FINANCIAL STATEMENTS

REPORT OF INDEPENDENT AUDITORS

México, D. F., April 11, 2012

To the Stockholders of Grupo Televisa, S.A.B.:

We have audited the accompanying consolidated balance sheets of Grupo Televisa, S.A.B. (the "Company") and its subsidiaries as of December 31, 2010 and 2011, and the related consolidated statements of income, changes in stockholders' equity and cash flows for the years ended December 31, 2009, 2010 and 2011. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards in Mexico. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement and that they were presented in accordance with Mexican Financial Reporting Standards. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the standards of financial information used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in Note 1(a) to the consolidated financial statements, effective January 1, 2012, the Company adopted the guidelines of International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) in order to comply with the dispositions established by the Mexican Bank and Securities Commission (Comisión Nacional Bancaria y de Valores).

In our opinion, the aforementioned consolidated financial statements present fairly, in all material respects, the financial position of Grupo Televisa, S.A.B. and its subsidiaries at December 31, 2010 and 2011, and the results of their operations, changes in their stockholders' equity and their cash flows for the years ended December 31, 2009, 2010 and 2011, in conformity with Mexican Financial Reporting Standards.

PricewaterhouseCoopers, S.C.

C. P. C. Miguel Ángel Álvarez Flores
Audit Partner

PricewaterhouseCoopers, S. C., Mariano Escobedo 573, Colonia Rincón del Bosque, C.P. 11580 México, Distrito Federal
T: +52 (55) 5263 6000 F: +52 (55) 5263 6010 www.pwc.com/mx

CONSOLIDATED BALANCE SHEETS

As of December 31, 2010 and 2011 (In thousands of Mexican Pesos) (Notes 1 and 2)

	NOTES		2010		2011
ASSETS					
Current:					
Cash and cash equivalents		Ps.	20,942,531	**Ps.**	**16,275,924**
Temporary investments			10,446,840		**5,422,563**
			31,389,371		**21,698,487**
Trade notes and accounts receivable, net	3		17,701,125		**19,243,712**
Other accounts and notes receivable, net			4,112,470		**2,458,802**
Derivative financial instruments	9		–		**99,737**
Due from affiliated companies			196,310		**450,064**
Transmission rights and programming	4		4,004,415		**4,178,945**
Inventories, net			1,254,536		**1,383,822**
Other current assets			1,117,740		**1,146,189**
Total current assets			59,775,967		**50,659,758**
Non-current accounts receivable			67,763		**253,795**
Derivative financial instruments	9		189,400		**45,272**
Transmission rights and programming	4		5,627,602		**6,832,527**
Investments	5		21,837,453		**43,407,790**
Property, plant and equipment, net	6		38,651,847		**41,498,967**
Intangible assets and deferred charges, net	7		10,241,007		**11,861,380**
Deferred income taxes	19		–		**410,893**
Other assets			79,588		**91,018**
Total assets		Ps.	136,470,627	**Ps.**	**155,061,400**

The accompanying notes are an integral part of these consolidated financial statements.

	NOTES		2010		2011
LIABILITIES					
Current:					
Short-term debt and current portion of long-term debt	8	Ps.	1,469,142	Ps.	**1,170,000**
Current portion of capital lease obligations	8		280,137		**381,891**
Trade accounts payable			7,472,253		**7,687,518**
Customer deposits and advances			18,587,871		**20,926,324**
Taxes payable			1,443,887		**1,388,242**
Accrued interest			750,743		**792,645**
Employee benefits			199,638		**252,492**
Due to affiliated companies			48,753		**43,089**
Derivative financial instruments	9		74,329		**–**
Other accrued liabilities			2,982,309		**3,359,911**
Total current liabilities			33,309,062		**36,002,112**
Long-term debt, net of current portion	8		46,495,660		**55,657,000**
Capital lease obligations, net of current portion	8		349,674		**201,844**
Derivative financial instruments	9		103,528		**310,604**
Customer deposits and advances			495,508		**460,000**
Other long-term liabilities			3,027,766		**3,047,487**
Deferred income taxes	19		401,525		**–**
Retirement and termination benefits	10		430,143		**525,868**
Total liabilities			84,612,866		**96,204,915**
Commitments and contingencies	11				
STOCKHOLDERS' EQUITY					
Capital stock issued, no par value	12		10,019,859		**10,238,885**
Additional paid-in capital			4,547,944		**16,593,239**
			14,567,803		**26,832,124**
Retained earnings:	13				
Legal reserve			2,135,423		**2,139,007**
Unappropriated earnings			23,583,384		**28,596,239**
Net income for the year			7,683,389		**6,889,641**
			33,402,196		**37,624,887**
Accumulated other comprehensive income, net	14		3,251,109		**3,174,521**
Shares repurchased	12		(6,156,625)		**(15,971,710)**
			30,496,680		**24,827,698**
Total controlling interest			45,064,483		**51,659,822**
Non-controlling interest	15		6,793,278		**7,196,663**
Total stockholders' equity			51,857,761		**58,856,485**
Total liabilities and stockholders' equity		Ps.	136,470,627	Ps.	**155,061,400**

The accompanying notes are an integral part of these consolidated financial statements.

GRUPO TELEVISA, S.A.B.

CONSOLIDATED STATEMENTS OF INCOME

For the Years Ended December 31, 2009, 2010 and 2011 (In thousands of Mexican Pesos, except per CPO amounts) (Notes 1 and 2)

	NOTES		2009		2010		2011
Net sales	22	Ps.	52,352,501	Ps.	57,856,828	**Ps.**	**62,581,541**
Cost of sales (excluding depreciation and amortization)			23,768,369		26,294,779		**28,166,280**
Selling expenses (excluding depreciation and amortization)			4,672,168		4,797,700		**4,972,866**
Administrative expenses (excluding depreciation and amortization)			3,825,507		4,602,415		**5,190,621**
Depreciation and amortization	6 and 7		4,929,589		6,579,325		**7,429,728**
Operating income	22		15,156,868		15,582,609		**16,822,046**
Other expense, net	17		1,764,846		567,121		**639,966**
Integral cost of financing, net	18		2,973,254		3,028,645		**4,142,749**
Equity in losses of affiliates, net	5		715,327		211,930		**449,439**
Income before income taxes			9,703,441		11,774,913		**11,589,892**
Income taxes	19		3,120,744		3,258,986		**3,409,751**
Consolidated net income			6,582,697		8,515,927		**8,180,141**
Non-controlling interest net income	15		575,554		832,538		**1,290,500**
Controlling interest net income	13 and 14	Ps.	6,007,143	Ps.	7,683,389	**Ps.**	**6,889,641**
Controlling interest net income per CPO	20	Ps.	2.14	Ps.	2.75	**Ps.**	**2.45**

The accompanying notes are an integral part of these consolidated financial statements.

GRUPO TELEVISA, S.A.B.

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

For the Years Ended December 31, 2009, 2010 and 2011 (In thousands of Mexican Pesos) (Notes 1 and 2)

	Capital Stock Issued (Note 12)	Additional Paid-In Capital	Retained Earnings (Note 13)	Accumulated Other Comprehensive Income (Note 14)	Shares Repurchased (Note 12)	Total Controlling Interest	Non-controlling Interest (Note 15)	Total Stockholders' Equity
Balance at January 1, 2009	Ps. 10,060,950	Ps. 4,547,944	Ps. 29,534,334	Ps. 3,184,043	Ps. (5,308,429)	Ps. 42,018,842	Ps. 5,232,834	Ps. 47,251,676
Dividends	–	–	(9,163,857)	–	–	(9,163,857)	–	(9,163,857)
Share cancellation	(41,091)	–	(541,466)	–	582,557	–	–	–
Repurchase of capital stock	–	–	–	–	(759,003)	(759,003)	–	(759,003)
Sale of repurchase shares	–	–	(215,984)	–	297,802	81,818	–	81,818
Increase in non-controlling interest	–	–	–	–	–	–	1,069,518	1,069,518
Net loss on acquisition of non-controlling interest in Cablemás and Cablestar	–	–	(56,210)	–	–	(56,210)	–	(56,210)
Stock-based compensation	–	–	371,783	–	–	371,783	–	371,783
Adjustment to retained earnings for changes in tax consolidation	–	–	(548,503)	–	–	(548,503)	–	(548,503)
Comprehensive income	–	–	6,007,143	217,782	–	6,224,925	–	6,224,925
Balance at December 31, 2009	10,019,859	4,547,944	25,387,240	3,401,825	(5,187,073)	38,169,795	6,302,352	44,472,147
Repurchase of capital stock	–	–	–	–	(1,357,072)	(1,357,072)	–	(1,357,072)
Sale of repurchase shares	–	–	(304,470)	–	387,520	83,050	–	83,050
Increase in non-controlling interest	–	–	–	–	–	–	490,926	490,926
Gain on acquisition of non-controlling interest in a subsidiary of Sky	–	–	79,326	–	–	79,326	–	79,326
Stock-based compensation	–	–	556,711	–	–	556,711	–	556,711
Comprehensive income (loss)	–	–	7,683,389	(150,716)	–	7,532,673	–	7,532,673
Balance at December 31, 2010	10,019,859	4,547,944	33,402,196	3,251,109	(6,156,625)	45,064,483	6,793,278	51,857,761
Dividends	–	–	(1,023,012)	–	–	(1,023,012)	–	(1,023,012)
Shares issued	120,787	10,379,213	–	–	–	10,500,000	–	10,500,000
Repurchase of capital stock	–	–	–	–	(11,442,740)	(11,442,740)	–	(11,442,740)
Sale of repurchase shares	–	–	(697,467)	–	1,627,655	930,188	–	930,188
Increase in non-controlling interest	–	–	–	–	–	–	403,385	403,385
Net loss on acquisition of non-controlling interest in Cablemás and other related transactions (see Note 2)	98,239	1,666,082	(1,595,796)	–	–	168,525	–	168,525
Stock-based compensation	–	–	649,325	–	–	649,325	–	649,325
Comprehensive income (loss)	–	–	6,889,641	(76,588)	–	6,813,053	–	6,813,053
Balance at December 31, 2011	**Ps. 10,238,885**	**Ps. 16,593,239**	**Ps. 37,624,887**	**Ps. 3,174,521**	**Ps. (15,971,710)**	**Ps. 51,659,822**	**Ps. 7,196,663**	**Ps. 58,856,485**

The accompanying notes are an integral part of these consolidated financial statements.

GRUPO TELEVISA, S.A.B.

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 2009, 2010 and 2011 (In thousands of Mexican Pesos) (Notes 1 and 2)

		2009		2010		2011
Operating activities:						
Income before income taxes	Ps.	9,703,441	Ps.	11,774,913	**Ps.**	**11,589,892**
Adjustments to reconcile income before income taxes to net cash provided by operating activities:						
Equity in losses of affiliates		715,327		211,930		**449,439**
Depreciation and amortization		4,929,589		6,579,325		**7,429,728**
Other amortization		1,224,450		354,725		**124,740**
Provision for doubtful accounts and write-off of receivables		897,162		675,929		**689,057**
Retirement and termination benefits		58,196		98,397		**112,344**
Gain on disposition of investments		(90,565)		(1,113,294)		**–**
Interest income		(19,531)		–		**(226,769)**
Premium paid by early retirement of Guaranteed Senior Notes		–		100,982		**–**
Stock-based compensation		371,783		556,711		**649,325**
Derivative financial instruments		644,956		804,971		**153,705**
Interest expense		2,832,675		3,289,198		**4,109,064**
Unrealized foreign exchange (gain) loss, net		(1,003,537)		(1,460,284)		**1,199,582**
		20,263,946		21,873,503		**26,280,107**
(Increase) decrease in trade notes and accounts receivable, net		(1,082,292)		54,958		**(2,097,433)**
(Increase) decrease in transmission rights and programming		(674,645)		654,843		**(1,355,910)**
(Increase) decrease in inventories		(45,148)		402,874		**(113,275)**
(Increase) decrease in other accounts and notes receivable and other current assets		(1,347,376)		(308,295)		**1,367,361**
Decrease in trade accounts payable		(80,920)		(230,648)		**(21,162)**
Increase (decrease) in customer deposits and advances		2,242,021		(1,822,956)		**2,269,052**
Increase in other liabilities, taxes payable and deferred taxes		158,066		661,198		**112,785**
(Decrease) increase in retirement and termination benefits		(16,035)		(17,176)		**36,235**
Income taxes paid		(4,282,042)		(4,403,393)		**(3,622,589)**
		(5,128,371)		(5,008,595)		**(3,424,936)**
Net cash provided by operating activities		15,135,575		16,864,908		**22,855,171**

The accompanying notes are an integral part of these consolidated financial statements.

	2009	2010	2011
Investing activities:			
Temporary investments, net	(524,158)	(1,351,497)	**5,238,418**
Due from affiliated companies, net	(2,309)	(103,295)	**(199,395)**
Held-to-maturity and available-for-sale investments	(3,051,614)	(373,063)	**(313,853)**
Disposition of held-to-maturity and available-for-sale investments	10,000	234,158	**580,793**
Investment in Convertible Debentures	–	(13,966,369)	**(19,229,056)**
Equity method and other investments	(809,625)	(2,418,502)	**(1,916,893)**
Disposition of equity method and other investments	57,800	1,807,419	**66,310**
Investments in property, plant and equipment	(6,410,869)	(11,306,013)	**(9,668,501)**
Disposition of property, plant and equipment	248,148	915,364	**591,603**
Investments in goodwill and other intangible assets	(569,601)	(712,070)	**(242,738)**
Net cash used in investing activities	(11,052,228)	(27,273,868)	**(25,093,312)**
Financing activities:			
Long-term Mexican banks	–	–	**9,700,000**
Issuance of Notes due 2020	–	10,000,000	**–**
Issuance of Senior Notes due 2040	7,612,055	–	**–**
Repayment of Senior Notes due 2011	–	–	**(898,776)**
Prepayment of Senior Guaranteed Notes due 2015 and bank loan facility (Cablemás)	–	(2,876,798)	**–**
Prepayment of bank loan facility (Empresas Cablevisión)	–	–	**(2,700,135)**
Repayment of Mexican Peso debt	(1,162,460)	(1,050,000)	**(410,000)**
Repayment of foreign currency debt	(1,206,210)	(32,534)	**–**
Capital lease payments	(151,506)	(262,013)	**(332,673)**
Other increase in debt	46,555	230,000	**–**
Interest paid	(2,807,843)	(3,003,076)	**(4,067,162)**
Repurchase and sale of capital stock	(677,185)	(1,274,022)	**(12,552)**
Dividends paid	(9,163,857)	–	**(1,023,012)**
Non-controlling interest	76,344	(243,558)	**(2,649,274)**
Derivative financial instruments	(206,776)	(52,535)	**(149,518)**
Net cash (used in) provided by financing activities	(7,640,883)	1,435,464	**(2,543,102)**
Effect of exchange rate changes on cash and cash equivalents	(105,530)	(44,115)	**105,214**
Net decrease in cash and cash equivalents	(3,663,066)	(9,017,611)	**(4,676,029)**
Cash and cash equivalents of TVI in 2009 and certain businesses of TVI upon consolidation in 2010 and 2011, respectively	21,509	18,654	**9,422**
Cash and cash equivalents at beginning of year	33,583,045	29,941,488	**20,942,531**
Cash and cash equivalents at end of year	Ps. 29,941,488	Ps. 20,942,531	**Ps. 16,275,924**

The accompanying notes are an integral part of these consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Years Ended December 31, 2009, 2010 and 2011 (In thousands of Mexican Pesos, except per CPO, per share, par value and exchange rate amounts)

1. Accounting Policies

The principal accounting policies followed by Grupo Televisa, S.A.B. (the "Company") and its consolidated entities (collectively, the "Group") and observed in the preparation of these consolidated financial statements are summarized below.

(a) Basis of Presentation

The financial statements of the Group are presented on a consolidated basis in accordance with Mexican Financial Reporting Standards ("Mexican FRS") issued by the Mexican Financial Reporting Standards Board ("Consejo Mexicano de Normas de Información Financiera" or "CINIF").

The consolidated financial statements include the assets, liabilities and results of operations of all companies in which the Company has a controlling interest (subsidiaries). The consolidated financial statements also include the accounts of variable interest entities, in which the Group is deemed the primary beneficiary. The primary beneficiary of a variable interest entity is the party that has the power to direct the most significant activities that affect economic performance of the entity and that absorbs a majority of the entity's expected losses, receives a majority of the entity's expected residual returns, or both, as a result of ownership, contractual or other financial interest in the entity. See Note 1(b) for further discussion of all variable interest entities. All significant intercompany balances and transactions have been eliminated from the financial statements.

Through December 31, 2007, the Group recognized the effects of inflation in its consolidated financial statements in accordance with Mexican FRS. Effective January 1, 2008, Mexican FRS requires that an entity discontinue recognizing the effects of inflation in financial statements when general inflation applicable to a specific entity is less than 26% in a cumulative three-year period. The cumulative inflation in Mexico measured by the National Consumer Price Index ("NCPI") for the three-year period ended December 31, 2008, 2009 and 2010 was 15%, 14.5% and 15.2%, respectively. Accordingly, the consolidated financial statements of the Group for the years ended December 31, 2009, 2010 and 2011, do not include any adjustments to recognize the effects of inflation during those years. The cumulative inflation in Mexico measured by the NCPI for the three-year period ended December 31, 2011, was 12.3%.

The preparation of financial statements in conformity with Mexican FRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Certain reclassifications have been made to prior years' financial information to conform to the December 31, 2011 presentation.

In the first quarter of 2009, the Mexican Bank and Securities Commission ("Comisión Nacional Bancaria y de Valores"), issued regulations for listed companies in Mexico requiring the adoption of International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") to report comparative financial information for periods beginning no later than January 1, 2012. In 2010, the Group implemented a plan to comply with these regulations and start reporting its consolidated financial statements in accordance with IFRS for periods beginning with the first quarter of 2012. Beginning on January 1, 2012, the Group discontinued using Mexican FRS and adopted IFRS issued by the IASB for financial reporting purposes. Accordingly, the consolidated financial statements of the Group as of December 31, 2012 and for the year ending on that date, will be presented on a comparative basis in accordance with IFRS. Mexican FRS differs in certain respects from IFRS. Information relating to the nature and effect of certain differences between Mexican FRS and IFRS as they relate to the initial adoption of IFRS in the Group's consolidated stockholders' equity as of January 1, 2011, the transition date, and December 31, 2011, is presented in Note 23 to these consolidated financial statements.

These consolidated financial statements were authorized for issuance on March 30, 2012, by the Group's Chief Financial Officer.

(b) Members of the Group

At December 31, 2011, the Group consisted of the Company and its consolidated entities, including the following:

Consolidated Entities	Company's Ownership [1]	Business Segment [2]
Grupo Telesistema, S.A. de C.V. and subsidiaries, including Televisa, S.A. de C.V. ("Televisa")	100%	Television Broadcasting Pay Television Networks Programming Exports
Editorial Televisa, S.A. de C.V. and subsidiaries	100%	Publishing
Innova, S. de R. L. de C.V. and subsidiaries (collectively, "Sky") [3]	58.7%	Sky
Empresas Cablevisión, S.A.B. de C.V. and subsidiaries (collectively, "Empresas Cablevisión")	51%	Cable and Telecom
The former subsidiaries of Cablemás, S.A. de C.V. (collectively, "Cablemás") [4]	100%	Cable and Telecom
Televisión Internacional, S.A. de C.V. and subsidiaries (collectively, "TVI") [5]	50%	Cable and Telecom
Cablestar, S.A. de C.V. and subsidiaries	66.1%	Cable and Telecom
Consorcio Nekeas, S.A. de C.V. and subsidiaries	100%	Other Businesses
Grupo Distribuidoras Intermex, S.A. de C.V. and subsidiaries	100%	Other Businesses
Sistema Radiópolis, S.A. de C.V. and subsidiaries	50%	Other Businesses
Televisa Juegos, S.A. de C.V. and subsidiaries	100%	Other Businesses

(1) Percentage of equity interest directly or indirectly held by the Company in the consolidated entity.

(2) See Note 22 for a description of each of the Group's business segments.

(3) At December 31, 2011, the Group had identified Sky as a variable interest entity and the Group as the primary beneficiary of the investment in this entity. The Group has a 58.7% interest in Sky, a satellite television provider in Mexico, Central America and the Dominican Republic.

(4) Cablemás, S.A. de C.V., the former holding company of the Cablemás business, was merged into the Company on April 29, 2011. As a result of this merger, the Company became the direct holding company of the subsidiaries comprising the Cablemás business (see Note 2).

(5) Effective October 1, 2009, the Company has a controlling interest in TVI as a result of a corporate governance amendment (the legal right to designate the majority of TVI's board of directors), and began consolidating the assets, liabilities and results of operations of TVI in its consolidated financial statements. Through September 30, 2009, the Group's investment in TVI was accounted for by using the equity method.

The Group's Television Broadcasting, Sky, Cable and Telecom segments, as well as the Group's Radio business, which is reported in the Other Businesses segment, require concessions (licenses) granted by the Mexican Federal Government for a fixed term, subject to renewal in accordance with Mexican law. Also, the Group's Gaming business, which is reported in the Other Businesses segment, requires a permit granted by the Mexican Federal Government for a fixed term, subject to renewal in accordance with Mexican law. Additionally, the Group's Sky businesses in Central America and the Dominican Republic require concessions (licenses) or permits granted by local regulatory authorities for a fixed term, subject to renewal in accordance with local laws. At December 31, 2011, the expiration dates of the Group's concessions and permits were as follows:

Segments	Expiration Dates
Television Broadcasting	In 2021
Sky	Various from 2015 to 2027
Cable and Telecom	Various from 2013 to 2039
Other Businesses:	
Radio	Various from 2015 to 2020
Gaming	In 2030

(c) Foreign Currency Translation

Monetary assets and liabilities of Mexican companies denominated in foreign currencies are translated at the prevailing exchange rate at the balance sheet date. Resulting exchange rate differences are recognized in income for the year, within integral cost of financing.

Assets, liabilities and results of operations of non-Mexican subsidiaries and affiliates are first converted to Mexican FRS and then translated to Mexican pesos. Assets and liabilities of non-Mexican subsidiaries and affiliates operating in a local currency environment are translated into Mexican Pesos at year-end exchange rates, and results of operations and cash flows are translated at average exchange rates prevailing during the year. Resulting translation adjustments are accumulated as a separate component of accumulated other comprehensive income or loss in consolidated stockholders' equity. Assets and liabilities of non-Mexican subsidiaries that use the Mexican Peso as a functional currency are translated into Mexican Pesos by utilizing the exchange rate of the balance sheet date for monetary assets and liabilities, and historical exchange rates for nonmonetary items, with the related adjustment included in the consolidated statement of income as integral result of financing.

In connection with its net investment in shares of common stock of Broadcasting Media Partners Inc. ("BMP"), beginning in the third quarter of 2011, the Group designated as an effective hedge of foreign exchange exposure a portion of the outstanding principal amount of its U.S. dollar denominated long-term debt, which amounted to U.S.$174.8 million as of December 31, 2011. Consequently, any foreign exchange gain or loss attributable to this designated hedging long-term debt is credited or charged directly to consolidated stockholders' equity as other comprehensive income or loss (see Notes 2, 5 and 14).

(d) Cash and Cash Equivalents and Temporary Investments

Cash and cash equivalents consist of cash on hand and all highly liquid investments with an original maturity of three months or less at the date of acquisition.

Temporary investments consist of short-term investments in securities, including without limitation debt with a maturity of over three months and up to one year at the date of acquisition, stock and/or other financial instruments, as well as current maturities of noncurrent held-to-maturity securities. Temporary investments are valued at fair value.

As of December 31, 2010 and 2011, cash equivalents and temporary investments primarily consisted of fixed short-term deposits and corporate fixed income securities denominated in U.S. Dollars and Mexican Pesos, with an average yield of approximately 0.58% for U.S. Dollar deposits and 4.67% for Mexican Peso deposits in 2010, and approximately 0.76% for U.S. Dollar deposits and 4.60% for Mexican Peso deposits in 2011.

(e) Transmission Rights and Programming

Programming is comprised of programs, literary works, production talent advances and films.

Transmission rights and literary works are valued at the lesser of acquisition cost and net realizable value. Programs and films are valued at the lesser of production cost, which consists of direct production costs and production overhead, and net realizable value. Payments for production talent advances are initially capitalized and subsequently included as direct or indirect costs of program production.

The Group's policy is to capitalize the production costs of programs which benefit more than one annual period and amortize them over the expected period of future program revenues based on the Company's historical revenue patterns for similar productions.

Transmission rights, programs, literary works, production talent advances and films are recorded at acquisition or production cost. Cost of sales is calculated for the month in which such transmission rights, programs, literary works, production talent advances and films are matched with related revenues.

Transmission rights are amortized over the lives of the contracts. Transmission rights in perpetuity are amortized on a straight-line basis over the period of the expected benefit as determined by past experience, but not exceeding 25 years.

(f) Inventories

Inventories of paper, magazines, materials and supplies are valued at the lesser of acquisition cost and net realizable value.

(g) Investments

Investments in companies in which the Group exercises significant influence (associates) or joint control (jointly controlled entities) are accounted for by the equity method. The Group recognizes equity in losses of affiliates up to the amount of its initial investment and subsequent capital contributions, or beyond that when guaranteed commitments have been made by the Group in respect of obligations incurred by investees, but not in excess of such guarantees. If an affiliated company for which the Group had recognized equity losses up to the amount of its guarantees generates net income in the future, the Group would not recognize its proportionate share of this net income until the Group first recognizes its proportionate share of previously unrecognized losses.

Investments in equity instruments or equivalents of companies in which the Group does not exercise significant influence nor joint control, but intent to hold for an indefinite term, are classified as other permanent investments and accounted for at cost under Mexican FRS.

Investments in debt securities that the Group has the ability and intent to hold to maturity are classified as investments "held-to-maturity," and reported at amortized cost. Investments in debt securities or with readily determinable fair values that are not classified as held-to-maturity are classified as "available-for-sale," and are recorded at fair value with unrealized gains and losses included in consolidated stockholders' equity as accumulated other comprehensive result (see Notes 5 and 14).

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective and other-than-temporary evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset. If it is determined that a financial asset or group of financial assets have sustained an other-than-temporary decline in their value a charge is recognized in income in the related period.

For financial assets classified as held-to-maturity the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate.

Other investments are accounted for at cost.

(h) Property, Plant and Equipment

Property, plant and equipment are recorded at acquisition cost.

Depreciation of property, plant and equipment is based upon the restated carrying value of the assets in use and is computed using the straight-line method over the estimated useful lives of the assets ranging principally from 20 to 65 years for buildings, from five to 20 years for building improvements, from three to 20 years for technical equipment and from three to 10 years for other property and equipment.

(i) Intangible Assets and Deferred Financing Costs

Intangible assets and deferred financing costs are recognized at cost.

Intangible assets are composed of goodwill, publishing trademarks, television network concessions, licenses and software, subscriber lists and other items. Goodwill, publishing trademarks and television network concessions are intangible assets with indefinite lives and are not amortized. Licenses and software, subscriber lists and other items are intangible assets with finite lives and are amortized, on a straight-line basis, over their estimated useful lives, which range principally from 3 to 20 years.

Deferred financing costs consist of fees and expenses incurred in connection with the issuance of long-term debt. These financing costs are amortized over the period of the related debt (see Note 7).

(j) Impairment of Long-lived Assets

The Group reviews for impairment the carrying amounts of its long-lived assets, tangible and intangible, including goodwill (see Note 7), at least once a year, or whenever events or changes in business circumstances indicate that these carrying amounts may not be recoverable. To determine whether an impairment exists, the carrying value of the reporting unit is compared with its fair value. Fair value estimates are based on quoted market values in active markets, if available. If quoted market prices are not available, the estimate of fair value is based on various valuation techniques, including discounted value of estimated future cash flows, market multiples or third-party appraisal valuations.

(k) Customer Deposits and Advances

Customer deposit and advance agreements for television advertising services provide that customers receive preferential prices that are fixed for the contract period for television broadcast advertising time based on rates established by the Group. Such rates vary depending on when the advertisement is aired, including the season, hour, day, rating and type of programming.

(l) Stockholders' Equity

The capital stock and other stockholders' equity accounts include the effect of restatement through December 31, 2007, determined by applying the change in the NCPI between the dates capital was contributed or net results were generated and the balance sheet date. The restatement represented the amount required to maintain the contributions, share repurchases and accumulated results in Mexican Pesos in purchasing power as of December 31, 2007.

(m) Revenue Recognition

The Group derives the majority of its revenues from media and entertainment-related business activities both in Mexico and internationally. Revenues are recognized when the service is provided and collection is probable. A summary of revenue recognition policies by significant activity is as follows:

- Advertising revenues, including deposits and advances from customers for future advertising, are recognized at the time the advertising services are rendered.
- Revenues from program services for pay television and licensed television programs are recognized when the programs are sold and become available for broadcast.
- Revenues from magazine subscriptions are initially deferred and recognized proportionately as products are delivered to subscribers. Revenues from the sales of magazines are recognized on the date of circulation of delivered merchandise, net of a provision for estimated returns.
- The revenue from publishing distribution is recognized upon distribution of the products.
- Sky program service revenues, including advances from customers for future direct-to-home ("DTH") program services, are recognized at the time the service is provided.

- Cable television, internet and telephone subscription, and pay-per-view and installation fees are recognized in the period in which the services are rendered.
- Revenues from telecommunications and data services are recognized in the period in which these services are provided. Telecommunications services include long distance and local telephony, as well as leasing and maintenance of telecommunications facilities.
- Revenues from attendance to soccer games, including revenues from advance ticket sales for soccer games and other promotional events, are recognized on the date of the relevant event.
- Motion picture production and distribution revenues are recognized as the films are exhibited.
- Gaming revenues consist of the net win from gaming activities, which is the difference between amounts wagered and amounts paid to winning patrons.

In respect to sales of multiple products or services, the Group evaluates whether it has fair value evidence for each deliverable in the transaction. For example, the Group sells cable television, internet and telephone subscription to subscribers in a bundled package at a rate lower than if the subscriber purchases each product on an individual basis. Subscription revenues received from such subscribers are allocated to each product in a pro-rata manner based on the fair value of each of the respective services.

(n) Retirement and Termination Benefits

Plans exist for pension and other retirement benefits for most of the Group's employees (retirement benefits), funded through irrevocable trusts. Contributions to the trusts are determined in accordance with actuarial computations of funding requirements. Pension and other retirement payments are made by the trust administrators. Increases or decreases in the liability for retirement benefits are based upon actuarial calculations.

Seniority premiums and severance indemnities to dismissed personnel (termination benefits), other than those arising from restructurings, are recognized based upon actuarial calculations. The termination benefit costs are directly recognized in income as a provision, with no deferral of any unrecognized prior service cost or related actuarial gain or loss.

The employees' profit sharing required to be paid under certain circumstances in Mexico, is recognized in the consolidated statements of income as a direct benefit to employees.

(o) Income Taxes

The income taxes are recognized in income as they are incurred.

The recognition of deferred income taxes is made by using the comprehensive asset and liability method. Under this method, deferred income taxes are calculated by applying the respective income tax rate to the temporary differences between the accounting and tax values of assets and liabilities at the date of the financial statements.

A valuation allowance is provided for those deferred income tax assets for which it is more likely than not that the related benefits will not be realized.

(p) Derivative Financial Instruments

The Group recognizes derivative financial instruments as either assets or liabilities in the consolidated balance sheet and measures such instruments at fair value. The accounting for changes in the fair value of a derivative financial instrument depends on the intended use of the derivative financial instrument and the resulting designation. For a derivative financial instrument designated as a cash flow hedge, the effective portion of such derivative's gain or loss is initially reported as a component of accumulated other comprehensive income and subsequently reclassified into income when the hedged exposure affects income. The ineffective portion of the gain or loss is reported in income immediately. For a derivative financial instrument designated as a fair value hedge, the gain or loss is recognized in income in the period of change together with the offsetting loss or gain on the hedged item attributed to the risk being hedged. For derivative financial instruments that are not designated as accounting hedges, changes in fair value are recognized in income in the period of change. During the years ended December 31, 2009, 2010 and 2011, certain derivative financial instruments qualified for hedge accounting (see Note 9).

(q) Comprehensive Income

Comprehensive income includes the net income for the period presented in the income statement plus other results for the period reflected in the stockholders' equity which are from non-owner sources (see Note 14).

(r) Stock-based Compensation

The share-based compensation expense is measured at fair value at the date the equity benefits are conditionally sold to officers and employees, and is recognized in consolidated stockholders' equity with charge to consolidated income (administrative expense) over the vesting period (see Note 12). The Group accrued a stock-based compensation expense of Ps.371,783, Ps.556,711 and Ps.649,325 for the years ended December 31, 2009, 2010 and 2011, respectively.

(s) Recently Issued IFRS

As mentioned in Notes 1(a) and 23, as of January 1, 2012 the Group adopted IFRS for the preparation of its consolidated financial statements. Below is a list of the new and amended standards that have been issued by the IASB and are effective for annual periods starting on or after January 1, 2012, as well as those that are effective for subsequent periods. Management is in the process of evaluating the potential impact of these pronouncements on the Group's consolidated financial statements in accordance with IFRS.

Deferred Tax: Recovery of Underlying Assets (Amendments to International Accounting Standard ("IAS") 12). These amendments introduce an exception to the existing standard for the measurement of deferred tax assets or liabilities arising on investment property measured at fair value. As a result of the amendments, SIC 21, *Income Taxes - Recovery of Revalued Non-depreciable Assets,* will no longer apply to investment properties carried at fair value. The amendments also incorporate into IAS 12 the remaining guidance previously contained in SIC 21, which is withdrawn. These amendments are effective for annual periods beginning on or after January 1, 2012.

Presentation of Items of Other Comprehensive Income (Amendments to IAS 1). The main change resulting from these amendments is a requirement for entities to group items presented in other comprehensive income ("OCI") on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). The amendments do not address which items are presented in OCI. These amendments are effective for annual periods beginning on or after July 1, 2012 (retrospective application required), with early adoption permitted.

IAS 19, *Employee Benefits* (as amended in 2011). This standard, as amended, eliminates the corridor approach for the recognition of actuarial gains or losses, and requires the calculation of finance costs on a net funding basis. This amended standard is effective for annual periods beginning on or after January 1, 2013, with early adoption permitted.

IFRS 9, *Financial Instruments.* IFRS 9 is the first standard issued as part of a wider project to replace IAS 39. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The guidance in IAS 39 on impairment of financial assets and hedge accounting continues to apply. This standard is effective for periods beginning on or after January 1, 2015, with early adoption permitted.

IFRS 10, *Consolidated financial statements*. The objective of IFRS 10 is to establish principles for the preparation and presentation of consolidated financial statements when an entity controls one or more other entities. It defines the principle of control and establishes control as the basis for consolidation. It sets out how to apply the principle of control to identify whether an investor controls an investee and therefore must consolidate the investee, and sets out the accounting requirements for the preparation of consolidated financial statements. It replaces IAS 27 and SIC 12 and is effective for periods beginning on or after January 1, 2013, with early adoption permitted if it is applied with IFRS 11, IFRS 12, IAS 27 (as amended in 2011) and IAS 28 (as amended in 2011) at the same time.

IFRS 11, *Joint Arrangements.* IFRS 11 focuses on the rights and obligations of the arrangement rather than its legal form. It specifies that there are two types of joint arrangements: joint operations and joint ventures. Joint operations arise where a joint operator has rights to the assets and obligations relating to the arrangement and hence accounts for its interest in assets, liabilities, revenue and expenses. Joint ventures arise where the joint operator has rights to the net assets of the arrangement and hence equity accounts for its interest. Proportional consolidation of joint ventures is not longer allowed. It is effective for periods beginning on or after January 1, 2013, with early adoption permitted if it is applied with IFRS 10, IFRS 12, IAS 27 (as amended in 2011) and IAS 28 (as amended in 2011) at the same time.

IFRS 12, *Disclosures of Interests in Other Entities*. IFRS 12 includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. It is effective for periods beginning on or after January 1, 2013, with early adoption permitted if it is applied with IFRS 10, IFRS 11, IAS 27 (as amended in 2011) and IAS 28 (as amended in 2011) at the same time.

IFRS 13, *Fair Value Measurement.* IFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRS. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRS. It is effective for periods beginning on or after January 1, 2013, with early adoption permitted.

IAS 27, *Separate Financial Statements* (as amended in 2011). This amended standard includes the provisions on separate financial statements that are left after the control provisions of IAS 27 have been included in the new IFRS 10. It is effective for annual periods beginning on or after January 1, 2013, with early adoption permitted if it is applied with IFRS 10, IFRS 11, IFRS 12 and IAS 28 (as amended in 2011) at the same time.

IAS 28, *Investments in Associates and Joint Ventures* (as amended in 2011). This amended standard includes the requirements for joint ventures, as well as associates, to be equity accounted following the issue of IFRS 11. It is effective for periods beginning on or after January 1, 2013, with early adoption permitted if it is applied with IFRS 10, IFRS 11, IFRS 12 and IAS 27 (as amended in 2011) at the same time.

2. Acquisitions, Investments and Dispositions

In February 2009, the Group's controlling interest in Cablemás increased from 54.5% to 58.3%, as a result of a capital contribution made by a Company's subsidiary and the dilution of the non-controlling interest in Cablemás. The Company retained 49% of the voting stock of Cablemás. This transaction between stockholders of the Group resulted in a non-cash reduction of retained earnings attributable to the controlling interest of Ps.118,353, with a corresponding increase in stockholders' equity attributable to the non-controlling interest. In December 2009, the Group completed a final valuation and purchase price allocation of the assets and liabilities of Cablemás in connection with the consolidation of this Company's subsidiary in 2008, and recognized Ps.1,052,190 of concessions, Ps.636,436 of trademarks, Ps.792,276 of a subscriber list, Ps.374,887 of interconnection contracts, and an aggregate write-down of Ps.1,036,933 relating to technical equipment and other intangibles (see Notes 1(b) and 7). On March 31, 2011, the stockholders of Cablemás approved, among other matters, a capital increase in Cablemás, by which a wholly-owned subsidiary of the Company increased its equity interest in Cablemás from 58.3% to 90.8%. On April 29, 2011, the stockholders of the Company approved, among other matters: (i) the merger of Cablemás, S.A. de C.V. into the Company on that date, for which regulatory approvals were obtained in the first half of 2011; and (ii) an increase in the capital stock of the Company in connection with this merger, by which the Group's controlling interest in Cablemás increased from 90.8% to 100%. These transactions were completed in October 2011. These transactions between stockholders resulted in a net loss of Ps.1,595,796, which decreased retained earnings attributable to the controlling interest in consolidated stockholders´ equity (see Notes 7, 12 and 15).

In June 2009, the Company entered into an agreement with a U.S. financial institution to acquire for U.S.$41.8 million (Ps.552,735) an outstanding loan facility of TVI in the principal amount of U.S.$50 million with a maturity in 2012, which was entered into by TVI in December 2007, in connection with the acquisition of the majority of the assets of Bestel described above. In July 2009, TVI prepaid this loan facility through an exchange with the Company of such loan receivable with a carrying value, of U.S.$42.1 million (Ps.578,284), for a 15.4% non-controlling interest held by TVI in Cablestar and Ps.85,580 in cash. This transaction between stockholders resulted in a net gain of Ps.62,143, which increased retained earnings attributable to the controlling interest in consolidated stockholders' equity.

In June 2010, the Mexican Communications and Transportation Ministry ("Secretaría de Comunicaciones y Transportes") granted to the consortium formed by Grupo de Telecomunicaciones Mexicanas, S.A. de C.V. ("Telefónica"), the Group and Megacable, S.A. de C.V. ("Megacable"), a favorable award in the bidding process for a 20-year contract for the lease of a pair of dark fiber wires held by the Mexican Federal Electricity Commission ("Comisión Federal de Electricidad" or "CFE"). The consortium, through the company Grupo de Telecomunicaciones de Alta Capacidad, S.A.P.I. de C.V. ("GTAC"), in which a subsidiary of Telefónica, a subsidiary of the Company and a subsidiary of Megacable have an equal equity participation, was granted a contract to lease 19,457 kilometers of dark fiber optic capacity from the CFE, along with the corresponding concession to operate a public telecommunications network. In June 2010, the Group made a capital contribution of Ps.54,667 in connection with its 33.3% interest in GTAC. GTAC started operations in the second half of 2011 and commercial services in the first quarter of 2012 (see Note 5).

In July 2010, the Group sold its 25% interest in Controladora Vuela Compañía de Aviación, S.A. de C.V. and subsidiaries (collectively "Volaris") , a low-cost carrier airline, for a total consideration of U.S.$80.6 million (Ps.1,042,836) in cash. The Group's total capital contributions made in Volaris since October 2005 amounted to U.S.$49.5 million (Ps.574,884), including a capital contribution made in 2009 in the amount of U.S.$5 million (Ps.69,000). As a result of this disposition, the Group recognized a net pretax gain of Ps.783,981, which was accounted for in consolidated income for the year ended December 31, 2010, as other expense, net (see Notes 16 and 17).

On December 20, 2010, the Group, Univision Communications Inc. ("Univision"), BMP, which is Univision's parent company, and other parties affiliated with the investor groups that own BMP entered into various agreements and completed certain transactions. As a result, in December 2010, the Group: (i) made a cash investment of U.S.$1,255 million in BMP in the form of a capital contribution in the amount of U.S.$130 million (Ps.1,613,892), representing 5% of the outstanding common stock of BMP, and U.S.$1,125 million (Ps.13,904,222) aggregate principal amount of 1.5% Convertible Debentures of BMP due 2025, which are convertible at the Company's option into additional shares currently equivalent to a 30% equity stake of BMP, subject to existing laws and regulations in the United States, and other conditions; (ii) acquired an option to purchase at fair value an additional 5% equity stake in BMP, subject to existing laws and regulations in the United States, and other terms and conditions and (iii) sold to Univision its entire interest in TuTv, LLC ("TuTv"), which represented 50% of TuTv's capital stock, for an aggregate cash amount of U.S.$55 million (Ps.681,725). In connection with this investment, (i) the Company entered into an amended Program License Agreement ("PLA") with Univision, pursuant to which Univision has the right to broadcast certain Televisa content in the United States for a term that commenced on January 1, 2011 and ends on the later of 2025 or seven and one-half years after the Group has sold two-thirds of its initial investment in BMP, and which includes an increased percentage of royalties from Univision and (ii) the Group entered into a new program license agreement with Univision, the Mexico License Agreement, or MLA, under which the Group has the right to broadcast certain Univision's content in Mexico for the same term as that of the PLA. In the fourth quarter of 2011, the Group entered into agreements to buy from existing BMP stockholders additional 219,125 shares of common stock of BMP in the aggregate amount of U.S.$49.1 million (Ps.669,392). As a result of this acquisition, the Group increased its equity stake in BMP from 5% to 7.1% (see Notes 5, 11 and 16).

On April 7, 2011, the Company, Grupo Iusacell, S.A. de C.V. ("Iusacell"), a provider of telecommunication services, primarily engaged in providing mobile services throughout Mexico, and GSF Telecom Holdings, S.A.P.I. de C.V. ("GSF"), the controlling company of Iusacell, reached an agreement under which the Group made an investment of (i) U.S.$37.5 million (Ps.442,001) in 1.093875% of the outstanding shares of common stock of GSF, which amount was paid in cash by the Group on April 7, 2011; and (ii) U.S.$1,565 million (Ps.19,229,056) in unsecured debentures issued by GSF that are mandatorily convertible into shares of common stock of GSF, which are divided into two tranches, the Series 1 Debentures and the Series 2 Debentures. The Series 1 Debentures are the 364,996 registered unsecured debentures of GSF, par value U.S.$1,000 each, representing in the aggregate U.S.$365 million (Ps.4,302,146), issued against the payment in cash made by the Group on April 7, 2011. The Series 2 Debentures are the 1,200,000 registered unsecured debentures of GSF, par value U.S.$1,000 each, representing in the aggregate U.S.$1,200 million (Ps.14,926,910), issued against the payments in cash made by the Group on April 7, 2011, and in the period from May through October 2011, in the amounts of U.S.$400 million (Ps.4,714,680) and U.S.$800 million (Ps.10,212,230), respectively. These debentures have a conversion date on or before December 2015, and earn annual interest of 2% until the date they are converted into shares of common stock of GSF, with interest receivable on a quarterly basis. Upon conversion of the debentures, which is subject to regulatory approval and other customary closing conditions, the equity participation of the Group in GSF and Iusacell will be 50%, and the Group will share equal governance rights with the other owner. In addition, the Company agreed to make an additional payment of U.S.$400 million (Ps.5,591,400) to GSF if cumulative EBITDA of Iusacell, as defined, reaches U.S.$3,742 million (Ps.52,307,547) at any time between 2011 and 2015. On February 2, 2012, the Company was notified of the resolution by which the Mexican Antitrust Commission did not approve the conversion of the debentures into shares of common stock of GSF. On March 15, 2012, the Company filed an appeal before the Mexican Antitrust Commission requesting such authority to revert its resolution and authorize the conversion. Such appeal is currently under review by the authority, which has a term of 60 business days to issue a new resolution. In addition to the appeal, the Company will assess and pursue potential remedies provided by law, which may include, without limitation, other administrative or judiciary procedures. No assurance can be given that the result of the appeal or of any other proceedings will be favorable to the Company (see Notes 5 and 18).

3. Trade Notes and Accounts Receivable, Net

Trade notes and accounts receivable as of December 31, consisted of:

		2010		2011
Non-interest bearing notes received from customers as deposits and advances	Ps.	13,313,673	**Ps.**	**13,465,534**
Accounts receivable, including value-added tax receivables related to advertising services		5,966,189		**7,559,848**
Allowance for doubtful accounts		(1,578,737)		**(1,781,670)**
	Ps.	17,701,125	**Ps.**	**19,243,712**

4. Transmission Rights and Programming

At December 31, transmission rights and programming consisted of:

		2010		2011
Transmission rights	Ps.	5,792,029	**Ps.**	**7,103,302**
Programming		3,839,988		**3,908,170**
		9,632,017		**11,011,472**
Non-current portion of:				
Transmission rights		3,724,547		**4,658,307**
Programming		1,903,055		**2,174,220**
		5,627,602		**6,832,527**
Current portion of transmission rights and programming	Ps.	4,004,415	**Ps.**	**4,178,945**

5. Investments

At December 31, the Group had the following investments:

		2010		2011	Ownership % as of December 31, 2011
Accounted for by the equity method:					
BMP [a]	Ps.	1,613,892	**Ps.**	**2,443,103**	**7.1%**
Gestora de Inversiones Audiovisuales La Sexta, S.A. and subsidiaries (collectively, "La Sexta") [b]		722,752		**130,203**	**40.8%**
GTAC [c]		34,645		**–**	**33.3%**
Ocesa Entretenimiento, S.A. de C.V. and subsidiaries (collectively, "OCEN") [d]		819,913		**810,273**	**40%**
Other		141,435		**151,965**	
		3,332,637		**3,535,544**	
Other investments:					
1.5% Convertible Debentures due 2025 issued by BMP [a]		13,904,222		**15,767,748**	
Mandatorily Convertible Debentures issued by GSF [e]		–		**19,229,056**	
Common shares of GSF		–		**442,001**	
Loan and interest receivable from La Sexta [b]		354,942		**572,132**	
Long-term credit facility and interest receivable from GTAC [c]		384,063		**498,344**	
Held–to–maturity debt securities [f]		935,494		**543,581**	
Other available–for–sale investments [g]		2,922,625		**2,812,200**	
Other		3,470		**7,184**	
		18,504,816		**39,872,246**	
	Ps.	21,837,453	**Ps.**	**43,407,790**	

[a] The Group accounts for its 7.1% investment in common stock of BMP, the parent company of Univision, under the equity method due to the Group's ability to exercise significant influence over BMP's operations. Since December 20, 2010, the Group: (i) owned 526,336 Class "C" shares of common stock of BMP, representing 5% of the outstanding total shares of BMP as of that date, (ii) held 1.5% Convertible Debentures due 2025 issued by BMP with interest payable on a quarterly basis, which can be converted into additional shares currently equivalent to a 30% equity stake of BMP, at the option of the Group, subject to certain conditions and regulations; (iii) owned an option to acquire at fair value an additional 5% of common stock of BMP, at a future date, subject to certain conditions and regulations; (iv) had three of 20 designated members of the Board of Directors of BMP; and (v) had entered in program license agreements with Univision, an indirect wholly-owned subsidiary of BMP, through the later of 2025 or seven and one-half years after the Group has sold two-thirds of its initial investment in BMP. In the fourth quarter of 2011, the Group entered into agreements to buy from existing stockholders additional 219,125 shares of common stock of BMP in the aggregate amount of U.S.$49.1 million (Ps.669,392), which was paid in cash by the Group in December 2011. As of December 31, 2010 and 2011, the Group owned Class "C" shares of common stock of BMP representing 5% and 7.1% of the outstanding total shares of BMP as of those dates, respectively, and held 1.5% Convertible Debentures due 2025 issued by BMP in the principal amount of U.S.$1,125 million. These convertible debentures were classified by the Group as available-for-sale investments in its consolidated balance sheets (see Notes 2, 9, 11 and 16).

[b] La Sexta is a free-to-air television channel in Spain. During 2009, the Company made additional capital contributions related to its interest in La Sexta in the amount of €35.7 million (Ps.663,082). During the first half of 2010, the Group made short-term loans in connection with its 40.5% interest in La Sexta in the principal amount of €21.5 million (Ps.354,942). In February 2011, these loans were capitalized by the Company as investment in La Sexta and the Company's percentage ownership in La Sexta increased from 40.5% to 40.8%. In December 2011, the Company agreed to exchange on a non-cash basis its 40.8% equity interest in La Sexta for a 14.5% equity participation in Imagina Media Audiovisual, S.L. ("Imagina"). Imagina is a significant provider of content and audiovisual services for the media and entertainment industry in Spain. All closing conditions applicable to this transaction were met in February 2012. Additionally, the Company announced that it will participate together with Imagina and the remaining stockholders of La Sexta in the merger agreement ("Merger Agreement") between Antena 3 de Televisión, S.A. ("Antena 3") and La Sexta. Under the terms of the Merger Agreement, which is subject to regulatory approval, La Sexta will be merged into Antena 3 and its stockholders will receive up to a 14% equity stake in Antena 3, a portion of which is conditioned on Antena 3 achieving certain profitability goals. The Company does not expect to receive any Antena 3 shares, and will transfer all of its contractual rights and obligations under the Merger Agreement to Imagina.

[c] GTAC is a company with a concession to operate a public telecommunications network in Mexico with an expiration date in 2020. In June 2010, a subsidiary of the Company entered into a long-term credit facility agreement to provide financing to GTAC for up to Ps.668,217, with an annual interest rate of the Mexican Interbank Interest Rate ("Tasa de Interés Interbancaria de Equilibrio" or "TIIE") plus 200 basis points. Principal and interest under this credit facility are payable at dates agreed by the parties between 2012 and 2027. As of December 31, 2010 and 2011, GTAC had used a principal amount of Ps.372,083 and Ps.459,083, respectively, under this credit facility, with a related accrued interest receivable of Ps.11,980 and Ps.39,261, respectively (see Notes 2 and 11).

[d] OCEN is a majority-owned subsidiary of Corporación Interamericana de Entretenimiento, S.A. de C.V., and is engaged in the live entertainment business in Mexico. In 2009 and 2011, OCEN paid dividends to the Group in the aggregate amount of Ps.56,000 and Ps.64,960, respectively. The investment in OCEN includes a goodwill of Ps.359,613 as of December 31, 2010 and 2011 (see Note 16).

[e] The Group recognized its 1.09% interest in common shares of GSF and debentures mandatorily convertible into common shares of GSF, as other permanent investments, and therefore accounted for at cost, subject to impairment analysis. As of December 31, 2011, no impairment has been recognized on this investment (see Note 2).

[f] Held-to-maturity securities represent corporate fixed income securities with long-term maturities. These investments are stated at amortized cost. Maturities of these investments subsequent to December 31, 2011, are as follows: Ps.214,758 in 2013, Ps.137,601 in 2014, Ps.120,909 in 2015 and Ps.70,313 thereafter.

[g] In the second half of 2009, the Group invested an aggregate amount of U.S.$180 million in a telecom and media open-ended fund (see Note 1 (g)).

The Group recognized equity in comprehensive loss of affiliates for the years ended December 31, 2009, 2010 and 2011, as follows:

	2009	2010	2011
Equity in losses of affiliates, net	Ps. (715,327)	Ps. (211,930)	**Ps. (449,439)**
Equity in other comprehensive income (loss) of affiliates:			
Foreign currency translation adjustments, net	(29,319)	(116,879)	**292,720**
Gain (loss) on equity accounts, net	39,525	4,598	**(37,306)**
	10,206	(112,281)	**255,414**
	Ps. (705,121)	Ps. (324,211)	**Ps. (194,025)**

6. Property, Plant and Equipment, Net

Property, plant and equipment as of December 31, consisted of:

	2010	2011
Buildings	Ps. 9,466,384	**Ps. 9,603,313**
Buildings improvements	1,698,781	**1,690,594**
Technical equipment	45,520,020	**52,324,547**
Satellite transponders	3,593,873	**3,593,873**
Furniture and fixtures	826,076	**887,842**
Transportation equipment	2,525,029	**2,165,540**
Computer equipment	3,671,449	**4,430,997**
Leasehold improvements	1,303,689	**1,342,959**
	68,605,301	**76,039,665**
Accumulated depreciation	(36,900,013)	**(42,379,528)**
	31,705,288	**33,660,137**
Land	4,085,914	**4,222,114**
Construction in progress	2,860,645	**3,616,716**
	Ps. 38,651,847	**Ps. 41,498,967**

Depreciation charged to income in 2009, 2010 and 2011 was Ps.4,390,339, Ps.5,697,642 and Ps.6,500,739, respectively.

Satellite transponders are recorded as an asset equal to the net present value of committed payments under a 15-year service agreement entered into with Intelsat Corporation ("Intelsat") for 12 KU-band transponders on Intelsat's satellite IS-9 (see Note 8). Additionally, in connection with a 15-year service agreement for 24 transponders on Intelsat's satellite IS-16 among Sky, Sky Brasil Servicos Ltda., Intelsat and an affiliate, the Group recorded in 2010 a one-time fixed fee in the aggregate amount of U.S.$138.6 million (Ps.1,697,711), of which U.S.$27.7 million and U.S.$110.9 million were paid in the first quarter of 2010 and 2011, respectively (see Note 11). As of December 31, 2010 and 2011, satellite transponders, net of accumulated depreciation, amounted to Ps.1,808,647 and Ps.1,631,171, respectively.

7. Intangible Assets and Deferred Charges, Net

The balances of intangible assets and deferred charges as of December 31, were as follows:

	2010			2011		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Intangible assets with indefinite lives:						
Goodwill			Ps. 2,529,594			**Ps. 2,571,942**
Publishing, TVI and other trademarks			1,267,939			**1,799,774**
Television network concession			650,603			**650,603**
Cablemás concession (see Note 2)			1,052,190			**1,931,000**
TVI concession (see Note 2)			262,925			**321,745**
Telecom concession (see Note 2)			767,682			**765,842**
Sky concession			96,042			**96,042**
TIM concession			–			**86,813**
Intangible assets with finite lives and deferred charges:						
Licenses and software	Ps. 1,881,493	Ps. (1,097,123)	784,370	**Ps. 2,286,110**	**Ps. (1,533,107)**	**753,003**
Subscriber lists (see Note 2)	2,403,535	(1,231,941)	1,171,594	**2,794,823**	**(1,591,457)**	**1,203,366**
Other intangible assets	836,747	(160,782)	675,965	**1,019,756**	**(265,250)**	**754,506**
Deferred financing costs (see Note 8)	1,472,281	(490,178)	982,103	**1,424,877**	**(498,133)**	**926,744**
	Ps. 6,594,056	Ps. (2,980,024)	Ps. 10,241,007	**Ps. 7,525,566**	**Ps. (3,887,947)**	**Ps. 11,861,380**

Amortization of intangible assets with finite lives and deferred financing costs charged to income in 2009, 2010 and 2011, was Ps.603,606, Ps.985,827 and Ps.1,003,829, respectively, of which Ps.64,356, Ps.70,668 and Ps.70,364 in 2009, 2010 and 2011, respectively, was recorded as interest expense (see Note 18) and Ps.33,476 and Ps.4,476 in 2010 and 2011, respectively, was recorded as other expense in connection with the extinguishment of long-term debt (see Note 17).

The changes in the net carrying amount of goodwill and trademarks for the year ended December 31, 2011, were as follows:

	Balance as of December 31, 2010	Acquisitions	Foreign Currency Translation Adjustments	Adjustments/ Reclassifications	Balance as of December 31, 2011
Goodwill:					
Television Broadcasting	Ps. 308,586	Ps. 31,004	Ps. –	Ps. (97,307)	**Ps. 242,283**
Cable and Telecom	1,711,091	147,957	–	–	**1,859,048**
Publishing	470,511	–	–	100	**470,611**
Other Businesses	39,406	–	–	(39,406)	**–**
	Ps. 2,529,594	Ps. 178,961	Ps. –	Ps. (136,613)	**Ps. 2,571,942**
Trademarks (see Note 2):					
Publishing	Ps. 509,092	Ps. –	Ps. 271	Ps. –	**Ps. 509,363**
Cable and Telecom	669,495	531,564	–	–	**1,201,059**
TVI	89,352	–	–	–	**89,352**
	Ps. 1,267,939	Ps. 531,564	Ps. 271	Ps. –	**Ps. 1,799,774**

8. Debt and Capital Lease Obligations

Debt and capital lease obligations outstanding as of December 31, were as follows:

	2010	2011
U.S. Dollar debt:		
8% Senior Notes due 2011	Ps. 889,142	**Ps. –**
6% Senior Notes due 2018 [(1)]	6,178,800	**6,989,250**
6.625% Senior Notes due 2025 [(1)]	7,414,560	**8,387,100**
8.50% Senior Notes due 2032 [(1)]	3,707,280	**4,193,550**
6.625% Senior Notes due 2040 [(1)]	7,414,560	**8,387,100**
Bank loan facility (Empresas Cablevisión) [(2)]	2,780,460	**–**
Total U.S. Dollar debt	28,384,802	**27,957,000**
Mexican Peso debt:		
7.38% Notes due 2020 [(3)]	10,000,000	**10,000,000**
8.49% Senior Notes due 2037 [(1)]	4,500,000	**4,500,000**
Bank loans [(4)]	1,000,000	**9,600,000**
Bank loans (Sky) [(5)]	3,500,000	**3,500,000**
Bank loans (TVI) [(6)]	580,000	**1,270,000**
Total Mexican Peso debt	19,580,000	**28,870,000**
Total debt	47,964,802	**56,827,000**
Less: Short-term debt and current portion of long-term debt	1,469,142	**1,170,000**
Long-term debt, net of current portion	Ps. 46,495,660	**Ps. 55,657,000**
Capital lease obligations:		
Satellite transponder lease obligation [(7)]	Ps. 414,921	**Ps. 225,575**
Other [(8)]	214,890	**358,160**
Total capital lease obligations	629,811	**583,735**
Less: Current portion	280,137	**381,891**
Capital lease obligations, net of current portion	Ps. 349,674	**Ps. 201,844**

[(1)] The Senior Notes due 2018, 2025, 2032, 2037 and 2040, in the outstanding principal amount of U.S.$500 million, U.S.$600 million, U.S.$300 million, Ps.4,500,000 and U.S.$600 million, respectively, are unsecured obligations of the Company, rank equally in right of payment with all existing and future unsecured and unsubordinated indebtedness of the Company, and are junior in right of payment to all of the existing and future liabilities of the Company's subsidiaries. Interest on the Senior Notes due 2018, 2025, 2032, 2037 and 2040, including additional amounts payable in respect of certain Mexican withholding taxes, is 6.31%, 6.97%, 8.94%, 8.93% and 6.97% per annum, respectively, and is payable semi-annually. These Senior Notes may not be redeemed prior to maturity, except (i) in the event of certain changes in law affecting the Mexican withholding tax treatment of certain payments on the securities, in which case the securities will be redeemable, as a whole but not in part, at the option of the Company; and (ii) in the event of a change of control, in which case the Company may be required to redeem the securities at 101% of their principal amount. Also, the Company may, at its own option, redeem the Senior Notes due 2018, 2025, 2037 and 2040, in whole or in part, at any time at a redemption price equal to the greater of the principal amount of these Senior Notes or the present value of future cash flows, at the redemption date, of principal and interest amounts of the Senior Notes discounted at a fixed rate of comparable U.S. or Mexican sovereign bonds. The Senior Notes due 2018, 2032 and 2040 were priced at 99.280%, 99.431% and 98.319%, respectively, for a yield to maturity of 6.097%, 8.553% and 6.755%, respectively. The Senior Notes due 2025 were issued in two aggregate principal amounts of U.S.$400 million and U.S.$200 million, and were priced at 98.081% and 98.632%, respectively, for a yield to maturity of 6.802% and 6.787%, respectively. The agreement of these Senior Notes contains covenants that limit the ability of the Company and certain restricted subsidiaries engaged in Television Broadcasting, Pay Television Networks and Programming Exports, to incur or assume liens, perform sale and leaseback transactions, and consummate certain mergers, consolidations and similar transactions. The Senior Notes due 2018, 2025, 2032, 2037 and 2040 are registered with the U.S. Securities and Exchange Commission.

(2) This bank loan facility with an original maturity in 2012 was entered into by Empresas Cablevisión in the aggregate principal amount of U.S.$225 million. Annual interest on this loan facility was payable on a quarterly basis at LIBOR plus an applicable margin that ranged from 0.475% to 0.800% depending on a leverage ratio. In March 2011, Empresas Cablevisión prepaid all of its outstanding loan facility.

(3) In October 2010, the Company issued 7.38% Notes ("Certificados Bursátiles") due 2020 through the Mexican Stock Exchange ("Bolsa Mexicana de Valores") in the aggregate principal amount of Ps.10,000,000. Interest on these Notes is payable semi-annually. The Company may, at its own option, redeem these Notes, in whole or in part, at any semi-annual interest payment date at a redemption price equal to the greater of the principal amount of the outstanding Notes and the present value of future cash flows, at the redemption date, of principal and interest amounts of the Notes discounted at a fixed rate of comparable Mexican sovereign bonds. The agreement of these Notes contains covenants that limit the ability of the Company and certain restricted subsidiaries appointed by the Company's Board of Directors, and engaged in Television Broadcasting, Pay Television Networks and Programming Exports, to incur or assume liens, perform sale and leaseback transactions, and consummate certain mergers, consolidations and similar transactions.

(4) In March 2011, the Company entered into long-term credit agreements with four Mexican banks in the aggregate principal amount of Ps.8,600,000, with an annual interest rate between 8.09% and 9.4%, payable on a monthly basis, and principal maturities between 2016 and 2021. The proceeds of these loans were used for general corporate purposes. Under the terms of these loan agreements, the Company is required to (a) maintain certain financial coverage ratios related to indebtedness and interest expense; and (b) comply with the restrictive covenant on spin-offs, mergers and similar transactions. This line also includes in 2010 and 2011, outstanding balances in the principal amount of Ps.1,000,000 and Ps.1,000,000, respectively, in connection with certain credit agreement entered into by the Company with a Mexican bank, with maturity in 2012. Interest on this loan is 10.35% per annum, and is payable on a monthly basis. Under the terms of this credit agreement, the Company and certain restricted subsidiaries engaged in Television Broadcasting, Pay Television Networks and Programming Exports are required to maintain (a) certain financial coverage ratios related to indebtedness and interest expense; and (b) certain restrictive covenants on indebtedness, dividend payments, issuance and sale of capital stock, and liens.

(5) Includes in 2010 and 2011, two long-term loans entered into by Sky with Mexican banks in the principal amount of Ps.1,400,000 and Ps.2,100,000, with a maturity in 2016, bearing annual interest of TIIE plus 24 basis points and 8.74%, respectively, with interest payable on a monthly basis. This Sky long-term indebtedness is guaranteed by the Company. Under the terms of these loan agreements, Sky is required to maintain (a) certain financial coverage ratios related to indebtedness and interest expense; and (b) certain restrictive covenants on indebtedness, liens, asset sales, and certain mergers and consolidations.

(6) Includes in 2010 and 2011, outstanding balances in the aggregate principal amount of Ps.580,000 and Ps.1,270,000, respectively, in connection with certain credit agreements entered into by TVI with Mexican banks, with maturities in 2012 and 2013 to 2016, bearing different annual interest rates of 7.81% and in the range of TIIE plus 2.15% and TIIE plus 3.50%, with interest payable on a monthly basis.

(7) Sky is obligated to pay a monthly fee of U.S.$1.7 million under a capital lease agreement entered into with Intelsat (formerly PanAmSat Corporation) in February 1999 for satellite signal reception and retransmission service from 12 KU-band transponders on satellite IS-9, which became operational in September 2000. The service term for IS-9 will end at the earlier of (a) the end of 15 years or (b) the date IS-9 is taken out of service. In the first half of 2010, Intelsat confirmed to Sky that IS-9 experienced certain technical anomalies in its primary propulsion system, resulting in a shortened satellite life through 2012 instead of its original estimated life through 2015. Accordingly, Sky reduced the carrying value of the corresponding asset and the present value of the minimum payments in accordance with the related agreement and based on the remaining useful life of IS-9. The obligations of Sky under the IS-9 agreement are proportionately guaranteed by the Company and the other Sky equity owners in relation to their respective ownership interests (see Notes 6 and 11).

(8) Includes minimum lease payments of property and equipment under leases that qualify as capital leases. The capital leases have terms which expire at various dates between 2012 and 2022.

In November 2010, Cablemás prepaid all of its outstanding Guaranteed Senior Notes due in 2015 for an aggregate amount of U.S.$183 million (Ps.2,256,716), including accrued interest and a premium, as well as all of its outstanding loan facility due in 2012 for an aggregate amount of U.S.$50 million (Ps.622,118), including accrued interest. This refinancing of debt was carried out through a Ps.2,500,000 loan facility provided to Cablemás by a subsidiary of the Company, with an annual interest rate of 9.30%, which is due in November 2020 (see Notes 9 and 17).

Maturities of Debt and Capital Lease Obligations

Debt maturities for the years subsequent to December 31, 2011, are as follows:

2012	Ps.	1,170,000
2013		188,100
2014		225,720
2015		225,720
2016		9,085,460
Thereafter		45,932,000
	Ps.	56,827,000

Future minimum payments under capital lease obligations for the years subsequent to December 31, 2011, are as follows:

2012	Ps.	415,116
2013		130,641
2014		33,551
2015		18,904
2016		5,624
Thereafter		33,744
		637,580
Less: Amount representing interest		53,845
	Ps.	583,735

9. Financial Instruments

The Group's financial instruments recorded in the balance sheet include cash and cash equivalents, temporary investments, accounts and notes receivable, long-term loan receivable from GTAC, convertible debentures issued by BMP with an option to convert these debentures, debt securities classified as held-to-maturity investments, investments in securities in the form of an open-ended fund classified as available-for-sale investments, accounts payable, debt and derivative financial instruments. For cash and cash equivalents, temporary investments, accounts receivable, accounts payable, and short-term notes payable due to banks and other financial institutions, the carrying amounts approximate fair value due to the short maturity of these instruments. The fair value of the Group's long-term debt securities are based on quoted market prices.

The fair value of the long-term loans that the Group borrowed from leading Mexican banks (see Note 8) was estimated using the borrowing rates currently available to the Group for bank loans with similar terms and average maturities. The fair value of held-to-maturity securities, available-for-sale investments, and currency option, interest rate swap and share put option agreements was based on quotes obtained from financial institutions.

The carrying and estimated fair values of the Group's non-derivative financial instruments at December 31, were as follows:

	2010		2011	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Assets:				
Temporary investments	Ps. 10,446,840	Ps. 10,446,840	**Ps. 5,422,563**	**Ps. 5,422,563**
1.5% Convertible Debentures due 2025 issued by BMP (see Note 5)	13,904,222	13,904,222	**15,767,748**	**15,767,748**
Long-term loan and interest receivable from GTAC (see Note 5)	384,063	442,840	**498,344**	**541,251**
Held-to-maturity debt securities (see Note 5)	935,494	933,606	**543,581**	**545,174**
Other available-for-sale investments (see Note 5)	2,922,625	2,922,625	**2,812,200**	**2,812,200**
Liabilities:				
Senior Notes due 2011, 2018, 2025, 2032 and 2040	Ps. 25,604,342	Ps. 28,801,931	**Ps. 27,957,000**	**Ps. 32,638,707**
Senior Notes due 2037	4,500,000	4,207,320	**4,500,000**	**4,487,760**
Notes due 2020	10,000,000	9,474,300	**10,000,000**	**10,007,300**
Long-term notes payable to Mexican banks	5,080,000	5,442,615	**14,370,000**	**14,972,478**
Bank loan facility (Empresas Cablevisión)	2,780,460	2,575,555	–	–

The carrying values (based on estimated fair values), notional amounts, and maturity dates of the Group's derivative financial instruments at December 31, were as follows:

2010:

Derivative Financial Instruments	Carrying Value	Notional Amount (U.S. Dollars in Thousands)	Maturity Date
Assets:			
Derivatives recorded as accounting hedges (cash flow hedges):			
Empresas Cablevisión's cross-currency swaps [(b)]	Ps. 189,400	U.S.$225,000/ Ps.2,435,040	December 2012
Total assets	Ps. 189,400		
Liabilities:			
Derivatives recorded as accounting hedges (cash flow hedges):			
Cross-currency interest rate swaps [(a)]	Ps. 74,329	U.S.$2,000,000/ Ps.25,727,550	March and July 2011
Derivatives not recorded as accounting hedges:			
Sky's interest rate swap [(c)]	102,485	Ps.1,400,000	April 2016
Cablemás embedded derivatives [(d)]	1,043	U.S.$3,852	July 2011 to February 2018
Total liabilities	Ps. 177,857		

2011:

Derivative Financial Instruments		Carrying Value	Notional Amount (U.S. Dollars in Thousands)	Maturity Date
Assets:				
Derivatives not recorded as accounting hedges:				
Options [(e)]	Ps.	50,279	U.S.$337,500	2012, 2013 and 2014
Derivatives recorded as accounting hedges (cash flow hedges):				
Cross-currency interest rate swaps [(a)]		94,730	U.S.$2,000,000/ Ps.24,189,000	January, March and May 2012
Total assets	Ps.	145,009 [(1)]		
Liabilities:				
Derivatives not recorded as accounting hedges:				
Sky's interest rate swap [(c)]	Ps.	138,599	Ps.1,400,000	April 2016
Derivatives recorded as accounting hedges (cash flow hedges):				
Interest rate swap [(f)]		172,005	Ps.2,500,000	March 2018
Total liabilities	Ps.	310,604		

(1) Includes derivative financial instruments of Ps.99,737, that were classified in current assets in the consolidated balance sheet as of December 31, 2011.

(a) In order to reduce the adverse effects of exchange rates on the Senior Notes due 2018, 2025, 2032 and 2040, during 2010 and 2011, the Company entered into interest rate swap agreements with various financial institutions that allow the Company to hedge against Mexican Peso depreciation on interest payments to be made in 2010, 2011 and 2012. Under these transactions, the Company receives semi-annual payments based on the aggregate notional amount U.S.$2,000 million and U.S.$2,000 million as of December 31, 2010 and 2011, respectively, at an average annual rate of 6.75% and 6.75%, respectively, and the Company makes semi-annual payments based on an aggregate notional amount of Ps.25,727,550 and Ps.24,189,000 as of December 31, 2010 and 2011, respectively, at an average annual rate of 6.95% and 6.91%, respectively, without an exchange of the notional amount upon which the payments are based. As a result of the change in fair value of these transactions, in the years ended December 31, 2009, 2010 and 2011, the Company recorded a loss of Ps.25,280, Ps.93,321 and Ps.88,470, respectively, relating to the interest rate swaps not recorded as accounting hedges, in the integral cost of financing (foreign exchange gain or loss), and as of December 31, 2010 and 2011, the Company has recorded in consolidated stockholders' equity, as accumulated other comprehensive income or loss attributable to the controlling interest, a cumulative (loss) gain for changes in fair value of Ps.(74,329) and Ps.94,730, respectively, relating to interest rate swaps recorded as accounting hedges.

(b) In December 2007, in connection with the issuance of its U.S.$225 million long-term debt, Empresas Cablevisión entered into a cross-currency swap agreement to hedge interest rate risk and foreign currency exchange risk on such long-term debt. Under this agreement, Empresas Cablevisión receives variable rate coupon payments in U.S. dollars at an annual interest rate of LIBOR to 90 days plus 42.5 basis points, and principal amount payments in U.S. dollars, in exchange for fixed rate coupon payments in Mexican Pesos at an annual interest rate of 8.3650%, and principal amount payments in Mexican Pesos. At the final exchange, Empresas Cablevisión will receive a principal amount of U.S.$225 million, in exchange for Ps.2,435,040. At December 31, 2009 and 2010, this derivative contract qualified as a cash flow hedge, and therefore, the Group has recorded in consolidated stockholders' equity, as accumulated other comprehensive income or loss, a cumulative gain for changes in fair value of Ps.400,577 and Ps.170,003, respectively, together with a cumulative unrealized foreign exchange loss of Ps.485,505 and Ps.322,965, respectively, related to the long-term debt. In March 2011, Empresas Cablevisión liquidated this derivative contract and received a cash amount of U.S.$7.6 million (Ps.91,200) in connection with a prepayment of its U.S.$225 million debt (see Note 8).

(c) In December 2006, Sky entered into a derivative transaction agreement from April 2009 through April 2016 to hedge the variable interest rate exposure resulting from a Mexican Peso loan of a total principal amount of Ps.1,400,000. Under this transaction, Sky receives 28-day payments based on an aggregate notional amount of Ps.1,400,000 at an annual variable rate of TIIE+24 basis points and makes 28-day payments based on the same notional amount at an annual fixed rate of 8.415%. The Group recorded the change in fair value of this transaction as interest expense in the consolidated integral cost of financing (see Note 8).

(d) Certain Cablemás office lease agreements include embedded derivatives identified as forwards for obligations denominated in U.S. Dollars. The Group recognizes changes in related fair value as foreign exchange gain or loss in the consolidated integral cost of financing. In March 2011, Cablemás concluded such lease agreements with embedded derivatives.

(e) In December 2011, the Company entered into derivative agreements ("knock-out option calls") with two financial institutions to reduce the adverse effect of exchange rates on the Senior Notes due 2018, 2025, 2032 and 2040, and hedge against severe Mexican peso depreciation on interest payments to be made in the second half of 2012, 2013 and 2014. Under these transactions, the Company has the option to receive an aggregate amount of U.S.$337.5 million in exchange for an aggregate amount of Ps.6,041,250, at maturity dates between July 2012 and November 2014, only if the exchange rate of the Mexican peso during each agreement period is not above a limit agreed between the parties. If the exchange rate exceeds such limit at any time during the agreement period, the option is extinguished. The Company paid premiums for these agreements in the aggregate amount of U.S.$2.56 million (Ps.34,812). The Company recognized the change in fair value of this transaction as well as the related premium amortization in the consolidated integral cost of financing (foreign exchange loss).

(f) In March 2011, the Company entered into a derivative transaction agreement ("interest rate swap") from March 2011 through March 2018 to hedge the variable interest rate exposure resulting from a Mexican peso loan of a total principal amount of Ps.2,500,000. Under this transaction, the Company receives 28-day payments based on an aggregate notional amount of Ps.2,500,000 through September 2016, Ps.1,875,000 through March 2017, Ps.1,250,000 through September 2017, and Ps.625,000 through March 2018, at an annual variable rate of TIIE and makes 28-day payments based on the same notional amount at an annual fixed rate of 7.4325%. The Company recognized the change in fair value of this transaction in the consolidated integral cost of financing (interest expense).

10. Retirement and Termination Benefits

Certain companies in the Group have collective bargaining contracts which include defined benefit pension plans and other retirement benefits for substantially all of their employees. Additionally, the Group has a defined benefit pension plan for executives. All pension benefits are based on salary and years of service rendered.

Under the provisions of the Mexican labor law, seniority premiums are payable based on salary and years of service to employees who resign or are terminated prior to reaching retirement age. Some companies in the Group have seniority premium benefits which are greater than the legal requirement. After retirement age employees are no longer eligible for seniority premiums.

Retirement and termination benefits are actuarially determined by using real assumptions (net of inflation) and attributing the present value of all future expected benefits proportionately over each year from date of hire to age 65. The Group used a 4% discount rate and 2% salary scale for each of 2009, 2010 and 2011. The Group used a 14.2%, 8.6% and 7.7% return on assets rate for 2009, 2010 and 2011, respectively. The Group makes voluntary contributions from time to time to trusts for the pension and seniority premium plans which are generally deductible for tax purposes. As of December 31, 2010 and 2011, plan assets were invested in a portfolio that primarily consisted of debt and equity securities, including shares of the Company. Pension and seniority premium benefits are paid when they become due.

The reconciliation between defined benefit obligations and net projected liability (asset) as of December 31, as follows:

	2010 Total	Pensions	Seniority Premiums	Severance Indemnities	2011 Total
Vested benefit obligations	Ps. 163,405	Ps. 187,442	Ps. 8,635	Ps. 29,324	**Ps. 225,401**
Unvested benefit obligations	2,046,721	1,260,791	267,638	564,540	**2,092,969**
Defined benefit obligations	2,210,126	1,448,233	276,273	593,864	**2,318,370**
Fair value of plan assets	1,783,737	1,288,674	509,484	–	**1,798,158**
Status of the plans	426,389	159,559	(233,211)	593,864	**520,212**
Unrecognized prior service cost for transition liability	(65,499)	(21,568)	(6,845)	(3,284)	**(31,697)**
Unrecognized prior service (cost) benefit for plan amendments	(76,094)	(109,856)	21,759	(106)	**(88,203)**
Net actuarial gain (loss)	145,347	154,820	(13,436)	(15,828)	**125,556**
Net projected liability (asset) in the consolidated balance sheet	Ps. 430,143	Ps. 182,955	Ps. (231,733)	Ps. 574,646	**Ps. 525,868**

As of December 31, 2010 and 2011, items subject to amortization for retirement and termination benefits are to be amortized over periods of either five years or the average remaining employees' service period.

The components of net periodic pension, seniority premium and severance indemnities cost for the years ended December 31, consist of the following:

	2009	2010	2011
Service cost	Ps. 125,269	Ps. 141,414	**Ps. 156,949**
Interest cost	139,505	149,644	**146,345**
Prior service cost	1,583	229	**306**
Expected return on plan assets	(192,372)	(144,062)	**(132,404)**
Net amortization and deferral	(15,789)	(48,828)	**(58,852)**
Net cost	Ps. 58,196	Ps. 98,397	**Ps. 112,344**

The Group's defined benefit obligations, plan assets, funded status and balance sheet balances as of December 31, associated with retirement and termination benefits, are presented as follows:

	2010 Total	Pensions	Seniority Premiums	Severance Indemnities	2011 Total
Defined benefit obligations					
Beginning of year	Ps. 1,984,729	Ps. 1,351,745	Ps. 283,451	Ps. 574,930	**Ps. 2,210,126**
Service cost	141,414	75,457	27,576	53,916	**156,949**
Interest cost	149,644	90,497	18,600	37,248	**146,345**
Actuarial loss (gain)	3,862	(34,947)	(26,867)	(61,596)	**(123,410)**
Benefits paid	(69,523)	(33,144)	(26,654)	(10,296)	**(70,094)**
Past service (benefit) cost	–	(1,375)	167	(338)	**(1,546)**
End of year	2,210,126	1,448,233	276,273	593,864	**2,318,370**
Fair value of plan assets					
Beginning of year	1,749,629	1,270,905	512,832	–	**1,783,737**
Actuarial return on plan assets	144,062	92,060	40,344	–	**132,404**
Actuarial gain	(56,470)	(42,398)	(20,093)	–	**(62,491)**
Contributions	1,414	–	1,390	–	**1,390**
Benefits paid	(54,898)	(31,893)	(24,989)	–	**(56,882)**
End of year	1,783,737	1,288,674	509,484	–	**1,798,158**
Status of the plans	Ps. 426,389	Ps. 159,559	Ps. (233,211)	Ps. 593,864	**Ps. 520,212**

The weighted average asset allocation by asset category as of December 31, was as follows:

	2010	2011
Equity Securities [1]	17.1%	**15.2%**
Fixed rate instruments	82.9%	**84.8%**
Total	100.0%	**100.0%**

[1] Included within plan assets at December 31, 2010 and 2011 are shares of the Company held by the trust with a fair value of Ps. 284,623 and Ps.179,632, respectively.

The changes in the net projected liability (asset) as of December 31, are as follows:

	2010 Total	Pensions	Seniority Premiums	Severance Indemnities	2011 Total
Beginning net projected liability (asset)	Ps. 346,990	Ps. 86,569	Ps. (214,680)	Ps. 558,254	**Ps. 430,143**
Net periodic cost	98,397	97,621	(14,838)	29,561	**112,344**
Contributions	(1,414)	–	(1,390)	–	**(1,390)**
Benefits paid	(13,830)	(1,235)	(825)	(13,169)	**(15,229)**
End net projected liability (asset)	Ps. 430,143	Ps. 182,955	Ps. (231,733)	Ps. 574,646	**Ps. 525,868**

The retirement and termination benefits at December 31, and actuarial adjustments for the year ended December 31, are summarized as follows:

	2007	2008	2009	2010	2011
Pensions					
Defined benefit obligations	Ps. 872,167	Ps. 1,098,111	Ps. 1,160,368	Ps. 1,351,745	**Ps. 1,448,233**
Plan assets	1,153,205	1,024,239	1,249,707	1,270,905	**1,288,674**
Status of the plans	(281,038)	73,872	(89,339)	80,840	**159,559**
Actuarial adjustments [1]	435,665	134,388	304,281	170,715	**154,820**
Seniority Premiums					
Defined benefit obligations	Ps. 261,941	Ps. 274,043	Ps. 267,110	Ps. 283,451	**Ps. 276,273**
Plan assets	475,525	380,350	499,922	512,832	**509,484**
Status of the plans	(213,584)	(106,307)	(232,812)	(229,381)	**(233,211)**
Actuarial adjustments [1]	7,569	(9,533)	(8,517)	(12,813)	**(13,436)**
Severance Indemnities					
Defined benefit obligations	Ps. 413,701	Ps. 470,314	Ps. 557,251	Ps. 574,930	**Ps. 593,864**
Plan assets	–	–	–	–	**–**
Status of the plans	413,701	470,314	557,251	574,930	**593,864**
Actuarial adjustments [1]	25,682	(5,152)	(8,231)	(12,555)	**(15,828)**

[1] On defined benefit obligations and plan assets.

11. Commitments and Contingencies

As of December 31, 2011, the Group had commitments for programming obligations in the aggregate amount of U.S.$107.5 million (Ps.1,502,549).

At December 31, 2011, the Group had commitments in an aggregate amount of Ps.294,254, of which Ps.8,728 were commitments related to gaming operations, Ps.62,975 were commitments to acquire television technical equipment, Ps.145,065 were commitments for the acquisition of software and related services, and Ps.77,486 were construction commitments for building improvements and technical facilities.

In connection with a long-term credit facility, the Group will provide financing to GTAC in 2012 in the aggregate principal amount of Ps.180,000 (see Notes 2 and 5).

At December 31, 2011, the Group had the following aggregate minimum annual commitments for the use of satellite transponders (other than transponders for Sky described below):

	Thousands of U.S. Dollars
2012	U.S.$ 8,457
2013	4,859
2014	4,859
2015	2,869
2016 and thereafter	706
	U.S.$ 21,750

The Group has guaranteed 58.7% of Sky's minimum commitments for use of IS-9 satellite transponders over a period ending in 2012. This guarantee is estimated to be in the aggregate amount of approximately U.S.$10 million as of December 31, 2011 (see Notes 8 and 9).

The 15-year service agreement for transponders on Intelsat IS-16 satellite contemplates a monthly service fee of U.S.$150,000 to be paid by Sky until IS-21 is fully operational which is expected by the last quarter of 2012 (see Note 6).

In March 2010, Sky reached an agreement with a subsidiary of Intelsat to lease 24 transponders on Intelsat IS-21 satellite, which will be mainly used for signal reception and retransmission services over the satellite's estimated 15-year service life. IS-21 intends to replace Intelsat IS-9 as Sky's primary transmission satellite and is currently expected to start service in the third quarter of 2012. The lease agreement for 24 transponders on IS-21 contemplates a monthly payment of U.S.$3.0 million to be paid by Sky beginning when IS-21 is fully operational which is expected by the last quarter of 2012.

The Company has guaranteed the obligation of Sky for direct loans in an aggregate principal amount of Ps.3,500,000, which are reflected in the December 31, 2011 balance sheet as long-term debt (see Note 8).

The Group leases facilities, primarily for its Gaming business, under operating leases expiring through 2047. As of December 31, 2011, non-cancellable annual lease commitments (undiscounted) are as follows:

2012	Ps.	286,101
2013		229,484
2014		227,657
2015		227,563
2016		223,590
Thereafter		1,143,276
	Ps.	2,337,671

In connection with the Group's investment in GSF, the Company agreed to make an additional payment of U.S.$400 million (Ps.5,591,400) to GSF if cumulative EBITDA of Iusacell, as defined, reaches U.S.$3,742 million (Ps.52,307,547) at any time between 2011 and 2015 (see Notes 2 and 5).

Univision

In January 2009, the Company and Univision announced an amendment to the Program License Agreement (the "PLA"), between Televisa and Univision. The amended PLA includes a simplified royalty calculation, as well as a provision for certain yearly minimum guaranteed advertising, with a value of U.S.$66.5 million, U.S.$68.1 million and U.S.$69.6 million for the fiscal years 2009, 2010 and 2011, respectively, to be provided by Univision, at no cost, for the promotion of the Group's businesses commencing in 2009. In connection with this amendment and in return for certain other consideration, Televisa and Univision agreed to dismiss certain claims that were pending in a District Court Action for the Central District of California, with the exception of a counterclaim filed by Univision in October 2006, whereby it sought a judicial declaration that on or after December 19, 2006, pursuant to the PLA, Televisa may not transmit or permit others to transmit any television programming into the United States by means of the Internet. The counterclaim was subsequently dismissed in connection with a further amendment to the PLA and other transactions between BMP, Univision and the Company entered into and completed in December 2010.

In December 2010, the Company and Univision announced the completion of certain agreements among related parties by which, among other transactions, the Company made an investment in BMP, the parent company of Univision, and the PLA between Televisa and Univision was amended and extended through the later of 2025 or seven and one-half years after the Company has sold two-thirds of its initial investment in BMP.

There are various other legal actions and claims pending against the Group which are filed in the ordinary course of businesses. In the opinion of the Company's management, none of these actions and claims is expected to have a material adverse effect on the Group's financial statements as a whole; however, the Company's management is unable to predict the outcome of any of these legal actions and claims.

12. Capital Stock, Stock Purchase Plan and Long-term Retention Plan

Capital Stock

The Company has four classes of capital stock: Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares, with no par value. The Series "A" Shares and Series "B" Shares are common shares. The Series "D" Shares are limited-voting and preferred dividend shares, with a preference upon liquidation. The Series "L" Shares are limited-voting shares.

The Company's shares are publicly traded in Mexico, primarily in the form of Ordinary Participation Certificates ("CPOs"), each CPO representing 117 shares comprised of 25 Series "A" Shares, 22 Series "B" Shares, 35 Series "D" Shares and 35 Series "L" Shares; and in the United States in the form of Global Depositary Shares ("GDS"), each GDS representing five CPOs. Non-Mexican holders of CPOs do not have voting rights with respect to the Series "A", Series "B" and Series "D" Shares.

In April 2011, the Company's stockholders approved, among other matters: (i) the merger of Cablemás, S.A. de C.V. into the Company on April 29, 2011, for which regulatory approvals were obtained in the first half of 2011; (ii) an increase in the capital stock of the Company in the aggregate amount of Ps.1,359,040, which consisted of 2,901.6 million shares in the form of 24.8 million CPOs, in connection with the merger of Cablemás, S.A. de C.V. into the Company , by which the Company increased its interest in the Cablemás business from 90.8% to 100% (see Note 2); and (iii) an additional issuance of 17,550 million shares of the capital stock of the Company in the form of 150 million CPOs, in the aggregate amount of Ps.10,500,000, which was paid in cash primarily by the special purpose trust of the Company's Long-Term Retention Plan in October 2011 (see Notes 2 and 13).

At December 31, 2011, shares of capital stock and CPOs consisted of (in millions):

	Authorized and Issued (1)	Repurchased by the Company (2)	Held by a Company's Trust (3)	Outstanding
Series "A" Shares	124,249.1	(975.1)	(10,664.4)	112,609.6
Series "B" Shares	59,840.9	(858.1)	(6,791.9)	52,190.9
Series "D" Shares	91,451.7	(1,365.2)	(7,055.7)	83,030.8
Series "L" Shares	91,451.7	(1,365.2)	(7,055.7)	83,030.8
Total shares	366,993.4	(4,563.6)	(31,567.7)	330,862.1
Shares in the form of CPOs	305,709.1	(4,563.6)	(23,586.0)	277,559.5
CPOs	2,612.9	(39.0)	(201.6)	2,372.3

(1) As of December 31, 2011, the authorized and issued capital stock amounted to Ps.10,238,885 (nominal Ps.2,525,818).

(2) In 2009, 2010 and 2011, the Company repurchased 1,553.4 million, 2,986.6 million and 23.4 million shares, respectively, in the form of 13.3 million, 25.5 million and 0.2 million CPOs, respectively, in the amount of Ps.705,068, Ps.1,274,022 and Ps.12,623, respectively, in connection with a share repurchase program that was approved by the Company's stockholders and is exercised at the discretion of management. In April 2009, the Company's stockholders approved the cancellation of 1,421.2 million shares of capital stock, in the form of 12.1 million CPOs, which were repurchased by the Company under this program.

(3) In connection with the Company's Stock Purchase Plan and Long-Term Retention Plan described below. During 2011, the Company's trust acquired 400.7 million shares of the Company, in the form of 3.4 million CPOs, in the amount of Ps.184,757. In October 2011, the Company's trust subscribed and paid 17,549.9 million shares of the Company, in the form of 150 million CPOs, in connection with the issuance of capital stock of the Company in the amount of Ps.10,499,929.

Under the Company's bylaws, the Company's Board of Directors consists of 20 members, of which the holders of Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares, each voting as a class, are entitled to elect eleven members, five members, two members and two members, respectively.

Holders of Series "D" Shares are entitled to receive an annual, cumulative and preferred dividend equal to 5% of the nominal capital attributable to those Shares (nominal Ps.0.00034177575 per share) before any dividends are payable in respect of Series "A" Shares, Series "B" Shares or Series "L" Shares. Holders of Series "A" Shares, Series "B" Shares and Series "L" Shares are entitled to receive the same dividends as holders of Series "D" Shares if stockholders declare dividends in addition to the preferred dividend that holders of Series "D" Shares are entitled to. If the Company is liquidated, Series "D" Shares are entitled to a liquidation preference equal to the nominal capital attributable to those Shares (nominal Ps.0.00683551495 per share) before any distribution is made in respect of Series "A" Shares, Series "B" Shares and Series "L" Shares.

At December 31, 2011, the restated tax value of the Company's common stock was Ps.38,330,652. In the event of any capital reduction in excess of the tax value of the Company's common stock, such excess will be treated as dividends for income tax purposes (see Note 13).

Stock Purchase Plan

The Company adopted a Stock Purchase Plan (the "Plan") that provides, in conjunction with the Long-term Retention Plan described below, for the conditional sales of up to 8% of the Company's capital stock to key Group employees. Pursuant to this Plan, as of December 31, 2010 and 2011, the Company had assigned approximately 125.7 million CPOs and 125.7 million CPOs, respectively, at sale prices that range from Ps.11.21 to Ps.26.16 per CPO, subject to certain conditions, including vesting periods within five years from the time the awards are granted. The shares sold pursuant to the Plan, some of which have been registered pursuant to a registration statement on Form S-8 under the Securities Act of 1933 of the United States, as amended, can only be transferred to the plan participants when the conditions set forth in the Plan and the related agreements are satisfied.

In 2011 and January 2012, 2.7 million CPOs and 2.8 million CPOs, respectively, were vested and transferred to participants to be paid pursuant to this Plan in the amount of approximately Ps.35,951 and Ps.36,966, respectively. No CPOs were vested and transferred to participants during 2010.

Long-Term Retention Plan

The Company adopted a Long-Term Retention Plan (the "Retention Plan") which supplements the Company's existing Stock Purchase Plan described above, and provides for the conditional sale of the Company's capital stock to key Group employees. Pursuant to the Retention Plan, as of December 31, 2010 and 2011, the Company had assigned approximately 125.5 million CPOs and 150.5 million CPOs or CPOs equivalent, respectively, at sale prices that range from Ps.13.45 per CPO to Ps.60.65 per CPO, subject to certain conditions, including adjustments based on the Group's consolidated operating income and vesting periods between 2008 and 2014. In 2010, 2011 and January 2012, 13.7 million CPOs, 26.0 million CPOs and 2.0 million CPOs, respectively, were vested and transferred to participants pursuant to this Retention Plan in the amounts of approximately Ps.88,652, Ps.755,449 and Ps.62,277, respectively.

As of December 31, 2011, the designated Retention Plan trust owned approximately 4.7 million CPOs or CPOs equivalents, which have been reserved to a group of employees, and may be sold at a price of approximately Ps.28.05 per CPO, subject to certain conditions, in vesting periods between 2013 and 2023.

In connection with the Company's Plan and Retention Plan, the Group has determined the stock-based compensation expense (see Note 1(r)) by using the Black-Scholes pricing model at the date on which the stock was conditionally sold to personnel under the Group's stock-based compensation plans, on the following arrangements and weighted-average assumptions:

	Stock Purchase Plan		Long-Term Retention Plan			
Arrangements:						
Year of grant	2004	2010	2008	2009	2010	2011
Number of CPOs or CPOs equivalent granted	32,918	8,300	24,760	24,857	24,869	25,000
Contractual life	1-3 years	1-3 years	3 years	3 years	3 years	3 years
Assumptions:						
Dividend yield	3.00%	0.64%	0.73%	0.82%	0.48%	0.65%
Expected volatility [(1)]	21.81%	35.00%	33.00%	31.00%	35.00%	25.00%
Risk-free interest rate	6.52%	4.96%	8.87%	5.00%	5.00%	5.80%
Expected average life of awards	2.62 years	1.22 years	2.84 years	2.89 years	2.93 years	3.01 years

(1) Volatility was determined by reference to historically observed prices of the Company's CPOs.

A summary of the stock awards for employees as of December 31, is presented below (in Pesos and thousands of CPOs):

	2010		2011	
	CPOs or CPOs equivalent	Weighted-Average Exercise Price	CPOs or CPOs equivalent	Weighted-Average Exercise Price
Stock Purchase Plan:				
Outstanding at beginning of year	2,279	11.82	**8,852**	**12.95**
Conditionally sold	8,300	13.45	–	–
Paid by employees	(1,727)	10.54	**(1,114)**	**8.55**
Forfeited	–	–	–	–
Outstanding at end of year	8,852	12.95	**7,738**	**13.56**
To be paid by employees at end of year	552	5.36	**2,177**	**13.45**
Long-Term Retention Plan:				
Outstanding at beginning of year	79,839	29.75	**91,889**	**36.60**
Conditionally sold	24,869	38.48	**25,000**	**52.81**
Paid by employees	(12,278)	6.45	**(7,642)**	**24.75**
Forfeited	(541)	38.91	**(567)**	**40.40**
Outstanding at end of year	91,889	36.60	**108,680**	**42.43**
To be paid by employees at end of year	14,364	11.44	**32,714**	**37.92**

As of December 31, 2011, the weighted-average remaining contractual life of the awards under the Long-Term Retention Plan is 1.18 years.

13. Retained Earnings

In accordance with Mexican law, the legal reserve must be increased by 5% of annual net profits until it reaches 20% of the capital stock amount. As the legal reserve reached 20% of the capital stock amount, no additional increases were required in 2009, 2010 and 2011. This reserve is not available for dividends, but may be used to reduce a deficit or may be transferred to stated capital. Other appropriations of profits require the vote of the stockholders.

In April 2009, the Company's stockholders approved the payment of a dividend of Ps.1.75 per CPO and Ps.0.014957264957 per share of Series "A", "B", "D" and "L", not in the form of a CPO, which was paid in cash in May 2009 in the aggregate amount of Ps.5,183,020.

In December 2009, the Company's stockholders approved the payment of a dividend of Ps.1.35 per CPO and Ps.0.011538461538 per share of Series "A", "B", "D" and "L", not in the form of a CPO, which and was paid in cash in December 2009 in the aggregate amount of Ps.3,980,837.

No dividend payment was approved by the Company's stockholders during 2010.

In April 2011, the Company's stockholders approved the payment of a dividend of Ps.0.35 per CPO and Ps.0.00299145299 per share of Series "A", "B", "D" and "L", not in the form of a CPO, which was paid in cash in May 2011 in the aggregate amount of Ps.1,023,012 (see Note 12).

Dividends, either in cash or in other forms, paid by the Mexican companies in the Group will be subject to income tax if the dividends are paid from earnings that have not been subject to Mexican income taxes computed on an individual company basis under the provisions of the Mexican Income Tax Law. In this case, dividends will be taxable by multiplying such dividends by a 1.4286 factor and applying to the resulting amount the income tax rate of 30%.

As of December 31, 2011, cumulative earnings that have been subject to income tax and can be distributed by the Company free of Mexican withholding tax were approximately Ps.13,211,271. In addition, the payment of dividends is restricted under certain circumstances by the terms of certain Mexican Peso loan agreements (see Note 8).

14. Comprehensive Income

Comprehensive income related to the controlling interest for the years ended December 31, 2009, 2010 and 2011, was as follows:

		2009		2010		2011
Net income	Ps.	6,007,143	Ps.	7,683,389	**Ps.**	**6,889,641**
Other comprehensive income (loss), net:						
Foreign currency translation adjustments, net [1]		(154,482)		(219,846)		**162,371**
Unrealized gain on available-for-sale investments, net of income tax		339,881		162,864		**(247,639)**
Gain (loss) on equity accounts of investees, net [2]		39,525		4,598		**(37,306)**
Result from hedge derivative contracts, net of income taxes		(7,142)		(98,332)		**45,986**
Total other comprehensive income (loss), net		217,782		(150,716)		**(76,588)**
Comprehensive income	Ps.	6,224,925	Ps.	7,532,673	**Ps.**	**6,813,053**

[1] The amounts for 2009, 2010 and 2011 are presented net of income tax (benefit) provision of Ps. (70,914), Ps. (85,496) and Ps.(54,781), respectively, which were hedged beginning in the third quarter of 2011 in connection with the Group's net investment in BMP (see Notes 1(c), 5 and 9).

[2] Represents losses or gains in other stockholders' equity accounts of equity investees, as well as other comprehensive income recognized by equity investees.

The changes in components of accumulated other comprehensive income for the years ended December 31, 2009, 2010 and 2011, were as follows:

		Result on Equity Accounts of Investees		Cumulative Result from Hedge Derivative Contracts		Result from Available-For-Sale Investments		Cumulative Result from Foreign Currency Translation		Accumulated Other Comprehensive Income
Balance at January 1, 2009	Ps.	4,177,941	Ps.	1,955	Ps.	–	Ps.	(995,853)	Ps.	3,184,043
Current year change		39,525		(7,142)		339,881		(154,482)		217,782
Balance at December 31, 2009		4,217,466		(5,187)		339,881		(1,150,335)		3,401,825
Current year change		4,598		(98,332)		162,864		(219,846)		(150,716)
Balance at December 31, 2010		4,222,064		(103,519)		502,745		(1,370,181)		3,251,109
Current year change		(37,306)		45,986		(247,639)		162,371		(76,588)
Balance at December 31, 2011	**Ps.**	**4,184,758**	**Ps.**	**(57,533)**	**Ps.**	**255,106**	**Ps.**	**(1,207,810)**	**Ps.**	**3,174,521**

15. Non-controlling Interest

Non-controlling interest at December 31, consisted of:

		2010		2011
Capital stock [1] [2]	Ps.	2,186,745	**Ps.**	**1,777,363**
Additional paid-in capital [1] [2]		2,770,593		**3,140,520**
Legal reserve		141,756		**127,843**
Retained earnings from prior years [2] [3]		876,877		**846,348**
Net income for the year [4]		832,538		**1,290,500**
Accumulated other comprehensive (loss) income:				
Cumulative result from hedge derivative contracts, net of income taxes		(49,419)		–
Cumulative result from foreign currency translation		2,082		**23,238**
Other		32,106		**(9,149)**
	Ps.	6,793,278	**Ps.**	**7,196,663**

[1] In June 2009 and March 2011, the stockholders of Empresas Cablevisión, S.A.B. de C.V. made capital contributions in cash to increase the capital stock of this Company's subsidiary in the aggregate amount of Ps.3,699,652 and Ps.3,000,000, respectively, of which Ps.1,811,800 and Ps.1,469,165, respectively, was contributed by the non-controlling interest.

[2] In March 2011, the stockholders of Cablemás, S.A. de C.V. approved a capital distribution and a payment of dividends in the amount of Ps.4,580,463 and Ps.3,200,451, respectively, of which Ps.1,910,000 and Ps.1,334,000, respectively, were paid to its non-controlling equity owners.

[3] In 2009, 2010 and 2011, the holding companies of the Sky segment paid a dividend to its equity owners in the aggregate amount of Ps.2,750,000, Ps.500,000, and Ps.1,850,000, respectively, of which Ps.1,136,669, Ps.206,667 and Ps.764,667 were paid to its non-controlling equity owners.

[4] In March 2012, the stockholders of Sistema Radiópolis, S.A. de C.V. approved the payment of dividends in the amount of Ps.135,000, of which Ps.67,500 were paid to its non-controlling equity owners.

16. Transactions with Related Parties

The principal transactions carried out by the Group with affiliated companies, including equity investees, stockholders and entities in which stockholders have an equity interest, for the years ended December 31, were as follows:

		2009		2010		2011
Revenues and interest income:						
Royalties (Univision) [(a)]	Ps.	–	Ps.	–	**Ps.**	**2,823,483**
Programming production and transmission rights [(b)]		14,482		6,665		**80,241**
Administrative services [(c)]		37,320		34,232		**124,357**
Advertising [(d)]		54,026		15,435		**16,104**
Interest income [(e)]		2,105		18,613		**231,668**
	Ps.	107,933	Ps.	74,945	**Ps.**	**3,275,853**
Costs:						
Donations	Ps.	107,842	Ps.	104,256	**Ps.**	**107,595**
Administrative services [(c)]		27,750		100		**20,043**
Technical services [(f)]		103,909		119,394		**67,773**
Programming production and transmission rights [(g)]		47,897		130,966		**201,775**
	Ps.	287,398	Ps.	354,716	**Ps.**	**397,186**

(a) Univision became a related party to the Group on December 20, 2010, with the closing of various agreements and the completion of certain transactions. The Group receives royalties from Univision for programming provided pursuant to a program license agreement, as amended (see Notes 2, 5 and 11).

(b) Services rendered to La Sexta in 2009, 2010 and 2011 and Univision in 2011.

(c) The Group receives revenue from and is charged by affiliates for various services, such as equipment rental, security and other services, at rates which are negotiated. The Group provides management services to affiliates, which reimburse the Group for the incurred payroll and related expenses. Includes technical assistance rendered to Univision in 2011.

(d) Advertising services rendered to OCEN and Volaris in 2009, and OCEN and Editorial Clío, Libros y Videos, S.A. de C.V. ("Editorial Clío") in 2010 and 2011.

(e) Includes in 2011 interest income from the Group's investments in convertible debentures issued by BMP in the aggregate amount of Ps.215,959 (see Notes 2, 5, 9 and 18).

(f) In 2009, 2010 and 2011, Sky received services from a subsidiary of DirecTV Latin America for play-out, uplink and downlink of signals.

(g) Received mainly from Barra Deportiva, S.A. de C.V. in 2009, 2010 and 2011.

Other transactions with related parties carried out by the Group in the normal course of business include the following:

(1) A consulting firm owned by a relative of one of the Group's directors, which has provided consulting services and research in connection with the effects of the Group's programming on its viewing audience. Total fees for such services during 2009, 2010 and 2011 amounted to Ps.21,215, Ps.17,357 and Ps.17,291, respectively.

(2) From time to time, a Mexican bank made loans to the Group, on terms substantially similar to those offered by the bank to third parties. Some members of the Group's Board serve as board members of this bank.

(3) Two of the Group's directors are members of the board as well as stockholders of a Mexican company, which is a producer, distributor and exporter of beer in Mexico. Such company purchases advertising services from the Group in connection with the promotion of its products from time to time, paying rates applicable to third-party advertisers for these advertising services.

(4) Several other members of the Company's current board serve as members of the boards and/or are stockholders of other companies, some of which purchased advertising services from the Group in connection with the promotion of their respective products and services, paying rates applicable to third-party advertisers for these advertising services.

(5) During 2009, 2010 and 2011, a professional services firm in which a current director of the Company maintains an interest provided legal advisory services to the Group in connection with various corporate matters. Total fees for such services amounted to Ps.13,459, Ps.19,669 and Ps.27,287, respectively.

(6) During 2009 the Group paid sale commissions to a company where a member of the board and executive of the Company is a stockholder, in the amount of Ps.723.

(7) During 2009, 2010 and 2011, a company in which a current director and executive of the Company is a stockholder, purchased unsold advertising from the Group for a total of Ps.233,707, Ps.301,259 and Ps.373,180, respectively.

(8) During 2010 and 2011, a professional services firm in which two current directors of the Company maintain an interest provided finance advisory services to the Group in connection with various corporate matters. Total fees for such services amounted to Ps.347,005 and Ps.11,908, respectively.

All significant account balances included in amounts due from affiliates bear interest. In 2009, 2010 and 2011, average interest rates of 6.0%, 4.9% and 4.8% were charged, respectively. Advances and receivables are short-term in nature; however, these accounts do not have specific due dates.

Customer deposits and advances as of December 31, 2010 and 2011, included deposits and advances from affiliates and other related parties, in an aggregate amount of Ps.4,990 and Ps.326,196, respectively, which were primarily made by Editorial Clío in 2010 and 2011, and Grupo TV Promo, S.A. de C.V. in 2011.

17. Other Expense, Net

Other expense for the years ended December 31, is analyzed as follows:

		2009		2010		2011
Gain on disposition of investment, net [1]	Ps.	(90,565)	Ps.	(1,200,794)	**Ps.**	**–**
Donations (see Note 16)		133,325		124,100		**122,238**
Financial advisory and professional services [2]		188,825		606,922		**137,227**
Employees' profit sharing [3]		37,033		25,548		**54,596**
Loss on disposition of property and equipment		233,540		394,319		**213,890**
Impairment adjustments [4]		1,160,094		250,581		**–**
Loss on early retirement of Senior Guaranteed Notes [5]		–		134,458		**–**
Other, net		102,594		231,987		**112,015**
	Ps.	1,764,846	Ps.	567,121	**Ps.**	**639,966**

(1) In 2010 includes a net gain on disposition of a 25% stake in common stock of Volaris, and a 50% stake in the equity of TuTv in the amount of Ps.783,981 and Ps.679,651, respectively (see Note 2).

(2) Includes financial advisory services in connection with contemplated dispositions and strategic planning projects and professional services in connection with certain litigation and other matters (see Notes 2, 11 and 16).

(3) The Mexican companies in the Group are required by law to pay employees, in addition to their agreed compensation and benefits, employees' profit sharing at the statutory rate of 10% based on their respective taxable incomes (calculated without reference to inflation adjustments and tax loss carryforwards).

(4) During 2009 and 2010, the Group tested for impairment the carrying value of certain trademarks of its Publishing segment, as well as goodwill of certain businesses of its Television Broadcasting, Cable and Telecom and Publishing segments. As a result of such testing, impairment adjustments were made to trademarks and goodwill in 2009 and 2010 (see Note 7).

(5) Includes in 2010 a premium paid in the amount of U.S.$8.2 million (Ps.100,982) and unamortized financing costs of Ps.33,476 in connection with the prepayment of the Guaranteed Senior Notes of Cablemás (see Note 8).

18. Integral Cost of Financing, Net

Integral cost of financing for the years ended December 31, consisted of:

		2009		2010		2011
Interest expense [1]	Ps.	3,136,411	Ps.	3,615,276	**Ps.**	**4,312,764**
Interest income [2]		(1,053,411)		(1,047,505)		**(1,146,517)**
Foreign exchange loss, net [3]		890,254		460,874		**976,502**
	Ps.	2,973,254	Ps.	3,028,645	**Ps.**	**4,142,749**

(1) Interest expense includes a net loss from related derivative contracts of Ps.123,242, Ps.255,420 and Ps.133,336 in 2009, 2010, and 2011, respectively (see Notes 8 and 9).

(2) Includes in 2011, interest income from the Group's investments in convertible debentures issued by BMP and GSF in the aggregate amount of Ps.435,281 (see Notes 2, 5, 9 and 16).

(3) Includes in 2009, 2010 and 2011, a net loss from foreign currency derivative contracts of Ps.529,621, Ps.516,381 and Ps.262,874, respectively.

19. Income Taxes

The Company is authorized by the Mexican tax authorities to compute its income tax on a consolidated basis. Mexican controlling companies are allowed to consolidate, for income tax purposes, income or losses of their Mexican subsidiaries up to 100% of their share ownership in such subsidiaries.

The Mexican corporate income tax rate in 2009, 2010 and 2011 was 28%, 30% and 30%, respectively. In accordance with current Mexican Income Tax Law, the corporate income tax rate will be 30% in 2012, 29% in 2013, and 28% in 2014.

The Flat Rate Business Tax ("Impuesto Empresarial a Tasa Única" or "IETU") became effective as of January 1, 2008. This flat tax replaces Mexico's asset tax and is applied along with Mexico's regular income tax. In general, Mexican companies are subject to paying the greater of the IETU or the income tax. The flat tax is calculated by applying a tax rate of 17% in 2009 and 17.5% in 2010, 2011 and thereafter. Although the IETU is defined as a minimum tax, it has a wider taxable base as some of the tax deductions allowed for income tax purposes are not allowed for the IETU. As of December 31, 2009 and 2010, this tax did not have a material effect on the Group's deferred tax position, and the Group expects to pay primarily regular income tax on a tax consolidated basis.

In December 2009, the Mexican government enacted certain amendments and changes to the Mexican Income Tax Law that became effective as of January 1, 2010 (the "2010 Mexican Tax Reform"). The main provisions of these amendments and changes are as follows: (i) the corporate income tax rate is increased from 28% to 30% for the years 2010 through 2012, and will be reduced to 29% and 28% in 2013 and 2014, respectively; and (ii) under certain circumstances, the deferred income tax benefit derived from tax consolidation of a parent company and its subsidiaries is limited to a period of five years; therefore, the resulting deferred income tax has to be paid starting in the sixth year following the fiscal year in which the deferred income tax benefit was received; (iii) the payment of this tax has to be made in installments of 25% in the first and second year, 20% in the third year and 15% in the fourth and fifth year; and (iv) taxpayers paid in 2010 and 2011 the first and second installments, respectively, of the cumulative amount of deferred tax benefits determined as of December 31, 2004, and in 2011, the first installment of the amount of the deferred tax benefit determined for the year ended December 31, 2005.

The income tax provision for the years ended December 31, 2009, 2010 and 2011 was comprised as follows:

		2009		2010		2011
Income taxes, current	Ps.	4,040,332	Ps.	3,967,007	**Ps.**	**4,309,129**
Income taxes, deferred		(919,588)		(708,021)		**(899,378)**
	Ps.	3,120,744	Ps.	3,258,986	**Ps.**	**3,409,751**

The following items represent the principal differences between income taxes computed at the statutory rate and the Group's provision for income taxes.

	% 2009	% 2010	% 2011
Statutory income tax rate	28	30	**30**
Differences in inflation adjustments for tax and book purposes	–	2	**–**
Unconsolidated income tax	1	–	**(2)**
Non-controlling interest	1	–	**(1)**
Special tax consolidation items	–	(9)	**–**
Changes in valuation allowances:			
Asset tax	–	–	**(3)**
Tax loss carryforwards	1	4	**(2)**
Goodwill	2	–	**–**
Foreign operations	(1)	(3)	**(4)**
Equity in losses of affiliates, net	2	1	**–**
Tax losses of subsidiaries, net	(4)	–	**2**
Flat rate business tax	2	3	**9**
Effective income tax rate	32	28	**29**

The Group has tax loss carryforwards at December 31, 2011, as follows:

		Amount	Expiration
Operating tax loss carryforwards:			
Unconsolidated:			
Mexican subsidiaries [1]	Ps.	2,491,241	From 2012 to 2021
Non-Mexican subsidiaries [2]		3,709,894	From 2012 to 2030
	Ps.	6,201,135	

[1] During 2009, 2010 and 2011, certain Mexican subsidiaries utilized unconsolidated operating tax loss carryforwards of Ps.1,254,029, Ps.2,467,930 and Ps.1,414,092, respectively. In 2009, 2010 and 2011, the carryforwards amounts include the operating tax loss carryforwards related to the non-controlling interest of Sky.

[2] Approximately for the equivalent of U.S.$265.4 million related to losses from subsidiaries in Europe, South America and the United States.

The deferred taxes as of December 31, 2010 and 2011, were principally derived from the following temporary differences:

		2010		2011
Assets:				
Accrued liabilities	Ps.	1,369,786	**Ps.**	**670,148**
Goodwill		1,468,497		**1,483,467**
Tax loss carryforwards		944,406		**747,372**
Allowance for doubtful accounts		456,326		**570,319**
Customer advances		834,743		**1,638,868**
Options		–		**741,331**
Other items		542,337		**549,827**
Liabilities:				
Inventories		(400,173)		**(402,327)**
Property, plant and equipment, net		(1,389,794)		**(1,103,543)**
Prepaid expenses		(1,503,034)		**(1,411,655)**
Deferred income taxes of Mexican companies		2,323,094		**3,483,807**
Deferred income taxes of foreign subsidiaries		640,184		**462,865**
Asset tax		1,444,041		**1,088,485**
Flat rate business tax		28,735		**(335,375)**
Valuation allowances [a]		(4,837,579)		**(4,288,889)**
Deferred income tax (liability) asset, net	Ps.	(401,525)	**Ps.**	**410,893**

[a] Reflects valuation allowances of foreign subsidiaries of Ps.1,050,442 and Ps.969,565 as of December 31, 2010 and 2011, respectively.

A roll forward of the Group's valuation allowance for 2011 is as follows:

	Tax Loss Carryforwards	Asset Tax	Goodwill	Total
Balance at beginning of year	Ps. (1,928,498)	Ps. (1,445,973)	Ps. (1,463,108)	Ps. (4,837,579)
Increase (decrease)	211,561	357,488	(20,359)	548,690
Balance at end of year	Ps. (1,716,937)	Ps. (1,088,485)	Ps. (1,483,467)	Ps. (4,288,889)

The change in the deferred income tax liability for the year ended December 31, 2011, representing a credit of Ps.812,418 was recognized as follows:

Charge to stockholders' equity	Ps. 90,449
Credit to the provision for deferred income tax	(899,378)
Credit to other expenses, net	(3,489)
	Ps. (812,418)

The effects of income tax payable as of December 31, 2010 and 2011, in connection with the 2010 Mexican Tax Reform, are as follows:

	2010	2011
Tax losses of subsidiaries, net	Ps. 49,911	**Ps. 188,246**
Dividends distributed among the Group´s entities	413,454	**278,557**
	463,365	**466,803**
Less: Current portion [(a)]	183,093	**167,724**
Non-current portion [(b)]	Ps. 280,272	**Ps. 299,079**

[(a)] Income tax provision accounted for as taxes payable in the consolidated balance sheet as of December 31, 2010 and 2011.

[(b)] Income tax provision accounted for as other long-term liabilities in the consolidated balance sheet as of December 31, 2010 and 2011.

20. Earnings per CPO/Share

During the years ended December 31, 2009, 2010 and 2011, the weighted average of outstanding total shares, CPOs and Series "A", Series "B", Series "D" and Series "L" Shares (not in the form of CPO units), was as follows (in thousands):

	2009	2010	2011
Total Shares	329,304,371	326,849,555	**329,462,906**
CPOs	2,362,289	2,341,308	**2,361,249**
Shares not in the form of CPO units:			
Series "A" Shares	52,915,849	52,915,849	**53,176,070**
Series "B" Shares	187	187	**187**
Series "D" Shares	239	239	**239**
Series "L" Shares	239	239	**239**

Earnings per CPO and per each Series "A", Series "B", Series "D" and Series "L" Share (not in the form of a CPO unit) for the years ended December 31, 2009, 2010 and 2011, are presented as follows:

	2009		2010		2011	
	Per CPO	Per Each Series "A", "B", "D" and "L" Share	Per CPO	Per Each Series "A", "B", "D" and "L" Share	Per CPO	Per Each Series "A", "B", "D" and "L" Share
Controlling interest net income	Ps. 2.14	Ps. 0.02	Ps. 2.75	Ps. 0.02	**Ps. 2.45**	**Ps. 0.02**

21. Foreign Currency Position

The foreign currency position of monetary items of the Group at December 31, 2011, was as follows:

	Foreign Currency Amounts (Thousands)		Year-End Exchange Rate		Mexican Pesos
Assets:					
U.S. Dollars	1,917,418	Ps.	13.9785	Ps.	26,802,628
Euros	85,699		18.1007		1,551,212
Argentinean Pesos	129,556		3.2477		420,759
Chilean Pesos	6,470,683		0.0268		173,414
Colombian Pesos	14,885,303		0.0071		105,686
Other currencies	–		–		419,074
Liabilities:					
U.S. Dollars	2,476,420	Ps.	13.9785	Ps.	34,616,637
Euros	26,565		18.1007		480,845
Argentinean Pesos	101,971		3.2477		331,171
Chilean Pesos	11,498,300		0.0268		308,154
Colombian Pesos	17,157,073		0.0071		121,815
Other currencies	–		–		100,664

As of March 30, 2012, the exchange rate was Ps.12.8088 per U.S. Dollar, which represents the interbank free market exchange rate on that date as reported by Banco Nacional de México, S.A.

22. Segment Information

Reportable segments are those that are based on the Group's method of internal reporting.

The Group is organized on the basis of services and products. The Group's segments are strategic business units that offer different entertainment services and products. Through December 31, 2011, the Group's reportable segments were as follows:

Television Broadcasting

The Television Broadcasting segment includes the production of television programming and nationwide broadcasting of Channels 2, 4, 5 and 9 ("television networks"), and the production of television programming and broadcasting for local television stations in Mexico and the United States. The broadcasting of television networks is performed by television repeater stations in Mexico which are wholly-owned, majority-owned or minority-owned by the Group or otherwise affiliated with the Group's networks. Revenues are derived primarily from the sale of advertising time on the Group's television network and local television station broadcasts.

Pay Television Networks

The Pay Television Networks segment includes programming services for cable and pay-per-view television companies in Mexico, other countries in Latin America, the United States and Europe. The programming services consist of both programming produced by the Group and programming produced by others. Pay television network revenues are derived from domestic and international programming services provided to independent cable television systems in Mexico and the Group's DTH satellite and cable television businesses, and from the sale of advertising time on programs provided to pay television companies in Mexico.

Programming Exports

The Programming Exports segment consists of the international licensing of television programming. Programming exports revenues are derived from international program licensing fees.

Publishing

The Publishing segment primarily consists of publishing Spanish-language magazines in Mexico, the United States and Latin America. Publishing revenues include subscriptions, sales of advertising space and magazine sales to distributors.

Sky

The Sky segment includes direct-to-home ("DTH") broadcast satellite pay television services in Mexico, Central America and the Dominican Republic. Sky revenues are primarily derived from program services, installation fees and equipment rental to subscribers, and national advertising sales.

Cable and Telecom

The Cable and Telecom segment includes the operation of a cable and telecommunication system in the Mexico City metropolitan area (Cablevisión); the operation of telecommunication facilities through a fiber-optic network that covers the most important cities and economic regions of Mexico and the cities of San Antonio and San Diego in the United States (Bestel); the operation of cable and telecommunication networks covering 50 cities of Mexico (Cablemás); and beginning in October 2009, the operation of cable and telecommunications networks covering Monterrey and suburban areas (TVI). The cable and telecommunication businesses derive revenues from cable subscribers, principally from basic and premium television services subscription, pay-per-view fees, installation fees, Internet services subscription and telephone services subscription as well as from local and national advertising sales. The telecommunication facilities business derives revenues from providing data and long-distance services solutions to carriers and other telecommunications service providers through its fiber-optic network.

Other Businesses

The Other Businesses segment includes the Group's domestic operations in sports and show business promotion, soccer, feature film production and distribution, internet, gaming, radio, and publishing distribution.

The table below presents information by segment and a reconciliation to consolidated total for the years ended December 31:

	Total Revenues	Intersegment Revenues	Consolidated Revenues	Segment Income (Loss)
2009:				
Television Broadcasting	Ps. 21,561,636	Ps. 163,054	Ps. 21,398,582	Ps. 10,323,899
Pay Television Networks	2,736,579	795,139	1,941,440	1,660,364
Programming Exports	2,845,918	16,915	2,829,003	1,437,220
Publishing	3,356,056	15,510	3,340,546	190,709
Sky	10,005,216	15,227	9,989,989	4,478,847
Cable and Telecom	9,241,787	65,174	9,176,613	2,971,868
Other Businesses	3,771,444	95,116	3,676,328	(318,201)
Segment totals	53,518,636	1,166,135	52,352,501	20,744,706
Reconciliation to consolidated amounts:				
Eliminations and corporate expenses	(1,166,135)	(1,166,135)	–	(658,249)
Depreciation and amortization expense	–	–	–	(4,929,589)
Consolidated total	Ps. 52,352,501	Ps. –	Ps. 52,352,501	Ps. 15,156,868 [(1)]
2010:				
Television Broadcasting	Ps. 22,750,082	Ps. 396,300	Ps. 22,353,782	Ps. 10,714,296
Pay Television Networks	3,146,172	504,360	2,641,812	1,622,022
Programming Exports	3,074,766	6,639	3,068,127	1,503,640
Publishing	3,229,588	66,795	3,162,793	425,296
Sky	11,248,160	50,116	11,198,044	5,074,517
Cable and Telecom	11,814,196	61,654	11,752,542	3,907,172
Other Businesses	3,812,476	132,748	3,679,728	(184,038)
Segment totals	59,075,440	1,218,612	57,856,828	23,062,905
Reconciliation to consolidated amounts:				
Eliminations and corporate expenses	(1,218,612)	(1,218,612)	–	(900,971)
Depreciation and amortization expense	–	–	–	(6,579,325)
Consolidated total	Ps. 57,856,828	Ps. –	Ps. 57,856,828	Ps. 15,582,609 [(1)]
2011:				
Television Broadcasting	**Ps. 22,829,245**	**Ps. 603,563**	**Ps. 22,225,682**	**Ps. 10,524,281**
Pay Television Networks	**3,584,850**	**316,786**	**3,268,064**	**1,803,862**
Programming Exports	**4,038,701**	**4,484**	**4,034,217**	**2,116,261**
Publishing	**3,191,788**	**67,865**	**3,123,923**	**452,565**
Sky	**12,479,158**	**39,665**	**12,439,493**	**5,790,263**
Cable and Telecom	**13,635,354**	**44,542**	**13,590,812**	**4,768,256**
Other Businesses	**4,126,641**	**227,291**	**3,899,350**	**(118,552)**
Segment totals	**63,885,737**	**1,304,196**	**62,581,541**	**25,336,936**
Reconciliation to consolidated amounts:				
Eliminations and corporate expenses	**(1,304,196)**	**(1,304,196)**	**–**	**(1,085,162)**
Depreciation and amortization expense	**–**	**–**	**–**	**(7,429,728)**
Consolidated total	**Ps. 62,581,541**	**Ps. –**	**Ps. 62,581,541**	**Ps. 16,822,046** [(1)]

[(1)] Consolidated totals represent consolidated operating income.

Accounting Policies

The accounting policies of the segments are the same as those described in the Group's summary of significant accounting policies (see Note 1). The Group evaluates the performance of its segments and allocates resources to them based on operating income before depreciation and amortization.

Intersegment Revenue

Intersegment revenue consists of revenues derived from each of the segments principal activities as provided to other segments.

The Group accounts for intersegment revenues as if the revenues were from third parties, that is, at current market prices.

Allocation of General and Administrative Expenses

Non-allocated corporate expenses include payroll for certain executives, related employee benefits and other general than are not subject to be allocated within the Group's business segments.

The table below presents segment information about assets, liabilities, and additions to property, plant and equipment as of and for the years ended December 31:

	Segment Assets at Year-End	Segment Liabilities at Year-End	Additions to Property, Plant and Equipment
2009:			
Continuing operations:			
Television operations [1]	Ps. 73,249,117	Ps. 29,299,493	Ps. 1,430,521
Publishing	3,096,383	765,645	19,788
Sky	9,705,015	6,852,274	1,727,163
Cable and Telecom	24,338,625	9,769,453	3,205,784
Other Businesses	6,684,411	1,808,245	271,656
Total	Ps. 117,073,551	Ps. 48,495,110	Ps. 6,654,912
2010:			
Continuing operations:			
Television operations [1]	Ps. 65,988,689	Ps. 27,100,859	Ps. 1,581,920
Publishing	2,760,671	600,898	8,910
Sky	11,772,696	7,280,103	5,454,219
Cable and Telecom	25,177,882	6,765,277	5,508,618
Other Businesses	6,403,642	1,761,387	207,979
Total	Ps. 112,103,580	Ps. 43,508,524	Ps. 12,761,646
2011:			
Continuing operations:			
Television operations [1]	**Ps. 65,807,787**	**Ps. 29,767,317**	**Ps. 1,595,731**
Publishing	**2,296,496**	**761,449**	**19,120**
Sky	**11,115,682**	**6,212,841**	**2,957,675**
Cable and Telecom	**24,682,283**	**5,717,506**	**5,146,232**
Other Businesses	**5,179,420**	**1,688,802**	**202,610**
Total	**Ps. 109,081,668**	**Ps. 44,147,915**	**Ps. 9,921,368**

(1) Segment assets and liabilities information is not maintained by the Group for each of the Television Broadcasting, Pay Television Networks and Programming Exports segments. In management's opinion, there is no reasonable or practical basis to make allocations due to the interdependence of these segments. Consequently, management has presented such information on a combined basis as television operations.

Segment assets reconcile to total assets as follows:

	2010	2011
Segment assets	Ps. 112,103,580	**Ps. 109,081,668**
Investments attributable to:		
Television operations [1]	20,980,467	**22,827,232**
Cable and Telecom	500,635	**583,344**
Other Businesses	356,351	**20,028,218**
Goodwill attributable to:		
Television operations	385,455	**613,352**
Publishing	393,642	**393,642**
Cable and Telecom	1,304,796	**1,127,649**
Other Businesses	445,701	**406,295**
Total assets	Ps. 136,470,627	**Ps. 155,061,400**

(1) Includes goodwill attributable to equity investments of Ps.359,613 in 2010 and 2011 (see Note 5).

Equity method loss for the years ended December 31, 2009, 2010 and 2011 attributable to equity investment in television operations, approximated Ps.847,339, Ps.223,929 and Ps.429,680, respectively.

Segment liabilities reconcile to total liabilities as follows:

	2010	2011
Segment liabilities	Ps. 43,508,524	**Ps. 44,147,915**
Debt not attributable to segments	41,104,342	**52,057,000**
Total liabilities	Ps. 84,612,866	**Ps. 96,204,915**

Geographical segment information:

	Total Net Sales	Segment Assets at Year-End	Additions to Property, Plant and Equipment
2009:			
Mexico	Ps. 44,574,144	Ps. 96,678,472	Ps. 6,606,342
Other countries	7,778,357	20,395,079	48,570
	Ps. 52,352,501	Ps. 117,073,551	Ps. 6,654,912
2010:			
Mexico	Ps. 50,203,485	Ps. 107,398,140	Ps. 12,727,312
Other countries	7,653,343	4,705,440	34,334
	Ps. 57,856,828	Ps. 112,103,580	Ps. 12,761,646
2011:			
Mexico	**Ps. 54,325,223**	**Ps. 105,910,098**	**Ps. 9,872,739**
Other countries	**8,256,318**	**3,171,570**	**48,629**
	Ps. 62,581,541	**Ps. 109,081,668**	**Ps. 9,921,368**

Net sales are attributed to geographical segment based on the location of customers.

New segment presentation in 2012

At the beginning of 2012, the Group adjusted its segment reporting. Beginning in the first quarter of 2012, the business activities of Television Broadcasting, Pay Television Networks and Programming Exports, which were previously reported as separate segments, and the Internet business, which was previously reported as part of the Other Businesses segment, will be reported as a single segment, Content. The new Content segment will categorize the Group's sources of content revenue as follows: (a) Advertising; (b) Network Subscription Revenue; and (c) Licensing and Syndication. Given the cost structures of the Group's Content business, operating segment income will be reported as a single line item. For a better understanding of the structure of the Group's new Content segment that will be used for reporting purposes, prior-year figures have been adjusted as follows:

	Year Ended December 31,		
	2009	2010	2011
Net sales:			
Advertising	Ps. 21,396,651	Ps. 22,746,464	**Ps. 23,206,149**
Network Subscription Revenue	2,200,728	2,379,158	**2,590,783**
Licensing and Syndication	3,808,665	4,109,089	**4,888,706**
	Ps. 27,406,044	Ps. 29,234,711	**Ps. 30,685,638**
Operating segment income	Ps. 13,416,582	Ps. 13,820,316	**Ps. 14,465,613**

23. Reporting of Financial Information in Accordance with IFRS

Through December 31, 2011, the Group's consolidated financial statements were presented in accordance with Mexican FRS, which differs in certain respects from IFRS, which are the standards to be used by the Group for reporting purposes beginning in the first quarter of 2012 (see Note 1 (a)).

In conformity with Mexican FRS, the principal differences between Mexican FRS and IFRS are presented below, as they relate to the Group's initial adoption of IFRS for financial reporting purposes and the explanation of the adjustments that affect the Group's consolidated stockholders' equity as of January 1, 2011, the transition date for initial adoption of IFRS, and December 31, 2011. These differences and adjustments have been prepared by the Group's management in conformity with IFRS issued and published by the IASB to date, and are based on exemptions and exceptions allowed by IFRS 1, *First-time Adoption of IFRS*. Also, these differences and adjustments are subject to a continued evaluation by the Group's management as to the possible early, and/or retrospective, application of new standards or interpretations issued by the IASB.

Reconciliation of Consolidated Stockholders' Equity:

	January 1, 2011 (Transition Date)	December 31, 2011
Consolidated stockholders' equity under Mexican FRS	Ps. 51,857,761	Ps. 58,856,485
Recognition of non-controlling interest in business acquisition [a]	1,819,013	–
Recognition of fair value in real estate property [b]	(649,278)	(578,184)
Elimination of inflation effects recognized in intangible assets and deferred charges [c]	(368,376)	(363,521)
Adjustments to retirement and termination benefits [d]	600,728	629,901
Computation of deferred income taxes [e]	205,598	235,782
Elimination of inflation effects recognized in foreign entities [f]	(160,673)	(182,464)
Adjustments to equity investees	(3,982)	113
Other adjustments, net	(7,510)	(12,368)
Total IFRS adjustments	1,435,520	(270,741)
Consolidated stockholders' equity under IFRS	Ps. 53,293,281	Ps. 58,585,744

[a] In accordance with the provisions of IFRS 1, *First-time Adoption of IFRS,* the Group elected to apply, beginning on June 1, 2008, the guidelines of IFRS 3 (as revised in 2008) , *Business Combinations,* and IAS 27 (as amended in 2008), *Consolidated and Separate Financial Statements.* The related adjustment as of January 1, 2011, reflects the recognition of non-controlling interest in accordance with IFRS 3 (as revised in 2008).

[b] In accordance with the provisions of IAS 16, *Property, Plant and Equipment,* and the exemption allowed by IFRS 1, *First-time Adoption of IFRS,* the Group recognized as deemed cost the fair value of certain real estate property at January 1, 2011, the transition date, as provided by independent appraisals. Accordingly, the amount of Ps.649,278 reflects the total adjustments made to the carrying value of selected land and buildings owned by the Group to recognize their fair value at the transition date.

[c] The effects of inflation recognized by the Group in intangible assets between 1998 (the first year of transition from hyperinflation to inflation under IFRS in the Mexican economy) and 2007 (the last year that effects of inflation were recognized in the Group's consolidated financial statements under Mexican FRS) amounted to an aggregate of Ps.368,376 at the transition date. This adjustment was made to concessions and licenses, trademarks, transmission rights and programming, subscriber lists and other intangible assets and deferred charges (other than goodwill).

[d] The adjustments to retirement and termination benefits amounted to Ps.600,728 at the transition date. These adjustments to non-current employee benefits were made in accordance with the provisions of IAS 19, *Employee Benefits,* and IFRS 1, *First-time Adoption of IFRS,* and consist primarily of the reclassification to consolidated stockholders' equity of the outstanding balance of net actuarial gain and the unrecognized prior service cost for transition liability under Mexican FRS, and the write-off of severance indemnities to employees accrued under Mexican FRS at the transition date.

[e] The deferred income taxes related to those temporary differences arising from IFRS adjustments made by the Group at January 1 and December 31, 2011 amounted to Ps.205,598 and Ps.235,782, respectively, and are primarily related to property, plant and equipment, intangible assets, benefits to employees and available-for-sale financial assets.

[f] The effects of inflation recognized by the Group as adjustments to non-monetary items in financial statements of foreign subsidiaries and associates under Mexican FRS, primarily between 1998 and 2007, amounted to Ps.160,673 and Ps.182,464 at January 1 and December 31, 2011, respectively.

The Group's consolidated assets, liabilities and stockholders' equity were first adjusted at January 1, 2011, the transition date, for the IFRS differences referred to above, and the adjusted amounts became the IFRS accounting basis beginning January 1, 2011 and for subsequent periods. Also, additional IFRS differences and adjustments were identified during 2011 in connection with the recognition and measurement at fair value of an embedded derivative in a host contract, which was not separated under Mexican FRS.

The aforementioned IFRS differences and adjustments will be reflected in the Group's consolidated financial statements to be reported for periods beginning on January 1, 2012.

INVESTOR INFORMATION

Common stock data

CPOs (Certificados de Participación Ordinarios) of Grupo Televisa, S.A.B., comprise 117 shares each (25 Series A Shares, 22 Series B Shares, 35 Series D Shares and 35 Series L Shares), and are listed and admitted for trading on the Mexican Stock Exchange (Bolsa Mexicana de Valores, S.A.B. de C.V.), under the ticker symbol TLEVISA CPO. The GDRs (Global Depositary Receipts), each representing five CPOs, are listed on the New York Stock Exchange and trade under the ticker symbol TV.

Dividend policy

Decisions regarding the payment and amount of dividends are subject to approval by a majority of the Series A Shares and Series B Shares voting together, generally, by recommendation of the board of directors, as well as to the approval of a majority of the Series A Shares voting separately. On March 25, 2004, the Company's board of directors approved a dividend payment policy pursuant to which the Company shall pay an annual ordinary dividend of Ps.0.35 per CPO.

SEC filings

Televisa files and submits annual reports to the US Securities and Exchange Commission. This annual report contains both historical information and forward-looking statements. These forward-looking statements, as well as other forward-looking statements made by the company, or its representatives from time to time, whether orally or in writing, involve risks and uncertainties relating to the company's businesses, operations, and financial condition. A summary of these risks is included in the company's filings with the US Securities and Exchange Commission, and this summary as well as the other filings with and submissions to the US Securities and Exchange Commission, are and will be available through the office of investor relations upon written request.

Investor relations

We ask that investors and analysts direct all inquiries to:

Grupo Televisa, S.A.B.
Av. Vasco de Quiroga 2000
C.P. 01210 México, D.F.
(5255) 5261-2445
ir@televisa.com.mx

www.televisa.com
www.televisair.com

Corporate headquarters

Grupo Televisa, S.A.B.
Av. Vasco de Quiroga 2000
C.P. 01210 México, D.F.
(5255) 5261-2000

Legal counsel
Mijares, Angoitia, Cortés y Fuentes, S.C.
Montes Urales 505, 3er piso
C.P. 11000 México, D.F.
(5255) 5201-7400

Fried, Frank, Harris, Shriver & Jacobson LLP
One New York Plaza
New York, New York 10004 U.S.A.
(212) 859-8000

Independent auditors

PricewaterhouseCoopers, S.C.
Mariano Escobedo 573
C.P. 11580 México, D.F.
(5255) 5263-6000

Depositary

The Bank of New York
BNY Mellon Shareowner Services
PO Box 358516
Pittsburgh, PA 15252-8516
(201) 680-6825

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This annual report is available in both English and Spanish. April 2012.
Este informe anual está disponible tanto en español como en inglés. Abril 2012.

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