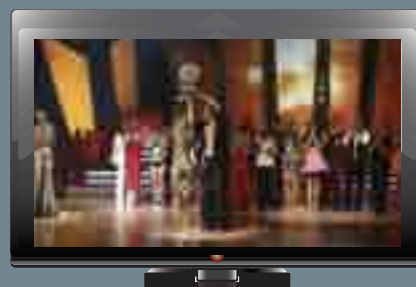
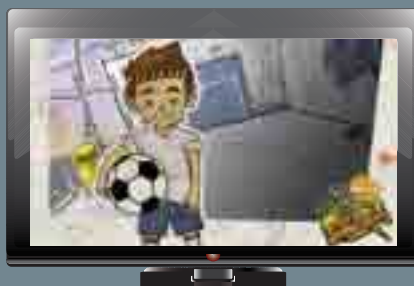


Annual Report 2010



7,200 TV channels available
to European citizens

245 new TV channels launched
in 2009

720 new on-demand and catch-up
audiovisual services launched
in Europe over the past three years

Worldwide TV market worth
€259.3 billion

155.5 million people watched
the 2010 FIFA World Cup in Europe

Overall TV advertising revenues
account for 40% of the advertising
market

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01

Letter from Philippe Delusinne

ACT President & CEO RTL Belgium

“We have seen the increase in viewing ratings in the tenth year in a row now, and it is not only in Europe but also in the US and Asia that people watch more television every day.”

Dear ladies and gentlemen,

I am very happy to be in a position to open this year's Annual Report of the ACT with a positive statement: After a difficult year in 2009, in 2010 our sector is again in good shape. Advertising revenues are going up and pay-TV operators proved to be resilient to the crisis with growing subscription numbers. Watching television is more attractive to viewers than ever and with 222 minutes television being watched on a European average per day, one can say that television as a mass medium remains successful in an increasingly converged media landscape. We have seen the increase in viewing ratings in the tenth year in a row now, and it is not only in Europe but also in the US and Asia that people watch more television every day.

For us as commercial broadcasters this is of course good news, as the viewer is at the heart of everything we do and thus the ultimate guidance as to whether the content we produce and broadcast is meeting their taste. This seems to be the case when considering that in the UK, for example, TV viewing of commercial channels accounted for 62% of total viewing in the first half of 2010.

However, it is also a great challenge for us, as we have to come up with creative content 24 hours per day/7 days per week. We don't always have an event like the FIFA World Cup or the final of a talent show attracting millions of viewers (and advertisers by the way) worldwide to tune in...

Over the last year we have been quite busy having continued our investments in programming and platforms, while at the same time investing in new media technologies and platforms all over Europe. This becomes clear when looking at the sheer number of more than 245 new channels launched in 2009 or the 720 on-demand services now available across Europe. In order to remain successful in an increasingly competitive and global media environment, we have seen commercial channels launching new services such as 3DTV, HDTV or HbbTV better known as “hybrid broadcast broadband TV” in several European markets.



Looking at the worldwide TV market, the European television market ranks second with a turnover of €79.6 billion. Concerning private television groups, we have seen a growth rate of 10% in the first half of 2010 when compared to the first half of 2009. When looking at our sector from a European perspective, the wider creative industries (widely defined and including cultural and creative industries) to which commercial television belongs represented 14.4 million jobs in Europe, in 2008. Given not only our cultural and societal but also our economic impact, we are therefore very positive that the EU2020 Strategy has rightly recognised the Digital Agenda as one of the seven flagship initiatives for the EU, according to which our sector has a crucial role in contributing to growth and competitiveness in Europe.

But how can we ensure that we as a sector remain competitive and can survive in the future? The business model of TV can be described very simply: we sell advertising and subscriptions in order to reinvest our revenues to continue to offer great content to our consumers. However, today some people believe that content can be made available for free. This is not and will never be the case. Good content and all programming cost money and particularly content, which politicians and viewers would like us to produce such as news, local programming, fiction or sport, cost more than repeats or imported programmes.

“In order to remain successful in an increasingly competitive and global media environment, we have seen commercial channels launching new services such as 3DTV, HDTV or HbbTV better known as “hybrid broadcast broadband TV” in several European markets.”

We enjoy creating and producing a great variety of content for our viewers. However, in order for us to remain competitive, I would like to highlight some key points when it comes to EU legislation, which are important to us:

- In a media environment, in which traditional lines of content regulation between linear and non-linear television get blurred a greater legislative flexibility for our sector will be crucial. Otherwise we are not in a position to launch innovative services on the same footing as our new competitors in the market.
- In order to ensure a fair level playing field between commercial and public broadcasters, it is important to look at the extent of state intervention in broadcasting and related markets.

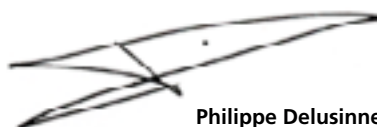
“When looking at our sector from a European perspective, the wider creative industries to which commercial television belongs represented 14.4 million jobs in Europe, thus representing 6.5% of EU employment in 2008.”

- We are businesses with assets to protect, which are the rights to our content. We do not see a problem of access to content but as evidence shows, where demand exists we offer linear and non-linear services also on a cross-border basis. Looking at creative content, it will also be important to ensure strong anti-piracy measures.
- And finally, there is the issue of over-taxation. Latest decisions on taxes being imposed on commercial broadcasters in France and Spain do not only seem questionable to us when it comes to their compatibility with European law but also with regard to a possible discrimination between different media.

The Annual Report 2010 looks into these regulatory questions but also gives a greater insight into our sector as such. In order to allow for a better understanding what commercial television is about, we have asked our members and their professionals – ranging from CEOs to producers and TV participants – to explain what they do. Just to give you some examples you will get a feeling for how a production process functions, why a talent show participant could become a national star or how advertising is being sold around mass events. The final chapter will again look into our channels in their national markets and give you an insight into their individual business objectives.

We hope you will enjoy reading about television and are looking forward to entering in an interesting debate with you.

With best regards,



Philippe Delusinne

02

Interview with Androulla Vassiliou

EU Commissioner for Education, Culture, Multilingualism and Youth

“Television - a driving force
for Europe's cultural and creative
sector.”

In April 2010, you published the Green Paper on “Unlocking the potential of cultural and creative industries”, which recognised the creative sector as a central part of the Digital Agenda and the wider EU economy. How do you see the creative sector – including television – contributing to European policy goals?

The Green Paper reflects the European Commission's conviction that these industries, including television, have an essential role to play in the future development of the Union. Although statistical data are not always easily comparable, evidence shows that the cultural and creative industries (CCIs) provide quality jobs for at least 5 million people across the EU and contribute on average 2.6% to EU GDP. But their potential is not fully exploited. How best can the EU foster an environment in which these industries can flourish? Finding answers to this question was the main objective of the Green Paper.

The Commission's Europe 2020 strategy aims to put Europe firmly on the path of smart, sustainable and inclusive growth. I believe that cultural and creative industries should play a key role in the flagship initiatives of this strategy, in particular the Digital Agenda, the Innovation Union, New Skills for New Jobs and an Industrial Policy for the Globalisation Era.

Progress has already been achieved through the inclusion of the Green Paper in the Digital Agenda. It is imperative that we promote growth in content-providing industries by fully exploiting the opportunities offered by the digital shift.

Other initiatives will follow suit. I am convinced that more attention should be given to the CCIs to unleash creative skills and the innovative potential across the whole of the EU.

Do you, as a Commissioner originating from a smaller Member State, bring a distinct perspective to these debates?

Awareness of the potential of our CCIs – and their impact - is still unevenly spread between countries and regions. Culture, economic structures and other factors define the level of development of these industries in different countries. But the economic and financial crisis is an incentive for all of us, whether larger or smaller Member States, to invest in new sources of smart, sustainable and inclusive growth. It's my ambition to ensure that CCIs are at the heart of this drive and that they are able to contribute fully to the Europe 2020 goals.

“Evidence shows
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“Awareness of the potential of our CCIs – and their impact - is still unevenly spread between countries and regions. Culture, economic structures and other factors define the level of development of these industries in different countries.”

In your Green Paper, you comment that “factory floors are progressively being replaced by creative communities whose raw material is their ability to imagine, create and innovate”. The broadcasting industry would agree with this statement – with the caveat that the business skills of marketing, distributing and monetising this creative content are equally essential. What follow-up can industry expect from your Green Paper?

I must say that the response to the Green Paper's call for input exceeded our expectations. More than 350 public authorities, public or private organisations at European or national level, and individuals – from more than 25 countries and representing the CCIs in all their diversity – have submitted their ideas and opinions to the Commission. My services are currently analysing this feedback.

The vast majority of respondents were supportive of the Green Paper, viewing it as an accurate reflection of the current situation and welcoming our focus on the potential of these industries. We will carry out a thorough analysis of the contributions and propose strategic initiatives in the first half of 2011.

It's clear to me that there has been a significant shift in perceptions about the role of culture in society and its place in the "knowledge economy". I think there's a much greater awareness now of the potential of culture-based creativity as a driver of competitiveness and growth. But progress on several fronts is essential if we want CCIs to fully realise that potential. Improving access to funding, building capacity and developing skills, opening up a European 'space' for culture, helping CCIs to develop locally and then go global, promoting European creators on the world stage, and ensuring the sustainability of creation in the digital environment – these are some of our priority fields for action.

According to the TERA study from March 2010, “the production and distribution of works by creative industries, including movies, music, television programmes and software, has been recognised as having a positive effect on economic growth and

the creation of jobs”. However, piracy and illegal downloading has hit our sector and “accounts for the majority of economic losses to the creative industries”. What joint effort could be taken by the responsible Commissioners in order to ensure less damage to the European economy in the future?

The media landscape is continuously changing and digital technologies are speeding up that process. To be successful in the creative industries means taking advantage of innovative digital techniques and methods – for movies, broadcasting, radio, print or online media, software, and so on. This transformation creates many questions - and even more answers. Together, as policy makers, publishers and producers of content, we need to reflect on them to find the best options. I regularly speak to my colleague Neelie Kroes, the Commissioner responsible for the Digital Agenda, on these issues and on copyright in particular. The Digital Agenda for Europe, launched in May 2010, aims to find solutions for pan-European access to legal online content by simplifying copyright clearance, management and cross-border licensing. The Commission will propose a new framework directive on collective rights management early 2011.

The objective of the Digital Agenda is to deliver on new media opportunities, notably via the Internet, as a vital societal and economic activity.

Piracy and illegal file-sharing are particularly crucial issues. There is currently no consensus on how to tackle them, as stakeholders have different visions on the future management of intellectual property rights in the digital age. However there is broad agreement that we need to:

- Support the creation of alternative legitimate, attractive and consumer-friendly ways to access content, as this is indispensable for the respect for intellectual property rights;
- Encourage stakeholders to better cooperate with each other to ensure respect for intellectual property rights;

- Work together to raise awareness about intellectual property rights and the consequences of piracy for the creative industries;
- Balance the interests of consumers, which means their right of information and privacy, and of the right-holders.

EU law (EU Enforcement Directive of 2004) has largely harmonised administrative and civil protection measures against counterfeiting and piracy. This means that all Member States should have a similar set of legal tools available for right-holders to defend their intellectual property rights (be they copyright or related rights, trademarks, patents, designs, etc) if they are infringed. The Commission is currently preparing a revision of this Directive.

To better coordinate efforts by consumers, public administrations and industry to stop piracy, the Commission has created a European Observatory on Counterfeiting and Piracy. This platform will focus on exchanging experiences and information and to share best practices on enforcement.

Today, audiovisual content is already available, legally, on multiple platforms and devices. Can one therefore conclude that the existing licensing model for rights provides the flexibility required to respond to consumer demand? Or does the industry need to do more?

More and more audiovisual content is available in EU countries, but we still see enormous deficits in cross-border availability of audiovisual content - much more than is the case for music, for instance.

Reception of audiovisual content – via satellite or online – is still often restricted to certain territories or Member States. These territorial restrictions are essentially commercial decisions. EU law does not require operators to distribute their services Europe-wide. This lack of cross-border availability of audiovisual content and legal barriers hampers the implementation of a true single market.

That is why the Commission addresses them in the Digital Agenda for Europe.

We will open an extensive stakeholder dialogue in 2010-2011 followed by a report at the beginning of 2012 aimed at ensuring that EU citizens, online content services providers and right-holders can benefit from the full potential of the digital internal market. We will also look at measures to promote cross-border and pan-European licenses, without excluding or favouring any possible legal option at this stage.

To answer the last part of your question: of course, industry still needs to do more. However, recent developments in the online availability of audiovisual content are encouraging. We see an increasing number of – successful – video-on-demand offers and activities by Internet service providers to provide own-content, including investments in film productions. Taking these developments into account, we will issue a Green Paper addressing the opportunities and challenges of online distribution of audiovisual works and other creative content by the end of this year. As regards cross-border and multi-territorial offers, I am sure that much more could be done now within the existing legal and licensing framework.

“We need to work together to raise awareness about intellectual property rights and the consequences of piracy for the creative industries.”

03 Facts & Figures

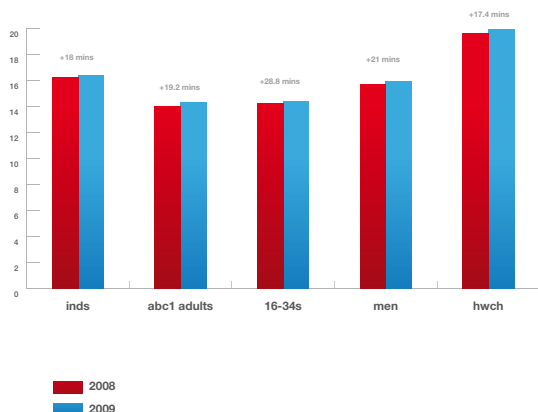
How many people watch television on a daily basis? And how many new channels have been launched in Europe? Were these mainly on linear TV or on new platforms and via new distribution models? The following pages give answers to these questions by compiling latest findings and analysis on our sector from all over Europe and around the world.



Time spent in front of the screen

Commercial TV continues to grow

Source: BARB/TechEdge Jan - Dec 2009



■ Average daily viewing time in **Europe** in 2009 was **222 minutes**, 19 minutes more than in 2000. (Eurodata TV, TNS Sofres, Ofcom, AGF/GfK, IP Key Facts)

- In France, 205 minutes
- In Germany, 212 minutes
- In the UK, 225 minutes
- In Italy, 234 minutes
- In Greece, 264 minutes

■ In the UK, TV viewing of **commercial channels** accounted for 62% of total viewing in the first half of 2010. The average viewer watched 17 hours and 26 minutes of commercial TV a week during the first half of the year, up by 48 minutes on the same period last year. (Broadcasters' Audience Research Board - BARB)

■ In the **US**, the average daily viewing is **5 hours and 4 minutes a day** (304 minutes). This is third throughout the world, with Serbia being number one. (Nielsen, August 2010)

■ In **Spain**, viewers watched last year on average **226 minutes of television per day**. This average figure has been growing over the years since 2006. (SGAE, August 2010)

| Age | Over 65 | 45-64 | 25-44 | 13-24 | 2-4 |
|---------|---------|-------|-------|-------|-----|
| Minutes | 311 | 272 | 203 | 145 | 149 |

■ **Viewers' tendency to underestimate their consumption of live television in surveys:** According to the 2010 Deloitte's Media Predictions report, respondents to surveys featuring self-reported data reflect their idealised selves rather than their actual consumption habits:

“As a result, documentaries and news programming may be over-emphasised, viewing of traditional media understated, and use of new media and new devices inflated. Some linear consumption may also simply be overlooked.”

A person is lying down, possibly on a couch or bed, with their hands clasped behind their head. They are looking towards a blurred screen, likely a television. The background is out of focus, showing a blue object and a white wall.

Average daily
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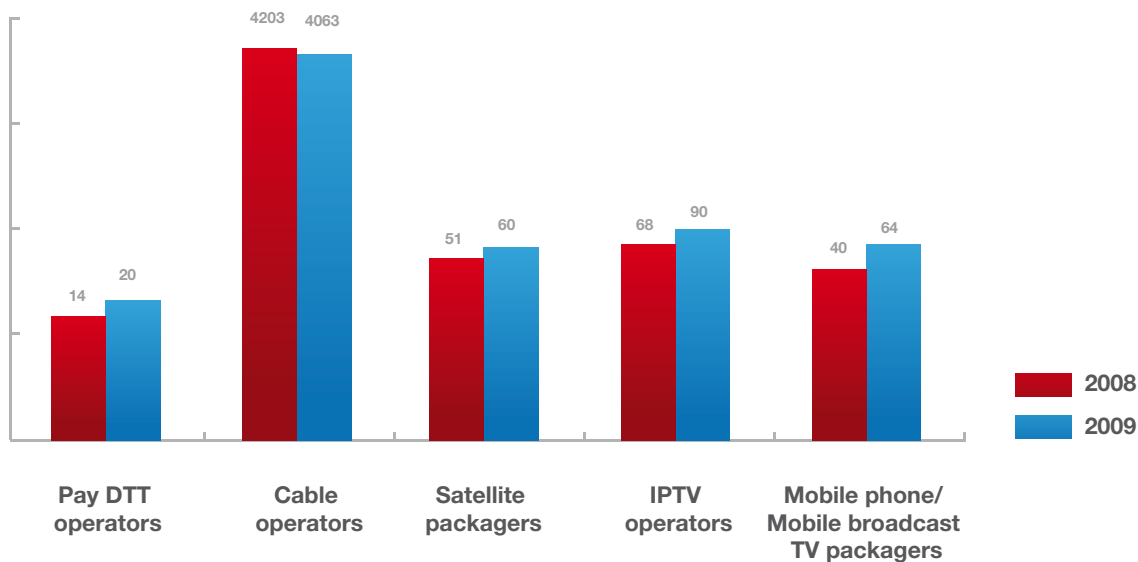
Great variety and number of new channels launched

■ More than **245 European television channels were launched** in the course of 2009. (European Audiovisual Observatory)

■ A total of **7,200 European television channels were available** to viewers at the end of 2009. (European Audiovisual Observatory)

Multichannel platforms in Europe (29 countries) (2008-2009)

Source: European Audiovisual Observatory / MAVISE (Graph in logarithmic scale)



Worldwide TV market

■ For the first half of 2010, the turnover of the 12 largest private television groups was €17.6 billion, compared to €16.1 billion in the first half of 2009 and €17.6 billion in the first half of 2008. **The growth rate in the first half of 2010 compared to the first half of 2009 was 10%.** (European Audiovisual Observatory)

■ In 2009, the **worldwide TV market was €259.3 billion** (IDATE):

- The US are the largest television market with a turnover of €91.7 billion, representing 36.8% of the worldwide market;
- Europe is the second largest market, with a turnover of €79.6 billion, with the UK, Germany and France representing 44.4% of the European market;
- Asia / Pacific represents 21%, Latin America 8% and Middle East & Africa 2%.

Advertising, Product Placement & Funding

- “TV continued to increase its share of the overall advertising market, according to media agency Zenith. It forecast that the proportion of all advertising revenues TV accounts will top 40% this year compared with 39% last year and 38% the year before that. The overall share that TV takes will continue to increase through 2011 and 2012.”

(Zenith quoted in Digital TV Europe, July 2010)

- In 2009, **TV revenue by type of funding** (IDATE):
 - Advertising revenue: decreased by 8% compared to 2008;
 - Public funding : stable at 3.7%;
 - Subscription fees : increased by 6.9% compared to 2008.
- In **Germany**, TV advertising revenues increase by 4%. (VPRT, July 2010)
- In **Germany**, revenues from teleshopping windows should increase by 10% by the end of 2010. (VPRT, July 2010)
- In 2008, revenues from **product placement** generated a turnover of €3.3 billion in the US.

- **Sir Martin Sorrell (Chief Executive of WPP) – interview by the Telegraph.co.uk on 1 July 2010:**

“Sir Martin Sorrell, who founded the world’s largest advertising and marketing service group, was keen to stress that online video advertising only accounted for £39 million in 2009, 1% of the UK’s total TV advertising spend, showing that despite technological developments, IPTV will probably work around broadcast TV, rather than displace it.”

- More than half (52%) of TV viewers in the UK think that **television is more memorable than any other form of advertising medium**. The 30-second commercial remains the favourite video format. (YouGov for Deloitte)
- In **France**, according to 79.4% of asked people (vs. 77.6% in 2007), **TV is the best information medium** to choose or to make an opinion on a product / service.



3DTV & HDTV

■ In France, as of June 2010, **33 TV channels broadcast in HD** (+19% compared to 2009). 912 programmes were broadcast in HD on the 5 DTT channels offering HD technology (compared to 747 in 2009). (NPA Conseil / Euroconsult)

■ **Global active HDTV households** (TVHH) by region:

(Informa Telecoms & Media 2010)

| | 2009 | | 2010 | | 2011 | | 2014 | |
|--------------------------------------|-------------|-----------|-------------|-----------|--------------|-----------|--------------|-----------|
| | Mil | % of TVHH | Mil | % of TVHH | Mil | % of TVHH | Mil | % of TVHH |
| Asia Pacific | 9.0 | 1 | 15.3 | 2 | 24.8 | 3 | 84.6 | 11 |
| Eastern Europe, Middle East & Africa | 0.7 | 0 | 1.8 | 1 | 3.9 | 3 | 16.7 | 11 |
| Latin America | 0.2 | 0 | 0.7 | 1 | 1.6 | 2 | 8.3 | 8 |
| North America | 51.4 | 40 | 63.7 | 49 | 74.7 | 57 | 102.2 | 76 |
| Western Europe | 9.9 | 6 | 17.0 | 10 | 27.2 | 16 | 63.5 | 35 |
| Global Total | 71.2 | 6 | 98.5 | 8 | 132.2 | 10 | 275.6 | 21 |

■ By the end of 2010, over 50 broadcasters and pay-TV operators will be offering 3D services to the home. (IMS Research, August 2010)

Pay-TV

■ In **Germany**, pay-TV revenues are expected to increase by 5.4% by end 2010. (VPRT, July 2010)

■ **Worldwide pay-TV subscribers** totalled 688 million at the end of 2Q2010. This number is expected to increase to 854.5 million by 2015. (ABI Research)

■ Between 2009 and 2015 in Eastern Europe, pay-TV revenues are expected to **increase by 50%** (from US\$7.4 billion to US\$11 billion). In the same region, satellite TV is expected to overtake cable as the leading platform in 2012. (Source: TV International, Informa Telecoms & Media)

■ Eastern Europe, **TV platform breakdown** at 2015:

| Digital Terrestrial | Digital pay satellite | Analogue terrestrial | Digital free satellite | Digital cable | Analogue cable | IPTV |
|---------------------|-----------------------|----------------------|------------------------|---------------|----------------|------|
| 27% | 18% | 15% | 12% | 12% | 12% | 6% |

Source: TV International, Informa Telecoms & Media

Programming

■ By 2014, **TV programming spending in the US** will reach \$40.02 billion. (Veronis Suhler Stevenson, August 2010)

■ **Top 10's by genre** in 2009 (excluding sport)
(Eurodata TV, Mediametrie):

| Fiction: 42% | Entertainment: 38% | Factual: 20% |
|---------------------|---------------------------|---------------------|
| Series: 63% | Event: 30% | News: 52% |
| Movie: 12% | Reality Show: 28% | Magazine: 27% |
| Soap Opera: 12% | Variety Show: 18% | Politics: 10% |
| Telenovela: 9% | Game Show: 12% | Documentary: 9% |
| Cartoon: 2% | Talk Show: 7% | Religious: 1% |
| TV Movie: 2% | Comedy Show: 5% | |
| Sitcom: 1% | | |

Online Content

■ **720 new on-demand and catch-up audiovisual services** launched in Europe over the past three years. (European Audiovisual Observatory)

■ Solutions to view TV programmes at a different moment from their normal broadcasting time are numerous throughout the range of **digital recording devices and catch-up or VOD services** – both available on the Internet or directly on TV. Among the mature markets, the UK has the highest DVR (digital video recording) penetration rate, with more than 35% of households equipped by September 2009. At the same period, the US crossed the threshold of 30% of TV households equipped, against 21% in France. (IDATE July 2010)

■ In late 2009, **US viewers** using digital recording devices watched an average of nearly **9.15 hours of recorded programmes each month**. (Nielsen – Three Screen Report Q4 2009)

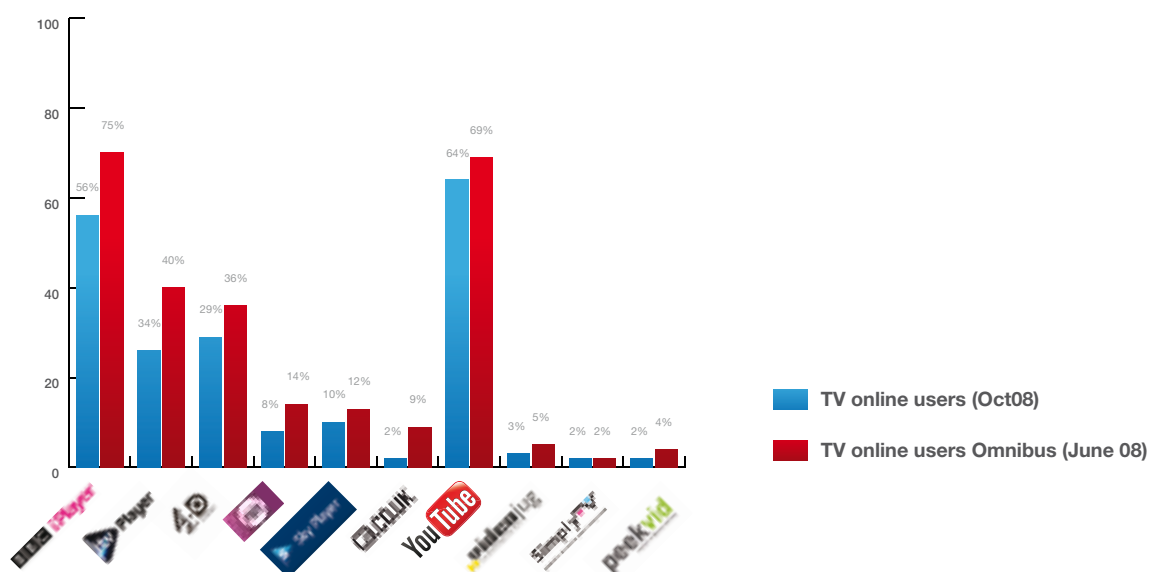
■ In **France**, while the playing time of **live TV** was **3.25 hours per person per day in 2009**, consumption of **time-shifted programmes** reached **7 minutes**, including 3 minutes of recorded programmes (VCR, DVD recorder or PVR), 3 minutes of catch-up TV and 1 minute of stored or burned programmes. Over 10.6 million French people have already used replay television. (daily consumption among individuals aged 15 and over, source: Médiamétrie).

■ In the UK, broadcaster sites are the dominant players. (source: Thinkbox)

Among the mature markets, the UK has the highest DVR (digital video recording) penetration rate, with more than 35% of households equipped by September 2009. At the same period, the US crossed the threshold of 30% of TV households equipped, against 21% in France.

Broadcaster sites are the leading players

Source: Thinkbox



Television and North American teens and tweens (8- to 18-year-olds):

Key findings from the Kaiser Family Foundation Study, January 2010

■ **Media use over time:** Even in today's new media world, television viewing – in one form or another – continues to dominate media consumption. Among all 8- to 18-year-olds, average amount of time (h:m) spent with each medium in a typical day:

| | 2009 | 2004 | 1999 |
|-------------------------|-------------|-------------|-------------|
| TV content | 4:29 | 3:51 | 3:47 |
| Music / Audio | 2:31 | 1:44 | 1:48 |
| Computer | 1:29 | 1:02 | :27 |
| Video Games | 1:13 | :49 | :26 |
| Print | :38 | :43 | :43 |
| Movies | :25 | :25 | :18 |
| TOTAL MEDIA EXPOSURE | 10:45 | 8:33 | 7:29 |
| Multitasking proportion | 29% | 26% | 16% |
| Total Media Use | 7:38 | 6:21 | 6:19 |

04 A view from the top

Whether it is about TV as a mass medium, economic recovery of the broadcasting sector after the crisis or new business models and ways of diversification – on a daily basis leading CEOs of commercial TV channels speak about the challenges they are facing when running their national or pan-European media businesses. Enjoy reading the following pages where you will find the most interesting quotes about television from the last year.



TV as mass medium



Gerhard Zeiler
Chief Executive Officer
RTL Group

“Firstly, I am absolutely convinced that television is and will remain THE leading medium in future. Even and especially in the Internet age. Our industry will continue to be the contact point for creatives and producers, and also for the industry when it comes to introducing new products and to promoting old favourites.

And second, German television has never been as diverse as or better than it is today. With well over 100 television channels at the moment, there is really something for everyone.

No matter how the viewers decide, our channels are ready to face the competition.

Commercial broadcasters serve an important social role in Germany and they will continue to do so in future.

To do this, they don’t need any financial support in the shape of fees or taxes. They just need one thing above all: fair market conditions and systematic protection against piracy.”

(VPRT Conference, 28 January 2010)

TimeWarner



Jeffrey Bewkes
Chief Executive
Time Warner

“Television is in ‘a golden age’. I think you have more original programming, new kinds of shows with fine actors, strong production values, and interesting directors who are not doing cookie-cutter work. There is more high-quality programming than has ever existed before on American television.”

(in ‘Faith in its shows, on any medium’, published by the New York Times, 23 August 2010)



Dr Alan Wurtzel
President of Research
NBC Universal

“The more screens consumers use, the more television they watch. During the recent Winter Olympics broadcast in the US by NBC Universal, viewers who also followed the Olympics on both television and the Internet watched twice as much Olympics on TV as those who followed the Games on TV alone. Moreover, people who watched the Olympics on TV and online at the same time watched three times as much TV. They also spent 70% more time on NBC’s Olympics website. Clearly, cross platform use isn’t a zero sum game. Contrary to early concerns that the Internet would cannibalise television, there is a great deal of evidence that the opposite is true. (...) The fact is, people are spending more time with media than ever before.”

(in ‘A Creative Recovery’ published by Reform, September 2010)



“La richesse de notre offre tient à sa diversité : TF1 cherche à s'adresser à tous les publics et à rassembler le plus grand nombre.”



(Les Echos, September 2010)

Nonce Paolini
Chief Executive Officer TF1

Economic Recovery



Nicolas de Tavernost
Chairman
of the Executive Board
Groupe M6

“Le modèle de M6, qui repose sur deux pieds, avec 55% du chiffre d'affaires liés à la publicité et 45% du chiffre d'affaires liés à des diversifications, a prouvé l'an dernier qu'il pouvait résister à la crise. En 2009, M6 a été l'un des seuls groupes audiovisuels européens à maintenir son résultat. Aujourd'hui, ce même modèle prouve qu'il est aussi efficace en période de reprise. Ainsi, notre résultat opérationnel courant a crû de 23% au premier semestre 2010. (...) La remontée du marché publicitaire en télévision est due à l'efficacité même du média, qui a prouvé qu'il était toujours le plus puissant.”

(Le Figaro, 28 July 2010)



Hans-Holger Albrecht
President &
Chief Executive Officer
Modern Times Group
MTG AB

“When I look back a year and think about the difficult market conditions we were in and the pressured economic environment we experienced, I also remember what we as a Group were focused on and what I promised. I said we would sail through the perfect storm, and that “our revenue mix and our extended footprint make us more resilient than we’ve ever been. And our multi-channel, multi-territory strategy will make it possible for us to continue to grow our market shares.” A year later, we are emerging from this perfect storm in better shape than ever, with higher viewing figures and market shares in virtually all of our markets. We delivered record sales in 2009 and strengthened our financial position.”

(MTG Annual Report 2010)

4



Jan Scherman
Chief Executive Officer
TV4 Sweden

“TV viewing continues to grow. Much thanks to the commercial TV broadcasters in Europe. With a fantastic range of programmes, from both broad entertainment and high quality drama to current affairs, news and sports, we give viewers the best TV offer there is. Every day, every week, month and year. 2009 was a tough year for many broadcasters around the world, and other media too. Luckily 2010 looks a whole lot better so far.

For the commercial television industry to be able to continue to offer viewers and advertisers the best programmes and the best business opportunities also in the future, it is essential that we continue to have good conditions to perform and develop the activities and business which we all depend on, whether it is a financial and economic boom or recession.”

(September 2010)



“The recent completion of the Ukraine and Bulgaria transactions has consolidated our leaderships across all our six home markets. We have rebuilt CME as a vertically integrated media and entertainment company to better face the challenges in our industry. Demand for TV advertising continued to decline in the first quarter although at a slower pace. Central and Eastern Europe will gradually emerge from the crisis during the first half of 2010 and in the second half the demand for TV advertising is expected to show single digit growth. As recovery progresses we will convert our leading audience and market shares into strong revenues and operating margins.”

(May 2010)



Adrian Sarbu
President & Chief
Executive Officer CME



GRUPO ANTENA 3



Silvio González
Chief Executive Officer
Grupo Antena3

“2009 was undeniably marked by the economic crisis. All sectors were affected to a certain degree.

We communications companies were no exception; in fact the crisis has been so severe that it provoked the sharpest decline to date in the advertising market, our main source of revenue. At the same time, the audiovisual business is currently still undergoing a process of profound and rapid changes (legislative, technological, sociological, etc), which are creating the foundations of a new scenario in which we must develop our activity.”

(Grupo Antena3 Annual Report 2009)

Business Models / Diversification



Nicolas de Tavernost
Chairman
of the Executive Board
Groupe M6

“M6 Web a réalisé €90,6 millions de chiffre d'affaires en 2009 et €26,9 millions de résultat. L'ensemble des activités de diversification, dont M6 Web, représente aujourd'hui 50% de notre chiffre d'affaires et 30% du résultat du groupe. Ce sont d'ailleurs ces diversifications qui nous ont permis de mieux résister que nos concurrents à la crise du marché publicitaire en 2009 et de réaliser des résultats stables. Une situation unique en Europe pour un groupe de télévision gratuite. Nous pensons en effet que la hausse du marché publicitaire télé n'est pas suffisante pour nourrir un nombre toujours croissant de chaînes.”

(CB News, 19 April 2010)



Bertrand Meheut
Chairman of the
Management Board
Groupe Canal+

“Bien sûr, Canal + a subi les effets de la crise, mais, au final, la télévision payante est perçue comme un loisir peu coûteux avec une large offre de sport, de cinéma et de fictions sur des écrans de plus en plus perfectionnés. L'important est que nous ayons réduit le taux de désabonnement de 13 % à 12,3 % et augmenté le revenu moyen par abonnés de 1 euro par mois. Et ce grâce à une série d'options Foot +, HD, enregistrement sur le disque dur, multi-équipements...”

(Le Figaro, March 2010)



Mark Hollinger
President
& Chief Executive Officer
Discovery Networks
International

“As a company, Discovery Communications produces and uses more hours of non-fiction content than anybody in the world. So we have this big engine of 13 channels in the US producing content, and a very good portion of that works either in its format as produced for the US or as a format to be modified for international. We supplement that with local acquisitions, certain levels of local co-production, because obviously the channels have to look and feel local. We also do probably more language customisation than anybody in the world. We customise our services into at least 35 different languages.”

(TV Week, February 2010)

“The industry also faces rapid change from the explosion of digital services and platforms. From an industry perspective this gives great opportunities, not just to deepen the relationship with the viewer, but also to generate additional revenue. And lastly while the landscape may change, one thing remains the same, now and in the future, content and brands are king.”

David Lynn

Executive Vice President & Managing Director MTV Networks UK & Ireland
(Westminster Media Forum, 2 September 2010)

MTV MEDIA



Pekka Karhuvaara
Chief Executive Officer
MTV MEDIA

“Digital television is now moving to the next level as high definition terrestrial services are being introduced in Finland. It is important to secure enough frequencies for HDTV so that terrestrial households can enjoy as broad an offer as cable and satellite households. MTV MEDIA's objective was to be the first player to ride out the recession and grab a considerable share of the market from the printed press. This was achieved, with the results even better than anticipated.”



“At TVI, we have found that the best way to stay creative is to remain humble. Our past successes do not guarantee future ones, just as having missed in the past is not reason enough not to try again. Thinking afresh will inevitably lead to new ideas and we all know that one must generate many ideas to select a few good ones. So we ensure that everybody feels free to provide input, be it in the most groundbreaking foray into new media or in the redesign of a crucial internal process. Ultimately, we innovate at any level with one single purpose: to continue to please our audience.”



**João Cotrim
de Figueiredo**
Managing Director TVI



“We will continue to invest in Italy. The Italian TV market offers scope for growth to all operators, both of pay- and free-TV, as it also happens in the other European countries. Pay-TV in Italy will represent 60% of the total in the future, and it is the best investment in the media.”

(October 2010)



Tom Mockridge
Chief Executive Officer
Sky Italia



Piotr Walter
Vice President, Head of
Television Broadcasting
TVN Group

“Capturing revenue sources across diversified multimedia platforms is our major challenge. Though quality content remains at the core of our activities, new media, when complementary to the television segment, permit us to cover and benefit from the entire market spectrum.”



Fedele Confalonieri
Chairman of the Board
of Directors
Mediaset Group

“The digital switchover process enhanced the scope of a multichannel television world: free and pay, HD, multiplatform. The evolution undergone by Mediaset is an expression of this trend.”

Advertising



Philippe Delusinne
ACT President
& Chief Executive Officer
RTL Belgium

“Our vision of Digital Europe is one in which professional content – news, sports, fiction, movies – retains its central role in the world of media and entertainment. This is also the vision of most politicians, I assume. And above all, it is also the preference of European citizens, watching professionally-produced content for 222 minutes every day. So encouraging commercial enterprises to earn money from selling advertising, and then to take the risk to reinvest revenues in content helps to shape the sort of digital economy we want.”

(Media Lounge, 30 June 2010)



Nicolas de Tavernost
Chairman
of the Executive Board
Groupe M6

“Partout où la télévision en général se porte mieux, c’est dans les pays où il y a le moins de publicité sur la télévision publique.”

“Where television in general is doing better, it is in the countries where there is the least advertising on public broadcasters.”

(Le Journal de l’Innovation, 8 January 2010)



“The stronger than expected rebound seen in the Western European TV advertising markets is the result of the overall economic recovery, but it also demonstrates the strength of television, as many advertisers have rediscovered its unique value for building brands and reaching mass audiences.”

(Interim Results Press Release, August 2010)



Gerhard Zeiler
Chief Executive Officer
RTL Group



**Alejandro Echevarría
Busquet**
President Telecinco and
Chairman of UTECA –
Association of Spanish
Commercial Broadcasters

“Spain faced the European Presidency in a key moment for the audiovisual sector at the internal level: currently, our country is boosting the creation of strong and economically efficient private operators which can afford their role in the society better. Our wish of an efficient public television, strong and independent from the Government also seems to be closer.”

(Jornada Annual UTECA - Association of Spanish Commercial Broadcasters - 2009)



“Il ne faut plus raisonner par type de supports. La vie d'un programme est désormais multicanal et ce qui m'intéresse, c'est son économie globale. Le journal télévisé est avec la télé réalité la première consultation sur le web. Mais la télévision est capable de décliner tous ses programmes -fiction, télé réalité, sport, jeunesse -sur tous les supports numériques. A TF1, nous avons organisé un rebond prometteur entre nos antennes, le web, l'IPTV et le mobile. La Coupe du Monde de football est un bon exemple avec 31 millions de visites. Sur le plan publicitaire, nos pratiques ont évolué : nous raisonnons désormais au coût au mille. Nous proposons aux annonceurs de communiquer avec des spots médias avant, pendant et à la fin de nos programmes sur le web. Ce qui devrait nous permettre de mieux monétiser nos activités numériques.”



Nonce Paolini
Chief Executive Officer TF1

(Les Echos, September 2010)

Investment in Content / Online Distribution



Jeremy Darroch
Chief Executive BSkyB

“Next year, we want to invest more than ever before. (...) So, yes, that means that we have a keen interest in a durable and sustainable economic model, for investment in quality content. Of course, that interest is shared widely. And not just by all the other companies with a stake in the business of content creation. It is in the interests of consumers, and of society as a whole, that content creators should be able to secure a fair and profitable return. (...) Without investment by the commercial sector, consumers would not enjoy anything like the same range of quality content that they receive today, which connects them to the wider world and provides enjoyment, information and inspiration.”

(MIP TV 2010)



“After all, the basic human desire to lean back, relax and be entertained remains unchanged. That is what television does so well. That is why RTL Group will remain focused on what consumers want: high-quality content and trusted brands.”

(in 'The Future of TV is ... TV!', September 2010)



Gerhard Zeiler
Chief Executive Officer
RTL Group



Adam Crozier
Chief Executive ITV

“We are in the midst of a television revolution. Quite simply, TV will never be the same again. The range of beautifully crafted, überversatile devices for viewers to watch content on is ever increasing and demanding new business models. The market for programmes – or content, as the industry likes to call it – is now global. (...)At ITV a priority is to make our content available to viewers whenever and wherever they want to watch it and, of course, to make it profitable. But to thrive globally we also need the freedom to compete on equal terms, and to do that the media industry needs deregulation.”

(MIP TV 2010)

“Tous les sujets dont nous venons de parler paraissent mineurs face à cette évolution technologique qui fait que la télévision devient un véritable serveur média. Ainsi la question de la numérotation des chaînes risque bientôt d'être dépassée ! Le téléspectateur choisira lui-même. Nous sommes très attentifs à l'évolution de la technologie et c'est pourquoi nous passons des accords avec Microsoft et Samsung car il est très important que Canal + soit implanté dans les équipements. Mais, au final, je reste confiant sur l'importance du métier d'éditeur. Il faut éditorialiser les contenus même s'ils sont à la demande. C'est très difficile pour un téléspectateur de faire son choix dans la profusion d'offres. Il faut l'aider et c'est notre métier.”

(Le Figaro, March 2010)



Bertrand Meheut
Chairman of the
Managment Board
Groupe Canal+

“We must continue to combat piracy. Digital platforms offer new opportunities for growth, but this is threatened by piracy which is increasing and ever evolving. Faster download speeds and Internet connected TVs are going to make it easier, MTV Network’s content particularly attractive to online pirate sites being shorter in length and of appeal to younger online users, so we are very supportive of the anti-piracy provisions in the (UK) Digital Economy Act.”

David Lynn
Executive Vice President & Managing Director MTV Networks UK & Ireland
(Westminster Media Forum, 2 September 2010)

PETER D'ARCO/REUTERS/GETTY IMAGES

“What I will say is that certainly for MTV, and most other brands out there, content is king. Or maybe that should be content is still king. We’ve all said it but honestly, it is truer now than ever before. The right script, the right talent, the right storytelling and the right production are of paramount importance. Without those elements in place the content will not be able to work as hard as we need it to, to generate revenues.”

Philip O’FerralGlobal SVP of Digital Media, MTV Networks International
(Future of Broadcasting Conference, 29 June 2010)

Technology / 3DTV



“As with high definition, 3D is set to transform the way TV is enjoyed in homes nationwide. Following hot on the heels of the success of 3D cinema, Sky customers will now be the first anywhere in Europe to experience 3D TV from the comfort of their living rooms. They can look forward to a fantastic mix of live sport, blockbuster movies, and innovative entertainment and arts shows.”

(July 2010)

**Jeremy Darroch**
Chief Executive BSkyB**Brian Sullivan**
Chief Executive Officer
Sky Deutschland

“We believe in giving our customers the best TV experience possible, one that constantly excites and entertains, and that you simply can not get anywhere else. Our market leading True HD service already offers the best content and picture quality, and with our new 3D service we’re taking that one step further. Combined with our wide choice of exclusive sports and movies we will deliver an amazing experience for the growing number of homes with 3D capable TVs across Germany and Austria. Delivering choice, quality, value, and innovation for our customers is at the heart of Sky. This is just the start!”

(September 2010)

05

Convergence, Competition and Copyright: How politicians can shape tomorrow's media landscape

by Ross Biggam,
ACT Director General


“Even in the absence of any proposed magic bullet solution, there are still several important ways in which European politicians and regulators can shape our sector.”

Brussels' EU district is full of interest groups calling for new legislation. This legislation will, depending on whether it is a business group or an NGO calling for it, either generate a huge boost to European GDP and job creation, or will deliver important consumer and environmental safeguards. The commercial broadcasting sector comes from a rather different starting point, one which only rarely sees us being the “demandeurs” for new EU legislation, for two main reasons. First, commercial broadcasters are already very tightly regulated, much more so than competing media old and new and even, in many cases, however illogical it may appear, more so than our publicly-funded competitors. It is true that regulation of our sector is assuming a higher profile than ever, with the emergence of competing platforms for content distribution which are subject to different rules, or to virtually no rules, meaning that deregulation for commercial broadcasters is now a business priority, regularly listed as such by incoming CEOs, rather than an interesting intellectual exercise for the Brussels policy community. But there is still a second reason why we are not clamouring in Brussels for across-the-board deregulation – the simple fact that the majority of the detailed regulation imposed on our member companies is national rather than European in its origin, reflecting the structure of our sector.

Even in the absence of any proposed magic bullet solution, there are still several important ways in which European politicians and regulators can shape our sector.

The first of these is a degree of regulatory forbearance, recognising that media markets are increasingly fluid and hard enough for market players to predict, let alone external agencies such as regulators. This does not mean that there should be no regulation – just that we all need to be much clearer about the objectives and the timelines involved as the media landscape becomes more complicated.

Indeed, this leads into my second point – about the future of content regulation at EU and national level. While the natural response of anyone representing business interests is to call for deregulation, few commercial broadcasters wish to see an immediate revision of the main piece of primary legislation affecting the content business, the Audiovisual Media Services Directive of 2007. This Directive establishes rules on jurisdiction for transfrontier television but also contains some extraordinarily detailed rules on advertising and sponsorship – regulating not only how many minutes of advertising a broadcaster can show per hour but even how many minutes need elapse before a commercial break is inserted in a movie, for example.



“We all need to be much clearer about the objectives and the timelines involved as the media landscape becomes more complicated.”

“This form of detailed box-ticking and lengthy debates over the legality of minor changes in broadcasters’ activity remains the default position of most national broadcast regulators.”

The AVMS text is a helpful improvement on the EU directive it replaced but it leaves intact the notion of discriminatory regulation: allowing a lighter tier of common standards for non-linear forms of delivering content, while leaving broadcast distribution of the same content subject to more detailed, quantitative rules.

So, why do I not call for this directive to be revised radically, and revised tomorrow? Quite simply because a “revision” may not be what is needed. AVMS was itself a partial modernisation of an existing directive and it took seven years of consultation, drafting, and negotiation first in Brussels and then all over again at national level before it arrived on the statute books across Europe. This was not through bureaucratic inertia or particularly intricate political wrangling – this is how long it takes to prepare, negotiate and implement primary legislation in today’s EU. And inevitably, a “revision” at this stage would again focus on the details: should broadcasters take an advertising break in movies every 15, 20 or 30 minutes? Exactly how often should we inform viewers that product placement has been used in the production of the programme they are watching?

This form of detailed box-ticking and lengthy debates over the legality of minor changes in broadcasters’ activity remains the default position of most national broadcast regulators. Yet things are beginning to change. It is widely accepted in the EU and beyond that some regulation of broadcasters is necessary – a consensus which, to date, has been shared by most commercial operators in Europe and by the ACT. This regulation is justified on a number of grounds, including the need to ensure order in the airwaves, the fact that the airwaves are a limited public resource as well as the pervasive and influential nature of broadcasting in providing information and helping to build up public opinion. As with all independent regulators in any sector, broadcasting national regulatory authorities (NRAs) correspond to the need to address a number of “market failures” whenever the market forces are incapable of self-regulating effectively and there is a need to build up and foster its proper functioning or to make social and general interest values prevail over the particular interests of some individuals. Many of these values are not in themselves controversial – think of protection of minors from

“But is the time really ripe for a radical overhaul of primary copyright law, a system which has proved itself to be adaptable to the needs of new businesses over decades?”

unsuitable content, or a plurality of news outlets. But the techniques we have historically used to deliver these goals will need to change just as many of the historical justifications for regulating broadcasters are becoming less tenable as we move from an era of spectrum scarcity into one of abundance. Rather than argue about the micro-details of a broadcaster's operation, why not engage in a wider debate, asking which structures of regulation are necessary to ensure the diversity of ideas and opinions in the media, without stifling the rights of freedom of expression enshrined in the European Convention on Human Rights? This, I believe, is the only way in which we will end up with a meaningful, future-proof regulation of content.

My final suggestion as to ways in which regulators could help our sector is to focus more on implementation and updating of existing rules, rather than seeking to invent new rules. Two examples are competition, and copyright.

In broadcast competition law, the European Commission rightly, and in the face of considerable resistance, insisted in its 2009 State Aid Communication that new services launched by publicly-funded broadcasters should first of all undergo an “ex ante” scrutiny by an

independent national body to consider, among other things, the impact of the proposed service on competition. Yet as we approach the deadline for this new obligation to be introduced at national level, the ACT estimates that in only a minority of Member States has this necessary protection been introduced into national law – and we hope that the European Commission will return to this important dossier in the months ahead.

In copyright law, the EU has in recent years followed the path of regulatory forbearance. There are now growing calls for revision of primary copyright law, frequently from interest groups who are relatively new to the world of media, content and rights. And indeed there is always a case for better supervision of some parts of the copyright value chain, notably in the application of competition law principles to collective management of rights. But is the time really ripe for a radical overhaul of primary copyright law, a system which has proved itself to be adaptable to the needs of new businesses over decades? The European Commission is rightly studying these questions with care, and we look forward to continuing the discussion.


Ross Biggam

06 What the press writes about our industry

In 1956 Times Magazine wrote that “colour TV has turned out to be the most resounding industrial flop of the year”. 54 years later the Economist calls TV “the great survivor” and Financial Times reports “no end in sight for the golden age of TV”. So what shall we believe? Take a look at what the press writes about TV and decide yourself. No matter what your conclusion is – there are a lot of talks about TV, showing the importance of the medium not only for politicians and regulators but society as a whole.



A look back

Time Magazine – 24 May 1948

“Television: The infant grows up”

TIME

“Television is all the talk – and all the talk is big. Its enthusiasts are sure that it will eventually (maybe sooner) make radio as obsolete as the horse – and empty all the nation’s movie houses. Children will go to school in their own living rooms; presidential candidates will win elections from a television studio. Housewives will see on the screen the dresses and groceries they want, and shop by phone. (...) The chances are that it will change the American way of life more than anything since the Model T. (...)”

Time Magazine – 22 October 1956

“Industry: Faded Rainbow”

TIME

“As (...) US electronics manufacturer are well aware, colour TV has turned out to be the most resounding industrial flop of 1956 (...) The prevailing US apathy to tinted TV was echoed last week by an idle viewer at Rich’s department store in Atlanta. “I know the grass is green at Ebbets Field”, he said. “It isn’t worth \$400 more to find out how green.”

Where we are today

The Economist Special Report – 1 May 2010
“In praise of television: The great survivor”



“When it comes to mobilising a mass audience, nothing can touch television. (...) One of the lessons from TV is to accept change and get ahead of it. (...) That box might appear to be sitting in the corner of the living room, not doing much. In fact, it is constantly evolving. If there is one media business with a chance of completing the perilous journey to the digital future looking as healthy as it did when it set off, it is television.”



The Guardian – 19 August 2010

“Television viewing increases despite rise of Internet and social media”

“Predictions that the Internet would kill the television star appear to be premature. Just as the cinema survived the advent of home video, TV is booming despite the growth of digital media and popularity of social networks such as Facebook and Twitter. Viewers watched an average of three hours and 45 minutes of television a day in 2009, 3% more than in 2004, according to research published today (on 19 August 2010) by the media regulator Ofcom. TV continues to take centre stage in people’s evenings, boosted by the popularity of shows such as The X Factor, Britain’s Got Talent and Doctor Who. (...) “Television still has a central role in our lives. We are watching more TV than at any time in the last five years,” said James Thickett, director of market research and market intelligence at Ofcom. (...) In many cases television is complemented (by social media platforms) and not necessarily a direct competitor”, said Richard Broughton, a senior analyst at the audiovisual research company Screen Digest.” (by John Plunkett)

Financial Times – 28 September 2010

“No end in sight for TV’s golden age”



“After another summer of analysts’ hand-wringing about traditional media business models, prompted by expansionary online video announcements from Apple TV, Google TV and Netflix, Mr. Bewkes [Chairman and Chief Executive Time Warner] echoes the views expressed by peers such as Les Moonves of CBS, that US television is enjoying a golden age that is not about to end soon. “We’re in the second or third year of a planetary global readjustment”, he says, yet TV subscription revenues, programming budgets and time spent watching TV rose though recession. “Why? People love their TV. They love it on their TV screen and they love it on their new screens”, he argues.”

"Über Jahrzehnte war der Fernseher nur – ein Fernseher. Heute ist er auf dem Weg zum digitalen Alleskönner, der zudem noch Bilder liefert, wie man sie noch nie gesehen hat. Hochauflösend und scharf ist bei neuen Geräten schon Standard. Nun kommt die dritte Dimension hinzu sowie das Internet. HDTV und 3D heißen die Kürzel, die die Deutschen dazu bringen sollen, ihre Röhrengeräte der Elektroschrottsammlung anzuvertrauen."

Werben & Verkaufen**"Mit dem roten Knopf in eine neue Dimension"**

"Oft angekündigt, jetzt vor dem Durchbruch: Hybrid-Fernsehen. Über die neue Geräte-Generation sind Internet und klassisches TV zu empfangen. Jetzt müssen sich gültige Standards bei Technik und werbung durchsetzen. – Noch können nur wenige Konsumenten mit dem sperrigen begriff HbbTV etwas anfangen. Doch die Zahlen sprechen eine deutliche Sprache. In nur 16 Monaten haben Fernseher mit integriertem Internet-Anschluss einen marktanteil von 36 Prozent erreicht. Als die ersten Hybrid-Geräte im März 2009 in die Verkaufsregale kamen, lag ihr Umsatz nur bei mageren 0,4 Prozent. Mittlerweile sind 1,3 Millionen Geräte verkauft worden."

"But the biggest surprise may be the performance of television, which detractors often lump with print as an 'old medium' in Europe, a region where economic uncertainties are mounting.(...) At the end of the day, it's about audience. Despite all hype about digital growth, spending goes where the eyeballs are."
(by Eric Pfanner)

Financial Times – 10 July 2010**"ITV scores as FIFA World Cup boosts advertising revenues"**

"The FIFA World Cup has allowed ITV to exceed the goals analysts had set for it, with advertising revenues up 45% on its flagship channel in June compared with the same month in June 2009."

The Economist – 4 October 2010**"The box rocks"**

"Television is recovering more strongly than other media because it has two distinct, and growing, advantages. First, its power to monopolise attention is undiminished. Many newspaper readers have moved online, where they are worth less to advertisers. Not so TV viewers. In the first quarter of this year the average American spent 158 hours per month in front of the box, according to Nielsen, a research firm. That was two hours more than a year earlier. By comparison, he spent just three hours watching video online and three-and-a-half hours watching it on his mobile phone. (...) That is in the most technologically advanced markets. Elsewhere TV simply dwarfs other platforms. Most estimates suggest that 30% of Chinese regularly use the Internet, whereas 93% watch TV. In Brazil, TV advertising was worth 15 times as much as Internet advertising last year."

How TV will survive in the digital world

CNN / Business Insider – 1 July 2010

“TV just works. It’s always there, and that’s what people love about it”



“Over the next decade, technology will likely enhance TV in the living room, making it better, more interesting and possibly more social. New devices such as the iPad and faster wireless networks may eventually make mobile video a more realistic proposition. But the Internet isn’t going to knock the TV industry out of business any time soon.”
(by Dan Frommer)

Bloomberg – 10 August 2010

“Media to Outpace US Economy Through 2014, Veronis Suhler Stevenson Says”



“Spending on media and communications will increase faster than the US economy through 2014 as consumers recover from the recession and shift more attention to the Internet and mobile devices, one researcher says. The media and communications industry will grow an average of 6.1% annually from 2009 to 2014 to \$1.42 trillion, compared with the expected 5.8% gain in nominal US gross domestic product, according to the forecast from Veronis Suhler Stevenson, a US private-equity firm focused on media.

Entertainment and leisure media spending will remain the largest sector, increasing 6.3% on average each year to \$353.9 billion by 2014 because of rising demand for subscription television. Entertainment encompasses TV programming, video games, the film box office and consumer book publishing.”

07

Diversification and the digital marketplace

How do commercial broadcasters respond to new technologies? Do they embrace those as challenges or consider them as threat? Adam Crozier, Chief Executive of the UK commercial broadcaster ITV, clearly sees them as a challenge and lays down his company's responses about how to operate in today's digital market place. While he is aware that there is "no magic recipe for making money in the digital marketplace", he considers three points as crucial in order to be successful: great content, a strong brand and a clear distribution and exploitation strategy.



Interview with Adam Crozier

Chief Executive ITV plc



Adam Crozier joined ITV plc as Chief Executive in April 2010. He has led a company-wide review and is developing the strategy that will transform the business in the next 3 to 5 years.

“In today’s world we need to be able to distribute our content globally.”

Having led a company-wide review of ITV, what do you think are the key ingredients of a successful commercial strategy in the digital marketplace?

There’s no magic recipe for making money in the digital marketplace. However it seems to me there are three key ingredients: great content, a strong brand and a clear distribution and exploitation strategy. There are a few global players who can boast all three: Disney and Sky spring to mind. And at ITV we’ve got the first two: must-see content that regularly gets audiences of over 10 million and a much-loved brand that we have built using the biggest and best shop window in the UK, ITV1. However we need to produce more of this popular content ourselves so that we own the rights.

I am also acutely aware that great content and a strong brand will only take you so far. In today’s world we need to be able to distribute our content globally. We also need to monetise it on many different platforms. This is another area where ITV is playing catch-up and one that we plan to rectify.

For example we’ve haven’t punched our weight on the web so far. We’ve had some notable successes – 9 million video views for Britain’s Got Talent?, strong viewing figures for our streamed coverage of the IPL cricket, innovation around the live General Election Leaders’ Debates such as sentiment tracking , facebook integration, live chat and live presenter blogging.

But these have been too few and far between. We’ve largely been followers not leaders and as a result revenues and audiences remain subscale online versus our competitors. We need to reverse this trend quickly.

The next waves of technology innovation are upon us already, blurring the boundary between traditional TV and the Internet. YouView, the subscription-free set top box that combines digital and catch-up TV and a range of Internet-enabled on-demand services, will change the way we watch TV forever, is launching in the UK next year. Sales of smart phones and iPads will extend the reach of video-on-demand further. These are huge opportunities that ITV needs to be ready to exploit.



“ITV should not remain dependent on one, at best static, revenue source. We therefore have to look at pay-TV and other business models so we profit fully from our programming.”

Tell us a little more about YouView

YouView is a subscription-free set top box which plugs into your existing aerial and broadband connection. It will combine linear TV with the last seven days' catch-up TV, as well as bringing a full range of on-demand services and interactive extras all on one screen.

YouView is being developed by a joint venture with some of the UK's best known broadcasters, including the BBC and ITV, broadband suppliers and set-top box manufacturers. It will offer a subscription-free service for viewers who value high-quality content but do not want to or can't afford to pay for subscription services. It's been described as the next generation of Freeview. Boxes will go on sale in the second half of 2011.

What will ITV be doing differently in the future?

ITV must be genuinely multi-platform, so that viewers get our content wherever they want it, regardless of the device they are using. Not just TV platforms but games consoles, mobile devices, social networks, iTunes etc. ITV Player will be the engine that drives our presence on

all these devices, cross-promoted by ITV1 and helping at all times to build the core ITV brand.

Pay-TV is something we have to embrace too. While advertising revenues are fragmenting across multiple channels and online, pay-TV has gone from strength to strength in recent years. ITV should not remain dependent on one, at best static, revenue source. We therefore have to look at pay-TV and other business models so we profit fully from our programming.

Launching HD versions of ITV2, ITV3, ITV4 on Sky is one way of monetising our content. Connected television platforms like YouView will open up lots of other options, such as micro-payments for ITV shows, e-commerce or social gaming such as Corrie Nation on Facebook. Developing ITV.com and the launch of YouView will allow us to build a two-way relationship with viewers and allow us to move towards more targeted advertising.

As programmes and content are becoming increasingly internationalised we must also think global. The age of multi-channel and multi-platform media has broken down barriers between countries and there is a rapidly growing demand for quality content, particularly in the English language. The most

successful content is global – Lost, Desperate Housewives, Come Dine with Me, Pop Idol – and the most successful brands are global brands – Amazon, Facebook, Google. Creative companies everywhere need to think globally or risk being crowded out.

The global market for content is vast – worth around £90 billion at the last estimate – and ITV's share is pretty modest at present. Becoming a genuine international player obviously requires us to fix the creative pipeline in the UK first but we have real potential here.

Innovation in content formats will be important too. One key area will be “app” development, whether for YouView, social networks or mobile devices. You can expect these to be rolled out across a range of ITV programmes in future – for example, who needs a 24 hour news channel when you can have an ‘always-on’ news app running on YouView?

Finally we must exploit the power of partnership. Whether it's with the Internet service providers on YouView or the likes of Facebook and Twitter or web apps, we should be collaborating to offer bigger, better, more accessible and more cost effective services to consumers.

“We should be collaborating to offer bigger, better, more accessible and more cost effective services to consumers.”

Does all this mean ITV will be turning its back on the Free-to-Air model?

Absolutely not. We have to continue to make the best of free. Value for money has never been more important for UK consumers. While the likes of Sky and Virgin concentrate on widening the gap between free and pay (by bundling more and more services into top tier HD packages) we should be reminding consumers of the fantastic TV they can still get for nothing. YouView will do just that, offering the best free content and the latest technology in an easily accessible way to the millions of homes who want a bit more but don't want to pay for it. And that will also drive real value for ITV – both in linear advertising revenues as well as the opportunity to offer a more targeted advertising sell.

But, as I've already mentioned, ITV has been too reliant for too long on traditional spot advertising. Not only is this a volatile source of revenue – making ITV more vulnerable to economic ups and downs – it is a diminishing pot in a converged world and it would be misguided to remain so dependent on it.

Where do you see the future of TV? Do you think television will remain the lead medium or will it be replaced by other forms for media such as VOD or catch-up TV?

I don't see this as a zero-sum game. We shouldn't be talking about one medium replacing the other. Contrary to concerns aired a few years ago that the Internet would blow TV away, there is evidence that the relationship is more complicated and complimentary than that. For example, research by NBC in

the US has shown that the more screens consumers use, the more TV they watch. NBC demonstrated that making content available on alternative platforms increases time spent on all platforms, including television. So a successful cross-media strategy should use new media to drive traditional TV viewing. And in the UK viewers are watching more and more commercial TV every year. We need to be where and when viewers want to be.

“A successful cross-media strategy should use new media to drive traditional TV viewing.”

This new environment is also an opportunity for us to tap into alternative sources of revenue. For example, by offering a micro-payments system on ITV.com, viewers will be able to pay for additional materials such as alternative endings or archived episodes of popular shows such as *Coronation Street*. This will complement the content we offer for free on linear thereby supporting the traditional TV model, funded by spot advertising, while allowing us to monetise content in other ways on other platforms.

08 Taking a look at a local television market

Highlight: Flanders in Belgium. We all know it and yet it is worth taking a closer look – media markets are mainly national and each country has its own cultural specificities and regulatory set-up for their media landscape. In Belgium the situation is even more complex, as the national market is divided in two local media markets – French-speaking Wallonia and Flemish-speaking Flanders. The Flemish market is dominated by cable distribution and a great interest from viewers into local programming. While the market itself is developing fast and responding enthusiastically to new media developments, commercial broadcasters face strong competition from new players in the market. Peter Quaghebeur, Director General VMMA, gives us an insight into this interesting media market in Northern Europe.





Peter Quaghebeur
Director General VMMa

72.9% of people watch television as their main activity during their free time.

Competition with new players in the market

by Peter Quaghebeur,
Director General VMMa

1 - The Flemish context: a unique television landscape

Flemish viewers watch TV via cable

The television landscape in Flanders is special because of the way in which people watch television. More specifically, over 95% of Flemish watch TV via cable. The ratio for digital TV is 75% via cable and 25% by ADSL. The cable distributor consequently has almost a monopoly on the Flemish television market. This logically also has an impact on the cable distributor's power.

Commercial broadcasting since 1989

The commercial television market in Flanders is 21 years old. Commercial broadcasting station VTM was founded in 1989. VTM rose quickly from the very beginning. There has been competition on the commercial television market since the mid-nineties, but VTM is still the largest commercial broadcasting station (market share of approximately 25% on purchasers aged 18-54).

80% of viewers watch 7 channels

Despite the harbingers of doom, television remains the strongest medium. A recent study has shown that 72.9% of people watch television as their main activity during their free time. The number of television channels in Flanders has also increased exponentially as a result of digitisation but the viewing habits of citizens have not changed much. Just like ten years ago, seven channels serve over 80% of viewers. More than half the viewers only view the two main channels, VTM and één (public broadcaster).

Flemish viewers enjoy Flemish programmes

The range available on the Flemish television channels is of high quality. Both the public and commercial broadcasting companies have top quality news that is enjoyed by many Flemings. Het Nieuws (VTM) and Het Journaal (public channel) at 7pm together hold a market share of almost 75%.

But the thing that mainly stands out is the high number of local, Flemish programmes on the different channels. The public broadcasting company and VTM, as the commercial broadcaster, particularly have more of their own, Flemish formats than foreign ones. More than three quarters of the programming available on VTM is Flemish.

2 - Current situation

Media consumption is increasing

Almost 70% of all Flemings watch TV every day; this is almost 4 points more than ten years ago. On average the Flemings view 3 hours and 40 minutes of live TV each day. This is 12 minutes longer than ten years ago.

Furthermore, there is the consumption of all the new media. VTM has also become a multimedia experience in addition to a television channel. Extra services, like iWatch (reviews and previews of programmes), iZone, Teletext, syndication, websites,... strengthen the TV available. There is also additional programme experience on other screens: we have iPhone and iPad applications, we offer programmes on PSP and iWatch.be,...

Distribution issue

A little over half of all Flemings have in the meantime switched to digital viewing, via Telenet, Belgacom or TV Vlaanderen. This could be a growth market for VOD but the use of VOD is stagnating. VOD consumption is not increasing at the same rate as the increase in the number of digital viewers. This is due, among other reasons, to the politics of cable distribution in Flanders.

The use of a digicorder is encouraged for recording programmes and made easier and more convenient. Storing 100 hours of TV and expanding the recording options result in fewer VOD sales.

Moreover distributors are also increasingly breaking into the television channel field, for instance by starting up their own digital channels. This causes the brittle balance between channels and distributors to waver. In Flanders the three main television groups (VRT, VMMA and SBS) have recently taken a joint initiative towards the distributors to tackle this issue. The goal is: a fair division of the income, which the distributors generate by using/reusing the programmes produced by the channels. An open letter (see framed section) was published on 4 September 2010.

The distributors also manage the order of the channels on the EPG as they see fit. Local Flemish and European content is not only competing with cheaper, often American, content but the position is also often unfavourably positioned with respect to the American. If distributors only still invest in cheaper overseas productions from a profit standpoint, then the homegrown Flemish and European productions will be put under severe pressure and are possibly doomed to disappear.



Over 95%
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“If distributors only still invest in cheaper overseas productions from a profit standpoint, then the homegrown Flemish and European productions will be put under severe pressure and are possibly doomed to disappear.”

3 - Future

Monitoring market balance

The discussion mentioned above concerning the role of distributors is not over by any means. In our opinion, the government must take a proactive role and monitor misuse of economic power and the balance of the market. Europe has a tradition of ensuring fair competition, in Flanders there is an urgent need for competition in the television distribution field.

We rely on the government to develop a climate in which Flemish, European media companies may be given the opportunity and encouraged to invest in diverse, top quality and local productions. Only then will the wealth of European diversity stand strong against the all-consuming power of the lowest common denominator.



Diversification

The VMMA Group believes in the further development of strong brands with linear TV as the basis. However we will also adapt our linear range to other platforms. We are also diversifying our business activities so that there will be income other than from TV. The diversification of income specifically entails the spreading of the risk. In 2000 almost 85% of our income still came from advertising. Now it is less than 70%. We are investing in NSA (non spot advertising), line extensions, digital media, telecom initiatives, etc. Recent initiatives such as Starway Film Distribution, a culinary website zesta.be, ... all fit within that strategy of diversification.

“In Flanders there is an urgent need for competition in the television distribution field.”

Open letter from VRT, VMMA and SBS, published on 4 September 2010 in the newspaper De Morgen

The Flemish viewer should not be the victim of Telenet and Belgacom policy

Over the last week a lot has been published about the letter the television channels (VRT, VMMA and SBS) sent to the distribution companies (Telenet and Belgacom). This created the wrong impression that the Flemish broadcasters wanted to make it more difficult for the viewer to record digital programmes. However this does not relate to a consumer story. The Flemish viewer should not be the victim of Telenet and Belgacom policy: the broadcasting companies are not asking for any extra fees for recording programmes from viewers, but from the distributors.

Towards a fair division

Today viewers pay for extra comfort services (e.g. the digicoder). Except that money is today only paid to Telenet and Belgacom and little of this is passed on to the broadcasters and their programme makers. VRT, VMMA and SBS nevertheless invest many millions of Euro each year in Flemish programmes. The money from the Flemish viewer is not used by Telenet or Belgacom for making more Flemish programmes.

So this is not a consumer story but rather a dispute between businesses, in which one business (distribution) currently earns money from the viewer because they pay for the recording facilities. The other business (broadcasters), who supply the programmes, wants to be remunerated fairly for that. This does not mean that the Flemish viewer should have to pay extra for this. In our opinion the cake should not be made bigger but should be divided fairly as it is currently done in other European countries. Or, as the researchers Pieter Ballon and Olivier Braet (SMIT-IBBT) wrote in this newspaper yesterday: "Operators have to realise that it is also in their interest that enough money flows through to those people who provide new, locally produced programmes." It is clear from all studies that Flemish programmes have a homegrown feel. A few Flemish programmes can usually be found in the top 20 of the viewing figures.

Technological innovation

Our request for a fair division of the cake has caused the Flemish broadcasters to be accused of being conservative and of wanting to hold back new digital developments. This is not the case at all. The television sector in Flanders has proven on more than one occasion that it is a pioneer in technological innovation: news broadcasts in real video on the Internet, iPad applications and PSP content, open network broadcasts in HD, ... Now being accused by Telenet as 'thinking the horse-drawn tram is better and blocking the steam tram,' is turning the truth on its head. More than ever before the broadcasters want to use technological innovation to increase the comfort of viewers.

Piet Van Roe
CEO VRT

Peter Quaghebeur
Director General VMMA

Thierry Tacheney
CEO SBS Belgium

09 Creative content in the future

While commercial broadcasters explore delivering their content on new platforms such as mobile and online, key priority remains investment in creative content itself. Over the last year the Italian commercial broadcaster Mediaset invested €122.5 million in original European film production and €206.5 million in TV drama production. All in all, investments in programming – including news, entertainment, sport and rights acquisition - amounted to €797.3 million. We asked Gina Nieri, Member of the Board Mediaset Group and Vice-President R.T.I., about their strategy when becoming a global multimedia player and a convergent television services purveyor.



A convergent broadcaster in a global marketplace

by Gina Nieri,

Member of the Board Mediaset Group and Vice President R.T.I.

(Reti Televisive Italiane, Mediaset Group)



Gina Nieri

Member of the Board Mediaset Group
and Vice-President R.T.I.
(Reti Televisive Italiane, Mediaset Group)

In the past ten years, Mediaset worked earnestly in ensuring an incremental change from traditional free-to-air broadcasting services into becoming a global multimedia player. All the fundamental activities that enabled a revenue diversification strategy allow us now to think big and to prepare for a leap into the global information and entertainment marketplace. We can now think as a convergent television services purveyor: communicating to the public via the television screen triggers a critical audience reach for the launch of works whose shelf-life spans across different platforms. Television is unique in its capacity to gather meaningful audiences that will in turn drive consumption to and through other media, namely, to the more fragmented online consumption market. In multiplatform distribution, television is now mimicking, complementing and, at times, substituting theatrical release. The so-called windows, that in a not so distant past determined a fixed chronology for the distribution of audiovisual works, have become more fluid and the technology developments to date allow all players, whose core business relies on creative content, to choose the best-suited medium and secure a sound return on investment. Mediaset's adamant and relentless belief in the combination of quality content and an equally important marketing effort to organise audiovisual programmes into an enticing offer to the public are at the basis of the financial investments that led to the full incorporation of Medusa (the Italian leader in film production and distribution with a 14% Italian market share) and TaoDue (one of Italy's most successful TV drama producers), together with significant participation in other innovative content developers and, most importantly, the 2007 joint-venture with Telecinco, Cyrté and Goldman Sachs that led to the acquisition of Endemol, a truly global market player in the television format industry. Hence, while the telecommunication stakeholders in the Digital Agenda mainly concentrate on network infrastructure and the traffic thereof, Mediaset keeps on pursuing a bold content-led growth. With a free, yet rich and varied, offer to the public of quality programming, broadcasting is bound to play a leading role towards the goals set by the Digital Agenda. Transmission capacity, advertising resources and IP protection are fundamental assets to be preserved in a system based on editorial responsibility and consumer trust.

“In the past ten years, Mediaset worked earnestly in ensuring an incremental change from traditional free-to-air broadcasting services into becoming a global multimedia player.”

“Medusa is keen on financing and promoting the most promising young Italian directors and in finding ways to develop, both in its financing and creative efforts, a distinctive European talent mix.”



As an excellent example of this commitment, let me mention the most recent production endeavours by Medusa. After the success of “Lost in Translation” and “Marie Antoinette,” American director Sofia Coppola received a Golden Lion at the Venice Film Festival last September for “Somewhere.” The film – co-produced by Medusa - is a most sophisticated work by a young woman director, whose films do not belong to mainstream Hollywood studios and which, whilst depicting a very particular atmosphere which only belongs to Hollywood, provides insightful cameos of the Italian show-business world. Medusa is keen on financing and promoting the most promising young Italian directors and in finding ways to develop, both in its financing and creative efforts, a distinctive European talent mix. Medusa’s strategy is innovative in developing formats that will travel across Europe and with a truly global appeal. In order to implement such a far-reaching strategy, most innovative financing schemes have been pursued, i.e.: tax credit, tax shelter and other forms of investment from private stakeholders and banking institutions. The shooting of “This must be the place” by Paolo Sorrentino – acclaimed at the 2008 Cannes Film Festival for “Il Divo” which received the “Prix du Jury” – is currently taking place in the USA with an Italian crew and an ambitious international cast, starring Sean Penn



“Another virtuous example of this international content breeding is the current major hit in Italian cinemas “Benvenuti al Sud” whose proceeds in just three weeks from theatrical release reached record box-office sales of €20 million.”

and Frances McDormand. The €25 million financing effort involves a partnership with two leading Italian independent producers (Indigo and Lucky Red) and Banca Intesa - which endorsed the project with a €2.5 million contribution on the basis of a fiscal measure (ETC – external tax credit) that provides external investors the possibility to enjoy fiscal benefits. The 70% investment ensured by Italian partners is complemented by French (20%) and Irish (10%) producers. Moreover, product placement agreements have been signed with both European and US brands. Another virtuous example of this international content breeding is the current major hit in Italian cinemas “Benvenuti al Sud” whose proceeds in just three weeks from theatrical release reached record box-office sales of €20 million. Developed from the original French script “Bienvenue chez les Ch’tis,” which in France alone generated revenues of over €140 million (€188 worldwide), the format has been purchased and re-arranged in a co-production between Germany and Italy that has been sold back to France where the new version will be released in November.

In 2009, despite a most severe downturn in the advertising market, Mediaset invested €122.5 million in original European film production and €206.5 million in TV drama production. All in all, investments in programming – news, entertainment, sport, and rights acquisition (including dubbing) - amounted to €797.3 million. The Italian collecting societies SIAE and IMAIE received a total compensation for authors and performers of €63 million. Content production and rights acquisition, with licensing agreements that remunerate every stakeholder in the value chain of legitimate content exploitation, are at the core of our business. It is worth noting, as a mere matter of comparison, that in the third quarter of 2010 Google reached a record 32% increase in net profits (USD2,17 billion), and its total turnover grew by 23% to USD7,29 billion. YouTube, incorporated by Google, contributes to Google’s success by cashing in on illegitimate content uploads and downloads. It is now time for their business model to rest on legal content licences. They certainly can count on an impressive cash flow to start investing upfront in lawful rights clearance, just like every successful broadcaster has chosen to do since the early 1950s.

With a sound investment strategy in European content for a global audience, Mediaset does not stay idle vis-à-vis new technologies and is well aware of the hybridization process that will lead to OTTV (over-the-top-tv) - a seamless convergence between broadcast and broadband delivery. Currently, Video Mediaset, Mediaset’s internet based catch-up service, draws an average consumption of 300.000 users a day, with peaks up to 500.000, while a number of services have been developed ad-hoc for mobile phones and iPad applications. That said, while a “TV Everywhere” model will increasingly hinge on paid-for applications, Mediaset is now more than ever convinced that free-to-air broadcasting, with its distinctive European dual system, is to be safeguarded and promoted as a general interest universal service, a fundamental source of quality information and entertainment, a catalyst of resources invested in financing and promoting the European audiovisual sector.

“In 2009, despite a most severe downturn in the advertising market, Mediaset invested €122.5 million in original European film production and €206.5 million in TV drama production.”

MEDUSA FILM
PRESENTA

Benvenuti al SUD

Un Film di Luca Miniero

Ph: Gianni Florito



Claudio Bisio Alessandro Siani
Angela Finocchiaro Valentina Lodovini Nando Paone
e con la partecipazione di **Giacomo Rizzo**

UNA PRODUZIONE MEDUSA FILM IN COLLABORAZIONE CON CATTLEYA E SKY. UNA COPRODUZIONE ITALO-TEDESCA IN COPRODUZIONE CON CONSTANTIN FILM PRODUCTION
"BENVENUTI AL SUD" UN FILM DI LUCA MINIERO CON CLAUDIO BISIO ALESSANDRO SIANI ANGELA FINOCCHIARO VALENTINA LODOVINI NANDO PAONE E CON LA PARTECIPAZIONE DI GIACOMO RIZZO SEGRETERIA MASSIMO GAUDIOSO BASATO SUL FILM "BENVENUE CHEZ LES CHUTIS"
SCRITTO DA DANY BOON FRANK MAGNIER E ALEXANDRE CHARLOT E DIRETTO DA DANY BOON CASTING MARITA D'ELIA E CLAUDIA MAROTI SEGRETERIA PAOLA COMENCINI COSTUMI SONO MISHRA SONO ALESSANDRO BIANCHI MONTAGGIO VALENTINA MARIANI FOTOGRAFIA PAOLO CARNERA MUSICHE UMBERTO SCIPPIONE PRODUTTORE ESECUTIVO DANY BOON
PRODUTTORE ESECUTIVO GIORGIO MAGLIULO PRODUTTORE ESECUTIVO CATTLEYA MATTEO DE LAURENTIS COPRODUTTORI MARTIN MUSZKOWICZ E OLIVER BERGEN UNA PRODUZIONE ESECUTIVA REALIZZATA DA CATTLEYA PER MEDUSA FILM PRODUTTORI RICCARDO TOZZI GIOVANNI STABILINI MARCO CHIMENZ FRANCESCA LONGARDI
REGIA DI LUCA MINIERO

cattleya

Constantin Film

DOLBY
DIGITAL

CINECITTA'
DIGITAL FACTORY

VIRGILIO

virgilio.it/benvenutialsud

Kodak

Logo

FILM COMMISSIONE
REGIONE CALABRIA

F C R

IN COLLABORAZIONE CON
sky CINEMA

www.medusa.it



10 TV leads the way as mass medium



Looking back to the enormous ratings success during the FIFA World Cup there is no doubt about it: Television remains the leading mass medium.

In Europe and all over the world millions of viewers tune in to watch big live events, their favourite shows or news. Growing advertising revenues for commercial broadcasters in the last year have demonstrated the continuous attractiveness of television for advertisers. The ability of TV to appeal to people's emotions and feelings is key to this and in combination with other media TV will continue to reach out to masses as no other medium does.



2010, an exciting year for football fans and television

by the Association of Commercial Television in Europe (ACT)



Throughout a TV channel's life, the FIFA World Cup has always been an absolute "hit" for a

broadcaster. Not necessarily in terms of direct revenues generated by the broadcasting of live matches (rights to buy matches are expensive and revenues unpredictable, as audiences are partly linked to the progress of the national team), but in terms of image and of innovation.



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Mundial
Sudáfrica 2010

ACT / Annual Report '10

5



Sport was first televised with the 1936 Olympic Games in Berlin in cinemas and other local venues. It was not until 1964 in Tokyo that the Olympic Games were first broadcast live around the world.



Sports broadcasting began in the 1920s in America. The first broadcast was of championship boxing match involving Jack Dempsey via radio. **Sport was first televised with the 1936 Olympic Games in Berlin** in cinemas and other local venues. It was not until 1964 in Tokyo that the Olympic Games were first broadcast live around the world. 46 years later, with the dawn of pay-per-view, Internet, digital television and mobile phones, the sports broadcasting landscape has changed completely.



Indeed, for the first time this year, such an amazing event as the FIFA World Cup was available on no fewer than **three different screens** – **TV** of course, but also the **Internet** thanks to brand new services such as live streaming or catch-up TV and **mobile phones**. Quality of production was at its maximum with the possibility to watch matches in **HD** or even in **3D**.

What could be more concrete than saying that the 10 best audience shares since 1989 in France are all football matches...

All these innovations respond to a **demand from worldwide viewers** who in ever greater number want to enjoy watching their favourite sport. What could be more concrete than saying that the 10 best audience shares since 1989 in France are all football matches...



Not only citizens of the winning nation gathered in masses in front of their screens to watch the match: in France, there were 14.1 million tuning in on TF1 (63.1 % audience share)... The rest of the World Cup has also been a huge success, every single match attracting millions of viewers...

Groundbreaking audience share records across Europe for ACT Members

On **12 July 2010**, when Spain won against The Netherlands and therefore became the new World Champion, **more than 700 million people across the world** watched the goal of Andres Iniesta at the 116th minute. In Spain, **13.4 million viewers watched the final broadcast on Telecinco**, equating to an audience share of 78.1%. Not only citizens of the winning nation gathered in mass in front of their screens to watch the match: **in France, there were 14.1 million tuning in on TF1** (63.1% audience share).

The rest of the FIFA World Cup has also been a huge success, every single match attracting millions of viewers, being of the same nationality of the team or not. In **Germany**, even Argentina's 3-1 victory over Mexico drew an impressive 12.8 million viewers, a 41% audience share for **RTL Television**. Even more, **15.71 million viewers** watched the last quarterfinal match between Spain and Paraguay on the same channel.

1st European Sport TV Audience Award attributed to the FIFA World Cup 2010

On 12 October 2010, **Sportel Monaco** and **Eurodata TV Worldwide** rewarded the sports events who delivered the highest ratings in the Europe area in 2010. For the most-watched sport event, this year's winner is the FIFA World Cup 2010, which gathered **155.5 million European viewers**, obtained by summing the best TV audience of each country across the 40 studied European countries over the period September 2009 to August 2010.

This event was in competition with the 2010 Winter Olympic Games, the Formula 1, the FIFA World Cup Qualifier, the UEFA Champions League and the UEFA Europa League.

For more information:
www.sportelmonaco.com



Attracting viewers & advertisers with mass events



Interview with Martin Krapf, CEO IP Deutschland



Martin Krapf
CEO IP Deutschland

IP Deutschland is one of the leading advertising sales houses in Europe, selling advertising for the German channels of the RTL Group, including RTL Television, VOX, SUPER RTL and n-tv. How important is it for the marketing of a channel to have mass events in its programme?

In our fragmented media environment, only television still reaches the mass audience. Besides major sports events like the FIFA World Cup or Formula 1, shows like Idol and Got Talent draw immense audiences. This is where you can still find the millions who sit together in front of the TV, breathlessly waiting to see what comes next. This shared experience is strengthened even further when other media get into the hype, and thus ensure that the personal lives of football players or Idol contestants become a topic for conversation on the street, in the car, at school or at the office. That potentiates the marketing power of these major events. Usage on the related web platforms climbs massively when Clipfish shows clips of the wittiest casting rounds on Idol or the most exciting moments from Formula 1, or when whole shows can be watched on RTLnow as video-on-demand. Consumer brands that are linked with such a strong programme brand – by sponsoring the show, or through creative forms of special advertising – gain extra attention and add an extra positive charge to their image. In that sense, the major sports events and shows are a treasure trove for us in marketing.

With regard to these programmes – what role do new advertising formats such as split screen advertising or product placement play?

Those who choose an exceptional brand presentation on an event programme get both the greatest possible reach and the greatest possible attention. We work with advertisers and agencies to create unique format integrations – from sponsoring to product placement – tailored to the product and the client's communication goal. But these special formats are most effective when they are part of a classic campaign. Deutsche Post chose split-screen advertising to launch its e-Postbrief during Formula 1. Paired with spots, that made their innovation well known in a very short time.

“We work with advertisers and agencies to create unique format integrations – from sponsoring to product placement – tailored to the product and the client’s communication goal.”

What makes big shows successful from a marketer's viewpoint?

Programme brands like Idol, Got Talent, X Factor and Let's Dance that have proven their value – often internationally – raise advertisers' awareness. At the same time, they offer clients a way of associating themselves with the programme on a wide variety of platforms – whether it is TV, the Internet, or mobile devices.

So their messages reach a broad audience of potential consumers in a very short time. Sony Ericsson boosted brand awareness by 90% by doing just that on Idols.



Would you share the view that advertising on linear television will be replaced by online advertising? Recent findings rather indicate that we will see cross-media campaigns running on all platforms including TV, catch-up and mobile – what do you think?

We think television will still be the leading medium for a long time to come. But even today, those who have successful content on linear TV are also putting it on the Internet. More and more viewers are watching whole episodes of a programme on a conventional or tablet PC, and short clips or news reports even on little mobile screens. We cannot ignore that usage behaviour and times are changing, and the faster we get our own strong media and programme brands on new media, the greater the prospects for success. But just as we do not believe that nothing but on-demand usage will be left in the near future, we also do not think advertising budgets will be diverted entirely to the Internet. There is no real alternative to TV as a mass medium for either content or advertising.



“There is no real alternative to TV as a mass medium for either content or advertising.”

MTV Europe Music Awards: Partnership with advertisers

On 14 September 2009, **MTV Networks International** (MTVNI), owned by Viacom Inc and **Dell™** renewed their pan-European partnership for the **2009 MTV Europe Music Awards** (EMAs).

The 2009 MTV Europe Music Awards were broadcast live on MTV on 5 November 2009 across **212 million homes and more than 40 territories in Europe, the Middle East and Africa**.



Dell joined **Sony Ericsson** at the event, which took place on Thursday 5 November 2009 at the O2 Arena in **Berlin**. To celebrate this sponsorship, Dell launched an online cultural community activity, which engaged UK and German youth in an attempt to build the world's largest online choir.

Through **Amplichoir**, members of the public were challenged to upload videos of themselves singing "Lollipop", the song featured in Dell's on-air advertising campaign, "Treats", on the www.amplichoir.com website. The singer with the most votes won VIP tickets to attend the 2009 MTV Europe Music Awards, where they were presented with an award on the Red Carpet.

David Clifton, Director Marketing Dell Europe, commented:

"Music enables total self expression, and can cross language and cultural boundaries. Personalisation and self expression are at the heart of Dell's product portfolio and through our partnership with MTV we're striving to give fans the opportunity to connect with others and express their individuality. This is at the core of Amplichoir; the experience is a fun and interactive way of people to merge technology and music to express their personal style."

In addition, **100 Sony Ericsson Fan Walkers** were undertaking a challenging 10 day walk from Hamburg to Berlin to be part of the MTV Europe Music Awards experience.

Richard Godfrey, Executive Producer MTV Europe Music Awards, commented:

"It is important to us that as many music fans as possible get to be part of this year's EMAs so we have decided that tickets to the event at the O2 World will be free and only available via public castings. We're proud to be bringing so many exciting performers and presenters to Berlin for this year's show – which is even more special as it will be part of the historic 20th anniversary celebrations of the fall of the Berlin Wall. MTV Germany's audiences are amongst our most ardent so we look forward to some impressive auditions – and lots of energy on the night!"





2010 MTV Europe Music Awards

Calvin Klein Jeans has been announced as digital sponsor for the **2010 MTV Europe Music Awards** to take place on 7 November 2010 in Madrid. The announcement of Calvin Klein Jeans' interactive and highly engaging digital sponsorship of the 2010 MTV EMAs which includes an **"MTV EMA X-Rating" Artists Fashion Poll**, as well as an **"MTV EMA X-Rating" Personal Style Quiz**, coincides with the recent launch of Calvin Klein Jeans' new "X" jean.

Calvin Klein Jeans' sponsorship will be executed across the EMA website and wapsite, and will include the first ever **MTV EMA iPhone and iPad Apps** created by MTV Networks International and exclusively sponsored by Calvin Klein Jeans.

Sat.1 partnership with McFit



Creative partnership

At the charity auction **"A heart for children"** in Berlin on 7 December 2008, **Jürgen Klinsmann**, coach of the German football team FC Bayern, auctioned his team for a charity game in a TV show in Germany. **McFit***, a **German fitness studio chain**, won the auction with a bid of €1 million. With it they got the option to assemble a football team that should play against the Bavarians. The revenues from ticket sales should benefit the charity **"A heart for children"**.

The TV channel **Sat.1** (ProSiebenSat.1 Group) was quickly interested to develop a new TV format, not only to present the game as a live event but also to develop a spin off in the story of finding the right football team. One of Germany's best known comedians, Oliver Pocher, was commissioned to find this team. The challenge for him was not to beat the Bavarian team with a professional football team but with amateur players and former professionals.

Celebrities had to prove their football skills in castings and a training camp to snatch a place in the team. This was documented in four weekly primetime broadcasts on Sat.1.

On 25 July 2009 the match took place in the Veltins Arena in Gelsenkirchen: the big match **McFit Allstars vs. FC Bayern München**. McFit was on ground partner and gave its name to the challenging team: the McFit Allstars. The show was accompanied by an extensive trailer campaign on Sat.1 and McFit was integrated in the ticket and programme trailer and provided the prizes for the sweepstakes in the show. **Altogether a perfect and successful cooperation for McFit and a win-win performance for all partners.**



Silke Schmid-Niekamp, Head of AdOns & Placements SevenOne AdFactory GmbH:

“We were absolutely thrilled when we heard about the cooperation between McFit and “A heart for children” and the broadcast of the match. The McFit Team was already well known as a brilliant partner of ProSiebenSat.1’s SevenOne Media. The branded entertainment team of SevenOne AdFactory created a package of special ads and creative solutions to receive a maximum performance in this deal.”

Results

The ratings for the four talent shows on partner station Sat.1 achieved an unexpectedly high number of 2 million viewers. The match itself was attended by more than 50,000 paying spectators in Schalke 04’s stadium in Gelsenkirchen. With 3.56 million viewers, the live broadcast achieved about **35.2% of the market share** within the advertising-relevant target group.

The targeted PR achieved about 320 million contacts. The implemented budget generated an equivalent value four times greater – nearly 6 million euros. **New Memberships reached +8%** during the campaign.

Awards

- 2009 European Advertising Festival (Eurobest), Amsterdam:
Gold in the category “Media”, Bronze in category “Special Events”
- 2010 AME® Awards, New York:
Silver in category “Media Planning”, Bronze in the category “Events Marketing”
- 2010 Art Directors Club e.V. (ADC), Frankfurt:
Award in the category “Integrated Communications”
- 2010 EACA Euro Effies®, Brussels:
Silver in category “Small Budget”



National success stories conquering Europe

Interview with Sakis Rouvas, Greek singer and host of X Factor on ANT1



Sakis Rouvas has been the most popular Greek singer for the past two decades (he was born in 1972) by selling over 200,000 records in Greece. Rouvas has also been in his life an actor, a model and an athlete, even representing his country at the Olympic Games.

Having been a notable artist in the Balkans for years, Sakis Rouvas became even more popular in 2004 all across Europe when he won the third place in the European Song Contest 2004 in Istanbul for Greece with the hit 'Shake It!'. In 2006, Rouvas co-hosted the contest and represented once again his country in 2009.

Aside from his musical carrier, Sakis Rouvas experiences success as well in the film and television industry. On 24 October 2008, he hosted the first season of the Greek *X Factor* TV show, broadcast on the commercial channel ANT 1. He is still hosting the show which is running for the third year now.



Sakis, you've been the most favourite entertainer and singer in Greece for the last 20 years. You have fans all over Europe and work as well in the US. Do you think that your Greek identity has been an asset for your carrier abroad?

My Greek identity has been an asset, as much as it has been an asset to any other Greek personality, who has made a career abroad. I mean, as long as people have potential, will power and work hard, nothing can stop them to fulfill their dreams, regardless of their nationality. Of course, I'm very proud of my nationality. It is part of my DNA and plays a vital role in who I am.

What was your first motivation when you decided to be the first host of the Greek *X Factor* show?

I've always been testing my limits and trying to surpass them. Singing is one thing; TV presentation is another. I wanted to try it and see if I could make it. On the other hand, *X Factor* wasn't just another TV show. It was a huge success worldwide and it had to do with my greatest love of all: singing. I love to be part of it. It is a thrilling experience. In addition, it proved the right choice for my career as well, since *X Factor* is the No 1 show in Greece. Since the autumn of 2008, when it started airing on ANT1, it has become a phenomenon. It keeps topping the ratings and attracting more talented artists every year.



“I’ve always been testing my limits and trying to surpass them. Singing is one thing; TV presentation is another.”

.....

“Since the autumn of 2008, when it started airing on ANT1, it has become a phenomenon. It keeps topping the ratings and attracting more talented artists every year.”



The *X Factor* show is being aired in several countries. Is there a Greek specificity to the adaptation you're taking part in?

No, I don't think there is. It is a very specific format. No alterations were made to it. Only the music genres may vary in the different versions of *X Factor*.

It is often said that you helped break cultural and generational barriers in Greece and Cyprus by offering your fans a new genre of music coming from Western Europe. Could we say the opposite, that you helped Western Europe better understand Greek culture?

Greece belongs to the Western world and European music had influenced Greek artists long before I was born. I may have contributed to making Greek pop music more popular among younger generations. Based on my experience from European audiences, I feel that they understand and like Greek music. But again, there are so many other Greek artists who have achieved this before me.

In your view, is television today the best way of reaching out to a broad audience for artists?

I believe that it is one of the most effective ways, since television is the most powerful medium. It can offer instant publicity. On the other hand, young artists must understand that television just gives them an opportunity to make a start. It is only the beginning of a difficult road, which can lead to success as long as they make the right choices and work hard. Publicity is not enough. You have to know what to do with it.

Could you tell us about your future projects?

As I said before, I like to test my limits, take risks and explore new territories. I have already made my big screen debut in the Greek film *Alter ego*, followed by the American psychological thriller *Duress*, starring Martin Donovan. Critics were encouraging, so now I'm considering several other proposals, while planning my next live appearances.



“Young artists must understand that television just gives them an opportunity to make a start...”

Interview with Mercedes Gamero Hoyos Acquisitions and Sales Manager, Antena3 Group



Un Paso Adelante (One Step Forward) is the Spanish version of the American 1980's TV series *Fame*. Created by Daniel Ecija and Ernesto Pozuelo in 2002, the series' 84 episodes were broadcast on Antena3 between 2002 and 2005. It won several awards such as the Best National Series at the TP de Oro in 2003.

The show focuses on professors and students of "Carmen Arranz", one of the most prestigious art schools in Spain. The school is located in Madrid. The story follows several students who want to be successful singers, dancers and actors but they learn as they go along that the path to fame is not an easy one.

Following the on-screen success, the comedians formed a pop music band, called "Upa Dance".



Mercedes Gamero Hoyos
Acquisitions and Sales Manager, Antena3 Group

The series has been sold to 54 countries in total (47 which are not Spanish-speaking countries)*. How do you explain the worldwide success of this Spanish production? Which sale was the most culturally challenging?

Apart from being a great production, the goal of the protagonists is a common dream among young people today all around the world. Maybe Israel, but the series worked properly also there.

What are the specificities of a Spanish series? When producing a show, do you integrate the possibility to sell it abroad?

There has been a clear change in the production of the Spanish series during the last years, an extensive variety of genres, family, drama, sitcom and history. The national product is diverse and of high quality.

Of course, it is important to create a series that can be shown and appreciated all around the world.

What is the level of Antena3's current investment into local productions?

Our investment in Spanish and European films and TV movies is above the obligatory percentage. We are confident in the success of Spanish films and TV movies.

National productions, European co-productions, exchanges with Latin America... Who are your favourite interlocutors?

National productions and European co-productions.



.....

What are your upcoming projects? And which markets are you looking into to sell to next?

Fiction series upcoming projects are *El Barco*, *Hipania* and *Museo Coconut*. The next films and TV movies are *Miners of Chile*, *Maras* and *Storm*. We work mainly with European and Latin-American markets.

***Countries broadcasting *Un Paso Adelante*:**

France: on M6 and Téva under the name *Un, dos, tres*

Germany: on Vox under the name *Dance – der Traum vom Ruhm*

Serbia: on B92 under the name *Korak Napred*

Italy: on Italia1 under the name *Paso Adelante*

Peru: on Cable Antena3 Internacional

Chile: on Chilevision

Venezuela: on TVes

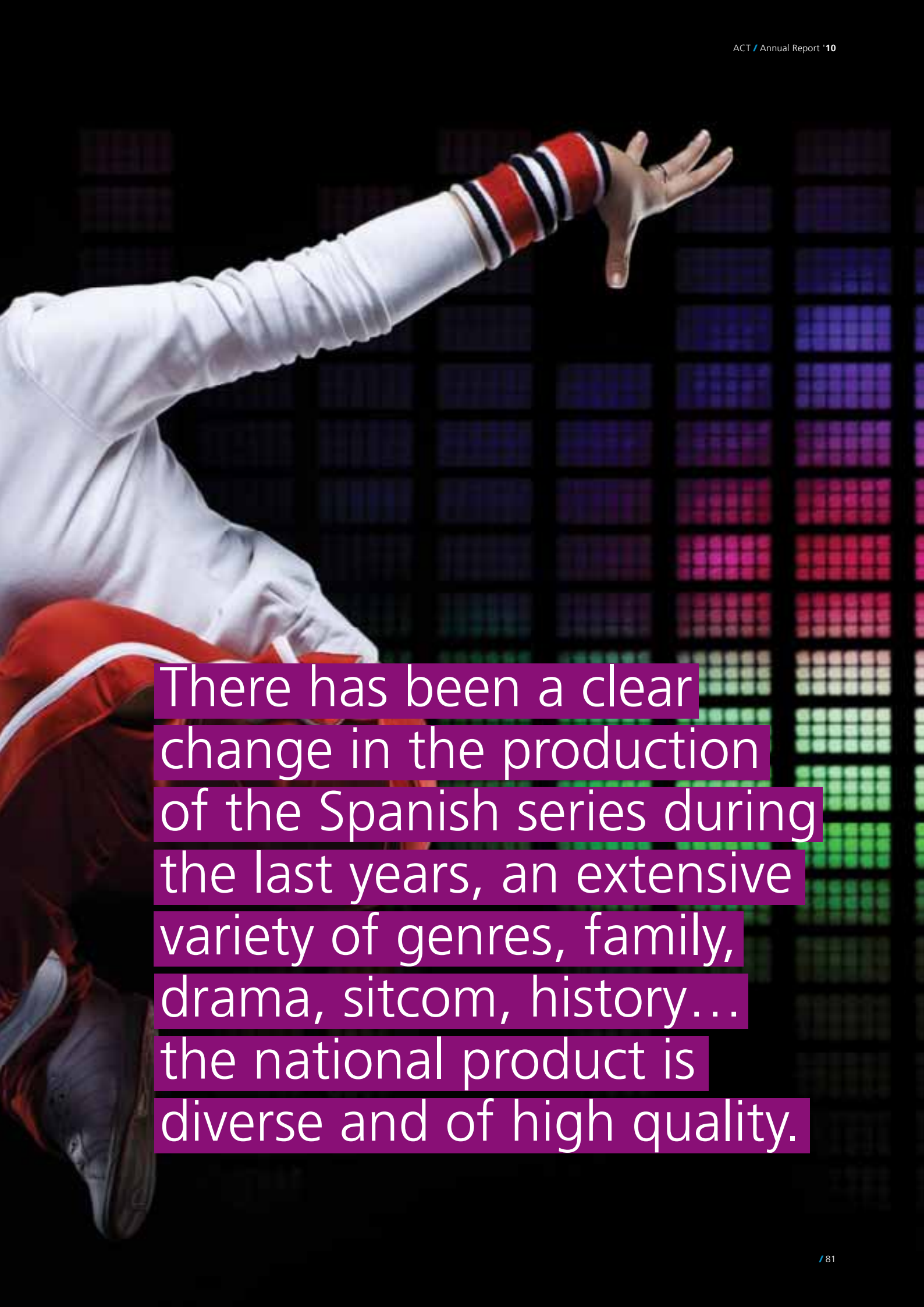
Cuba: on Tele Rebelde

Belgium: on Club RTL

Irak: on Alsumaria TV

And also in Turkey, Senegal, Portugal, Greece, Slovakia, Hungary, Bulgaria...





There has been a clear change in the production of the Spanish series during the last years, an extensive variety of genres, family, drama, sitcom, history... the national product is diverse and of high quality.

11 How viewers experience TV today

There might be different reasons for watching television – it can entertain, inform, engage, enlighten and relax.

While people can today chose what, when and where to watch, they also enjoy leaning back and watching TV together. In the light of technological evolution TV consumption has changed and will continue to do so. However, recent findings show that new technologies will lead to more TV consumption rather than less, as people continue to watch linear TV while also using the opportunities offered by non-linear services and platforms.



Recent findings on TV usage

by the Association of Commercial Television in Europe (ACT)

How will people watch television in the future? Will the TV set remain in the living room as the centre of a household or will we see television on the move – on mobile sets, via Internet and broadband? In fact, it is very likely that we will see both.

One thing that is unquestionable is that television viewing is as successful as ever. Television is still the leading medium and people's third main activity behind sleeping and working. Viewing habits all over Europe vary, with some countries like the UK watching more (225 minutes) and others like France (205 minutes) watching less. The international average is even higher than the European one; in the US average daily viewing is 5 hours and 4 minutes a day (304 minutes)¹. Even during the financial crisis this trend has been confirmed and we have seen families staying in and enjoying watching TV together rather than spending their money outside. And viewers love to watch TV "live", as the enormous success of the ratings for the **FIFA World Cup** or talent shows such as **Pop Idol** or **Britain's Got Talent** show. In fact with total audience shares of up to 70% in Spain and more than 60% in France, the FIFA World Cup set new records. Television experienced together with others becomes a social happening that is fun to participate in. The engagement with viewers is another important aspect, when considering the success of interactive **cooking shows** or **healthy programmes** being watched by millions of viewers in markets like France, Germany or Italy. The social element of television has recently been pointed out by the "Economist":

"Like all social activities, television watching demands compromise. People may have strong ideas about what they watch, but what they really want to do is watch together".

What impact does technology have on viewers' behaviour? According to the UK advertising body Thinkbox, the digital switch-over will lead to even more TV usage due to the greater offer of channels and programmes in a multi-platform environment. In such an environment the viewer is actually the winner who can watch television whenever, whatever and however he wants. Television will be for everyone – for mass audiences as well as niche and target audiences. Today **720 on-demand services** are available across Europe, which shows the growing trend towards non-linear viewing. However, viewers will also in future want to be entertained and enjoy leaning back to follow a programme created by experts. In this respect RTL Group reports that **90% of all TV watching is still done via "traditional broadcast"**. So we see a continuous success of linear viewing while non-linear services become more important as well. It is interesting to note that recent findings show that time-shifted viewing mainly aims at staying close to linear TV schedules.

¹Nielsen, August 2010.

In this context it should be noted that people watch TV differently today: more Europeans surf the web while watching TV. According to Microsoft Advertising, 40% of Europeans watch TV and surf the Internet nearly every day of the week. This new form of multitasking can be of particular use for advertisers. A study by Thinkbox reveals the great potential for advertising cross-media purposes due to the emotional element of television. The Thinkbox study demonstrates that TV advertising is at the heart of almost all effective advertising campaigns delivering better results than those campaigns without TV advertising. The broadband enabled TV sets will further strengthen this trend with people being immediately able to look for the brand they are interested in. As pointed out by the German newspaper FAZ, the familiar TV set thus turns into a new kind of media tool:

“For decades the television set was – only – the television set. Today it is on the edge of becoming a digital all-rounder which is able to deliver pictures you have never seen before”.

Today 3DTV and HbbTV are still expensive, complex and in some cases complicated to use. But overall the trend seems to go in the direction of a multifunctional device for the TV set when considering that already today nearly 3 million US citizens use Internet TV and the German consultancy Goldmedia expects that by 2015, 61% of German households will have such devices.

How do commercial broadcasters respond to these trends? First of all they continue investing in creative content, which is required on all kinds of platforms and devices. MTV Networks for example remains committed to investing in UK content and is producing 800 hours of content in 2010, both for UK audiences but also for their international networks. Secondly, they diversify their revenue streams with Free-to-Air players entering the pay-TV market and vice versa. In the UK for example, the commercial broadcaster ITV is testing what kind of entertainment viewers will pay for with its new platform ITV.com. Obviously the overall aim is to become less dependent on advertising revenues and to reduce the current dependency on the single advertising spot. Thirdly commercial broadcasters aim at diversification of distribution by using the opportunities offered by new platforms and services such as 3DTV, HDTV, catch-up etc. In this context the French channel M6 is a good example which generates about 45% of revenues from its diversification activities.

To conclude, it is worth quoting the Economist a second time:

“In a world of fragmenting audiences television is the only real global mass medium. If TV can combine scale with specificity, become more responsive to its audience and learn to aim adverts more precisely, it will continue to thrive”.

A look into the young audience



Nickelodeon – Dora the Explorer



On 15 August 2010, **Nickelodeon** celebrated the 10th Anniversary of world's most beloved Latina heroine in the groundbreaking preschool series ***Dora the Explorer**** with new primetime TV movie, ***Dora's Big Birthday Adventure***.

Following the TV movie, Nickelodeon aired the first-ever **Dora 10th Anniversary documentary**, a special 12-minute tribute. The documentary explores the **series' cultural and educational impact** and features appearances by Dora and her friends, commentary from creators, industry experts, real-life kids and celebrities including Anderson Cooper, Salma Hayek Pinault, Shakira, and more.

Since launching on Nickelodeon in August 2000, ***Dora the Explorer*** has emerged as a pop culture phenomenon and is currently the number-one rated preschool show on commercial television year-to-date. (Source: NMR, Live+7 Blended with Live+SD from 28/12/09-20/7/10). ***Dora the Explorer***, which can be **seen in 151 markets and is translated into 30 languages**, has been honoured with awards including the Peabody, NAACP, Alma, Imagen, Latino Spirit, Gracie Allen, Parents' Choice Award, the Television Critics Association Award and has received 16 Daytime Emmy nominations.

“Dora the Explorer builds confidence in children because she shows them how to deal with different situations, and she gives them a chance to respond as if they were in the same room with her”

Ted Lampert

President of Children Now, a research and advocacy group that focuses on children and the media.
(in New York Times, 8 August 2010)

Nickelodeon also is marking the 10th anniversary of *Dora the Explorer*, with a multi-year, multi-platform pro-social campaign entitled “Beyond the Backpack”. Named for Dora’s iconic backpack, “Beyond the Backpack” champions overall school readiness for preschoolers as they prepare for the important adventure of starting school.

The initiative is part of Nickelodeon’s global corporate social responsibility campaign known as **Nick’s Big Help**. Supporters of the campaign, who have designed *Dora the Explorer* backpacks to be auctioned by UNICEF, include among others Jade Jagger and Eva Longoria Parker.

Nickelodeon Managing Director **Tina McCann** commented:

“We’re delighted to announce the launch of this pro-social initiative which encourages people to embrace Dora’s spirit in her birthday year. It’s about empowering kids and families to share experiences and learn new things.”



***Dora the Explorer**, created by Chris Gifford, Valerie Walsh Valdes and Eric Weiner, is a play-along, animated adventure series starring Dora (Caitlin Sanchez). Dora is a seven-year-old Latina heroine whose adventures take place in an imaginative, tropical world filled with jungles, beaches and rainforests. She explores her world just as preschoolers do everyday, and the show is designed to actively engage its audience in an interactive quest using a variety of learning techniques.

Interview with Cristian Imparato, Winner of Io Canto



Cristian Imparato, 14 years-old, is the **winner of the Italian talent show for young singers Io Canto**. Thanks to the show, he released a CD, "Cristian Imparato e i finalisti di Io Canto", and won a two-week internship in the US with the famous producer David Foster. He also took part in the Spanish edition of the show broadcast on Telecinco.

Cristian just finished the junior high-school in Palermo and will now attend the high-school, but his real passion is singing, as he says in an interview: **"I have been singing since I was four"**, and according to famous Italian singers and music experts he has an amazing talent.

In July, together with his older brother, he flew to Los Angeles, where he stayed a week and worked with David Foster: **"He gave me some advice, for example how to improve the use of the diaphragm"**. Then he spent some time in New York, he had an audition with three producers at the New York Film Academy:

**"They told me I have a beautiful voice.
If I could study in the US? Why not, but what
if I don't get used to the place? "**

Cristian only speaks a little bit of English and was helped by an interpreter. In September he will be flying to the US again. David Foster invited some of his pupils to a concert in Las Vegas, "now I really have to study hard" says Cristian. (published in TV Sorrisi e Canzoni, 14 August 2010)

“I have been singing since I was four”.



12 When professional excellence is recognised

Obviously, viewers are the most direct measurement as to whether our programmes are successful. However, there are also other ways of recognising the professionalism of our channels. All over Europe commercial broadcasters have made efforts to show attractive programming and to take action for society. A wide range of awards in different categories – ranging from kids programming to news, diversity and education as well as health issues and entertainment – have been given to ACT members. Take a look at an impressive track record of a successful year of commercial television.



France

- In June 2010, **M6** won two awards at the “**Grand Prix des Médias CB News**”. One was *Top Chef*, which was named “Best Entertainment Programme”, and the second was the broadcast of the qualifying round match of the FIFA World Cup between France and Ireland on 14 November 2009, which was honoured as “Best Media Coup”.

- At the 15th ceremony of the “**Lauriers de la Radio et de la Télévision**”, which took place on 15 February 2009 at the Senate in Paris, the prestigious “Laurier de la Jeunesse” was awarded to the **M6** animated series *Le Petit Nicolas* (Little Nicholas). The “Laurier de la Jeunesse” recognises M6’s significant investment in French animation production and the development of works of cultural heritage. Adapted from the masterpiece by René Goscinny and Jean-Jacques Sempé, the series *Le Petit Nicolas* consists of 52 episodes of 13 minutes each. Since September 2009, this series produced by M6 Studio and Method Animation and directed by Arnaud Bouron has drawn up to 900,000 viewers on Sundays at 11am.

- In December 2009, **M6** was awarded the “Special Jury Prize” at the “**24th International Scoop and Journalism Festival of Angers**” for one of the subjects of *Zone Interdite*. Shot over a three-year period within the context of *Zone Interdite*, “La vie blessée” deals with the subject of raising awareness about accident prevention and road safety.

- In 2009, **TF1** received the “Silver Prize for Diversity in Information” in the Media Tenor study. “**Media Tenor International TV Awards for Diversity**” rewards news programmes that deliver not only a variety of issues and newsmakers to their audiences, but also those that report issues that normally fall below the regular media awareness threshold. 23 international television networks from 11 countries were analysed and 13 criteria applied. TF1’s *Le Journal 20.00* TV News programme was a top reporter on both education and environmental issues. With nearly 5% coverage on environmental issues, it sets the bar high for an issue category which receives on average less than 2% on other channels. **TF1 channel is the first French broadcaster to appear in this prize list.**

- The first edition of the “**Prize for Enterprise and Diversity**” took place at the National Assembly on 9 December 2009. The “Jury Special Prize” went to **TF1** for its Enterprise Foundation’s actions. The Foundation also won the “Trophy for Diversity” given by MRH (Maghreb Human Resources) in February 2009.



Copyright: Pierre OLIVIER/M6



Copyright: Cyril Plotnikoff / M6



Austria / Germany

- In 2009, *Talk of Town – Darüber spricht Österreich*, the daily talk show on **PULS4**, won the Austrian TV Award “**Erwachsenenbildung 2009**” (Adults Education 2009) in the category Formats.
- In 2009 and 2010, **Sat.1** was awarded by several prizes at the “German TV Awards” in Cologne, among which *Wir sind das Volk* (We are the People) as “**Best TV Event Movie**”, *Dannis Lowinski* as “**Best Series**”.
- In October 2010, **RTL Television’s** coverage of the 2010 FIFA World Cup won the “**German TV Award**” for “Best Sport Programme”.
- In May 2010, *Extra* author Düzen Tekkal and *Extra’s* managing editor and author Jan Rasmus won the “**Bavarian TV Award**” for their 75-minute special *Angst vor den neuen Nachbarn* (Fear Of The New Neighbours) in which the **RTL Television** magazine explored the integration of foreigners in Germany.
- 40.2% of Horizont.net users have declared the **n-tv** app their favourite, putting it in first place ahead of the Financial Times Deutschland and Stern.de apps, which came in second and third.
- In January 2010, *Das Supertalent* (Got Talent), aired on **RTL Television**, won a “Golden Camera” for “**Best Entertainment**”. The show, produced by Grundy Light Entertainment, set a new record in 2009, when Season 3 attracted 33.2% of the 14- to 49-year-old viewer market, making it Germany’s most popular show among this target audience. The “Golden Camera” has been administered by Hörzu for 45 years and is one of the foremost awards in the German TV industry.





Ireland / UK

■ In the UK, **Discovery** won in 2010 the “**Broadcast Award**” for the “Best Factual Channel”.

■ In September 2010, **BSkyB** received a “Special Award” at “**IBC2010**” (Annual International Broadcasting Conference taking place in Amsterdam) for its initiative in launching the world’s first commercial stereoscopic 3D channel, **Sky 3D**.



■ The British Management Today magazine announced the winner of their 2009 annual “**Most Admired Company Award**”. The award went to **BSkyB**.

■ **ITV** won several awards at the “**2010 National Television Awards**”. Gongs for the *X Factor*, *Coronation Street* and star presenters Ant and Dec helped the channel bank six of the viewer-voted awards - one more than the BBC. Among the six awards, two went to ITV’s comedy duo Ant and Dec for the “Best Entertainment Programme for Saturday Night Takeaway” and for the “Most Popular Entertainment Presenters”.



■ At the “**2010 Broadcast Awards**”, **ITV1** was named “**Channel of the Year**” and *Coronation Street* the “Best Continuing Drama”.

■ Irish **TV3**’s Western Correspondent Rebekah O’Neill has won the award for “Best News Piece Broadcast” in the mid-west region, at the “**Mid West Arts, Media and Culture Awards**” which took place in January 2010 in Limerick.

■ **Nickelodeon UK** was presented four awards at the 2009 “**EA British Academy Children’s Awards**”. The awards ceremony, which celebrates the very best in children’s entertainment from the last year, saw the Nickelodeon UK network recognised with 11 nominations across a variety of categories. Nickelodeon’s preschool channel **Nick Jr** was awarded as “Channel of the Year”. *The Penguins of Madagascar* won the “International Award”. Nickelodeon’s powerful anti-bullying campaign **See Something, Say Something** was awarded best “Short Form”. Nickelodeon’s UK commission - *Ben and Holly’s Little Kingdom* - collected “Best Pre-School Animation” in a category which also included nominations for two other Nick Jr shows Humf and Peppa Pig.



Sogecable



Portugal / Spain

■ In 2009, **TVI** won 5 awards ("Best Cultural Show", "Best Director", "Best Presenter", "Best Journalist" and "Best Cultural Promotion") from MAC (**Movement for Contemporary Art**) for the cultural show *Cartaz das Artes*. TVI also got awarded with a "Special Commendation" by AMI (An NGO – **International Medical Assistance**) for *Entre o Dever e o Medo* (Between Duty and Fear) and received a **Novartis Oncology Award** for *A Vida de Rita* (The Life of Rita) as "Best documentary".

■ In 2010, **DIGITAL+** premium channel Canal+ was awarded first prize in the category "Best Company Advertiser" at the "**Fourth Annual Publifestival**", the International Festival for Socially Aware Advertising. The winning campaign, entitled *Armas para salvar el planeta* (Arms to save the planet) was organised around the idea 'We are still in time' and aimed at seeking solutions to fight against the deterioration of the planet.



■ In 2010, **Cuatro's** in-house branding and promotions team won several awards at the "**2010 PromaxBDA Europe Awards**" and at the "**New York Festival International Programming & Film Awards**".

■ In 2009, **Cuatro** successful programme *El Hormiguero* (The Ant's Nest) was awarded with the prestigious "**Rose d'Or Award**" (international festival for entertainment programmes).



■ At the "**TP de Oro 2010**", the most prestigious Spanish awards for television, **Telecinco's** programmes received several awards such as the "Best TV Contest" for the show *Pasapalabra* (The Alphabet Game), the "Best Reality Show" for *Gran Hermano* (Big Brother) and the "Best Entertainment Programme Anchor" for Ana Rosa Quintana (*El Programa de Ana Rosa*).

■ **Telecinco's** film coproduction **Celda 211** won **8 Goyas** (Spain national film awards) in 2010: "Best Actor", "Best Director", "Best Editing", "Best Film", "Best New Actor", "Best Screenplay", "Best Sound" and "Best Supporting Actress". Another film, **Agorá**, won **7 Goyas** at the same event: "Best Cinematography", "Best Costume Design", "Best Make-up and Hairstyles", "Best Production Design", "Best Production Supervision", "Best Screenplay – Original" and "Best Special Effects".





Italy

- Sky **Italia** won 3 gold medals at the 2010 “**Promax BDA Awards**”.



Poland

- In 2010, **Discovery Networks Central Europe** was presented with an award by the “**ABCXXI Foundation**” for its participation in the 2009 All of Poland Reads to Kids’ CSR campaign.

- In 2010, **Discovery** was awarded “Best Broadcaster / TV Distributor” in Poland in the 12th round of the “**Laur Infotela**” contest by readers of the Infotel affiliate magazine.

- On 26 May 2010, **Canal+ Cyfrowy** has been awarded by the “**Polish Film Institute Board**” with the “Special Prize for the Patron of the Polish Cinema”. The award ceremony took place on the PFFF Awards Gala in Sopot as part of the 35th Polish Feature Films Festival.

- In January 2010 **TVN** was awarded with 8 out of 16 “**Telekamery 2010**”, Poland’s most prestigious television awards. *Brzydula* (Ugly Betty) series was acknowledged as “Best Foreign Series Adaptation”. TVN’s *Mam Telent* was awarded “Best Entertainment Show”. Telekamery awards were also presented to TVN’s personalities: Szymon Majewski, Dorota Gardias-Skora and Anita Werner. **TVN 24** was awarded as the “Best News and Business Channel” in Poland. Telekamery awards are given by the Polish leading TV magazine *Tele Tydzien* whose readers select their favorite celebrities and television programmes every year.



- **TVN Warszawa** was recognised to have the best on-air design in the world and awarded a Gold World Medal in the “News Programme Opener & Titles” category during the “**2010 New York Festivals International Television & Film Awards**”. The on-air design was created by Velvet Mediendesign GmbH. New York Festivals is an international competition dedicated to both the TV and film industries. For 53 years the awards have been recognising best practices in news, documentary, information and entertainment programming as well as in music videos, infomercials, promotion spots and openings.





Belgium / Netherlands

■ In 2010, **Discovery** was named “**Number One Media Brand**” in the Netherlands.

■ **2BE's** programme *The Benidorm Bastards* was awarded the “Best Comedy show” and the “Best Programme 2010” at the “**2010 Golden Rose Festival**” in Luzern (Switzerland). This is the only second time a Belgian contribution wins a Golden Rose. In the meantime the programme has been sold to different countries.



■ In May 2010, the readers of the Dutch TV guide *Televizier* have voted *Ik Hou Van Holland* moderated by Linda de Mol, as the “**Best Dutch Show of all time**”. Readers had two weeks to cast their vote for their favourite show. With 23% of votes, **RTL 4's** Saturday evening show came in well ahead of the other candidates. Meanwhile, the trailer for the **RTL 7** format *The First 48 Hours* won the “**Dutch Promo Awards**” in the ‘Reality’ category.



■ In May 2009, Max Havelaar organised **Fairtrade@Work** for the third year. The hallmark for fair-trade products wanted to encourage employers to introduce fair-trade products on the work floor. 200 companies, villages and organisations participated. The 10 most original participants received a “Fairtrade@Work Award”, and amongst them was **SBS Belgium**.



■ In May 2010, the Belgian Society for Commercial Communication awarded **Thierry Tacheney**, CEO **SBS Belgium** an AMMA (Annual Masters of Media Award) as **Media Representative of the Year 2009**.

■ In April 2010, **SBS6** was named **strongest media brand** of the Netherlands following research of the branding consultancy Interbrand commissioned by the leading Magazine for Marketing.

Denmark / Finland / Sweden

■ **Kanal5's** comedy show *Comedy Kuren* (produced by Nordisk Film) won a prize at the "**TV Festival 2009**" in Copenhagen as "The Danish Innovation of the Year".

■ Reporter Per Hermanrud of **TV4's** investigative current affairs programme *Kalla Fakta* (Cold Facts) won the "**Stora Journalistpriset**" (Sweden's Great Journalist Award) in the "Scoop of the Year" category for the report on the production practices of the down industry and the treatment of the birds that provide the feathers. The report also gained international attention, and Hermanrud was nominated – and was one of the finalists – for the prestigious "**Daniel Pearl Awards**".

■ In autumn 2009, the national winner of the TV category of the "**European Parliament Prize**" for Journalism went to **MTV3** current affairs programme *45 Minutes*. The same programme won also the "**Finnish Association for Investigative Journalism Award**" in May 2010.

■ **MTV3** drama series *Helppo elämä* (Easy Living) won three "**Venla Awards**" and the "**Golden TV Award**" for Best Drama series. Carl-Kristian Rundman, who played the leading male role, received the "Best Male Actor Award" at the "**Seoul International Drama Awards**". Northern America rights to the series have also been purchased by Warner Brothers, and a Hollywood production of the show is being planned.



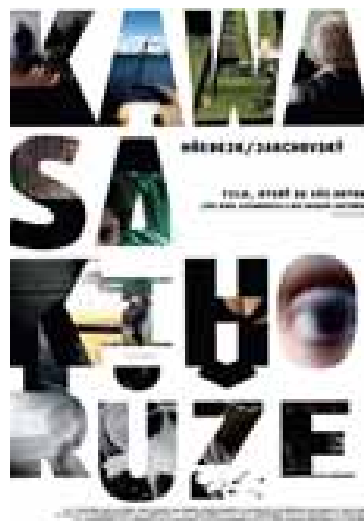


Czech Republic / Slovakia

■ In 2009, **TV Nova** won 4 "**TýTý Awards**": Karel Voříšek (TV News) as the TV News Person of the year, Rudolf Hrušínský (The Street) as the author of the year, Hana Maciuchová (The Street) as the actress of the year and Martin Chodúr (Czech and Slovak Superstar) as the discovery of the year. TýTý is Emmy Awards style popularity contest of most popular Czech TV personalities and programmes. TV Nova also won 3 "**Elsa Television Awards**" in 2009: the "Original Drama Production – TV series Award" with *Soukromé pasti* (Private Matters), the "Original Drama Production – Director Award" for Petr Slavík in *Tatínkova holčička* (Daddy's girl, Private matters) and the "Original Drama Production – Actress Award" for Eliška Balzerová in *Rizikantní interview* (Risky interview, Private matters). The "Elsa Television Awards" are awarded by the ČFTA (**Czech Film and TV Academy**) jury which consists of media experts.



■ **TV Nova** won more than 10 awards for its film co-productions including an **Oscar nomination** for the film *Kawasaki's Rose* by Jan Hřebejk, which was selected by the Czech Film and Television Academy (ČFTA) to represent the Czech Republic in the "Best Foreign Language Film" category. The final nominations in this category will be announced in January 2011.



■ In 2009, editors of **TV Markíza's** news and topical programmes received several acknowledgments. The first place in the ranking of the "**Slovak Syndicate of Journalists**" in the category of "Analytical genres" was awarded to Andrea Paulínyová, an editor of *Pal'ba* for a report on Modern Slavery (Novodobé otroctvo). The third place in the category of "TV News" was awarded to Darina Mikolášová, a TV news editor for breaking a story of *Fire Engines Have Problems in Bratislava* (Hasičské autá mají v Bratislave problémy). Editor of TV news Jan Maloch received the "**2009 Prize of the Slovak Office for Standards, Metrology and Testing**" for his contributions to quality management with *Best Topical Programme Absurdities at Bureaus* (Kocúrkovo na úradoch).

■ The "**TV Screen Personality Awards OTO 2009**" were announced in March 2010. The highest number of awards (5) was taken by **TV Markíza**: Zlatica Puškárová – TV journalism; Adela Banášová – showmaster of entertainment programmes; *Doctor's Office in the Rose Garden* – dramatic series of the year; *Blue from the Sky* – entertainment programme; and *Czecho-Slovak Idol* – programme of the year.



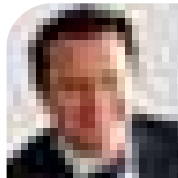
Croatia / Hungary / Slovenia

■ In February 2010, **Nova TV's** reporter Marko Balen was commended by the “**National Department of Protection and Rescue**”. He received a special recognition for his detailed reporting and helping population of flooded area of Kosiinj in Croatia.

■ In March 2010, **Nova TV** received the “**Miko Tripalo Award**” for its contribution to the development of democracy, human rights and media freedoms in 2009. These acknowledgements are awarded by the **Miko Tripalo Center for Democracy and Justice**, which was founded in 2003 in order to promote European democratic ideas, values and criteria in Croatia.

■ **RTL Klub** CEO Dirk Gerken has been elected again the **Most Influential Person in Hungarian Media in 2010**, according to a ranking published by Marketing & Média.

■ In June 2010, the “**Trusted Brand Research Organisation**” announced the names of trademarks, which are most trustworthy and popular among the Slovenian consumers. Consumers decided that among television stations the **winning trademark** was once again **POP TV**. In Slovenia the research was performed by the independent media research institute, Mediana.





Bulgaria / Romania

■ In 2010, **Discovery Channel Romania** was awarded the “Gold Medal” in the “Red Bee Rocket” category at the “Promax / BDA Europe Awards”.

■ **bTV** was honoured with the “**Prize for Largest Corporate Donor in Bulgaria**” for 2009. bTV received the award for its numerous socially responsible campaigns including the initiative *The Magnificent Six* which helped the children in Mogilino.

■ In 2009, the reporter Genka Shikerova was commended by the ombudsman Ginio Ginev for her work in protecting the consumer rights of the citizens. The prize was given for her film *Concrete Gardens* aired in **bTV Documents**. It tells the story of the overly construction in Sunny Beach. The film caused excessive controversies in the tourism business.



■ **Pro TV's** reporter Paula Herlo was awarded a “**Best Cancer Reporter Award 2010 Campaigner Award**” for spearheading a campaign to have the Romanian government establish a national stem cell donor registry. With the award the BRCA acknowledged Paula's courageous and tenacious journalism which has made a difference to the lives of many Romanian cancer patients.

■ On 24 May 2010, **Prima TV's** campaign ‘**Stop the Indifference – Together we can find them**’ was awarded at the “Romanian Association of TV Professionals Awards”. Reporters Laura Vasiliu and Alexander Constantin showed reports informing viewers about the steps to be taken to prevent children's disappearance. This campaign was part of Prima TV's news programme, *Focus*. In April 2010, Marius Saizu, Prima TV reporter, received the award for the “Best Environmental Journalist” for the campaign ‘**Stop the indifference – Common sense saves lives**’ by the Centre for Independent Journalism.



Greece



■ In 2009, **ANTENNA Group** won the Bronze Medal in the “**Annual EFFIE Awards**” in the category “Campaign Efficiency” for its NEON campaign.

13 ACT Members

ACT members are active all over Europe, with activities in 34 countries even going beyond the borders of EU27.

Business models among ACT members vary among free-to-air and pay-TV operators, large pan-European groups and leading national channels. While television is mainly driven by meeting and responding to local tastes and national cultural specificities, we also see more players becoming active on a European or international level selling successful formats abroad. Diversification of revenues and distribution models change today's media companies which often become integrated multimedia operators in a fast changing media landscape. Take a look at our channels all over Europe and get an insight into what drives successful television in such diverse markets as Western, Eastern, Southern and Northern Europe.





France



- 26.61 million TV households in total
- Analogue switch-off to be completed by November 2011
- Digital TV penetration: 78.4% of TV households
- 28 national DTT channels (19 free-to-air and 9 pay-TV) and 32 local DTT channels
- 252 channels in total received in the country
- Average daily viewing time: 204 minutes
- TV advertising revenues: €3.1 billion
- Share of all-day viewing by channel in 2009, aged 4+ (%):

| TF1 | France2 | France3 | M6 | Canal+ | France5 | ARTE | W9 | TMC | Others |
|------|---------|---------|------|--------|---------|------|-----|-----|--------|
| 26.1 | 16.7 | 11.8 | 10.8 | 3.1 | 3.1 | 1.3 | 2.5 | 2.6 | 22 |

Source: TV International, Informa Telecoms & Media / CSA / Mediamétrie / IREP / European Audiovisual Observatory

Canal+ Group (France – Overseas)



Canal+ Group is the leading French publisher of premium and thematic channels and the leading distributor of pay-TV offerings, and a major player in France and the rest of Europe in film production and distribution.

Channels for every taste with Les Chaînes Canal+

At the core of Canal+ Group's offering, **Les Chaînes Canal+** offers five premium-content channels, each with its own editorial line and identity: *Canal+*, *Canal+ Cinema*, *Canal+ Sport*, *Canal+ Family* and *Canal+ Décaté*. Their programmes are based on exclusivity, innovation and originality. **TPS Star** completes Canal+'s premium offering, carrying mainly movies, sports, series and magazines. Canal+ Group also publishes a range of approximately 20 channels covering the most popular themes: *CinéCinéma* channels, *Sport+*, *InfoSport*, *i>Télé*, *Planète* channels, *Cuisine TV*, *Seasons*, *Jimmy*, *Comédie!*, *Piwi* and *Télétoon*.

Canal+, the cinema channel

In 2009, Canal+ broadcast 400 films and more than 35 new films each month. Canal+ devotes more than €150 million to the acquisition of original French-language films.

At the leading edge of new uses of television

A precursor of HD via satellite in France, Canal+ Group has the most complete and diversified HD offering with 16 channels. **HD offerings** are also available on cable, ADSL and DTT.

Canal+ / CanalSat on demand let subscribers watch or replay their programmes when they want. This new catch-up TV service, included with the subscription, is available directly on the television set via satellite or ADSL and on PC. It logged 20 million viewings in 2009.

Canal+ Group internationally

Canal Overseas, a fully-owned subsidiary of Canal+ Group, is Canal+ and CanalSat's operator in Poland, the Maghreb, Sub-Saharan Africa, the Indian Ocean, the Caribbean, the Oceania-South Pacific region and Vietnam. Canal Overseas also publishes the Canal+ channel for Sub-Saharan Africa and the Maghreb. Canal+ Poland publishes some 20 premium and thematic channels. Canal Overseas' bundles are marketed in more than 40 countries.

- **Leading pay-TV operator in France available on DTT, satellite, cable and ADSL networks**
- **Owner: Vivendi**
- **Launched in 1984**
- **Chairman of the Management Board: Bertrand Meheut**
- **10.8 million subscribers (12.5 including Poland and Vietnam)**
- **Audience Share September 2010: 3.5% (+ 9.4% in a year)**
- **2009 Canal+ Group Revenues: €4.553 billion / 2009 EBITA: €652 million**
- **2009 Canal+ Channel Revenues : €1.775 billion**
 - **Breakdown of Canal+ channel's revenues:**
 - 91% subscription
 - 7% advertising
 - 2% other
- **804 full-time employees at Canal+ channel;**
- **4,347 full-time employees at Canal+ Group**
- **Website: www.canalplusgroup.com**



Bertrand Meheut
Chairman of the Management Board Canal+ Group

Highlights



Canal+ Group is ramping up its **investment in original fiction programming** with over €40 million spent in 2010-2011. The pay-TV operator is investing in new series including *Maison Close*, which recounts the life of three prostitutes in a brothel in 1870s Paris and is the first major costume drama series produced by Canal+; *XIII*, an international coproduction of 13*52-minute episodes costing €25 million; and *Borgia*, a 12-episode drama series costing €30 million. The pay-TV operator, which is providing up to 30% of the finance for these shows, plans to make 50 hours of original shows available in primetime in 2010-2011, 10 hours more than the previous year.

In 2009, Canal+ Group and **Microsoft** have entered into a strategic partnership to bring together exclusive content and the best technology. Foot+, Canal Group's pay-per-view football service, thus became available on **Microsoft Xbox 360** game consoles. Later in 2009, three channels (CANAL+, news network i>TÉLÉ and sports channel Infosport) were pre-built into Windows 7 Media Center.

M6 Group (France)



M6 Group was established in March 1987. Back then, despite being watched by only one in five French people, the new channel was already targeting all audiences, devoting a significant part of its programming to young people, through music. 23 years on, and having witnessed uninterrupted success, the many brand creations and activities integrated have enabled the rookie to turn into one of the most recognised and most dynamic media groups in Europe. Presence on every media, very impressive audience ratings and diverse content and activities: these are the fruits of its strategy and the reasons behind its success.

In 2009, the M6 channel was named the **most preferred channel** by 30.8% of French viewers and by 41.3% of under 50 viewers (source: Harris Interactive, May 2009). One concrete example of M6 success is the number of evenings with over 4 million viewers in 2009, 106, opposed to 89 in 2008.



M6 Group has substantial interests in no fewer than **ten thematic channels** and a wide array of media-related businesses, ranging from publishing, music, homeshopping, websites, and mobile phones to rights and film distribution. M6 Group is also the owner of the **Girondins de Bordeaux Football Club**, which finished first place in League 1 for the 2008-2009 season.

- **Second free-to-air commercial channel**
- **Majority shareholder: RTL Group (48.43%)**
- **Launched in 1987**
- **Chairman of the Executive Board: Nicolas de Tavernost**
- **Audience Share 2009: 10.8% M6 (consumers aged 4+), 2.5% W9 (viewers aged 4+)**
- **2009 Revenues: €1.376,6 billion / 2009 EBITA: €190.3 million**
 - **Breakdown of revenues by segments:**
 - 10.7% digital channels**
 - 44.8% diversification and audiovisual rights**
 - 44.5% M6 channel**
- **1,705 full-time employees**
- **Website: www.groupem6.fr**



Nicolas de Tavernost
Chairman of the Executive Board M6 Groupe

Highlights

M6 created a major event by broadcasting a playoff for the **2010 FIFA World Cup** for the first time on 14 November 2009. Ireland vs. France attracted 8.2 million viewers, i.e. a **35.1% audience share**. M6 reiterated this success by broadcasting the qualification match for the 2012 UEFA European Football Championships. Bosnia vs. France, broadcast on 7 September 2010, attracted again 8.1 million viewers in average, i.e. 32.2% audience share, with the peak at 10 million viewers for the last 15 minutes of the match. This was the 5th audience share of M6's launch in 1987.



The **M6 Replay** platform, unveiled less than two years ago, now is **France's leader in catch-up TV**. Apart from M6 channel's programming, this service also offers multilingual versions and programmes especially "dressed-up" for the service. In 2010, more than 1 out of 2 catch-up users have already used M6 Replay which offers 88% of M6 programming between 17.00 and 24.00.

TF1 Group (France)



TF1 Group is a 360° integrated communications group composed of the French leading free-to-air channel **TF1** and 14 thematic channels, including *Eurosport*, present on all platforms (cable, satellite, ADSL or/and DTT).

- **Leading free-to-air commercial TV channel**
- **Majority shareholder: Bouygues (43%)**
- **Launched in 1987 (Privatised in 1987)**
- **CEO: Nonce Paolini**
- **Audience Share 2009: 26.1% (aged 4+); 29.8% (under 50 women)**
- **2009 Revenues: €2.365 billion / 2009 Operating Profit: €101 million**
 - TF1 channel Advertising revenues: €1.429 billion
 - TF1 Diversification revenues: €936 million
- **3,638 full-time employees**
- **Website: www.tf1finance.fr**



Nonce Paolini
CEO TF1



Building on its original business of programmes' producer and broadcaster, **TF1 has created new activities with strong added value, covering the whole of audiovisual industry:** upstream in production, acquisition and sale of audiovisual rights and also in distribution of feature films to cinemas, downstream in publishing and distribution of DVDs and music CDs. TF1 is also expanding in home-shopping TV. TF1 Group is the Internet's leading media group and the 7th biggest player

on the French Internet in 2009, with over 15 million unique visitors. The TF1 Group reaches one out of every two Internet users and has become a **multimedia content producer** by developing and publishing content and interactive services on the Internet and on mobile channels.

Austria / Germany / Luxembourg



Austria

- 3.34 million TV households in total (2008)
- Analogue switch-off to be completed by end 2010
- High free digital satellite take-up: 38% of TV households (2008)
- Share of all-day viewing by channel in 2009, aged 12+ (%):
- Average daily viewing time: 152 minutes (aged 12+)
- TV advertising gross expenditure: €628 million

| ORF2 | ORF1 | Sat. 1 | RTL | Pro7 | ZDF | Vox | ATV | Puls4 | Others |
|------|------|--------|-----|------|-----|-----|-----|-------|--------|
| 24 | 15.2 | 7.1 | 5.9 | 4.6 | 4 | 4.5 | 3.6 | 2 | 29.1 |

Source: TV International, Informa Telecoms & Media / AGTT-GfK Teletest

Germany

- 38.767 million TV households in total
- Analogue switch-off completed
- Cable TV penetration: 49% of TV households
- 300 channels in total received in the country
- Share of all-day viewing by channel in 2009, aged 3+ (%):
- Average daily viewing time: 212 minutes
- Net free-to-air TV advertising expenditure: €3.64 billion

| ARD | ZDF | RTL | Sat. 1 | Pro7 | Vox | RTL II | Kabel1 | Super RTL | ARD III * |
|------|------|------|--------|------|-----|--------|--------|-----------|-----------|
| 12.7 | 12.5 | 13.5 | 10.4 | 6.6 | 5.4 | 3.9 | 3.9 | 2.5 | 13.5 |

*8 regional channels

Source: TV International, Informa Telecoms & Media / AGF – GfK / Nielsen / ZAW / Goldmedia / European Audiovisual Observatory

Luxembourg

- 184,000 TV households
- Analogue switch-off to be completed by 2011
- Digital TV penetration: 100% of TV households
- Cable penetration: 69% of TV households, 71 companies available
- Share of viewing by channel in 2008, primetime, aged 12+ (%):
- Average daily viewing time (2008): 156 minutes (aged 12+)
- Multilingual population with 40% of the country's residents being foreigners million(2008)

| RTL Lëtzebuerg | TF1 (France) | ProSieben (Germany) | RTL Television (Germany) | ARD (Germany) | ZDF (Germany) | M6 (France) | RTP Inter (Portugal) | France 2 (France) | Others |
|----------------|--------------|---------------------|--------------------------|---------------|---------------|-------------|----------------------|-------------------|--------|
| 14.1 | 9.2 | 7.7 | 7.0 | 6.4 | 5.5 | 4 | 4.1 | 3.4 | 38.7 |

Source: European Audiovisual Observatory / Television 2009, International Key Facts

ProSiebenSat.1 Group (Germany - Europe)



ProSiebenSat.1. Group is a leading European media company. It offers today's viewers first-class entertainment and up-to-date information – whenever they need it, wherever they are. This is ensured by the knowledge and experience of about 5,000 employees in **14 countries** throughout Europe.

The Group's core business is free-to-air TV channels, financed through advertising. Reaching more than 78 million households, ProSiebenSat.1 Group is the second-largest broadcasting group in Europe. In **Germany**, its family of stations – with the brands *SAT.1*, *ProSieben* and *kabel eins* – is number one in the TV advertising market. The Group also has strong market positions in free-TV in the **Netherlands** with the channels *SBS 6*, *Net 5* and *Veronica*, in **Hungary** with *TV2* and *FEM3*, and in **Sweden** with *Kanal5* and *Kanal9*. Beyond its core business free-TV, the company owns numerous Internet brands, has stakes in radio stations, print and new media companies, and works in related business areas such as music business, live event and artist management.

The ProSiebenSat.1 Media AG is listed on the stock exchange and is based in Munich / Unterföhring.

- **Second largest pan-European free-to-air commercial provider with 78 million TV households**
- **Majority shareholder: Lavena Holding companies, which are controlled by funds advised by Kohlberg Kravis Roberts & Co. L.P. (KKR) and Permira Beteiligungsberatung GmbH (Permira)**
- **Created in 2000**
- **CEO: Thomas Ebeling**
- **Audience Share 2009*:**
 - **Germany: 30.1%**
 - **Austria: 17.3%**
 - **Switzerland: 16.2%**
 - **The Netherlands: 27.3%**
 - **Belgium (Flanders): 16.2%**
 - **Hungary: 22.1%**
 - **Romania: 7.3%**
 - **Sweden: 15.1%**
 - **Denmark: 15.3%**
 - **Norway: 12.9%**
- **2009 Revenues: €2.8 billion / 2009 recurring EBITDA: €696.5 million**
 - **Breakdown of revenues by business unit:**
 - 87% free-to-air TV**
 - 13% Diversification**
 - **Breakdown of revenues by region:**
 - 69.5% in German-speaking Europe**
 - 12.1% in the Nordic Region**
 - 14.2% in Belgium and the Netherlands**
 - 4.2% in the CEE Region**
- **About 5,000 full-time employees**
- **Website: www.prosiebensat1.com**



Thomas Ebeling
CEO ProSiebenSat.1 Group

*core target audience, primetime. Austria broadcasting hours: 3am-3am; Switzerland broadcasting hours: 2am-2am; Denmark: commercial universe primetime)

RTL Group (Luxembourg - Europe)



The company's history dates back to **1924** when **Radio Luxembourg** went on air for the first time. In **1931**, the **Compagnie Luxembourgeoise de Radiodiffusion** (CLR) was founded. As a European pioneer, the company broadcast a unique programme in several languages using the same frequency. In 1954, CLR became CLT (**Compagnie Luxembourgeoise de Télédiffusion**), and one year later Télé Luxembourg – a TV channel in French – began broadcasting within north-east France, Luxembourg and south Belgium. This makes Télé Luxembourg one of the first commercial TV channels in Europe.

Today, **RTL Group** is the **leading European entertainment network**, with **39 television channels and 32 radio stations in 10 countries**. The Luxembourg-based media group is also one of the world's leading producers of television content such as talent and game shows, drama, daily soaps and telenovelas, including *Idols*, *Got Talent*, *The X Factor*, *Good Times – Bad Times*, *Family Feud* and *The Bill*.

RTL Group is Europe's largest broadcaster. Each day, over 200 million viewers all over Europe watch RTL Group's television channels, which include the families of channels clustered around the flagships *RTL Television* in **Germany**, *M6* in **France**, *RTL 4* in **the Netherlands** and *RTL-TV* in **Belgium**. The company also has broadcasting operations in **Hungary** (*RTL Klub*), **Croatia** (*RTL Televizija*), **Greece** (*Alpha TV*) and **Russia** (*Ren TV*).

- **Market-leading European free-to-air channels in Europe**
- **Majority shareholder: Bertelsmann AG (91.2%)**
- **Created in 2000 resulting from the merger of CLT-UFA and Pearson TV**
- **CEO: Gerhard Zeiler**
- **Audience Share 2009:**
 - **Germany: 34.4% (aggregated, aged 14-49)**
 - **France: 21.6% (aggregated, housewives aged under 50)**
 - **The Netherlands: 32.3% (aggregated, shoppers aged 20-49)**
 - **Belgium (Wallonia): 8.9% (aggregated, shoppers aged 18-54)**
 - **Hungary: 30.7% (aged 18-49)**
 - **Greece: 13.7% (aged 15-44)**
 - **Croatia: 26.2% (aged 18-49)**
 - **Spain: 17.6% (aggregated, aged 16-54)**
- **2009 Revenues: €5.410 billion / 2009 EBITA: €755 million**
 - **Breakdown of revenues by sources:**
 - 62% Advertising**
 - 24% Content**
 - 14% Diversification**
- **9,901 full-time employees**
- **Website: www.rtlgroup.com**



Gerhard Zeiler
Chief Executive Officer RTL Group

Highlights

In **Germany**, RTL group operates five free-to-air channels and three pay-TV channels, including the most popular commercial channel *RTL Television*. Its combined audience share for its free-TV channels in the 14-49 age group was 34.3% in 2009, up from 32.9% in 2008.

With €537 million, RTL Group delivered its **best half-year result ever** (up 46%) for the first half of 2010. Reported Group revenue increased 7.5% to €2.661 billion reflecting strong growth in Western European TV advertising markets in first half of 2010. All profit centres of RTL Group improved their results in the first six months of 2010.

In July 2010, RTL Group sold its UK broadcaster **Five** to the Northern & Shell company owned by British publisher Richard Desmond.

RTL Group's **online platforms and on-demand offers** across Europe collectively generated more than 715 million video views of professionally produced content in the first six months of 2010 – up 50% year-on-year.

RTL Group companies have launched more than **40 mobile applications registering 7.2 million downloads** to date; **RTL Television** became the first German channel to offer a mobile live stream app for its linear TV schedule. At the beginning of October 2010, **M6** launched its iPhone and iPod Touch application that offers the channel live at no cost, as well as catch-up TV services and behind-the-scenes videos; the corresponding iPad application launched on 19 October 2010.

Sky Deutschland (Germany - Austria)



Subscription pay-TV is Sky Deutschland's core business. **Sky Deutschland** offers a wide range of programming in Germany and Austria, including feature films, new series and live sports, especially the Bundesliga, DFB Cup and the UEFA Champions League. Sky sets a new standard with its HDTV service, which currently comprises ten HD channels. The company also offers its subscribers attractive films, live sports programming and adult entertainment on a pay-per-view basis. Sky Deutschland distributes its **pay-TV digital channel bouquet** primarily via cable and satellite with a technical reach of approximately 95% in Germany and of 80% in Austria. In addition to conventional broadcasting via satellite and cable, Sky Deutschland also offers some of its programming via Internet.

- **Leading pay-TV operator in Germany and Austria**
- **Majority shareholder: News Corporation (39.96%)**
- **Launched in 2009 (formerly known as Premiere, launched in 1991)**
- **CEO: Brian Sullivan**
- **2.47 million subscribers**
- **2009 Revenues: €902.1 million / 2009 EBITA: € (262.7) million**
- **1,244 full-time employees**
- **Website: www.sky.de**



Brian Sullivan
Chief Executive Officer Sky Deutschland

Highlight



Sky Deutschland launched its regular 3D programming on 3 October 2010 with coverage of the third day of the Ryder Cup live in HD-3D. "This is just the starting signal for an entire series of exclusive sports broadcasts in 3D", said Carsten Schmidt, Chief Officer Sports.

Ireland / United Kingdom



Ireland

- 1.5 million TV households (2008)
- Analogue switch-off to be completed by 2012
- Digital TV penetration: 61% of TV households (1Q2009)
- Average daily viewing time: 182 minutes (aged 4+)
- TV advertising revenues: €363 million (2008)
- Share of all-day viewing by channel in 2008 (%):

| RTE 1 | RTE 2 | TG4 | TV3 | Setanta Ireland | Channel 6 | Main foreign channels | Others |
|-------|-------|-----|------|-----------------|-----------|-----------------------|--------|
| 25.1 | 11.5 | 2.5 | 11.4 | 0.8 | 0.8 | 28.4 | 19.5 |

Source: TV International, Informa Telecoms & Media, European Audiovisual Observatory, Nielsen

United Kingdom

- 27 million TV households in total
- Analogue switch-off completed
- Digital TV penetration: 91.4% of TV households
- Digital pay-TV: 13.4 million TV households
- Free-to-view digital TV: 11.5 million TV households
- 883 channels in total received in the country
- Average daily viewing time: 225 minutes
- TV advertising revenues: £3.471 billion (2008)
- Share of all-day viewing by channel in 2009 (%):

| BBC 1 | BBC 2 | ITV1 (+ GMTV) | C4 + S4C | C4 + 1 | Five | Others |
|-------|-------|---------------|----------|--------|------|--------|
| 20.9 | 7.5 | 17.8 | 6.8 | 0.7 | 4.9 | 41.4 |

Source: TV International, Informa Telecoms & Media / European Audiovisual Observatory / Eurodata TV / BARB

BSkyB



Sky operates the most comprehensive multi-channel television service in the UK and Ireland. Over 9.9 million households enjoy an unprecedented choice of movies, news, entertainment and sports channels and interactive services on **Sky digital**. Customers can choose from six basic subscription packs – *News & Events*, *Music*, *Style & Culture*, *Kids* and *Knowledge* – as well as premium sports and movies options. In addition to their choice of Sky TV channels, all customers can receive more than 500 free-to-air television and radio channels and services. **HD line-up** reaches 43 channels, and ambitions to reach 50 HD channels by the end of December 2010.

Sky understands the importance of great TV and **invests over £1.9 billion a year in its channels**.

In February 2009, while Sky celebrated its **20th anniversary** with a dedicated website highlighting some of Sky's significant moments from the last two decades www.sky.com/20years, the company was named **UK Media Company of the Year** at "the Canaccord Adams Media Magnate Awards".

- **Leading entertainment company in the UK and Ireland**
- **Majority shareholder: News Corporation (39.1%)**
- **Launched in 1989**
- **Chief Executive & Executive Director: Jeremy Darroch**
- **9.86 million subscribers including 2.9 million HD subscribers (as of 30 June 2010)**
- **Results for the twelve months ended 30 June 2010**
 - **Adjusted Revenues: £5.912 billion /**
 - **Adjusted Operating Profit: £855 million**
 - **£508 ARPU (average revenue per user)**
- **16,500 employees**
- **Website: <http://corporate.sky.com>**



Jeremy Darroch
Chief Executive & Executive Director BSkyB

Highlights

Sky 3D

On 1 October 2010, **Europe first in-home 3D channel, Sky 3D**, launched in millions of homes across the UK. The service features a launch line-up of movies and sports. Highlights include this year's Ryder Cup, with three days of live coverage of the golf event, as well as the 3D hits Bolt and Monsters vs Aliens. Sky has agreements with Disney, Fox, Universal, Warner Bros., Paramount and DreamWorks. In the sports arena, Sky 3D airs Premier League coverage. The launch of the Sky 3D channel in the home follows the successful introduction of 3D broadcasts in pubs and clubs. Since April 2010, over a million sports fans have enjoyed live 3D coverage in more than 1,500 pubs across the country.



Sky News HD, Europe's first HD news channel, launched on 6 May 2010, to coincide with the General Election. A total of 20 million viewers across the UK tuned in to watch Sky News during the quarter, up 15% year on year. The **Sky News Leaders' Debate**, broadcast live from Bristol on 22 April 2010, attracted Sky News's highest ever audience, reaching 6.5 million viewers across all channels on which the programme was shown.

Building on the success of its mobile TV service on iPhone, Sky launched in May 2010 a **Sky Mobile TV app for iPad**. Sky Mobile TV is the UK's most popular mobile TV service and offers a high-quality live TV viewing experience on the move, offering access to all Sky Sports channels and Sky News.

Discovery Networks International

(UK – EMEA)



Discovery Networks International operates one of the most extensive international television businesses in the media industry, delivering quality content designed to inform, entertain and inspire the world. Reaching **991 million cumulative subscribers in more than 180 countries**, Discovery delivers global appeal and local relevance, connecting with diverse audiences by providing context for the ever-changing world. Led by flagship network **Discovery Channel**, Discovery distributes **23 international television brands**, including *Animal Planet*, *Discovery Travel & Living*, *Discovery Home & Health* and *Discovery Real Time*, *DMAX*, *Discovery Science*, *Discovery World*, *Discovery HD*, *Discovery Historia*, *Discovery Knowledge*, *Discovery Turbo*, *Discovery World* and *ID: Investigation Discovery*. The company employs an extensive localisation strategy by offering customised schedules and programming in **35 languages** worldwide via more than 100 distribution feeds.

- **110 million cumulative subscribers in the UK and Ireland, 219 in Europe, Middle East & Africa (EMEA)**
- **Owner: Discovery Communications**
- **Launched in 1989**
- **President & CEO: Mark Hollinger**
 - **COO and Acting Managing Director, for UK and Ireland: Sahar Elhabashi**
 - **Managing Director, for EMEA: Arthur Bastings**
- **2009 Revenues: \$1.189 billion / 2009 EBITA: \$450 million**
- **Website: <http://corporate.discovery.com>**



Mark Hollinger
President & CEO Discovery Networks International

Channels Launched in 2009 in Europe

- **ID Investigation Discovery** launched in Ukraine, Estonia and Latvia (July 2009) and in Croatia, Serbia & Montenegro and Bosnia Herzegovina (August 2009)
- **Animal Planet HD** launched in Turkey (August 2009) and Poland (September 2009)
- **Discovery HD** launched in Estonia (July 2009)
- **Discovery HD Simulcast** launched in Italy (June 2009)
- **Animal Planet** launched in Estonia, Latvia and Lithuania (June 2009)
- **Discovery Networks Central Europe** assumed 100% ownership of **Discovery Historia Channel** (May 2009)
- **Discovery HD** launched in Greece (May 2009)
- **Discovery Travel & Living** launched in Serbia (May 2009)
- **ID: Investigation Discovery** launched in Poland, Romania, Hungary, Greece, Serbia, Slovenia, Croatia, Bosnia and Montenegro (April/May 2009)
- **Animal Planet HD** in Scandinavia (February 2009)
- **Discovery Networks UK** launched its first free-to-air channel **Quest** (September 2009) on the Freeview DTT platform. It also launched on the Sky platform (October 2009)
- **Discovery Shed** (March 2009)
- **ID: Investigation Discovery**, a 24hour crime and investigation channel (January 2009).

ITV plc (UK)



ITV1 is the largest commercial television channel in the UK. ITV's digital channels are available on all multi-channel platforms and continue to grow their audiences, year-on-year. Across its channels, **ITV invests around £1 billion each year in network and regional programming**, with the majority spent on original UK production. ITV's standard definition channels are delivered free of charge to consumers, funded by advertising and sponsorship revenues, which totalled £1.35 billion in 2009.

ITV's online operations include www.itv.com and video-on-demand services on subscription platforms. www.itv.com delivers ITV programming and clips to internet users via **ITV Player**, funded by online advertising and sponsorship.

ITV Studios produces original programming for ITV as well as for the BBC, Channel 4, Five, Sky and other UK broadcasters. ITV Studios has a growing portfolio of international production offices around the world, including in the US, Germany, Australia, Sweden, Spain and France. ITV Studios external revenues in 2009 totalled £335 million with an additional £262 million of revenues from sales of programming to ITV.

- **ITV is the leading commercial network with an aggregated audience share of 36.9%**
- **Launched in 1955**
- **Chief Executive: Adam Crozier**
- **Audience Share 2009: 16.6% ITV1; 5.4% (aggregated - ITV2 + ITV3 + ITV4 + CITV)**
- **2009 Revenues: £1.879 billion / 2009 EBITA: £202 million**
 - **Breakdown of revenues sources:**
 - £1.291 billion advertising
 - £597 million ITV Studios
 - £24 million Online revenues
- **3,700 full-time employees**
- **Website: www.itvplc.com**



Adam Crozier
Chief Executive ITV plc

Highlights



In September 2010, the first episode of period drama **Downton Abbey** was watched by an average of **7.7 million viewers** on ITV1.

On 21 August 2010, the **X Factor** show returned with a record audience of more than **11 million viewers** for its first audition show, representing a **47.8% share of the audience**. 'Only' an average of 9.9 million viewers watched last year's sixth series.

In August 2010, TV agreed a pay-television deal with Sky to launch high definition versions of its successful digital channels as a subscription service on the Sky platform. **ITV2 HD, ITV3 HD, and ITV4 HD** will launch as part of Sky+HD's subscription package of channels in autumn 2010. The channels will be available to all homes subscribing to a Sky+HD subscription.



MTV Networks International (UK - Europe)

MTV NETWORKS INTERNATIONAL

MTV Networks International (MTVNI) includes the premier multimedia entertainment brands MTV: *Music Television*, *VH1*, *Nickelodeon*, *MTVNH*, *TMF* (The Music Factory), *VIVA*, *Comedy Central* and *Game One*. MTV Network's brands are seen globally in **640 million households in 161 countries and 34 languages via 170 locally programmed and operated TV channels and more than 400 digital media properties**. The company's diverse holdings also include interests in television syndication, digital media, publishing, home video, radio, recorded music, licensing & merchandising and two feature film divisions, MTV Films and Nickelodeon Movies. MTV Networks is a unit of Viacom Inc. (NYSE: VIA, VIA.B). MTVNI's European channels include: *MTV One*, *MTV Base*, *VH1*, *MTV France*, *MTV Idol*, *VH1 Euro Classic*.

MTV Networks International is committed to investing in UK content, in total the broadcaster produced **800 hours of content** in 2010, both for UK audiences and its international networks.

- **Owner: Viacom Inc.**
- **Launched in 1987**
- **President MTV Networks International: Robert M. Bakish**
- **2009 Viacom's global "Media Networks" revenues: \$8.29 billion / 2009 Viacom's global "Media Networks" operating income: \$3.01 billion**
(Source: Viacom Reports Full-Year 2009 Results, New York, February 11 2010)
- **Audience Share 2009: The UK is MTV Networks biggest international territory with 21 channels reaching over 30 million individuals, an impressive 61% of multi-channel aged 16 – 24 in an average month**
- **Approximately 800 full-time employees in the UK**
- **Website: www.viacom.com**



Robert M. Bakish
President MTV Networks International

Highlights



In August 2010, **MTV Networks UK & Ireland** launched its first inaugural **digital only programme**, as www.mtv.co.uk became the first to broadcast Scottish teen drama ***Being Victor***. *Being Victor* is the story of Vinnie Dupe and his online alter-ego, blogger Victor Sage. It is broadcast as a 20-part online live action teen drama that has been produced by Shed Media Scotland. The digital world of *Being Victor* began 10 weeks ahead of the first online transmission with the first post of Victor's Blog in character. The 10 week build-up used social media tools to attract

and engage followers in various digital spaces: Twitter feeds from the characters, links from Victor's Blog to related content and MySpace pages of featured independent bands.



In April 2010, MTV Networks launched a raft of new **Social Responsibility** programming designed to encourage young people to get involved in shaping their culture and address important social issues. ***MTV's Got Issues*** is one of these initiatives and it began on the occasion of the UK General Election with: **"Vote 2010: Register, Research, Remember the date"**. Cameras followed one of the UK's hottest bands, *NDubz*, for one very busy day and captured them talking about the General Election and some of the issues they felt are most important for their generation. The award winning and chart-topping band are known for their strong opinions: "Everyone keeps saying things are wrong, but if you don't vote then how is that going to change?" said *NDubz* Fazer. "MTV's Got Issues encourages young people to get involved and in this case, to get voting and really affect the future of the UK" said Lisa Stokoe, Executive Producer MTV News. Other topics due to be covered by *MTV's Got Issues* across the rest of the year include: Environment, Education, Sexual Health and Bullying.

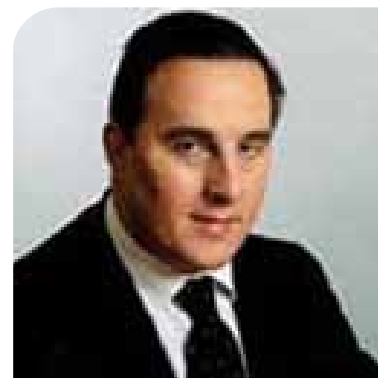
TV3 Group (Ireland)



TV3 is the only privately owned terrestrial free-to-air national commercial channel in the Republic of Ireland. Since the launch in September 1998, TV3 has become the second most viewed channel in the country.

TV3 provides viewers with a range of programming across the entire schedule, including soaps, drama, news and premium sport and has a average peak-time market share of 15% of its target 15-44 year-olds audience. In 2008, TV3 acquired **Channel 6**, which has seen its audience share increase by 60% since being re-branded as **3e**. www.tv3.ie has become the fastest-growing website in Ireland currently receiving 3.5 million page views per month.

- **Leading commercial broadcaster in Ireland**
- **Owner: Doughty Hanson and Co.**
- **Launched in 1998**
- **CEO: David McRedmond**
- **Audience Share 2009: 12.3%**
- **2009 Revenues: €54.3 million**
- **213 full-time employees**
- **Website: www.tv3.ie**



David McRedmond
CEO TV3

Highlight

TV3's 2010 autumn schedule has over **150 hours of new home-produced peak-time programming** across all genres. Over 40% of TV3's output this autumn is home-produced, up from 20% three-years ago. This schedule builds on the growth in TV3's audience over the past three years; TV3 is now, by a distance, the second most watched station by Irish viewers, ahead of RTÉ2 and all foreign channels.

Portugal / Spain



Portugal

- 3.49 million TV households in total (2008)
- Analogue switch-off to be completed by 2012
- Cable penetration: 42.1% of TV households (2008)
- Satellite private and collective penetration: 5.9% of TV households (2008)
- Average daily viewing time: 216 minutes – aged 15+ (2007)
- Share of all-day viewing by channel in 2009 (%):

| RTP1 | RTP2 | SIC | TVI |
|------|------|------|-----|
| 29.4 | 7.1 | 28.5 | 35 |

Source: Television 2009 International Key Facts / TVI

Spain

- 16.142 million TV households in total
- Analogue switch-off completed
- Primary digital terrestrial penetration: 55% of TV households
- 44 channels available on the DTT platform
- 199 channels in total received in the country
- Average daily viewing time: 226 minutes
- Net TV advertising revenues: €2.19 billion
- Share of all-day viewing by channel in 2009 (%):

| TVE1 | La2 | Antena3 | Telecinco | Cuatro | La Sexta | FORTA* | Others |
|------|-----|---------|-----------|--------|----------|--------|--------|
| 16.4 | 3.8 | 14.7 | 15.1 | 8.2 | 6.8 | 13.2 | 21.8 |

*local and regional channels

Source: TV International, Informa Telecoms & Media / CMT / Sofres / SGAE / European Audiovisual Observatory

Antena3 Group (Spain)



Through its different lines of business, **Antena3 Group** is active in the most relevant means of communication: television, radio, cinema, Internet, and advertising.

In 2009, the Antena3 Group remained one of the main Spanish communications companies. One of the reasons for its success has been the implementation of its **3.0 strategy**, which promoted the single and integral management of the content generated by Antena3 for broadcast on its three channels (*Antena3 TV*, *NEOX* and *NOVA*) and on the three main screens (television, Internet and mobile phone).

Antena3 transmitted the **most watched broadcast** in 2009, the **Champions League final between F.C Barcelona and Manchester United**, a historic match that beat all records with an average viewership of 11.3 million and a 61.7% audience share.

- Leading family of channels' network in Spain
- Shareholding structure: Grupo Planeta – De Agostini (44.58%) and RTL Group (20.49%)
- Launched in 1990
- CEO: Silvio González
- Audience Share 2009: 16.6% aggregated (17.6% in the commercial target)
- 2009 Revenues: €703.9 million / 2009 EBITA: €81.1 million
- 2,071 full-time employees
- Website: www.grupoantena3.com



Silvio González
CEO Antena3 Group

Highlights



The season premiere of the TV series ***Los Protegidos*** that narrates the story of an atypical family, who has "special powers", is the first ever to be broadcast in **3D**. For the production of the episode, a week of additional shooting will be necessary on top of the usual 10 days as a more laborious approach is needed especially regarding the editing stage. A few days before its TV screening, a cinema in Madrid will premiere the exceptional episode in 3D on the big screen. Projections of this episode in schools and hospitals have also been planned.



In August 2010, Antena3 launched its fourth channel, **Nitro**, a nation-wide free-to-air TV channel targeting 35-55 year old males and whose programming backbone are dramas and movies from the US majors. Nitro started regular broadcasting on 23 August 2010 and only after one month reached an excellent 1.3% audience share.

Sogecable (Spain)

Sogecable

Created in 1989, **Sogecable** is Spain's **leading pay-TV group** and pioneer in introducing digital television and interactive services in the Spanish communications market. Sogecable is constantly responding to the rapid changes in demand for news, leisure and entertainment. As market leader, Sogecable has a long and successful track record in the sector and in a broad range of related areas such as the acquisition and management of rights, audiovisual production of all kinds of content, distribution of channels, marketing and management of subscribers as well as advertising management across all platforms via Sogecable Media.

DIGITAL+ is Spain's leading pay-TV package offering more than 150 channels and was the first TV provider to launch HD channels in Spain. Today it operates 16 HD channels.

Sogecable is also active in the area of Digital Terrestrial Television (DTT) with three channels: **Cuatro**, 24-hour news channel **CNN+**, and **Canal+ Dos**.

■ **Leading pay-TV operator in Spain and successful free-to-air channels**

■ **Owner: Prisa**

■ **Launched in 1989**

■ **CEO: Pedro García Guillén**

■ **More than 1.7 million DIGITAL+ subscribers**

■ **Audience Share 2009: 8.2% for Cuatro**

■ **2009 Revenues: €1.525 billion**

■ **1,640 full-time employees**

■ **Website: www.sogecable.es**



Pedro García Guillén
Chief Executive Officer Sogecable

Highlights

In March 2010, **DIGITAL+ Móvil**, Sogecable's mobile TV platform broadened its coverage and multiplied its content by signing an agreement with Telefónica which completed its distribution drive (already available on Vodafone, Movistar and Orange). Currently 30 channels are offered on the platform.



In 2009, **Cuatro** reached the **highest percentage of success in new releases** among the free-to-air channels, with 44% of new wagers above the channel's average and 86% of the latter at primetime. Cuatro managed to place 5 programmes among the 10 most watched ones in the commercial target audience.

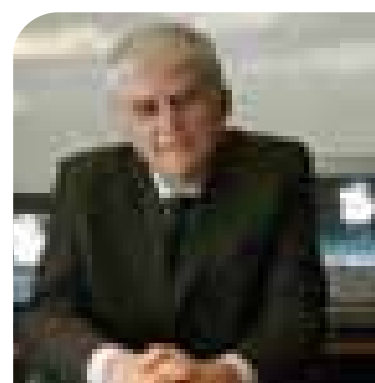
Telecinco Group (Spain)



Telecinco Group consists of a set of companies engaged in business related to the audiovisual sector. The Group's core business is advertising spots trading on the television channels that it operates. Gestevisión Telecinco S.A. is the holding company. Telecinco was set up in March 1989 and began broadcasting a year later (10 March 1990). The principal channel is **Telecinco**. Digital channels became part of the Group's offering in 2002; today they are known as **La Siete** and **Factoría de Ficción**. In 2004, Telecinco had a successful Initial Public Offering rounded off by the company's incorporation into the selective IBEX 3 Index.

However, Telecinco Group is not just involved in television. The company has various shares in companies in the audiovisual sector, mainly in Spain, as well as in other countries. These shares allow it to position itself and have contact with all areas related to their main business. The Group also has significant shares in 23 different companies.

- **Leading commercial TV channel in Spain**
- **Majority shareholder: Grupo Mediaset (50.1%)**
- **Launched in 1990**
- **CEOs: Paolo Vasile (TV Business) and Giuseppe Tringali (Advertising Business)**
- **Audience Share 2009: 15.1%**
- **2009 total net Revenues: €656.3 million / 2009 EBIT: €122.8 million**
- **1,139 full-time employees**
- **Website: www.telecinco.es**



Paolo Vasile
CEO Telecinco Group

Highlights



Telecinco is the private company leader in audience with a 14.7% share (1 January 2010 – 15 October 2010), 2.9 share points ahead of the main competitor Antena3 TV (with 11.8%)

The broadcast of the final of the **2010 FIFA World Football Cup** which saw Spain winning against the Netherlands broke all records on TV screens. Aired on **Telecinco**, the Spain-Netherlands final drew in average an audience of 12.969 million people (a **77.2%** share) and more than 7.5 million viewers (a 55.4% share) witnessed the victory tour of "La Roja" on television, when the winning team boarded a bus to celebrate its victory through the streets of Madrid.



On 1 September 2010, Telecinco Group launched its new channel targeted at children called **Boing**. The channel offers a series of programmes that include a careful selection of the most important products from Turner's TV factory. Boing's own content is added gradually in a television schedule in which shows aimed at children and at the teenage audience coexist.



In September 2010, Telecinco started broadcasting in **HD** becoming the first commercial channel in Spain that offers all its programmes in this technology.

TVI Group (Portugal)



TVI Group is a private broadcaster that owns the leading free-to-air channel in Portugal (TVI) and has its own TV transmission network with national coverage (over 97%). **TVI** has been the absolute leader in all-day audience share since 2005 as well as in advertising revenues. TVI's programming strategy is mainly focused on local fiction, news and entertainment (day-time talk shows and strong international formats), spoken in Portuguese, from 7.00 to midnight. This is complemented by international programming (series, films and children's shows) as well as sports, with special emphasis on key football competitions.

In 2009 TVI launched **TVI24**, a 24 hour news channel available on cable.

- **Leading national TV network in Portugal since 2005**
- **Owner: Media Capital (PRISA Group)**
- **Launched in 1993**
- **Director General: João Cotrim de Figueiredo**
- **Audience Share 2009: 35% in all-day and 40.4% in primetime**
- **2009 Revenues: €159.1 million / 2009 EBITA: €38.3 million**
- **532 full-time employees**
- **Website: www.tvi.pt**



João Cotrim de Figueiredo
Director General TVI Group

Highlights



With its **original productions**, TVI offered again in 2009 the best of television on Portuguese screens. Just to cite a few examples, the soaps *Feitiço de Amor*, *Flor do Mar* and *Olhos nos Olhos* came to an end in 2009 with an outstanding performance, as they posted average shares of 47%, 45.6% and 43.4%, respectively. In access to primetime, the sixth season of *Morangos com Açúcar* was as ever a great success, reaching an average audience share of 62.3% share among its core younger audiences in the 4-24 age group, whereas *Morangos com Açúcar - The Summer edition* also excelled, with an average share of 67.4% for the same target.

Italy



- 24.4 million TV households
- Analogue switch-off to be completed by 2012
- Digital TV penetration: 15.29 million TV households
- No cable operator in the country
- 284 channels in total received in the country
- Average daily viewing time: 237 minutes (aged 3+)
- TV advertising revenues: €3.929 billion (2008)
- Share of all-day viewing by channel, April 2010, aged 4+ (%):

| Rai 1 | Rai 2 | Rai 3 | Canale 5 | Italia 1 | Rete 4 | La7 | Others |
|-------|-------|-------|----------|----------|--------|-----|--------|
| 20.4 | 10.4 | 7.9 | 19.7 | 9.4 | 7.6 | 2.8 | 21.8 |

Source: TV International, Informa Telecoms & Media / DGTVi / Auditel / European Audiovisual Observatory

Mediaset Group (Italy - Spain)



Television free-to-air activities, the Group's traditional core business, include the operations related to the advertising sales and the three national generalist networks (**Canale 5**, **Italia 1** and **Retequattro**) currently broadcast in analogue and digital mode and the non-encrypted channels broadcast in digital terrestrial technology: **La5**, a new free digital terrestrial channel dedicated mainly to a female audience, **Boing** (in partnership with Turner Broadcasting System Europe, Time Warner Group), **Iris** and **MediaShopping**.

Mediaset Premium is the brand identifying the pay-TV offer, which includes, among others, Premium Gallery. In 2009, the cinema offer has been strengthened with new investments both in linear programming and in a non-linear library, the **Premium On Demand** service. The linear offer presents four proposals with **Premium Cinema** (previews and successful films); **Premium Cinema Emotion** (romantic and passionate stories for everyone); **Premium Cinema Energy** (adventure, excitement, science fiction, drama and humour) and **Studio Universal** (classic American cinema).

Mediaset Premium broadcasts more than **850 films a month**, including the offering of **Joi**, **Mya** and **Steel**, the entire production of Time Warner and Universal and the best of local film production, thanks to licensing agreements with **Medusa** and **01 Distribution**. During **2009**, Mediaset Premium showed strong growth, closing the year with €560.6million total revenues. This success is due to the expansion of commercial and distribution activities, trade marketing and enhanced customer assistance. In 2010 was launched **Premium Cinema HD** with exclusive previews of films in HD.

Medusa Film is one of Italy's leading companies in film distribution with a market share of 14.1% (first place in the ranking of distributors, second place in 2008). In 2009, Medusa stood out for the quality of its film library, with 15 films in the top

100 box office hits, and 18 films generating proceeds greater than €1 million. The company produces and distributes Italian and international films in Italy, managing all the phases in the product's life cycle.

The Group's **Multimedia activities** are covered by R.T.I. which operates in the setting of multimedia activities through the **Interactive Media Management**, which produces content that can be conveyed through different platforms (Internet, teletext and telecommunications). It operates on the **web** in two different areas:



■ **Entertainment:** www.video.mediaset.it is a project of R.T.I. Interactive Media and Videotime that presents full screen videos of Mediaset's programmes and news. It uses Microsoft Smooth Streaming technology allowing a better video quality. The videos can be shared among the most popular social network: Facebook, Twitter, Yahoo, Microsoft. News and sport programmes are available 30-45 minutes after broadcast, while the other programmes can be seen from the following day around 12.00. The videos with selected moments are already available a few hours after broadcast.



■ **News** with TG5, Studio Aperto, TG4 and TGCOM. In particular, the editorial staff of TGCOM delivers journalistic content for different platforms, such as Internet, teletext, radio, analogue and digital TV, mobile phones. Since 2009, TGCOM is also available on the iPhone. Sports news is offered on SportMediaset website, produced by Mediaset's sports journalists.

- Leading TV network in Italy with free-to-air distribution and pay-TV offers
- Majority shareholder: Fininvest (38.62%)
- Founded in 1978 (with the name of Telemilano)
- Chairman of the Board of Directors: Fedele Confalonieri
- Audience Share 2009: 38.7% (aggregated)
 - 20.5% Canale 5;
 - 10.5% Italia 1;
 - 7.7% Retequattro (day-time)
- Breakdown of revenues:
 - Italy: €3.2288 billion
 - Spain : €656.3 million
- 5,834 full-time employees (4,727 in Italy, 1,107 in Spain)
- Website: www.mediaset.it



Fedele Confalonieri
Chairman of the Board of Directors Mediaset Group

Sky Italia (Italy)



Launched in 2003, News Corporation's **Sky Italia** is the leading pay-TV platform in Italy, reaching almost 5 million subscribers. Sky Italia offers more than 190 channels, including movies, sports, news, entertainment and programmes for children through satellite, IPTV and mobile distribution.

- **4.7 million subscribers as of June 2010**
- **Owner: News Corporation**
- **Launched in 2003**
- **CEO: Tom Mockridge**
- **Operating Income (fiscal year ending June 2010): US\$230 million**
- **Website: www.sky.it**



Tom Mockridge
CEO Sky Italia

Highlight

In February 2010, Sky Italia broadcast live from the **2010 Vancouver Winter Olympic Games**.
In October 2010, Sky Italia was the first Italian channel to broadcast live in **3D**.

Poland



- 13.9 million TV households
- Analogue switch-off to be completed by 2013
- Cable TV penetration: 33% of TV households
- Satellite TV penetration: 43% of TV households
- Average daily viewing time: 218 minutes (aged 4+)
- TV advertising revenues: PLN3.372 billion
- Share of all-day viewing by channel in 2009 (%):

| TVP1 | TVP2 | TVN | TVN Group | Polsat | TV4 | Others |
|------|------|------|-----------|--------|-----|--------|
| 20.9 | 15.4 | 15.9 | 21.2 | 14.8 | 2.1 | 25.6 |

Source: AGB / TVN

Canal+ Cyfrowy (Poland)



Canal+ Cyfrowy is the operator of the **CYFRA+ digital platform**, as well as the producer and the broadcaster of: *CANAL+*, *CANAL+ Film*, *CANAL+ Film HD*, *CANAL+ Sport/CANAL+ Sport HD*, *CANAL+ Sport2* and *CANAL+ GOL*, as well as thematic channels: *ale kino!*, *ZigZap/Hyper*, *MiniMini*, *Planete*, *Kuchnia.tv* and *Domo.tv*. The company is the leader on the TV rights market and also the leading partner of Polish football. *CANAL+ Cyfrowy* is constantly widening its subscribers' network and is introducing services based on new technologies.

- **Majority shareholder: Canal+ Group (75%)**
- **Launched in 1998**
- **President of the Management Board and CEO: Emmanuel Florent**
- **2009 Revenues: PLN1.034 million / 2009 EBITDA: PLN244 million**
- **1.5 million subscribers by the end of 2009**
- **546 full-time employees**
- **Website: www.canalpluscyfrowy.pl**



Highlights

CANAL+ Cyfrowy is an important partner of the Polish cinema. **More than 120 feature films, 30 documentaries and short films have been made thanks to its support.** Examples are: Roman Polanski's *The Pianist*, which won awards at the "Oscars" and the "Cannes Festival" or Jacek Borcuch's *Wszystko, co kocham* (All that I love), which won awards at the "2009 Polish Film Festival" and was selected for the main competition of the "Sundance Independent Film Festival" in 2010. In 2010 *CANAL+* coproduced the film of Jerzy Skolimowski *Essential Killing* - awarded at the Venice Film Festival in 2010, the international production in 3D *The Flying Machine* to commemorate the bicentennial of the birth of Frédéric Chopin and *Sponsoring* of Małgorzata Szumowska.

CANAL+ was the first channel in Poland to produce and carry out a **football broadcast in the 3D** technology. The broadcast of the match Wisła Kraków vs. Odra Wodzisław took place on 15 May 2010 from the Sucho Stawy Stadium in Cracow. Owing to the growing interest of football fans *CANAL+* increased the number of places where it organised special shows in pubs and cinemas in a few Polish cities .

TVN S.A. Group (Poland)



TVN Group is a leading integrated media group in Poland, operating in three key business developments: broadcasting and television production, online and digital payable satellite television.

The broadcasting and television production division comprises currently **11 TV channels**. **TVN**, the principal free-to-air channel, is recognised in the Polish market as a leading television broadcaster of high quality entertainment and of comprehensive and independent news. **TVN7** is a satellite and cable entertainment channel; **TVN24** is Poland's first 24-hour news channel; **TVN Meteo** is the first Polish weather channel; **TVN Turbo** is a lifestyle channel targeted at men; **TVN Style** is a lifestyle channel targeted at women; **ITVN** is a subscription-based Polish language channel, available in the US, Germany, Australia, Canada and France; **Teleshopping Mango** is the only, all-day, teleshopping channel in Poland; **TVN CNBC** is a business news channel launched in cooperation with CNBC Europe; and finally **TVN Warszawa** and **NTL Radomsko** are the local television channels.

Onet.pl Group is the online division of TVN Group. Onet.pl portal is the largest Polish Internet portal managing over 200 well developed thematic services and one of the biggest, in terms of audience share, portals in Europe.

The **"n" platform** is the digital payable satellite television division. The digital "n" platform was the first satellite platform in Poland and in Central & Eastern Europe allowing reception of programmes in HD technology, recording chosen programmes (PVR) and access to a library of films and programmes available on a VOD platform.

■ Biggest commercial TV network

■ Owner: ITI Group

■ Launched in 1997

■ CEO: Markus Tellenbach

■ Audience Share 2009:

23.8% TVN Group primetime

21.2% TVN Group all-day

• 19.5% TVN primetime

• 15.9% TVN all-day

■ 2009 Revenues: €489.187 million

2009 Operating Profit: €183.101 million

■ 3,048 full-time employees

■ Website: www.tvn.pl



Markus Tellenbach
CEO TVN Group

Highlights



Since September 2010, **OnetSport**, Poland's leading online sport service offers not only the latest news to football fans, but following recent trends and expectations of the Internet users the service provides live transmission of the Champions League.

Last season nearly 150,000 people watched the Champions League on Onet.pl. Onet.pl will broadcast all **145 matches live** as well as offering reruns and 10-minute summaries all on www.sport.onet.pl/liga.html. In addition to the Champions League broadcast, OnetSport offers an access to an extensive library of video footage (nearly 1,300 videos)

of current sport related events as well as exclusive interviews with athletes, and sport programmes from the nSport channel.

In June 2009, TVN Group launched **TVN News & Services Agency**, the broadest media services agency operating in Central & Eastern Europe. In October 2010 TVN Group signed a **long-term partnership with Telekomunikacja Polska S.A.** leading Polish telecommunications group, allowing TVN Group to expand and strengthen its product offering. Diversification of revenues for TVN Group is indeed of top line on track: in the second half of 2010, non-advertising sources generated 36.5% of total revenues vs. 31.5% in the second half of 2009.

Belgium / The Netherlands



Belgium

- 4.464 million TV households (55% in Flanders, 33% in Wallonia and 10% in Brussels)
- Analogue switch-off completed in November 2008 in Flanders, in March 2010 in Wallonia
- Pay-TV penetration: 99% of TV households
- Share of all-day viewing by channel in 2009 (%):
- One of the world's highest cable penetration: 84% of TV households
- Average daily viewing time (2008): 198 minutes in Wallonia, 160 in Flanders (aged 4+)
- TV advertising gross expenditure: €820 million

| | EEN | vtm | Canvas | VT4 | Kanaal 2 / 2BE | VijfTV |
|-----------------|------|------|--------|-----|----------------|--------|
| Flanders | 25.4 | 22.3 | 8.5 | 9.8 | 8.1 | 4.9 |

| | La Une | La Deux | RTL-TVI | Club RTL | Plug TV | TF1 | France2 | Others |
|----------------------|--------|---------|---------|----------|---------|------|---------|--------|
| Wallonia 2008 | 15 | 5.1 | 19.2 | 4 | 1.9 | 17.1 | 9.4 | 27.4 |

Source: TV International, Informa Telecoms & Media / Audimétrie CIM

The Netherlands

- 7.25 million TV households in total
- Analogue switch-off completed
- Digital TV penetration: 62% of TV households
- High analogue cable penetration: 52% of TV households
- Average daily viewing time: 184 minutes (aged 6+)
- TV advertising gross expenditure: €779 million
- Share of all-day viewing by channel in 2009, aged 6+ (%):

| Ned1 | Ned2 | Ned3 | RTL4 | RTL5 | RTL7 | SBS6 | Net5 | Veronica | Others |
|------|------|------|------|------|------|------|------|----------|--------|
| 20 | 6.7 | 7.2 | 13.6 | 4.4 | 4.5 | 10.9 | 4.3 | 3.2 | 25.8 |

Source: TV International, Informa Telecoms & Media / VEA

RTL Belgium (Belgium - Wallonia)



The **RTL family of channels**, including *RTL-TVI*, *Club RTL* and *Plug RTL*, enhanced its position as the leader in the French-speaking Belgium with an average primetime audience share of 38.9% in the target group of shopper aged 18 to 54. This result underlines the complementary positioning of RTL-TVI (general interest), Club RTL (sport, children's programming and alternative fiction) and Plug RTL (young viewers aged 15 to 34).

RTL-TVI is the top TV channel in French-speaking Belgium, reaching 3.9 million or 90% of all Belgian viewers via cable. RTL-TVI offers a strong schedule of family-oriented information, entertainment and fiction genres.

Launched by RTL-TVI in 1995, **Club RTL** is a TV channel targeting two key audiences. Children can watch their favourite cartoons during the daytime. For male viewers, Club RTL offers sports as well as classic movies. **Plug RTL**, launched as Plug TV by RTL Belgium in 2004, is a channel targeted to adolescents and young adults.

- **Leading TV network in French-speaking Belgium**
- **Majority shareholder: RTL Group (66%)**
- **Launched in 1987**
- **CEO: Philippe Delusinne**
- **Audience Share 2009:**
 - **RTL-TVI: 28.9% (shoppers aged 18-54, primetime)**
 - **Club RTL: 7.1% (men aged 18-54, primetime)**
 - **Plug RTL: 4.8% (aged 15-34, primetime)**
- **2009 Revenues: €203 million / 2009 EBITA: €36 million**
- **Website: www.rtlvti.be**



Philippe Delusinne
CEO RTL Belgium

Highlight

French-speaking Belgians chose **RTL-TVI** over its public-channel competitor to stay informed throughout **Election Day** on 13 June 2010. Such overwhelming support from the public once again underlines the expertise of RTL Group's Belgian channel in the treatment of news. Whether it was the first interview in French with Flemish separatist Bart De Wever, leader of the N-VA [New Flemish Alliance party], the debates of the four presidents of the French-speaking parties or their entire speeches at their headquarters, the Belgian channel was present wherever the political future of the country was being played out. In fact, by staying ahead of the public channel RTBF, RTL-TVI set the pace throughout Election Day, providing more than eight hours of continuous information with news produced by all of RTL Belgium's editorial teams.

RTL Nederland (The Netherlands)



With the TV channels **RTL4**, **RTL5**, **RTL7** and **RTL8**, as well as the radio stations Radio 538, RTL Lounge, Radio Gold and VI Radio, **RTL Nederland** is a major player on the Dutch television and radio market. **RTL24**, launched in June 2008, is the first exclusive channel for mobile phones, which offers RTL Nederland's most popular news programmes. **RTL Lounge** started in October 2009 as a drama and lifestyle channel for women.

- **Leading position in the Dutch TV market**
- **Majority shareholder: RTL Group (73.7%)**
- **Launched in 1996 (RTL4 launched in 1989)**
- **CEO: Bert Habets**
- **Audience Share 2009 (main target group shoppers aged 20-49, primetime):**
 - **RTL4: 17%**
 - **RTL5: 8.1%**
 - **RTL7: 4.2%**
 - **RTL8: 3%**
- **2009 Revenues: €371 million / 2009 EBITA: €72 million**
- **Website: www.rtl.nl**



Bert Habets
CEO RTL Nederland

Highlights

RTL Nederland's channels scored a collective market share of 35.7% among 20- to 49-year-old viewers in September 2010: 13% above the ratings earned in September 2009, and the **best monthly market share in 13 years**.



In July 2010, people in the Netherlands were able to go to the new website at **TheVoiceOfHolland.com** to audition for the talent show by the same name. Both the programme and its new casting platform are a complete innovation. Potential candidates initially practice using a microphone and a webcam, along with software that immediately analyses their vocal performance and provides helpful hints. Afterwards, the candidates have to pass muster with a virtual jury, which decides based on their vocal merits whether the candidate is to be given the chance at a slot on the TV show.

SBS Belgium (Belgium - Flanders)



ProSiebenSat.1 Group operates via its subsidiary **SBS Belgium** two channels in Flanders: general entertainment **VT4** and female-oriented **VijfTV**. **VT4** (for a younger target audience) and **VIJFtv** (a younger female target audience) combine local Flemish productions with international blockbuster movies and popular US series.

- **Owner:** ProSiebenSat.1 Group
- **Launched in** 2004
- **CEO:** Thierry Tacheney / **COO:** Stefan de Keyser
- **Audience Share 2009:** 16.2%
- **SBS Belgium + SBS Nederland: 2009 Revenues :** €14.2 million
- **651 full-time employees**
- **Website:** www.vt4.be and www.vijftv.be



Thierry Tacheney
CEO SBS Belgium

SBS Nederland (The Netherlands)



ProSiebenSat.1 Group owns three channels in the Netherlands. **SBS 6** is the Netherlands' No. 2 private TV station, and especially appeals to viewers between 20 and 49 with big variety shows, in-house productions, series, and coverage of sports events. ProSiebenSat.1 Group also owns not only the TV stations **NET 5** and **Veronica**, but also Veronica Magazine, the country's leading TV periodical, as well as the TV periodical Totaal TV and the Veamer video-on-demand portal.

- **Owner:** ProSiebenSat.1 Group
- **Launched in** 1995
- **Management:** Eric van Stade
- **Audience Share 2009:** 27.3%
- **Website:** www.sbs6.nl , www.net5.nl , www.veronicatv.nl



Eric van Stade
Management SBS Nederland

VMMa (Belgium - Flanders)



Vlaamse Media Maatschappij (VMMa) manages four TV channels (**vtm**, **2BE**, **JIM** and **vtmKzoom**), two radio stations (Q-Music, JOEfm), a production company (Studio 1), a multimedia company (Paratel), an entertainment company (Starway) and a digital and online brand (iWatch). Vmma's flagship channel, **vtm**, is the leading Flemish channel offering a mixture of home-grown information, drama and entertainment programmes.

In 2009, **vtm** celebrated **20 years** on the air. With a mix of innovation and tried-and-true (such as *Nieuws* and *Familie*), vtm succeeded in attracting 4% more viewers in 2009 than the year before.

- **Leading commercial TV network with the flagship channel vtm**
- **Owners: Roularta Media Group (50%) and De Persgroep (50%)**
- **Launched in 1989**
- **Director General: Peter Quaghebeur**
- **Market Share 2009 (aged 18-54): 24.7% vtm, 33% aggregated**
- **2009 Turnover: €234.555 million / 2009 EBITDA: €36.603 million**
- **477 full-time employees**
- **Website: www.vmma.be**



Peter Quaghebeur
Director General VMMa

Highlight



The vtm programme **Het Nieuws** was the first to launch its own video application for the **iPad**. This application can be downloaded fully free of charge in the Apple App Store. With the application, het Nieuws is now present on all platforms. Only after 2 days after its launch, the application was the most downloaded application in Belgium. The next vtm application to be launched will be for **iWatch**, the video-on-demand platform.



Denmark / Finland / Norway / Sweden



Denmark

- 2.471 million TV households
- Analogue switch-off completed in October 2009
- Cable penetration: 70% of TV households
- Pay-TV penetration: 88% of TV households
- Average daily viewing time: 189 minutes (aged 3+)
- TV advertising revenues: €255.7 million
- Share of all-day viewing by channel, in 2009, aged 3+ (%):

| TV2* | DR** | VIASAT*** | SBS**** | Others |
|------|------|-----------|---------|--------|
| 40 | 27.4 | 9.4 | 6.4 | 16.7 |

*TV2: TV2, Zulu, Charlie, Film, News, Sport

**DR: DR1, DR2, Update / Ramas Yang, DR HD, DR K

***VIASAT: TV3, TV3+, Puls

****SBS: Kanal4, Kanal5, 6'eren, Voice

Source: TV International, Informa Telecoms & Media / ProSiebenSat.1 Group / TNS Gallup TV-Meter

Finland

- 2.42 million TV households in total
- Analogue switch-off completed in September 2007
- Primary digital terrestrial penetration: 38% of TV households
- Digital cable penetration: 57% of TV households
- Average daily viewing time: 176 minutes (aged 10+)
- TV advertising revenues: €237 million
- Share of all-day viewing by channel in 2009 (%):

| YLE TV1 | YLE TV2 | MTV3 | Nelonen | Others |
|---------|---------|------|---------|--------|
| 21.9 | 17.7 | 22.8 | 9.9 | 27.7 |

Source: TV International, Informa Telecoms & Media / Finnpanel / ProSiebenSat.1 Group

Norway

- 2.2 million TV households
- Analogue switch-off completed in December 2009
- Pay-TV penetration: 2.08 million TV households (vs. 1.95 in 2008)
- Average daily viewing time: 181 minutes (aged 12+)
- TV advertising revenues: €342.4 million
- Share of all-day viewing by channel, in 2008 (%):

| NRK1 | NRK2 | TV2 | TV Norge | TV3 | Others |
|------|------|------|----------|-----|--------|
| 32.4 | 3.4 | 25.3 | 8.4 | 6.3 | 24.1 |

Source: TV International, Informa Telecoms & Media / ProSiebenSat.1 Group

Sweden

- 4.4 million TV households (2008)
- Analogue switch-off completed in October 2007
- DTT available since 1997
- Pay-TV penetration: 80% of TV households (2008)
- Average daily viewing time: 163 minutes (aged 3+)
- TV advertising revenues: €413.4 million
- Share of all-day viewing by channel, aged 12-59 (%):

| SVT1 | SVT2 | TV3 | TV4 | TV4 Plus | KANAL5 | Other |
|------|------|------|------|----------|--------|-------|
| 14.7 | 5.4 | 10.7 | 19.5 | 3.8 | 9.9 | 36.2 |

Source: TV International, Informa Telecoms & Media / ProSiebenSat.1 Group / TV4 Gruppen

Kanal4 (Denmark)



Kanal4 is the main channel of four operated by **ProSiebenSat.1 Group** through its **SBS Danmark** subsidiary. It targets women aged between 15 and 44 years. Kanal4 reaches 76% of Danish homes. Kanal4 has three sister channels: Kanal5, 6'eren and The Voice TV. In 2007, **Kanal5** became the first Danish channel to launch HD broadcasts. **6'eren** (formerly SBS Net) began broadcasting in 2007 and **The Voice TV** is a music service in Finland and Bulgaria with localised feeds to Denmark, Sweden and Norway.

- **Owner:** ProSiebenSat.1 Group
- **Launched in** 2006
- **Management:** Henrik Ravn
- **Audience Share 2009:** 15.3%
- **ProSiebenSat.1 Group, Nordic Region: 2009 Revenues:** €12.1 million
- **837 full-time employees**
- **Website:** www.kanal4.dk



Henrik Ravn
Management SBS Danmark

TV Norge (Norway)



TV Norge is Norway's second largest commercial television station. Its wide range of entertainment programming has made it very popular with audiences. With *FEM*, ProSiebenSat.1 also has a station that targets a female audience. Another audience favourite in Norway is Radio Norge, the country's second largest private radio station.

In October 2008, TV Norge became the first Norwegian terrestrial broadcaster to launch an **HD channel**.

Big Brother is TV Norge's greatest programming success. When the show launched in 2001, it achieved higher audience ratings than in any other European country.

- **Third most-watched channel in Norway**
- **Owner:** ProSiebenSat.1 Group
- **Launched in** 1988
- **Management:** Haral Strømme
- **Audience Share 2009:** 12.9%
- **Website:** www.tvnorge.no



Haral Strømme
Management TV Norge

Modern Times Group (Sweden - Europe)



Modern Times Group is an international entertainment broadcasting group with the largest geographical broadcast footprint in Europe. MTG's **Viasat Broadcasting** is the leading free-TV and pay-TV operator in Scandinavia and the Baltics and has broadcasting operations in Bulgaria, Czech Republic, Hungary, Slovenia, Russia, Ukraine and Ghana. Viasat's free-TV and pay-TV channels and pay-TV platforms attract a total of 125 million viewers in **31 countries**. MTG is the major shareholder in Russia's largest independent television broadcaster - CTC Media.

MTG's **Scandinavian free-TV** operations broadcast a wide range of entertainment programming. MTG's free-TV channels **TV3**, **TV6**, **TV8** and **TV10** in **Sweden**, **TV3** and **Viasat4** in **Norway** and **TV3**, **TV3+** and **TV3 PULS** in **Denmark** are broadcast alongside the Group's **pay-TV** channels on the Viasat satellite platform and via third party cable and IPTV networks, as well as in the digital terrestrial networks in Sweden and Norway.

Viasat Broadcasting's **pay-TV operations in the Nordic region** market and sell Viasat's premium pay-TV packages, including its own channels as well as leading local and international third party channels, on its own satellite DTH platform and all leading third party IPTV platforms in Scandinavia. Viasat also distributes its **24 Viasat-branded pay-TV channels**, comprising 13 sports and seven thematic **TV1000** movie channels, via other third party pay-TV networks. Viasat also operates the **Viasat OnDemand** online portal, which offers the most comprehensive online video streaming service in the Nordic region as well as an on-demand TV service via the recordable digital box **ViasatPlusHD** for Viasat subscribers in the Nordic region.

■ Leading media group in Scandinavia and the Baltics

■ TV3, the first channel launched in 1987

■ CEO: Hans-Holger Albrecht

■ Audience share in 2009:

- TV3, TV6, TV8 & ZTV Sweden (aged 15-49): 36.1%
- TV3 & Viasat4 Norway (aged 15-49): 27.3%
- TV3, TV3+ & TV3 PULS Denmark (aged 15-4): 23.3%

■ 2009 Net Sales: SEK14,173 million

2009 Operating Income: SEK(1,428) million

■ Breakdown of revenues:

37% Advertising

42% Subscriptions

Business-to-Business / Consumer: 21%

■ 2,906 full-time employees

■ Website: www.mtg.se



Hans-Holger Albrecht
CEO Modern Times Group

Highlights

In 2009, a number of **new channels** are launched: the premium **pay-TV channels** *Viasat Sport Baltic* for Estonia, Latvia and Lithuania, *Viasat Hockey* for Sweden, Finland (and later the Baltics and Norway) and *TV1000 Drama* for the Nordic region, the **free-TV channels** *TV3 PULS* in Denmark and *Prima COOL* in the Czech Republic. The **exclusive broadcasting rights to NHL** (US National Hockey League) in the Nordic region (and later the Baltics) are acquired. In 2010 the exclusive broadcasting rights to Barclays Premier League are acquired for Sweden, Estonia, Latvia and Lithuania, are extended for Bulgaria and rights are also acquired for Denmark. The ownership of the broadcasting assets in **Bulgaria** is reorganised. MTG owns 95% of the enlarged *Nova Televizia*. **Play-services** are introduced in Scandinavia for the free-TV channels and for several pay-TV channels.

Viasat3 produced a local version of *Paradise Hotel*. The project is Hungary's most expensive reality show in history with a total budget of **€2 million**.

In February 2010, MTG announces it has acquired a 50% stake in **Raduga TV**, the Russian direct-to-home satellite platform and in June 2010 MTG has completed the acquisition of further 35% of Viasat Ukraine (and now owns 85%)

MTV MEDIA (Finland - Sweden)

MTV MEDIA

MTV MEDIA is the biggest and most diverse electronic media house in Finland, being number one in commercial and pay-TV.

The **nation's favourite channel**, **MTV3** is a free-to-air provider of entertainment and information, with its programming founded on news and current affairs, top sports, Finnish entertainment and drama, and international quality series and hit movies. MTV3's viewer ratings and reach are the highest among Finnish TV channels, with the average viewing time of MTV3 totalling 5 hours a week. The channel attracts a daily audience of 2.6 million and a weekly audience of 4 million viewers. MTV3's share of primetime viewing among its main target audience – aged 25–54 – is 30%.

MTV MEDIA operates **nine TV channels**: the nation's favourite channel MTV3, the rapidly growing **Sub** and the **pay-TV channels** **MTV3 MAX**, **MTV3 Fakta**, **Sub Leffa**, **Sub Juniori**, **MTV3 AVA**, **MTV3 Sarja** and **MTV3 Scifi**. MTV MEDIA represents CANAL+ pay-TV services in Finland. Also part of MTV MEDIA is **www.mtv3.fi**, one of Finland's most popular online media, and Finland's most-listened commercial radio station, Radio Nova.

- **Leading TV channels in Finland**
- **Owner:** Bonnier AB Group
- **Launched in** 1957
- **CEO:** Pekka Karhuvaara
- **Audience Share 2009, primetime, aged 25-54**
 - 25.4% MTV3 (free);
 - 10.2% Sub (free);
 - 2.6% MTV3 total pay-TV channels
- **2009 Turnover:** €241 million / **2009 EBIT:** €25 million
- **514 full-time employees**
- **Website:** www.mtvmedia.fi



Pekka Karhuvaara
CEO MTV MEDIA

Highlights



MTV3 News was the first European TV channel to launch cooperation with **US stock exchange company NASDAQ OMX**. The most important stock market events of the week are analysed once a week on the MTV3 News website by a NASDAQ OMX New York analyst. Straight from Wall Street, the market review videos are produced exclusively for MTV3 News, with a new video released every Tuesday.

MTV3's sister channel, **Sub**, brought the dancing game hit **5Street** to Finland by launching it on the sub.fi website. 5Street is a **3D dancing game** with a strong social and community perspective. Sub is first to launch the game in Europe as a localised version. Developed in China, the game has spread around the world to areas including Asia, the US and Russia, with tens of millions people playing 5Street in Asia.



TV4 Group (Sweden - Denmark - Finland - Norway)

4

For two decades, **TV4 Group** has delivered engaging news, grand entertainment of great variety and quality, live sport and top-class drama to Swedish households. From having owned only a single Swedish TV channel in the early 2000s, TV4 Group has expanded to comprise more than **30 TV channels in the Nordic Region** – in the free-to-air TV, basic cable and premium (Nordic Canal+ operations) segments – and **25 local stations in Sweden** as well as more than **20 web and mobile sites**. TV4 Group is also at the frontline of platform development for TV, and offers some of the largest and most popular online, mobile and video-on-demand services.

TV4 Group, which is now celebrating its **20th anniversary**, is Sweden's largest television network, with more than a **30%** share of total viewing in the primary 12–59 year old target group. **TV4** is also the country's single largest channel in this demographic category.

- Sweden's single largest TV network (aged 12-59)
- Owner: Bonnier AB Group
- Launched in 1990
- CEO: Jan Scherman
- Audience Share 2009 (aged 12-59): 30.5% (aggregated)
- 2009 Net Sales : SEK 5.543 billion /
2009 Operating Profit: SEK 495.444million
- 1,017 full-time employees
- Website: www.tv4group.se



Jan Scherman
CEO TV4 Group

Highlights

The multi-channel and multi-platform strategy has been important and successful components of TV4 Group strategy. Just like partnership and collaboration. In the end of 2009 TV4 Group entered into a **ten-year strategic partnership** with **Ericsson** on leading the development of TV technology. The agreement paves the way for future joint development projects in the field of TV and multimedia by creating a joint technology and business development forum.

During spring 2010 TV4 Group and **Telenor** entered a co-ownership agreement for **C More Entertainment**, which runs its premium TV operations under the Canal+ brand in the Nordic region. The Nordic co-ownership provides Canal+ with long term access to important content for its TV subscribers and opens the door for new media and telecom ventures and business opportunities, with each party offering both knowledge and creativity.

Another example on partnership and collaboration is **TV4 Expressen Mobilab**, a joint company run by TV4 Group and Expressen, which is engaged in one of the Nordic region's largest development initiatives for the mobile phone as media channel.

TV4 Group has also started a company called **Enterprize**, which, with TV4 Group as principal media partner, seeks out new ideas and brings them to fruition with external entrepreneurs and partners in order to build new profitable business for all parties involved.

Estonia / Latvia / Lithuania



Estonia

- 571,000 TV households
- Analogue switch-off completed in July 2010
- Average daily viewing time: 243 minutes - aged 18+ (2007)
- TV advertising net revenues: €29.96 million (2008)
- Share of all-day viewing by channel in 2009, aged 15-49(%):

| Eesti TV | KANAL 2 | TV3 | PBK | 3+ | TV6 | Kanal II | Others |
|----------|---------|-----|-----|-----|-----|----------|--------|
| 12.9 | 18.7 | 15 | 8.9 | 4.4 | 3.7 | 2.7 | 33.8 |

Source: Television 2009, International Key Facts / Informa TVI Sourcebook 2010 & 2011 / TNS

Latvia

- 888,000 TV households
- Analogue switch-off completed in June 2010
- Average daily viewing time: 213 minutes - aged 18+ (2007)
- TV advertising net revenues: €48.96 million (2008)
- Share of all-day viewing by channel in 2009, aged 15-49 (%):

| LTV1 | LTV7 | LNT | TV3 | PBK | TV5 RIGA | 3+ | Others |
|------|------|------|------|-----|----------|-----|--------|
| 4.6 | 4.9 | 13.2 | 16.8 | 9 | 3.7 | 4.9 | 43 |

Source: Television 2009, International Key Facts / Informa TVI Sourcebook 2010 & 2011 / TNS

Lithuania

- 1.357 million TV households
- Analogue switch-off to be completed by 2012
- Cable TV penetration: 43.7% (2008)
- Average daily viewing time: 212 minutes - aged 15+ (2007)
- TV advertising gross revenues: €388 million (2008)
- Share of all-day viewing by channel in 2009, aged 15-49(%):

| Baltijos TV | LNK | TV3 | LTV | Others |
|-------------|------|------|------|--------|
| 7.6 | 20.9 | 24.2 | 14.1 | 33.2 |

Source: Television 2009, International Key Facts / Informa TVI Sourcebook 2010 & 2011 / TNS

Viasat Broadcasting (Baltics)



Viasat Broadcasting's expansion outside Scandinavia commenced in 1993 with the acquisition of a terrestrial TV channel in Estonia. **TV3** launched in **Estonia** in 1996, in **Lithuania** in 1997 and in **Latvia** in 1998. Since then the channel **3+**, targeting the Russian speaking population, has been added in Estonia and Latvia. During 2007 and 2008 **TV6** was introduced to all three markets.

The **Viasat satellite platform**, originally launched in Scandinavia in 1991, was introduced in the Baltic states in 2004.

The line-up of Viasat's own pay-TV channels – *TV1000 East*, *TV1000 Russian Kino*, *TV1000 Action East*, *Viasat History* and *Viasat Explorer* – was enhanced with localised premium channels such as *TV1000 Premium* in 2008 and *Viasat Sport Baltic* in 2009.

The pan-Nordic *Viasat Golf* channel also became available in Estonia, Latvia and Lithuania in 2009. *Viasat Hockey* replaced *Viasat Sport East*. *Viasat Nature* and *Viasat Premier League HD* were added in 2010. These eleven own branded channels, as well as a broad range of leading international third party channel brands, has made **Viasat a leading digital TV provider in all the Baltic states**.

- Owner: MTG
- Viasat Broadcasting Free-TV Baltic CEO: Kaspars Ozolins
- Viasat CEOs: Vilma Marciuleviciute (Lithuania),
Henning Lycke, acting (Latvia)
and Siim Tiidenberg (Estonia)
- Audience Share 2009 (aged 15-49):
 - 40.2% for TV3, 3+ & TV6 in Estonia
 - 34.7% for TV3, 3+ and TV6 in Latvia
 - 40.4% for TV3 & TV6 in Lithuania
- 2009 Viasat Broadcasting Revenues: SEK 10.939 million /
2009 Operating Income: SEK1.904 million
- Free-TV Scandinavia: SEK3.820 million
- Pay-TV Nordic: SEK4.327 million
- Free-TV Emerging markets: SEK2.095 million
- Pay-TV Emerging markets: SEK875 million
- Website: www.mtg.se



Kaspars Ozolins
CEO Viasat Broadcasting Free-TV Baltic

Czech Republic / Slovakia



Czech Republic

- 4.36 million TV households
- Analogue switch-off to be completed by 2012
- DTT penetration at mid-2010: 41.1% of TV households
- Cable TV penetration: 25% of TV households
- Pay-TV penetration: more than 40% of TV households
- Average daily viewing time: 196 minutes (aged 15+)
- TV advertising gross revenues: €993 million (2008)
- Share of all-day viewing by channel in 2008, aged 15+ (%):

| CT 1 | CT 2 | NOVA | PRIMA | Others |
|------|------|------|-------|--------|
| 21.2 | 7.6 | 37.9 | 17.9 | 15.4 |

Source: TV International, Informa Telecoms & Media / Television 2009, International Key Facts

Slovakia

- 2.7 million TV households
- Analogue switch-off to be completed by 2012
- Digital TV penetration by June 2010: 10% of total TV households
- Cable sector fragmented with more than 100 cable operators (754,000 subscribers in total)
- Average daily viewing time: 154 minutes (aged 12+)
- TV advertising net revenues: US\$155 million (-27% compared to 2008)
- Share of all-day viewing by channel in 2008, aged 15+ (%):

| STV1 | STV2 | STV3 | MARKIZA | TV JOJ | TV JOJ + | TA 3 | Others |
|------|------|------|---------|--------|----------|------|--------|
| 16.6 | 5.9 | 0.2 | 34.9 | 16.9 | 0.3 | 1.6 | 23.6 |

Source: TV International, Informa Telecoms & Media / CME / Television 2009, International Key Facts

CME (Czech Republic - Central & Eastern Europe)



Central European Media Enterprises (CME) is the leading vertically integrated media company in Central and Eastern Europe, with operations in **six countries** reaching a combined population of 50 million people. It has three divisions: **Broadcasting**, which comprises of **21 channels** and boasts leading primetime audience shares in all of CME's six markets; **Media Pro Entertainment**, its content division, which aims to diversify revenues through the production and distribution of content to CME broadcasters and third parties; and finally CME's **Internet division**, which operates a portfolio of websites complimenting the company's broadcasting channels and providing additional means of content distribution.

The company's success across the region is attributable to its strategy, which focuses on producing and broadcasting **high quality local programming** and independent news, building multi-channel networks and sharing knowledge and skills between its highly talented and locally managed team.

■ Leading vertically integrated media company in Central & Eastern Europe

■ Founded in 1994

■ President & CEO: Adrian Sarbu

■ Audience Share 2009 (primetime):

- TV Nova in the Czech Republic: 46.8% (aged 15-54)
- TV Markiza in Slovakia: 33.5% (aged 12+)
- Pro TV in Romania: 20.3% (aged 18-49)
- Pop TV in Slovenia: 34.3% (aged 18-49)
- Nova TV in Croatia: 27.4 % (aged 18-49)
- bTV in Bulgaria: 38.5% (aged 18-49)

■ 2009 Revenues: US\$714 million / 2009 OIBDA: US\$74.9 million (including the results of CME's Ukraine operations which were subsequently sold in April 2010)

■ Approximately 4,900 employees (including contractors) as at 31 December 2009

■ Website: www.cetv-net.com



Adrian Sarbu
CEO CME

Highlights

In April 2010, CME sold its **Ukrainian operations**, the proceeds of which went towards the acquisition of Bulgarian channel bTV from News Corporation. **bTV** is the leading free-to-air commercial television channel in Bulgaria. In December 2009, CME was proud to acquire the content provider **Media Pro Entertainment**, one of the leading producers and distributors of television fiction, and owner of the largest TV and production facility in Eastern Europe.

Czecho-Slovak SuperStar Story

Almost two decades after Czechoslovakia separated into two countries, Czechs and Slovaks were again reunited – on television – in 2010 thanks to **TV Markiza** and **TV Nova**. As one of the few positive outcomes of the global financial crisis, TV stations in the two countries have been joining forces to produce lavish talent contests, drama series and one-off entertainment shows in a bid to cut costs and make their fare more attractive to viewers on both sides of the border. One of the series that has proved to be an astounding success is **Czecho-Slovak SuperStar**, Europe's first international version of *Pop Idol* (the European equivalent of *American Idol*), which was the first joint production between CME's TV Nova in the Czech Republic and TV Markiza in the Slovak Republic. The average audience share of the programme at the time of transmission was **50%** in the **Czech Republic** (aged 15-54) and **54%** in the **Slovak Republic** (aged 12+). The show was so well received that in 2010 CME has launched its own talent show format called **Talentmania**, developed and produced by its content division, Media Pro Entertainment.

TV Markíza (Slovakia)



Reflecting the strong family values of Slovak culture, **TV Markíza** has built its programming strategy around family entertainment. Launched in 1996 and reaching 99% of the Slovak Republic's 5.4 million citizens, TV Markíza leads the national TV landscape attracting a 33.5% prime time audience share in its 12+ target group during 2009.

Broadcasting 24 hours a day, TV Markíza provides the Slovak Republic with a broad range of programming including news, movies, entertainment and sports. Approximately 27% of Markíza's programming is locally-produced. In addition, TV Markíza has secured exclusive broadcast rights to a variety of popular American and European series, films and telenovelas.



Also operated by CME in Slovakia is **Television Doma**. Television Doma is the first Slovakian niche channel aimed at young, active women. The channel, which launched in 2009, currently has a reach of approximately 54% of the country's 5.4 million people, and broadcasts 24 hours per day.

- Leading national TV channel
- Owner: CME
- Launched in 1996
- Audience Share 2009: 33.5% primetime (aged 12+)
- 2009 Revenues: US\$107.4 million / 2009 OIBDA: US\$13.9 million
- Website: www.markiza.sk

TV Nova Group (Czech Republic)



TV Nova is the biggest commercial television station in the Czech Republic and is one of the most successful and profitable commercial TV stations in Europe. Launched in 1994, TV Nova was the first privately owned commercial network broadcasting throughout the Czech Republic.

TV Nova's flagship television **news programme** generates, on average, **65%** audience share in the 15-54 target group, which equates to between 2.5 and 3 million viewers every night.



TV Nova Group operates also **Nova Cinema** in the Czech Republic and **Nova Sport** and **MTV** in the Czech Republic and in the Slovak Republic.



- Leading national TV network
- Owner: CME
- Launched in 1994
- Audience Share 2009: 46.8% in primetime (aged 15-54)
- 2009 Revenues: US\$275.9 million / 2009 OIBDA: US\$128.5 million
- Website: www.tv.nova.cz

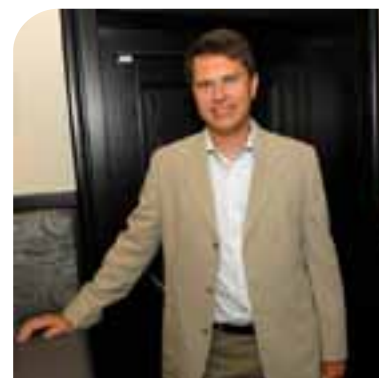
TV Prima (Czech Republic)



TV Prima broadcasts a broad line-up of entertainment with a slight focus on female viewers. Own produced drama as well as other own produced programme genres create the backbone of Prima.

MTG's **Free-TV Emerging Markets** comprises the 18 free-TV channels in the Baltics, the Czech Republic, Bulgaria, Hungary, Slovenia and Ghana.

- 2nd commercial TV channel in the Czech Republic
- Owner: MTG
- Launched in 1993
- MTG's Free-TV Emerging Markets CEOs:
Marek Singer (Czech Republic),
Manja Grcic (Slovenia),
Camilla Hammer (Hungary)
- Audience Share 2009 (target audience):
20.8% (Czech Republic),
11.2% (Slovenia),
7.9% (Hungary)
- 2009 Revenues for MTG's Free-TV Emerging Markets: SEK2.095 million
- Website: www.iprima.cz



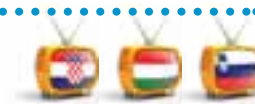
Marek Singer
CEO TV Prima

Highlight

COOL

On 1 April 2009, free-TV channel **Prima COOL** was launched in the Czech Republic. The new channel complements MTG's existing TV Prima channel and was launched following the award of new digital licenses to TV Prima as part of the ongoing digitalisation of the Czech TV market.

Croatia / Hungary / Slovenia



Croatia

- 1.5 million TV households
- Analogue switch-off to be completed by December 2010
- Cable TV penetration: 17% of TV households
- Average daily viewing time: 272 minutes - aged 18+ (2007)
- TV advertising gross revenues: €469.17 million (2008)
- Share of all-day viewing by channel in 2008, aged 18+ (%):

| RTL Televizija | HTV1 | HTV2 | NOVA TV | Others |
|----------------|------|------|---------|--------|
| 21.1 | 35.1 | 14 | 19.1 | 10.7 |

Source: Television 2009, International Key Facts

Hungary

- 4.21 million TV households in total
- Analogue switch-off to be completed by 2012
- DTT platform launched in December 2008 and pay-DTT service in May 2010
- Digital TV penetration: 27% of TV households
- High cable penetration: 52% of TV households
- 3.01 million Pay-TV subscribers
- Average daily viewing time: 261 minutes (aged 4+)
- TV advertising revenues: €1.849 billion
- Share of all-day viewing by channel in 2008, aged 18+ (%):

| RTL Klub | TV2 | MTV1 | VIASAT3 | Others |
|----------|-----|------|---------|--------|
| 25 | 22 | 12.1 | 5 | 43.9 |

Source: TV International, Informa Telecoms & Media / ProSiebenSat.1 Group / Television 2009, International Key Facts

Slovenia

- 644,000 TV households
- Analogue switch-off to be completed by 2010
- Digital TV penetration by mid-2009: 80% of total TV households
- Pay-TV penetration: 67% of total TV households
- Average daily viewing time: 188 minutes - aged 15+ (2007)
- TV advertising expenditure fell by 20% in 2009
- Share of all-day viewing by channel in 2009 (%):

| SLO1 | SLO2 | POP TV | KANAL A | TV3 | Other domestic | Foreign Channels |
|------|------|--------|---------|-----|----------------|------------------|
| 23.7 | 8.5 | 24.9 | 11.8 | 5.2 | 0.6 | 25.3 |

Source: TV International, Informa Telecoms & Media / Television 2009, International Key Facts

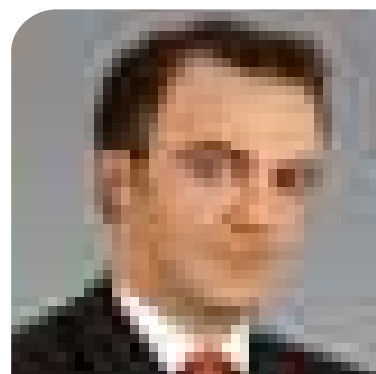
NOVA TV (Croatia)



NOVA TV is Croatia's first private commercial television station. The channel, which launched in 2000 and has been owned by Central European Media Enterprises Ltd (CME) since July 2004, has a reach of approximately 97% of the country's 4.4 million people and broadcasts 23 hours per day.

It is one of Croatia's main sources for premium news, high-quality locally-produced programming and successful international content. Since its launch, NOVA TV has continued to introduce new TV genres including highly rated programmes such as reality show *The Farm*, entertainment shows such as *Got Talent* and serial *The Best Years*.

- **Leading national TV channel**
- **Owner: CME**
- **Launched in 2000, acquired by CME in 2004**
- **General Director: Drazen Mavric**
- **Audience Share 2009 (primetime, aged 18-49): 27.4 %**
- **2009 Revenues: US\$49.1 million / 2009 EBITA: US\$200,000**
- **Website: www.novatv.hr**



Drazen Mavric
Director General NOVA TV

PRO PLUS (Slovenia)



PRO PLUS operates three successful TV channels in Slovenia, **POP TV**, **Kanal A** and **POP BRIO**. POP TV, which began broadcasting in 1995, has been the most successful Slovenian television channel for many years. Kanal A was launched in 1991 and is the first commercial television station in Slovenia. POP BRIO is designed for a wide variety of viewers broadcasting top series, reality shows and movie hits, primarily targeting female viewers in the 18 to 34 age group.

- **Leading national TV network in Slovenia**
- **Owner: CME**
- **Kanal A launched in 1991 and POP TV in 1995**
- **General Director: Pavel Vrabec**
- **Audience Share 2009 (primetime, aged 18-49):**
 - POP TV: 34.3% / Kanal A: 13.6%
- **2009 Revenues: US\$66.7 million / 2009 OIBDA: US\$17.8 million**
- **Website: www.24ur.com**



Pavel Vrabec
Director General PRO PLUS

RTL Klub (Hungary)



RTL Klub has built up a powerful position since its launch in 1997 and has now established itself in pole position as the market leader in the 18 to 49 age range. Among the successes were established audience favourites such as the daily soap *Barátok közt* (Between Friends), which celebrated its tenth anniversary in 2008, *Formula One* motor racing, game shows such as *Poker Face*, *Who wants to be a millionaire* and *Take it or Leave it*, the tabloid news magazine *Fókusz* and the daily news show *Hirek*.

- Leading national TV in Hungary
- Majority shareholder: RTL Group (67%)
- Launched in 1997
- CEO: Dirk Gerkens
- Audience Share 2009: 30.7% (primetime, aged 18-49)
- 2009 Revenues: €83 million / 2009 EBITA: €18 million
- Website: www.rtlklub.hu



Dirk Gerkens
CEO RTL Klub

Highlight



In October 2009, RTL Klub launched **RTL Most**, the first catch-up TV service in the Hungarian market. The RTL Most website offers viewers RTL Klub's own productions in high quality and soon after their TV broadcast, including Hungary's most popular series, *Barátok közt*.

RTL Televizija (Croatia)



Launched nationally in 2004, **RTL Televizija** became the **most popular channel** among young viewers in 2007 and continues to lead both all-day and primetime audience shares. Despite the contracting advertising market, RTL Televizija scored considerable ratings success in January 2009 by screening **World Championship handball** during which Croatia reached the final. RTL Televizija also screens English Premier League football.

- **Leading channel in the Croatian TV market**
- **Majority shareholder: RTL Group (74%)**
- **Launched in 2004**
- **CEO: Johannes Züll**
- **Audience Share 2009: 26.2% (primetime, aged 18-49)**
- **2009 Revenues: €41 million / 2009 EBITA: €(3) million**
- **Website: www.rtl.hr**



Johannes Züll
CEO RTL Televizija

Highlight



In September 2010, The Electronic Media Council has granted RTL Televizija a concession for a new specialised channel, named **RTL 2** and specialised in entertainment. **RTL 2** fulfils all the requirements for a specialised TV channel, such as a specific share of **European audiovisual works** of art, including a certain number of **Croatian audiovisual works**, and some in-house productions. Independent audiovisual production companies will account for a considerable portion of the in-house productions

TV2 (Hungary)



TV2 is one of Hungary's largest commercial TV stations. Its success is founded on in-house productions, US series, and Hungarian adaptations of hit TV concepts. With the new channel **FEM3**, launched in January 2010, ProSiebenSat.1 Group offers diversified entertainment especially for the female target group.

- **Owner: ProSiebenSat.1 Group**
- **Launched in 1997**
- **Managing Director: Zoltan Vardy**
- **Audience Share 2009: 22.1%**
- **ProSiebenSat.1 Group, CEE Region 2009 Revenues: €4.2 million**
- **921 full-time employees**
- **Website: www.tv2.hu**



Zoltan Vardy
Managing Director TV2

Bulgaria / Romania



Bulgaria

- 3.14 million TV households (2008)
- Analogue switch-off to be completed by 2012
- Cable TV penetration: 60% of TV households (2008)
- Average daily viewing time: 225 minutes - aged 15+ (2007)
- TV advertising revenues: €332 million
- Share of all-day viewing by channel in 2008, aged 15+ (%):

| BNT1 | bTV | NOVA | DIEMA | DIEMA family | TV2 | Others |
|------|------|------|-------|--------------|-----|--------|
| 14.1 | 36.9 | 17.5 | 2.8 | 2.6 | 1.9 | 24.2 |

Source: ProSiebenSat.1 Group / Television 2009, International Key Facts

Romania

- 6.7 million TV households
- Switch-off to be completed by 2015
- Cable TV penetration: 70.4% of TV households
- Average daily viewing time: 250 minutes
- TV advertising revenues: €200 million
- Share of all-day viewing by channel in 2008, aged 18+ (%):

| TVR1 | TVR2 | PRO TV | ANTENA1 | ACASA | REALITATEA TV | PRIMA TV | KANALD | NATIONAL TV |
|------|------|--------|---------|-------|---------------|----------|--------|-------------|
| 5.4 | 2.1 | 13.4 | 9.6 | 7.3 | 5.2 | 4.4 | 4 | 2.6 |

Source: GfK Romania – Infosys / ProSiebenSat.1 Group / Television 2009, International Key Facts

bTV (Bulgaria)



Acquired by CME in April 2010, **bTV** reaches almost all of Bulgaria's 7.5 million people and is the country's most popular channel. Launched in 2000, bTV was the first private television channel to enter the market. It has been held the position of most watched channel in Bulgaria for 8 years.

Other TV channels operated in Bulgaria include **Pro.BG** – general news and entertainment channel – **Ring.BG** – which has been the only 100% local sports channel in Bulgaria for over 10 years – **bTV Comedy** and **bTV Cinema** both launched in 2009.

■ Leading national TV network in Bulgaria

■ Owner: CME

■ Launched in 2000

■ CEO: Constantin Mocanu

■ COO: Vicky Politova

■ Audience Share 2009 (primetime, aged 18-49)

- bTV: 38.5%
- Pro.BG: 2.6%
- bTV Comedy: 2.5%

■ 2009 Revenues: US\$3.5 million / 2009 OIBDA: US\$(44.8) million

(Excludes the 2009 results of the bTV group, which was acquired by CME in April 2010)

■ Website: www.btv.org



Constantin Mocanu
CEO bTV

Highlight



The website **www.btv.org** was awarded with a "Platinum Umbrella" at the media festival "**MediaMixx 2009**" in Albena. Besides being able to access the content of the station, viewers can become part of the bTV family by sharing information in the rubric "**I, Reporter**" and leave their comments. bTV.org is the third most visited website in Bulgaria – in April 2010, it reported almost 827,000 unique clicks.

Kanal D Romania (Romania)



Launched as a local TV channel in Romania in February 2007, after receiving a national broadcasting license and signing contracts with cable companies and satellite platforms that provide the main broadcasting medium in Romania, **Kanal D Romania** maintained its fifth position in terms of audience share in 2009 out of around 40 channels.

- Majority shareholder: Doğan Media International gmbH
- Launched in 2007
- General Manager : Hatice Soysev Kolat
- Audience Share 2009: 4.42 %
- 2009 Revenues: €11.4 million / 2009 EBITA: €9.9 million
- 163 full-time employees
- Website: www.kanald.ro

Nova Televizia Group (Bulgaria)



MTG's free-TV operations in Bulgaria comprise **Nova Televizia** as well as the **Diema**, **Diema2** and **Diema Family**. The channel **MM** was replaced by pay-TV channel **Nova Sport** in 2010. In December Viasat extended its exclusive broadcasting rights to English Premier League Football until the end of the 2012-2013 season.

MTG completed the reorganisation of the ownership of its broadcasting assets in Bulgaria in 2009. All of the Group's Bulgarian broadcasting assets have been merged into MTG subsidiary Nova Televizia and ERA TV in Macedonia was subsequently sold.

- 2nd largest commercial TV operator in Bulgaria
- Owner: MTG (95%)
- Launched in 1994
- CEO: Jacob Andersson
- Audience Share 2009: 31.7% (aged 18-49)
- Website: www.novatv.bg



Jacob Andersson
CEO Nova Televizia Group

Prima TV (Romania)



Prima TV is one of Romania's first commercial TV stations. It is also one of the country's most successful channels today, especially prized by its audiences (aged 15-44) for its high-quality light entertainment shows and local productions.

ProSiebenSat.1 Group also operates three leading radio stations in Romania – *Kiss FM* (the country's No. 1 station), *Magic FM* and *One FM* – as well as music station *KissTV*.

- Owner: ProSiebenSat.1 Group
- Launched in 1997
- General Manager: Mihaela Dumitru
- Audience Share 2009: 7.3%
- Website: www.primatv.ro



Mihaela Dumitru
General Manager Prima TV

Pro TV (Romania)



Launched in December 1995, **Pro TV** uses a programming strategy of top international series and movies, as well as a wide variety of local productions including news programming, local entertainment and local fiction. **Pro TV News** is the highest top rated news programme on the Romanian market, with an average audience share of 30% during 2009. Pro TV News' was the first TV station in Eastern Europe to win the "**International Emmy Awards**" for 'News' in 2008, and in 2009 won the "**NAB International Broadcasting Excellence Award**" for the social campaigns it had developed.

- Leading national TV network
- Owner: CME
- Launched in 1995
- General Director: Constantin Mocanu
- Audience Share 2009 (primetime, aged 18-49):
 - Pro TV: 20.3%
 - Acasa TV: 8.1%
 - Pro TV Cinema: 1.8%
 - sport.ro: 1.6%
 - MTV Romania 0.4%
- 2009 Revenues: US\$176.5 million / 2009 OIBDA: US\$38.5 million
- Website: www.protv.ro



Constantin Mocanu
General Director Pro TV



CME operates also in Romania **Acasa TV** – a niche channel for women with successful local productions including Romanian telenovelas and primetime long running series – **Pro Cinema** – the number one film channel in Romania – **Pro TV International** – the premier Romanian language TV channel specifically targeting the growing number of Romanians living abroad – **Sport.ro** – which broadcasts high-quality sports and sport-related programming in Romania – and **MTV Romania** – the number one music channel in Romania.

Cyprus / Greece



Cyprus

- 263,000 TV households (2008)
- Switch-off to be completed by 2011
- Average daily viewing time: 185 minutes - aged 18+ (2007)
- TV advertising net revenues: €55.91 million (2008)
- Share of all-day viewing by channel in 2008 aged 18+ (%):

| CYBC1 | CYBC2 | MEGA | ANT1 | SIGMA |
|-------|-------|------|------|-------|
| 17 | 5.1 | 12.2 | 16.9 | 19.7 |

Source: Television 2009, International Key Facts

Greece

- 3.724 million TV households
- Analogue switch-off to be completed by 2012
- Nationwide commercial DTT platform launched in mid-2009
- Analogue terrestrial TV penetration: 75% of TV households
- Pay-TV penetration: 10% of TV households
- Average daily viewing time: 264 minutes
- Net TV advertising revenues: €513 million(-17% compared to 2008)
- Share of all-day viewing by channel, in 2009, (%):

| MEGA | ANT1 | ALPHA | STAR | ALTER | ET1 | NET |
|------|------|-------|------|-------|-----|-----|
| 19.8 | 14.8 | 12.7 | 10 | 10.7 | 3.4 | 9.4 |

Source: TV International, Informa Telecoms & Media / AGB Nielsen Media Research

Alpha TV (Greece)



The main components of **Alpha TV's** programmes are news and entertainment; from series to box office movies, from game and real life shows to special entertainment events and from news and information programmes to sport events. Satire plays a significant role in the channel's entertainment programme content.

- Majority shareholder: RTL Group (70%)
- Launched in 1993
- CEO: Christoph Mainusch
- Audience Share 2009 : 13.7% (aged 15-44)
- 2009 Revenues: €70 million / 2009 EBITA: €(34) million
- Website: www.alphatv.gr



Christoph Mainusch
CEO Alpha TV

Highlight



After a series of determined changes and daring moves regarding its programme during the 2009/2010 season, Alpha TV was able to increase its audience figures among viewers aged 15 to 44 by an impressive **43.1%** – from 12.3% in 2008/09 to 17.6% in 2009/10. Alpha's stellar performance was based on the ratings of daily shows such as *Kafes me tin Eleni* as well as on the excellent ratings of already established shows such as *Al tsantiri news*, *Pame paketo*, *Efiatis stin kouzina* and *Chart Show*. Its performance was further reinforced by the channel's new shows such as *Greek Idol* and *Spiti apo tin archi*.

ANTENNA Group (Greece - Cyprus - Serbia)



ANTENNA Group has been established as the world's largest Greek media group, reaching Greek-speaking audiences in all continents. **ANT1 TV** is the Group's corporate and communicative flagship. **ANT1 TV** has been holding one of the leading places of viewers' ratings scales for 20 years. ANTENNA Group's presence is also marked in **Cyprus**, through its collaboration with the successful stations **ANT1 TV CYPRUS** and **ANT1 FM CYPRUS** in Nicosia, founded in 1993 and 1998 respectively.



In 2010, ANTENNA Group acquired the commercial channel FOX TV in **Serbia** and rebranded it into **PRVA Srpska Televizija** (FIRST Serbian Television). The new season on PRVA started in September 2010 with the launch of the local version of *Come Dine With Me*.

- **Launched in 1989**
- **Chairman of the Board: Minos X. Kyriakou**
- **Vice-Chairman of the Board and CEO: Theodore M. Kyriakou**
- **Vice-Chairman of the Board: Spilios J. Charamis**
- **Chief Operating Officer Greece: Alexander Holland**
- **Audience Share 2009 (aged 15-44):**
 - 17.6% all-day (+7%),
 - 20.4% primetime (+24%)
- **Website: www.antenna.gr**



ANTENNA Group's activities also extended to the digital era of unlimited possibilities; **ANT1 GOLD**, a digital channel, which daily broadcasts all-time favourite Greek shows and series. Besides series, talk shows and games, **ANT1 EUROPE** subscribers are able to watch live news. In addition, ANTENNA Group recently launched the music TV channel **BLUE** for Greek audiences in the US.



ANTENNA US and **ANTENNA Pacific** as well as ANTENNA Europe have been great successes in their respective territories through a mix of high quality series, show and sports events.

MEGA (Greece - Cyprus)



MEGA Channel, also known as **MEGA**, was the first TV station to be established in Greece when it launched in 1989. In 2009, MEGA turned 20 and organised what became the most successful online voting in ever in Greece. All MEGA's series and shows, actors, actresses and presenters, funny and unforgettable moments were set for voting for 4 months. Over 1.4 million people visited the home page www.megatv.com and cast their votes. **The Twenty** was the anniversary countdown show with the Top 20 results of the voting of each category.

MEGA Cosmos is the international network of MEGA Channel that broadcasts the 'best of MEGA' programming to Greeks abroad in the US, Africa, Asia, Australia and Canada.

- **Leading national TV channel**
- **Majority shareholder: Teletypos S.A**
- **Launched in 1989**
- **Managing Director: Elias E. Tsigas**
- **Audience Share 2009:**
 - 19.8% all-day (+1.5% vs. 2008),
 - 21% primetime (+1% vs. 2008)
- **2009 Revenues: €139.2 million**
- **Website: www.megatv.com**

Highlight



In 2009, the **top five positions** in the serials with the greatest viewership in primetime in the Greek television were broadcast by MEGA: *Etyxismenoi Mazi* (42.2%), *Polikatikia* (33.7%), *Xara Agnoeitai* (31.6%), *Paidiki Xara* (31.8%), *Lakis o Glykoulis* (30.8%). In the afternoon time zone, MEGA with the series *H Zoi tis Allis* and *Ta Mystika tis Edem* had the greatest viewership rate for the last 16 years (37%). Also, in 2009 MEGA broadcast a football match with the greatest viewership rate in TV, Israel - Greece for the preliminary game of the **FIFA World Cup** in South Africa in 2010, with viewership rate of 2.24 million viewers and rate of 46.5%. As far as news bulletin is concerned, the main **news bulletin** of MEGA had the highest difference from all other TV stations since 1992, with a market share of 24.3%.

Turkey



- 18.015 million TV households in total
- All channels to be simulcast in analogue and digital by 2014, with analogue switch-off to follow when 80% of homes are digital
- Analogue terrestrial TV penetration: 45% of TV households
- DTH penetration: 10 million TV households
- Average daily viewing time: 225 minutes - aged 20+ (2007)
- TV advertising gross revenues: €1.597 billion (2008)
- Share of all-day viewing by channel in 2008, aged 20+ (%):

| TRT1 | STAR | SHOW | KANAL D | ATV | FOX |
|------|------|------|---------|-----|-----|
| 3.5 | 8.5 | 11.9 | 14.2 | 8.6 | 6.9 |

Source: TV International, Informa Telecoms & Media / Television 2009, International Key Facts

Doğan Media Group (Turkey)



As one of the leading Turkish media corporations, **Doğan Yayın Holding** (DYH) is active in newspaper, magazine and book publishing, radio and television broadcasting and production, Internet, digital media, printing, distribution and new media businesses. DYH's broadcasting activities include the sector's leading television channels **Kanal D**, **Star TV**, **CNN Türk**; the radio channels **Radio D**, **Slow Türk Radyo** and **Radio Moda**; as well as the Group's digital platform **D-Smart**, which provides access to numerous thematic and pay-TV channels and all the channels on the Türksat satellite. Besides, DYH is active in television, film and advertising production via **D Productions**. **Kanal D Romania** figures among the top five in the Romanian television sector.

DTVH's flagship channel **Kanal D**, within **DYH**, reflects Turkey's vision with a modern, creative and innovative approach to television broadcasting. According to 2009 figures, Kanal D maintains its **leading position with 20% audience share in primetime**. **Star TV** is one of the leading national channels thanks to its high quality series and feature films, which outpace many other ambitious projects in terms of ratings. Star TV is also well-known for the **Star News Bulletin**, which leads the competition, Champions League matches and rich visual content.

- Leading national TV network
- Majority shareholder: Doğan Şirketler Grubu Holding A.Ş. (74.53%)
- Launched in 1993 (KanalD), 1991 (Start TV)
- CEO Doğan Yayın Holding: Mehmet Ali Yalçındağ
CEO Doğan TV Holding: İrfan Şahin
- Audience Share 2009, KanalD + StarTV: 23% all-day, 28.4% primetime
 - KanalD: 14.1%
 - Star TV: 8.6%
- 2009 DYH Revenue: TL2.435 billion / 2009 EBITDA: TL7 million
- Broadcasting Revenue: TL683 million / EBITDA : TL(163) million
- 12,429 full-time employees at Doğan Yayın Holding
- Website: www.dmg.com.tr; www.kanald.com.tr; www.startv.com.tr



Mehmet Ali Yalçındağ
CEO Doğan

Highlight



Doğan Media Holding started investments in its **digital platform D-Smart** in the second half of 2006 and it was introduced to the market in February 2007. D-Smart is made up of thematic channels, numerous domestic and foreign channels, radio, as well as all the national channels. It also has interactive features that offer immediate access to breaking news, stock exchange indexes and weather reports with a single click. **D-Smart**, the strong player of the digital TV broadcasting sector and **Smile ADSL**, providing Internet and value added services, a leader among alternative telecommunications operators, were **unified into a single organisation in January 2010**, in consideration of the new dynamics in the market and customers' needs. **D-Smart**, is also market leader in Full HDTV channels. **D Smart** broadcasts European football championships and HD versions of some top global broadcasters.

NTV

(Turkey)



As a news channel, **NTV** primarily broadcasts national and global news as well as documentaries and special programmes on economy, culture and arts, lifestyles and sports. In addition to its offices in Turkey, NTV follows up the latest global developments with its offices in Brussels and reporters in major cities all around the world: in Washington DC., Paris, Strasbourg, Berlin, Athens, Lefkosia, Baghdad and Tehran. It has also worldwide cooperation with Reuters, ENEX, APTN and the BBC.

The channel broadcasts terrestrially all over the country and is also available on cable and satellite. Viewers from Europe, Northern Africa, the Middle East and the Caucasus have access to NTV via digital satellite.

The quality of content and the impartiality of the editorial approach turned NTV into a prestigious brand which is today synonymous with 'reliable news'. In 2009, NTV won **38 awards**.

- **NTV is the first thematic channel in Turkey**
- **Owned by Doğuş Media Group since 1999**
- **Launched in 1996**
- **Chairman of the Executive Board: Cem Aydin**
- **2009 Revenues: TL182.688 million / 2009 EBITDA: TL(57.802 million)**
- **Website: www.ntvmsnbc.com**



Cem Aydin

Chairman of the Executive Board NTV

The **Doğuş Media Group** started its operations in 1999, prior to the acquisition of NTV. Since 1999, the Group has made significant progress: it has created and acquired new brands and is in cooperation with global brands and organisations, such as: *msnbc*, *CNBC*, *Conde Nast*, *NBA*, *Billboard*, *Virgin*, *National Geographic*, etc... The Doğuş Media Group operates at all branches of media from TV networks to Internet, from radio stations to publishing. Today, 28 brands operate under the Group.

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Abbreviations

| | |
|---------------|--|
| 3D | Three Dimensions |
| ACT | Association of Commercial Television in Europe |
| ADSL | Asymmetric Digital Subscriber Line |
| AVMS | Audiovisual Media Services Directive |
| BSkyB | British Sky Broadcasting |
| CME | Central European Media Entreprises |
| CSR | Corporate Social Responsibility |
| DTH | Direct-To-Home Satellite |
| DTT | Digital Terrestrial Television |
| DTV | Digital Television |
| DVB-H | Digital Video Broadcasting – Handheld |
| DSL TV | Digital Subscriber Line Television |
| EBITDA | Earnings Before Interest, Taxes, Depreciation and Amortisation |
| EU | European Union |
| FTA | Free-to-air |
| HDTV | High Definition Television |
| IPTV | Internet Protocol Television |
| MTG | Modern Times Group |
| MTVNI | Music Television Networks International |
| OTT TV | Over-the-top TV |
| PVR | Personal Video Recorder |
| TV | Television |
| TVWF | Television Without Frontiers-Directive |
| UGC | User-Generated-Content |
| UTECA | Spanish Association of Commercial Broadcasters |
| VAT | Value Added Tax |
| VMMa | Vlaamse Media Maatschaap |
| VOD | Video-On-Demand |

Notes

The ACT would like to thank our member companies for their great help in participating in this project.

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About the ACT

The Association of Commercial Television in Europe (ACT) is a trade association representing the interests of the commercial broadcasting sector in Europe. Formed in 1989, the ACT has twenty-nine member companies active in 34 European countries. Our members are operating several hundred free-to-air and pay-tv channels and distributing several hundred channels and new services. The ACT members encompass several business models ranging from free-to-air television broadcasters and pay-TV players to digital platform operators and multimedia groups. By offering a wide range of choice and variety to the viewer, commercial broadcasters are a leading source of entertainment and information to millions of European citizens.

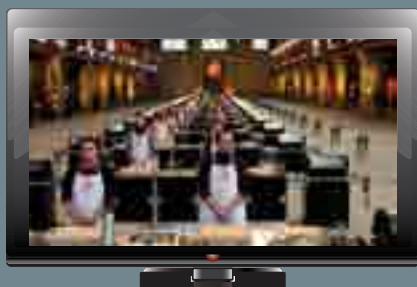
ACT Member Channels

(A) NATIONAL



(B) INTERNATIONAL





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