





Annual Report | **2008**

Annual Report on Activities, Governance and Corporate Social Responsibility



01.

RELEVANT DATA



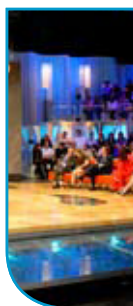
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LETTERS FROM THE
CHAIRMAN AND THE
CHIEF EXECUTIVE
OFFICERS



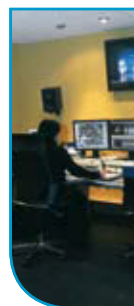
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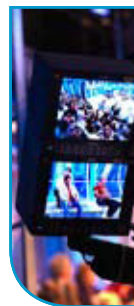
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BUSINESS
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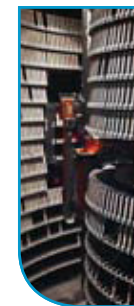
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CORPORATE GOVERNANCE

List of Directors of Gestevisión Telecinco, S.A.

Mr. ALEJANDRO ECHEVARRÍA, Chairman

Mr. PAOLO VASILE, CEO

Mr. GIUSEPPE TRINGALI, CEO

Mr. PIER SILVIO BERLUSCONI, Member

Mr. MARCO GIORDANI, Member

Mr. ALFREDO MESSINA, Member

Mr. GIULIANO ADREANI, Member

Mr. FEDELE CONFALONIERI, Member

Mr. MASSIMO MUSOLINO, Member

Mr. MIGUEL IRABURU, Member

Mr. ÁNGEL DURÁNDEZ, Member

Mr. BORJA PRADO, Member

Mr. JOSÉ RAMÓN ÁLVAREZ-RENDUELES, Member

Composition of the Executive Committee

Mr. ALEJANDRO ECHEVARRÍA, Chairman

Mr. PAOLO VASILE, Member

Mr. GIUSEPPE TRINGALI, Member

Mr. FEDELE CONFALONIERI, Member

Mr. GIULIANO ADREANI, Member

Mr. BORJA PRADO, Member

Mr. JOSÉ RAMÓN ÁLVAREZ-RENDUELES, Member



CORPORATE GOVERNANCE

Management Team

GESTEVISIÓN TELECINCO

Mr. PAOLO VASILE
Chief Executive Officer Television

Mr. GIUSEPPE TRINGALI
Chief Executive Officer Advertising

Mr. MASSIMO MUSOLINO
Management & Operations Director

Mr. MANUEL VILLANUEVA
Director of Content

Mr. MARIO RODRÍGUEZ
Secretary General

Ms. MIRTA DRAGO
Head of Communications & External Relations

Mr. GHISLAIN BARROIS
Head of Films and Rights Acquisition

Ms. PATRICIA MARCO
Head of Telecinco Television and DTT

Mr. LEONARDO BALTANÁS
Head of Content Production

Mr. JESÚS M^a BAUTISTA
Head of New Business

Mr. PEDRO PIQUERAS
General Director of News Programming

Mr. LUIS EXPÓSITO
Head of Human Resources and Services

Mr. EUGENIO FERNÁNDEZ
IT Manager

Mr. JAVIER URÍA
Financial Manager

Mr. ÁLVARO AUGUSTÍN
General Director of Telecinco Cinema

Mr. MANUEL SÁNCHEZ-BALLESTEROS
General Director of Telecinco Cinema

Mr. LUCA GIAMMATTEO
Head of Investor Relations Department

Mr. DÁMASO QUINTANA
Deputy Director General of Management and Operations

PUBLIESPAÑA

Mr. GIUSEPPE SILVESTRONI
General Manager Sales

Mr. FRANCISCO ALUM
General Manager Marketing and Sales

Mr. SALVATORE CHIRIATTI
General Director Publimedia Gestión

Mr. ÓSCAR GONZÁLEZ
Sales Manager

Mr. JOSÉ LUIS VILLA ALEGRE
Sales Manager

Mr. MIGUEL ÁNGEL JIMÉNEZ
Director of Special Initiatives

Mr. LÁZARO GARCÍA
Corporate Marketing Manager

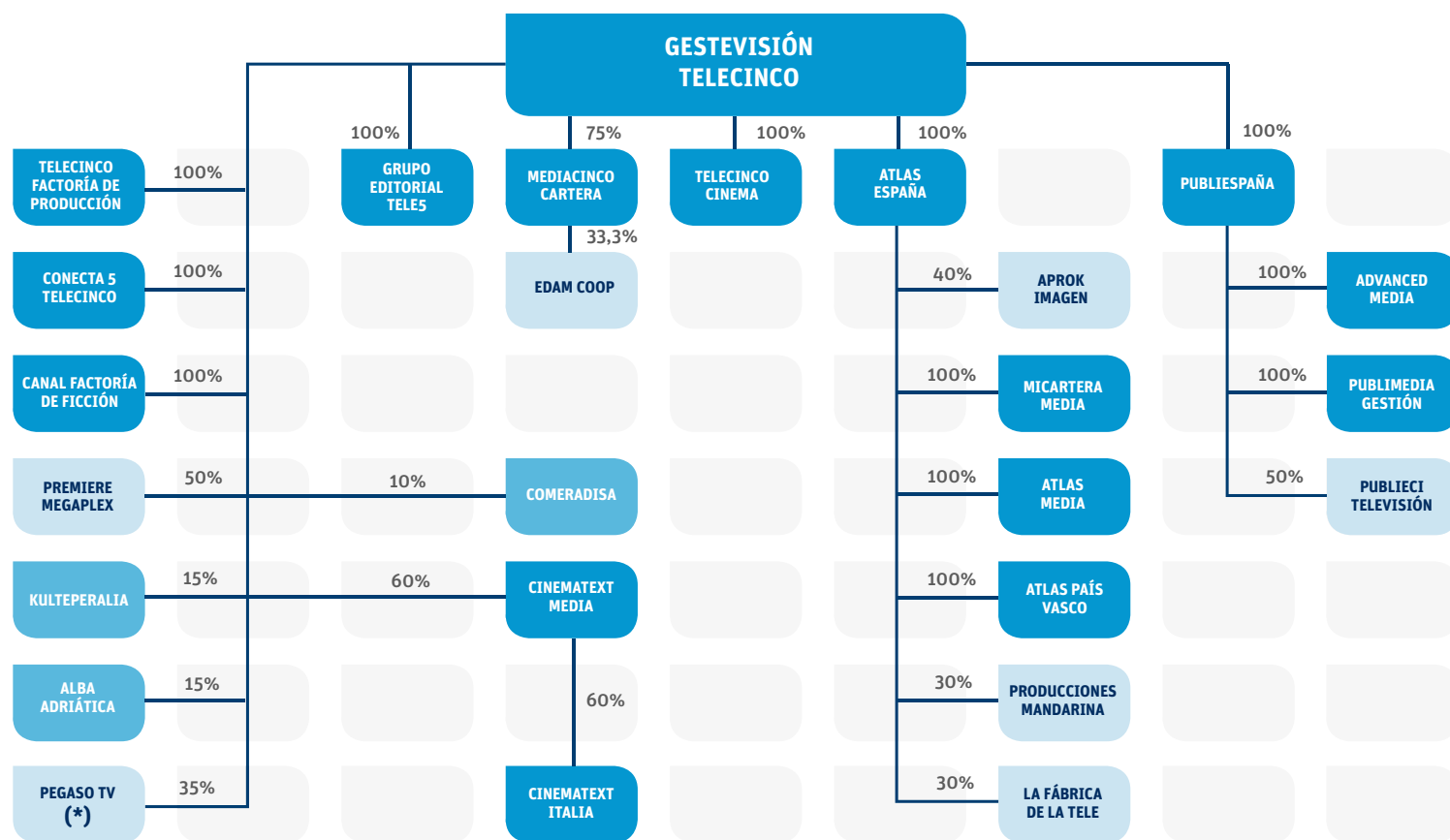
Ms. CRISTINA PANIZZA
Sales Operations and Services Manager

Mr. JULIO MADRID
Media Centre Manager

Mr. GASPAR MAYOR
Sales Manager Publimedia Gestión

STRUCTURE

TELECINCO - SCOPE OF CONSOLIDATION



Consolidated using line-by-line consolidation

Other equity holdings

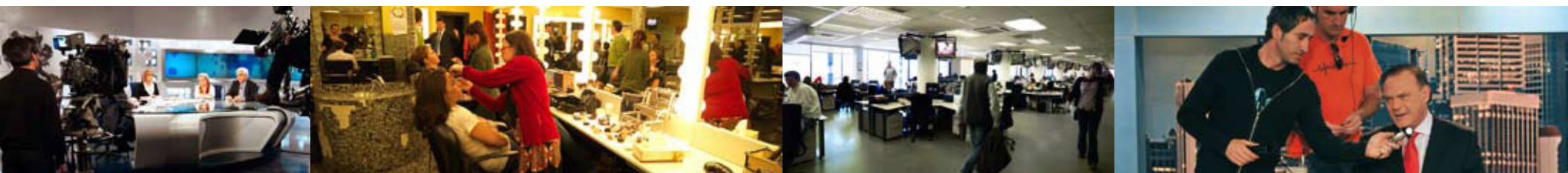
Consolidated using cost method

(*) Joined the Group on 1/3/2008



HUMAN RESOURCES

	2007	2008
Average workforce (number of employees)	1,195	1,184
Average age (years)	38.14	38.86
Average time with the Group (years)	10.37	10.79
Percentage of female workers	45.3	45.9
Percentage of permanent employees	97.07	98.23





REVENUES

TOTAL NET INCOME (in millions of euros)

2006	997.5
2007	1,081.65
2008	981.85

OPERATING COSTS (in millions of euros)

2006	557.9
2007	596.39
2008	594.95

OPERATING INCOME -EBITDA (in millions of euros)

	2006	2007	2008
EBITDA	445.3	490.6	394.8
EBITDA/Net Income	44.60%	45.4%	40.2%

NET PROFIT (in millions of euros)

	2006	2007	2008
Net Profit	314.2	353.1	211.3
Net Profit/Net Income	31.5%	32.6%	21.5%

FREE CASH FLOW (in millions of euros)

	2006	2007	2008
Free Cash Flow	336.2	366.8	315.1
Free Cash Flow /Net Income	33.7%	33.9%	32.1%

DIVIDENDS & PAY-OUT (in millions of euros)

	2006	2007	2008
Dividends paid*	314.2	317.6	210.3
Pay-Out Ratio	100%	90%	100%

(*): 2008 still pending disbursement



REVENUES

NET FINANCIAL POSITION (in millions of euros)	
2006	396.1
2007	13.15
2008	-25.85

INVESTMENT (in millions of euros)	2006	2007	2008
Investment in 3rd-Party Productions	48.1	48.8	46.5
Investment in Fiction Production	72.5	99.5	101.6
Investment in Coproductions	14.5	25.5	38.7
Technical investments	9.9	11.5	9.0
Total Investment	145.0	185.3	195.8



AUDIENCE

Gestevisión Telecinco is the leading Spanish television network for the fifth consecutive year with an average daily share of 18.1%. These results allow Telecinco to reinforce the leadership position it has enjoyed over the last 2 1/2 years.

Average daily share in 2008 (%)

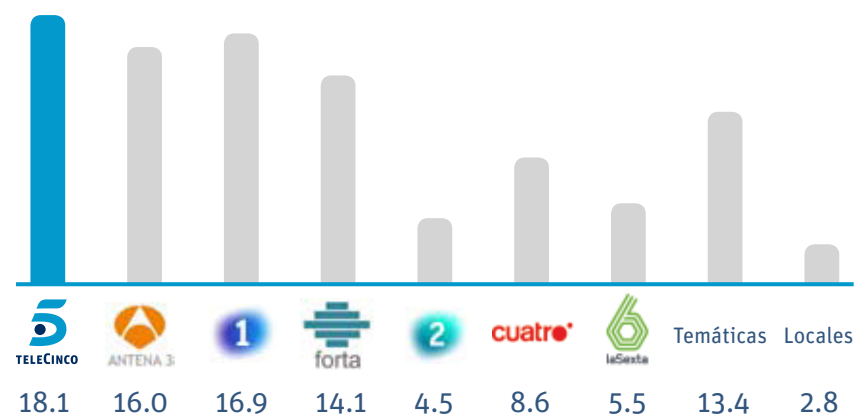
	 TELECINCO	 ANTENA 3	 1	 for3	 2	 cuatro	 laSexta	Temáticas	Locales
FULL DAY	18.1	16.0	16.9	14.1	4.5	8.6	5.5	13.4	2.8
MORNING	15.8	17.3	16.9	12.9	5.2	7.7	4.2	17.2	2.8
AFTERNOON	15.5	17.8	19.1	16.1	5.1	7.5	6.3	10.4	2.2
EVENING	18.0	14.7	18.2	14.0	4.7	7.4	5.6	14.5	2.9
PRIME TIME	20.0	15.2	16.2	14.4	3.8	9.5	5.5	12.7	2.8
LATENIGHT	22.5	17.3	12.2	10.9	3.6	10.7	6.1	13.0	3.8
DAY TIME	17.2	16.4	17.3	13.9	4.8	8.2	5.6	13.7	2.9

Source: SOFRES



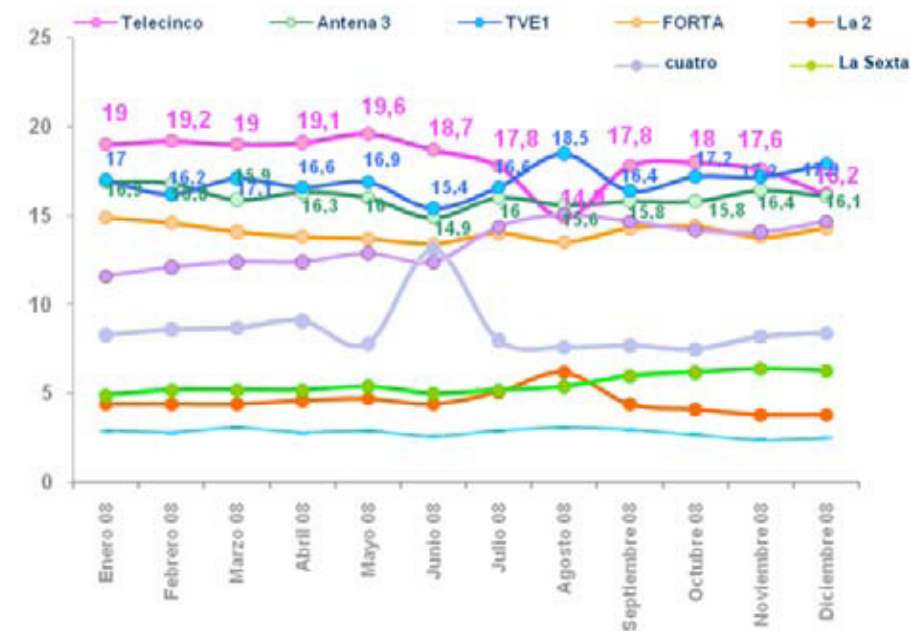
AUDIENCE

AVERAGE DAILY SHARE IN 2008 (%)



Source: SOFRES

AVERAGE DAILY SHARE IN 2008 BY DAYPART (%)

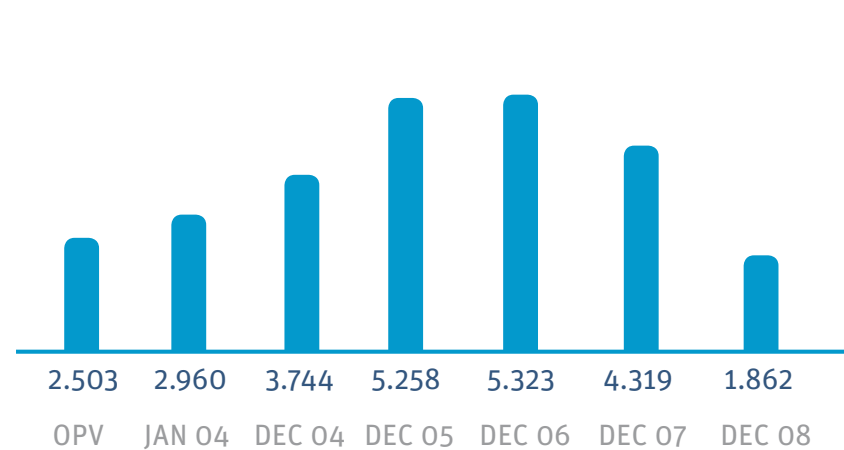


Source: SOFRES

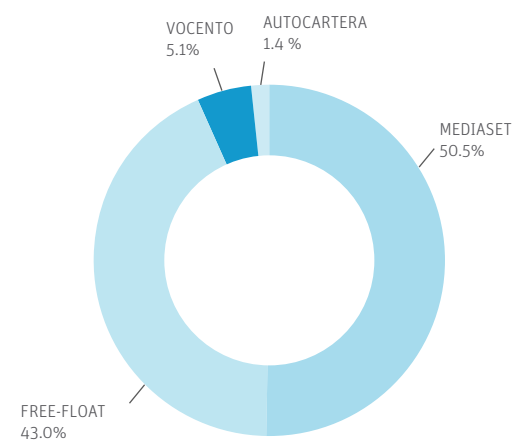


TELECINCO MARKET PERFORMANCE

MARKET CAPITALISATION OF TELECINCO SINCE THE IPO (millions of euros)



SHAREHOLDER STRUCTURE

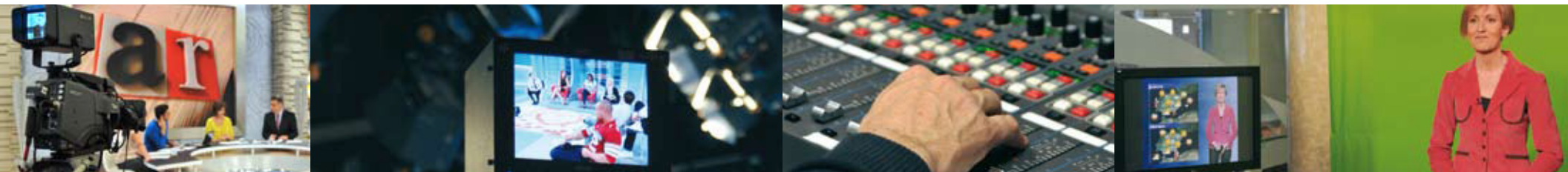




TELECINCO MARKET PERFORMANCE

TELECINCO MARKET PERFORMANCE	2006	2007	2008
Earnings per Share	1.28 €	1.44 €	0.87 €
Gross dividend per share	1.28 €	1.30 €	0.87 €
Pay-Out Ratio: Dividend/Net Profit	100%	90%	100%
Dividend Yield: Dividend/Share Price	6.09%	9.00%	16.70%

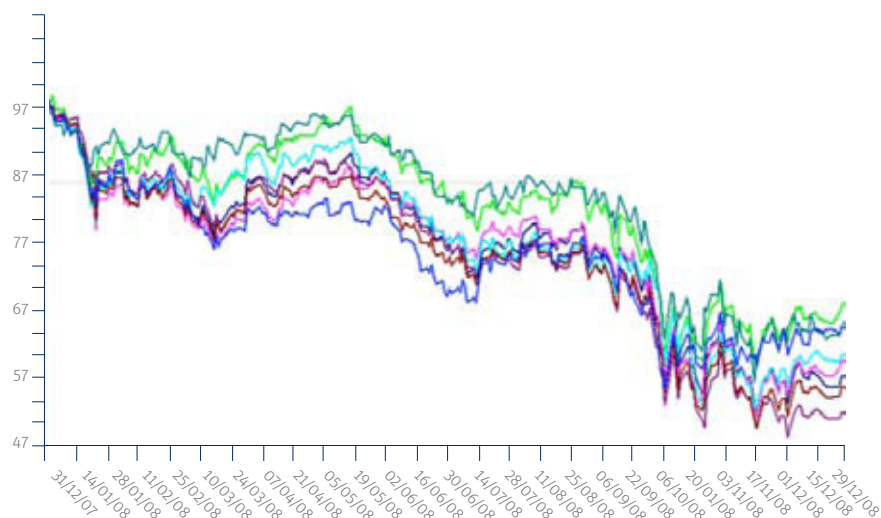
(*): As of the date of preparation of the financial statements





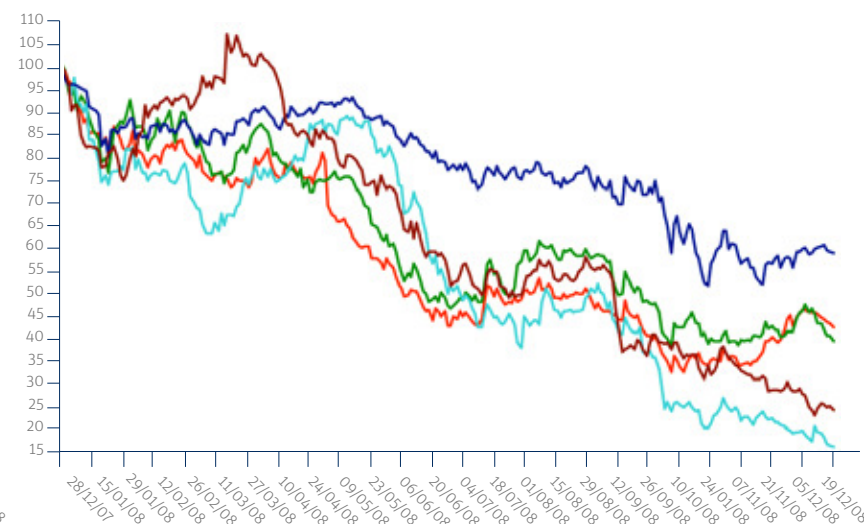
TELECINCO MARKET PERFORMANCE

SHARE PRICE PERFORMANCE IN 2008



FTSE100	-31.3	DAX	-40.4
DOW JONES	-34.3	CAC40	-42.7
DJ MEDIA	-35.2	EUROSTOXX	-44.3
IBEX	-39.4	MIB30	-48.4

MARKET PERFORMANCE 24 JUNE 2004 - 19 DECEMBER 2008



TELECINCO	Red	IBEX	Blue
ANTENA 3	Green	VOCENTO	Brown
PRISA	Cyan		



HISTORY OF TELECINCO

1990	1995	1996	1998	2000
Telecinco began broadcasting on the 3rd of March.	<p>Launch of the series “Médico de Familia”, the blueprint for content based on in-house production of quality fiction series.</p> <p>Telecinco establishes the foundation for a late-night viewing habit with the premiere of “Esta noche cruzamos el Mississippi”. Subsequently succeeded by “Crónicas Marcianas”, consolidating the ratings leadership in this timeslot.</p>	Grupo Correo (currently Vocento) becomes a leading shareholder.	Telecinco implements the pioneer Digital Broadcast of Telecinco News, the first and most modern in Spain, and creates Agencia Atlas.	<p>Telecinco launches the social project “12 months, 12 causes”, becoming the first station to dedicate its potential to increasing awareness among viewers of 12 specific social causes each year.</p> <p>Telecinco debuts reality TV in Spain with the premiere of “Gran Hermano”, the television programme that marked a new beginning in the way we make and watch television.</p>
2004	2005	2007	2008	
<p>Telecinco acquires the rights to rebroadcast Formula 1, which has become one of the top rated spectator sports with a huge following in Spain.</p> <p>Telecinco goes public and just six months later is chosen to be included in the selective Ibex 35 index. To allow for the debut of Publiespaña on the exchanges, the company is merged with Telecinco.</p> <p>Telecinco snatches TVE1's historic audience leadership, becoming the top rated television station in Spain. Telecinco repeated and consolidated its undisputed leadership in 2005, 2006, 2007 and 2008.</p>	<p>Telecinco inaugurates the Central Control and Broadcasting Centre in July, using the latest and most advanced technologies. The station completed the digitalization project started six years earlier with Digital Production in a further step towards the final establishment of Digital Terrestrial Television (DTT). This technology will allow Telecinco to broadcast multiplatform content, DTT, theme channels mobile television and the Internet.</p> <p>Telecinco launches, on 30 November, the broadcast of two DTT channels: Telecinco Estrellas and Telecinco Sport.</p>	Telecinco joins the international elite in multimedia content with the acquisition of Endemol, the world's largest producer with a presence in 25 countries.	<p>Telecinco lands in the US market with the acquisition of 29.2% of CaribeVisión, recently created US Hispanic television network which broadcasts in New York, Miami, Boston and Puerto Rico.</p> <p>Telecinco becomes the first private television network to achieve 5 years of consecutive ratings leadership.</p> <p>Telecinco becomes the first European television network to broadcast 10 seasons of “Gran Hermano”, the highest rated reality show in Spain.</p>	

02.

LETTERS FROM THE
CHAIRMAN AND THE
CHIEF EXECUTIVE
OFFICERS

Letter from Alejandro Echevarría 018

Letter from Paolo Vasile 019

Letter from Giuseppe Tringali 020





Alejandro Echevarría

Chairman



In a year that closed with a deep national and international financial crisis, Telecinco presents this Annual Report with the pride of having just completed our fifth consecutive year of absolute audience and advertising revenue leadership, a new record for private television in Spain.

Particularly for broadcast television, the first rank earned by Telecinco in 2008 takes on special relevance given the convulsive nature and inappropriate regulations of an increasing fragmented market with soaring inflationary prices for some audiovisual rights, all of which made it much more difficult and, correspondingly, much more noteworthy to have maintained such an outstanding position. Regarding our commercial performance, I would like to highlight the company's ability to maintain its market share despite the problematic economic conditions in the fourth quarter of the year and the double financing of public television, which continues to mark a wide gap between the public and private sectors and places private television at a severe disadvantage.

Our accomplishments advance in tune with our commitment to the creation of a more socially responsible television network that promotes the construction of a critical society and I am proud to say that we have continued to advance in 2008. Our commitment and efforts to understand and spread Corporate Social Responsibility (CSR) has led to the publication of the book "Responsabilidad Corporativa y Televisión Comercial: una

primera aproximación sectorial" (Corporate Social Responsibility and Commercial Television: an initial industry overview), which looks at CSR among television companies and proposes converting the industry into a tool to help solve the problems of conflicting interests that the industry faces in its everyday operations.

In April 2008, Telecinco was added to the FTSE4-Good Ibex Index, the first sustainability and CSR market index in Spain. Our continued membership in this select club of sustainable companies is the culmination and recognition of our firm advancement towards a more sustainable and socially responsible business model. Similarly, in line with our commitment to become an ever more transparent organization, our corporate governance reforms have placed us in the top ranks in our country.

We are prepared to face the difficulties that the economic environment has already begun to manifest in 2009, with full confidence in our experience, and capacity to react and adapt to the new market conditions will continue to allow us to achieve an optimal positioning. Five years as the preferred Spanish television channel, the preferred showcase for advertisers and the best investment among media companies on the stock exchanges, all represent the best foundation for us to do so.



Paolo Vasile

Chief Executive Officer



Although no one can deny that 2008 was one of the most complicated years in recent history, we can once again declare that Telecinco continues to be the undisputed leader from every point of view.

While under normal conditions such an affirmation would certainly be a worthy cause of celebration, in the days in which we live even such news is, unfortunately, shrouded in a dark and bitter veil stemming from the near certitude that 2008 was only the prelude to a sever crisis that we rightly fear has yet to show its true breadth and reach.

In fact, the performance of Telecinco during the year we just closed was a true and faithful reflection of the change in tendency, clearly marking the dichotomy of a year that belongs to two opposite eras: a first half that was the colophon of a growth stage that neither our country nor our company itself had ever witnessed; and a second half that had already begun to record the first bumps on a downhill slide that quickly took on all the aspects of a precipitous fall.

This first boom stage allowed Telecinco to become the most viewed channel in Spain for five consecutive years and, thanks to a certain degree of moderation in our spending, one of the most profitable in Europe. This has allowed us to handsomely reward our shareholders with a payout rarely seen on the Spanish exchanges: 100% of consolidated net profit in 2005 and 2006 and 90% in 2007 (due to the acquisition of Endemol). Once again for 2008 we propose returning to 100% of consolidated net profit. With this payout, we have distributed more than 1,000 million euros in dividends to our shareholders since our IPO in 2004.

But these years of vigorous leadership have not been dedicated solely to boosting the yield earned by our shareholders, and that's really saying something if you compare our *modus operandi* with the way they run the public television networks. We have also dedicated a large part of our efforts and earnings to improving our company, making it more efficient, more transparent, building reserves and creating the solid foundation needed to prepare, ul-

timately, for difficult times. Thanks to these efforts we can today affirm that Telecinco is the best prepared to face the bad times that the national and international economic situation has in store for us. And this is not all that we must face, we cannot forget that major changes are coming to the television industry in the near future with the so-called analogical blackouts scheduled for exactly one year from now.

The coming year will be a challenge and Telecinco is fully prepared. The network's bet on innovation in television content and diversification of our business expand the outlook for our activity thanks to the creation of new opportunities. The improvement in the quality of our service in the development of new DTT channels such as FDF and Telecinco 2, both point to the start of a new economic model for the television sector with infinite possibilities.

Similarly the new technologies and mobile receivers are shaping up as the future platforms for the receipt of television content. In this regard, Telecinco is already a step ahead as can be seen from the quick adaptation of Telecinco's offer to the different mobile reception systems and the huge success of the corporate website with over 5 million monthly users. Both factors place Telecinco at the forefront of the television sector.

All in all, I can confidently and proudly say that Telecinco is well-prepared to face the uncertain future that we have begun to see over the horizon.



Giuseppe Tringali

Chief Executive Officer



Telecinco has just marked its fifth year as the public's preferred television network; our advertising space is again the most sought after among advertisers; our market share has held firm from the previous year; the value of our products remained strong and our advertising revenue again surpassed all of our competitors. Our renewal of such noteworthy milestones could lead one to believe that nothing in our industry has changed since last year, but nothing could be further from the truth.

In fact, in 2008 we entered into completely new territory. The global economic situation, the increasing fragmentation of the audience, the collapse of the advertising market in the last part of the year and the policy of deep price cuts led by public television have all combined to paint a very dark picture for our industry.

As the market leaders we have a great responsibility to protect the advertising "pie" and design new commercial strategies that will allow us to not only face the current situation, but come out of it even stronger than ever. It is a big job, but we can approach it with the confidence that comes from having the professionals of Telecinco and Publiespaña Group on our side. Our professionals are not only widely recognised as the best in the industry, but never cease in their efforts to continue to offer only the best product to advertisers. Because today, yesterday and tomorrow our core mission will always be to maintain a unique

culture of service and an untiring search for creative solutions in which flexibility and personalisation are the bywords. This has given and will continue to provide the Publiespaña Group with its exclusive advertising leadership.

Our capacity to quickly adapt to changing scenarios is clear evidence of the solidity of our business model in good times and bad, which has allowed us to continue to generate profits and reward our shareholders.

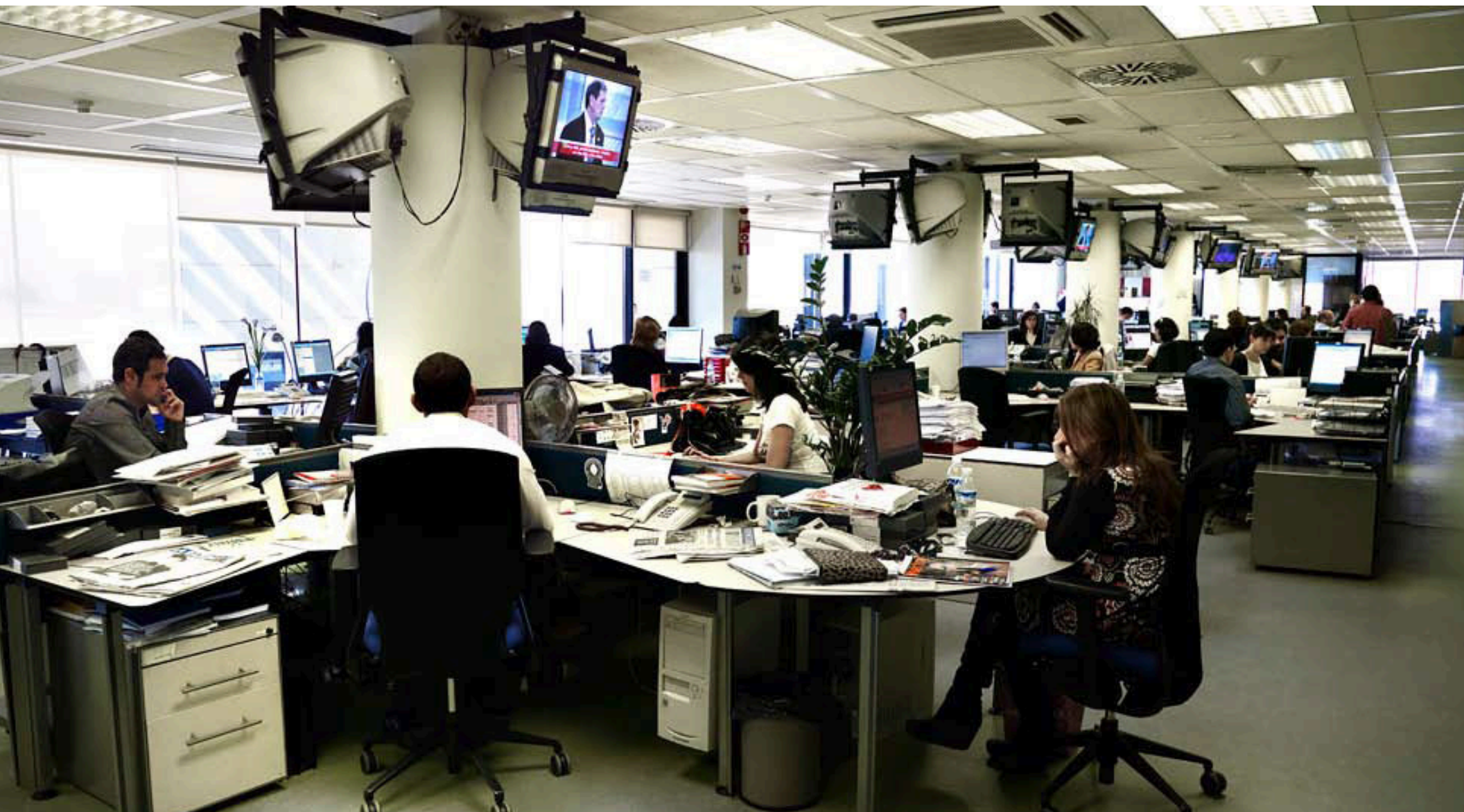
03.

TELECINCO GROUP
STRUCTURE

Structure of the Telecinco Group	022
Companies Using Full (line-by-line) Consolidation	025
Companies Consolidated Using the Equity Method	030
Organisational Flow Chart for Gestevisión Telecinco, Publiespaña, Atlas España and Publimedia Gestión	032



TELECINCO GROUP STRUCTURE





STRUCTURE OF THE TELECINCO GROUP



Gestevisión Telecinco S.A. heads a group of dependent companies which form the Telecinco Group

Gestevisión Telecinco, S.A. was founded in Madrid on 10 March 1989. Its corporate object is the indirect management of Public Service Television in accordance with the terms of the State concession and other operations related to said management.

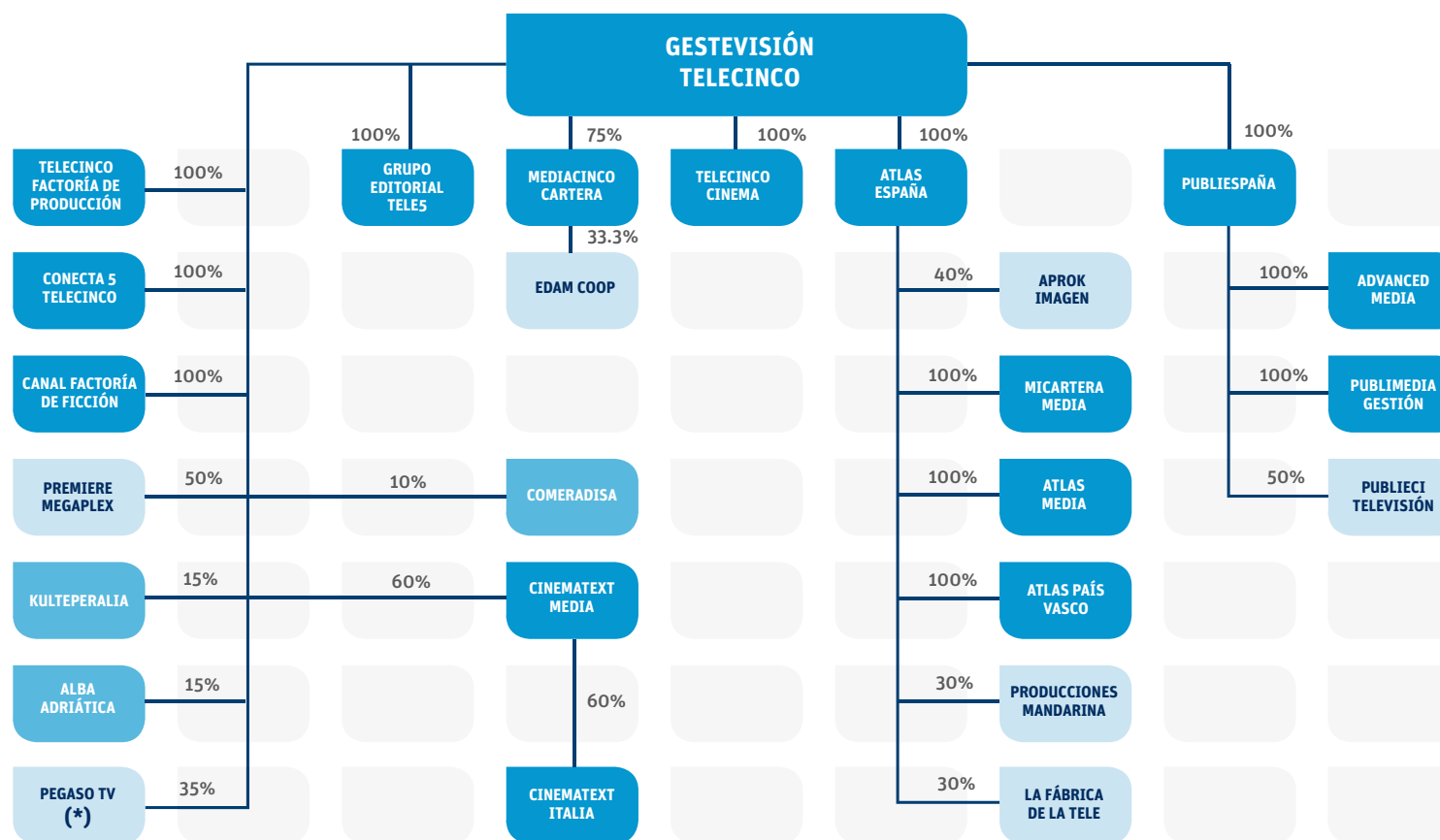
Gestevisión Telecinco S.A. has made all of the investments needed for digital broadcasts pursuant to Royal Decree 2169/1998 of 9 October, which approved the National Digital Terrestrial Television Technical Plan. By resolution of the Council of Ministers on 25 November 2005, the concession agreements for all national broadcasters were expanded, granting three Digital Terrestrial Television (DTT) stations to each.

Gestevisión Telecinco S.A. became a publicly traded company on 24 June 2004, and is listed on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges. On 3 January 2005, the company was selected to be included in the IBEX 35 index.

Heads a group of dependent companies which form the Telecinco Group (hereinafter the Group or Telecinco). Consequently, in addition to its own Financial Statements, Gestevisión Telecinco, S.A. is required to prepare Consolidated Financial Statements for the Group which includes the investment in affiliated companies.

STRUCTURE OF THE TELECINCO GROUP

TELECINCO - SCOPE OF CONSOLIDATION



Consolidated using line-by-line consolidation

Other equity holdings

Consolidated using cost method

(*) Joined the group on 1/3/2008

COMPANIES USING FULL (LINE-BY-LINE) CONSOLIDATION





COMPANIES USING FULL (LINE-BY-LINE) CONSOLIDATION

Companies in which Telecinco holds 50% or more of the voting rights or otherwise maintains effective control are considered as dependent companies and integrated using full consolidation.

100% HELD BY GESTEVISIÓN TELECINCO, S.A.

Grupo Editorial Tele5, S.A.U.

Grupo Editorial Tele5 is active in the acquisition and distribution of audiovisual recordings, phonograms and graphic material, artistic representation, promotion of shows and the direction, production, distribution and marketing of publications and graphic materials.

Agencia de Televisión Latino-Americana de Servicios y Noticias España, S.A.U.

The Agencia de Televisión Latino-Americana de Servicios y Noticias España is active in news agency activities in any media, print, radio, television and audiovisual media in general, as well as in the production, recording, postproduction and any activities required for any type of broadcasting of news programmes and audiovisual work in general.

Telecinco Cinema, S.A.U.

Telecinco Cinema provides television broadcast services using, primarily but not exclusively, digital technologies; research, development and marketing of new technologies relating to telecommunications and any other activities as may be required for any other type of television broadcast; intermediation in the audiovisual rights markets; organisation, production and broadcast of television shows and programmes of any type.

Publiespaña, S.A.U.

Publiespaña is active in a wide variety of activities for the exploitation of advertising resources. The company is active in the contracting, production and execution of advertising projects and activities related, directly or indirectly, to marketing, merchandising, telesales and other commercial activities; the organisation and production of cultural, sports, musical and any other type of event, and the acquisition and exploitation of any rights on such activities and providing advisory, analysis and management services in relation thereto.



COMPANIES USING FULL (LINE-BY-LINE) CONSOLIDATION

Cinematext Media, S.A. (60%)

This company's primary activity is the production of subtitles for the film industry, video and television.

Conecta 5 Telecinco, S.A.U.

Conecta 5 Telecinco is active in the exploitation of audiovisual content over the Internet.

Mediacinco Cartera, S.L. (participada al 75%)

Mediacinco Cartera provides accounting, financial, tax, civil, mercantile, labour and administrative services and consulting for group companies and makes investments in assets and securities.

Canal Factoría de Ficción, S.A.

Canal Factoría de Ficción's main activities focus on the creation, production, and distribution of any class of audiovisual works on any class of media, both in-house and 3rd party, very particularly television programmes. Similarly, the company handles the commercial and advertising exploitation of the audio video products that arise or are derived there from.

Lastly, the company prepares studies and reports on subjects relating to its activities and provides consulting and advisory services. There were some major changes that affected the company in 2008:

- On 25 July 2008, Gestevisión Telecinco assumed 100% control of the company following the acquisition of the capital held by third party shareholders.
- On 28 July 2008, the company was reactivated and the dissolution originally agreed on 20 December 2007 was voided. The registered offices were transferred to Carretera de Fuencarral a Alcobendas number 4, 28049 Madrid (inscription in Mercantile Register on 28/09/2008).
- On 28 July 2008, the company was declared a single-shareholder company (inscription in Mercantile Register on 25/09/2008).



COMPANIES USING FULL (LINE-BY-LINE) CONSOLIDATION

Telecinco Factoría de Producción, S.L.U.

Telecinco Factoría de Producción produces, distributes and exploits audiovisual products and intellectual and industrial property rights. The company also undertakes the financial intermediation and management of audiovisual companies. The company underwent the following changes in 2008:

- The company Telecinco Factoría de Producción, S.L.U. was incorporated and registered with the Mercantile Registry on 1 July 2008 as a wholly-owned subsidiary of Gestevisión Telecinco, S.A., with registered offices at Carretera de Fuencarral a Alcobendas number 4, 28049 Madrid.
- On 31 December 2008, the single shareholder changed the company name to Big Bang Media, S.L. and moved the registered offices to c/ Almagro nº 3 4º izquierda, Madrid. A capital increase was held with Gestevisión Telecinco, S.A. waiving its pre-emptive rights and thereby reducing its interest to 30% of capital. The associated agreements are all dated in 2009.

100% HELD THROUGH AGENCIA DE TELEVISIÓN LATINO-AMERICANA DE SERVICIOS DE NOTICIAS ESPAÑA, S.A.U.

Atlas Media, S.A.U.

This subsidiary is active in news agency activities in any media, as well as the production, recording, postproduction and any activities required for any type of broadcasting of news programmes and audiovisual work in general.

Agencia de Televisión Latino-Americana de Servicios y Noticias País Vasco, S.A.U.

Agencia de Televisión Latino-Americana de Servicios y Noticias País Vasco is a news agency and therefore is active in news agency activities in any media, print, radio, television and audiovisual media in general.

MiCartera Media, S.A.U.

MiCartera Media's primary activity is multimedia operations with financial and economic content in all formats.

COMPANIES USING FULL (LINE-BY-LINE) CONSOLIDATION



100% HELD THROUGH PUBLIESPAÑA

Publimedia Gestión, S.A.U.

Publimedia Gestión's field of activities includes the complete production of audiovisual, written and computer works and recordings, as well as the management of brands, patents, and any other type of copyright or other intellectual or industrial rights or any objects, models or methods that can act as a support for the above rights.

The company is also active in the production and execution of advertising projects and tasks relating to the contracting, intermediation and dissemination of advertising messages, though any type of social communication or broadcasting medium, and performs activities related, directly or indirectly, to marketing, merchandising, telesales and other commercial activities and is involved in the organisation and production of cultural, sports, musical and any other type of event, and the acquisition and exploitation of any rights on such activities.

Lastly, the company provides advisory, analysis and management services for any procedure relating to the above activities.

Advanced Media, S.A.U.

Advanced Media's main activities include the direction, production and publication in any format of books, newspapers, magazines, etc.; the production and execution of advertising projects and related tasks; the performance of marketing, merchandising and related activities for audiovisual works and intermediation in the markets for intellectual and industrial property rights of any class.

60% HELD THROUGH CINEMATEX MEDIA

Cinematext Media Italia, S.R.L.

The main activities of Cinematext Media Italia are the doubling and subtitling of audiovisual works and recordings.



COMPANIES CONSOLIDATED USING THE EQUITY METHOD



COMPANIES CONSOLIDATED USING THE EQUITY METHOD

These are companies in which Telecinco holds at least 20% of the voting rights and has significant influence over management (without having direct or joint control) are therefore considered as affiliated companies and integrated using the equity method.

DIRECTLY HELD THROUGH GESTEVISION TELECINCO, S.A.

Company	% Interest	Activity
Premiere Megaplex, S.A	50%	Multiplex cinema operator
Pegaso Televisión Inc.	35%	Company held through Caribevisión Network, a US Hispanic television network which broadcasts on the east coast of the US and in Puerto Rico

INDIRECTLY HELD THROUGH AGENCIA DE TELEVISIÓN LATINO-AMERICANA DE SERVICIOS DE NOTICIAS ESPAÑA, S.A.U.

Company	% Interest	Activity
Aprok Imagen S.L.	40%	News agency
Producciones Mandarina, S.L.	30%	This affiliate is active in the creation, development, production and commercial operation of audiovisual content.
La Fabrica de la Tele, S.L.	30%	This affiliate is active in the creation, development, production and commercial operation of audiovisual content.

INDIRECTLY HELD THROUGH PUBLIESPAÑA, S.A.U.

Company	% Interest	Activity
Publieci Televisión, S.A.	50%	This affiliate is active in the sale of products and services for the end consumer

INDIRECTLY HELD THROUGH MEDIACINCO CARTERA, S.L.

Company	% Interest	Activity
Edam Acquisition Holding I Coöperatief U.A.	33%	Holding Company for the investment in the Endemol, a group of companies active in the creation, production and exploitation of content for television and other audiovisual platforms.

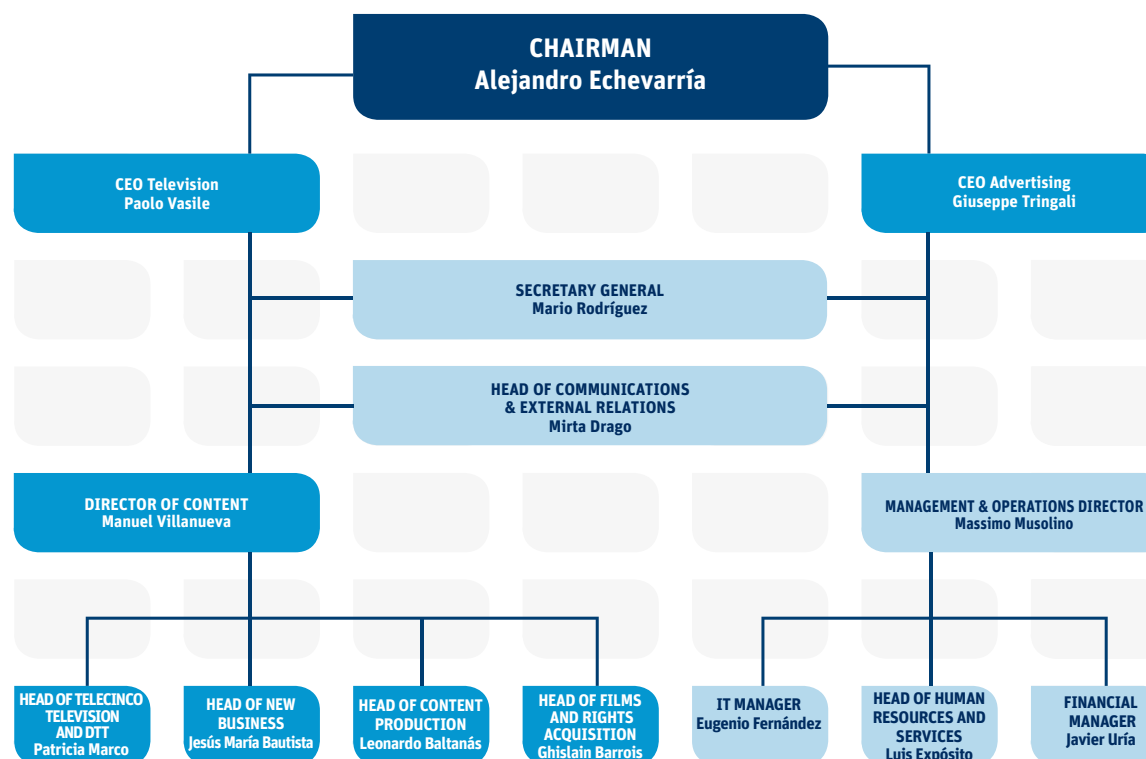
ORGANISATIONAL FLOW CHART FOR GESTEVISIÓN TELECINCO, PUBLIESPAÑA, ATLAS ESPAÑA AND PUBLIMEDIA GESTIÓN





ORGANISATIONAL FLOW CHART FOR GESTEVISIÓN TELECINCO, PUBLIESPAÑA, ATLAS ESPAÑA AND PUBLIMEDIA GESTIÓN

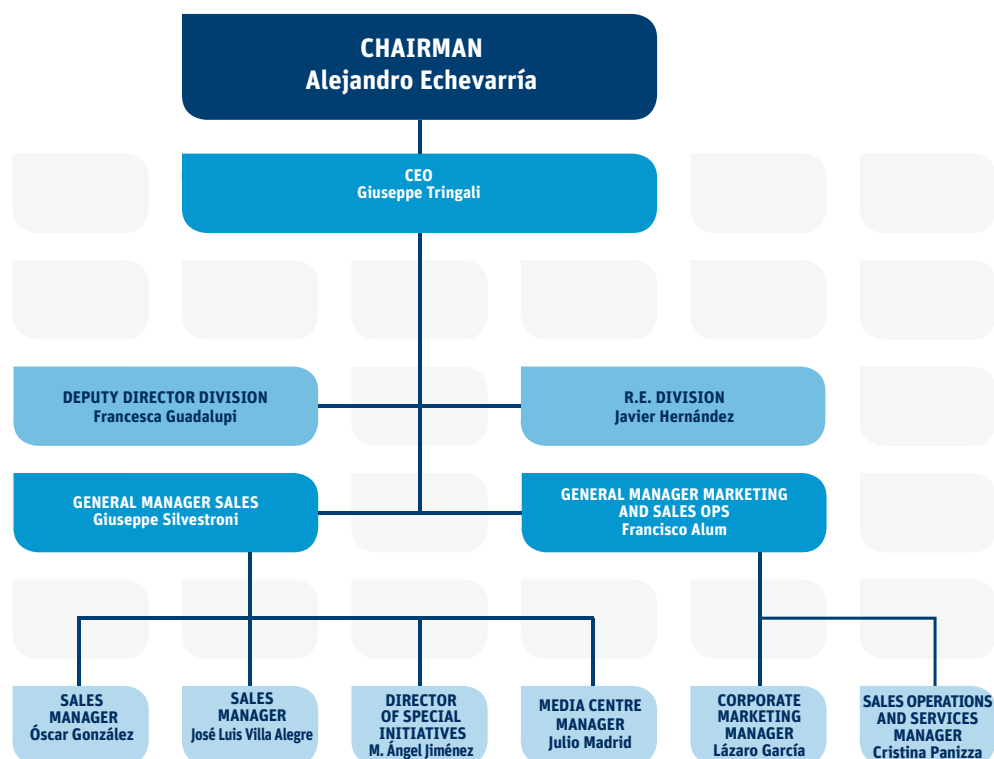
ORGANISATIONAL FLOW CHART FOR GESTEVISIÓN TELECINCO





ORGANISATIONAL FLOW CHART FOR GESTEVISIÓN TELECINCO, PUBLIESPAÑA, ATLAS ESPAÑA AND PUBLIMEDIA GESTIÓN

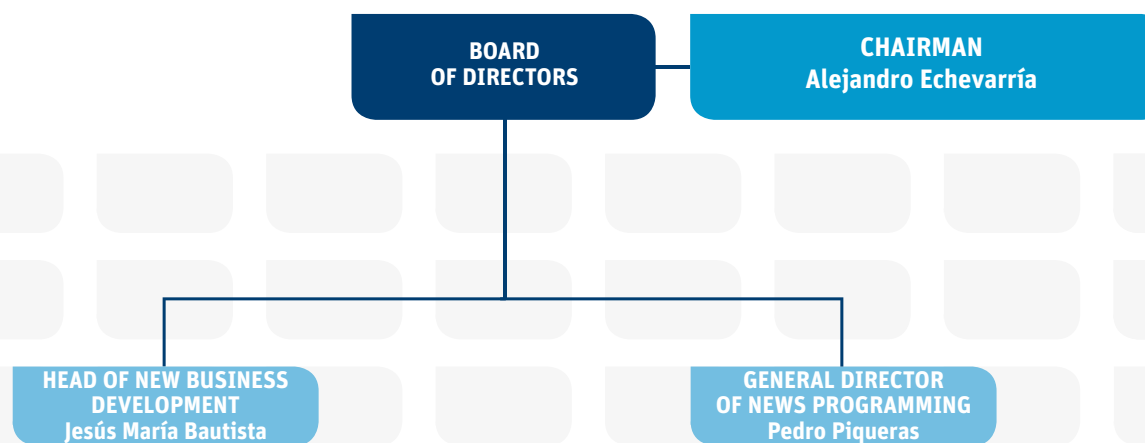
ORGANISATIONAL FLOW CHART FOR PUBLIESPAÑA





ORGANISATIONAL FLOW CHART FOR GESTEVISIÓN TELECINCO, PUBLIESPAÑA, ATLAS ESPAÑA AND PUBLIMEDIA GESTIÓN

ORGANISATIONAL FLOW CHART FOR ATLAS ESPAÑA





ORGANISATIONAL FLOW CHART FOR GESTEVISIÓN TELECINCO, PUBLIESPAÑA, ATLAS ESPAÑA AND PUBLIMEDIA GESTIÓN

ORGANISATIONAL FLOW CHART FOR PUBLIMEDIA GESTIÓN





ORGANISATIONAL FLOW CHART FOR GESTEVISIÓN TELECINCO, PUBLIESPAÑA, ATLAS ESPAÑA AND PUBLIMEDIA GESTIÓN

CONTRIBUTION TO EARNINGS (%)	2007	2008
Gestevisión Telecinco, S.A.	78.38	153.03
Grupo Editorial Tele5, S.A.U.	1.03	1.71
Cinematext Media, S.A.	0.02	0.22
Cinematext Italia, S.R.L.	0.01	0.02
Canal Factoría de Ficción, S.A.U.	-	0.00
Telecinco Cinema S.A.U.	-1.64	-5.66
Atlas España	1.78	1.42
MiCartera Media, S.A.U.	0.26	0.43
Atlas Media, S.A.U.	-0.06	0.00
Atlas País Vasco	0.06	0.01
Mediacinco Cartera, S.L.	-2.65	-2.95
Conecta 5 Telecinco, S.A.U.	-0.06	0.89
Publiespaña, S.A.U.	22.05	30.49
Advanced Media, S.A.U.	-	-0.10
Publimedia Gestión, S.A.U.	1.67	3.69
Pegaso TV	-	-4.32
Edam Acquisition Holding I Coöperatief U.A.	-1.51	-79.50
Investee companies	0.65	0.62
TOTAL	100	100

04.

FINANCIAL
HIGHLIGHTS

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ECONOMIC ENVIRONMENT



ECONOMIC ENVIRONMENT



THE WORLD ECONOMY IN 2008

None but the strongest adjectives can be used to describe the sheer magnitude of the economic disaster that has impacted on the global economy in 2008. The turbulence in the global banking system that began in the second half of 2007 gave way in 2008 to a true financial tsunami. This seismic wave not only carried away long-standing investment banks —which has leveraged their assets to extreme limits with derivatives— but has also undermined the basic mutual trust needed for an ordered functioning of the banking system due primarily to the use and sale of complicated and opaque financial assets which contained deeply hidden time bombs that were never detected by the global risk control authorities until much too late.

As the losses derived from the acquisition of these junk assets, began to come to light it sparked off a vicious circle of a lack of liquidity, the need for deleveraging and the contraction of financing among banks. The dire situation led to the mass intervention of monetary and financial authorities on both sides of the Atlantic to inject liquidity into the system through exceptional measures and to attempt to save by the crisis through nationalisation. In attempt to reactivate their economies, monetary authorities cut interest rates with the reductions in the US reaching extreme levels and, although drastic, somewhat less so in Europe due to the

ingrained aversion to inflation felt by the European Central Bank.

The consequences of this deleveraging process were still being felt as of the preparation of this report. Banks have drastically reduced their financing of households and businesses, curtailing rise in underlying assets that allowed for major financial leverage and supported the growth in consumer spending.

The existing economic figures clearly support the classification of 2008 as a financial annus horribilis and only by travelling back to 1929 will we find any comparison with the events of the year that just closed.

The US economy is currently in a recession: Real GDP contracted 0.5% of third quarter of 2008 once the effect of the family stimulus package from the second quarter was absorbed and the federal authorities had to revise their initial estimate of a 3.8% decline in the fourth quarter to an even greater 6.2% on an annual basis. Fourth-quarter data on this side of the Atlantic also pointed to a recession, with the UK economy contracting 1.5% and the European Union registering a similar decline, while in Germany real GDP contracted 2.1%.



ECONOMIC ENVIRONMENT

Among the emerging economies a similar slowdown can be seen, particularly in the case of China which recorded a 30% reduction in economic growth in 2008, going from 13% to 9%. It is expected that the Chinese economy will further contract an additional 50% in 2009 with economic growth reaching 6.8% in comparison with 2007. The economic downturn was less noticeable in Latin America in 2008, with economic growth going from 5.4% in 2007 to 24% in 2008. Nonetheless, this year the outlook is much more negative and economic growth is not expected to exceed 2%.

All of this shows that the crisis is truly global and goes beyond the developed economies. Moreover, the fact that the emerging economies have caught the recessionary virus means that the possibilities and timing of the recovery can be delayed and that internal demand in these countries cannot act as a substitute for the weaker consumption and investment in the more developed economies.

In the case of Spain the available data is even more disheartening for various reasons: Firstly, the contraction of GDP in the fourth quarter of 2008 (-1.0%) is added to the already recorded decline in the third quarter of the year (-0.3%), which is the textbook definition of a recession (two consecutive quarterly declines in GDP) and places us firmly in line with the other countries in our environment.

Secondly, the trend is much worse in Spain than in the other developed nations given that in 2007 the Spanish economy expanded 3.7%, which is 1% higher than for the European Union and 1.2% higher than Germany.

Thirdly, the characteristics of the Spanish productive model imply that a slowdown that is so intense that it leads to a recession in just two quarters would be irremissibly tied to the massive destruction of employment, a phenomenon we are currently witnessing and which has led 2008 to close with a jobless rate of 14.6%, the highest rate in recent history. Moreover, considering that the unemployment rate at the close of 2007 was only 8.7%, the trend was very negative and unemployment surged 65%, an extraordinarily negative figure.

The only bright point in this entire concatenation of negative data is that there was a drastic reduction in inflation, which went from 4.3% at the close of 2007 to 1.5% for all of 2008 and was even lower than for the euro area for the same period (1.6%), an unprecedented event although it was only due to shrinking internal demand.

Unfortunately, any objective assessment of the economic reality at this time would not even allow us to hope that we have touched bottom. Quite to the contrary, there are sufficient unresolved negative elements to subscribe the gene-



ECONOMIC ENVIRONMENT



ralised view that the worst is yet to come. The official forecasts all confirm the negative outlook for the economy over the next few quarters, estimating for Spain a decline of no less than 1.6% in GDP over 2009, while the consensus stands at over 2%. These estimates place unemployment at close to 17% and the budget deficit at 7%.

The outlook for the European Union and the United States is not exactly flattering, with consensus pointing to a continued decline in GDP in 2009 and, assuredly, a delay in a return to economic growth. All indications are that it would be very difficult for the developed economies to recover before 2010 and, in fact, it is very likely that it will take longer.

FINANCIAL PERFORMANCE





FINANCIAL PERFORMANCE

THE TELECINCO BUSINESS MODEL SUCCESSFULLY RESISTS THE CRISIS

Given the very close correlation between economic growth and advertising spend, broadcast television did not escape from the worsening of the crisis in 2008. In fact, the close link was made even more evident, particularly as from the third quarter of last year, during which there was a sharp decline in advertising expenditure in all sectors without exception.

The past year has represented a particularly difficult economic scenario, especially for the broadcast television industry in Spain which is much more fragmented and competitive than in any other country in the European environment thanks to the negative role played by public television in the advertising market and the inflation in the cost of content, especially for sporting rights. The latter is especially due to the competition from the newer networks that are looking to capture audience at any cost.

The combination of these factors paints a very dark picture regarding the ability of the industry as a whole to finance the inevitable decline, especially considering the gap that already exists in some cases between the expected level of income and the amount of advertising expenditures committed to prior to the crisis. Without doubt this is one of the major challenges and risks that broadcast television will have to face over the short and medium term.

Within this context, Telecinco has been able to maintain its leadership for the fifth consecutive year and has done so without changing its business model in the least. Our successful business model is based on efficient, flexible and innovative exploitation of advertising space and a programming grid that is strongly aligned with the tastes of the public and is able to efficiently combine traditional programming with new and renovated formats, and all within an increasingly difficult environment due to the greater fragmentation of television audiences.

Telecinco was again able to achieve successful content at a reasonable cost thanks to its successful policy of producing programmes with trustworthy production companies in which it holds a stake, thereby guaranteeing the required level of talent among their professionals.

The business model has also demonstrated its solidity across all management indicators for a company that seeks to offer the best service to customers, shareholders and society in general: profitability, margins, shareholder return, cash flow, asset quality, and access to the financing needed to cover not only working capital but the ability to take advantage of any investment opportunities that arise despite the extreme tightening of the credit market and company financing.

FINANCIAL PERFORMANCE



Telecinco enjoys a privileged position thanks to its almost total lack of short term financial debt at the close of 2008 and the existence of sufficient credit lines to comfortably finance our working capital needs. Moreover, our financial solvency, unique in our industry, gives us the ability to obtain the financing needed to take advantage of any appropriate investment opportunities that arise which could add value to the company.

The network clearly demonstrated the profitability and efficiency of its business model, not only during at the top of the economic cycle but also during the contraction of economic activity. This strength is the result of the efforts of the people

that comprise Telecinco, an expert team of professionals that are prepared and committed year after year to offer the best of themselves to contribute to these results.

Also, in the beginning of 2008 Telecinco made a strategic investment in the acquisition –through the company Pegaso TV– of a 29.2% stake in the recently created US Hispanic television network CaribeVisión, which broadcasts in New York, Miami, and Puerto Rico. This investment, together with the acquisition of a 33% stake in Endemol in 2007, demonstrates and reinforces the desire of Telecinco to establish a presence in those markets anywhere in the world that can contribute to generating value for the company.

OPERATING INCOME -EBIT (in millions of euros)	2006	2007	2008
EBIT	439.6	485.2	386.9
EBIT/NET INCOME	44.1%	44.9%	39.4%

NET PROFIT (in millions of euros)	2006	2007	2008
NET PROFIT	314.2	353.1	211.3
NET PROFIT/NET INCOME	31.5%	32.6%	21.5%

REVENUES





REVENUES

REVENUES (in millions of euros)	2006	2007	2008
Net advertising revenues Grupo Publiespaña	922,806	1,006,121	892,559
Other advertising income	620	907	804
Revenues from services	42,421	35,347	33,676
Others	13,162	13,199	11,753
TOTAL	979,009	1,055,574	938,792

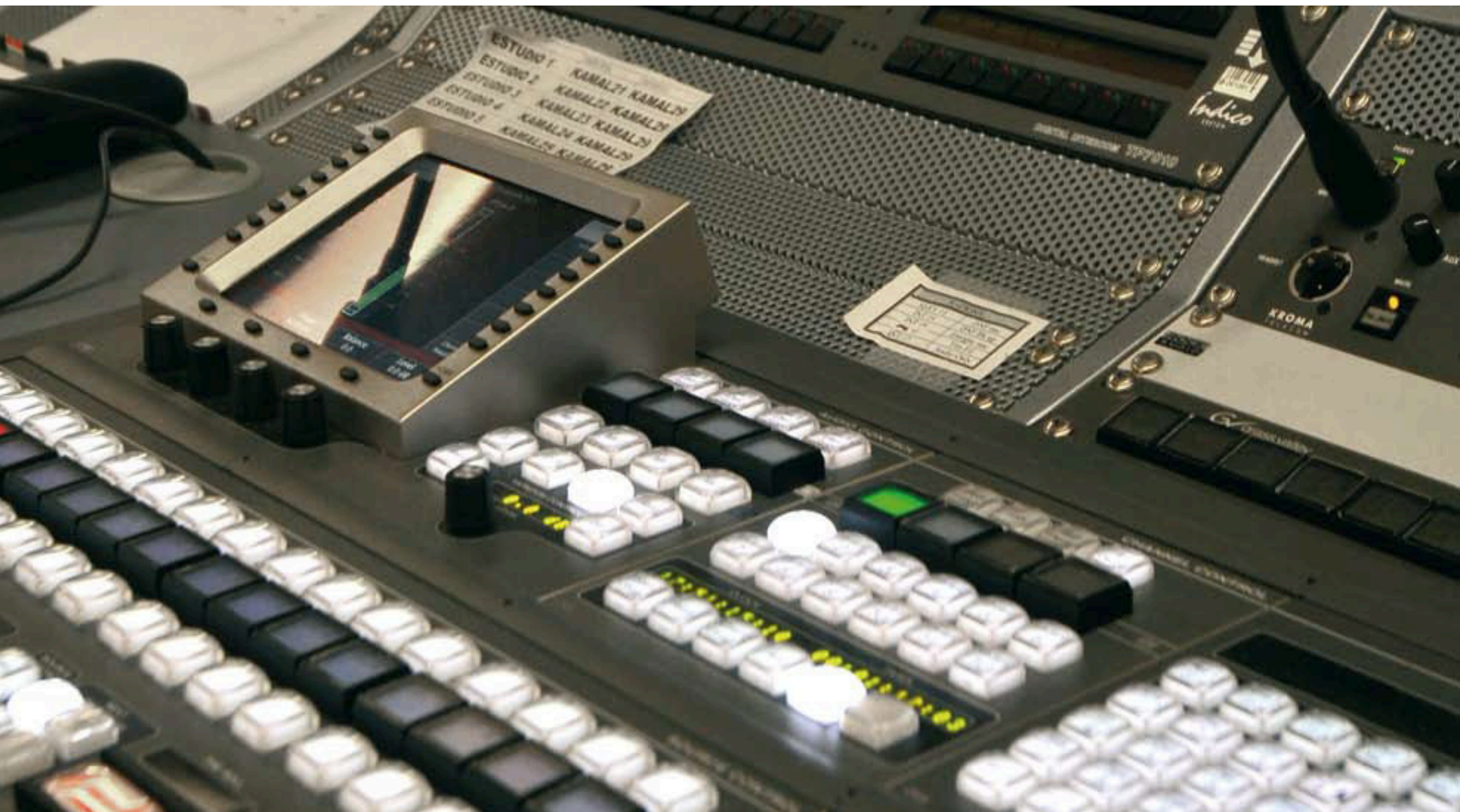
Advertising expenditure in print media began to decline in the beginning of 2008 in response to the bursting of the real estate bubble and the shrinkage of the labour market. Television advertising, however, strongly resisted the deterioration of economic activity until, in the month of May it began, for the first time in a long time, to show a decline from the same month in the previous year.

This began a very sharp decline that progressively affected every industry. According to the data released by Infoadex, real estimated advertising spend for 2008 declined 7.5% over the previous year to €14,913.3 million. Specifically regarding television advertising, real advertising expenditures declined 11.1% from €3,468.6 million in 2007 to €3,082.1 million in 2008.

Advertising revenues in 2008 for Gestevisión Telecinco, S.A. declined 11.1% over the previous year to €934.8 million due to the lower demand starting in the second quarter and a generalised reduction in the average price per advertising impact beginning at the same time. In this regard, Telecinco's price and commercial target leadership caused a weakening of demand that proportionately affected the network to a greater degree.

This situation was exacerbated by the aggressive commercial policy followed by public television which employed a strategy of mass ad space sales without concern for the impact on prices. This decision, taken in the second half of the year and coinciding with the Peking Olympic Games, led to a decline in prices.

PROFITABILITY



PROFITABILITY

OPERATING COSTS (in millions of euros)	2006	2007	2008
Reduction in the finished goods and works in progress	-97	-1,511	-3,821
Supplies	140,209	141,933	165,910
Personnel expense	79,478	84,853	89,218
Consumption of audiovisual rights	163,715	188,084	180,827
Amortisation and depreciation	5,869	4,698	6,046
Variation in operating provisions	-168	689	1,895
Other expense	168,971	177,646	154,873
TOTAL OPERATING EXPENSE	557,977	596,392	594,948

The earnings recorded by Grupo Telecinco in 2008 once gain place the company among the most profitable television broadcasters in the world despite the worsening of general economic conditions and the decline in the advertising market.

Although the economy took a sharp downturn during the year, the competitiveness and escalation of content prices in Spain's television market continued to climb, further deepening the deficit among those broadcasters, like the public stations, that have never sought a balance between revenues and expenditures. The situation also put an indefinite hold on the expectations of those

broadcasters that expected to break even over the short term during the upswing in the advertising cycle and significantly reduced the income of those broadcasters that had begun to show a profit.

Considering that the economy has yet to bottom out and the high costs for content continue, this situation further demonstrates the fact that only a sustainable business model able to work in both good times and bad can assure robust operating margins, positive cash flow and, ultimately, the generation of value for shareholders, workers and customers alike. Conversely, those broadcasters operating under a business model that is based on



PROFITABILITY

deficit spending run the risk of being unable to compete under the demanding conditions that currently exist in the television market.

Moreover, the increasing difficulty in obtaining credit as a result of the global financial crisis sharply increases the risks of maintaining operating investments in a business such as broadcast television, which is highly leveraged and requires a strong outlay of funds prior to receiving ad revenue.

Within this context, the results of Telecinco are especially relevant given the truly dire economic situation.

Net operating income in 2008 reached €981.8 million, a decline of 9.2% over the previous year.

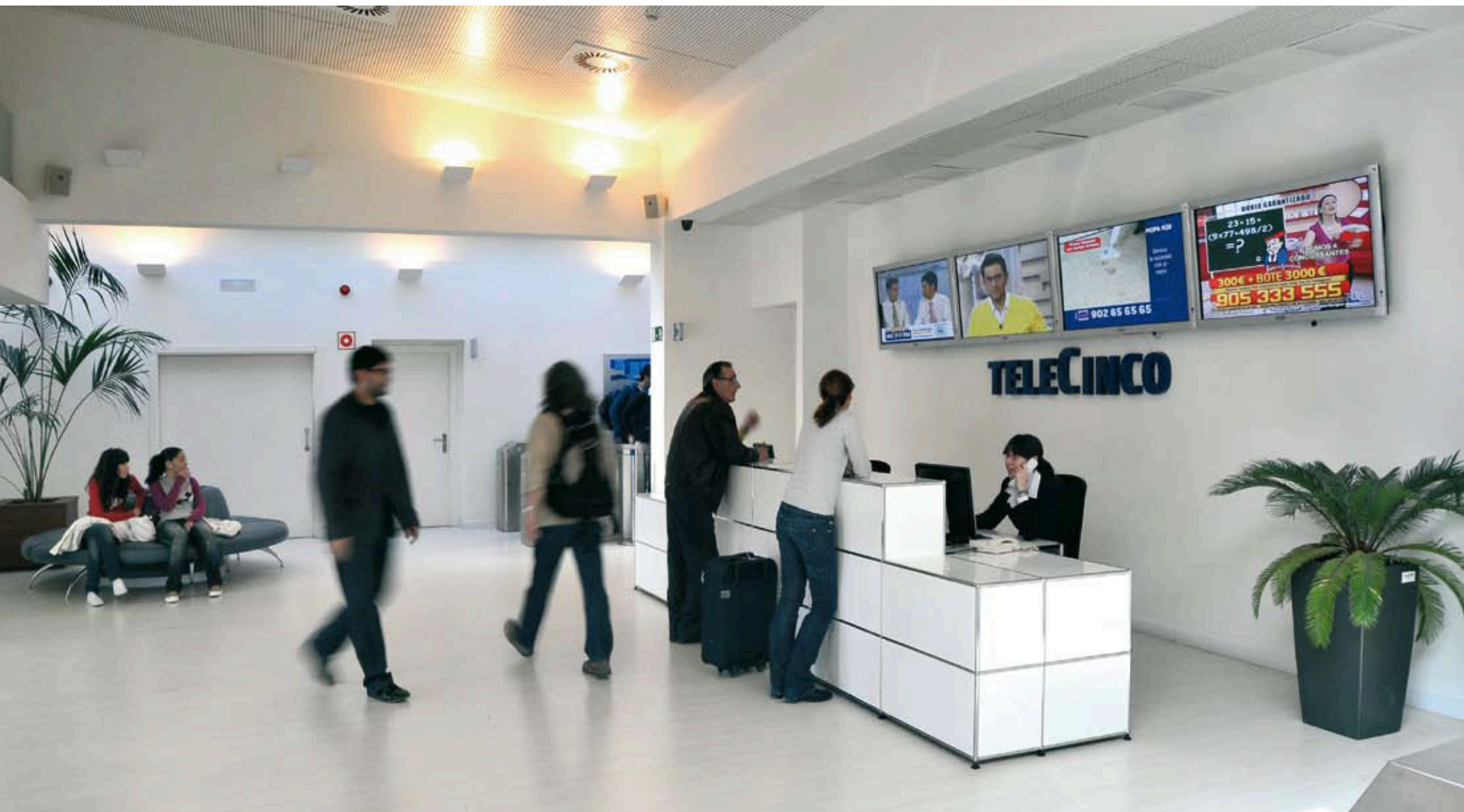
Total costs during the year declined by 0.2% over that recorded in 2007. This was due to the business model of Telecinco, which is based on in-house production and provides greater flexibility to the operating leverage inherent in the broadcast television business.

Operating profit totalled €386.9 million (485.3 million in 2007). This represents an operating margin of 39.4%, which is an excellent figure.

Net earnings for the year declined to €211.3 million from €353 million in 2007 due to a large extent to the results of companies consolidated using the equity method.



FINANCIAL POSITION AND INVESTMENT



FINANCIAL POSITION AND INVESTMENT

Telecinco continued in 2008 with its policy of investing in audiovisual rights, which has provided such good results in recent years, and continues to apply a careful selection for both type and content in order to sustain the ratings achieved and guarantee optimal exploitation of advertising. Similarly, Telecinco has placed special emphasis on investment in nationally produced fiction series.

Special note should be taken of the production activities developed by Telecinco Cinema, responsible for coproducing legally required films. Under current legislation the station must invest 5% of the operating earnings of the concession holder (the television network) in Spanish and European cinema.

The determination in turning this legal obligation into an activity that contributes to the development of the Spanish film industry has resulted in

some of the most successful Spanish films in recent history. This has been the case of such films as “Alatriste”, “Pan’s labyrinth”, “The Orphanage”, “The Oxford Murders” and the super production on Ernesto “Che” Guevara, which have all made film in history thanks to their excellent reviews, multiple awards, box office success and international sales, the latter being the long-time Achilles’ heel of the Spanish film industry.

As part of the strategy, Telecinco Cinema developed major projects in 2008, among which we would highlight “Ágora”, the new film by Alejandro Amenábar that even prior to its premiere, scheduled for the second half of 2009, had already made film history for being the most ambitious Spanish full-length motion picture of all time.

With regard to ratings, the goal of Telecinco is to maintain its leadership in prime time and improve

INVESTMENT (in millions of euros)	2006	2007	2008
Investment in 3rd-Party Productions	48.1	48.8	46.5
Investment in Fiction Production	72.5	99.5	101.6
Investment in Coproductions	14.5	25.5	38.7
Technical investments	9.9	11.5	9.0
TOTAL INVESTMENT	145.0	185.3	195.8



FINANCIAL POSITION AND INVESTMENT

its ratings in daytime in order to achieve a more balanced mix and allow for better exploitation of advertising space. In this sense, Telecinco has acquired the rights to two major sporting events: the 2009 FIFA Confederations Cup to be held in June 2009 with the participation of the world's best national teams, including Spain, and the UEFA Cup, which we will begin to be broadcast starting in September.

Lastly, in 2008 Telecinco opened a new path to expansion in the international arena with the acquisition —through the company Pegaso TV— of a 29.2% stake in the recently created US Hispanic television network CaribeVisión, which broadcasts on the east coast of the US and in Puerto Rico.

This operation is an investment in the Spanish-speaking population of the United States, a segment of the population that has been growing in numbers and political and economic importance, as well as in the excellent outlook for Spanish-language advertising. Through this strategic alliance, Telecinco provides their business vision and know-how to a television start up that offers huge potential for future growth and profitability. Moreover, Telecinco is accompanied by partners that provide renown, prestige and experience in this market.

This incursion by Telecinco into the US market joins the acquisition of one third of the capital of television giant Endemol carried out by the network in association with leading international financial investors. This ambitious initiative has opened a window

for the network to a world of global content through a profitable and well-managed company with a high commercial and creative capacity. Moreover, this capital investment was wholly financed internally and Telecinco did not take on any debt or additional leverage.

Both of the investments were carefully selected by Telecinco without overlooking the national market, which is the core basis of our business and where we are confident that new investment opportunities will arise with the potential to contribute to the strengthening of our business over the medium term.





FINANCIAL POSITION AND INVESTMENT

FINANCIAL POSITION (in millions of euros)

2006	396.1
2007	13.2
2008	-25.9

SUMMARY INCOME STATEMENT

INCOME STATEMENT (in millions of euros)	2006	2007	2008
Net revenue	997.5	1,081.6	981.8
Operating costs	557.9	596.4	594.9
Operating income	439.6	485.3	386.9
Earnings prior to taxes and minority interests	450.6	487.4	207.7
Consolidated net profit	314.2	353.1	211.3



FINANCIAL POSITION AND INVESTMENT

SUMMARY BALANCE SHEET

CONSOLIDATED BALANCE SHEET (in millions of euros)	2006	2007	2008
Noncurrent Assets	294.7	716.3*	540.7
Current Assets	636.9	344.0	286.9
TOTAL ASSETS	931.6	1,060.3	827.6
	2006	2007	2008
Net Equity	599.0	640.8*	461.5
Noncurrent liabilities	82.5	150.9*	103.8
Current liabilities	250.1	268.6	262.3
TOTAL LIABILITIES	931.6	1,060.3	827.6

(*) The table contains slight variations to the figures provided in the 2007 Annual Report. The data provided reflects the definitive audited results for both 2007 and 2008.



FINANCIAL POSITION AND INVESTMENT

DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED (in millions of euros)	2007	2008
1. Economic value generated	1,081.6	982.0
2. Economic value distributed:		
Operating costs	596.4	594.9
Taxes and minority interests	134.4	-3.6
Donations and community investments	8.8	8.8
TOTAL RETAINED VALUE DISTRIBUTED	739.6	583.8
3. Total retained value	342.1	398.1

DONATIONS AND COMMUNITY INVESTMENTS (in millions of euros)	2007	2008
12 meses, 12 causas Campaign (advertising value)	8.8	8.7
Monetary donations of Grupo Telecinco	-	0.1
TOTAL	8.8	8.8

05.

SHAREHOLDER
VALUE

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THE FINANCIAL MARKETS IN 2008



THE FINANCIAL MARKETS IN 2008



Taking stock of 2008, we must first go back to the summer of 2007 and the first signs of the current crisis. As is well known, the crisis began with the bursting of the real estate bubble in the United States, which quickly spread to the subprime mortgages and from there to the rest of the financial assets, generating severe mistrust among economic agents and giving rise to one of the most negative and complex periods in the history of the world's financial markets.

Almost all of the financial markets have been subject to liquidity pressures and a valuation of unprecedented magnitude, the aftermath of which has been a level of uncertainty never before seen among the different players on the markets. These circumstances led to the contraction of the world's leading economies, the true depth of which is still very difficult to gauge.

The equity markets at first appeared to be practically immune but ended up facing the full effects of the crisis and the negative outlook for the worldwide economy in general and listed companies in particular. The leading market indexes are around the world closed 2008 with losses of up to 40%, in many cases the sharpest declines recorded in all their history. Spain's primary market index, the Ibex 35, registered a decline of 39.4%, the worst annual drop since its creation.

The decline in share prices was accompanied by a surprising increase in volatility that reached

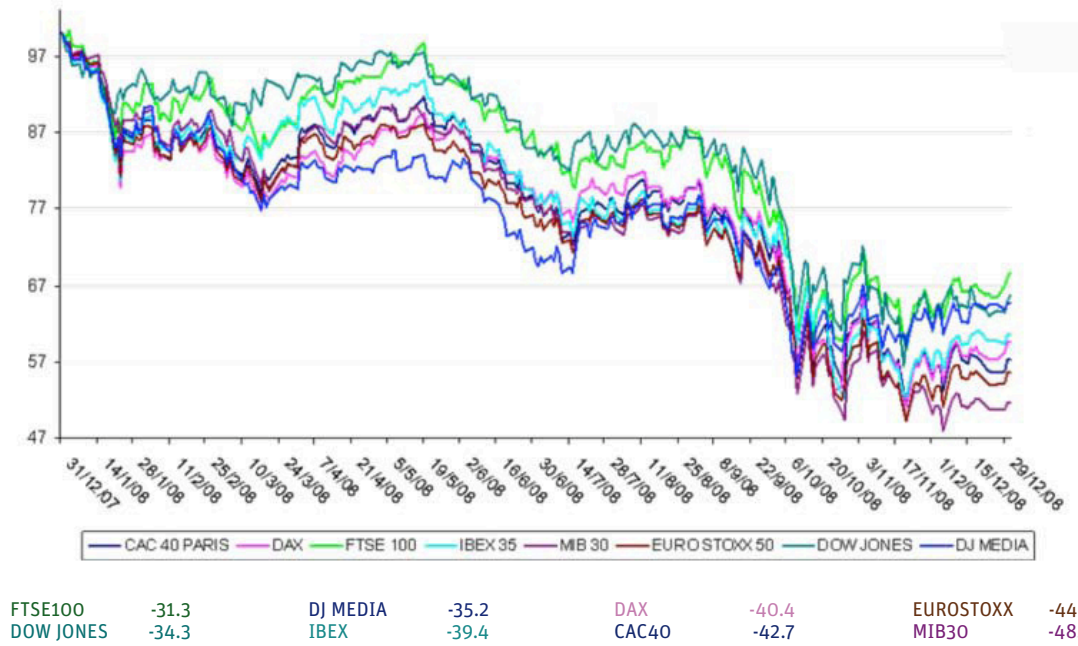
levels not seen in the last 20 years. In fact, volatility reached record-breaking levels at different times during 2008, heights not seen even during the most critical moments on the exchanges, such as the financial crisis of 1998, the terrorist attacks of 2001 and the emerging market crisis of 2002. These levels of volatility are a clear sign of the uncertainty and lack of confidence that is currently growing among eminent economic experts and analysts.

Some even claim that given the speed of the transmission and contagion of the crisis it is not comparable with any other in our history and therefore the world governments must search for new solutions have never been tried before despite the risk. Some of these in extremis measures have already been implemented. The situation has led the US Federal Reserve to slash interest rates from almost 5% to very close to zero (0.25%) in just over one year in an attempt to stimulate consumer spending and it has had no effect at all on economic activity.

Another result of the financial crisis came in October with the first ever joint intervention of the world's leading central banks. This was truly an historic event in that it was the first time that the main monetary authorities decided to institute a coordinated cut in interest rates. In addition to the above there have been multiple injections of public funds and the restructuring and recapitalization of financial entities around the world, all

THE FINANCIAL MARKETS IN 2008

LEADING WORLDWIDE MARKET INDEXES IN 2008



of which highlights the severity of the situation. Unfortunately, the measures and stimulus packages launched by the various governments of the world's leading economies have, to date, failed to re-establish the normal functioning of the international financing circuits as well as in their ultimate goal of returning serenity to the market and confidence among the international economic agents.

Corporate activity among listed companies quickly began to reflect the difficult conditions and uncer-

tainty on the financial markets. This led to a drastic reduction in initial public offerings (IPOs) and M&A activity.

The Spanish market was no exception. The strong declines recorded across all of the world's exchanges and the deterioration of the outlook for the world economies has led companies to hold off on any new issues and equity placements. Merger and acquisition activities have also been curtailed after garnering some many headlines

THE FINANCIAL MARKETS IN 2008

for years. Specifically tender offers have declined in number and volume although it has been the IPOs and new issues that have declined the most

across the globe. In Spain there was only one new issue during the year.

MARKET PERFORMANCE OF THE LEADING WORLDWIDE INDEXES IN 2008 (in millions of euros)

INDEX	31/12/2007	31/12/2008	%
CAC 40	5,614.08	3,217.97	-42.7%
DAX	8,067.32	4,810.20	-40.4%
FTSE 100	6,456.90	4,434.17	-31.3%
IBEX 35	15,182.30	9,195.80	-39.4%
MIB 30	38,885.00	20,064.00	-48.4%
EUROSTOXX 50	4,404.64	2,451.48	-44.3%
DOW JONES	13,365.87	8,776.39	-34.3%
DOW JONES MEDIA	227.61	147.44	-35.2%

MARKET PERFORMANCE





MARKET PERFORMANCE

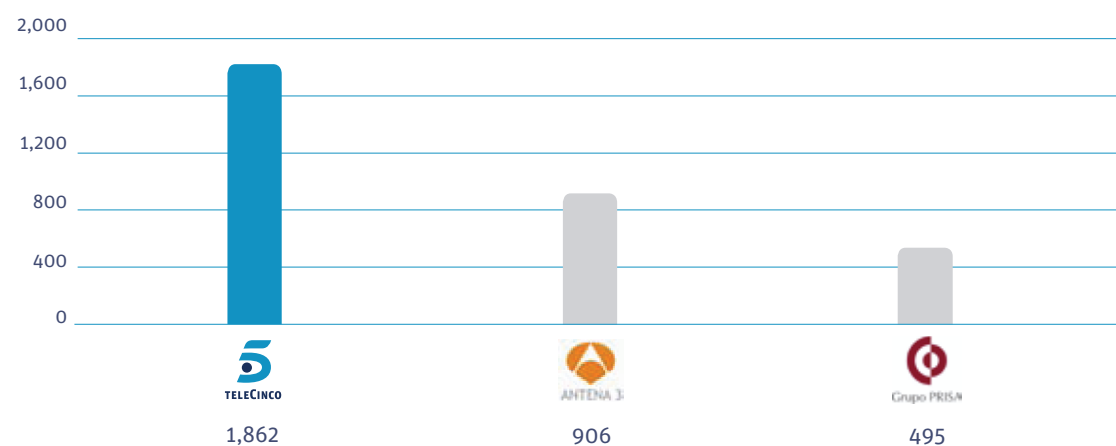
While 2008 was a complicated year for the international markets, for the communications media subsector it will be remembered as one of the most difficult in all of history. Our industry is closely linked to consumer spending given that advertising expenditures depend on it. The direct impact of the crisis on the population has caused a strong contraction of consumer spending and this is being reflected in stock prices.

Despite this context, Telecinco in 2008 once again outperformed the other communications media

companies and continues to have the highest market cap in Spain, far above that of our competitors. Similarly, it is notable that Telecinco is today the only company in its industry to be included in the Ibex 35 Index of the best listed companies in Spain. Antena 3 was excluded from the index and the beginning of 2008 and Sogecable was dropped in the month of June following the merger with Prisa, which have launched a successful tender offer on Sogecable in December of 2007.

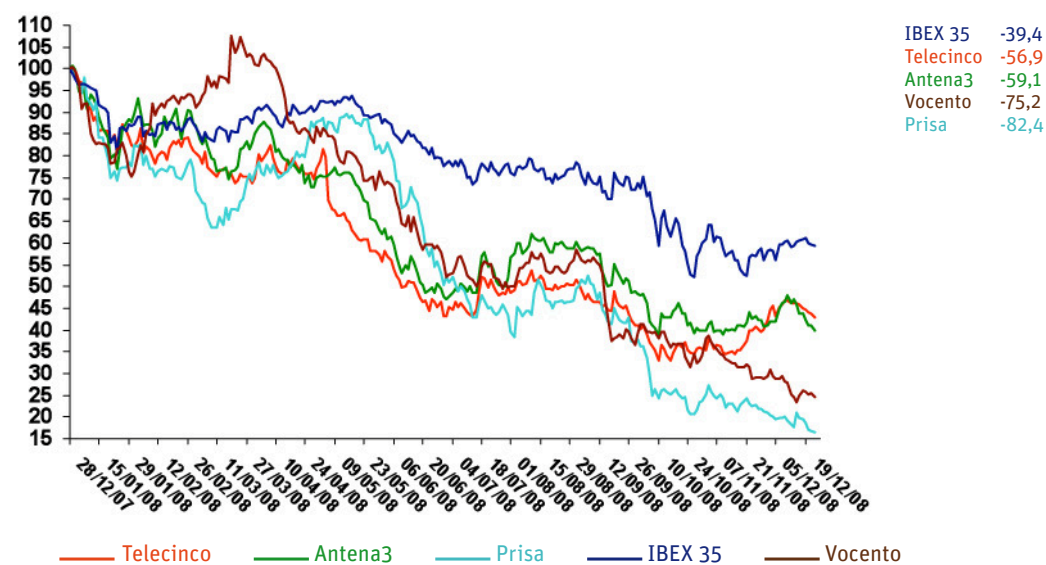
Telecinco in 2008 once again outperformed the other communications media companies and continues to have the highest market cap in Spain.

MARKET CAPITALISATION OF LEADING MEDIA COMPANIES IN 2008 (in millions of euros)

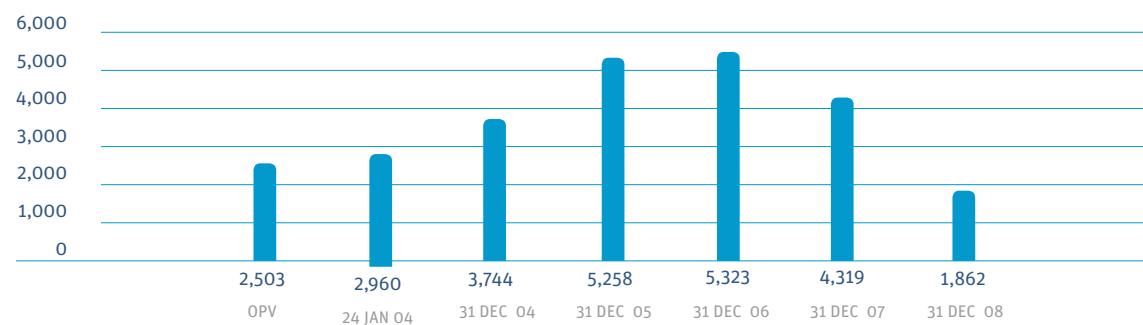


MARKET PERFORMANCE

SHARE PRICE PERFORMANCE IN 2008



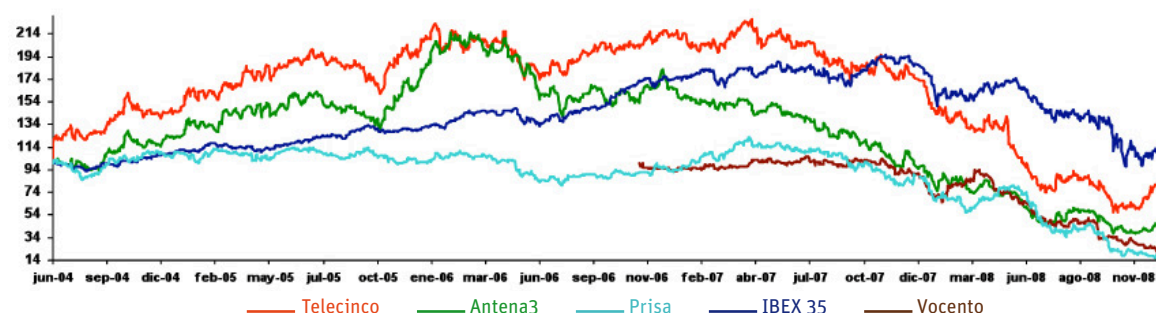
MARKET CAPITALISATION OF TELECINCO SINCE THE IPO (in millions of euros)



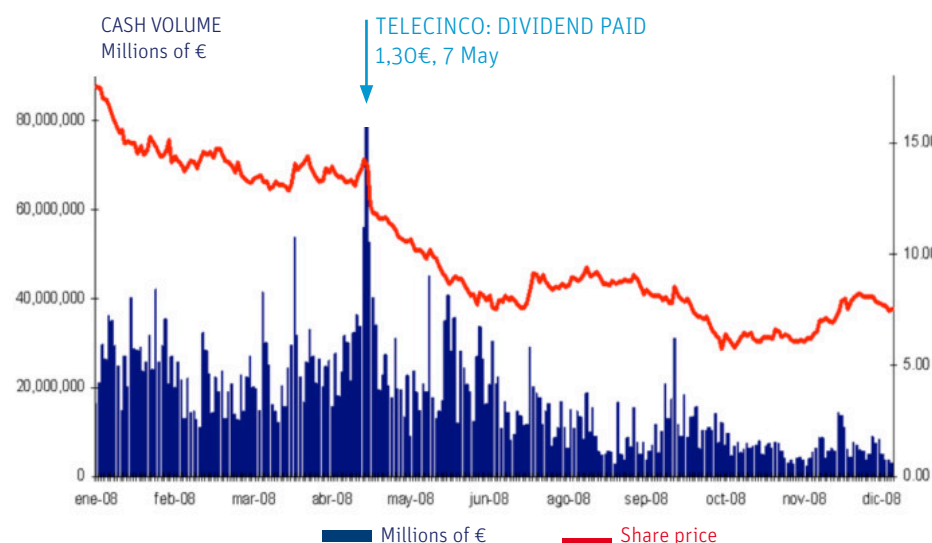


MARKET PERFORMANCE

MARKET PERFORMANCE 24 JUNE 2004 - 30 DECEMBER 2008



MARKET PERFORMANCE AND TRADING VOLUME 2008



For the first time since the initial public offering, the market cap of Telecinco is 25.6% below the market at the time of the IPO. With market capitalisation of €1,862 million, the Telecinco Group has double the capitalization of Antena 3 and almost 4 times that of the Prisa Group.

Trading volume in Telecinco shares reached 408.9 million shares, which equals €4,353.3 million Telecinco shares, recorded their highest trading volume on 7 May 2008, the day before the payment of the dividend. The stock hit an intraday high on 2 January 2008 of 17.72 euros per share. The annual intraday low was recorded on 10 October at 5.54 euros per share, an all-time low for Telecinco since the initial public offering.

Telecinco's market performance during the year was in line with that for the rest of the companies in the sector: Telecinco shares in 2008 declined 56.9%, relatively outperforming Antena 3 (-59.1%) and sharply better than Prisa (-82.4%). On the international stage, media company shares were also affected by the economic crisis and registered large declines, with the Dow Jones media Index giving up 35% over the year.



MARKET PERFORMANCE

TRADING AND OTHER SHARE DATA	2005	2006	2007	2008
Number of ordinary shares	246,641.856	246,641.856	246,641.856	246,641.856
Market Capitalisation (31/12), euros	5,258,404.370	5,322,531.252	4,318,698.899	1,862,146.013
Share Price (intraday Madrid Stock Exchange)				
- High	22/12/05: 21.74 euros	11/01/06: 22.90 euros	05/06/07: 22.21 euros	02/01/08: 17.72 euros
- Average	18.61 euros	20.37 euros	19.76 euros	10.24 euros
- Low	3/01/05: 15.10 euros	14/06/06: 17.47 euros	28/12/07: 17.13 euros	10/10/08: 5.54 euros
Net earnings per Share (1)	1.18 euros	1.28 euros	1.45 euros	0.87 euros
Gross dividend per share (2)	1.18 euros	1.28 euros	1.30 euros	0.87 euros
Pay-Out Ratio: Dividend/Net Profit	100.00%	100.00%	89.66%	100.00%
Dividend Yield: Dividend/Share Price	5.76%	6.09%	9.00%	16.70%
Total trading volume (shares)	442,393.320	424,213.771	326,112.750	408,863.134
Total cash trading volume (millions of euros)	7,863.55	8,335.05	6,601.79	4,350.23
Average Daily Volume (shares)	1,728.098	1,670.132	1,288.982	1,609.697
Annual gain or loss (Telecinco)	40.4%	1.2%	-18.9%	-56.9%
Ibex35 gain or loss	18.2%	31.8%	7.3%	-39.4%
Dow Jones Media Index gain or loss	12.5%	7.5%	-3.7%	-35.0%

(1) Net Profit 2008 = 211.28 million of euros, Net Profit 2007 = 353.06 million of euros, Net Profit 2006 = 314.25 million of euros, Net Profit 2005 = 290.33 million of euros, Net Profit 2004 = 214.21 million of euros.

(2) Excluding treasury shares: 3,106,913 shares at 31 December 2008, 3,106,913 shares at 31 December 2007, 1,411,540 shares at 31 December 2006, 1,450,000 shares at 31 December 2005, 11,250 shares at 31 December 2004.

(3) Share price at the date of preparation of the accounts: 25 February 2009 - 5.18 euros, 27 February 2008 - 14.44 euros, 28 February 2007 - 21.01 euros, 1 March 2006 - 20.55 euros and 1 March 2005 - 16.88 euros.

DIVIDENDS IN 2008



DIVIDENDS IN 2008



On 09 April 2008 the Shareholders in General Meeting agreed to distribute a total dividend of 317, 6 millions of euros charged against 2007 earnings. The dividend was paid out in May of 2008 and equalled a gross dividend of €1.30 per share.

Relating to 2008, the Board of Directors notified the CNMV on 25 February 2009 of the proposed distribution of a Gross dividend of €0.865 per share pending approval by the shareholders in the General meeting, which equals a dividend yield of 16.70% and a payout ratio of 100% Once again, Telecinco boasts one of the highest dividend yields in the benchmark Ibex index.

GROSS DIVIDEND PER SHARE

Year	Dividend Yield (%)	Euros per share
2005	5.8%	1.18
2006	6.1%	1.28
2007	9.0%	1.30
2008	16.7%	0.865

INVESTOR RELATIONS





INVESTOR RELATIONS



Telecinco's Investor Relations Department is responsible for managing the communications to the national and international markets, striving for permanent and transparent transmission of information on the situation, performance and outlook of the company for all shareholders, investors and analysts in strict compliance with the guidelines established by the Spanish National Securities Market Commission.

At the close of each quarter, the Company publishes its results by means of a detailed earnings release that provides the key figures and events occurring during the period and includes a graphic representation of the main activities and areas of interest of the company. This information is disseminated, firstly, in Spanish, to the Spanish National Securities Market Commission (CNMV) for publication on their website. After this first step, Telecinco publishes the same data on the corporate website in the investor relations section. At the same time, the presentations are sent by e-mail to those shareholders, institutional investors and analysts that have requested.

After publication on the web, we normally hold a conference call and simultaneous webcast for

shareholders, institutional investors and analysts that wish greater explanations or to pose any questions to the top executives of the company. The conference call is recorded and published on the company's website in the investor relations section until the next session.

In addition to the regular earnings releases, during 2008 Telecinco held five road shows in Spain, the United States and the United Kingdom and held 48 meetings with investors

Similarly, the Group has participated in 11 conferences on media companies in Spain and the UK, where it had direct contact with 117 investment companies, and held meetings with 52 different companies and 17 conference calls. With the analysts covering the company (35 at the close of the year), Telecinco held a total of 244 meetings or conference calls.

It is notable that Telecinco received 486 requests for companies of its annual report in English and 134 requests for the Spanish version from analysts and investors.

SHAREHOLDER STRUCTURE



HAREHOLDER STRUCTURE

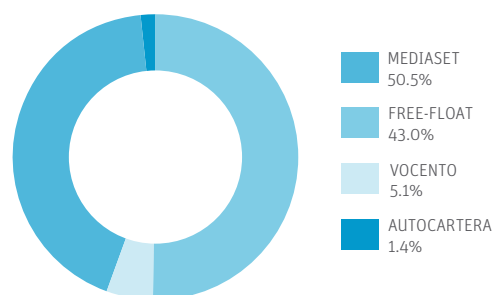
The majority shareholders are Mediaset (50.5%) and Vocento (5.1%), who together hold 55.6% of share capital. As mentioned elsewhere in this report, there were changes to the shareholder structure of Telecinco during 2008 with the second-leading shareholder, Vocento S.A, reducing its holdings from 13% to 5.1 %.

The proportion of treasury shares remained at 1.26%, unchanged over last year, and the remaining 43.2% is free float held mainly by institutional investors from Spain, the United States and Germany.

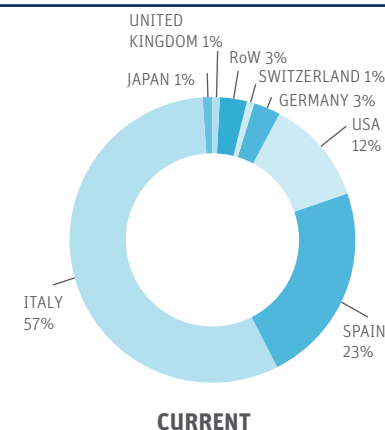
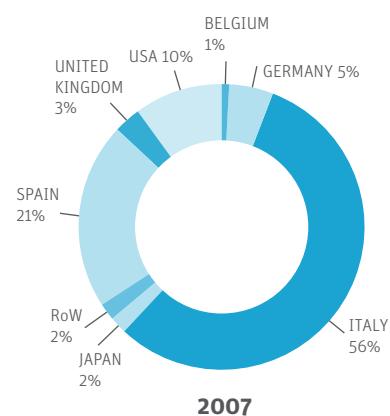
During the past year, the United Kingdom, Germany and Japan slightly reduced their investment in Telecinco, while investors in the Spain, the US, and Italy increased their positions.

It should be noted that Telecinco meets the information needs of minority shareholders, institutional investors and analysts through its Investor Relations Department, and strictly follows the guidelines established by the Spanish National Securities Market Commission.

SHAREHOLDER STRUCTURE



DISTRIBUTION OF TELECINCO SHAREHOLDERS BY COUNTRY



06.

**BUSINESS
PERFORMANCE**

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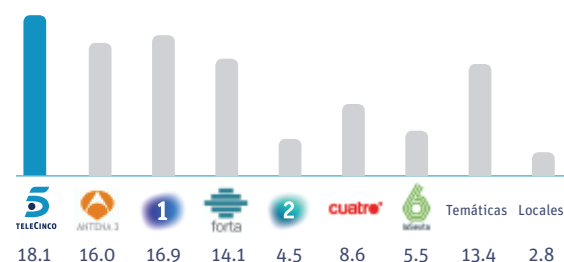
THE AUDIOVISUAL BUSINESS





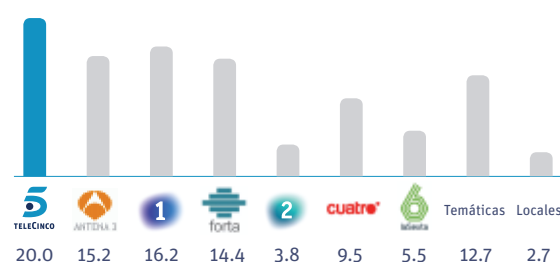
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2008 AUDIENCE SHARE FOR THE FULL DAY (%)



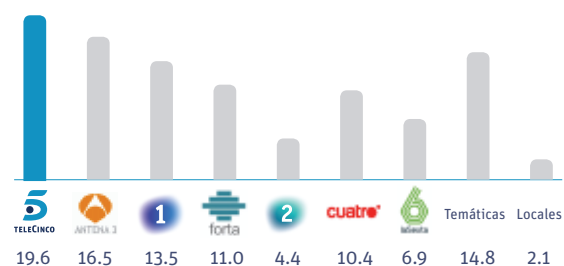
Source: SOFRES

AUDIENCE SHARE DURING PRIME TIME (%)



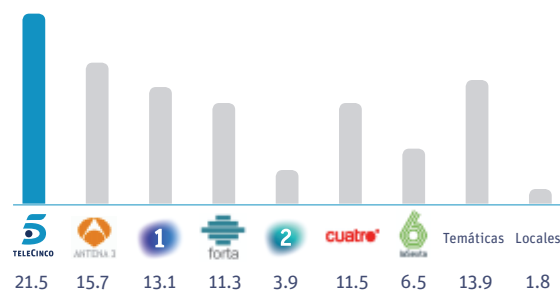
Source: SOFRES

COMMERCIAL TARGET 2008 FULL DAY (%)



Source: SOFRES

COMMERCIAL TARGET 2008 PRIME TIME (%)



Source: SOFRES

FIVE YEARS OF UNINTERRUPTED LEADERSHIP

Telecinco has once again made history. Our ratings success in 2008 brought with it a new all-time record for private television in Spain: 5 years of consecutive leadership. With a share of 18.1%, the station holds a 1.2 point advantage over second-ranked TVE 1 (16.9%) and a 2.1 point advantage over third-ranked Antena 3 (16%).

In addition to these five years of viewer loyalty during the full day, Telecinco also earned an even greater control of prime time with a 2 point gain in average daily share for a total of 20%, which is 3.8 points higher than TVE 1 (16.2%) and 4.8 points higher than Antena 3 (15.2%).

But this past year also marked the fifth consecutive year in which the station's programming has remained perfectly in tune with the preferred commercial target of advertisers, with a 19.6% share in the full day and a 21.5% share in prime time. These figures mean that the station was able to maintain a lead of 3.1 and 5.9 points over Antena 3 (16.5% and 15.7%, respectively) and of 6.1 and 8.5 points over TVE 1 (13.5% and 13.1%, respectively).

THE AUDIOVISUAL BUSINESS



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FICTION: ANOTHER YEAR OF SUCCESS

Telecinco in 2008 once again clearly demonstrated that fiction series are a cornerstone of the station's programming. The station's national productions occupied 5 out of the 20 top-rated programmes during the year and, when combined with our new success stories, make an unbeatable catalogue of the best fiction series.

It would be impossible to speak of new series in 2008 without mentioning the huge success of **"Sin tetas no hay paraíso"**, the best new fiction series in Spain with a cumulative average of 4,041,000 viewers and a 23.9% share. The success of this

production –which earned its lead actor, Miguel Ángel Silvestre, a Premio Ondas for Best Male Performance- has not only translated into top ratings, but also has generated a truly phenomenal fan base never before seen for any other series. This factor received a huge boost from the official series website on www.telecinco.es, which received a true avalanche of visitors, marking a new record with 77.5 million page views, around 1 million users per month and 16.5 million video downloads.

The loyal audience of **"Sin tetas no hay paraíso"** also tune in to the rest of the national fiction series, some of the most widely-viewed series on Spanish television.

The fifth and sixth seasons of **"Aída"** have once again made this well-loved comedy Spain top-rated fiction series for the year (national and international), leading its timeslot in 100% of the broadcasts with 5,492,000 average viewers, a 29.9% share and 34.9% commercial target. Two of the cast earned top awards during 2008 for their parts in the series; Carmen Machi took the Ondas for the Best Female Performance and, together with Paco León, they were each awarded the Fotogramas de Plata in the Best Actor (Paco) and Best Actress (Carmen) on Television category.

"Hospital Central", Spain's longest-running fiction series, continues to captivate Spanish audiences with an average 3,376,000 viewers and a 20.8% share for the two seasons broadcast in 2008.

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“La que se avecina”: the zany adventures of a group of neighbours in this eccentric urbanisation –the top-rated new fiction series in 2007- maintained a loyal following in 2008 with 2,834,000 average viewers and an 18.8% share.

“Hermanos y detectives” closed its first season as the second-ranked new series with a 20.3% average share and 3,417,000 viewers.

“C.S.I. Las Vegas” (4,577,000 and 25.4%) and **“C.S.I. Miami”** (4,505,000 and 22.8%) dominated Monday nights, again earning the tops slots as the most successful foreign fiction series in Spain.

2008 was also a time for saying farewell to some old and dear friends, two of Telecinco's most emblematic and best-loved series by Spanish viewers:

After 10 years on the air, the cast of **“El Comisario”** –until then the longest running Spanish television series- performed their final episode with a 24.2% share and 4 million viewers. With a cast that have become veritable legends -Tito Valverde, Juanjo Artero and Marcial Álvarez-, pioneering production techniques and a storyline that has held the undying interest of viewers for a full decade, this show has made names like Pope, Charlie and Commissioner Castilla household terms throughout Spain. The Protagonistas 2008 award in the Television category made the perfect end for this Telecinco production.

After seven successful seasons and achieving a place of honour among Spanish fiction series thanks to great comedy writing and the fantastic performances of the entire cast, **“Los Serrano”** said their last goodbye in 2008. The surprising finale of this Telecinco production was watched by a record-breaking 5,048,000 viewers for a 28.9% share, which put the finishing touch on one of Spain's highest acclaimed series of all time.

In the run-up to prime time, a timeslot in which Telecinco has been a pioneer in the introduction of new entertainment formats, **“Camera café”** and **“Escenas de matrimonio”** have both maintained

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their top ratings. Both the antics of the loony team of office workers on perpetual coffee break and the marital problems in **“Escenas de matrimonio”** attracted more than 3 million viewers. In the evening slot, **“Yo soy Bea”** celebrated 600 episodes as the leader in its daypart for more than 80% of the episodes, with a cumulative average of 2,785,000 viewers and a 28.5% share. **“Yo soy Bea”** shattered all of its own records during the broadcast of the two prime time specials featuring the transformation and marriage of the previous star with an average 8,226,000 viewers (42.1%) and 5,194,000 viewers (37.9%), respectively.



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SERIES THAT GO ONE-ON-ONE TO BRING IN THE CROWDS

With a double goal of achieving a strong communications impact and to allow the public to get close to some of their favourite television hosts and actors, Telecinco again broke new ground as a pioneer in the organisation of “360° television” actions with the participation of numerous of the company’s different departments (Content, Communications and External Relations, Telecinco.es, Commercial, HR and others).

The rapid spread of the new technologies, particularly mobile phones and Internet, has caused

a major modification of the concept of television consumption with the viewer going from a passive subject to an active participant. Interaction using text messages and the Internet has allowed us to gain first-hand knowledge of viewer opinions. The station wasted no time in taking advantage of this opportunity to offer our viewers an added value by making them direct participants in their favourite content. Telecinco was also able to make the giant leap from “virtual” to “real” in 2008 with three major actions: two previews of the revelation series **“Sin tetas no hay paraíso”** and a major event for **“Yo soy Bea”**.

Thousands of Internet users participated in a chance to receive much sought-after tickets for the events and passes for the live webcasts, while a lucky few were able to achieve VIP access through an SMS prize drawing. The thousands of fans thronging at the entrances achieved a level of “exclusivity” that tuned them all into consumer motivators, a fundamental aspect for effective one-to-one promotions.

Firstly, in the month of March Telecinco held the special preview of the season finale of **“Sin tetas no hay paraíso”** at a theatre on Madrid’s centric Gran Vía. More than 1,200 fans were able to watch the finale of a series that has become a true mass phenomenon and more than 2,000 fans lined the entrance way for a chance to see and have direct contact with their favourite stars.





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In June the station held the “bachelor party” for the characters played by Álvaro Aguilar and Beatriz Pérez Pinzón -stars of the comedy **“Yo soy Bea”**- as the masters of ceremonies at Madrid’s Puerta de Alcalá (Madrid). This was the finishing touch for their participation in the most successful series to hit television in recent years and was widely covered by the communications media. This was the best tribute/farewell party possible for the cast of the series, media professionals and numerous fans.

Lastly, in September the network held the preview of the first instalment of the second season of **“Sin tetas no hay paraíso”** at the Palacio de Deportes de la Comunidad de Madrid, in an event

that attracted more than 5000 people. More than 63,000 people requested tickets and expectations were so high that the passes began to be auctioned off on the Internet. Actors Miguel Ángel Silvestre, Amaia Salamanca and María Castro, together with the complete cast of the series got the chance to directly feel the affection and excitement of their loyal fans.

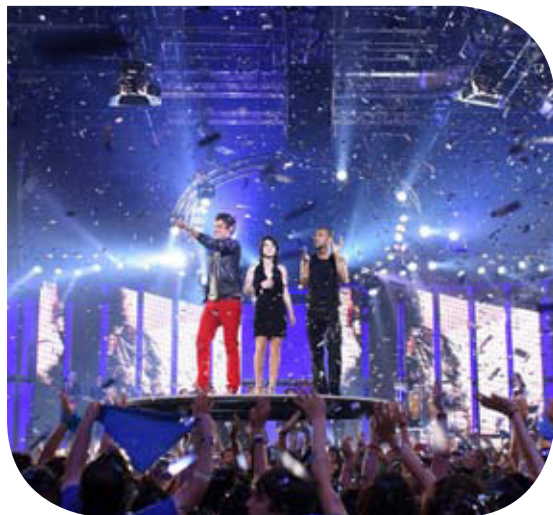
LIVE AND IN-HOUSE PRODUCTIONS: A FOCUS ON LEADERSHIP

The live and in-house productions of Telecinco, accounting for 85.8% of total programming, and have again be able to excite the public. The successful selection of formats and the unrivalled list of presenters linked to Telecinco through long-term contracts, including Mercedes Milá, Jesús Vázquez, Emma García, Christian Gálvez and Ana Rosa Quintana, among others, have allowed the network to shine like no other with the “Made in Telecinco” productions broadcast during the leading timeslots.

In fact, Telecinco in 2008 joined the annals of Spanish television history through one of its most widely recognised formats: **“Gran Hermano”**. The network made history in this part September as the first European television station to broadcast 10 seasons of a contest that, far from showing signs of exhaustion, has become a even greater success and continues to attract new viewers. Spain’s “Big Brother” has reaffirmed its position



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as the most successful reality show on Spanish television. The prime time broadcasts (3,733,000 and 25.6%) increased the number of viewers by more than 200,000 over the previous season and lead the ratings in its timeslot in every one of its broadcasts with a wide margin over its closest competitors. This success carried over to all of the other related programming, with **“Gran Hermano: el debate”** (22% and 1,246,000) and **“Gran Hermano: la casa en directo”** (26.1% and 966,000).

Similar success was recorded in 2008 by talent contest **“Operación Triunfo”**, with the prime time galas leading the ratings in its timeslot in every one, achieving an average 3,836,000 viewers and a 26.8% share. Once again the popularity of the show carried over to related programming, this time to the late night with **“El chat de OT”** (28.8% and 1,155,000).

The 2008 edition of **“Supervivientes: perdidos en Honduras”** was not only the hardest but also the achieved the highest ratings in the history of the format in Spain with an average 3,524,000 viewers and a 27% share for the prime time broadcasts.

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Viewers continue to tune in for a dose of investigative reporting and interviews on Saturday nights with **“La Noria”** (20.3% and 2,104,000), once again highlighting the attraction of Telecinco’s life programming.

The success of Telecinco’s in-house programming is not limited to prime time and extends to all of the other dayparts, particularly late night with two new alternatives, **“El juego de tu vida”** (21.7%) and **“Rojo y negro”** (19.3%), which have joined other already consolidated programmes like **“Diario de...”** (19.4%).

Telecinco also stands out in the morning slots with their flagship talk show **“El programa de Ana**

Rosa”, the absolute leader in the morning with a share of over 20%.

The afternoon timeslot also contains some of the most popular programming, such as game show **“Pasapalabra”**, which in 2008 reaffirmed its position as the top rated daily game show in Spain with 2,109,000 viewers and a 19.3% share. The success it is shared by revelation **“Mujeres y hombres y viceversa”**, which closed the year with an average of 1,683,000 viewers.

INFORMATIVOS TELECINCO, A TRULY DEDICATED NEWS TEAM

Telecinco’s news team, led by news director and anchor Pedro Piqueras (Antena de Oro 2008 Award) was reinforced throughout the year with the incorporation of veteran journalist and television host María Teresa Campos who will lead the new section **“La Mirada Crítica”**, a show which has benefited from her wide experience as a communicator and her firm commitment to live news and investigative reporting.

The Informativos Telecinco news desk has renewed its commitment to searching out the news, chasing down the latest information and performing decisive exclusive interviews, among which we would highlight that with Prime Minister José Luis Rodríguez Zapatero, who selected our network to offer his first impressions following the PSOE victory



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in the general elections. The interview was given by Mr. Piqueras and has become the most widely viewed of all of the interviews offered by the p.m. to the different television networks following the elections.

The superb work of the Telecinco news team has allowed us to scoop all of our competitors on some of the most important events of the year, such as the airplane accident at Barajas airport in August. The news team achieved exclusive on the investigation into the accident, including a photograph of the breaking of the airplane that was picked up the next day by every national newspaper and the leading news outlets worldwide.

The investigations carried out by the Informativos Telecinco team resulted in numerous revelations that directly impacted on the efforts of the government. This was a case of one report that uncovered the presence of confidential documentation in garbage bins from various courts of law, exposing the personal information of victims and defendants to public scrutiny. This work recently received an award from the Spanish Data Protection Agency.

The information offered by Informativos Telecinco on the terrorist's activities ETA has also been picked up by other media due to the exclusivity of the images of antiterrorist operations and the capacity of the Telecinco news team to be the first to inform on



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police activities, both over the Internet and through SMS alerts.

Specifically, the website www.informativotelecinco.com is the perfect platform for integrating Internet and television. The website added the latest technological advances in 2008 in order to transfer the audio and video potential of television to the Internet, resulting in the Spanish news portal with the largest volume of audiovisual material on the market, including the latest images of the day's most important events and in-house reporting.

On the international front, the journalists of Informativos Telecinco have become true globe hoppers and were the first to locate the Spanish business people trapped in the Bombay hotel following the terrorist attacks that Esperanza Aguirre, President of the Autonomous Community of Madrid, narrowly escaped. Telecinco also provided excellent coverage of the US elections, particularly on the historic day in which junior Democratic Senator Barack Obama became the 44th President of the United States, an event that was covered on the ground in the US by Pedro Piqueras and Hilario Pino.

In sporting news, Informativos Telecinco this year offered the fifth Formula One series, which achieved an average share of 42.5% and the total of 4,184,000 viewers. The network also broadcast some of the best football, such as the eternal rivalry

between Real Madrid and F.C. Barcelona in the first leg of the football league, which attracted an average of 9,264,000 viewers for a share of 46.7%.

Telecinco undertook major changes in 2008 to its digital channels, offering new content and assuming a new identity: **FDF Telecinco**, a theme channel focusing on movies and fiction series, and **Telecinco 2**, a channel that has made a substantial shift to become the new general television channel with news, sports, reality shows and other popular content.

TELECINCO'S DIGITAL
CHANNELS OPEN WITH
NEW CONTENT AND
A NEW IDENTITY: FDF
TELECINCO AND TELECINCO 2



With Factoría de Ficción (FDF), Telecinco recovers the brand and essence of what was, in the past, one of the most popular pay channels offering the best Telecinco series. This has not changed in the new fiction theme channel offers successful series like **"Hospital Central"**, **"El Comisario"**, **"Motivos Personales"**, **"7 Vidas"** and **"C.S.I."**. There have also been premiers such as **"Vientos de agua"** -the most ambitious Spanish fiction production to date- and the original version of the Colombian **"Sin tetas no hay paraíso"**, as well as numerous leading motion pictures that are often grouped into different theme cycles (e.g. action, gay, comedy...).

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Telecinco's digital channels open with new content and a new identity: FDF Telecinco and Telecinco 2



In addition, FDF Telecinco added the production of a new programme in 2008, **"Becari@s"** -a short movie format that highlights the Sir real situations lived by the staff of www.telecinco.es- which has been a further step toward the establishment of synergy between the content offered on the website and the programming broadcast on the network. It is also the realisation of the commitment of Telecinco to develop and progressively incorporate attractive and innovative formats to its DTT programming.

Telecinco 2 opened on DTT with a clear vocation as a generalist station. The channel offers news and information such as **"Semanal Sport"**, **"Reporteros"**, **"Documenta 5"** and the news programming of Informativos Telecinco immediately after broadcast on Telecinco. Other programming includes cultural programming such as **"Territorios"**, reality programming with the summaries and reruns of successful programming such as **"Supervivientes"** and **"Gran Hermano"**, and top-level sporting events such as **Formula One racing**, **Superbike** and some of the most decisive encounters of the national indoor football team.

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In this new stage, Telecinco 2 has made a strong bet on socially aware content to complement the network's "12 months, 12 causes" initiative with a series of agreements with leading NGOs and worldwide organisations such as Greenpeace, Amnesty International and UNHCR (United Nations High Commissioner for Refugees), under which the organisations provide the network with information, documentaries and reports on the causes that concern them. The reports from Amnesty International have benefited from the special collaboration for their presentation by such stars as Tristán Ulloa and Gael García Bernal, while the documentaries from the UNHCR have been "adopted" by Jesús Vázquez, goodwill ambassador of the UN initiative.



MULTIPLATFORM CONTENT: TELECINCO, PRESENT IN ALL DISTRIBUTION CHANNELS

This year Telecinco combine all of its multiplatform activities (primarily Internet, mobile phones and teletext at this time) into a single company known as Conecta 5. This was a strategic decision for a future that is quickly becoming the present and allows Telecinco to show its clear profile as a distributor of absolute multimedia content through any channel in order to reach the highest number of users possible.





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Telecinco.es, audiovisual leadership consolidated on the Internet

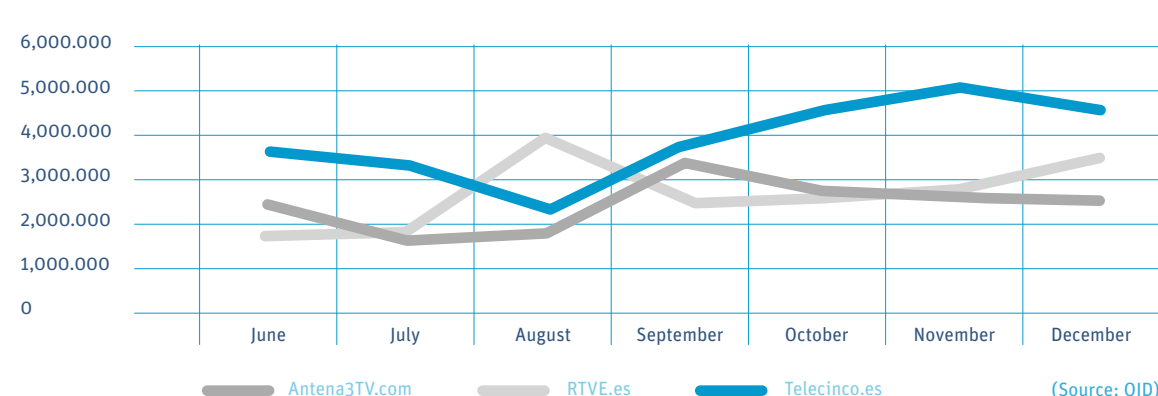
In January 2008 Telecinco inaugurated its new website design, which, thanks to the possibilities offered by the Multimedia Content Platform and the technologies are applied, offers a very high capacity for interactive resources and the downloading of images, as well as new sections establish synergy between television and the Internet in order to promote the active participation of visitors.

The technical advances are applied and the huge editorial effort during the year have made it possible for Telecinco.es to become the fourth leading communications media in Spain for viewers and Internet users, firmly consolidating its audiovisual leadership on the Internet and once again establishing a sharp lead over its closest competitors every month of the year in both the home access and work access segments.

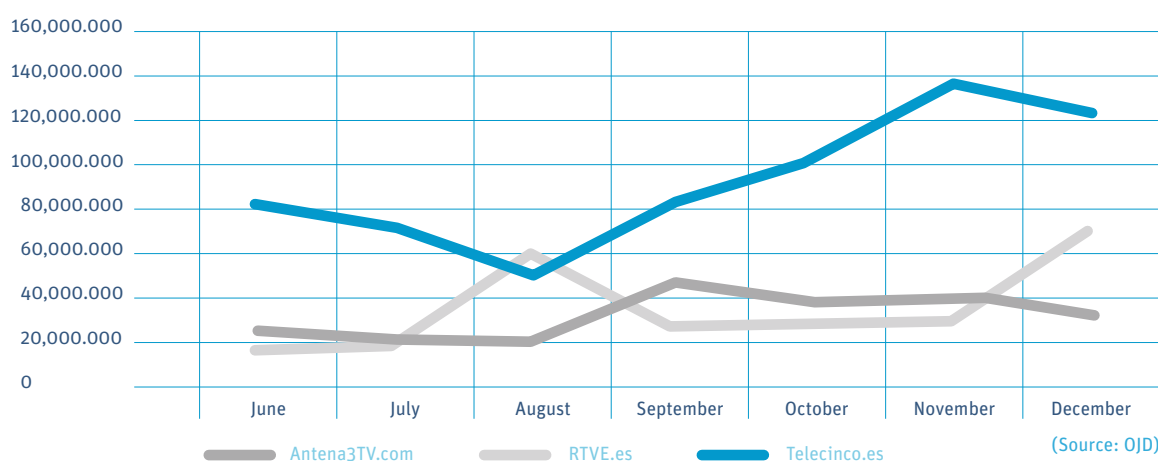
According to Nielsen ratings as audited and confirmed by the Spanish Oficina de Justificación de la Difusión (OJD), Telecinco.es surpasses the website of the competition for the number of users, page visits and browse time.

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UNIQUE MONTHLY USERS JUNE-DECEMBER 2008



MONTHLY PAGE VISITS JUNE-DECEMBER 2008



MONTHLY PAGE VISITS JUNE-DECEMBER 2008

These figures represent huge business opportunities for the network given that, on the one hand, it allows www.telecinco.es to offer advertisers the most interesting commercial targets and, on the other, it makes it possible for Advanced Media to take advantage of the communication possibilities to the launch of advertising formats to integrate content in accordance with the specific needs of each client

The birth of Telemanía.es, and online journal on the audiovisual sector

The excellent audience data achieved are underpinned by the strong commitment of www.telecinco.es to make the Web an encounter point for users looking for extra content, backed up by an entire world of complementary entertainment that the network broadcasts and the birth of the new online journal Telemanía, a new communications media dedicated to informing on the latest news in the broadcast industry, providing news on the networks, producers, national and international programming and they complete daily summary of audience share, as well as many other items of interest, all available every day on www.telemania.es.

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The coexistence of exclusive web content and the core offer of Telecinco

The new digital newspaper reinforces the goal of www.telecinco.es to offer users exclusive web content. Along these lines, this year the network premiered “Becari@s”, the first series created for Internet that in December closed its second season with a cumulative audience of almost 1,000,000 viewers. The good acceptance received by this comedy throughout the year led the network to switch its time slot to just before prime time on the digital channel FDF Telecinco.



In addition, among the most important content introduced by Telecinco.es this year there are more than 30 blogs that reinforce the community growing around each programme and provide new and exclusive content. With the goal of interacting with the public, hosts and regular collaborators of the network Mercedes Milá, María Teresa Campos, Mario Picazo, Pepe Ribagorda and Kiko Hernández, among others, are writing blogs on their personal opinions and experiences, sparking debates that have been hugely followed by Internet users.

The premise of entertaining the website visitor, the network's website also actively promotes fun forms of participating through games and contests created specifically for Internet.



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All of this in-house content shared the stage with one of the most important event to occur this year: the uploading of all of the television episodes and programmes to the Internet so that web users can see them after they are broadcast at any time that they want. Specifically, in 2008 Telecinco.es uploaded all of the episodes of **“Sin tetas no hay paraíso”**, **“Aída”**, **“Hospital central”**, **“El Comisario”** and **“La que se avecina”**, as well as all of the gala events of **“Gran Hermano”** and **“Operación Triunfo”**, with the respective summaries on the 24-hour channel.

Telecinco.es renovates the news website with the largest volume of audiovisual material in Spain

As part of this shift to the web, we would also highlight that the two main conditions of Informativos Telecinco are, after broadcast, directly uploaded to the Internet and available to users at www.informativostelecinco.com, was following the renovation in 2008 has become the news website with the largest volume of audiovisual material in Spain thanks to the videos provided by Atlas, the reports produced in-house by the Informativos Telecinco news team -who work for both Internet and television- and the direct connections made from where ever news is happening thanks to the latest generation mobile units that allow us to go where television cameras have never gone before.

Innovative retransmission of live mass events

Where our television cameras have been able to go, nonetheless, has been to some of the most important television, music and cinema events of the year in order to bring the reality of television and leading television personalities closer to our viewers and website users through live webcasts and web transmissions, such as the two premiers of **“Sin tetas no hay paraíso”**, the bachelor party for the stars of **“Yo soy Bea”**, the jam session with Hombres G prior to one of their major concerts during the season and the premiere of the motion picture **“Che, el argentino”** and of the latest James Bond, among others.

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Telecinco, with the agility needed to adapt content to mobile phones

The ability to view Telecinco content on cellular terminals has been available for years and the ample content offered for distribution over the technology was increased in 2008 with two major additions in the form of “packages”. On the one hand, the network offers **“Telecinco series”**, a compilation of the best fiction products produced by Telecinco, and on the other offers **“The best of Telecinco”**, with a selection of our best programmes.





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The speed with which Telecinco was able to adapt its content to the new formats provided by the technological advances provide in our current information Society has been clearly demonstrated this year with the launch of an exclusive news service for iPhone users which was announced on the first day that the Apple terminal was made available in Spain.

Telecinco Teletext, a more intuitive and complete information and news medium

During 2008 Telecinco reinforced its teletext service by incorporating major improvements in the design and organisation of the services and content. Regarding the latter, the network has improved and expanded the sections that are most often consulted by users, such as breaking news, sports scores, betting lotteries and the like.

Regarding the design used to present all of this information, Telecinco has implemented a new design with a completely renovated structure of the different sections to allow for more intuitive and user-friendly consultations.

The network has also introduced news services for the direct retransmission of incidents in the football league, the Formula One Grand Prix's and other sporting competitions. Also, special sections have been created for extraordinary events such as the Olympic Games, the Europe Football Cup, among others.

TELECINCO CINEMA, BOX OFFICE LEADER IN 2008

Telecinco does not shine only on the small screen; moviegoers also recognise the quality of its brand in the seventh art. The network's Cinema producer led the industry in 2008 in both total investment and box office receipts, where with only 10 motion pictures they were responsible for almost 1/3 of the total box office, over €21 million, and almost 4,000,000 spectators.

The big screen in 2008 saw the premiere of one of the most ambitious projects in recent history, "Che" (released as **"El argentino"** in Spain), the first instalment of the super production on Ernesto "Che" Guevara directed by Steven Soderberg and starring an international cast led by Benicio del Toro in the starring role (whose work earned him the Best Actor award at the Cannes Film Festival as well as a Goya for Best Actor). The second part of the history, released in English as "Che: Part Two" and in Spanish as **"Guerrilla"**, premiered in February of 2009.

The strong bet on full-length motion pictures with an international focus was also made evident with the release of such films as **"The Oxford Murders"**, a thriller starring Elijah Wood, John Hurt and Leonor Watling and directed by Álex de la Iglesia. The film won three Goya awards, for Line Production, Editing and Original Score. Another international

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release was **“Transsiberian”**, a suspense film directed by Brad Anderson and starring Eduardo Noriega, Woody Harrelson and Ben Kingsley, which is featured in various film festivals, Sundance, Berlin and Sitges.

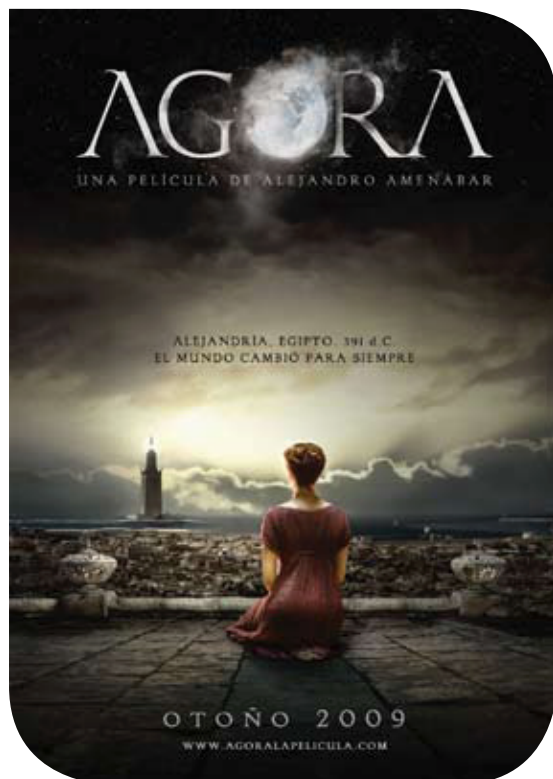
Another film that was represented in the most prestigious film festivals both nationally and internationally, and confirmed the success of Telecinco Cinema in its bet on young talent, was the premiere of **“Casual Day”**, with actors Juan Diego, Luis Tosar, Alex Angulo and Alberto San Juan -among others- the first film directed by Max Lemcke. The film received for Medals from the Spanish Film Writers Association (Círculo de Escritores Cinematográficos) for Best Picture, Best Director, Best Actor, and Best Original Screenplay.



After passing through some of the most important international film festivals, **“El rey de la montaña”** (**“King of the Hill”**) received the Meliés de Plata (equivalent to the Oscars but for fantasy films) in the prestigious Amsterdam Fantastic Film Festival. The film was directed by Gonzalo López Gallego and starred Leonardo Sbaraglia and María Valverde and achieved an exceptional reception in all the international markets where it was offered, including France, the United Kingdom, Germany and the United States.

In addition to these projects, Telecinco Cinema also participated in the comedy **“Gente de mala calidad”**, with Alberto San Juan, Maribel Verdú,

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Fernando Tejero, Javier Gutiérrez, Antonio Molero and Pilar Castro under the direction of Juan Cavestany; the drama **“Todos estamos invitados”**, starring José Coronado and directed by Manuel Gutiérrez Aragón showing the reactions of people threatened by terrorism in the Basque Country; the dark comedy **“Que parezca un accidente”**, a film by Gerardo Herrero starring Carmen Maura and Federico Luppi; the thriller **“Eskalofrío”**, directed by Isidro Ortiz and the science-fiction film **“Santos”**, where Elsa Pataky, Javier Gutiérrez, Leonardo Sbaraglia and Guillermo Toledo seamlessly work under the direction of Nicolás López, considered as the successor to Guillermo del Toro according to Variety Magazine.

Also during 2008, Telecinco Cinema developed major projects including some that began during the air. This was a case of **“Ágora”**, a new film by Alejandro Amenábar in which the renowned director tackles and historic epic drama that takes place in the fourth century and stars Rachel Weisz in the lead role. The budget for this highly anticipated film, which will be premiered by Telecinco Cinema in autumn of 2009, makes **“Ágora”** the most ambitious full-length Spanish motion picture of all time, surpassing **“Alatriste”**, which was also produced by Telecinco Cinema.

With the completion of filming on **“Ágora”**, Alejandro Amenábar and Telecinco Cinema again got together in the month of October to produce another of the major projects for 2009, **“El mal**

ajeno”, opera prima of Oskar Santos bringing together Eduardo Noriega and Belén Rueda for the first time on the big screen after each having collaborated separately in other films directed by Amenábar.

ATLAS, A LEADING NEWS AGENCY IN THE AUDIOVISUAL NEWS MARKET

In 2008 Atlas again registered an all-time high in earnings, reaffirming its leadership of the multimedia news agency market through the sale of images and broadcast services for television, Internet, institutions and companies.

Atlas is now present across all television market segments, from national and regional general channels, to DTT and local television.

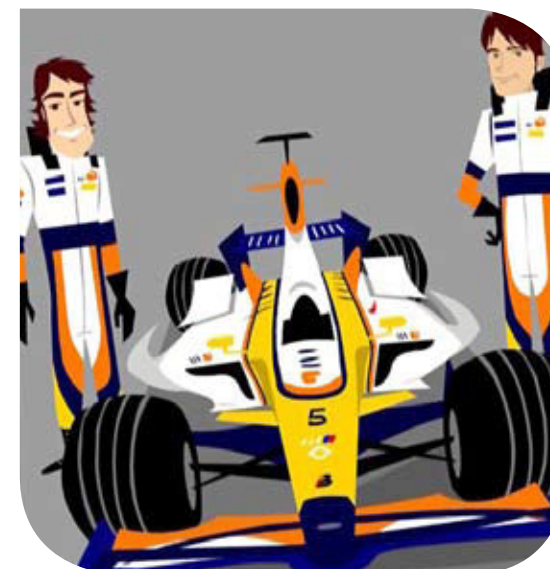
Regarding the Internet, the company has also consolidated its position as a leader in the digital media market with a Web presence in such leading media as El Mundo, El País, ABC, La Vanguardia, El periódico, 20 minutos, El Economista, Público, Mundo Deportivo, Marca, AS and the regional Websites of Vocento, as well as leading Internet portals, such as Terra, ONO, Wadadoo and Ya.com, among others. . Atlas makes available to each a daily selection of 50 videos produced on current national and international news subjects which can be consulted directly by subscribers on the agency's website, www.atlas-news.com.



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With its large portfolio of clients, the Broadcast Services area also recorded its highest ever earning since its creation in 2008. These excellent results were possible thanks to the company's sales growth, commercial drive into new segments such as sports and non-news spaces, and the very sound cost control policies implemented by the agency.

The programmes produced by Atlas in 2008 include **“Un paseo por las nubes”** (TVA Castilla la Mancha), **“La Caja Negra”** (ETB), **“Aquí hay tomate”** and **“Diario de...”** (Telecinco), as well as various top-level sports broadcasts, such as Formula 1 racing, the Superbike championship and the finals of the King's Cup Football championship.

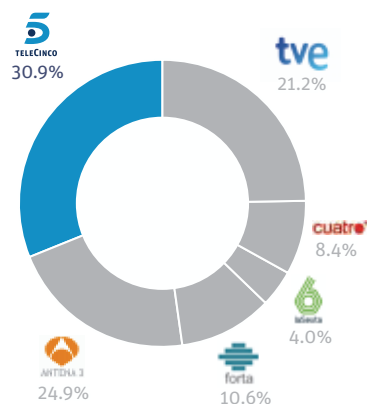


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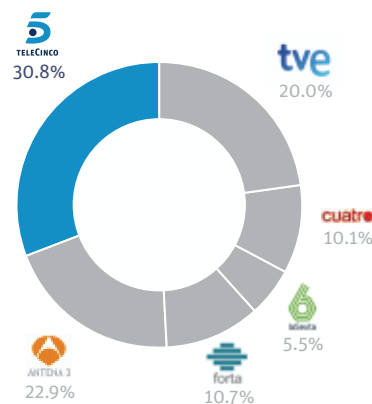


THE ADVERTISING BUSINESS

ADVERTISING MARKET SHARE 2007



ADVERTISING MARKET SHARE 2008



GRUPO PUBLIESPAÑA, THE SECURITY OF OFFERING ADDED VALUE

The Publiespaña Group has launched a sound strategy to maintain its leadership of a market that is undergoing major complications as a result of the international financial crisis, which has led to a decline in consumption and advertising spend in our country.

This difficult scenario has been coupled with a decline in advertising prices led by public television. Nonetheless, the company has been able to maintain its market share and is once again the market leader in advertising spend, sales, pricing and power ratio, the index that measures the relationship between audience share and market share, in which Publiespaña not only maintained its leadership position, but also increased over the previous year.



THE ADVERTISING BUSINESS

Investment by networks 2008 - 2007 (in millions of euros)	2008	2007	Evolution %
TOTAL	2,988.1	3,357.6	-11.0
TeleCinco*	919.5	1,036.8	-11.3
Total TVE	596.8	716.5	-16.7
Antena 3 TV*	685.4	834.8	-17.9
Cuatro TV*	301.8	281.9	7.1
La Sexta	165.0	132.8	24.2
TOTAL NATIONAL TELEVISIONS	2,668.5	3,002.8	-11.1
TV Aut. Canarias	4.8	5.3	-10.1
TV3	118.0	132.0	-10.5
TV Galicia	24.2	25.9	-6.8
E.T.B.	23.8	22.0	8.5
TV M.*	45.1	55.0	-18.0
Canal Sur	48.1	55.0	-12.5
Canal 9	28.4	34.0	-16.5
TV. CMT	3.8	4.8	-20.7
IB 3*	7.5	6.8	10.2
TPA	1.5	1.3	18.7
TV Aragón	2.6	2.3	15.1
TAM*	2.7	2.8	-5.1
8 TV	6.5	5.8	12.1
ONDA 6	2.6	1.9	40.0
TOTAL REGIONAL TELEVISIONS	319.6	354.7	-9.9

* Estimated data by Infoadex

THE ADVERTISING BUSINESS



Throughout the year Publiespaña took special care of the advertising pie resulting from its leadership, which, despite the crisis, has allowed the Group to maintain the value of its product and increase its strength in comparison with the competition thanks to a diversified commercial policy with over 50 different products that lead the advertising audience.

To do this, the company once again focus on offering the best service possible to its large client portfolio, which includes some of the top companies in Spain. This is just one of the reasons why Publiespaña has the highest market share among in advertising spend from automotive and telecommunications companies and has the ability to plan any type of campaign for any type of company nationally.

Publiespaña takes special care to provide a personal touch to every client, reaffirming its leadership in Gross Rating Points for unconventional formats. In this regard, the company has again led the way in the Special Initiatives market, I again demonstrating the creative capacity is maintained the company in the top slot for total sales.

The advertising care rolled out by the company has also translated into the celebration of a unique events in the audiovisual market in Spain: the presentation of programming and short-term commercial strategy in a meeting with 70 representatives of the leading advertisers in Spain with the most popular faces of the network who on many occasions become the only consumer motivators for product launches. In addition, Publiespaña carried out more than 50 individual encounters with clients and buying centres in order to discover, in exclusive and personalised manner, the real needs of each one.

The company has also undergone important strategic business developments, analysing the best way to take advantage of the changes and new opportunities arising in the market in order to generate new business processes that can become competitive advantages for the network. In line with this objective, the company has launched a series of unique tools such as the first estimator of advertising audience created in all of Europe, Publiespaña Online, a website where clients can independently manage and monitor all of the advertising campaigns of Telecinco and Optimax, a truly Pioneer application that optimizes the planning of campaigns within the programming schedule.





THE ADVERTISING BUSINESS



Top Spot Digital, another link with advertisers

With the firm belief that the value of a company's determined by its relationship with its customers, Publiespaña took a new step in 2008 with the launch of Top Spot Digital, the online version of the magazine launched in 2007 to create closer links between the company and the advertising sector. The print version of the magazine increased its circulation this year to 6,000 copies.

Thanks to the versatility of the digital format, Top Spot Digital keeps readers permanently informed of events in the advertising sector, news on Telecinco programming and any modifications to the commercial policies of Publiespaña, Publimedia Gestión or Advanced Media.

PUBLIMEDIA GESTIÓN, THE CHALLENGE OF ADVERTISING DIVERSIFICATION

The myriad new ways to access content and the digitalisation process have given birth to a new broadcasting reality that provides new trends and greater opportunities for advertisers. Taking advantage of this challenge is a core objective of Publimedia Gestión. The Publiespaña subsidiary close a brilliant year and increase sales on the DTT channels (FDF Telecinco and Telecinco 2) following the launch of a new commercial policy in December that added the children's target with

the addition of content from the Cartoon Network.

The company also maintained its emphasis on advertising management through its international television network department for Italy, United Kingdom, Germany, Austria, the Netherlands, Belgium, Norway, Sweden, Finland, Denmark, Hungary, Romania, Bulgaria and China through the subsidiary Publieurope.

The multi-venue offer by Publimedia Gestión was maintained in 2008 with marketing through the cable television operator ONO Televisión, which this year exceeded 100 million in on-demand programmes, allowing the Publiespaña subsidiary to execute a large volume of sales for including advertising in exclusive spaces with thematic positioning (cinema, series, sports, documentaries, youth, music and children). Subscribers to the platform are also a target audience of the campaigns contracted by Publimedia Gestión for the "ONO magazine", which goes to more than 1 million households and has over 2 million readers.

Publimedia Gestión has also continued to bet on print media with Mi Cartera de Inversión, the leading financial weekly and the market, and reinforces its advertising management using Telecinco teletext services.



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ADVANCED MEDIA, LEADER IN THE COMMERCIAL MANAGEMENT OF WEBSITES

Telecinco's bet with the creation of Advanced Media, a commercial structure dedicated exclusively to the sale of content on the Internet and the mobile phone, has provided spectacular results in just one year.

In 2008 Advanced Media has made great inroads in achieving its goal of becoming the leader in the commercial management of websites through the

creation of interactive formats that are able to adapt to the new times.

In this regard, the Advanced Media Network, headed up by www.telecinco.es, www.informativostelecinco.com, www.telemania.es and www.bolsacincocom.com, achieved over 5 million unique visitors according to Nielsen thanks to marketing agreement reached with the website of El Corte Inglés, the leading retailer in Spain and that of "Red Karaoke", the largest social community of Spanish-speaking singers, with more than 230,000 registered members.

The certification of audiences for www.telecinco.es by OJD and Nielsen, have allowed Advanced Media to undertake a commercial policy focused on integrated formats they guarantee creativity, coverage, advertising in fact, and participation in the campaigns.

Telecinco's emphasis on offering content over the Internet has also resulted in the possibility of marketing through new channels, by inserting spots and managing sponsorships of webcasts and streaming video, both were series created for television and those specifically produced for the Web, as is the case of "Becari@s".



OTHER BUSINESS LINES



OTHER BUSINESS LINES



The Telecinco Brandon 2008 was again synonymous with success beyond the small screen. The network's productions have created a major channel for income derived from the sale of rights both nationally and internationally and from the launch of editorial and audiovisual products relating to Telecinco's series and programmes.

During 2008, we would highlight the launch of the two seasons of **"Sin tetas no hay paraíso"** on DVD, which has become the leading Spanish series in the national market. The fan phenomenon that has arisen around the stars of the series has also alleged to the creation of an official magazine with images from these sets, cards and posters, as well as the release of the original soundtrack.. The network has also released the new seasons of **"Aída"**, **"Hospital Central"**, **"Los Serrano"** and **"Yo soy Bea"**, which have consolidated Telecinco's position as the market leader in the direct sales of Spanish fiction series.

Telecinco has also released a double compilation in CD + DVD of **"Gran Hermano"** to commemorate the 10th season of the reality show. The product contains a summary of the best moments in the history of the format in Spain as well as the songs and has reinforced the presence of Telecinco in the record market, where it has launched other compilations such as **"Las 101 mejores canciones de amor"** and **"Funky Town"** by Chipper, one of the contestants on **"Operación Triunfo"**. The

new entertainment formats are fully supported by Telecinco, with the launch of the game **"Singstar"** for Playstation with versions of the more charismatic participants in the music contest. The books based on the game show **"Pasapalabra"** (with exercises that help you work your memory) and on the series **"Escenas de matrimonio"**, the selection of the best gags, among others, make up the editorial productions released by the network in 2008.

In the video-on-demand business line, Telecinco has consolidated its first steps, its series to be available on cable operators and other platforms, such as ONO and Imagenio, which offer Telecinco products as an added value service and including them on the digital platform Digital + under their pay per view service. Theme channels have also become home to Telecinco series, including Teuve, Sony-AXN, Paramount Comedy and Universal Calle 13.

In the area of rights sales, Telecinco has successfully marketed **"Escenas de matrimonio"** in Germany, Portugal, Romania and the United States; the Spanish version of **"Sin tetas no hay paraíso"** had been made available in Mexico and Ecuador, and **"Los Serrano"** are available in Slovenia, Croatia, Serbia and Bosnia and Herzegovina, and an adaptation of **"7 Vidas"** has been sold in Turkey.

INNOVATION





INNOVATION



Innovation is one of the constants in the communications media. Technological improvements not only imply advantages for professionals in the performance of their jobs, but also provide benefits to the users and audiences.

Telecinco is positioned as one of the leading companies in the industry for innovation. During 2008, the network has worked with improved the services available from the DTT channels, as well as those offered by the different websites of the Group, the mobile phone channels and teletext. Thanks to these advances the time needed for communications between public and media have reduced sharply, increasing the capacity for interaction and feedback and improving universal accessibility to content.

RENEWAL OF CONTROLS FOR ESTUDIO 6 AND NEWS PROGRAMMES

During 2008 the network modified the last controls pending renovation for the Telecinco facilities in Fuencarral (Madrid). Production control through Estudio 6 and that for Informativos Telecinco now have latest generation equipment with all of the latest features.

From September 2007 through June 2008 the network fully reformed all of the production controls, lighting, technical controls and equipment rooms of Estudio 6, including civil works and conditioning.

Among the main technological innovations introduced to the equipment, we have substituted the obsolete two monitors for high-resolution flatscreen monitors with multiscreen processing. We have also installed new video production servers with capacity for digital effects and working with files. These technical improvements allow for an increase in the visualisation and monitoring capacity, allowing for a higher number of signals with greater resolution and associated data. It also facilitates the fast and simple reorganization of controls to hold different formats of programs in the same control.

This progress has resulted in an important advance in reducing energy consumption and improving general habitability.

The network also renovated (architecturally and technologically) the production controls equipment, sound gear and the production-direction zone with the new auxiliary rooms.

The changes allow for an increase in the intercommunication capability, integrating the studios with central control, and generating a new equipment room with the capacity for processing more than 160 video signals with embedded digital audio. It has also achieved an increase in the monitoring and visualisation capacity, with new features such as multiscreen viewing and high resolutions thanks to monitoring multiprocessors and flatscreens throughout the system.

INNOVATION



Other improvements include the incorporation of a new digital soundboard and backup, providing high capacity for the audio systems and technical coordination for the studio, as well as a new equipment for the video mixer and switching matrix, both prepared for HF, fully robotic pedal system, multiscreen monitoring system with 10 high-resolution LCD monitors, high-capacity intercommunication system for rooms and the set.

DTT IMPROVEMENTS

Throughout the past year the network introduced various improvements to the Telecinco DTT header and system in order to expand the offer of shared multiplex services and optimise access by people with disabilities.

Considering the limitations of current domestic receivers, Telecinco, in coordination with the industry, is working to improve the final quality offered to users. Among the measures introduced we would highly to generation of a new shopping service, Cincoshop using multiplex technology and statistics in the Telecinco DTT header.

Similarly, protection is provided through the high availability of standard coding and switching headers for the complete thread and we have developed the automation of the reserving of MPEG audio and video coders using a 4+1 configuration and multiplexing of manual contingencies. Ano-

ther is the advances is related to the optimisation of coding characters, which improve the parameters for bandwidth, configuration, installation and re-signalling for the new FDF and Telecinco 2 channels.

ELECTRONIC RENOVATION OF THE NETWORK

In July 2008 the network completed the installation of the new network infrastructure for Telecinco. The goal was to adapt the network to the video traffic needs within the digitalisation process, cover the security limits that existed with the old infrastructure that made it impossible to implement appropriate access and antivirus policies, as well as to resolve the incidents that occurred due to the obsolescence of the equipment.

The design of the new network allows for an increase in availability, efficiency, scalability and security, all achieved thanks to the network design and three level scaling: core and distribution, user access and service access.

In addition to restructuring the architecture based on a star topology with connections from the different floors of the buildings to the VSS in the CPDS, there performed a modification of the physical connection. The connections under the star topology use latest generation fibre optics: Systimax Lazrspeed 550, able to support multimode speeds of 10 Gigabytes for up to 550 m.

INNOVATION

On a logical level, we have opted for the creation of new VLANs with a lower number of maximum hosts for each in order to allow for more efficient use of the available bandwidth. The addresses of the VLANs have also been changed to private addresses in order to avoid conflicts with the different machines published on the Internet.

WEBS AND OTHER CHANNELS

The new Telecinco websites (Informativos Telecinco, Formula1, etc.) attract 7 million unique visitors per month, 10 times greater than the consumption of television content over the Internet. The Telecinco website is among the 10 most visited websites in Spain. We continuously monitored the web platform during 2008 using robots and cross accesses in order to prepare balanced scorecards and thereby optimise the platform.

Other technological advances referred to mobile technologies and we have performed multiple integrations with mobile telephone services both for the transmission of videos over the operator

channels and for the monitoring of this content independently.

As regards Teletext, we have automated elements to achieve instantaneous and constant updating of content.

Other major technological advantage referred to the incorporation calculation, through the employee website, of new variable objectives for the Telecinco Group, the launch of the magazine in digital format “Nuevo Look & Feel” of the “Portal del Empleado”.





INNOVATION



Also during 2008 Telecinco renewed its corporate image by evolving its logo towards a more modern graphic image that is then applied since September on screen and the website as well as in all corporate communications.

The new logo is a more stylised figure 5 with a somewhat narrower stroke and somewhat reduced inclination. The forms have been softened, including the curved lines and eliminating the pointed angles.

The result is a softer, yet firmer, and more modern symbol. The typesetting has also been adapted so that the letters combine better. While the colour blue was maintained, a lighter shade was used for the numeral 5 and the dot, previously orange, and the station name both used the former dark blue.

07. CORPORATE GOVERNANCE

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CORPORATE GOVERNANCE IN TELECINCO





CORPORATE GOVERNANCE IN TELECINCO

During 2007, Telecinco introduced major amendments to the company's Bylaws, AGM Regulations, and Regulations of the Board of Directors in order to adapt them to the *Unified Code of Good Corporate Governance (Unified Code)*. Accordingly, during 2008 we dedicated our efforts to consolidating and strengthening the changes to further advance towards a governance model based on and employing only the best practices.

The main advances in 2008 have focused on the composition of the Committees, on which, with the exception of the Executive Committee, we have reduced the number of nominee directors representing shareholders in favour of independent directors, with all of the committees being chaired by independent directors.

One of the most significant advances made regarding the transparency of the Telecinco Group has been the reinforcement of the publication and release of the compensation received by directors, with a complete breakdown of all concepts received by the directors being included in the Annual Report.

Aware that gender diversity is still a pending matter and having already adopted the internal measures needed, the Board of Directors and the Appointments and Remuneration Committee will propose a resolution for the 2009 Annual General Meeting to increase the number of directors in order to appoint a new female independent director.

Lastly, in line with our intention to continue to advance and guarantee greater transparency, for the first time this year the Annual Corporate Government Report will be submitted to an independent expert for verification, having contracted for this purpose with the company PriceWaterhouseCoopers.

This chapter contains a brief description of our Corporate Governance structure. However, greater detail can be found in our Annual Report on Corporate Governance for 2008 which is available for download from our website <http://www.telecinco.es/inversores/en/>.

For the first time this year the Annual Corporate Government Report will be submitted to an independent expert for verification.



SHAREHOLDER STRUCTURE





SHAREHOLDER STRUCTURE

SIGNIFICANT SHAREHOLDERS (DIRECT AND INDIRECT) EXCEPTING DIRECTORS

Shareholder name or corporate name	% of total direct votes	% of total indirect votes	% of total votes	F. CNMV Entry
BERLUSCONI, SILVIO	0.000	50.135	50.135	27/01/2006
MEDIASET INVESTIMENTI S.P.A.	50.135	0.000	50.135	27/01/2006
VOCENTO, S.A.	5.080	0.000	5.080	13/01/2009
TWEEDY BROWNE COMPANY LLC	0.000	5.291	5.291	06/10/2008
TWEEDY BROWNE GLOBAL VALUE FUND	3.150	0.000	3.150	02/10/2008
FIDELITY INTERNATIONAL LIMITED	0.000	1.011	1.011	12/12/2008
HARRIS ASSOCIATES L.P.	0.000	4.708	4.708	14/10/2008



SHAREHOLDER STRUCTURE

SHARE CAPITAL OF THE COMPANY

Date of last modification	Share Capital (€)	Number of shares	Number of votes
29-03-2004	123,320,928	246,641,856	246,641,856

MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY HOLDING VOTING RIGHTS

Mr. Alejandro Echevarría	31,603	0	0.013
Mr. Paolo Vasile	6,369	0	0.003
Mr. Ángel Duráñez	6,237	0	0.003
Mr. Borja Prado	490	5,050	0.002
Mr. José Ramón Álvarez-Rendueles	13,000	484	0.005
Mr. Massimo Musolino	2,144	10	0.001
Mr. Miguel Iraburu	134,600	0	0.055

* The information in this section is taken from the website of the CNMV

ADMINISTRATIVE STRUCTURE OF THE COMPANY



ADMINISTRATIVE STRUCTURE OF THE COMPANY

Name	Position	Condition	Date of first appointment	Date of last appointment
Mr. Alejandro Echevarría	Chairman	Representational	15-05-1996	29-03-2004
Mr. Paolo Vasile	CEO	Executive	29-03-1999	29-03-2004
Mr. Giuseppe Tringali	CEO	Executive	29-03-2004	29-03-2004
Mr. Pier Silvio Berlusconi	Member	Representational	07-05-2003	29-03-2004
Mr. Marco Giordani	Member	Representational	07-05-2003	29-03-2004
Mr. Alfredo Messina	Member	Representational	30-06-1995	29-03-2004
Mr. Giuliano Adreani	Member	Representational	26-09-2001	29-03-2004
Mr. Fedele Confalonieri	Member	Representational	21-12-2000	29-03-2004
Mr. Massimo Musolino	Member	Executive	09-04-2008	09-04-2008
Mr. Miguel Iraburu	Member	Independent	20-05-2004	20-05-2004
Mr. Ángel Durández	Member	Independent	20-05-2004	20-05-2004
Mr. Borja Prado	Member	Independent	28-07-2004	22-04-2005
Mr. José Ramón Álvarez-Rendueles	Member	Independent	28-07-2004	22-04-2005

CHANGES TO THE BOARD OF DIRECTORS

The changes to the composition of the Board of Directors of Telecinco during 2008 derived from the modification of the shareholder structure, with the second-leading shareholder, Vocento S.A, reducing its holdings from 13% to 5.1%. Following this modification, 55.6% of share capital continues to be in the hands of two shareholders, Mediaset Investimenti S.p.a. and Vocento, S.A.

In the Annual General Meeting held on April 9th, Director José M. Bergareche presented his voluntary resignation as a result of the above decline in the equity stake held by the company he represented, Vocento, S.A. Following this resignation, the shareholders approved the appointment of Mr. Massimo Musolino to the Board of Directors in representation of the shareholder Mediaset Investimenti S.p.a. for the term defined in the company bylaws.

Currently, the Board of Directors is comprised of 13 members, three of which are executive directors, six are nominee directors representing shareholders, and four are independent directors. This distribution attempts to reflect the current composition of the shareholders of the company in accordance with the proportionality corresponding to each category of director. Specifically, executive directors represent 23.07%, representational directors account for 46.15% and independent directors account for 30.76%. The secretary is not a member of the Board.



ADMINISTRATIVE STRUCTURE OF THE COMPANY

It should be noted that no directors have been named or appointed upon the proposal of shareholders holding less than 5% of capital and Telecinco has not received any formal request for a presence on the Board of Directors by any shareholders with a number of shares that is the same or higher than those shareholders that do currently have representation on the Board of Directors.

The Board met seven times during 2008 and all meetings were attended by both the Chairman and the non-member Secretary. As mentioned above, José M. Bergareche presented his voluntary resignation to the rest of the members of the Board of Directors on 9 April and immediately thereafter the AGM was informed.

Regarding gender diversity, although the resignation of Mr. Bergareche opened a vacancy on the Board of Directors, the fact that his position was in representation of a shareholder means that the Board of Directors and the Appointments and Remuneration Committee have only a limited capacity in his replacement in that the shareholders are responsible for designating their representatives and the selection of a woman depends on the existence of an appropriate candidate in the top levels of their organization. In this specific case,

the Appointments and Remuneration Committee fully complied with all procedures established in its Regulations and the final decision on the new director was made by the shareholder, who selected a male representative.

However, the Appointments and Remuneration Committee has proposed the appointment of a female independent director to the Board of Directors and the question will be proposed in the upcoming Annual General Meeting for 2009.





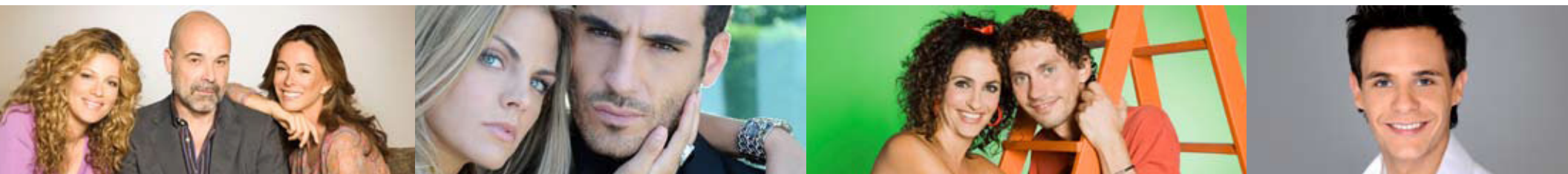
ADMINISTRATIVE STRUCTURE OF THE COMPANY

COMPOSITION OF THE EXECUTIVE COMMITTEE

Name	Position	Type
Mr. Alejandro Echevarría	Chairman	Representational
Mr. Paolo Vasile	Member	Executive
Mr. Giuseppe Tringali	Member	Executive
Mr. Fedele Confalonieri	Member	Representational
Mr. Giuliano Adreani	Member	Representational
Mr. Borja Prado	Member	Independent
Mr. José Ramón Álvarez-Rendueles	Member	Independent

COMMITTEES OF THE BOARD OF DIRECTORS

During 2008 there were various changes to the Audit and Compliant Committee and to the Appointments and Remuneration Committee. Specifically, the presence of representational directors was reduced and the presence of independent directors was increased from 1 to 2 directors.





ADMINISTRATIVE STRUCTURE OF THE COMPANY

COMPOSITION OF THE AUDIT AND COMPLIANCE COMMITTEE

Name	Position	Type
Mr. Borja Prado	Chairman	Independent
Mr. Ángel Durández	Member	Independent
Mr. Fedele Confalonieri	Member	Representational
Mr. Giuliano Adreani	Member	Representational
Mr. Marco Giordani	Member	Representational
Mr. Alfredo Messina	Member	Representational

COMPOSITION OF THE APPOINTMENTS AND REMUNERATION COMMITTEE

Name	Position	Type
Mr. José Ramón Alvarez-Rendueles	Chairman	Independent
Mr. Ángel Durández	Member	Independent
Mr. Fedele Confalonieri	Member	Representational
Mr. Guiliano Adreani	Member	Representational



RISK CONTROL SYSTEMS





RISK CONTROL SYSTEMS

As part of its general oversight function, the Board of Directors has the particular mission of identifying the primary risks faced by the Telecinco Group and to implement and oversee the internal information and control systems and other required reporting systems. In addition, one of the basic responsibilities of the Audit and Compliance Committee is to identify and appropriately report on financial risks, legal risks, technological risks and others and to manage such risks when they arise.

Telecinco follows an internal Corporate Risk Management Policy which is based on the principles of “COSO II Enterprise Risk Management” (Committee of Sponsoring Organizations of the Tradeway Commission). The primary objective is the control and management of risks in order to provide shareholders, regulatory authorities (National Stock Market Commission, Telecommunications Market Commission, etc.) plus all other stakeholders with a maximum level of guarantees and safety while increasing the value of the company through excellence in the management of risks and in taking advantage of opportunities.

Based on the Corporate Risk Management System and the type of risks identified and managed within the Telecinco Group, risks are categorised in accordance with the following classification:

- Strategic Risks relating to the Group’s high-level objectives, aligned with or supporting the mission of the Group;

- Reporting Risks relating to the reliability and integrity of reporting, both internal and external, financial or otherwise, provided by the Group to its stakeholders, and
- Compliance Risks relating to the Group’s compliance with applicable laws and regulations.

As a result of the economic crisis, the decline in advertising and the emergence of new alternative media outlets to analogical television as well as new competitors, two additional risks materialised during 2008: (i) The sensitivity of advertising spend to economic cycle and national and international economic development and (ii) Variations in market conditions. In both cases, the risk control systems of the Telecinco Group performed appropriately for the risks arising in 2008.

All matters governing compliance with regulations and standards that affect the Telecinco Group are covered by the *Internal Code of Conduct of Gestevisión Telecinco, S.A. and its Group of Companies Regarding their Activities on the Stock Markets*, was modified in 2007, which is applicable to all directors, senior executives and departments that may have access to information considered as insider information.

PROGRESS IN COMPLIANCE WITH THE RECOMMENDATIONS OF GOOD CORPORATE GOVERNANCE



PROGRESS IN COMPLIANCE WITH THE RECOMMENDATIONS OF GOOD CORPORATE GOVERNANCE

The following table provides a summary of the progress made in the level of compliance with the recommendations for Corporate Governance included in the *Unified Code of Corporate Governance*.

Further information is available in the Annual Corporate Governance Report of Gestevisión Telecinco S.A., as well as in the Bylaws, the Regulations of the Annual General Meeting and the Regulations of the Board of Directors, among others, all of which may be consulted on the Telecinco website: <http://www.telecinco.es/inversores/en/>.

COMPLIANCE WITH THE *UNIFIED CODE OF GOOD GOVERNANCE*

BYLAWS AND AGM

■ COMPLIES
■ PARTIALLY COMPLIES
■ EXPLAIN
■ NOT APPLICABLE

Number	Recommendation	Compliance	Sections of the CG Report
1	Attendance limits	■	A.9; B.1.22; B.1.23; E.1; E.2
2	Public release of information	■	C.4; C.7
3	Competencies of the AGM	■	-
4	Prior information on proposals	■	-
5	Separated voting	■	E.8
6	Dividing votes	■	E.4



PROGRESS IN COMPLIANCE WITH THE RECOMMENDATIONS OF GOOD CORPORATE GOVERNANCE



COMPLIANCE WITH THE *UNIFIED CODE OF GOOD GOVERNANCE*

BOARD OF DIRECTORS

Number	Recommendation	Compliance	Sections of the CG Report
7	Defence of the company's best interest by the Board	<div></div>	
8	Competencies of the Board	<div></div>	B.1.10; B.1.13; B.1.14; D.3; C.1; C.6
9	Size of the Board	<div></div>	B.1.1
10	Functional structure of the Board	<div></div>	A.2; A.3.; B.1.3; B.1.14
11	Other classifications of Directors	<div></div>	B.1.3.
12	Proportion of representational and independent directors	<div></div>	B.1.3.; A.2; A.3
13	Sufficient number of independent directors	<div></div>	B.1.3
14	Explanation of the character of the directors	<div></div>	B.1.3; B.1.4
15	Gender diversity	<div></div>	B.1.2; B.1.27; B.2.3
16	Chairman	<div></div>	B.1.42
17	Calling Board Meetings	<div></div>	B.1.21
18	Secretary	<div></div>	B.1.34
19	Meetings: frequency	<div></div>	B.1.29
20	Meetings: absences	<div></div>	B.1.28; B.1.30
21	Required absences. (*)	<div></div>	
22	Periodic self-assessment	<div></div>	B.1.19
23	Information to directors: additional information	<div></div>	B.1.42
24	Information to directors: advisory	<div></div>	B.1.41
25	Information to directors: orientation	<div></div>	
26	Dedication of the directors	<div></div>	B.1.8; B.1.9; B.1.17

- COMPLIES
- PARTIALLY COMPLIES
- EXPLAIN
- NOT APPLICABLE

PROGRESS IN COMPLIANCE WITH THE RECOMMENDATIONS OF GOOD CORPORATE GOVERNANCE



COMPLIANCE WITH THE *UNIFIED CODE OF GOOD GOVERNANCE*

DIRECTORS

Number	Recommendation	Compliance	Sections of the CG Report
27	Selection, appointment and re-election	■	B.1.2
28	Public information on directors	■	-
29	Rotation of independent directors	■	B.1.2
30	Appointment and dismissal: representational directors	■	A.2; A.3; B.1.2
31	Appointment and dismissal: dismissal of independent directors	■	B.1.2; B.1.5; B.1.26
32	Appointment and dismissal: criminal proceedings	■	B.1.43; B.1.44
33	Appointment and dismissal: conflicts of interest (*)	■	-
34	Notification of resignation	■	B.1.5
35	Remuneration: approval and transparency system	■	B.1.5
36	Criteria: stock distribution	■	A.3; B.1.3
37	Criteria: amount of remuneration	■	-
38	Criteria: decline in earnings	■	-
39	Criteria: technical clauses for variable remuneration	■	-
40	Remuneration: consultation vote in the AGM	■	B.1.16
41	Transparency of individual remuneration	■	-

- COMPLIES
- PARTIALLY COMPLIES
- EXPLAIN
- NOT APPLICABLE

PROGRESS IN COMPLIANCE WITH THE RECOMMENDATIONS OF GOOD CORPORATE GOVERNANCE



COMPLIANCE WITH THE *UNIFIED CODE OF GOOD GOVERNANCE*

BOARD OF DIRECTORS COMMITTEES

Number	Recommendation	Compliance	Sections of the CG Report
42	Executive Committee: structure of participation	<div></div>	B.2.1; B.2.6
43	Executive Committee: reporting to the Board	<div></div>	-
44	Supervision and Control Committees: Appointments and Remuneration	<div></div>	B.2.1; B.2.3
45	Supervision and Control Committees: supervision of codes of conduct and governance rules	<div></div>	-
46	Audit and Compliance Committee: members	<div></div>	-
47	Audit and Compliance Committee: Audit function	<div></div>	-
48	Audit and Compliance Committee: annual work plan	<div></div>	-
49	Audit and Compliance Committee: risk management	<div></div>	D
50	Audit and Compliance Committee: functions	<div></div>	B.1.35; B.2.2; B.2.3; D.3
51	Audit and Compliance Committee: powers	<div></div>	-
52	Audit and Compliance Committee: transparency of operations	<div></div>	B.2.2; B.2.3
53	Audit and Compliance Committee: Thoroughness	<div></div>	B.1.38
54	Appointments Committee: majority of independents	<div></div>	B.2.1
55	Appointments Committee: functions	<div></div>	B.2.3
56	Appointments Committee: consultations	<div></div>	-
57	Remunerations Committee: functions	<div></div>	B.1.14; B.2.3
58	Remunerations Committee: consultations	<div></div>	-

* The recommendations classified as “not applicable” due to the lack of any circumstances during 2008 that required reporting. Nonetheless, in all cases Telecinco has introduced the modifications into the bylaws and regulations that include the circumstances considered and the related recommendations of the Unified Code.

- COMPLIES
- PARTIALLY COMPLIES
- EXPLAIN
- NOT APPLICABLE

08.

CORPORATE SOCIAL RESPONSIBILITY

TELECINCO AND CSR

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CORPORATE SOCIAL RESPONSIBILITY



TELECINCO AND CSR



The Annual Report on Activities, Governance and Corporate Social Responsibility for 2008 was prepared following the principles established in the latest version of the sustainability report guidelines of the Global Reporting Initiative (GRI), G3 version. Are more details on the application of these standards and the technical characteristics of this document, please see the Annex About the preparation of this report.

TELECINCO AND CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility is still in the process of definition for commercial television. This leaves the companies in the industry a wide margin to develop their self-identity and define the manner in which they face the social and environmental responsibilities derived from their business activities.

Over the last two years, Telecinco has been working on a definition of Corporate Social Responsibility (CSR) for commercial television, specifically for a network dedicated to news and entertainment. This objective requires an extreme effort in connecting our journalistic heritage and current audiovisual culture with the principles of a management strategy with ingrained sustainability. This is a job that Telecinco considers absolutely vital given that television cannot disassociate itself from the challenge of sustainability although it will take time.

This chapter on Corporate Social Responsibility in Telecinco describes the network's efforts in this field and explains how Telecinco understands its social and environmental responsibilities with the dual focus required by the very nature of its business. This dual focus requires that we not only concern ourselves with the business management-related aspects of CSR, which are common to all companies in every sector, but also to those aspects that are specific to the production and broadcasting of television content, which we see as both the responsible broadcasting of content and the broadcasting of responsible content. As shown in this chapter, the Social Actions of Telecinco centre on the broadcasting of responsible content, specifically through the voluntary broadcasting of content designed to increase awareness of sustainability and social issues¹.

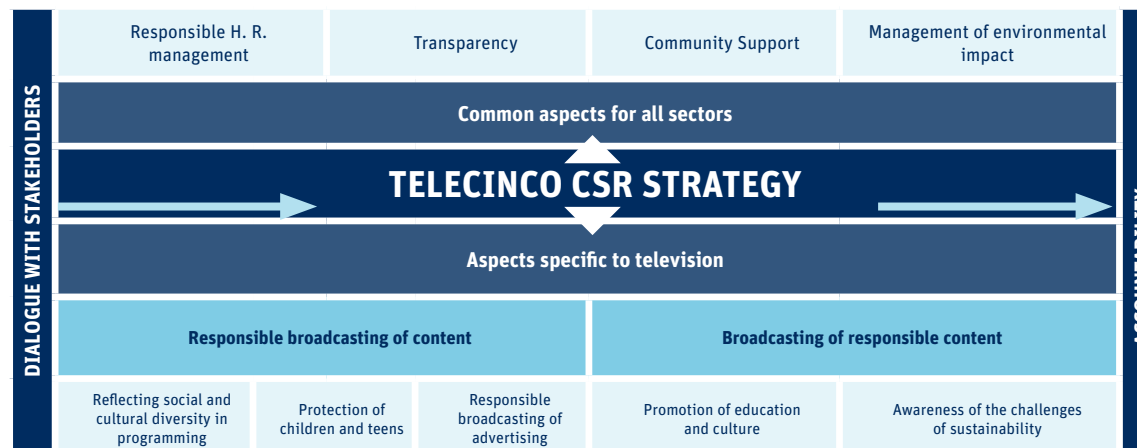
The Corporate Social Responsibility Department, which falls under the General Secretariat of the Board of Directors, is responsible for the coordination of all areas involved in the management of Corporate Social Responsibility, excepting the initiative **"12 meses, 12 causas"** (12 months, 12 causes) which are managed by the Communications and External Relations Department. The General Secretariat and Audit and Compliance Committee are responsible for defining the Corporate Social Responsibility policy for the approval of the Board of Directors.

¹ However, we would also like to mention that during 2008 Telecinco made donations valued at over 133,000 euros to such entities as Museo Reina Sofía, Fundación Amigos del Museo del Prado and Fundación Curarte, a non-profit organisation dedicated to improving the quality of life of hospitalised children through the promotion of the humanisation of healthcare environments.

TELECINCO AND CSR



The Global Compact is a United Nations initiative proposed in 1999 to encourage businesses worldwide to adopt sustainable and socially responsible policies, and to report on their implementation in accordance with the 10 Principles on Human Rights, Labour Standards, Environment and Anti-Corruption. The goal is to create a global corporate citizenship to allow for the conciliation between corporate activities and processes and the value and demands of civil society, other UN initiatives, international industry organisations, unions and NGOs. Telecinco signed on to the initiative in 2006, wholly integrating the Global Compact's ten principles in the areas of human rights, labour, the environment and anti-corruption.



During 2008, Telecinco has made some very firm steps in the advancement of CSR, including the share's addition to the FTSE4Good IBEX Index, the first sustainability and CSR market index in Spain, the publication of the book "Responsabilidad Corporativa y Televisión Comercial: una primera aproximación sectorial" (Corporate Social Responsibility and Commercial Television: an initial industry overview), and the advances made in the broadcasting of responsible content through agreements with various NGOs, in addition, of course, to our very successful multi-year project "12 meses, 12 causas".

Specifically regarding the "12 meses, 12 causas" initiative, our efforts to penetrate and awaken the social consciousness of our viewers has been recognised every year by society, companies and institutions: In March Telecinco was recognised by the General Directorate of Women's Affairs with 8th of March Award for Equal Opportunities in the advertising category for the network's institutional spot is part of the campaign "For equal employment opportunities" produced in collaboration with the McCann Erickson Agency. The award was granted in recognition of the network's socially responsible efforts through the "12 meses, 12 causas" initiative and specifically highlighted the originality and irony of the campaign which denounced gender discrimination by drawing a parallel with discrimination against red-heads.

Also in 2008, the Spanish Confederation of Family Members of Alzheimer and Dementia sufferers (CE-AFA) presented the network with an award in the Communications category for increasing awareness of the Alzheimer disease. Moreover, Fundación Empresa y Sociedad, in collaboration with Servimedia, published the report, "Press Treatment of Business Activities Relating to the Integration of Disadvanta-

TELECINCO AND CSR

ged Persons during 2007” which highlights the efforts of Telecinco as the television network that best reports on social projects and subjects. The original title of the work is *“Tratamiento en prensa escrita de las actuaciones del sector empresarial relacionadas con la integración de personas desfavorecidas durante 2007”*. The network had already been awarded 1st Place in the 2005 and 2006 editions, in which Telecinco was recognised specifically for its socially responsible initiative **“12 meses, 12 causas”**.

Telecinco continues in its commitment to major external initiatives for the development of Corporate Social Responsibility across all corporate and business areas. Telecinco joined the United Nations Global Compact in 2006, assuming the 10 Principles of the Compact on Human Rights, Labour Standards, Environment and Anti-Corruption. The network was the first private television broadcaster to subscribe to the Global Compact and the only television company with a category of *“associate participant”*, indicating its commitment goes beyond the adoption of the 10 Principles to actively contribute in encounters and events organised by the Global Compact local network. Telecinco is also a member of Fundación Empresa y Sociedad (Company and Society Foundation), which is dedicated to the promotion of Social Actions among the Spanish companies.



“Responsabilidad Corporativa y Televisión Comercial: una primera aproximación sectorial”

One of the major milestones achieved by Telecinco in CSR during 2008 was the publication of the book *“Responsabilidad Corporativa y Televisión Comercial: una primera aproximación sectorial”*, a study requested by Telecinco from the consultancy specializing in the design of sustainability strategies Responsables Consulting and the Head of the Corporate Social Responsibility departmental for the University of Alcalá de Henares— based on the survey of the network stakeholders launched in 2007. The survey identified the need for an in-depth reflection on the role of CSR in commercial television and Telecinco wanted to contribute to this objective with the publication of this book.

Accordingly, the objective of the book is to advance in the definition of Corporate Social Responsibility in the specific case of commercial television, taking into account its dual role as a business enterprise and an agent for socialisation, combining both business and social interests. In this way the study goes beyond simply providing a strategy for our own development of CSR within Telecinco and becomes a step forward for the entire sector.

In this regard, the report evidences the distancing of the sector from Corporate Social Responsibility, highlighting the experiences that represent an exception to this trend. According to reports, the rea-



TELECINCO AND CSR



In April 2008, Telecinco was added to the FTSE4Good IBEX Index, the first sustainability and CSR market index in Spain. The index was created by Bolsas y Mercados Españoles (the Spanish Securities Exchange Self-Regulatory Organization - BME) and FTSE, a world leader in the creation and management of market indexes owned by The Financial Times and the London Stock Exchange Group (FTSE). Telecinco was one of the only 27 Spanish companies chosen as part of the first version of this selective club for excellence in sustainability.

son behind this situation is the fact that the dynamics and arguments of CSR have failed to connect with the particular characteristics of the commercial television industry.

The fact is that as communications media, television networks are heirs to the ethical genealogy and responsibilities of the reporting profession that dates from the origins of journalism. This tradition is on top of the business activities of the network with fully in grain commercial practices. The result is a type of business enterprise this does not always feel fully implicated in the standard initiatives of Corporate Social Responsibility.

However, the study does not release television networks from their social responsibilities giving the relevant social function that they have as communications media. As it stands, television networks have two options: Either hide behind the lack of standards and requirements that are adapted to their reality an attempt to go unnoticed or use the tools at their disposal as a starting point for questioning the manner in which they undertake their activities.

With the publication of *“Responsabilidad Corporativa y Televisión Comercial: una primera aproximación sectorial”*, Telecinco clearly chooses the second option and fully subscribed to the main conclusion of the work: that Corporate Social Responsibility is a good pretext and efficient tool for rethinking the old problems of communications media while incorporating the new ones and attempting to understand how and under what conditions they are produced.

The book was officially presented in December 2008 at the University of Alcalá de Henares in Madrid.

Telecinco Enters into the FTSE4Good Ibex Index

Corporate Social Responsibility in Spain lived a much awaited moment in April 2008 with the birth of the FTSE4Good IBEX Index, the first sustainability and CSR market index in Spain. Telecinco was one of the only 27 Spanish companies chosen as part of the first version of this selective club for excellence in sustainability.

The Spanish version of FTSE4Good created true expectation for various months prior to its launch. More than 80 companies from among those listed in the Ibex 35 and FTSE-GEIS were candidates to form part of the index.

In the end, only 27 were selected for form part of this showcase for socially responsible business management. In the original selection, Telecinco was the only communications media company from the Ibex 35.

TELECINCO AND CSR

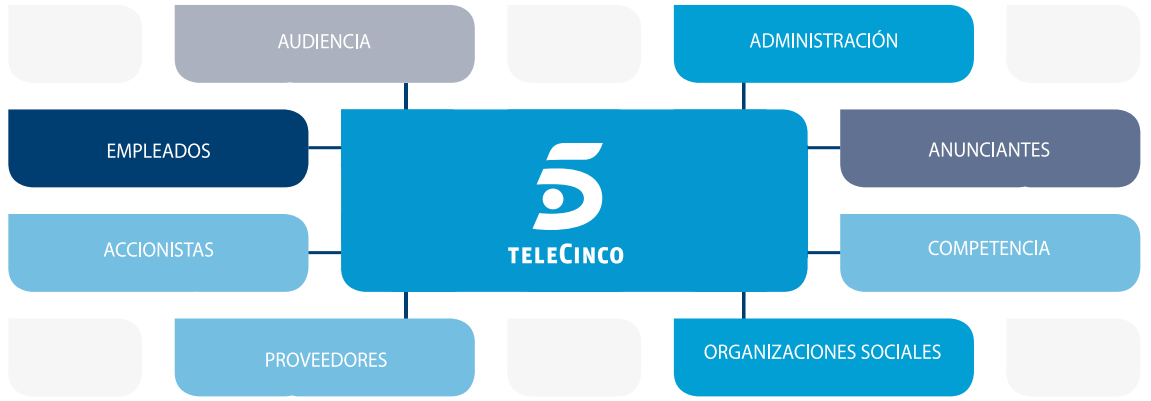
Bolsas y Mercados Españoles (BME) and FTSE , a world leader in the creation and management of market indexes, decided to transfer the FTSE4Good model that was already available in European and Global versions to the specific scope of Spanish companies. To be a part of this family of market indexes companies must comply with a series of social, environmental, labour and corporate governance standards. Specifically, the selection criteria involve the assessment of environmental management, human rights and labour policies, as well as work standards in the supply chain and anti-corruption policies, among others. The assessment is performed through a survey of standardised stakeholders: experts in environmental protection and Corporate Social Responsibility, investors, government, and NGOs, among others.

The FTSE4Good family of indexes requires that originally selected companies maintain the levels of responsibility for which they were chosen and progress in their improvement. To this end they perform two annual reviews and companies that fail to maintain socially responsible business practices are removed from the index so as to guarantee investors a socially responsible investment.

In the case of the FTSE4Good Ibex, the re-assessment was performed in September, five months after its inauguration. BME and the FTSE Group announced that the companies analysed earned a higher average score than the FTSE global index, demonstrating that Spanish companies maintain a firm commitment to sustainability. In this second version, Telecinco consolidated its position as one of the Spanish companies recognised for sustainable business management.

DIALOGUE WITH STAKEHOLDERS

As a communications media company, Telecinco places great importance on communication and dialogue. This concern has been translated to the network's relationship with its stakeholders and all of the machinery needed to promote a fluid and transparent conversation with stakeholders has been put in place.





TELECINCO AND CSR

The interest in establishing and maintaining a constant conversation with stakeholders to rise from the huge value that they provide with their opinions, suggestions and criticism of the various realities that surround Telecinco. The different points of view of the various segments of society and people connected to the Group represent an unbeatable tool for detecting the risks, opportunities and new demands that arise regarding the communications media sector.

This is why in addition to the unidirectional channels through which Telecinco distributes information among stakeholders in its efforts to apply transparency and create confidence, the network has also implemented bidirectional channels that allow for feedback from stakeholders and those people or groups that in some way have some connection to the company and thereby provide a more direct contact and allow for an ongoing conversation and interaction with Telecinco.

These communication channels include the corporate website Telecinco.es, which provide a wide range of opportunities for users to participate and comment on the different news stories or in the blogs, or using the contact form provided. Telecinco.es is completely interactive and is always open to the new possibilities provided by the Internet for establishing contact with stakeholders. The related advances made in 2008 include Telecinco's participation in some of the currently popular social networks, such as Facebook and Twitter, through which the company maintains permanent close contract with stakeholders.

Other channels available to all stakeholders are the general telephones and e-mail addresses. Telecinco has also implemented a wide range of specific channels to optimise communications with specific stakeholder groups.

For **employees** the main communications channels are the corporate interment and Employee Portal. These are the computer tools that attempt to meet the information needs of all of the workers of Telecinco. To facilitate access, Telecinco has established a computer room with various workstations for use by any employees that do not have a personal computer at their workstation.

The Telecinco intranet is known as Cinco.net and plays an important role in the internal communications and cohesion of the Group. Another internal communication tool that contains all of the useful information needed by employees is the Employee Portal: personal data, payroll, professional development, training, vacations, absences, time management, etc.

Another channel is the internal corporate magazine, Punto de Encuentro (PdE), which is issued quarterly and targeted to all Group personnel and external companies. Both the employee portal and Cinco.





TELECINCO AND CSR



net have a suggestion box where personnel can inform the Internal Communications Department of their opinions and suggestions.

We will also place bulletin boards in high traffic areas near the studios (cafeteria and dining hall) where the company posts the latest news as well as other permanent information such as the organisational flow charts and holiday schedule. Additionally, meetings are regularly held to inform the rest of the work force of any relevant information regarding the company.

Meetings are precisely the main channel used by Telecinco for its relationship with **shareholders**, and in 2008 the Group held close to 250 meetings through roadshows and seminars with investors, analysts and shareholder representatives. Telecinco's Investor Relations Department is exclusively dedicated to maintaining the dialogue and relationship with investors and shareholders.

With this in mind, Telecinco develops other communication actions to promote transparency regarding the company's shareholder structure. The Investor Relations Department sends out Quarterly Reports to financial analysts, institutional investors, individuals and the Spanish Exchanges once the information has been reported to the Spanish National Stock Exchange Commission (CNMV). Shareholders can also access this information through the "Investors" section of the corporate website, which has recently been redesigned to provide a more complete and higher quality service. Investors can also request information through the e-mail inversores@telecinco.es.

Another important stakeholder group is comprised of the network's **advertisers**. The relationship between Telecinco and its advertisers is governed by the Agreement on the Procedures for the Commercialisation and Management of Advertising Spaces on National General Television Stations signed with the Spanish Association of Advertisers (AEA). In addition, Telecinco continues to follow and apply the Allocation Guarantee, a mechanism for dialogue with advertisers that guarantees compliance with the best interests of both parties.

In order to offer its advertisers transparent and exact information Telecinco quantifies its daily audience ratings through the General Media Study (EGM for the Spanish initials) which offers quarterly information based on the audience meters installed in a sample of viewers' homes and on a series of personal interviews. Advertisers on the corporate website benefit from the guarantee of the Spanish ratings agency Oficina de la Justificación de la Difusión (OJD), which places Telecinco.es as the 10th most visited website in Spain with a total of 5,295,818 monthly visitors based on January 2009 data.

Also this year Telecinco and Grupo Publiespaña launched a new channel to improve the transparency for advertisers and industry professionals: The digital version of the magazine Top Spot. This online publi-



TELECINCO AND CSR

cation was born with the goal of reinforcing the relationship between the company and the advertising sector, which had already been consolidated with the print version of Top Spot, and represents the network's strong commitment to improving accessibility and the dissemination of the information provided.

Telecinco's relationship with its **audience** is, above all and as evidenced by the OJD data, established through the corporate website Telecinco.es, which contains the blogs of the network's television personalities and journalists and receives thousands of visitors daily and hundreds of comments. Similarly, each week visitors to the website have the opportunity to interview a leading personality in an interactive chat setting and by sending in questions.

In order to guarantee maximum respect for its audience, Telecinco follows the Code for the Development of Self-Regulation of Television Content and Children and belongs to Autocontrol, the Association for the Self-Regulation of Commercial Communications.

Also, the Group is a signatory of the Good Practices in Advertising Agreement among Telecinco and its competitors, the Spanish Association of Advertisers and the Spanish Association of Media Agencies in order to promote collaboration of all parties in the commercialisation and management of television advertising spaces.

This collaboration with our **competitors** is reinforced through our membership in the Union of Associated Commercial Television Broadcasters (UTECA for its Spanish initials) together with Antena 3, Canal+, Cuatro, La Sexta, Net TV and Veo TV. UTECA was founded in 1988 to defend the common interests of commercial broadcasters.

Telecinco extends its relationship with the competition to the European level with its membership in the Association of Commercial Television in Europe (ACT), a trade association representing the interests of the commercial broadcasting sector in Europe.

Telecinco is also a member of the Advisory Council for Telecommunications and the Information Society (CATSI), which falls under the Spanish Ministry of Industry, Tourism and Commerce and provides advice to the national government in this field. In addition, the Group maintains its dialogue and collaboration with the **Government** through UTECA's participation in the Impulsa platform, which has a mission of promoting the implementation of DTT in the Spanish information society in order to mitigate the analogical blackout in 2010.



TELECINCO AND CSR

Suppliers represent another important stakeholder group for Telecinco and are comprised primarily of specialised production companies that supply the station with a large part of its programming. The channel maintains fluid communication with these companies, thereby guaranteeing maximum coordination of criteria and philosophy in the production of content.

Regarding the **social organisations**, it should be noted that thanks to the social action campaign “**12 meses, 12 causas**”, Telecinco has had the opportunity to establish a close relationship and collaboration with various civil and social organisations in numerous different fields according to the specific causes covered during the year. In this regard, Telecinco was recognised by the Spanish Confederation of Family Members of Alzheimer and Dementia sufferers (CEAFA) for increasing awareness of the Alzheimer disease through its April 2008 campaign.

The relationship with social organisations also extends to the very business processes of Telecinco and the network has signed an agreement with the Madrid Association of Actors for the Prevention of Occupational Risks, and regarding responsible broadcasting, Telecinco has signed agreements with the UN-HCR, Greenpeace and Amnesty International for the broadcasting of documentaries and reports prepared by these groups.

Telecinco associations dedicated to the promotion of Corporate Social Responsibility. In this area we would also highlight the involvement of the company as a signatory of the United Nations Global Compact and its relationship with Fundación Empresa y Sociedad, dedicated to promotion of social action among Spanish companies.

The list of Telecinco stakeholders is, of course, not limited to those mentioned. Nonetheless, these groups are considered as the most relevant given their ability to affect and, be affected by, the activities of the Telecinco Group. In this regard, the Group continuously tries to improve its communications channels and consolidate its relationships with all stakeholders. The group's concern for learning the points of view, opinions and priorities of all stakeholders led to the development of a specific survey among stakeholders, with the results being added to all of the other information received through the above-mentioned channels.

Relevant Aspects for Stakeholders

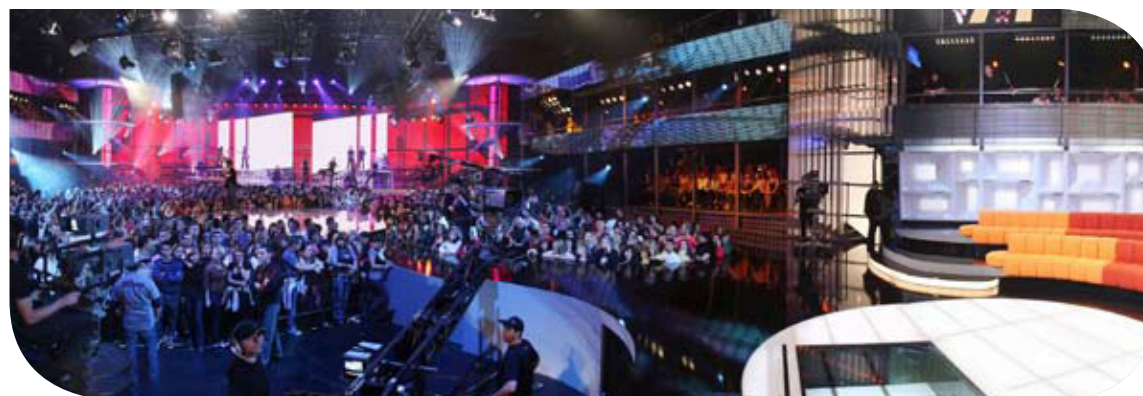
In 2007, Telecinco carried out its first Stakeholder Survey in order to identify the most relevant aspects relating to the Company's sustainability strategy. The first results of the survey identified the need for an in-depth reflection on the role of CSR in commercial television and Telecinco wanted to contribute to this objective with the publication that, based on said results, would provide insight into this area.



TELECINCO AND CSR

The identification of the relevant aspects was obtained from numerous interviews and work groups with the participation of 21 experts² in Corporate Social Responsibility. In addition, during 2008 the Group performed an exhaustive review of numerous documents, including academic and legal texts on the television industry, the opinions of 13 independent observatories and 19 general and industry consumer associations in Spain and abroad. The process also evolved the study of the tendencies in CSR reporting with the review of 17 annual sustainability reports from on the international level.

The process extended beyond 2007 and was concluded in 2008 with the analysis of the information from the survey and the document review and the resulting publication of the book “Responsabilidad Corporativa y Televisión Comercial: una primera aproximación sectorial”.



² For more information see the section titled “About the preparation of this report” Chapter, Annexes.



TELECINCO AND CSR

As a result of the entire process, the following matters were identified as relevant aspects for the stakeholders of Telecinco:

1. Protection of childhood and adolescence in the content broadcast
2. Reflecting social and cultural diversity in programming
3. Responsible broadcasting of advertising
4. Promotion of education and culture through programming
5. Awareness of the challenges of sustainability
6. Responsible management of human resources
7. Transparency
8. Management of environmental impact
9. Accountability
10. Community Support
11. Dialogue with stakeholders

This Report attempts to reflect the performance of Telecinco regarding these relevant matters and explain how the company continues to advance in the incorporation of the challenges that arise from them.

RESPONSIBLE BUSINESS MANAGEMENT

HUMAN RESOURCES

Telecinco has a total of 1,184 employees, of which 98.23% are permanent employees. Average employee turnover is 3.29%. Through the Human Resource Department, Telecinco promotes the personal and professional development of the employees using measures targeted, among other things, to facilitate work/life balance, guaranteed equal opportunities, provide the needed professional training and an appropriate remuneration package.

Key Employment Figures for Telecinco

Indicators ¹	2007	2008
Average workforce (number of employees)	1,195	1,184
Average age (years)	38.14	38.86
Average time with the network (years)	10.37	10.79
Percentage of female workers	45.62	46.01
Percentage of permanent employees (%) ¹	97.07	98.23
Employee turnover ²	3.93	3.29

Scope: Group Telecinco. All data in annual averages, except average time in service which is at 31 December.

¹ Does not include temporary employees (total 208) from temp agencies.

² [Undesired resignations (voluntary dismissals and redundancies)/ Avg. workforce] * 100

Average Workforce by Professional Category

Indicators	2007			2008		
	Men	Women	Total	Men	Women	Total
Executives	71	27	98	74	30	104
Department heads	35	51	86	35	49	85
Journalists	54	72	126	51	74	125
Employees	464	391	855	455	388	843
Operators	25	5	30	25	3	27
TOTAL	649	546	1,195	640	544	1,184

Scope: Group Telecinco. Annual averages



RESPONSIBLE BUSINESS MANAGEMENT

Distribution of the Workforce by Age

Age	Men	Women
>60	2	1
56-60	9	7
51-55	32	11
46-50	82	35
41-45	166	134
36-40	179	157
31-35	109	128
26-30	40	60
<25	2	9
TOTAL (1)	621	542

Scope: Group Telecinco. Data based on workforce at 31 December.

Breakdown of Workforce by Group Company

	2007	2008
PUBLIESPAÑA	143	145
PUBLIMEDIA GESTIÓN	40	40
ADVANCED MEDIA	0	3
GRUPO PUBLIESPAÑA	183	188
GESTEVISIÓN TELECINCO	755	744
ATLAS ESPAÑA	198	195
ATLAS MEDIA	2	0
CINEMATEXT MEDIA	18	14
CINEMATEXT ITALIA	4	6
TELECINCO CINEMA	8	9
CONECTA 5 TELECINCO	27	26
MEDIACINCO CARTERA	0	2
GRUPO TELECINCO	1,012	996
CONSOLIDATED TELECINCO GROUP	1,195	1,184

Scope: Group Telecinco. Annual averages.

RESPONSIBLE BUSINESS MANAGEMENT

Average Workforce by Country (*)

	2007	2008
Spain	1,191	1,176
Italy*	4	6
Other**	0	2

Scope: Group Telecinco. Annual averages.
* Employees belonging to Cinematext Italia, S.r.L.
**Employees belonging to Gestevisión Telecinco and Publiespaña located in the United States during 2008.

Work-Life Balance and Company Benefits

A key factor with growing importance for achieving employee satisfaction is their ability to achieve work-life balance. Telecinco is aware of the importance of this quality-of-life factor and attempts to implement those measures that best allow employees to take care of all of their personal responsibilities.

Specifically, in 2008 with the establishment of the VIII Collective Bargaining Agreement of Gestevisión Telecinco and the IV Collective Bargaining Agreement of Atlas España, the network has expanded the package of measures. Specifically, both collective bargaining agreement to introduce new provisions pursuant to the Spanish law on the Effective Equality of Women and Men that expand the right to workforce reductions for child care and baby nursing leave. Accordingly, we have increased the age limit for the workday reduction for child care from six to eight years of age and the minimum duration of the work day has been expanded to one eighth. We have also allowed for the Baby Nursing Leave to be taken consecutively, thereby allowing 12 paid work days of leave immediately following the maternity leave. This right extends to all Group companies and in those cases where the workers are covered by the Office Worker's CBA for the Community of Madrid, the leave is for or a total of 15 days.

Another advance has been the creation of the Flexibility Commission within a framework of the Gestevisión Telecinco CBA. The commission will be responsible for analyzing potential changes to the regular work day to improve work-life balance.



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These measures join the already numerous initiatives of the Telecinco Group, among which we would highlight the personal time, under which every employee has 25 hours annually for personal matters in addition to three personal days. This personal time does not require employees to provide any reason. Similarly, there are special protection measures in the case of pregnancy or during nursing whereby workers can request the temporary suspension of hourly work.

Work-Life Balance and Company Benefits

WORK/LIFE BALANCE MEASURES (2008)	
Measures	Beneficiaries (1)
Workday reduction for child care (includes the care of a child or family member)	85
Cumulative nursing leave	32
Family care leave	1
Child care leave	15
Flexible working hours	349

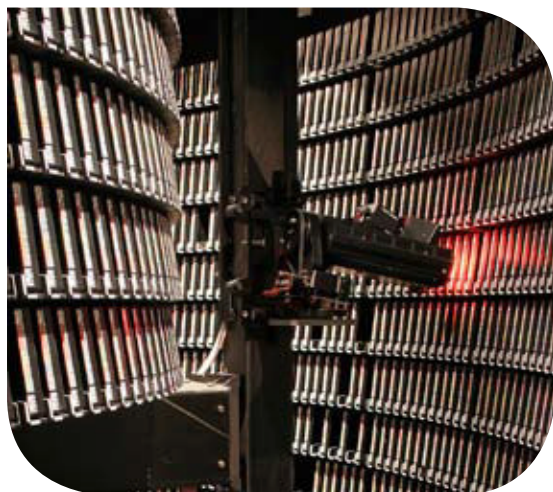
Scope: Grupo Telecinco

As part of the efforts of the Telecinco Group to create an appropriate working climate and to promote the employees, the network has established a series of employee benefits that reinforce their salaries and helps to improve the quality of life of the work force. In addition, the new collective bargaining agreements of Gestevisión Telecinco and Atlas also imply improvements in the employee benefits in both companies.

The death and disability insurance covering all of the employees of the Group has increased the benefit life 23% over the three-year duration of the new collective bargaining agreements. The funds allocated to educational scholarships were increased by 4%. Also, pursuant to the agreements reached, the fund for special advances will be increased by 4% as well. These advances are in addition to the normal advances on the salary or the accrued portion of holiday pay and are specifically for its exceptional situations such as the purchase of the primary home, eviction, emergency repairs, among others.



RESPONSIBLE BUSINESS MANAGEMENT



Other benefits offered by the Telecinco Group to which employees include:

- **Salary complement for temporary disability**, complementing the Social Security benefit up to 100% of the regular salary, including personal salary complements and job position or shift complements
- **Salary complement for maternity or paternity leave**, complementing the Social Security benefit up to 100% of the regular salary, including personal salary complements
- **Employee dining hall** that is free for all Group employees on work days
- **Subsidies for sporting activities.** D. A budget assignment of €32,500 was made in 2008
- **Distribution of toys for Christmas**
- **Christmas Basket**
- **Employee parking**
- **Employee coaching service**
- **Employee Club**, offering numerous benefits such as discounts, special pricing and promotions on products, club memberships, events...

Telecinco grants employee benefits to all employees regardless of employment contract, that is whether they are permanent or temporary employees.



RESPONSIBLE BUSINESS MANAGEMENT

Training and Professional Development

The Telecinco Group is firmly committed to the professional development of all its employees. This commitment takes the form of an active training policy as can be seen from the fact that 701 employees have participated in the 273 training options offered, investing a total of 24,805 hours in training during 2008.

The Group is fully conscious of the value represented by the recent graduates for the future of the industry and actively collaborates with various academic institutions for the practical training of these new professionals. A total of 320 students from 50 different educational institutions participated in the different work study programmes offered are among Group Companies during 2008.

Also, as part of the effort to generate and retain our best talent, the Telecinco Group actively pursues internal promotion. It is standard policy to favour covering vacancies through internal promotion and transfer. In 2008 a total of 110 employees began to perform new responsibilities and functions through transfer and promotion in a clear bet on of the knowledge and experience of the employees of the Group.

Another fundamental element of our talent retention policy, beyond work-life balance, employee benefits, training and internal promotion, is to apply an attractive remuneration policy. Specifically we would highlight the short term compensation (annual bonus) and long-term compensation (employee stock option plan)³ as well as the multiyear loyalty plans established for key positions and tied to meeting personal and business objectives.

Lastly, we would highlight that once again Publiespaña and its subsidiaries have carried out the annual performance evaluations. This year the management team was included in the system, which is considered as a key aspect of professional development for all employees. Thanks to this process, 184 professionals get to know their strong points and areas for improvement for the next year, which can play a strong role for employees under a variable pay system.

New this year, the evaluation was performed online through the Employee Portal rather than on a printed form as previously. The new system allows for greater flexibility in the assessment and speed in consulting past results, as well as in the transparency of the entire process.

³ There are currently four ESOPs under way, 2005, 2006, 2007 and 2008.



RESPONSIBLE BUSINESS MANAGEMENT

Training Activities

Activity	Beneficiaries (1)	
	2007	2008
Group training	1,373	912
Seminars and conferences	215	94
Masters programme	5	6
Languages	174	136
Employee scholarships	73	117
Online training(included in previous attendance)	10	227

Scope: Group Telecinco.

(1) One person may be a beneficiary of more than one course or activity.

Training Hours by Professional Category

	2007	2008
Executives	5,130	4,692
Department heads	3,542	3,311
Journalists	817	310
Employees	18,940	14,826
Operators	80	805
Temps	3,915	861
TOTAL	32,424	24,805

Scope: Group Telecinco.



RESPONSIBLE BUSINESS MANAGEMENT

Internal Communications

As foreseen in 2007, the internal communications policy continued to be a top priority for Telecinco in 2008. We continued to reinforce the existing communications channels: internal magazine, bulletin boards, internal memos, etc. In addition, the Human Resource Department made a huge effort in the continuous improvement of the most highly valued and efficient of our communications channels: Cinco.Net, the Telecinco intranet.

Another important communications channel, the Employee Portal, has consolidated its position as a useful tool and real-time point of connection between employees and the Human Resource Department. IT and Human Resources worked together in a project to reorganise the sections, simplify navigation, standardise content and modify the look and feel of the portal in order to provide employees with a higher quality service.

Employees also benefit from another key communications channel, the internal corporate magazine. The internal magazine has always tried to provide a faithful view of the changes, projects, challenges and events affecting the Group. This year was no exception and the magazine covered many different events, including the **“12 meses, 12 causas”** campaigns, the updating of the Telecinco logo and the announcement of the start of the digitalisation of television programmes, among many other milestones.

Communications in Telecinco are cyclical. Accordingly, the Group has various channels to guarantee feedback in order to hear the opinions, doubts and suggestions coming from all employees within the Group. We would highlight the “Contact...”, section available on Cinco.Net and the abilities provided by the Employee Portal, with a special section dedicated to human resources. Similarly, the Human Resource Department maintains an open door policy so that workers can deal directly with the departments regarding their specific needs.

Equal Opportunity and Human Rights

Telecinco actively promotes equal opportunity in its daily management and guarantees compliance with human rights across all areas of its activity. For example, we would highlight our policy of equal salaries regardless of gender resulting from our strict compliance with the criteria established in the salary tables of the collective bargaining agreement, which assigns salaries to professional category without any indication of gender. During 2008 there were no incidents relating to any type of discrimination in this or any other area.

RESPONSIBLE BUSINESS MANAGEMENT

Breakdown of Contracts by Gender (% of employees)

	2007			2008		
	% of total	Men	Women	% of total	Men	Women
Full-time permanent employee	91.3	57.7	42.3	91.3	58.0	42.0
Part-time permanent employee	5.8	5.9	94.1	6.9	5.0	95.0
Tempes ¹	2.9	46.7	53.3	1.8	40.2	59.8

Scope: Group Telecinco. Annual averages

¹ Temporary employees contracted exclusively by Group Telecinco. Does not include temporary employees from temp agencies.

There were important new advances this past year in the application of the Organic Equality Law. Both the VIII Collective Bargaining Agreement of Gestevisión Telecinco and the IV Collective Bargaining Agreement of Atlas call for the creation of an Equality Commission in each of these companies to be charged with the preparation of equality plans and to establish specific measures to prevent any type of harassment of employees.

The Equality Commissions in Gestevisión Telecinco and Atlas have been comprised of an equal number of workers and management from each company as specified in their respective collective bargaining agreements.

The Equality Plans of Gestevisión Telecinco and Atlas are currently in the negotiation phase. After an initial diagnosis, a draft plan was prepared and presented in December 2008 to the Equality Commission for their analysis. The plans of both companies include measures that guarantee access to employment and professional development for all workers regardless of gender under absolute equal opportunity and facilitate, to the extent possible, the professional categories in which they are underrepresented.

All employees of the Telecinco Group can read the full text of the Organic Law on the Effective Equality between Women and Men and view all of the news and internal memos issued regarding this subject on the corporate intranet, Cinco.Net.

In addition, since December 2008 Telecinco has had in place a specific Procedure for the management of psychosocial risk and harassment in the workplace, which, in addition to a declaration of principles by



RESPONSIBLE BUSINESS MANAGEMENT

the company and the preventative measures in place, all of the specific procedures to follow in the case of any type of harassment. This document is also available to all employees through the corporate intranet. In this regard, Telecinco declares that there have been no cases of harassment or workplace mobbing.

Handicapped Workers by Category (*)

	2006	2007	2008
Executives	2	2	1
Department heads	1	1	0
Journalists	0	0	0
Employees	5	5	5
Operators	0	1	2
TOTAL	8	9	8

Scope: Group Telecinco. Data at 31 December.

Although this was not the case in 2008, there are times in which the particular business activity of Telecinco requires the contracting of minors as actors. In these cases, although the law prohibits the employment of minors under 16 years of age, the participation of minors in public entertainment is allowed by the labour authorities in exceptional cases and provided that there is no danger for the physical health or professional and human training. Permission must be in writing and for specific acts.

Telecinco has instituted a Joint Prevention Service to guarantee maximum respect for the law and assure the protection of minors that work in television series and programmes. One of the most relevant initiatives in 2008 is related to the new Collective Bargaining Agreement for Actors of Madrid and the adaptation of the CBA to the activity of Telecinco.

Labour Relations and Freedom of Association

The most important new event in 2008 regarding labour relations or freedom of association for the Telecinco Group was the enactment of the new Collective Bargaining Agreements for Gestevisión Telecinco and Atlas España and the creation of a new workers committee in Atlas.

RESPONSIBLE BUSINESS MANAGEMENT



Enactment of the VIII Collective Bargaining Agreement of Gestevisión Telecinco

In January 2008 the VIII Collective Bargaining Agreement of Gestevisión Telecinco, took effect and will remain in force until December 2010. It is notable that this agreement was signed while the prior agreement was still in force, clear confirmation of the high level of responsibility of Telecinco and the workers' representatives to establish a framework of conditions that affect employees.

The new collective bargaining agreement introduces improvements into the financial conditions, benefits, employment and professional development of the workers. In its commitment to promote and ensure compliance with these commitments for its workers, the Telecinco Group has created three joint commissions to monitor the implementation and development of the CBA, specifically the Equality Commission, in charge of the preparation of the equality plan, the Flexibility Commission, for the analysis of the applicable measures for the ordinary workday, and the Oversight Commission, to assure compliance with all of the agreed aspects. A total of 671 workers are covered by this CBA.

Among the financial agreements contained in the new collective bargaining agreement, we would highlight the cumulative salary increase of real CPI +0.5% for each of the years that the agreement is in force and applicable to all pay concepts, as well as the special bonus for permanence and business results, totalling €1,500 for the three-year duration of the agreement.

Among the positive effects of the new agreement, we would highlight the commitment to perform a minimum of 42 promotions and the transformation of 18 temporary contracts in two permanent contracts over the three-year duration of the agreement.

Enactment of the IV Collective Bargaining Agreement of Atlas España

On 1 January 2008 the VIII Collective Bargaining Agreement of Atlas España took effect and, as for the Gestevisión Telecinco contract, will remain in force for three years.

Among the financial agreements contained in the Atlas España collective bargaining agreement, we would similarly highlight the cumulative salary increase of real CPI +0.5% for each of the years that the agreement is in force and applicable to all pay concepts, as well as the special bonus for permanence and business results, totalling €1,500 for the three-year duration of the agreement.

With respect to professional development, we would violate the creation of a new professional category, Executive Producer, with a salary level 8 and an agreement to make a minimum of 20 professional promotions and transformed 18 temporary contracts into permanent contracts throughout the duration of the CBA.



RESPONSIBLE BUSINESS MANAGEMENT

The collective bargaining agreements do not expressly established a minimum prior notification for changes in the organisation. Occasional changes are notified following criteria of minimal negative impact on the members of the organization.

New Workers Committee for Atlas España

The third milestone reached in the development of labour relations in 2008 was the election of a new Workers Committee for Atlas España. The nine members of the committee were voted in on 11 July.

Participation in the election process reached 55.44% of the Atlas workforce end it was the first time that the Committee was formed of more than one trade union. As a result of the votes, the composition of the committee stands at six members from the union Confederación General de Trabajadores (CGT) and three members from Unión General de Trabajadores (UGT).

Lastly, it is very important to note that given the object and nature of Telecinco's business, the network guarantees the freedom of expression of all professionals involved in the creation of content for the network, preserving the right to information as a maxim in the development of its activities.

RESPONSIBLE BUSINESS MANAGEMENT

Employees Covered by Collective Bargaining (*)

Employees covered by the Company CBA	850
Employees covered by the Industry CBA	224
Employees covered by the Office Worker's CBA	38
Employees covered by the Advertising Worker's CBA	186
Total number of employees covered by collective bargaining	1,074 (90,7%)

(*) Data at 31 December 2008.

Company and Industry Collective Bargaining Agreements Applicable to each Group Company

Company	Treaty
GESTEVISIÓN TELECINCO	VIII CC Gestevisión Telecinco (company)
ATLAS ESPAÑA	IV CC Atlas España (company)
CINEMATEXT MEDIA, CONECTA 5 TELECINCO TELECINCO, MEDIACINCO CARTERA	CC Oficinas y Despachos Madrid (industry)
PUBLIESPAÑA, PUBLIMEDIA GESTIÓN, ADVANCED MEDIA	CC Empresas Publicidad (industry)
TELECINCO CINEMA	VIII CC Gestevisión Telecinco (company)

In the case of temporary employment agencies, their applicable collective bargaining agreement is applied and, in certain matters, they recognise the same agreements as those contained in the collective bargaining agreements of the user companies (pay scales, vacations, workdays and shifts), while in others those conditions indicated in their own CBA (time off, temporary disabilities, insurance, etc.).



RESPONSIBLE BUSINESS MANAGEMENT

Health and Safety

Within the scope of occupational risk prevention in 2008, Telecinco adopted a corporate policy and declaration of principles. These principles establish guidelines that every group employee must respect: Dignity in the treatment, equality and respect are the pillars of this policy. The guidelines have been applied with notable success as can be seen from the good results obtained in the application of the latest Annual Risk Prevention Plan of Telecinco.

To carry them out, Telecinco has instituted the Joint Prevention Service, a specific unit created within the Human Resource department with the mission of overseeing the prevention of occupational risks for Gestevisión Telecinco, Atlas España, Publiespaña, Publimedia Gestión, Advanced Media, Conecta 5 Telecinco, Mediacinco Cartera, Cinematext Media y Telecinco Cinema. The Joint Prevention Service is responsible for fire protection, emergency measures, and ensuring appropriate training and awareness of detected risks for each position. All matters within the scope of ORP are developed by the Joint Prevention Service and supervised by the Health and Safety Committees of the different companies of the Telecinco Group.

The Health and Safety Committee and is a joint commission comprised of an equal number of prevention delegates and company representatives and regularly assesses the activities of the company in the area of occupational risk prevention. The committee met four times in 2008.





RESPONSIBLE BUSINESS
MANAGEMENT

Training in the Prevention of Occupational Risks 2008

ORP TRAINING	Participants	Hours	Total (hours)
Environmental Risk Management and Environmental Responsibility Law	2	6	12
And the voice, locution and news persuasion	28	65	1,820
Manual handling all the loads	17	8	136
Safety measures for altitude jobs: supervisors	29	72	2,008
Safety measures for altitude jobs: illumination	5	24	120
Firefighting drills	23	16	368
Occupational Risk Prevention: Basic Level	4	30	120
Prevention and response to situations of workforce mobbing or harassment	4	16	64
First aid in the case of electrical accidents	18	16	288
Professional recycling of safety for out to work	14	30	420
Safety and handling of hinged and lift platforms	24	8	192
Safety for electrical installations	11	4	44
TOTAL	179	295	52,805

Scope: The data provided encompasses the workforces of the companies Gestevisión Telecinco, Atlas España and Conecta 5 Telecinco, as well as temp agency personnel and external personnel.



RESPONSIBLE BUSINESS MANAGEMENT

Absolute Values for Absenteeism

ABSENTEEISM, ABSOLUTE VALUES *														
	2007							2008						
	Workers	LT	LAIT	CI	NLA	MAT	PD (1)	Workers	LT	LAIT	CI	NLA	MAT	PD
GESTEVISIÓN TELECINCO	755	13	14	251	11	18	1	744	11	11	208	11	23	-
ATLAS	198	-	-	67	2	13	-	195	-	-	19	-	3	-
PUBLIESPAÑA	143	1	1	23	-	1	-	145	-	-	44	-	3	-
PUBLIMEDIA GESTIÓN	41	-	1	8	-	1	-	40	-	-	6	4	2	-
CINEMATEXT MEDIA	17	-	-	11	-	-	-	14	-	-	3	-	-	-
ADVANCED	-	-	-	-	-	-	-	3	-	-	-	-	-	-
CONECTA 5 TELECINCO	-	-	-	-	-	-	-	26	-	-	3	-	1	-
TELECINCO CINEMA	-	-	-	-	-	-	-	9	-	-	1	1	-	-
MEDIACINCO CARTERA	-	-	-	-	-	-	-	2	-	-	1	-	1	-

*Average workforce. The total does not coincide with the total Group workforce due to several companies in 2007 not being covered by the services of the Joint Prevention Service.

(1) Tendinitis in the wrist of an operator of Direction.

Key: Labour accidents with lost time (LALT). "In itinere" labour accidents (LAIT). Common Illness (CI). Non-Labour accident (NLA). Maternity (MAT). Professional disease (PD)



RESPONSIBLE BUSINESS MANAGEMENT

Accident Rates

	2007	2008
Frequency Ratio	6.88	5.44
Incidents Ratio	11.72	9.28
Seriousness Ratio	0.14	0.05

*Calculations based on the statistical ratios of the National Institute of Labour Health and Safety (INSHT for the Spanish initials).

$$\text{LALT Frequency Ratio} = \frac{\text{No. of LALT}}{\text{Total hours worked}} \times 1000000$$

$$\text{LALT Frequency Ratio} = \frac{\text{No. of LALT}}{\text{Average workers}} \times 1000$$

$$\text{LALT Seriousness Ratio} = \frac{\text{Number of days lost LALT}}{\text{Total hours worked}} \times 1000$$



RESPONSIBLE BUSINESS MANAGEMENT

Workers Represented by Joint Health and Safety Committees

Company	No. of Employees
GESTEVISIÓN TELECINCO	725
ATLAS ESPAÑA	185
CINEMATEX MEDIA	15
CONECTA 5 TELECINCO	21
PUBLIESPAÑA	144
PUBLIMEDIA GESTIÓN	38
ADVANCED MEDIA	4
MEDIACINCO CARTERA	2
TELECINCO CINEMA	7
TOTAL	1,141

Thanks to the Joint Prevention Service the health and safety of workers and suppliers has been reinforced through the training and information given to these groups. A series of manuals, memos, and other information have been prepared and distributed regarding detailed emergency procedures for each of the work centres, as well as on the procedures for providing aid in the case of accident and the procedures for working with fire and explosives, among others.

In this area, it should be noted that Telecinco complies with all established regulations regarding ergonomics, fully adopting the criteria established for each of the different professional categories in the Group. Periodic controls are performed regarding the existing workplace conditions and specific ergonomic criteria are always taken into account when purchasing furniture and tools. Regarding health monitoring, 210 medical exams and 414 analyses were performed during 2008.

Another new initiative that Telecinco worked on throughout 2008 was the reinforcement of the relationship between a network and its suppliers in relation to the prevention of occupational risks, through the publication of the fourth edition of the Procedure for the coordination of the business activities of the Telecinco Group. These procedures detail the measures and guidelines needed for the Group and its contractors to work in unison in the prevention of occupational risks throughout the contractual relationship.



RESPONSIBLE BUSINESS MANAGEMENT

In addition, Telecinco is working on a new project to expand the information on the prevention of occupational risks to the public, extras, service company personnel and other visitors that access or work within the facilities of the company.

Telecinco, as a communications media company, pay special attention to job-related psychological and social risks. Accordingly, the *Procedure for the management of psychosocial risk and harassment in the workplace* created in 2008, in addition to dealing with workplace mobbing, focuses its efforts on informing regarding the causes, symptoms and consequences of occupational diseases such as stress and the negative effects of major mental efforts, such as in the case of professional burnout syndrome and mental fatigue. Telecinco employees can consult these procedures on the corporate intranet, Cinco.net.

Another priority is the detection, investigation and intervention in possible cases of moral, sexual or gender harassment in the workplace. If a worker feels that he or she is the subject of harassment, they can notify the Medical Service or the Labour Relations Department. The latter will designate one or more managers to collect information and clarify the facts and, if applicable, taking such steps as may be appropriate to prepare a report that allows the HR division to adopt the measures needed to put an end to the situation. Workers may receive the assistance and advice of their union representatives throughout the process. Once the case has been resolved, periodic follow-ups will be performed on the affected person in order to guarantee that the harassment does not continue and that no revenge is taken.





RESPONSIBLE BUSINESS MANAGEMENT

THE ENVIRONMENT

During 2008 Telecinco maintained its commitment with the environment and focused the network's first steps on increasing awareness among its own workers regarding the environmental problems and challenges, resulting in a significant advance in the reduction of the consumption of raw materials. Similarly, Telecinco used the broadcasting nature of the company and the popularity of the Telecinco website to promote the dissemination of reports and programmes that increase the awareness of viewers regarding environmental matters, such as climate change.

Internal Awareness

Among the awareness actions implemented by Telecinco during the year four employees, would highlight the dissemination of reminders to the entire workforce. This was performed using the corporate intranet, Cinco.es, one of the main channels for internal communications. For example, the Human Resource Department sent out a memo to all employees encouraging them to take an active role in the overall energy savings of the company through small individual actions.

Telecinco decided to take its first steps in increasing the environmental awareness of the workforce by involving them more directly in the factors that originate energy consumption. Accordingly, Electrical Maintenance personnel receive weekly instructions to review the lighting in the passageways, offices and common areas to assure that the lights were turned off after the close of the workday and during prolonged absences throughout the day. Similarly, they were instructed to remind the employees if they also have some responsibility in this endeavour and that they must take care of their own equipment and tools.

Similarly, lighting personnel maintain responsibility in this area for the record in this, where they are in charge of adapting the lighting to the activity of the programmes and they are aware of the energy savings that their actions can provide by lowering the lighting during technical downtime and during commercial breaks during the recording of programmes.

RESPONSIBLE BUSINESS MANAGEMENT

Reduction of Consumption and Raw Materials

Telecinco has been able to make a significant reduction in energy and resource consumption thanks to major changes in the management of its facilities. Firstly, in 2008 the company centralised most of its work force at the Telecinco facilities in Fuencarral (Madrid), with the resulting financial, energy and environmental savings that this implied. The Telecinco Group transferred all of the offices located at calle María Tubau to Fuencarral, which moved approximately 250 new workers primarily from the Programme Production, Film and Fiction areas. Also, 90 people from Publimedia Gestión were transferred to Fuencarral from the office is located at calle Pedro Teixeira in Madrid.

These transfers allowed for the elimination of transportation lines and messenger services as well as for the more efficient use of energy and material resources.

Water, energy and materials consumption

TOTALS	2007	2008
Water (m3)	48,841	25,164
Electricity (kwh)	15,864,577	16,177,073
Diesel (litres)	28,331	6,000
Propane (kg)	13,970	15,584
Natural Gas (m3)	-	27,211.53
Paper (kg)	39,752	34,117
Batteries (kg)*	2,334	1,314
Toner (unit)	958	875

Scope: Grupo Telecinco, except CinematextMedia, Telecinco Cinema Publiespaña HQ in Barcelona and Alicante

RESPONSIBLE BUSINESS MANAGEMENT

CONSUMPTION PER HOUR OF PRODUCTION (*)	2007	2008
Total hours of production in studios and sets (h)	141,269	134,430
Water (m3)	0.3	0.2
Electricity (kwh)	117.3	120.3
Diesel (litres)	0.2	0.04
Propane (kg)	0.1	0.1
Natural Gas (Mwh)	-	0.002
Paper (kg)	0.2	0.3
Batteries (kg)*	0.02	0.01
Toner	0.007	0.007

Scope: Grupo Telecinco, except Cinematext Media, Telecinco Cinema Publiespaña HQ in Barcelona and Alicante.
(*) we have included this figure because we believe it is key to understanding the resource and managing needs of our core activities, the production and broadcasting of television content.

Regarding **electricity consumption** in Telecinco, our power usage in the second half of 2008 declined 3.2% over the previous year. Nonetheless, consumption for the full year increased 2%, which is still a good fit here given the level of production, the extension of the facilities and the total occupation of the central headquarters in Fuencarral throughout 2008.

This figure is the result of an action plan launched in July that included the following measures:

Limitation of the lighting time in the parking lot.
Reduction in the lighting of building signage.
Controlled management of studio heating and AC.
Reduction in the working times of building heating and AC during weekends and nighttimes.
Greater control of general shutdowns of facilities by maintenance personnel.
Increased awareness among personnel of the information notes published on the Internet.
Substitution of incandescent lighting for low-energy lightning and common areas.
Increased awareness among employees to reduce the use of lighting in studios

Telecinco was also able to reduce its consumption of **water**. Total water consumption in 2008 was 25,164 m3, a 48.7% decline over the 48,841 m3, consumed in 2007. The significant reduction was possible thanks to the completion of the construction works begun in 2007, the controlled use of irrigation during summer months over the 5000 m² green zones and the completion of the repairs to the drainage system.



RESPONSIBLE BUSINESS MANAGEMENT

There was also a very significant reduction in the consumption of **diesel fuel** (78.8%), to the change in the heating system and several of the buildings which now use natural gas. However, the consumption of **propane gas** in the kitchens increased 10% due primarily to the increase in personnel at the central facilities in Fuencarral. Lastly, Telecinco used close to 27,200 m³ of **natural gas** in 2008.

Waste Management

WASTED MANAGED (Kg.) (*)	2006	2007	2008
Paper/cardboard	76,795	77,380	97,855
Tape (kg)*	35,255	37,920	20,665
Batteries (kg)*	1,300	1,500	1,500
Electrical and electronic apparatus	15,403	17,670	23,324
Paint and aerosol containers and contaminated plastic/metal packaging	255	440	742

(*)Data for the entire Group except for sites located outside of Madrid

As a communications media company, Telecinco uses a large amount of magazines, newspapers and other basic documents. Aware of the huge benefits for the environment from saving paper, Telecinco has undertaken a strong commitment that it has already begun in 2009: The Group has stopped buying printed in newspapers and magazines. In any case, Telecinco has been progressively reducing its consumption of paper, for years, recording a 14% reduction in 2008 over the previous year, with consumption going from 39,752 to 34,117 kilograms.

In the recycling of paper during 2008, the network recycled close to 97,855 kg of paper and cardboard. Obviously, the amount recycled far exceeded the amount consumed. The difference between the figures for paper consumed and paper recycled is derived from the printed material entering into the company (magazines, newspapers, advertising, etc.), which is not considered as paper consumed by the company. There was also a significant increase in the amount of paper recycled in comparison with the 77,380 kg recorded in 2007. The increase was due primarily to the dismantling of the María Tubau facilities and the old offices of Publimedia Gestión, both in Madrid. This process involved doing away with a large amount of paper documentation that was, in all cases, recycled. Telecinco uses a specialised manager for all recycling of paper and cardboard.

Or was also in no increase in the waste from electrical and electronic devices over the previous year as a direct result of the renewal of the studios and controls at the Fuencarral facilities; the renewal of





RESPONSIBLE BUSINESS MANAGEMENT

network electronics and the substitution of all office computer systems previously used at calle María Tubau (Madrid) and a replacement for new systems at Fuencarral. Regarding recording tapes, the decline over the previous years is due to the greater awareness of the use of new tapes and the reuse of them (20,837,5 kg).

Atmospheric Emissions

ATMOSPHERIC EMISSIONS TM	2007	2008
CO2 from fuel consumption ₁	117.43	63.2
CO2 derived from air travel:	2,215.7	1,602.8
-Nacional	1,243.8	428.7
-Internacional	971.9	1,174.1
CO2 derived from land transport	1,125.47	1,401.5
-Vehicles owned by Telecinco ₂	205.2	229.0
-Mass transportation (coach) ₃	23.17	14.4
-Vehicles not owned by Telecinco	828.7	1,085.7
-Transportation by rail	68.4	72.4
CO2 derived from electricity consumption ₄	3,791.6	2,750.1
SO2 derived from electricity consumption ₄	10.9	6.8
NOX derived from electricity consumption ₄	9.2	6.7
Particles in suspension derived from electricity consumption ₄	0.8	0.3

Scope: Grupo Telecinco, except Cinematext Media, Telecinco Cinema, Estudios Picasso and Publiespaña in Barcelona and Alicante.

1 Data Calculated using the methodology proposed in the Greenhouse Gas Protocol.

2 The number of rental vehicles increased in 2008; the mileage figure provided is the number of kilometres contracted per year for each rental vehicle.

3 The number of trips for the coach service declined due to the transfer of a large number of workers to Fuencarral.

4 Estimates based on utility company data (2008 Sustainability Report update).



RESPONSIBLE BUSINESS MANAGEMENT

Environmental Awareness of the Audience

Telecinco is aware that, as a communications media company, it plays an important role in the formation of public opinion and the repudiation of a critical and responsible citizenry. The network has signed a series of agreements with different international non-profit organisations for the broadcasting of responsible content that promotes the social awareness of society and informed on environmental challenges. One of the main actions will be the broadcast of a series of programs and documentaries produced by Greenpeace on the digital channel Telecinco 2. *(For more information on the agreement between Telecinco and Greenpeace please see the section Broadcasting of responsible content)*

Environmental Policy of Telecinco

The 2007 Environmental Policy of Telecinco has three core principles: Reduction of the consumption of energy and raw materials; broadcasting of content that favours greater and better environmental awareness among television viewers; and development of training and information actions for the workforce and suppliers to allow them to perform their jobs in a manner that is respectful of the environment.

Throughout 2008, Telecinco work on the three aspects, achieving significant results in some and detecting certain gaps in others. Has already mentioned, the network advanced in the reduction of the consumption of water, paper and diesel, in the increase of social awareness to the broadcasting of environmental awareness content, and increasing the awareness of the workforce through reminders on the global impact of their individual actions on the energy savings of the company.

Despite this progress, certain weaknesses were also detected. In order to provide new direction, on 25 February 2009 a new environmental policy was approved for Telecinco and the entire Group.



RESPONSIBLE BUSINESS MANAGEMENT

The environmental policy of the Telecinco Group has acquired an evening greater global dimension, given that the commitment to minimising the impact of its activity on the environment and to promote the construction of respectful attitude among the different stakeholder groups derives from senior management and involves the entire workforce. Accordingly, Telecinco will work on integrating environmental criteria into the internal management processes as well as into its programming through six intervention lines:

- Compliance with current environmental legislation in any other requirement that the company subscribes, as well as the adoption of future applicable standards.
- Reduction and prevention of the environmental impact of the company's activities, controlling and decreasing, to the extent possible, the consumption of energy and resources through the application of more efficient processes and an express commitment to fight against climate change.
- Definition of programmes that establish goals and objectives for the continuous improvement of the environmental performance of the company while, the same time, allowing for regular monitoring of the progress of actions already in place.
- Information transparency for stakeholders on the activities of the company and the related environmental impact.
- Increased awareness regarding the environment among employees and suppliers using training and information activities that promote the involvement of the entire Group in the correct management of the company and in the fight against climate change.
- Generation of attitudes and commitments among viewers and stakeholders of the company regarding the need to protect the environment and fight against climate change through information and awareness activities as well as messages on the commitment and respect for the environment in the content broadcast.

The Telecinco Group in 2009 will reinforce its commitment to the environment and clearly demonstrate at the highest levels of management are fully committed to promoting sustainability within the company.



RESPONSIBLE BUSINESS MANAGEMENT

DATA PROTECTION

The gradual increase in awareness of the population regarding privacy and their personal rights has led to a strong increase in the complaints filed with the *Spanish Data Protection Agency* (AEPD for the Spanish initials). The growing volume of procedures initiated with the agency clearly proves that Telecinco was on target with its reinforcement of the personnel dedicated to compliance with personal data protection laws.

This reinforcement took the form of the creation in January 2008 of the *Data Protection Unit* under the General Secretariat of Telecinco, comprised of attorneys, IT personnel, engineers and auditors, and in charge not only of implementing the legally required measures, but also for designing and launching additional procedures that guarantee even wider rights. *The Data Protection Unit* replaces the Deputy Directorate for LOPD Management and the LOPD Committee, assuming all of their functions and adding new ones.

The activities of the new Data Protection Unit will not only affect Gestevisión Telecinco, but also the following Group companies: Publiespaña, Conecta5 Telecinco Publimedia Gestión, Advanced Media, Atlas, Cinematext Media, Telecinco Cinema, and Grupo Editorial Tele5. And will carry out the following task, among others:

1. Establishment of the procedures for the identification and use of files containing data of a personal nature for which the company is responsible.
2. Adaptation of all of the above-mentioned companies to the requirements of the LOPD. Preparation, supervision and updating of the security document and implementation of the security measures that, beyond the legally required level, are reinforced by the common internal procedures established.
3. Study and rollout of organisational measures needed by each company for compliance with laws and standards, as well as internal procedures.
4. Periodic awareness sessions with different professional groups from among the personnel of the different group companies and the detection of potential risks in the collection and handling of personal information.

RESPONSIBLE BUSINESS MANAGEMENT



5. Preparation of action plans adapted to the needs of each work group in order to facilitate the performance of the daily professional activities in the audiovisual sector within a framework of security and respect for data of a personal nature.
6. Study and rollout of new measures that provide greater fluidity and simplification of already existing procedures without impacting on the level of the guarantee. For example, creating e-mail accounts that the user may use freely to request the free exercise of a right over the Internet.
7. Performance of campaigns to remind personnel of the *modus operandi* by e-mail or over the intranet, where employees will also be able to find the *“Basic guide to the protection of data of a personal nature”*.

The guiding maxim of the Data Protection Unit is that their function is a need to carry it out by the employees of the Group brought with major benefits for users, viewers and customers. And whenever required, a strict data protection policy is applied to the data that suppliers may be able to access belonging to any of the companies of the Telecinco Group.

For Telecinco, the responsible management of personal data protection is a top priority and requires the involvement of the entire team with their maximum respect. The efforts of Telecinco have been recognised by the Spanish Data Protection Agency, providing the network with an award in 2008 for the report broadcast on Telecinco news regarding the defective treatment of personal data by certain courts. And both the AEPD and superior bodies have issued favourable decisions on the administrative procedures initiated against the different companies of the Telecinco Group.

Also, taking advantage of legislative changes implied in the new *Regulation on security measures*, each of the different departments and the different companies were revisited in order to detect no needs and assess compliance with the previous and new requirements under the personal data protection law.



RESPONSIBLE MANAGEMENT OF CONTENT



RESPONSIBLE BROADCASTING OF CONTENT

One of the aspects of Corporate Social Responsibility that is specific to broadcast television, is the responsible broadcasting of content, understood as the manner in which the programming is prepared and broadcast, taking into account the social and environmental impact of this activity. Approaching the broadcasting of content from a socially responsible position implies the recognition and assumption of the fact that television has a very high capacity for social influence that if used appropriately can be very beneficial for social cohesion and development, but can also generate a sharply negative impact if not used appropriately.

Telecinco, in addition to complying with all applicable legislation, works to introduce mechanisms and prevention measures an appropriately approach these three most important social aspects of its activities: The protection of the rights of children and teens; reflection of diversity and the responsible broadcasting of advertising.

Protection of children and teens

The *Code for the development of self-regulation of television content and children* is the tool that guides the efforts of Telecinco to dance the protection of children and teens within its programming. The Code has been subscribed by Televisión Española, Antena 3 de Televisión, Gestevisión Telecinco, Sogecable, La Sexta, the DTT operators Veo TV and Net TV, and the regional television stations through FORTA, and represents the voluntary commitment of the television networks to broadcast content that protects the rights of children and teens.

In 2008, the “*Third report on the evaluation of the application of the Code for the Development of Self-Regulation of Television Content and Children was released by the Mixed Commission for the Oversight of the Code*”. The commission is comprised of representatives of the broadcasters and social organisations involved with children’s matters and consumption and are in charge of supervising the application of the Code.

The assessment shows very positive performance in the number of complaints presented by social organizations and viewers with respect to the previous year, with a decline of close to 40%. Telecinco was a commercial broadcaster with the fewest number of complaints. Of the 216 complaints presented between 2007 and 2008, 13% were due to programmes broadcast by Telecinco, all of these 15 were accepted.



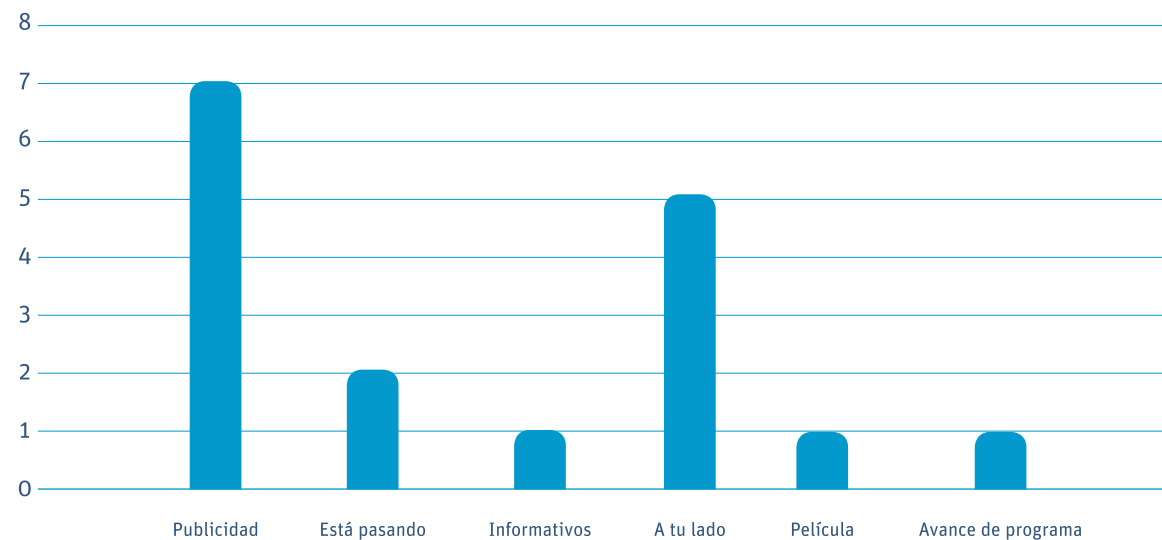
RESPONSIBLE MANAGEMENT OF CONTENT

When a complaint is accepted, both the Entertainment and Fiction Department and the Content Department notify the department or area affected, explaining the reason for the acceptance, the steps that should be taken and the manner in which to proceed in order to avoid any repeat of the complaint in question.

Since the approval of the *self-regulation code* it has been expanded in accordance with the needs and precautions detected. When a new measure is established, the affected area, programmes, promotions or advertising, are informed so they can respect or cease in the relevant type of practices.

Similarly, periodic meetings are held with directors and producers of programmes that are broadcast during the reinforced protection times to review the complaints presented in the past, the commitments of the Code, in a manner to act regarding specific types of content. In this regard, we like to highlight the growing awareness of the programme leaders regarding compliance with the *Code*.

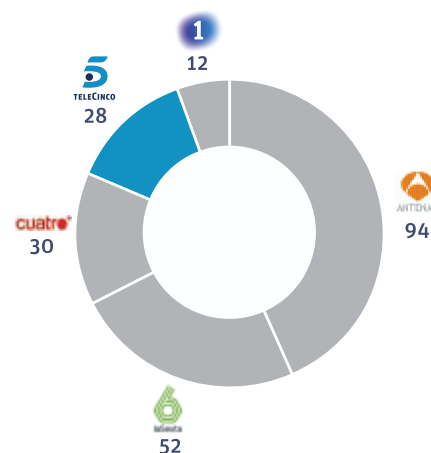
Distribution of Complaints by Programme



RESPONSIBLE MANAGEMENT OF CONTENT

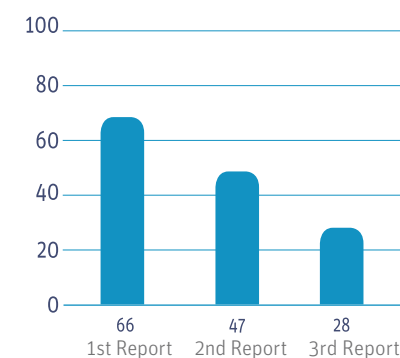
Complaints Presented and Distribution by Network

Base: 216 complaints presented

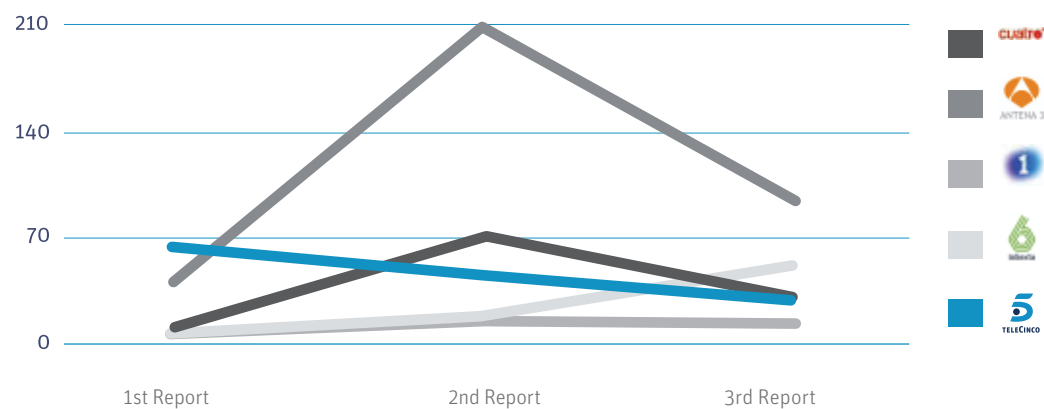


Source: "3rd report on the evaluation of the application of the Code for the development of self-regulation of television content and children"

Evolution of the Number of Complaints against Telecinco



Evolution of the Complaints Presented



Source: "3rd report on the evaluation of the application of the Code for the development of self-regulation of television content and children."



RESPONSIBLE MANAGEMENT OF CONTENT

Reflecting diversity

Broadcast television has a very important function as a socialising instrument and the reflection of human and cultural diversity is gaining increasing importance in the performance of this function.

Spanish society has changed greatly in recent decades. Social advances, cultural and political changes and the arrival of a large number of immigrants has transformed the profile of the country in just a few years. Far from stopping, this process is becoming a human, cultural and political reality in constant evolution. Television cannot stand apart from the challenges and needs that arise from these changes and can contribute to the construction of society through its programming content.

In this regard, reflecting values of coexistence, breaking with stereotypes and facilitating the incorporation of all collectives within society are just some of the contributions that television can make by reflecting the reality that surrounds us.

Telecinco applies this vision to its content every day, striving to improve in the three basic areas to constructively reflect the diversity of Spanish society. Firstly, treating the image of women without incurring in stereotypes that promote inequality. Secondly, facilitating access by the handicapped to television content and favouring the fight against discrimination. And lastly, approaching the subjects relating to immigration in a balanced way, promoting the social integration and coexistence between religions and cultures.

Telecinco has only made its first steps in this field, but has already launched initiatives for the responsible broadcasting of content.

Treatment of the Female Image

When representing the female image, one of the areas of particular concern for Telecinco is derived from its own professionals given that the network is one of the most effective media outlets for representing the female image in an equitable and respectful manner.

On the one hand, favouring gender parity corresponds to the social reality and must be a natural element in every company and, moreover, in the case of broadcast television, it is a required measure in order to incorporate the female perspective in the creation of content. Along these lines, it should be noted that 59% of the Telecinco Group are women.



RESPONSIBLE MANAGEMENT OF CONTENT

Another important aspect is the visibility of these professionals through the programmes. The hostesses that direct these programmes and shows are a point of reference for many women that follow the programming of Telecinco, and their starring roles and their professional development help to build female models for all of society. Telecinco has numerous leading personalities that set the trend for broadcast television, such as Ana Rosa Quintana and Mercedes Milá. Their strength and leadership contribute to building valuable professional benchmarks.

Nonetheless, Telecinco believe it is important to develop control mechanism that guarantees that are in very sensitive matters that directly affect women are handled in the most appropriate manner. This is a case of violence against women. In order to appropriately handle content relating to male violence against women, Telecinco follows the recommendations of the *“Urgent manual for the handling of violence against women”*, a tool created in 2002 in the framework of the first *National Summit on Women, Violence and the Communications Media*.

On the one hand, as an absolute newsworthy matter, violence against women has been discussed throughout the year on most of the programmes broadcast by Telecinco. For example, there were specials on male violence broadcast by **“El programa de Ana Rosa”** on 3 March and 25 November 2008 with the participation of the Hon. Raimunda de Peñafort Llorente, judge of the 1st Investigative Court on Violence against Women of Madrid and the author of the book *“Una mujer frente al maltrato”* and Ms. Encarnación Orozco, Special Government Delegate against Violence against Women, Among other specialists.

Lastly, Telecinco has tried to actively contribute to social awareness of the problems of equal opportunities and the fight against violence against women, including these matters as subjects under the campaign **“12 meses 12 causas”** (For more information see the section on *Broadcasting of Responsible Content*).

Distribution of Journalists by Gender

	2007		2008	
	No.	%	No.	%
WOMEN	72	57%	74	59%
MEN	54	43%	51	41%
TOTAL	126	100%	125	100%

Annual averages.



RESPONSIBLE MANAGEMENT OF CONTENT

Gender Parity among Programme Hosts for Entertainment and News

	2007		2008	
	No.	%	No.	%
WOMEN	14	45%	12	41%
MEN	17	55%	17	59%
TOTAL	31	100%	29	100%

Annual averages.

Gender Parity in News and Weather Programmes

	2007		2008	
	No.	%	No.	%
WOMEN	6	33.5%	6	33.5%
MEN	12	66.5%	12	66.5%
TOTAL	18	100%	18	100%

Annual averages.

Disabilities

On 3 May 2008, the United Nations *The Convention on the Rights of Persons with Disabilities* took effect. The purpose is to reaffirm that all persons with all types of disabilities must enjoy all human rights and fundamental freedoms. Article 9 of the Convention states that “to enable persons with disabilities to live independently and participate fully in all aspects of life, States Parties shall take appropriate measures to ensure persons with disabilities access, on an equal basis with others to” among other things, audiovisual media. Similarly, Article 30 states that persons with disabilities have the right to take part on an equal basis with others in cultural life and therefore the States should ensure “access to television programmes, films, theatre and other cultural activities, in accessible formats”.



RESPONSIBLE MANAGEMENT OF CONTENT

Telecinco is working to facilitate access to televised content for persons with disabilities. 2008 marked the first decade since Telecinco began to improve access for the hearing impaired. There were some major advances in 2008 with the increase of the hours of closed captioned broadcasts, an area in which Telecinco invests a large part of its efforts to innovation, which has made Telecinco a true pioneer in the closed captioning of live broadcasts in real time. This has further strengthened the public service capacity of the Group by bringing interesting content closer to persons with hearing impairment, such as the news or special events like the New Year's Eve special.

TELECINCO INVESTMENT IN SUBTITLING

2007	1,014,630 €
2008	1,132,854 €

During 2008, Telecinco broadcast a total of 2,746 hours of subtitled programming (an average of 47 hours per week), which represents 20% of total programming and investment of somewhat over €1.1 million, an increase of 11% over the previous year. This represents an increase of 10% of total hours of subtitled programming, all from the 1,520 hours (18% of the total) broadcast in 2007.

In addition, the Telecinco Group is bringing subtitled programming to its digital channels Telecinco 2 and Factoría de Ficción (FDF). In 2008 Telecinco 2 broadcast a total of 1,578 hours of subtitled programming, for an average of 30 hours per week. Factoría de Ficción (FDF) broadcast a total of 2,496 hours of subtitled programming, for an average of 48 hours per week. In total, throughout 2008 Telecinco 2 broadcast 50 accessible programmes and films, while FDF broadcast a total of 132. The subtitled programming included such popular films as **“Darevil”**, **“Austin Powers”** and **“Nunca juegues con extraños”** and successful television series like **“El comisario”**, **“Médico de familia”** and **“Yo soy Bea”**.

Telecinco's commitment to improving accessibility for its programming also involves another part of its business given that the company holds an equity interest in Cinematext Media, a company specifically involved in doubling and subtitling of audiovisual recordings.



RESPONSIBLE MANAGEMENT OF CONTENT

Immigration

At the close of 2008, there were 4.5 million resident aliens in Spain, which clearly highlights the growing importance of the immigrant population in the social configuration of the country. This reality transcends not only as news, but also impacts in all aspects of the production of television content. On the one hand, a true and fair reflection of the social reality of our country requires that programmes include professionals from other countries and characters and stories relating to immigration.

Moreover, information relating to immigration and its handling is a particularly sensitive as that in the case of broadcast television. Given TVs capacity to influence public opinion through it is representation of reality, broadcast television has a powerful impact on the perception that the population as of immigration. This is why it is very important to develop a socially aware and careful news programme that avoids the creation of prejudice and xenophobia.

In this area, Telecinco follow the guidelines established in the *Practical guide for communications media professionals: media treatment of immigration published in the beginning of 2008 by the Ministry of Labour and Social Affairs*.

Responsible broadcasting of advertising

Telecinco guarantee the responsible broadcasting of advertising through its collaboration with the Association for the *Self-regulation of Commercial Communications* (Autocontrol), an entity created in 1995 by the leading advertisers, communications media, advertising agencies and business associations, including Telecinco.

Autocontrol is a watchdog group that oversees broadcast advertising in the benefit of advertisers, consumers, and society in general. It is a tool that allows, regarding television advertising, for cooperation and preventative corrections of illegal advertising in order to achieve, among other things, the correct application compliance of the articles of the *Television without Borders Law* (Act 25/1994).

Total Advertising Minutes in 2008	
Telecinco	84,554
Factoría de Ficción Telecinco (FDF Telecinco)	72,577
Telecinco 2	50,991



RESPONSIBLE MANAGEMENT OF CONTENT

The activity of Autocontrol is divided into three instruments: Codes of Conduct that govern the ethical considerations and social impact of advertising; Out-of-court dispute settlement system: Complaints Committee; and Pre-launching advice (*Copy advice*). Also, Autocontrol keeps the television networks informed in monthly meetings of any new legislation or legal precedent that impacts on television advertising.

Autocontrol has two main Codes, which cover commercial communications of all products/services in all media: *General Code of Advertising Practice* and the *Code on interactive advertising and e-commerce B2C*. The first is based on the ICC International *Code of Advertising Practice and its basic principles of truth, legality, honesty and loyalty of commercial communications*. The *Code on interactive advertising and e-commerce B2C* (Confianza Online Code) references commercial communications and the contractual aspects of the commercial transactions with consumers made over the Internet and other electronic means as well as dealing with the safeguarding and protection of personal data.



RESPONSIBLE MANAGEMENT
OF CONTENT

Industry codes also applied by Autocontrol	
YEAR	CODE
2009	Self-regulatory code on advertising and commercial communications of wine.
2007	Code of conduct for the promotion and advertising of authorized over-the-counter medications not financed by the national health system and other self-care health products.
2006	Code of Conduct of the Spanish Association of Manufacturers and Distributors of Intestinal Nutrition Products (AENE).
2006	Code of Conduct of the Spanish Federation of Health Technology Companies (FENIN) and Autocontrol.
2006	Advertising self-regulation of the Spanish Federation of Beverage Alcohol (FEBE).
2005	Spanish code of good practices for the promotion of medications and the interrelationship between pharmaceutical companies and healthcare professionals and Spanish code of good practices for the promotion of medications and the interrelationship between pharmaceutical companies and patient associations.
2005	Good practice guidelines on the advertising of interactive software products.
2005	PAOS Code and Self-regulation code on the advertising of food stuffs to minors for the prevention of obesity and health of the Food and Beverage Industry Federation (FIAB).
2004	Self regulatory advertising code of the Spanish Brewers Association (Cerveceros de España).
2004	Code of Conduct of the National Association of Market Research and Public Opinion Companies (ANEIMO). Modified in 2008.
2004	Code of conduct of the National Association for the Defence of Brand names (ANDEMA).
2003	Code of conduct on advertising to children by the Spanish Association of Toy Manufacturers (AEFJ) and the Spanish Consumers Union (UCE).
1999	Code of conduct of the National Association of Pharmaceutical Specialty Advertising (ANEFPP)

Copy Advice is the technical opinion and/or advice on the legal and ethical correctness of a specific advertisement before its being launched to the public when requested by the advertiser, agency designing the advertising, or communications media planning on broadcasting it. If Autocontrol refuses the advert or advertising campaign prior to publication or broadcast, it will issue a brief nonbinding opinion that is absolutely confidential. Requests must be made in writing, providing all of the documentation that the



RESPONSIBLE MANAGEMENT OF CONTENT

requester feels is appropriate or any further information as may be requested by the Jurado in order to prepare their evaluation.

Once requested, Autocontrol will issue a decision normally in three business days or in 24 hours is made by a television operator. These decisions can be:

1. No inconveniences noted in the broadcast of the ad.
2. No inconveniences for broadcast provided that the indicated observations are met.
3. No inconveniences for broadcasting during time slots reserved for adult content or at other times except for the reinforced protection times established in the Self-regulatory code on television advertising and minors.
4. Some minor inconveniences they can be corrected.
5. Recommended that the advert not be broadcast.

Within the scope of television, the *copy advice* activity is performed in accordance with the agreement between the television operators and the Spanish Advertisers Association (AEA) and Autocontrol; and with the contract entered into by Autocontrol with the national audiovisual authority (SETSI), which establishes a call regulation scheme for television advertising.

It should be noted that compliance with the Television without Borders Law is required of all television operators established within Spain pursuant to article 2 of the said Law 25/1994, with the broadcaster being responsible for the content of the ad.

Accordingly, Publiespaña —Telecinco Group company engaged in the exploitation and management of advertising resources — with the framework of the contract terms, requests *copy advice* whenever it detects that an ad could violate the Television Without Borders Law, the industry codes and the standards or restrictions on broadcast times, accepting the decisions and recommending the suspension of the campaign if the ad is not fit for broadcast.

More information at www.autocontrol.es

RESPONSIBLE MANAGEMENT OF CONTENT

BROADCASTING OF RESPONSIBLE CONTENT

Television has a strong ability to spread ideas and configure public opinion. With all power comes responsibility, in this case for the collaboration in the construction of a critical and committed citizenry. Telecinco, through its commitment to news and entertainment and as an expression of its Social Action, wants to exercise this commitment and promote more socially responsible behaviour with full awareness of the social and environmental problems that impact on sustainability.

To this end, Telecinco has made a huge leap in the broadcast of content designed to increase the awareness of the audience, responsible content designed to show the challenges that require a commitment from everyone in order to achieve greater social equality, defend the environment and fight against climate change.

Telecinco is also committed to contributing to the promotion of culture and education given that no social transformation would be possible without these two cornerstones of social construction.





RESPONSIBLE MANAGEMENT OF CONTENT

Awareness of the Challenges of Sustainability

Sustainability or sustainable development is that development that satisfies the needs of the present without compromising the capacity of future generations to meet their needs in a like manner. Accordingly, this implies a commitment to future generations that is enacted by ensuring economic prosperity while protecting the environment and guaranteeing social equality and cohesion.

Television plays an important role in spreading these principles and thereby favouring the social transformations needed to achieve this method of living and acting. Telecinco uses various tools to meet this commitment, including agreements with various NGOs and international organisations, these free broadcasting of social awareness and the social advertising project **“12 meses, 12 causas”**.

Agreements for the Broadcast of Responsible Content

With the diversification of our channels with the introduction of Digital Terrestrial Television (DTT), Telecinco is reaffirming its commitment to the creation of specialised and responsible content that encouraged the creation of a critical citizenry. To this end, the Group has established alliances with NGOs active in different social and environmental fields with which we share a common goal: Promote social awareness and responsibility.

Telecinco 2 is the DTT channel through which the network collaborates with the social organisations. Specifically, in 2008 Telecinco signed agreements that will continue to be developed throughout 2009 with Greenpeace, the UN High Commissioner for Refugees (UNHCR) and with Amnesty International, pursuant to which these organizations will provide content to Telecinco 2 for broadcast. With these innovative agreements, the organisations have the opportunity of carrying their message to a wide audience and Telecinco 2 had the opportunity to disseminate social and environmental matters of great importance hand in hand with the world experts in these matters.

The first of these experiences arises from the agreement with Greenpeace, one of the most important environmental organizations in the world, which will remain in force until December 2009. The Greenpeace environmental experts are creating news, documentaries and reports in order to increase environmental awareness, which Telecinco 2 has been broadcasting since February 2008.

RESPONSIBLE MANAGEMENT OF CONTENT



Content Broadcast and Audience Levels Generated Thanks to the Agreement with Greenpeace

2008	Title or content of the broadcast	Share (ref. TTV)*	Thousands of people
FEBRUARY	News programme prepared by Greenpeace	0.07	14
	Report on whales	0.22	43
	Documentary on climate change	0.02	5
MARCH	News programme prepared by Greenpeace	0.08	16
	Report on pollution	0.09	18
	Documentary on transgenic food	0.13	25
APRIL	News programme prepared by Greenpeace	0.02	4
	No Nukes Report	0.04	7
	Documentary on the Greenpeace ships	0.03	6
MAY	News programme prepared by Greenpeace	0.29	44
	Report on forests	0.23	36
	Documentary on Chernobyl	0.40	63
JUNE	News programme prepared by Greenpeace	0.08	14
	Report on the Environmental Atlas of Le Monde Diplomatique	0.10	19
	Documentary on red tuna	0.19	34
JULY	News programme prepared by Greenpeace	0.10	15
	Report on transportation	0.08	12
	Documentary on cluster munitions	0.07	10
AUGUST	News programme prepared by Greenpeace	0.10	12
	Report on Destruction at all costs	0.20	25
	Documentary on the Greenpeace ships	0.23	28
SEPTEMBER	News programme prepared by Greenpeace	0.20	31
	Mediterranean Tour Report	0.21	33
	Documentary on transgenic food	0.11	18
OCTOBER	News programme prepared by Greenpeace	0.07	14
	Report on fish markets and fishing systems	0.15	28
	Documentary on the history of Greenpeace	0.13	24
NOVEMBER	News programme prepared by Greenpeace	0.10	20
	Report Coal Tour	0.14	27
	Documentary on Chernobyl	0.15	28
DECEMBER	News programme prepared by Greenpeace	0.10	19
	Report on the Environmental Atlas	0.09	18
	Documentary Climate of hope: false hope	0.11	18

*Total Television



RESPONSIBLE MANAGEMENT OF CONTENT



The United Nations High Commissioner for Refugees (UNHCR) was created in 1950 for the protection of refugees and displaced people throughout the world. In order to spread the word on their work and history, this United Nations body came to Telecinco and signed an agreement that runs from 1 April 2008 until December 2009. To date six reports have been broadcast dealing with such subjects as the activities of UNHCR in Kenya and the situation of young African refugees.

Content Broadcast and Audience Levels Generated thanks to the Agreement with UNHCR

2008	Title or content of the broadcast	% Share*	Thousands of people
MAY	Visit by Jesús Vázquez to the refugee camps in Dadaab, Kenya	0.25	48
JUNE	World Day of the refugee and UNHCR labour with the report Global View 2008	0.22	39
JULY	Two reports: Looking to the future and A sporting chance	0.14	20
AUGUST	Rerun of the trip by Jesús Vázquez to Kenya	0.28	29
SEPTEMBER	Young African refugees	0.19	31
NOVEMBER	The flight for survival	0.21	41
DECEMBER	Feeling right at home	0.15	28

*Total Television

Lastly, Telecinco has a one-year agreement with Amnesty International signed in June 2008. Since that time, Telecinco 2 has broadcast seven programs prepared by the international NGO to fight against human rights abuses and promote respect.



RESPONSIBLE MANAGEMENT OF CONTENT



Content Broadcast and Audience Levels Generated thanks to the Agreement with Amnesty International

2008	Title	% Share *	Thousands of people
JUNE	AI being heard; Beyond paper; Less than human	0.12	21
JULY	R.U. Human Rights: A broken promise; Secret detentions: the case of Muhammad Alassad; Iraq: healing the past forging the future	0.12	17
AUGUST	Laws without justice. Soldier, police and judge; Mexico: Justice for our daughters	0.07	9
SEPTEMBER	Colombia the hidden tragedy; Until they silence me	0.06	10
OCTOBER	Children at war; Interview of Destini Maliyamungu; Children at war in the DRC	0.09	16
NOVEMBER	No protection, no justice: The Murder of women in Guatemala; Guatemala: digging for the truth	0.10	20
DECEMBER	Human right defenders; Defending women defending rights	0.07	13

*Total Television

Telecinco is extremely proud and fully satisfied with these agreements and reserves the primetime slots for the programmes produced by these organisations in order to achieve social and environmental awareness among the highest number possible of viewers. In addition, after their premiere, the programmes are rerun up to a dozen times throughout the duration of the contract and at different times. They are also published on the corporate website of Telecinco in order to guarantee the highest level of coverage possible.



RESPONSIBLE MANAGEMENT OF CONTENT

“12 meses, 12 causas”

Created in 2000, the social advertising initiative **“12 meses, 12 causas”** as the goal of broadcasting 12 social awareness raising campaigns over the course of the year with one subject selected for each month and discussed on the different programmes and series broadcast by Telecinco.

“For the responsible use of water”, “For a healthy sex life”, “For sustainable development” and “Against computer piracy” are the new campaigns that were included in **“12 meses, 12 causas”** in 2008. Over the past year, the network as again stimulated the awareness of viewers through social advertising, implemented primarily through institutional spots on the particular subject and with increasingly greater emphasis and a 360° approach that calls for the use of the new technologies and Internet as key tools for converting the viewer from a passive spectator to an active subject.

In order to promote certain attitudes or behaviours among viewers and return to society part of what they give us, Telecinco has again used its enormous communications potential for this project. Every month, Telecinco broadcasts institutional spots in different time slots (A. broadcast time that the network made available for these initiatives with an advertising value of €8.7 million) in order to support and explain the awareness actions of **“12 meses, 12 causas”**

In addition to the institutional spots, Telecinco encourages the involvement in the project by the network’s television personalities, using their own production spaces, fiction series, news, etc. such as in the cases of the causes “For a healthy sexual life”, “For the reasonable use of water” and the special campaign developed for World Breast Cancer Day.

In this regard, in the month of July the network launched the machinery of **“12 meses, 12 causas”** to promote healthy practices in sexual relationships and the use of preservatives. In addition to the institutional spots, the network held an online creativity contest using the microsite LaVidaSexualSana.com which registered 1 million page views and received more than 3,000 entries. In addition, the network launched and a below the line advertising initiative for the distribution of free postcards with the participation of television host Christian Gálvez and the actress María Castro, two opinion leaders with a fantastic capacity to motivate young people.

Similarly, the Telecinco programming went all out to support and spread the message among the viewers through special reports and interviews with sex knowledge as from the Ministry of Health and Consumption and the Woman’s Observatory, among other organisations, on **“La mirada crítica”**, Informativos Telecinco and **“El programa de Ana Rosa”**. In addition, **“Está pasando”** benefited from the presence of the two opinion leaders for the cause and on the series **“Yo soy Bea”**, which included references to a healthy sex life in the screenplay for one of the chapters aired during the month.





RESPONSIBLE MANAGEMENT OF CONTENT



Through another 360° action coinciding with the World Breast Cancer Day, Telecinco mobilised all of its content and in-house production teams to launch the awareness and information message on the importance of periodic assessments in order to achieve early diagnosis of this disease. Informativos Telecinco, **“La mirada crítica”**, **“El programa de Ana Rosa”**, **“Está pasando”**, **“XQ no te callas”**, **“La Noria”** and **“Gran Hermano: el debate”** collaborated in the cause, as did Antonio Lobato and the Sports team from Informativos Telecinco, war on assignment in China to cover the Formula One Grand Prix, carrying the network’s message to the other side of the world and to the millions of viewers watching the event. All of the hosts wore a pink rose as a sign of solidarity, a symbol that was also added to the Telecinco “fly” and on the DTT channels throughout the day.

[Telecinco.es](#) and [InformativosTelecinco.com](#) modified the design of their start pages and enabled a specific site “For the prevention of breast cancer” with downloadable material, contributions from the Telecinco bloggers, user testimonies, virtual postcards, and photo galleries. Actor Miguel Ángel Silvestre collaborated with the initiative by providing a photograph with a handwritten message supporting women, which was massively downloaded by visitors.

During the year, the most active causes in the history of the project coexisted with the challenges to increase public awareness on the problems derived from the improper use of natural resources. This was the case in the month of June: siding with the inauguration of Expo Zaragoza 2008, which was held with the slogan “Water and sustainable development”. The network dedicated the monthly **“12 meses, 12 causas”** campaign to promoting “For the responsible use of water”. Marta Fernández, Co-anchor of **“Informativos Telecinco 15.00 horas”** and Carme Chaparro, anchor for **“Informativos Telecinco Fin de Semana”**, went to Zaragoza to report on how the opening ceremonies and the multiple initiatives that the event offered for visitors.



RESPONSIBLE MANAGEMENT OF CONTENT



“12 meses, 12 causas” 2008	
MONTH	CAUSE
January	For a drug-free youth
February	For a healthy diet
March	Against computer piracy
April	In support of those living with Alzheimer patients
May	For equal job opportunity
June	“For the responsible use of water”
July	For a healthy sex life
August	For responsible driving
September	Promotion of sports
October	For schools without harassment or violence
November	Against gender violence
December	For sustainable development

Promotion of Education and Culture

The strengthening of a critical citizenry requires promoting education and training on values and culture. Telecinco contributes to this process by incorporating messages into its programming content in order to transmit the importance of disseminating the values of respect and solidarity among the youngest segments of society.

In 2008, this aim was materialised through the **“12 meses, 12 causas”** project, with various months being dedicated to the promotion of education in social values: “For a drug-free youth” and “For schools without harassment or violence” were two of the campaigns aired by Telecinco in January and October, respectively. The objective of both was to expose the problems present in Spanish society to public opinion in an attempt to generate social debates and mobilise the population, organisations and government to take part in finding a solution.



RESPONSIBLE MANAGEMENT OF CONTENT

The “**12 meses, 12 causas**” project also included a space for the promotion of culture. In March Telecinco launch the campaign “Against computer piracy”. The main message was to advise viewers that piracy is a crime and constitutes serious harm to culture and the creators of artistic works, violating the intellectual property rights of the authors.

Through the digital channels, Telecinco developed an interesting action to promote culture and education: the show “**Let’s Speak English**”. This programme aired in 2008 on the channel Telecinco Es-trellas —now known as FDF—, was created with the intention of inviting the audience to increase their knowledge of the English language in a practical manner. Accordingly, within the programme “**Let’s Speak English**” different English-language series were aired, specifically “**In-Laws**”, “**Bram & Alice**” and “**Baby Bob**”, in the original version with Spanish subtitles. The program had an average audience of 6,000 viewers.

Separately, we would also like to use this section to highlight the relationship of Telecinco with film as a cultural expression. Pursuant to the Cinema Act of December 2007, private television broadcasters must allocate 5% of their income to European film. Telecinco complies with Spanish legislation and during 2008 supported the financing of 10 European films through Telecinco Cinema. This has made Telecinco the leading film producer in Spain in both investment volume and box office success of the films produced: More than €21 million in box office and close to 4 million viewers.

The top box office hits included “**El argentino**”, the super production on Che Guevara directed by Steven Soderbergh and starring Benicio del Toro; and “**Los crímenes de Oxford**”, the three-time Goya winner directed by Álex de la Iglesia. Another noteworthy collaboration was with the renowned filmmaker Alejandro Amenábar in the shooting of his next film “**Ágora**”, to be released in 2009.

Free Broadcast of Socially Responsible and Awareness Campaigns

Another of the actions performed by Telecinco for the creation of a more socially responsible citizenry is the free broadcast of the various campaigns created by the government, civil organisations or the tertiary sector.

Broadcasts in 2008 included, in the month of May, the “No to racism” campaign from the Paralympic Committee, “Raise your hand against the physical punishment of children”, developed by the Ministry of Education, Social Policy and Sports and aired between November and December, and a campaign from the Victims of Terrorism Foundation during the same period.



RESPONSIBLE MANAGEMENT OF CONTENT

This gave continuity to the efforts in 2007, during which Telecinco broadcast a campaign dedicated to the Volunteer Day and provided free support to Fundación Alas Perú, the honorary president of which is Colombian author Gabriel García Márquez and it has such illustrious members as Shakira, Miguel Bosé, Ricky Martín and Alejandro Sanz. The mission of the foundation is to create initiatives for approving education and health among Peruvian children.

FREE BROADCAST OF EXTERNAL AWARENESS CAMPAIGNS	
NAME	WHEN AIRED
RAISE YOUR HAND AGAINST PUNISHMENT	20/11/2008 to 31/12/2008
PARALYMPICS COMMITTEE, NO TO RACISM	13/05/08 to 27/05/08
VICTIMS OF TERRORISM FOUNDATION	22/01/2008 to 31/01/2008
FUNDACIÓN ALAS PERÚ	12/09/2007 to 18/09/2007
VOLUNTEER DAY	07/09/2007 to 08/09/2007

09. ANNEXES

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ANNEX 1. ABOUT THE PREPARATION OF THIS REPORT





ANNEX 1. ABOUT THE PREPARATION OF THIS REPORT



PROFILE AND SCOPE OF THE ANNUAL REPORT

The Telecinco Group has prepared and in report on corporate social responsibility every year since 2005. Our goal is to offer reliable and balanced information on the performance of the company with respect to sustainability. This report covers the activities of the company throughout 2008 and includes, to the extent possible, data referring to previous years in order to show the interannual evolution of the results obtained. Any modifications to any data for previous years correspond solely to improvements in the quantification methods used and in all cases will be identified in a footnote.

This report is oriented, primarily, to answering the concerns and needs of the company's stakeholders, providing a transparent and balanced reflection of the most relevant and material aspects and at all times following the recommendations of the "Sustainability Reporting Guidelines" of the Global Reporting Initiative (GRI-G3), and the latest version of the standard AA1000.

All involved areas of the Company have participated in the preparation of this report with the oversight and coordination of the General Secretariat.

DISTRIBUTION

This report is distributed in digital format and (Adobe PDF) is available on a pen drive for those

parties that request it, as well as through the corporate website either for online viewing or for download. The report is available in both Spanish and English and is structured into two volumes:

- Annual Report on Activities, Governance and Corporate Social Responsibility.
- Annual Financial Statements and Corporate Governance Report.

ADAPTATION TO INTERNATIONAL STANDARDS

The preparation of the report and the information contained therein have followed the latest protocols established by the Global Reporting Initiative's (GRI) for its "Sustainability Reporting Guidelines", latest G3 version, achieving the A+ level of conformity (see response to the GRI indicators in the annex to the report).

Similarly, the content has been selected in order to reflect our commitment to complying with the principles of the United Nations Global Compact on sustainability. More detail is provided in the Corporate Social Responsibility section.

We have also aligned the Report with the 2008 versions of the principles of the AA1000 Series of Standards, consisting of the AA1000 Accountability Principles Standard (AA1000APS) and the AA1000 Assurance Standard (AA1000AS).

ANNEX 1. ABOUT THE PREPARATION OF THIS REPORT

These principles are:

Inclusivity: participation of the Telecinco stakeholders in the definition of a sustainability strategy for the Group.

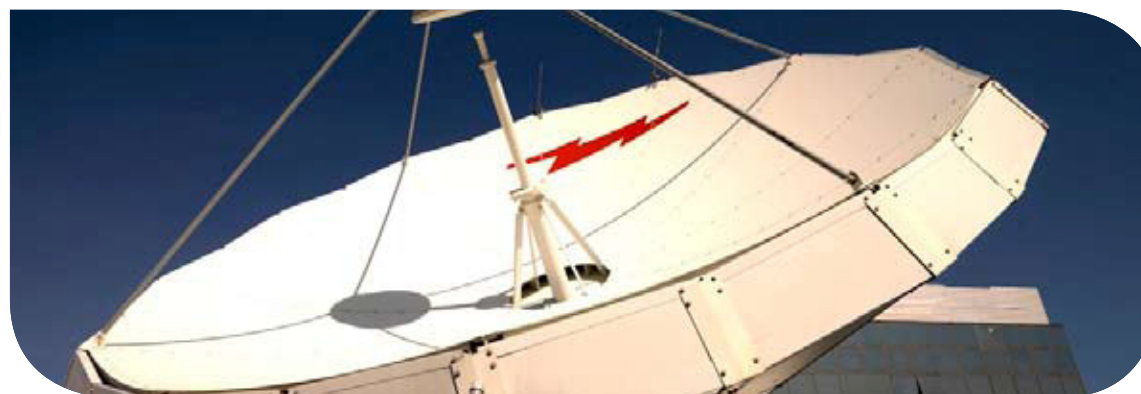
Relevance: identification of the matters that are important to Telecinco and its stakeholders and how they connect to the management of the company and the impact on its activities.

Response capacity: Description about Telecinco faces in response to the matters identified as relevant for its stakeholders

STAKEHOLDER DIALOGUE

Regarding the first principle, in 2007 Telecinco launched a stakeholder survey which was completed in 2008. The company also review abundant documentation and consulted with 21 experts in corporate social responsibility. As a result of this effort, Telecinco published the book “Responsabilidad Corporativa y Televisión Comercial: una primera aproximación sectorial” (“Corporate Social Responsibility and Commercial Television: an initial industry overview”).

Below we list the experts that participated in the survey process, as well as the organisations whose positions and public opinions were analysed and the company annual reports examined.



ANNEX 1. ABOUT THE PREPARATION OF THIS REPORT

EXPERTS		
Name	Position (at the time of the survey)	Organisation (at the time of the survey)
Alberto Carullo	Director of Broadcasting	Telecinco
Alberto Castilla	Director of Communications	Fundación Entorno
Jorge del Corral	General Secretary	UTECA
Ángel Durández	Director, Independent Director	Control de Publicaciones, S.A., Telecinco
Ana Etchenique	Coordinator of Institutional Relations	Confederación Española de Consumidores
María Jesús Gómez	Representative	Instituto de la Mujer
Fernando González Urbaneja	Chairman	Federación de las Asociaciones de Prensa Española (FAPE)
Pascual Hernández Cañizares	Technical director	Oficina de la Justificación de la Difusión (OJD)
Ramón Jáuregui	Congressman	Socialist Party, Congressional Subcommittee for the promotion of CSR
Paul Lewis	Member of the Intelligence Unit	The Economist
Patricia Marco	Director of programming	Telecinco
José Ángel Moreno	Director of the Corporate Social Responsibility and Reputation Department	Banco Bilbao Vizcaya (BBVA)
Ma Luz Murillo	Representative	Asociación de Telespectadores y Usuarios (ATU)
José Miguel Ossorio	Director of Marketing	TBWA
Alejandro Perales	Representative	Asociación de Usuarios de la Comunicación (AUC)
Alma Pérez	Consultant in corporate sustainability communications	Independent expert
Juan Ramón Plana Pujol	Director General	Asociación Española de Anunciantes (AEA)
Carmen Rivas Ávilas	Representative	Journalists Group of the trade union CCOO
Mario Rodríguez Valderas	General Secretary and Secretary to the Board	Telecinco
Inés Ruiz de Arana	Representative	Spanish Association of the United Nations Global Compact (ASEPAM)
Manuel Villanueva	General Director of Content	Telecinco

ANNEX 1. ABOUT THE PREPARATION OF THIS REPORT

CONSUMER ASSOCIATIONS		
Name	Activity	Country
National Consumer Council (NCC)	General	United Kingdom
Voice of Listeners and Viewers (VLV)	Communications media	United Kingdom
Altroconsumo	General	Italy
Associazione Italiana Ascoltatori Radio e Televisione (AIART)	Communications media	Italy
Asociación de Telespectadores y Radioyentes (ATR)	Communications media (television and radio)	Spain
Foro del Espectador (FDE)	Television	Spain
Asociación de Usuarios de la Comunicación (AUC)	Communications media	Spain
Federación de Consumidores en Acción (FACUA)	General	Spain
Organización de Consumidores y Usuarios (OCU)	General	Spain
Confederación de Consumidores y Usuarios (CECU)	General	Spain
Barneombudet	General (children)	Norway
BarneVakten	Communications media (children)	Norway
Pieds dans le Paysage Audiovisuel Français	Communications media	France
Consommation	General	France
Union Luxembourgoise des Consommateurs (ULC)	General	Luxembourg
Verbraucherzentrale Bundesverband (VZBZ)	General	Germany
Consumentenbond	General	Holland
European Consumers' Organisation (BEUC)	General	Europe
European Alliance of Listeners' and Viewers' Associations (EURALVA)	Television and radio	Europe

ANNEX 1. ABOUT THE PREPARATION OF THIS REPORT

OBSERVERS		
Name	Activity	Go
Mediawatch-UK	Communications media	United Kingdom
Index	Communications media	United Kingdom
Pickled Politics	Communications media	United Kingdom
Media Lens	Communications media	United Kingdom
Campaign for Press and Broadcasting Freedom	Communications media	United Kingdom
Fairness and Accuracy on Reporting (FAIR)	Communications media	United States
Observatorio Europeo de la Televisión Infantil (OETL)	Television	Spain
Observatori Cobertura Informativa dels Conflictes	Communications media	Spain
Observatorio de Contenidos Televisivos y Audiovisuales (OCTA)	Television	Spain
Action Critique Medias (ACRIMED)	Communications media	France
Miramedia	Communications media	Holland
Italy Peacelink	Communications media	Italy
International Freedom of Expression Exchange (IFEX)	Communications media	Global

Companies	
Name	Country
British Sky Broadcasting	United Kingdom
ITV	United Kingdom
Telecinco	Spain
Time Warner	Spain
Vivendi Universal	Spain
Antena 3	Spain
CBS	Spain
Comcast	Spain
Direct TV	Spain
Lagardere Groupe	Spain
News Corporation	Spain
Viacom	Spain
Walt Disney	Spain
Liberty Media	Spain
M6-Metropole TV	Spain
Mediaset	Italy
Sogecable	Spain
TF1	Spain



ANNEX 1. ABOUT THE PREPARATION OF THIS REPORT



SCOPE AND LIMITATIONS

This report refers to the entire Grupo Telecinco S.A. group of companies. In those cases in which the information covers a limited scope, such as in some aspects of the environmental section, the specific scope is indicated in a footnote.

VERIFICATION

In order to assure the integrity and credibility of this document, this year Telecinco expanded the scope of the verifications made, auditing both the financial information contained on the individual and consolidated financial statements (Consolidated and Individual Financial Statements) and the Corporate Social Responsibility Report.

CONTACT INFORMATION

For any clarification or additional information regarding this report, please contact:

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ANNEX 1. ABOUT THE PREPARATION OF THIS REPORT

INDEPENDENT REVIEW REPORT



A free translation from the original in Spanish. In the event of a discrepancy, the Spanish language version prevails.

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INDEPENDENT ASSURANCE REPORT ON THE 2008 CORPORATE RESPONSIBILITY REPORT

To the Management Committee of Gestevisión Telecinco, S.A. (hereon Gestevisión Telecinco)

Scope of our work

We have been engaged by Gestevisión Telecinco to review whether the contents of its 2008 Corporate Responsibility Report are in line with the Sustainability Reporting Guidelines of the Global Reporting Initiative (GRI) version 3.0 (G3).

The Management of Gestevisión Telecinco is responsible for the preparation of the 2008 Corporate Responsibility Report and the information included therein, and the design, implementation and maintenance of the management and internal control systems from which the information has been obtained. Our responsibility is to issue an independent report based on the procedures applied in our review.

We have undertaken our work in accordance with Standards ISAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information (Limited Assurance Engagements)* issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and the new Guidelines on reviews for Corporate Responsibility Reports issued in September 2008 by the Spanish Institute of Chartered Accountants (*Instituto de Censores Jurados de Cuentas de España*).

Our review has consisted in posing questions to Management and various units of Gestevisión Telecinco that participated in the preparation of the 2008 Corporate Responsibility Report, as well as the application of certain analytical procedures and sample-based testing, which, in general, are described below:

- Interviews with the personnel of Gestevisión Telecinco in order to ascertain the management approaches applied to obtain the necessary information for the external review.
- Analysis of the processes used in compiling and validating the indicators presented in the 2008 Corporate Responsibility Report.
- Revision of activities related to identifying and considering stakeholders during the year, as well as the coverage, relevance and integrity of the information included in the 2008 Corporate Responsibility Report, based on Gestevisión Telecinco's understanding of its stakeholders requirements.

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CIF: B-78 016378



- Analysis of whether the contents of the 2008 Corporate Responsibility Report are in line with the GRI-G3.
- Review of the information related to the management approaches applied to each group of indicators.
- Verification, through sample-based testing reviews, of the quantitative and qualitative information regarding the core indicators set down in the 2008 Corporate Responsibility Report and whether they have been properly compiled on the basis of the data provided by Gestevisión Telecinco's information sources.

The scope of a review is substantially lower than for a reasonable assurance engagement, and, accordingly, provides less assurance. Under no circumstances can this report be construed as an audit report.

Independence

We have performed our work in accordance with the independence rules set down by the Code of Ethics of the International Federation of Accountants (IFAC).

Conclusion

On the basis of the results of our review, nothing has come to our attention that causes us to believe that the 2008 Corporate Responsibility Report of Gestevisión Telecinco contains significant mistakes or has not been prepared, in all material respects, in accordance with the Sustainability Reporting Guidelines GRI, version 3.0 (G3).

PricewaterhouseCoopers Asesores de Negocios, S.L.

Manuel Martín Espada
Partner
4th May 2009



ANNEX 2. DIRECTORY





ANNEX 2. DIRECTORY



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ANNEX 3. GLOSSARY





ANNEX 3. GLOSSARY

Access prime time

Timeslot immediately preceding prime time.

Occupational accident

Any work-related accident or injury to an employee including occupational diseases and injuries arise or are caused by work related activities or exposure.

Shareholder

Legal or natural person that owns shares issued by the company and is therefore an owner of the company in the same proportion as the share held.

Assets

All of the goods and rights owned by a company.

Audience (television)

Number of people over the age of 4 who are watching television at a given moment.

Blog

Also known as a weblog, it is a periodically updated web site which compiles texts and articles by one or several authors (bloggers) in chronological order with the most recent appearing first. Blogs generally cover a specific subject or theme, with the author or contributors, posting news, events or opinions on whatever they feel appropriate.

Broadcast

Distribution of audio or video signals that transmit programmes to an audience. The audience can be the public in general or a specific segment of the public such as children or youth.

Climate Change

Any change in global temperatures and precipitation over time due, directly or indirectly, to human activity that alters the atmosphere and adds to the natural variability of the climate in comparison with previous periods.

Share Capital

Funds raised by a company by issuing a participation in the equity of the company in return for cash or other considerations. The rights held by people or entities acquiring shares depend on the number of shares held. All shares in Telecinco are equal and indivisible and are known as shares or stock.

Day time

Broadcast period comprising all daylight hours.

Sustainable Development

The term “sustainable development” was popularised in 1987 in the Report “Our Common Future” by the UN’s World Commission on Environment and Development (Brundtland Commission), which defined it as development that “meets the needs of the present without compromising the ability of future generations to meet their own needs”.

Security Document

This is the document that companies must keep at the disposal of the Data Protection Agency inspectors detailing the measure and procedures adopted by the company to comply with the Security Measures Regulations (Royal Decree 1720/2007, of 21 December).



ANNEX 3. GLOSSARY

EBIT

Earnings Before Interests and Taxes.

Greenhouse effect

The phenomenon whereby the earth's atmosphere traps solar radiation, caused by the presence in the atmosphere of gases such as carbon dioxide and methane from human activities that allow incoming sunlight to pass through but absorb heat radiated back from the earth's surface. This phenomenon is accelerated through the release of greenhouse gases.

Free float

The proportion of shares available to the public through an organised exchange and not held by large shareholders or subjected to sales restrictions.

Greenhouse gases

Contaminating gases released into the atmosphere through the burning of fossil fuels and other means which increase the greenhouse effect. This effect is recognised as the main cause of global warming. The gases include CO₂, CH₄, N₂O, HFC, PFC, SF₆ and other CO₂ equivalents.

Greenhouse Gas Protocol

Is an international initiative of the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI) that provides an accounting tool for government and businesses of all sizes to understand, quantify, and manage greenhouse gas emissions and identify opportunities for reducing emissions and operate using clean technologies.

GRI (Global Reporting Initiative)

Process launched in 1999 by several special interest groups and an independent institution with a mission to develop and disseminate global standards for sustainability reports. These standards are voluntary for the organisations and have the goal of increasing the quality of the reports and achieve greater comparability, consistency, and efficiency in their distribution.

GRP (Gross Rating Point)

A measure of advertising effectiveness which consists of the percentage of the audience which has seen a given television spot out of the total potential market established beforehand between the television operator and the advertiser/media centre, which is later compared with data from Taylor Nelson Sofres. GRPs are measured by the minute, although advertising spots are usually shorter. GRP can also be calculated as net coverage multiplied by spot frequency.

Stakeholders

Defined globally as those groups or individuals who can reasonably hope to be significantly affected by the organisation's activities, products and/or services, or those whose actions can be reasonably expected to affect the organisation's ability to successfully implement its strategies and achieve its objectives.



ANNEX 3. GLOSSARY



Environmental impact

Any change in the environment either adverse or beneficial as a result either wholly or in part of human activities.

Late night

Broadcasting time between 00:00 and 2:30.

Morphing

Advertising vehicle that merges the image of the advertiser with that of the channel.

U.N. Global Compact

United Nations initiative proposed in 1999 to encourage businesses worldwide to adopt sustainable and socially responsible policies, and to report on their implementation in accordance with the 10 Principles on Human Rights, Labour Standards, Environment and Anti-Corruption. The goal is to create a global corporate citizenship to allow for the conciliation between corporate activities and processes and the value and demands of civil society, other UN initiatives, international industry organisations, unions and NGOs.

Liabilities

All of the debts and payment obligations of the company, representing the company's source of financing.

Pay-out

The part of a company's profits which are assigned to pay the dividend. It is expressed in the form of a ratio

and is the result of dividing the dividend by the net profit and multiplying the result by a hundred.

Power ratio

Measures a media company's revenue performance in comparison to the audience share it controls.

Prime time

Broadcasting time of maximum available audience, in Spain between 21:00 and 00:00.

Target audience

Group or groups of people to whom the station directs its advertising messages.

Credit Rating

Analytical instrument that assesses the risk of a company or an issue. Normally issuers with less financial solidity and therefore a lower rating must pay higher rates of return due to the increased level of risk.

Security Measures Regulations

RD 1720/2007, of 21 December, which develops Organic Law 15/1999 of 13 December on the Protection of Data of a Personal Nature.

Remake

In film and television, it means a new version of a previously broadcast film or series or a localised version of such works originally created for a different country or market.

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Rich media

The term rich media was coined to describe a broad range of digital interactive media. Rich media can be downloadable or may be embedded in a webpage such as advertising that changes with a mouse click or a mouse over.

Roadshow

Touring technical, financial and commercial information forums held in different venues.

Share

The proportion of the average audience for a network with respect to the total television audience, expressed as a percentage.

Commercial target

The audience of individuals between the ages of 13 and 54, from the middle and upper social classes living in towns with 10.000 inhabitants or more.

DTT (Digital Terrestrial Television)

Digital television platform broadcast by land systems, in other words with land-based antennas.

Windows

The different ways of commercially exploiting audiovisual content in terms of time. The most common windows for audiovisual content are cinema, DVD and video, pay per view, subscriber services and broadcast television.

Webcast

For our purposes, a television programme designed for and broadcast over the Internet.



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1. The measurement techniques and basis for the calculations made are explained in footnotes to the tables containing the data throughout the various sections of the annual report.
2. Due to the nature of the company's business, engaging primarily in the direction, production and exploitation of audiovisual content, the risks of climate change do not directly impact on the business. Nonetheless, the company does have the opportunity of using its broadcasting ability to increase awareness among the audience through programmes and reports that deal with subjects such as climate change and environmental protection, among others. This also allows the company to connect with the growing environmental awareness and generate content that is increasingly better adapted to the demands of society. For more information see the section on Broadcasting of Responsible Content.
3. The company does not have a pension plan structure in place as an employee benefit.
4. During 2008 the company did not receive any significant financial aid from governments.
5. Telecinco undertakes the practical entirety of its business activities within Spanish territory. Accordingly, due to its policy of local sourcing, almost all of the work force and suppliers are also from within Spanish territory.
6. Due to the nature of the business of Telecinco, the company does not use recycled input materials that could contribute to the reduction of demand for raw materials.
7. All of the facilities and installations of the Telecinco Group are located in industrial parks or urban areas far from protected natural areas. Accordingly, the company's impact on biodiversity is negligible.
8. The Telecinco Group does not use CFCs, one of the primary substances responsible for the destruction of the ozone layer.
9. The facilities and installations of the Telecinco Group are located in urban areas and all water acquisition and disposal are performed through the urban water network.
10. Due to the nature of the products sold by the Telecinco Group (television content), the company does not generate waste or use packaging for their sale. Only in the case of editorial activities performed by some of the subsidiaries are such materials used, however the amount is it insignificant. Moreover, due to the nature of the materials used (small amounts of paper, cardboard and plastic), responsibility for recycling resides with the end-user and not with the company. Nonetheless, the company does not manage all products that enter into its power throughout their entire lifecycle.
11. The company has not received any fine nor has it been the subject of any other form of disciplinary procedure for the failure to comply with environmental standards during 2008.
12. There are no agreements for significant investments to which Telecinco is party that include human rights clauses or have been subject to human rights analysis. This is due to the operating context of the company being limited primarily to Europe and the United States and in both areas the legal and political frameworks guarantee respect for human rights.
13. Practically 100% of the suppliers of the company originate in Europe or the United States, most alone, for operating reasons, are from Spain. Accordingly, the laws of Spain are the legal framework that guarantees compliance with human rights.
14. During 2008 there were no operations susceptible to risks of forced labour. In addition, the Telecinco Group has demonstrated its commitment to the elimination of all forms of forced labour through its subscription to the United Nations Global Compact.
15. As part of the evaluation process performed by Telecinco regarding the matters that should be covered in the Annual Reports and pursuant to that established in the Resolution of 25 March 2002 of the Institute of Accounting and Account Auditing, which approved the standards for the recognition, valuation and reporting of environmental aspects in Financial Statements, the company declares on page 183 of the Annual Report that it does not have any responsibilities, expenses, assets, provisions or contingencies of an environmental nature that may have a significant impact on the net worth, financial position or results of operations of the company. Accordingly, no specific breakdown of environmental information is provided in the Annual Report. Separately, due to the business of the company being a concession for the indirect management of Public Television Services, no exit points can be defined and the service has been continuous since the execution of the concession contract in October 1989 to the present.



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16. Risks associated with corruption are analysed for the entire company and all subsidiaries from the point of view of both legal risk and corporate image and reputation. The information is updated annually.
17. With regard to corruption, in a company such as Telecinco those professionals with greater responsibility are more exposed to this type of risk. To assist them in the performance of the responsibilities with respect to the securities exchanges they are provided with all appropriate information and must adhere to a specific code of conduct. Article 3 of the Internal Code of Conduct identifies all executives affected by this risk.
18. The rest control system establishes design to permanently adapt and prevent cases of corruption. During 2008 is not the necessary to implement any measures due to symptoms of corruption.
19. Due to the nature of the services provided by the company, the broadcast of audiovisual content, the potential impact on the health and safety of our clients is related to the protection of data of a personal nature and the responsible broadcasting of television content. To this end, the company fully complies with all applicable legislation relating to audiovisual content and the Law on the protection of personal data:
 20. - The classification of television programs follows the criteria established in RD 410/2002.
 - The requirements of the Telecommunications Market Commission (CMT for the Spanish initials).
 - The regulations governing the right of users to be informed of the programming to be broadcast (RD 920/2006)
 - Regulations broadcasting quotas for European works (Directive 89/552/EEC)
 - Regulations on investment in full-length motion pictures and short films (RD 1652/2004)
 - Organic Law on the Protection of Data of a Personal Nature (LOPD for the Spanish initials).
 21. In this regard, Telecinco complies with all related legal requirements:
 - The classification of television programs follows the criteria established in RD 410/2002.
 - The requirements of the Telecommunications Market Commission (CMT for the Spanish initials)
 - The regulations governing the right of users to be informed of the programming to be broadcast (RD 920/2006)
 22. The company adheres to voluntary codes and standards relating to advertising and marketing, specifically the Procedures for the Commercialization and Management of Advertising Spaces on National General Television Stations with the Spanish Association of Advertisers (AEA), the Code for the Development of Self-Regulation of Television Content and Children and the Association for the Self-Regulation of Commercial Communications (Autocontrol).



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