

We achieved a record EBITA performance in 2004 despite tough advertising market conditions. Our family of channels recorded their second highest audience share in the 14-49 target market with a combined share of 32.9%.

€million	2004	2003
Revenue	1,826	1,877
EBITA	262	261
%	2004	2003
Advertising market share	37.7	39.2
Audience share*	32.9	33.2

*Target: 14-49 (including RTL II)





Our German channels delivered an improvement in profitability, although this was another sluggish year for the German advertising market. Their combined share of advertising revenue fell slightly, but a renewed focus on costs helped to secure the strong result.

Our family of channels had a combined audience share of 32.9% of the target group of 14 to 49 year olds, marginally lower than in 2003 when our share was the highest ever (33.2%). We remained the market leader, ahead of the ProSiebenSat1 group which had a share of 29.4%.

RTL Television's results were achieved in spite of a tougher TV environment. Its competitors had the benefit of the European soccer championships and the Olympic Games and ratings fell back slightly, although it remains comfortably ahead of the competition. RTL Television was well supported by VOX, RTL II and Super RTL, all of which achieved audience share improvements.

RTL Television launched a new subscription channel in December 2004. Traumpartner TV is an interactive theme channel targeting Germany's 13 million single people. It is one of a growing family of channels and diversification businesses that include RTL Shop, RTL Enterprises, Universum Film, RTL Media Services, RTL Online and RTL Mobile. In February 2005 all these businesses were brought together under a single brand name – RTL Interactive.

Our news channel n-tv successfully completed the first stage of its turnaround with the move from Berlin to Cologne and a major investment in digital newsrooms. The strength of its news coverage was further demonstrated at the end of the year when the station covered the Asian tsunami disaster.

RTL Television

Once again RTL Television led the market with a 16.8% share of the target audience of 14 to 49 year olds. This was well ahead of its nearest competitor, ProSieben, which had 12.1%.

RTL Television's successes with fiction, major movies and reality shows ensured that it won the largest share of the total audience in eight of the twelve months of 2004. It dominated the top 100 list of the most widely viewed broadcasts with 49 entries.

Ich bin ein Star, holt mich hier raus (*I'm A Celebrity Get Me Out Of Here*) was the show of the year, with up to 8.3 million viewers watching the antics of Dirk Bach and Sonja Zietlow in the Australian jungle. *Wer Wird Millionär?* (*Who Wants To Be A Millionaire?*) retained its top position with up to 11 million viewers, while the two shows celebrating RTL Television's twentieth anniversary in January 2004 commanded audiences of up to 6.7 million.



Ich bin ein Star, holt mich hier raus, the show of the year – RTL Television

TV national audience breakdown 2004 (%)

Source: GfK
3+



RTL Television	13.8
RTL II	4.9
VOX	3.7
Super RTL	2.7
n-tv	0.5
ARD	13.9
ZDF	13.6
SAT 1	10.3
Pro 7	7.0
Kabel1	4.0
Others	25.6

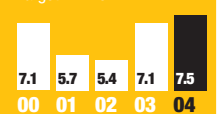
TV audience share 2000/2004 (%)

Source: GfK

RTL Television
Target: 14-49



RTL II
Target: 14-49



VOX
Target: 14-49



Super RTL
Target: 3-13



Television holdings

RTL Television: 100%
RTL II: 35.9%
Super RTL: 50%
VOX: 99.7%
RTL Shop: 100%
n-tv: 50%
Traumpartner TV : 100%
Universum Film: 100%
Cologne Broadcasting Center: 100%

RTL Television also scored with its in-house fiction productions – *Crazy Race 2* and the made-for-TV film *Hailarm auf Mallorca* both drew audiences of more than 6.6 million viewers. *Alarm for Cobra 11-Die Autobahnpolizei* remained the most successful series on German television, and two new sitcoms, *Schulmädchen* and *Der Heiland auf dem Eiland*, launched successfully.

The reality soap *Die Super Nanny (The Super Nanny)* was a major success with a market share up to 25.5% of the target group, and the home makeover docu-soap *Einsatz in 4 Wänden* also achieved excellent ratings.

RTL Television excelled with news and magazine shows. *RTL Aktuell* was the top-rated evening news broadcast among 14 to 49 year olds, and *Punkt 12* and *RTL Nachtjournal* retained their leading positions. The channel also had the two most successful magazine shows on German television, *Extra* and *Explosiv*.

Ratings for Formula One motor racing were strong, in spite of Michael Schumacher winning the world championship after just 14 of the 18 races. The average audience was 8.5 million, peaking at 11.6 million for the Bahrain race on 4 April.

VOX

The Cologne-based broadcaster had another successful year with its distinctive mix of in-house formats, top movies and hit US series. Its share of the key target audience (14 to 49 year olds) increased from 5.0% to 5.5% – a new record for the channel.

The three US series *CSI: Miami*, *Law & Order: Criminal Intent* and *CSI* were the driving force of VOX's primetime programming. The mother-and-daughter show *Gilmore Girls* immediately enchanted viewers, while the launch of the cult series *Six Feet Under* triggered a huge media response.

VOX was also successful with in-house productions such as *Schmeckt Nicht, Gibt's Nicht – Cool Kochen Mit Tim Mälzer*, which immediately became the most successful cookery show on German private television. This show was the basis for a successful cooperation with the Bertelsmann-owned publishers Gruner & Jahr and Mosaik-Verlag, for which VOX received the Bertelsmann Synergy Award in 2004. Another success was the makeover soap *Wohnen Nach Wunsch – Ein Duo Für Vier Wände*, launched in early 2004, which rounds off the channel's early evening programming.

VOX won several awards during the year, including two at the International Eyes & Ears Awards in Munich for its promotions of *Telemesse 2003* and *Six Feet Under*.

TV national advertising breakdown 2004 (%)

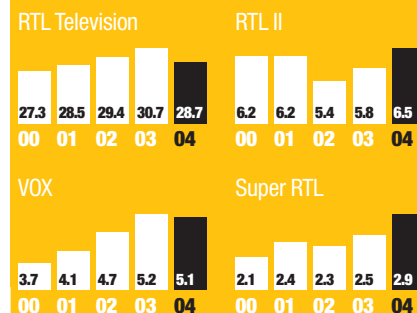
Source: Nielsen S+P



RTL Television	28.7
RTL II	6.5
VOX	5.1
Super RTL	2.9
n-tv	0.9
SAT1	18.7
PRO7	18.2
Kabel1	5.0
DSF	3.4
Others	10.6

TV advertising share 2000/2004 (%)

Source: Nielsen S+P



The reality soap *The Super Nanny* achieved a market share of up to 25.5% on RTL Television

RTL II

RTL II is an innovative and youthful channel which aims to surprise its audience with programming that is unexpected and exciting. Its consistently strong performance in recent years has helped it become the leading channel for young adults. In 2004 it further improved its position with 7.5% of 14 to 49 year old viewers, its largest share yet.

Once again, millions of viewers tuned into *Big Brother*. RTL II also led the way with new docu-soaps such as *Frauentausch (Wife Swap)*, *Die Supermamas – Einsatz Im Kinderzimmer* and *Hilfe! Schwiegermutter Kommt*, which all achieved top ratings. The channel was successful with the cult US series *24* and *Stargate*, which is Germany's most popular sci-fi series, and it was the first German channel to show an Indian feature film in primetime – the Bollywood hit *In Guten Wie In Schweren Tagen (Sometimes Happy, Sometimes Sad)*. The two-part *Hitler – Aufstieg Des Bösen* was another success, attracting high ratings and positive press response. Infotainment and news magazines such as *Exklusiv – Die Reportage* and *100 Tage* continued to demonstrate the channel's ability to tackle social and current affairs issues.

In February 2004 RTL II moved into a new, futuristically designed building in Munich, bringing all staff together in one of Germany's best-equipped and most up-to-date broadcasting centres.

Super RTL

Owned jointly with Disney, Super RTL is the key medium for children's advertising in Germany and the leading channel of its kind in Europe. 2004 was its best ever year. It delivered a record financial result and maintained its position as the most popular children's television channel – its share of 24.1% of 3 to 13 year olds was more than double its nearest competitor's. Parents as well as children watch Super RTL – with 7.2% of daytime viewers, it was top of the country's second tier of terrestrial channels, ahead of both VOX and RTL II.

Disney formats such as *Disneys Grosse Pause*, cartoons including *SpongeBob – Squarepants*, and educational series such as *Finger Tips* and *Art Attack* were notable successes. The channel's own TOGGO shows also contributed to the positive result. Once again, Super RTL's TOGGO Tour road show delighted audiences across Germany.

Super RTL continued to develop its internet presence. More than a million children visited www.TOGGO.de every month of 2004, making this the leading website for young surfers. By the end of 2004, the paid-for website TOGGOLINO CLUB had attracted 53,000 subscribers two years after its launch.



Formula One racing was also very strong for RTL Television, with high ratings for all 18 races



Cartoon *SpongeBob*, a notable success for Super RTL

Radio holdings

- 104.6 RTL: 100%**
- Radio NRW: 17%**
- Antenne Bayern: 16%**
- Radio Hamburg: 29.2%**
- RTL Radio – Die besten Hits mit Gefühl: 100%**
- Hit-Radio Antenne Niedersachsen: 36%**
- Hitradio RTL Sachsen: 50.9%**
- Radio Brocken: 48.5%**
- 89.0 RTL: 48.5%**
- Antenne Thüringen: 15%**
- Antenne Mecklenburg-Vorpommern: 24.5%**
- Radio 21: 17%**
- BB Radio: 40%**
- Radio Ton: 2%**

2004 brought no growth to the radio advertising market in Germany. The new CEO Gert Zimmer, appointed in January 2004, set up a new management team and focused on completing the integration of the former AVE holdings acquired in 2002.

Our German radio portfolio comprises 14 holdings, most of which are minority participations because of constraints on media ownership. Further stakes in Hit-Radio Antenne Sachsen were acquired, and the station was successfully re-branded as Hitradio RTL Sachsen. Both 89.0 RTL and Radio Brocken have almost doubled their listening since relaunching in 2003. The German radio group now has a combined audience of over four million listeners per average hour.

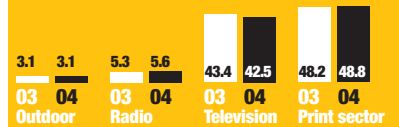
Several cross marketing, purchasing and best practice initiatives were developed during the year, including a voluntary offer to the stations consisting of news, events and comedy platforms. The event platform aims to convert 104.6 RTL's uniquely successful Stars For Free concert into a nationwide brand. In 2004 89.0 RTL hosted its own Stars For Free for the first time with over 30,000 people attending. The comedy platform markets the radio group's comedy productions and commissions external productions.



104.6 RTL's unique concert *Stars For Free*, converted into a nationwide brand

German advertising market (%)

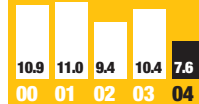
Source: Nielsen Media Research



Audience share 2000/2004 (%)

Source: MA 2004

104.6 RTL
Target: 14+



Advertising share 2000/2004 (%)

Source: Nielsen S.T.P

104.6 RTL

