

- Record EBITA performance.
- Increases in audience share.
- Strong growth in diversification revenue.
- Integration of German radio activities.

Television and radio

Germany

Television holdings

RTL Television: 100%
RTL II: 35.9%
Super RTL: 50%
Vox: 99.7%
RTL Shop: 100%
n-tv: 48.4%
Universum Film: 100%

This was an exceptional year for our German TV channels, with improved audiences and revenue growth in spite of the declining TV advertising market.





RTL Television reaffirmed its status as Germany's most successful TV channel. Its many programming successes helped the channel draw further ahead of the competition and record the best audience figures for six years. Our family of channels in Germany had a combined audience share of 33.2% of the target group of 14 to 49 year-olds, significantly ahead of the 30.4% recorded in 2002. 2003 was another sluggish year for the German TV advertising market which finished around 3% down for the year (net, RTL Group estimate). The unfavourable climate did not prevent our businesses achieving growth. Our diversification businesses, such as RTL Shop, achieved strong revenue and EBITA growth. We also hold a 48.4% stake in n-tv, acquired from Holtzbrinck in 2002, which we increased to 50% in January 2004. Based in Berlin, n-tv is the leading news channel in Germany.

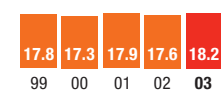
RTL Television

RTL Television had an outstanding year. Its share of the total viewing audience increased to 14.9%, confirming it as the

Audience share 1999/2003 (%)

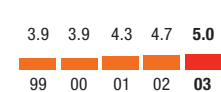
Source: GfK

RTL Television



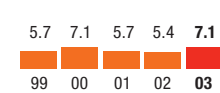
Target: 14-49

Vox



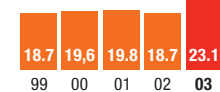
Target: 14-49

RTL II



Target: 14-49

Super RTL

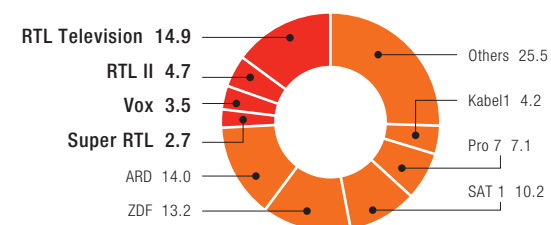


Target: 3-13

National audience breakdown (%) - 2003

Source: GfK

3+



clear leader in Europe's second largest TV market. Its share of the target 14 to 49 age group also rose –18.2% was its best result since 1997.

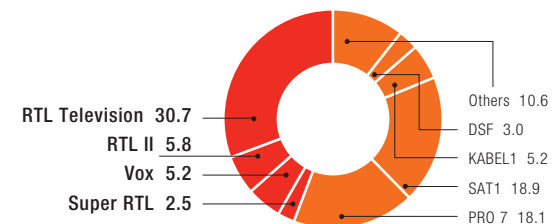
RTL Television had 62 of the 100 most popular programmes on German TV and no fewer than 27 programmes drew audiences of more than 10 million viewers. *Deutschland Sucht den Superstar*, the German version of the *Idols* format, was a massive success. The audience for the final of the first series in March 2003 peaked at just over 15 million viewers. Several other entertainment shows drew exceptional ratings and RTL Television also had the most successful feature film on German TV – *Erin Brockovich*. Among the channel's highly successful in-house productions were the *Alarm für Cobra 11 (Alarm for Cobra 11)* series, the hilarious comedy spectacle *Crazy Race* and the large-scale event movie *Held der Gladiatoren (Gladiators)*. The top comedy was *OLM!* followed by the sitcom *Rita's Welt (Rita's World)*, while *Gute Zeiten, Schlechte Zeiten (Good Times, Bad Times)* was again the most successful daily soap on German TV.

The channel's news and magazine programmes found favour with audiences and critics alike. The evening news programme *RTL Aktuell* was the main source of information

for younger viewers. RTL Television correspondent Antonia Rados won a Deutscher Fernsehpreis for her reporting of the war in Iraq, as did Peter Kloeppel for his hosting of *RTL Aktuell*. Both journalists made well-received documentaries for the channel during the year – Peter Kloeppel's two-parter on the history of the GDR drew an audience of 3.7 million viewers. The magazine programmes *Extra* and *Explosiv* were the most successful of their genre on German TV. Sport continued to draw large audiences. The New Year ski jumping event in Garmisch-Partenkirchen topped 10 million for the first time. Audiences for the Formula 1 motor racing season were slightly down on the previous year, although ratings picked up in the final third of the season.

National advertising breakdown (%) - 2003

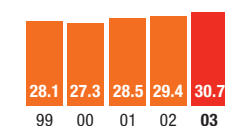
Source: Nielsen S+P



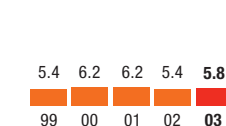
Advertising share 1999/2003 (%)

Source: Nielsen S+P

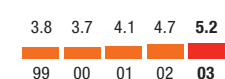
RTL Television



RTL II



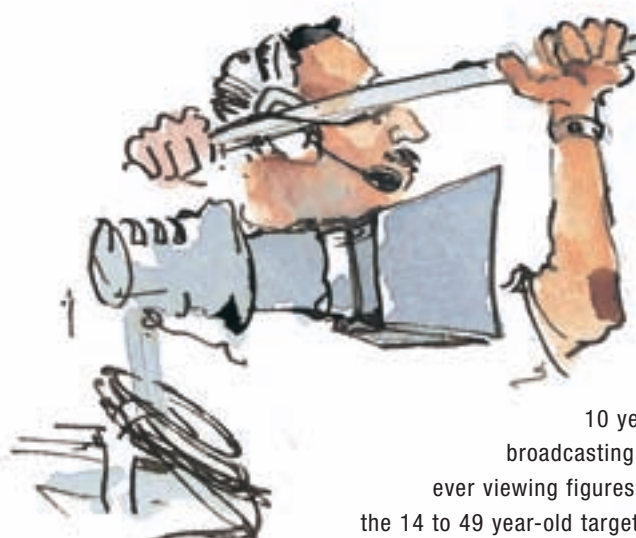
Vox



Super RTL



Alarm für
Cobra 11
(Alarm for
Cobra 11)



Vox

Vox celebrated 10 years of broadcasting with its best ever viewing figures. Its share of the 14 to 49 year-old target group reached 5.0% in 2003, exceeding the previous year's record high of 4.7%.

Vox's strong performance was driven by a programming strategy which focuses on variety and quality. In 2003 Vox further optimised its successful daytime programming with family-friendly American series such as *Für alle Fälle Amy* (*Judging Amy*). The docu-crime and docu-soap genres were successful in the evening schedules, while the quality US fiction series *CSI – Den Tätern auf der Spur* (*CSI – Crime Scene Investigation*) and *Crossing Jordan – Pathologin mit Profil* (*Crossing Jordan*) regularly delivered viewer ratings of over 9%. The *Star Movies* slot on Thursdays was as popular as ever. The channel's themed evenings, such as *Die Welt klagt an* (*The World Indicts*), produced in collaboration with Spiegel TV, also drew impressive ratings. Vox's in-house formats such as *Tierzeit* (*Animal Time*) and *Auto Motor und Sport TV* performed well. Its new cookery show *Schmeckt nicht – gibt's nicht* starring the cheeky Hamburg chef Tim Mälzer immediately achieved peak market shares in access primetime, and a daily series has been commissioned for 2004.

RTL II

RTL II's lively and innovative programming is targeted at a younger audience and includes movies and series, lifestyle and infotainment shows, science fiction, music, sitcoms, animation and programmes for children. The channel scored many ratings successes in 2003, boosting its share of the 14 to 49 year-old audience from 5.4% to 7.1%. *Big Brother – The Battle* achieved new viewing records, while the exciting US series *24* drew a large audience of dedicated fans. Also popular were the channel's innovative docu-soaps, such as *Frauentausch* (*Wife Swap*), *Vorsicht Baustelle* (*Construction Ahead*) and *Mein Haus – Dein Haus* (*My Home – Your Home*).

The weekly documentary series *Autopsie* and *Ungeklärte Morde* (*Unsolved Murders*) had many fans, as did the cult science fiction *Stargate* and the comedy sensation *King of Queens*. RTL II's viewers enjoyed the British chef Jamie Oliver's shows *The Naked Chef*, *Jamie's Kitchen* and *Oliver's Twist* from FremantleMedia. Infotainment magazines also performed well, as did the Japanese animation series *One Piece* and *Yu-Gi-Oh*, which were shown for the first time on German TV. RTL II strengthened its appeal to young viewers with *The Dome*, a unique music event featuring international megastars.



The Dome
RTL II

Super RTL

Super RTL had another record year, achieving its best ever results since launch in 1995 and consolidating its position as Europe's leading children's channel. Super RTL's share of the 3 to 13 year-old target group reached a new high with an annual average of 23.1%, strengthening its market leadership. As well as being a core advertising medium for children, the channel is also popular with advertisers for its ability to target women and is extending its portfolio to include attractive films, series and shows. In 2003 Super RTL extended the scope of its supplier contracts with Disney and RTL Group, its two shareholders. For the first time, Disney is supporting Super RTL with high quality formats during primetime. The channel's powerful TOGGO brand contributed to revenue growth. TOGGO allows Super RTL to deliver unique networked offers combining TV advertising, merchandising, event marketing and internet exposure – the TOGGO website was by far the most popular address for young web users in 2003 with over 460 million page impressions. An online

educational service for children aged 3 to 7 was successfully launched in late 2002 on a subscription basis, and has attracted more than 35,000 users.

Universum Film

The German video market continued to grow in 2003, driven 11% higher by increased DVD sales in the retail market. Universum Film defended its position as the leading independent video distributor in a highly competitive market. Top feature films such as *Reservoir Dogs* were marketed as special editions, offering large amounts of bonus material, alongside the basic versions. The company promoted its back catalogue extensively, reaching top positions in the German DVD retail charts.



Formula 1
Racing

Universum Film continued to collaborate with RTL Group companies on rights acquisition, programme supply and promotion. It marketed *Deutschland Sucht den Superstar*, the most successful music DVD ever, and successfully released two further RTL Television movies, *Children of Dune* and *Gladiator*. Universum Film's theatrical distribution business, launched in mid-2002 in cooperation with RTLAllrights, released a total of nine films in 2003 and a slate of 13 films is planned for 2004.

