



Pursuant to the terms set forth under article 82 of Securities Market Law 24/1988 and Memorandum 9/2010 of the Mercado Alternativo Bursátil (MAB), and in order to make this information available to the public, ZINKIA ENTERTAINMENT S.A. (“Zinkia” or the “Company”) states the following

### RELEVANT EVENT

This is to inform the Market the advance of the consolidated results achieved in 2011 by ZINKIA ENTERTAINMENT, S.A. and subsidiaries. This advance has been prepared with unaudited information based on the accounting records of the Company and the group’s subsidiaries, and it is an extract from the consolidated financial statements formulated by the Board of Directors.

This information is only an advance and does not replace the complete Consolidated Financial Statements of 2011, which will be completely released before April 30<sup>th</sup>. 2012.

We are at your entire disposal if you require any additional information.

Madrid, 17 April 2012

**José María Castillejo Oriol**  
**Presidente del Consejo de Administración**



## ADVANCE OF THE CONSOLIDATED RESULTS 2011 – ZINKIA ENTERTAINMENT, S.A.

### KEY FIGURES (2010-2011)

Thousand €	2011	2010
<b>Total Revenue</b>	13.222	5.987
<b>EBITDA</b>	1.684	511
<b>EBIT</b>	101	2.236
<b>EBT</b>	455	2.927
<b>EAT</b>	23	2.266

### PROFIT AND LOSS ACCOUNT 2010-2011

Zinkia	2011	2010	% Var
<i>(Thousand €)</i>			
<b>Total Revenue</b>	<b>13.222</b>	<b>5.987</b>	<b>121%</b>
Sales	7.789	3.994	95%
Other Income	5.433	1.994	173%
Cost of goods sold	- 2.513	- 249	909%
<b>Gross Profit</b>	<b>10.709</b>	<b>5.738</b>	<b>87%</b>
<i>% Gross Profit / Revenue</i>	<i>81,00%</i>	<i>95,84%</i>	
Cost of Employees	- 3.725	- 3.334	12%
Other Operating Expenses	- 5.300	- 2.915	82%
<b>EBITDA</b>	<b>1.684</b>	<b>511</b>	<b>-430%</b>
<i>% EBITDA / Revenue</i>	<i>12,74%</i>	<i>-8,53%</i>	
Amortizations and Depreciations	- 1.785	- 1.725	3%
	-	-	
<b>EBIT</b>	<b>101</b>	<b>2.236</b>	<b>-95%</b>
<i>% EBIT / Revenues</i>	<i>-0,76%</i>	<i>-37,34%</i>	
<b>Financial P/L</b>	<b>770</b>	<b>259</b>	<b>197%</b>
<b>Extraordinary P/L</b>	<b>416</b>	<b>432</b>	<b>-196%</b>
<b>EBT</b>	<b>455</b>	<b>2.927</b>	<b>-84%</b>
<i>% EBT / Revenue</i>	<i>-3,44%</i>	<i>-48,89%</i>	
Taxation	478	661	-28%
<b>EAT</b>	<b>23</b>	<b>2.266</b>	<b>-101%</b>
Minority interest	108	-	
<b>Attributable to the parent company</b>	<b>84</b>	<b>2.266</b>	<b>-96%</b>



## FORECAST REVIEW

<b>Zinkia</b>	<b>2011</b>	<b>2011e</b>	<b>% Var</b>
<i>(Thousand €)</i>			
<b>Total Revenue</b>	<b>13.222</b>	<b>13.257</b>	<b>0%</b>
Sales	7.789	7.339	6%
Other Income	5.433	5.918	-8%
Cost of goods sold	- 2.513	- 234	974%
<b>Gross Profit</b>	<b>10.709</b>	<b>13.023</b>	<b>-18%</b>
% Gross Profit / Revenue	81,00%	98,23%	
Cost of Employees	- 3.725	- 4.046	-8%
Other Operating Expenses	- 5.300	- 5.894	-10%
<b>EBITDA</b>	<b>1.684</b>	<b>3.084</b>	<b>-45%</b>
% EBITDA / Revenue	12,74%	23,26%	
Amortizations and Depreciations	- 1.785	- 2.123	-16%
	-	-	
<b>EBIT</b>	<b>- 101</b>	<b>961</b>	<b>-110%</b>
% EBIT / Revenues	-0,76%	7,25%	
<b>Financial P/L</b>	<b>- 770</b>	<b>- 534</b>	<b>44%</b>
<b>Extraordinary P/L</b>	<b>416</b>	<b>418</b>	<b>-1%</b>
<b>EBT</b>	<b>- 455</b>	<b>845</b>	<b>-154%</b>
% EBT / Revenue	-3,44%	6,38%	
Taxation	478	- 254	-288%
<b>EAT</b>	<b>23</b>	<b>592</b>	<b>-96%</b>
Minority interest	108	-	
<b>Attributable to the parent company</b>	<b>- 84</b>	<b>592</b>	<b>-114%</b>

### Incomes

- Sales have increased by 6%. It is important to note that the geographical expansion and, the fact that the the digital rights income has increased its weight in the amount of turnover, have been very important in achieving these figures.
- The amounts shown under the heading of "Other Income" includes the capitalisation of the costs incurred to produce the Group's audiovisual projects and the final liquidation of the agreement between the parent company of the Group and ITV Global Entertainment Ltd. This led to a figure slightly below the planned one (8%).
- Overall, the Group has achieved the Total Revenue forecast.

### Expenses

- We can find the biggest difference in the costs of the goods sold. The subsidiary companies of the Group have reached € 2.096.198 € of the total amount in 2011.



- The operating costs of the Company during the year 2011 follow their usual behaviour and have adjusted in a manner consistent with the evolution of income, so that both, the general and personnel costs remained significantly below budget.
- The budget deviation in the Financial P&L is due to the application of the amortised cost valuation using the effective interest method of Financial Liabilities. This method was not taken into account in the forecast and that is the reason which explains this deviation.

### **Margins**

- The Group obtained positive EBITDA of 1.684 thousand euros, below the forecast number due to the deviation in the costs of the goods sold.
- In 2011, the Company reversed a recognised loss due to the impairment of its intangible fixed assets, specifically the Shuriken School project which is included under the heading of “Extraordinary P&L”. The recognition of this reversal is based on the improved revenue forecasts associated with the project in the coming years.
- In 2011 the Group’s Earnings after taxes achieved 23 Thousand Euros. The profit attributable to the equity holders of the parent company is -84 Thousand Euros and the profit attributable to minority interest is 108 Thousand Euros