

Antena 3 Group



**2005**  
**9 MONTHS RESULTS**

**Madrid, 28<sup>th</sup> October 2005**



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# Highlights



- ✓ **Excellent audience results during Q3 with an average share of 21.5% (leading in the family target with 24.3%).**
- ✓ **The afternoon period was an opportunity, now it is a success.**
- ✓ **Outperforming the market. TV Net revenue grew by 18,4% in Q3.**
- ✓ **Cost under control.**
- ✓ **Q3 numbers include UNIPUBLIC, fully consolidated for the first time throughout the entire quarter.**

# Antena 3 Group

## Financials (IFRS)



➔ Net Cash Position: € 94,7 mill. (30/09/05) vs. € 84 mill. (31/12/04)

| € mill                   | 9M05         | 9M04         | <u>YoY</u> |
|--------------------------|--------------|--------------|------------|
| <b>Net Revenues</b>      | <b>713.9</b> | <b>563.6</b> | 26.7%      |
| <b>EBITDA</b>            | <b>253.6</b> | <b>138.4</b> | 83.3%      |
| <i>EBITDA margin</i>     | 35.5%        | 24.6%        |            |
| <b>Net profit</b>        | <b>155.8</b> | <b>75.2</b>  | 107.2%     |
| <i>Net Profit margin</i> | 21.8%        | 13.3%        |            |

Source: Antena 3

# Antena 3 Group

## Cost Structure (IFRS)



→ Cost performance in 9M05 is in line with internal FY05 cost target

| € mill  | 9M05         | 9M04         | <u>YoY</u>  |
|---|--------------|--------------|-------------|
| <b>Programming Costs<br/>&amp; other consumptions</b> | 205.5        | 189.3        | 8.6%        |
| Personnel Costs                                       | 108.6        | 102.5        | 5.9%        |
| Author Rights   | 23.3         | 21.2         | 9.8%        |
| Other Costs   | 122.9        | 112.2        | 9.5%        |
| <b>Total OPEX</b>                                     | <b>460.3</b> | <b>425.2</b> | <b>8.3%</b> |

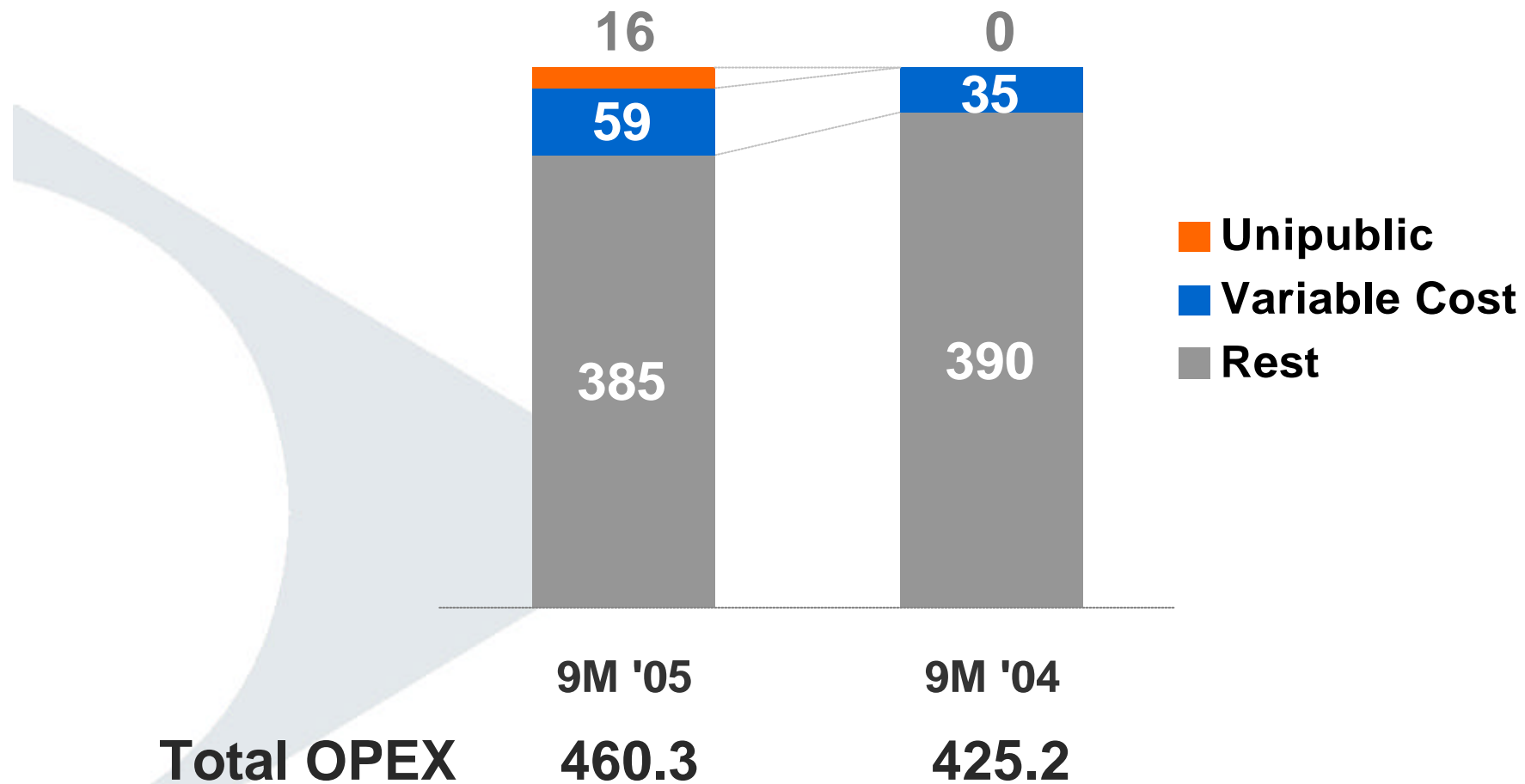
Source: Antena 3

# Cost performance

Group Total OPEX (€ mill)



→ Antena 3 is achieving its Cost Control targets



Source: Antena 3

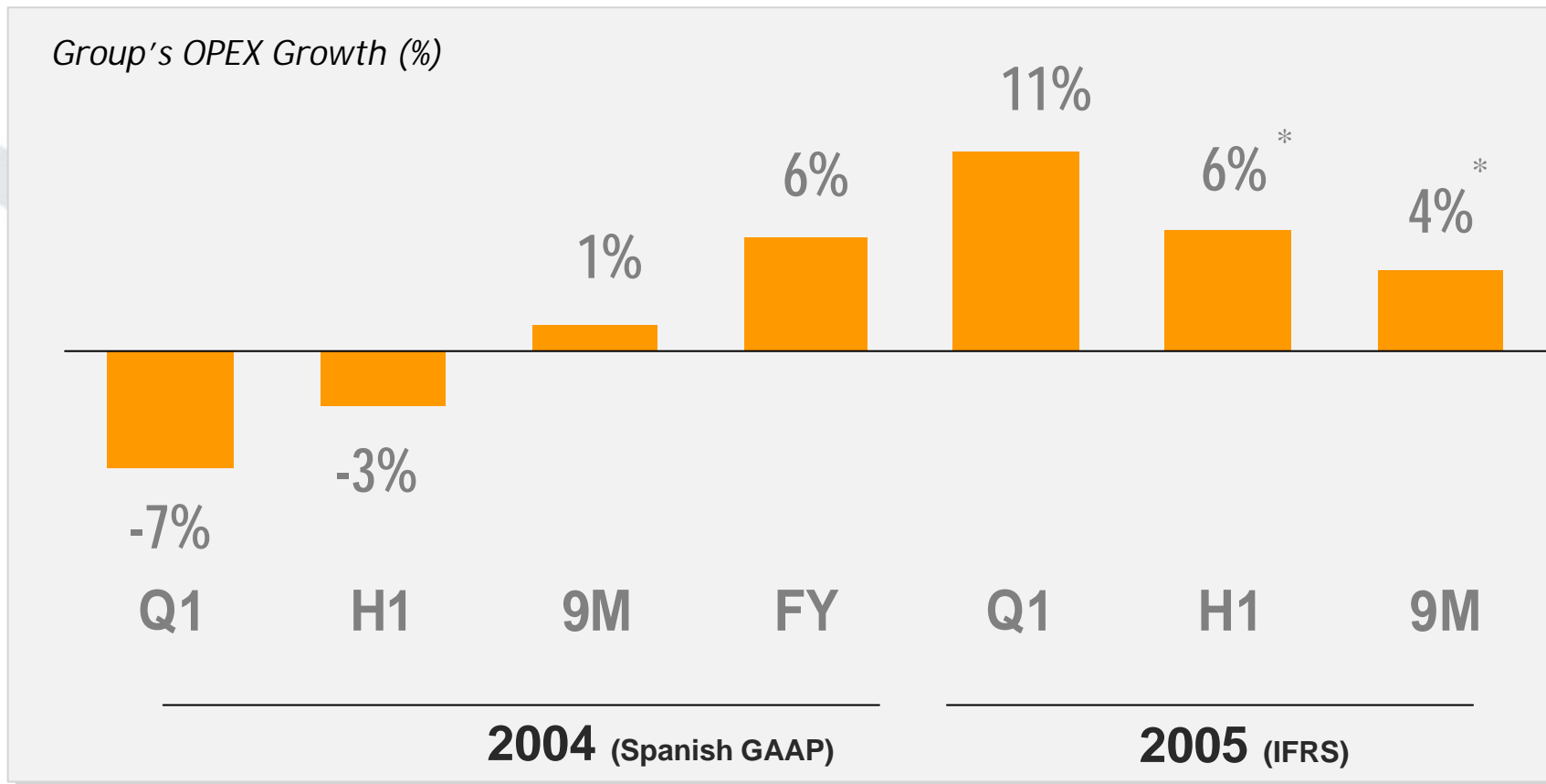
\*Costs related to the evolution of sales and EBITDA performance

# Cost performance

Meeting our initial cost control targets



➔ Accumulated cost performance figures show the success of A3 Group's cost containment policy



Source: Antena 3

\*Like for like comparison. Does not include Unipublic

# Antena 3 Group.

## Cash Flow Statement



€ mill

9M05

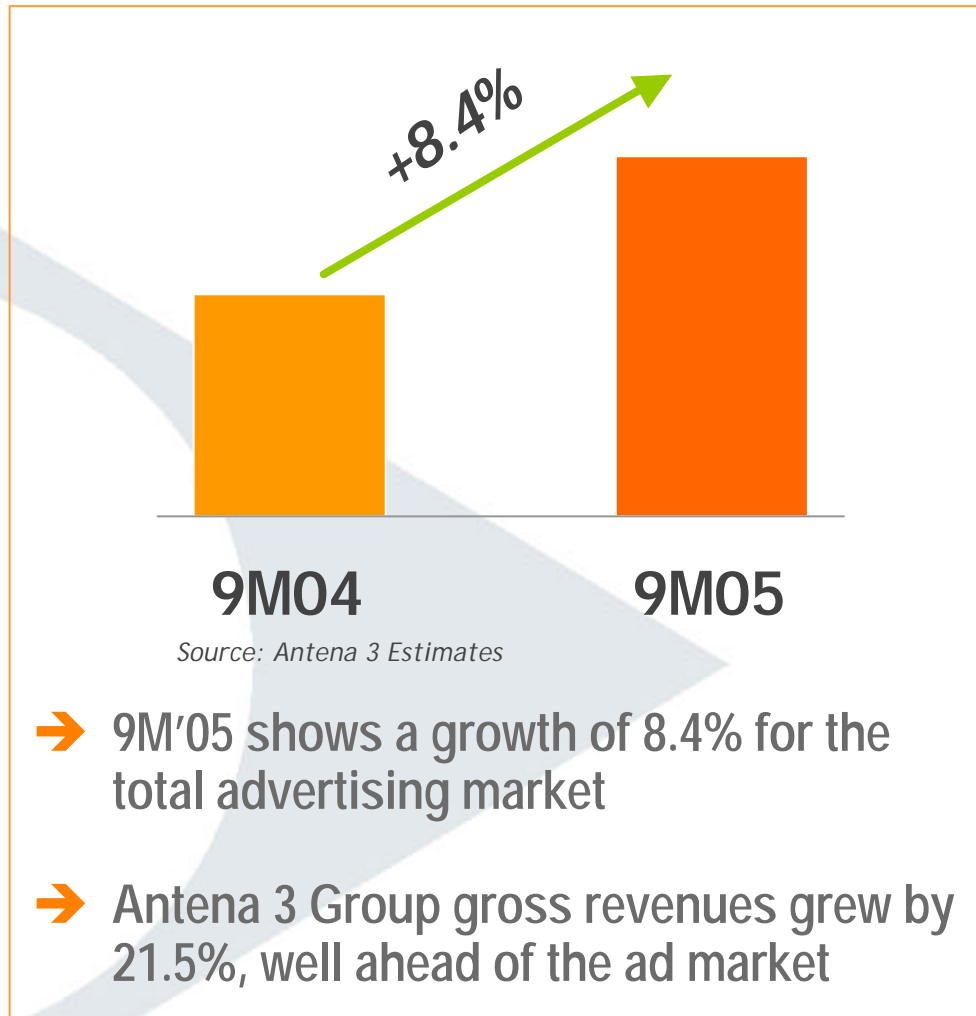
|                                      |              |
|--------------------------------------|--------------|
| <b>Profit Before Taxes</b>           | <b>238,4</b> |
| Depreciation and Amortization        | 34,1         |
| Financial Expenses Provision         | 8,3          |
| <b>Cash Flow Generated</b>           | <b>280,9</b> |
| Rights Amortization                  | 78,9         |
| Rights Aquisition                    | (111,3)      |
| Working Capital variation            | (20,4)       |
| <b>Operating Cash Flow</b>           | <b>228,1</b> |
| Capex                                | (24,5)       |
| Purchase of A3TV shares              | (26,6)       |
| Dividend payment                     | (166,2)      |
| <b>Cash Generation</b>               | <b>10,7</b>  |
| Initial Cash Position (31/12/04)     | 84,0         |
| <b>Net cash/(debt) at period end</b> | <b>94,7</b>  |

Source: Antena 3



# Antena 3 Group

## Advertising market overview



| Ad market performance<br>9M05 vs 9M04 |       |
|---------------------------------------|-------|
| TV                                    | 11.9% |
| Radio                                 | 7.0%  |
| Internet                              | 20.0% |
| Cinema                                | 5.0%  |
| Newspaper                             | 5.0%  |
| Magazines                             | 2.5%  |
| Outdoor                               | 4.0%  |
| Sunday supplement.                    | 6.5%  |

Source: Antena 3 Estimates

# Television

Financials (Spanish GAAP)



| € mill                   | 9M05         | 9M04         | <u>YoY</u> |
|--------------------------|--------------|--------------|------------|
| <b>Net Revenues</b>      | <b>608.4</b> | <b>480.2</b> | 26.7%      |
| <b>EBITDA</b>            | <b>232.9</b> | <b>146.3</b> | 59.2%      |
| <i>EBITDA margin</i>     | 38.3%        | 30.5%        |            |
| <b>Net profit</b>        | <b>138.9</b> | <b>65.5</b>  | 112.2%     |
| <i>Net Profit margin</i> | 22.8%        | 13.6%        |            |

Source: Antena 3



# Television Revenues

All TV revenue lines are showing a positive performance in 9M05

→ A3 has outperformed the market in ad sales, reduced discounts and boosted Other TV revenues

| € mill                    | 9M05         | 9M04         | <u>YoY</u>   |
|---------------------------|--------------|--------------|--------------|
| Gross advertising sales   | 582.0        | 480.3        | 21.2%        |
| Discounts                 | -23.4        | -26.7        | -12.2%       |
| Net advertising sales     | 558.6        | 453.6        | 23.1%        |
| Other net revenues        | 49.8         | 26.6         | 87.2%        |
| <b>Total Net Revenues</b> | <b>608.4</b> | <b>480.2</b> | <b>26.7%</b> |

Source: Antena 3



# Television Costs

Cost growth in 9M05 is well in line with A3TV estimates

| € mill            | 9M05         | 9M04         | <u>YoY</u>   |
|-------------------|--------------|--------------|--------------|
| Programming Costs | 194.9        | 177.5        | 9.8%         |
| Personnel Costs   | 76.5         | 74.7         | 2.5%         |
| Author Rights     | 21.3         | 19.5         | 9.2%         |
| Other Costs*      | 82.8         | 62.2         | 32.9%        |
| <b>Total OPEX</b> | <b>375.5</b> | <b>333.9</b> | <b>12.5%</b> |

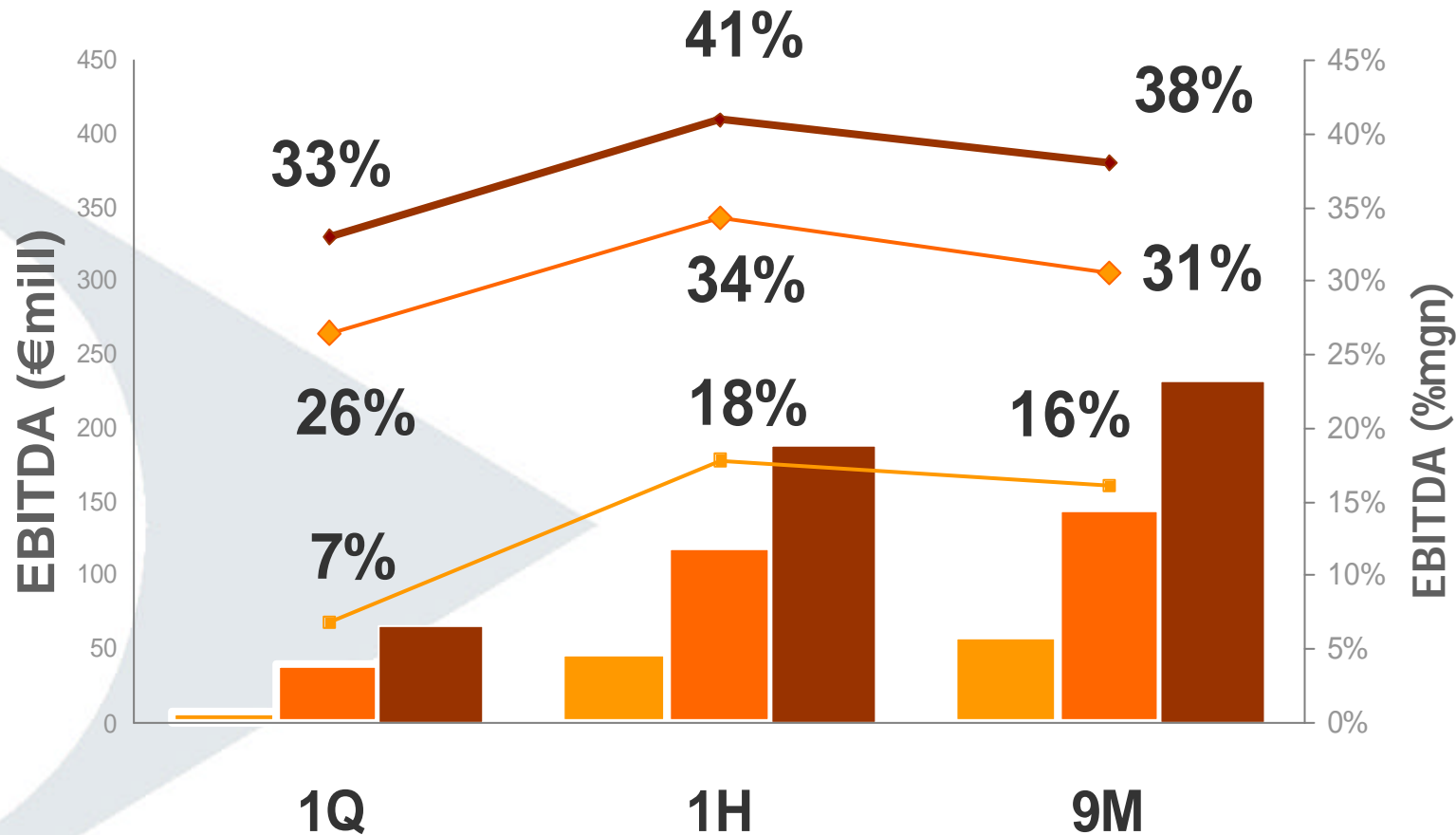
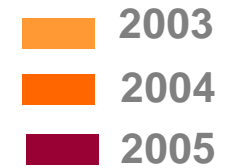
Source: Antena 3

\* Includes costs related to higher Other TV Revenues

# TV EBITDA Performance



→ Cost control policy and market share growth reflected in EBITDA margin expansion

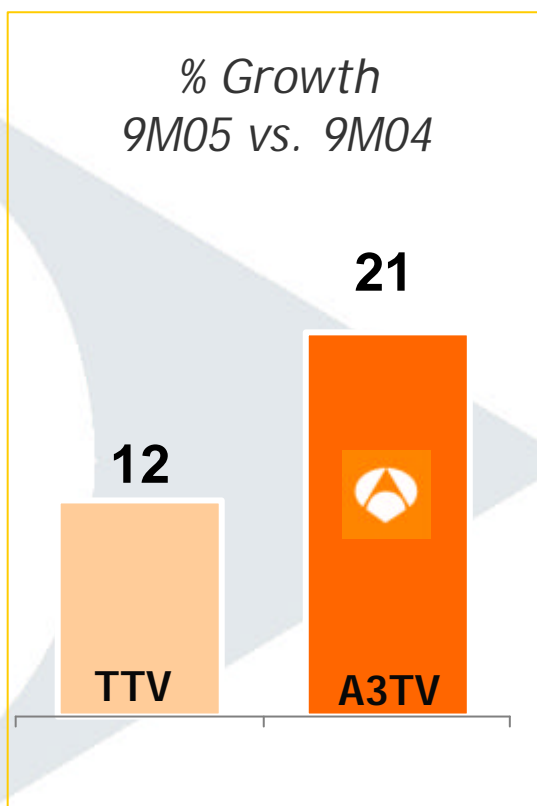


Source: Antena 3

# Television Advertising Market



- TV advertising market grows by 12 % in the 9M05 period
- A3TV outperforms the market by increasing its gross revenues by 21%



Source: Antena 3 Estimates

| Sector              | Weight <sup>1</sup> | YoY    |
|---------------------|---------------------|--------|
| Food                | 16.6%               | 12.2%  |
| Automotive          | 15.6%               | 15.4%  |
| Beauty&Hygiene      | 11.5%               | 39.5%  |
| Telecoms            | 9.0%                | 107.1% |
| Culture & Education | 8.4%                | 11.7%  |
| Beverages           | 7.0%                | -7.7%  |
| Finance             | 6.8%                | 50.4%  |

<sup>1</sup> Weight according to Total TV. Adults

Source: A3 Estimates

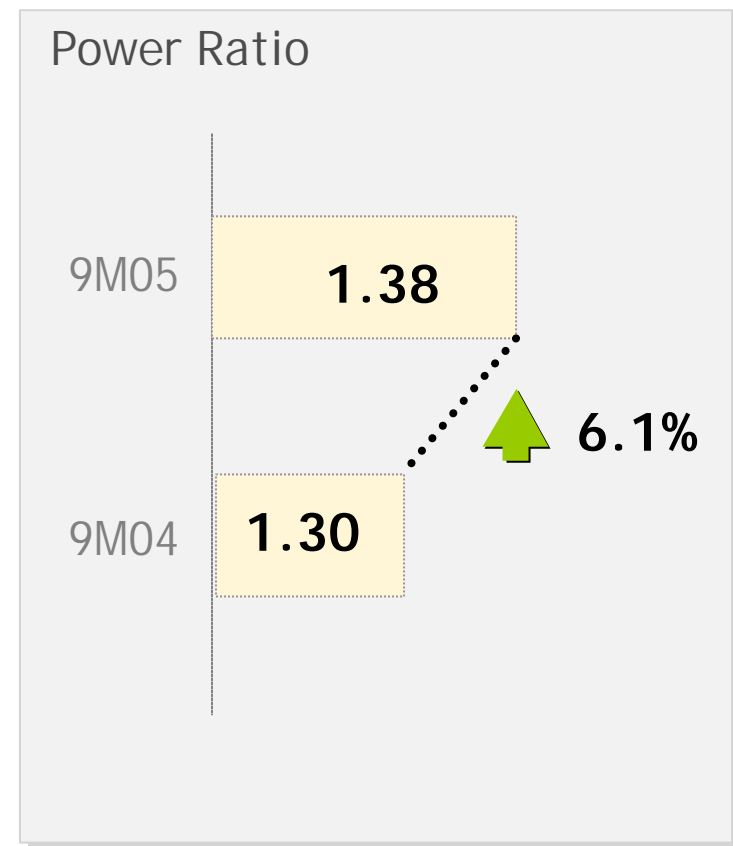
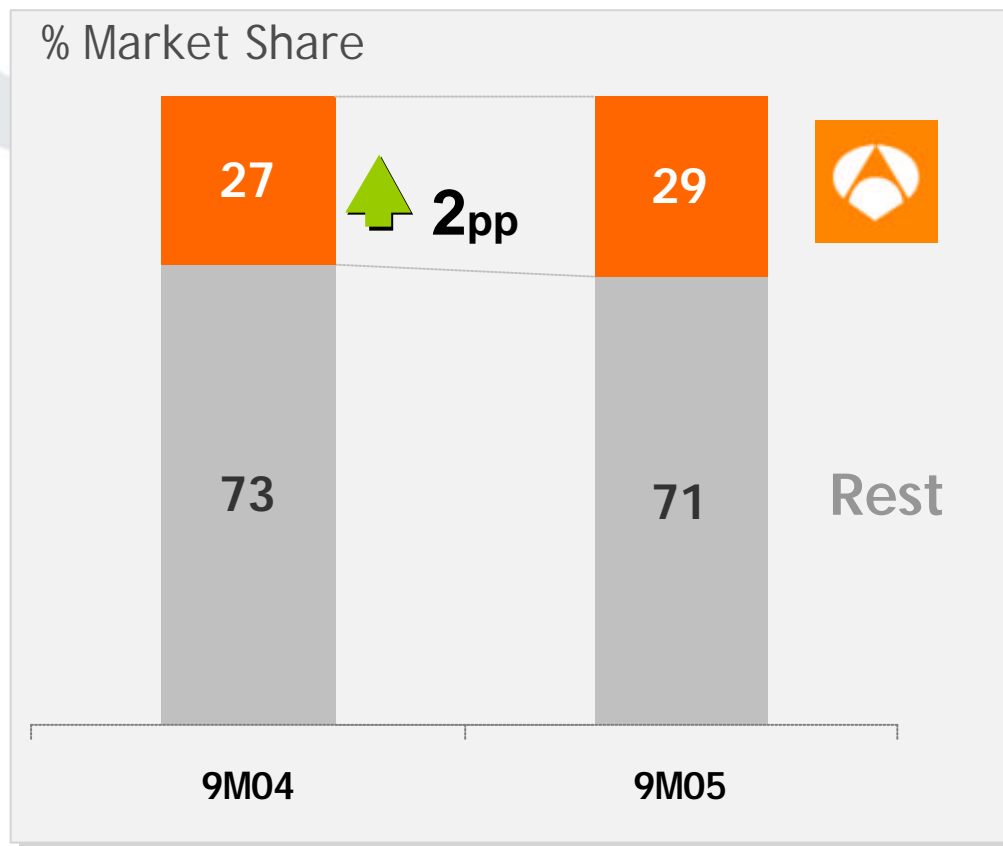
# Television

## Advertising market



→ Antena 3 continues to pick up advertising market share

→ Antena 3 is further improving its power ratio

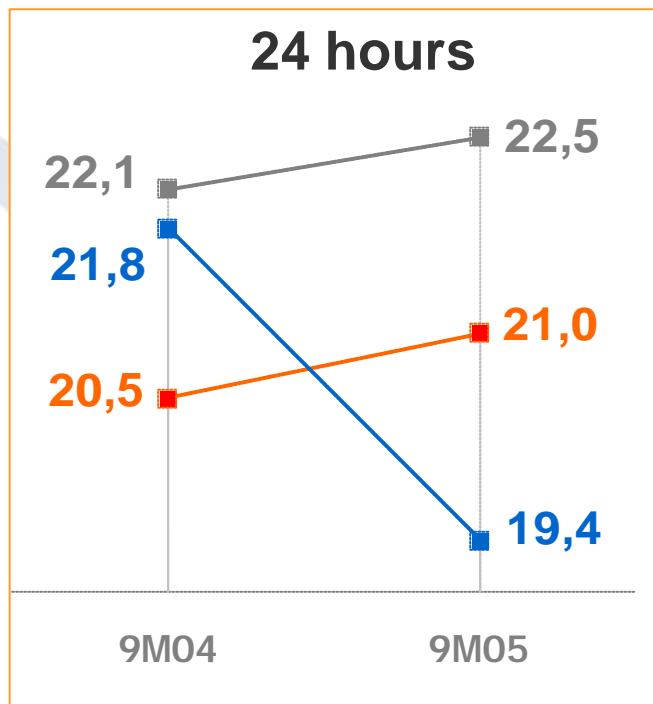


# Audience Performance

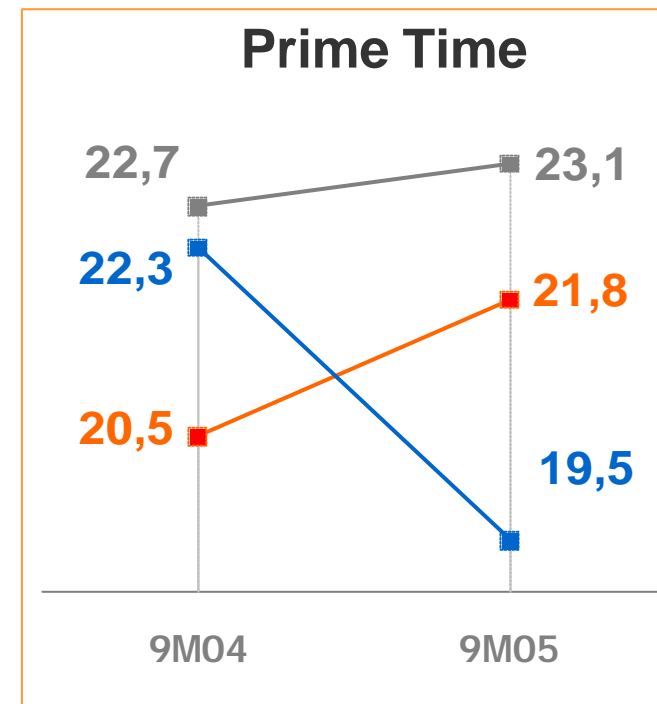
## Individuals



→ Accumulated 9M audience figures show a clear improvement over the same period of 2004



↑ 0.5



↑ 1.3

Source: Sofres

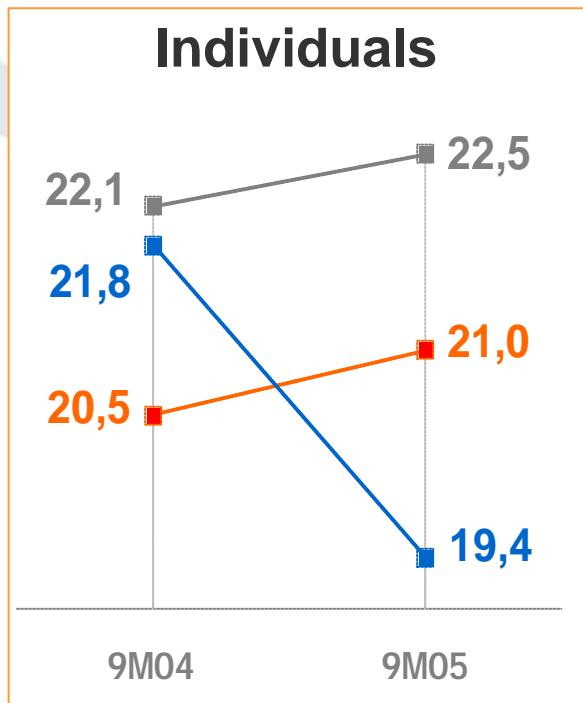
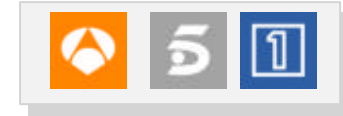


# Audience Performance

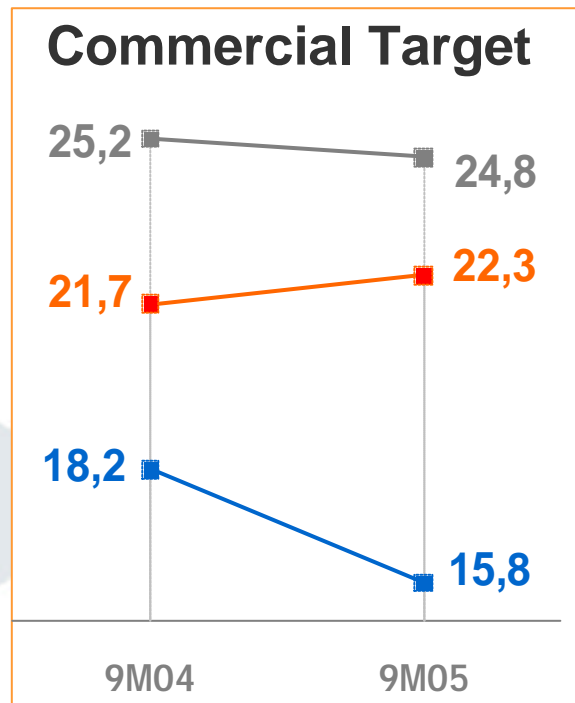
24 Hours



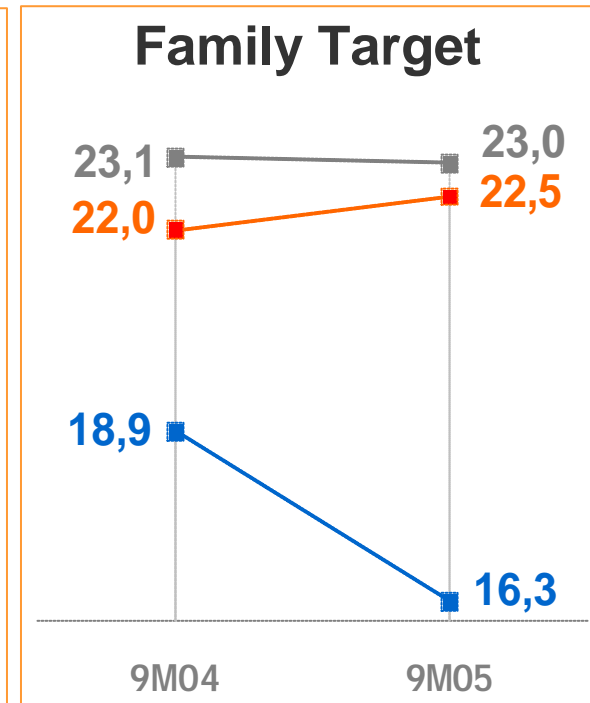
➔ Sound performance in all relevant targets



▲ 0.5



▲ 0.6

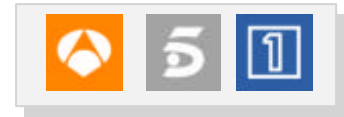


▲ 0.5

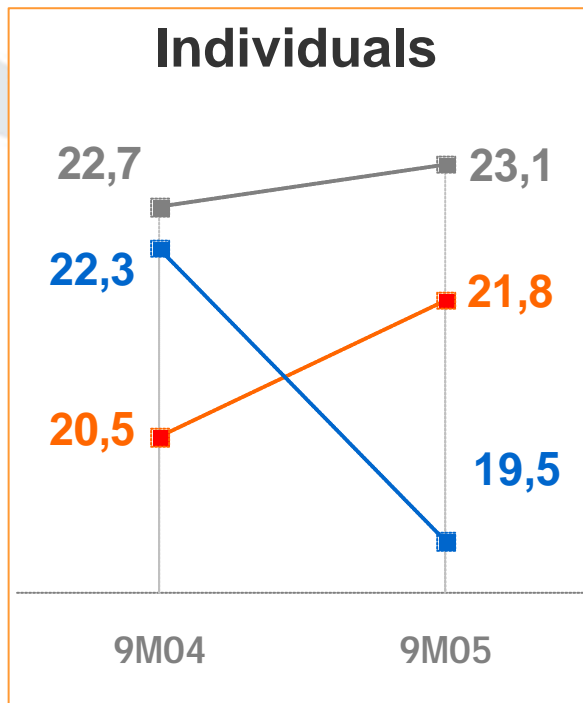
Source: Sofres

# Audience Performance

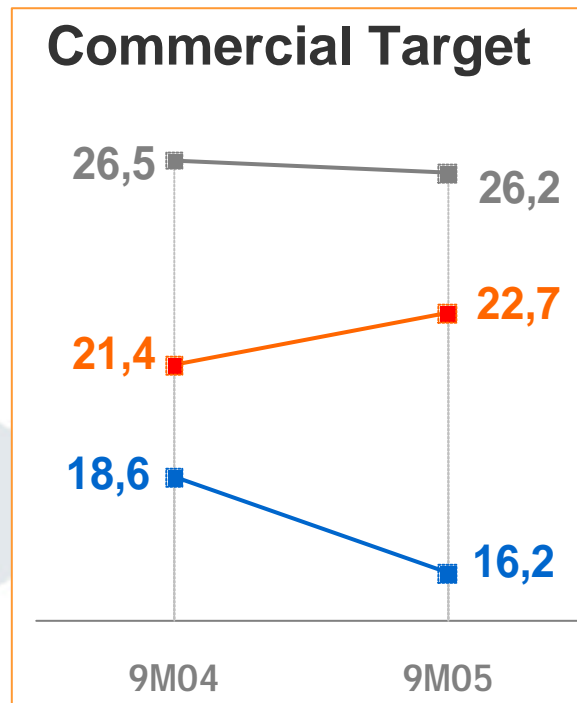
## Prime Time



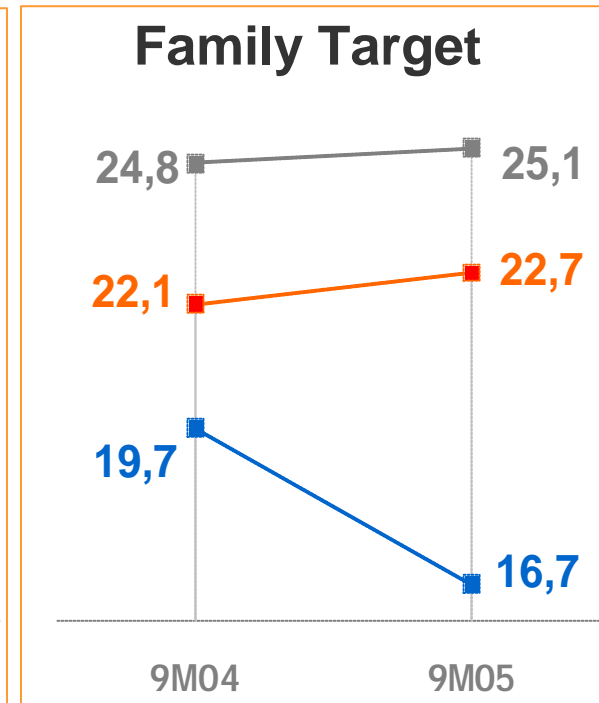
→ Prime Time has seen the most significant improvement



↑ 1.3



↑ 1.3



↑ 0.6

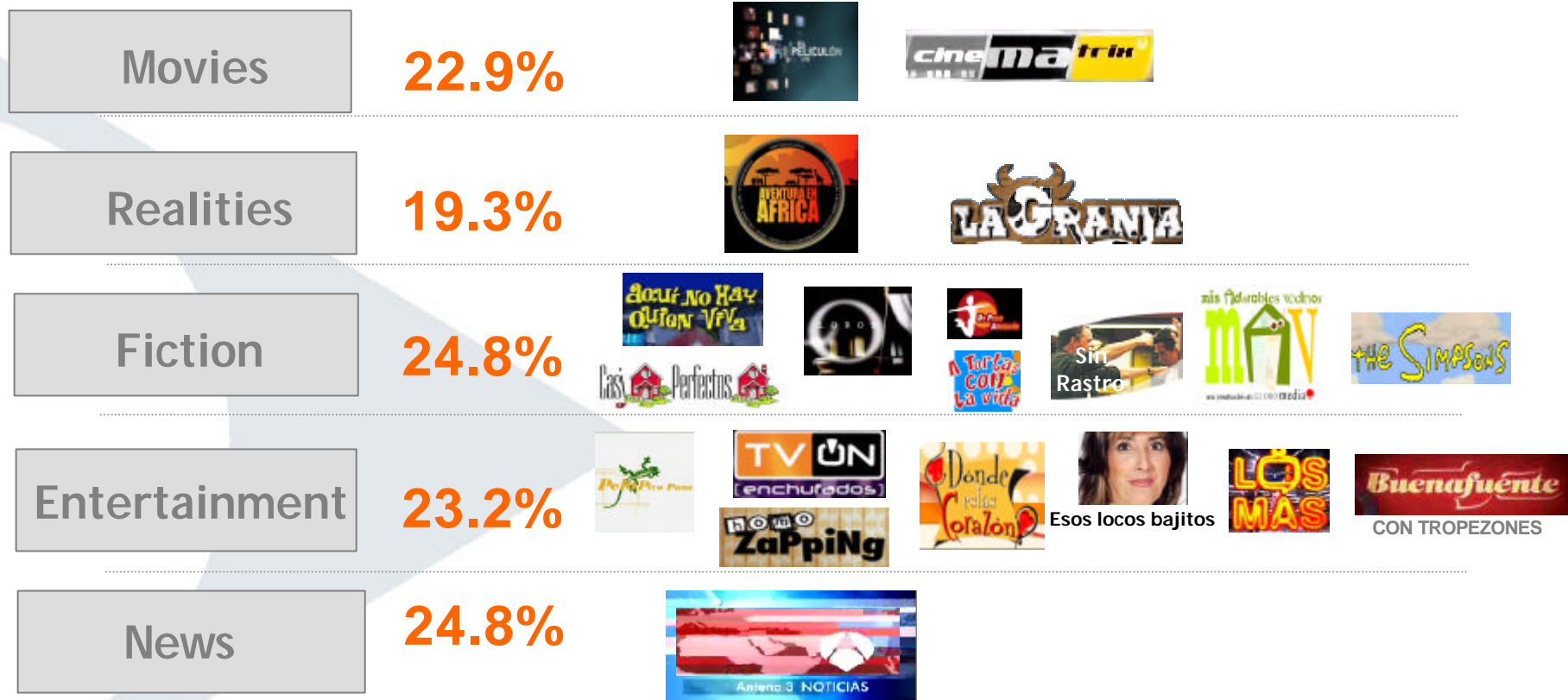
Source: Sofres



# Television.

Content Mix and its audience share performance

→ A balanced mix of formats is responsible for the excellent above-channel-average share of the Prime time/Late night grid



Source: Sofres, 9M05 Average, Total Individuals



# Radio

Financials (Spanish GAAP)

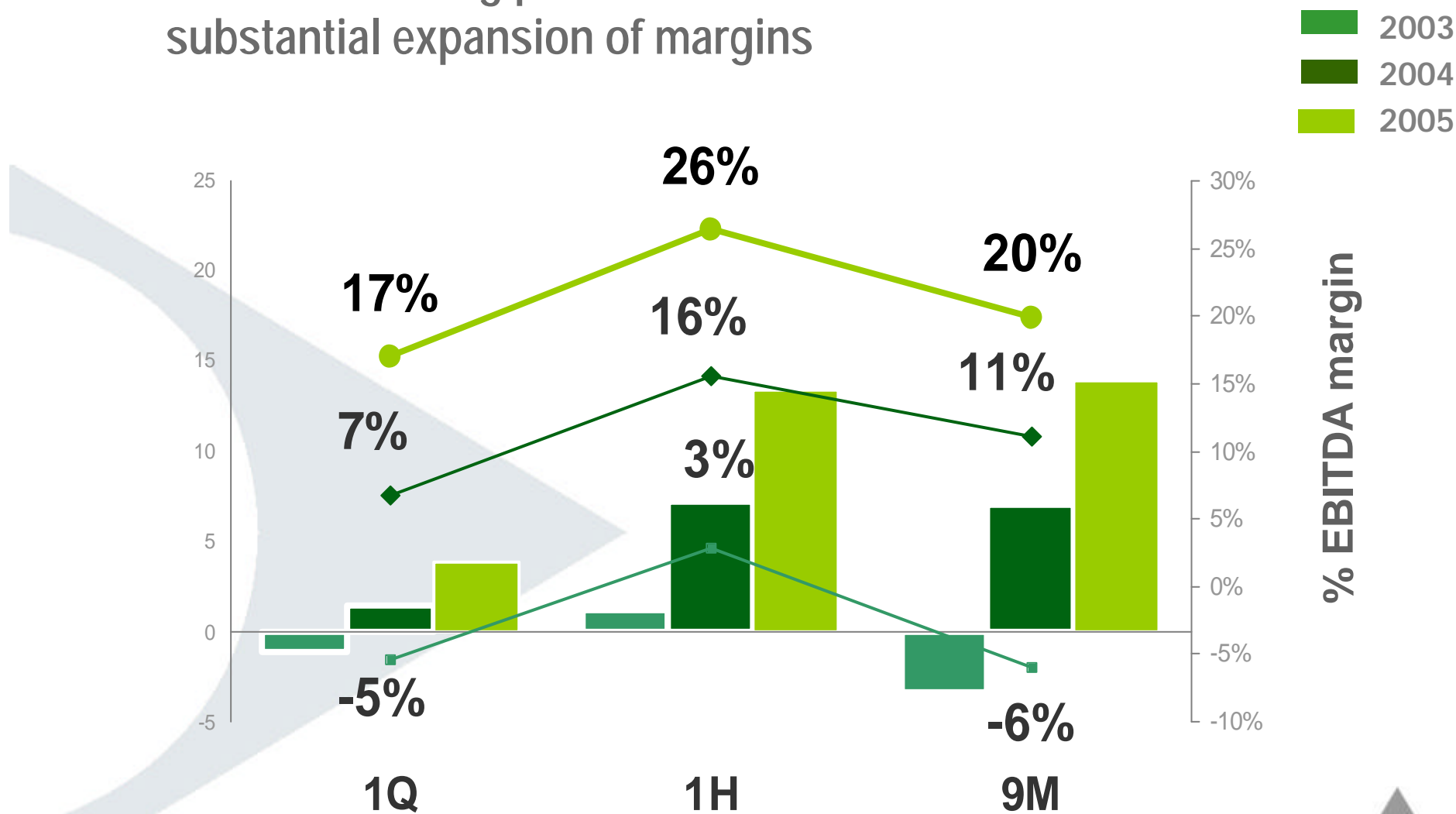
| € mill                   | 9M05        | 9M04        | <u>YoY</u> |
|--------------------------|-------------|-------------|------------|
| <b>Net Revenues</b>      | <b>69.8</b> | <b>63.6</b> | 9.7%       |
| <b>EBITDA</b>            | <b>13.9</b> | <b>7.0</b>  | 97.3%      |
| <i>EBITDA margin</i>     | 19.9%       | 11.1%       |            |
| <b>Net profit</b>        | <b>6.5</b>  | <b>0.7</b>  | 840.1%     |
| <i>Net Profit margin</i> | 9.3%        | 1.1%        |            |

Source: Antena 3



# Radio EBITDA performance

→ The restructuring process carried out in radio resulted in a substantial expansion of margins





# Contribution Other Subsidiaries

## Financials (IFRS)

| € mill                   | 9M05**       | 9M04*       | <u>YoY</u>    |
|--------------------------|--------------|-------------|---------------|
| <b>Net Revenues</b>      | <b>46.4</b>  | <b>18.3</b> | <b>153.0%</b> |
| <b>EBITDA</b>            | <b>8.8</b>   | <b>-5.9</b> | <i>n/a</i>    |
| <i>EBITDA margin</i>     | <i>18.9%</i> | <i>n/a</i>  |               |
| <b>Net profit</b>        | <b>7.4</b>   | <b>-4.6</b> | <i>n/a</i>    |
| <i>Net Profit margin</i> | <i>15.9%</i> | <i>n/a</i>  |               |

Source: Antena 3

Contribution to consolidated group

\* 9M04 Mainly includes Movierecord, Ensueño Films and Antena 3 Editorial

\*\* 9M05 Mainly includes Movierecord, Ensueño Films, Antena 3 Editorial and Unipublic

# Unipublic

## Financials (Spanish GAAP)



| € mill               | Jan-May     | Jun-Sep*     | Jan-Sep      |
|----------------------|-------------|--------------|--------------|
| <b>Net Revenues</b>  | <b>2.2</b>  | <b>27.6</b>  | <b>29.8</b>  |
| <b>OPEX</b>          | <b>6.2</b>  | <b>16.2</b>  | <b>22.4</b>  |
| <b>EBITDA</b>        | <b>-3.9</b> | <b>11.4</b>  | <b>7.5</b>   |
| <i>EBITDA margin</i> | <i>n/a</i>  | <i>41.4%</i> | <i>25.1%</i> |

Source: Antena 3

\* Jun-Sep period included in Antena 3 Group's consolidated perimeter



# Forecast 2005

Antena 3 Group (IFRS)

|                      | Including UNIPUBLIC | Excluding UNIPUBLIC |
|----------------------|---------------------|---------------------|
| <b>Net Revenues</b>  | 20-21%              | 16-17%              |
| <b>OPEX</b>          | 4-5%                | 1-2%                |
| <b>EBITDA margin</b> | 33,5-34%            | 33,5-34%            |

Source: Antena 3



# Financial results 3Q05



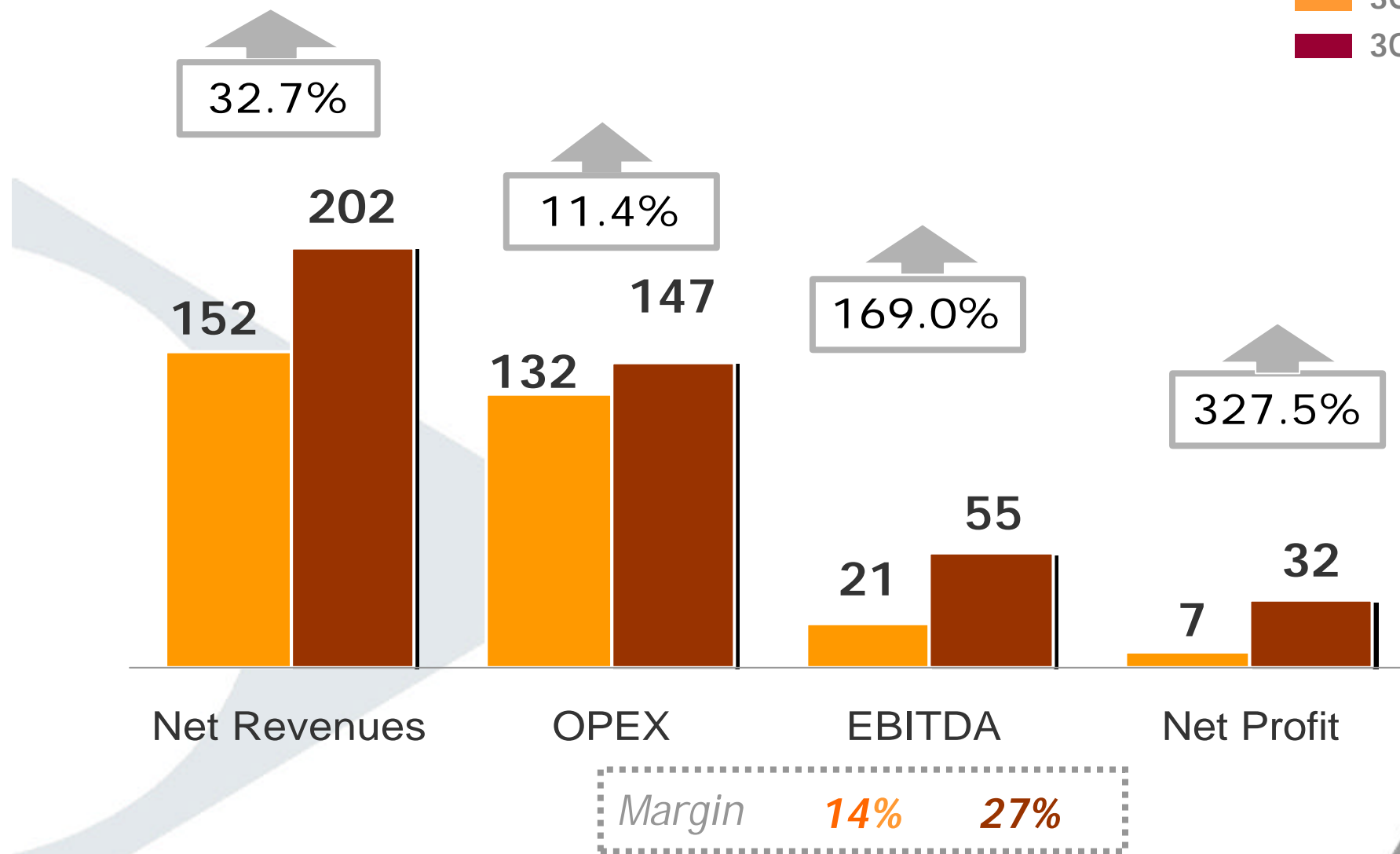
BACK-UP SLIDES

# Consolidated Group (IFRS)

Financial Results 3Q05 € mill.



3Q04  
3Q05

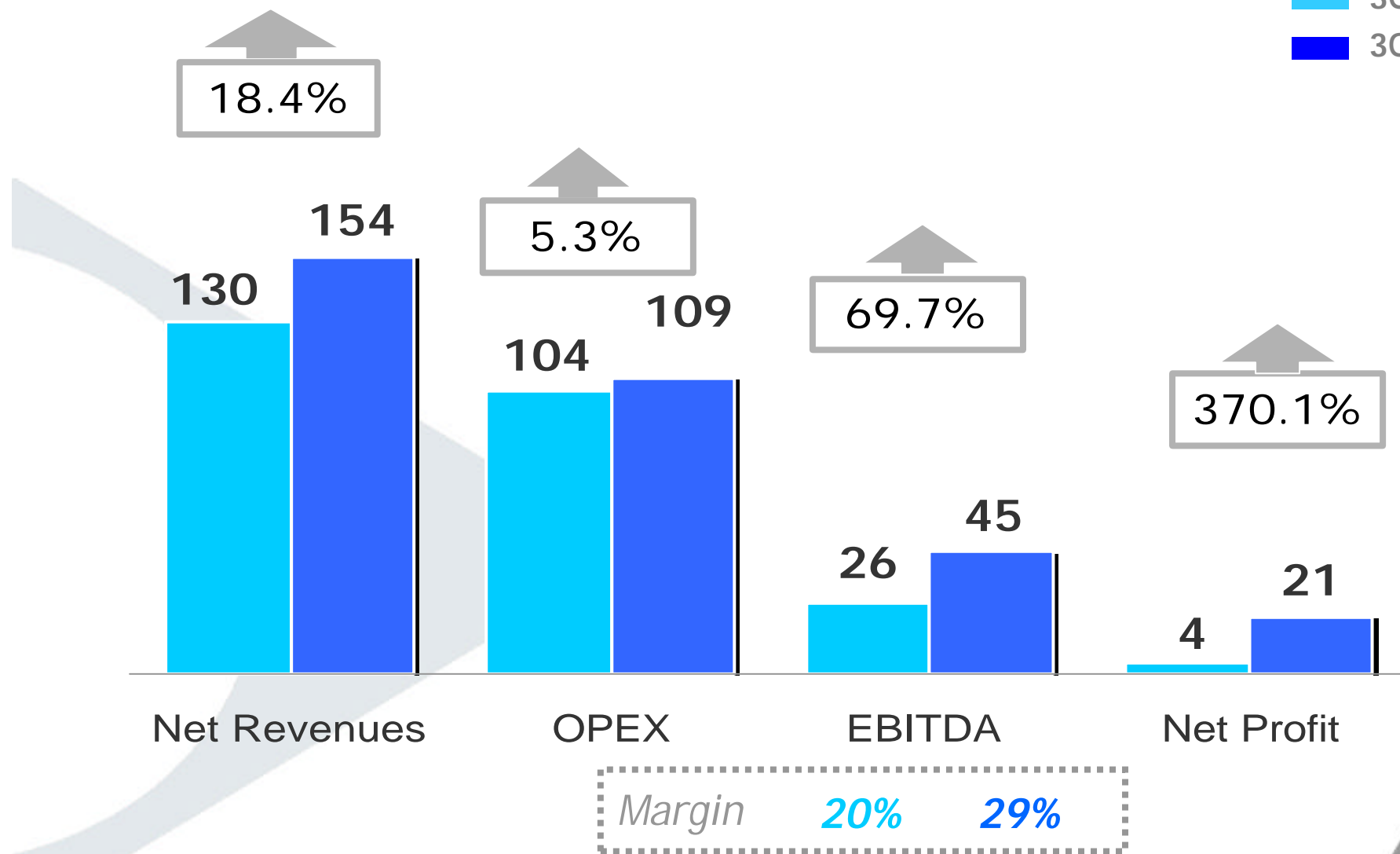


# Television

Financial Results 3Q05 in € mill.



3Q04  
3Q05

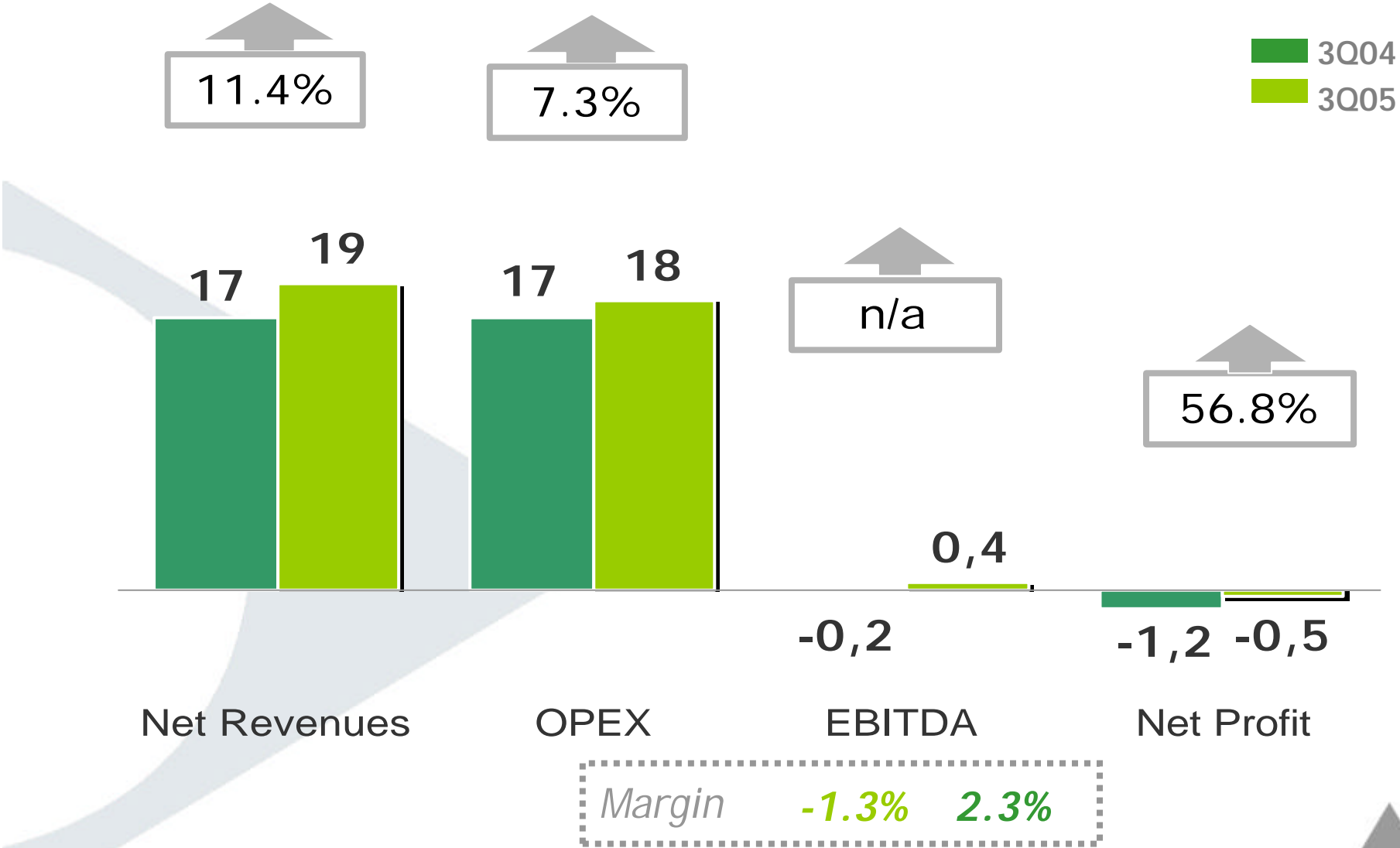


Source: Antena 3 TV

# Radio



Financial Results 3Q05 in € mill.



Source: Antena 3 TV