



2011 RESULTS
January – December 2011

Madrid – February 22nd, 2012

CONTENTS:

1. Financial and operating highlights
2. Profit and loss account
3. Cash flow generation
4. Summary balance sheet
5. Audience share performance

Financial and operating highlights

- **In 2011, Mediaset España recorded a recurring adjusted EBITDA of 192.9 million Euros, reaching a 19.1% margin (+1.2pp versus 2010 pro-forma), also improving the Adjusted Net Profit/Total Net Revenues margin to 14.2%.**

Consolidated results as of 31 December 2011, include:

1. Company results have been affected by the economic situation which has impacted on consumption and on the advertising market in Spain. As a result of the weak macroeconomic situation, TV advertising spend in 2011 fell by -9.5% compared to 2010, Mediaset España being the TV market leader, with a share of 43.6% in 2011, according to Publiespaña's internal figures.

Total Net Revenues as of 31 December 2011, reached €1,009.33 million. The Gross Advertising Revenues of Mediaset España's two Multiplex amount to €971.46 million and the advertising Revenues of Other Media totalled €34.86 million. Total gross advertising revenues amount to €1,006.31 million. Finally, the "Other Revenues" amount to €61.87 million.

2. **Total Recurring Operating Costs** of Mediaset España reached €824.12 million in 2011, representing costs savings of €145.32 million (-15.0%) versus 2010 pro-forma. This decrease is mainly due to the lack of sport events (World Cup in 2010), to lower programming costs and fewer costs of sales related to less cinema exploitation. Also during 2011 the Group effectively achieved costs synergies generated from the integration of Cuatro.

Despite the impact of a reduced advertising spending in 2011, Mediaset España has managed to improve operating margins, thanks to the Group's ability and flexibility to adapt the business operations and to adjust costs to the advertising market situation.

On a percentage basis, Mediaset España has increased its recurring operating margin, thanks to the cost savings and cost synergies obtained during 2011, following the acquisition of Cuatro. The **Recurring Adjusted EBITDA**¹ margin reached 19.1%, +1.2pp ahead of the 17.9% pro-forma of 2010. This result continues to place Mediaset España among the most profitable commercial TV companies.

¹ EBITDA post-rights amortisation, excluding one-off costs

3. **Net profit**, after tax, as of December 31st, 2011, reached €110.52 million representing a Total Net Income margin of 10.9% which is an improvement on the pro-forma figure of 2010, an increase of €43.88 million compared with 2010 pro-forma. If we isolate the accounting impact (after taxes) of the amortisation of intangibles and reclassifications of investments, then the adjusted result would improve reaching €143.45 million of net adjusted profit, with a margin of 14.2% over Net Revenues.

4. **Free cash flow** in 2011 was €117.79 million with an Adjusted Net Profit conversion rate into Free Cash of 11.7%. This result includes the payment of the commercial liabilities related to Cuatro existing at the time of the acquisition and deducted from the purchase price, as well as the indemnity payments made in the period.

5. **The net financial position** as of December 31st, 2011 was positive €26.45 million. The distribution of the 2010 dividend, paid on May 4th 2011, for a total amount of €140.16 million, has been deducted.

6. The average **audience share** of Mediaset España in 2011 total-individuals (total day), reaches 26.4%, with a +9.3pp lead on Antena3 Group (17.1%). The audience share total-individuals (total day) of the main channel, Telecinco, was 14.2%. This figure confirms Telecinco as the first commercial television network 2.7 ahead of Antena3 (11.5%).
 In "Commercial Target²" (total day), Mediaset España's audience share was 28.6%, 10.4pp ahead of Antena3 Group (18.2%). The Telecinco channel audience share reaches 14.1%, 2.3pp ahead of Antena3 channel (11.8%).
 The average audience share of Cuatro reached 6.1% total-individuals (total day) and 7.6% in commercial target, compared to 5.7% and 7.0% respectively of its main competitor La Sexta.
 As per the audience of second generation channels, FACTORIA DE FICCION, LA SIETE, BOING and DIVINITY the trend in the audience share continues to set records, the sum of the channels has reached 6.1% in 2011, in total day, total-individuals and 7.0% in total day, commercial target.

Mediaset España consolidates its leadership in 2011 amongst the commercial channels.

² Commercial target: Audience group comprising individuals from 16 to 59 living in communities of over 10,000 inhabitants and across medium and upper social classes

1. Profit and loss account

Table 1: Consolidated Profit and Loss Account

Millions of €	2011	Proforma 2010	% change	Reported 2010
TOTAL NET REVENUES	1,009,33	1,171,95	(13,9%)	855,06
Rights Amortisation	(227,68)	(223,26)	2,0%	(144,52)
Personnel	(103,92)	(125,57)	(17,2%)	(89,88)
Other operating costs	(484,86)	(613,81)	(21,0%)	(389,94)
Recurring Adjusted EBITDA	192,88	209,31	(7,9%)	230,71
Non recurring costs	(12,69)	(2,64)	-	(2,64)
Adjusted EBITDA	180,19	206,67	(12,8%)	228,07
Other amortisations, provisions	(7,66)	(6,80)	12,6%	(8,63)
Amortisation PPA	(8,00)	0,00	-	-
EBIT	164,53	199,86	(17,7%)	219,44
Equity Cons. Results and Depr. Fin. Assets	(18,38)	(186,00)	-	(186,00)
Financial results	4,99	2,56	-	3,06
Pre-tax profits	151,13	16,43	820,1%	36,50
Income taxes	(38,48)	16,19	-	0,02
Minority interests	(2,13)	34,02	-	34,02
Net profit	110,52	66,64	65,8%	70,55
Adjusted Net profit	143,45	160,46	(10,6%)	164,36

The Adjusted Net Profit in 2011 amounted to €143.45 million, a 14.2% margin over Net Revenues, improving the margin pro-forma of 2010.

The €32.93 million difference between the Net Profit and the adjusted Net Profit is due to the impact of the amortisation of intangibles in Cuatro and Digital+, as a result of the final allocation of the purchase price to the Balance Sheet of the respective companies, which is known as "Purchase Price Allocation" (PPP). As well as the reclassification of investments in companies, integrated by the equity method, to non-current financial assets available for sale, due to the significant loss of influence in Endemol.

2.1. Revenues

Table 2: Revenues

	2011	Proforma 2010	% change	Reported 2010
Gross advertising revenues	1.006,31	1.156,58	(13,0%)	834,89
- <i>Multiplex</i>	971,46	1.097,15	(11,5%)	791,81
- <i>Others</i>	34,86	59,44	(41,4%)	43,08
Discounts	(58,85)	(59,63)	(1,3%)	(40,33)
Net advertising revenues	947,46	1.096,95	(13,6%)	794,56
Other revenues	61,87	75,00	(17,5%)	60,50
TOTAL NET REVENUES	1.009,33	1.171,95	(13,9%)	855,06

Gross advertising revenues as of December 31st, 2011 reached €1,006.31 million.

Multiplex Mediaset España's Gross advertising revenues, which include advertising revenues from TELECINCO, CUATRO, FACTORIA DE FICCION, LA SIETE, BOING and DIVINITY, reached €971.46 million.

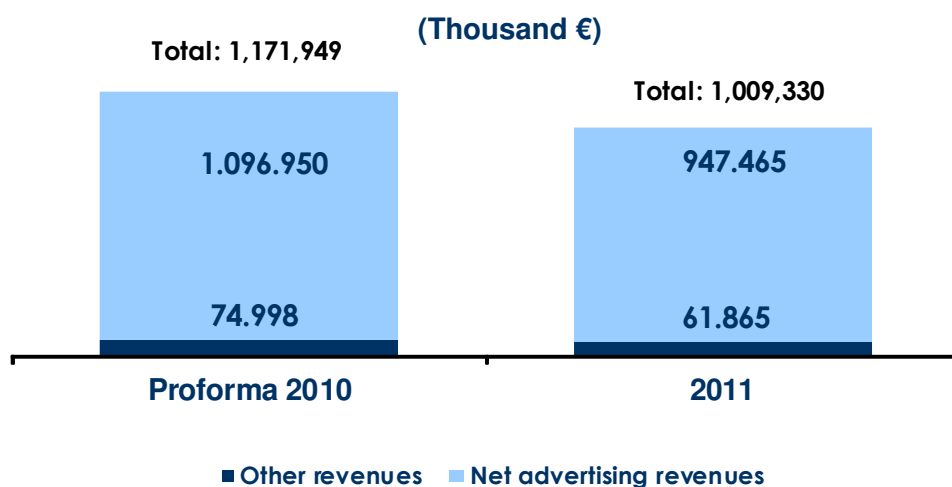
The **Other advertising revenues** reached €34.86 million. This figure includes advertising revenues from other platforms such as the thematic channels, Internet and teletext and pay-TV (Digital+). The difference with 2010 pro-forma is mainly explained by the exclusion of external channels in 2011, in compliance with the limitations agreed with the antitrust authority following the acquisition of Cuatro.

Net advertising revenues after commissions reached €947.46 million.

"**Other revenues**", which mainly include the sale of coproduction film rights, merchandising rights, SMS, Call TV and audiotex services amounted to €61.87 million, lower versus the amount reached last year, mainly due to less cinema exploitation during 2011 (in 2010 there were significant revenues from the sale of film rights for "Agora", "Celda 211" and "Spanish Movie") and a reduction of Call TV, SMS and Merchandising revenues. This decline is mainly explained by the condition of the Spanish economy, which has produced a reduction in the consumption of these products.

Finally, **Total Net Revenues** amounted to €1,009.33 million.

Total Net Revenues, Advertising and Others Revenues



2.2. Operating costs

Total operating costs, as of December 31st 2011 amounted to €844.80 million, which is a decrease of €127.28 million (-13.1%) when compared to last year pro-forma. This decrease is mainly due to lower programming costs, arising from both the adjustment of the business model to advertising market reality (achieving significant programming savings) and the easy comparison with 2010 (cost of the World Cup). Also in 2011 there were lesser costs of sales related to less cinema exploitation and the Group has effectively achieved costs synergies arising from the integration of Cuatro.

Recurring operating costs have fallen, in 2011 by €145.32 million (-15.0%); these costs exclude, the impact of non-recurring restructuring costs (€12.69 million), the PPA amortisation (€8.00 million) relating to 2011, as well as the impact of the reversal of a provision in 2010 (€2.64 million). This large cost reduction demonstrates the potential of the new group and the ability to manage costs to protect margins, within an uncertain economic environment.

Table 3: Operating costs

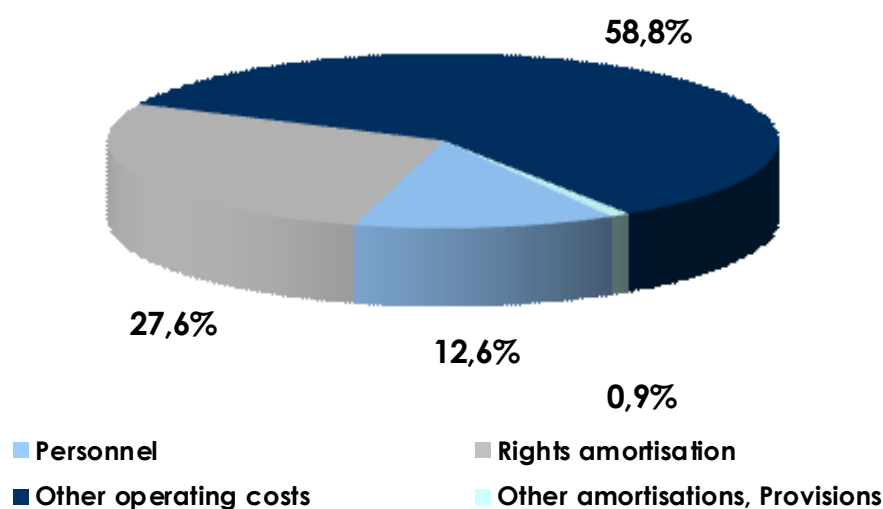
Millions of €	2011	Proforma 2010	% change	Reported 2010
Personnel costs	103,92	125,57	(17,2%)	89,88
Rights amortisation	227,68	223,26	2,0%	144,52
Other operating costs	484,86	613,81	(21,0%)	389,94
Other amortisation and provisions	7,66	6,80	12,6%	8,63
<u>Total recurring costs</u>	824,12	969,44	(15,0%)	632,98
Non recurrings costs	12,69	2,64	-	2,64
Amortisation PPA	8,00	-	-	-
TOTAL OPERATING COSTS	844,80	972,08	(13,1%)	635,62

The Group's in-house production continues to dominate the network's programming in terms of broadcasting hours. In 2011, 90.6% of broadcasted programmes on the main channel (Telecinco) were produced in-house and the remaining 9.4% were external productions (compared with an 88.0% and 12.0% in 2010).

The proportion of the Cuatro channel is 56.3% of in-house and 43.7% of third parties.

As per the second generation channels, LA SIETE, 92.9% of production is in-house and 7.1% third parties rights, FACTORIA DE FICCION has a proportion of 46.7% of in-house versus 53.3% of third parties and BOING and DIVINITY are mainly third party rights.

Operating Costs



2.3 Operating profit and margins

Recurring Adjusted EBITDA reached €192.88 million, representing a 19.1% margin over revenues, +1.2pp ahead of the 17.9% pro-forma in 2010.

Net operating profit (EBIT) reached €164.53 million with a margin of 16.3% over revenues. For a consistent comparison with the previous year results, if we isolate the impact of non-recurring costs and PPA amortization, **recurring EBIT** reaches €185.22 million, improving the margin up to 18.4% versus 17.3% of 2010 pro-forma.

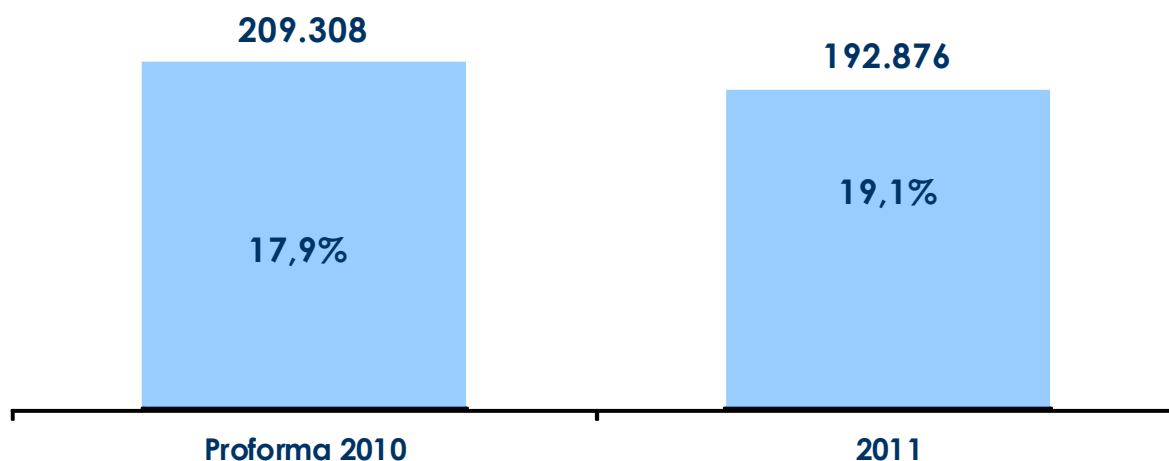
Despite a sharp contraction in the Group's turnover, due to the drop of the advertising market and the weak economic environment in Spain, Mediaset España has efficiently managed costs, almost entirely offsetting the negative effects and improving most of the operating margins on a percentage basis.

Table 4: Margins

	2011	Proforma 2010	% change	Reported 2010
<i>Millions of €</i>				
Total net revenues	1.009,33	1.171,95	(13,9%)	855,06
Recurring Adjusted EBITDA	192,88	209,31	(7,9%)	230,71
Adjusted EBITDA	180,19	206,67	(12,8%)	228,07
EBIT	164,53	199,86	(17,7%)	219,44
Net profit	110,52	66,64	65,8%	70,55
Ajusted Net profit	143,45	160,46	(10,6%)	164,36
Rec. Adj.EBITDA / Total net revenues	19,1%	17,9%		27,0%
Adj.EBITDA / Total net revenues	17,9%	17,6%		26,7%
EBIT/ Total net revenues	16,3%	17,1%		25,7%
Net profit / Total net revenues	10,9%	5,7%		8,3%
Adj. Net Profit / Total Net Revenues	14,2%	13,7%		19,2%

On a percentage basis, operating margins (**Recurring Adj.EBITDA and EBIT**) are, 19.1% and 16.3% respectively, demonstrating the efficiency of the business model in terms of capability to sustain margins in a weak market environment, as well as the management's ability to control costs, which allows the company to partially absorb the impact of most of the decline in advertising spending.

EBITDA Adjusted Rec. (Thousand €)
EBITDA Adj. Rec. / Total Net Revenues (%)



2.4. Financial result and equity consolidated companies

Financial income totalled €4.99 million.

On the other hand, the result from the **equity consolidated companies**³ amounted to a negative €18.38 million.

2.5. Profit for the period January – December 2011

Pre-tax profit during 2011 reached €151.13.

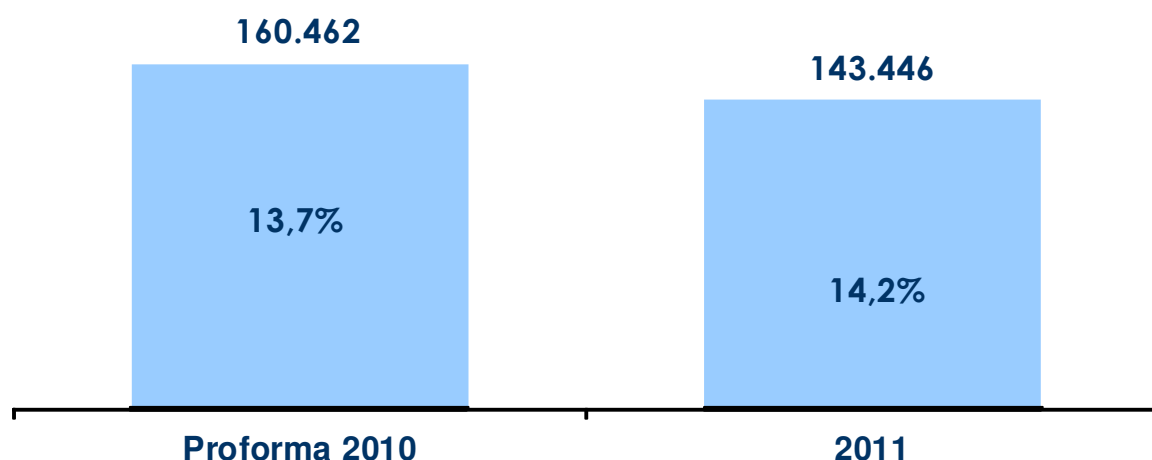
After recording €38.48 million for the corporate income tax expense, **net profit after minority interests** amounted to €110.52 million (a margin of 10.9% over total net revenues).

In similar conditions to 2010, **adjusted net income** amounted to €143.45 million, excluding the net impact of the amortisation of intangibles arising from the purchase price allocation of Cuatro and Digital+ and the investment reclassification in companies, integrated by the equity method, to non-current financial assets,.

This represents an adjusted net income margin of 14.2% of total net income.

³ Companies consolidated by the equity method are: Pegaso Television Inc. (43.7%), DTS Distribuidora de Televisión Digital, S.A. (22%), Big Bang Media S.L. (30% shareholding), Producciones Mandarina S.L. (30% shareholding), La Fábrica de la Tele S.L. (30% shareholding), Aprox Imagen S.L. (3% shareholding), Edam Acquisition Holding Coöp (33% shareholding).

Adjusted Net Profit (Thousand €)
Adjusted Net Profit / Total Net Revenues (%)



2. Cash flow generation

The **Operating Free Cash Flow** in 2011 amounts to €117.79 million.

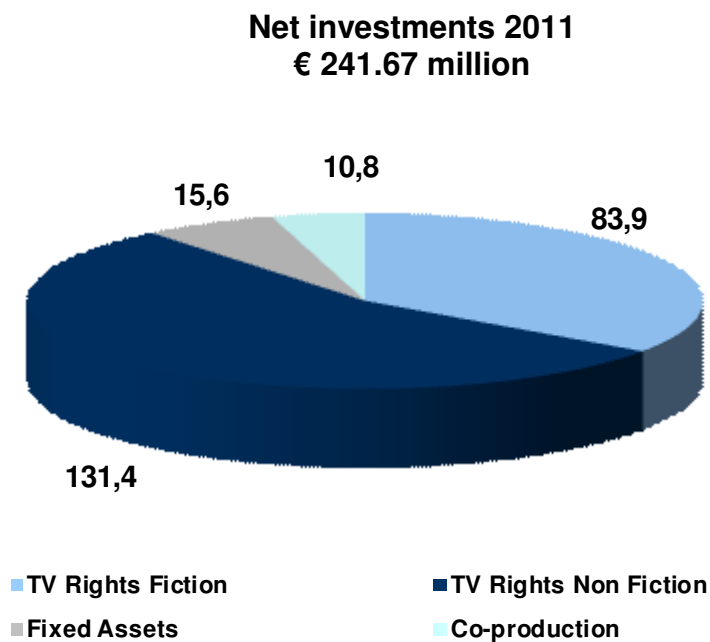
Note that the Cash Flow data from 2010 is not pro-forma, so it does not include the Sogecuatro and its participated companies' figures prior to its acquisition by the Group.

Table 5: Cash Flow

Millions of €	2011	Reported 2010
Net profit (without minority interests)	112,65	36,52
Amortisation:	242,54	152,49
- Rights	227,68	144,52
- Other	14,86	7,97
Provisions	0,80	0,66
Other	21,61	200,88
OPERATING CASH FLOW	377,60	390,55
Investment in rights	(226,11)	(144,91)
Investments, other	(15,56)	(10,08)
Change in working capital	(18,14)	(34,45)
OPERATING FREE CASH FLOW	117,79	201,11
Change in Equity	46,83	1.075,92
Financial investments	28,11	(1.101,64)
Dividends received	1,94	1,02
Dividend payments	(140,16)	(48,44)
Net Cash Change	54,50	127,96
INITIAL FINANCIAL POSITION	(28,05)	(156,01)
FINAL FINANCIAL POSITION	26,45	(28,05)

Total net investment reached €241.67 million in 2011.

During 2011 the investment in third party rights amounted to €131.41 million, in Spanish fiction €83.91 million and in co-productions €10.79 million while investments in tangible and intangible fixed assets were €15.56 million.



3. Balance Sheet

Table 6: Summary Balance Sheet

	2011	2010
<i>Millions of €</i>		
Tangible assets	1.123,08	1.149,78
- Financial	825,91	1.094,89
- Non Financial	297,18	54,88
Audiovisual rights and Pre-payments	260,96	264,86
- Third parties	186,50	190,36
- Fiction	29,34	32,12
- Co-production / Distribution	45,11	42,38
Pre-paid taxes	158,13	154,05
TOTAL NON-CURRENT ASSETS	1.542,17	1.568,69
Current assets	302,89	295,83
Financial investments and cash	114,36	116,39
TOTAL CURRENT ASSETS	417,25	412,22
TOTAL ASSETS	1.959,42	1.980,91
Shareholders` equity	1.425,84	1.376,10
Non-current provisions	29,31	31,98
Non-current payables	5,49	0,75
Non-current financial liabilities	0,09	73,10
TOTAL NON-CURRENT LIABILITIES	34,89	105,83
Current payables	410,87	427,63
Current financial liabilities	87,82	71,34
TOTAL CURRENT LIABILITIES	498,69	498,97
TOTAL LIABILITIES	1.959,42	1.980,91

Tangible Assets include the allocation of the implicit goodwill related to the acquisition of Cuatro to identified intangible assets (brand and license).

The evolution of the **library** shows adaptability within the different categories and is in line with the business' strategy, no significant changes during the year.

Non- current financial liabilities include the equity swap of the loan with Mediaset Investimenti SRLA.

The **Net financial position** reached at the end of December 2011 was €26.45 million, after the distribution of the dividend, which was €140.16 million and made on May 4th 2011 from the available reserves.

4. Audience share performance

Table 7: January-December average audience share for Mediaset España

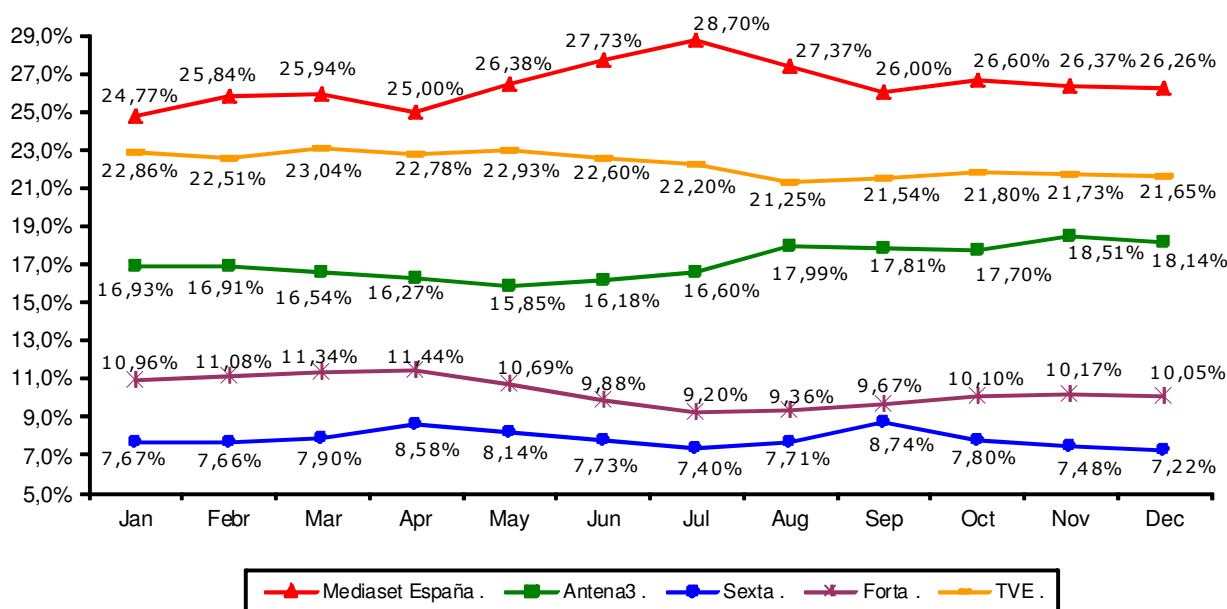
2011

Total Individuals	Total Day	26,4%
	PRIME TIME	24,7%
	DAY TIME	27,2%
Commercial Target	Total Day	28,6%
	PRIME TIME	26,4%
	DAY TIME	29,7%

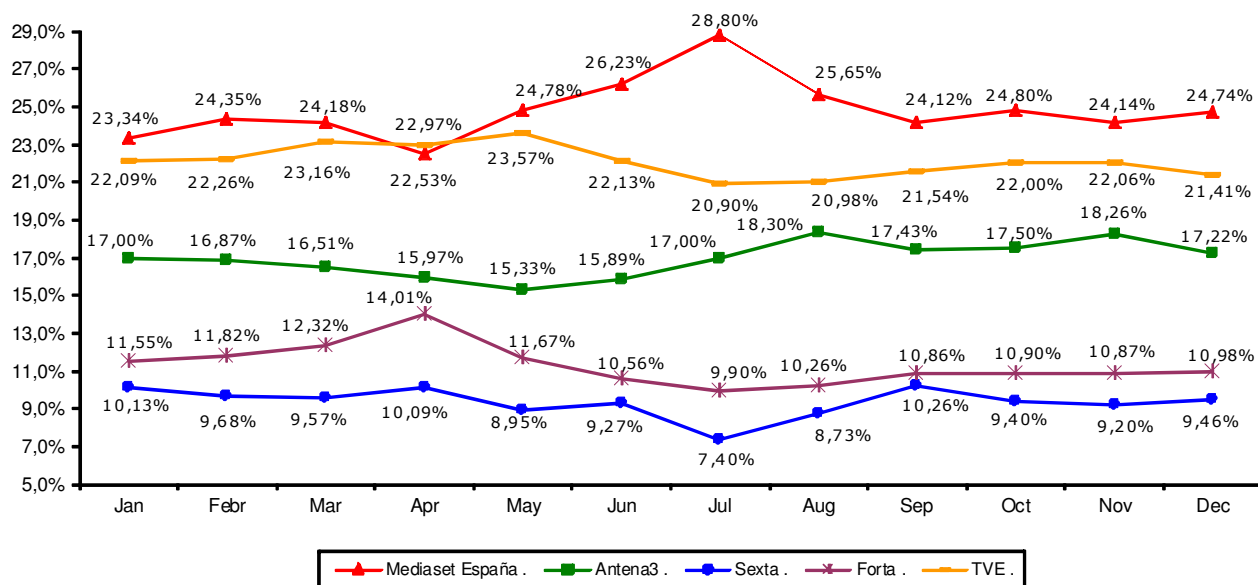
The Group audience share in 2011 consolidates Mediaset España as the leader of TVs in Spain. The audience share in total-individuals (total day) for the period, reached 26.4%, 9.3 points ahead of Antena3 Group (17.1%).

Concerning the audience share in commercial target (total day), Mediaset España reached 28.6%, which represents an average 10.4 points ahead of Antena3 Group (18.2%).

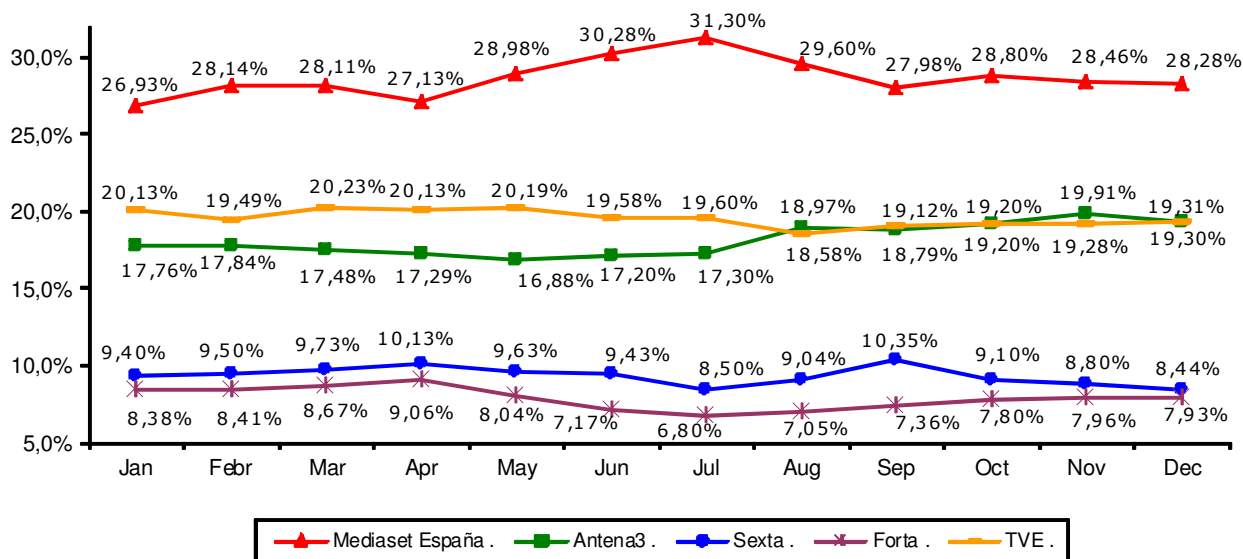
Audience Share, 24 Hours, Total Individuals (in %) per Group



Audience Share, Prime Time, Total Individuals (in %) per Group



Audience Share, 24 Hours, Commercial Target (in %) per Group



Audience Share, Prime Time, Commercial Target (in %) per Group

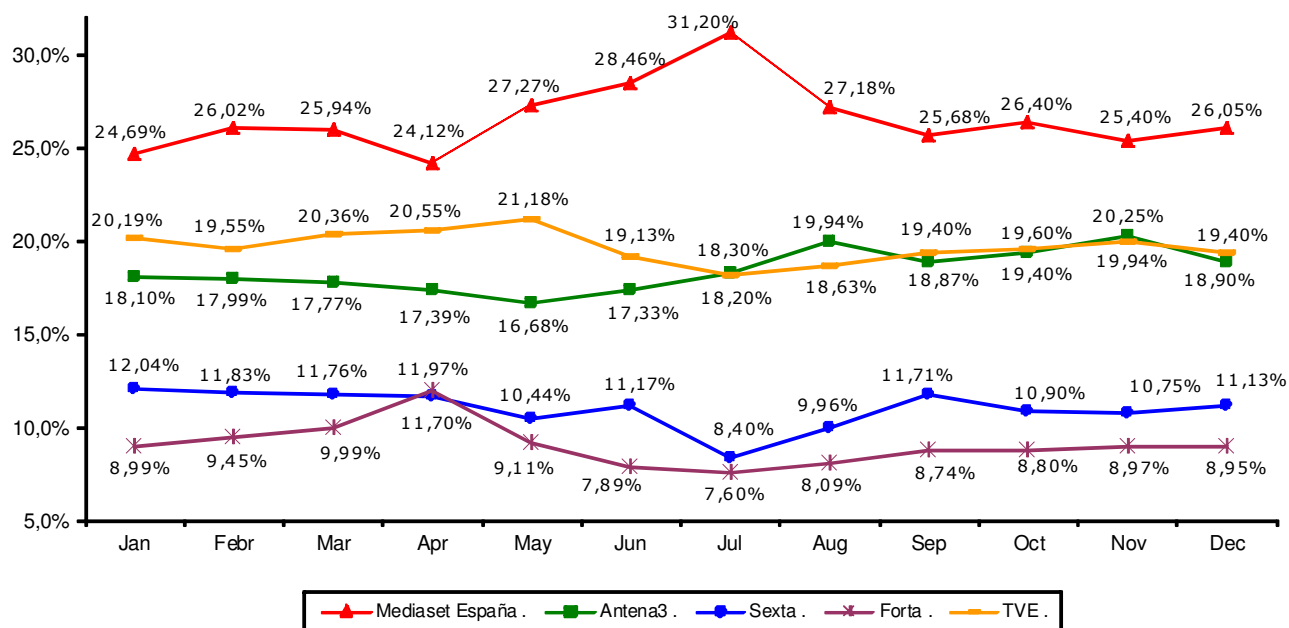


Table 8: January-December average audience share for Telecinco

2011

Total Individuals

Total Day	14,2%
PRIME TIME	13,2%
DAY TIME	14,7%

Commercial Target

Total Day	14,1%
PRIME TIME	12,8%
DAY TIME	14,7%

At the end of 2011, Telecinco channel reached 14.2% average audience share in total-individuals (total day), placing Telecinco as the leading commercial network 2.7 points ahead of Antena3 (11.5%).

Regarding the audience share in commercial target (total day), Telecinco (14.1%) is an average of 2.3 points ahead of Antena3 (11.8%).

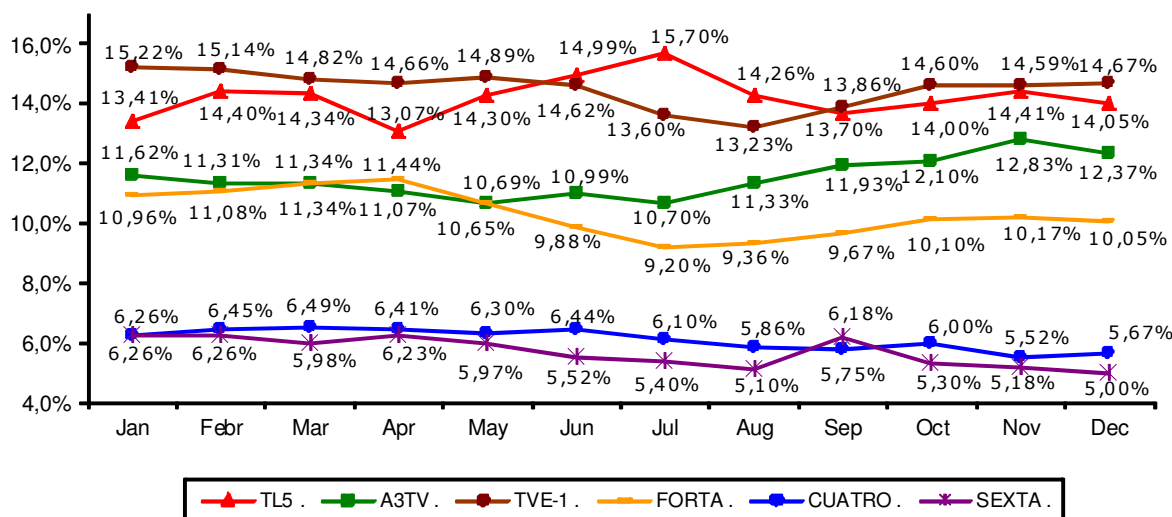
Cuatro reaches an audience share of 6.1% total-individuals (total day) and 7.6% in commercial target, 0.4 points and 0.6 points respectively ahead of its main competitor La Sexta.

Telecinco continues to lead in prime time⁴ total-individuals with an average of 13.2% in the period, 1.9 points ahead of Antena3 (11.3%).

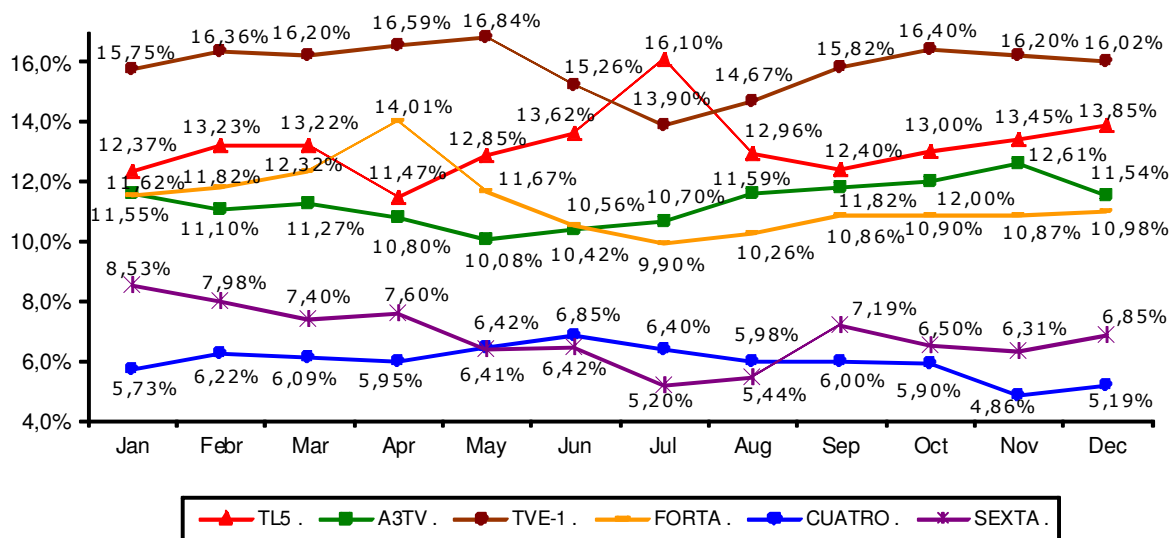
⁴ Prime time: Time slot with the highest television consumption of the day, from 20:30 to 24:00.

With regards to the commercial target audience share for 24 hours, prime time, and day time, Telecinco maintains the lead in 2011, increasing the distance from its main competitors.

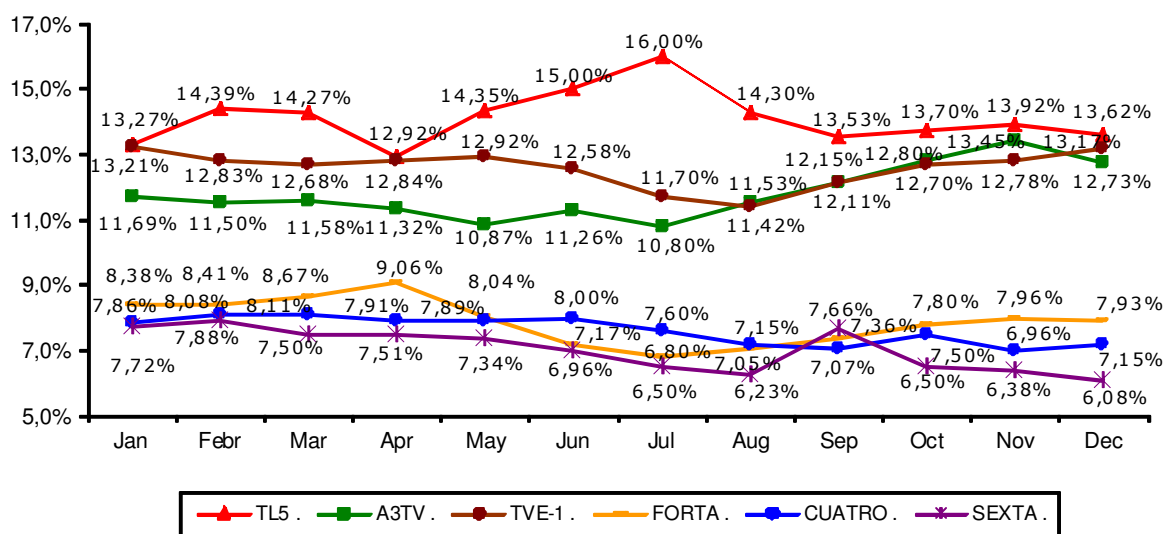
Audience Share, 24 Hours, Total Individuals (in %)



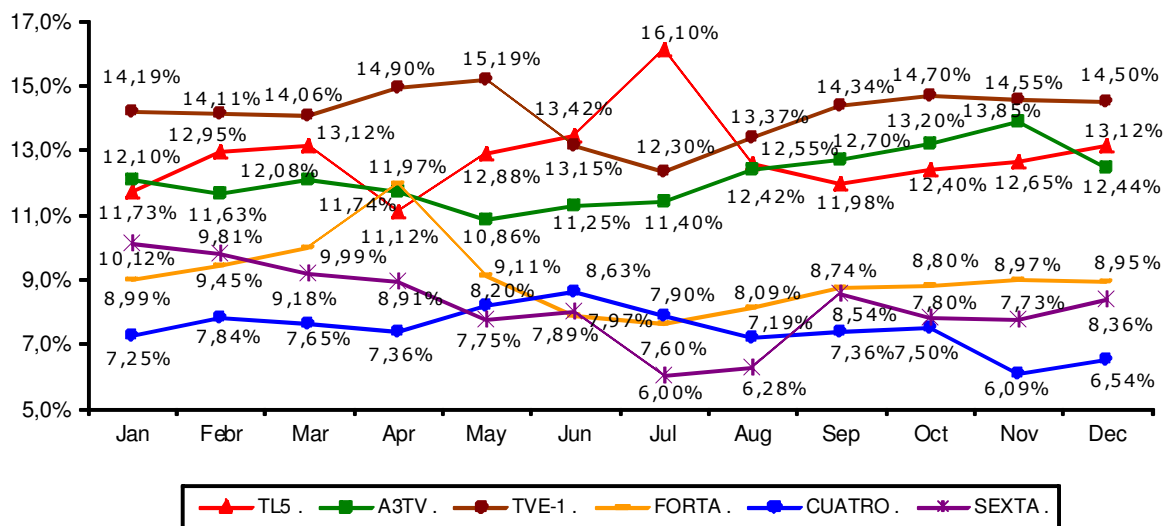
Audience Share, Prime Time, Total Individuals (in %)



Audience Share, 24 Hours, Commercial Target (in %)



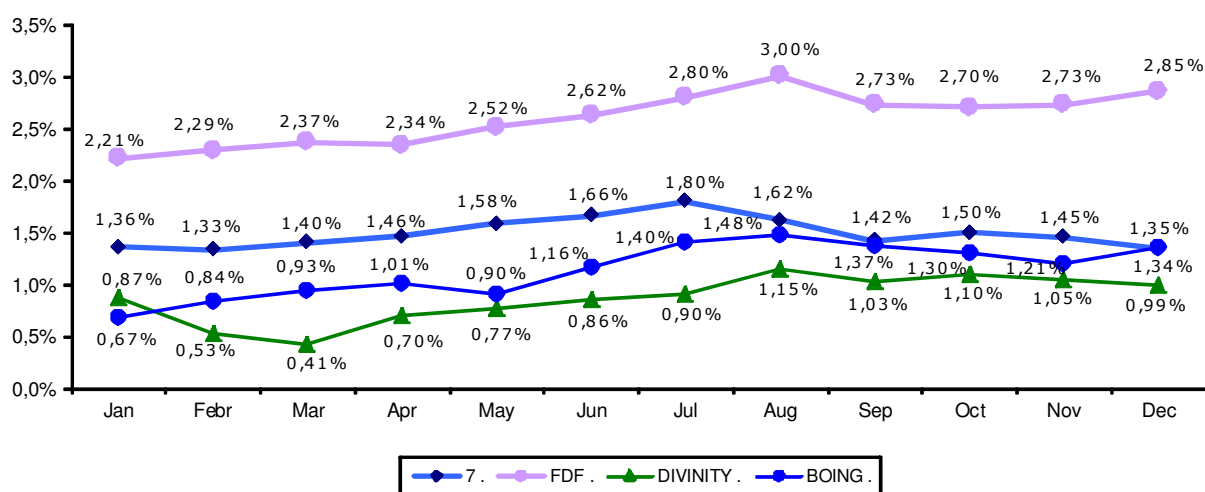
Audience Share, Prime Time, Commercial Target (in %)



In 2011, Mediaset España continues with the consolidation of the Group's channels FACTORIA DE FICCION, LA SIETE, BOING and DIVINITY, following the multi-channel strategy, and is focused on developing the personality of each channel, by gender or by product.

In 2011, FACTORIA DE FICCION has reached a total audience share in total day of 2.6%, LA SIETE a share of 1.5%, BOING 1.1% and DIVINITY 0.8%, contributing 6.1% to the group's audience share.

Audience Share, 24 hours, DTV %



Audience Share, Prime Time, DTV %

