

Success for our Netherlands operations, now rebranded as a single media business and brought together under one roof. Operating profit has improved due to cost control and growth in the diversification business.

€million	2004	2003
Revenue	338	327
EBITA	39	25
%	2004	2003
Advertising market share	39.7	38.4
Audience share*	30.2	31.1

*Target: Shoppers 20-49





Our Dutch profit centre made exciting progress in 2004. The change of name from Holland Media Groep (HMG) to RTL Nederland in August 2004 was the culmination of a major reshaping of our business along the lines of the RTL Group profit centres in Germany and Belgium.

The move to the Media Park in Hilversum in October brought the integration of the RTL Nederland businesses near to completion. It was a major logistics exercise and one of the most complex of its kind in the history of broadcasting in the Netherlands.

As part of the restructuring we sold the production company Holland Media House to FremantleMedia, where it has been rebranded as Blue Circle. We also re-engineered our facilities business Broadcast Operations, so that it now operates as a cost centre providing services exclusively to RTL Nederland.

RTL Nederland made rapid progress with its diversified businesses, which are being developed according to the successful model established by M6 in France. Revenue from diversified businesses increased substantially in 2004, boosted by RTL licensing's success with *Idols*.

TV success

The three RTL Nederland television channels, RTL 4, RTL 5 and Yorin had a highly satisfactory year, increasing their gross share of the TV advertising market from 38.4% to 39.7%. Although the public broadcasters had the benefit of European Championship football and the Olympic Games, our channels were able to achieve a joint audience share of 30.2% of shoppers 20 to 49 year old.

RTL 4 retained its position as the undisputed market leader in this core demographic group, with a market share of 18.2%. The channel launched several highly successful new shows, such as the drama series *Grijpstra & De Gier* which delivered a peak audience of 2.1 million. RTL 4 also scaled new heights with established successes, such as the UK format *Wife Swap*. *Idols* continued to boost the channel's audience share, while the chat show *Pulse* established an all-time high rating with the visit of pop star Robbie Williams. In November, *RTL Nieuws* surpassed the NOS public broadcaster with its coverage of the murder of Theo van Gogh and the results of the American elections. RTL 4 acquired the rights to show live games from the Dutch Premier League for three years from August 2005.

Yorin also had a successful year, increasing its share of 20 to 34 year old viewers to 9%. *CSI Miami*, *Extreme Makeover* and the real life soap *Patty's Posse* all contributed to the channel's positive performance, but the biggest success was the final episode of *Friends* in December which reached 15.0% of viewers in the target audience. Yorin viewers were also fascinated by the American series *My Big Fat Obnoxious Fiancé*.



Grijpstra & De Gier: RTL 4, a new Dutch drama series

TV National audience breakdown 2004 (%)

Source: Intomart
13+

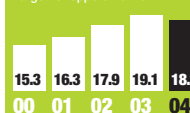


RTL 4	16.7
Yorin	5.5
RTL 5	4.4
Nederland 2	19.5
Nederland 1	12.6
SBS 6	11.5
Nederland 3	6.9
Net 5	5.2
Others	17.7

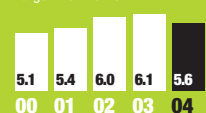
TV Audience share 2000/2004 (%)

Source: Intomart

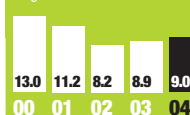
RTL 4
Target: Shoppers 20-49



RTL 5
Target: Men 20-49



Yorin
Target: 20-34



Holdings
RTL 4: 100%
Yorin: 100%
RTL 5: 100%
RTL FM: 100%
Yorin FM: 100%

Football, darts and films contributed to **RTL 5's** solid viewing figures. Amongst the channel's successes were the post-match discussion show *Voetbal Insite: De Nabeschouwing* and the UEFA Cup match between Ferencvaros and Feyenoord in November. The films *Clear And Present Danger* and *The Longest Day* scored well in the RTL 5 top ten.

The TV sales company IP launched initiatives to strengthen the position of our channels, including split screen advertising on RTL 4 and RTL 5. Research has shown that this form of advertising can result in higher viewing figures for commercials.

Radio development

Following the redistribution of radio frequencies in 2003, RTL Nederland strengthened its position in the radio market with substantial investments in new DJs and up-and-coming talent. With support from the RTL Radio Deutschland team, the two Dutch stations are steadily building their shares of listening and in 2004 their combined market share of 20 to 49 year olds rose from 5.0% to of 9.2%.

During the summer, **Yorin FM** repositioned itself with a pop-rock music format and a new team of top DJs including Rob Stenders, Robert Jensen and Henk Westbroek. Audiences increased as a result – Yorin FM's market share in the target audience of 20 to 34 year olds was over 7% higher than the previous year, and the station has established itself as number 4 in the Dutch radio market. The early morning show *Stenders Vroeg Op* was the third most popular morning show on Dutch radio with 9.3% of 20 to 34 year old listeners. *Jensen In De Middag* was also popular with this target audience, attracting a 9.9% share.

RTL FM, which broadcasts greatest hits and the best of Dutch music, also introduced new programming during the year. The station improved its share of the target audience of 20 to 49 year olds, from 1.7% to 2.9%. During the summer, RTL FM teamed up with Holland's greatest singer, Marco Borsato, for a series of concerts and mounted a large-scale TV campaign. It also introduced a music guarantee, promising not to repeat the same record between 09.00 and 17.00.

TV National advertising breakdown 2004 (%)

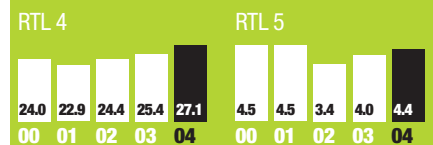
Source: BBC



RTL Nederland	39.7
SBS 6/Net 5	29.1
Nederland 1, 2 et 3	22.1
Others	9.1

TV Advertising share 2000/2004 (%)

Source: BBC



Yorin



Radio Audience share 2000/2004 (%)

Source: Intomart



*July-December



The English format *Wife Swap* proved to be a hit with the audience of RTL 4