

CONSOLIDATED FINANCIAL STATEMENTS
DIRECTORS' REPORT

Vocento, S.A. and Subsidiaries

Independent Auditors' Report

Consolidated Financial Statements for the Year Ended
31 December 2006 and Directors' Report

Translation of a report originally issued in Spanish based on our work performed in accordance with generally accepted auditing standards in Spain and of consolidated financial statements originally issued in Spanish and prepared in accordance with IFRSs as adopted by the European Union (see Notes 2 and 41). In the event of a discrepancy, the Spanish-language version prevails.

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AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of
Vocento, S.A.:

1. We have audited the consolidated financial statements of Vocento, S.A. and Subsidiaries composing the Vocento Group, comprising the consolidated balance sheet at 31 December 2006 and the related consolidated income statement, consolidated cash flow statement, consolidated statement of changes in equity and notes to the consolidated financial statements for the year then ended. The preparation of these consolidated financial statements is the responsibility of the directors of Vocento, S.A., as the Parent. Our responsibility is to express an opinion on the consolidated financial statements taken as a whole based on our audit work performed in accordance with generally accepted auditing standards, which require examination, by means of selective tests, of the evidence supporting the consolidated financial statements and evaluation of their presentation, of the accounting policies applied and of the estimates made.
2. As required by Spanish corporate and commercial law, for comparison purposes the Parent's directors present, in addition to the figures for 2006 for each item in the consolidated balance sheet, consolidated income statement, consolidated statement of changes in equity, consolidated cash flow statement and notes to the consolidated financial statements, the figures for 2005. Our opinion refers only to the consolidated financial statements for 2006. On 31 March 2006, we issued our auditors' report on the 2005 consolidated financial statements, in which we expressed an unqualified opinion.
3. In our opinion, the accompanying consolidated financial statements for 2006 present fairly, in all material respects, the consolidated equity and consolidated financial position of Vocento, S.A. and Subsidiaries composing the Vocento Group at 31 December 2006 and the consolidated results of their operations, the changes in the consolidated equity and their consolidated cash flows for the year then ended, and contain the required information, sufficient for their proper interpretation and comprehension, in conformity with International Financial Reporting Standards as adopted by the European Union applied on a basis consistent with that of the preceding year.
4. The accompanying consolidated directors' report for 2006 contains the explanations which the Parent's directors consider appropriate about the Group's situation, the evolution of its business and other matters, but is not an integral part of the consolidated financial statements. We have checked that the accounting information in the consolidated directors' report is consistent with that contained in the consolidated financial statements for 2006. Our work as auditors was confined to checking the consolidated directors' report with the aforementioned scope, and did not include a review of any information other than that drawn from the consolidated companies' accounting records.

DELOITTE, S.L.
Registered in B.O.A.C under no. S0692


Alberto Uribe Echevarría Abascal
1 March 2007

Translation of consolidated financial statements originally issued in Spanish and prepared in accordance with IFRSs as adopted by the European Union (see Notes 2 and 41). In the event of a discrepancy, the Spanish-language version prevails.

VOCENTO, S.A. AND SUBSIDIARIES

Consolidated balance sheets at 31 December de 2006 and 2005 (*) (Notes 1, 2, 3 and 4)

ASSETS	Thousands of Euros			EQUITY AND LIABILITIES	Thousands of Euros		
	Note	2006	2005		Note	2006	2005
NON-CURRENT ASSETS:				EQUITY:	15		
Intangible assets		248,713	70,735	Of the Parent		518,535	545,990
Goodwill	7	132,742	55,717	Share capital		24,994	24,994
Other intangible assets	8	115,971	15,018	Reserves		493,165	426,124
Property, plant and equipment	9	217,934	197,348	Treasury shares		(32,189)	(9)
Property, plant and equipment in use		215,393	196,055	Net profit for the year		77,565	102,881
Property, plant and equipment in the course of construction		2,541	1,293	Interim dividend		(45,000)	(8,000)
Investments accounted for using the equity method	10	111,833	138,045	Of minority interests		89,701	61,534
Financial assets		17,212	8,398			608,236	607,524
Non-current investment securities	11-a	15,951	6,339				
Other non-current financial assets	11-b	1,261	2,059	NON-CURRENT LIABILITIES:			
Other non-current receivables		72	240	Deferred income	19	2,617	3,273
Deferred tax assets	21	82,025	56,937	Provisions	16	33,285	30,297
		677,789	471,703	Bank borrowings	18	43,507	51,973
				Other non-current payables	20	41,153	51,858
				Deferred tax liabilities	21	45,120	17,192
						165,682	154,593
CURRENT ASSETS:				CURRENT LIABILITIES:			
Inventories	12	26,852	24,025	Bank borrowings	18	10,749	7,807
Trade and other receivables	13	217,039	154,857	Trade and other payables	17	238,398	165,211
Tax receivables	22	15,891	18,573	Tax payables	22	29,236	21,522
Cash and cash equivalents	14	114,730	287,499			278,383	194,540
		374,512	484,954				
TOTAL ASSETS		1,052,301	956,657	TOTAL EQUITY AND LIABILITIES		1,052,301	956,657

(*) The consolidated balance sheet for 2005 is presented for information purposes only.

The accompanying Notes 1 to 41 and the Appendix are an integral part of the consolidated balance sheet at 31 December 2006.

Translation of consolidated financial statements originally issued in Spanish and prepared in accordance with IFRSs, as adopted by the European Union (see Notes 2 and 41). In the event of a discrepancy, the Spanish-language version prevails.

VOCENTO, S.A. AND SUBSIDIARIES

Consolidated income statements for the years ended
31 December 2006 and 2005 (*) (Notes 1, 2, 3 and 5)

	Note	Thousands of Euros	
		2006	2005
Revenue	24	868,928	791,869
Group work on intangible assets		585	572
Other income		2,985	2,013
		872,498	794,454
Procurements	25	(163,627)	(161,810)
Changes in operating allowances and other		2,434	3,611
Staff costs	26	(251,932)	(216,655)
Outside services	27	(352,833)	(310,409)
Depreciation and amortisation charge	8 and 9	(41,604)	(28,154)
PROFIT FROM OPERATIONS		64,936	81,037
Write-down of goodwill	7	(6,749)	(362)
Impairment losses on other intangible assets recognised/reversed	8	149	206
Results of companies accounted for using the equity method	10	42,420	40,447
Finance income	28	9,053	10,583
Finance costs	29	(6,990)	(8,110)
Net gain on disposal of non-current assets	30	1,660	19,393
Other income and expenses	31	(11,960)	-
PROFIT BEFORE TAX		92,519	143,194
Income tax	21	(9,952)	(28,965)
NET PROFIT FOR THE YEAR		82,567	114,229
Minority interests	15	(5,002)	(11,348)
NET PROFIT ATTRIBUTABLE TO THE PARENT		77,565	102,881
EARNINGS PER SHARE IN EUROS	33	0.63	0.82

(*) The consolidated income statement for 2005 is presented for information purposes only.

The accompanying Notes 1 to 41 and the Appendix are an integral part of the consolidated income statement for the year ended 31 December 2006.

Translation of consolidated financial statements originally issued in Spanish and prepared in accordance with IFRSs as adopted by the European Union (see Notes 2 and 41). In the event of a discrepancy, the Spanish-language version prevails.

VOCENTO, S.A. AND SUBSIDIARIES

Consolidated cash flow statements for the years ended 31 December 2006 and 2005 (*)

	Notes	Thousands of Euros	
		2006	2005
Cash flows from operating activities:			
Profit for the year		77,565	102,881
Profit for the year attributable to minority interests		5,002	11,348
Adjustments for-			
Depreciation and amortisation charge	8 and 9	41,455	28,154
Write-down of goodwill	7	6,749	362
Change in provisions	16	5,665	(4,511)
Change in deferred income	19	(771)	(698)
Results of companies accounted for using the equity method	10	(42,420)	(40,447)
Finance costs	29	6,990	8,110
Finance income	28	(9,053)	(10,583)
Income tax	21	9,952	28,965
Gain on disposal of non-current assets	30	(1,660)	(19,393)
Cash flows from ordinary operating activities before changes in working capital:		99,474	104,188
(Increase)/Decrease in trade and other receivables	13	(24,756)	(35,421)
(Increase)/Decrease in inventories	12	(1,336)	(4,383)
Increase/(Decrease) in current operating liabilities	17	(31,430)	(12,647)
Income taxes paid		(12,939)	(8,524)
Net cash flows from operating activities (I)		29,013	43,213
Cash flows from investing activities:			
Investments in intangible assets	8	(10,374)	(6,828)
Investments in property, plant and equipment	9	(24,446)	(13,212)
Increase/(Decrease) in payables to tangible and intangible asset suppliers	17	1,800	-
Investments in subsidiaries and associates	7	(122,866)	(47,907)
Increase/(Decrease) in accounts payable due to acquisition of associates		2,975	-
Investments in financial assets		-	212
Proceeds from the disposal of property, plant and equipment and intangible assets		6,062	5,344
Proceeds from the disposal of financial assets		4,758	36,376
Interest received		8,726	9,780
Dividends received		39,631	27,204
Net cash flows from (used in) investing activities (II)		(93,734)	10,969
Cash flows from financing activities:			
Interest paid		(6,990)	(3,378)
Cash inflows (outflows) relating to non-current bank borrowings	18	(8,874)	29,553
Cash inflows (outflows) relating to current bank borrowings	18	(1,128)	3,163
Dividends paid		(64,874)	(30,852)
Cash outflows due to acquisition of treasury shares		(32,180)	-
Net cash flows from (used in) financing activities (III)		(114,046)	(1,514)
Net increase/decrease in cash and cash equivalents (I+II+III)		(178,767)	52,668
Cash and cash equivalents contributed by the companies acquired		5,998	421
Cash and cash equivalents at beginning of year		287,499	234,410
Cash and cash equivalents at end of year		114,730	287,499

(*) The consolidated cash flow statement for 2005 is presented for information purposes only.

The accompanying Notes 1 to 41 and the Appendix are an integral part of the consolidated cash flow statement for the year ended 31 December 2006.

Translation of consolidated financial statements originally issued in Spanish and prepared in accordance with IFRSs as adopted by the European Union (see Notes 2 and 41).
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VOCENTO, S.A. AND SUBSIDIARIES

Consolidated statements of changes in equity for the years ended 31 December 2006 and 2005 (*)

	Thousands of Euros								
	Of the Parent							Of Minority Interests	Total Equity
	Share Capital	Legal Reserve of the Parent	Other Reserves of the Parent	Reserves at Consolidated Companies	Treasury Shares	Net Profit for the Year	Interim Dividend		
Balance at 1 January 2005	24,994	4,999	70,613	267,492	(9)	140,875	(25,000)	58,991	542,955
Distribution of 2004 profit	-	-	46,882	68,993	-	(140,875)	25,000	-	-
Dividends paid to minority interests	-	-	-	-	-	-	-	(8,852)	(8,852)
Final dividend	-	-	(14,000)	-	-	-	-	-	(14,000)
2005 interim dividend	-	-	-	-	-	-	(8,000)	-	(8,000)
Profit for the year	-	-	-	-	-	102,881	-	11,348	114,229
Business combinations	-	-	-	-	-	-	-	-	-
Transactions with minority interests	-	-	-	(18,706)	-	-	-	(210)	(18,916)
Other	-	-	-	(149)	-	-	-	257	108
Balance at 31 December 2005	24,994	4,999	103,495	317,630	(9)	102,881	(8,000)	61,534	607,524
Distribution of 2004 profit	-	-	32,427	62,454	-	(102,881)	8,000	-	-
Dividends paid to minority interests	-	-	-	-	-	-	-	(9,874)	(9,874)
Final dividend	-	-	(17,000)	-	-	-	-	-	(17,000)
2006 interim dividend	-	-	-	-	-	-	(45,000)	-	(45,000)
Income and expenses recognised in reserves	-	-	(460)	605	-	-	-	99	244
Profit for the year	-	-	-	-	-	77,565	-	5,002	82,567
Treasury share acquisitions	-	-	-	-	(32,180)	-	-	-	(32,180)
Business combinations	-	-	-	5,436	-	-	-	33,031	38,467
Transactions with minority interests	-	-	-	(16,831)	-	-	-	56	(16,775)
Other	-	-	-	410	-	-	-	(147)	263
Balance at 31 December 2006	24,994	4,999	118,462	369,704	(32,189)	77,565	(45,000)	89,701	608,236

(*) The consolidated statement of changes in equity for 2005 is presented for information purposes only.

The accompanying Notes 1 to 41 and the Appendix are an integral part of the consolidated statement of changes in equity for the year ended 31 December 2006.

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VOCENTO, S.A. and Subsidiaries

Notes to the consolidated financial statements
for the year ended 31 December 2006

1. Group activities

Vocento, S.A. was incorporated for an indefinite period of time on 28 June 1945. Its company objects per its bylaws are the publication, distribution and sale of unitary publications, whether periodical or otherwise, dealing with general, cultural, sports, artistic and any other information, the printing of such publications and the operation of printing workshops and, in general, any other activity related to the publishing and graphic arts industry; the setting-up, use and operation of radio and television stations and any other facilities for the broadcasting, production and promotion of audiovisual media, as well as the production, publishing and distribution of disks, cassettes, recorded tapes, films, programmes and any other devices or means of communication of any type; the ownership, acquisition, sale and performance of acts of administration and disposal by any means of shares, securities, and investments in companies engaging in any of the aforementioned activities, and, in general, in any other activity directly or indirectly related to the aforementioned activities which is not prohibited by the legislation currently in force.

All the activities making up the aforementioned company objects can be carried on both in Spain and abroad, and may be carried on, either totally or partially, indirectly through the ownership of shares or other equity interests in companies with identical or similar company objects (see Notes 10, 11 and the Appendix).

The shareholders at the Annual General Meeting held on 17 March 2001 resolved to change the Company's corporate name from Bilbao Editorial, S.A. to Grupo Correo de Comunicación, S.A.

On 26 November 2001, as a result of the merger by absorption of Prensa Española, S.A., the shareholders at an EGM resolved to change the Company's corporate name to Grupo Correo Prensa Española, S.A. Lastly, shareholders at the Annual General Meeting held on 29 May 2003 resolved to change the Company's corporate name to Vocento, S.A. ("the Parent").

The Parent's registered office is located in Madrid, at calle Juan Ignacio Luca de Tena, nº 7. The tax domicile is located at the Polígono Industrial de Torrelarragoiti, Barrio de San Martín, Zamudio, Vizcaya.

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

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

a) Accounting standards applied-

The Group's consolidated financial statements for 2006 were formally prepared by the directors of Vocento, S.A. in accordance with International Financial Reporting Standards ("IFRSs") as approved by the European Union, pursuant to Law 62/2003, of 30 December.

The Group's consolidated financial statements for 2005 were approved by the shareholders at the Annual General Meeting on 23 May 2006.

IFRSs permit certain alternative treatments in their application, which include most notably the following:

- i) Interests in joint ventures may be proportionally consolidated or accounted for using the equity method, using the same policy for all interests in joint ventures held by the Group.

The Group has opted to account for all the companies over which it exercises joint control with the other shareholders using the equity method.

- ii) Both intangible assets and the assets recognised under "Non-Current Assets - Property, Plant and Equipment" may be measured at market value or acquisition cost adjusted for any accumulated depreciation and any accumulated impairment losses.

The Group opted to recognise the aforementioned assets at adjusted acquisition cost.

- iii) Grants related to assets may be recognised by deducting from the carrying amount of an asset the amount of the grants related to assets received to acquire it or these grants may be presented as deferred income under liabilities on the balance sheet.

The Group opted for the latter.

- iv) It was decided not to reconstruct business combinations prior to 1 January 2004, by applying IFRS principles.

b) Changes in basis of segmentation -

In 2006 the Parent's directors modified the basis of segmentation as a result of the changes in the management information they receive (see Note 23), since its organisational units were adapted to changes in the markets.

For the purpose of being able to compare the information for 2006, the information for 2005 is presented in accordance with the new basis of segmentation.

c) Public offering-

On 23 May 2006, the Parent's directors resolved:

- To request admission to official listing of all the Company's shares on the Bilbao, Madrid, Barcelona and Valencia Stock Markets and on the continuous market (Spanish computerised trading system).
- To launch a public offering of the Group's shares.

The process was completed on 8 November 2006 with the admission to public listing of the Parent's shares.

The cost of the public offering amounted to approximately EUR 12,642 thousand. EUR 11,960 thousand of this amount is recognised under "Other Income and Expenses" in the consolidated income statement (see Note 31) and EUR 460 thousand is recognised under "Other Reserves of the Parent" in the accompanying consolidated balance sheet for 2006, net of the related tax effect.

"Other Income and Expenses" in the consolidated income statement also includes EUR 3,500 thousand relating to the discounted value of the annuity income granted to the Chairman as a result of the admission to listing of Vocento, S.A.'s shares (see Notes 4-j and 16).

d) Basis of consolidation-

The subsidiaries over which the Group exercises control were fully consolidated.

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

The jointly controlled entities managed by the Group jointly with other companies were accounted for using the equity method.

The companies not included in the preceding paragraph over which one or several Group companies exercise significant influence are accounted for using the equity method, except when they are classified as being held for sale.

Significant influence is deemed to exist when the power to participate in the financial and operating decisions of an investee is held. Significant influence is presumed to exist when an interest of at least 20% is held. However, the ownership interest in the Gestevisión Telecinco

Group, which at 31 December 2006 and 2005, was 13%, was accounted for using the equity method because there is a shareholders' agreement with the majority shareholder that affords the Group certain rights indicative of a lasting relationship that contributes to the activity of the associate and of a notable influence over management. Furthermore, in 2006 the Group acquired an ownership interest of 26.68% of the share capital of Maxi Press Comunicación, S.A. which, by virtue of the Shareholders' agreement with one of the shareholders that enables Vocento to exercise control, is fully consolidated (see Note 32).

The Appendix to the consolidated financial statements includes a detail of subsidiaries and associates.

The consolidation of the Group's operations was carried out in accordance with the following basic principles:

1. On acquisition, the assets, liabilities and contingent liabilities of a subsidiary are measured at their fair values. Any excess of the cost of acquisition of the subsidiary over the fair values of the aforementioned assets and liabilities relating to the Group's ownership interest in the subsidiary is recognised as goodwill.

Any deficiency of the cost of acquisition below the fair values of the assets and liabilities is recognised with a credit to the consolidated income statement.

The results of subsidiaries acquired or disposed of in the year are included in the consolidated financial statements from their effective date of acquisition or until the effective date of disposal.

2. Although goodwill arising on business combinations is not amortised, it is reviewed, at least once a year, in order to ascertain whether an impairment loss should be recognised.
3. Purchases and sales of minority interests in companies that are and continue to be subsidiaries both prior and subsequent to the purchase or sale are considered to be transactions between shareholders and, therefore, the payments made will be recognised in the Group's equity (see Note 15).

4. The result of accounting for ownership interests using the equity method (after eliminating results on intra-Group transactions) is reflected under the headings "Equity - Reserves" and "Results of Companies Accounted for Using the Equity Method" in the accompanying consolidated balance sheet and consolidated income statement, respectively. The equity method consists of initially recognising the investment at cost and subsequently adjusting it, based on the changes in the portion of the entity's net assets that corresponds to the investor, recognising in the investor's profit or loss the corresponding portion of the investee's result for the year.
5. The share of minority interests in the equity and in the profit or loss of fully consolidated subsidiaries is presented under the headings "Equity - Of Minority Interests" on the liability side of the accompanying consolidated balance sheet and "Minority Interests" in the accompanying consolidated income statement, respectively.
6. The financial statements of foreign entities were translated to euros by applying the year-end exchange method. Under this method, all the assets, rights and obligations are translated to euros using the exchange rates prevailing at the date of the consolidated financial statements, the average exchange rates for the year to the consolidated income statement items and the historical exchange rates at the date of acquisition (or the average exchange rate in the year of origin in the case of retained earnings to equity, provided that there are no significant transactions that make the use of the average exchange rates inappropriate).
7. All the balances and transactions between the fully consolidated companies were eliminated on consolidation.

e) *Changes in the scope of consolidation-*

The percentages of ownership of other companies at 31 December 2006 and 2005 were as follows:

Company	Percentage of direct and indirect ownership		Percentage of control (**)	
	31/12/06	31/12/05	31/12/06	31/12/05
Printed media-				
Prisma Publicaciones 2002, S.L.	-	32.74%	-	49.00%
Federico Doménech, S.A.	57.42%	36.42%	57.42%	36.42%
Taller de Editores, S.A.	76.04%	66.81%	76.04%	66.81%
Legal Informatic, S.L.	45.63%	-	60.00%	-
Gala Ediciones, S.L.	76.04%	33.41%	100.00%	50.00%
Audiovisual-				
Sociedad Gestora de Televisión Net TV, S.A.	53.22%	47.75%	70.27%	65.86%
La Verdad Radio y Televisión, S.L.	63.49%	59.80%	65.05%	61.26%
Tripictures, S.A.	56.67%	-	66.67%	-
Rioja Televisión, S.A.	46.04%	47.68%	78.14%	74.14%
Euro TV Poland, Sp. zo.o.	79.72%	-	100.00%	-
Hill Valley, S.L.	55.73%	-	69.91%	-
Las Provincias Televisión, S.A.	57.42%	36.42%	100.00%	(*)
Avista Televisión de Andalucía, S.L.	100.00%	-	100.00%	-
Proviradio, S.L.	57.42%	36.42%	100.00%	(*)
Radio Difusión Torre, S.A.	29.28%	18.57%	51.00%	(*)
Radio LP, S.L.U.	57.42%	36.42%	100.00%	(*)
Grupo Europroducciones, S.A.	85.00%	59.50%	100.00%	70.00%
Europroducciones TV, S.L.	79.72%	55.81%	93.79%	93.79%
Europroduzione, S.R.L.	79.73%	55.80%	100.00%	100.00%
Europroduções TV Portugal-Produções Audiovisuais, Lda.	79.68%	54.69%	100.00%	100.00%
IDD Publicidad, S.L.	84.29%	59.01%	99.17%	99.17%
Euroservice Servicios Técnicos de TV, S.L.	84.97%	59.48%	99.97%	99.97%
Euro Ficción, S.L.	84.58%	59.20%	100.00%	100.00%
Internet-				
Advernet, S.L.	69.07%	59.51%	69.07%	59.51%
Desarrollo de Clasificados, S.L.	100.00%	-	100.00%	-
Habitatsoft, S.L.	60.29%	-	60.29%	-
Valenciana Ed. Interactiva, S.L.	57.42%	36.42%	100.00%	(*)
Infoempleo, S.L.	51.00%	-	51.00%	-
Maxi Press Comunicación, S.A.	26.68%	-	26.68%	-
Unión Operativa de Autos, S.L.	40.80%	-	80.00%	-
Holding de Portales de Motor, S.L.	51.00%	-	51.00%	-
ABC Sevilla Digital, S.L.	99.99%	-	100.00%	-
Other businesses-				
Printolid, S.L.U.	100.00%	-	100.00%	-
Rotodomenech, S.L.	57.42%	36.42%	100.00%	(*)
Fiesta Alegre, S.L.	57.42%	36.42%	100.00%	(*)
Cableedición, S.L.	40.19%	25.49%	70.00%	(*)
555 Unimedia, S.L.	57.42%	36.42%	100.00%	(*)
Fundación Colección ABC	99.99%	-	100.00%	-
Guadalprint Impresión, S.L.	65.00%	-	100.00%	-
Structure-				
Comercializadora de Medios LP Multimedia, S.L.U.	57.42%	36.42%	100.00%	(*)

(*) Subsidiary of a Parent over which control is not exercised

(**) This percentage refers to the direct percentage held by the company of which it is a subsidiary

3. Applicable legislation

Television

The Law accompanying the 2003 Budget Law established that natural or legal persons that own, directly or indirectly, 5% or more of the share capital or voting power of a public television service concession operator may not hold significant ownership interests in any other public television service concession operator that has the same range of coverage within the same franchise area. The Group holds significant ownership interests in Gestevisión Telecinco, S.A. (see Note 10) and Sociedad Gestora de Televisión Net TV, S.A., both with national coverage, the former with an analogue TV licence and the latter with a digital terrestrial licence.

Law 10/2005, of 14 June, on urgent measures to foster digital terrestrial television amended the private television channel law, making it possible to own simultaneously investments in a concession holder that broadcasts an analogue signal and in another that uses exclusively digital broadcasting technology, until the so-called “analog switch off”, which means that until then the Group is not in a situation of legal incompatibility due to its ownership interests in Telecinco and NET TV.

The local television broadcasting activities carried on by certain Group companies are regulated by Law 41/1995, of 22 December, on Local Television Broadcasting by Means of Terrestrial Waves and by General Telecommunications Law 32/2003, of 3 November. Pursuant to these Laws, the relevant concession must be obtained in order to provide local television services by means of terrestrial waves.

The procedures for reserving and assigning frequencies have been established in Royal Decree 439/2004, of 12 March, which approved the Spanish National Technical Plan for local digital television, subsequently revised by Law 10/2005 on urgent measures to foster digital terrestrial television and Royal Decree 944/2005, of 29 June, which approved a new Technical Plan for digital terrestrial television. In any case, it is the Autonomous Community Governments which will implement, within the scope of their powers, the regulations that will provide for the procedures for the assignment of the Local Television Service, establishing the necessary requirements and formalities.

Of special note is the fact that the local television channels that obtain the appropriate licence will be able to continue broadcasting using analogue technology until 31 December 2008, provided that these were subject to the single transitional provision of Law 41/1995, or, put another way, that they were broadcasting prior to 1 January 1995. The deadline for all the Autonomous Community Governments to hold calls for tender and award concessions for local digital television was 30 June 2006, which was not met by certain Autonomous Community Governments. However, the Central Government is empowered to change the date of 31 December 2008 on the basis of the stage of development and penetration of digital terrestrial television broadcasting technology.

At the date of preparation of these consolidated financial statements, a tender was called to award concessions for local digital terrestrial television in all the Autonomous Communities except Castilla y León and Castilla-La Mancha, and a decision is yet to be taken in Cantabria, the Basque Country, the Canary Islands, Andalucía and Extremadura.

Vocento is present in the world of Digital Terrestrial Television (DTT) on an autonomous (A) or local (L) scale in: Madrid (A), Comunidad Valenciana (A), Murcia (A), La Rioja (A), Barcelona (L), Gijón (L), Oviedo (L), Avilés (L) and Torrent (L) (the latter is currently being sold in order to comply with Private Television Law).

Radio

To identify the legislation applicable to radio broadcasting, a distinction must be drawn between the basic legislation applicable to both digital and analogue radio and the specific regulations governing digital and analogue radio broadcasting.

1. Basic legislation common to digital and analogue radio:
 - a) Articles 25, 26, 36.2 and the Additional Provision Six of Telecommunications Law 31/1987, of 18 December 1987.
 - b) General Telecommunications Law 32/2003, of 3 November.

Basic legislation applicable to analogue and digital radio, i.e. the Spanish National Technical Plans:

- a) Royal-Decree 169/1989, of 10 February, approving the Spanish National Technical Plan for FM radio broadcasting.
 - b) Royal-Decree 1388/1997, of 5 September, approving an increase in frequencies for indirect management of radio stations, within the Spanish National Technical Plan for FM radio broadcasting.
 - c) Royal-Decree 964/2006, of 1 September, on the Spanish National Technical Plan for VHF radio broadcasting.
 - d) Royal-Decree 1287/1999, of 23 July, regulating the Spanish National Technical Plan for digital terrestrial radio broadcasting.
2. Specific analogue radio legislation: the various Autonomous Community Government Decrees regulating the concession system for the FM radio broadcasting public service.
 3. Specific digital radio legislation: Order of 23 July 1999 regulating the Technical Regulations for the provision of digital terrestrial radio broadcasting services and the Additional Provision Forty-four of Law 66/1997, of 30 December, on Tax, Administrative, Labour and Social Security Measures.

The Group holds two national digital radio licences through E-Media Punto Radio, S.A.U. and Corporación de Medios Radiofónicos Digitales, S.A., with and without local connections respectively, for which it submitted guarantees securing the fulfilment of certain obligations (see Note 38). Given the scant development of the technology, the directors consider that certain risks exist in relation to the obligations assumed and, therefore, the Group has recorded a provision of EUR 4,858 thousand in this connection (see Note 16).

Also, certain Group companies hold various analogue radio broadcasting licences. These licences are used to broadcast the programmes of the Group's radio station under the trade name of "Punto Radio". In order to broadcast in areas in which the Group does not hold the related licence, association agreements have been signed with licence holders in these areas.

4. Accounting policies

The principal accounting policies used in preparing the consolidated financial statements were as follows:

a) Goodwill-

Goodwill arising on consolidation represents the difference between the price paid in acquiring the fully consolidated subsidiaries and the portion corresponding to the Group's share of the market value of the items making up the net assets of those companies at the date of acquisition. If the acquisition cost is subject to future variables, the changes in these variables modify goodwill. Goodwill arising in the acquisition of companies with a functional currency other than the euro is translated to euros at the exchange rates prevailing at the date of the consolidated balance sheet.

At the end of each reporting period, goodwill is reviewed for impairment (i.e. a reduction in its recoverable amount below its carrying amount) and impairment is written down with a charge to "Write-down of Goodwill" in the accompanying consolidated income statement (see Note 7).

b) Other intangible assets-

The measurement basis used for the various items making up "Non-Current Assets - Other Intangible Assets" in the accompanying consolidated balance sheet (see Note 8) and the related amortisation methods were as follows:

Intellectual property

Intellectual property assets are measured at the amounts actually paid for the acquisition of title to or the right to use trademarks, and they are amortised on a straight-line basis over their estimated useful lives.

Computer software

This account includes the cost of acquiring, installing and licensing the computer software acquired, which starts to be amortised over the estimated period of use when it comes into service.

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

The other intangible asset amortisation charge is recognised under "Depreciation and Amortisation Charge" in the accompanying consolidated income statement.

Film scripts and productions

- Film productions

The costs incurred by the Group in the making of audiovisual productions are recognised as intangible assets. They are measured at production cost, less, where appropriate, the non-refundable contributions of co-producers. Production overheads are recognised under "Other Intangible Assets - Film Productions in Progress" in the consolidated balance sheet with a credit to "Group Work on Intangible Assets" in the consolidated income statement.

The cost of finished productions is amortised on a straight-line basis over three years, since this is considered to be the approximate period over which they will generate revenue, from the time they are ready to generate economic benefits.

- Film scripts

This account includes the amounts capitalised, at acquisition cost, in connection with the expenditure on the analysis and development of new projects. The scripts can be acquired or generated internally. In the first case they are measured at cost of acquisition, and in the second they are measured as explained in the section "Internally Generated Intangible Assets - Research and Development Expenditure". In both cases they are amortised over their estimated useful lives.

Internally generated intangible assets - Research and development expenditure

Expenditure on research activities is recognised as an expense in the year in which it is incurred.

Development expenditure is recognised as an internally generated intangible asset only if the following conditions are met:

- the asset created can be identified;
- it is probable that the asset created will generate future economic benefits; and
- the development cost of the asset can be measured reliably.

Internally generated intangible assets are amortised over their useful lives. When no internally generated intangible asset can be recognised, development expenditure is recognised as an expense in the year in which it is incurred.

Film distribution rights

- Television distribution

These costs are recognised as intangible assets and are amortised when broadcasting begins, in accordance with the expected pattern of consumption of the future economic benefits from such rights.

- Cinema and DVD distribution

These costs are recognised under "Trade and Other Receivables – Other Accounts Receivable" (see Note 13), since the period over which they will produce revenue and, therefore, the period over which they will be allocated to expense is shorter than one year, and they are allocated to the consolidated income statement in accordance with the agreements signed with the producers.

c) *Property, plant and equipment-*

Property, plant and equipment are stated at cost, which includes, in addition to their purchase price, non-recoverable indirect taxes and any other costs related directly to the entry into service of the asset for its intended use.

In accordance with the exceptions permitted under IFRS 1, certain items acquired prior to 1 January 2004 are measured at cost revalued in accordance with the applicable legislation (see Note 9).

The costs of expansion, modernisation or improvements leading to increased productivity, capacity or efficiency or to a lengthening of the useful life of the assets, are capitalised.

Period upkeep and maintenance expenses are charged to the consolidated income statement.

The Group depreciates property, plant and equipment by the straight-line method at rates based on their estimated useful lives.

"Plant and Machinery" includes EUR 5,545 thousand relating to the historical and artistic heritage of Diario ABC, S.L., made up of its graphic and documentary archive and a collection of paintings and sketches by artists who contributed to the publications ABC and Blanco y Negro. In the opinion of the specialists consulted, this historical and artistic heritage has not suffered any effective impairment and, therefore, it is not depreciated. The fair value of this heritage is higher than the amount recognised in the consolidated balance sheet.

The property, plant and equipment depreciation charge for 2006 and 2005 is recognised under "Depreciation and Amortisation Charge" in the accompanying consolidated income statements.

d) *Impairment of assets-*

At each balance-sheet date, the Group reviews the carrying amounts of its non-current assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). For such purposes, in the case of an identifiable asset that itself does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment losses recognised for an asset in prior years are reversed when there is a change the estimates concerning its recoverable amount, increasing the value of the asset up to the limit of the carrying amount that the asset would have had no impairment loss been recognised

for the asset, except in the case of impairment losses recognised for goodwill, which must not be reversed in a subsequent period.

e) Finance leases-

The Group classifies as finance leases the leases which transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are recognised in the non-current asset category that corresponds to their nature and function. Each asset is depreciated over its useful life since the Group considers that there are no doubts that title to the assets will be acquired at the end of the finance lease term. They are measured at the lower of the leased asset's fair value and the present value of the future lease payments. "Property, Plant and Equipment" in the accompanying consolidated balance sheets at 31 December 2006 and 2005 include EUR 834 thousand and EUR 1,303 thousand, respectively, relating to assets held under finance leases.

The charges arising under operating lease agreements are charged to the consolidated income statement on an accrual basis over the life of the agreement.

f) Inventories-

Inventories, mainly paper for printing the related newspapers, are stated at the lower of FIFO and net realisable value. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase.

The rebates recognised in profit or loss are classified under "Change in Operating Allowances and Other" in the accompanying consolidated income statement.

g) Financial instruments-

Financial assets

Financial assets are initially recognised at acquisition cost, including transaction costs.

The Group classifies its financial assets, whether current or non-current, in the following four categories:

- Held-for-trading financial assets. These assets meet any of the following conditions:
 - The Group expects to obtain a profit from short-term fluctuations in their prices.
 - They have been included in this category of assets since their initial recognition, provided that they are either listed on an active market or their fair value can be estimated reliably.

The financial assets included in this category are measured in the consolidated balance sheet at fair value and changes in fair value are recognised under "Finance Costs" and "Finance Income", as appropriate, in the consolidated income statement.

The Group includes in this category derivative financial instruments that do not qualify for hedge accounting, as established by IAS 39 - Financial Instruments.

At 31 December 2006 and 2005, the Group did not have any financial assets of this nature.

- Held-to-maturity investments. These are financial assets with fixed or determinable payments and fixed maturity that the Group has the positive intention to hold until the date of maturity. The assets included in this category are measured at amortised cost, and the interest income is recognised in profit or loss on the basis of the effective interest rate. The assets are also tested for impairment. The amortised cost is understood to be the initial cost minus principal repayments, plus or minus the cumulative amortisation of any difference between the initial amount and the maturity amount, and minus any reduction for impairment or uncollectibility. The effective interest rate is the discount rate that, at the date of acquisition of the asset, exactly matches the initial carrying amount of a financial instrument to all its estimated cash flows of all kinds through its residual life.

At 31 December 2006 and 2005, the Group did not have any financial assets of this nature.

- Loans and receivables. These are financial assets originated by the companies in exchange for supplying cash, goods or services directly to a debtor. The assets included in this category are also measured at amortised cost and are tested for impairment.

The Group analyses the solvency of its customers before extending credit to them. It also monitors trade receivables closely in order to identify collection problems, and reduces the carrying amount of the accounts to their recoverable amount in the event of doubtful debts.

- Available-for-sale financial assets. These are financial assets not classified in any of the aforementioned three categories, nearly all of which relate to equity investments. These investments are measured in the consolidated balance sheet at their fair value, which, in the case of unlisted companies, is obtained using alternative methods such as comparison with similar transactions or, if sufficient information is available, discounting the expected cash flows. Changes in fair value are recognised with a charge or a credit to "Equity - Reserves" in the consolidated balance sheet until the asset is disposed of, at which time the cumulative balance of this heading relating to the asset disposed of is recognised in full in the consolidated income statement.

Equity investments in unlisted companies whose market value cannot be reliably measured are measured at acquisition cost.

Group Management determines the most suitable classification for each asset on acquisition, which is reviewed at each year-end.

Cash and cash equivalents

This heading in the consolidated balance sheet includes cash, current accounts and other short-term, highly liquid investments that are not subject to any risk of changes in value.

Debentures, bonds and bank borrowings

Interest-bearing loans, debentures and similar liabilities are initially recognised for the proceeds received, net of direct issue costs, under "Bank Borrowings" in the consolidated balance sheet. Finance charges are recognised in the consolidated income statement on an accrual basis using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise. Also, payables under finance lease agreements are recognised at the present value of the lease payments under the same heading.

h) *Financial derivatives and hedge accounting-*

The financial derivatives held by Vocento relate to hedges aimed at mitigating the Group's exposure to foreign exchange risk.

They are initially recognised at cost of acquisition in the consolidated balance sheet and the necessary valuation adjustments are subsequently made to reflect their fair value at all times.

In the case of fair value hedges, changes in the fair value of the derivative financial instruments designated as hedges and the changes in the fair value of the hedged item caused by the risk hedged are recognised with a charge or credit, as appropriate, to the consolidated income statement, so that "Finance Income" and "Finance Costs" include simultaneously the income or expense from the hedged item and the hedging instrument, respectively.

The Group treated as fair value hedges the foreign exchange hedges relating to assets and liabilities recognised in the balance sheet. In this regard, at 31 December 2006 the Group had recognised a liability of EUR 756 thousand under "Bank Borrowings" (see Note 18) in the accompanying consolidated balance sheet, relating to the fair value of the foreign exchange hedge arranged to hedge certain accounts receivable in US dollars. The fair value of this liability at 31 December 2006 was EUR 11,057 thousand. The consolidated income statement for the year then ended includes an expense of EUR 146 thousand under "Finance Costs" (see Note 29) in this connection, due to changes in the fair value of this derivative since it was arranged by the Group.

i) *Current/Non-current assets and liabilities classification-*

In the accompanying consolidated balance sheet, assets and liabilities maturing within 12 months are classified as current items and those maturing within more than 12 months are classified as non-current items.

j) *Pension and similar obligations-*

At 31 December 2006, the Group had externalised all the pension obligations to employees, in accordance with Royal-Decree 1588/1999, of 15 October. The detail of these obligations, which are both defined benefit and defined contribution obligations, is as follows:

Defined benefit

The main defined benefit obligations assumed by the Group are to supplement retirement and/or death of spouse pensions for its employees.

These obligations are covered through insurance policies, in accordance with the related actuarial studies, performed on a case-by-case basis and using, among other assumptions, an assumed interest rate of between 3% and 4.5%, GRM/F - 95 and PERM/F2000P mortality tables and a long-term annual salary increase rate of approximately 3%.

Defined contribution

The detail of the main defined contribution obligations assumed by the Group is as follows:

- For the Group's executives, an annual fixed amount is to be contributed on the basis of previously defined categories. For each year the Group reserves the right to determine whether or not the relevant contributions will be made. This obligation is instrumented through an insurance policy.
- For certain Group employees, a percentage of the pensionable salary of each eligible employee is to be contributed to a pension plan. Employees hired after 9 May 2000 are subject to a two-year waiting period before they can decide whether or not to join the pension plan.

The net level premium reserves assigned to these obligations at 31 December 2006 and 2005, amounted to EUR 10,979 thousand and EUR 11,147 thousand, respectively, which, in the opinion of the Directors, are similar to the related insurance policy funds. The premiums paid in 2006 and 2005 for all these obligations amounted to EUR 2,721 thousand and EUR 2,569 thousand, respectively, and are recognised under "Staff Costs" in the accompanying consolidated income statements for 2006 and 2005 (see Note 26).

Other obligations

The collective labour agreements of certain Group companies establish the obligation to pay certain long-service bonuses to their employees on completion of 20, 30 and 40 years of service at the company. At 31 December 2006 and 2005, to cover the liability incurred in this connection, including the obligation to the Chairman of the Board of Directors as a result of the admission to listing of the Parent's shares (see Note 2-c), the Group recognised provisions, which were calculated based on actuarial criteria, using, among other assumptions, a discount rate of 2.25%, GRM/F95 mortality tables and a long-term salary growth rate of 3.5%, amounting to approximately EUR 9,062 thousand and EUR 4,708 thousand, respectively, under "Provisions" on the liability side of the accompanying balance sheet (see Note 16). The period provision to cover these obligations, except for the obligation to the Chairman as a result of the admission to listing of the Parent's shares (see Note 2-c), was recognised with a charge of EUR 394 thousand and EUR 301 thousand to "Staff Costs" in the accompanying consolidated income statements for 2006 and 2005, respectively (see Note 26).

k) Treasury shares-

At year-end the Group's treasury shares are recognised at acquisition cost and are deducted from "Equity - Treasury Shares" in the consolidated balance sheet.

As a result of the admission to listing of its shares, the Company acquired 11,910,127 treasury shares, with a view to launching a public offering at a price of EUR 14 per share, with the commitment to pay the difference between this price and that established for the minority tranche in the admission to listing. On completion of the public offering and corresponding settlement, Vocento held 2,224,675 shares, i.e. 1.78% of its share capital, with an acquisition cost of EUR 14.47 per share, once the definitive price became known (see Note 15). In accordance with the agreements entered into by Vocento and its offering shareholders regarding the non-transfer of shares, Vocento is required to hold these shares until at least 8 November 2007.

l) Other provisions-

A distinction is drawn between:

- Provisions: present obligations at the balance sheet date arising from past events which are uncertain as to their amount and/or timing.
- Contingent liabilities: possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more future events not wholly within the control of the consolidated companies; or possible obligations, whose occurrence is unlikely or whose amount cannot be reliably estimated.

The Group's consolidated financial statements include all the material provisions with respect to matters for which it is considered that it is more likely than not that the obligation will have to be settled and whose amount can be measured reliably. Contingent liabilities are not recognised in the consolidated financial statements but rather are disclosed, except for those which arise in business combinations (see Note 2-d)

Provisions, which are quantified on the basis of the best information available on the consequences of the event giving rise to them and are reviewed and adjusted at the end of each year, are used to cater for the specific obligations for which they were originally recognised. Provisions are fully or partially reversed when such obligations cease to exist or are reduced.

At 31 December 2006 and 2005, there were no unrecognised material contingent liabilities or provisions (see Note 16).

m) Grants-

The Group companies account for grants received as follows:

- Grants related to assets are measured at the amount granted and are recognised as deferred income and allocated to income in proportion to period depreciation of the assets financed by these grants (see Note 19).

- Grants related to income are recognised as income when they are granted.

In 2006 and 2005, the Group allocated to income EUR 2,985 thousand and EUR 2,013 thousand, respectively, with a credit to "Other Income" in the accompanying 2006 and 2005 consolidated income statements.

n) Revenue recognition-

Revenue from the sale of goods-

The principal goods sold by the Group are newspapers, magazines and promotional products, the revenue from which is measured at the fair value of the consideration received or receivable for the goods provided in the normal course of business, net of discounts, VAT and other taxes.

Sales of goods are recognised when substantially all the risks and rewards have been transferred.

Revenue from the sale of services-

The principal services provided by Vocento include the distribution of press and other products, the sale of advertising space, newspaper printing, Internet connection services or technical counselling on audiovisual productions. Revenue from the rendering of services is measured at the fair value of the consideration received or receivable for the services provided, net of discounts, VAT and other taxes.

Revenue from the assignment of film screening rights -

This revenue is recognised on a straight-line basis over the term of the assignment. Consequently, advances received on this revenue are recognised under "Trade and other payables" (see Note 17).

Revenue from television productions -

The Group recognises this revenue by reference to the stage of completion and the estimated end margin based on the selling price agreed on.

Revenue from box-office takings from film productions

Revenue from box-office takings from showing films in cinemas is recognised when the film starts to be commercially exploited as soon as the settlement document has been received from the distributor.

Interest income and dividend income -

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's carrying amount.

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

ñ) Expense recognition-

An expense is recognised in the income statement when there is a decrease in the future economic benefits related to a reduction of an asset, or an increase in a liability, which can be measured reliably. This means that an expense is recognised simultaneously to the recording of the increase in a liability or the reduction of an asset.

An expense is recognised immediately when a disbursement does not give rise to future economic benefits or when the requirements for recognition as an asset are not met.

Also, an expense is recognised when a liability is incurred and no asset is recognised, as in the case of a liability relating to a guarantee.

o) Volume rebates-

The Group companies grant volume rebates to their customers, mainly advertising agencies, on the basis of sales made and the related expenses are deferred and recognised on an accrual basis.

The accounts payable arising from the aforementioned volume rebates are recognised under "Current Liabilities - Trade and Other Payables" on the liability side of the accompanying consolidated balance sheet. The amount of the volume rebate to be offset against accounts receivable from the related advertising agencies is therefore deducted from the balance of "Current Assets - Trade and Other Receivables" in the accompanying consolidated balance sheet (see Note 13).

p) Income tax-

The income tax expense is recognised using the balance sheet liability method. This method consists of determining the deferred tax assets and liabilities on the basis of the differences between the carrying amounts of assets and liabilities and their tax base, using the tax rates that can objectively be expected to apply in the period when the asset is realised or the liability is settled. Deferred tax assets and liabilities arising from charges or credits made directly to equity accounts are also recognised with a charge or credit to equity.

The Group only recognises deferred tax assets if it is considered probable that there will be sufficient future taxable profits against which they can be utilised.

Double taxation and other tax credits and income tax relief deriving from economic events occurring in the year are deducted from the accrued income tax expense, unless there are doubts as to whether they will be realised.

q) Share-based payment-

On 5 September 2006, the shareholders at the Annual General Meeting resolved to approve an incentive plan, tied to the value of Vocento's shares, targeted at Vocento's executive directors,

senior executives and executives, who total 66. The plan consists of the establishment of a single variable remuneration payment in cash and tied to the performance of the share price over a period of three years from the date on which the Company's shares were admitted to listing and conditional upon the achievement of a given increase in the Group's EBITDA, with a cash amount corresponding to each management level.

The amount of the variable remuneration will be equal to the result of multiplying the number of reference shares corresponding to the executive, by the positive difference between the share flotation price and the share price three years later, adjusted by a factor which depends on the degree to which the EBITDA increase target is met.

The maximum number of reference shares will be 1,230,000 shares, of which a maximum of 60,000 reference shares can be allotted to the executive director.

The Group accrues for these future payments, on the basis of the valuation of the plan at 31 December each year, as a result of which EUR 49 thousand were charged to "Staff Costs" in the accompanying consolidated income statement.

To value this plan, the Black-Scholes valuation method, which is widely used in financial circles, was used to value the transactions, and the main assumptions used were as follows:

Principal Assumptions	31 December 2006
Plan exercise price	€15.00
Price at quarterly closing	€14.70
Risk-free interest rate	3.87%
Volatility	18.00%
Estimated dividend rate	3.00%
Staff rotation	3.00%
Probability of meeting the EBITDA target	100.00%

r) Termination benefits-

Under current labour legislation, the consolidated companies are required to pay termination benefits to employees terminated under certain conditions.

In 2006 Vocento recognised termination benefits and other costs amounting to EUR 2,053 thousand with a charge to "Staff Costs" in the accompanying consolidated income statement for 2006 in relation to termination benefits agreed on with the former assistants to the Chairman's office (see Notes 26, 35 and 36) and the managing editor, respectively.

The directors do not anticipate any significant future terminations, and, accordingly, the accompanying consolidated balance sheet at 31 December 2006 does not include any provision in this connection.

s) Earnings per share-

Basic earnings per share are calculated by dividing net profit or loss by the weighted average number of ordinary shares outstanding during the year, excluding the average number of shares of Vocento, S.A. held by the Group.

Diluted earnings per share are calculated by dividing net profit or loss by the weighted average number of ordinary shares outstanding during the year, adjusted by the weighted average number of ordinary shares that would have been outstanding assuming the conversion of all the potential ordinary shares into ordinary shares of the Company. For these purposes, it is considered that the shares are converted at the beginning of the year or at the date of issue of the potential ordinary shares, if the latter were issued during the current period.

In the case of the Group's consolidated financial statements for the year ended 31 December 2006, basic earnings per share coincided with diluted earnings per share; since there were no potential dilutive shares outstanding in the year (see Note 33).

t) Dividends-

The interim dividend approved by the Board of Directors in 2006 is deducted from the Group's equity. However the final dividend proposed by the Board of Directors of Vocento, S.A. for approval by the shareholders at the Annual General Meeting will not be deducted until it has been approved by the latter.

u) Foreign currency transactions

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

At each balance sheet date, monetary assets and liabilities denominated in foreign currencies are translated to euros at the rates prevailing on the balance sheet date. Any resulting gains or losses are recognised directly in the income statement.

On consolidation, the assets and liabilities of the Group's foreign operations are translated to euros at the exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly. Any translation differences arising are classified as equity. Such translation differences are recognised as income or as expenses in the year in which the operation is disposed of.

v) Consolidated cash flow statements-

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

- Cash flows: changes in "Current Assets - Cash and Cash Equivalents".

- Operating activities: the principal revenue-producing activities of the Company and other activities that are not investing or financing activities, including income and other taxes.
- Investing activities: the acquisition and disposal of long-term assets and other investments not included in cash and cash equivalents.
- Financing activities: activities that result in changes in the size and composition of the equity and borrowings of the Company that are not operating activities.

5. Use of estimates

In the Group's consolidated financial statements for 2006 estimates were occasionally made by management of the Group and of the consolidated companies, later ratified by the directors, in order to quantify certain of the assets, liabilities, income, expenses and obligations reported herein. These estimates relate basically to the following:

- The impairment losses on certain assets: the main risk of impairment of the Group's assets relate to goodwill acquired in business combinations (see Note 7).

At 31 December 2006 and 2005, the Group evaluated whether there was any indication that its assets had suffered an impairment loss, estimating, where appropriate, the recoverable amount of the asset in question, which is defined as the higher of the asset's market value less cost to sell and value in use. The cash flow projections used are based on reasonable and well-founded assumptions and on discount rates of between 8.20% and 11.00%, which represent management's best estimate and generally cover a period of five years, except for Internet businesses or businesses at the start-up phase for which longer periods are covered. A constant growth rate was used for subsequent years.

On the basis of the aforementioned calculations, impairment losses amounting to EUR 6,749 thousand and EUR 362 thousand were recognised for goodwill in 2006 and 2005, respectively (see Note 7).

- The assumptions used in the actuarial calculation of post-employment benefit liabilities and obligations (see Notes 4-j and 16)

At the end of each year, the Group estimates the actual actuarial provision required to meet obligations from restructuring plans, pensions and other similar obligations to employees. In preparing these estimates, the Group receives advice from independent actuaries.

- The useful life of the property, plant and equipment and other intangible assets (see Notes 8 and 9)

The years of estimated useful life generally applied were as follows:

	Years of Estimated Useful Life
Computer software	3-5
Buildings and other structures	20 - 33
Plant and machinery	7 - 10
Other items of property, plant and equipment	5 - 7

The Group depreciates/amortises certain items on the basis of the pattern in which the assets' future economic benefits are expected to be consumed, and, consequently, at the end of each year, it makes a new estimate, modifying the future depreciation/amortisation charge if necessary.

- Provisions (see Note 16).
- The Group uses the percentage of completion method to recognise revenue from television productions. This requires a reliable estimate of the revenue from each contract, of the total costs to be incurred in completing the contract and of the stage of completion at the balance sheet date from the technical and economic standpoints.

Although these estimates were made on the basis of the best information available at 31 December 2006 on the events analysed, events that take place in the future might make it necessary to change these estimates (upwards or downwards) in coming years. Changes in accounting estimates would be applied prospectively in accordance with the requirements of IAS 8, recognising the effects of the change in estimates in the related consolidated income statements.

6. Risk management policy

The potential risks relating to the financial instruments used by the Group and the information thereon are set forth below:

- Foreign currency risk

Purchases of certain film production distribution rights made by the Group in US dollars can have an adverse impact on finance costs and profit for the year. The Group mitigates this risk through the use of derivatives.

Also, the Group has investments in Argentina through its ownership interest in CIMECO, the functional currency of which is the Argentinean peso and for which foreign exchange hedges have not been arranged because the risk is not considered to be material.

- Interest rate risk

Interest rate fluctuations change the fair value of assets and liabilities that bear interest at a fixed rate and the future cash flows from assets and liabilities tied to a floating interest rate.

The purpose of interest rate risk management is to achieve a balance in the structure of the borrowings that minimises the aforementioned risks and the cost of the borrowings.

The structure of the bank loans and credit facilities at 31 December 2006 and 2005, drawing a distinction between fixed and floating interest rate borrowings, is as follows:

	Thousands of Euros	
	2006	2005
Fixed interest rate	282	646
Floating interest rate	53,177	58,292
Total (see Note 18)	53,459	58,938

In addition, the detail of bank deposits is as follows:

	Thousands of Euros	
	2006 (*)	2005 (*)
Fixed interest rate	72,829	3,215
Floating interest rate	2,622	157,234
Total (see Note 14)	75,451	160,449

(*) Excluding interest.

At 31 December 2006 and 2005 the Group did not have any interest rate hedging instruments (see Note 18).

- Credit risk

In view of the business activities, the Group has balances with a very large number of customers (see Note 13). In addition to the analysis described in Note 4-g, certain Group companies also arrange credit insurance to reduce the risk of doubtful debts. Consequently, the directors consider that there is no risk of unrecognised material doubtful debts in relation to accounts receivable at 31 December 2006 and 2005.

- Liquidity risk

The Group's liquidity policy combines its cash surplus position with the arrangement of credit facilities based on its projected cash needs and the situation of the debt and capital markets.

7. Goodwill

The changes in "Goodwill" in the consolidated balance sheet in 2006 and 2005 were as follows:

	Thousands of Euros								
	Balance at 01/01/05	Additions (see Note 32)	Write-Downs	Balance at 31/12/05	Additions (see Note 32)	Write-Downs	Other (see Note 32)	Transfers (*)	Balance at 31/12/06
Printed media-									
Taller de Editores, S.A.	4,225	-	-	4,225	-	-	-	-	4,225
Legal Informatic, S.L.	-	-	-	-	1,407	-	-	-	1,407
Corporación de Medios de Murcia, S.A.	2,349	-	-	2,349	-	-	-	-	2,349
Corporación de Medios de Andalucía, S.A.	2,043	-	-	2,043	-	-	-	-	2,043
Corporación de Medios de Extremadura, S.A.	1,005	-	-	1,005	-	-	-	-	1,005
El Norte de Castilla, S.A.	1,964	-	-	1,964	-	-	-	-	1,964
Sociedad Vascongada de Publicaciones, S.A.	3,347	-	-	3,347	-	-	-	-	3,347
Federico Doménech, S.A.	-	-	-	-	31,519	-	-	18,278	49,797
Audiovisual-									
Radio Publi, S.L.	4,386	-	-	4,386	-	(2,220)	-	-	2,166
Grupo Europroducciones, S.A.	18,503	-	-	18,503	-	-	-	-	18,503
Moper Visión, S.L.U.	641	-	-	641	-	-	-	-	641
Pabellón de México, S.L.	1,174	-	-	1,174	-	(489)	-	-	685
Comunicaset, S.A.	-	693	-	693	323	(1,016)	-	-	-
Avista Televisió de Barcelona, S.L.	-	3,221	-	3,221	375	(2,900)	-	-	696
Radio Utrera La Voz de la Campiña, S.L.U.	625	-	-	625	-	(124)	-	-	501
BocaBoca Producciones, S.L.	-	9,892	-	9,892	-	-	(1,815)	-	8,077
Triptictures, S.A.	-	-	-	-	19,945	-	-	-	19,945
Teledonosti, S.L.	204	-	-	204	-	-	-	-	204
KTB – Kate Berria, S.L.U.	184	-	(158)	26	-	-	-	-	26
Canal Cultural Badajoz, S.L.	113	-	-	113	-	-	-	-	113
Radio Televisión Canal 8 DM, S.L.	183	-	-	183	-	-	-	-	183
Radio Difusión Torre, S.A.	-	-	-	-	303	-	-	-	303
Hill Valley, S.L.	-	-	-	-	43	-	-	-	43
Durango Telebista, S.L.	-	209	(204)	5	-	-	-	-	5
Internet-									
Habitatsoft, S.L.	-	-	-	-	1,597	-	-	-	1,597
Sarenet, S.A.	828	-	-	828	-	-	-	-	828
Infoempleo, S.L.	-	-	-	-	6,386	-	-	-	6,386
Maxi Press Comunicación, S.A.	-	-	-	-	2,214	-	-	-	2,214
Unión Operativa de Autos, S.L.	-	-	-	-	3,091	-	-	-	3,091
Other businesses-									
Sector MD, S.L.	131	-	-	131	-	-	-	-	131
Distribución de Prensa por Rutas, S.A.	159	-	-	159	-	-	-	-	159
Rotodomenech, S.L.	-	-	-	-	25	-	-	-	25
555 Unimedia, S.L.U.	-	-	-	-	83	-	-	-	83
Total, gross	42,064	14,015	(362)	55,717	67,311	(6,749)	(1,815)	18,278	132,742

(*) The transfer relates to the goodwill arising from the 36.42% ownership interest that the Group held in Federico Doménech, S.A., previously recognised as an addition to the value of the investment in accordance with the equity method of accounting.

8. Other intangible assets

The changes in "Other Intangible Assets" in the consolidated balance sheet in 2006 and 2005 were as follows:

	Thousands of Euros										
	Balance at 01/01/05	Change in the Scope of Consolidation (see Note 32)	Additions and Charge for the Year	Increase (Decrease) Due to Transfer	Disposals or Reductions	Balance at 31/12/05	Change in the Scope of Consolidation (see Note 32)	Additions and Charge for the Year	Increase (Decrease) Due to Transfer	Disposals or Reductions	Balance at 31/12/06
COST:											
Intellectual property	9,571	475	376	(401)	(204)	9,817	380	1,588	-	(1,722)	10,063
Computer software	27,671	6	3,180	66	(1,085)	29,838	2,154	2,979	399	(1,323)	34,047
Scripts and projects	271	1,598	378	756	-	3,003	-	286	-	-	3,289
Development expenditure	-	-	-	-	-	-	2,922	35	-	-	2,957
Film production											
distribution rights	-	-	-	-	-	-	129,073	1,469	-	-	130,542
Film productions	3,865	22,838	259	3,002	(761)	29,203	-	103	889	(129)	30,066
Film productions in progress	667	2,881	1,047	(3,357)	-	1,238	-	-	(889)	-	349
Advances on intangible assets in progress	360	-	1,588	(66)	-	1,882	1,453	3,914	(399)	(868)	5,982
Total cost	42,405	27,798	6,828	-	(2,050)	74,981	135,982	10,374	-	(4,042)	217,295
ACCUMULATED AMORTISATION AND IMPAIRMENT LOSSES:											
Intellectual property	(7,641)	(458)	(907)	621	140	(8,245)	(258)	(1,001)	-	799	(8,705)
Computer software	(25,253)	(6)	(1,575)	-	1,079	(25,755)	(1,689)	(2,132)	-	909	(28,667)
Scripts and projects	-	(1,114)	(224)	(342)	-	(1,680)	-	(557)	-	-	(2,237)
Development expenditure	-	-	-	-	-	-	(2,421)	(142)	-	-	(2,563)
Film production											
distribution rights	-	-	-	-	-	-	(23,032)	(5,481)	-	-	(28,513)
Film productions	(2,217)	(18,821)	(1,538)	(672)	-	(23,248)	-	(6,510)	-	5	(29,753)
Recognition/Reversal of impairment losses on other intangible assets	(514)	(621)	206	(354)	248	(1,035)	-	149	-	-	(886)
Total accumulated amortisation and impairment losses	(35,625)	(21,020)	(4,038)	(747)	1,467	(59,963)	(27,400)	(15,674)	-	1,713	(101,324)
Total net cost	6,780	6,778	2,790	(747)	(583)	15,018	108,582	(5,300)	-	(2,329)	115,971

(*) The fully amortised other intangible assets in use at 31 December 2006 amounted to EUR 50,875 thousand (2005: EUR 43,822 thousand).

9. Property, plant and equipment

The changes in "Property, Plant and Equipment" in the consolidated balance sheet in 2006 and 2005 were as follows:

	Thousands of Euros										
	Balance at 01/01/05	Change in the Scope of Consolidation (see Note 32)	Additions and Charge for the Year	Increase (Decrease) Due to Transfer	Disposals or Reductions	Balance at 31/12/05	Change in the Scope of Consolidation (see Note 32)	Additions and Charge for the Year	Increase (Decrease) Due to Transfer	Disposals or Reductions	Balance at 31/12/06
COST:											
Land, buildings and other structures	118,292	567	-	120	(1,818)	117,161	23,084	7,214	-	(560)	146,899
Plant and machinery	236,236	835	4,335	888	(4,716)	237,578	14,622	5,823	310	(368)	257,965
Other items of property, plant and equipment	100,865	1,678	7,616	(443)	(6,703)	103,013	9,613	9,515	6	(3,027)	119,120
Advances and property, plant and equipment in the course of construction	598	4	1,261	(565)	(5)	1,293	-	1,894	(316)	(330)	2,541
Total cost	455,991	3,084	13,212	-	(13,242)	459,045	47,319	24,446	-	(4,285)	526,525
ACCUMULATED DEPRECIATION:											
Buildings and other structures	(32,094)	(402)	(3,477)	404	1,113	(34,456)	(2,224)	(3,397)	-	184	(39,893)
Plant and machinery	(147,528)	(621)	(14,196)	(54)	4,623	(157,776)	(12,790)	(15,069)	-	123	(185,512)
Other items of property, plant and equipment	(68,265)	(965)	(6,237)	(578)	6,580	(69,465)	(7,369)	(7,315)	-	963	(83,186)
Total	(247,887)	(1,988)	(23,910)	(228)	12,316	(261,697)	(22,383)	(25,781)	-	1,270	(308,591)
Total net cost	208,104	1,096	(10,698)	(228)	(926)	197,348	24,936	(1,335)	-	(3,015)	217,934

(*) The advances at 31 December 2006 amounted to EUR 2,541 thousand (2005: EUR 1,293 thousand).

At 31 December 2006, the Company held various assets under finance leases which are classified on the basis of their nature. The information on the minimum lease payments at 31 December 2006 is as follows:

	Thousands of Euros
2007 (see Note 18)	128
2008 onwards	128
Total lease payments payable	256
Finance charges	9
Present value of lease payments (see Note 18)	247
	256

At 31 December 2006, the fully depreciated property, plant and equipment in use amounted to EUR 138,271 thousand (2005: EUR 118,773 thousand).

At 31 December 2006, the various Group companies did not have any material investment commitments except for those of the printing centres, amounting to approximately EUR 4,653 thousand.

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

10. Investments accounted for using the equity method

The changes in 2006 and 2005 in the carrying amounts of investments in Group companies accounted for using the equity method (see the Appendix to these notes to the consolidated financial statements) were as follows:

	Thousands of Euros										
	Balance at 01/01/05	Additions (Disposals) Including Changes in the Scope of Consolidation (see Note 32)	Inclusion of Profit or Loss for the Year	Dividends Received	Other Changes	Balance at 31/12/05	Additions (Disposals) Including Changes in the Scope of Consolidation (see Note 32)	Inclusion of Profit or Loss for the Year	Dividends Received	Other Changes	Balance at 31/12/06
Printed media-											
Federico Doménech, S.A.	27,815	-	1,750	1,324	-	28,241	(28,395)	154	-	-	-
Prisma Publicaciones 2002, S.L.	1,181	-	(15)	-	66	1,232	(1,210)	(22)	-	-	-
Gala Ediciones, S.L.	310	3,900	(3,497)	-	-	713	1,386	(2,099)	-	-	-
Milenio ABC, S.A. de C.V.	-	-	-	-	-	-	83	(289)	-	(135)	(341)
Audiovisual-											
Gestevisión Telecinco, S.A. and subsidiaries	71,053	-	37,743	(22,445)	-	86,351	-	40,852	(37,931)	(763)	88,509
Grupo Videomedia, S.A.	-	10,717	301	-	-	11,018	1,160	697	(133)	-	12,742
Producciones Antares Media, S.L.	720	-	(33)	-	-	687	-	(29)	-	-	658
Árbol Producciones, S.A. and subsidiaries	20,563	(20,462)	892	(997)	4	-	-	-	-	-	-
Bocaboca Producciones, S.L.	283	(426)	143	-	-	-	-	-	-	-	-
Other businesses-											
Distribuciones Papiro, S.L.	146	-	166	(156)	-	156	-	171	(103)	(160)	64
Cirpress, S.L.	116	-	172	(121)	-	167	-	186	(109)	-	244
Distrimedios, S.A.	2,016	-	834	(884)	-	1,966	-	818	(662)	-	2,122
Val Disme, S.L.	2,080	-	449	(474)	-	2,055	-	599	(366)	-	2,288
CIMECO	-	-	1,490	-	-	1,490	-	1,379	-	1	2,870
Localprint, S.L.	-	2,500	-	-	-	2,500	-	-	-	-	2,500
Rotok Industria Gráfica, S.A.	1,243	-	52	-	-	1,295	(1,295)	-	-	-	-
Victor Steinberg y Asoc., S.L.	-	215	-	-	-	215	-	3	-	-	218
Other investments	-	(41)	-	-	-	(41)	-	-	-	-	(41)
	127,526	(3,597)	40,447	(26,401)	70	138,045	(28,271)	42,420	(39,304)	(1,057)	111,833

The main transactions performed by the Group in relation to its investees were as follows:

2006

- In February the subsidiary Taller de Ediciones Corporativas, S.L.U. sold its entire ownership interest (49%) in the share capital of Prisma Publicaciones 2002, S.L. The sale amounted to EUR 1,641 thousand and, therefore, the Group recognised income of EUR 431 thousand under "Net Gain on Disposal of Non-Current Assets" in the accompanying consolidated income statement (see Note 30).
- In December the Group acquired the remaining 50% of Gala Ediciones S.L., which therefore started to be fully consolidated (see Note 32).
- In December the Group sold 25% of the shares of Rotok Industria Gráfica S.A. for EUR 2,313 thousand, as a result of which it recognised income of EUR 517 thousand under "Net Gain on Disposal of Non-Current Assets" in the accompanying consolidated income statement (see Note 30).

2005

- In June 2005 the Group sold its entire ownership interest (24%) in the share capital of Árbol Producciones, S.A. The sale amounted to EUR 36,001 thousand and, therefore, the Group recognised income of EUR 15,539 thousand under "Net Gain on Disposal of Non-Current Assets" in the accompanying consolidated income statement (see Note 30).
- In October 2005 the Group acquired 2,433 shares representing 30.01% of the share capital of Grupo Videomedia, S.A., the company heading the Videomedia Group, for EUR 10,717 thousand which, taking into account the market value at that date of the assets and liabilities of the aforementioned company, gave rise to goodwill amounting to approximately EUR 7,907 thousand. In accordance with the agreement for the acquisition of this ownership interest, in October 2007 the initial price paid for the ownership interest will be adjusted on the basis of the difference between the actual and estimated results for 2005 and 2006. Based on the directors' estimations, the Group recognised EUR 1,160 thousand as an addition to the value of the ownership interest. In addition, the aforementioned agreement contains a clause for the acquisition of a further 30.01% in October 2007. If the seller rejects the acquisition, it will have to repurchase the interest acquired by the Company in 2005. The directors consider that the Group will acquire the aforementioned percentage.

The detail of the main aggregates of the companies accounted for using the equity method is as follows:

	Thousands of Euros			
	Total Equity	Total Assets	Financial Debt	
			Gross	Net
ASSOCIATES:				
Printed media				
Milenio ABC, S.A de C.V. (1)	(5,127)	3,338	16	(57)
Audiovisual				
Gestevisión Telecinco, S.A. and subsidiaries	598,975	931,552	-	(399,184)
Producciones Antares Media, S.L.	457	548	-	(125)
Plato Chroma, S.A.	5	35	-	(2)
Grupo Productores Independientes, S.L. (*)	(205)	1,657	-	(265)
Grupo Videomedia, S.A.	154	239	-	(10)
Videomedia, S.A.	8,007	16,081	229	(2,882)
Imagen y Servicios, S.A.	416	1,220	65	(24)
Alia Ediciones, S.L.	94	94	-	(58)
Videomedia Portugal, LTDA.	201	418	50	52
Videomedia Italia, S.R.L.	15	651	429	315
Other businesses				
Local Print, S.L.	7,000	11,073	-	(403)
Distribuciones Papiro, S.L.	48	7,770	-	(438)
Cirpress, S.L.	936	4,931	749	188
Distrimedios, S.A.	1,136	17,919	3,166	44
Val Disme, S.L.	1,609	20,294	4,887	2,979
Victor Steinberg y Asociados, S.L.	501	3,239	412	199
Structure				
Corp. Inversora en Medios de Comunicación, S.A. (2)	168,109	248,503	19,911	11,744

(1) This information is presented in accordance with local accounting principles and in Mexican pesos.

(2) This information is presented in accordance with local accounting principles and in Argentine pesos (consolidated information).

(*) Data at October 2006.

11. Financial assets

a) Non-current investment securities

The carrying amount of the most representative investments in long-term investment securities at 31 December 2006 and 2005 is as follows:

Company	Thousands of Euros		% of Ownership at 31/12/06	% of Ownership at 31/12/05
	31/12/06	31/12/05		
Radio Popular, S.A. Cadena de Ondas Populares Españolas	-	1,051	-	1.80%
El Mundo Deportivo, S.A.	918	1,130	10%	10%
Televisión Castilla y León, S.A.	944	1,038	4.9 %	4.9 %
Val Telecomunicaciones, S.L.	12,883	2,231	8.82%	2.14 %
Other investments	1,206	889		
Total	15,951	6,339		

In 2006 the ownership interest in Val Telecomunicaciones, S.L. was increased by EUR 9,772 thousand due to the inclusion in the scope of consolidation of Federico Doménech, S.A. (see Note 32). In addition, since the directors did not have a reliable estimate of the fair value of the 2.14% ownership interest in this company held by the Group at 2005 year-end, a market transaction was carried out to determine this fair value. This gave rise to an increase in the value of EUR 1,084 thousand in the value of investment, which was credited to "Reserves" (EUR 605 thousand), "Minority Interests" (EUR 99 thousand) and "Deferred Tax Liabilities" (EUR 380 thousand).

Also, in December 2006 the Group sold its entire ownership interest in Radio Popular, S.A. Cadena de Onda Populares Españolas for EUR 2,772 thousand, of which EUR 1,721 thousand was credited to "Finance Income" (see Note 28) in the accompanying consolidated income statement for 2006.

b) Other non-current financial assets

The breakdown, by nature, of "Other Non-Current Financial Assets" in the consolidated balance sheets is as follows:

	Thousands of Euros	
	2006	2005
Long-term deposits and guarantees	1,261	2,059
Total	1,261	2,059

12. Inventories

The breakdown of "Inventories" in the accompanying consolidated balance sheets at 31 December 2006 and 2005 is as follows:

	Thousands of Euros	
	2006	2005
Raw materials	17,113	17,779
Other raw materials	746	524
Spare parts	2,875	2,856
Audiovisual programme rights	661	992
Merchandise and finished goods	3,458	851
Other inventories	1,282	779
Advances to suppliers	717	244
Total	26,852	24,025

At 31 December 2006 and 2005, there are no inventories provided as security for the payment of debts or in relation to any other obligations to third parties.

13. Trade and other receivables

The breakdown of "Current Assets - Trade and Other Receivables" in the accompanying consolidated balance sheets at 31 December 2006 and 2005 is as follows:

	Thousands of Euros	
	2006	2005
Trade receivables for sales and services	186,821	138,078
Notes receivable	5,060	8,758
Less- Sales volume rebates	(11,101)	(9,694)
Receivable from related parties see (Note 34)	8,994	8,308
Other receivables see (Note 4-b)	27,265	9,407
	217,039	154,857

All the aforementioned balances mature in less than 12 months and are interest-free. Therefore, their realisable value does not differ significantly from their carrying amount.

14. Cash and cash equivalents

The breakdown of "Current Assets - Cash and Cash Equivalents" in the accompanying consolidated balance sheets at 31 December 2006 and 2005 is as follows:

	Thousands of Euros	
	2006	2005
Other short-term loans	2,898	1,480
Short-term deposits	76,056	160,686
Cash	35,776	125,333
	114,730	287,499

This heading includes the Group's cash and short-term bank deposits with an initial maturity of three months or less. The bank accounts earn interest at market rates. There are no restrictions on the use of the balances.

The carrying amount of these assets approximates their fair value.

15. Equity

Share capital-

At 31 December 2006, the Parent's share capital amounted to EUR 24,994 thousand and consisted of 124,970,306 fully subscribed and paid shares of EUR 0.2 par value each. The Company's shares are traded on the Spanish continuous market and on the Bilbao, Madrid, Barcelona and Valencia Stock Exchanges.

Since Vocento's shares are represented by book entries, the exact ownership interest of the shareholders in the share capital is not known. However, on the basis of information in the public domain available to the Company, at 31 December 2006 the only shareholder with an ownership interest of 10% or more was Mezouna, S.A., which owns 10.382% of the share capital.

Reserves-

The detail of reserves at 31 December 2006 and 2005 is as follows:

	Thousands of Euros	
	2006	2005
Reserves of the Parent	123,461	108,494
Share premium	9,516	9,516
Legal reserve	4,999	4,999
Reserve for treasury shares	9,211	9
Voluntary reserves	99,735	93,970
Reserves of consolidated companies	369,704	317,630
Reserves of companies accounted for using the equity method	443,962	412,827
Reserves at fully consolidated companies	(74,258)	(95,197)

Share premium

The Consolidated Spanish Companies Law expressly permits the use of the share premium account balance to increase capital and does not establish any specific restrictions as to its use.

Legal reserve

Under the Consolidated Spanish Companies Law, 10% of net profit for each year must be transferred to the legal reserve until the balance of this reserve reaches at least 20% of the share capital. The legal reserve can be used to increase capital provided that the remaining reserve balance does not fall below 10% of the increased share capital amount. Otherwise, until the legal reserve exceeds 20% of share capital, it can only be used to offset losses, provided that sufficient other reserves are not available for this purpose.

At 31 December 2006 and 2005, this reserve had reached the minimum level provided for in the aforementioned current legislation. At 31 December 2006, the restricted reserves amounted to EUR 82,589 thousand (2005: EUR 67,213 thousand).

Treasury shares-

The detail of the treasury shares and of the changes therein in 2006 is as follows:

	Thousands of Euros	Number of Shares
Balance at 31 December 2005	9	7,339
Acquisition of treasury shares	166,742	11,910,127
Reduction due to public offering	(135,720)	(9,692,791)
Adjustment of public offering price (see Note 4-k)	1,158	-
Balance at 31 December 2006	32,189	2,224,675

Pursuant to the Consolidated Spanish Companies Law, a restricted reserve has been recognised for an amount equal to the carrying amount of the treasury shares held. The balance of this reserve will become unrestricted when the circumstances that made it necessary to record it cease to exist.

Dividends-

On 29 June 2006, the Board of Directors of the Parent resolved to distribute an interim dividend of EUR 30,000 thousand. On 14 November 2006, it resolved to distribute a second interim dividend of EUR 15,000 thousand, which had not yet been paid at 31 December 2006 (see Note 17). The total amount of the interim dividends distributed is recognised under "Equity – Interim Dividend" on the liability side of the accompanying consolidated balance sheet at 31 December 2006.

On the aforementioned dates the Company was meeting the requirements of Article 194 of the Consolidated Spanish Companies Law for the distribution of dividends because it had sufficient unrestricted reserves with respect to the unamortised expenses referred to in that article.

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

	Thousands of Euros
	31/05/06
First Interim Dividend	
Profit before tax	45,650
Income tax	4,789
Distributable profit	50,439
Liquidity	
Cash	1,801
Current financial assets	108,237
Current account with Group companies	151,463
Liquidity available	261,501

Second Interim Dividend	Thousands of Euros
	30/09/06
Profit before tax	52,685
Income tax	10,210
Distributable profit	62,895
Liquidity	
Cash	1,273
Current financial assets	218,023
Current account with Group companies	221,082
Liquidity available	440,378

Equity of minority interests-

In addition to those described in Note 32, the main transactions in 2006 and 2005 that affected the equity of minority interests were as follows:

2006

- The inclusion of Federico Doménech, S.A. (see Note 32) in the scope of consolidation gave rise to the inclusion of an additional ownership interest of 16% in the subsidiary Taller de Editores, S.A. This gave rise to a reduction of EUR 2,352 thousand in minority interests relating to the underlying carrying amount of that 16% interest, and to a reduction of EUR 11,578 thousand in reserves.
- In June 2006 the Group acquired a further ownership interest of 30% of the share capital of Grupo Europroducciones, S.A. for EUR 10,956 thousand. The amount paid in excess of the underlying carrying amount of the investment acquired, which totalled EUR 5,253 thousand, was recognised with a charge to reserves.

2005

- In July 2005 the Group acquired an additional ownership interest of 11.77% of the share capital of Editorial Cantabria, S.A. for EUR 19,758 thousand. The amount paid in excess of the underlying carrying amount of the investment acquired, which totalled EUR 18,228 thousand, was recognised with a charge to reserves, and minority interests were reduced by EUR 1,530 thousand relating to the underlying carrying amount of the investment acquired.

Distribution of profit-

The distribution of the Group's net profit for 2006 that the Board of Directors will propose for approval by the shareholders at the Annual General Meeting is as follows:

	Thousands of Euros
Distributable profit: Profit for the year	78,825
Distribution of profit	
To voluntary reserves	20,652
Final dividend	13,173
Interim dividend	45,000

16. Provisions

The detail of "Provisions" in the accompanying consolidated balance sheets and of the changes therein in 2006 and 2005 is as follows:

	Thousands of Euros										
	Balance at 01/01/05	Changes in the Scope of Consolidation (see Note 32)	Charge for the Year	Reversals	Amounts Used	Balance at 31/12/05	Changes in the Scope of Consolidation (see Note 32)	Charge for the Year	Reversals	Amounts Used	Balance at 31/12/06
Provisions for pensions (see Note 4-j)	4,397	-	426	(115)	-	4,708	613	4,271	(416)	(114)	9,062
Write-down of CIMECO Corporación de Medios Radiofónicos Digitales, S.A. guarantees (see Notes 3 and 38)	969	-	-	-	-	969	-	-	(969)	-	-
Provisions for litigation and tax	4,335	-	584	-	(61)	4,858	-	-	-	-	4,858
Provisions for litigation relating to the publishing and audiovisual businesses	20,933	-	228	(5,173)	-	15,988	-	57	(2,005)	-	14,040
Other provisions	1,446	133	342	-	(11)	1,910	-	-	-	(563)	1,347
	2,595	-	1,713	(2,284)	(160)	1,864	145	3,084	(1,045)	(70)	3,978
	34,675	133	3,293	(7,572)	(232)	30,297	758	7,412	(4,435)	(747)	33,285

The Group makes an estimate of the value of the liabilities arising from litigation and similar claims. Although the Group considers that the cash outflows will take place in the next few years, it cannot predict when the litigation will end and, therefore, it does not make an estimate of the specific dates of the cash outflows and it considers that the effect of a potential discount to present value would not be material.

The directors consider that the provision for "Litigation Relating to the Publishing and Audiovisual Businesses" is sufficient to cover the risks of the litigation in progress at 31 December 2006 in this connection.

The detail of the main contingent liabilities is as follows:

1. Casterman Editeurs, S.A. against Diario ABC, S.L. and another party. Barcelona Court of First Instance no. 5. Claim for alleged infringement Casterman of intellectual property rights relating to the distribution of the books in the "Las Aventuras de Tintín" collection together with Diario ABC in summer 2003. The Court of First Instance ordered ABC and Juventud to jointly and severally pay EUR 699 thousand, against which an appeal was filed. The final liability of ABC is guaranteed by the supplier of the books, RBA and, therefore, the Group has not recognised any provision in this connection.
2. Audiovisual Sport S.L. against Prensa Malagueña, S.A. Supreme Court: claim for the infringement of intellectual property rights. This claim was partially upheld (EUR 14 thousand) although a decision has yet to be handed down on the cassation appeal whereby the complainant is claiming EUR 477 thousand. The Company considers that the appeal filed for the amount claimed is unlikely to be upheld and, consequently, no specific provision has been recognised in this connection.
3. José Javier Villar against Grupo Videomedia, S.A. Alcobendas Examining Court no. 4 (Madrid): complaint for the infringement of intellectual property rights against Vodafone and others, accessorially including Videomedia, S.A. Group. The Company considers that the complaint will be dismissed and, therefore, no provision has been made in this connection.
4. Gestora de Televisión NET TV, S.A. Supreme Court: appearance as a party in the appeal for judicial review filed at the Supreme Court by Infraestructuras y Gestión 2002, S.L. against the award of the second additional digital channels. This entity requested an injunctive stay on the related licences, which was refused in a court order of 18 July 2006. There is no evidence of any appeals having been filed against this decision.

The complainant argues that a call for tenders should have been held for the new radio spectrum licences, which were awarded to companies that already held state television concessions and, according to the complainant, this could have given rise to discrimination. The complainant also argues that there were formal defects (late filing of documentation, etc.). The Group considers that this appeal will not succeed.

5. Federico Doménech, S.A. Judicial Review Chamber of the Valencia High Court: the call for tenders for the award of local television channels was challenged by Federación Valenciana de Televisión. The appellant argues that the concession of radioelectric space associated with the concession for regional or local TDT is under the jurisdiction of the state rather than that of autonomous regions and, therefore, the calls for tender went

beyond the ambit of the administrative body against which the complaint was filed. Lastly, the complainant argued that there were formal defects. The Group considers that this appeal will not succeed.

6. Mundo Mágico Tours, S.A. against Prensa Malagueña, S.A. Málaga Criminal Court no. 9: Criminal complaint for false allegations of criminal conduct, requesting an indemnity of EUR 10,000 thousand. After a previous suspension, the trial was set for 1 December 2006. The Group considers that the complainant is unlikely to succeed, or at least not for the amount claimed and, consequently, no provision has been recognised in this connection.

17. Trade and other payables

The breakdown of "Trade and other Payables" in the accompanying consolidated balance sheets at 31 December 2006 and 2005 is as follows:

	Thousands of Euros	
	2006	2005
Trade payables-		
Payable to related parties (see Note 34)	1,671	3,033
Trade payables	141,217	66,979
Unreceived invoices	20,763	26,248
Trade notes payable to suppliers	6,406	7,156
Other payables and volume rebates	(1,228)	(2,168)
	168,829	101,248
Other current payables-		
Profit sharing of the Board of Directors of Vocento, S.A. (see Note 35)	2,606	2,441
Remuneration payable	19,835	21,862
Payable to suppliers of property, plant and equipment	4,486	2,686
Pension payments payable (see Note 20)	2,653	3,674
Group insurance payable (see Note 20)	4,767	4,767
Accrued expenses and deferred income	11,839	7,659
Interim dividend payable (see Note 15)	15,947	8,946
Other	7,436	11,928
	69,569	63,963
	238,398	165,211

18. Bank borrowings

The detail of the bank borrowings at 31 December 2006 and 2005 and the repayment schedules are as follows:

	Thousands of Euros						
	Balance at 31/12/05	Balance at 31/12/06	Maturities				
			Current		Non-Current		
			2007	2008	2009	2010 and Subsequent Years	Total Non- Current
Loans and credit facilities	58,938	53,459	10,071	24,479	9,045	9,864	43,388
Amounts payable under finance leases	735	247	128	77	38	4	119
Accrued interest payable	107	550	550	-	-	-	-
TOTAL	59,780	54,256	10,749	24,556	9,083	9,868	43,507

At 31 December 2006, the Group companies had drawn down approximately EUR 53,459 thousand against credit accounts granted by banks. The amount available at the balance sheet date was EUR 386,441 thousand.

The average annual interest rates for 2006 and 2005 on the loans and credit facilities and on the amounts payable under finance leases were EURIBOR plus the following spreads:

	2006	2005
Loans and credit facilities	0.6% - 0.35%	0.6% - 0.3%
Amounts payable under finance leases	2% - 0.6%	2% - 0.6%

The directors consider that because these loans were arranged under arm's length conditions, the market value of the loans does not differ significantly from their carrying amount. The sensitivity of the aforementioned market values to interest rate fluctuations is as follows:

	Thousands of Euros			
	Change in Interest Rates			
	2006		2005	
	+ 0.25%	- 0.25%	+ 0.25%	- 0.25%
Change in the value of the borrowings	(272)	274	(264)	266

19. Deferred income

The changes in "Deferred Income" on the liability side of the consolidated balance sheets at 31 December 2006 and 2005 were as follows:

	Thousands of Euros
	Grants Related to Assets
Balance at 1 January 2005	3,971
Additions	21
Amount taken to income	(719)
Balance at 31 December 2005	3,273
Additions	115
Amount taken to income	(771)
Balance at 31 December 2006	2,617

In addition, in 2006 the Group took EUR 2,214 thousand to income (2005: EUR 1,294 thousand) in connection with grants related to income with a credit to "Other Income" in the accompanying consolidated income statement.

20. Other non-current payables

The breakdown of "Other Non-Current Payables" at 31 December 2006 and 2005 is as follows:

	Thousands of Euros	
	2006	2005
Group insurance (see Note 4-j)	12,347	16,084
Pension plan (see Note 4-j)	24,017	27,326
Termination benefits payable	1,066	1,706
Development of technological projects	1,458	2,533
Other payables	2,265	4,209
	41,153	51,858

Group insurance-

The Group has secured its commitments to some of its former employees by taking out a collective insurance policy with a prestigious insurance company. The single premium relating to the policy amounted to EUR 36,770 thousand in 2001, and the Group decided to finance it in ten annual instalments, as permitted by Article 36 of the Regulations on the instrumentation of Pension Obligations to Employees and Beneficiaries, as follows:

- Constant annual instalments of EUR 4,767 thousand each, including the related deferral interest (see Note 17).
- Financial surcharge for deferral, calculated using the discount rate used to calculate the net level premium reserves, amounting to EUR 1,034 thousand and EUR 3,556 thousand, and these amounts were recognised under "Finance Costs" in the accompanying consolidated income statements for 2006 and 2005.

Pension plan-

"Pension Plan" in the accompanying table includes the payments of the outstanding debt under the rebalancing plan for the transfer of the provisions and funds assigned to make up the deficit established in 2001 by the subsidiary Diario ABC, S.L. (see Note 4-j). These amounts are recognised under "Non-Current Liabilities - Other Non-Current Payables" and "Current Liabilities - Trade and Other Payables" in the consolidated balance sheet, depending on the year in which the funds will be transferred (see Note 17).

"Finance Costs" in the accompanying consolidated income statements for 2006 and 2005 includes the cost arising from the discount to present value of the fund and the shortfall for past services, amounting to approximately EUR 1,183 thousand and EUR 1,176 thousand, respectively.

Termination benefits payable-

At 31 December 2006, the Group had not yet paid part of the termination benefits agreed on in connection with the termination of the employment relationships with a group of employees. These debts fall due as follows:

	Thousands of Euros
2007	845
2008	508
2009	276
2010	129
2011 and subsequent years	153
Total	1,911

Development of technological projects-

The Group has received loans from the Ministry of Industry, Trade and Tourism as aid for the development of technological projects which are not interest-bearing and mature in 2007, 2008, 2009 and 2010 and subsequent years amounting to approximately EUR 1,118 thousand, EUR 710 thousand, EUR 279 thousand and EUR 469 thousand, respectively.

21. Deferred taxes and income tax expense

Since 1997 Vocento, S.A. and certain of its subsidiaries subject to Vizcaya corporation tax legislation pay income tax under the Special Consolidated Tax Regime, with Vocento, S.A. as the Parent of the Group (see Appendix). The notification of the composition of the Tax Group for 2006 was submitted to the Vizcaya Provincial Department of Economy and Finance. In addition, on 30 December 2006, the notification of the composition of a Tax Group subject to Spanish state corporation tax was submitted to the Spanish Ministry of Economy and Finance. This Group is made up of Comerresa Prensa, S.L.U., as the Parent of the Group, and certain subsidiaries subject to the Spanish state tax legislation (see Appendix).

The detail of "Non-Current Assets - Deferred Tax Assets" and "Non-Current Liabilities - Deferred Tax Liabilities" in the accompanying consolidated balance sheets at 31 December 2006 and 2005 and of the changes therein is as follows:

	01/01/05	Inclusions in Scope of Consolidation (see Note 32)	Additions	Disposals	31/12/05	Inclusions in Scope of Consolidation (see Note 32)	Additions	Disposals	Updating of Tax Rates	31/12/06
Deferred tax assets-										
Tax loss carryforwards	37,323	1,121	150	(22,892)	15,702	1,954	4,932	(1,137)	(181)	21,270
Other unused tax credits	-	-	14,689	-	14,689	-	20,737	(663)	-	34,763
Deferred income tax asset	28,756	-	1,131	(3,341)	26,546	1,401	868	(2,567)	(256)	25,992
Total deferred tax assets	66,079	1,121	15,970	(26,233)	56,937	3,355	26,537	(4,367)	(437)	82,025
Deferred tax liabilities	(18,480)	-	(899)	2,187	(17,192)	(30,540)	(2,241)	1,093	3,760	(45,120)

The deferred income tax asset relates mainly to timing differences arising from the differences in the timing recognition for accounting and tax purposes of the pension and similar obligations (see Notes 4-j, 16, 17 and 20) and from the tax deductibility of certain items of goodwill (see Notes 7 and 10).

Law 35/2006 on Personal Income Tax and partially amending the Spanish Corporation Tax, Non-Resident Income Tax and Wealth Tax Laws (not applicable to the income tax of entities subject to provincial legislation), of 28 November, provides for, inter alia, the reduction over two years of the standard Spanish corporation tax rate, which was 35% until 31 December 2006, as follows:

Tax periods starting in	Rate
1 January 2007	32.5%
1 January 2008	30 %

The Group accounted for this effect by recording income of EUR 3,323 thousand under "Income Tax".

The table below shows the calculation of the income tax expense for 2006 and 2005:

	Thousands of Euros	
	2006	2005
Consolidated profit before tax	92,519	143,194
Increases (Decreases) due to permanent differences		
- Reversal of permanent differences	(1,714)	(2,423)
- Extraordinary write-downs of goodwill (see Note 7)	6,749	362
- Result of companies accounted for using the equity method (see Note 10)	(42,420)	(40,447)
- Reinvestment of extraordinary profits	(327)	(3,765)
- Other permanent differences	(3,973)	(4,991)
Adjusted accounting profit	50,834	91,930
Gross tax calculated using the average tax rate	16,713	30,362
Sundry tax credits	(2,409)	(1,040)
Regularisation of prior year's income tax	(1,029)	(357)
Updating of deferred tax assets and liabilities to the new rates	(3,323)	-
Accrued income tax expense	9,952	28,965

The Group applied the regime relating to the reinvestment of extraordinary profits provided for in Article 22 of Vizcaya Corporation Tax Regulation 3/1996, of 26 June (as worded by Vizcaya Regulation 7/2005, of 23 June) to the gains obtained in 2006 and 2005 for tax purposes on the sale of the ownership interests in Rotok Industria Gráfica, S.A. and Grupo Árbol, S.A., respectively. The gains to which this regime was applied amounted to EUR 327 thousand and EUR 6,275 thousand, respectively. Under this regime, 60 per cent of the gains obtained on the transfer of the ownership interests can be excluded from taxable profit. In accordance with current legislation, the proceeds from the transfer must be reinvested either in the year proceeding the date of delivery of the shares sold or in the three following years. The Group made the reinvestment relating to the gains to which this exemption regime was applied in prior years.

On 31 December 2005, Vizcaya Decree 1/2005, of 30 December, was published. This Decree amended Vizcaya Corporation Tax Regulation 3/1996, of 26 June and increased the standard Vizcaya corporation tax rate to 32.6%, up 0.1% with respect to the rate applicable until that date which had been held to be null and void by the Spanish Supreme Court and by the Basque Country High Court. However, a provision was included whereby if the courts conclude that the provincial institutions may establish a standard tax rate of 32.5% the Vizcaya Provincial Government may take appropriate measures to restore the pre-existing legal situation. In this regard, in 2006 Basque Country High Court declared the aforementioned tax rate of 32.6% to be null and void. This Decree is effective for the tax periods ended on or after 14 March 2005. In 2006 the Basque Country High Court suspended the aforementioned rate of 32.6% but, since at the date of formal preparation of these financial statements this order had not yet been published, the directors opted to apply this rate.

In view of the varying interpretations that can be made of the tax legislation applicable to the transactions performed by the Group, contingent tax liabilities may exist which cannot be objectively quantified. However, the Group's directors consider that the possibility of such contingent liabilities arising is remote and, in any event, the tax debt that might arise would not have a material effect on the accompanying consolidated financial statements.

In general, at 31 December 2006, both the Parent and the other consolidated companies subject to the provincial legislation of Vizcaya have the last three years open for review by the tax authorities for the taxes applicable to them. However, for the years ended after the entry into force of Vizcaya Provincial Regulation 2/2005, the statute-of-limitations period has been extended to four years. The other Group companies generally have the last four years open for review for the taxes applicable to them.

22. Tax receivables and payables

The breakdown of "Tax Receivables" and "Tax Payables" in the accompanying consolidated balance sheets at 31 December 2006 and 2005 is as follows:

	Thousands of Euros	
	2006	2005
Current assets - Tax receivables-		
Income tax refundable	1,858	7,283
VAT	11,826	6,051
Tax withholdings and prepayments	1,874	4,853
Sundry tax receivables	287	356
Social security taxes refundable	46	30
	15,891	18,573
Current liabilities - Tax payables-		
VAT	6,317	4,783
Tax withholdings payable	8,556	7,598
Income tax payable	10,268	5,380
Other tax payables	132	136
Accrued social security taxes payable	3,963	3,625
	29,236	21,522

23. Business segment reporting

The main methods used to define the Group's segment reporting included in the accompanying consolidated financial statements are as follows:

The segmentation reporting is based on the organisational units on which information is submitted to the entity's managing body and chief executive officer so that they can assess the unit's past performance and take decisions on the future allocations of resources.

Information is presented on the main segments and the "Structure and Other" column includes the data relating to segments which are not broken down individually because they are not considered material, and adjustments and eliminations on consolidation.

As a result, complete information is provided on the following business segments:

- Printed media: basically the sale of regional newspapers, the national daily ABC and its supplements and magazines, together with the advertising revenue generated by them.
- Audiovisual: this encompasses television (local and digital), radio and producers of content.
- Internet: sales of advertising and content, mainly of the various portals, revenue from integral services, e-commerce, etc.
- Other businesses: this encompasses mainly revenue from printing and distributing press and others (free press, international press, etc.)

The methods used by the Group to obtain those financial statements segmented by line of business were as follows:

- In general, the assets, liabilities, expenses and income of any type corresponding exclusively or directly to each line of business were allocated to it.
- The assets for general use are presented in the "Structure and Other" column and are not distributed among segments. However, the costs and income, if any, associated with such assets are distributed among segments.

No operations have been discontinued (and Group management does not intend to discontinue any operation in the future), discontinuation being defined as the separation from the Group by sale, spin-off, liquidation or similar of a line of business or geographical area of operations). The Group does not disclose any information on geographical segments, since substantially all the sales by the consolidated companies are made in Spain and, in addition, Group management does not use geographical criteria as a management strategy within Spain.

Segment information for 2006 and 2005 about the Group's business is presented below:

BUSINESS SEGMENTS IN 2006
(Thousands of Euros)

	PRINTED MEDIA	AUDIOVISUAL	INTERNET	OTHER BUSINESSES	STRUCTURE AND OTHER	TOTAL
REVENUE						
External sales	534,390	96,162	35,667	187,511	18,768	872,498
Sale of copies	143,481	-	-	124,938	7	268,426
Advertising sales	335,533	27,664	9,275	6,862	13,461	392,795
Other income	55,376	68,498	26,392	55,711	5,300	211,277
Inter-segment sales	100,603	2,163	7,069	30,547	-140,382	-
Sale of copies	77,117	-	-	69	-77,186	-
Advertising sales	771	104	216	2	-1,093	-
Other income	22,715	2,059	6,853	30,476	-62,103	-
Total sales	634,993	98,325	42,736	218,058	-121,614	872,498
EXPENSES						
Procurements	83,114	170	10,875	157,817	-88,349	163,627
Staff costs	156,656	34,018	13,115	20,417	27,726	251,932
Depreciation and amortisation charge	14,756	15,944	1,606	8,076	1,222	41,604
Change in operating allowances and other	-1,096	146	304	572	-2,360	-2,434
Outside services	261,034	90,580	13,256	26,966	-39,003	352,833
PROFIT/LOSS						
Segment profit/loss	120,529	-42,533	3,580	4,210	-20,850	64,936
Finance income	6,150	1,184	175	792	752	9,053
Finance costs	-2,995	-1,722	-437	-338	-1,498	-6,990
Write-down of goodwill	-	-6,749	-	-	-	-6,749
Results of investees	-2,255	41,519	-	3,156	-	42,420
Admission to listing costs	-	-	-	-	-11,960	-11,960
Gain/Loss on sale of property, plant and equipment/ control portfolio and asset impairment	-3,472	21	-	1,357	3,903	1,809
Profit/Loss before tax	117,957	-8,280	3,318	9,177	-29,653	92,519
Income tax	-37,366	6,307	-1,233	-2,063	24,403	-9,952
Profit/Loss attributable to minority interests	-12,709	9,879	-511	-1,169	-492	-5,002
Profit/Loss attributable to the Parent	67,882	7,906	1,574	5,945	-5,742	77,565
OTHER INFORMATION						
Depreciation and amortisation charge, and expenses other than depreciation and amortisation not involving an outflow of cash	13,660	16,090	1,909	8,648	-1,136	39,171
Costs incurred in the year in the acquisition of property, plant and equipment and other intangible assets	13,091	11,349	3,168	5,420	1,792	34,820
ASSETS						
Investments accounted for using the equity method	-341	101,867	-	10,307	-	111,833
Current financial assets	20,627	6,159	2,963	5,648	43,557	78,954
Deferred tax assets	18,146	6,440	648	2,798	53,993	82,025
Other assets	513,420	213,954	34,572	88,915	-71,372	779,489
Total consolidated assets	551,852	328,420	38,183	107,668	26,178	1,052,301
LIABILITIES						
Bank borrowings	26,295	13,453	331	260	13,917	54,256
Deferred tax liabilities	10,861	21,597	-	506	12,156	45,120
Other liabilities and equity	514,696	293,370	37,852	106,902	105	952,925
Total consolidated liabilities and equity	551,852	328,420	38,183	107,668	26,178	1,052,301

BUSINESS SEGMENTS IN 2005
(Thousands of Euros)

	PRINTED MEDIA	AUDIOVISUAL	INTERNET	OTHER BUSINESSES	STRUCTURE AND OTHER	TOTAL
REVENUE						
External sales	519,512	63,839	21,316	166,550	23,237	794,454
Sale of copies	157,027	-	-	111,292	9	268,328
Advertising sales	298,735	25,808	5,213	6,399	18,702	354,857
Other income	63,750	38,031	16,103	48,859	4,526	171,269
Inter-segment sales	80,293	997	3,931	21,654	-106,875	-
Sale of copies	64,147	-	-	70	-64,217	-
Advertising sales	982	111	235	-	-1,328	-
Other income	15,164	886	3,696	21,584	-41,330	-
Total sales	599,805	64,836	25,247	188,204	-83,638	794,454
EXPENSES						
Procurements	84,626	148	5,694	135,681	-64,339	161,810
Staff costs	141,518	23,329	7,840	19,333	24,635	216,655
Depreciation and amortisation charge	14,174	4,748	818	7,339	1,075	28,154
Change in operating allowances and other	717	94	39	212	-4,673	-3,611
Outside services	247,960	52,675	7,781	23,260	-21,267	310,409
PROFIT/LOSS						
Segment profit/loss	110,810	-16,158	3,075	2,379	-19,069	81,037
Finance income	4,660	737	130	708	4,348	10,583
Finance costs	-2,515	-547	-124	-294	-4,630	-8,110
Write-down of goodwill	-	-362	-	-	-	-362
Results of investees	-1,765	39,048	-	3,164	-	40,447
Gain/Loss on disposal of non-current assets/ control portfolio and asset impairment	-386	148	2	-38	19,873	19,599
Profit/Loss before tax	110,804	22,866	3,083	5,919	522	143,194
Income tax	-36,453	180	-873	-601	8,782	-28,965
Profit/Loss attributable to minority interests	-10,464	2,407	-401	-542	-2,348	-11,348
Profit/Loss attributable to the Parent	63,887	25,453	1,809	4,776	6,956	102,881
OTHER INFORMATION						
Depreciation and amortisation charge, and expenses other than depreciation and amortisation not involving an outflow of cash	14,891	4,842	857	7,551	-3,598	24,543
Costs incurred in the year in the acquisition of property, plant and equipment and other intangible assets	9,540	5,404	1,329	1,183	2,584	20,040
ASSETS						
Investments accounted for using the equity method	30,185	98,016	-	9,685	159	138,045
Current financial assets	8,555	8,154	211	6,262	138,984	162,166
Deferred tax assets	14,270	4,778	400	1,486	36,003	56,937
Other assets	415,474	77,165	18,178	68,198	20,494	599,509
Total consolidated assets	468,484	188,113	18,789	85,631	195,640	956,657
LIABILITIES						
Bank borrowings	11,379	7,505	201	579	40,116	59,780
Deferred tax liabilities	3,806	2,078	-	548	10,760	17,192
Other liabilities and equity	453,299	178,530	18,588	84,504	144,764	879,685
Total consolidated liabilities and equity	468,484	188,113	18,789	85,631	195,640	956,657

24. Revenue

The breakdown of "Revenue" in the accompanying consolidated income statements for 2006 and 2005 is as follows:

	Thousands of Euros	
	2006	2005
Sales of copies	268,426	268,327
Advertising sales	392,795	354,858
Direct revenue from promotions	49,890	53,958
Revenue from deliveries	8,266	11,126
Other audiovisual segment revenue	67,182	37,362
Other income	82,369	66,238
	868,928	791,869

25. Procurements

The breakdown of "Procurements" in the accompanying consolidated income statements for 2006 and 2005 is as follows:

	Thousands of Euros	
	2006	2005
Paper	79,667	77,838
Raw materials	7,981	6,826
Newspaper purchases	42,492	41,271
Other materials consumed	33,487	35,875
	163,627	161,810

26. Staff costs

The detail of "Staff Costs" in 2006 and 2005 is as follows:

	Thousands of Euros	
	2006	2005
Wages and salaries	195,839	170,288
Employer social security costs	40,119	35,079
Termination benefits	9,486	5,517
Other employee welfare benefits	3,373	2,901
Contributions to pension plans and similar obligations and insurance premiums for the coverage of other retirement contingencies (Note 4-j)	3,115	2,870
	251,932	216,655

The average number of employees at the Group in 2006 and 2005, by professional category, was as follows:

	Number of Persons	
	2006	2005
Executives	303	267
Middle managers	719	652
Other employees	3,752	3,174
Total	4,774	4,093

27. Outside services

The breakdown of "Outside Services" in the accompanying consolidated income statements for 2006 and 2005 is as follows:

	Thousands of Euros	
	2006	2005
Editorial services and artistic media	68,296	58,022
Sales	110,558	111,716
Administrative services	28,810	26,307
Print shop and technical media	63,843	43,640
Distribution	48,855	40,426
Sundry	32,471	30,298
	352,833	310,409

Sales expenses include the costs of various promotional campaigns totalling EUR 60,008 thousand in 2006 (2005: EUR 69,342 thousand).

28. Finance income

The detail of "Finance Income" in the accompanying consolidated income statements for 2006 and 2005 is as follows:

	Thousands of Euros	
	2006	2005
Income from equity investments	327	803
Gain on disposal of marketable securities	3,408	2,798
Other interest and similar income	5,311	6,978
Exchange gains	7	4
Total	9,053	10,583

"Other Interest and Similar Income" includes basically the finance income from deposits (see Note 14) held by the Group companies during the year.

29. Finance costs

The detail of "Finance Costs" in the accompanying consolidated income statements for 2006 and 2005 is as follows:

	Thousands of Euros	
	2006	2005
Finance costs relating to group insurance and pension plans (see Note 20)	2,217	4,732
Losses due to changes in fair value (see Note 11)	374	494
Interest on bank borrowings (see Note 18)	2,323	1,180
Loss on financial derivatives	146	-
Other finance costs	1,930	1,681
Interest payables to associates	-	23
Total	6,990	8,110

30. Net gain on disposal of non-current assets

The detail of "Net Gain on Disposal of Non-Current Assets" in the consolidated income statements for 2006 and 2005 is as follows:

	Thousands of Euros	
	2006	2005
Gains/ (Losses)-		
Net gain on disposal of intangible assets, property, plant and equipment and financial assets (see Notes 8, 9 and 10)	712	3,835
Net gain on disposal of investments in associates (see Note 10)	948	15,558
Total	1,660	19,393

31. Other income and expenses

"Other Income and Expenses" in the consolidated income statements for 2006 and 2005 includes the expenses incurred by the Group as a result of the admission to listing. These expenses include those incurred in legal and commercial advertising, legal and financial advisory services and the services provided by the Group's main auditor (see Note 39).

32. Acquisition of subsidiaries

2006

The main acquisitions of subsidiaries in 2006 were as follows:

- In February 2006 the Group acquired 15,992 shares, representing 21% of the share capital, of Federico Doménech, S.A. for approximately EUR 41,657 thousand, giving rise to goodwill of EUR 31,519 thousand.

The Group held an ownership interest of 36.42% (see Note 10) and, accordingly, gained control of the company, which is now fully consolidated.

The detail of the net assets of Federico Doménech, S.A. and subsidiaries is as follows:

	Thousands of Euros		
	Carrying Amount of the Subsidiary Prior to the Business Combination	Fair Value Adjustments	Fair Value
Net assets acquired:			
- Property, plant and equipment	20,960	3,211	24,171
- Other intangible assets	370	-	370
- Goodwill	412	-	412
- Financial assets	4,400	19,429	23,829
- Deferred tax assets	3,355	-	3,355
- Inventories	1,256	-	1,256
- Accounts receivable	10,834	-	10,834
- Cash and cash equivalents	1,145	-	1,145
- Minority interests	(154)	-	(154)
- Provisions	(634)	-	(634)
- Deferred tax liabilities	(32)	(6,800)	(6,832)
- Trade and other payables	(9,484)	-	(9,484)
Total	32,428	15,840	48,268

"Financial Investments" includes an ownership interest of 16% in the subsidiary Taller de Editores, S.A., amounting to EUR 14 million after fair value adjustments. As a result, the Group's percentage of ownership increased to 76.04%.

The Group acquired the customer base and customer relationships of Federico Doménech S.A. through this transaction. Since these assets cannot be separated and sold, transferred, leased or exchanged individually or together with other related portions from

the rest of the Group, they cannot be measured reliably and, therefore, cannot be separated from the rest of goodwill.

Also, Vocento has granted a put option to the other shareholders of Federico Doménech whereby the Group must acquire the shares that they wish to sell during the next few years at market price on the date that the offer is made based on the calculations made in the previous acquisition.

- In May 2006 the Group acquired a direct investment of 12,000 shares of Tripictures, S.A. representing 66.67% of its share capital for EUR 51 million.

The assets and liabilities acquired are summarised as follows:

	Thousands of Euros		
	Carrying Amount of the Subsidiary Prior to the Business Combination	Fair Value Adjustments	Fair Value
Net assets acquired:			
- Property, plant and equipment	261	-	261
- Other intangible assets	38,018	69,477	107,495
- Financial assets	57	-	57
- Inventories	756	-	756
- Accounts receivable	41,270	-	41,270
- Cash and cash equivalents	2,282	-	2,282
- Provisions	(124)	-	(124)
- Deferred tax liabilities	-	(23,700)	(23,700)
- Trade and other payables	(81,107)	(611)	(81,718)
Total	1,413	45,166	46,579

The Group has granted the other shareholders a put option on all their shares, to be exercised in 2008, at market price on the date that the offer is made based on the calculations made in the previous acquisition.

- Lastly, the Group acquired various ownership interests in companies engaging mainly in magazine publishing and website management. The assets and liabilities acquired are summarised as follows:

	Thousands of Euros
	Fair Value
Net assets acquired:	
- Property, plant and equipment	504
- Other intangible assets	717
- Inventories	206
- Accounts receivable	6,342
- Cash and cash equivalents	2,571
- Deferred tax liabilities	(8)
- Trade and other payables	(4,085)
Total	6,247

The carrying amount of the subsidiaries prior to the business combinations coincides with fair value. The acquisition cost of these subsidiaries amounted to EUR 17,982 thousand and, therefore, the Group recognised goodwill of EUR 14,735 thousand. In addition, in accordance with the purchase agreement for one of these companies, after the Board of Directors receives the audited financial statements of the company, the price paid will be adjusted on the basis of the results for 2006. Based on the directors' estimates, the Group recorded an addition to goodwill of EUR 1,242 thousand.

Sales would have risen by EUR 27,590 thousand and the Group's net profit would have dropped by approximately EUR 667 thousand had these business combinations occurred on 1 January 2006.

The directors took the following into account when determining the pro forma sales and result that would have been obtained had the business combinations occurred on 1 January 2006:

- Amortisation and depreciation were calculated on the basis of the fair value of the assets accounted for in the business combinations rather than on the basis of their values prior to the acquisition.
- Finance costs were calculated by taking into consideration the level of indebtedness, creditworthiness and debt/equity ratio after the business combination.

2005

The main acquisitions of subsidiaries in 2005 were as follows:

- In September 2005 the Group acquired 5,148 shares representing 40% of the share capital of Bocaboca Producciones, S.L. for EUR 10,502 thousand, which included EUR 7,281 thousand paid at 31 December 2005. In addition, the Group recognised the two estimated price adjustments relating to the possible differences between the actual and estimated results of Bocaboca Producciones, S.L. for 2005 and 2006. These adjustments will be paid in March 2006 and March 2007, respectively.

The Group held an ownership interest of 30% (see Note 10) and, accordingly, it gained control.

The detail of the net assets acquired is as follows:

	Thousands of Euros
	Fair Value
Net assets acquired:	
- Property, plant and equipment	860
- Other intangible assets	6,769
- Financial assets	85
- Inventories	2,131
- Accounts receivable	7,116
- Cash and cash equivalents	387
- Provisions	(133)
- Trade and other payables	(15,734)
Total	1,481

The carrying amount of the subsidiary prior to the business combination coincides with fair value.

Therefore, the Company recognised goodwill amounting to EUR 9,892 thousand (see Note 7).

Based on the actual results for 2006, the Group reduced goodwill by EUR 1,815 thousand (see Note 7).

- Also, the Group acquired 75% and 67.5% of the shares of Avista Televisió de Barcelona, S.L. (Urbe TV) and Comunicaset, S.L. for an overall amount of EUR 3,750 thousand, in addition to various investments in other companies engaging in managing the local television service. The assets and liabilities acquired are summarised as follows:

	Thousands of Euros	
	Fair Value	
	Urbe TV and Comunicaset, S.L.	Other
Net assets acquired:		
- Property, plant and equipment	203	33
- Other intangible assets	9	-
- Deferred tax assets	1,121	-
- Accounts receivable	302	345
- Cash and cash equivalents	21	13
- Trade and other payables	(1,869)	(535)
Total	(213)	(144)

The Group recognised goodwill of EUR 3,914 thousand (see Note 7) in connection with the acquisition of Avista Televisió de Barcelona, S.L. (Urbe TV) and Comunicaset, S.L.

33. Earnings per share

The reconciliation at 31 December 2006 and 2005 of the number of ordinary shares used in the calculation of earnings per share is as follows:

	2006	2005
Number of shares	124,970,306	124,970,306
Number of treasury shares	(2,224,675)	(7,339)
Total	122,745,631	124,962,967

The basic earnings per share for 2006 and 2005 are as follows:

	2006	2005
Net profit for the year attributable to the Parent (thousands of euros)	77,565	102,881
Number of shares (thousands of shares)	122,746	124,963
Basic earnings per share (euros)	0.63	0.82

At 31 December 2006 and 2005, Vocento, S.A., the Parent of the Group, had not issued any financial instruments or other items entitling the holder to receive ordinary shares of the Company. As a result, the diluted earnings per share match the basic earnings per share.

34. Balances and transactions with other related parties

The breakdown by company of the balances of "Trade and Other Receivables – Receivable from Related Parties" and "Trade and Other Payables – Payable to Related Parties" in the accompanying consolidated balance sheet at 31 December 2006, and of the transactions performed with such companies in 2006 by Vocento, S.A. and the fully consolidated subsidiaries is as follows:

	Thousands of Euros					
	Balances		Transactions			
	Receivable (see Note 13)	Payable (see Note 17)	Income		Expenses	
			Operating	Finance	Operating	Finance
Cirpress, S.L. Corp. Inversora en Medios de Comunicación, S.A.	796	650	7,912	-	678	-
Distribuciones Papiro, S.L.	17	-	51	-	-	-
Federico Domenech, S.A.	1,590	78	9,830	-	776	-
Rotok Industria Gráfica, S.A.	-	-	2	-	-	-
Val Disme, S.L.	-	15	-	-	102	-
Distrimedios, S.A.	2,528	262	25,260	-	1,964	-
Gala Ediciones, S.L.	2,776	427	15,756	-	1,337	-
Producciones Antares Media, S.L.	38	50	2,348	-	1,762	-
Milenio ABC, S.A. de C.V.	17	3	1	-	2	-
Victor Steinberg y Asociados, S.L.	217	100	-	-	276	-
Grupo de Productores Independientes, S.L.	9	68	3	-	217	-
Local Print, S.L.	-	-	81	-	-	-
Videomedia, S.A.	1,006	-	17	-	-	-
Imagen y Servicios, S.A.	-	-	-	-	97	-
	-	18	-	-	19	-
TOTAL	8,994	1,671	61,261	-	7,230	-

The breakdown by company of the balances of "Trade and Other Receivables – Receivable from Related Parties" and "Trade and Other Payables – Payable to Related Parties" the accompanying

consolidated balance sheet at 31 December 2005, and of the transactions performed with such companies in 2005 by Vocento, S.A. and the fully consolidated subsidiaries is as follows:

	Thousands of Euros					
	Balances		Transactions			
	Receivable (see Note 13)	Payable (see Note 17)	Income		Expenses	
			Operating	Finance	Operating	Finance
Gestevisión Telecinco, S.A. Federico Doménech, S.A. and subsidiaries	1	-	1	-	78	-
Cirpress, S.L.	435	408	2,155	-	2,132	-
Distribuciones Papiro, S.L.	439	132	9,316	-	723	-
BocaBoca Producciones, S.L.	952	193	11,965	-	1,060	-
Rotok Industria Gráfica, S.A.	-	-	-	12	64	-
CIMECO	-	15	8	-	289	-
Prisma Publicaciones 2002, S.L.	26	-	97	1	-	156
Distrimedios, S.A.	-	212	14	-	445	-
Val Disme, S.L.	2,763	234	30,776	-	1,774	-
Gala Ediciones, S.L.	2,260	53	18,208	-	945	-
Other	1,286	1,542	7,577	-	3,280	-
TOTAL	146	244	75	-	630	8
	8,308	3,033	80,192	13	11,420	164

The principal balances and transactions with companies accounted for using the equity method relate to the sale and distribution of copies of newspapers and supplements performed under normal market conditions. Since the aforementioned balances are trade balances, they are not interest-bearing and, in general, they will be paid at short term.

At 31 December 2005, the Group companies had granted the following loans to related parties:

Related Party to which the Loan was Granted	Carrying Amount at 31/12/05	Currency	Interest Rate	Maturity
Bocaboca Producciones, S.L.	600	Thousands of Euros	Euribor + 0.6%	2006

At 31 December 2006, the Group companies had not granted any credit lines or loans to related parties.

35. Remuneration of directors

In 2006 and 2005 the consolidated companies paid the following remuneration to the Group's Board members:

	Thousands of Euros	
	2006	2005
Fixed and variable remuneration	2,553	1,590
Board and committee meeting attendance fees	412	329
Profit-sharing payments	1,979	1,747
Total	4,944	3,666

No advances, loans, credit facilities or guarantees were granted to the directors in 2006 or 2005.

The life insurance payments made in 2006 in relation to the policies whose coverage affects directors amounted to EUR 62 thousand (2005: EUR 56 thousand).

With respect to pension commitments, the contributions to pension plans whose beneficiaries are Board members amounted to EUR 188 thousand at 2006 year-end (2005 year-end: EUR 121 thousand).

The breakdown, by Board member, of the remuneration of the directors in 2006 is as follows:

REMUNERATION OF DIRECTORS
(Thousands of Euros)

	Attendance Fees			Profit-Sharing Payment		Contributions to Pension Plans, Life Insurance and Other		Termination	Other Remuneration	Remuneration of Directors for Senior Executive Functions		TOTAL
	Vocento, S.A.			Vocento, S.A.	Subsidiaries	Vocento, S.A.	Subsidiaries	Benefits	of Directors	Senior Executive Functions		
	Board of Direct.	Committees	Subsidiaries							Fixed	Variable	
DIRECTORS AT 31 DECEMBER 2006												
Santiago de Ybarra y Churruca	14	13	10	613	70	-	-	-	-	-	-	720
Alejandro Echevarría Busquet	13	17	7	60	40	175	-	1,000	-	169	-	1,481
José María Bergareche Busquet	14	8	9	60	40	61	-	-	-	685	248	1,125
Enrique de Ybarra e Ybarra	14	8	7	60	45	-	-	-	-	-	-	134
Mezouna (Ignacio Ybarra Aznar)	6	3	-	60	7	-	-	-	-	-	-	76
Santiago Bergareche Busquet	14	13	-	60	7	-	-	-	-	-	-	94
Victor Urrutia y Vallejo	11	12	1	60	15	-	-	-	-	-	-	99
Claudio Aguirre Pemán	7	3	-	60	-	-	-	-	-	-	-	70
Catalina Luca de Tena García-Conde	14	7	5	60	28	-	11	-	278	-	-	403
Soledad Luca de Tena García-Conde	14	18	13	60	65	-	3	-	173	-	-	346
Alvaro Ybarra Zubina	14	13	-	60	-	-	-	-	-	-	-	87
María del Carmen Careaga	11	-	-	41	-	-	-	-	-	-	-	52
Diego del Alcázar Silvela	11	-	3	41	-	-	-	-	-	-	-	55
ATLAN PRESSE, S.A.R.L.	14	-	-	41	-	-	-	-	-	-	-	55
Carlos Castellanos Borrego	8	-	2	41	7	-	-	-	-	-	-	58
Total directors at 31 December 2006	179	115	57	1,377	324	236	14	1,000	451	854	248	4,855
DIRECTORS REMOVED DURING THE YEAR												
Emilio de Ybarra y Churruca	6	7	3	60	8	-	-	-	-	-	-	84
Juan Entrecanales de Azcárate	12	-	-	40	-	-	-	-	-	-	-	52
Nemesio Fernández Cuesta Luca de Tena	3	4	-	60	-	-	-	-	-	-	-	67
Santiago Eguidazu Mayor	7	9	-	60	-	-	-	-	-	-	-	76
Juan Carlos Guerra Zunzunegui	7	-	3	40	10	-	-	-	-	-	-	60
Total directors removed during the year	35	20	6	260	18	-	-	-	-	-	-	339
TOTAL REMUNERATION OF DIRECTORS	214	135	63	1,637	342	236	14	1,000	451	854	248	5,194

36. Remuneration of senior executives

The staff costs (cash remuneration, compensation in kind, social security, contributions, etc.) relating to the General Managers making up the Parent's Executive Committee - excluding those who are also members of the Board of Directors (whose remuneration is shown above) - amounted to EUR 2,663 thousand in 2006 and EUR 3,016 thousand in 2005.

There are guarantee or golden parachute clauses for the termination of the initial contracts or of any renewals thereof of the Group's CEO and General Manager, consisting of two and half years' total gross remuneration that they would have received. In the event of termination without just cause, the amount would be three years' remuneration.

37. Other disclosures concerning the Board of Directors

The directors of Vocento, S.A. with direct and indirect ownership interests in companies engaging in an activity that is identical, similar or complementary to the activity constituting the Company's corporate purpose are as follows:

Owner	Investee	Activity	Ownership Interest	Functions
Santiago de Ybarra y Churruca	Sociedad Vascongada de Publicaciones, S.A.	Newspaper publishing	0.7163%	Chairman
Santiago de Ybarra y Churruca	Diario ABC, S.L.	Newspaper publishing	0.0002 %	Director
José María Bergareche Busquet	Sociedad Vascongada de Publicaciones, S.A.	Newspaper publishing	0.2779 %	First Deputy Chairman
Alejandro Echevarría Busquet	Sociedad Vascongada de Publicaciones, S.A.	Newspaper publishing	0.1072 %	Director
Alejandro Echevarría Busquet	Diario ABC, S.L.	Newspaper publishing	0.0002 %	Director
Alejandro Echevarría Busquet	Gestevisión Telecinco, S.A.	Television	0.0023%	Chairman
Diego del Alcázar Silvela	Mercared, S.A.	Publications	0.74 %	-
Santiago Bergareche Busquet	Sociedad Vascongada de Publicaciones, S.A.	Newspaper publishing	0.2042%	-
Catalina Luca de Tena García-Conde	Diario ABC, S.L.	Newspaper publishing	0.0002 %	Chairman
Catalina Luca de Tena García-Conde	Sociedad Vascongada de Publicaciones, S.A.	Newspaper publishing	0.0235 %	-
Catalina Luca de Tena García-Conde	Ediciones Luca de Tena, S.L.	Book publishing	95%	Sole Director
Soledad Luca de Tena García-Conde	Diario ABC, S.L.	Newspaper publishing	0.0002 %	Deputy Chairman
Álvaro de Ybarra Zubiria	Sociedad Vascongada de Publicaciones, S.A.	Newspaper publishing	0.0135%	-
Atlanpresse S.A.R.L.	S.E.P.L.	Press	99.99%	-
Atlanpresse S.A.R.L.	Dordogne Libre	Press	99.98%	-
Atlanpresse S.A.R.L.	Les Editions du Bassin	Press	99.00%	-
Atlanpresse S.A.R.L.	Les Editions de la Semaine	Press	100.00%	-
Atlanpresse S.A.R.L.	Surf Session	Press	100.00%	-
Atlanpresse S.A.R.L.	Société de Gratuit d'Information	Press	75%	-
Atlanpresse S.A.R.L.	SNEM	Press	5%	-
Carlos Castellanos Borrego	Recoletos	Media	0.0023%	-
Carlos Castellanos Borrego	Pearson	Media	0.0055%	-

Also, as provided for by the relevant Law, set forth below are the activities additional to those stated in the foregoing table performed by the directors, as independent professionals or as employees, that are identical, similar or complementary to the activity that constitutes the corporate purpose of Voco, S.A.:

Name	Activity Performed	Type of Arrangement	Company through which the Activity is Performed	Positions or Functions at the Company Concerned
Santiago de Ybarra y Churruca				
Diario El Correo, S.A.U.	Newspaper publishing	Independent professional	-	Chairman
Corporación de Medios de Murcia, S.A.	Newspaper publishing	Independent professional	-	Director
El Norte de Castilla, S.A.	Newspaper publishing	Independent professional	-	Director
José María Bergareche Busquet				
Diario ABC, S.L.	Newspaper publishing	Independent professional	-	Director
Diario El Correo, S.A.U.	Newspaper publishing	Independent professional	-	Director
Gestevisión Telecinco, S.A.	Television	Independent professional	-	Director
Radio Publi, S.L.	Radio	Independent professional	-	Chairman
Alejandro Echevarría Busquet				
Diario El Correo, S.A.U.	Newspaper publishing	Independent professional	-	Director
Editorial Cantabria, S.A.	Newspaper publishing	Independent professional	-	Director
Agencia de Televisión Latinoamericana de Servicios y Noticias España, S.A.	News agency	Independent professional	-	Chairman
Publiespaña, S.A.	Advertising sales	Independent professional	-	Chairman
Santiago Bergareche Busquet				
Corporación de Medios de Murcia, S.A.	Newspaper publishing	Independent professional	-	Director
Soledad Luca de Tena García-Conde				
Grupo Europroducciones, S.A.	Audiovisual production	Independent professional	-	Director
Sociedad Gestora de TV Onda 6, S.A.U.	Television	Independent professional	-	Director
Radio Publi, S.L.	Radio	Independent professional	-	Director
Diario el Correo, S.A.U.	Newspaper publishing	Independent professional	-	Director
Corporación de Medios de Cádiz, S.L.U.	Newspaper publishing	Independent professional	-	Director
Federico Doménech, S.A.	Newspaper publishing	Independent professional	-	Director
ABC de Sevilla, S.L.	Newspaper publishing	Independent professional	-	Director

Name	Activity Performed	Type of Arrangement	Company through which the Activity is Performed	Positions or Functions at the Company Concerned
Catalina Luca de Tena García-Conde				
ABC de Sevilla, S.L.	Newspaper publishing	Independent professional	-	Chairman
Victor Urrutia y Vallejo				
Diario El Correo, S.A.U.	Newspaper publishing	Independent professional	-	Director
El Norte de Castilla, S.A.	Newspaper publishing	Independent professional	-	Director
Enrique de Ybarra e Ybarra				
Corporación de Medios de Andalucía, S.A.	Newspaper publishing	Independent professional	-	Director
Diario El Correo, S.A.U.	Newspaper publishing	Independent professional	-	Director
Editorial Cantabria, S.A.	Newspaper publishing	Independent professional	-	Director
El Comercio, S.A.	Newspaper publishing	Independent professional	-	Director
Nueva Rioja, S.A.	Newspaper publishing	Independent professional	-	Director
Sociedad Vascongada de Publicaciones, S.A.	Newspaper publishing	Independent professional	-	Director
Carlos Castellanos Borrego				
Diario El Correo, S.A.U.	Newspaper publishing	Independent professional	-	Director
Diego del Alcázar Silvela				
Diario ABC, S.L.	Newspaper publishing	Independent professional	-	Director
ONO, S.A.	Telecommunications	Independent professional	-	Director
Heléne Lemoine				
Groupe Sud Ouest, S.A.	Newspaper publishing	Employee	Atlan Presse, S.A.R.L.	Director
S.A.P.E.S.O., S.A.	Newspaper publishing	Employee	Atlan Presse, S.A.R.L.	Director

38. Guarantee commitments to third parties

At 31 December 2006, the detail of the main guarantees received by the Group, by type, are as follows:

	Thousands of Euros
Operation of public digital terrestrial radio broadcasting service	19,348
Operation of digital television service and obligations acquired	7,751
Grants and loans for the development of technological projects	3,777
Advances to television channels	3,843
Other	1,615
Total	36,334

The Group's directors estimate that any liabilities additional to the provisions recognised at 31 December 2006 for such purpose which might arise as a result of the guarantees received would not be material.

39. Fees paid to auditors

The fees for financial audit services provided to the various Group companies by the principal auditor and by other entities in 2006 amounted to EUR 1,991 thousand (2005: EUR 1,088 thousand).

Additionally, the fees for other advisory services provided to the various Group companies by the principal auditor and by other entities related to the auditor amounted to EUR 751 thousand in 2006 (2005: EUR 248 thousand) .

40. Authorisation for issue of the consolidated financial statements

The consolidated financial statements for the year ended 31 December 2006 were authorised for issue by the directors of Vocento, S.A. on 28 February 2007.

41. Explanation added for translation to English

These consolidated financial statements are presented on the basis of IFRSs as adopted by the European Union. Certain accounting practices applied by the Group that conform with IFRSs may not conform with other generally accepted accounting principles.