



**GRUPO ANTENA 3**

**FINANCIAL RESULTS JANUARY-MARCH  
2008**

**31 March 2008**



Antena 3 Group's consolidated figures have been prepared in accordance with International Financial Reporting Standards (IFRSs), taking into consideration all accounting principles and rules and all obligatory measurement bases, as well as the alternatives permitted by IFRSs in this respect.

In order to make the comparisons uniform, the income statements of the individual companies are prepared in accordance with IFRSs.



1.	ANTENA 3 GROUP	3
1.1	Consolidated income statement (IFRS)	3
1.2	Contribution to net income and profits (IFRS)	4
1.3	Consolidated balance sheet (IFRS)	5
1.4	Consolidated cash flow statement (IFRS)	6
1.5.	Comments on the Antena 3 Group	7
1.5.1	Net income	7
1.5.2	Operating expenses	7
1.5.3	Gross profit from operations	8
1.5.4	Profit before tax	8
1.5.5	Consolidated profit for the year	8
1.5.6	Generation of cash flow and cash flow position	8
2.	ANTENA 3 TELEVISION	9
2.1	Income statement (IFRS)	9
2.2	Comments on Antena 3 Televisión	10
2.2.1	Audience figures	10
2.2.2	Net income	11
2.2.3	Operating expenses	12
2.2.4	Gross profit from operations	12
2.2.5	Profit before tax	12
3.	UNIPREX	13
3.1	Income statement (IFRS)	13
3.2	Comments on UNIPREX	14
4.	OTHER ACTIVITIES	15
4.1	Contribution to net income and profits (IFRS)	15

## 1. ANTENA 3 GROUP

### 1.1 Consolidated income statement (IFRS)

Thousands of Euros	Jan-Mar 2008	Jan-Mar 2007	Change
Sales	215,102	235,207	(8.5%)
Ordinary income	201,516	219,597	(8.2%)
Other income	15,877	25,350	(37.4%)
<b>NET INCOME</b>	<b>217,393</b>	<b>244,947</b>	<b>(11.2%)</b>
<b>OPERATING EXPENSES</b>	<b>158,021</b>	<b>173,161</b>	<b>(8.7%)</b>
<b>Gross profit from operations</b>	<b>59,372</b>	<b>71,786</b>	<b>(17.3%)</b>
Depreciation and amortisation charge	4,229	4,681	(9.7%)
<b>Profit from operations</b>	<b>55,143</b>	<b>67,105</b>	<b>(17.8%)</b>
Financial loss	(10,251)	(5,103)	100.9%
Net impairment losses reversed	8	8	n/a
Share of results of associates	(38)	(37)	2.7%
Net gain on non-current assets	312	192	62.5%
<b>Profit before tax</b>	<b>45,174</b>	<b>62,165</b>	<b>(27.3%)</b>
Income tax expense	13,841	17,498	(20.9%)
<b>Profit for the period</b>	<b>31,333</b>	<b>44,667</b>	<b>(29.9%)</b>

Note: Unaudited figures for the 1<sup>st</sup> Quarter of 2008 and 2007

## 1.2 Contribution to net income and profits (IFRS)

Thousands of Euros	Jan-Mar 2008	% of total	Jan-Mar 2007	% of total
<b>NET INCOME</b>				
A3 TELEVISION	187,594	86.3%	213,572	87.2%
UNIPREX	23,473	10.8%	24,511	10.0%
OTHER	6,326	2.9%	6,864	2.8%
<b>TOTAL</b>	<b>217,393</b>	<b>100.0%</b>	<b>244,947</b>	<b>100.0%</b>
<b>GROSS PROFIT FROM OPERATIONS</b>				
A3 TELEVISION	52,768	88.9%	64,437	89.8%
UNIPREX	7,894	13.3%	8,203	11.4%
OTHER	(1,290)	(2.2%)	(854)	(1.2%)
<b>TOTAL</b>	<b>59,372</b>	<b>100.0%</b>	<b>71,786</b>	<b>100.0%</b>
<b>PROFIT FOR THE PERIOD</b>				
A3 TELEVISION	27,402	87.5%	38,592	86.4%
UNIPREX	5,620	17.9%	7,275	16.3%
OTHER	(1,689)	(5.4%)	(1,200)	(2.7%)
<b>TOTAL</b>	<b>31,333</b>	<b>100.0%</b>	<b>44,667</b>	<b>100.0%</b>

Note: Unaudited figures for the 1<sup>st</sup> Quarter of 2008 and 2007

### 1.3 Consolidated balance sheet (IFRS)

Thousands of Euros	31 March 2008	31 December 2007
<b>ASSETS</b>		
Goodwill	200,095	200,095
Other intangible assets	49,315	43,247
Property, plant and equipment	71,697	74,334
Investments accounted for using the equity method	1,352	1,510
Deferred tax assets	46,149	48,761
Other non-current assets	562	753
<b>NON-CURRENT ASSETS</b>	<b>369,170</b>	<b>368,700</b>
Programme rights	255,017	258,779
Inventories	3,523	3,758
Trade and other receivables	217,821	264,387
Current financial assets	5	0
Current tax assets	6,091	4,853
Other current assets	2,172	2,640
Cash and cash equivalents	8,222	20,064
<b>CURRENT ASSETS</b>	<b>492,851</b>	<b>554,482</b>
<b>NON-CURRENT ASSETS OF DISCONTINUED OPERATIONS</b>	<b>463</b>	<b>463</b>
<b>TOTAL ASSETS</b>	<b>862,484</b>	<b>923,645</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	158,335	158,335
Restricted reserves	40,281	43,710
Retained earnings	120,889	252,583
Treasury shares	(45,605)	(45,605)
Interim dividends	0	(83,386)
<b>EQUITY</b>	<b>273,900</b>	<b>325,637</b>
Bank borrowings	143	143
Long-term provisions	785	785
Other non-current liabilities	89,317	84,791
<b>NON-CURRENT LIABILITIES</b>	<b>90,245</b>	<b>85,719</b>
Bank borrowings	61,742	156,222
Trade and other payables	197,500	212,630
Other financial liabilities	6,911	6,354
Short-term provisions	74,774	76,781
Current tax liabilities	45,570	32,925
Other current liabilities	110,890	26,425
<b>CURRENT LIABILITIES</b>	<b>497,387</b>	<b>511,337</b>
<b>LIABILITIES DIRECTLY ASSOCIATED WITH NON-CURRENT ASSETS OF DISCONTINUED OPERATIONS</b>	<b>952</b>	<b>952</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>862,484</b>	<b>923,645</b>

Note: Unaudited figures for the 1<sup>st</sup> Quarter of 2008 and 2007

## 1.4 Consolidated cash flow statement (IFRS)

Thousands of Euros	31-mar 2008
<b>1.- CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Consolidated profit for the period before tax	45,174
Adjustments for:	15,637
- Depreciation/Amortisation	4,229
- Provisions and others	1,156
- Financial profit (loss)	10,251
Changes in working capital	34,451
<b>Net cash flows from operating activities</b>	<b>95,262</b>
<b>2.- CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Investments	(10,635)
Subsidiaries, joint ventures and associates	(150)
Property, plant and equipment and intangible assets	(10,485)
Divestments	500
Group companies, joint ventures and associates	500
<b>Net cash flows from investing activities</b>	<b>(10,135)</b>
<b>3.- CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Financial results collected (paid)	(2,487)
Capital reduction	(94,482)
<b>Net cash flows from financing activities</b>	<b>(96,969)</b>
<b>NET INCREASE/DECREASE IN CASH</b>	<b>(11,843)</b>
Cash and cash equivalents at beginning of period	20,064
Cash and cash equivalents at end of period	8,222

Note: Unaudited figures for the 1<sup>st</sup> Quarter of 2008 and 2007

## 1.5. Comments on the Antena 3 Group

### 1.5.1 Net income

The Group's net income for the first quarter of 2008 was EUR 217.4 million, compared to EUR 244.9 million in the same period of 2007.

The evolution of the advertising market in conventional media was negative in this quarter, declining by around 4% compared to 2007 according to in-house estimates. The negative growth in the market was due basically to poor performance in March caused by the Easter holiday period and general elections in Spain.

The contribution of each of the Group's lines of business to consolidated net income in the first quarter of 2008 was in line with the first quarter of 2007.

### 1.5.2 Operating expenses

Cumulative operating expenses in March 2008 were 8.7% less than in 2007.

The reduction in the first quarter of 2008 was mainly due to savings achieved in television programming costs and the variable remuneration plan, which is based on the share price. The reduction in cost of the variable remuneration scheme was, however, offset by higher financial charges in respect of the hedges arranged.

### **1.5.3 Gross profit from operations**

The cumulative gross profit from operations at March 2008 amounted to EUR 59.4 million, compared to the EUR 71.8 million obtained in the same period of 2007. The cumulative net profit margin was 27.3% at March 2008.

Antena 3 Televisión made the biggest contribution to consolidated gross profit from operations, accounting for a total of 88.9%.

### **1.5.4 Profit before tax**

The Group incurred a financial loss of EUR 10.3 million. This basically reflects the cost of the hedges arranged by the Group, as explained above, and charges on bank borrowings.

The cumulative profit before tax at March 2008 was EUR 45.2 million, compared to EUR 62.2 million in the same period of 2007.

### **1.5.5 Consolidated profit for the year**

Consolidated profit for the first quarter of 2008 amounted to EUR 31.3 million, compared to EUR 44.7 million in the first quarter of 2007.

### **1.5.6 Generation of cash flow and cash flow position**

Positive net cash flow from operating activities was EUR 95.3 million at 31 March 2008.

The Group had a negative net financial position of EUR 53.7 million, an improvement of EUR 82.6 with respect to December 2007.

## 2. ANTENA 3 TELEVISION

### 2.1 Income statement (IFRS)

Thousands of Euros	Jan-Mar 2008	Jan-Mar 2007	Change
Advertising sales	182,372	201,120	(9.3%)
Revenue	173,747	192,152	(9.6%)
Other income	15,944	23,241	(31.4%)
<b>NET INCOME</b>	<b>189,690</b>	<b>215,393</b>	<b>(11.9%)</b>
<b>OPERATING EXPENSES</b>	<b>137,314</b>	<b>150,411</b>	<b>(8.7%)</b>
<b>Gross profit from operations</b>	<b>52,376</b>	<b>64,982</b>	<b>(19.4%)</b>
Depreciation and amortisation charge	3,074	3,463	(11.2%)
<b>Profit from operations</b>	<b>49,303</b>	<b>61,519</b>	<b>(19.9%)</b>
Financial profit (loss)	(10,301)	(5,493)	n/a
<b>Profit from ordinary activities</b>	<b>39,002</b>	<b>56,026</b>	<b>(30.4%)</b>
Net impairment losses reversed	2,327	4,269	(45.5%)
Net gain (loss) on non-current assets	(31)	198	n/a
<b>Profit before tax</b>	<b>41,298</b>	<b>60,493</b>	<b>(31.7%)</b>
Income tax	12,159	17,545	(30.7%)
<b>Profit for the period</b>	<b>29,138</b>	<b>42,948</b>	<b>(32.2%)</b>

Note: Unaudited figures for the 1<sup>st</sup> Quarter of 2008 and 2007

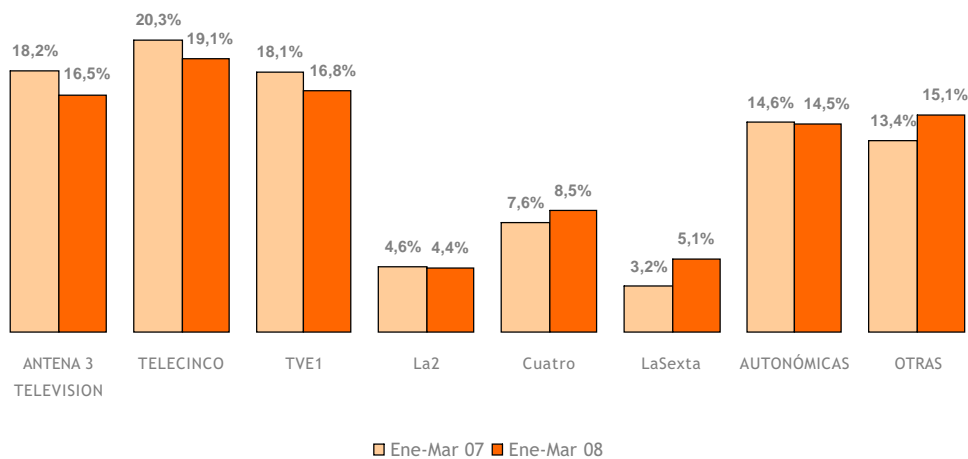
## 2.2 Comments on Antena 3 Televisión

### 2.2.1 Audience figures

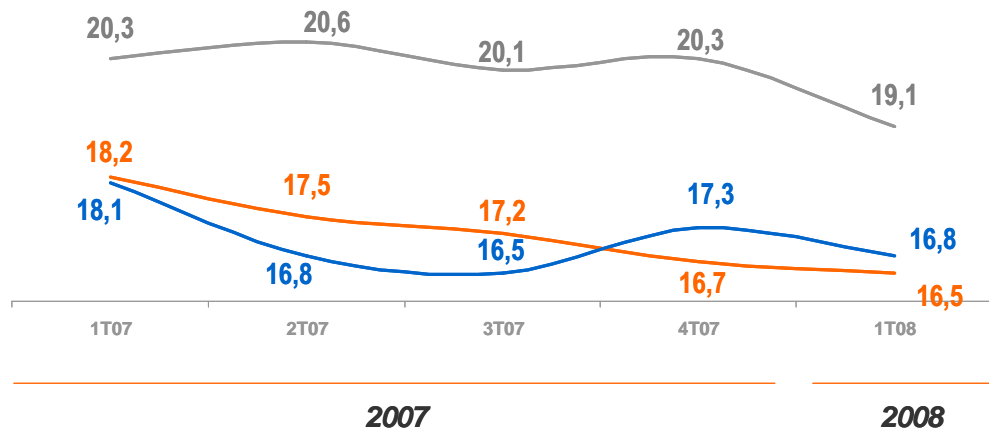
The cumulative average audience share at March 2008 was 16.5%. Audience share (total individuals) continued to fragment in the first quarter in favour of the two new channels (Cuatro and La Sexta) and of the remaining channels grouped under "Other", which includes the new digital channels.

In the period January-March 2008, Antena Neox was the leader in all target markets in digital broadcasting. The channel's share of total individual viewers was 0.49%, while the share of the family target audience was 0.79% and of the commercial target market 0.50%. Antena.Nova also performed well, becoming the third option for all target audiences

AUDIENCE SHARE (January - March)



Source Sofres. Total individuals. 24h



Source Sofres. Total individuals. 24h

## 2.2.2 Net income

Cumulative net income at March 2008 amounted to EUR 189.7 million, compared to EUR 215.4 million at 31 March 2007.

Based on Company estimates, the television advertising market shrank by around 3% in 2008 compared to 2007. This decline was due to the Easter holiday period and the Spanish general elections in March. Antena 3 Televisión's share in the market is around 24%.

### **2.2.3 Operating expenses**

Operating expenses amounted to EUR 137.3, 8.7% less than the cumulative figure at March 2007.

This saving was mainly due to the reduction in analog programming costs in order to cushion the fall in the advertising market in the first quarter of 2008. Variable expenses linked to income and the share price also fell.

### **2.2.4 Gross profit from operations**

The cumulative gross profit from operations at March 2008 amounted to EUR 52.4 million, compared to the EUR 65.0 million obtained in the same period of 2007. The net profit margin was 27.6%.

### **2.2.5 Profit before tax**

Profit before tax was EUR 41.3 million compared to EUR 60.5 million in the same period in 2007.

### 3. UNIPREX

#### 3.1 Income statement (IFRS)

Thousands of Euros	Jan-Mar 2008	Jan-Mar 2007	Change
Revenue	24,563	24,537	0.1%
Other income	604	1,228	(50.8%)
<b>NET INCOME</b>	<b>25,167</b>	<b>25,765</b>	<b>(2.3%)</b>
<b>OPERATING EXPENSES</b>	<b>19,426</b>	<b>18,849</b>	<b>3.1%</b>
Gross profit from operations	5,741	6,916	(17.0%)
Depreciation and amortisation charge	843	921	(8.5%)
Profit from operations	4,898	5,995	(18.3%)
Financial loss	(148)	23	n/a
Profit from ordinary activities	4,750	6,018	(21.1%)
Net impairment losses recognised	151	(168)	n/a
Net loss on non-current assets	(1)	(6)	86,2%
Profit before tax	4,900	5,844	(16.2%)
Income tax	1,427	0	n/a
Profit for the period	3,473	5,844	(40.6%)

Note: Unaudited figures for the 1<sup>st</sup> Quarter of 2008 and 2007

### 3.2 Comments on UNIPREX

Net income for the first quarter of 2008 was EUR 24.6 million, which is substantially the same as the income generated in the same period of 2007. This figure has been scarcely affected by the Easter holiday period (whereas this year Easter has fallen in March, last year it fell in April).

Cumulative net income at March 2008 was 2.3% below the cumulative total for 2007, which amounted to EUR 25.2 million. Nevertheless, the EFM music format achieved significant growth, with a 33.9% increase in income compared to the same period in 2007.

At 31 March 2008 operating expenses rose by 3.1% compared to those recorded in the same period in 2007.

The cumulative gross profit from operations at March 2008 amounted to EUR 5.7 million, compared to the EUR 6.9 million obtained in at 31 March 2007. The cumulative net profit margin was 22.8% in the first quarter of 2008.

Cumulative income tax expense at March 2008 was EUR 1.4 million. No income tax expense was recorded in the first quarter of 2007 due to the offsetting of prior years' tax loss carryforwards.

Uniprex's contribution to the Group's consolidated profit was 17.9%, representing net profit of EUR 5.6 million.

## 4. OTHER ACTIVITIES

### 4.1 Contribution to net income and profits (IFRS)

The contribution of other Group activities evolved as follows:

Thousands of Euros	Jan-Mar 2008	Jan-Mar 2007	Change
Net income	6,326	6,864	(7.8%)
% of Antena 3 Group net income	2.9%	2.8%	
Gross profit (loss) from operations	(1,290)	(854)	(51.2%)
% of Antena 3 Group gross profit from operations	(2.2%)	(1.2%)	

Note: Unaudited figures for the 1<sup>st</sup> Quarter of 2008 and 2007

At March 2008 the cumulative net income from other Group activities had fallen by 7.8%. Unipublic contributed EUR 0.7 million, while Movierecord contributed EUR 2.1 million and other activities EUR 3.5 million, representing an increase of EUR 0.9 million compared to the cumulative total at March 2007, mainly related to Antena 3 films.

There was a gross loss from operations of EUR 2.8 million, compared to the cumulative figure of EUR 0.9 million at March 2007. This was due mainly to the fall in the contribution from Movierecord as a consequence of declining advertising expenditure in cinemas