

Eigenkapitalforum

Frankfurt, 10 November 2008

beate uhse

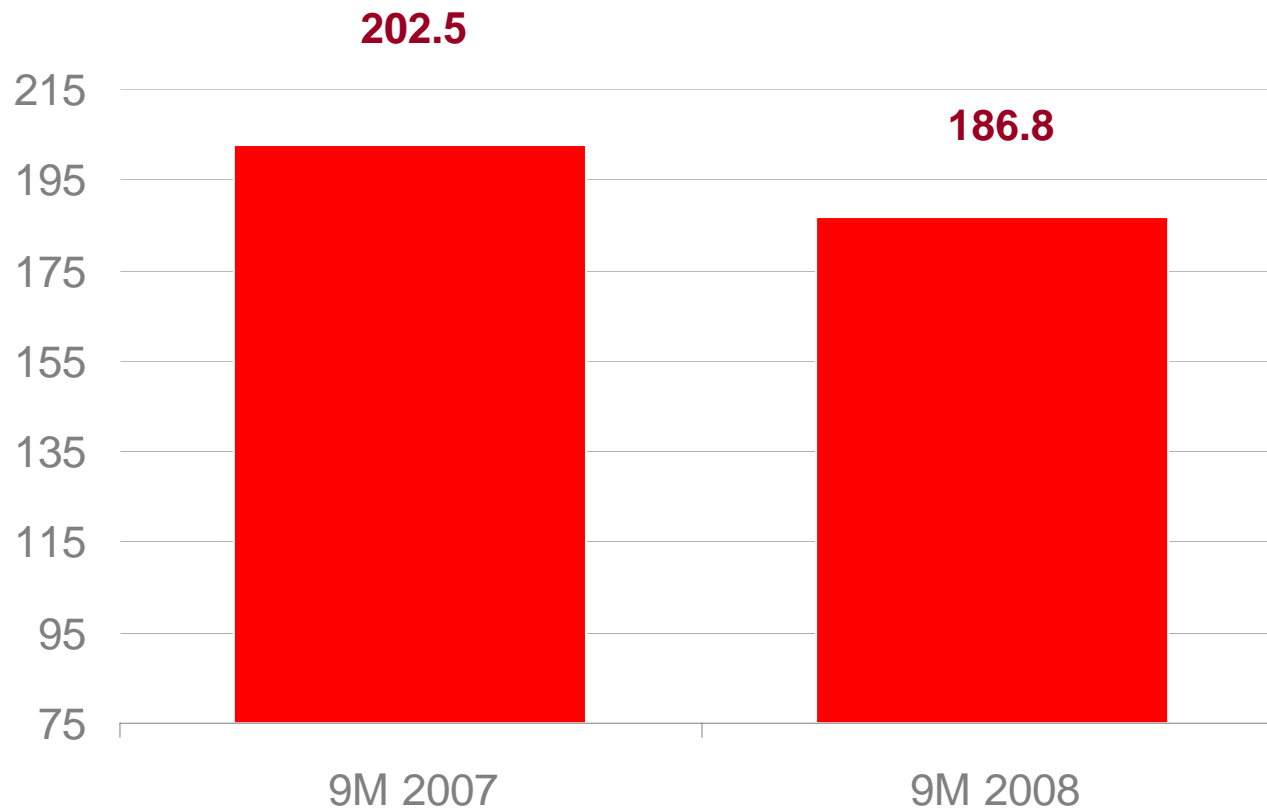


Agenda

- **9 Month Preliminary Results**
- 2007 FY financials
- Forecast 2008
- Market climate
- Beate Uhse's strategy

Preliminary figures 9M Sales development

million Euro

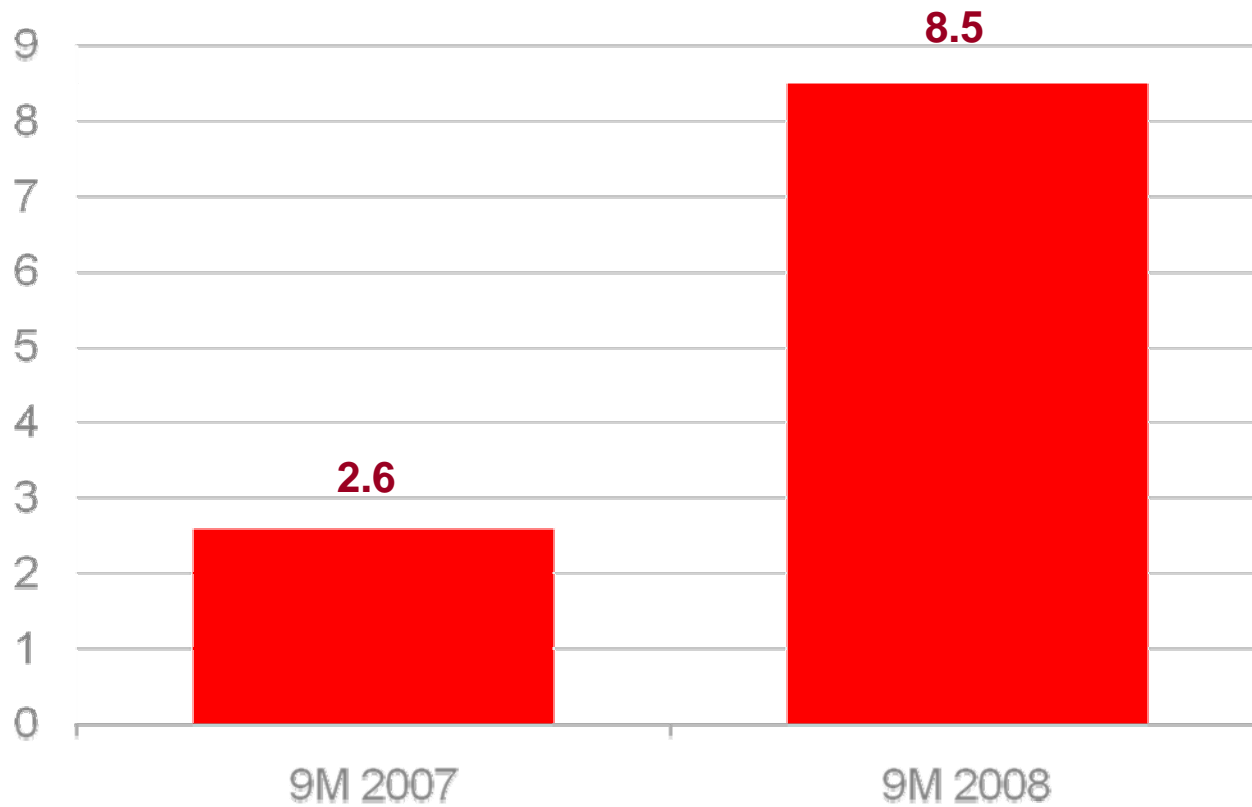


Preliminary figures

9M Earnings development

EBT

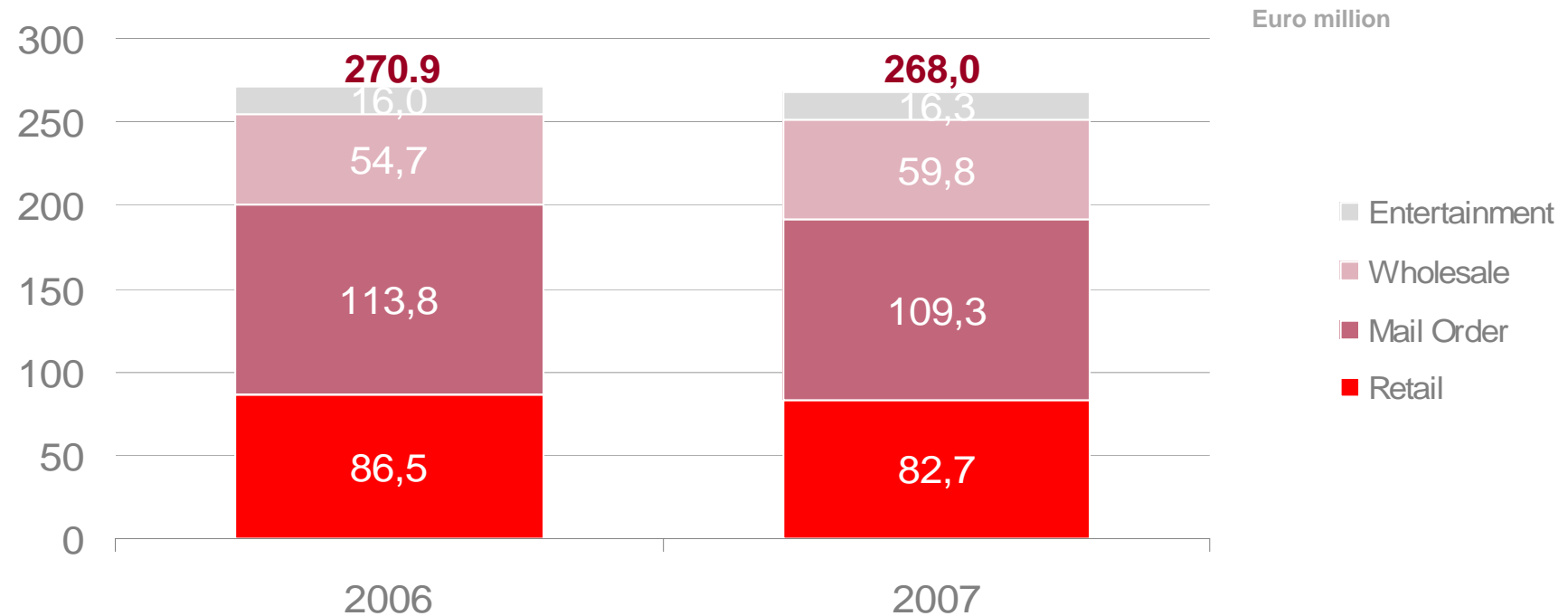
million Euro



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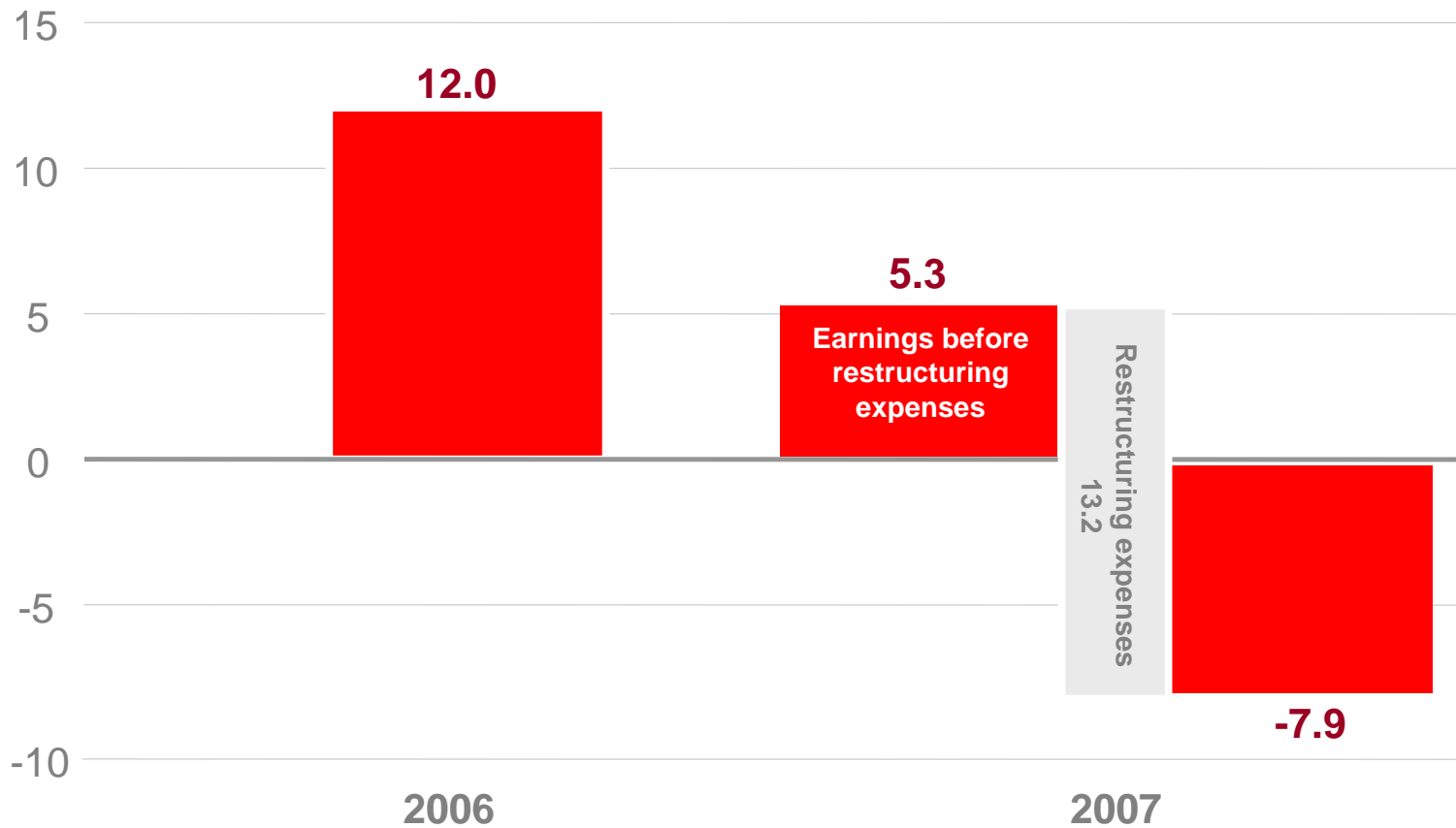
2007 FY – Consolidated sales remained constant



2007 FY – Positive consolidated earnings before restructuring expenses

EBT

Euro million



2007: Streamlining, consolidation and stabilisation

- **Launch of restructuring programme**
 - ◆ **Reorganisation of store network**
 - ◆ **Development of high-quality product lines**
 - ◆ **Service optimisation**
 - ◆ **Portfolio streamlining**

- **Restructuring expenses lead to one-off charge on earnings amounting to Euro 13.2 million**

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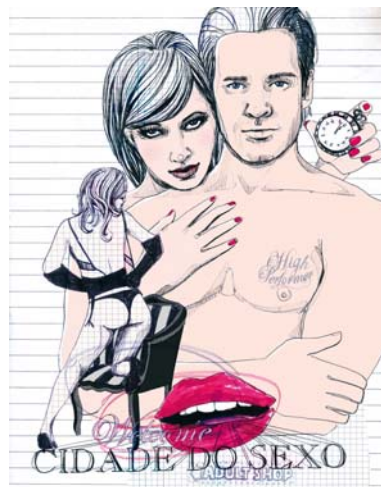
2008 forecast

- Restructuring measures create foundation for positive developments in 2008 financial year
- Sales slightly down on previous year due to store closures (approx. -3 percent)
- Overall 2008 financial year:
EBT set to improve to Euro 3 - 5 million

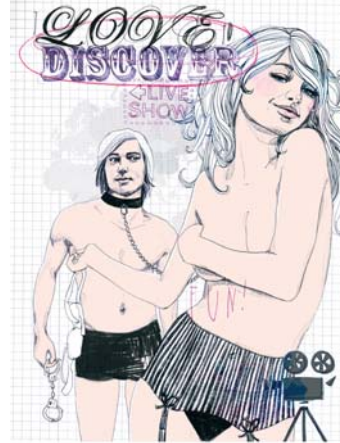
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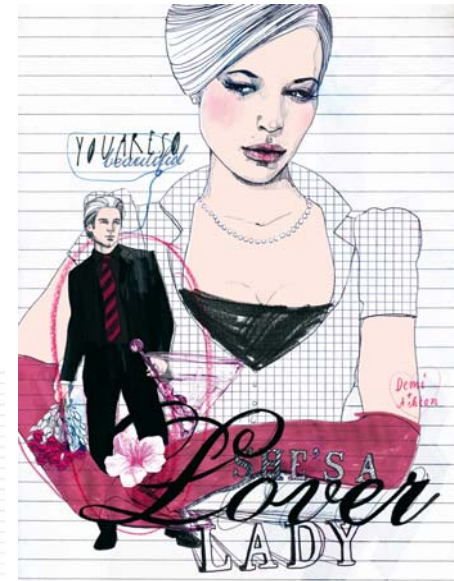
Erotica market in transformation



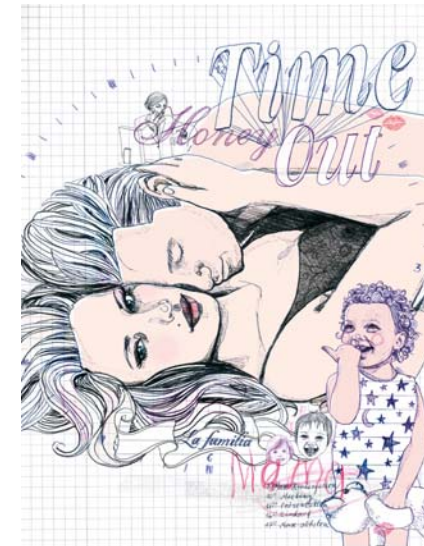
High Performers: 4.5 million



Young Experimental Couples: 4.9 million



Lover Ladies: 2.4 million



Pleasure Parents: 2.1 million



Cool Cats: 1.8 million



Over-Informed Beginners: 3.4 million



Sex Gourmets: 6.2 million

Target group potential (Horx):
25 million consumers in Germany

Erotica market in transformation

- **Erotica retail is also feeling the impact of the increasing downturn in demand**
- **Accelerating decline in DVD and cabin business prices**
- **Continuous increase in volume of content freely available**

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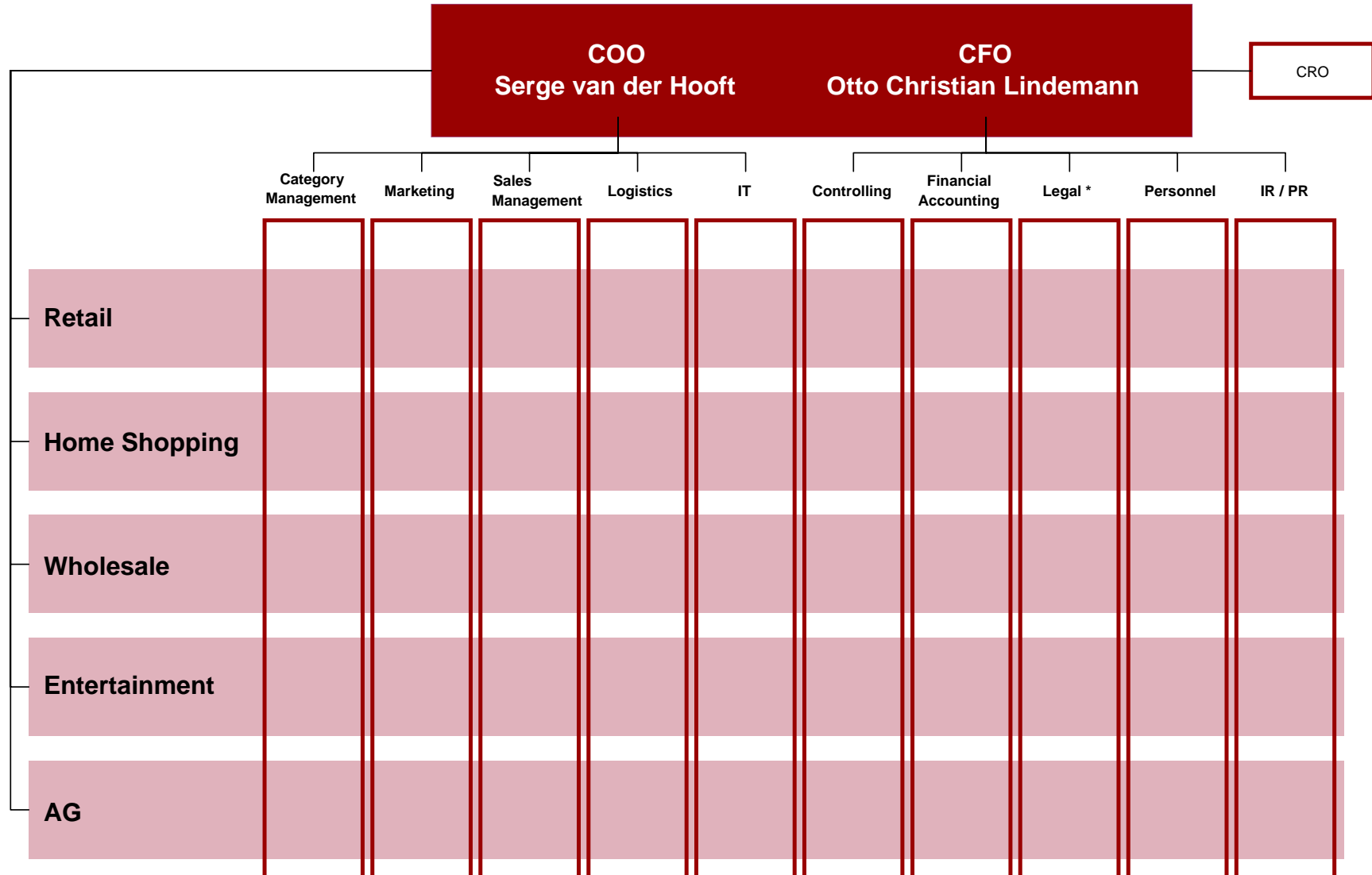
Beate Uhse in transformation



Internal organisation

- **Cost savings by streamlining structures across entire organisation**
- **Multi-channel sales strategy**
- **TARGET: transformation from a sales-driven to a brand-driven and customer-driven organisational structure**

New organisational structure



Retail strategy

- **Modernisation of our market presence**
- **Focus on two store types:**
 - ◆ **Premium erotica shops**
 - ◆ **Fun Centers**
- **Profitable stores not fitting either concept will be converted to no-name stores**
- **Unprofitable shops are being closed (26 shops to date)**
- **Compensation in longer term for declining margins in DVD and cabin business**
- **Development of high-quality products (sex toys, wellness products, lingerie) and new product ranges**

New Premium Shops

- **Successful launch of the Premium Shop in Sendlinger Strasse in Munich**
- **Germany: five further stores so far converted to the Premium concept**
- **Netherlands: eight stores receiving a facelift under the Christine le Duc premium brand**

Premium Shops



Fun Centers



Mail order strategy

- Focus on various target groups
- Three main catalogues per season
 - ◆ Catalogues more extensive (around 160 pages)
 - ◆ Various topic worlds
- Internationalisation
 - ◆ Eastern Europe
 - ◆ Spain
- Expansion of e-commerce share
- Customer segmentation and Customer Relation Programs

Wholesale strategy

- Supplement product portfolio with top-quality products
- Successful marketing of high-quality private labels
 - ◆ Toy-Joy
 - ◆ Daring!
 - ◆ Mae B.
- Distribution function within overall group

Mae B.

by beate uhse



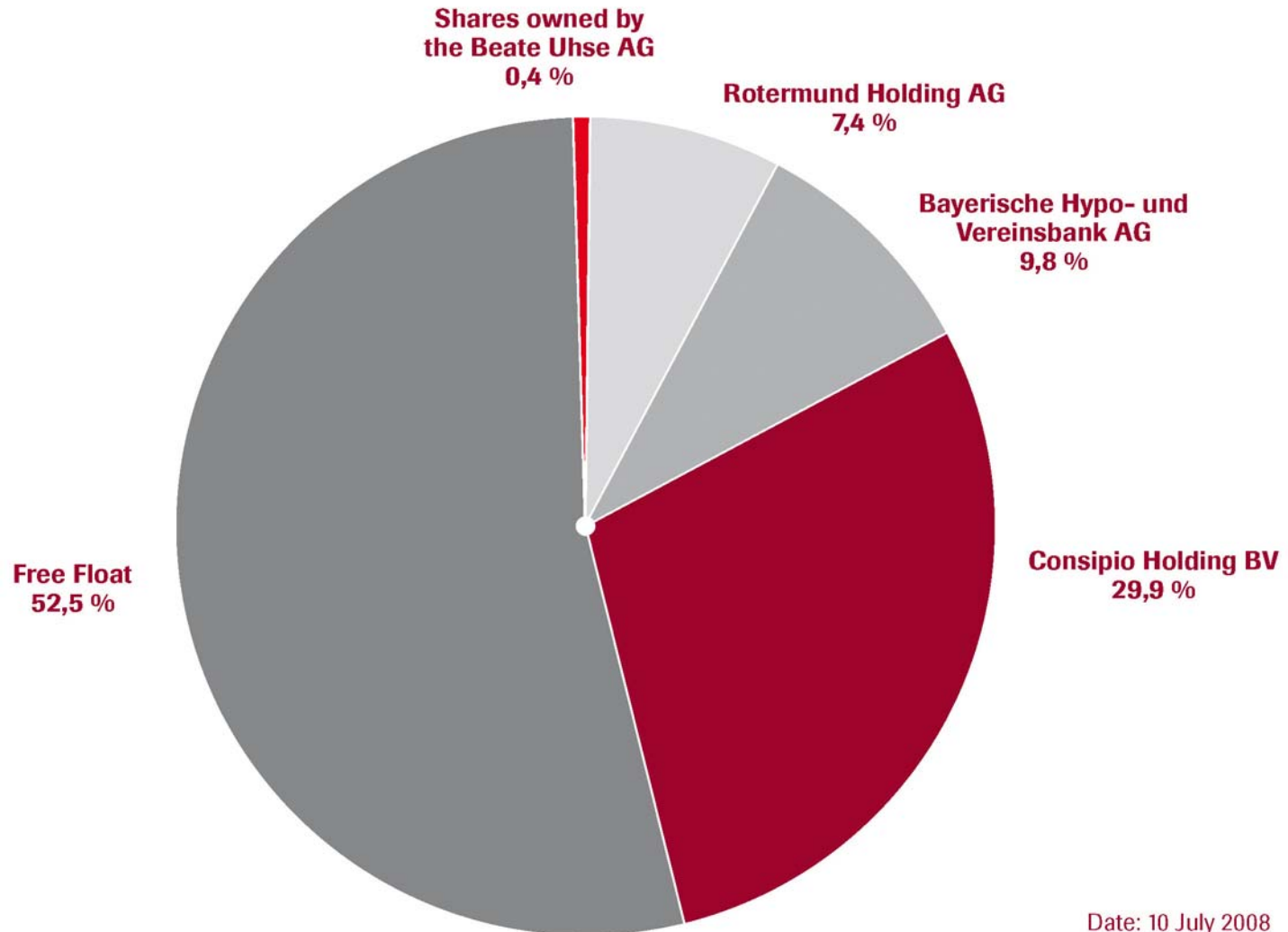
Wholesale strategy – licensing business

- Efficient utilisation of content across all new media platforms
 - ◆ Traditional internet
 - ◆ Web 2.0
 - ◆ Video-on-Demand
 - ◆ IPTV
 - ◆ Handheld, MMS
- Development of licensing business by newly founded company
Beate Uhse Licensing B.V.
- Cooperation agreements signed with well-known European telecommunications companies i. e. Telekom, Canal +

Entertainment strategy

- Leveraging high quality of Beate Uhse products as means to differentiate them from freely available content
- Internationalisation of products progressing on schedule
 - ◆ Movie-On
 - ◆ Amateurcams
 - ◆ Privatporno
- Focus on B2C business
- B2B business to be subsumed within wholesale business

Shareholder structure



Date: 10 July 2008

2008 financial calendar

- | | |
|-------------------|-----------------------|
| 14 November 2008: | 9-month report |
| 31 December 2008: | End of financial year |
| 31 March 2009: | Annual Results 2008 |

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