advertising Market Development**
- 2. Operational Update**
- 3. Strategy**



Advertising Market Development



Notes:

Germany / gross / Jan – September: AC Nielsen

France / gross / Jan – September: TNS Media

UK / net / Jan -November: Five estimate

(1) : Five family development

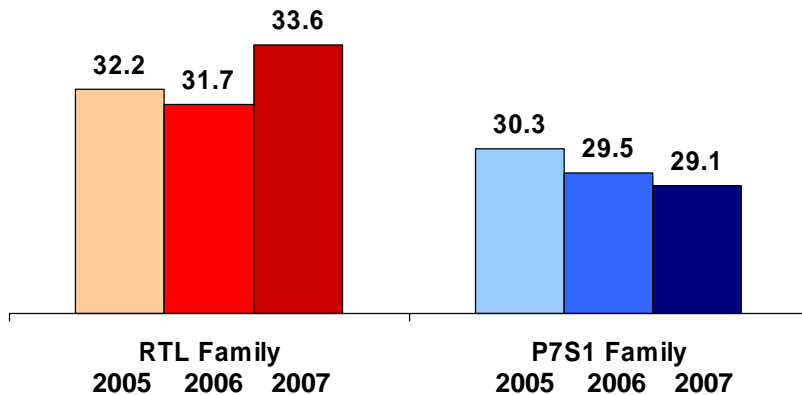
Agenda

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German TV

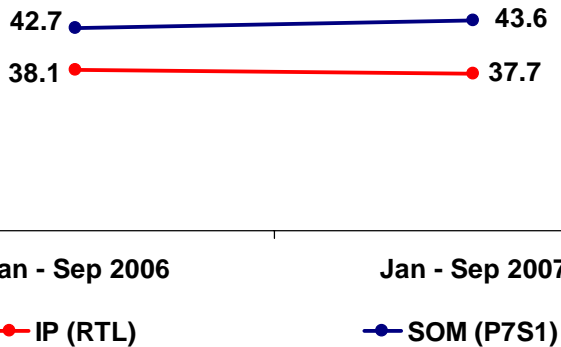
Family Audience share (14-49) in %*



Audience Share (14-49)

	Wk 1-41 2006	Wk 1-41 2007
RTL	15.7%	16.1%
VOX	7.0%	7.9%
RTLII	5.9%	6.3%
Super RTL	2.5%	2.7%
RTL Group	31.7%	33.6%
P7S1 Family	29.5%	29.1%

Gross advertising market share (%)



Comments

- Controlled channels (RTL and VOX) continue to perform well. Programme grids being strengthened/enhanced with new primetime series on VOX (Shark) and returning favourites such as Crossing Jordan, CSI : NY and Criminal Intent. RTL to launch new shows such as My Name is Earl whilst also looking to develop reality, comedy and "event" shows (Got Talent format for example)
- Audience share gap between two commercial families of 4.5pp, compared to 2.4pp at end of 2006

Source: GfK

Note: excl. RTL II (incl : 43.2 in 2007 versus 43.7 in 2006)

* 2005: FY, 2006 + 2007: week 1 - 41

Timeslot analysis: RTL+VOX vs. Pro7+Sat.1

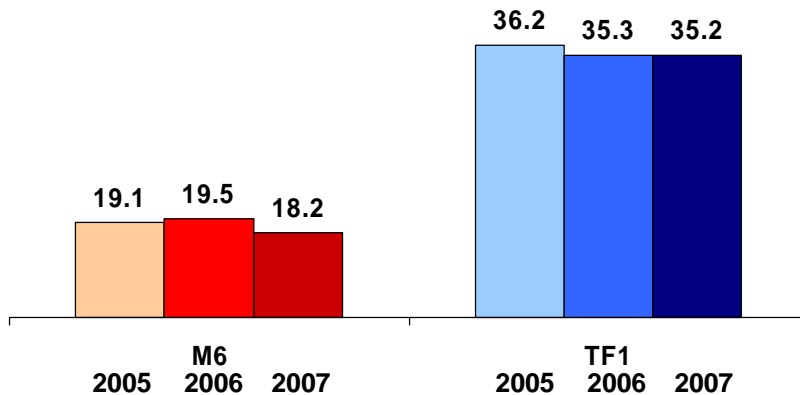
Time / weekday ranking (14-49, in %)							
	Mon	Tue	Wed	Thu	Fri	Sat	Sun
Morning 09:00-13:00	Pro7+Sat1 23,3 (RTL+VOX 23,0)					Pro7+Sat1 21,5 (RTL+VOX 18,1)	
Afternoon 13:00-17:00	Pro7+Sat1 28,1 (RTL+VOX 21,7)					RTL+VOX 21,2 (Pro7+Sat1 20,5)	
Eve 17:00-20:15	RTL+VOX 27,0 (Pro7+Sat1 22,6)					RTL+VOX 22,0 (Pro7+Sat1 19,3)	
Primetime 1 20:15 – 21:15	RTL+VOX 29,1 (Pro7+Sat1 20,6)	RTL+VOX 30,5 (Pro7+Sat1 19,5)	RTL+VOX 31,3 (Pro7+Sat1 18,3)	RTL+VOX 24,9 (Pro7+Sat1 22,0)	RTL+VOX 24,4 (Pro7+Sat1 23,1)	RTL+VOX 26,8 (Pro7+Sat1 19,4)	Pro7+Sat1 26,6 (RTL+VOX 21,9)
Primetime 2 21:15 – 22:15	RTL+VOX 27,3 (Pro7+Sat1 20,8)	RTL+VOX 32,8 (Pro7+Sat1 20,3)	RTL+VOX 28,1 (Pro7+Sat1 19,0)	Pro7+Sat1 26,1 (RTL+VOX 25,9)	Pro7+Sat1 23,4 (RTL+VOX 22,2)	RTL+VOX 26,0 (Pro7+Sat1 20,5)	
Primetime 3 22:15 – 23:15	RTL+VOX 26,8 (Pro7+Sat1 20,6)	RTL+VOX 28,3 (Pro7+Sat1 22,2)	RTL+VOX 27,1 (Pro7+Sat1 17,2)	Pro7+Sat1 24,6 (RTL+VOX 24,2)	Pro7+Sat1 25,3 (RTL+VOX 22,2)	RTL+VOX 25,3 (Pro7+Sat1 20,9)	Pro7+Sat1 26,6 (RTL+VOX 21,8)
Late Night 23:15 – 01:00	RTL+VOX 23,7 (Pro7+Sat1 19,5)					Pro7+Sat1 23,3 (RTL+VOX 20,3)	

Leadership RTL + VOX

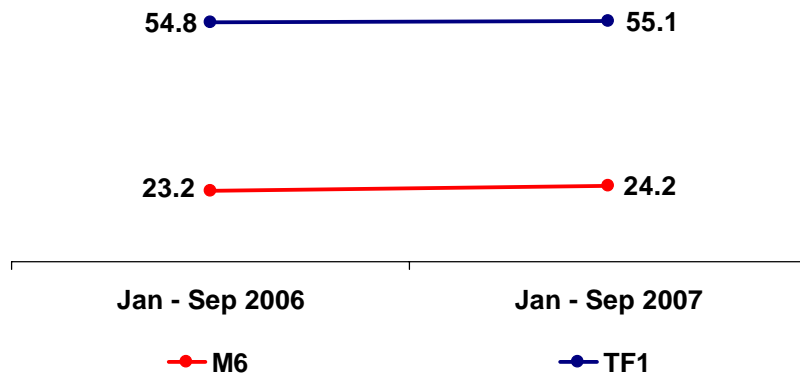
Leadership Pro7 + Sat1

French TV

Audience share (housewives < 50) in %*



Gross advertising market share (%)



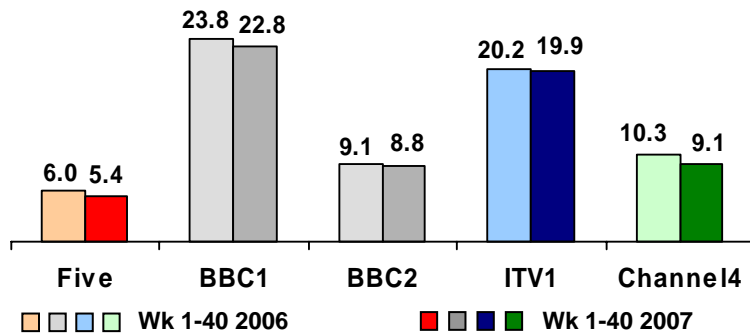
Comments

- Audience share development mixed, partly due to increasing fragmentation
- Continued investment in programming planned across both M6 and W9 (which is focused on young adults : music, action and entertainment). New/returning launches to include season 2 Prison Break (started 13 Sept), Les Bleus (started 19 Sept) and Top Model
- Continued focus on diversification activities e.g. launch co-branded platform – Musicbrigade offering Video clips, music and web community and participation in annoncesjaunes.fr

Source: Mediamétrie, M6, TNS

*2005: FY, 2006 + 2007: week 1 – 41

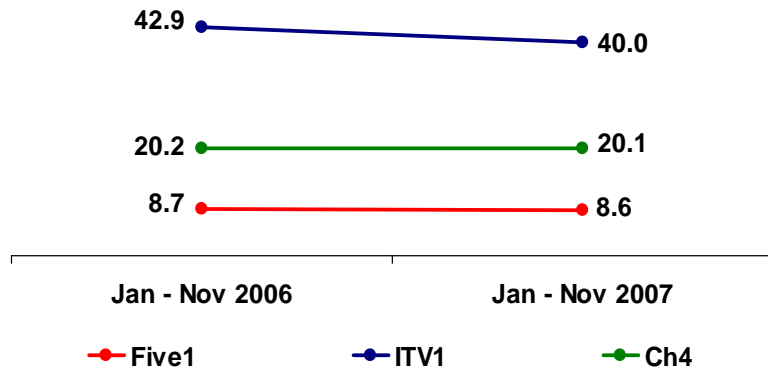
Audience share (adults, all day) in %



Comments

- TV advertising market performing as expected (1.5 – 2.0% growth)
- Five family performing well in both audience and advertising market shares
- Neighbours now likely to be available from February 2008 and will boost audiences on both main channel and Five Life
- Concentration on commissioned programming whilst maintaining reputation for having best of US (but not at any price)

Net Advertising market share (estimate)



Other territories : TV (1)

rt(4)

rt(5)

rt(7)

rt(8)

Netherlands

- **RTL4 leadership with 14.7% audience share YTD¹⁾**
(-1.0pp vs. YTD 2006)
- **Number 1 commercial family: 29.4% audience share**
(-0.3pp vs. YTD 2006)
- **RTL8 launched end of August to take advantage of Talpa deal**



Belgium

- **Market leader RTL TVi: 26.6% market share YTD¹⁾**
- **Number 1 commercial family: 35.2% audience share**
(+0.5pp vs YTD 2006)



Hungary

- **Market leader: 34.2% audience share YTD¹⁾**
(+0.1pp vs YTD 2006)

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

Sources: SKO/ Mediamétrie - CIM / AGB

1) YTD = wks 1 – 41

Other territories : TV (2)



Croatia

- 27.7% (all day) and 30.3% (prime time) – weeks 1 – 41 in 2007
- Looking to launch 2 IPTV channels – RTL Plus and RTL Fikcija – end 2007



Spain

- September 2007 audience share in family target of 18.2% versus 20.2% in 2006 (YTD 19.9% versus 20.7% YTD for T5)
- Shares for Cuatro and La Sexta of 8.3% and 6.2% in family target for the month (YTD 8.8% and 4.1% respectively)



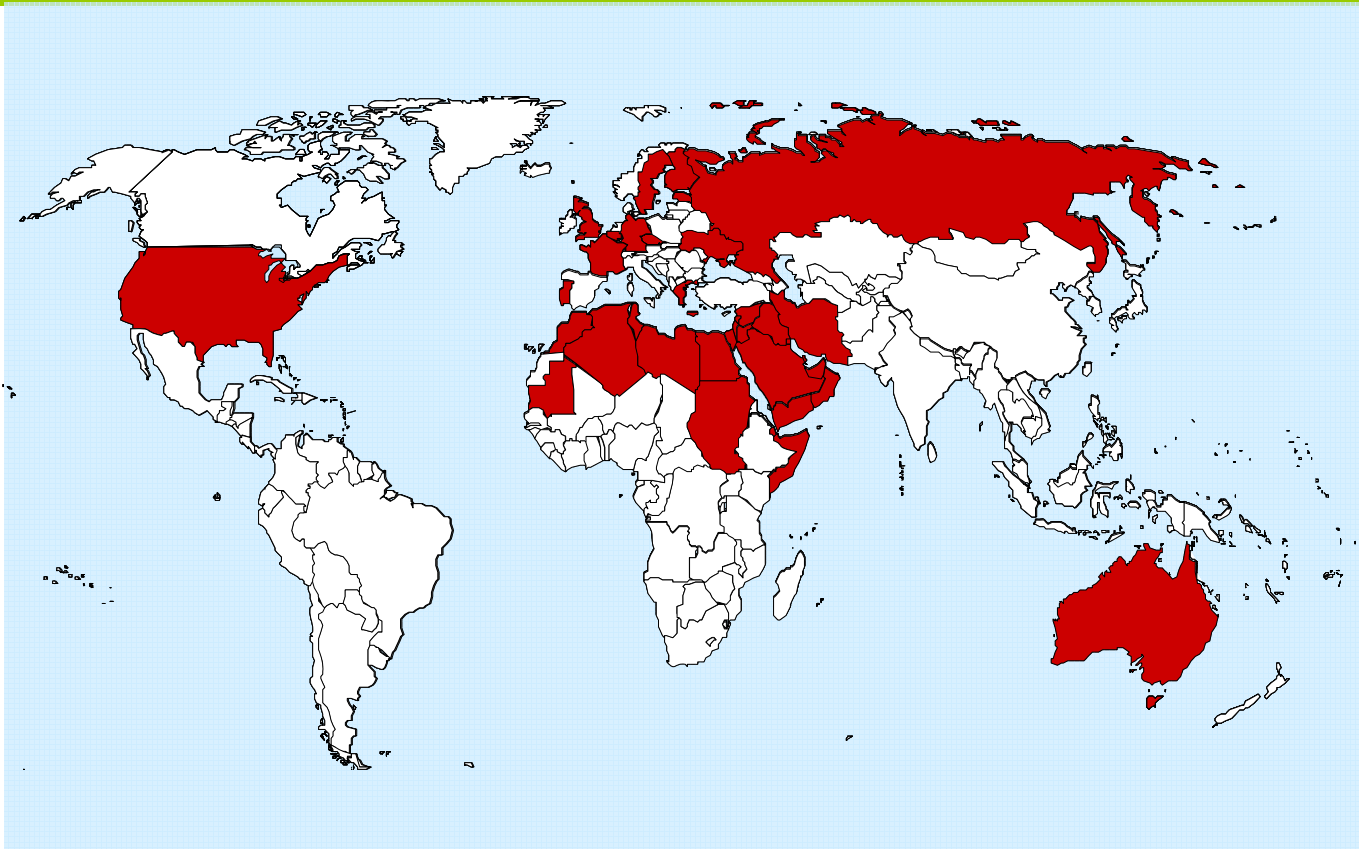
Russia

- Audience share slightly improved with all day share Jan – Sep 2007 YTD up 0.1pp on last year to 5.1%

FremantleMedia: a reminder of who we are

- **International Production Company**
 - **Group turnover: more than €1.1 billion in 2006**
 - **Production operations in 22 countries, 10,000+ hours, 300+ titles, 65 formats, 19 serial dramas**
- **Worldwide Ancillary Operations**
 - **Integrated agencies for off-screen ancillary rights**
- **Global Distributor of Finished Programmes**
 - **Direct distribution to over 150 territories, 19,000+ hours**
- **Worldwide Format Licensing Operation**
 - **Regional sales hubs in Europe, the Americas, and Asia**
- **Dedicated International Brand Management Team**
 - **Central coordination of all productions and related activities**

Programming Highlights – *Got Talent*



America's
got Talent

Incroyable
Talent

Talang
2007

Минута
Славой



- No.1 Show in its time period in 8 territories – Australia, Belgium, France, Portugal, Russia, Sweden, UK and the USA
- Best performing show in its NBC time slot for the 2005/06 and 2006/07 US season
- No.1 entertainment show in the UK for 2007

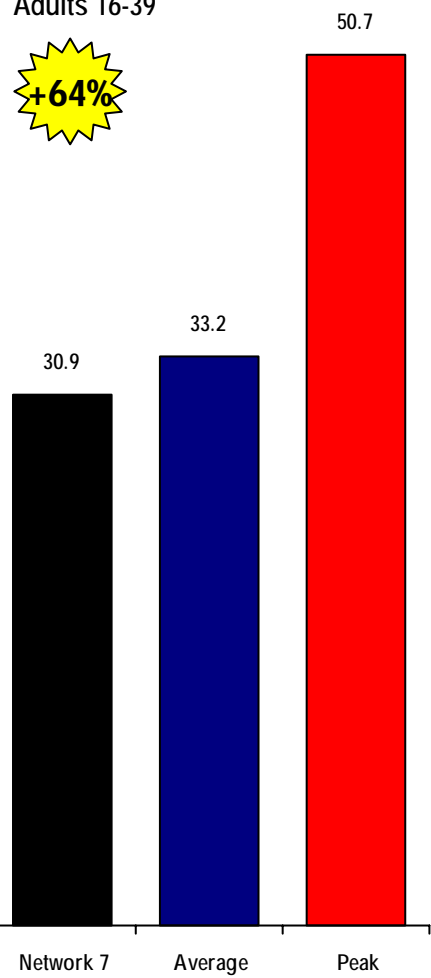
Programming Highlights – *Got Talent*



Australia

Share vs. Network 7 Prime Time
Sunday 18:30
Adults 16-39

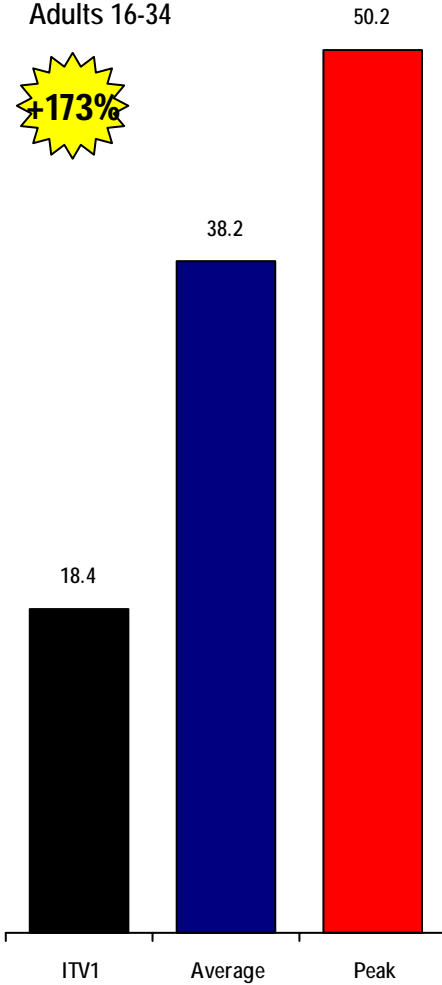
+64%



UK

Share vs. ITV1 Prime Time
Mon-Sun 21:00
Adults 16-34

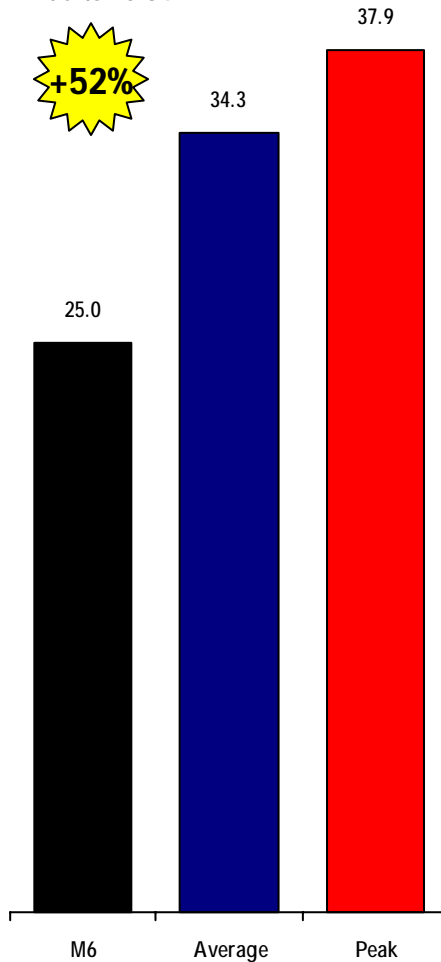
+173%



France

Share vs. M6 Prime Time
Thursday 20:50
Adults 15-34

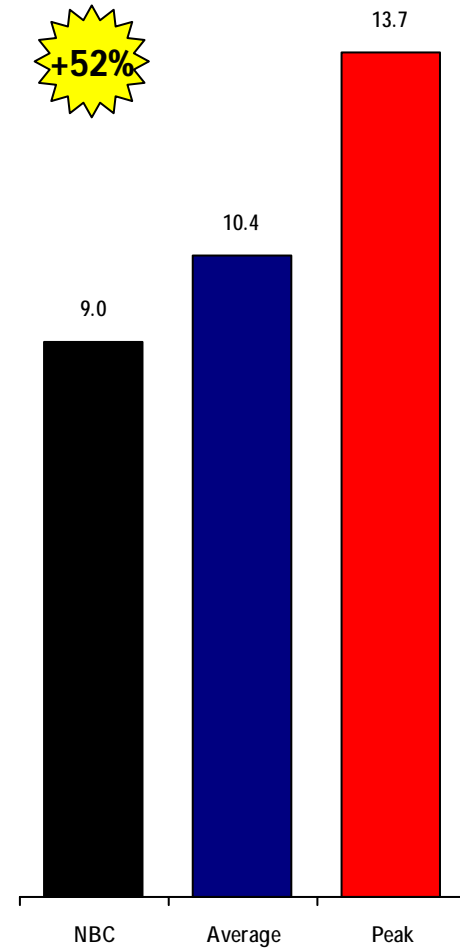
+52%



USA

Share vs. NBC Prime Time
Wednesday 20:00
Adults 18-49

+52%



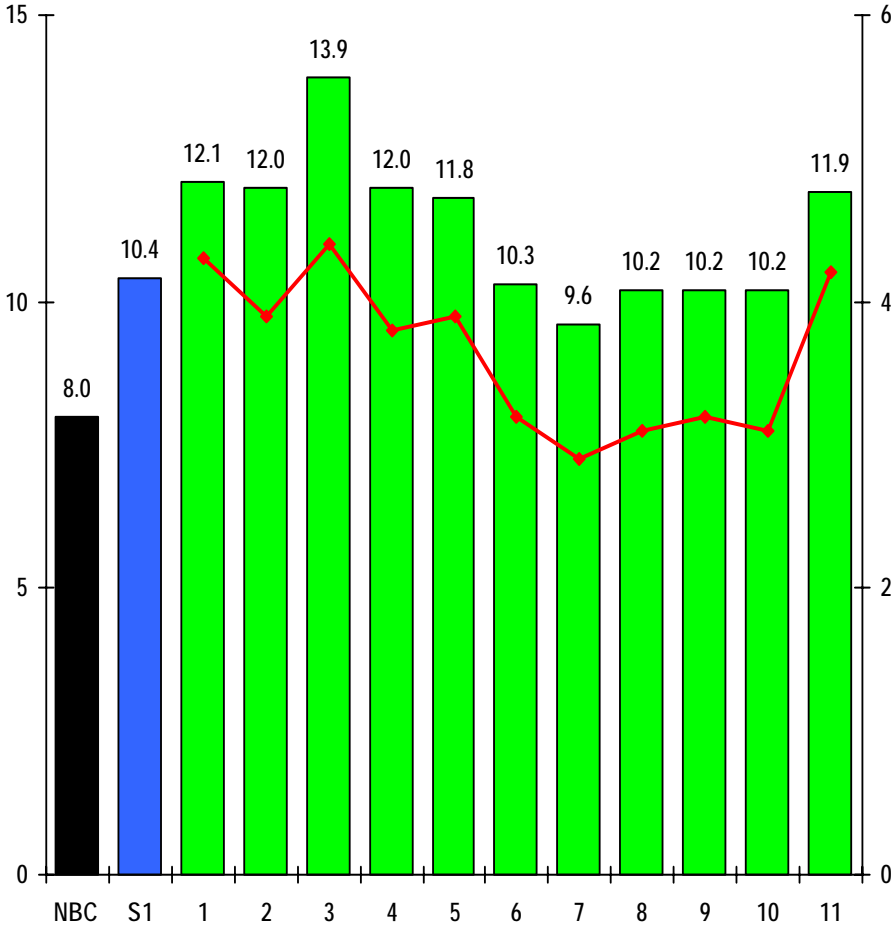
Source: Eurodata TV / OzTam

Programming Highlights – USA

America's Got Talent 2: USA

NBC, Tue 20:00, launched 05.06.07

Audience Trend (%), Adults 18-49



- Series 2 gained an average share 10% higher than Series 1 for Adults 18-49
- *America's Got Talent* finale was the highest rated show in the USA in August with 14 million viewers
- *Got Talent* ranked as the No.1 show of the day in both the UK & USA simultaneously on June 12th

FM Enterprises



US version sold to 80 countries worldwide – across Asia, the Americas and Europe



TVComedyClassics.com

- FM comedy catalogue VOD website launched August with digital video distributor Vizumi (Arts Alliance Media)
- Further concepts in development

The screenshot shows the website's home page with a navigation bar (Home, Register, Getting Started, FAQs, Give us your feedback) and a FREEMANTLE MEDIA logo. A search bar and browse options (by decade, by show, by comedian) are on the left. A central video player shows a scene with two men. To the right, a promotional box says 'Hundreds of great retro titles Classic comedy greats 100% safe, 100% legal, 100% official Register now'. Below are account and support sections. At the bottom, there are featured series cards for 'george and mildred', 'the howard confessions', 'tommy cooper', and 'bless this house'.

Agenda

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- 2. Operational Update**
- 3. Strategy**



Our Strategy – substantial progress since formulation in 2003

Our strategy	Rationale
Build and expand families of channels	To counter increasing fragmentation of TV markets
Diversify revenue	To decrease dependence on advertising markets
Expand geographically	To achieve balanced portfolio

But is it also the right strategy for the digital world?

Digitisation changes the parameters

Consumer Perspective

Whatever

Whenever

Wherever

Broadcasters' Challenges

Increasing Fragmentation

Emergence of new platforms

New consumer interaction and activity (on-demand platforms, communities, etc.)

RTL Group's answer : An extended Offer and Value Chain

Evolving structure of broadcaster's consumer offer

Analogue Broadcasting



Broadcaster's offers in the digital age

▶ OUR BROADCASTERS INCREASINGLY USE ALL NEW WAYS TO THE CONSUMER

RTL Group activities by platform

Video on demand

Terrestrial

Cable

Satellite

VoD

DSL/IP-TV

Mobile

Communities

Web-Portals

Key Facts VoD Offers

	Content	Revenue model
Germany	<ul style="list-style-type: none"> ▪ Pay: Series (CSI), Soaps ▪ Free: Entertainment, Soaps 	<ul style="list-style-type: none"> ▪ Pay VoD ▪ Ad VoD
France	<ul style="list-style-type: none"> ▪ Pay: mainly US series ▪ Free: mainly Entertainment 	<ul style="list-style-type: none"> ▪ Pay VoD ▪ Ad VoD
Netherlands	<ul style="list-style-type: none"> ▪ Pay: B-Movies ▪ Free: Entertainment, News 	<ul style="list-style-type: none"> ▪ Pay VoD ▪ Ad VoD
UK	<ul style="list-style-type: none"> ▪ CSI and Grey's Anatomy 	<ul style="list-style-type: none"> ▪ Pay VoD

▶ **RTL BROADCASTERS WITH SUBSTANTIAL OFFERS – TRYING OUT EMERGING BUSINESS MODELS**

RTL Group activities by platform

IP-TV

Terrestrial

Cable

Satellite

VoD

DSL/IP-TV

Mobile

Communities

Web-Portals

Partnerships with Telcos: linear IP-TV distribution

Germany

Netherlands

Spain

Hungary

France

UK

Belgium

Croatia

Non-linear IP-TV

Description:

- Non-linear IP-TV platforms (Joost, etc.) not traditional broadcasting but on-demand platforms
- Main RTL Business Units in talks with all platform

Co-operation dependent on 2 issues:

- 1 Protection of copyrights
- 2 Business model (Ad Vod guarantees, etc.)

- ▶ RTL CHANNELS ALREADY PRESENT ON VARIOUS LINEAR IP-TV OFFERS
- ▶ NON-LINEAR IP-TV TREATED AS VOD PLATFORMS: TALKS WITH EVERYONE

RTL Group activities by platform

Mobile TV



Germany

- Where: 3G TV offering of T-mobile, Vodafone
- What: Soap episodes, News clips and live stream of n-tv
- Other: RTL involved in DVB-H trials, applied for licence in national tender

France

- Where: 3G TV offering of Orange, TPS mobile bundle
- What: live stream of M6 channels
- Other: 3G mobile VOD of M6 key programs (e.g. Desperate Housewives)

Netherlands

- Where: 3G TV offering of Vodafone and Orange
- What: live stream RTL Z (News & Business)
- Other: 3G mobile VOD of key shows
- DVB-H: RTL to participate in offering launched this year (KPN)

UK

- No presence so far on 3G mobile TV offering but under discussions
- Participation in DVB-H trials and discussion for integration in a DAB offering (e.g. BT Movio)

Spain

- Mobile A3 clips distributed on Vodafone and Movistar
- Participation in all DVB-H trials

Fremantle

- Mobile channel "Atomic Wedgie" in the US (on Sprint, Helio)

▶ IN KEY MARKETS ALREADY BEYOND TRIAL PHASE

RTL Group activities by platform

User generated content / Examples Germany & France

Terrestrial

Cable

Satellite

VoD

DSL/IP-TV

Mobile

Communities

Web-Portals

Germany: CLIPFISH



- Germany's most active video community: 2.000 new videos uploaded every days
- Up to 125 million video views per month
- Weekly TV-format on RTL2

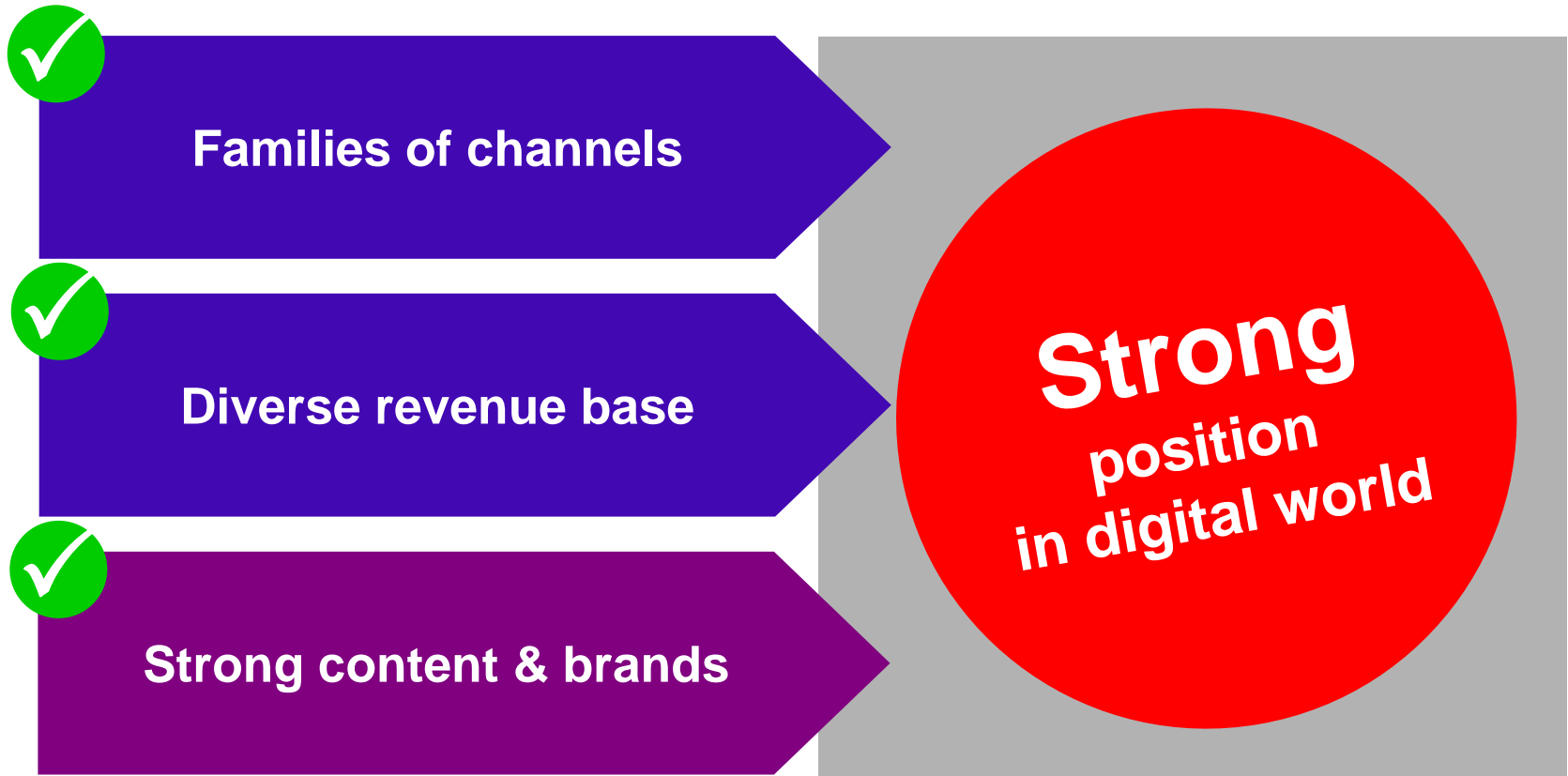
France: WIDEO.FR



- Fastest growing video community in France
- Over 30.000 new member per month
- Up to 18 million video views per month

▶ **RTL GROUP ONLINE VIDEO SITES PROFIT FROM STRONG TV CROSS-PROMOTION**

Our Strategy In the digital age



Our strategy remains up-to-date in the digital world

the
Leading European
Entertainment Network



KBC

London, 18 October 2007