

MONTHLY REPORT

EXTRACT

In October 2007 the sale of TDT tuners reached 471,992 units, a new historical high pushed along by thoutstanding sales of television sets with integrated TDT, 225,792 set of equipment, which is 60% higher than the monthly average achieved by this product in 2007. The total television market has grown by 10% from January to October 2007 compared to the same period in 2006.

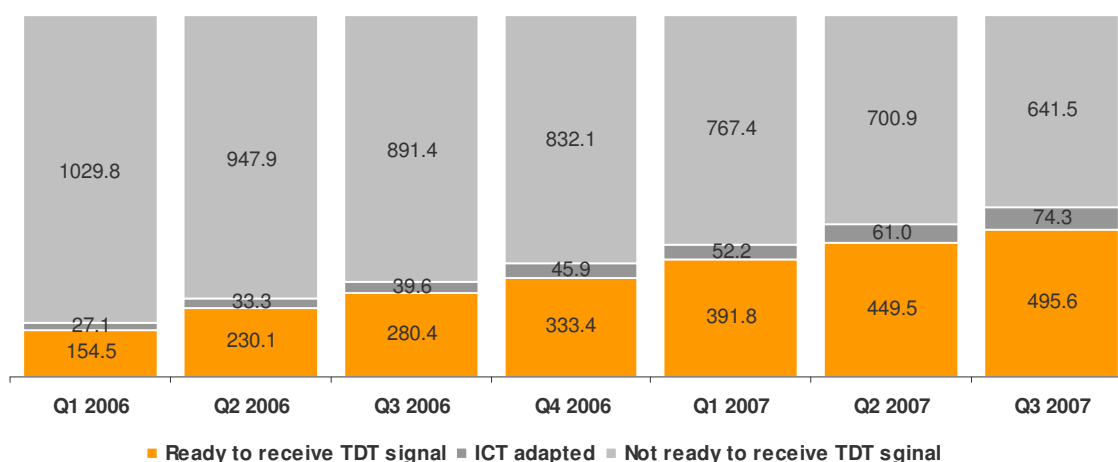
HIGHLIGHTS

- **569,831 buildings with 3 or more homes now have a collective aerial ready to receive TDT (figures up to September 2007).** This accounts for **47.0% of the universal total.**
- The number of TDT tuners purchased up to the month of October is 6,956,176 units. **A new historical high was reached in the month of October 2007 with sales of 471,992 units,** prompting the Impulsa TDT Observatory to estimate that by year-end the 8 million mark will be passed in set of equipment sold.
- **The driver for the previously stated growth continues to be the purchase of television sets with integrated TDT tuners,** whose sales continue to rise and exceeds sales of televisions sets without digital receivers, which now represents 61.8% of the total sale of televisions. This is a growth of 4.6 percentage points over the previous month. This growth is mainly a result of sales in electrical appliance stores. **Flat-screen television technology, aided by the implementation of new TDT technology, has resulted in a 10% increase in the total television market so far this year.**
- **The sale of external TDT decoders in the month of October rose 8.4% over the previous month,** which shows a continuation in the growing trend which was seen prior to this. The average cost has dropped to 44 euros. Large department stores are responsible for this fall in price.
- **TDT viewing has risen 7 tenths over the last month to reach 9%.** TDT has been watched by 4.5 million viewers, 300,000 more than the previous month, and the average daily viewing was 85 minutes (8 minutes more than in October).

BUILDINGS “READY” TO RECEIVE TDT

By September 2007, **569,831 buildings** already have a collective aerial ready to receive TDT, which accounts for **47.0%¹ of the universal total** of buildings with 3 or more homes.

Evolution of buildings “ready” to receive the TDT signal (thousands)



Source: Fenitel

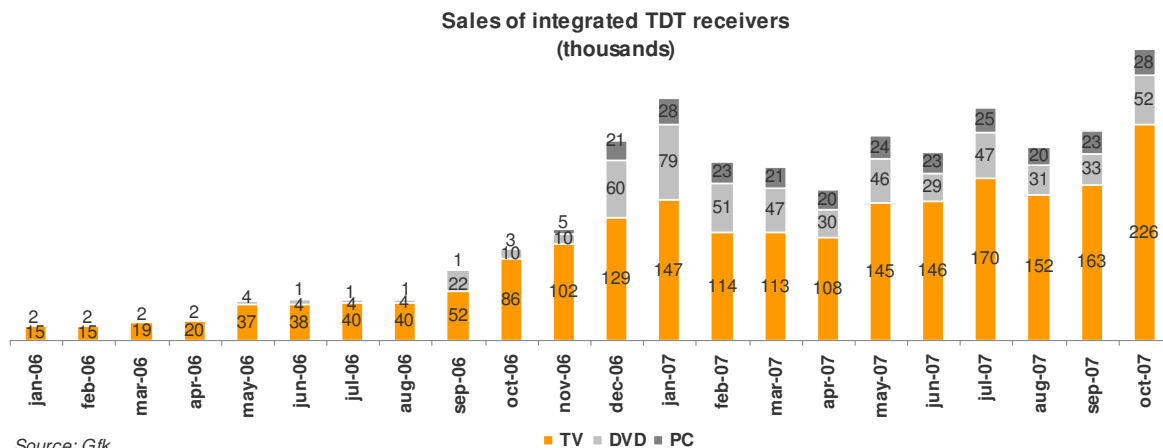
EVOLUTION OF TDT EQUIPMENT IN HOMES

Cumulative sales of TDT tuners up to the month of October reached 6,956,176 units.

In the last month studied, **October 2007**, sales even exceeded those experienced during the months of the last Christmas campaign (December and January with 450,000 and 469,000 units sold, respectively), achieving a **historical high in monthly sales**; 471,992 units.

¹ The number of buildings has been estimated at 1,211,375 counting those with 3 homes or more according to Censo de Población y Viviendas de 2001 (Population and Housing Census of 2001) for buildings prior to this date. For buildings constructed from 2002 until the end of 2006, the estimate of those whose construction is completed each year is by means of the Certificaciones de Fin de Obra (Completed works Certificate) and the Concesiones de Licencias de Obra Nueva (License Award for New Works) in accordance with the Ministerio de Fomento (Ministry of Advancement).

Integrated receivers are the driving force behind the growth of the total sales in 2007.



Television Sales With or Without TDT

Sales of television sets in October 2007 (366,000 units) have also seen an increase of 10% over sales during the same month in 2006 (333,000 units). Furthermore, **the purchase of TVs with TDT tuners continues to grow and has now overtaken sales of TVs without a digital receiver, which now represents 61.8% of total sales. The percentage of TVs with TDT has steadily risen each month since January 2006, the turning point being August 2007 when equipment with TDT overtook that of analogue.**

TDT External Decoder Sales

The total sales figure for external decoders rose 8.4% over the previous month. For the second month running the number of TDT external decoders which were sold has increased, consolidating a slight yet continuous growth of this typology of TDT tuners at the end of the year.

TDT AUDIENCES

In the month of November TDT audience share makes up 9.0% of total television consumption.

Among TDT users, the average number of minutes dedicated to daily TV viewing of this medium rose from 77 minutes “per capita” in October to 85 in November.

The average daily reach, in line with developments in the implementation of TDT, enjoys a notable increase, reaching 4.5 million people in November, 300,000 more than the previous month. Madrid still leads the ranking of communities of average daily reach, which now numbers the first million daily viewers.

CONCLUSIONS AND EVALUATIONS

The fact that on the 30th November 2007, 2 years had passed since the launch of TDT in Spain, and at a time when there are fewer than 850 days remaining until the definite end of analogue broadcasting (April 3rd 2010), Impulsa TDT Observatory states that the evolutionary process of TDT is very satisfactory based on the following global indicators which indicate that:

- Coverage has increased from 80.45% to 85.38% of the Spanish population in 2007.
- The number of buildings ready to receive TDT has grown 50%, 379,000 in the fourth quarter of 2006 to 570,000 in the third quarter of 2007.

- 3.6 million **TDT tuners** have been sold in the first ten months of the year, passing the 3.4 million ones which were sold up to December 2006. Furthermore, there is an important growing trend in the number of TDT set of equipment sold over the past months. Specifically, this last month of October has broken all records with 471,000 digital terrestrial television receivers. And this trend is expected to continue in upcoming months.
- In December 2006 only 32.5% of **televisions which were sold were equipped to receive TDT**. However, in October 2007 the figure now reaches 61.8% (and in the case of flat-screen TVs the figure is 75%).
- **Penetration** of new TDT technology now reaches one out of every four Spanish homes, a figure which will be confirmed when new data is received in the middle of the month of December with the Third Wave of the EGM.
- **Audience share** now reaches 9%, 5 points higher than the figure for December and has enjoyed a significant increase over the last three months.
- **Average daily reach of TDT** has doubled and already comes to 4.5 million viewers when the figure in December 2006 was 2.1 million.
- **Digital Terrestrial Television viewing** continues to grow more and more for each person who has access to TDT in their homes. The recorded number of TDT daily viewing has jumped from 68 minutes in December to 85 minutes (+25%).

Impulsa TDT considers these results as a new and very positive starting point from which growth must continue and at the same time does not wish to stop encouraging Property Administrators and Community Neighbourhood Presidents to keep up the fine work of adapting community aerials which are still not ready to receive the TDT signal, and consumers that purchase equipment to tune into TDT in all household televisions this Christmas. In addition, they are encouraged to enjoy the large number of channels that TDT offers with the added advantage of enjoying much better quality in both image and sound than the traditional analogue television.

Document compiled with data from Mityc, Fenitel, Gfk and Sofres;

And with the collaboration of Doxa Consulting and Corporación Multimedia