



**ING - Roadshow**

Paris

May 23, 2005



# Agenda

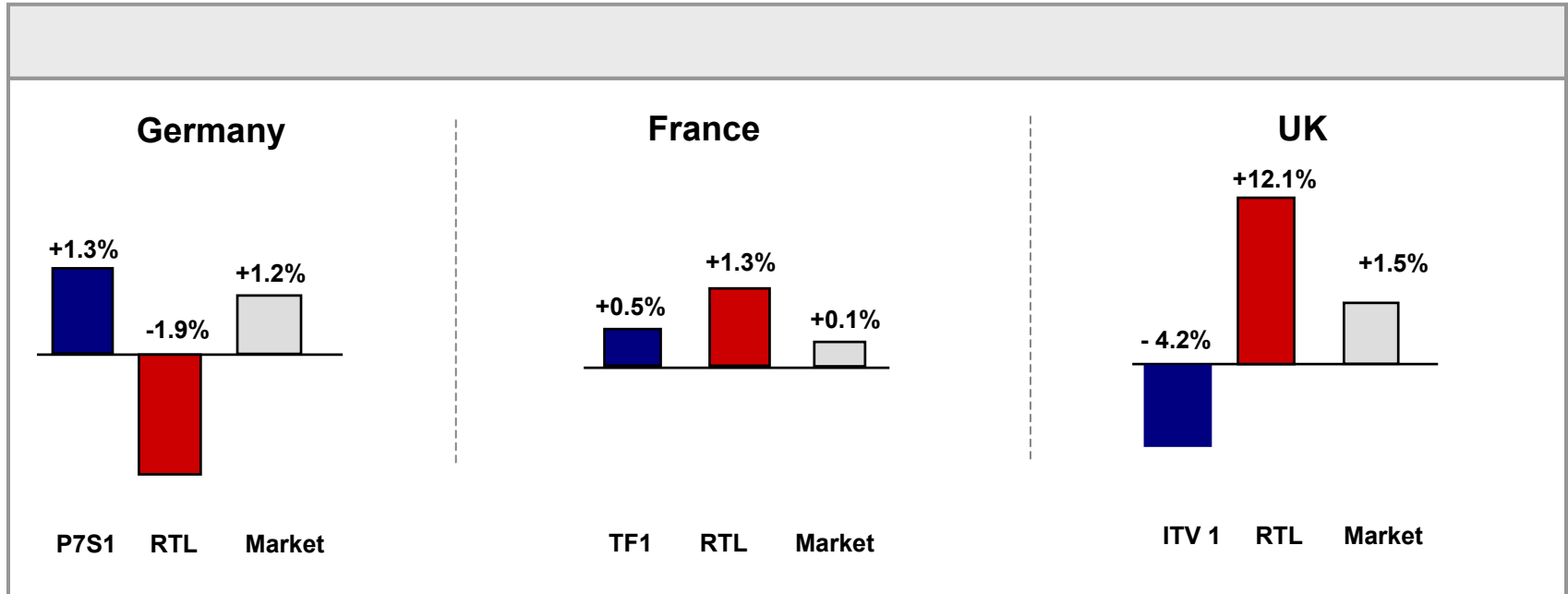
## **1. Advertising Market Developments**

2. Operational Update

3. Strategy



# Advertising Market Developments



Notes : Germany, France / gross / January – April 2005  
UK / net / Jan – July 2005 estimated

# Agenda

1. Advertising Market Developments

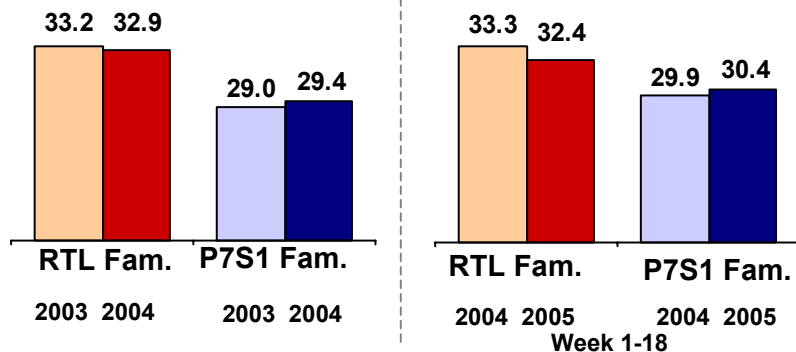
**2. Operational Update**

3. Strategy



# German TV

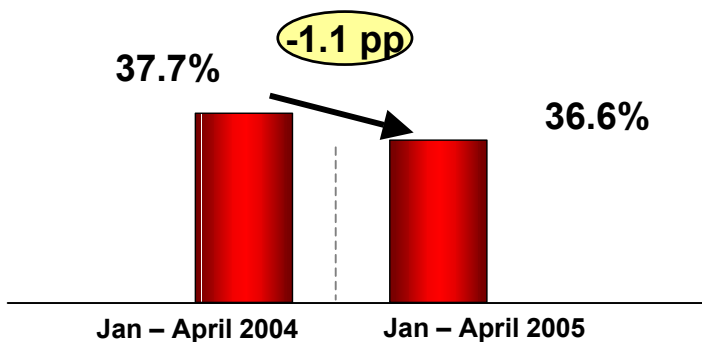
## Family Audience share (14-49) in %



## Audience Share (14-49)

	Week 1-18 2004	Week 1-18 2005
RTL	17.6%	15.9%
VOX	5.2%	6.5%
RTL II	7.6%	6.7%
Super RTL	2.5%	2.7%
<b>RTL Group</b>	<b>33.3%</b>	<b>32.4%</b>
P7S1 Fam.	29.9%	30.4%

## Gross advertising market share (%)

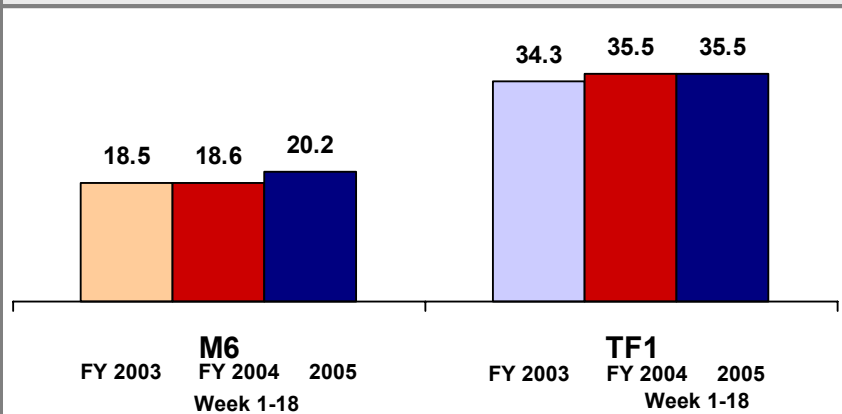


## Comments

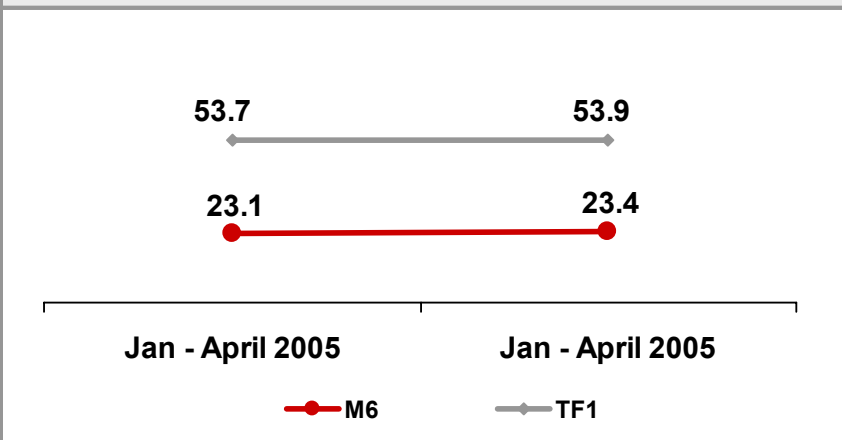
- RTL TV losing share to smaller channels within family
- Advertising market weak at start of 2005
- New digital channel offering being explored – not : Pay TV platform

# French TV

## Audience share (housewives < 50) in %



## Gross advertising market share (%)

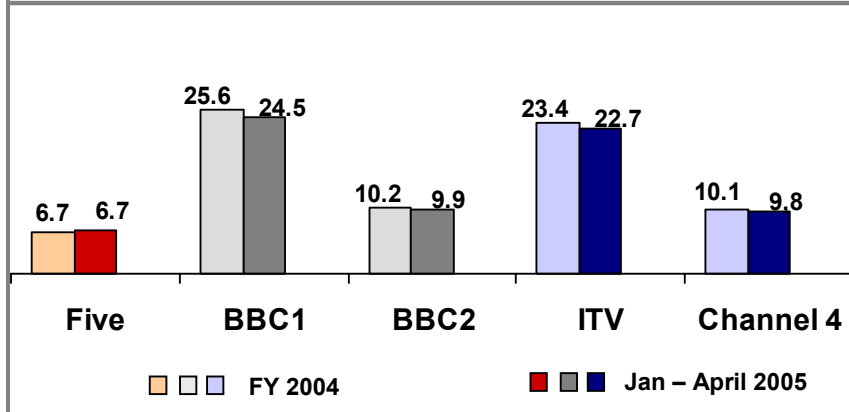


## Comments

- Great start to 2005 in terms of audiences
- Qtr 1: increased advertising revenue despite difficult comparables
- Investment in new DTT channels to be made
- Flexible approach to programming cost development maintained

Source: Mediamétrie, M6 publicité

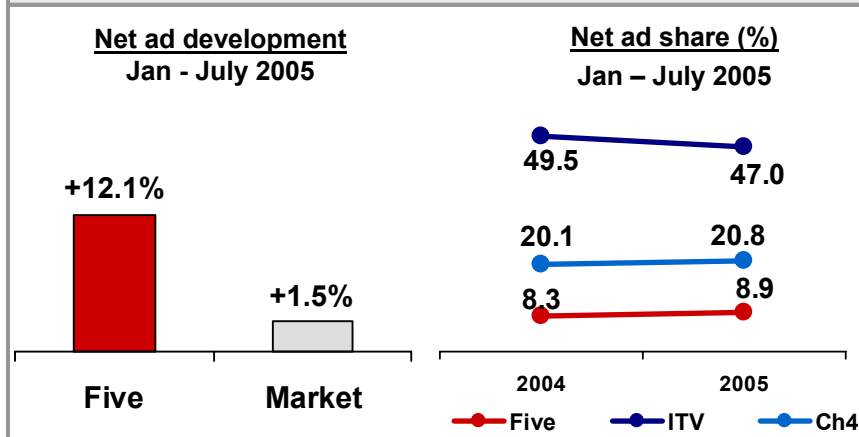
## Audience share (adults, all day) in %



■ FY 2004

■ Jan - April 2005

## Advertising market (estimate)



## Comments

- Significant slow down of ad. mkt after strong first quarter
- 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 19.1% audience share YTD<sup>1)</sup>  
(- 1.9p vs. 2004)

Number 1 commercial family: 31.3 % audience share  
(- 0.9p vs. 2004)



## Belgium

Market leader RTL TVi: 23.5% market share YTD<sup>1)</sup>

Number 1 commercial family: 32.6% audience share  
(- 0.2 vs 2004)



## Hungary

Market leader: 36.0% audience share YTD<sup>1)</sup>



## Croatia

28.8%

Successful start;  
Out performing business plan means breakeven now earlier than expected

**Continued leadership in smaller countries**

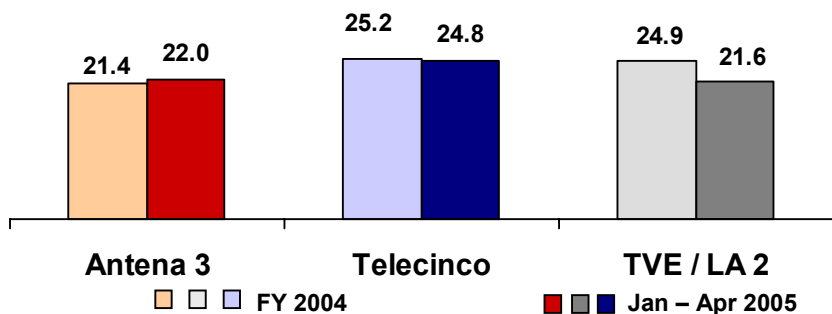
NL: shp 20-49 (18h-24h); B: shp 18-54 (17h-23h), H: 18-49 (19h-23h); H: 18-49, 19H-23H

Sources: SKO/ Mediamétrie - CIM / AGB

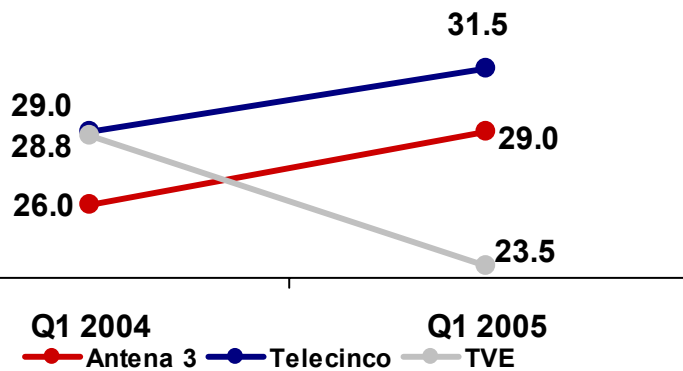
1) YTD = week 1-18

# Antena 3

Audience share (commercial target, all day) in %



Net Advertising market share (%)



Comments

- Advertising market remains one of strongest in Europe
- A3 continues to out-perform
- Continued speculation around possible new FTA operator
- Cost base firmly under control despite increased investment in Q1

# Content

- Continue to leverage existing brands and international network
- Content becoming more & more valuable in a digital world.
- What can be done ?

## “Repurposing”

- Existing (library) content played out on mobile



## “Brand Extensions”

- New content based on existing brands



## “New Brands”

- New content developed specifically for mobile



# Radio

**France :**

- **FM network coverage less than 100%**
- **=> possible re-distribution in 2006**
- **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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**DIGITAL RADIO BRIEFING**  
DIGITAL RADIO MARKET INTELLIGENCE  
VOLUME 2, ISSUE 1    JANUARY 2005    [www.eureca-research.com](http://www.eureca-research.com)

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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**

# Sharing best practice

## Illustration: Cooperation in programming

### 1. Programme SyCo

- Programme directors and programme executives meet 4 times a year
- Discussions about programming & formats
- Exchange of experiences
- Reports from programme trade fairs

### 2. Format feed

- Exchange transmission of programme feed every 6 weeks
- Promotion trailers, show-reels, or extracts of formats

Ratings Calendar Programming Tape library Programme Ideas

Launched last week Show latest editions

- ▶ **He sees everything, he hears everything ... he knows everything**  
Watch the preview video and the first episode of "Masterplan" show on Yorin  
29-09-2003
- ▶ **"Twin - the original experience" on M6 a great success**  
See the demographics of this show and the first results of the autumn talent contests (Star Academy and Popstars) in the France section  
29-09-2003
- ▶ **M6's autumn grid**  
08-09-2003
- ▶ **M6's new season**  
Read M6's season guide  
08-09-2003
- ▶ **Yorin - "Alternative Love"**  
First results of the 2nd season launched on 18 August  
08-09-2003
- ▶ **ProSieben - "Popstars - Das Duell"**  
08-09-2003
- ▶ **Formula One: Performance 2003 vs. 2002**  
Check out the audience performance of the F1 races in 2003 - compared to the ones in 2002!  
08-07-2003
- ▶ **HMG's winter schedule**  
16-08-2003
- ▶ **RTL Group TV Researcher Meeting**  
Click here to find all the presentations for download  
13-05-2003

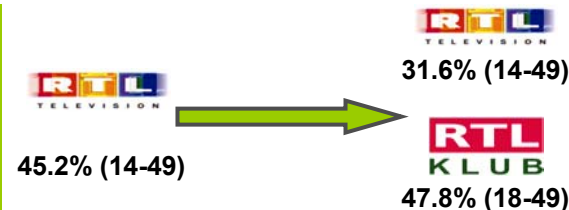
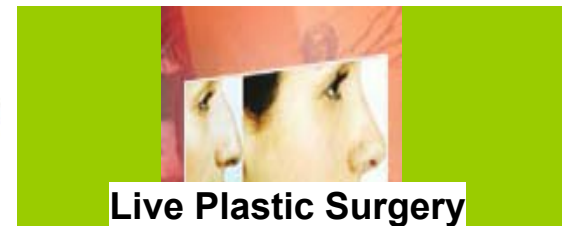
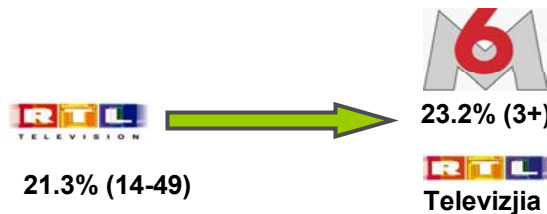
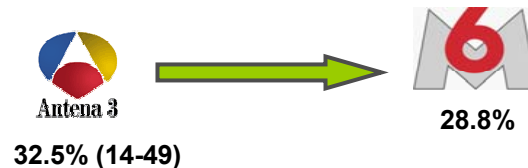
Search help

### 3. E.TV: Electronic platform for programme / document exchange

- Closed Intranet
- Content: format descriptions, audience performance, information about programme launches, special events, etc.
- Video exchange in MPG

# Sharing best practice

Illustration: Cooperation in programming  
Concrete actions and tangible results



# 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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