



ANNUAL GENERAL MEETING
14 APRIL 2010

SPEECH CHIEF EXECUTIVE OFFICER - MR GIUSEPPE TRINGALI

Good morning everybody,

For the next few minutes we will analyse and examine the performance of Grupo Telecinco's advertising business for 2009.

The economic crisis we all saw coming started to materialise in the last few months of 2008. For this reason, 2009 has been particularly complicated for everyone. The crisis has had a global impact and has affected all economic sectors, including our sector and our own company.

In our case, the inevitable fragmentation of audience was added to the steep drop in advertising spending.

To sum up, 2009 had two phases: the first one in which total advertising spend and TV advertising spend dropped by around 30%, and yet Telecinco managed to remain the leader in terms of revenue, which was our main objective; and a second one where the fall in total advertising spend and TV advertising spend slowed to approximately 13%, mainly due to a reduction of almost 50% in advertising space on publicly-owned TV channels as a result of the new financing regulation passed by the Government.

In this phase, Telecinco recovered the leading position in audience share for private channels in all time slots and focused heavily on its new digital channels (La Siete and FDF) before the summer, managing to almost triple their ratings. These circumstances have allowed us to close the second phase of the year as audience leaders and leaders in TV advertising market share, which recovered significantly in this period.

This point is especially relevant, as the recovery of the advertising spending share meant that we most of the money previously spent with TVE was now being spent with us. This recovery, in a market influenced by trends, means that what we achieved in such an important period as the last quarter is likely to happen again next year as long as the basic variables remain constant.

In conclusion, if we add together these two different phases, overall our group closed 2009 leading the market in all respects:

- Telecinco was the private TV channel with the largest audience share, both in terms of total day and prime time;
- Publiespaña, as confirmed by Infoadex, obtained the greatest TV billing volume and, therefore, the largest TV advertising market share in Spain.



- Publiespaña managed to keep Telecinco's rates above those of all its competitors;
- Our Group was once again the most profitable in its sector and one of the most profitable across all sectors in our country.

In spite of negative conditions in the market and the economy, our group has closed yet another year with positive figures.

Generally speaking now, it is also worth highlighting that 2009 brought about 3 regulatory developments that will help us through 2010.

The first one is the disappearance of advertising on TVE, which was initially cut down to 50% in the last quarter and is now 100%. Taking into account our position in terms of advertising spend, 2010 is shaping up to be a clearly positive year.

The second development is the merger act. The Government's permission for mergers and acquisitions between TV channels, as long as certain conditions are met, has allowed us to take advantage of what we think is the greatest market opportunity ever in our country. The announcement of the agreement to acquire TV channel Cuatro shows the leadership position we hold in the market. We all trust that the process will be completed shortly, allowing us to improve in all relevant metrics, providing an adequate service and meeting our clients' communication needs.

The third was the pay DTT concessions act. Whilst our company has not yet announced its intentions in this respect, the opportunity is there and we will have to carefully analyse our interests in the field.

We can conclude that these measures helped us towards the end of 2009, but they will do even more so throughout 2010. We are the most solid players in the market and therefore it is our duty to lead the change.

We are all witnessing changes taking place at several levels, not only on the economic front.

The media landscape evolves at the same pace as technology does. This means that all audiovisual platforms are growing significantly; for instance, advertising billboards are being replaced by audiovisual and interactive screens and there have been huge developments in pay TV in terms of advertising. Not to mention the Internet, which we do not regard as a competitor, but as a very relevant part of our future development.

Our company cannot remain indifferent to this situation. So, by means of Publimedia Gestión we have reached an important agreement with an audiovisual outdoor advertising agency (iWall) and continue to manage a pay TV platform, Multicanal.

Also, our Internet brand Advanced Media has added management agreements with relevant brands to Telecinco's website, which shows the largest number of visits and



users of all TV sites. This has made it one of the largest online video managers and placed it among the main online advertising marketing networks in Spain.

Our attention to all the most modern technological media and our consolidated track record in the audiovisual field, which represents the future of communication, will make us the most important multimedia group in the country.

Finally, I must thank all the professionals in content, production, advertising and management and all the members of the Telecinco group as a whole for their devotion, their efforts and their ability to face up to the most adverse circumstances and come out stronger.

Therefore, I have no doubt that, faced with this new scenario - in which there will be opportunities for those who know how to look for them - we will be able to capitalise on our work to obtain the best results once again, always in the same spirit of service to our clients that has characterised us up to now.

Thank you for your attention.