

**Sogecable**

**CHEVREUX EUROPEAN SMALL & MID  
CAP CONFERENCE**

**London, June 8th 2006**

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**DIGITAL +**  
**CANAL+**

**cuatro**

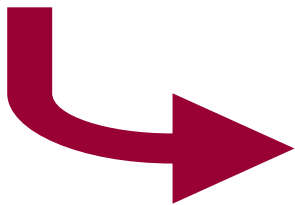
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This presentation contains future expectations on the evolution of Company operations, which are subject to risk, uncertainties and estimates. There is no guarantee that the conclusions based on expectations and estimates will be fulfilled in the future and our results may significantly differ from the estimates shown herein.

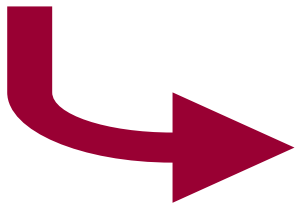
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# SGC's privileged position in two markets

Sogecable to benefit from favorable economic conditions



**DIGITAL +**: Leadership in a growing market still under-penetrated in comparison with European peers



**cuatro**: Growth opportunity in the most profitable TV advertising market in Europe



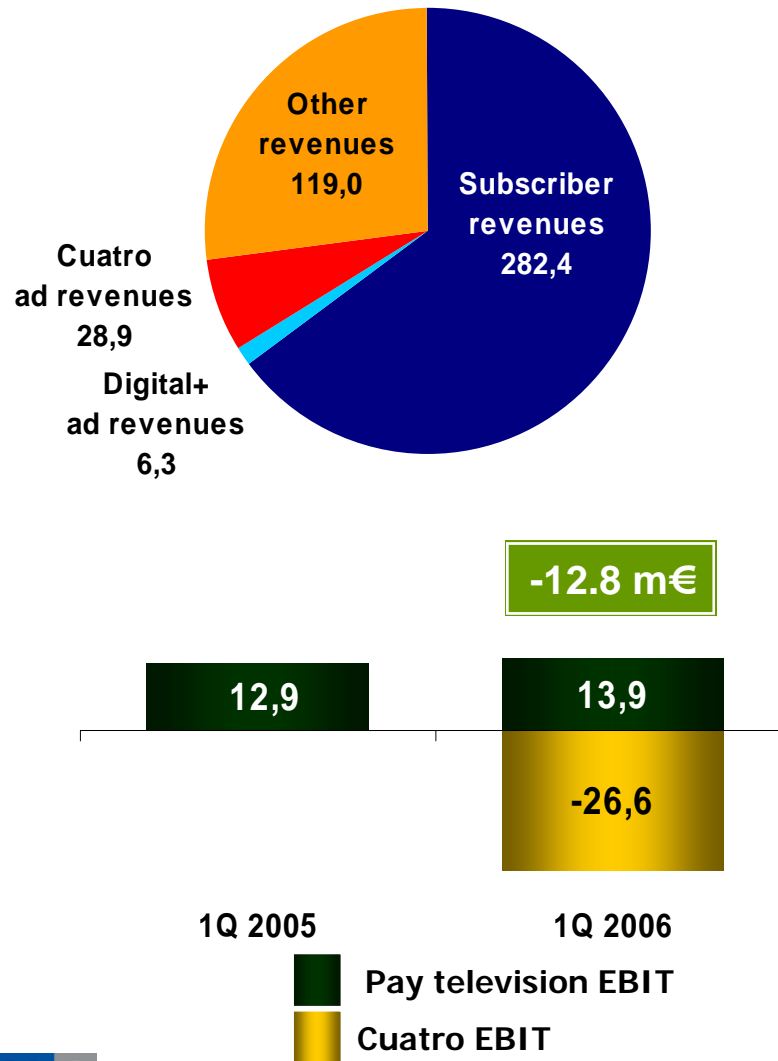
# Sogecable's strengths

## Operational drivers

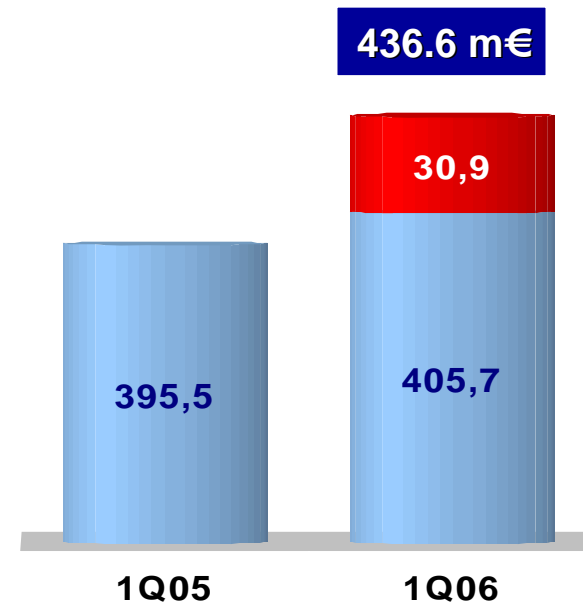
- Exclusive holder of key premium contents for pay-tv
- Wide leadership in market share & market revenues
- Growing audience of **cuatro** focused on commercial target
- Efficient structure to develop both pay-TV & FTA activities



# Sogecable's 1Q06 Key Figures



(Million euros)



■ Pay television revenues  
■ Cuatro revenues

**DIGITAL +**

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**DIGITAL +**  
**CANAL+**

**cuatro**



Leadership in pay-tv market

➤ Most profitable subscriber base in Spain

➤ Exclusive contents to drive pay-tv penetration

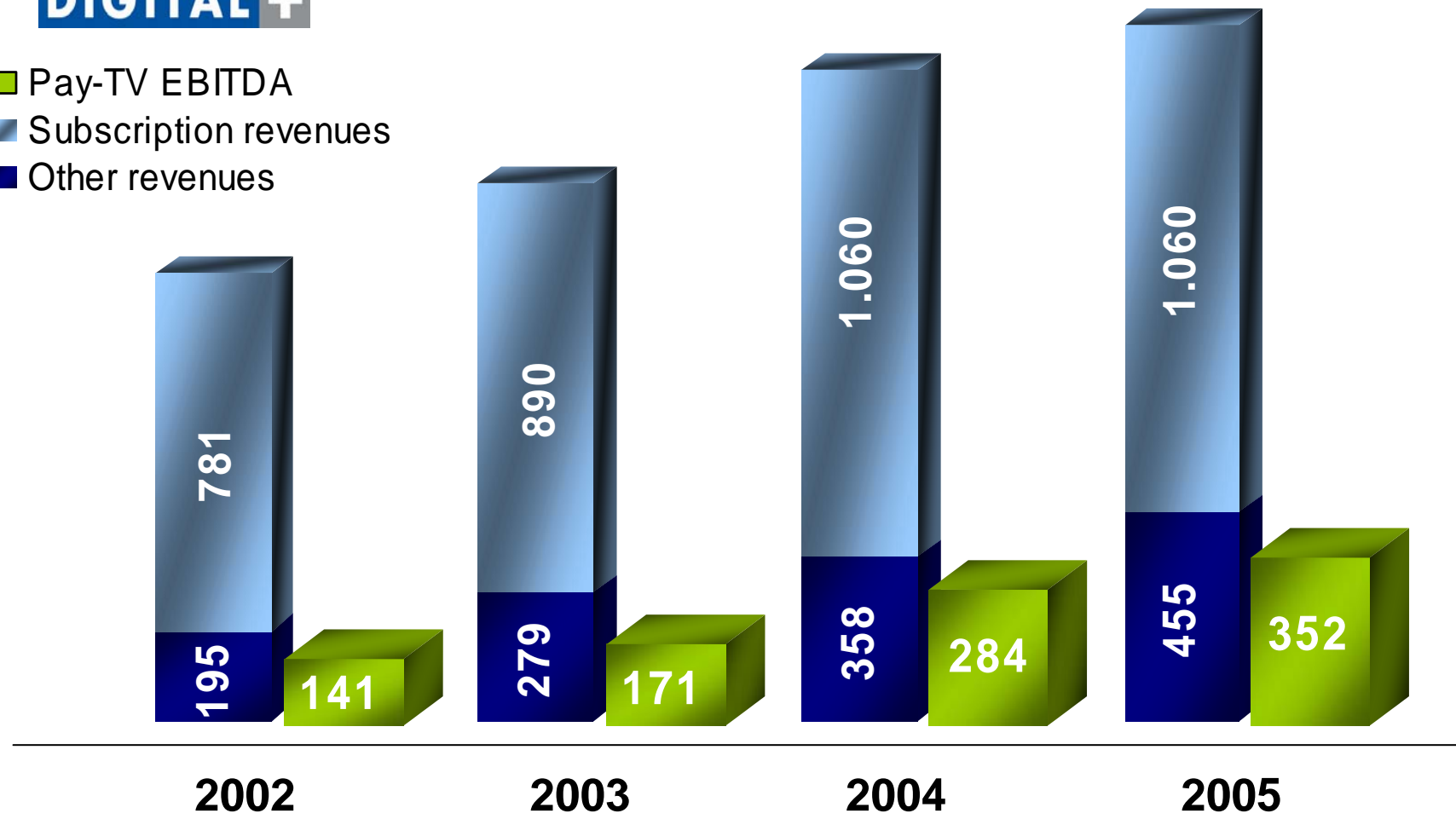
➤ Content management activities



# Sound growth trends of turnover & EBITDA

**DIGITAL +**

- Pay-TV EBITDA
- Subscription revenues
- Other revenues



(Million euros)

Analogue service discontinued



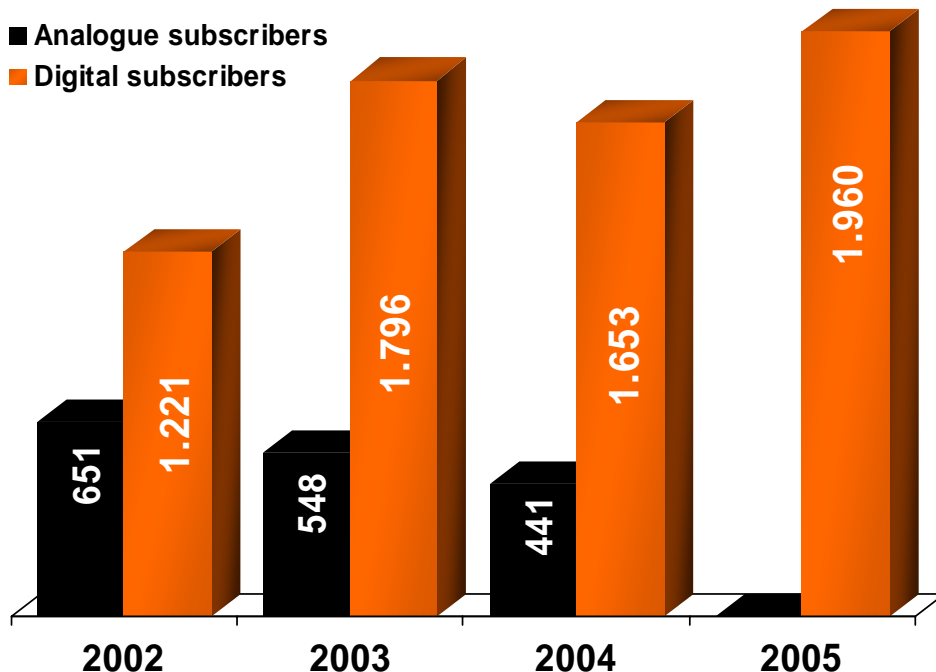
# Subscriber base turnover completed

## Subscriber evolution

**DIGITAL +**

(Thousands of subscribers)

■ Analogue subscribers  
■ Digital subscribers



Via Digital  
take over

VD contracts  
update

Analogue  
migration

## 1Q06 outlook

100% digital subscriber base

€ 47.2 monthly ARPU

91.5% of customers enjoying  
exclusive premium contents

12% churn rate to meet European  
pay-TV benchmarks

Nationwide coverage

# Unbeatable offer

Basic



Partly available on cable networks & IPTV  
 Complete distribution on **DIGITAL+**

Premium



EXCLUSIVE ON **DIGITAL+**

PPV



- Independent film downloads
- PPV US studios' films

Shared by cable operators & **DIGITAL+**

**DIGITAL+**

# Leadership in sport contents



- Champions League exclusivity reinforced
  - 2006/09 exclusive deal
  - 3 out of 4 matches involving Spanish sides shown exclusively in **CANAL+**
  - Exclusive full coverage



- La Liga premium coverage
  - Game of the week (1) exclusively in **CANAL+**
  - PPV matches (8) on **DIGITAL +**
  - Monthly subscription of PPV tickets



- Germany World Cup 2006
  - All World Cup live only on **DIGITAL +**
  - Exclusive matches to be shown
  - laSexta added to channel line-up

# DIGITAL+ 's new commercial offer for 2006

## New choices in 2006

**CANAL+ DIGITAL** €24.60

**CANAL+ ESTRENOS** **CANAL+ FÚTBOL** **CANAL+ INFANTIL**  
**CANAL+ DOCUMENTAL** **CANAL+ JOVEN** €29.95

**CANAL+ TOTAL** **DIGITAL+ FAMILIAR** €44.78

**DIGITAL+ TOTAL** €57.51

**DIGITAL+**

VAT reduction benefiting all current customers

Retail prices making the service more attractive

Call center & CMS enhancement

Commercial efforts devoted to **DIGITAL+** initiatives

**cuatro** as a significant marketing tool

New exclusive contents to reinforce attractiveness

# DIGITAL + Future drivers

## Turnover

- ✓ Subscriber growth
- ✓ Upgrades by current subscribers
- ✓ Price cap removed after 2006
- ✓ Content distribution opportunities

## OPEX

- ✓ Control of content costs
- ✓ Savings from discontinuance of analogue service
- ✓ Margin benefits from resources transferred to **cuatro**

Margins to continue improving

cuatro<sup>o</sup>

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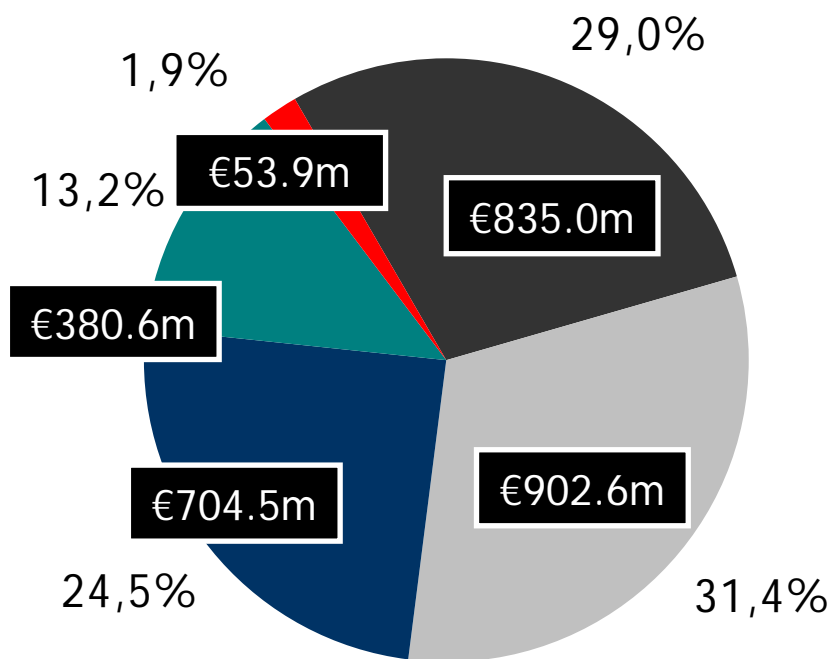
**DIGITAL +**  
**CANAL+**

cuatro<sup>o</sup>

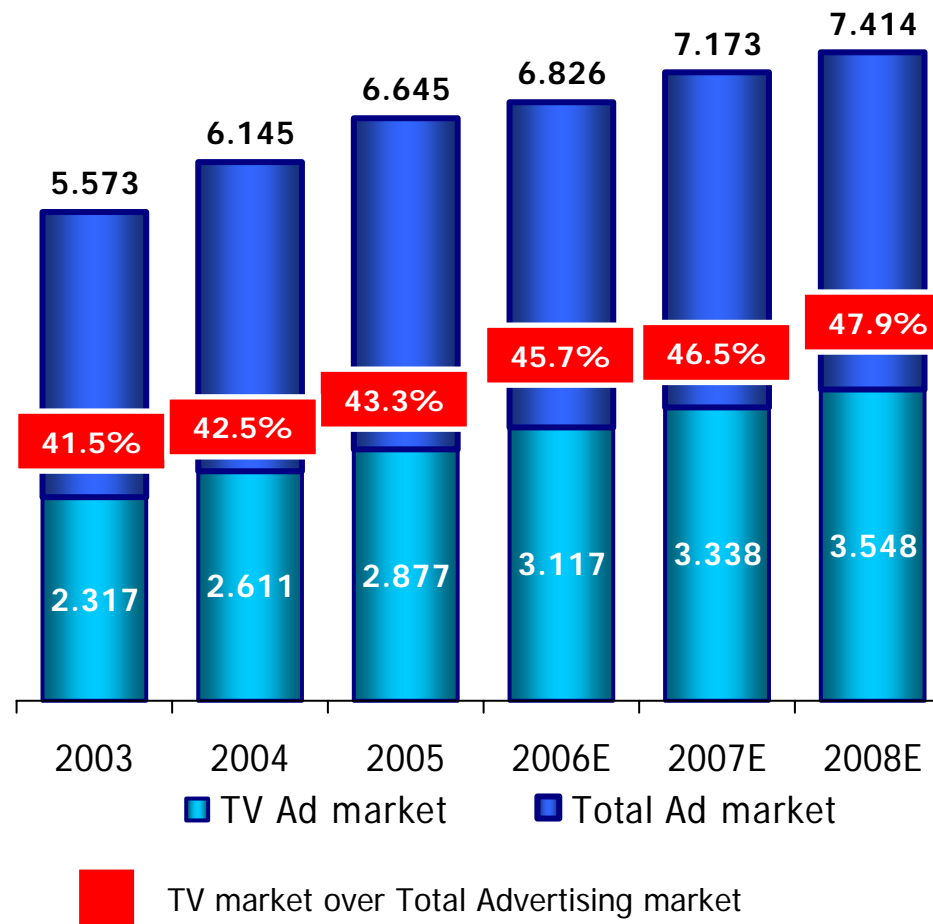
# Limited players for an attractive market

## 2005 Ad revenues breakdown

(Million euros)

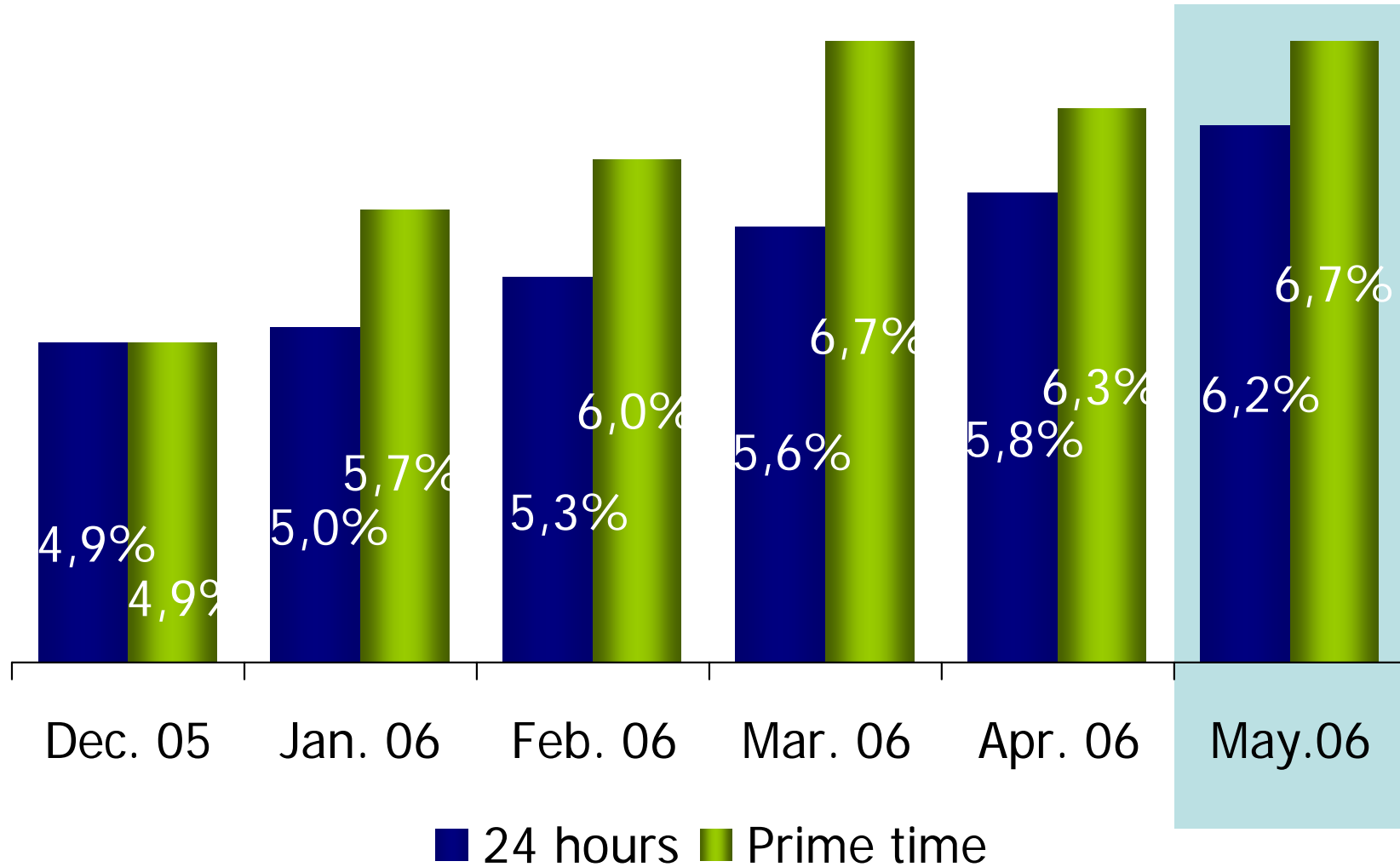


Antena 3   
  Telecinco   
  TVE  
 FORTA   
  Sogecable



TV market over Total Advertising market

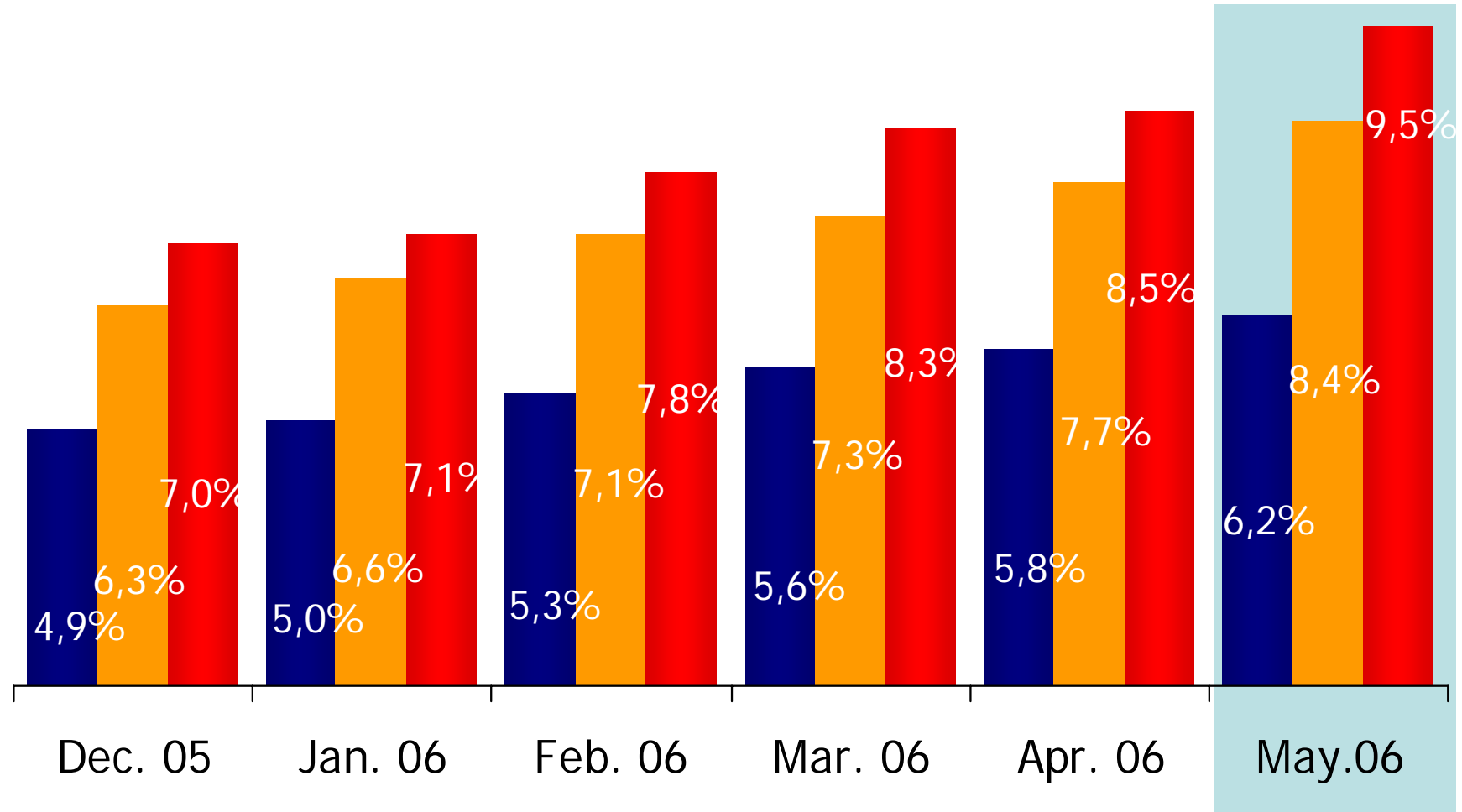
# Audience shares growing steadily



Source: Sofres.



# Market position benefiting commercial rates

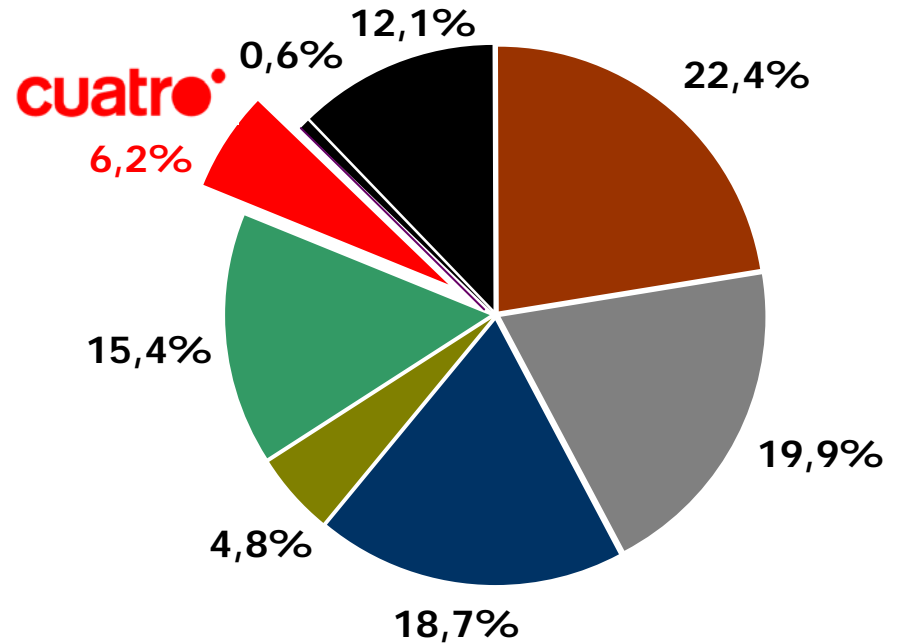
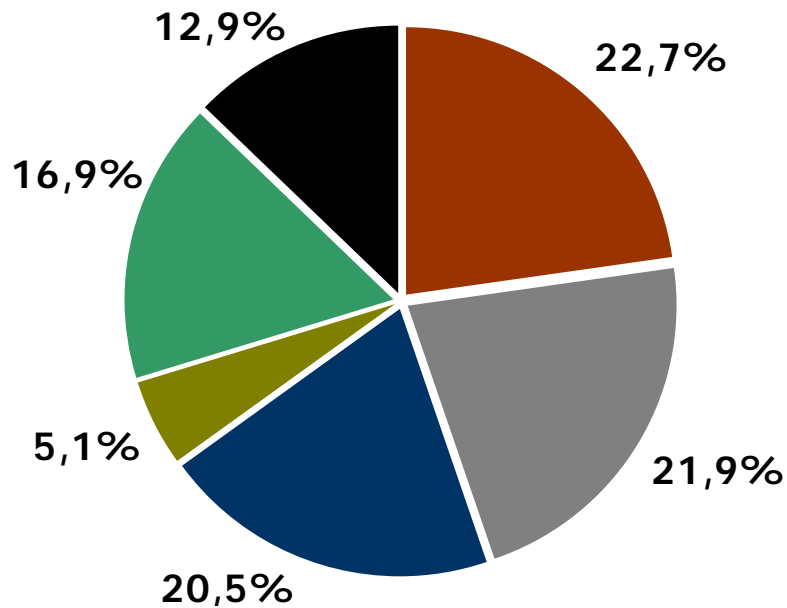


■ 24 hours ■ Commercial target ■ Core commercial target

# Initial rates showing market changes (24-hs)

Audience share breakdown  
October 2005

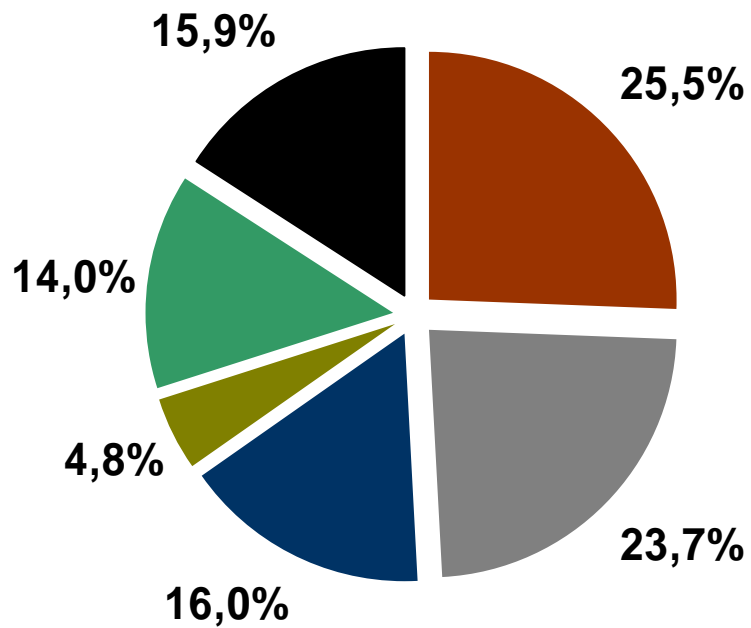
Audience share breakdown  
May 2006



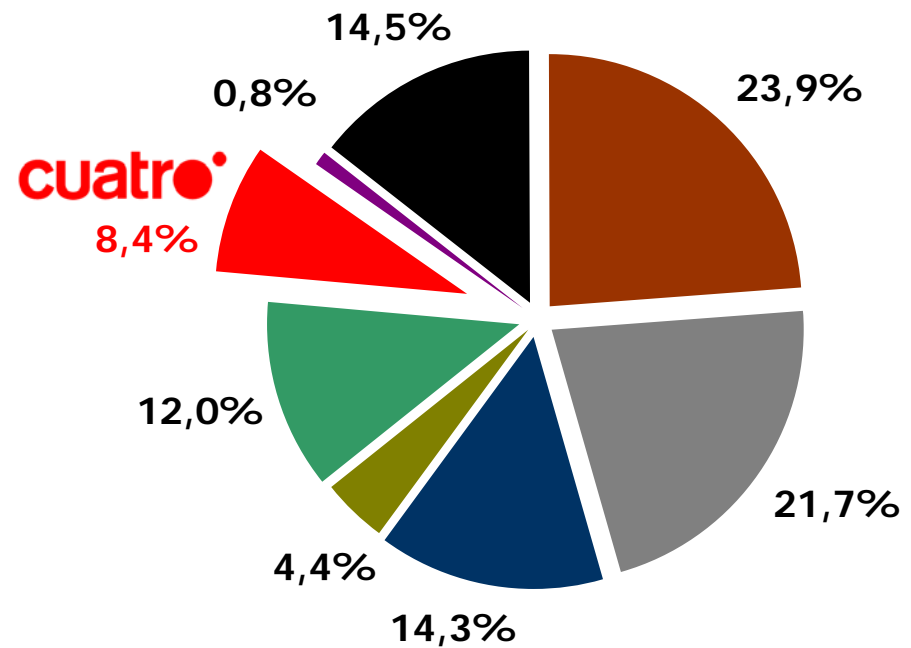
■ Telecinco ■ Antena3 ■ TVE1 ■ La2 ■ Regional ■ Cuatro ■ laSexta ■ Other

# Even more in the *Commercial target*

Audience share breakdown  
October 2005



Audience share breakdown  
May 2006



■ Telecinco ■ Antena3 ■ TVE1 ■ La2 ■ Regional ■ Cuatro ■ laSexta ■ Other

# cuatro<sup>o</sup> Future drivers

## Turnover

- ✓ Audience share target: 7-8% in 2006
- ✓ Growing audience versus short term power ratio
- ✓ Benefit from market growth & fragmentation

## OPEX

- ✓ Relevant bet on prime time contents
- ✓ Synergies with pay-TV activities
- ✓ Group cross selling initiatives

Margins to benefit from limited OPEX (ex-content)

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