LYCOS Europe N.V.

Annual General Meeting of Shareholders

Amsterdam, May 24th, 2006

2. Discussion and adoption of annual accounts for financial year 2005.

3. a. Resolution to release the sole managing director of the Company from liability for his duties.
b. Resolution to release the supervisory directors from liability for their duties.


5. Composition of the Supervisory Board.
a. Supervisory Directors AA
b. Supervisory Directors AB

6. Extension of the authorisation of the Management Board to (i) issue shares in the capital of the Company and grant rights to subscribe for shares and (ii) limit or exclude pre-emption rights in respect thereof.

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8. Other Business.
LYCOS Europe N.V.

Annual General Meeting
of Shareholders

Christoph Mohn, CEO

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A Leading Internet Brand

- Presence in all European key markets
- Portal provider and developer of web applications
- Around 27 million* unique users every month (around 22% reach)
- About 660 employees incl. one of the largest product development teams of European Internet companies
- Total revenues of EUR 125 million in 2005
- Sound financing with nearly EUR 100 million cash/cash equivalents
- Main shareholders Bertelsmann and Telefónica

* Including distribution partners/third party advertising
Reach profitable growth by borderless innovative activities based on operational and technological excellence in order to satisfy the shareholders’, customers’ and employees’ interests.
Strong growth in reach of LYCOS Europe sites since 2004

<table>
<thead>
<tr>
<th>Month</th>
<th>Reach in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 2004*</td>
<td>15.6%</td>
</tr>
<tr>
<td>May 2004*</td>
<td>17.3%</td>
</tr>
<tr>
<td>September 2004*</td>
<td>18.6%</td>
</tr>
<tr>
<td>December 2004*</td>
<td>19.6%</td>
</tr>
<tr>
<td>March 2005</td>
<td>19.3%</td>
</tr>
<tr>
<td>May 2005</td>
<td>19.9%</td>
</tr>
<tr>
<td>August 2005</td>
<td>20.4%</td>
</tr>
<tr>
<td>December 2005</td>
<td>22.3%</td>
</tr>
</tbody>
</table>

*Excluding NL

Source: Nielsen NetRatings/NetView/SiteConsensus 2004/2005, including distribution partners/third party advertising
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1) Portal & Advertising

2) Telecommunication & Hosting

3) Communities & Communication

4) Shopping & Search
1) Portal & Advertising

- Strengthening of entertainment and “news to use“ together with content & distribution partnerships lead to reach increase to around 22 percent

- Launch of new search engine LYCOS iQ in five countries coming along with good reach numbers (about 25k registered users already / 4th most visited LYCOS Europe product in DE)

- Award winning products: LYCOS iQ awarded with German Innovation Award / LYCOS WiFi Sniffer named „one of the most innovative products of the year“ by Spanish „Actualidad Economica“

- Intended co-operation with „Quaero“ EU project
• Newly developed search leads to differentiation
  - Better search results within the Lycos Europe Search
  - News search experience for users
  - Community approach
  - Int’l launch in Q1 2006 in DE, UK, FR, DK, SWE

• Web 2.0 approach for social networks
  - Social software, open platform

• USP
  - Detailed answers instead of link lists („the human search“)
  - Knowledge and experience are being made searchable, not just information
  - Transfer of Lycos Europe’s core competency “community” to a search product

• Monetization by intelligent linkage with classic Lycos Europe Search
LYCOS iQ in the media:

Google, zieh Dich warm an! (Tomorrow)

Googles Gegner (Stern)

Share the knowledge (web user)

Lycos met en jeu les connaissances des internautes (L´express)

Lycos: Besser suchen mit Web 2.0 (c`t)

Lycos lance un moteur de recherche sur internet sans mots clés (Reuters)

Lycos bietet „menschliche Suchmaschine“ für Internet-Recherche (dpa)

Geschickte Verknüpfungen themenverwandter Fragen, ein Bewertungssystem und spielerische Elemente sollen die Seite zu einer Art eBay des Wissens machen. (Spiegel online)

Spørg Jubii IQ og du kan selv svare (ComOnTV)

Lycos est de retour (NetEconomique)

...
2) Telecommunication & Hosting

- LYCOS eShops now available in DE, UK, SWE, FR and NL
- Extension of affiliate and direct marketing channels
- Successful launch of new top level domain names (Umlaut, .eu sunrise & landrush period) / Renowned int´l domain registry
- Access business especially in Sweden still suffering from high churn rates of narrowband customer base as well as price reductions
LYCOS Europe launches .eu:
- Conversion rate of around 61 percent within first days
- Top selling registry in Germany (25 percent market share*, more than 100,000 domains sold)
- Top3 selling registry in Europe (8 percent market share*)
- High margin business

Still high potential for .eu market:
- Around 1.5 mln .eu domains sold
- Number of .com domains: 50 mln
- Number of .de domains: 10 mln

*Source: Estimate united-domains AG, 2006
3) Communities & Communication

- European launch of „JubiiBlogs“ including audio & video blogging
- Co-operation with Vodafone to launch mobile Lycos Chat in Germany
- White-labelling of T-Online Chat, now powered by Lycos Europe chat (second white-label customer next to Yahoo! Europe)
- Positioning of Lycos Mail as innovator confirmed by integration of RSS technology
- Relaunch of Lycos Dating Services in co-operation with Meetic
White-labelling the LYCOS Chat:

- T-Online „aboard“ since February 06
- Chat solution of Germany´s biggest portal now powered by LYCOS Europe chat
- LYCOS Europe developing new back end solution and expecting further white-label partners
4) Shopping & Search

- „Pangora“ product search stabilized no 2 position in Europe (UK, Germany, France, Italy)
- Development of specialist search applications
- Integration of product ratings (tests, users)
- Relaunch of Lycos shopping portal includes a stronger focus on user generated content such as user opinions, test reports, product rankings
New customers of Pangora white label solution in 2005/06 (selected):

- gelbeseiten.de, kabel.de, welt.de, wams.de, excite.de, idealo.de
- virgin.net, 1-2-buy.co.uk, shopfinder.co.uk, shoppingsight.co.uk
- godado.it, buyboo.it, tuttogratiss.it, newsic.it, sititalia.it
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Financial Highlights 2005

- Two-digit improvement of results mainly driven through sound revenue increase and successful cost optimization in 2005
  - 21 percent increase in revenues to EUR 125.5 mln vs. 2004
  - Net loss sinks by 56 percent to EUR (20.2) mln vs. 2004
  - EBITDA improves by 64 percent to EUR (12.3) mln vs. 2004
  - EBITDA without non-recurring items improves by 77 percent to EUR (6.9) mln

- Fourth quarter 2005 results show significant improvement
  - EBITDA gains 100 percent and breaks even (EUR 0.0 Mio.) vs. Q4/2004
  - Net loss improves by 83 percent to EUR (1.7) mln vs. Q4/2004
  - Total revenues stabilised on last year´s level with EUR 32.2 mln (vs. EUR 33.3 mln in Q4/2004)

- Strong revenue drivers in spite of comprehensive cost optimization measures

- Increase in user base by around 5 million unique users (y-o-y) leads to European reach figure of around 22.3 percent*

- Cash and cash equivalents amount to EUR 105.1 mln on December 31, 2005 / Monthly cash usage reduced by 70 percent to an average of EUR 1.4 mln per month (vs. EUR 4.5 mln in 2004)

- Deployment of cost optimization measures

* Including distribution partners/third party advertising
LYCOS Europe with three strong revenue drivers

2005: Total revenues EUR 125.5 mln

- 32% Advertising
- 32% Paid Services & Shopping
- 36% Interconnect

€ 43,8 mln
€ 40,1 mln
€ 40,3 mln
High boost of revenues in paid services & shopping mainly originated in organic growth

Paid Services & Shopping revenue in million Euro

- 2003*: 18.9
- 2004: 31.1
- 2005: 43.8

* US-GAAP
Online advertising revenues restated barter deals and outsourced ad sales (ES, IT, NL) increases by 8 percent

Online advertising revenues* in million Euro

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue (million Euro)</th>
<th>+8% to 38.1</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>35.2</td>
<td></td>
</tr>
<tr>
<td>2005</td>
<td>38.1</td>
<td></td>
</tr>
</tbody>
</table>

* Restated barter contracts and advertising revenues in Spain, Italy and the Netherlands
Cost Optimization Program - Positive Effects
- Cost optimization program with savings of EUR 30 million per year deployed per December 2005
- Program significantly supports improvement of net loss
- Despite massive cost measures revenue growth realized
Increase of Capital Efficiency

Ratio of accounts receivable to total revenues as well as days sales outstanding significantly reduced

Percentage of accounts receivable (net) to total revenues

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003*</td>
<td>19%</td>
</tr>
<tr>
<td>2004</td>
<td>18%</td>
</tr>
<tr>
<td>2005</td>
<td>11%</td>
</tr>
</tbody>
</table>

Accounts receivable (net) in million Euro:

- 2003*: 16.2 million Euro
- 2004: 19.0 million Euro
- 2005: 17.2 million Euro

Days sales outstanding of accounts receivable

<table>
<thead>
<tr>
<th>Year</th>
<th>Days Sales Outstanding</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003*</td>
<td>93</td>
</tr>
<tr>
<td>2004</td>
<td>89</td>
</tr>
<tr>
<td>2005</td>
<td>63</td>
</tr>
</tbody>
</table>

Deviation days sales outstanding y-o-y in percent:

- 2003*: -29%
- 2004: (4%)
- 2005: (29%)

* US-GAAP
Business Development

Successful Net Loss Development in 2005 in million EUR
53% CANI**

Net loss 2005 improved by 56% vs. prior year, EBITDA improves by 64%

* US-GAAP  ** Compound Average Net loss Improvement full year 2002 - full year 2005
Sustainable improvement of results should lead to breakeven in 2006

**EBITDA (in million Euro)**
- 2002*: (53.9)
- 2003*: (40.5)
- 2004: (34.2)
- 2005: (12.3)

**EBITDAR** (in million Euro)
- 2002*: (42.1)
- 2003*: (37.4)
- 2004: (30.2)
- 2005: (6.9)

**Net loss (in million Euro)**
- 2002*: (179.0)
- 2003*: (56.1)
- 2004: (45.5)
- 2005: (20.2)

* US-GAAP
**EBITDAR = Earnings Before Interest, Taxes, Depreciation and Amortization excluding Restructuring Charges
Share price beats TechAllShare Index by far / >50% growth (52 weeks)

- Share price increases by 64% throughout the year 2005 vs. 19% TecAllShare-Index
- Trading volume in 2005 accumulates to an average of around 430,000 shares per day (vs. around 320,000 shares per day in 2004); Increase in order book turnover (Euro) of 45 percent year-on-year 2005/2004
- Net loss per share improves to EUR (0,06) in 2005 (EUR (0,15) in 2004) (EUR (0,01) in Q4/05 vs. EUR (0,03) in Q4/04)

* (100 percent controlled by Telefonica S.A.)

Quelle: Deutsche Börse AG
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LYCOS Europe in 2006

- Sustainable improvement of results continues to support break even in 2006
- Further growth of white-labeling partners as well as new products expected to continue
- Re-evaluation of Swedish interconnect business including new direct marketing activities
- Ongoing promotion of .eu domain names
- Expansion of third party advertising websites
- Launch of keyword advertising in SWE and expansion of Danish keyword advertising
- Testing of new chat community product
- Integration of new features within LYCOS iQ including tool bar, bookmark import and (white label) distribution
- Continued involvement in European “Quaero” project

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Annual General Meeting 2006

Thank you for your attention!

Amsterdam, May 24, 2006