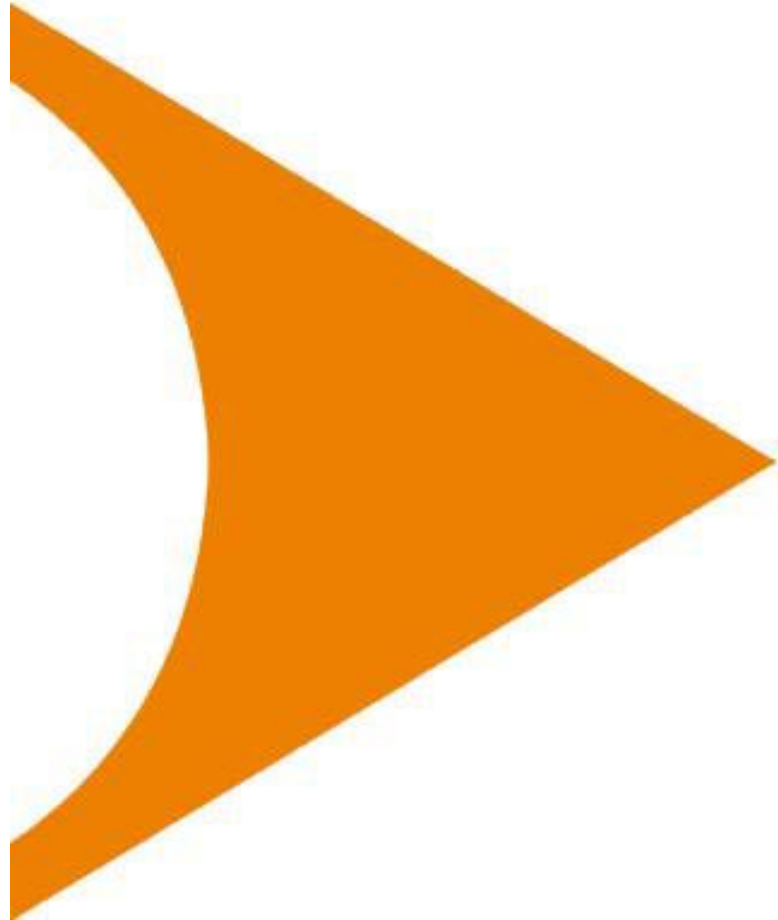


Antena 3 Group



# Financials

Antonio Manso



# Highlights



- **Increasing revenue growth:**
  - ✓ TV market still very strong with Antena 3 gaining audience share
  - ✓ Radio business outperforming market growth
- **Increasing competitive position:**
  - ✓ Consolidating audience and market share
  - ✓ Betting for the most profitable audience
- **In first nine months, Antena 3 is close to the full year initial estimates**
- **Already focused on core business: TV, Radio and Cinema**

# Antena 3 Group

## Financials



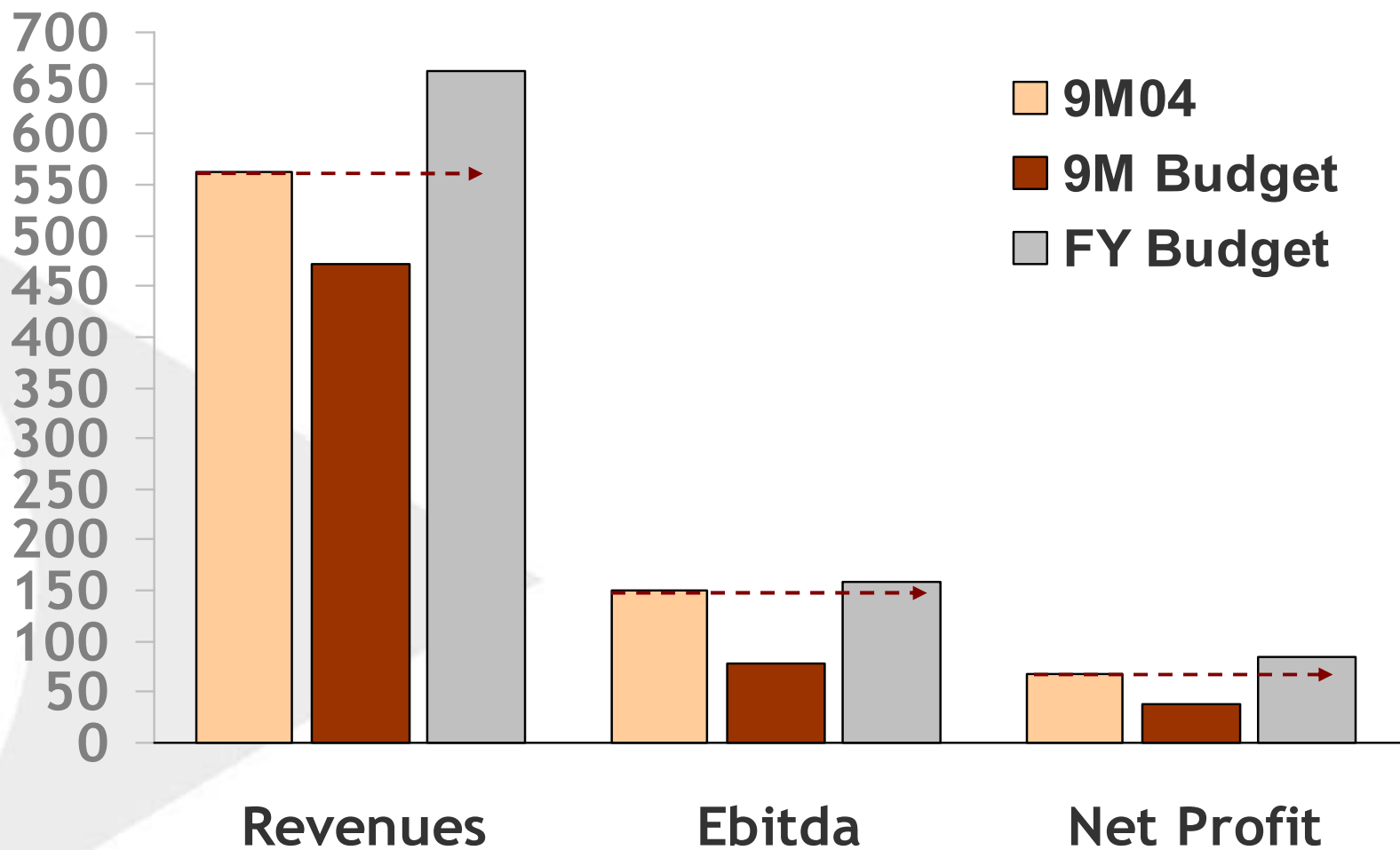
€ mill	9M04	9M03	<u>YoY</u>
<b>Net Revenues</b>	<b>563.3</b>	<b>458.9</b>	22.8%
<b>EBITDA</b>	<b>149.2</b>	<b>50.6</b>	195%
<i>EBITDA margin</i>	26.5%	11.0%	
<b>Net profit</b>	<b>67.2</b>	<b>-105.2</b>	n/r
<i>Net Profit margin</i>	11.9%	-22.9%	

➔ Financial position turned from €94.4 mill Net Debt in December 03 to €13.9 mill Net Cash in September 04



# Antena 3 Group

## Nine months vs Reported Budget



Source: Antena 3



# Antena 3 Group

## Cost Structure

	9M04	9M03	
<b>Programs</b>	<b>182.9</b>	<b>171.4</b>	<ul style="list-style-type: none"><li>▪ Huge advertising market</li><li>▪ Opportunity to invest in profitable audience share</li></ul>
<b>Personnel</b>	<b>96.4</b>	<b>110.6</b>	
<b>Author rights</b>	<b>21.2</b>	<b>13.5</b>	
<b>Other</b>	<b>113.6</b>	<b>112.8</b>	<ul style="list-style-type: none"><li>▪ Growing with sales</li><li>▪ Increased tariffs</li></ul>

- Reduced staff in Radio and TV
- Non profitable businesses closed



# Television

## Financials

€ mill	9M04	9M03	<u>YoY</u>
<b>Net Revenues</b>	<b>480.2</b>	<b>370.2</b>	29.7%
<b>EBITDA</b>	<b>146.3</b>	<b>59.7</b>	145.3%
<i>EBITDA margin</i>	30.5%	16.1%	
<b>Net profit</b>	<b>65.5</b>	<b>-106.4</b>	n/r
<i>Net Profit margin</i>	13.6%	-28.7%	



# Television

## Advertising sales outperforming market growth

€ mill

9M04

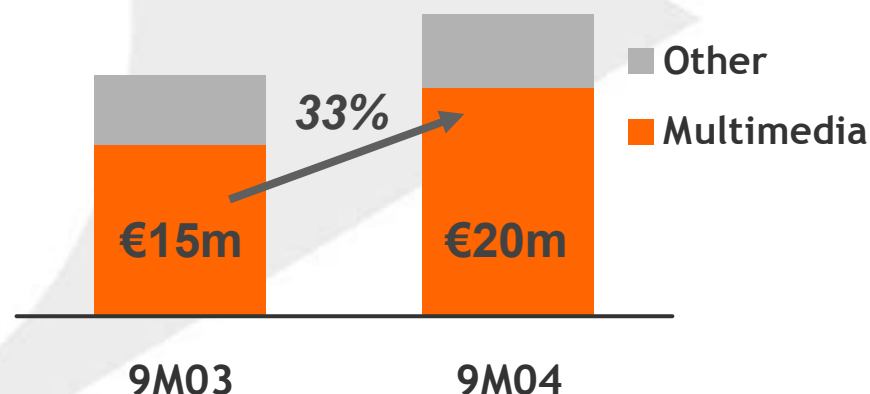
9M03

YoY

Gross advertising sales	480.3	379.1	26,7%
Discounts	-26.7	-30.1	-11,3%
Net advertising sales	453.6	349.1	29,9%
Other net revenues	26.6	21.2	25,6%
<b>Total Net Revenues</b>	<b>480.2</b>	<b>370.2</b>	<b>29,7%</b>

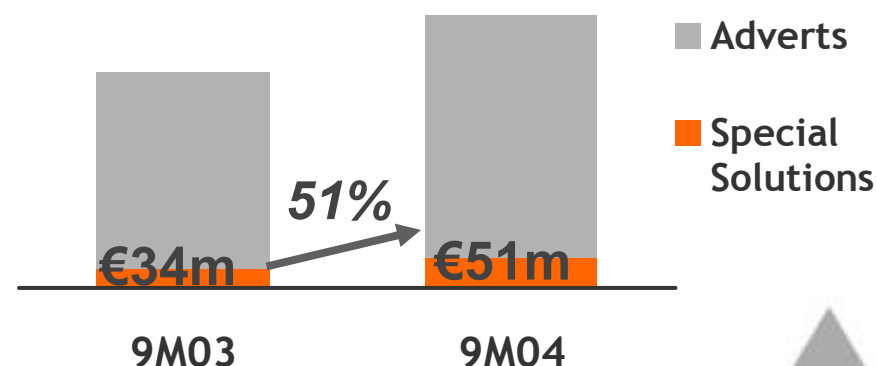
➔ Advertising revenues grew 8.5 points ahead of market growth

### Other Net Revenues



Source: Antena 3

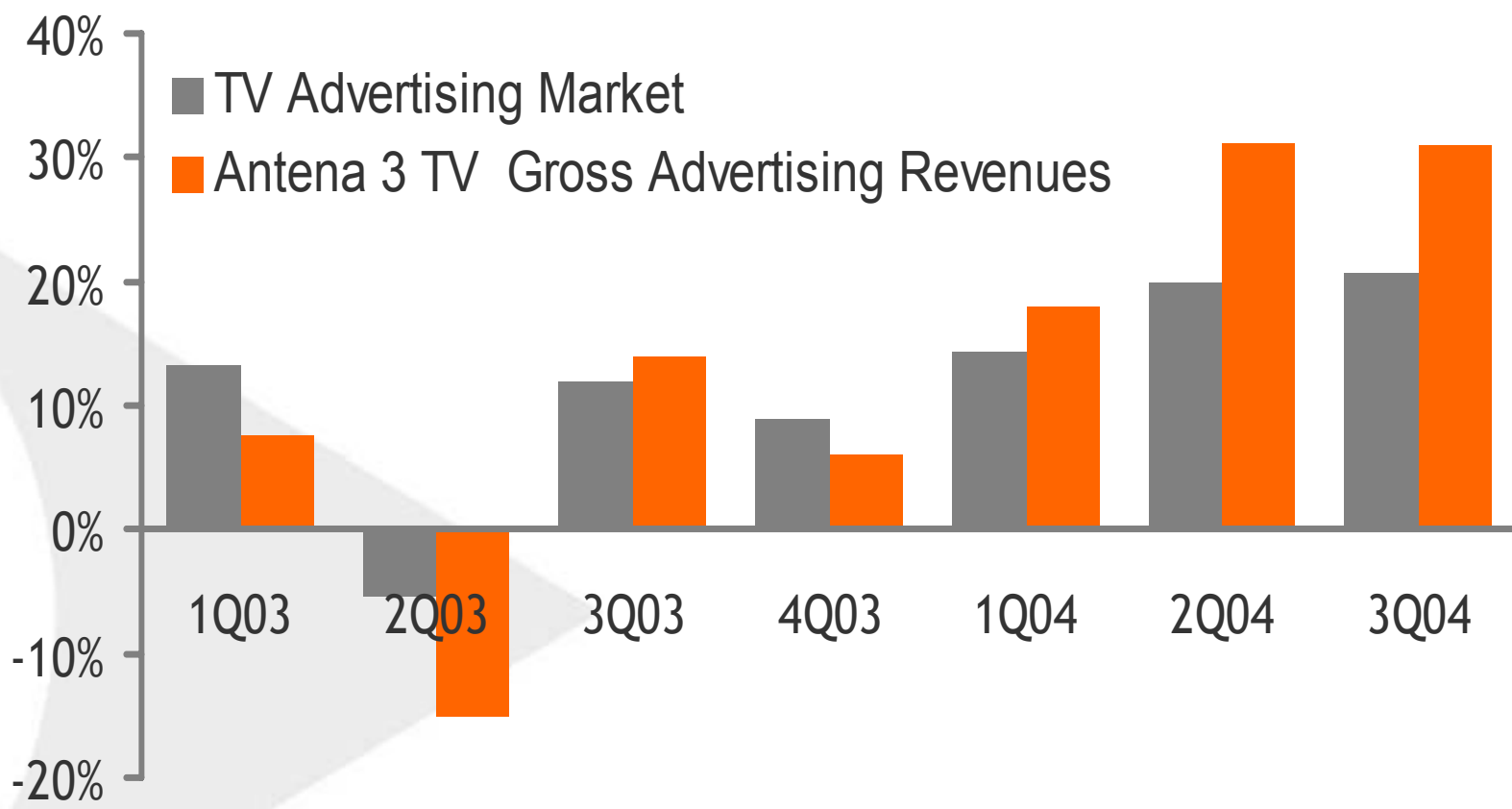
### Gross Advertising Sales





# Television

## TV Advertising market trend vs Antena 3 growth



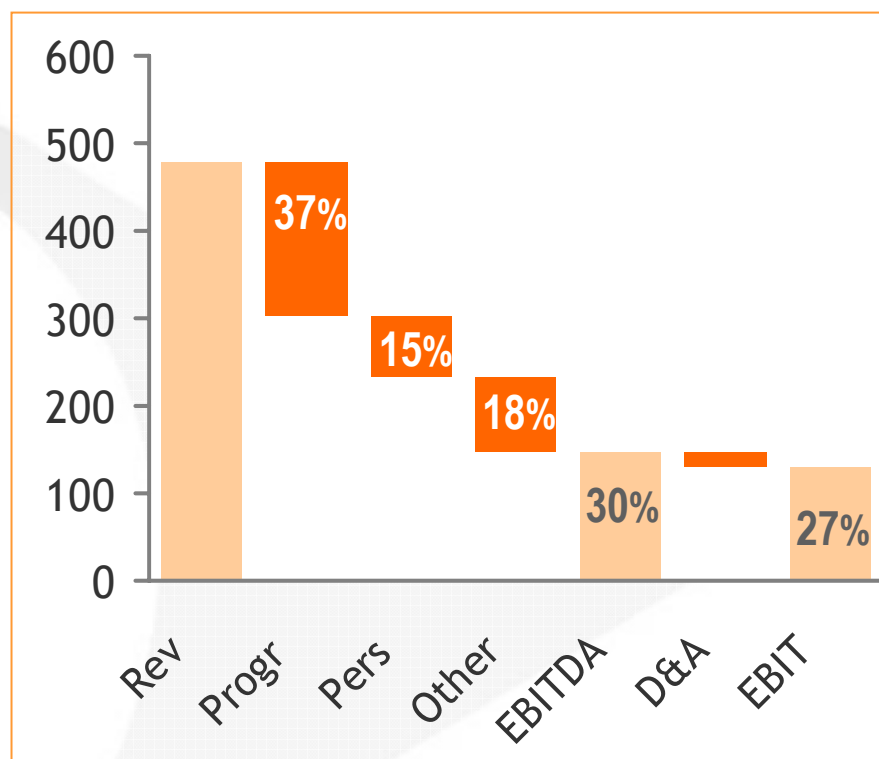
Source: Antena 3



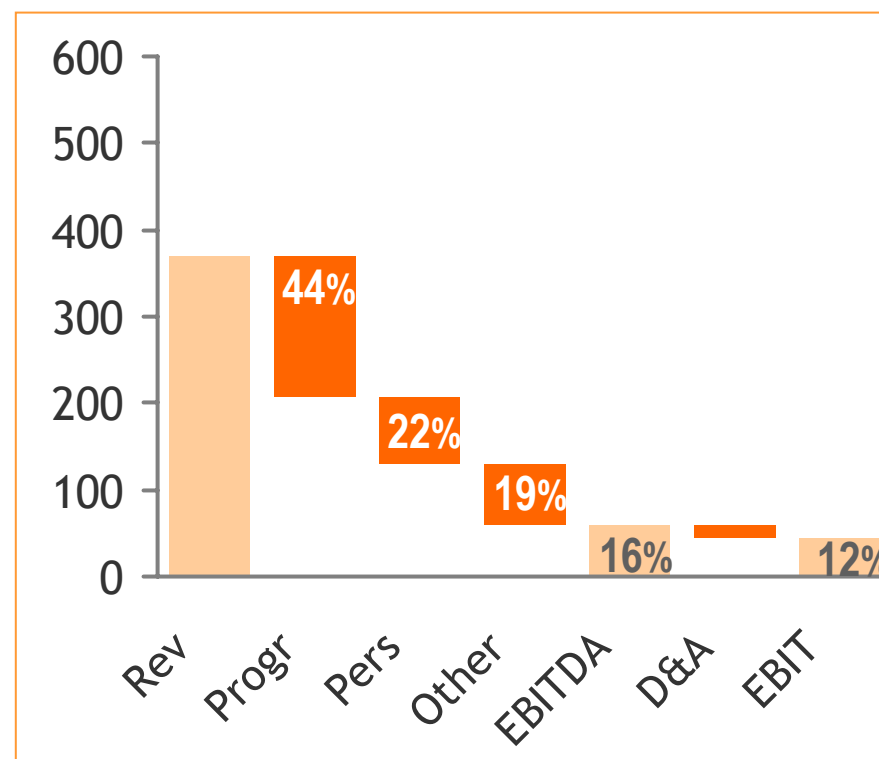
# Television

TV Top Line Growth is fully flowing to EBIT

9M04



9M03



(\* Including non cash provisions)

Source: Antena 3



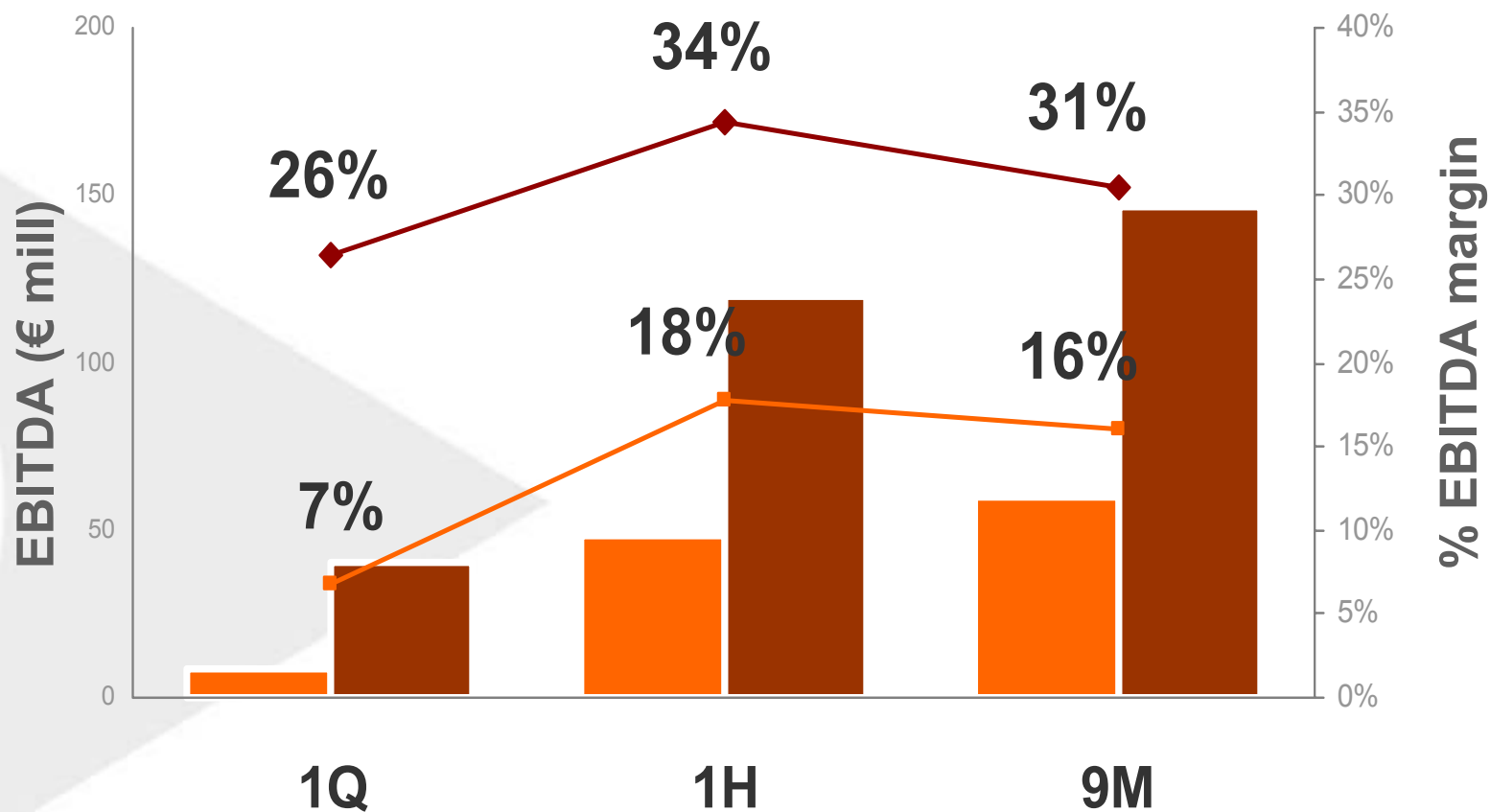


# Television

## EBITDA evolution

➔ Increase in audience and market shares reflected in EBITDA margin expansion

9M '03  
9M '04



# Radio

## Financials



€ mill	9M04	9M03	<u>YoY</u>
<b>Gross Ad Sales</b>	<b>69.1</b>	<b>62.7</b>	<b>10.1%</b>
<b>Net Revenues</b>	<b>63.6</b>	<b>56.7</b>	<b>12.2%</b>
<b>EBITDA</b>	<b>7.0</b>	<b>-3.4</b>	<i>n/r</i>
<i>EBITDA margin</i>	<i>11.1%</i>	<i>-5.9%</i>	
<b>Net profit</b>	<b>0.7</b>	<b>-26.1</b>	<i>n/r</i>
<i>Net Profit margin</i>	<i>1.1%</i>	<i>-46%</i>	

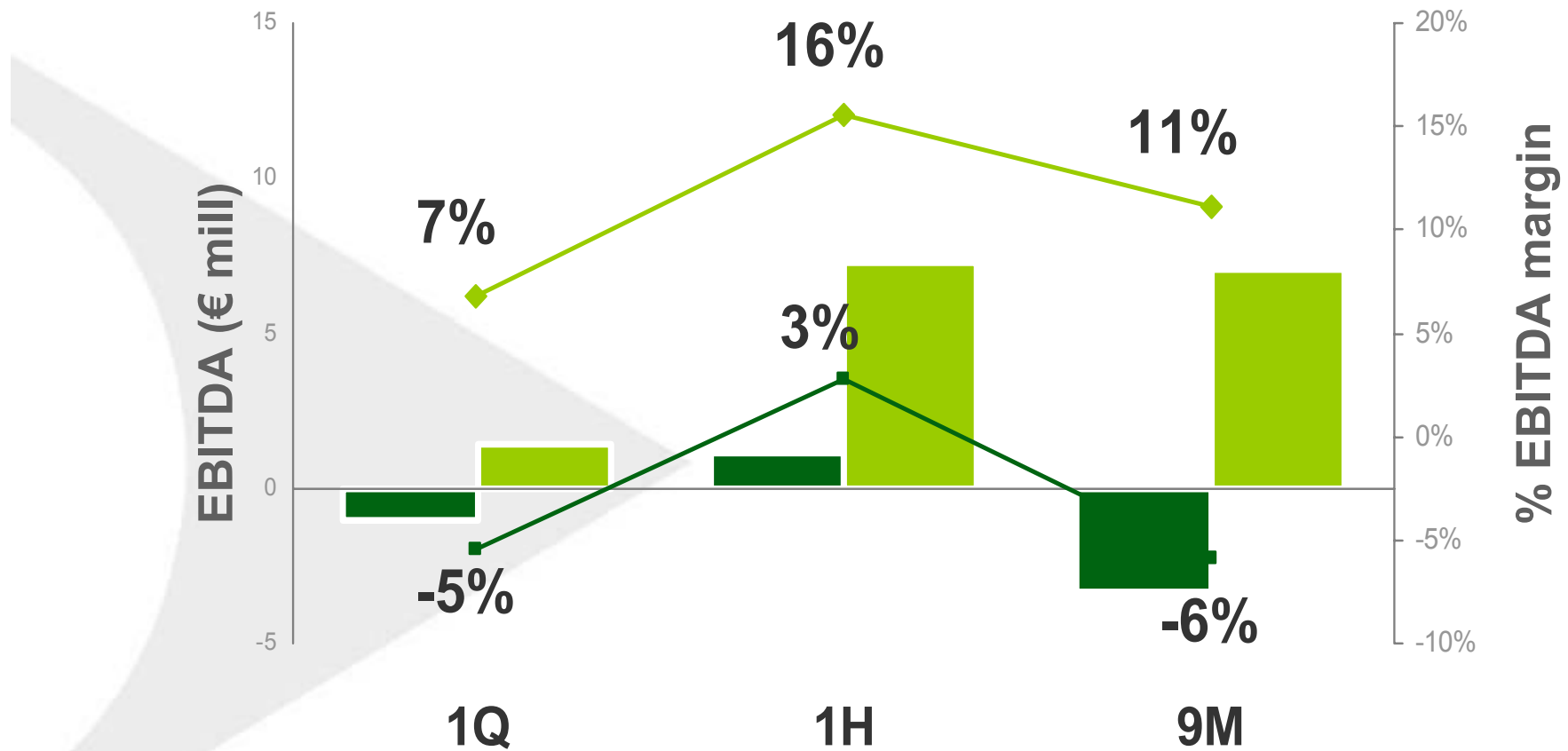
# ONDA CERO

## EBITDA evolution



➔ EBITDA Margin expansion reflects the successful restructuring process

■ 9M '03  
■ 9M '04





# Other subsidiaries contribution

## Financials

€ mill	9M04	9M03	<u>YoY</u>
<b>Net Revenues</b>	<b>23.3</b>	<b>33.7</b>	<b>-30.8%</b>
<b>EBITDA</b>	<b>-5.7</b>	<b>-5.7</b>	<b>1.2%</b>
<i>EBITDA margin</i>	<i>-24.4%</i>	<i>-17.1%</i>	
<b>Net profit</b>	<b>-6.1</b>	<b>-5.7</b>	<i>n/r</i>
<i>Net Profit margin</i>	<i>-26.4%</i>	<i>-17.0%</i>	

Source: Antena 3

Contribution to consolidated group

Mainly Includes Movierecord, Antena 3 Producciones, Guadiana Producciones, Ensueño Films and Antena 3 Editorial



# Cash Flow statement

€ mill	9M04
Net Profit	67,2
Taxes	40,9
Non cash extraordinary results	6,9
Depreciation and Amortization	19,3
Goodwill amortization	7,9
<b>Cash Flow Generated</b>	<b>142,2</b>
Working Capital variation	20,7
Tax adjustments	(40,9)
Non cash extraordinary variations	(6,9)
Adjusted Working Capital variation	(27,1)
Capex	(5,5)
<b>Operating Cash Flow</b>	<b>109,6</b>
Other creditors	6,1
Non liquid cash equivalents	(6,9)
Other adjustments	(0,5)
Dividends	0,0
<b>Cash Variation</b>	<b>108,4</b>
Initial net cash/(debt)	(94,4)
<b>Net cash/(debt) at period end</b>	<b>13,9</b>



# Conclusions

- Outstanding market performance places the right moment to invest in programming
- Flexible cost structure adaptable to business cycles
- Radio being successfully restructured results in higher than expected operating margins
- Successful cross-selling strategy between Radio and TV demonstrates Antena 3 knowledge of advertising market