

GENERAL ORDINARY MEETING OF SHAREHOLDERS

28th OF MARCH 2012

CEO'S SPEECH: MR. GIUSEPPE TRINGALI

Good morning everyone.

In a meeting like this, nearly a year ago, we were only talking about *Telecinco* and its great result: we gained 35% of publicity investment from TVE, 30.8% increase of the total sales revenue and 32.1% leadership investment fee.

Today, as a conclusion for 2011, our first operating year after our fusion with *Cuatro*, we can speak of an important transformation within our group which, as *MEDIASET ESPAÑA*, disposes of more channels for our television spectators, more and better publicity profiles, with major technical resources and, above all, an even stronger group of people.

Let us take a moment to analyze the most important points of 2011:

1. Publicity's economical surrounding.
 2. Our publishing offer.
 3. Our commercial initiatives.
 4. Our results.
1. **REFERRING TO THE ECONOMICAL ENVIRONMENT OF 2011.**
- You are all aware of, the country's economic situation, that is why I do not want to repeat myself.,
- The 0.3% GDP (Gross Domestic Product) fall during the fourth trimester of 2011 confirms that the Spanish economy has not recuperated since the beginning of the crisis in 2008. The previsions for 2012 from the International Monetary Fund as well as the Bank of Spain, foresee around a 1.5% decline of the Spanish economy.
 - The employment rate has also increased its fall with more than half a million of full time jobs lost in a year.
 - The most sensitive macroeconomics variable for our clients, private consumption, decreased again during the last trimester of the year even though it was

Christmas time. Families have reduced their consumption due to the economical climax and the rise of unemployment.

- For these reasons, and according to recent data published by *INFOADEX*, the real estimated investment in the advertising market was 12.061 million Euros in 2011, which means -6.5% less than in 2010. Conventional media also dropped by -6% and television fell by -9.5%.

2. REFERRING TO OUR PUBLISHING OFFER.

Here we analyze the most important aspects of commercial communications for our advertisers.

The most important thing is to reinforce our multi-channel and multi-target strategy formed by:

- First of all *TELECINCO* and its general profile as leading channel for many years of commercial television.
- Secondly, *CUATRO*, orientated at a young urban audience, and with the best affinity to the commercial target within the important channels.
- *LA SIETE*, a reflection of the contents on *TELECINCO* and *CUATRO*.
- *FACTORÍA DE FICCIÓN*, the only existing channel dedicated exclusively to series and films.
- *BOING*, for our younger audience: infants and children.
- And since April, *DIVINITY*, a new channel aimed at our feminine audience which in just a short time has achieved excellent results. In fact, during the last month, *DIVINITY* has exceeded the 2.5% of audience in its *Core Target*: women from 16 to 44 years of age.
- And now in 2012, the 9th of January to be exact, *MEDIASET ESPAÑA*, has completed its offer of channels by launching *ENERGY*. This new channel is mainly focused on the masculine audience, young and urban, during the first month it exceeded 1% of *Core Target*.

3. REFERRING TO OUR MAIN COMMERCIAL INITIATIVES:

After acquiring *CUATRO*, and therefore, after the formation of the largest Spanish audiovisual communication group, during the first trimester of 2011 we finished specifying the integration of all our commercial group in a record space of time, being obliged to take the initiative of a new commercial policy in accordance with the agreements signed with the National Competence Commission.

The second initiative was to adapt, in the middle of the year, our commercial policy to the markets needs: simplifying the planning and management of campaigns on our channels.

MEDIASETespaña.

In August 2011 we launched our advertising chain *NOSOLOFDF*. Formed by three channels which share the same target: *FACTORIA DE FICCIÓN*, *LA SIETE Y DIVINITY*. *NSF* became the advertising chain theme leader and the best compliment for *TELECINCO*.

The commercialization of *TELECINCO*'s module becomes a mixed sales system as we unify the advantages with *NSF* modules offers.

Thirdly, if there has been a measure of special value for our clients during 2011, this has to be the new policy of Short Blocks in *Prime Time*.

Our promise, effective as of the 1st April of 2011, states the following:

"90% of our Prime Time blocks will have an equal or less six minutes advertising break".

Furthermore, a recent investigation carried out by the investigations institute *CIMEC* confirms something which is evident but proof is needed, that is: *we remember publicity more when the duration of the advertising break is reduced*.

Not only does the memory of the publicity increase, but even more importantly, the recommendation of a brand increases, due to the audience remembering and recommending the brands that appear in shorter advertising breaks.

In particular, the memory and recommendation of publicity brands advertised in blocks of less than six minutes, are 30% better than average. Even being a 55% superior to those advertising breaks of more than six minutes in duration.

Nowadays we are constantly fulfilling our promises, since February of this year 95% of our advertisement breaks on *Prime Time* are less than six minutes in duration.

Fourthly, during 2011 we have had to adapt our Special Initiative offer to the new General Law of Audiovisual Communication, in force since August 2010.

We have opened new creative ways such as virtual product placement, also elaborated *branded content* and other new projects for our clients.

In fifth place, last November we presented our 2012 new season to Advertisers and Media Agencies. With the help of the most well known faces of our channels we showed our television offer to the Market, proving we have the most complete offer on television, enriching itself with the broadcast of the *Copa Del Rey* and *UEFA* football matches, as well as two of the biggest worldwide sports events: the Motorcycle Championship and the Eurocup Football.

In sixth place, but no less important, has been the launching of *MEDIASET ESPAÑA*'s support for the brands.

Remember that in 2009 we were the first to make campaign in favor of brands.

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On this occasion we know that our clients are living difficult times and this is why we have to insist making the most of the Christmas campaigns, on the values that the brands transmit to us, which can be resumed as: QUALITY, INNOVATION AND CONFIDENCE.

With the principle claim on the defense of variety and freedom of choice, the campaign was formed by eight different creativities and the collaboration of 12 of our well known faces, programmed for all of our channels and exceeded 75% population coverage.

Afterwards, they assigned a space for *PROMARCA*, an association of the leading brand manufactures of our country, insisting on the values a consumer gains by buying brand leaders.

Fianlly, during the last few months we have been renovating *PUBLIESPAÑA*’s and *PUBLIMEDIA GESTIÓN*’s web site. We want it to become the display case of our company, with a clear commercial vocation, an easy, intuitive and audiovisual navigation, and where our clients can find all the useful information about our group and our media.

4. REFERRING TO OUR RESULTS:

In 2011 *PUBLIESPAÑA* reached 43.6% share of the television advertising market according to *INFOADEX*’s recently published figures.

PUBLIMEDIA GESTIÓN faced a year of challenges and opportunities after taking on the advertising expenses of channels produced by *PRISA TV* and incorporating itself to *CHELLO MULTICANAL* in the service of *ONO Television*, increasing their billing by 40%.

This allowed *PUBLIESPAÑA* to become, within the different offers, one of the main payment television operators of our country.

with regards to the on-line area, as well as the Web pages already managed by *PUBLIMEDIA GESTIÓN* during 2011the following were also incorporated *CUATRO.COM*, *MITELE.ES* and the new platform of videos of *MEDIASET ESPAÑA*.

Refering to the External Digital Advertising, we have also opted for innovation in *IWALL INSHOP* incorporating enlarged reality actions, 3D publicity, sensory sound experiences, tactile, kinetic and even olfactory.

Speaking now about 2012, apart from our strong program proposal, the area in charge of the contents has started up three social initiatives by the name “12 months, 12 causes”:

- Organ Donation, which is already having great results.
- A healthy life and the practice of sports.

MEDIASETespaña.

· Looking after the Planet.

The new dimension our company has achieved in the Audiovisual Market added to the difficult situation we are experiencing in our country, forces us to complement our important role as a television of entertainment with these social initiatives.

We consider that these initiatives are teaching important values which are very appreciated by our advertisers.

I would like to finish saying that we know that future is still uncertain, but we shall do everything to obtain the best results and be nearer to our clients, with the maximum compromise.

Thank you for your attention.