



**Atresmedia
Publicidad**



ATRESMEDIA PUBLICIDAD



Coverage, quality and service

The year 2012 has not been an easy one for the advertising market in the conventional media. The adverse economic environment has led to a reduction in consumer consumption and the consequent reduction in the advertisers' advertising budgets. However, once again this year **Atresmedia Publicidad** has performed better than the market as a whole.

Advertising spending fell by 15.8% in 2012 compared to the previous year. The fall was generalised across all the media, including the Internet, which after recording strong initial increases started to fall around the middle of the year.

Despite everything, **Atresmedia Publicidad** has retained its fierce intention to defend the value of its product and the richness of its formats so that it can widen the gap with its competitors, increasing its commercial effectiveness.

As a result, **Atresmedia Publicidad's** 2012 advertising policy has been defined on the basis of the quality of the product, service, innovation and commitment. Evidence of that is the new services added, such as tools to predict the success of a particular advertising campaign and the reason for its success.

Similarly, guided by the desire to contribute value added in the market, campaigns have been launched to support the Spain brand by providing slots in the international channel that have been used by exporting companies. Through Promarca, **Atresmedia Televisión** has involved its television presenters to demonstrate the level of consumer confidence in the brands. However, that is not all. It has also organised the "El Producto del Año" (**The Product of the Year**) competition, where users vote on the most innovative items during the year.

Innovation is creativity

Society is changing and consumers are adopting new consumption habits. This unstoppable trend has its effect on advertising as well, which is why innovation is now essential to obtaining greater profitability. During 2012 **Atresmedia Publicidad** has been a pioneer in the launch of advertising products, such as the pre-roll spots in the **Formula 1** coverage or advertising through the interactive application **ANT 3.0**.



If in the latter part of 2011 **Atresmedia** made a public commitment to its viewers and advertisers, in 2012 it established its unique model for understanding and selling TV. A model with guarantees for the advertiser and the viewer, in which the advertiser knows, with no shocks or surprises, the environment in which its messages are going to be transmitted to an audience that is comfortable watching TV.

This year **Atresmedia Publicidad** has added other benefits to its famous commitment to a “coverage guarantee” in its campaigns. These include “maximum concentration of GRPs by program”, “express awarding” and responsibility in the reinforced protection schedule.

However, if there is one landmark to highlight for the audiovisual industry in 2012, it is the merger with **laSexta**. **Atresmedia Publicidad** has seen two very distinct periods: the first nine months of the year, in which the main objective was to grow the share of investment through a defensive pricing strategy against a larger competitor; and the final quarter of the year, in which the focus has been on achieving the greatest synergies between the new family of seven channels resulting from the merger.

Overall, from January to December television suffered a fall of -18.9%. Despite that, **Atresmedia Publicidad** has increased its market share reaching a cumulative level of 35%, according to the annual investment report published by Infodex.

[The integration of laSexta, has multiplied the efforts to achieve the greatest synergies among the new family of seven channels resulting from the merger.]

Channels	2012	2011	% '12/'11	Share '12	Share '11
Total TV	1,815.3	2,237.2	-18.9	100.0	100.0
Mediaset España	821.5	975.0	-15.7	45.3	43.6
Atresmedia (*)	639.0	681.5	-6.2	35.2	30.5
Grupo La Sexta (*)	115.0	255.0	-54.9	6.3	11.4
Rest of the national free to air television	42.1	36.5	15.6	2.3	1.6
Total national free to air television	1,643.9	1,977.0	-16.8	90.6	88.4
Total regional television	126.8	198.0	-36.0	7.0	8.9
Total pay-TV stations	43.1	60.2	-28.5	2.4	2.7
Total local television	1.5	2.0	-25.0	0.1	0.1

(*) Grupo La Sexta includes the investment for the period January-September 2012. From 1 October this is included in Grupo Antena 3 TV.

Moreover, its special services have played a crucial role in 2012, since in an environment of falling investment, this type of advertising has remained stable, increasing its presence by 0.6%. One of the main drivers for this type of advertising has been the inclusion of the **Formula 1** in our commercial offer, which has enabled advertisers and agencies to have access to the world's greatest advertising show.

[The Formula 1 has enabled advertisers and agencies to have access to the world's greatest advertising show.]



Integration with laSexta: the birth of a new advertising offer

In October 2012, following the integration of the family of **laSexta** channels into **Atresmedia Publicidad**'s services, a new business proposal was established, designed to meet the communication needs of all television advertisers, regardless of their specific characteristics. The result has been three distinct products that have been very warmly welcomed in the market:

- **Atres Cobertura:** This includes **Antena 3**, **Nova**, **Nitro**, **laSexta3** and **xplora**. This product, due to the diversity of the audiences it covers, offer leadership in coverage to be retained at the same GRP's.
- **Atres Afinidad:** This brings together **Neox** and **laSexta**. It becomes the product with the greatest affinity with the qualitative targets and of most commercial interest, offering advertisers the chance to buy with a guaranteed impact on their core targets.
- **Atres Independiente:** Facilitates the individual purchase of any channel with preferential treatment in the awarding of slots over the other products. This makes it easier for brands that wish to link to very specific content and profiles.

Onda Cero and Europa FM, better performance than the market

Radio, the most stable media format, began in 2012 to feel the effects of the crisis and fell by around 13%. Despite this situation, **Atresmedia Publicidad** has performed better than the market average.

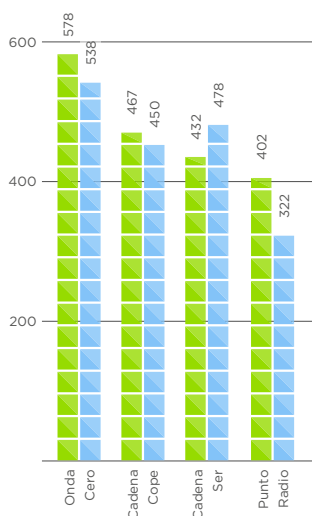
In the third wave of the EGM in 2012, **Onda Cero** again increased the success of its audience figures with a growth of about 7% compared to 2011, consolidating its position as the leading general station for much of the Spanish population. However, it is in advertising where it has become the industry leader, since the good results in quantitative terms are complemented by the level of special mentions and solutions, as it has opinion leaders across its whole schedule.

The position of **Europa FM** is similar: it has seen increases in its audience and revenue, even though the music market is stagnant.

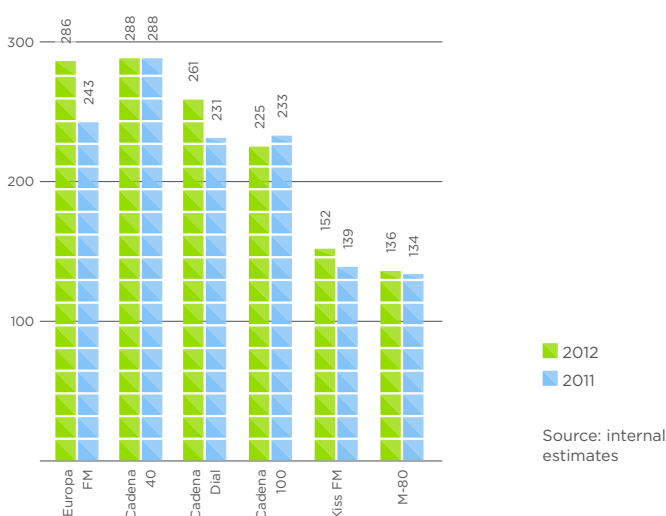
All these facts have led to our customers trusting in us and as a result, **Onda Cero** has become the station with the most advertisers among the generalists and **Europa FM** is the fastest growing of the themed stations.

[Onda Cero has become the station with the most advertisers among the generalists and Europa FM is the fastest growing of the themed stations.]

Nº anunciantes '12 vs '11 cadenas generalistas



Nº anunciantes '12 vs '11 cadenas fórmula



Internet: sustained growth

The online product from **Atresmedia Publicidad** has experienced strong growth in sales. The advertising formats offered today have registered double-digit growth in a market that, according to IAB, has for the first time seen falls in display advertising, which have been offset by the growth in search engines.

According to Comscore, throughout 2012, more than 700 million videos have been released, which make us the leading commercial station for online videos. The **Atresmedia Publicidad** network, with 5 million unique users, 236 million page views and 80 million video downloads a month, features solid communication formats such as antena3.com, lasexta.com, ondacero.es and europafm.com.

The management of the client portfolio has been satisfactory since market penetration has been increased through adding ten new advertisers this year. In addition, our regular customers have increased their investment by 27%.

On the Internet there has been no shortage of examples of brands that have linked to the content through original special campaigns, in which active participation in the social networks has played a part and further steps have been taken towards multiplatform advertising.

Finally, the launch of new products such as the interactive application **ANT 3.0** that allows people to receive exclusive television content and interact with it, has enormous advertising potential that will set the advertising trend for the coming years.

[The interactive application ANT 3.0 allows users to receive exclusive television content and interact with it.]



New businesses

Web pages of Ganing Casino and Canal Bingo.

Pioneers in innovation

The purpose of the New Business area is to look for and obtain new income sources for **Atresmedia** through the commercial exploitation of its brands and the development of interactive formats.

The key to success is being able to anticipate the future, adapting the business models to the changing legal environment and market trends.

Antena 3 was the first national channel to implement commercial formats based on the new technologies, such as the launch of Premium SMS in 2001, Call TV in 2006, promotions in the press with the distribution of DVD's, also in 2006, Poker events in 2008, Astrology programmes in 2009, Roulette in 2012 and Bingo in December of that year.

The New Businesses team works in close coordination with the other areas of the company. Their production or operations are not usually left in the hands of third parties, since they keep tight control over all releases to ensure that they reach the users in the desired conditions.

The New Business Area consists of two departments: Special Products and Licenses.

Special products

After successfully completing all the necessary requirements, on 1 June 2012 the company **Antena 3 Juegos SAU** obtained a general license for "competitions" and "other games". Both are part of the process established by the online gaming regulations implemented by the Ministry of Finance.

This has created an opportunity to look at new business ideas arising from the launch of the **Ganing Casino** and **Canal Bingo** projects, which use television programmes and campaigns to encourage registration on the gaming websites www.ganing.es and www.canalbingo.es.

On the gaming websites, revenue generation occurs during the sessions in which the users participate throughout their lifetime as registered customers. This allows the generation of revenue to be decoupled from television consumption, contrary to what happens with other forms of interactivity, or with advertising itself, which generate revenue primarily during the hours in which the programme is broadcast.

Both **Gaming Casino** and **Canal Bingo** have been pioneers in the development of roulette and bingo on television through live programs. New game modes will be added during 2013.

During the year, the New Business area also managed other formats, such as dating, teleshopping, astrology, competitions and poker, either promoted internally or by third parties. With these it has created a portfolio of programmes that optimise revenue through the early morning slot on the **Atresmedia Televisión** channels.

La Llamada Millonaria has once again this year focussed on SMS competitions for the viewer, with a simple and enjoyable game and more than half a million euros in prizes awarded during the year. By not using a pull push SMS mechanism (in which the greater the number of messages sent by the user, the greater the likelihood of winning) and instead relying on subscription, all participants have the same opportunities.

So the advantage of professional players or “heavy users” in this type of competition is removed, favouring a simpler, more convenient and more equal game. **La Llamada Millonaria** sends a maximum of 12 monthly alerts to users, which is less than the maximum allowed by the telephone operators. The service is provided with great transparency for the user and good customer service, which has led to us being recognised as the television station with the fewest complaints in this field.

In the process of integrating **laSexta**'s teletext with that at **Antena 3**, the advertising investment of the portfolio of advertisers from **laSexta** has been successfully safeguarded, which has led to an increase of around 40% in turnover in this area.

Licenses, merchandising, publishing and promotions

After the excellent results obtained by board games in the previous year, there is still a strong focus on this area of merchandising, adding new releases such as the **Juego de Experimentos** under the **El Hormiguero** brand. It has also added a pet to the **¡Ahora Caigo!** programme, which has allowed for the release onto the market of another character to join **Trancas and Barrancas** at the point of sale.



The series **El Secreto de Puente Viejo** has become a publishing success with 40,000 copies of the first book sold. This led to the release of the second book in October. Programmes like **El Hormiguero 3.0**, with two books published this year, have brought stability to this business area.

[The service is provided with great transparency for the user and good customer service, which has led to us being recognised as the television station with the fewest complaints in this field.]





The promotional strategy this year has focused on working with related companies. In this regard, an agreement was reached with the publisher Planeta to launch a selection of catalogue titles such as *Palmeras en la Nieve*; or the latest novel by *María Dueñas, Misión Olvido*, with very good results. An agreement has also been signed with Casa del Libro for the launch of its new tablet.



Atresmedia Eventos

Brand initiatives

Atresmedia Eventos continues to focus on creativity and innovation in the production and organisation of major events. In 2012 it launched five new initiatives which added to classics like the *Ponle Freno race*.

Hundreds of thousands of people have enjoyed the music, film, sport and leisure events run by **Atresmedia Eventos**. Equally, dozens of advertisers have associated their images with these events, including companies such as Gas Natural, Energizer, Asics, Ford, Leche Pascual and Movistar.

Bico, the first of these, extended the range of participants in an unusual sports event, based on the less demanding discipline of the popular duathlon. Over 2,000 people took part in this fun day held in April at La Casa de Campo in Madrid.

Continuing with the promotion of sport, and closely linked to the *El Estirón* initiative, we have the *De marcha con El estirón*. A popular race format for children and their families, which aims to raise awareness about the importance of physical exercise in preventing childhood obesity.

So, on Sunday 20 May thousands of families gathered in the Warner Park Madrid to wait for the starting pistol signalling the beginning of this walk to encourage physical activity in children. After the race, young and old alike also enjoyed the attractions in the park.



With **Fórmula Campus**, another of the events held, **Atresmedia Eventos** set the challenge of bringing the experience of a Formula 1 Grand Prix to everyone. As a result, it organised a three-day camp in the vicinity of the City of Arts and Sciences in Valencia, where people could go before and after the race.

Ponle Freno Race.

Christmas is and will always be a great excuse for new initiatives. **Atresmedia Eventos** wanted to create a new children's entertainment area in the mornings during the Christmas holidays. **Navifun** was the name used for this project involving nearly 15,000 people who had fun in the twelve different rooms, with magicians, mime artists, clowns, puppets, storytelling, and music and dance workshops.

Ponle Freno Race, new record

Once again this year, **Atresmedia Eventos** has boosted the success of what is already known as one of the major events in the popular racing calendar for Madrid. The 4th year of **La Carrera Ponle Freno** again broke its record for the number of participants. The limit of 15,000 runners was reached one week before the race.

With an open invitation to all kinds of runners, participants and their family members, they again came together to raise money for road safety projects.

The year 2012 also witnessed the holding of the 2nd edition of **Madrid Premiere Week**, the first commercial film festival. This time the red carpet was rolled out in both the emblematic Callao Square (Madrid) and in the Kinopolis cinemas to accommodate the nearly 6,500 guests and an influx of more than 10,000 fans who attended the premieres of **Amanecer Parte 2**, **Asterix y Obelix**, **Fin** and **Fenómenos**.

[The Ponle Freno Race again beat its own record for participation with the limit of 15,000 registered runners being reached.]

Major music events

Another initiative that is gaining prestige each year is the **Europa FM in concert**. Under this label, the famous Pitbull, one of the most important international artists on the current music scene, delighted the audience with three large concerts across Spain. More than 30,000 people packed the Pabellón Olímpico in Barcelona, the Palacio de Vistalegre in Madrid and the Plaza de Toros in Valencia to enjoy his greatest hits.

During 2012 **Atresmedia Eventos** has also worked on the creation and launch of the first ever **Musicland**. A festival where the public could enjoy two packed days of indie, hip hop and electronic music performances.

The organisation of the Fiestas de Móstoles (Madrid) also was entrusted to **Atresmedia Eventos**, which was responsible for managing and organising seven large concerts with the highlights including performances by Ana Torroja, Juan Magan, Fangoria and Love of Lesbian.

The most popular music on the internet also entered into the company's portfolio. **Atresmedia Eventos** was commissioned to produce **YouFest**, the festival of the Youtube generation. Two days, four stages, live music, screenings, lectures, extreme sports and the most amazing mashups with the great stars of the Internet took place in Madrid last September.