3-MONTH REPORT 2005

beate uhse

BEATE UHSE AT A GLANCE

€ million		3 months 31.03.2004	3 months 31.03.2005	Change %
Sales growth				
Retail		20.4	20.1	-1.8
Mail Order		36.2	41.6	15.0
Wholesale		17.5	16.0	-8.5
Entertainment		4.8	4.0	-17.0
Holding Services		-	-	-
Total sales		**79.0**	**81.7**	**3.5**
Foreign share of sales	%	55.8	60.4	8.2
Earnings				
EBITDA		9.7	9.9	2.5
EBIT		7.2	7.5	4.2
EBT		6.6	6.8	3.6
Net income for the period		4.6	5.2	12.0
Other earnings indicators				
Return on sales before tax	%	8.3	8.4	0.7
Return on sales after tax	%	5.8	6.3	8.6
Return on equity	%	6.4	6.6	3.6
Gross margin	%	65.9	68.3	3.6
Financial position				
Gross cashflow		7.2	7.6	5.3
Cashflow from operating activities		2.5	2.6	3.7
Investments		2.1	1.8	-14.3
Depreciation		2.6	2.4	-7.7
Dividend paid		-	-	-
Balance sheet data (2004: at 31. 12.)				
Total assets		187.9	191.4	1.8
Equity		72.8	77.7	6.8
Equity ratio	%	38.7	40.7	5.1
Fixed assets		84.8	84.5	-0.4
Current assets		97.1	100.3	3.3
Other disclosures				
Employees		1,497	1,511	0.9
Personnel expenses		12.1	12.0	-0.8
Cost of materials		27.0	25.9	-4.1
Other operating expenses		34.1	39.2	14.9
Shares				
Number of shares		47,323,696	47,323,696	
Closing share price	EUR	11.61	9.40	-19.0
Highest share price	EUR	13.03	10.37	-20.4
Lowest share price	EUR	11.56	7.50	-35.1
Earnings per share	EUR	0.10	0.11	10.0
Cashflow per share	EUR	0.19	0.16	-15.8

FOREWORD OF THE MANAGEMENT BOARD

Ladies and gentlemen,
Dear shareholders,

The 2005 financial year has started satisfactorily. The first three months were quiet in the operating divisions, with the business performing steadily.

More excitement, by contrast, was caused by the withdrawal of Almira S.A. This company had intended to take over our 34 percent shareholding in erotic media ag for Euro 102 million. However, on 11 March 2005 Almira S.A. notified us of its withdrawal from the transaction in view of the fact that the company had not managed to comply with the agreed conditions. We published this information without delay in the form of an ad-hoc announcement. As a result, we were obliged to postpone the publication of our annual financial statements for 2004, which had been scheduled to take place on 30 March 2005, until 22 April 2005.

So what do we intend to do now with our shareholding in erotic media ag?
We are in general willing to hold further talks with Almira S.A., but are also negotiating a new put option for the shares with the shareholders of erotic media ag.

The first quarter of 2005 also witnessed some major changes in the Supervisory Board of Beate Uhse AG. Richard Orthmann resigned from his position as Chairman of the Supervisory Board and from the board itself as of 19 April 2005.
The chairmanship of the Supervisory Board has been taken over by Ulrich Rotermund, son of the company founder Beate Rotermund, in his function as the previous Deputy Chairman. At the meeting of the Supervisory Board held on 6 April, Ulrich Rotermund was elected to be the new chairman of the board.

Detlef Bindert also departed from the Supervisory Board of Beate Uhse AG as of 31 March 2005.
It is planned to raise the number of members of the Supervisory Board of Beate Uhse AG back to six individuals.

Yours

Otto Christian Lindemann	Gerard Cok
Spokesman of the Management Board, CFO	COO

ECONOMY & MARKET

The slight upward trend witnessed in consumer confidence in the previous months has already begun to tail off once again. The Company for Consumer Research (GfK) reported significantly more pessimistic figures in its consumer confidence index at the end of the first quarter and now expects consumer expenditure for the overall year to rise by only 0.4 percent. The spring surveys published by the leading economic research institutes pointed in the same direction, cutting back their economic growth forecasts for 2005 from 1.5 percent to 0.7 percent. Germany is therefore at the bottom of the league of European developments, which are themselves expected to be only slightly better. The new EU member states represent a positive exception in this respect.

According to preliminary figures released by the Federal Statistics Office, the German retail sector concluded the first three months with the same level of sales (in real terms) as in the previous year. There was a 0.7 percent increase in sales in the wholesale sector. Retail sales in the Eurozone declined by 0.5 percent in January 2005 and rose by 1 percent in February. Somewhat better developments were reported by all the 25 EU member states taken as a whole.

The US dollar fell by 4.8 percent against the Euro in the first three months of the year, which had a marginally positive effect on procurement prices in the Asian markets.

SALES PERFORMANCE

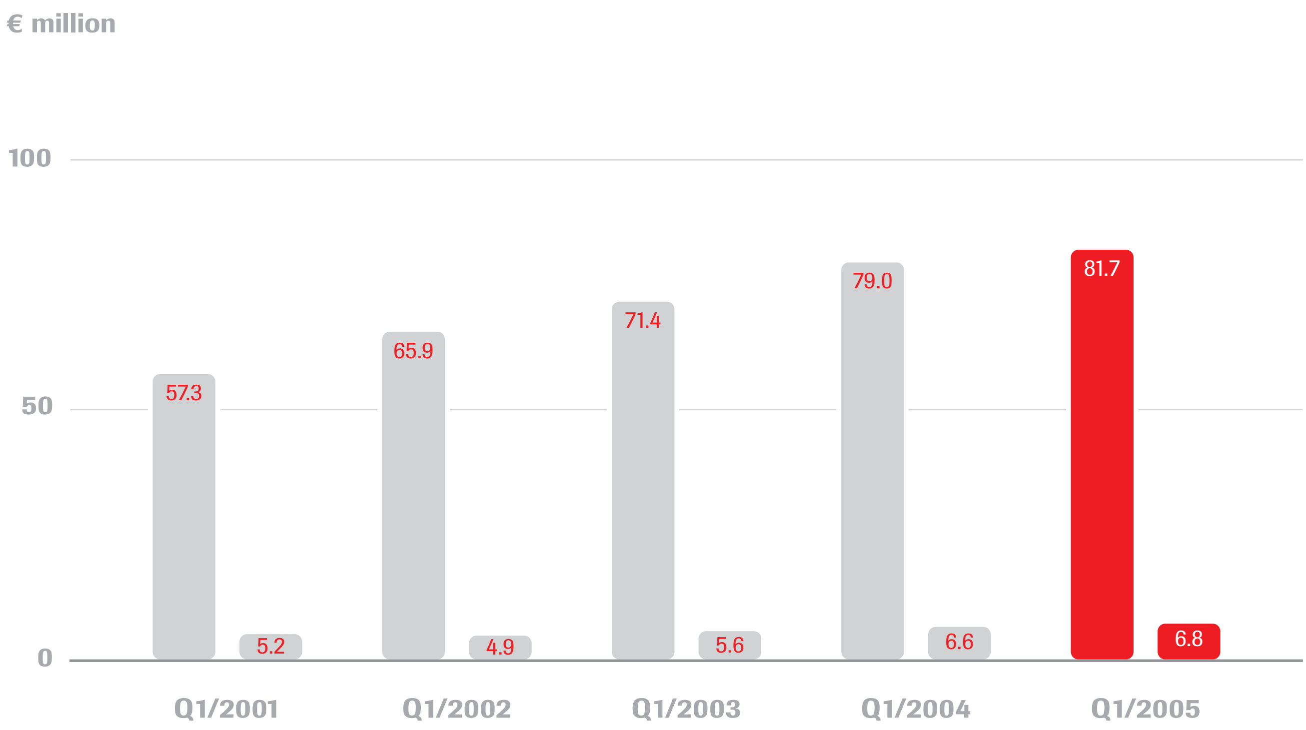
The sales of the Beate Uhse Group rose by 3.5 percent in the first three months of 2005 to reach Euro 81.7 million. In comparison with previous years, this is the highest level of first-quarter sales in the company's history.

SALES BY PROFIT CENTRE

This development was mainly attributable to the considerable growth reported by the mail order business. This profit centre succeeded in increasing its sales by 15 percent to Euro 41.6 million. In line with the overall economic climate in Europe and in Germany in particular, more subdued developments were reported by the other profit centres. With sales of Euro 20.1 million, the retail division concluded the first quarter of 2005 at the same level as in the previous year. A higher level of growth in this division was held back by the situation in the Dutch and Belgian markets. The wholesale division concluded the first quarter with sales of Euro 16 million (minus 8.5 percent). The optimisation of technical processes at the new logistics centre in Almere showed initial success. However, this was not sufficient to fully compensate for the downturn in sales. The entertainment segment remains difficult. At Euro 4 million, sales as of the end of March 2005 were Euro 0.8 million lower than in the equivalent period in 2004.

SALES BY PROFIT CENTRE

€ million	3 months 31.03.2004	3 months 31.03.2005	Change %
Retail	20.4	20.1	-1.8
Mail Order	36.2	41.6	15.0
Wholesale	17.5	16.0	-8.5
Entertainment	4.8	4.0	-17.0
Holding Services	-	-	-
	79.0	81.7	3.5



DEVELOPMENT OF SALES AND EBT

SALES BY REGION

The Beate Uhse Group maintained its growth in the first quarter of 2004 and reinforced its international orientation. In terms of geographical regions, the country markets in France and Austria were especially important growth drivers. The mail order division in particular reported very pleasing growth rates in these countries. The international share of the Group's sales rose from 55.8 percent to 60.4 percent.

SALES BY REGION

€ million	3 months 31.03.2004	3 months 31.03.2005	Change %
Germany	34.9	32.3	-7.4
Netherlands	13.5	12.6	-6.8
Belgium	5.1	5.1	0.1
France	7.4	10.5	42.7
United Kingdom	5.1	4.0	-21.2
Austria	3.8	8.8	134.0
Switzerland	0.6	0.5	-18.4
Scandinavia	3.4	3.0	-11.6
Italy	-	0.2	-
Other European countries	3.2	3.1	-1.4
Other regions	2.0	1.5	-26.9
	79.0	81.7	3.5

DEVELOPMENT OF EARNINGS

The earnings before interest and tax (EBIT) of the Beate Uhse Group rose to Euro 7.5 million in the first quarter of 2005. This is equivalent to an increase of 4.8 percent. Pre-tax earnings amounted to Euro 6.8 million at the end of March (plus 3.6 percent). Similar to the sales performance, this growth was attributable to the highly pleasing performance of the mail order division. The Beate Uhse Group also witnessed a pleasing, more significant increase in its net income, which grew by 12 percent on the equivalent period in the previous year to reach Euro 5.2 million.

DEVELOPMENT OF OPERATING EARNINGS

The gross margin of the Beate Uhse Group improved by 2.4 percentage points to 68.3 percent. Other operating income declined slightly and amounted to Euro 4.3 million at the end of the period. This income primarily relates to default interest and reminder charges in the mail order business. Similarly positive developments were seen in the ratio of cost of materials to sales. Although there was an increase in sales, the Group was able to achieve a slight reduction (minus 4 percent) in its cost of materials. The materials input ratio thus declined from 34.1 percent to 31. 7 percent. The positive trend witnessed in the last two quarters of 2004 has therefore been maintained. This pleasing development was primarily due to the increasing bundling of purchasing power within the Group, coupled with the ongoing increase in procurement volumes in the Far East. A further contribution was made by the strong growth reported by the mail order division and its rising weight within the Group, particularly in relation to the share of sales reported by the retail division, which generally reports a somewhat lower gross margin.

At Euro 12 million, personnel expenses remained virtually unchanged in the first quarter (minus 0.7 percent). A further significant increase was seen in other operating expenses, which rose by Euro 5 million to Euro 39.2 million. This rise was driven by a higher level of advertising measures for the mail order business, which are intended to strengthen the international presence of this division. Moreover, the rise in other expenses was also attributable to individual write-downs of mail-order receivables. The income from shareholdings rose by Euro 1.5 million in the first quarter of 2005.

NET INCOME

The Beate Uhse Group was able to improve its tax rate from 26.6 percent to 21.6 percent by utilising losses carryovers at its subsidiaries. This resulted in an 12 percent increase in its net surplus for the period to Euro 5.2 million. The Group's return after tax thus increased from 5.8 percent to 6.4 percent.

EBT

€ million	3 months 31.03.2004	3 months 31.03.2005	Change %
Retail	1.8	1.7	-5.2
Mail Order	3.1	3.9	26.7
Wholesale	2.2	1.7	-25.8
Entertainment	0.8	0.5	-38.3
Holding Services	-1.3	-0.9	29.7
	6.6	6.8	3.6

EBIT

€ million	3 months 31.03.2004	3 months 31.03.2005	Change %
Retail	2.1	2.0	-4.6
Mail Order	3.2	4.1	28.7
Wholesale	2.4	1.9	-22.7
Entertainment	0.8	0.5	-38.0
Holding Services	-1.3	-0.9	-29.2
	7.2	7.5	4.8

EBITDA

€ million	3 months 31.03.2004	3 months 31.03.2005	Change %
Retail	3.2	3.2	-0.5
Mail Order	3.4	4.3	24.9
Wholesale	3.1	2.5	-21.0
Entertainment	0.9	0.6	-35.2
Holding Services	-0.9	-0.6	35.7
	9.7	9.9	4.0

DEVELOPMENT OF NET ASSET AND FINANCIAL POSITION

The total assets of the Beate Uhse Group increased slightly (1.8 percent) to Euro 191.4 million as of 31 March 2005.

ASSETS

At Euro 84.5 million, the Group's fixed assets at the end of March were at virtually the same level as at 31 December 2004 (Euro 84.8 million).

Larger changes, by contrast, were reported for current assets, which amounted to Euro 100.3 million at the end of the period, equivalent to an increase of 3.2 percent. Inventories declined by 6.2 percent to Euro 44.2 million. Catalogues which had previously been partly finished were completed during the first quarter and despatched to customers. This resulted in a decline in raw materials and supplies. On account of the strong sales growth reported by the mail order division (plus 15 percent), trade receivables rose to Euro 36.7 million (plus 24.6 percent). The receipt of tax claims in the first quarter of 2005 resulted in a decline of Euro 1.3 million in other assets to Euro 7.2 million.

LIABILITIES

The equity of the Group rose significantly (6.8 percent) to Euro 77.7 million. The equity ratio thus improved by 1.9 percentage points to 40.6 percent. This increase was attributable to the high net surplus of Euro 5.2 million for the first quarter of 2005.

Accruals rose by 8.8 percent to Euro 17.9 million. This was due to a slight increase in other accruals to Euro 10 million (plus 13.2 percent) at the Dutch subgroup. These accruals relate to postal expenses in the mail order division, as well as to vacation and advisory expenses in the wholesale division.

The liabilities of the Group declined by Euro 2.9 million in the first quarter of 2005 to Euro 95.8 million. The increase of Euro 1.1 million in other liabilities was more than compensated for in this respect by the reduction in liabilities to banks (minus Euro 1.4 million) and in trade payables (minus Euro 2.7 million).

CASH FLOW AND INVESTMENTS

The gross cash flow rose to Euro 7.6 million in the first quarter. This improvement is all the more pleasing in view of the fact that Beate Uhse managed at the same time to reduce its trade payables and that trade receivables also increased in proportion to the rise in mail order sales.

The inflow of funds from operating activities amounted to Euro 2.6 million in the first quarter, compared with Euro 2.5 million in the previous year. A sum of Euro 0.8 million flowed into investment activities, which is around Euro 1 million less than in the previous year. Investment activities focused on the wholesale division, which absorbed around 50 percent of total investment. The other half was distributed in almost equal shares between the retail and mail order divisions. It was possible to finance these projects in full from the operating business. The company's pleasing liquidity situation also facilitated a further reduction in debt capital. As a result, Beate Uhse increased its outflow of funds for financing activities to Euro 1.3 million, an increase of more than 100 percent.

INVESTMENTS BY PROFIT CENTRE

€ million	3 months 31.03.2004	3 months 31.03.2005
Retail	0.8	0.5
Mail Order	0.5	0.3
Wholesale	0.5	0.9
Entertainment	0.2	-
Holding Services	0.1	-
	2.1	1.8

EMPLOYEES

The Beate Uhse Group had a total of 1,551 employees in more than 10 countries at the end of the period. The Group has created new jobs, particularly in the German retail division (new stores, Mae B.). Moreover, staff totals rose on account of the full consolidation of Beate Uhse Italia GmbH.

EMPLOYEES BY REGION

	3 months 31.03.2004	3 months 31.03.2005
Germany	731	749
Netherlands	502	516
Belgium	32	30
France	40	56
United Kingdom	47	25
Austria	13	17
Scandinavia	73	51
Italy	-	11
Other European countries	38	38
USA	21	18
	1,497	1,511

EMPLOYEES BY PROFIT CENTRE

	3 months 31.03.2004	3 months 31.03.2005
Retail	853	869
Mail Order	299	292
Wholesale	219	228
Entertainment	85	80
Holding Services	41	42
	1,497	1,511

SHARE

The share of Beate Uhse AG is listed in the Prime Standard of the Frankfurt Stock Exchange. The company is a member of the SDAX, Prime All Share, Classic All Share and GEX indices, as well as of the Prime Retail segment.

PERFORMANCE & LIQUIDITY

The Beate Uhse share concluded the first quarter of 2005 at a price of Euro 9.40 (Xetra). This was equivalent to a negative development of minus 7.8 percent since the beginning of the year. During the period from January to March, the share's highest price amounted to Euro 10.37 and its lowest to Euro 7.50. Its average price amounted to Euro 9.48 (Xetra). There was a significant increase in trading volumes, with an average of 21,067 shares being bought and sold each day.

INDEX WEIGHTING

The market capitalisation of the Group amounted to Euro 444.84 million at the reporting date on 31 March 2005, of which the free float amounted to Euro 112.99 million. With a weighting of 1.53 percent, Beate Uhse was thus among the medium-sized players in the SDAX index.

DEVELOPMENT OF SHARE PRICE

		3 months 31.03.2004	3 months 31.03.2005
Opening	EUR	13.00	10.19
Closing	EUR	11.61	9.40
High	EUR	13.03	10.37
Low	EUR	11.56	7.50
Average	EUR	12.18	9.48
Development	%	-12.38	-7.80

Source: Xetra

KEY FIGURES FOR THE BEATE UHSE SHARE

		3 months 31.03.2004	3 months 31.03.2005
Capital stock		47,323,696	47,323,696
SDAX weighting	%	2.90	1.53
Market capitalisation: total	EUR	545.9	444.8
Market capitalisation: free float	EUR	190.17	112.99
Ø Sales/ Day		11,179	21,096
Ø Sales/ Day	EUR	136,104	199,796

Source: Dt. Börse

PROFIT CENTRES

RETAIL

This division pressed ahead with the implementation of the Beate Uhse brand name, especially at its Dutch, Belgian and French stores. No stores were opened or closed during the period under report. Business was somewhat subdued at the beginning of the year in the Netherlands and Belgium. There was a marked continuation of the crowding out competition in both countries. The shops in France reported positive developments, generating clear sales growth compared with the previous year.

Business in the German retail division was satisfactory in the first quarter of 2004. Although the timing of Easter this year meant that three shopping days were lost in March 2005, sales were nevertheless higher than in the previous year and thus on target. One store was closed in the first three months of 2005 in view of the fact that it did not meet the company's profitability criteria.

During the overall 2005 financial year, the German retail division will focus on the expansion of highly-frequented locations and of Beate Uhse Classic Shops. The relocation of the merchandise supplies for the German stores to the logistics centre in Almere will form a further focal point of the division's activities in 2005.

BEATE UHSE SHOPS BY COUNTRIES
OWN SHOPS

	3 months 31.03.2004	%	3 months 31.03.2005	%
Germany	63	40.1	65	40.1
Italy	–	–	5	3.1
Netherlands	67	42.7	66	40.7
Belgium	9	5.7	10	6.2
France	8	5.1	9	5.6
Norway	8	5.1	7	4.3
United Kingdom	2	1.3	–	–
	157	100.0	162	100.0

LICENCE & FRANCHISE

	3 months 31.03.2004	%	3 months 31.03.2005	%
Germany	54	40.6	53	38.1
Austria	34	25.6	39	28.1
Switzerland	41	30.8	43	30.9
Norway	4	3.4	4	2.9
	133	100.0	139	100.0

INVESTMENTS

	3 months 31.03.2004	%	3 months 31.03.2005	%
Poland	2	25.0	7	100.0
Italy	6	75.0	–	–
	8	100.0	7	100.0

MAIL ORDER

The mail order division witnessed a successful start to the new year. Significant sales growth was achieved in the first three months of 2005. Earnings were satisfactory from the point of view of the Group, although they were reduced by a high level of marketing expenses (other expenses) aimed at acquiring new market share.

The sales performance in France and Germany was particularly pleasing. Pabo had expected to see better developments in the British market. Sales in this market had grown by 33 percent in 2004. The first quarter of 2005, by contrast, saw a 14.1 percent decline in sales. This development was primarily attributable to the general legal review of the extent to which so-called R-18 products (pornographic products) may be advertised and despatched in the British market, or whether such activities will have to be restricted. In addition to lingerie and toys, Pabo previously also included R-18 material in its main catalogue. In order to minimise the negative impact on Pabo of any possible result of the proceedings which is restrictive for the erotica sector, the mail order division has removed the R-18 products from its main catalogue in 2005 and has since advertised them in special catalogues. In view of the fact that their advertising impact was not as great as that of the main catalogue, sales growth in the British market declined in the first quarter.

Pabo despatched a total of around 12 million catalogues and postal mailings to customers and interested parties in the first three months of 2005. This represents an increase of 20 percent on the equivalent period in 2004. The number of orders rose by 21 percent.

WHOLESALE

The new logistics centre in Almere was able to achieve a significant reduction in its start-up difficulties in the first quarter of 2004. The delivery of merchandise was carried out on schedule. Moreover, the integration of the Group's Christine le Duc subsidiary into the centre's logistical processes was also undertaken in the first quarter. The wholesale division reported a decline in earnings for the first quarter given that the costs incurred on IT optimisation measures remained high and that prices in general came under pressure as a result of the overall economic situation in Europe. In view of this, Scala BV increased its reliance on private label and exclusive products in close cooperation with international erotica product manufacturers.

The Scandinavian wholesaler MAX AB was integrated into the management and subgroup structures of the Dutch company Scala BV at the beginning of 2005. The restructuring of MAX and the most important adjustments to the company's internal processes were carried out during the first quarter of 2005.

The German wholesale company ZBF GmbH maintained its positive development following its comprehensive restructuring. The spring fair generated very pleasing sales, with customers according the products a warm reception. A direct comparison of the various product groups reveals that magazines, multimedia products and aids established themselves as the principal sales drivers in the first quarter of 2005. ZBF GmbH has discontinued the sale of VHS videos since the beginning of the year and has met customer requirements by focusing on its DVD range.

The only slight restriction on the division's performance in the first quarter of 2005 related to the ongoing reluctance of retail customers to make purchases, which can be traced back to the general economic situation in Germany.

ENTERTAINMENT

In the first three months of 2005, the entertainment division was obliged to operate in circumstances similarly difficult to those witnessed in 2004. The main issues in this respect were the price announcements legally required for telephone hotlines and the charging on of defaults on receivables and cancellations by Deutsche Telekom. The division's sales and earnings performance was not entirely satisfactory. One of the factors reducing earnings was the increase in TV advertising expenses for the audiotex business. Beate Uhse will nevertheless maintain its advertising frequency at a high level in order to acquire further market share.

In the operating business, Beate Uhse new medi@ pressed ahead with its targeted e-mail marketing measures. The revision of all contents and the delivery of all Beate Uhse newsletters via a service provider has already enabled the range and success of this complex form of advertising to be increased significantly in the first three months of 2005. The entertainment and mail order profit centres are to cooperate even more closely in the field of marketing from 2005. Among other aspects, this cooperation is intended to increase the range of online and telephony offerings advertised in the mail order division's advertising materials.

Beate-Uhse.TV, the Group's own erotica broadcaster, began the 2005 financial year with several innovations. The broadcaster received a new image on its fourth birthday at the beginning of March 2005. This image is closely related to the clear, modern and erotic design of the Group's Beate Uhse brand. The new design has been produced in HDTV standard and will thus be in line with the latest technology in the coming years.

HOLDING SERVICE

The holding service division of the Beate Uhse Group also succeeded in improving its results in the first quarter of 2005. Expenses declined by 29.7 percent to Euro 0.9 million. As well as the reduction in costs, this division's results also reflected the increase in income received from the erotic media ag shareholding. By selling licences, this Swiss company succeeded in significantly increasing its earnings for the first quarter of 2005.

RISKS

The first three months of 2005 have not produced any noteworthy changes to the risks presented in the management report and group management report accompanying the 2004 annual financial statements.

OUTLOOK

Beate Uhse expects to see slow, steady growth in 2005. The company plans to increase its sales by 5 percent and its pre-tax earnings by 15 percent in 2005. The projects currently being implemented at the various profit centres are on course. Following the satisfactory start to the new year, the company considers the forecasts made in the outlook of its 2004 annual report to be achievable.

BALANCE SHEET (HGB)

Assets € 000s	31.12.2004	31.03.2005
Intangible assets	22,912	22,368
Property, plant & equipment	26,029	25,158
Financial assets	35,895	36,966
Total fixed assets	**84,836**	**84,492**
Inventories	47,109	44,173
Receivables	37,929	43,912
Marketable securities	3,047	2,911
Liquid assets	9,035	9,290
Total current assets	**97,120**	**100,286**
Prepaid expenses	**4,303**	**4,905**
Deferred taxes	**1,675**	**1,700**
	187,934	**191,383**

Liabilities € 000s	31.12.2004	31.03.2005
Subscribed capital	47,324	47,324
Reserve for treasury stock	2,830	2,643
Revenue reserves	3,052	3,052
Balancing item for currency conversion	938	1,002
Balancing item for minority interests	-1,115	-1,443
Retained earnings	19,734	25,104
Total equity	**72,763**	**77,682**
Accruals	**16,463**	**17,906**
Liabilities to banks	50,605	49,235
Borrowers' note loan	19,071	19,071
Trade payables	22,351	19,703
Other liabilities	6,656	7,761
Total liabilities	**98,683**	**95,770**
Deferred income	**25**	**25**
	187,934	**191,383**

INCOME STATEMENT (HGB)

€ 000s	3 months 31.03.2004	3 months 31.03.2005	Change € 000s	Change %
Sales	**78,993**	**81,725**	**2,732**	**3.5**
Other income	4,399	4,254	-145	-3.3
Total operating performance	83,392	85,979	2,587	3.1
Cost of materials	26,960	25,878	-1,082	-4.0
Personnel expenses	12,074	11,991	-83	-0.7
Depreciation	2,585	2,434	-151	-5.8
Other operating expenses	34,141	39,190	5,049	14.8
Income from participations	-470	1,020	1,490	-
Net interest expenses	-568	-675	-107	18.8
Earnings before tax (EBT)	**6,594**	**6,831**	**237**	**3.6**
Income taxes	1,754	1,474	-280	-16.0
Other taxes	231	206	-25	-10.8
Net income	**4,609**	**5,151**	**542**	**11.8**
Minority interests	-9	31	40	-
Profit/loss carried forward	6,795	19,734	12,939	190.4
Change to reserve for treasury stock	753	188	-565	
Distribution to minorities	-98	-	98	
Retained earnings	**12,050**	**25,104**	**13,054**	**108.3**

CASHFLOW (HGB)

€ 000s	3 months 31.03.2004	3 months 31.03.2005
Net income	4,609	5,151
Depreciation	2,585	2,434
(+/-) Increase/decrease in assets	-7,574	-3,842
(-/+) Increase/decrease in liabilities	673	-1,565
Other adjustments	2,196	414
Cashflow from operating activities	**2,490**	**2,592**
Cashflow from investment activities	**-1,709**	**-777**
Cashflow from financing activities	**-613**	**-1,348**
Change in cash & cash equivalents	168	467
(+/-) Change in cash & cash equivalents	-74	-212
Cash/cash equivalents: beginning of period	8,343	9,035
Cash/cash equivalents: end of period	**8,437**	**9,290**

SHAREHOLDERS EQUITY CHANGE ACCOUNT (HGB)

€ 000s	Equity: Subscriped capital	Revenue reserves: Reserves for treasury stock	Revenue reserves: Other revenue reserves	Retained earnings
Balance at 01.01.2004	**47,324**	**10,279**	**3,295**	**6,795**
Net income for the period				4,609
Distribution to minorities				-98
Currency changes				
Earnings/losses minorities				-9
Offsetting of goodwill				
Dividend				
Purchase of treasury stock		-753		753
Balance at 31.03.2004	**47,324**	**9,525**	**3,295**	**12,050**
Balance at 01.01.2005	**47,324**	**2,830**	**3,052**	**19,734**
Net income for the period				5,151
Currency changes				
Earnings/losses minorities				31
Offsetting of goodwill				
Withdrawal from/increase in revenue reserves				
Dividend				
Purchase of treasury stock		-188		188
Balance at 31.03.2005	**47,324**	**2,642**	**3,052**	**25,104**

SEGMENT REPORT (HGB)

31 March 2005

€ 000s	Retail	Mail Order	Wholesale	Entertainment	Holding	Total
Sales	**20,063**	**41,600**	**16,046**	**4,016**	**-**	**81,725**
Operating result (EBIT)	2,002	4,062	1,894	477	-929	**7,506**
Depreciation	1,222	232	559	96	325	**2,434**
Assets	35,471	29,811	38,609	6,301	81,191	**191,383**
Investment in long-term assets	521	322	857	24	36	**1,760**
Trade payables	2,164	6,811	7,631	1,274	1,823	**19,703**
Accruals	4,908	4,747	3,803	623	3,825	**17,906**
Liabilities to banks	399	2	4	7	67,894	**68,306**
Other liabilities	2,351	4,419	644	212	135	**7,761**

Earned shareholders´ equity for the group	Adjustment for currency conversion	Minority capital: Adjustment for minorities	Minority capital: Adjustment for currency conversion	Total equity
20,369	**710**	**-370**	**-249**	**67,784**
4,609				**4,609**
-98				**-98**
	-74			**-74**
-9		-3		**-12**
				-
				-
				-
24,871	**636**	**-373**	**-249**	**72,209**
25,616	**938**	**-893**	**-222**	**72,763**
				5,151
	65	-328		**-263**
				31
				-
				-
				-
				-
25,616	**1,003**	**-1,221**	**-222**	**77,682**

31 March 2004

Retail	Mail Order	Wholesale	Entertainment	Holding	Total
20,431	**36,181**	**17,542**	**4,839**	**-**	**78,993**
2,100	3,157	2,449	769	-1,312	**7,163**
1,177	295	704	108	301	**2,585**
37,980	27,773	35,327	6,179	79,657	**186,916**
773	517	459	177	126	**2,052**
2,545	7,907	7,408	1,433	1,880	**21,173**
5,063	5,638	3,085	675	4,421	**18,882**
530	14	25	13	64,987	**65,569**
2,827	4,360	1,476	-86	484	**9,061**

NOTES

ACCOUNTING AND VALUATION METHODS

This interim report has been compiled in line with the requirements of the German Commercial Code (HGB) and in accordance with German Accounting Standard 6 (DRS 6). The accounting and valuation principles correspond to those applied in the consolidated financial statements for the 2004 financial year. Individual items in the income statement, balance sheet and cash flow statement of the Beate Uhse Group have been summarised in the interests of clarity and in order to enhance their legibility.

REPORTING ENTITY

As of 31 March 2005, no changes had been made to the reporting entity since the consolidated financial statements for the 2004 financial year.

SEGMENTAL REPORTING

A detailed representation and explanation has been provided in the report on business developments. There have been no changes in the delineation of the segments or in the calculation of segment results since 31 December 2004.

EVENTS SUBSEQUENT TO THE REPORTING DATE

There have been no events requiring report under this heading subsequent to 31 March 2005.

EARNINGS PER SHARE

Earnings per share have been calculated by dividing the Group's net income (excluding minority interests) by the number of shares.

		3 months 31.03.2004	3 months 31.03.2005
Net income for the period	€ million	4.6	5.4
Number of shares (diluted)		46,499,651	46,549,385
Number of shares (undiluted)		46,499,651	46,549,385
Earnings per share (diluted)	EUR	0.10	0.12
Earnings per share (undiluted)	EUR	0.10	0.12

DISCLOSURES RELATING TO BEATE UHSE AG

Beate Uhse AG has no proprietary operating business activities. It acts as the holding company for the subsidiaries and shareholdings of the Group. As such, it performs central group management functions, including accounting, controlling, financing, human resources, legal and communications services.
The development of earnings at Beate Uhse AG primarily results from profit and loss transfer agreements concluded with its subsidiaries and from further investment income, as well as from the expenses relating to its functions as the holding company.

Flensburg, 9 May 2005
The Management Board

FINANCIAL CALENDAR 2005

Annual general meeting 2005	20 June 2005
Shareholders letter II/2005 (only available in german)	5 July 2005
Six-month statement 2005	15 August 2005
Shareholders letter III/2005 (only available in german)	20 October 2005
Nine-month statement 2005	15 November 2005
End of financial year	31 December 2005

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