

Antena 3 de Televisión, S.A. and Subsidiaries

Consolidated Financial Statements
and Directors' Report for 2010,
together with Auditors' Report

Translation of a report originally issued in Spanish based on our work performed in accordance with the audit regulations in force in Spain and of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group (see Notes 2 and 27). In the event of a discrepancy, the Spanish-language version prevails.

Translation of a report originally issued in Spanish based on our work performed in accordance with the audit regulations in force in Spain and of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group (see Notes 2 and 27). In the event of a discrepancy, the Spanish-language version prevails.

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of
Antena 3 de Televisión, S.A.:

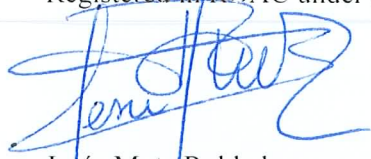
We have audited the consolidated financial statements of Antena 3 de Televisión, S.A. (the Parent) and Subsidiaries (the Group), which comprise the consolidated balance sheet at 31 December 2010 and the related consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and notes to the consolidated financial statements for the year then ended. As indicated in Note 2 to the accompanying consolidated financial statements, the directors are responsible for the preparation of the Group's consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and the other provisions of the regulatory financial reporting framework applicable to the Group. Our responsibility is to express an opinion on the consolidated financial statements taken as a whole based on our audit work performed in accordance with the audit regulations in force in Spain, which require examination, by means of selective tests, of the evidence supporting the consolidated financial statements and evaluation of whether their presentation, the accounting principles and policies applied and the estimates made comply with the applicable regulatory financial reporting framework.

In our opinion, the accompanying consolidated financial statements for 2010 present fairly, in all material respects, the consolidated equity and consolidated financial position of Antena 3 de Televisión, S.A. and Subsidiaries at 31 December 2010, and the consolidated results of their operations and their consolidated cash flows for the year then ended, in conformity with International Financial Reporting Standards as adopted by the European Union and the other provisions of the regulatory financial reporting framework applicable to the Group.

The accompanying consolidated directors' report for 2010 contains the explanations which the directors of Antena 3 de Televisión, S.A. consider appropriate about the Group's situation, the evolution of its business and other matters, but is not an integral part of the consolidated financial statements. We have checked that the accounting information in the consolidated directors' report is consistent with that contained in the consolidated financial statements for 2010. Our work as auditors was confined to checking the consolidated directors' report with the aforementioned scope, and did not include a review of any information other than that drawn from the accounting records of Antena 3 de Televisión, S.A. and Subsidiaries.

DELOITTE, S.L.

Registered in ROAC under no. S0692



Jesús Mota Robledo

23 February 2011

Antena 3 de Televisión, S.A. and Subsidiaries

Auditors' Report

Consolidated Financial Statements for the
year ended 31 December 2010

Translation of a report originally issued in Spanish based on our work performed in accordance with the audit regulations in force in Spain and of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group (see Notes 2 and 27). In the event of a discrepancy, the Spanish-language version prevails.

Antena 3 de Televisión, S.A. and Subsidiaries

Consolidated Financial Statements
for the year ended 31 December 2010

Translation of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company (see Notes 2 and 27). In the event of a discrepancy, the Spanish-language version prevails.

CONSOLIDATED BALANCE SHEETS AT 31 DECEMBER 2010 AND 2009

Thousands of euros	NOTES	2010	2009
ASSETS			
Goodwill	4	175,879	175,879
Other intangible assets	5	56,613	69,805
Property, plant and equipment	6	61,132	62,475
Investments accounted for using the equity method	7	9,541	13,662
Deferred tax assets	20-d	49,560	58,091
Other non-current assets	7	854	893
Financial instruments	13-a	123	92
NON-CURRENT ASSETS		353,702	380,897
Programme rights	8	169,100	181,990
Inventories		2,172	2,389
Trade and other receivables	9	252,935	221,841
Current financial assets	13-a	807	480
Current tax assets	20-d	364	4,751
Other current assets		2,145	620
Cash and cash equivalents		1,581	3,122
CURRENT ASSETS		429,104	415,193
NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS		23	24
		3-e	
TOTAL ASSETS		782,829	796,114
EQUITY AND LIABILITIES			
Share capital	10-a	158,335	158,335
Restricted reserves	10-b	40,282	40,282
Retained earnings		224,034	161,100
Treasury shares	10-d	(78,650)	(78,650)
Interim dividends	10-e	(40,111)	(16,045)
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		303,890	265,022
Non-controlling interests	10-f	-	(4)
EQUITY		303,890	265,018
Financial instruments	13-a	116	159
Bank borrowings	12	1,090	14,565
Provisions	11	-	28
Other non-current liabilities	11	1,024	2,568
NON-CURRENT LIABILITIES		2,230	17,320
Bank borrowings	12	100,334	168,738
Trade and other payables	14	256,051	228,178
Other financial liabilities	13-a and 13-b	328	979
Provisions	11	93,413	90,605
Current tax liabilities	20-d	13,519	11,176
Other current liabilities	11	13,064	14,044
CURRENT LIABILITIES		476,709	513,720
LIABILITIES DIRECTLY ASSOCIATED WITH NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS		-	56
		3-e	
TOTAL EQUITY AND LIABILITIES		782,829	796,114

The accompanying Notes 1 to 27 are an integral part of the consolidated balance sheets at 31 December 2010 and 2009.

Translation of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company (see Notes 2 and 27). In the event of a discrepancy, the Spanish-language version prevails.

CONSOLIDATED INCOME STATEMENTS
FOR THE YEARS ENDED 31 DECEMBER 2010 AND 2009

Thousands of euros	NOTES	2010	2009
Revenue	17-a	773,323	650,729
Other income		34,392	53,166
Programme amortisation and other procurements	17-b	(324,449)	(320,579)
Staff costs	17-c	(128,841)	(134,924)
Depreciation and amortisation charge		(15,878)	(17,108)
Other operating expenses	17-d	(197,477)	(167,237)
PROFIT FROM OPERATIONS		141,070	64,047
Net impairment losses	7 and 18	(5,500)	(3,771)
Net gain (loss) on changes in the value of financial instruments at fair value		933	(633)
Exchange differences		(1,137)	(371)
Financial loss		(4,412)	(9,583)
Share of results of associates		708	441
Net gain on non-current assets	18	(2)	1,280
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS		131,660	51,410
Income tax	20-b	22,532	(9,329)
PROFIT FOR THE YEAR		109,128	60,739
Loss attributable to non-controlling interests		1	12
PROFIT ATTRIBUTABLE TO THE PARENT		109,129	60,751
Earnings per share:		2010	2009
From continuing operations			
Basic		0.544	0.302
Diluted		0.544	0.302

The accompanying Notes 1 to 27 are an integral part of the consolidated income statements for 2010 and 2009.

Translation of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company (see Notes 2 and 27). In the event of a discrepancy, the Spanish-language version prevails.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED 31 DECEMBER 2010 AND 2009

Thousands of euros	2010	2009
CONSOLIDATED PROFIT FOR THE YEAR	109,129	60,751
Income and expense recognised directly in equity:		
Revaluation / (Reversal of the revaluation) of property, plant and equipment and intangible assets	-	-
Revaluation of financial instruments:	-	-
a) Available-for-sale financial assets	-	-
b) Other income / (expenses)	-	-
Cash flow hedges	(677)	2,941
Translation differences	-	-
Actuarial gains and losses and other adjustments	-	-
Companies accounted for using the equity method	-	-
Other income and expenses recognised directly in equity	-	-
Tax effect	203	(882)
TOTAL INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY	(474)	2,059
Transfers to profit or loss:		
Revaluation of financial instruments:		
a) Available-for-sale financial assets	-	-
b) Other income / (expenses)	-	-
Cash flow hedges	803	4,787
Translation differences	-	-
Companies accounted for using the equity method	-	-
Other income and expenses recognised directly in equity	-	-
Tax effect	(241)	(1,436)
TOTAL TRANSFERS TO PROFIT OR LOSS	562	3,351
TOTAL COMPREHENSIVE INCOME	109,217	66,161

The accompanying Notes 1 to 27 are an integral part of the consolidated statements of comprehensive income for 2010 and 2009.

Translation of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company (see Notes 2 and 27). In the event of a discrepancy, the Spanish-language version prevails.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED 31 DECEMBER 2010 AND 2009

Thousands of euros	Share capital	Restricted reserves	Treasury shares	Retained earnings	Interim dividend	Equity Attributable to the Parent	Non-controlling interests	Equity
Balance at 31 December 2008	158,335	40,282	(67,692)	185,201	(66,219)	249,907	0	249,907
Total comprehensive income	-	-	-	66,161	-	66,161	(12)	66,149
Treasury share transactions:								
Acquisition of treasury shares	-	-	(10,958)	-	-	(10,958)	-	(10,958)
Distribution of profit:								
2008 interim dividend paid in 2008	-	-	-	(66,219)	66,219	-	-	-
2008 dividend paid in 2009	-	-	-	(24,099)	-	(24,099)	-	(24,099)
2009 interim dividend paid in 2009	-	-	-	-	(16,045)	(16,045)	-	(16,045)
Changes in the scope of consolidation and other	-	-	-	56	-	56	8	64
Balance at 31 December 2009	158,335	40,282	(78,650)	161,100	(16,045)	265,022	(4)	265,018
Total comprehensive income	-	-	-	109,217	-	109,217	(1)	109,216
Distribution of profit:								
2009 interim dividend paid in 2009	-	-	-	(16,045)	16,045	-	-	-
2009 final dividend paid in 2010	-	-	-	(30,084)	-	(30,084)	-	(30,084)
2010 interim dividend paid in 2010	-	-	-	-	(40,111)	(40,111)	-	(40,111)
Changes in the scope of consolidation and other	-	-	-	(154)	-	(154)	5	(149)
Balance at 31 December 2010	158,335	40,282	(78,650)	224,034	(40,111)	303,890	-	303,890

The accompanying Notes 1 to 27 are an integral part of the consolidated statements of changes in equity for 2010 and 2009.

CONSOLIDATED STATEMENTS OF CASH FLOW
FOR THE YEARS ENDED 31 DECEMBER 2010 AND 2009

Thousands of euros	2010	2009
1.- CASH FLOWS FROM OPERATING ACTIVITIES		
Consolidated profit for the year before tax	131,660	51,410
Adjustments for:	30,748	46,787
- Depreciation and amortisation charge	15,878	17,108
- Provisions and other	10,255	19,092
- Provisions	5,460	17,042
- Net impairment losses (+/-)	5,503	2,491
- Result of companies accounted for using the equity method	(708)	(441)
- Net finance income	4,615	10,587
Changes in working capital	41,240	3,651
Cash generated by operations	203,648	101,848
Income tax paid	(6,632)	7,047
Net cash flows from operating activities	197,016	108,895
2.- CASH FLOWS FROM INVESTING ACTIVITIES		
Investments	(41,841)	(34,582)
Subsidiaries, joint ventures and associates	(499)	-
Property, plant and equipment and intangible assets	(41,342)	(34,582)
Disposals	-	7,487
Subsidiaries, joint ventures and associates	-	7,487
Net cash flows from investing activities	(41,841)	(27,095)
3.- CASH FLOWS FROM FINANCING ACTIVITIES		
Finance costs paid	(3,914)	(68,000)
Financing of associates	(727)	(1,493)
Dividends paid	(70,195)	(40,143)
Acquisition of treasury shares	-	(10,958)
Bank borrowings	(81,880)	39,127
Net cash flows from financing activities	(156,716)	(81,467)
NET INCREASE/DECREASE IN CASH	(1,541)	333
Cash and cash equivalents at beginning of year	3,122	2,752
Changes in the scope of consolidation/IFRSs		37
Cash and cash equivalents at beginning of year - new scope of consolidation	3,122	2,789
Cash and cash equivalents at end of year	1,581	3,122

The accompanying Notes 1 to 27 are an integral part of the consolidated statements of cash flows for 2010 and 2009.

Translation of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group (see Notes 2 and 27). In the event of a discrepancy, the Spanish-language version prevails.

Antena 3 de Televisión, S.A. and Subsidiaries

Notes to the 2010 Consolidated Financial Statements

1. Group activities

Antena 3 de Televisión, S.A., the Group's Parent, with registered office at Avenida Isla Graciosa, 13, San Sebastián de los Reyes (Madrid), was incorporated on 7 June 1988, and its then sole company object was the indirect management of a public television service.

For this purpose, it submitted a bid in response to the call for tenders made under Article 8 of Private Television Law 10/1988, of 3 May, and, pursuant to a resolution of the Spanish Cabinet of 25 August 1989, was awarded a concession for the indirect management of the public television service, for a period of ten years, which ended on 3 April 2000.

On 7 May 1996, the shareholders at the Annual General Meeting resolved to change and extend the Parent's company object, as permitted by Satellite Telecommunications Law 37/1995.

On 10 March 2000, the Spanish Cabinet adopted a resolution renewing the concession for the indirect management of the public television service for a period of ten years from 3 April 2000. The terms of this renewal were the same as for the former concession, with the added obligation of commencing digital broadcasting on 3 April 2002. The Parent made all the necessary investments to enable it to begin broadcasting on that date the Antena 3 de Televisión, S.A. signal pursuant to Royal Decree 2169/1998, of 9 October, which approved the Spanish Technical Plan for Digital Terrestrial Television (DTT). On 3 April 2010, the National Government renewed, for a period of ten years, the concession for the indirect management of the public television service, under the same terms and conditions as the previous concession.

Additional Provision One of Royal Decree 944/2005, of 29 July, approving the Spanish Technical Plan for Digital Terrestrial Television established 3 April 2010 as the date for the switch-off of analogue television broadcasting in all the transition projects defined in the National Plan for the Transition to Digital Terrestrial Television. From that date onwards, all terrestrial television was broadcast using digital technology.

Following this milestone, in accordance with Additional Provision Three of Royal Decree 944/2005, of 29 July, each national terrestrial public television service concession operator would gain access to a digital multiplex with national coverage.

Royal Decree 365/2010, of 26 March, governs the allocation of the Digital Terrestrial Television multiplexes following the switch-off of terrestrial television broadcasting using analogue technology.

It established two phases for the allocation of the digital multiplexes. Phase 1, (transitional), in which each national terrestrial public service television concession operator would gain access to the capacity equivalent to one digital multiplex with national coverage, provided they demonstrated that they had met the terms and conditions established in relation to the drive and development of digital terrestrial television, and phase 2, in which new digital multiplexes will be planned, and adjustments will be established so that the radioelectric channels 61 to 69, which were being used by the digital multiplexes in the previous phase can be replaced by others in phase 2. This will conclude before 1 January 2015 with the allocation of the definitive digital multiplexes to each qualifying company, thereby ending the shared use of digital multiplex capacity by the national terrestrial public service concession operators.

On 16 July 2010, the Spanish Cabinet adopted a resolution to allocate a national digital multiplex to each national DTT concession operator: Antena 3, Gestevisión Telecinco, Sogecable, Veo Televisión, NET TV and La Sexta. The digital multiplex is composed of four digital television channels that can be operated twenty-four hours a day.

The allocation was made upon request and after the switch-off of analogue broadcasting, once it had been verified that the digital terrestrial television service concession operators had met the obligations relating to the drive and development of digital terrestrial television that they had assumed in the framework of the Spanish Technical Plan for Digital Terrestrial Television and the Royal Decree governing the specific allocation of DTT multiplexes, following the switch-off of analogue terrestrial television broadcasting.

In any event, the definitive multiplex will be accessed by 1 January 2015, in accordance with the phases established in the Royal Decree.

In relation to the renewal of the public radio broadcasting service concessions operated by Uniprex, S.A., (Sole-Shareholder Company), to date, applications have been submitted to the competent authorities, in accordance with the legislation in force, for the renewal of concessions about to expire and for authorisation of a change of operator in other concessions. In certain cases the renewal of the concession was granted expressly, whereas in others it was obtained by the administrative silence route after the pertinent appeals were filed with a higher

administrative body, in accordance with Article 43 of the Public Authorities and Common Administrative Procedure Law.

The other Group companies engage mainly in activities relating to the production, reproduction and broadcasting of sounds and images (see Note 2-b).

The Parent's Annual General Meeting and its Board of Directors Meeting, on 28 April 2003 and 29 July 2003, respectively, resolved to request the admission to trading of all the shares of Antena 3 de Televisión, S.A. on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges and their inclusion in the Spanish Stock Market Interconnection System. On 29 October 2003, the Parent's shares commenced trading on these stock exchanges.

The Parent is obliged to prepare, in addition to its own separate financial statements, the Group's consolidated financial statements, which also include its interests in joint ventures and investments in associates.

In view of the business activities carried on by the companies, they do not have any environmental liability, expenses, assets, provisions or contingencies that might be material with respect to the equity, financial position and results of operations of the corporate Group. Therefore, no specific disclosures relating to environmental issues are included in these notes to the consolidated financial statements.

2. Basis of presentation of the financial statements and basis of consolidation

a) Basis of presentation

These consolidated financial statements were prepared, on the basis of the accounting records kept by the Parent and by the other Group companies, in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRSs), in conformity with Regulation (EC) no. 1606/2002 of the European Parliament and of the Council.

The Group's consolidated financial statements were prepared taking into account all the mandatory accounting policies and rules and measurement bases with a material effect on the consolidated financial statements, as well as the alternative treatments permitted by the relevant standards in this connection, and, accordingly, they present fairly the Group's consolidated equity and financial position at 31 December 2010 and the results of its operations, the changes in consolidated equity and the consolidated cash flows in the year then ended.

However, since the accounting policies and measurement bases used in preparing the Group's consolidated financial statements for 2010 (EU-IFRSs) differ from those used by the Group companies (Spanish National Chart of Accounts), the required adjustments and reclassifications were made on consolidation to unify the policies and methods used and to make them compliant with EU-IFRSs.

In addition to the International Financial Reporting Standards adopted by the EU (EU-IFRSs), all the requirements included in the Spanish Commercial Code and the Spanish Limited Liability Companies Law were applied in these consolidated financial statements, as well as such other aspects of Spanish accounting regulations in force as might be applicable.

The 2010 consolidated financial statements of the Group and the 2010 separate financial statements of the Group companies, which were prepared by the companies' respective directors, will be submitted for approval by the related shareholders at the respective Annual General Meetings, and it is considered that they will be approved without any changes.

The 2009 consolidated financial statements, which were approved by the shareholders at the Annual General Meeting on 24 March 2010 and are included for comparison purposes, were also prepared in accordance with EU-IFRSs applied on a basis consistent with that of 2010.

Standards and interpretations effective in 2010:

The standards and interpretations that came into force in 2010 and that were taken into account in preparing the accompanying consolidated financial statements are described below:

New standards and amendments		Obligatory application in the annual reporting periods beginning on or after:
Revision of IFRS 3, Business Combinations (Revised)	Substantially amends the accounting for business combinations, changes the scope, the calculation of goodwill and the treatment of contingent consideration, and introduces the option of measuring non-controlling interests at fair value	Annual reporting periods beginning on or after 1 July 2009
Amendments to IAS 27, Consolidated and Separate Financial Statements	Substantially amends the accounting for changes in the level of ownership interest in subsidiaries and for non-controlling interests with a deficit balance	Annual reporting periods beginning on or after 1 July 2009
Amendment to IAS 39, Financial Instruments: Recognition and Measurement - Eligible Hedged Items	Provides guidance on the items that can be designated as a hedged item in accordance with IAS 39 (identifying inflation as a hedged risk and hedging with options)	Annual reporting periods beginning on or after 1 July 2009
Amendment to IFRS 2, Group Cash-settled Share based Payment transactions.	Clarifies the treatment of cash-settled share-based payment transactions between companies within the same group	Annual reporting periods beginning on or after 1 January 2010
Improvements to IFRSs (published in May 2008)	Amendments to a series of standards	The amendment to IFRS 5 (clarifying the application of IFRS 5 when control of a subsidiary is lost) is applicable for annual reporting periods beginning on or after 1 July 2009 (1).
Improvements to IFRSs (published in April 2009)	Amendments to a series of standards	All the changes are obligatory for reporting periods beginning on or after 1 January 2010 in the EU (original IASB date: most changes obligatory for reporting periods beginning on or after 1 January 2010; some obligatory for reporting periods beginning on or after 1 July 2009)

(1) The other amendments were already applicable for reporting periods beginning on or after 1 January 2009.

Interpretations	Obligatory Application in the Annual Reporting Periods Beginning On or After:
IFRIC 12 Service Concession Arrangements	1 April 2009 for the companies in the EU (original IASB date: annual reporting periods beginning on or after 1 January 2008)
IFRIC 15 Agreements for the Construction of Real Estate	1 January 2010 in the EU (original IASB date: annual reporting periods beginning on or after 1 January 2009)
IFRIC 16 Hedges of a Net Investment in a Foreign Operation	1 July 2009 in the EU (original IASB date: annual reporting periods beginning on or after 1 October 2008)
IFRIC 17 Distributions of Non-Cash Assets to Owners	1 November 2009 in the EU (original IASB date: annual reporting periods beginning on or after 1 July 2009)
IFRIC 18 Transfers of Assets from Customers	1 November 2009 in the EU (original IASB date: transfers of assets received on or after 1 July 2009)

Amendments to IFRS 2, Share-based Payment

These amendments relate to the recognition of share-based payment transactions among group entities. The main change is that the amendments incorporate the previous requirements set out in IFRIC 8 and IFRIC 11 and, accordingly, these interpretations will be withdrawn since their content is included in the main body of the standard. It is clarified that an entity that receives services from employees or suppliers should account for the transaction even if another group entity settles the arrangement and regardless of whether it is cash-settled or equity-settled.

In view of the nature of these amendments, they did not have any impact on the Group's financial statements.

IFRIC 12, Service concession arrangements

Service concession arrangements are arrangements whereby a government or other public sector entity grants contracts for the provision of public services, such as roads, airports and water and power supplies to private sector operators. The government retains control over the assets but the private operator is responsible for the construction, management, servicing and maintenance of the public infrastructure. IFRIC 12 establishes how the concession operators must apply the existing IFRSs when accounting for the rights and obligations assumed under arrangements of this type, which in accordance with this interpretation may give rise to the recognition of a financial asset or an intangible asset, or both, depending on the conditions established in each arrangement.

The entry into force of this interpretation did not have any impact on the consolidated financial statements.

IFRIC 15, Agreements for the Construction of Real Estate

This interpretation applies to the accounting for revenue and associated expenses by entities that undertake the construction of real estate, helping to clarify when an agreement for the construction of real estate is within the scope of IAS 11, Construction Contracts and when it is within the scope of IAS 18, Revenue and, therefore, depending on the nature of the agreement, when and how the revenue should be recognised.

The entry into force of this interpretation did not have any impact on the consolidated financial statements.

IFRIC 16, Hedges of a Net Investment in a Foreign Operation

This interpretation addresses three main issues. Firstly, it states that hedge accounting may not be applied to the foreign exchange differences arising between the functional currency of the foreign operation and the parent entity's presentation currency, and that it may be applied only to the foreign exchange differences arising between the functional currency of the foreign operation and the parent entity's functional currency. It also clarifies that the hedging instrument in a hedge of a net investment in a foreign operation may be held by any entity within the group, and not necessarily by the parent entity of the foreign operation. Lastly, it explains how to determine the amounts to be reclassified from equity to profit or loss when a hedged foreign operation is disposed of.

The Company's accounting practice in transactions of this nature is in line with the interpretation issued and, therefore, the entry into force of the interpretation did not have any impact on the consolidated financial statements.

IFRIC 17, Distributions of Non-cash Assets to Owners

This interpretation applies to the accounting treatment of distributions of non-cash assets to an entity's owners ("dividends payable") although distributions of assets within the same group or between entities under common control are excluded from its scope. The interpretation states that an entity must measure such liabilities at the fair value of the asset to be distributed and that any difference between the carrying amount of the dividend payable and the carrying amount of the asset distributed must be recognised in profit or loss.

The entry into force of this interpretation did not have any impact on the consolidated financial statements.

In addition, since their entry into force on 1 January 2010, the Group has applied the following standards and interpretations which gave rise to a change in the Group's accounting policies:

Revision of IFRS 3, Business Combinations and amendments to IAS 27, Consolidated and Separate Financial Statements

The revised IFRS 3 and the amendments to IAS 27 give rise to very significant changes in several matters relating to accounting for business combinations which, in general, place greater emphasis on the use of fair value. Some of the most significant changes relate to the treatment of acquisition-related costs, which must be accounted for as expenses, as opposed to the current accounting treatment of recognising them as an increase in the cost of the business combination; business combinations achieved in stages, in which the acquirer must remeasure its previously held equity interest in the acquiree at its acquisition-date fair value; and the option to measure the non-controlling interests in the acquiree at fair value, as opposed to the single

current treatment of measuring them at the non-controlling interests' proportionate share of the fair value of the net assets acquired.

Since the standard will be applied prospectively, the directors do not expect any significant modifications to arise in connection with the business combinations performed prior to 1 January 2010.

Amendment to IAS 39, Eligible Hedged Items

This amendment to IAS 39 aims to clarify two specific hedge accounting issues: (a) identifying when inflation can be a hedged risk, and (b) when purchased options can be designated as hedging instruments. Under the amendment, inflation can only be identified as a hedged risk if it is a contractually specified portion of the cash flows to be hedged. Only the intrinsic risk and not the time value of an option may be hedged.

The entry into force of this interpretation did not have any impact on the consolidated financial statements.

IFRIC 18, Transfers of Assets from Customers

This interpretation applies to the accounting for agreements in which an entity receives from a customer an asset that the entity must then use to provide the customer with access to supplies of goods or services. Under the interpretation, the transferred item of property, plant and equipment is recognised, at its fair value on the date of transfer, in the financial statements of the recipient, provided it meets the definition of an asset from the perspective of that entity; and the corresponding revenue is recognised in profit or loss when appropriate, on the basis of the service specifically agreed on with the customer.

The entry into force of this interpretation did not have any impact on the consolidated financial statements.

Standards and interpretations issued but not yet in force:

At the date of preparation of these consolidated financial statements, the following standards and interpretations had been published by the IASB but had not yet come into force, either because their effective date is subsequent to the date of the consolidated financial statements or because they had not yet been adopted by the European Union:

Standards and amendments to standards:		Obligatory application in annual periods beginning on or after:
Approved for use by the EU (1)		
Amendment to IAS 32, Financial Instruments	Amends the accounting treatment of rights, options and warrants denominated in a currency other than the functional currency	1 February 2010
Revision of IAS 24, Related Party Disclosures	Amends the definition of "related party" and provides a partial exemption from the disclosure requirements for entities that are related parties only because they are controlled, jointly controlled or significantly influenced by the government	1 January 2011
Amendment of IFRIC 14, Prepayments of a Minimum Funding Requirement	The prepayment of minimum funding requirement contributions may give rise to an asset	1 January 2011
IFRIC19, Extinguishing Financial Liabilities with Equity Instruments	Treatment of the extinguishment of financial liabilities through the issue of equity instruments	1 July 2010
Not yet approved for use by the EU (2)		
IFRS 9, Financial instruments	Replaces the IAS 39 classification and measurement requirements for financial assets and liabilities	1 January 2013
Improvements to IFRSs	Amendments to a series of standards	1 January 2011
Amendment of IFRS 7, Financial Instruments	Extends and reinforces the disclosures on transfers of financial assets.	1 July 2011
Amendment of IAS 12, Income tax	On the calculation of deferred taxes relating to investment property in accordance with the fair value model of IAS 40	1 January 2012

(1) Date of obligatory application as approved in the Official Journal of the European Union.

(2) Standards and interpretations not yet adopted by the European Union at the date of formal preparation of these consolidated financial statements.

IFRS 9, Financial Instruments: classification and measurement

IFRS 9 will in the future replace the current part of IAS 39 relating to classification and measurement. There are very significant differences with respect to the current standard, in relation to financial assets, including the approval of a new classification model based on only two categories, namely instruments measured at amortised cost and those measured at fair value, the disappearance of the current “held-to-maturity investments” and “available-for-sale financial assets” categories, impairment analyses only for assets measured at amortised cost and the non-separation of embedded derivatives in financial asset contracts. In relation to financial liabilities, the classification categories proposed by IFRS 9 are similar to those currently contained in IAS 39.

At the reporting date, the future impact of the adoption of this standard had not yet been analysed.

Amendment of IAS 32, Classification of rights Issues

This amendment relates to the classification of foreign currency denominated rights issues (rights, options or warrants). Pursuant to this amendment, when these rights are offered to all owners and are to acquire a fixed number of shares in exchange for a fixed amount, they are equity instruments, irrespective of the currency in which that fixed amount is denominated and provided that other specific requirements of the standard are fulfilled.

Since the Group has not issued any instruments of this nature, this amendment will not have any impact.

IAS 24 (Revised), Related Party Disclosures

The revised IAS 24 provides a partial exemption from certain disclosure requirements when the transactions are between government-related entities (or entities related to an equivalent government institution) and revises the scope applicable to the disclosure requirements by including in the definition of “related party” certain relationships between joint ventures and associates of the same entity which were not explicit in the previous version of the standard.

The impact of this amendment has been analysed and will not result in any change in the related parties currently defined by the Group.

IFRIC 19, Extinguishing financial liabilities with equity instruments

This interpretation addresses the accounting by a debtor when all or part of a financial liability is extinguished through the issue of equity instruments to the creditor. The interpretation does not apply to transactions in situations where the counterparties in question are shareholders or related parties, acting in their capacity as such, or where extinguishing the financial liability by issuing equity shares is in accordance with the original terms of the financial liability. In all cases, the equity instruments issued are measured at fair value at the date the liability is extinguished and any difference between this value and the carrying amount of the liability is recognised in profit or loss.

This interpretation will not give rise to a change in the Group’s accounting policies.

Amendment of IAS 12, Income taxes – Deferred taxes relating to investment property

The amendment introduces an exception to the general principles of IAS 12 affecting deferred taxes relating to investment property measured in accordance with the fair value model of IAS 40 Investment property. In these cases, for the purpose of calculating the applicable deferred taxes, a presumption is introduced that the full recovery of the carrying amount of such assets will be through their sale.

This amendment will not foreseeably have an impact for the Company, since a preliminary analysis indicates that it will not give rise to a change in the deferred taxes currently recognised in relation to the investment property on the balance sheet.

The directors have assessed the potential impact of applying these standards in the future and estimate that their entry into force will not have a material impact on the consolidated financial statements.

Responsibility for the information and use of estimates

The information in these consolidated financial statements is the responsibility of the Group's directors.

In the Group's consolidated financial statements for 2010 estimates were occasionally made in order to quantify certain of the assets, liabilities, income, expenses and obligations reported herein.

These estimates relate basically to the following:

- The impairment losses on certain assets (see Notes 5, 6, 8 and 9),
- The useful life of the property, plant and equipment and intangible assets (see Notes 3-b and 3-c),
- The measurement of goodwill arising on consolidation (see Note 4),
- Programme amortisation (see Note 3-d),
- The fair value of certain unquoted assets (see Notes 7 and 13), and
- Provisions (see Note 11)

Although these estimates were made on the basis of the best information available at 31 December 2010 on the events analysed, events that may take place in the future might make it necessary to change these estimates (upwards or downwards) in coming years. Changes in accounting estimates would be applied prospectively, recognising the effects of the change in estimates in the related consolidated income statements.

At 31 December 2010, the Group had a working capital deficiency. However, the directors of the Parent estimate that the cash flows generated by the business and the financing lines available will enable the Group to meet its short-term liabilities.

b) Basis of consolidation

Subsidiaries

Following are the subsidiaries included in the scope of consolidation:

Company name	Location	Year of incorporation	Line of Business	Owner	2010 %
Antena 3 Directo, S.A.U. (*)	Madrid	1994	Direct TV sales	Antena 3 de Televisión, S.A.	100
Música Aparte, S.A.U.	Madrid	1990	Management of rights	Antena 3 de Televisión, S.A.	100
Antena 3 Multimedia, S.L.U.	Madrid	2004	Commercial management by television	Antena 3 de Televisión, S.A.	100
Atres Advertising, S.L.U. (**)	Madrid	2004	Advertising management	Antena 3 de Televisión, S.A.	100
Antena 3 Films, S.L.U. (**)	Madrid	2000	Audiovisual productions	Antena 3 de Televisión, S.A.	100
Antena 3 Eventos, S.L.U.	Madrid	2008	Organisation of events	Antena 3 de Televisión, S.A.	100
VNews Agencia de Noticias, S.L.	Granada	2006	News agency	Antena 3 de Televisión, S.A.	100
Guadiana Producciones, S.A.U.	Madrid	1994	Audiovisual productions	Antena 3 de Televisión, S.A.	100
Movierecord Cine, S.A.U. (**)	Madrid	1966	Advertising in cinemas	Antena 3 de Televisión, S.A.	100
Publicidad 3, S.A.U. (**)	Madrid	1982	Radio broadcasting services	Antena 3 de Televisión, S.A.	100
Antena 3 Canarias, S.L.U.	Las Palmas	2006	Local digital terrestrial television	Antena 3 de Televisión, S.A.	100
Antena de Radiodifusión, S.A.U.	Madrid	1994	Radio broadcasting services	Publicidad 3, S.A.U.	100
Medipress Valencia, S.A.U.	Valencia	1998	Radio broadcasting services	Publicidad 3, S.A.U.	100
Uniprex, S.A.U. (**)	Madrid	1967	Radio broadcasting services	Publicidad 3, S.A.U.	100
Antena 3 Televisión Digital Terrestre de Canarias, S.A.U.	Las Palmas	2006	Local digital terrestrial television	Uniprex, S.A.U.	100
Canal Media Radio Galicia, S.L.U.	A Coruña	1997	Radio broadcasting services	Uniprex, S.A.U.	100
Canal Media Radio, S.A.U.	Madrid	1997	Radio broadcasting services	Uniprex, S.A.U.	100
Corporación Radiofónica Castilla León, S.A.U.	Valladolid	2000	Radio broadcasting services	Uniprex, S.A.U.	100
Estaciones Radiofónicas de Aragón, S.A.U.	Zaragoza	1972	Radio broadcasting services	Uniprex, S.A.U.	100
Ipar Onda, S.A.U.	San Sebastián	1988	Radio broadcasting services	Uniprex, S.A.U.	100
Onda Cero, S.A.U.	Madrid	1989	Radio broadcasting services	Uniprex, S.A.U.	100
Radio Noticias 90, S.A.U.	Las Palmas	1989	Radio broadcasting services	Uniprex, S.A.U.	100
Radio Sistemas Radiofónicos Cinco, S.L.U.	Madrid	1989	Radio broadcasting services	Uniprex, S.A.U.	100
Rkor Radio, S.L.U.	Barcelona	1983	Radio broadcasting services	Uniprex, S.A.U.	100
Uniprex Televisión, S.L.U.	Madrid	2004	Indirect management of TV service	Uniprex, S.A.U.	100
Uniprex Televisión Digital Terrestre de Andalucía, S.L.	Seville	2006	Local digital terrestrial television	Uniprex, S.A.U.	74.2
Uniprex Valencia TV, S.L.U.	Valencia	2005	Local digital terrestrial television	Uniprex, S.A.U.	100
Canal Radio Valencia, S.L.U.	Valencia	1997	Radio broadcasting services	Canal Media Radio, S.A.U.	100
Radio Media Aragón, S.L.	Madrid	1997	Radio broadcasting services	Canal Media Radio, S.A.U.	100
Canal Radio Madrid, S.L.	Madrid	1997	Radio broadcasting services	Canal Media Radio, S.A.U.	100
Canal Radio Baleares, S.L.	Palma	1997	Radio broadcasting services	Canal Media Radio, S.A.U.	100

(*) Companies included in non-current assets and non-current liabilities of discontinued operations.

(**) Audited.

The subsidiaries over which the Group exercises control are fully consolidated and all their assets, liabilities, income, expenses and cash flows are included in the consolidated financial statements after making

adjustments to adapt the accounting policies used to those applied by the Group and adjustments and eliminations relating to intra-Group transactions.

The Group considers that it exercises control over a company when it has sufficient power to govern its financial and operating policies so as to obtain benefits from its activities.

The results of subsidiaries acquired during the year are included in the consolidated income statement from the date of acquisition to year-end.

Associates

The associates over which Antena 3 de Televisión, S.A. does not exercise control but over which it has the capacity to exercise significant influence in their management, normally through agreements with other shareholders, were accounted for in the consolidated financial statements using the equity method. Using this consolidation method, the investment is recognised at cost, including any goodwill arising on the acquisition, and is subsequently adjusted on the basis of the changes in its equity, in proportion to the percentage of ownership that corresponds to the Group. The Group's share of the results of these companies is recognised, net of the related tax effect, under "Share of Results of Associates" in the consolidated income statement, and any dividends received from these companies are deducted from the value of the investment.

These associates are as follows:

Company name	Location	Year of incorporation	Line of Business	Owner	2010 %
I3 Televisión, S.L.	Madrid	2005	IT services	Antena 3 de Televisión, S.A.	50
Unipublic, S.A. (*)	Madrid	1975	Organisation of sports events	Antena 3 de Televisión, S.A.	51
Organizaciones Deportivas y Culturales Unipublic, S.A.U.	Madrid	1984	Organisation of sports events	Unipublic, S.A.	51
Videoreport Canarias S.A. (*)	Santa Cruz de Tenerife	1991	Audiovisual productions, rental of recording and reproduction equipment	VNews Agencia de Noticias, S.L.	30
Gestión Audiovisual de Canarias, S.L.	Las Palmas	2008	Production and distribution of audiovisual programmes and recordings	VNews Agencia de Noticias, S.L.	20
Antena 3 de Televisión Colombia, S.A.	Bogotá (Colombia)	2008	Television	Antena 3 de Televisión, S.A.	55
Canal 3 Televisión de Colombia, S.A.	Bogotá (Colombia)	2008	Television	Antena 3 de Televisión, S.A.	24

(*) Audited.

Changes in the scope of consolidation and main transactions in 2010:

On 14 January 2010, the Parent acquired an additional 4.17% of the subsidiary VNews Agencia de Noticias, S.L. (Sole-Shareholder Company), for EUR 42 thousand, thereby increasing the percentage of ownership to 100%. In accordance with revised IAS 27, this transaction, which did not give rise to a change in control, was recognised in equity.

Uniprex Televisió Digital Terrestre Catalana, S.L., a subsidiary of Uniprex, S.A. (Sole-Shareholder Company), was dissolved under a deed of liquidation of 11 June 2010. The result of the aforementioned transaction was a loss of EUR 2 thousand in the consolidated financial statements and a loss of EUR 6 thousand at the Parent.

Canal Radio Castilla-León, S.L. was also dissolved under a deed of liquidation of 11 June 2010. The aforementioned transaction did not give rise to any gain or loss in the consolidated financial statements, whereas the parent, Canal Media Radio, S.A. (Sole-Shareholder Company) recognised a gain of EUR 12 thousand.

Other changes not affecting the scope of consolidation in 2010:

In June 2010 the investments in Antena 3 Colombia, S.A. and Canal 3 Televisión de Colombia were increased with a cost of EUR 72 thousand and EUR 5 thousand, respectively, although there was no increase in the percentage of ownership interest in these companies. These investments were acquired for the purpose of participating in the invitation to tender for a television channel in Colombia.

Changes in the scope of consolidation and main transactions in 2009:

On 31 March 2009, Canal Radio Madrid, S.L., Canal Radio Baleares, S.L. and Radio Media Aragón, S.L. were included in the scope of consolidation. These companies were acquired by Canal Media Radio, S.A. (Sole-Shareholder Company) on 14 September 2000, 18 September 2000 and 1 October 2000, respectively.

The Parent held these ownership interests indirectly from the date of first-time consolidation of the Uniprex subgroup. However, for the first time in 2009 the consolidated financial statements include the assets and liabilities of these companies since the relevant licence had been obtained for the provision of radio broadcasting services by the parent of the higher group, Uniprex, S.A. (Sole-Shareholder Company).

The cost of the investment in these companies amounted to EUR 3 thousand per share. The effect of the aforementioned inclusion was not material to the consolidated financial statements as a whole, and their assets and recognised liabilities amounted to EUR 47 thousand and EUR 29 thousand, respectively. In addition, the results for the year contributed by these companies to the acquirer from the date of inclusion in the scope of consolidation did not differ from the results that would have been recognised had the companies been consolidated from 1 January 2009, since their results from 1 January 2009 were recognised.

At 31 December 2009, the decreases in ownership interests in subsidiaries, joint ventures, and associates and other transactions of a similar nature are reflected in the following table:

Name of the company (or line of business) disposed of, spun off or derecognised	Category	Effective transaction date	% of voting power disposed of or derecognised	% of total voting power at the company after the disposal	Gain (Loss)
Unión Ibérica de Radio, S.A.	Subsidiary	01/07/09	100%	0%	Merger
Compañía Tres Mil Ochocientos, S.L.U.	Subsidiary	01/07/09	100%	0%	Merger
Radio Alamedilla, S.A.U.	Subsidiary	01/07/09	100%	0%	Merger
Grupo Universal de Emisoras de Radio Amanecer, S.A.U.	Subsidiary	01/07/09	100%	0%	Merger
La Veu de Lleida, S.L.U.	Subsidiary	01/07/09	100%	0%	Merger
Ondadit, S.L.U.	Subsidiary	01/07/09	100%	0%	Merger
Radio Tormes, S.A.U.	Subsidiary	01/07/09	100%	0%	Merger
Corporación Radiofónica Región de Murcia, S.L.	Associate	31/03/09	50%	0%	(34)
Antena 3 Temática, S.A.U.	Subsidiary	01/12/09	100%	0%	156

On 5 June 2009, the plan for the merger of Uniprex, S.A. (Sole-Shareholder Company) (absorbing company) with the subsidiaries Unión Ibérica de Radio, S.A. (Sole-Shareholder Company), Compañía Tres Mil Ochocientos, S.L. (Sole-Shareholder Company), Radio Alamedilla, S.A. (Sole-Shareholder Company), Grupo Universal Emisoras de Radio Amanecer, S.A. (Sole-Shareholder Company) La Veu de Lleida, S.L., (Sole-Shareholder Company), Ondadit, S.L. (Sole-Shareholder Company) and Radio Tormes, S.A. (Sole-Shareholder Company) (absorbed) was executed in a public deed.

The absorbing company recognised the assets and liabilities of the absorbed companies in its accounts following criteria based on current consolidation rules and the goodwill arising from the consolidation of these companies.

Corporación Radiofónica Región de Murcia, S.L. was dissolved under a deed of liquidation of 31 March 2009. The results of the aforementioned transaction were a loss of EUR 34 thousand in the consolidated financial statements compared with a gain of EUR 23 thousand corresponding to its parent.

Antena 3 Temática, S.A. (Sole-Shareholder Company) was dissolved under a deed of liquidation of 30 October 2009. The results of the aforementioned transaction were a gain of EUR 156 thousand in the consolidated financial statements whereas its parent recognised a gain of EUR 4 thousand.

At 31 December, the reclassifications of companies among the various groups of investments were as follows:

On 1 December VNews Agencia de Noticias, S.L., which had been accounted for using the equity method and whose results had been reclassified as held-for-sale assets, was fully consolidated since the

management agreement with the non-controlling shareholder was terminated and it was decided not to sell this company.

Other changes not affecting the scope of consolidation in 2009:

In April 2009 the investments in Antena 3 Colombia, S.A. and Canal 3 Televisión de Colombia, S.A. were increased but the percentage of ownership interest in them did not increase. As mentioned previously, these investments were acquired for the purpose of participating in the invitation to tender for a television channel in Colombia.

Investments held for sale

A company is classified as held for sale when the investment in that company is recovered mainly through a sale transaction rather than through continued use. This condition is regarded as met only when the sale is highly probable and the company is available for immediate sale in its present condition. Accordingly, a decision should have been taken to sell it and the sale should be expected to be completed within one year.

Main transactions in 2010:

In 2010 the Parent decided to continue managing Guadiana Producciones, S.A. (Sole-Shareholder Company, which means that rather than classifying the company as held for sale, it is fully consolidated.

Antena 3 Directo, S.A.U. was the only company that continued to be classified as held for sale at 2010 year-end.

Main transactions in 2009:

On 12 March 2009, the change of name from V Sat, Compañía de Producciones, S.L. to Gloway Broadcast Services, S.L. was executed in a public deed.

On 15 September 2009, 5.98% of the share capital of Gloway Broadcast Services, S.L. was acquired for EUR 158 thousand, thereby increasing the percentage of ownership to 100%. The result of accounting for the assets and liabilities using the equity method was recognised as available-for-sale financial assets until the ownership interest was sold.

On 12 November 2009, following the approval of the Spanish Competition Commission of the transfer of shares, the transfer of the entire ownership interest in Gloway Broadcast Services, S.L. for EUR 6,361 thousand was executed in a public deed. The gain recognised under "Net Gain on Non-Current Assets" in the consolidated income statement amounted to EUR 885 thousand (see Note 18) (EUR 388 thousand in the Parent's income statement).

In addition, and as indicated previously, the decision to continue to manage VNews Agencia de Noticias, S.L. gave rise to its reclassification as a subsidiary and its full consolidation.

3. Accounting policies

The principal accounting policies used in preparing the Group's consolidated financial statements, in accordance with EU-IFRSs, were as follows:

a) Goodwill on consolidation

Goodwill arising on consolidation represents the excess of the cost of acquisition, plus the non-controlling interests and fair value of any previous investment in the acquiree, over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary at the date of acquisition.

The assets and liabilities acquired are measured provisionally at the date on which control of the company is obtained, and the resulting value is reviewed within a maximum of one year from the acquisition date until the fair value of the assets and liabilities has been calculated definitively. Any difference between the acquisition cost and the fair value of the assets acquired will be temporarily recognised as goodwill.

Goodwill acquired on or after 1 January 2004 is measured at acquisition cost and that acquired earlier is recognised at the carrying amount at 31 December 2003. In both cases, at the end of each reporting period goodwill is reviewed for impairment (i.e. a reduction in its recoverable amount to below its carrying amount),

and, if there is any impairment, the goodwill is written down with a charge to "Net Impairment Losses" in the accompanying consolidated income statement.

An impairment loss recognised for goodwill must not be reversed in a subsequent period.

b) Other intangible assets

Administrative concessions

"Administrative Concessions" includes mainly the cost assigned to administrative concessions for radio broadcasting acquired by Uniprex, S.A. (Sole-Shareholder Company) and by Publicidad 3, S.A. (Sole-Shareholder Company). The amount recognised in the accompanying consolidated balance sheet relates to the expenses incurred to directly obtain the concession from the State or from the related public body. This amount is being amortised on a straight-line basis over the initial concession period of the licence.

Computer software

The acquisition and development costs incurred by third parties in relation to the basic computer systems used in the Group's management are recognised with a charge to "Other Intangible Assets" in the consolidated balance sheet.

Computer system maintenance costs are recognised with a charge to the consolidated income statement for the year in which they are incurred.

Computer software is amortised on a straight-line basis over a period of between three and five years from the entry into service of each application, on the basis of its estimated useful life.

Audiovisual productions

"Audiovisual Productions" relates to the costs incurred by the Group in relation to film productions. The carrying amount includes the production costs incurred in relation to the remuneration paid to co-producers and the launch and initial marketing costs. The Group begins to amortise the films from the date of commercial release or from the date on which the rating certificate is obtained. Each film production is amortised on an annual basis over the first commercial cycle of the film, which the Group considers to be four years. Accordingly, at each year-end the amortised percentage until that date is approximately the same as the percentage of the income generated until then with respect to the present value of the estimated total income for that period. The Group recognises the appropriate impairment losses to write down the carrying amounts of these film productions when it is considered necessary based on future marketing expectations.

Since the activities relating to the acquisition, production and marketing of audiovisual productions are part of the Group's normal operations, the amortisation charges to consolidated profit or loss are included under "Programme Amortisation and Other Procurements". Acquisitions of productions are classified as investment activities in the statement of cash flows since the related amounts are recovered over various years.

c) Property, plant and equipment

Land and buildings acquired for the performance of the Group's business activity or for administrative purposes are stated in the consolidated balance sheet at acquisition or production cost, less any accumulated depreciation and any recognised impairment losses.

Replacements or renewals of complete items that lead to a lengthening of the useful life of the assets or to an increase in their economic capacity are recognised as additions to property, plant and equipment, and the items replaced or renewed are derecognised.

Periodic maintenance, upkeep and repair expenses are recognised in the income statement on an accrual basis as incurred.

Fixtures and equipment are stated at cost less accumulated depreciation and any recognised impairment loss.

Depreciation is calculated, using the straight-line method, on the basis of the acquisition cost of the assets less their residual value; the land on which the buildings and other structures stand has an indefinite useful life and, therefore, is not depreciated.

The period property, plant and equipment depreciation charge is recognised in the consolidated income statement using the straight-line method at rates based on the following average years of estimated useful life of the various assets:

	Years of useful life
Buildings	33
Plant	5 to 8
Machinery and tools	6 to 10
Furniture	10
Computer hardware	3 to 7
Transport equipment and other items of property, plant and equipment	5 to 10

Assets held under finance leases are recognised in the corresponding asset category and are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, over the term of the relevant lease.

Impairment of intangible assets and property, plant and equipment

At each balance sheet date, or whenever there is any indication of impairment of intangible assets and property, plant and equipment, the Group performs an impairment test to estimate the possible loss of value that reduces the recoverable amount of the assets to below their carrying amount.

Recoverable amount is the higher of fair value less costs to sell and value in use.

In the case of property, plant and equipment and audiovisual productions, impairment is calculated item by item, on an individual basis.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior years. Such reversal of an impairment loss is recognised as income.

d) Programme rights

Programme rights are valued, based on their nature, as follows:

1. Inventoriable in-house productions (programmes produced to be re-run, such as series) are measured at acquisition and/or production cost, which includes both external costs billed by third parties for programme production and for the acquisition of resources, and internal production costs, which are calculated by applying pre-established internal rates on the basis of the time during which operating resources are used in production. The costs incurred in producing the programmes are recognised, based on their nature, under the appropriate headings in the consolidated income statement and are included under "Programme Rights" in the consolidated balance sheet with a credit to "Amounts Recognised as Programme Rights" under "Programme Amortisation and Other Procurements" in the accompanying consolidated income statement.

Amortisation of these programmes is recognised under "Programme Amortisation and Other Procurements" in the consolidated income statement, on the basis of the number of showings, at the rates shown below:

	Amortisation rate
1st showing	90 %
2nd showing	10 %

The maximum period for the amortisation of series is three years, after which the unamortised amount is written off.

Given their special nature, the series which are broadcast daily are amortised in full when the first showing of each episode is broadcast.

- Non-inventoriable in-house productions (programmes produced to be shown only once) are measured using the same methods and procedures as those used to measure inventoriable in-house productions. Programmes produced and not shown are recognised at year-end under “Programme Rights - In-House Productions and Productions in Process” in the consolidated balance sheet. The cost of these programmes is recognised as an expense under “Programme Amortisation and Other Procurements” in the consolidated income statement at the time of the first showing.
- Rights on outside productions (films, series and other similar productions) are measured at acquisition cost. These rights are deemed to have been acquired when the term of the right commences for the Group.

When payments to outside production distributors are made in foreign currency, these rights are recognised in the consolidated balance sheet by applying to the foreign currency amount the spot exchange rate prevailing when the term of the right commences.

Also, the initial value of all the outside productions acquired by the Group for which derivative instruments designated as cash flow hedges pursuant to IAS 39 were arranged in order to hedge foreign currency risk includes:

- the portion of the accumulated loss or gain recognised in equity (effective hedge) on the hedging instrument on at the beginning of the hedge.
- for payments made prior to the commencement of the hedges, the accumulated exchange gains or losses on that date.

The amortisation of the rights is recognised under “Programme Amortisation and Other Procurements” in the consolidated income statement, on the basis of the number of showings, at the rates shown below, which are established on the basis of the number of showings contracted:

FILMS	Number of showings contracted		
	1	2	3 or more
1st showing	100%	50%	50%
2nd showing	-	50%	30%
3rd showing	-	-	20%

SERIES	Number of showings contracted	
	1	2 or more
1st showing	100%	50%
2nd showing	-	50%

- Live broadcasting rights are measured at cost. The cost of these rights is recognised as an expense under “Programme Amortisation and Other Procurements” in the consolidated income statement at the time of broadcast of the event on which the rights were acquired.

Advances on purchases of rights

Payments made to acquire outside productions are recognised under "Programme Rights - Advances on Purchases of Rights" in the consolidated balance sheet and if such payments are in foreign currency they are translated to euros at the year-end exchange rate.

Provisions

The Group recognises write-downs to reduce the unamortised value of in-house productions and of the rights on outside productions which it considers will not be shown. When these rights expire, the valuation adjustments are recognised in profit or loss when the cost of the rights is derecognised.

Classification of programme rights

In accordance with standard practice in the industry in which the corporate Group operates, programme rights are classified as current assets and the portion that is amortised over more than one year is detailed in Note 8.

e) Non-current assets and liabilities classified as held for sale and discontinued operations

The Group classifies under this heading in the consolidated balance sheet the non-current assets and disposal groups whose carrying amount is expected to be recovered through a sale transaction rather than through continued use. The assets classified in this category at 31 December 2010 were those relating to Antena 3 Directo, S.A. (Sole-Shareholder Company).

The non-current assets of discontinued operations are recognised at the lower of carrying amount and market value.

The non-current liabilities of discontinued operations include the fair value of the liabilities associated with the aforementioned assets which are expected to be settled at short term.

f) Classification of financial assets and liabilities as current or non-current

In the accompanying consolidated balance sheet, financial assets and liabilities are classified on the basis of the time in which it is estimated that they will be realised or settled, i.e. financial assets and liabilities that are expected to be realised or settled over the course of the company's normal business cycle or within no more than 12 months are classified as current items, and those which do not meet these requirements are classified as non-current items.

Deferred tax assets and liabilities are classified as non-current regardless of when they are expected to be realised or settled.

g) Trade and other receivables

Trade receivables are recognised in the consolidated balance sheet at the amount invoiced.

In calculating such valuation adjustments as might be required for trade and other receivables, the Group takes into account the date on which the receivables are due to be settled and the equity position of related debtors.

Financial assets are derecognised when they expire or when the rights on the cash flows from the related financial assets and substantially all the risks and rewards of ownership have been transferred, such as firm asset sales.

h) Derivative instruments

All the derivatives held by the Group at 31 December 2010 were OTC derivatives, whose prices are not quoted on organised futures and options markets and, therefore, it is necessary to apply generally accepted valuation techniques, based on objective market data, used in the measurement of financial instruments of this nature.

Foreign currency hedging contracts are valued using the spot exchange rate and the forward interest rate curves of the related currencies. The "market" foreign currency hedge is calculated at year-end and is compared with the price of the foreign currency hedge arranged.

Foreign exchange hedges

The derivative financial instruments held by the Group companies are basically cash flow hedges arranged to mitigate the exposure of the cash flows associated with outside production rights to fluctuations in the US dollar/euro exchange rate.

Hedging instruments are recognised in the consolidated balance sheet at fair value and the changes therein are recognised directly in equity, for the effective portion, as provided for in IAS 39. When the term of the broadcasting rights designated as a hedged item commences, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset and from then on any change in the fair value of the hedging instrument is recognised directly in profit or loss for the year.

The Group companies periodically test the effectiveness of the outstanding hedges and the ineffective portion is recognised immediately in the consolidated income statement, under financial profit or loss.

If a hedged transaction is no longer expected to occur, or no longer qualifies for hedge accounting, the net cumulative gain or loss recognised in equity is transferred to net profit or loss for the year.

Equity swap and interest rate hedges

In order to cover the increased costs of the three-year variable remuneration plan that would arise as a result of an increase in the Parent's share price, an equity swap was arranged in 2006 which meets the requirements for hedge accounting as provided for in IAS 39. In 2007 an interest rate hedge was arranged to hedge fluctuations in the floating interest rate on the equity swap, changes in the value of which are recognised directly in profit or loss.

When the last payment under the three-year variable remuneration plan was made in July 2009, these swaps were recognised in profit or loss and did not have any effect on the consolidated balance sheet at 31 December 2009 or 31 December 2010.

i) Treasury shares

All the treasury shares of the Parent at 31 December 2010 represented 5.00% of the issued share capital at that date (the treasury share transactions performed in 2010 and 2009 are summarised in Note 10-d). The amount relating to these treasury shares is recognised as a reduction of equity.

Acquisitions or sales of treasury shares (see Note 10-d) are charged or credited to equity at the amount paid or received, respectively, and, therefore, the gains or losses arising from these transactions are not reflected in the income statement but are recognised as an addition to or a reduction of equity, respectively.

j) Costs deriving from the three-year variable remuneration plan

The Group charges the amount incurred in the year in connection with the implementation of the three-year variable remuneration plan to "Staff Costs" or "Other Operating Expenses" in the accompanying consolidated income statement, based on the employment relationship or the services contract of the beneficiaries, with a credit to "Other Non-Current Liabilities" and "Other Current Liabilities" in the accompanying consolidated balance sheet.

The three-year variable remuneration and loyalty-building plan for the directors and executives of the Antena 3 Group was settled in full in 2009 and, accordingly, there were no liabilities in connection with obligations of this nature at the end of 2010 and 2009.

k) Bank borrowings

Interest-bearing bank loans, credit facilities and overdrafts are recorded at the amount received. Borrowing costs are recognised in the consolidated income statement on an accrual basis using the effective interest method and are added to the carrying amount of the liability to the extent that they are not settled in the period in which they arise.

l) Termination benefits

Under current employment legislation, the Group companies are required to pay termination benefits to employees terminated under certain conditions. The Parent's directors do not expect any liabilities to arise other than those already recognised in this connection.

m) Provisions

The present obligations arising from past events which could give rise to a loss for the Group which is uncertain as to its amount and timing are recognised as provisions in the consolidated balance sheet at the present value of the most probable amount that it is considered the Group will have to disburse to settle the obligation.

Provisions are quantified taking into consideration the best information available at the date of preparation of the consolidated financial statements on the consequences of the event giving rise to them and are reestimated at the end of each year.

n) Revenue and expense recognition

Revenue and expenses are recognised on an accrual basis.

Revenue is measured at the fair value of the consideration received or receivable and represents the value of the goods and services provided in the normal course of business, net of discounts, VAT and other sales-related taxes.

The Group companies basically obtain revenue from the sale of advertising space; this revenue is recognised in the consolidated income statement when the related advertising spot is broadcast.

o) Income taxes; deferred taxes

The current income tax expense is calculated by aggregating the current tax arising from the application of the tax rate to the taxable profit (tax loss) for the year, after deducting the tax credits allowable for tax purposes, plus the change in deferred tax assets and liabilities.

In general, deferred tax liabilities are recognised for all taxable temporary differences, whereas deferred tax assets (including those relating to temporary differences and tax loss and tax credit carryforwards) are only recognised to the extent that it is considered probable that the consolidated companies will have sufficient taxable profits in the future against which the deferred tax assets can be utilised.

Deferred tax assets and liabilities are calculated by applying the tax rates that are expected to apply in the period when the asset is realised or the liability is settled. The current rate is 30% for 2010 and subsequent years.

In 2001 the Group began to file consolidated tax returns. Antena 3 de Televisión, S.A. is the Parent of this consolidated tax group (see Note 20).

p) Foreign currency transactions

The Group's functional currency is the euro. Therefore, transactions in currencies other than the euro are deemed to be "foreign currency transactions" and are recognised by applying the exchange rates prevailing at the date of the transaction.

q) Consolidated statements of cash flows

The following terms are used in the consolidated statements of cash flows with the meanings specified:

Cash flows: inflows and outflows of cash and cash equivalents, which are short-term, highly liquid investments that are subject to an insignificant risk of changes in value.

Operating activities: the principal revenue-producing activities of the Company and other activities that are not investing or financing activities.

Investing activities: the acquisition and disposal of long-term assets and other investments not included in cash and cash equivalents.

Financing activities: activities that result in changes in the size and composition of equity and borrowings that are not operating activities.

r) Earnings per share

Basic earnings per share are calculated by dividing the net profit attributable to the Parent by the weighted average number of ordinary shares outstanding during the year, excluding the number of shares of the Parent held by the Group.

The Group has not carried out transactions of any kind that have led to diluted earnings per share differing from basic earnings per share (see Note 22).

s) Dividends

At the Annual General Meeting held on 24 March 2010, the shareholders of the Parent approved the proposed distribution of profit for 2009, whereby EUR 46,129 thousand were to be paid out as dividends, EUR 16,045 thousand of which related to the interim dividend paid on 10 December 2009. The remaining EUR 30,084 thousand related to the payment of a final dividend in the aforementioned year.

On 27 October 2010, the Board of Directors of the Parent approved the distribution out of the Parent's profit for 2010 of a EUR 0.20 gross per share dividend, implying a total dividend of EUR 40,111 thousand, which was paid to the shareholders on 18 November 2010.

However, the final dividend, if any, proposed by the Board of Directors of Antena 3 de Televisión, S.A. to the shareholders at the Annual General Meeting is not deducted from equity until it has been finally approved by the latter.

4. Goodwill

The changes in "Goodwill" in the consolidated balance sheets in 2010 and 2009 were as follows:

Thousands of euros	Balance at 31/12/08	Transfers	Balance at 31/12/09	Balance at 31/12/10
TELEVISION BUSINESS:				
VNews Agencia de Noticias, S.L.U.	-	475	475	475
RADIO BUSINESS:				
Antena de Radiodifusión, S.A.U.	8,591	-	8,591	8,591
Canal Media Radio Galicia, S.L.U.	1,899	-	1,899	1,899
Canal Media Radio, S.A.U.	295	-	295	295
Ipar Onda, S.A.U.	260	-	260	260
Medipress Valencia, S.A.U.	1,360	-	1,360	1,360
Rkor Radio, S.L.U.	9,100	-	9,100	9,100
Radio Alamedilla, S.A.U.	78	(78)	-	-
Radio Tormes, S.A.U.	314	(314)	-	-
Unión Ibérica de Radio, S.A.U.	30,138	(30,138)	-	-
Uniprex, S.A.U.	123,369	30,530	153,899	153,899
TOTAL	175,404	475	175,879	175,879

The Group periodically assesses the recoverability of the goodwill described in the foregoing table on the basis of three cash-generating units based on the businesses of its subsidiaries: television, radio, organisation of sports events and other. The goodwill of Unipublic, S.A. and its subsidiary Organizaciones Deportivas y Culturales Unipublic, S.A.U. included in the latter category is reclassified, in accordance with the accounting regulations, under "Investments Accounted for Using the Equity Method" on the asset side of the consolidated balance sheet.

The Company uses the strategic plans of the various businesses to calculate any possible impairment and discounts expected future cash flows. The Group prepares the various projections individually, taking into account the expected future cash flows of each cash-generating unit.

For the television and radio units, the key assumptions on which the cash flow projections are based relate mainly to advertising markets, audience, advertising efficiency ratios and the evolution of expenses. Except for advertising data, which is measured on the basis of external sources of information, the assumptions are based on past experience and reasonable projections.

These future projections cover the next four or five years. The cash flows for the years not considered in the projections are estimated to be perpetual, with growth of 1%-2%.

In assessing value in use, the estimated cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets. In order to calculate the rate, the current value of money and the risk premiums generally used by analysts for the business and geographical area are taken into account, giving rise to future discount rates of 9%-9.5%.

For the organisation of sports and other events unit, the key assumptions on which the cash flow projections are based relate mainly to advertising markets and the evolution of expenses. These assumptions are based on past experience and on reasonable projections based on the knowledge of the industry. These future projections cover the next four or five years. The cash flows for the years not considered in the projections are estimated to

be perpetual, with growth of 2.5%. In assessing value in use, the estimated cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets, by applying a future discount rate of 9%-9.5%.

The changes in goodwill in 2009 were due mainly to the merger of Uniprex, S.A. (Sole-Shareholder Company) (the absorbing company) with the subsidiaries Unión Ibérica de Radio, S.A. (Sole-Shareholder Company), Compañía Tres Mil Ochocientos, S.L. (Sole-Shareholder Company), Radio Alamedilla, S.A. (Sole-Shareholder Company), Grupo Universal Emisoras de Radio Amanecer, S.A. (Sole-Shareholder Company) La Veu de Lleida, S.L., (Sole-Shareholder Company), Ondadit, S.L., (Sole-Shareholder Company) and Radio Tormes, S.A., (Sole-Shareholder Company) (the absorbed companies). The absorbing company recognised the assets and liabilities of the absorbed companies in its accounts following criteria based on current consolidation rules, recognising the goodwill that arose from the consolidation of these companies.

The assets and liabilities of VNews Agencia de Noticias, S.L., which had been accounted for using the equity method and whose results had been reclassified as non-current assets held for sale, were fully consolidated in 2009 and, accordingly, the excess cost paid for it was transferred to goodwill (see Note 2-b).

Based on the methods used and the available estimates, projections and valuations, the Company's directors consider that none of these assets became impaired in 2010.

5. Other intangible assets

The breakdown of the balances and transactions recognised under "Other Intangible Assets" in the consolidated balance sheets in 2010 and 2009 is as follows:

Thousands of euros	Balance at 01/01/10	Additions or charge for the year	Disposals or reductions	Transfers	Balance at 31/12/10
Cost:					
Concessions, patents and trademarks	40,811	-	(9)	-	40,802
Intellectual property	728	122	-	-	850
Computer software	34,919	55	(925)	2,313	36,362
Audiovisual productions	96,939	2,405	-	36,701	136,045
Other intangible assets	647	-	-	-	647
Intangible assets in progress	35,100	27,398	(2,162)	(37,768)	22,568
	209,144	29,980	(3,096)	1,246	237,274
Accumulated amortisation:					
Concessions, patents and trademarks	(36,191)	(1,062)	8	-	(37,245)
Intellectual property	(465)	(89)	-	-	(554)
Computer software	(29,427)	(2,162)	924	-	(30,665)
Audiovisual productions	(66,571)	(30,472)	-	(1,246)	(98,289)
Other intangible assets	(647)	-	-	-	(647)
	(133,301)	(33,785)	932	(1,246)	(167,400)
Impairment losses:	(6,038)	(9,387)	2,164	-	(13,261)
Total	69,805	(13,192)	-	-	56,613

Thousands of euros	Balance at 01/01/09	Additions/ Disposals due to changes in the scope of consolidation	Additions or charge for the year	Disposals or reductions	Transfers	Balance at 31/12/09
Cost:						
Concessions, patents and trademarks	41,523	-	-	(706)	(6)	40,811
Intellectual property	589	9	124	-	6	728
Computer software	30,803	27	26	(51)	4,113	34,919
Audiovisual productions	73,741	-	1,610	(763)	22,351	96,939
Other intangible assets	647	-	-	-	-	647
Intangible assets in progress	30,541	-	27,036	(125)	(22,351)	35,100
	177,844	36	28,796	(1,645)	4,113	209,144
Accumulated amortisation:						
Concessions, patents and trademarks	(35,831)	-	(1,072)	706	6	(36,191)
Intellectual property	(414)	-	(45)	-	(6)	(465)
Computer software	(27,606)	(9)	(1,852)	40	-	(29,427)
Audiovisual productions	(42,297)	-	(24,756)	482	-	(66,571)
Other intangible assets	(647)	-	-	-	-	(647)
	(106,795)	(9)	(27,725)	1,228	-	(133,301)
Impairment losses:	(1,826)	-	(6,038)	1,826	-	(6,038)
Total	69,223	27	(4,967)	1,409	4,113	69,805

Fully amortised intangible assets in use and in progress at 31 December 2010 amounted to EUR 90,013 thousand (31 December 2009: EUR 71,030 thousand).

6. Property, plant and equipment

The breakdown of the balances and transactions recognised under "Property, Plant and Equipment" in the consolidated balance sheets in 2010 and 2009 is as follows:

Thousands of euros	Balance at 01/01/10	Additions or charge for the year	Disposals or reductions	Transfers	Balance at 31/12/10
Cost:					
Land and buildings	64,770	91	(1)	453	65,313
Plant and machinery	85,605	1,011	(8,146)	6,890	85,360
Other fixtures and tools	49,748	-	(115)	1,371	51,004
Furniture	13,271	45	(990)	472	12,798
Computer hardware	32,961	249	(669)	1,155	33,696
Transport equipment and other items of property, plant and equipment	4,316	-	(66)	-	4,250
Construction in progress	519	10,066		(10,341)	244
	251,190	11,462	(9,987)	-	252,665
Accumulated depreciation:					
Land and buildings	(25,634)	(2,152)	-	-	(27,786)
Plant and machinery	(75,303)	(4,776)	7,966	-	(72,113)
Other fixtures and tools	(41,071)	(2,515)	118	-	(43,468)
Furniture	(11,778)	(414)	951	-	(11,241)
Computer hardware	(27,366)	(2,494)	642	-	(29,218)
Transport equipment and other items of property, plant and equipment	(3,600)	(212)	66	-	(3,746)
	(184,752)	(12,563)	9,743	-	(187,572)
Impairment losses:	(3,963)	-	2	-	(3,961)
Total	62,475	(1,101)	(242)	-	61,132

Thousands of euros	Balance at 01/01/09	Additions/ Disposals due to changes in the scope of consolidation	Additions or charge for the year	Disposals or reductions	Transfers	Balance at 31/12/09
Cost:						
Land and buildings	64,662	-	35	(96)	169	64,770
Plant and machinery	89,841	577	849	(6,807)	1,145	85,605
Other fixtures and tools	49,103	-	166	(345)	824	49,748
Furniture	13,945	-	27	(767)	66	13,271
Computer hardware	32,796	-	274	(1,476)	1,367	32,961
Transport equipment and other items of property, plant and equipment	4,626	-	-	(310)	-	4,316
Construction in progress	2,018	-	6,185	-	(7,684)	519
	256,991	577	7,536	(9,801)	(4,113)	251,190
Accumulated depreciation:						
Land and buildings	(23,439)	-	(2,233)	38	-	(25,634)
Plant and machinery	(75,703)	(268)	(5,200)	5,868	-	(75,303)
Other fixtures and tools	(38,257)	-	(3,043)	229	-	(41,071)
Furniture	(11,933)	-	(586)	741	-	(11,778)
Computer hardware	(26,058)	-	(2,723)	1,415	-	(27,366)
Transport equipment and other items of property, plant and equipment	(3,609)	-	(296)	305	-	(3,600)
	(178,999)	(268)	(14,081)	8,596	-	(184,752)
Impairment losses:	(4,043)	-	-	80	-	(3,963)
Total	73,949	309	(6,545)	(1,125)	(4,113)	62,475

The changes as a result of changes in the scope of consolidation in 2009 related mainly to the assets of VNews Agencia de Noticias, S.L.

At 31 December 2010, fully depreciated property, plant and equipment amounted to EUR 131,943 thousand (2009: EUR 119,723 thousand). The Group does not have any temporarily idle items.

The Group has taken out insurance policies to cover the possible risks to which its property, plant and equipment are subject and the claims that might be filed against it for carrying on its business activities. These policies are considered to adequately cover the related risks.

7. Investments accounted for using the equity method and other financial assets

The changes in financial assets in 2010 and 2009 were as follows:

Thousands of euros	Balance at 01/01/10	Additions or charge for the year	Disposals or reductions	Transfers	Balance at 31/12/10
Investments accounted for using the equity method-					
Unipublic, S.A. (Note 4) (*)	12,613	315	(5,500)	-	7,428
Organizaciones Deportivas y Culturales de Unipublic, S.A. (Note 4)	368	69	-	-	437
I3 Televisión, S.L.U.	58	52	-	-	110
Videoreport Canarias, S.A. (*)	480	458	-	-	938
Gestión Audiovisual de Canarias, S.L.		34	-	41	75
Antena 3 de Televisión Colombia, S.A.	133	177	-	-	310
Canal 3 Televisión de Colombia, S.A.	10	233	-	-	243
Investments accounted for using the equity method	13,662	1,338	(5,500)	41	9,541
Other investments	41	-	-	(41)	-
Long-term guarantees and deposits	552	-	(37)	-	515
Long-term loans	300	39	-	-	339
Other non-current assets	893	39	(37)	(41)	854

(*) Audited.

Thousands of euros	Balance at 01/01/09	Changes in the scope of consolidation	Additions or charge for the year	Disposals or reductions	Balance at 31/12/09
Investments accounted for using the equity method-					
Corporación Radiofónica Región de Murcia, S.A.	87	-	-	(87)	-
I3 Televisión, S.L.	91	-	-	(33)	58
Teledifusión Madrid, S.A.	-	-	-	-	-
Unipublic, S.A. (*)	12,447	-	166	-	12,613
Organizaciones Deportivas y Culturales de Unipublic, S.A.	368	-	-	-	368
Antena 3 de Televisión Colombia, S.A.	91	-	42	-	133
Canal 3 Televisión de Colombia, S.A.	7	-	3	-	10
Videoreport Canarias, S.A. (*)	-	480	-	-	480
Investments accounted for using the equity method	13,091	480	211	(120)	13,662
Other investments	-	41	-	-	41
Long-term guarantees and deposits	556	-	-	(4)	552
Long-term loans	-	300	-	-	300
Other non-current assets	556	341	-	(4)	893

(*) Audited.

At 31 December 2010, after assessing the goodwill of Unipublic, S.A. in accordance with the methods described in Note 4 to these consolidated financial statements, the Parent's directors considered that this asset had suffered impairment amounting to EUR 5,500 thousand and, therefore, this goodwill was written down appropriately with a charge to "Net Impairment Losses" in the accompanying consolidated income statement.

The inclusions in the scope of consolidation in 2009 related mainly to the change in the consolidation method of VNews Agencia de Noticias, S.L., since this company held financial interests in other companies.

These assets are measured at fair value. None of the Group's investees are listed on Spanish or foreign stock exchanges.

8. Programme rights

The detail of "Programme Rights" is as follows:

Thousands of euros	2010	2009
Programme rights, net		
Rights on outside productions	118,090	148,830
In-house productions and programmes in process	36,397	28,872
Sports broadcasting rights	3,214	3,214
Impairment losses	(21,238)	(26,177)
	136,463	154,739
Advances to suppliers	32,637	27,251
Total	169,100	181,990

At 31 December 2010, the Parent had commitments, mainly for the purchase of audiovisual property rights, amounting to EUR 36,271 thousand (2009: EUR 34,861 thousand). In addition, the Parent has purchase commitments to distributors, the definitive amount and price of which will be determined once the programmes are produced and, in certain cases, by establishing the acquisition price on the basis of box-office takings. The best estimate of these commitments amounts to EUR 45,633 thousand (2009: EUR 26,605 thousand).

Most of the programme rights on inventoriable in-house and outside productions at the end of 2010 are estimated to be amortised in 2011.

As described in Note 3-d, the Group recognises write-downs to reduce the unamortised value of programme rights. The effect on the consolidated income statement for 2010 amounted to EUR 5,042 thousand (2009: 12,401 thousand).

9. Trade and other receivables

The detail of "Trade and Other Receivables" in the consolidated balance sheets at 31 December 2010 and 2009 is as follows:

Thousands of euros	2010	2009
Trade receivables	247,100	215,836
Receivable from associates and related companies	1,721	3,657
Other accounts receivable	4,114	2,348
Total	252,935	221,841

The estimated amounts are recognised in the consolidated balance sheet, net of allowances for estimated bad and doubtful debts, on the basis of prior years' experience and of the Group's assessment of the current economic climate.

At 2010 year-end the allowance for doubtful debts amounted to EUR 29,466 thousand (2009: EUR 40,213 thousand). EUR 8,719 thousand were recognised in this connection in 2010 (2009: EUR 8,952 thousand), of which EUR 5,446 were used (2009: EUR 1,567 thousand).

10. Equity

a) Share capital

At the end of 2010 and 2009, the Parent's share capital amounts to EUR 158,335 thousand and consists of 211,112,800 fully subscribed and paid shares of EUR 0.75 par value each, all of which are of the same class and series and carry the same rights.

At 31 December 2010, the Parent's shareholder structure was as follows:

	% of ownership
Grupo Planeta-de Agostini, S.L.	44.58
Ufa Film und Fernseh GMBH	20.49
Treasury shares	5.00
Other shareholders	29.93
Total	100.00

The Parent's shares are listed on the Spanish stock market interconnection system and all carry the same voting and dividend rights.

There are agreements among the main shareholders that guarantee the Parent's shareholder stability, the grant of mutual rights of acquisition on their shares, the undertaking not to take control of the Parent or to permit a third party to do so, and also include Group management agreements, as described in the consolidated directors' report.

For management purposes, the Group treats the equity attributable to the Parent as capital. The only external requirements to which this capital for management purposes is subject are those contained in current Spanish corporate law, and there are no other legal restrictions thereon.

The Group determines the financial resources required with the two-fold objective of ensuring the Group companies' capacity to continue operating and maximising profitability by optimising Group debt and equity. The Group's financial structure taken as a whole consists of the equity attributable to the Parent's shareholders (comprising share capital, share premium, retained earnings and other items), bank borrowings and cash and cash equivalents. The Group reviews this structure regularly and, taking into account the costs and risks associated with each type of funding (debt or equity), takes the appropriate decisions to achieve the aforementioned objectives.

b) Restricted reserves

Legal reserve

Under the Consolidated Spanish Public Limited Liability Companies Law, 10% of net profit for each year must be transferred to the legal reserve until the balance of this reserve reaches at least 20% of the share capital.

The legal reserve can be used to increase capital provided that the remaining reserve balance does not fall below 10% of the increased share capital amount. Otherwise, until the legal reserve exceeds 20% of share capital, it can only be used to offset losses, provided that sufficient other reserves are not available for this purpose.

At the end of 2010 and 2009 the balance of this reserve had reached the legally required minimum.

Reserve for retired capital

As a result of the capital reduction made in 2006, a reserve was constituted for EUR 8,333 thousand, an amount equal to the par value of the retired shares, which may only be used if the same requirements as those for the reduction of share capital are met, pursuant to Article 335-c of the Spanish Limited Liability Companies Law.

Other restricted reserves

Restricted reserves include an amount of EUR 281 thousand which is considered to be a restricted reserve since it corresponds to the "Reserve for the Adjustment of Share Capital to Euros".

c) Contributions to consolidated profit by company

The detail of the contributions to the consolidated profit for the year of the fully consolidated companies and the companies accounted for using the equity method at 31 December 2010 and 2009 is as follows:

Thousands of euros	2010	2009
Antena 3 de Televisión, S.A.	104,844	44,398
Uniprex subgroup	12,485	12,968
Other	(8,201)	3,373
TOTAL	109,128	60,739

The aim of the method used to determine the contribution to consolidated profit is to maintain the required transactions between Group companies so that they can carry on their business activities under normal market conditions.

d) Treasury shares

The changes in "Treasury Shares" in 2010 and 2009 were as follows:

Number of shares	2010	2009
At beginning of year	10,555,640	7,377,191
Purchases	-	3,178,449
Delivery of shares	-	-
At end of year	10,555,640	10,555,640

The shares of the Parent held by it represent 5.00% of the Parent's share capital and total 10,555,640 shares, with a value of EUR 78,650 thousand and an average acquisition price of EUR 7.45 per share.

The shareholders at the Annual General Meeting held on 24 March 2010 approved a resolution authorising the Parent to acquire treasury shares provided that they did not exceed the maximum legal limit permitted by law at any given time.

Pursuant to Article 82 of Securities Market Law 24/1988, on 10 October 2008, the Parent notified the CNMV of a significant event whereby, based on the extraordinary situation of the stock markets and the repercussion thereof on the market price of its shares, the Parent resolved to begin a treasury share acquisition process that may be extended to the limit established by the related authorisation resolution adopted by the shareholders at the Annual General Meeting held on 26 March 2008. The 5% limit was reached in April 2009.

The shareholders at the Annual General Meeting held on 25 March 2009 also resolved to reduce the share capital in order to retire treasury shares with a charge to profit or unrestricted reserves, authorising the Board of Directors to implement this resolution. At the date of preparation of these consolidated financial statements, the aforementioned resolution had become void because the 18-month period established in this connection had elapsed, as the Board of Directors had not made use of the powers granted to it by the shareholders at the Annual General Meeting in relation to the execution thereof.

e) Dividends

At the Annual General Meeting held on 24 March 2010, the shareholders of the Parent approved the proposed distribution of profit for 2009, whereby EUR 46,129 thousand were allocated to the payment of dividends, of which EUR 16,045 thousand related to the interim dividend paid out of 2009 profit on 10 December 2009. The remaining EUR 30,084 thousand related to the payment of a final dividend in the aforementioned year.

On 27 October 2010, the Board of Directors of the Parent approved the distribution out of the Company's profit for 2010 of EUR 0.20 gross per share, implying a total dividend of EUR 40,111 thousand, which was paid to the shareholders on 18 November 2010.

f) Non-controlling interests

“Non-Controlling Interests” relates to the non-controlling interests of Uniprex Televisión Digital Terrestre de Andalucía, S.L., which at 31 December 2010 held 25.8% of the shares of this company, the amount of which is not significant.

11. Provisions and other liabilities

The changes in the long- and short-term provisions in 2010 were as follows:

Thousands of euros	Balance at 31/12/09	Charge for the year	Amounts used and payments	Transfers	Balance at 31/12/10
Litigation	33,968	5,806	(10,300)	46	29,520
Operating provisions	39,050	36,258	(34,746)	-	40,562
Other provisions	17,615	20,740	(15,024)	-	23,331
Total provisions	90,633	62,804	(60,070)	46	93,413

Short- and long-term provisions in the consolidated balance sheet relate basically to the volume rebates paid yearly which accrue over the course of the year. There are also provisions for litigation which relate mainly to the best estimate of the amounts that will become payable for which the payment schedule depends on court judgments and is, therefore, difficult to estimate, and other provisions relating to estimated future payment obligations arising from the Group’s own activities.

The main item included under “**Other Non-Current Liabilities**” relates to accounts payable over more than one year for copyrights and a portion of deferred taxes (see Note 20-d).

“**Other Current Liabilities**” relates mainly to remuneration payable for various items. In July 2009 the outstanding debt under the multi-year incentive, loyalty-building and variable remuneration plan was paid and, therefore, there was no liability in this connection at 2010 and 2009 year end.

12. Bank borrowings

The detail of “Bank Borrowings” at 31 December 2010 and 2009 is as follows:

Thousands of euros	2010			2009		
	Limit	Short-term balance drawn down	Long-term balance drawn down	Limit	Short-term balance drawn down	Long-term balance drawn down
Bank loans	1,050	-	1,050	1,698	32	1,666
Credit facilities	354,000	99,810	-	357,150	168,082	12,766
Other	-	93	40	-	91	133
Interest payable	-	431	-	-	533	-
Total	355,050	100,334	1,090	358,848	168,738	14,565

The interest rates paid in 2010 on the loans and credit facilities arranged with banks are mainly tied to Euribor.

The long-term balances drawn down mature in 2012 (EUR 598 thousand) and 2014 (EUR 452 thousand).

13. Hedging derivatives

a) Foreign currency hedges

The Group uses currency derivatives to hedge significant future transactions and cash flows. The instruments purchased are denominated in US dollars.

The Group applies hedge accounting and documents the hedging relationships and the measurement of their effectiveness as required by IAS 39. In all cases, these include the cash flow hedges of firm commitments, the EUR/USD forward exchange rate exposure to possible variations in the cash flows payable in euros associated with broadcasting rights of which is hedged.

For 2010, due to the commencement of the period in which the broadcasting rights being hedged come into force, EUR 15 thousand were deducted from equity and recognised as a deduction of inventories. In 2009 the aforementioned effect gave rise to an increase in inventories of EUR 69 thousand. The changes in the fair value of the derivatives arranged by the Group depend on the changes in the EUR/USD exchange rate and on the euro interest rate curves.

At 31 December 2010, the Group had arranged instruments to hedge its foreign currency asset and liability positions amounting to USD 40,235 thousand, at a weighted average exchange rate of EUR 1.3564/USD 1. At 31 December 2009, the Group had arranged hedging instruments amounting to USD 51,604 thousand, at a weighted average exchange rate of EUR 1.4192/USD 1.

At the consolidated balance sheet date, the total amount of outstanding forward currency contracts entered into by the Group is as follows (the terms reflect the moment in which the hedged portion is recognised and in which the value of the hedging instruments is adjusted in equity as an increase in / reduction of inventories:

	Classification	Type	Expiry	Amount contracted (thousands of euros)	Ineffective portion recognised in the income statement (thousands of euros)	Fair value (thousands of euros)	
						Assets	Liabilities
Foreign currency hedges	Foreign currency hedge	Purchase of USD	2011	23,607	-	807	328
Foreign currency hedges	Foreign currency hedge	Purchase of USD	2012	6,055	-	123	116

At 31 December 2010, the fair value of the Group's foreign currency derivatives, which are designated and effective as cash flow hedges, was estimated to be positive by EUR 930 thousand and negative by EUR 444 thousand (2009: EUR 572 thousand positive and EUR 1,138 thousand negative). This amount was deferred and recognised in equity.

The foreign currency derivatives have been arranged in such a way that they are totally effective and, therefore, they are recognised in full in equity until inventories are recognised.

The sensitivity analysis indicates that positive or negative changes of 5% in spot EUR/USD exchange rates would give rise to changes of approximately EUR 3 million in the fair value of the foreign currency derivatives. Increases in the value of the euro (depreciation of the US dollar) would increase negative values while decreases in the value of the euro would increase positive values.

The financial instruments measured at fair value should be classified as levels 1 to 3, based on the degree of verification of their fair value. Therefore, fair values arising from quoted prices on active markets will be classified as level 1. Those arising from external information other than quoted prices will be classified as level 2. And values obtained using valuation techniques that include data that is not observable in active markets will be classified as level 3. The Group's derivative instruments would be classified as level 2.

b) Equity and interest rate swaps

In order to cover the increased cost of the three-year variable remuneration plan that would arise in the event of an increase in the Company's share price, an equity swap contract was arranged in 2006 that met the requirements to qualify for hedge accounting. In 2007 an interest rate derivative was arranged to hedge the fluctuations in the floating interest rate of the equity swap, recognising the changes in the value thereof directly in the consolidated income statement of the year.

When the last payment under the three-year variable remuneration plan was made in July 2009, these swaps were recognised in profit and loss and did not have any impact on the consolidated balance sheet at 31 December 2010 and 2009

The effect on the 2009 consolidated income statement was an increased expense of EUR 2,292 thousand which was recognised under "Financial Loss". As mentioned previously, the Parent did not engage in any transactions of this nature in 2010.

The Group met the requirements described in Note 3-h on measurement bases in order to classify the financial instruments detailed as hedges. Specifically, they were formally designated as such and it was verified that the hedges were effective. Both hedges were settled on expiry, and no new hedges have been arranged since then.

14. Trade and other payables

The detail of "Trade and Other Payables" in the consolidated balance sheets at 31 December 2010 and 2009 is as follows:

Thousands of euros	2010	2009
Trade payables	242,148	211,997
Payable to associates and related companies	11,380	13,477
Customer advances	2,523	2,704
Total	256,051	228,178

In relation to the information required by Additional Provision Three of Law 15/2010, of 5 July, for these first consolidated financial statements prepared after the law had come into force, at 31 December 2010, approximately EUR 40 million of the balance payable to suppliers were past due by more than the statutory payment period.

This amount relates mainly to payables to suppliers for production services relating to agreements signed prior to the entry into force of the legislation, included in "Current Liabilities - Trade and Other Payables" in the consolidated balance sheet.

In accordance with Law 3/2004, of 29 December, which establishes measures to combat default in commercial transactions, and in accordance with the transitional provisions established in Law 15/2010, of 5 July, the maximum legal payment period applicable to the Group is 85 days from the date of entry into force of the law until 31 December 2011.

15. Other guarantee commitments to third parties and contingent assets and liabilities

a) **Guarantee commitments to third parties**

The detail of the guarantees provided by the Group to banks for third- and related parties is as follows:

Thousands of euros	2010	2009
Group companies and associates	7,669	24,386
Other guarantees	7,090	13,259
Total	14,759	37,645

The Parent's directors consider that any liabilities not foreseen at 31 December 2010 that might arise from the guarantees provided would not be material.

b) **Contingent liabilities**

At 31 December 2010, certain civil, labour, criminal and administrative lawsuits had been filed against the Group companies, which were taken into account in estimating any contingent liabilities. Noteworthy, in view of their amount, were the lawsuits with certain collection societies.

The directors of the Parent and its legal advisers do not expect any material liabilities additional to those already recorded to arise from the outcome of the lawsuits in progress.

c) Litigation

In 2010 there were no significant changes in litigations and no new litigation proceedings deemed significant were brought against the Group.

16. Risk management policy

a) Risk management policy

The businesses and companies establish the risk management controls required to ensure that transactions in markets are performed in accordance with the Antena 3 Group's policies, rules and procedures and that all transactions take place within the limits approved for each case.

b) Foreign currency risk

Foreign currency risks are concentrated at the Parent and relate basically to the payments to be made in international markets to acquire broadcasting rights. The Parent arranges hedging instruments, mainly foreign currency hedges, to mitigate its foreign currency risk exposure for EUR/USD forward foreign currency risk. Sensitivity to changes in the exchange rate is described in Note 13-a.

c) Liquidity risk

The Group's liquidity policy is to arrange credit lines and short-term investments for amounts that are sufficient to support its financing needs, on the basis of its expected business performance (see Note 12).

d) Credit risk

The Group does not have a significant credit risk since the average customer collection period is very short and guarantees are required for deferred payment sales. Cash is placed and derivatives are arranged with highly solvent entities.

The Corporate Governance Report includes an extensive summary of the risk control systems.

17. Income and expenses

a) Revenue

The breakdown, by business line, of the Group's revenue for 2010 and 2009 is as follows:

Thousands of euros	2010	2009
Advertising sales	785,129	673,358
Other sales	30,948	12,686
Trade and other discounts	(42,754)	(35,315)
Total	773,323	650,729

The breakdown, by geographical market, of the Group's revenue for 2010 and 2009 is as follows:

Thousands of euros	2010	2009
Spain	769,463	644,811
Other EU countries	3,228	4,668
Non-EU countries	632	1,250
Total	773,323	650,729

b) Programme amortisation and other procurements

The detail of "Programme Amortisation and Other Procurements" is as follows:

Thousands of euros	2010	2009
Outside production services	183,703	169,968
Broadcasting of in-house productions	159,776	152,593
Programme broadcasting rights	152,701	123,262
Performance of and contributions by entertainers	9,845	12,161
Live broadcasting rights	221	19,321
Other amortisation	11,280	18,517
Other purchases	2,491	156
Addition to programme rights	(195,568)	(175,399)
Total	324,449	320,579

"Addition to Programme Rights" reflects the expenses incurred in making programmes. In accordance with the Parent's procedures, these expenses are capitalised and subsequently amortised in accordance with the policies described in Note 3-d.

c) Staff costs

The detail of "Staff Costs" is as follows:

Thousands of euros	2010	2009
Wages and salaries	107,796	110,902
Social security costs	18,137	21,062
Other staff costs	2,908	2,960
Total	128,841	134,924

The remuneration of senior executives who are not directors amounted to EUR 3,918 thousand in 2010 (EUR 6,023 thousand in 2009). Of this amount, EUR 196 thousand related to indemnity payments received by senior executives in 2009. No amount was paid in this connection in 2010.

The Parent has not granted any loans or advances to its senior executives and it does not have any supplementary pension, retirement bonus or special indemnity obligations to them in their capacity as executives.

The average number of Group employees in 2010, by professional category, was as follows:

Professional category	2010	
	Women	Men
Senior executives	1	11
Directors	80	159
Other line personnel	573	642
Clerical staff	146	28
Other	147	100
Total	947	940

The average number of Group employees at 2009 year-end, by professional category, was as follows:

Professional category	2009	
	Women	Men
Senior executives	1	11
Directors	80	159
Other line personnel	590	625
Clerical staff	140	21
Other	160	108
Total	971	924

The number of senior executives includes two directors.

The average number of employees in 2010 with a disability of more than 33%, by professional category, is as follows:

Professional category	2010
Directors	2
Other line personnel	18
Clerical staff	17
Other	4
Total	41

Three-year variable remuneration and executive loyalty-building plan

As the Spanish National Securities Market Commission (CNMV) was informed on 12 May 2004, the Parent's shareholders at the Annual General Meeting on that date approved a three-year variable remuneration and loyalty building plan for the directors and executives of the Antena 3 Group. Once the criteria of the Nomination and Remuneration Committee had been taken into account and the resolutions of the relevant managing bodies had been adopted, the plan was implemented in 2009 which, as notified to the CNMV on 4 January 2005, was targeted at two groups of directors and executives, in the corresponding categories, for which across-the-board conditions were established.

The amounts corresponding to the group of beneficiaries with maturity on 10 July 2007 were paid in 2007. The amounts corresponding to the first group referred to in the preceding paragraphs were paid in July 2009. EUR 5,507 thousand became vested in 2009.

Given that the plan was settled in full in 2009, there is no balance in this connection in the consolidated financial statements for 2010.

d) Other operating expenses

The detail of "Other Operating Expenses" in the consolidated income statement is as follows:

Thousands of euros	2010	2009
Operating leases and charges	52,359	50,997
Work performed by other companies	51,607	30,817
Copyrights	30,894	27,362
Communications	11,354	12,514
Advertising and publicity	6,383	4,051
Other overheads	44,880	41,496
Total	197,477	167,237

“Operating Leases and Charges” in the accompanying consolidated income statements includes mainly the charge for the distribution of the audiovisual signal and the telecommunications operators’ contribution to the financing of Corporación RTVE.

e) Other disclosures

The fees for audit services provided to the various companies composing the Antena 3 de Televisión, S.A. and Subsidiaries Group by the main auditor, Deloitte, S.L., and by other entities related thereto in 2010, amounted to EUR 275 thousand (2009: EUR 276 thousand), and the fees relating to services relating to the audit in 2010 amounted to EUR 164 thousand, for which no such services were provided in 2009.

Also, the fees for other professional services provided to the various Group companies by the main auditors and by other entities related thereto amounted to EUR 17 thousand (2009: EUR 308 thousand). No tax advisory services were provided in 2010 or in 2009.

The Annual Corporate Governance Report includes a description of the work of the Audit Committee and an explanation of the manner in which the objectivity and independence of the auditor is guaranteed when the auditors provide non-audit services.

18. Net impairment losses

In 2010, “Net Impairment Losses” in the consolidated income statement reflects the impairment of the goodwill of Unipublic, S.A., amounting to EUR 5,500 thousand (see Note 7).

In 2009 the Group recognised impairment losses on non-current assets amounting to EUR 5,597 thousand. In addition, the Group recognised impairment losses on non-current assets recognised in prior years amounting to EUR 1,826 thousand.

As indicated in Note 2, “Net Gain on Disposal of Non-Current Assets” includes mainly the gains on disposals of companies.

19. Business and geographical segments

Basis of segmentation

Segment reporting is structured on the basis of the Group's various business lines at the end of 2010 and 2009, taking into account, on the one hand, the nature of the services provided and, on the other, the customer segments targeted by them.

In 2010 and 2009 the Group focused its business activities on the following major business lines in Spain:

- Television
- Radio
- Other businesses, the most noteworthy of which are event management, audiovisual production and the management of advertising in cinemas.

In order to present segment reporting more fairly, the method used to determine the contribution of each business segment to the Group was changed, although this did not have a significant effect with respect to the information presented in the consolidated financial statements at 31 December 2009 (see Note 10-c).

Thousands of euros	Television		Radio		Other businesses		Consolidation Adjustments between segments		Antena 3 consolidated Group	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
PROFIT/LOSS										
Revenue and other income	687,731	600,883	90,214	88,349	37,782	27,093	(8,012)	(12,430)	807,715	703,895
Operating expenses (excluding depreciation and amortisation charge)	543,427	533,445	69,501	68,237	45,851	33,488	(8,012)	(12,430)	650,767	622,740
GROSS PROFIT (LOSS) FROM OPERATIONS	144,304	67,438	20,713	20,112	(8,069)	(6,395)	-	-	156,948	81,155
Depreciation and amortisation charge	11,944	12,860	3,654	3,929	280	319	-	-	15,878	17,108
PROFIT (LOSS) FROM OPERATIONS	132,360	54,578	17,059	16,183	(8,349)	(6,714)	-	-	141,070	64,047
Net impairment losses recognised/reversed	-	74	-	-	(5,500)	(3,845)	-	-	(5,500)	(3,771)
Net gain or loss due to changes in the value of financial instruments at fair value	933	(633)	-	-	-	-	-	-	933	(633)
Exchange differences	(1,112)	(396)	-	-	(25)	25	-	-	(1,137)	(371)
Investment income	2,171	3,005	280	953	37	62	(2,264)	(3,172)	224	848
Finance costs	4,697	11,340	71	115	2,132	2,148	(2,264)	(3,172)	4,636	10,431
Financial profit (loss)	(2,526)	(8,335)	209	838	(2,095)	(2,086)	-	-	(4,412)	(9,583)
Share of results of associates and joint ventures accounted for using the equity method	412	(30)	-	-	296	471	-	-	708	441
Net gain (loss) on the disposal of non-current assets or on the valuation of non-current assets classified as held for sale not included under discontinued operations	18	1,175	(13)	3	(7)	102	-	-	(2)	1,280
PROFIT (LOSS) BEFORE TAX	130,085	46,433	17,255	17,024	(15,680)	(12,047)	-	-	131,660	51,410
Income tax	25,216	294	5,021	(3,533)	(7,705)	(6,090)	-	-	22,532	(9,329)
PROFIT (LOSS) AFTER TAX	104,869	46,139	12,234	20,557	(7,975)	(5,957)	-	-	109,128	60,739
BALANCE SHEET										
ASSETS										
Segment assets	984,175	865,700	457,654	431,057	152,439	110,686	(820,980)	(624,991)	773,288	782,452
Investments accounted for using the equity method	1,676	759	-	-	7,865	12,903	-	-	9,541	13,662
TOTAL ASSETS	985,851	866,459	457,654	431,057	160,304	985,851	(820,980)	(624,991)	782,829	796,114
LIABILITIES										
Segment liabilities	985,851	866,459	457,654	431,057	160,304	123,589	(820,980)	(624,991)	782,829	796,114
TOTAL LIABILITIES	985,851	866,459	457,654	431,057	160,304	123,589	(820,980)	(624,991)	782,829	796,114

20. Tax matters

a) Consolidated tax group

Pursuant to current legislation, the consolidated tax group includes Antena 3 de Televisión, S.A., as the Parent, and the Spanish subsidiaries that meet the requirements provided for in Spanish legislation regulating the taxation of the consolidated profits of corporate groups (in which an ownership interest of more than 75% is held).

The Group's other subsidiaries file individual tax returns in accordance with the tax legislation in force in each country.

Pursuant to Corporation Tax Law 43/1995, of 27 December, on 26 December 2000, Antena 3 de Televisión, S.A. notified the Madrid tax authorities of its decision to file consolidated income tax returns. This application is considered indefinite provided that the requirements established in the current Article 67 of the Consolidated Spanish Corporation Tax Law are met and the Group does not opt to cease to apply the consolidated tax regime. The filing of consolidated tax returns gives rise to reciprocal intra-Group balances, due to the offset of the losses incurred by certain companies against the profit earned by other Group companies.

On 5 June 2009, the public deed was executed for the merger by absorption of Radio Tormes, S.A. (Sole-Shareholder Company), Radio Alamedilla, S.A. (Sole-Shareholder Company), Compañía Tres Mil Ochocientos, S.L. (Sole-Shareholder Company), La Veu de Lleida, S.L. (Sole-Shareholder Company), Grupo Universal de Emisoras Radio Amanecer, S.A. (Sole-Shareholder Company), Ondadit, S.L. (Sole-Shareholder Company) and Unión Ibérica de Radio, S.A. (Sole-Shareholder Company) into the sole shareholder Uniprex, S.A. (Sole-Shareholder Company) through the dissolution without liquidation of the absorbed companies and the transfer en bloc of their assets and liabilities to Uniprex, S.A. (Sole-Shareholder Company), the absorbing company, which acquired them by universal succession and was subrogated to all the rights and obligations of the absorbed companies, as stipulated in Article 233 of the Spanish Public Limited liability Companies Law. The effective date from which the transactions of the absorbed companies were considered to have been performed for accounting and tax purposes by the absorbing company was taken to be 1 January 2009.

The merger gave rise to the merger goodwill shown in Note 4, which differs from the merger goodwill for tax purposes calculated and amortised as provided for in Article 89.3 of the Consolidated Spanish Corporation Tax Law.

b) Reconciliation of the accounting profit to the income tax expense

The reconciliation of the accounting profit to the income tax expense is as follows:

Thousands of euros	2010	2009
Consolidated profit before tax	131,660	51,410
Permanent differences	5,075	(2,815)
Tax losses incurred prior to the formation of the tax group used in 2010	(50)	-
Adjusted profit	136,685	48,595
Tax rate	30.00%	30.00%
Adjusted profit due to change in applicable tax rate	41,005	14,578
Tax credits	(18,678)	(15,742)
Current income tax expense	22,327	(1,164)
Income tax adjustment	205	(8,165)
Total tax expense	22,532	(9,329)
Effective tax rate	17.11%	(18.14%)

The 2010 permanent differences mainly include negative consolidation differences (EUR 1,176 thousand), the amortisation of merger goodwill (EUR 1,239 thousand), the impairment of goodwill at Unipublic (EUR 5,500 thousand), other non-deductible expenses (EUR 1,266 thousand) and donations (EUR 724 thousand).

The 2009 permanent differences mainly included donations and other non-deductible expenses (EUR 1,177 thousand), the amortisation of goodwill on consolidation (EUR 826 thousand) and consolidation differences (EUR 812 thousand).

The tax credits indicated in the table above were earned by the Group in 2010 for investment in audiovisual and film production, other investments in relation to donations to not-for-profit organisations that qualify under Law 49/2002 and domestic dividend double taxation tax credits.

“Income Tax Adjustment” includes the difference between the projected income tax expense recognised in 2009 and the effective tax return filed.

c) Reconciliation of the accounting profit to the taxable profit

The reconciliation of the accounting profit to the taxable profit (tax loss) for income tax purposes for 2010 and 2009 is as follows:

Thousands of euros	2010	2009
Accounting profit before tax	131,660	51,410
Permanent differences –	5,075	(2,815)
Temporary differences –	(7,125)	(97,432)
Offset of prior years' tax losses	(56,733)	-
Taxable profit (tax loss)	72,877	(48,837)
Tax rate	30.00%	30.00%
Gross tax payable (refundable)	21,863	(14,651)
Tax credits used in 2010	(7,999)	(15,742)
2010 tax prepayments	(10,511)	(3,787)
Tax payable (refundable)	3,353	(3,787)

d) Tax receivables and payables

The detail of the tax receivables and payables at 31 December 2010 and 2009 is as follows:

Thousands of euros	2010	2009
NON-CURRENT ASSETS		
Deferred tax assets (Note 20-e)	14,706	15,292
Tax loss carryforwards	260	18,818
Unused tax credits and tax relief	34,594	23,981
	49,560	58,091
CURRENT ASSETS		
Income tax refundable (Note 20-c)	-	3,787
Other tax receivables	3	964
VAT receivable	361	-
	364	4,751
Total tax receivables	49,924	62,842
OTHER NON-CURRENT LIABILITIES		
Deferred tax liabilities (Note 20-e)	127	241
CURRENT LIABILITIES		
Tax withholdings payable	2,644	3,381
Income tax payable (Note 20-c)	3,353	-
Accrued social security taxes payable	1,846	1,956
VAT payable	5,676	5,839
	13,519	11,176
Total tax payables	13,646	11,417

On the basis of the estimate made by the Parent's directors of the timing of future profits for the offset and use of these taxes, EUR 17,471 thousand were considered to be recoverable in the tax return for the coming year.

e) Deferred tax assets recognised

The difference between the tax charge allocated to the current year and to prior years and the tax charge already paid or payable for such years, which is recognised under deferred tax assets, arose as a result of temporary differences derived from the following items:

DEFERRED TAX ASSETS Thousands of euros	Balance at 31/12/08	Additions	Disposals	Other	Balance at 31/12/09	Additions	Disposals	Other	Balance at 31/12/10
Contingencies and charges	11,417	1,392	1,898	(1,499)	9,412	197	3,152	195	6,652
Non-current accounts payable	33,488	2,397	31,121	657	5,421	1,027	902	1,361	6,907
Hedging instruments	1,974	-	2,262	-	(288)	-	95	-	(383)
Other	1,443	-	-	(696)	747	959	266	90	1,530
Total	48,322	3,789	35,281	(1,538)	15,292	2,183	4,415	1,646	14,706

The changes in "Deferred Tax Liabilities" were as follows:

DEFERRED TAX LIABILITIES Thousands of euros	Balance at 31/12/08	Additions	Disposals	Balance at 31/12/09	Additions	Disposals	Balance at 31/12/10
Derivatives	-	57	-	57	-	57	-
Grants	165	19	-	184	-	57	127
Total	165	76	-	241	-	114	127

The changes in deferred tax assets, included in the "Other" column, include most notably the difference between the projected income tax expense for 2009 and the effective tax return filed.

"Hedging Instruments" in the "Deferred Tax Asset" and "Deferred Tax Liabilities" tables is not included in "Temporary Differences" or "Deferred Tax Assets" in the tables in Note 20-c) since for tax purposes they are recognised directly in equity.

f) Tax recognised directly in equity

In addition to the income tax recognised in the consolidated income statement, in 2010 and 2009 the Group recognised the following amounts in consolidated equity:

Thousands of euros	2010	2009
Hedging instruments	(383)	(345)
Total	(383)	(345)

g) Other information

At 31 December 2010, the Group had from 2005 onwards open for review by the tax authorities for all the taxes applicable to it.

In 2008 the Parent (Antena 3 de Televisión, S.A.) acquired non-current assets as required under the terms established in Article 36 ter. of the Spanish Corporation Tax Law as worded in Law 24/2001, for the reinvestment of the extraordinary income obtained by the Group company Uniprex Televisión, S.L. (Sole-Shareholder Company) on the transfer of the ownership interest in a company. This reinvestment (EUR 499,950) gave rise to a tax credit of EUR 41,793, which was taken in 2008.

The aforementioned non-current assets continue to be held in use at Antena 3 Televisión in accordance with Article 36 of Spanish Corporation Tax Royal Decree-Law 4/2004.

Also, in 2009 the Company used the aforementioned tax credit for the reinvestment of extraordinary income deriving from the transfer of the ownership interest of Gloway Broadcasting Services, S.L., in compliance with the requirement of Article 36. In 2009 the Company acquired non-current assets amounting to EUR 6,414 thousand, under the terms and conditions established in the aforementioned Article to comply with the reinvestment and earned tax credits of EUR 46 thousand that it did not use.

These non-current assets continue to be used and are held in the equity of Antena 3 Televisión.

At 31 December 2010, the detail of the prior years' tax loss carryforwards (recognised and unrecognised) is as follows:

LAST YEAR FOR OFFSET	Thousands of euros
2012	1,181
2013	3,093
2014	569
2015	138
2016	344
2017	548
TOTAL	5,873

21. Related party transactions

Transactions between the Parent and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this Note. Transactions and balances between the Group and its associates and other related companies are disclosed below.

Balances at 31/12/10	Thousands of euros	
	Trade receivables	Short-term payables
Associates:		
Fundación Antena 3	64	1,381
I3 Televisión, S.L.	71	1,572
Organiz. Deport. y Culturales de Unipublic, S.A.	-	50
Unipublic, S.A.	150	3,781
Videoreport Canarias, S.A.	-	3
Total associates (Notes 9 and 14)	285	6,787
Related companies:		
Audiovisual Española 2000 de Ediciones, S.A.	-	309
Audiovisual Española 2000, S.A.	253	13
Centro de Estudios CEAC, S.L.	10	-
Corporació Catalana de Comunicació, S.L.	2	3
DeAPlaneta, S.L.	129	1,141
Ediciones Temas De Hoy, S.A.	-	59
Editorial Página Cero Málaga, S.L.	-	2
Editorial Página Cero, S.A.	-	2,295
Editorial Planeta Madrid, S.A.	14	112
Editorial Planeta, S.A.	-	16
Espasa Calpe, S.A.	5	16
Fremantle Media Ltd.	73	408
Grupo Editorial CEAC, S.A.	2	-
I.P. Network, S.A. (France)	-	9
I.P. Network, S.A. (UK)	-	4
I.P. Network, S.A. (Luxembourg)	-	12
Lanetro Zed, S.A.	-	57
Planeta Corporación, S.R.L.	-	2
Planeta Deagostini Profesional y Form., S.L.	7	-
Planeta Directo, S.L.	10	-
Planeta Ecommerce Network, S.L.	3	4
Planeta Junior Italia, S.R.L.	70	-
Planeta Junior, S.R.L.	-	76
Planeta Sistemas y Operaciones, S.L.	-	1
Prisma Publicaciones 2002, S.L.	-	5
RTL Televisión GmbH	-	41
Sociedad Anónima del Vídeo, S.L.	134	-
Ulises Interactive, S.L.	-	8
Zed Iberia, S.L.	262	-
Zed Producciones, S.A.	95	-
Zed Worldwide, S.A.	367	-
Total associates (Notes 9 and 14)	1,436	4,593

Balances at 31/12/09	Thousands of euros	
	Trade receivables	Short-term payables
Associates:		
Fundación Antena 3	68	1,542
I3 Televisión, S.L.	41	1,099
Organiz. Deport. y Culturales de Unipublic, S.A.	-	50
Unipublic, S.A.	322	4,162
Total associates	431	6,853
Related companies:		
Audiovisual Española 2000, S.A.	18	147
Canal Directo Interactivo, S.L.	-	1
Centro de Estudios CEAC, S.L.	15	1
Corporació Catalana de Comunicació, S.L.	2	25
DeAplaneta Producciones Cinematográficas, S.L.	12	-
DeAPlaneta, S.L.	30	1,034
Editorial Página Cero Málaga, S.L.	-	3
Editorial Página Cero Galicia, S.L.	-	24
Editorial Página Cero, S.A.	717	4,195
Editorial Planeta, S.A.	-	10
Espasa Calpe, S.A.	17	8
Espasa Libros, S.L.	14	-
Fremantle Media Ltd.	15	117
Grupo Editorial CEAC, S.A.	2	-
I.P. Network, S.A.	-	1
Lanetro Zed, S.A.	6	189
Magnolia TV España	-	1,050
Planeta Directo, S.L.	10	-
Planeta Ecommerce Network, S.L.	3	6
Planeta Junior Italia, S.R.L.	70	-
Planeta Sistemas y Operaciones, S.L.	-	1
RTL Televisión GmbH	-	1
Sociedad Anónima del Vídeo, S.L.	134	-
T.V.I. Televisão Independiente, S.A.	-	6
Zed Iberia, S.L.	190	-
Zed Worldwide, S.A.	1,971	-
Total related companies	3,226	6,819

Transactions at 31/12/10	Thousands of euros	
	Sales	Purchases, acquisition of rights and other services
Associates:		
Fundación Antena 3	138	-
I3 Televisión, S.L.	477	6,053
Unipublic, S.A.	738	752
Total associates	1,354	6,805
Related companies:		
Audiovisual Española 2000, S.A.	251	663
Corporació Catalana de Comunicació, S.L.	-	16
DeAPlaneta, S.L.	1,064	650
Editorial Página Cero, S.A.	532	9,886
Editorial Planeta Madrid, S.A.	12	145
Editorial Planeta, S.A.	8	50
Espasa Calpe, S.A.	(7)	25
Espasa Libros, S.L.	2	-
Fremantle Media Ltd.	-	645
Professional fees of directors	-	1,402
I.P. Network, S.A. (France)	-	148
I.P. Network, S.A. (UK)	-	4
I.P. Network, S.A. (Germany)	-	4
I.P. Network, S.A. (Luxembourg)	-	16
Lanetro Zed, S.A.	-	96
Magnolia TV España	-	1,181
Planeta Corporación, S.R.L.	-	2
Planeta de Agostini Formación, S.L.	6	-
Planeta DeAgostini, S.A.	4	-
Planeta Directo, S.L.	3	-
Planeta Ecommerce Network, S.L.	-	3
Planeta Junior, S.L.	-	125
Planeta Sistemas y Operaciones, S.L.	-	6
Prisma Publicaciones 2002, S.L.	-	9
Ulises Interactive, S.L.	-	7
Zed Iberia, S.L.	476	-
Zed Producciones, S.A.	82	-
Zed Worldwide, S.A.	1,097	-
Total related companies	3,530	14,966

In addition to these transactions, in 2010 the Group sold and purchased advertising space to and from related companies, amounting to EUR 1,210 thousand and EUR 4,404 thousand, respectively, through advertising agencies.

Transactions at 31/12/09	Thousands of euros	
	Sales	Purchases, acquisition of rights and other services
Associates:		
Fundación Antena 3	97	-
Gloway Broadcast Services, S.L.	7	3,881
I3 Televisión, S.L.	330	6,234
Organiz. Deport. y Culturales de Unipublic, S.A.	1	-
Unipublic, S.A.	813	991
Total associates	1,248	11,106
Related companies:		
Audiovisual Española 2000, S.A.	109	267
Centro de Estudios CEAC, S.L.	13	-
Corporació Catalana de Comunicació, S.L.	2	53
DeAPlaneta Producciones Audiovisuales, S.A.	-	100
DeAPlaneta, S.L.	122	480
Editorial Página Cero Galicia, S.L.	-	39
Editorial Página Cero, S.A.	1,232	10,343
Editorial Planeta, S.A.	102	19
Espasa Calpe, S.A.	18	25
Espasa Libros, S.L.	12	-
Fremantle Media Ltd.	15	351
I.P. Network, S.A.	-	59
Lanetro Zed, S.A.	6	174
M6 Droits Audiovisuales, S.A.	604	-
Magnolia TV España	-	1,787
Planeta Advertising Network, S.L.	17	195
Planeta Ecommerce Network, S.L.	3	15
Planeta Medios Digitales, S.L.	-	15
Planeta Sistemas y Operaciones, S.L.	-	55
Publipress, S.L.	4	-
Ulises Interactiva, S.L.	2	13
Zed Iberia, S.L.	576	-
Zed Worldwide, S.A.	6,484	-
Total related companies	9,321	13,990

In addition to these transactions, in 2009 the Group sold advertising space to related companies, amounting to EUR 4,164 thousand, through advertising agencies.

22. Earnings per share

Basic earnings per share

Basic earnings per share are calculated by dividing the net profit or loss attributable to the Group by the weighted average number of ordinary shares outstanding during the year, excluding the average number of treasury shares held in the year.

Accordingly:

	2010	2009
Net profit for the year (thousands of euros)	109,129	60,751
Weighted average number of shares outstanding (thousands of shares)	200,557	200,937
Basic earnings per share (euros)	0.544	0.302

The diluted earnings per share coincide with basic earnings per share since there are no equity instruments with a dilutive effect.

23. Proposed distribution of profit

The Parent's directors will propose to the shareholders at the Annual General Meeting that the profit for 2010 be distributed as follows:

Thousands of euros	2010
Interim dividends paid in 2010 (EUR 0.20 per share)	40,111
Dividends (amount for distribution at EUR 0.25 per share)	50,139
Offset of prior years' losses	1,568
Total	91,818

On 27 October 2010, the Board of Directors of the Parent approved the distribution out of the Parent's profit for 2010 of EUR 0.20 gross per share, implying a total dividend of EUR 40,111, which was recognised under "Equity - Interim Dividend" in the accompanying consolidated balance sheet.

The provisional accounting statement prepared in accordance with legal requirements evidencing the existence of sufficient liquidity for the distribution of the dividends was as follows:

LIQUIDITY STATEMENT FOR THE PURPOSE OF THE PAYMENT OF THE INTERIM DIVIDEND FOR 2010

	Thousands of euros
Liquidity at 30 September 2010	289,751
Cash projections up to 31 December 2010:	
Current transactions October-December 2010	16,623
Projected dividend payment	(40,111)
Liquidity projection at 31 December 2010	266,263

24. Remuneration of directors

In 2010 the remuneration earned by the current and former members of the Parent's Board of Directors (composed of two women and nine men) in the form of salaries, attendance fees and life insurance premiums amounted to EUR 2,043 thousand, EUR 668 thousand and 15 thousand, respectively. In 2009 these expenses amounted to EUR 5,795 thousand, EUR 670 thousand and EUR 16 thousand, respectively.

The Parent has not granted any loans or advances to its Board members and it does not have any supplementary pension, retirement bonus or special indemnity obligations to them in their capacity as directors.

25. Other disclosures concerning the Board of Directors

Pursuant to Article 229 et seq. of the Spanish Limited Liability Companies Law (LSC), the following information is included:

A) In accordance with the disclosures made by each of the directors, at 31 December 2010, neither the directors nor the parties related thereto, held direct or indirect equity interests in the share capital of companies engaging in an activity that is identical, similar or complementary to the activity that constitutes the company object of Antena 3 de Televisión, S.A. and its corporate Group.

B) With regard to the performance of activities carried on by the members of the Board of Directors, as independent professionals or as employees, that are identical, similar or complementary to the activity that constitutes the company object of Antena 3 de Televisión, S.A., at 31 December 2010, the directors had notified the Company of the following:

Nicolás Abel Bellet de Tavernost:

Activity	Company through which the activity is performed	Position held or function performed at the company
Television	RTL GROUP, S.A.	Member of the operations management committee
Television	MÉTROPOLE TELEVISIÓN, S.A.*	Chairman of the executive committee

* As a result of his position in this company, he carries on activities related to the audiovisual industry through the M6 Group in France.

Marco Drago:

Activity	Company through which the activity is performed	Position held or function performed at the company
Holding company of production companies	ZODIAK ENTERTAINMENT, S.A.	Director

Silvio González:

Activity	Company through which the activity is performed	Position held or function performed at the company
Advertising	ATRES ADVERTISING, S.L.U.	Representative of the sole director (Antena 3 de Televisión, S.A.)
Television	ANTENA 3 CANARIAS , S.L.U.	Representative of the sole director (Antena 3 de Televisión, S.A.)
Sales	ANTENA 3 EVENTOS, S.L.U.	Representative of the sole director (Antena 3 de Televisión, S.A.)
Audiovisual production	ANTENA 3 FILMS, S.L.U.	Representative of the sole director (Antena 3 de Televisión, S.A.)
Sales	ANTENA 3 MULTIMEDIA, S.L.U.	Representative of the sole director (Antena 3 de Televisión, S.A.)
Production of TV commercials	GUADIANA PRODUCCIONES, S.A.U.	Representative of the sole director (Antena 3 de Televisión, S.A.)
Advertising in cinemas	MOVIERECORD CINE, S.A.U.	Representative of the sole director (Antena 3 de Televisión, S.A.)
Management of programme rights	MÚSICA APARTE. S.A.U.	Representative of the sole director (Antena 3 de Televisión, S.A.)
Advertising and radio	PUBLICIDAD 3, S.A.U.	Representative of the sole director (Antena 3 de Televisión, S.A.)
Radio	UNIPREX, S.A.U.	Representative of the sole director (Publicidad 3, S.A.U.)
Television	ANTENA 3 TELEVISION DIGITAL TERRESTRE DE CANARIAS , S.A.U.	Representative of the sole director (Uniprex, S.A.U.)
Television	UNIPREX TELEVISIÓN, S.L.U.	Representative of the sole director (Uniprex, S.A.U.)
Television	UNIPREX VALENCIA TV, S.L.U.	Representative of the sole director (Uniprex, S.A.U.)
Television	UNIPREX TELEVISION DIGITAL TERRESTRE DE ANDALUCÍA , S.L.	Representative of the sole director (Uniprex, S.A.U.)
Radio	RKOR RADIO, S.L.U.	Representative of the sole director (Uniprex, S.A.U.)

Elmar Heggen:

Activity	Company through which the activity is performed	Position held or function performed at the company
Television	RTL GROUP, S.A.	Executive financial manager and corporate director of the head office and operations in Luxembourg
Television and radio holding company	CLT-UFA, S.A.	Director
Radio holding company	IMMOBILIÈRE BAYARD D'ANTIN, S.A.	Director
Belgian radio	INADI, S.A.	Director
French radio	IP FRANCE S.A.	Director
Television	RTL 9, S.A.	Director
Belgian television	RTL Belgium, S.A.	Director
Holding company	RTL GROUP CENTRAL AND EASTERN EUROPE, S.A.	Director
Television and radio holding company	RTL GROUP GERMANY, S.A.	Director
Holding company	RTL GROUP CENTRAL AND EASTERN EUROPE, GMBH	Executive chairman
German radio	RTL RADIO BERLIN GMBH	General manager
German radio	RTL RADIO DEUTSCHLAND GMBH	General manager
German television	RTL TELEVISIÓN GMBH	General manager
Holding production company	FREMANLEMEDIA, S.A.	Chairman of the Board of Directors
Greek television	ALPHA SATELLITE TELEVISION, S.A.	Director
Greek television	PLUS PRODUCTIONS, S.A.	Director
Holding company	RTL GROUP DEUTSCHLAND GMBH	General manager
Holding company	RTL GROUP VERMÖGENSVERWALTUNG GMBH	General manager
Production	RTL GROUP SERVICES GMBH	General manager
Production	UFA FILM UND FERNSEH GMBH	General manager
Holding company	RTL TV D.O.O.	Director
French radio	EDIRADIO, S.A.	Member of the supervisory committee
French television	MÉTROPOLE TELEVISIÓN S.A.	Member of the supervisory committee
Holding company	AUDIOMÉDIA INVESTMENTS, S.A.	Chairman of the Board of Directors
Broadcasting	BROADCASTING CENTER EUROPE, S.A.	Chairman of the Board of Directors
Insurance	MEDIA ASSURANCES S.A.	Chairman of the Board of Directors
Technical services	MEDIA PROPERTIES Sàrl	Chairman of management committee
Television and radio holding company	RTL NEDERLAND HOLDING BV.	Chairman of the supervisory committee
Holding company	BERTELSMANN CAPITAL INVESTMENT, S.A. SICAR	Director
Holding company	CONTENT UNION, S.A. (until 27 July 2010)	Director

The following must be stated in relation to the activities performed by the aforementioned directors:

1.- In all cases, the proprietary directors discharge their professional activities at companies that form part of the corporate groups of their respective reference shareholders, which they represent on the Board of Directors of Antena 3 de Televisión, S.A.

2.- At the time of their appointment by the shareholders at the Annual General Meeting, information was disclosed on the relationship existing between the aforementioned proprietary directors and the shareholders that proposed their appointment in each case and on those who were associated as non-executive proprietary directors.

3.- In the case of the Chief Executive Officer, Silvio González, executive director, all the professional activities indicated are performed at companies owned by the Antena 3 Group and, therefore, no competition is entailed. In all cases, he acts as representative of the legal entity holding the position of sole director, which may be Antena 3 de Televisión itself or any of its subsidiaries. Each of these subsidiaries has its own management team.

4.- The inclusion of this information in the Company's consolidated financial statements complies with Article 230 of the Spanish Public Limited Liability Companies Law on notifying the shareholders at the General Meeting and their express authorisation.

26. Events after the reporting period

There were no significant events between year-end and the date of preparation of the consolidated financial statements.

27. Explanation added for translation to English

These consolidated financial statements are presented on the basis of the regulatory financial reporting framework applicable to the Group (see Note 2-a). Certain accounting practices applied by the Group that conform with that regulatory framework may not conform with other generally accepted accounting principles and rules.

On 23 February 2011, the Board of Directors of Antena 3 de Televisión, S.A. resolved to authorise for issue the consolidated financial statements at 31 December 2010 of Antena 3 de Televisión, S.A. and Subsidiaries contained in this document, which, in witness whereof, are signed below by the directors:

José Manuel Lara Bosch
Chairman

Maurizio Carlotti
Deputy Chairman

Silvio González Moreno
Chief Executive Officer

Nicolás Abel Bellet de Tavernost
Director

Mauricio Casals Aldama
Director

Aurora Catá Sala
Director

José Creuheras Margenat
Director

Marco Drago
Director

María Entrecanales Franco
Director

Elmar Heggen
Director

Pedro Ramón y Cajal Agüeras
Director

DECLARATION OF RESPONSIBILITY FOR THE ANNUAL FINANCIAL REPORT

The members of the Board of Directors of Antena 3 de Televisión, S.A. declare that, as far as they are aware, the consolidated financial statements for 2010, authorised for issue at the meeting held on 23 February 2011 and prepared in accordance with the applicable accounting principles, present fairly the equity, financial position and results of operations of Antena 3 de Televisión, S.A. and the companies composing the consolidated Group taken as a whole, and that the consolidated directors' report includes a fair analysis of the performance and business results and position of Antena 3 de Televisión, S.A. and of the companies composing the consolidated Group, together with a description of the main risks and uncertainties facing the Group.

San Sebastián de los Reyes, 23 February 2011

José Manuel Lara Bosch
Chairman

Maurizio Carlotti
Deputy Chairman

Silvio González Moreno
Chief Executive Officer

Nicolás Abel Bellet de Tavernost
Director

Mauricio Casals Aldama
Director

Aurora Catá Sala
Director

José Creuheras Margenat
Director

Marco Drago
Director

María Entrecanales Franco
Director

Elmar Heggen
Director

Pedro Ramón y Cajal Agüeras
Director

Antena 3 de Televisión, S.A. and Subsidiaries

Consolidated directors' report

2010

Translation of a report originally issued in Spanish. In the event of a discrepancy, the Spanish-language version prevails.

ANTENA 3 AND SUBSIDIARIES GROUP (CONSOLIDATED GROUP) DIRECTORS' REPORT FOR 2010

Business performance and background

As we know, the trend in the Antena 3 Group's main source of revenue, advertising, is strongly influenced by developments in economic activity. This is why the environment in recent years, triggered by the financial and economic crisis that began in the now distant summer of 2007, devastating the Spanish economy, has not been favourable. While in 2008 GDP rose by a slight 0.9%, in 2009 it crashed, falling back by 3.7%. According to the Spanish Institute of Statistics' preliminary quarterly accounting report, GDP contracted by an overall 0.1% in 2010.

All of this had an immediate effect on the advertising market which fell by 29.5% in 2008 and 2009 as a whole. This dramatic fall inevitably eroded the television and radio operators' margins. Nevertheless, the Antena 3 Group continued to present very positive results and a most healthy position. The improvement in domestic business activity boosted the performance of the advertising market in 2010 which, according to internal estimates, grew by 3.8%.

Under the new Spanish public television model, towards 2009 year-end TVE began to reduce its advertising spaces, which, by the beginning of 2010 were completely eliminated. This change, which had been repeatedly requested by all the commercial television operators, provided all of them, including Antena 3 de Televisión, S.A. with the possibility of significantly increasing their advertising revenues.

Also, in 2010 the digital terrestrial television (DTT) deployment process in Spain was fully completed, and by the beginning of April there was no further broadcasting of analogue television signals. In the summer, as envisaged, the new digital channels were granted to all the operators, so that all of us now have a complete multiplex system capable of broadcasting four television channels. The entire range of DTT services was thus configured to cover 25 national free-to-view channels and three national pay TV channels. In addition there are numerous regional and local services and public television channels.

Due to the increase in the number of channels, the audience share of traditional channels continued to shrink in 2010. As a result, the main channel, Antena 3, recorded an annual average audience of 11.7% compared with 14.7% in 2009. Conversely, the complementary channels, Neox, Nova and Nitro proved to be the most popular from end August, achieving an aggregate share of 4.1% compared with 1.9% in 2009. Thanks to these channels, the total audience share was 15.8%, only 0.8% lower than that of 2009. It should also be remembered that the strategy of using the same advertising spaces for the four channels means that commercial advantage can be taken of all the channels at the same proportion.

The radio business, which is operated through the Group's subsidiary, Uniprex, S.A.U., performed very well in terms of audience. Overall, it consolidated as the second leading radio broadcaster, with a total audience of 3.8 million listeners, according to the 2010 third wave of the General Media Study. Onda Cero, which broadcasts general content, achieved 2.3 million listeners and Europa FM's music programme had 1.5 million listeners, 24% more than in 2009.

The Group's net income amounted to EUR 808 million compared with EUR 704 million in 2009, representing growth of 14.7%, well above the average in the advertising market.

The Group continued to implement cost containment measures in all its business areas. However, it incurred certain restructuring costs, and total operating expenses increased by 4.2% to EUR 667 million.

Profit before tax stood at EUR 109 million in 2010, as compared with EUR 61 million in 2009. After-tax profit amounted to EUR 109 million (2009: EUR 61 million).

Significant events for the Group after the reporting period

There were no significant events between the end of the reporting year and the date of preparation of the Group's consolidated financial statements.

Outlook for the Group

The outlook for the Spanish economy in 2011 is gloomy, although nearly all the business analysts and economic analysis institutions anticipate a slight upturn in domestic demand. In this respect, there are bright prospects for the advertising market, especially for television and the Internet.

From the audience standpoint, the four channels offer a very diverse and competitive range of contents. When we combine this with the very satisfactory transition to the new DTT services for the Neox, Nova and Nitro channels, the outlook for 2011 is promising. The reinforcement of its programmes will be a fundamental objective for Antena 3 if it is to maintain its already sharp competitive edge. The radio business, which is evolving in a more stable manner, is also expected to prosper on the back of the well established general interest programmes and the ongoing innovation of the musical programmes, which have been so popular with listeners.

This strategy will be supplemented by additional developments of all the Internet activities and in any new audiovisual content broadcasting method. Cutting-edge technological tools will be used to harness the substantial value of the Antena 3 brand, and its great capability for creating and promoting contents, which was already being demonstrated in 2010.

Research and development activities

The Group does not carry on any specific research and development activities. However, it updates its investments in all new technologies related to engineering, systems and content distribution on an ongoing basis. In this field Antena 3 de Televisión, S.A. has and uses state-of-the-art technology, which enables it to be at the forefront in the deployment of digital activities and in the Internet.

Treasury share acquisitions

No transactions involving treasury shares were performed in 2010. The Company therefore continued to hold 10,555,640 treasury shares of EUR 0.75 par value each, representing 5% of the its share capital.

Use of financial instruments and main financial risks

The Group performs transactions with financial instruments mainly to hedge the foreign currency risk on the purchases of broadcasting rights in the year.

At 31 December 2010, the Group had arranged transactions to hedge its foreign currency asset and liability positions amounting to USD 40,235 thousand, at a weighted average exchange rate of EUR 1.3564/USD 1. The net fair value of these hedging instruments gave rise to a financial asset of EUR 930 thousand and a financial liability of EUR 444 thousand at year-end.

The Group has established the risk management systems required to ensure that transactions in markets are performed in accordance with its established policies, rules and procedures and within the limits approved for each case. The Company's main financial risks are as follows:

- a) Foreign currency risk. The Group's foreign currency risks relate mainly to the payments to be made in international markets to acquire broadcasting rights. The Group arranges hedging instruments, mainly foreign currency hedges, to mitigate its foreign currency risk.
- b) Liquidity risk. The Group's liquidity policy is to arrange credit lines and short-term investments that are sufficient to support its financial needs, on the basis of expected business performance.
- c) Credit risk. The Group does not have significant credit risk since the average customer collection period is very short and guarantees are required for deferred payment sales. Cash placements are made and derivative instruments are arranged with institutions of recognised solvency.

Additional information pursuant to Article 116 bis of the Spanish Securities Market Law

Structure of the share capital, including any securities not traded in a regulated EU market, indicating, where appropriate, the various classes of shares and, for each class, the rights and obligations conferred and the percentage of share capital represented.

The share capital of Antena 3 de Televisión, S.A. consists of 211,112,800 fully subscribed and paid shares of EUR 0.75 par value each, all of the same class and series. The shares are traded by the book entry trading system and all carry the same rights.

Restrictions on the transferability of securities

There are no statutory or bylaw-stipulated restrictions on the acquisition or transfer of shares representing the share capital, except for the special cases provided for in the Private Television Law.

Indicate whether there are any legal restrictions on the exercise of voting power:

There are no restrictions on the exercise of voting power.

Significant direct or indirect ownership interests in the share capital, excluding directors:

Name or company name of shareholder	Number of direct shares	Number of indirect shares (*)	Total % of share capital
GRUPO PLANETA- DE AGOSTINI, S.L.	94,123,471	-	44.58
UFA FILM UND FERNSEH GMBH (*)	43,264,558	-	20.49

(*) In 2009, RTL GROUP COMMUNICATIONS, S.L., the former owner of the shares of Antena 3 de Televisión S.A., was absorbed by UFA FILM UND FERNSEH GMBH which, therefore, became the owner of the A3TV shares.

Members of the Company's Board of Directors who own shares carrying voting power:

Name or company name of director	Number of direct voting rights	Number of indirect voting rights (*)	Total % of voting power
JOSÉ MANUEL LARA BOSCH	157,000	413,000	0.270
NICOLAS ABEL BELLET DE TAVERNOST	82	-	0.000

(*) Through:

Name or company name of direct holder of the ownership interest	Number of direct voting rights	Total % of voting power
LABOGAR, S.A.	413,000	0.196
Total % of voting power held by the Board of Directors		0.270

Side agreements

Following the absorption of RTL Group Communication, S.L.U. into UFA FILM UND FERNSEH GMBH, Sole-Shareholder Company, the latter must now ensure compliance with the agreements described in point A).

A). As indicated in the 2010 Corporate Governance Report, following the admission of the Company's shares for trading on the stock market, on 29 October 2003 Grupo Planeta- de Agostini, S.L (then Kort Geding, S.L.) provided information on the agreements entered into by it, Planeta Corporación, S.R.L. and DeA Multicom, S.L. with RTL Group Communications, S.R.L. and RTL Group, S.A. on 30 June 2003 whereby, in connection with A3TV, the parties adopted agreements relating to:

- The Company's shareholder stability and the grant of mutual rights of acquisition on their shares.
- Their undertaking not to take control of A3TV or to permit a third party to do so.
- Company management agreements, together with variable remuneration and executive loyalty-building schemes.

On 27 June 2007, the parties who were signatories of the aforementioned agreement signed an extension thereto, establishing its indefinite term, with the possibility of any party rescinding the agreement on or after 30 June 2009, and ratifying its contents, with the exception of certain clauses that had become void due to the lapse of time or change in the circumstances for which they had been included.

B).- On 25 May 2005, Kort Geding, S.L. provided information on the agreement entered into by its shareholders for the merger by absorption of Grupo Planeta- De Agostini, S.L. and DeA Multicom, S.L. by Kort Geding, S.L., and also its intention to change the latter's company name to its current name of Grupo Planeta de Agostini, S.L.

On that same date, the shareholders of Kort Geding, S.L. communicated the full wording of the agreement entered into between Planeta Corporación, S.R.L., De Agostini Invest, S.A., De Agostini International, B.V. and DeA Multicom, S.L. relating to the corporate restructuring of the Group in Spain.

In the agreement in question, the parties:

- Ratify the agreements entered into in May 2003 with RTL and Banco Santander (which is no longer a Company shareholder).
- Declare their intention not to change their representatives on the Board of Directors of A3TV and, individually, not to acquire any new Company shares.
- Establish certain rules for adopting decisions relating to A3TV (proposals for the appointment of positions and representatives, non-competition agreement, steps to be taken in the event of discrepancies among the parties, etc.).

In connection with the aforementioned agreement entered into on 25 May 2005, on 20 December 2005, De Agostini Communications, S.A. announced that De Agostini Invest, S.A. had been the subject of a spin-off and dissolution and that, as a result, the shares of Grupo Planeta- De Agostini, S.L. (direct holder of the shares of A3TV formerly owned by De Agostini Invest, S.A.) had been transferred to the Luxembourg company De Agostini Communication, S.A.

The rules applicable to the appointment and replacement of the members of the managing body and to the amendment of the Company's bylaws

The rules are as established in the Company bylaws and in the Board Regulations. Accordingly, the shareholders at the Annual General Meeting appoint the members of the Board of Directors, as provided for in Legislative Royal Decree 1/2010, of 2 July, which approves the Consolidated Spanish Limited Liability Companies Law, and in the Company bylaws. In the event of any vacancies, the Board may appoint, from among the shareholders, the persons who are to hold office until the next Annual General Meeting is held.

Persons proposed to hold office as director must meet the requirements established at any given time in current legislation and in the bylaws, apart from having acknowledged professional prestige and possessing the expertise and experience required to discharge the related duties.

Persons who are subject to any legally established prohibition or incompatibility may not be Company directors.

The Board's proposals for the nomination or re-appointment of directors that are put to the Annual General Meeting and also their provisional appointment by co-optation, must be preceded by the related Nomination and Remuneration Committee report.

As provided for in the bylaws, the term of office of director is six years, although directors may be re-appointed indefinitely for six-year mandates. When the term elapses, the appointment expires once the following Annual General Meeting is held or the statutory term for calling the Annual General Meeting has ended.

The appointment of directors by co-optation must be ratified by the shareholders at the first Annual General Meeting held after their appointment.

Directors shall be removed from office where the shareholders at the Annual General Meeting so resolve, where they tender their resignation to the Company and where the term for which they were appointed elapses.

The shareholders at the Annual General Meeting are exclusively responsible for amending the Company bylaws (Article 16.6 of the Bylaws), and such amendment is governed by Articles 286 to 290 of the Spanish Limited Liability Companies Law, with no specific situations being envisaged.

The following statutory requirements must be met:

- The directors or, as the case may be, the shareholders making the proposal must prepare a report in writing supporting the amendment.
- The call notice must indicate with due clarity the main points to be amended and the right of all shareholders to examine the full wording of the proposed amendment and the report thereon at the registered office and to request that such documents be provided to them or sent to them free of charge.
- The resolution must be adopted by the shareholders at the Meeting, as provided for in Articles 194 and 201 of the Spanish Limited Liability Companies Law.
- If the resolution concerns a change in the company name, registered office, replacement of or any amendment to the Company object, it will be published on the Company's website or, in the absence thereof, in two large-circulation newspapers in the respective province or provinces.
- The resolution must be executed in a public deed, which will be registered at the Mercantile Registry and will be published in the Mercantile Registry Official Gazette.

Powers of the members of the Board of Directors and, in particular, those relating to the possibility of issuing or repurchasing shares

Both the Executive Committee and the Managing Director have been delegated all the powers of the Board of Directors, except for those that may not be delegated.

The shareholders at the Annual General Meeting have not adopted any resolutions permitting the issue of new Company shares and, therefore, no authority to carry out any issue of shares has been granted to the Board of Directors or to any of its members.

Insofar as the purchase and sale of treasury shares is concerned, the following resolution was adopted on 24 March 2010 by the shareholders at the Annual General Meeting:

“To authorise the Company so that directly or through any of its subsidiaries it may acquire shares of Antena 3 de Televisión, S.A., by any legally admissible means, including a charge to profit for the year and/or unrestricted reserves, and also that it may subsequently dispose of or retire such shares, as provided for in Article 75 and similar provisions of the Spanish Limited Liability Companies Law, delegating to the Board of Directors the powers necessary to implement the resolutions adopted by the General Meeting in this connection.

The rules for the acquisition of such shares are as follows:

- ✓ *The par value of the shares acquired, added to the shares already held by Antena 3 de Televisión, S.A. and its subsidiaries, must not exceed the legally authorised maximum limit at any given time.*
- ✓ *The acquisition, including all the treasury shares acquired earlier by the Company or the person acting on its behalf, must not reduce the equity to below the amount of the share capital plus the reserves that are restricted by law or by the bylaws. For these purposes, equity will be deemed to be the amount qualifying as such under the rules for the preparation of the financial statements, net of the profit directly recognised therein, and increased by the amount of uncalled subscribed share capital, and the amount of the nominal value and share premiums of the subscribed share capital recognised as a liability.*
- ✓ *The shares acquired must be fully paid.*
- ✓ *The acquisition price may not be less than the par value or 20 percent higher than the market price. Acquisitions must also comply with the rules and customs of the stock markets.*

Express authorisation was granted for the shares acquired by the Company or by its subsidiaries, availing themselves of this authorisation, to be used in full or partially for delivery to the beneficiaries of future remuneration plans or those resulting from the exercise of option rights for the benefit of workers, employees or directors of the Company. The reason for this authorisation is expressly placed on record for the purpose of Article 75.1 of the Spanish Limited Liability Companies Law.

The Board of Directors is empowered in the broadest terms, to use the authorisation forming the subject-matter of this resolution, and to implement and perform it to the full, being able to delegate these powers to the Executive Committee, to the managing director or to any other person that the Board expressly empowers for such purpose, with powers as broad as it sees fit.

This authorisation shall be valid for five years from the date of this Annual General Meeting, and the unimplemented portion thereof, granted to the Board of Directors by the shareholders at the Annual General Meeting of 25 March 2009, is rendered null and void.”

Pursuant to Article 9.2.a).4. of the Board Regulations, the Board of Directors is exclusively responsible for establishing the policy and limits for treasury shares, without prejudice to the possibility of delegating the specific implementation thereof to the Chairman, the Managing Director or the Financial Manager. Chapter V of the Internal Code of Conduct for matters relating to the stock markets also establishes rules on the management of treasury shares.

Significant agreements entered into by the Company and which will come into force, be modified or be terminated in the event of a change in control of the Company resulting from a takeover bid, and their effects, except when disclosure would be seriously detrimental to the Company. This exception is not applicable where the Company is legally obliged to disclose this information

There are no agreements of this nature.

Agreements between the Company and its directors, management or employees which provide for termination benefits when the latter resign or are dismissed without justification or if the employment relationship ends as a result of a takeover bid

As a general rule, insofar as employees, performers and executives are concerned, the criteria and amounts of termination benefits established in the legislation applicable to each group are applied, where appropriate. Exceptionally, in some cases, following negotiation on an individual basis and where the Company may be particularly interested in hiring a certain professional, specific indemnity terms may be established on a transitional or permanent basis, in which the special circumstances of the hiring and its future termination are taken into account and valued accordingly. All such agreements are specific and there is no standard criterion applicable to them as a whole, except for the fact that they are exceptional.

The general rule is that in no case should a takeover bid in itself give rise to the termination of an employment contract and the related termination benefits.

