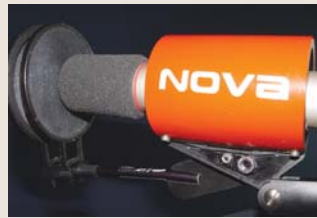


# DMG BROADCASTING: RADIO

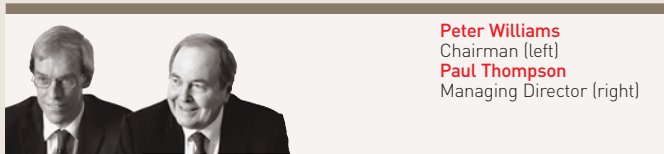
REVENUES INCREASED BY  
22% AND OPERATING PROFIT\*  
ROSE BY 90%.



**+30%**

**Completing the Nova network**  
In April, DMG Radio secured a Brisbane FM licence at auction. This licence will launch early in 2005 as Nova 106.9 and will complete the national Nova network.

**Revenues up**  
Revenues from its metropolitan stations continued to increase, this year by more than 30%, which drove an increase in operating profit\* from metropolitan stations of more than 200%.



**Peter Williams**  
Chairman (left)  
**Paul Thompson**  
Managing Director (right)

## DMG Broadcasting: Radio Financial highlights

### Turnover

2004: £47m

### Operating profit\*

2004: £3.8m

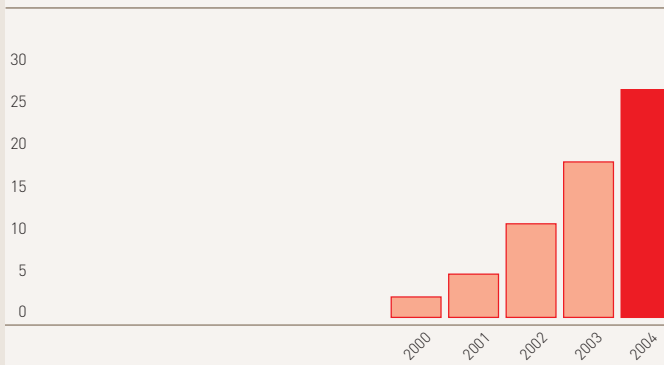
### % of Group turnover

2004: 2%

\* Adjusted operating profit (before amortisation and impairment of intangible assets)

## DMG Broadcasting: Radio

Metropolitan revenue from 2000-2004 (£ million)



DMG Radio Australia returned strong performances in all aspects of its business. Revenues from its metropolitan stations continued to increase, this year by more than 30%, which drove an increase in adjusted operating profit\* from metropolitan stations of more than 200%.

Our Nova stations in Sydney, Melbourne and Perth all recorded strong increases in advertising revenues. Growing recognition of Nova's low clutter advertising environment and its "never more than two ads in a row" policy enabled all Nova stations to increase their market share. This recognition appears to be extending internationally with leading US networks announcing intentions to embrace the low clutter advertising environment

pioneered by DMG Radio in 2001. Nova 969 in Sydney was also recognised by listeners in becoming the number one station overall in 2004 in Australia's largest city.

DMG Radio's metropolitan talk (speech) station, Five AA in Adelaide, also continued to grow its revenues and profits, resulting in another record year for both.

In October 2003, DMG Radio bid successfully for a new FM licence in Adelaide which launched on 31st August 2004 as Nova 919. In April, it secured a Brisbane FM licence at auction. This licence will launch early in 2005 as Nova 106.9 and will complete the national Nova network.

DMG Radio also acquired additional FM licences in Sydney and Melbourne, both of which will launch in 2005 under a new brand. In Sydney, Melbourne, Adelaide and Brisbane, the group now holds two licences, the maximum allowed by regulations.

It also launched Star 1045 FM in New South Wales' Central Coast in March. The Central Coast is one of the fastest growing regions in Australia and is located 120 km North East of Sydney.

This year saw the culmination of an investment programme which began in 1996 when DMGT bought an AM station in Adelaide and a handful of regional stations in New South Wales and Victoria as the basis for what became DMG Regional Radio. Prior to the sale of DMG Regional Radio, the group consisted of eight metropolitan FM licences, one metropolitan AM licence and fifty nine regional licences.

After enjoying a seven-year association with regional radio, DMG Radio sold fifty seven regional stations in September. The sale did not include the near metropolitan markets of Sunshine Coast and Central Coast. This portfolio was acquired for a total of A\$169 million and the sale price of A\$193.5 million represented a multiple at a substantial premium to the market average.

Since making its initial investment in 1996, DMG Radio has been widely recognised for its commitment to local communities and the improved standards of broadcasting it brought to the regional markets. The sale represented a return to the focus of the Group's original strategy in Australia which was based around the high growth, high population, high revenue and high margin metropolitan markets.

In the UK, GWR Group plc, in which the Group holds a 29.9% stake, became the first to respond to the new regulatory environment by announcing its planned merger with Capital Radio plc. Subject to any regulatory approvals, the merger will create the UK's largest single commercial broadcaster.