

# GESTEVISIÓN TELECINCO S.A.



June 2006

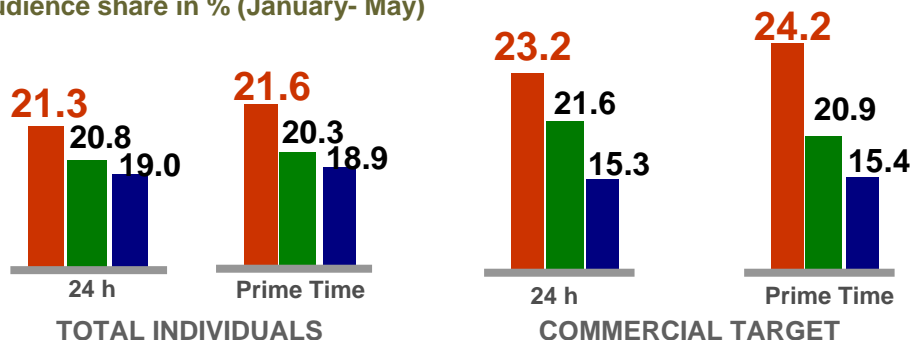


## COMPANY PRESENTATION

# Telecinco, Leading Spanish FTA Broadcaster

## Leadership in Audience and Advertising Share

Audience share in % (January- May)



## Leadership in Profitability

	2005	1Q06
Revenues (€mill)	931.1	227.8
Operating Costs (€mill)	517.8	126.2
Var. %	+ 3.9 %	+ 4.9 %
EBITDA adj. (€mill)	423.2	103.6
EBITDA adj/Revenues	45.5 %	45.5 %

## Creation of Shareholder's Value

	2005	1Q06
Net Profit	290.3	73.3
FCF	307.3	90.0
FCF/Revenues	33.0 %	39.5 %
Pay-out	100 %	---
Dividend Yield (1)	5.8 %	---



(1) At 1 March 2006





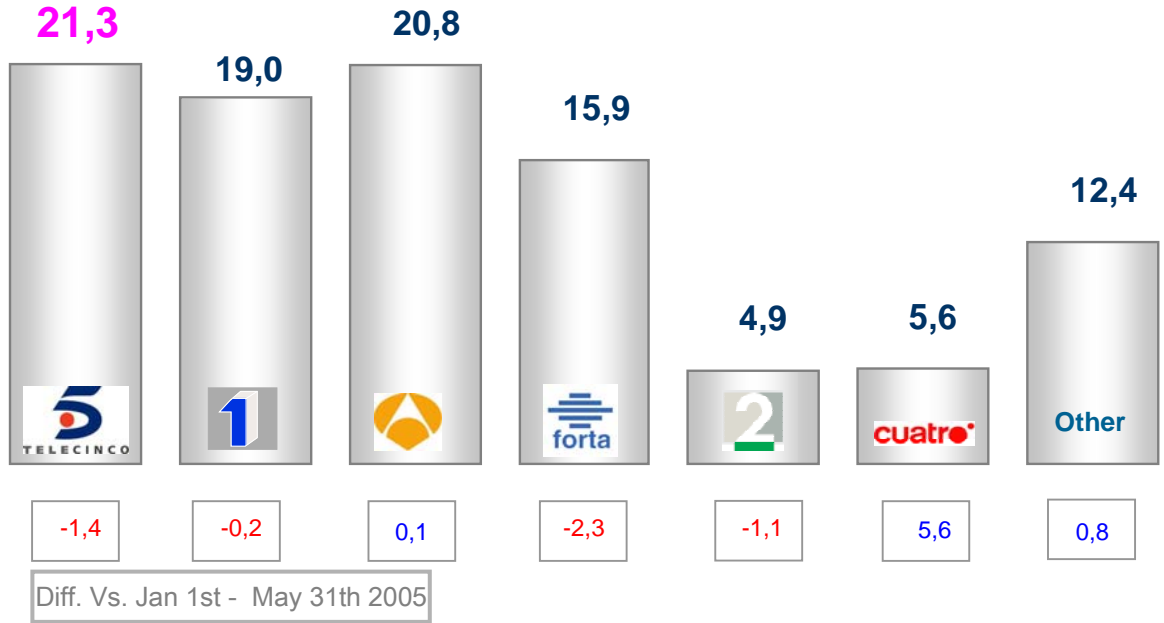
# Audience Share Total Day, January-May 2006 by Months

Audience share 24h, Total Individuals, May until 31th



# Audience Share Total Day, January-May 2006

Audience share 24h, Total Individuals, from January 1st until May 31th

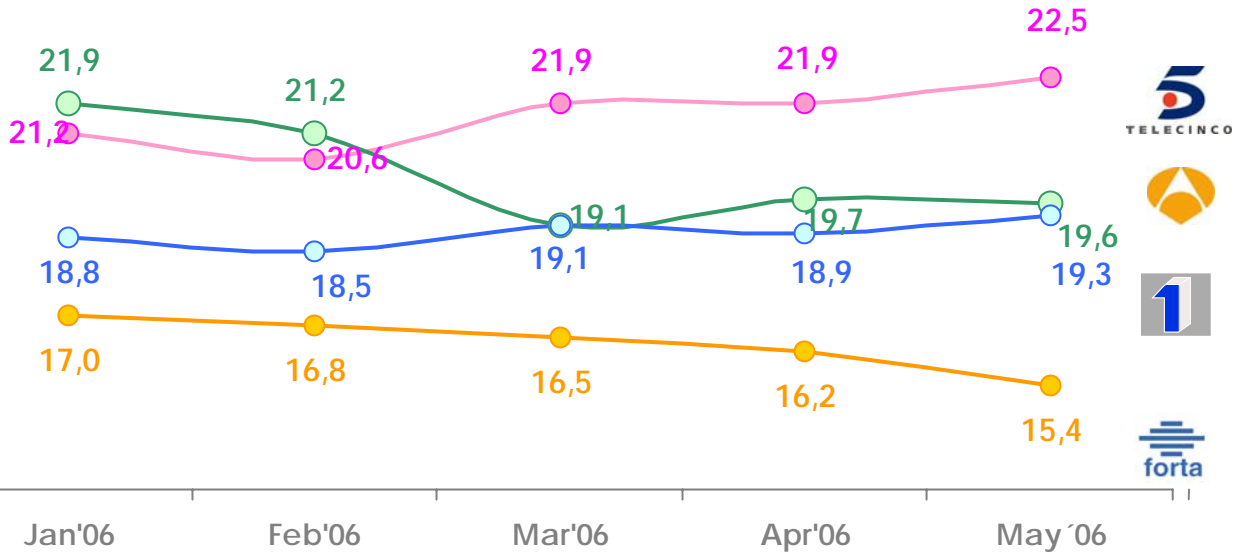


**Telecinco recovers its leadership despite increased competition**



# Audience Share Prime Time, January-May 2006 by Months

Audience share Prime Time, Total Individuals, May until 31th


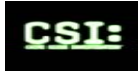














**Telecinco strengthens its leadership in Prime Time in the last months**



# Leadership in Prime Time, January - May 2006

Total Individuals (2006, January 1<sup>st</sup> - May 31<sup>th</sup>)

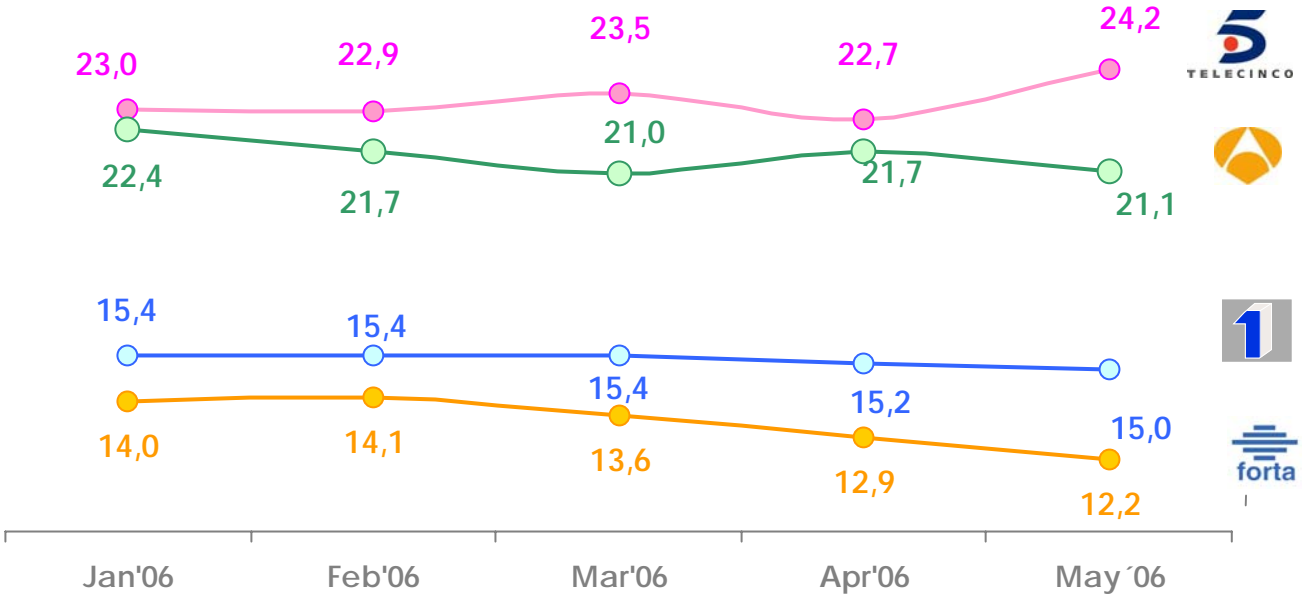
	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
							
							
							
							
							
							
							
							
							
							
							
							
							
<b>5 TELECINCO</b>	24,9	22,8	26,6	22,2	19,6	21,1	20,5
	19,1	18,7	23,3	24,2	19,8	18,1	18,2
<b>1</b>	23,8	13,7	18,9	14,9	18,0	14,4	19,2

(Time Slot: 22:00-0:00)

**Telecinco's prime time programmes continue to deliver strong audience shares all throughout the week**

# Audience Share Commercial target, January-May 2006 by Months

Audience share 24 h, Commercial Target, January-May until 31st



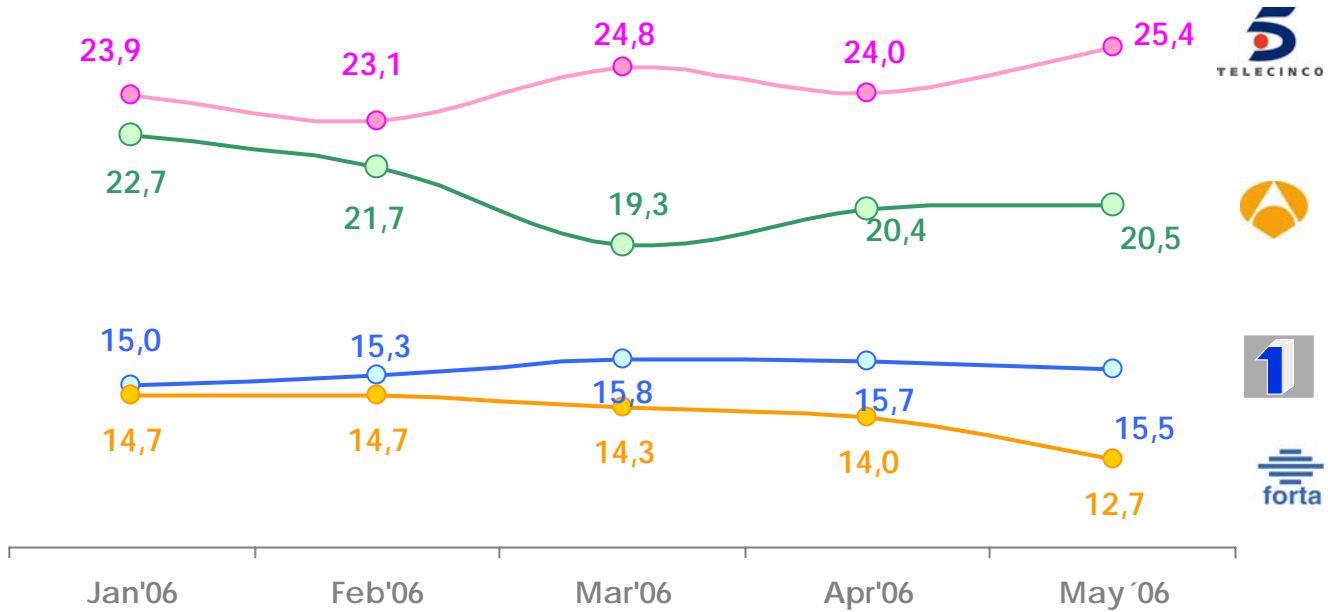
**Telecinco strengthens its Commercial Target leadership**





# Audience Share Commercial Target, January-May 2006 by Months

Audience share PRIME TIME, Commercial Target, January-May until 31st



**Telecinco consolidates its solid leadership in the most attractive audience**



# The most succesful programming line-up, May 2006

## Most watched programs, Total Individuals, Month of May

			Thd.	Share
1	FÚTBOL		7.338	49,3
2	AQUI NO HAY QUIEN VIVA		5.122	29,9
3	FÓRMULA 1		5.065	47,2
4	HOSPITAL CENTRAL		4.929	28,6
5	C.S.I.		4.628	26,2
6	AIDA		4.535	28,9
7	LOS SERRANO		4.021	23,7
8	¡MIRA QUIEN BAILA!		3.872	25,0
9	CAMERA CAFE		3.685	24,4
10	SUPERVIVIENTES		3.294	22,4

**Telecinco places 7 programs in the ranking of the 10 best performing programs in May**

# G e s t e v i s i ó n   T e l e c i n c o   S . A .



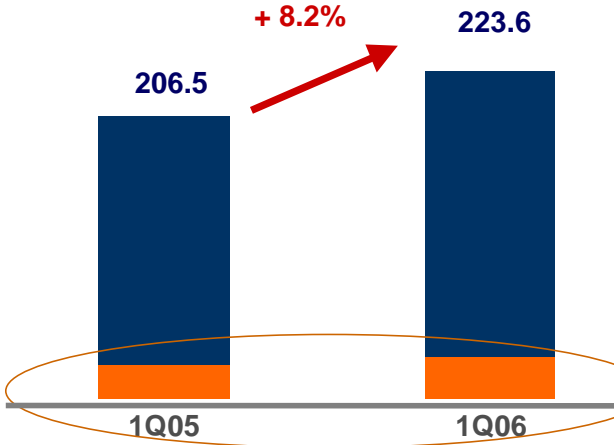
**ADVERTISING**

**COMPANY PRESENTATION**

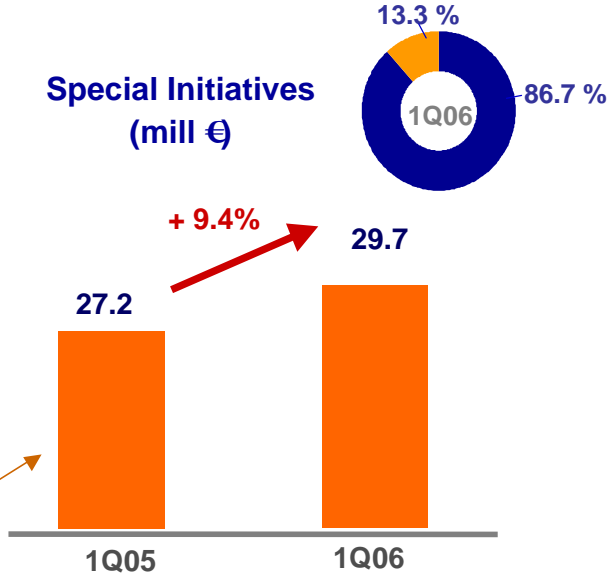


# Advertising Revenues, 1Q06

**Telecinco\***  
Gross Advertising Revenues  
(mill €)



**Special Initiatives**  
(mill €)



**Record advertising revenues have been reached in 1Q06, with Special Initiatives growing at a high rate, making 13% of total revenues**



\* Non audited figures



# Commercial Strategy, 1Q06

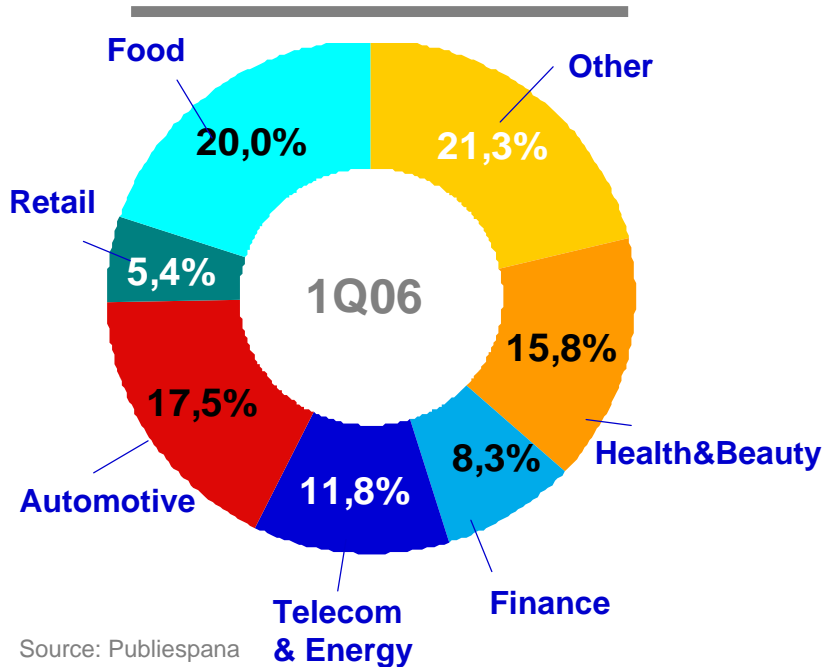
Audience SHARE	SECONDS	GRP's (20'')	C/GRP's (20'')	Publiespaña Revenues
%    △    (%)	△    (%)	△    (%)	△    (%)	€mill    △    (%)
21.0%    -6.7%	+1.6%	- 5.5%	+14.5%	223.6    8.2%

**Price increase is the main revenue driver**

Source: TNS and Publiespaña

# Advertising Spanish TV Market

## Sector Breakdown (% on total Adv sales)



Source: Publiespana

## Sector Growth (1Q06 vs. 1Q05)



# G e s t e v i s i ó n   T e l e c i n c o   S . A .

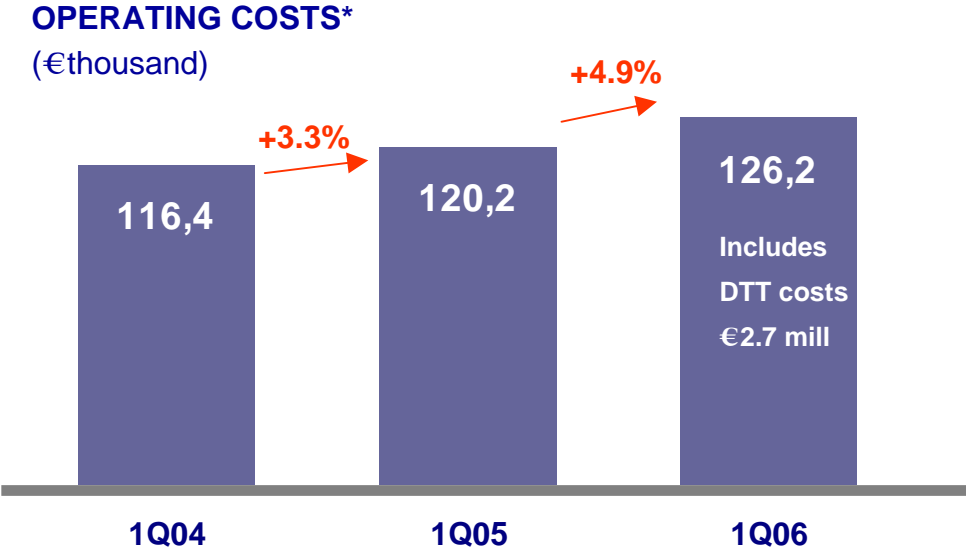


**FINANCIALS**

**COMPANY PRESENTATION**



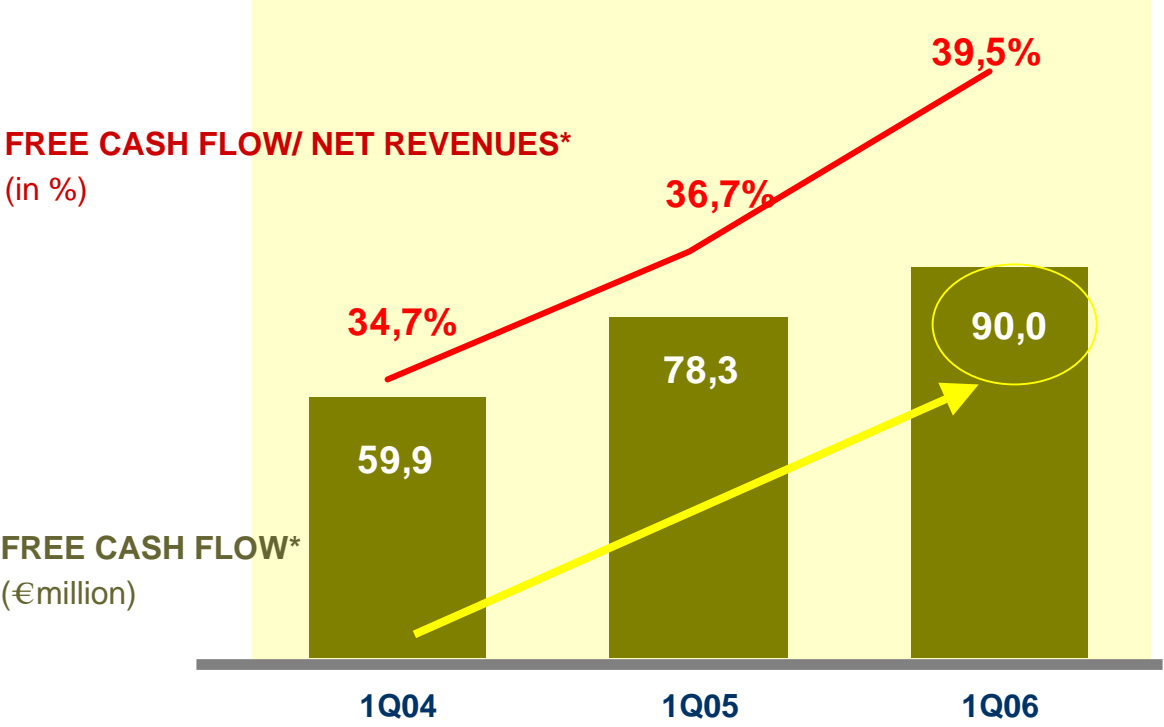
# Control on Operating Costs



**Cost control allows further margin expansion**



# Cash Flow Generation and Cash Conversion



**Strong cash generation with record cash conversion**

\* Non audited figures

## **Strategic Objectives, Cost Guidance 2006**

- **Maintain leadership in audience share, focusing on the most valuable target for advertisers**
- **Preserve leadership in advertising market and premium pricing**
- **Strict control on operating costs, Cost guidance 2006:**
  - **TV-underlying: inflation rate cost growth**
  - **DTT channels: approx. €15 million**
  - **Film production: Increased amortisation of all film rights: approx. €8-10 million, with revenues of the same amount**
- **Focused on profitability and cash generation**
- **Deliver return to shareholders**



# TELECINCO | Back up Slides

## 1. Consolidated Financial Statements

# Consolidated Financial Results\*

(€million)	1Q06	1Q05	Var. %
<b>Total Net Revenues</b>	<b>227.8</b>	<b>213.3</b>	<b>6.8 %</b>
<b>Total Costs</b>	<b>(126.2)</b>	<b>(120.2)</b>	<b>4.9 %</b>
<b>Personnel</b>	<b>(17.9)</b>	<b>(17.4)</b>	<b>3.0 %</b>
<b>Operating Costs</b>	<b>(66.2)</b>	<b>(65.1)</b>	<b>1.7 %</b>
<b>Amortisation &amp; Depreciation</b>	<b>(42.1)</b>	<b>(37.7)</b>	<b>11.4%</b>
<b>EBIT</b>	<b>101.6</b>	<b>93.0</b>	<b>9.3 %</b>
<b>Pre-tax Profit</b>	<b>104.3</b>	<b>94.5</b>	<b>10.4 %</b>
<b>NET PROFIT after Minorities</b>	<b>73.3</b>	<b>64.5</b>	<b>13.6 %</b>
<b>EBITDA (1)</b>	<b>103.6</b>	<b>95.1</b>	<b>9.0 %</b>
(1) Post-rights amortisation			
<b>EBITDA/NET REVENUES</b>	<b>45.5 %</b>	<b>44.6 %</b>	<b>-</b>
<b>EBIT/NET REVENUES</b>	<b>44.6 %</b>	<b>43.6 %</b>	<b>-</b>
<b>NET PROFIT/NET REVENUES</b>	<b>32.2 %</b>	<b>30.3 %</b>	<b>-</b>

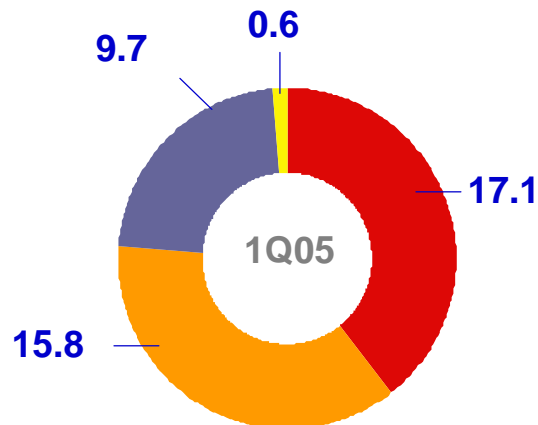
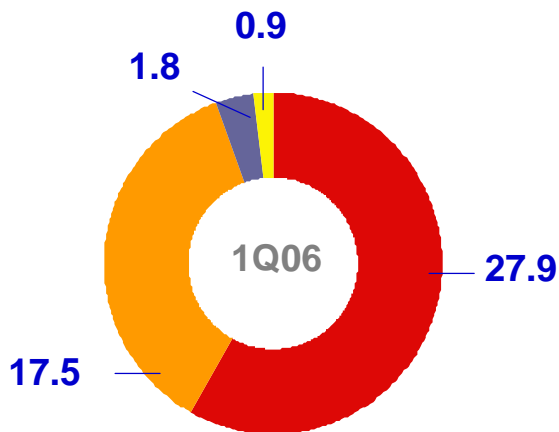
# Consolidated Cash Flow Statement\*

(€million)	1Q06	1Q05	Diff. In €million
<b>Initial Cash Position</b>	<b>355.8</b>	<b>244.4</b>	<b>111.4</b>
<b>Free Cash Flow</b>	<b>90.0</b>	<b>78.3</b>	<b>11.7</b>
Cash Flow from Operations	117.1	104.0	13.1
Net Investments	(48.0)	(43.1)	(4.9)
Change in Net Working Capital	20.9	17.4	3.5
<b>Change in Equity</b>	<b>4.7</b>	<b>0.1</b>	<b>4.6</b>
<b>Financial Investments</b>	<b>(0.1)</b>	<b>(0.5)</b>	<b>0.4</b>
<b>Dividends received</b>	<b>0.2</b>	<b>0.0</b>	<b>0.2</b>
<b>Dividend payments</b>	<b>0.0</b>	<b>0.0</b>	<b>---</b>
<b>Total Net Cash Flow</b>	<b>94.8</b>	<b>77.9</b>	<b>16.9</b>
<b>Final Cash Position</b>	<b>450.6</b>	<b>322.3</b>	<b>128.3</b>
<b>Free Cash Flow/Total Net Revenues</b>	<b>39.5%</b>	<b>36.7%</b>	

# Net Investments\*

€48.0 million

€43.1 million



**TV Rights non-Fiction**

**TV Rights Fiction**

**Co-production Distribution**

**Tangible & Intangible Fixed Assets**



\* Non audited figures



FINANCIALS

# Consolidated Profit & Loss Account (I)\*

(€million)	1Q06	1Q05	%06/05
Gross TV Adv. Revenues	225.36	208.46	8.1%
-Telecinco	223.57	206.54	8.2%
-Other	1.79	1.91	(6.2%)
Discounts	(9.60)	(8.93)	7.6%
Net TV Advertising Revenues	215.76	199.53	8.1%
Other revenues	12.05	13.74	(12.3%)
<b>TOTAL NET REVENUES</b>	<b>227.81</b>	<b>213.27</b>	<b>6.8%</b>
Personnel	(17.93)	(17.40)	3.0%
TV Rights Amortisation	(40.07)	(35.67)	12.3%
Other Operating Costs	(66.20)	(65.09)	1.7%
Total Costs (1)	(124.20)	(118.17)	5.1%
<b>EBITDA adj **</b>	<b>103.61</b>	<b>95.10</b>	<b>9.0%</b>

\* Non audited figures

\*\* Post-rights amortisation

# Consolidated Profit & Loss Account (II)\*

(€million)	<u>1Q06</u>	<u>1Q05</u>	<u>%06/05</u>
<b>EBITDA**</b>	<b>103.61</b>	<b>95.10</b>	<b>9.0%</b>
Other Amortisation & Depreciation	(1.98)	(2.07)	(4.7%)
<b>EBIT</b>	<b>101.64</b>	<b>93.03</b>	<b>9.3%</b>
Equity Consolidated Results	15	22	(29.5%)
Financial Results	2.55	1.29	97.8%
<b>EBT</b>	<b>104.34</b>	<b>94.53</b>	<b>10.4%</b>
Income Taxes	(31.00)	(30.01)	3.3%
Minority Interests	(3)	(0)	-----
<b>Net Profit</b>	<b>73.31</b>	<b>64.52</b>	<b>13.6%</b>

\* Non audited figures

\*\*Post-rights amortisation



# Consolidated Balance Sheet\*

(€ml.)

	1Q06	2005
Tangible assets	63.59	65.21
Audiovisual Rights and Pre-payments	240.85	233.94
- Third Party Rights	171.77	160.28
- Fiction TV Rights	17.47	23.44
- Co-production / distribution	51.61	50.22
Pre-paid taxes	17.81	19.36
<b>TOTAL NON-CURRENT ASSETS</b>	<b>322.25</b>	<b>318.51</b>
Current assets	189.24	214.54
Financial investments and cash	454.46	360.28
<b>TOTAL CURRENT ASSETS</b>	<b>643.70</b>	<b>574.82</b>
<b>TOTAL ASSETS</b>	<b>965.95</b>	<b>893.33</b>
Shareholders' equity	649.18	571.15
Non-current Provisions	72.39	71.25
Non-current payables	3.84	1.45
Non-current financial liabilities	2.70	3.31
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>78.93</b>	<b>76.01</b>
Current Payables	236.68	245.01
Current financial liabilities	1.16	1.16
<b>TOTAL CURRENT LIABILITIES</b>	<b>237.84</b>	<b>246.17</b>
<b>TOTAL LIABILITIES</b>	<b>965.95</b>	<b>893.33</b>



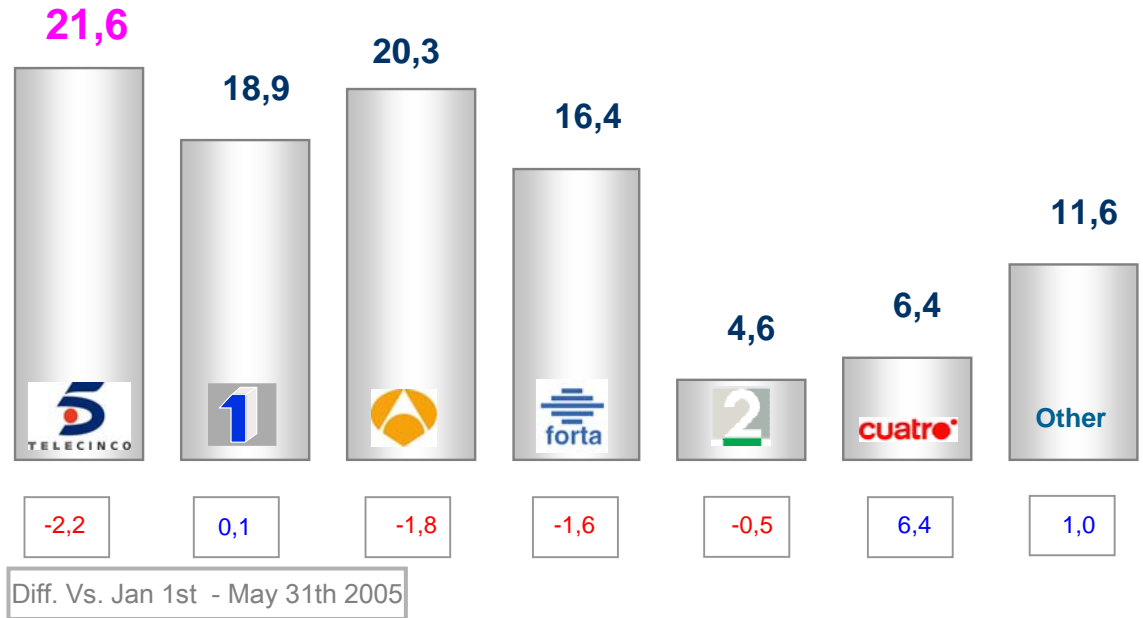
# TELECINCO | Back up Slides

## 2. Audience Share



# Audience Share Prime Time, January-May 2006

Audience share PRIME TIME (21:00-24:00), Total Individuals, from January 1st until May 31th

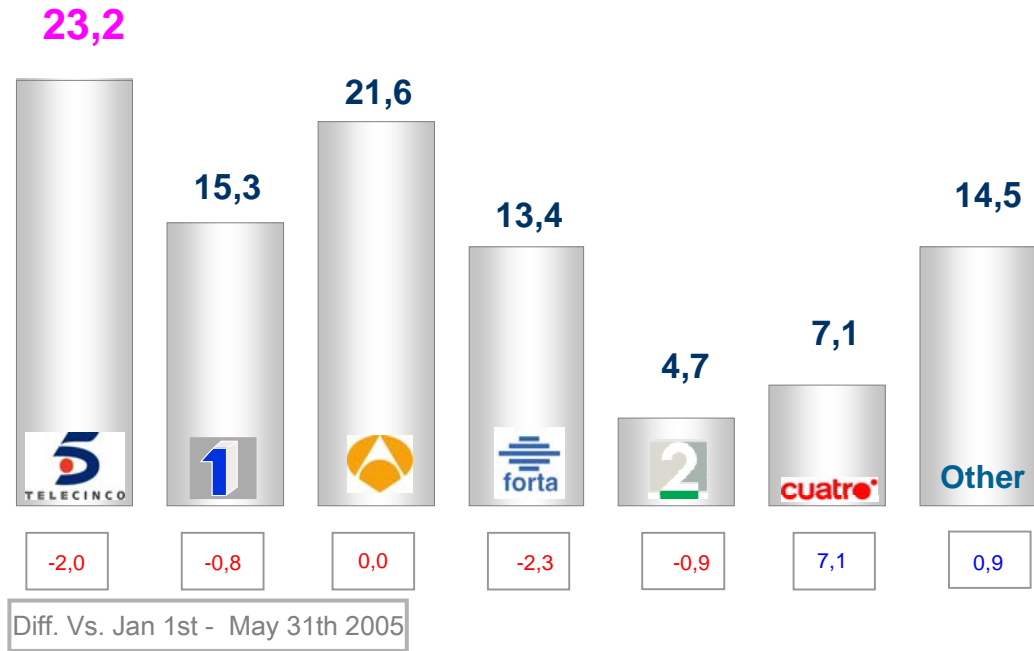


**Telecinco maintains its leadership in Prime Time**



# Audience Share Commercial Target, January-May 2006

Audience share 24h, Commercial Target\*, from January 1st until May 31th



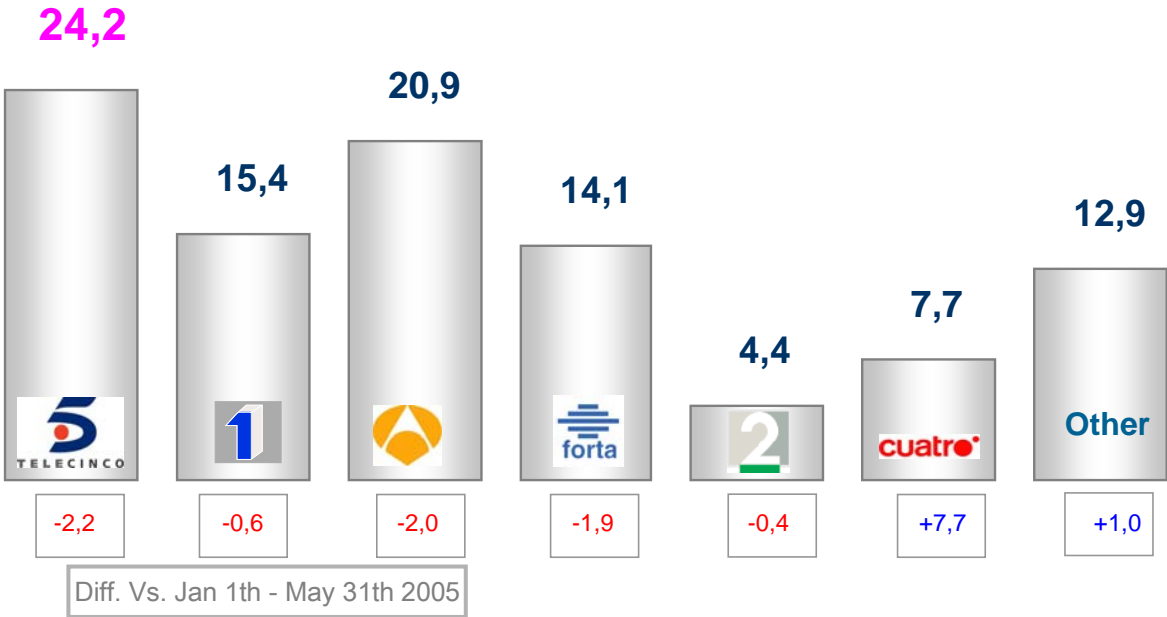
**Telecinco maintains its leadership in the most profitable audience**

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



# Audience Share Prime Time Commercial Target, January-May 2006

Audience share PRIME TIME (21:00-24:00), Commercial Target, from January 1st until May 31th



## Telecinco maintains its leadership far ahead of competitors

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



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June 2006



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