

GRUPO TELEVISA S A

FORM 20-F

(Annual and Transition Report (foreign private issuer))

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Industry	Broadcasting & Cable TV
Sector	Services
Fiscal Year	12/31

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**UNITED STATES SECURITIES AND EXCHANGE
COMMISSION
WASHINGTON, D.C. 20549
FORM 20-F**

REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE
SECURITIES EXCHANGE ACT OF 1934

OR

ANNUAL REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2004

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934 FOR THE TRANSITION PERIOD FROM _____
TO _____

COMMISSION FILE NUMBER 1-12610 **GRUPO TELEVISIA, S.A.**
(Exact name of Registrant as specified in its charter)

N/A

(Translation of Registrant's name into English)

UNITED MEXICAN STATES
(Jurisdiction of incorporation or organization)

**AV. VASCO DE QUIROGA NO. 2000
COLONIA SANTA FE
01210 MEXICO, D.F.
MEXICO**

(Address of principal executive offices) Securities registered or to be registered pursuant to Section 12(b) of the Act:

TITLE OF EACH CLASS -----	NAME OF EACH EXCHANGE ON WHICH REGISTERED -----
A Shares, without par value ("A Shares")	New York Stock Exchange (for listing purposes only)
B Shares, without par value ("B Shares")	New York Stock Exchange (for listing purposes only)
L Shares, without par value ("L Shares")	New York Stock Exchange (for listing purposes only)
Dividend Preferred Shares, without par value ("D Shares")	New York Stock Exchange (for listing purposes only)
Global Depository Shares ("GDSs"), each representing twenty Ordinary Participation Certificates (Certificados de Participacion Ordinarios) ("CPOs")	New York Stock Exchange
CPOs, each representing Twenty -Five A Shares, twenty-two B Shares thirty-five L Shares and thirty-five D Shares	New York Stock Exchange (for listing purposes only)

Securities registered or to be registered pursuant to Section 12(g) of the
Act:

None.

Securities for which there is a reporting obligation pursuant to Section
15(d) of the Act:

None.

The number of outstanding Shares of each of the issuer's classes of capital
or common stock as of December 31, 2004 was:

114,608,385,240 A Shares
54,289,618,459 B Shares
86,369,789,326 L Shares
86,369,789,326 D Shares

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been

subject to such filing requirements for the past 90 days. Yes No

Indicate by check which financial statement item the registrant has elected to follow. Item 17 Item 18

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We publish our financial statements in accordance with generally accepted accounting principles in Mexico, or Mexican GAAP, which differ in some significant respects from generally accepted accounting principles in the United States, or U.S. GAAP, and accounting procedures adopted in other countries. The exchange rates used in preparing our financial statements are determined by reference as of the specified date to the interbank free market exchange rate, or the Interbank Rate, as reported by Banco Nacional de Mexico, S.A., or Banamex. As of December 31, 2004, the Interbank Rate was Ps. 11.1490 to U.S.\$1.00. See "Key Information - Exchange Rate Information." The exchange rates used in translating Pesos into U.S. Dollars elsewhere in this annual report are determined by reference to the Interbank Rate as of December 31, 2004, unless otherwise indicated.

Unless otherwise indicated, (i) information included in this annual report is as of December 31, 2004 and (ii) references to "Ps." or "Pesos" in this annual report are to Mexican Pesos and references to "Dollars," "U.S. Dollars," "U.S. dollars," "\$," or "U.S.\$" are to United States dollars.

PART I

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

Not applicable.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable.

ITEM 3. KEY INFORMATION

SELECTED FINANCIAL DATA

The following tables present our selected consolidated financial information as of and for each of the periods indicated. This data is qualified in its entirety by reference to, and should be read together with, our audited year-end financial statements. The following data for each of the years ended December 31, 2000, 2001, 2002, 2003 and 2004 has been derived from our audited year-end financial statements, including the consolidated balance sheets as of December 31, 2003 and 2004, and the related consolidated statements of income and changes in financial position for the years ended December 31, 2002, 2003 and 2004 and the accompanying notes appearing elsewhere in this annual report. The data should also be read together with "Operating and Financial Review and Prospects."

The exchange rate used in translating Pesos into U.S. Dollars in calculating the convenience translations included in the following tables is determined by reference to the Interbank Rate, as reported by Banamex as of December 31, 2004, which was Ps. 11.1490 per U.S. Dollar. The exchange rate translations contained in this annual report should not be construed as representations that the Peso amounts actually represent the U.S. Dollar amounts presented or that they could be converted into U.S. Dollars at the rate indicated.

In December 2001, we entered into an agreement to sell our music recording operations to Univision Communications, Inc., or Univision, and we consummated this sale in April 2002. We no longer engage in the music recording business, and under Mexican GAAP, the results of our music recording segment through December 31, 2001, and from prior and subsequent periods have been classified as discontinued operations. See "Operating and Financial Review and Prospects -- Discontinued Operations" and Note 22 to our year-end financial statements.

Effective April 1, 2004, we began consolidating Sky Mexico, in accordance with the Financial Accounting Standards Board Interpretation No. 46, "Consolidation of Variable Interest Entities" (FIN 46), which is applicable under Mexican GAAP Bulletin A-8, "Supplementary Application of International Accounting Standards."

At a general extraordinary meeting and at special meetings of the shareholders of Grupo Televisa, S.A., or Televisa, held on April 16, 2004, our shareholders approved the creation of a new class of capital stock, the B Shares, and the distribution of new shares to our shareholders as part of the recapitalization of our capital stock, or the Recapitalization, as described in the Information Statement dated March 25, 2004, which was submitted to the U.S. Securities and Exchange Commission, or the SEC, on Form 6-K on March 25, 2004 and as described under "Key Information -- The Recapitalization." Except where otherwise indicated, all information in this annual report reflects our capital structure as of December 31, 2004, and gives effect to the Recapitalization.

YEAR ENDED DECEMBER 31,

	2000	2001	2002	2003	2004	2004
--	------	------	------	------	------	------

(MILLIONS OF PESOS IN PURCHASING POWER AS OF DECEMBER 31, 2004 OR MILLIONS OF U.S. DOLLARS)(1)

(MEXICAN GAAP)

INCOME STATEMENT DATA:

Net sales	Ps. 23,605	Ps. 22,734	Ps. 23,580	Ps. 24,786	Ps. 29,314	U.S.\$ 2,629
Operating income	5,700	4,746	5,086	6,360	8,558	768
Integral cost of financing-net(2)	1,154	477	670	646	1,516	136
Restructuring and non-recurring charges(3)	2,217	628	921	691	395	35
(Loss) income from continuing operations	(771)	1,652	(431)	3,723	5,570	500
Income (loss) from discontinued operations(4)	27	16	1,162	(67)	--	--
Cumulative effect of accounting change-net	--	(80)	--	--	(1,022)	(92)
Net (loss) income	(955)	1,556	807	3,783	4,317	387
(Loss) income from continuing operations per CPO(5)	(0.33)	0.57	(0.12)	1.34	1.83	--
Net (loss) income per CPO(5)	(0.33)	0.54	0.28	1.32	1.48	--
Weighted-average number of shares outstanding (in millions)(5)	353,185	354,485	353,906	352,421	345,206	--
Shares outstanding (in millions, at year end)(6)	222,475	221,400	221,210	218,840	341,638	--

(U.S. GAAP)(7)

INCOME STATEMENT DATA:

Net sales	Ps. 25,105	Ps. 23,876	Ps. 23,807	Ps. 24,786	Ps. 29,314	U.S.\$ 2,629
Operating income	5,048	2,682	3,294	6,153	7,045	632
Income from continuing operations	1,318	2,413	110	2,950	3,473	312
Cumulative effect of accounting change-net	--	(909)	(1,348)	--	--	--
Net income (loss)	219	1,504	(1,239)	2,950	3,473	312
Income from continuing operations per CPO(5)	0.44	1.01	0.04	1.01	1.19	--
Net income (loss) per CPO(5)	0.06	0.51	(0.42)	1.01	1.19	--
Weighted-average number of Shares outstanding (in millions)(6)	353,185	354,485	353,906	352,421	345,206	--
Shares outstanding (in millions, at year end)(6)	222,475	221,400	221,210	218,840	341,638	--

(MEXICAN GAAP)

BALANCE SHEET DATA (END OF YEAR):

Cash and temporary investments	Ps. 9,109	Ps. 6,503	Ps. 9,610	Ps. 12,900	Ps. 16,641	U.S.\$ 1,493
Total assets	56,352	56,879	61,703	68,121	73,884	6,627
Current notes payable to banks and other notes payable(8)	417	387	1,355	300	3,297	296
Long-term debt(9)	13,123	14,822	14,597	15,467	18,944	1,699
Customer deposits and advances	11,966	12,487	12,854	14,731	15,303	1,373
Capital stock issued	8,328	8,328	8,328	8,633	9,571	858
Total stockholders' equity (including minority interest)	21,227	21,652	23,323	28,955	27,604	2,476

(U.S. GAAP)(7)

BALANCE SHEET DATA (END OF YEAR):

Property, plant and equipment, net	Ps. 16,240	Ps. 16,465	Ps. 16,626	Ps. 16,025	Ps. 18,826	U.S.\$ 1,689
Total assets	53,238	59,187	61,649	71,177	77,182	6,923
Current notes payable to banks and other notes payable(8)	417	387	1,355	300	3,297	296
Long-term debt(9)	13,123	14,822	14,597	15,467	18,944	1,699
Total stockholders' equity (excluding minority interest)	19,027	20,693	19,312	25,438	24,491	2,197

(MEXICAN GAAP)

OTHER FINANCIAL INFORMATION:

Capital expenditures	Ps. 1,810	Ps. 1,538	Ps. 1,548	Ps. 1,120	Ps. 1,947	U.S.\$ 175
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(U.S. GAAP)(7)

OTHER FINANCIAL INFORMATION:

Cash provided by operating activities	1,396	1,688	6,131	5,202	7,971	715
Cash provided by (used for) financing activities	443	2,351	408	(1,388)	(1,543)	(138)
Cash used for investing activities	(532)	(6,348)	(3,273)	(2,272)	(813)	(73)

OTHER DATA (UNAUDITED):

Average prime time audience share (TV broadcasting)(10)	73.7%	70.5%	72.4%	70.1%	68.9%	--
Average prime time rating (TV broadcasting)(10)	41.0	39.1	39.6	38.1	36.7	--
Magazine circulation (millions of copies)(11)	140	132	137	128	127	--
Number of employees (at year end)	14,600	13,700	12,600	12,300	14,100	--
Number of Innova subscribers (in thousands at year end)(12)	590	716	738	857	1,003	--

	YEAR ENDED DECEMBER 31,					
	2000	2001	2002	2003	2004	2004
	(MILLIONS OF PESOS IN PURCHASING POWER AS OF DECEMBER 31, 2004 OR MILLIONS OF U.S. DOLLARS) (1)					
Number of Cablevision subscribers (in thousands at year end) (13)	403	452	412	364	355	--
Number of EsMas.com registered users (in thousands at year end) (14)	375	866	2,514	3,085	3,665	--

NOTES TO SELECTED CONSOLIDATED FINANCIAL DATA:

(1) Except per CPO, ratio, average audience share, average rating, magazine circulation, employee, subscriber and registered user data. Information in these footnotes is in thousands of Pesos in purchasing power as of December 31, 2004, unless otherwise indicated.

(2) Includes interest expense, interest income, foreign exchange gain or loss -- net, gain or loss from monetary position and monetary results classified as provisions for deferred income taxes. See Note 18 to our year-end financial statements.

(3) See Note 19 to our year-end financial statements.

(4) See Note 22 to our year-end financial statements.

(5) For further analysis of income (loss) from continuing operations per CPO and net income (loss) per CPO (as well as corresponding amounts per A Share not traded as CPOs), see Note 23 (for the calculation under Mexican GAAP) and Note 26 (for the calculation under U.S. GAAP) to our year-end financial statements.

(6) As of December 31, 2004, after giving effect to the Recapitalization we had four classes of common stock: A shares, B shares, L shares and D shares. For purposes of this table, the weighted-average number of shares for all periods reflects the 25-for-one stock split and the 14-for-one stock dividend from the Recapitalization, and the number of shares outstanding for all periods reflects the 25-for-one stock split from the Recapitalization. As of December 31, 2004, for legal purposes, there were approximately 2,617 million CPOs issued and outstanding, each of which was represented by 25 A shares, 22 B shares, 35 L shares and 35 D shares and an additional number of approximately 58,927 million A shares and 2,357 million B shares (not in the form of CPO units). See Note 13 to our year-end financial statements.

As of December 31, 2003, we had three classes of common stock: A Shares, L Shares and D Shares. As of December 31, 2003, some of our A Shares, and all of our L Shares and D Shares, were publicly traded in Mexico in the form of CPOs, each of which represented one A Share, one L Share and one D Share, and were publicly traded in the United States in the form of GDSs, each of which represents 20 CPOs. See Note 13 to our year-end financial statements.

The number of CPOs and shares authorized, issued and outstanding for financial reporting purposes under Mexican and U.S. GAAP is different than the number of CPOs issued and outstanding for legal purposes, because under Mexican and U.S. GAAP shares owned by subsidiaries and/or the trusts created to implement our stock purchase plan and our long-term retention plan are not considered issued and outstanding for financial reporting purposes.

(7) See Note 26 to our year-end financial statements. In contrast to Mexican GAAP, the results of our music recording segment are not reflected as discontinued operations under U.S. GAAP, since we continue to have significant influence over Univision.

(8) Current notes payable to banks and other notes payable include Ps.68.7 million, Ps.14.8 million and Ps.7.7 million of other notes payable as of December 31, 2000, 2001 and 2002, respectively. As of December 31, 2003 and 2004, there are no other notes payable outstanding. See Note 8 to our year-end financial statements.

(9) Long-term debt includes the Ps.86.5 million and Ps.7.1 million of other notes payable as of December 31, 2000 and 2001, respectively. As of December 31, 2002, 2003 and 2004, there are no other long-term notes payable. See "Operating and Financial Review and Prospects-- Results of Operations -- Liquidity, Foreign Exchange and Capital Resources -- Indebtedness" and Note 8 to our year-end financial statements.

(10) "Average prime time audience share" for a period refers to the average daily prime time audience share for all of our networks and stations during that period, and "average rating" for a period refers to the average daily rating for all of our networks and stations during that period, each rating point

representing one percent of all television households. As used in this annual report, "prime time" in Mexico is 4:00 p.m. to 11:00 p.m., seven days a week, and "weekday prime time" is 7:00 p.m. to 11:00 p.m., Monday through Friday. Data for all periods reflects the average prime time audience share and ratings nationwide as published by IBOPE Mexico. For further information regarding audience share and ratings information and IBOPE Mexico, see "Information on the Company -- Business Overview -- Television -- Television Broadcasting."

(11) The figures set forth in this line item represent total circulation of magazines that we publish independently and through joint ventures and other arrangements and do not represent magazines distributed on behalf of third parties.

(12) Innova, S. de R.L. de C.V., or Innova, our direct-to-home, or DTH, satellite service in Mexico, referred to alternatively as Sky Mexico for segment reporting purposes, commenced operations on December 15, 1996. The figures set forth in this line item represent the total number of gross active residential and commercial subscribers for Innova at the end of each year presented. Our share in the results of operations of Innova through December 31, 2000 was included in our income statement under the line item "Equity in losses of affiliates." For a description of Innova's business and results of operations and financial condition, see "Information on the Company -- Business Overview -- DTH Joint Ventures -- Mexico" and Innova's year-end financial statements for the years ended December 31, 2002 and 2003 included herein. Under Mexican GAAP, effective January 1, 2001 and through March 31, 2004, we did not recognize equity in losses in respect of our investment in Innova in our income statement. See "Operating and Financial Review and Prospects -- Results of Operations -- Equity in Losses of Affiliates." Beginning April 1, 2004, Innova was consolidated in our financial results.

(13) The figures set forth in this line item represent the total number of subscribers for Cablevision's basic service package at the end of each year presented. For a description of Cablevision's business and results of operations and financial condition, see "Management's Discussion and Analysis of Financial Condition and Results of Operations -- Results of Operations -- Cable Television" and "Information on the Company -- Business Overview -- Cable Television."

(14) We launched EsMas.com in May 2000. Since May 2000, the results of operations of EsMas.com have been included in the results of operations of our Other Businesses segment. See "Operating and Financial Review and Prospects-- Results of Operations -- Other Businesses." For a description of EsMas.com, see "Information on the Company -- Business Overview -- Other Businesses -- EsMas.com." The figures set forth in this line item represent the number of registered users in each year presented. The term "registered user" means a visitor that has completed a profile questionnaire that enables the visitor to use the e-mail service provided by EsMas.com.

THE RECAPITALIZATION

The Recapitalization increased the number of our outstanding Shares by a factor of 39 but did not affect our total equity or dilute the equity interest of any shareholder. The Recapitalization comprised these steps:

- a stock split in which each outstanding Share was divided into 25 Shares of the same class;
- the creation of a new class of common or ordinary shares, the B Shares;
- a stock dividend in which we distributed to holders of outstanding Shares, 14 new Shares (of various classes depending on the class held) for every 25 Shares outstanding after the stock split;
- an increase in the number of Shares represented by each outstanding CPO, from three Shares to 117 Shares; and
- amendments to our bylaws related to these transactions.

THE STOCK SPLIT AND STOCK DIVIDEND

As part of the Recapitalization, we carried out a stock split in which each of our outstanding Shares was divided into 25 Shares of the same class. Following the stock split and the creation of the B Shares, we increased our capital by incorporating approximately Ps.906 million of retained earnings into capital stock and issuing approximately 132,560 million new Shares, equal to fourteen new Shares (of various classes, depending on the class held), for every 25 Shares outstanding after the split. We did not receive any consideration for the issuance of the new Shares.

The following table summarizes the effect of the stock split and the stock dividend on a holder of one Share of each class of our capital stock:

BEFORE THE RECAPITALIZATION	AFTER THE STOCK SPLIT	14 NEW SHARES DISTRIBUTED PER 25 SHARES (POST-SPLIT)	AFTER THE RECAPITALIZATION
One A Share	25 A Shares	Four B Shares, Five D Shares and Five L Shares	25 A Shares, Four B Shares, Five D Shares and Five L Shares
One D Share	25 D Shares	Nine B Shares, Five D Shares	Nine B Shares, 30 D Shares
One L Share	25 L Shares	Nine B Shares, Five L Shares	Nine B Shares, 30 L Shares

The following table summarizes the effect of the Recapitalization on the total number of Shares of each class of our capital stock, based on the number of Shares outstanding at April 16, 2004:

	BEFORE THE RECAPITALIZATION			AFTER THE RECAPITALIZATION		
	(MILLIONS)	(% OF TOTAL CAPITAL STOCK)	(% OF TOTAL VOTING STOCK)	(MILLIONS)	(% OF TOTAL CAPITAL STOCK)	(% OF TOTAL VOTING STOCK)
Series A	4,989	52.69	100.00%	124,736	33.78	67.42
Series B	-	-	-	60,270	16.32	32.58
Series D	2,240	23.65	-	92,134	24.95	-
Series L	2,240	23.65	-	92,134	24.95	-
Total	9,469	100.00%	100.00%	369,273	100.00%	100.00%

EFFECT OF THE RECAPITALIZATION ON A SHARES, D SHARES AND L SHARES

The Recapitalization did not change the voting and economic rights of the A Shares, D Shares and L Shares, except in two respects. First, the number of directors (and corresponding alternate directors) that the holders of A Shares were entitled to designate decreased by five, from sixteen to eleven, and the holders of the new B Shares are entitled to designate five directors (and corresponding alternate directors). Second, the aggregate amount of the cumulative annual preferred dividend payable by the Company increased as a result of the stock dividend, while the per share amount of the cumulative annual preferred dividend to which the holder of one D Share is entitled decreased as a result of the stock split.

For a description of the principal amendments to our bylaws that were adopted in connection with the Recapitalization, see "Other Information -- Bylaws."

EFFECT OF THE RECAPITALIZATION ON CPOS

Prior to the Recapitalization, our Shares traded in the form of CPOs, each at that time represented one A Share, one D Share and one L Share. The Recapitalization increased the number of Shares represented by each CPO from three Shares to 117 Shares. Following the Recapitalization, one CPO represents 25 A Shares, 22 B Shares, 35 D Shares and 35 L Shares.

While the dividend preference per D Share decreased by a factor of 25 as a result of the stock split, the number of D Shares owned by a holder of one CPO increased by a factor of 35. Accordingly, the amount of the preferred dividend on one CPO increased by 40% (reflecting the 25-for-1 split and the distribution in the stock dividend of ten D Shares to each holder of one CPO).

Amendments to the CPO Trust Agreement and the CPO Deed of Issuance related to the Recapitalization were approved by the CPO holders at a meeting on April 5, 2004.

EFFECT OF THE RECAPITALIZATION ON GDSS

Prior to the Recapitalization, our Shares also traded in the form of GDSs, each representing 20 CPOs. Global Depositary Receipts, or GDRs, evidencing GDSs are issued by the Depositary, JPMorgan Chase Bank, pursuant to the Deposit Agreement we entered into with the Depositary and all holders from time to time of GDSs. Following the Recapitalization, one GDS continues to represent 20 CPOs, and each GDR continues to represent the same number of GDSs as before the Recapitalization. No approval or other action was or will be required by holders of GDSs.

DELIVERY OF NEW SHARES

We delivered the shares issued in the Recapitalization to our shareholders, generally through S.D. Indeval, S.A. de C.V., Institucion para el Deposito de Valores, which is the clearing system for securities traded on the Mexican Stock Exchange. At that time, we deposited into the CPO Trust the new shares to be held by the CPO Trustee on behalf of holders of CPOs (including CPOs held in the form of GDSs).

For shareholders who hold share certificates in physical form, delivery was made at our offices.

THE B SHARES

We created a new class of capital stock, the B Shares, with no par value. The B Shares are common or ordinary shares, like the A Shares, with no preferred dividend rights and no preference upon liquidation. Holders of the B Shares have the right to elect five out of 20 members of our Board of Directors at a shareholders' meeting that must be held within the first four months after the end of each year, beginning in 2005.

As is the case for the A Shares: (a) holders of B Shares have the right to vote on all matters subject to shareholder approval at any general shareholders' meeting, (b) holders of B Shares have the right to vote at special meetings of B Shares, on any matter subject to approval at such a meeting and (c) under Mexican law, non-Mexicans may not own B Shares directly or exercise any voting rights in respect of B Shares, but they may hold B Shares indirectly through the CPO Trust, which will control the voting of the B Shares.

MAJOR SHAREHOLDERS

Prior to March 2004, our controlling shareholder was Grupo Televiscentro, S.A. de C.V., or Televiscentro. Televiscentro's equity in Televisa is currently owned through the Shareholder Trust, by the following trusts: a trust for the benefit of Emilio Azcarraga Jean, the Azcarraga Trust; a trust for the benefit of Promotora Inbursa S.A. de C.V., the Inbursa Trust; and a trust for the benefit of five individual members of the Aramburuzabala and Fernandez families, the Investor Trust. Promotora Inbursa is an indirect subsidiary of Grupo Financiero Inbursa, S.A. de C.V. The interests of the Aramburuzabala family represented 16.21%, and the interests of the Fernandez family represented 3.80%, of Televiscentro's capital stock. Before giving effect to the Recapitalization, Televiscentro owned approximately 2,348 million A Shares and 53 million A Shares, 53 million D Shares and 53 million L Shares in the form of CPOs.

In March 2004, the Televiscentro shareholders contributed all their shares in Televiscentro to a trust, the Shareholder Trust. Following the Recapitalization, Televiscentro distributed all its Shares and CPOs to the Shareholder Trust, or Televiscentro Distribution, and, as a result, ceased to be one of our shareholders.

For a description of the arrangements among our Major Shareholders, see "Major Shareholders and Related Party Transactions."

DIVIDENDS

Decisions regarding the payment and amount of dividends are subject to approval by holders of a majority of the A Shares and B Shares voting together, generally, but not necessarily, on the recommendation of the Board of Directors, as well as a majority of the A Shares voting separately. Emilio Azcarraga Jean indirectly controls the voting of the majority of the A Shares and, as a result of such control, both the amount and the payment of dividends require his affirmative vote. See "Major Shareholders and Related Party Transactions -- The Major Shareholders." On March 25, 2004, our Board of Directors

approved a dividend policy under which we currently intend to pay an annual regular dividend of Ps.0.35 per CPO. Also, on May 21, 2004, the Company's Board of Directors approved a Ps.3,850 million cash distribution to shareholders, equivalent to Ps.1.219 per CPO, which included the annual regular dividend of Ps.0.35 per CPO, that is the dividend corresponding to the Series A and L shares and the cumulative preferred dividend corresponding to the Series D shares. On February 22, 2005, our Board of Directors approved a cash distribution to shareholders, equivalent to Ps.1.35 per CPO, equivalent to approximately Ps.4,250.0 million. On April 29, 2005, at a General Shareholders' Meeting, our shareholders approved the payment of an extraordinary dividend of Ps.1.00 per CPO, which is in addition to our ordinary dividend of Ps.0.35 per CPO, for a total dividend of Ps.1.35 per CPO. All of the recommendations of the Board of Directors related to the payment and amount of dividends were voted and approved at the applicable General Shareholders' Meetings. The agreements related to some of our outstanding indebtedness contain covenants that restrict, among other things, the payment of dividends, subject to certain conditions.

EXCHANGE RATE INFORMATION

Since 1991, Mexico has had a free market for foreign exchange and, since 1994, the Mexican government has allowed the Peso to float freely against the U.S. Dollar. The Peso was relatively stable from 1999 to 2001. In 2002 and 2003, the Peso declined in value against the U.S. Dollar. There can be no assurance that the government will maintain its current policies with regard to the Peso or that the Peso will not further depreciate or appreciate significantly in the future.

The following table sets forth, for the periods indicated, the high, low, average and period end noon buying rate in New York City for cable transfers for Pesos published by the Federal Reserve Bank of New York, expressed in Pesos per U.S. Dollar. The rates have not been restated in constant currency units and therefore represent nominal historical figures.

YEAR ENDED DECEMBER 31, -----	EXCHANGE RATE -----			PERIOD END -----
	HIGH -----	LOW -----	AVERAGE (1) -----	
2000.....	10.09	9.18	9.47	9.62
2001.....	9.97	8.95	9.33	9.16
2002.....	10.43	9.00	9.75	10.43
2003.....	11.41	10.11	10.80	11.24
2004.....	11.64	10.81	11.31	11.15
MONTH ENDED				
January 31, 2005.....	11.41	11.17	11.26	11.20
February 28, 2005.....	11.21	11.04	11.14	11.09
March 31, 2005.....	11.33	10.98	11.16	11.18
April 30, 2005.....	11.23	11.04	11.12	11.04
May 31, 2005.....	11.03	10.88	10.97	10.91
June 10, 2005.....	10.88	10.81	10.85	10.87

(1) Annual average rates reflect the average of noon buying rates on the last day of each month during the relevant period. Monthly average rates reflect the average of daily noon buying rates.

The above rates may differ from the actual rates used in the preparation of the financial statements and the other financial information appearing in this annual report on Form 20-F. Our inclusion of these exchange rates is not meant to suggest that the Peso amounts actually represent these U.S. Dollar amounts or that Peso amounts could have been converted into U.S. Dollars at any particular rate, if at all.

The Mexican economy has suffered balance of payment deficits and shortages in foreign exchange reserves. While the Mexican government does not currently restrict the ability of Mexican or foreign persons or entities to convert Pesos to U.S. Dollars, we cannot assure you that the Mexican government will not institute restrictive exchange control policies in the future, as has occurred from time to time in the past. To the extent that the Mexican government institutes restrictive exchange control policies in the future, our ability to transfer or to convert Pesos into U.S. Dollars and other currencies for the purpose of making timely payments of interest and principal of indebtedness, as well as to obtain foreign programming and other goods, would be adversely affected. See "Key Information -- Risk Factors -- Risk Factors Related to Mexico -- Currency Fluctuations or the Devaluation and Depreciation of the Peso Could Limit the Ability of Our Company and Others to Convert

RISK FACTORS

The following is a discussion of risks associated with our company and an investment in our securities. Some of the risks of investing in our securities are general risks associated with doing business in Mexico. Other risks are specific to our business. The discussion below contains information, among other things, about the Mexican government and the Mexican economy obtained from official statements of the Mexican government as well as other public sources. We have not independently verified this information. Any of the following risks, if they actually occur, could materially and adversely affect our business, financial condition, results of operations or the price of our securities.

RISK FACTORS RELATED TO MEXICO

ECONOMIC AND POLITICAL DEVELOPMENTS IN MEXICO MAY ADVERSELY AFFECT OUR BUSINESS

Most of our operations and assets are located in Mexico. As a result, our financial condition, results of operations and business may be affected by the general condition of the Mexican economy, the devaluation of the Peso as compared to the U.S. Dollar, Mexican inflation, interest rates, regulation, taxation, social instability and political, social and economic developments in Mexico.

MEXICO HAS EXPERIENCED ADVERSE ECONOMIC CONDITIONS

Mexico has historically experienced uneven periods of economic growth. In 2001, Mexico's gross domestic product, or GDP, decreased 0.2% primarily as a result of the downturn in the U.S. economy. Mexican GDP increased 0.8%, 1.4%, 4.4% and 0.4% in 2002, 2003, 2004 and the three month period ended March 31, 2005, respectively. Inflation in 2002, 2003, 2004 and the three month period ended March 31, 2005 was 5.7%, 4.0%, 5.2% and 0.8%, respectively. Although these inflation rates tend to be lower than Mexico's historical inflation rates, Mexico's current level of inflation remains higher than the annual inflation rates of its main trading partners, including the U.S. GDP growth fell short of Mexican government estimates in 2004; however, according to Mexican government estimates, GDP in Mexico is expected to grow by approximately 3.5% to 4.0%, while inflation is expected to be less than 4.0%, in 2005. We cannot assure you that these estimates will prove to be accurate.

If the Mexican economy should fall into a recession or if inflation and interest rates increase significantly, our business, financial condition and results of operations may be adversely affected for the following reasons:

- demand for advertising may decrease both because consumers may reduce expenditures for our advertisers' products and because advertisers may reduce advertising expenditures; and
- demand for publications, cable television, DTH satellite services, pay-per-view programming and other services and products may decrease because consumers may find it difficult to pay for these services and products.

DEVELOPMENTS IN OTHER EMERGING MARKET COUNTRIES OR IN THE U.S. MAY AFFECT US AND THE PRICES FOR OUR SECURITIES

The market value of securities of Mexican companies, the economic and political situation in Mexico and our financial condition and results of operations are, to varying degrees, affected by economic and market conditions in other emerging market countries and in the U.S. Although economic conditions in other emerging market countries and in the U.S. may differ significantly from economic conditions in Mexico, investors' reactions to developments in any of these other countries may have an adverse effect on the market value or trading price of securities of Mexican issuers, including our securities, or on our business.

In particular, Argentina's continued insolvency and default on its public debt, could adversely affect Mexico, the market value of our debt securities or our business. Although a majority of the foreign holders of Argentina's indebtedness have agreed to exchange their securities in connection with Argentina's restructuring, holders of a substantial amount of the country's indebtedness have refused such exchange. To the extent that the Argentine

government is unsuccessful in preventing further economic decline, the crisis may also adversely affect Mexico, the price of our securities or our business.

In addition, the political and economic future of Venezuela remains uncertain. A nationwide general strike that occurred between December 2002 and January 2003 caused a significant reduction in oil production in Venezuela, and has had a material adverse effect on Venezuela's oil-dependent economy. In February 2003, Venezuelan authorities imposed foreign exchange and price controls on specified products. Inflation continues to grow despite price controls and the political and economic environment has continued to deteriorate. Venezuela has experienced increasing social instability and massive public demonstrations against President Chavez. We cannot predict what effect, if any, the decisions of the Venezuelan government will have on the economies of other emerging market countries, including Mexico, the price of our securities or our business.

Our operations, including demand for our products or services, and the price of our debt securities, have also historically been adversely affected by increases in interest rates in the U.S. and elsewhere. The Federal Reserve Bank of the U.S. has signaled that it will continue implementing "measured" increases in interest rates in 2005. As interest rates rise, the prices of our securities may fall.

MILITARY OPERATIONS IN IRAQ AND ELSEWHERE HAVE NEGATIVELY AFFECTED INDUSTRY AND ECONOMIC CONDITIONS GLOBALLY, AND THESE CONDITIONS HAVE HAD, AND MAY CONTINUE TO HAVE, A NEGATIVE EFFECT ON OUR BUSINESS

Our profitability is affected by numerous factors, including changes in viewing preferences, priorities of advertisers and reductions in advertisers' budgets. Historically, advertising in most forms of media has correlated positively with the general condition of the economy and thus, is subject to the risks that arise from adverse changes in domestic and global economic conditions, consumer confidence and spending, which may decline as a result of numerous factors outside of our control, such as terrorist attacks and acts of war. Military operations in Iraq have depressed economic activity in the U.S. and globally, including the Mexican economy. Since the invasion, there have been terrorist attacks abroad, such as the terrorist attacks in Madrid on March 11, 2004, as well as ongoing threats of future terrorist attacks in the U.S. and abroad. Although it is not possible at this time to determine the long-term effect of these terrorist threats and attacks and the consequent response by the U.S., there can be no assurance that there will not be other attacks or threats in the U.S. or abroad that will lead to a further economic contraction in the U.S. or any other major markets. In the short term, however, terrorist activity against the U.S. and the U.S. military operations in Iraq have contributed to the uncertainty of the stability of the U.S. economy as well as global capital markets. It is not certain how long these economic conditions will continue. If terrorist attacks continue or become more prevalent or serious, if the economic conditions in the U.S. decline or if a global recession materializes, our business, financial condition and results of operations may be materially and adversely affected.

CURRENCY FLUCTUATIONS OR THE DEVALUATION AND DEPRECIATION OF THE PESO COULD LIMIT THE ABILITY OF OUR COMPANY AND OTHERS TO CONVERT PESOS INTO U.S. DOLLARS OR OTHER CURRENCIES WHICH COULD ADVERSELY AFFECT OUR BUSINESS, FINANCIAL

CONDITION OR RESULTS OF OPERATIONS

A portion of our indebtedness and a significant amount of our costs are U.S. Dollar-denominated, while our revenues are primarily Peso-denominated. As a result, decreases in the value of the Peso against the U.S. Dollar could cause us to incur foreign exchange losses, which would reduce our net income.

Severe devaluation or depreciation of the Peso may also result in governmental intervention, as has resulted in Argentina, or disruption of international foreign exchange markets. This may limit our ability to transfer or convert Pesos into U.S. Dollars and other currencies for the purpose of making timely payments of interest and principal on our indebtedness and adversely affect our ability to obtain foreign programming and other imported goods. The Mexican economy has suffered current account balance payment of deficits and shortages in foreign exchange reserves in the past. While the Mexican government does not currently restrict, and for more than ten years has not restricted, the right or ability of Mexican or foreign persons or entities to convert Pesos into U.S. Dollars or to transfer other currencies outside of Mexico, the Mexican government could institute restrictive exchange control policies in the future. To the extent that the Mexican government institutes restrictive exchange control policies in the future, our ability to transfer or convert pesos into U.S. Dollars for the purpose of making timely payments of interest and principal on indebtedness would be adversely affected. Devaluation or depreciation of the Peso against the U.S. Dollar may also adversely affect U.S. Dollar prices for our debt securities.

HIGH INFLATION RATES IN MEXICO MAY DECREASE DEMAND FOR OUR SERVICES WHILE INCREASING OUR COSTS

Mexico historically has experienced high levels of inflation, although the rates have been lower in recent years. The annual rate of inflation, as measured by changes in the Mexican National Consumer Price Index, or NCPI, was 5.7% for 2002, 4.0% for 2003, 5.2% for 2004 and 0.8% for the three month period ended March 31, 2005. Nonetheless, at approximately 4.4% per annum (as measured from March 2004 to March 2005), Mexico's current level of inflation remains higher than the annual inflation rates of its main trading partners. High inflation rates can adversely affect our business and results of operations in the following ways:

- inflation can adversely affect consumer purchasing power, thereby adversely affecting consumer and advertiser demand for our services and products;
- to the extent inflation exceeds our price increases, our prices and revenues will be adversely affected in "real" terms; and
- if the rate of Mexican inflation exceeds the rate of devaluation of the Peso against the U.S. Dollar, our U.S. Dollar-denominated sales will decrease in relative terms when stated in constant Mexican pesos.

HIGH INTEREST RATES IN MEXICO COULD INCREASE OUR FINANCING COSTS

Mexico historically has had, and may continue to have, high real and nominal interest rates. The interest rates on 28-day Mexican government treasury securities averaged 6.2%, 6.8% and 9.1% for 2003, 2004 and for the three month period ended March 31, 2005, respectively. Accordingly, if we have to incur Peso-denominated debt in the future, it will likely be at higher interest rates.

POLITICAL EVENTS IN MEXICO COULD AFFECT MEXICAN ECONOMIC POLICY AND OUR BUSINESS, FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Mexico's President Vicente Fox has encountered strong opposition to a number of his proposed reforms in both the Chamber of Deputies and the Senate, where opposition forces have frequently joined to block his initiatives. Although the Mexican economy has exhibited signs of improvement, general economic sluggishness continues. This continuing weakness in the Mexican economy, combined with recent political events, has slowed economic reform and progress. In the 2003 and 2004 elections, the political party of President Fox, the Partido Accion Nacional, or the National Action Party, lost additional seats in the Mexican congress, as well as state governorships. The increased party opposition and legislative gridlock arising out of the elections could further hinder President Fox's ability to implement his economic reforms. Presidential and federal congressional elections in Mexico are scheduled to be held in July 2006. Under Mexican law, President Fox cannot run for re-election. The electoral process could lead to further friction among political parties and the executive branch officers, which could potentially cause additional political and economic instability. Additionally, once the President and representatives are elected, there could be significant changes in laws, public policies and government programs, which could have a material adverse effect on the Mexican economic and political situation which, in turn may adversely affect our business, financial condition and results of operations.

National politicians are currently focused on the 2006 elections and crucial reforms regarding fiscal and labor policies, gas, electricity, social security and oil have not been and may not be approved. In addition, recent impeachment proceedings of Andres Manuel Lopez Obrador, the mayor of Mexico City, have increased political uncertainty. The effects on the social and political situation in Mexico, including the 2006 presidential elections and presidential succession, could adversely affect the Mexican economy, including the stability of its currency, which in turn could have a material adverse effect on our business, financial condition and results of operations, as well as market conditions and prices for our securities.

MEXICAN ANTITRUST LAWS MAY LIMIT OUR ABILITY TO EXPAND THROUGH ACQUISITIONS OR JOINT VENTURES

Mexico's federal antitrust laws and regulations may affect some of our activities, including our ability to introduce new products and services, enter into new or complementary businesses or joint ventures and complete

acquisitions. In addition, the federal antitrust laws and regulations may adversely affect our ability to determine the rates we charge for our services and products. Approval of the Comision Federal de Competencia, or Mexican Antitrust Commission, is required for us to acquire and sell significant businesses or enter into significant joint ventures. In 2002, the Mexican Antitrust Commission did not approve the proposed merger of our radio subsidiary Sistema Radiopolis, S.A. de C.V., or Sistema Radiopolis, with Grupo Acir Comunicaciones, S.A. de C.V., or Grupo Acir, and it may not approve possible future acquisitions or joint ventures that we may pursue. See "Information on the Company -- Business Overview -- Radio" and "Information on the Company -- Business Overview -- Regulation."

DIFFERENCES BETWEEN MEXICAN GAAP AND U.S. GAAP MAY HAVE AN IMPACT ON THE PRESENTATION OF OUR FINANCIAL INFORMATION

Our annual audited consolidated financial statements are prepared in accordance with Mexican GAAP, which differ in some significant respects from U.S. GAAP. We are required, however, to file an annual report on Form 20-F containing financial statements reconciled to U.S. GAAP, although this filing only contains year-end financial statements reconciled to U.S. GAAP for the three most recent fiscal years since its filing. See Note 26 to our year-end financial statements for a description of the principal differences between Mexican GAAP and U.S. GAAP applicable to us. In addition, we do not publish U.S. GAAP information on an interim basis.

RISK FACTORS RELATED TO OUR MAJOR SHAREHOLDERS

EMILIO AZCARRAGA JEAN HAS SUBSTANTIAL INFLUENCE OVER OUR MANAGEMENT AND THE INTERESTS OF MR. AZCARRAGA JEAN MAY DIFFER FROM THOSE OF OTHER SHAREHOLDERS

We have four classes of common stock: A Shares, B Shares, D Shares, and L Shares. As of March 31, 2005, approximately 49.87% of the outstanding A Shares, 13.35% of the outstanding B Shares, 13.90% of the outstanding D Shares and 13.90% of the outstanding L Shares of our Company are held through a trust, including shares in the form of CPOs, or the Shareholder Trust. The largest beneficiary of the Shareholder Trust is a trust for the benefit of Emilio Azcarraga Jean. As a result, Emilio Azcarraga Jean controls the voting of the Shares held through the Shareholder Trust. The A Shares held through the Shareholder Trust constitute a majority of the A Shares whose holders are entitled to vote, because non-Mexican holders of Certificados de Participacion Ordinarios, or CPOs, and Global Depositary Shares, or GDSs, are not permitted by law to vote the underlying A Shares. Accordingly, and so long as non-Mexicans own more than a minimal number of A Shares, Emilio Azcarraga Jean will have the ability to direct the election of 11 out of 20 members of our Board as well as, prevent certain actions by the shareholders, including the timing and payment of dividends, if he so chooses. See "Major Shareholders and Related Party Transactions -- the Televiscentro Distribution"

OUR MAJOR SHAREHOLDERS MAY SELL SHARES IN THE FUTURE

Except for the 2 million CPOs which were released to the Fernandez family immediately upon the completion of the Recapitalization, the Shareholder Trust beneficiaries will not be permitted to release shares from the trust before July 1, 2005. Beginning July 1, 2005, the Investor Trust may release or sell any or all of its shares from the Shareholder Trust. The Inbursa Trust may release or sell up to two-thirds of its shares from July 1, 2005 through June 30, 2009 and any or all of its shares beginning July 1, 2009. The Azcarraga Trust may release or sell any or all of its shares from the Shareholder Trust beginning July 1, 2005, but upon any such release or sale, the Inbursa Trust may freely release or sell any or all of its shares. In addition, if either of the Inbursa Trust or the Investor Trust requests that shares be voted in a particular way on a Consultation Matter as defined in the Shareholders Trust, and Mr. Azcarraga Jean declines to do so, such party may immediately release its shares from the Shareholder Trust and sell its shares into the market. Sales of such shares may have an adverse effect on the market for our equity securities and/or result in a change of control of our ownership.

AS CONTROLLING SHAREHOLDER, EMILIO AZCARRAGA JEAN WILL HAVE THE ABILITY TO LIMIT OUR ABILITY TO RAISE CAPITAL, WHICH WOULD REQUIRE US TO SEEK OTHER FINANCING ARRANGEMENTS

Emilio Azcarraga Jean has the voting power to prevent us from raising money through equity offerings. Mr. Azcarraga Jean has informed us that if we conduct a primary sale of our equity, he would consider exercising his pre-emptive rights to purchase a sufficient number of additional A shares in order to maintain such power. In the event that Mr. Azcarraga Jean is unwilling to subscribe for additional Shares and/or prevents us from raising money through equity offerings, we would need to raise money through a combination of debt or other form of financing, which we may not obtain, or if so, possibly not on favorable terms.

RISK FACTORS RELATED TO OUR BUSINESS

THE OPERATION OF OUR BUSINESS MAY BE TERMINATED OR INTERRUPTED IF THE MEXICAN GOVERNMENT DOES NOT RENEW OR REVOKES OUR BROADCAST OR OTHER CONCESSIONS; PROPOSED REVISIONS TO THE LEY FEDERAL DE RADIO Y TELEVISION, OR RADIO AND TELEVISION LAW, IF ADOPTED, COULD ADVERSELY IMPACT OUR RESULTS OF OPERATIONS

Under Mexican law, we need concessions from the Secretaria de Comunicaciones y Transportes, or SCT, to broadcast our programming over our television and radio stations and our cable and DTH satellite systems. In July 2004, in connection with the adoption of a release issued by the SCT for the transition to digital television, all of our television concessions were renewed until 2021. The expiration dates for the concessions for our radio stations range from 2008 to 2016. Our cable telecommunications concessions expire in 2029. In the past, the SCT has typically renewed the concessions of those concessionaires that comply with the requisite procedures set forth for renewal under Mexican law. The SCT can revoke our concessions and the Mexican government can require us to forfeit our broadcast assets under the circumstances described under "Information on the Company -- Business Overview -- Regulation." This may not happen in the future and the current law may change or be superseded by new laws. In this regard, there is currently a proposal to enact a new Ley Federal de Radio y Television which is being discussed by a sub-commission of the Mexican Congress, that may be introduced to the Mexican Congress for discussion and, if it is so introduced, for approval. We cannot assure you that any proposal to enact a new Ley Federal de Radio y Television will be introduced to or adopted by the Mexican Congress, and, if it is, the terms of any such proposal and the impact it would have on our results of operations.

WE FACE COMPETITION IN EACH OF OUR MARKETS THAT WE EXPECT WILL INTENSIFY

We face competition in all of our businesses, including television advertising and other media businesses, as well as our strategic investments and joint ventures. In particular, we face substantial competition from TV Azteca, S.A. de C.V., or TV Azteca. See "Information on the Company -- Business Overview -- Television -- Television Industry in Mexico" and "Information on the Company -- Business Overview -- Television Broadcasting." In addition, the entertainment and communications industries in which we operate are changing rapidly because of evolving distribution technologies. Our future success will be affected by these changes, which we cannot predict. Consolidation in the entertainment and broadcast industries could further intensify competitive pressures. As the pay-television market in Mexico matures, we expect to face competition from an increasing number of sources, including emerging technologies that provide new services to pay-television customers and require us to make significant capital expenditures in new technologies. Developments may limit our access to new distribution channels, may require us to make significant capital expenditures in order to have access to new digital and other distribution channels or may create additional competitive pressures on some or all of our businesses.

THE SEASONAL NATURE OF OUR BUSINESS AFFECTS OUR REVENUE AND A SIGNIFICANT REDUCTION IN FOURTH QUARTER NET SALES COULD IMPACT OUR RESULTS OF OPERATIONS

Our business reflects seasonal patterns of advertising expenditures, which is common in the television broadcast industry. We typically recognize a disproportionately large percentage of our overall advertising net sales in the fourth quarter in connection with the holiday shopping season. For example, in 2003 and 2004 we recognized 29.8%

and 28.7% , respectively, of our net sales in the fourth quarter of the year. Accordingly, a significant reduction in fourth quarter advertising revenue could adversely affect our business, financial condition and results of operations.

FUTURE ACTIVITIES WHICH WE MAY WISH TO UNDERTAKE IN THE U.S. MAY BE AFFECTED BY OUR ARRANGEMENTS WITH UNIVISION. THESE ACTIVITIES, AS WELL AS A CURRENT DISPUTE WE ARE HAVING WITH UNIVISION, MAY AFFECT OUR RELATIONSHIP WITH, AND OUR EQUITY INTEREST IN, UNIVISION

We have a program license agreement with Univision whereby we have granted Univision an exclusive right to broadcast our television programming in the U.S., with some exceptions, as described in "Information on the Company -- Business Overview -- Univision."

We are required to offer Univision the opportunity to acquire a 50% economic interest in our interest in certain Spanish-language television broadcasting ventures to the extent they relate to U.S. Spanish-language television broadcasting. Should Univision exercise these rights, Univision would reduce our share of potentially lucrative corporate opportunities involving these ventures. In April 2003, we entered into a joint venture with Univision to introduce our satellite and cable pay-TV programming into the U.S., including two of our existing movie channels and three channels featuring music videos, celebrity lifestyle, interviews and entertainment news programming, and to create future channels available in the U.S. that feature our programming. See "Information on the Company -- Business Overview -- Univision." The current joint venture with Univision and any future venture we might pursue involving U.S. Spanish-language television broadcasting, with or without Univision as a partner, may compete directly with Univision to the extent such ventures seek viewership among Hispanic households in the U.S. Direct competition between Univision and these ventures could have a material adverse effect on the financial condition and results of operations of our joint ventures and the value of our investment in Univision.

We are currently involved in a dispute with Univision related to the program license agreement and other issues. In that regard, on May 9, 2005, we filed a complaint in the United States District Court Central District of California alleging, among other things, that Univision breached the program license agreement by failing to pay certain royalties and by making certain unauthorized edits of our programs. In connection with these claims, we are seeking monetary relief in an amount not less than U.S.\$1.5 million, declaratory relief against Univision's ability to recover approximately U.S.\$5 million of royalties previously paid to us, and an injunction against the alteration of our programs without our consent. We cannot assure you that we will prevail in the case we filed against Univision or any litigation Univision may initiate. In addition, effective as of May 9, 2005, Emilio Azcarraga Jean resigned as a director, and Alfonso de Angoitia Noriega resigned as an alternate director, of Univision. While we have the right to elect one director and one alternate director to the Univision board, we have not determined whether we will seek to elect replacements for Mr. Azcarraga Jean and Mr. de Angoitia Noriega. We cannot predict how our overall business relationship with Univision will be affected by this dispute.

In addition, in the past, we had disagreements with Univision over our ability to broadcast over the Internet programs to which Univision had rights in the U.S. As part of the amendments in December 2001 to our arrangements with Univision, we agreed that for a five-year period, ending December 2006, we and Univision each would have limited rights to transmit via the Internet certain limited programming. At the end of this period, the terms of our agreement with Univision in respect of these rights will revert to the provisions of our prior agreement. We continue to believe that these terms allow us to distribute internationally, including in the U.S., on our Internet service originating from Mexico, programs to which Univision believes it has exclusive rights in the U.S. If Univision disagrees with our position, we cannot assure you as to whether, after December 2006, we will provide our television programming over the Internet for U.S. distribution. However, if we do provide our programming for U.S. distribution via the Internet, Univision may commence legal proceedings and we may not prevail in litigation.

In addition, by operation of the ownership rules and policies of the U.S. Federal Communications Commission, or the FCC, our interest in Univision may limit our ability to invest in other U.S. media entities. See "Information on the Company -- Business Overview -- Regulation -- Television -- U.S. Regulation of Broadcast Stations."

WE HAVE EXPERIENCED SUBSTANTIAL LOSSES, PRIMARILY IN RESPECT OF OUR INVESTMENTS IN INNOVA AND SKY MULTI-COUNTRY PARTNERS, AND EXPECT TO CONTINUE TO EXPERIENCE SUBSTANTIAL LOSSES AS A RESULT OF OUR PARTICIPATION IN DTH JOINT VENTURES, WHICH WOULD ADVERSELY AFFECT OUR NET INCOME

We have invested a significant amount to develop DTH satellite services primarily in Mexico and other countries throughout Latin America. Although our DTH joint venture in Mexico, Innova, referred to herein by its legal name, Innova, S. de R.L. de C.V., and, for segment reporting purposes, alternatively as Sky Mexico, achieved a net income for the first time in 2004 and generated positive cash flow in 2003 and 2004, we have, in the past, experienced substantial losses and substantial negative cash flow, and we may experience substantial losses over the next several years, as a result of our participation in the DTH joint ventures, which would adversely affect our net income. We cannot assure you that Innova will continue to generate net income in the upcoming years, principally due to the substantial capital expenditures and investments required to expand and improve its DTH service, the impact of any potential devaluation of the Peso versus the U.S. Dollar on Innova's financial structure, as well as the strong competition that exists in the pay-television industry in Mexico. See Notes 10 and 12 to our year-end financial statements. See "Operating and Financial Review and Prospects -- Results of Operations -- Equity in Losses of Affiliates."

We own a 60% interest in Innova. The balance of Innova's equity is owned by News Corporation, or News Corp., and Liberty Media International Holdings Inc. or Liberty Media. Although we hold a majority of Innova's equity, News Corp. has significant governance rights, including the right to block any transaction between us and Innova. Accordingly, we do not have complete control over the operations of Innova. The indenture that governs the terms of the notes issued by Innova in September 2003 and the credit agreement entered into in December 2004 both contain covenants that restrict the ability of Innova to pay dividends and make investments and other restricted payments.

We own minority interests in DTH joint ventures in Colombia and Chile through Sky Multi-Country Partners, or MCOP, a U.S. partnership in which we, News Corp., and Globo Comunicacoes e Participacoes S.A., or Globopar, a Brazilian multimedia company, supply programming and other services, to the Sky DTH platforms in Latin America outside Mexico and Brazil. See "Information on the Company -- Business Overview -- DTH Joint Ventures." Although we have some governance rights, we do not control these joint ventures.

In October 2004, we, Innova, News Corp., Liberty Media and Globopar entered into a series of transactions with each other and with The DIRECTV Group, Inc., or DIRECTV, relating to our DTH joint ventures, which, if consummated, would result in (i) Innova being owned, at least, 57% by us and, at most, 43% by DIRECTV and DIRECTV Latin America, or DTVLA, and (ii) MCOP being wholly owned by DIRECTV.

MCOP'S INABILITY TO PROVIDE FINANCIAL SUPPORT TO TECHCO COULD COMPROMISE INNOVA'S ABILITY TO PROVIDE SERVICES TO ITS CUSTOMERS

DTH TechCo Partners, or TechCo, is a U.S. partnership formed to provide certain technical services from two uplink facilities located in Florida. TechCo provides these services primarily to MCOP, Innova and Sky Brasil Servicos Ltda., or Sky Brasil (a DTH service owned indirectly by Globopar, News Corp. and Liberty Media). TechCo depends on payments from MCOP, Innova and Sky Brasil to fund its operations. Since September 2002, Globopar has ceased providing financial support to TechCo and MCOP, and MCOP, in turn, has ceased making payments to TechCo, which payments we believe previously accounted for over 50% of TechCo's revenue. TechCo is obligated to make payments under its capital leases with various maturities through 2007 for an aggregate amount of U.S.\$27.4 million. We indirectly hold a 30% interest in TechCo, and have guaranteed 36% of certain of TechCo's obligations. As of December 31, 2004, we had guaranteed payments by TechCo in the aggregate amount of U.S.\$9.9 million. We, News Corp., Liberty Media and, since October 2004, DIRECTV have been funding TechCo's operating cash shortfall through loans, and we currently intend to continue to fund TechCo's shortfall in the form of loans. In addition, we are in discussions regarding how TechCo will be fully funded, although no assurances can be given that we will reach a satisfactory resolution as to how to provide continued funding for TechCo. If MCOP and Sky Brasil continue to fail to make their required payments and we and DIRECTV decide not to make up the shortfall, then TechCo's ability to provide services to its customers, including Innova, and Innova's ability to provide services to its customers, could be compromised. In that case, if Innova is unable to obtain replacement services at comparable

prices, it would be unable to provide a substantial portion of its programming services to its customers which would, in turn, have a material adverse effect on its business.

WE HAVE RECOGNIZED AN INCREASED INDEBTEDNESS, A CUMULATIVE LOSS EFFECT AND OTHER ADVERSE ACCOUNTING IMPACTS AS A RESULT OF THE CONSOLIDATION OF INNOVA SINCE APRIL 1, 2004 IN OUR CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDING DECEMBER 31, 2004, AND THESE IMPACTS MAY CONTINUE IN FUTURE YEARS

As a result of the consolidation of Innova beginning April 1, 2004, our financial statements have been updated as follows:

Our consolidated total assets increased by approximately Ps.3,080.1 million beginning April 1, 2004. Our consolidated total liabilities increased by approximately Ps.5,508.9 million beginning April 1, 2004, including an approximately Ps.6,082.2 million increase in our aggregate consolidated debt. Our consolidated shareholders' equity decreased by approximately Ps.2,428.9 million beginning April 1, 2004, as a result of the outstanding shareholders' deficit reflected in Innova's financial statements. Our consolidated net sales, costs and operating expenses, and operating income before depreciation and amortization increased in the second, third and fourth quarters of 2004. The adverse impacts on our financial statements, including the substantial increase in our consolidated debt, the decrease in our shareholder's equity, and the increase in our consolidated costs and expenses, may have an adverse impact on the price of our securities.

For a further description of the impact that the consolidation of Innova has had on our financial statements, see "Operating and Financial Review and Prospects -- Results of Operations -- Consolidation of Innova."

RISK FACTORS RELATED TO OUR SECURITIES

ANY ACTIONS SHAREHOLDERS MAY WISH TO BRING CONCERNING OUR BYLAWS OR THE CPO TRUST MUST BE BROUGHT IN A MEXICAN COURT

Our bylaws provide that you must bring any legal actions concerning our bylaws in courts located in Mexico City. The trust agreement governing the CPOs provides that you must bring any legal actions concerning the trust agreement in courts located in Mexico City. All parties to the trust agreement governing the CPOs, including the holders of CPOs, have agreed to submit these disputes only to Mexican courts.

NON-MEXICANS MAY NOT HOLD A SHARES, B SHARES OR D SHARES DIRECTLY AND MUST HAVE THEM HELD IN A TRUST AT ALL TIMES

Non-Mexicans may not directly own A Shares, B Shares or D Shares, but may hold them indirectly through a CPO trust, which will control the voting of the A Shares and B Shares. Under the terms of the CPO Trust, beginning in December 2008, a non-Mexican holder of CPOs or GDSs may instruct the CPO Trustee to request that we issue and deliver certificates representing each of the shares underlying its CPOs so that the CPO Trustee may sell, to a third party entitled to hold the shares, all of these shares and deliver to the holder any proceeds derived from the sale.

NON-MEXICAN HOLDERS OF OUR SECURITIES FORFEIT THEIR SECURITIES IF THEY INVOKE THE PROTECTION OF THEIR GOVERNMENT

Pursuant to Mexican law, our bylaws provide that non-Mexican holders of CPOs and GDSs may not ask their government to interpose a claim against the Mexican government regarding their rights as shareholders. If non-Mexican holders of CPOs and GDSs violate this provision of our bylaws, they will automatically forfeit the A Shares, B Shares, L Shares and D Shares underlying their CPOs and GDSs to the Mexican government.

NON-MEXICAN HOLDERS OF OUR SECURITIES HAVE LIMITED VOTING RIGHTS

Non-Mexican holders of GDSs are not entitled to vote the A Shares, B Shares and D Shares underlying their securities. The L Shares underlying GDSs, the only series of our Shares that can be voted by non-Mexican holders of GDSs, have limited voting rights. These limited voting rights include the right to elect two directors and limited rights to vote on extraordinary corporate actions, including the delisting of the L Shares and other actions which are adverse to the holders of the L Shares. For a brief description of the circumstances under which holders of L Shares are entitled to vote, see "Other Information -- Bylaws -- Voting Rights and Shareholders' Meetings."

OUR ANTITAKEOVER PROTECTIONS MAY DETER POTENTIAL ACQUIRORS AND MAY DEPRESS OUR STOCK PRICE

Certain provisions of our bylaws could make it substantially more difficult for a third party to acquire control of us. These provisions in our bylaws may discourage certain types of transactions involving the acquisition of our securities. These provisions may also limit our shareholders' ability to approve transactions that may be in their best interests and discourage transactions in which our shareholders might otherwise receive a premium for their Shares over the then current market price, and could possibly adversely affect the trading volume in our equity securities. As a result, these provisions may adversely affect the market price of our securities. Holders of our securities who acquire Shares in violation of these provisions will not be able to vote, or receive dividends, distributions or other rights in respect of, these securities and would be obligated to pay us a penalty. For a description of these provisions, see "Other Information -- Bylaws -- Antitakeover Protections."

GDS HOLDERS MAY FACE DISADVANTAGES WHEN ATTEMPTING TO EXERCISE VOTING RIGHTS AS COMPARED TO OTHER HOLDERS OF OUR SECURITIES

In situations where we request that JPMorgan Chase Bank, the depository, ask holders for voting instructions, holders may instruct the depository to exercise their voting rights, if any, pertaining to the deposited securities underlying their GDSs. The depository will attempt, to the extent practical, to arrange to deliver voting materials to these holders. We cannot assure holders of GDSs that they will receive the voting materials in time to ensure that they can instruct the depository how to vote the deposited securities underlying their GDSs, or that the depository will be able to forward those instructions and the appropriate proxy request to the CPO Trustee in a timely manner. For shareholders' meetings, if the depository does not receive voting instructions from holders of GDSs or does not forward such instructions and appropriate proxy request in a timely manner, if requested in writing from us, it will provide a proxy to a representative designated by us to exercise these voting rights. If no such written request is made by us, the depository will not represent or vote, attempt to represent or vote any right that attaches to, or instruct the CPO Trustee to represent or vote, the shares underlying the CPOs in the relevant meeting and, as a result, the underlying shares will be voted in the manner described under "Other Information -- Bylaws -- Voting Rights and Shareholders' Meeting - Holders of CPOs." For CPO Holders' meetings, if the depository does not timely receive instructions from a Mexican or non-Mexican holder of GDSs as to the exercise of voting rights relating to the underlying CPOs in the relevant CPO holders' meeting, the depository and the custodian will take such actions as are necessary to cause such CPOs to be counted for purposes of satisfying applicable quorum requirements and, unless we in our sole discretion have given prior written notice to the depository and the custodian to the contrary, vote them in the same manner as the majority of the CPOs are voted at the relevant CPOs holders' meeting.

This means that holders of GDSs may not be able to exercise their right to vote and there may be nothing they can do if the deposited securities underlying their GDSs are not voted as they request.

THE INTERESTS OF OUR GDS HOLDERS WILL BE DILUTED IF WE ISSUE NEW SHARES AND THESE HOLDERS ARE UNABLE TO EXERCISE PREEMPTIVE RIGHTS FOR CASH

Under Mexican law and our bylaws, our shareholders have preemptive rights. This means that in the event that we issue new Shares for cash, our shareholders will have a right to subscribe the number of Shares of the same series necessary to maintain their existing ownership percentage in that series. U.S. holders of our GDSs cannot exercise their preemptive rights unless we register any newly issued Shares under the Securities Act of 1933, or the Securities Act, or qualify for an exemption from registration. If U.S. holders of GDSs cannot exercise their preemptive rights, the interests of these holders will be diluted in the event that we issue new Shares for cash. We

intend to evaluate at the time of any offering of preemptive rights the costs and potential liabilities associated with registering any additional Shares. We cannot assure you that we will register under the Securities Act any new Shares that we issue for cash. In that connection, in 2002 we did not register the 430.3 million A Shares authorized, issued and subscribed in connection with our Long Term Retention Plan. Accordingly, the voting rights of GDS holders were diluted. See "Directors, Senior Management and Employees -- Long Term Retention Plan" and "Other Information -- Bylaws -- Preemptive Rights." In addition, although the deposit agreement provides that the depositary may, after consultation with us, sell preemptive rights in Mexico or elsewhere outside the U.S. and distribute the proceeds to holders of GDSs, under current Mexican law these sales are not possible.

THE PROTECTIONS AFFORDED TO MINORITY SHAREHOLDERS IN MEXICO ARE DIFFERENT FROM THOSE IN THE U.S.

In accordance with the Ley del Mercado de Valores, or the Mexican Securities Market Law, as amended, we recently amended our bylaws to increase the protections afforded to our minority shareholders in an effort to try to ensure that our corporate governance procedures are substantially similar to international standards. See "Other Information -- Mexican Securities Market Law" and "Other Information -- Bylaws -- Other Provisions -- Appraisal Rights and Other Minority Protections." Notwithstanding these amendments, under Mexican law, the protections afforded to minority shareholders are different from those in the U.S. In particular, the law concerning fiduciary duties of directors is not well developed, there is no procedure for class actions or shareholder derivative actions and there are different procedural requirements for bringing shareholder lawsuits. As a result, in practice, it may be more difficult for our minority shareholders to enforce their rights against us or our directors or major shareholders than it would be for shareholders of a U.S. company.

IT MAY BE DIFFICULT TO ENFORCE CIVIL LIABILITIES AGAINST US OR OUR DIRECTORS, EXECUTIVE OFFICERS AND CONTROLLING PERSONS

We are organized under the laws of Mexico. Substantially all of our directors, executive officers and controlling persons reside outside the U.S., all or a significant portion of the assets of our directors, executive officers and controlling persons, and substantially all of our assets, are located outside of the U.S., and some of the experts named in this annual report also reside outside of the U.S. As a result, it may be difficult for you to effect service of process within the United States upon these persons or to enforce against them or us in U.S. courts judgments predicated upon the civil liability provisions of the federal securities laws of the U.S. We have been advised by our Mexican counsel, Mijares, Angoitia, Cortes y Fuentes, S.C., that there is doubt as to the enforceability, in original actions in Mexican courts, of liabilities predicated solely on U.S. federal securities laws and as to the enforceability in Mexican courts of judgments of U.S. courts obtained in actions predicated upon the civil liability provisions of U.S. federal securities laws.

FORWARD-LOOKING STATEMENTS

This annual report and the documents incorporated by reference into this annual report contain forward-looking statements. We may from time to time make forward-looking statements in periodic reports to the SEC on Form 6-K, in annual report to shareholders, in prospectuses, press releases and other written materials and in oral statements made by our officers, directors or employees to analysts, institutional investors, representatives of the media and others. Examples of these forward-looking statements include:

- projections of operating revenues, net income (loss), net income (loss) per share, capital expenditures, dividends, capital structure or other financial items or ratios;
- statements of our plans, objectives or goals, including those relating to anticipated trends, competition, regulation and rates;
- our current and future plans regarding our Spanish-language horizontal Internet portal, EsMas.com;
- statements concerning our transactions with Univision;
- statements concerning our recent series of transactions with DIRECTV and News Corp.;
- statements about our future economic performance or that of Mexico or other countries in which we operate or have investments; and
- statements of assumptions underlying these statements.

Words such as "believe," "anticipate," "plan," "expect," "intend," "target," "estimate," "project," "predict," "forecast," "guideline," "should" and similar expressions are intended to identify forward-looking statements, but are not the exclusive means of identifying these statements.

Forward-looking statements involve inherent risks and uncertainties. We caution you that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in these forward-looking statements. These factors, some of which are discussed under " -- Risk Factors," include economic and political conditions and government policies in Mexico or elsewhere, inflation rates, exchange rates, regulatory developments, customer demand and competition. We caution you that the foregoing list of factors is not exclusive and that other risks and uncertainties may cause actual results to differ materially from those in forward-looking statements.

Forward-looking statements speak only as of the date they are made, and we do not undertake any obligation to update them in light of new information or future developments.

(1) Amounts in respect of some of the capital expenditures, investments and acquisitions we made in 2002, 2003 and 2004 were paid for in Mexican Pesos. These Mexican Peso amounts were translated into U.S. Dollars at the Interbank Rate in effect on the dates on which a given capital expenditure, investment or acquisition was made. As a result, U.S. Dollar amounts presented in the table immediately above are not comparable to:

(i) data regarding capital expenditures set forth in "Key Information -- Selected Financial Data," which is presented in constant Pesos of purchasing power as of December 31, 2004 and, in the case of data presented in U.S. Dollars, is translated at a rate of Ps.11.1490 to one U.S. Dollar, the Interbank Rate as of December 31, 2004, and (ii) certain data regarding capital expenditures set forth under "Operating and Financial Review and Prospects -- Results of Operations -- Liquidity, Foreign Exchange and Capital Resources -- Capital Expenditures, Acquisitions and Investments, Distributions and Other Sources of Liquidity."

(2) Reflects capital expenditures for property, plant and equipment, as well as general capital expenditures, in all periods presented. Also includes U.S.\$18.8 million in 2002, U.S.\$17.4 million in 2003 and U.S.\$35.1 in 2004 for the expansion and improvement of our cable business.

(3) Includes investments made in the form of capital contributions and loans in all periods.

(4) In 2002, we acquired a 40% stake in OCESA Entretenimiento, or OCEN, our live entertainment venture in Mexico, for U.S.\$104.7 million, of which U.S.\$37.7 million was paid in the first quarter of 2003. Additionally, in the first quarter of 2003, we made a capital contribution to OCEN of approximately U.S.\$4.8 million. See " -- Business Overview -- Other Businesses -- Sports and Show Business Promotions" and Note 2 to our year-end financial statements.

(5) In 2003, we acquired Telespecialidades, a company which was owned by our controlling shareholders, for an aggregate amount of U.S.\$83.0 million. Telespecialidades's net assets at the time of acquisition consisted principally of Shares of our capital stock in the form of CPOs, which Shares were previously indirectly owned by our controlling shareholders, and tax loss carryforwards. Telespecialidades was merged into Televisa S.A. de C.V. on December 31, 2003. See "Major Shareholders and Related Party Transactions -- The Principal Shareholders and Related Party Transactions -- Related Party Transactions -- Transactions and Arrangements with Affiliates and Related Parties of Our Directors, Officers and Major Shareholders." Additionally, in 2003 we made capital contributions in the aggregate amount of U.S.\$2.5 million, and in 2004 we made additional capital contributions in the aggregate amount of U.S.\$2.0 million in our pay television networks joint venture with Univision, which operations commenced in the U.S. in the second quarter of 2003. See "Information on the Company -- Business Overview -- Univision" and Note 2 to our year-end financial statements.

In 2002, 2003 and 2004, we relied on a combination of operating revenues, borrowings and net proceeds from dispositions to fund our capital expenditures, acquisitions and investments. We expect to fund our capital expenditures in 2005, other than cash needs in connection with any potential investments and acquisitions, through a combination of cash from operations and cash on hand. We intend to finance our potential investments or acquisitions in 2005 through available cash from operations, cash on hand and/or borrowings. The amount of borrowings required to fund these cash needs in 2005 will depend upon the timing of cash payments from advertisers under our advertising sales plan.

BUSINESS OVERVIEW

We are the largest media company in the Spanish-speaking world and a major participant in the international entertainment industry. We produce the most Spanish-language television programs, and we believe we own the largest library of Spanish-language television programming, in the world. We broadcast those programs, as well as programs produced by others, through our own networks, through our cable system and through our DTH satellite services in which we own interests in Mexico and Latin America. We also license our programming to other television broadcasters and pay-television systems throughout the world. We believe we are also the leading publisher in the world, in terms of circulation, of Spanish-language magazines. We are a major international distributor of Spanish-language magazines. We engage in other businesses, including radio production and broadcasting, professional sports and show business promotions, feature film production and distribution, and an Internet portal. We also own an unconsolidated 10.7% equity interest, on a fully diluted basis, in Univision, the leading Spanish-language television broadcaster in the U.S.

The programs shown on our networks are among the most-watched programs in Mexico. In 2003 and 2004, approximately 70% and 69%, respectively, of all Mexicans watching television during prime time hours, 72% and 70%, respectively, watching television during weekday prime time hours and 72% and 71%, respectively, of all Mexicans watching from sign-on to sign-off watched our networks or stations. Our television operations represent our primary source of revenues, and those operations generated approximately 64.4% and 56.9% of our total revenues in 2003 and 2004, respectively. On April 1, 2004, we began consolidating Innova.

BUSINESS STRATEGY

We intend to leverage our position as the largest media company in the Spanish-speaking world to continue expanding our business while maintaining profitability and financial discipline. We intend to do so by maintaining our leading position in the Mexican television market, by continuing to produce high quality programming and by improving our sales and marketing efforts while improving our operating margins. We also intend to continue building our pay-television platforms, expanding our publishing business, increasing our international programming sales and strengthening our position in the growing U.S. Hispanic market. We will also continue to analyze expansion through acquisitions.

MAINTAINING OUR LEADING POSITION IN THE MEXICAN TELEVISION MARKET

Continuing to produce high quality programming. We aim to continue producing the type of high quality television programming that has propelled many of our programs to the top of the national ratings and audience share in Mexico. In each of 2003 and 2004, our networks aired 88% of the 200 most-watched television programs in Mexico, according to the Mexican subsidiary of the Brazilian Institute of Statistics and Public Opinion, or Instituto Brasileiro de Opinião Pública y Estadística, or IBOPE, the largest research company in Brazil. We have launched a number of initiatives in creative development, program scheduling and on-air promotion. These initiatives include improved production of our highly rated telenovelas, the overhaul of our news division, new comedy and game show formats and the development of reality shows. We have improved our scheduling to be better attuned to viewer habits by demographic segment while improving viewer retention through more dynamic on-air graphics and pacing. We have enhanced tune-in promotion both in terms of creative content and strategic placement. In addition, we plan to continue expanding and leveraging our exclusive Spanish-language video and international film library, exclusive rights to soccer games and other events, as well as cultural, musical and show business productions.

Improving our sales and marketing efforts. The rate of growth in advertising expenditures and rates for the Mexican television market have decelerated since 2000 due to the slowdown of the Mexican economy. However, in 2003 and 2004, we outperformed Mexican economic growth by increasing our television broadcasting revenues in real terms by 5.4% and 5.7%, respectively, as compared to an increase of only 1.4% and 4.4%, respectively, in GDP in Mexico during the same periods. See "Key Information -- Risk Factors -- Risk Factors Related to Mexico -- Mexico Has Experienced Adverse Economic Conditions." The increase in our television broadcasting revenues was primarily due to the marketing and advertising strategies we have implemented over the course of the last several years.

Over the past few years we have improved our television broadcasting advertising sales strategy by: (i) introducing a rate structure for television advertising that more closely ties individual program pricing to audience ratings, group demographics and advertiser demand; (ii) implementing differentiated pricing by quarter; (iii) reorganizing our sales force into teams focusing on each of our divisions; and (iv) emphasizing a compensation policy for salespeople that is performance-based, with variable commissions tied to year-end results for a larger portion of total compensation. Our new rate structure for television advertising, implemented in January 2005, is conducted on a cost per thousand basis, or CPM, which is a structure that adjusts advertising pricing per thousand viewers of the specific program during which the advertisement appears. We believe that, by giving our customers a choice between this new rate structure and our traditional rate structure of differentiated pricing by quarter, we have gained the flexibility to target underserved industries and increase our focus on local sales causing an increase in our advertising revenue. Advertising revenues from local sales as a percentage of our television broadcasting revenues have increased steadily for the past four years. During 2004, local sales accounted for 13.7% of our television broadcasting revenues compared to 10.9%, 12.5% and 13.2% in the years 2001, 2002 and 2003, respectively.

We plan to continue expanding our advertising customer base by targeting medium-sized and local companies who were previously underserved. For example, as part of our plan to attract medium-sized and local advertisers in Mexico City, we reduced the number of households reached by the Channel 4 Network throughout Mexico and revised its format to create 4TV, which targets viewers in the Mexico City metropolitan area. See " -- Television -- Television Broadcasting -- Channel 4 Network." We currently sell local advertising time on 4TV to medium-sized and local advertisers at rates comparable to those charged for advertising time on local, non-television media, such as radio, newspapers and billboards. However, by purchasing local advertising time on 4TV, medium-sized and local advertisers are able to reach a wider audience than they would reach through local, non-television media. We are also developing new advertising plans in the Mexican market, such as product tie-ins on our shows, and encouraging customers to advertise their products jointly through co-marketing and co-branding arrangements.

Improving our operating margins. Our operating margin (operating income before depreciation of tangible assets and amortization of intangible assets over net sales) increased in 2004, ending the year at 36.3% compared to 32.1% for 2003. We intend to continue improving our margins by increasing revenues and controlling costs.

In response to the slowdown in Mexican GDP growth in 2001, we introduced a number of cost-cutting initiatives. These initiatives included the creation of independent business units, the introduction of stricter cost controls, the continued elimination of under-performing assets, the introduction of a performance-based compensation policy for executives and further reductions in our number of employees. On a historical basis, at December 31, 2004, our total employee headcount (excluding Innova) was approximately 12,300 compared to approximately 12,300 at December 31, 2003 and approximately 12,600 at December 31, 2002. On a pro forma basis, giving effect to the consolidation of Innova, our total employee headcount would have been approximately 14,100 at December 31, 2004, approximately 14,200 at December 31, 2003 and approximately 14,400 at December 31, 2002. We intend to continue pursuing cost-cutting initiatives throughout 2005.

CONTINUE BUILDING OUR PAY-TELEVISION PLATFORMS

DTH. We believe that Ku-band DTH satellite services offer the greatest opportunity for rapid expansion of pay television services into cable households seeking to upgrade and in areas not currently serviced by operators of cable or multi-channel, multi-point distribution services. Our joint venture, Innova, is the dominant participant in the Mexican DTH market with approximately 1,002,500 subscribers, of which 60,700 were commercial subscribers as of December 31, 2004.

The key components of our DTH strategy include:

- offering high quality and exclusive programming, including rights in Mexico to our four over-the-air broadcast channels and other channels produced by our partners, as well as special events, such as reality shows, and games or sports programming we produce or with respect to which we have exclusive rights;
- capitalizing on our relationship with News Corp. and Liberty Media and local operators in terms of technology, distribution networks, infrastructure and cross-promotional opportunities;
- capitalizing on the low penetration of pay-television services in Mexico and elsewhere; and
- providing superior digital Ku-band DTH satellite services and emphasizing customer service quality.

Cable. With over 364,000 and 355,000 basic subscribers as of December 31, 2003 and 2004, respectively, Cablevision, the Mexico City cable system in which we own a 51% interest, is one of the largest cable television operators in Mexico in terms of number of subscribers and homes passed. Over 60,300 and 123,000 of Cablevision's basic subscribers as of December 31, 2003 and 2004, respectively, also subscribed to one of the Cablevision's digital service packages. Cablevision's strategy aims to increase its subscriber base, average monthly revenues per subscriber and penetration rate by:

- continuing to offer high quality programming;
- upgrading its existing cable network into a broadband bidirectional network;
- switching its current analog subscribers to digital service in order to stimulate new subscriptions and substantially reduce piracy;
- increasing the penetration of its high-speed and bidirectional Internet access and other multimedia services as well as providing a platform to offer internet protocol, or IP, telephony services; and
- continuing the roll out of digital set-top boxes and beginning the roll out of advanced digital set-top boxes subject to their availability and their ability to provide advanced interactive features.

Cablevision has introduced a variety of new multimedia communications services over the past few years, such as interactive television and other enhanced program services, including high-speed Internet access through cable modem. As of December 31, 2004, Cablevision had more than 26,500 cable modem customers compared to 8,600 at December 31, 2003. Cablevision is continuing with its plan to substantially reduce subscriber piracy by switching its current analog subscriber base to digital service. In addition, Cablevision intends to introduce video on demand, or VOD, services and, subject to the receipt of the requisite governmental approvals and the availability of certain technology, IP telephony services.

EXPANDING OUR PUBLISHING BUSINESS

With a total annual circulation of approximately 127 million magazines during 2004, we believe our subsidiary, Editorial Televisa S.A. de C.V., or Editorial Televisa, produces and distributes the most magazines in the Spanish-speaking world. Among the 60 titles published, 26 are fully-owned and produced in-house and the remaining 34 titles are licensed from world-renowned publishing houses, including the Spanish-language editions of some of the most prestigious brands in the world. Editorial Televisa distributes its titles to more than 20 countries, including Mexico, the U.S. and countries throughout Latin America. During 2003 and 2004, Editorial Televisa implemented an aggressive commercial strategy in order to increase its market share and advertising revenues market share. As a result of this strategy, according to IBOPE, our market share grew from 35% in 2003 to 45% in 2004. Additionally, a solid circulation strategy in the U.S. generated beneficial results. According to the Audit Bureau of Circulations, three of the top ten fastest growing magazines (in terms of circulation) in the U.S. are published and distributed by Editorial Televisa.

Editorial Televisa's strategy regarding the U.S.-Hispanic market is to strengthen its portfolio and increase its market share. In November 2004, Editorial Televisa formed a strategic alliance with Hispanic Publishing Group, or HPG, under which Televisa acquired 51% of HPG, while HPG retained a 49% equity stake. Through this strategic alliance, Editorial Televisa added its first two English-language magazines for Hispanics in the U.S. to its publications: Hispanic Magazine, which has a monthly circulation of approximately 280,000 copies, and Hispanic Trends, which has a circulation per edition of approximately 75,000 copies. Hispanic Trends published six editions in 2004 and will publish seven editions in 2005. Hispanic Trends and Hispanic Magazine complement Televisa's U.S. strategy by permitting access to new general market advertisers interested in the U.S. Hispanic market. See "-- Publishing."

Also, during 2004, Editorial Televisa continued with the initiative it launched in 2002 aimed at increasing its circulation and advertising revenues of our publishing business including: (i) improving magazine portfolio mix, (ii) enhancing marketing efforts and reorganizing our sales force, and (iii) implementing new sales strategies. As a result of successfully implementing these strategies, revenues and operating margins increased in 2004 as compared to 2003.

INCREASING OUR INTERNATIONAL PROGRAMMING SALES AND STRENGTHENING OUR

POSITION IN THE GROWING U.S. HISPANIC MARKET

We license our programs to television broadcasters and pay-television providers in the U.S., Latin America, Asia, Europe and Africa. Excluding the U.S., in 2004, we licensed approximately 54,500 hours of programming in over 100 countries throughout the world. We intend to continue exploring ways of expanding our international programming sales.

The U.S. Hispanic population, estimated to be 35.3 million, or approximately 12.5% of the U.S. population according to the 2000 U.S. Census, is currently one of the fastest growing segments in the U.S. population, growing at approximately seven times the rate of the non-Hispanic population. The U.S. Census Bureau projects that the Hispanic population will double to approximately 25% of the U.S. population by the middle of this century. The Hispanic population accounted for estimated total consumer expenditures of U.S.\$622 billion in 2003, or 8.3% of the total U.S. consumer expenditures, an increase of 190% since 1990. Hispanics are expected to account for U.S.\$1 trillion of U.S. consumer spending, or 9.7% of the U.S. total consumer expenditures, by 2010, outpacing the expected growth in total U.S. consumer expenditures.

We intend to leverage our unique and exclusive content, media assets and long-term associations with other media conglomerates to benefit from the growing demand for entertainment among the U.S. Hispanic population.

We supply television programming for the U.S. Hispanic market through Univision, the leading Spanish-language media company in the U.S. During 2002, 2003 and 2004, most of the 7:00 p.m. to 10:00 p.m. weekday prime time programming broadcast by Univision and substantially all of the programming broadcast by Galavision, Inc., or Galavision (a wholly-owned subsidiary of Univision) was produced by Televisa. In exchange for this programming, during 2002, 2003 and 2004, Univision paid Televisa U.S.\$77.7 million, U.S.\$96.1 million and U.S.\$105.0 million, respectively, in royalties. In 2003, Univision became obligated to remit to us an additional 12% in royalties from the net time sales of the TeleFutura Network, subject to certain adjustments, including minimum annual royalties of U.S.\$5 million in respect of Telefutura for 2003, increasing by U.S.\$2.5 million for each year to U.S.\$12.5 million. For a description of agreements we entered into with Univision in December 2001, including amendments to our program license agreement which increased our percentage royalties, see "-- Univision."

In April 2003, we entered into a joint venture with Univision to operate and distribute a suite of Spanish-language television channels for digital cable and satellite delivery in the U.S. The joint venture, called "TuTV," and operated through TuTV LLC, began operations in the second quarter of 2003 and currently distributes five cable channels, including two movie channels and three channels featuring music videos, celebrity lifestyle and interviews and entertainment news programming. See "-- Univision."

We own additional media and entertainment businesses in the U.S. that complement our television programming exports businesses. We also publish and sell magazines that target Spanish-speaking readers in the U.S. We believe we can increase our marketing, sales and distribution efforts in this region directly and through partnerships.

In live entertainment, we have a joint venture with Clear Channel Entertainment, called "Vivelo," which produces and promotes tours of Spanish-speaking artists as well as other live entertainment events targeting Spanish-speaking audiences in the U.S. In 2004, Vivelo promoted more than 70 concerts and events in the U.S. Vivelo intends to produce and promote a growing number of entertainment and sporting events in response to the increasing demand for live entertainment among the U.S. Hispanic population.

EXPANDING THROUGH ACQUISITIONS

In October 2002, we acquired a 40% stake in OCESA Entretenimiento, or OCEN, a subsidiary of Corporacion Interamericana de Entretenimiento, S.A. de C.V., or CIE, which owns all the assets related to CIE's live entertainment business unit in Mexico. Through this acquisition, we became a shareholder of the leading live entertainment business in Mexico with several valuable assets including: 11 venues with a total seating capacity of more than 230,000; TicketMaster, the leading ticket company in Mexico; several promotional ventures headed by

OCEN; food, beverage and merchandising units; and Audiencias Cautivas, the largest producer in Mexico of corporate events. We will continue to analyze expanding our business through acquisitions or investments that add strategic and economic value to the Company.

TELEVISION

TELEVISION INDUSTRY IN MEXICO

General. There are nine television stations operating in Mexico City and approximately 455 other television stations elsewhere in Mexico. Most of the stations outside of Mexico City re-transmit programming originating from the Mexico City stations. We own and operate four of the nine television stations in Mexico City, Channels 2, 4, 5 and 9. These stations are affiliated with 221 repeater stations and 32 local stations outside of Mexico City. See "-- Television Broadcasting." We also own an English-language television station in Mexico on the California border. Our major competitor, TV Azteca, owns and operates Channels 7 and 13 in Mexico City, which we believe are affiliated with 87 and 89 stations, respectively, outside of Mexico City. Televisora del Valle de Mexico, S.A. de C.V., owns the concession for CNI Channel 40, a UHF channel that broadcasts throughout the Mexico City metropolitan area. The Mexican government currently operates two stations in Mexico City, Channel 11, which has 7 repeater stations, and Channel 22. There are also 17 independent stations outside of Mexico City which are unaffiliated with any other stations. See "-- Competition -- Television Broadcasting."

We estimate that approximately 20.1 million Mexican households have television sets, representing approximately 86% of the total households in Mexico as of December 31, 2004. We believe that approximately 96.1% of all households in Mexico City and the surrounding area have television sets.

Ratings and Audience Share. All television ratings and audience share information included in this annual report relate to data supplied by IBOPE Mexico, a privately owned market research firm based in Mexico City. IBOPE Mexico is one of the 15 global branch offices of IBOPE. IBOPE Mexico conducts operations in Mexico City, Guadalajara, Monterrey and 24 other Mexican cities with a population over 400,000, and the survey data provided in this annual report covers data collected from national surveys. IBOPE Mexico reports that its television surveys have a margin of error of plus or minus 5%.

As used in this annual report, "audience share" for a period means the number of television sets tuned into a particular program as a percentage of the number of households watching television during that period, without regard to the number of viewers. "Rating" for a period refers to the number of television sets tuned into a particular program as a percentage of the total number of all television households. "Average audience share" for a period refers to the average daily audience share during that period, and "average rating" for a period refers to the average daily rating during that period, with each rating point representing one percent of all television households. "Prime time" is 4:00 p.m. to 11:00 p.m., seven days a week, "weekday prime time" is 7:00 p.m. to 11:00 p.m., Monday through Friday, and "sign-on to sign-off" is 6:00 a.m. to midnight, seven days a week. The average ratings and average audience share for our television networks and local affiliates and programs relate to conventional over-the-air television stations only; cable services, multi-channel, multi-point distribution system and DTH satellite services, videocassettes and video games are excluded.

PROGRAMMING

Programming We Produce. We produce the most Spanish-language television programming in the world. In 2002, 2003 and 2004, we produced approximately 52,000 hours, 53,000 hours and 54,800 hours, respectively, of programming for broadcast on our network stations and through our cable operations and DTH satellite joint ventures, including programming produced by our local stations.

We produce a variety of programs, including telenovelas, newscasts, situation comedies, game shows, reality shows, children's programs, comedy and variety programs, musical and cultural events, movies and educational programming. Our telenovelas are broadcast either dubbed or subtitled in a variety of languages throughout the world.

Our programming also includes broadcasts of special events and sports events in Mexico promoted by us and others. Among the sports events that we broadcast are soccer games of our and other teams and professional wrestling matches. See " -- Other Businesses -- Sports and Show Business Promotions." In 2002, we broadcast certain matches of the Korea-Japan World Cup in Mexico on our over-the-air channels and our cable system. In 2003, we had extensive coverage of the Mexican mid-term elections. In 2004, we broadcast the Olympic Games, the Copa America and the Euro Cup.

Our programming is produced primarily at our 24 studios in Mexico City. We also operate 15 fully equipped remote control units. Some of our local television stations also produce their own programming. These local stations operate 35 studios and 26 fully equipped remote control units. See " -- Television Broadcasting -- Local Affiliates."

In 2001, we entered into a joint venture with Endemol, B.V., or Endemol, a leading international developer and producer of programming and other content for television and online platforms, to jointly develop, produce, acquire and license Spanish-language programming and the related formats for the production of such programming, including Endemol programming and formats, in Mexico and select countries in Central America. Endemol has agreed to license, on a first option basis, the rights to use its production formats, including the format for "Big Brother," which was the first reality show produced in Mexico, to the joint venture. As of December 2004, we have commitments to acquire from Endemol programming formats through this venture for an aggregate of up to U.S.\$24.5 million through 2006. We began broadcasting "Big Brother" on our over-the-air channels and DTH satellite systems in March 2002.

Foreign-Produced Programming. We license and broadcast television programs produced by third parties outside of Mexico. Most of this foreign programming is from the U.S. and includes television series, movies and sports events, including coverage of Major League Baseball games and National Football League games. Foreign-produced programming represented approximately 37%, 36% and 32% of the programming broadcast on our four television networks in 2002, 2003 and 2004, respectively. A substantial majority of the foreign-produced programming aired on our networks was dubbed into Spanish and was aired on Channels 4 and 5, with the remainder aired on Channel 9.

Talent Promotion. We operate Centro de Educacion Artistica, or CEA, a school in Mexico City to develop and train actors and technicians. We provide instruction free of charge, and a substantial number of the actors appearing on our programs have attended the school. We also promote writers and directors through a writers' school as well as various contests and scholarships.

TELEVISION BROADCASTING

We operate four television networks that can be viewed throughout Mexico on our affiliated television stations through Channels 2, 4, 5 and 9 in Mexico City. The following table indicates the total number of operating television stations in Mexico affiliated with each of our four networks, as well as the total number of local affiliates, as of December 31, 2004.

	WHOLLY OWNED MEXICO CITY ANCHOR STATIONS	WHOLLY OWNED AFFILIATES	MAJORITY OWNED AFFILIATES	MINORITY OWNED AFFILIATES	INDEPENDENT AFFILIATES	TOTAL STATIONS
Channel 2	1	124	2	--	1	128
Channel 4	1	--	--	--	--	1
Channel 5	1	61	--	--	5	67
Channel 9	1	14	--	--	14	29
Subtotal	4	199	2	--	20	225
Border Stations ...	--	1	--	--	--	1
Local Affiliates ..	--	18	--	1	14	33
Total	4	218	2	1	34	259

The programs shown on our networks are among the most watched television programs in Mexico. Based on IBOPE Mexico surveys during 2002, 2003 and 2004 our networks aired 184, 175 and 176, respectively, of the 200 most watched television programs throughout Mexico and produced 16, 15 and 13, respectively, of the 25 most watched television programs in Mexico. Most of the remaining top 25 programs in those periods were soccer games and special feature films that were aired on our networks.

The following charts compare the average audience share and average ratings during prime time hours, weekday prime time hours and from sign-on to sign-off hours, of our television networks as measured by the national audience, from January 2002 through March 2005, shown on a bi-monthly basis.

AVERAGE AUDIENCE SHARE(1)

JANUARY 2002 -- MARCH 2005

[LINE GRAPH]

	Audience Share Prime Time National	Audience Share Weekday Prime Time National	Audience Share Sign-on to Sign-off National
Jan- 02	69.1%	68.1%	73.0%
Mar- 02	71.0%	71.3%	75.0%
May- 02	76.7%	77.9%	78.0%
Jul- 02	76.2%	77.5%	77.6%
Sep- 02	69.0%	71.2%	72.9%
Nov- 02	67.8%	70.1%	71.5%
Dec- 02	70.3%	73.0%	72.3%
Jan- 03	72.8%	74.4%	72.6%
Mar- 03	69.0%	71.8%	71.5%
May- 03	70.1%	72.8%	72.0%
Jul- 03	70.1%	71.3%	71.8%
Sep- 03	70.3%	71.4%	71.3%
Nov- 03	70.5%	70.7%	73.1%
Dec- 03	67.6%	68.0%	71.1%
Jan- 04	68.4%	68.7%	70.5%
Mar- 04	70.6%	71.1%	72.0%
May- 04	68.7%	70.0%	71.9%
Jul- 04	69.2%	70.6%	71.7%
Sep- 04	68.8%	69.0%	71.3%
Nov- 04	66.8%	67.1%	70.3%
Dec- 04	68.1%	68.1%	70.7%
Jan- 05	69.2%	69.6%	70.5%
Mar- 05	69.0%	71.2%	71.3%

AVERAGE RATINGS(1)

JANUARY 2002 -- MARCH 2005

[LINE GRAPH]

	Ratings Prime Time National	Ratings Weekday Prime Time National	Ratings Sign- on to Sign-off National
Jan- 02	44.1	44.9	28.2
Mar- 02	43.2	45.0	28.3
May- 02	45.4	47.9	29.1
Jul- 02	46.0	48.0	29.7
Sep- 02	41.4	43.7	27.3
Nov- 02	42.9	45.2	27.3
Dec- 02	40.7	42.6	25.6
Jan- 03	45.1	47.2	27.0
Mar- 03	43.2	46.2	27.5
May- 03	40.2	43.4	26.1
Jul- 03	41.9	44.0	27.1
Sep- 03	42.8	44.8	27.0
Nov- 03	43.6	45.0	27.8
Dec- 03	39.9	40.7	25.8
Jan- 04	43.5	44.8	27.3
Mar- 04	45.5	47.1	28.5
May- 04	40.4	41.8	26.9
Jul- 04	39.9	41.7	26.2
Sep- 04	39.9	41.0	25.8
Nov- 04	38.9	40.0	25.0
Dec- 04	37.6	38.4	23.9
Jan- 05	42.0	43.9	26.0
Mar- 05	41.7	44.0	26.8

(1) Source: IBOPE Mexico national surveys.

Channel 2 Network. Channel 2, which is known as "El Canal de las Estrellas," or "The Channel of the Stars," together with its affiliated stations, is the leading television network in Mexico and the leading Spanish-language television network in the world, as measured by the size of the audience capable of receiving its signal. Channel 2's programming is broadcast 24 hours a day, seven days a week, on 128 television stations located throughout Mexico. The affiliate stations generally re-transmit the programming and advertising transmitted to them by Channel 2 without interruption. Such stations are referred to as "repeater" stations. We estimate that the Channel 2 Network reaches approximately 19.9 million households, representing 99% of the households with television sets in Mexico. The Channel 2 Network accounted for a majority of our national television advertising sales in each of 2002, 2003 and 2004.

The following table shows the average audience share of the Channel 2 Network during prime time hours, weekday prime time hours and sign-on to sign-off hours for the periods indicated:

	YEAR ENDED DECEMBER 31,		
	2002(1)	2003(1)	2004(1)
Prime time hours.....	32.7%	32.5%	31.0%
Weekday prime time hours.....	35.2%	36.5%	32.9%
Sign-on to sign-off hours.....	31.5%	30.9%	29.9%

(1) Source: IBOPE Mexico national surveys.

The Channel 2 Network targets the average Spanish-speaking family as its audience. Its programs include soap operas (telenovelas), news, entertainment, comedy and variety programs, movies, game shows, reality shows and sports. The telenovelas make up the bulk of the prime time lineup and consist of romantic dramas that unfold over the course of 120 to 200 half-hour episodes. Substantially all of Channel 2's programming is aired on a first-run basis and virtually all of it, other than Spanish-language movies, is produced by us.

Channel 5 Network. In addition to its anchor station, Channel 5 is affiliated with 66 repeater stations located throughout Mexico. We estimate that the Channel 5 Network reaches approximately 18.3 million households, representing approximately 91% of households with television sets in Mexico. We believe that Channel 5 offers the best option to reach the 18-34 year old demographic, and we have extended its reach into this key group by offering new content.

The following table shows the average audience share of the Channel 5 Network during prime time hours, weekday prime time hours and sign-on to sign-off hours during the periods indicated:

	YEAR ENDED DECEMBER 31,		
	2002(1)	2003(1)	2004(1)
Prime time hours.....	18.9%	18.3%	19.6%
Weekday prime time hours.....	18.3%	18.1%	19.8%
Sign-on to sign-off hours.....	21.2%	20.3%	21.6%

(1) Source: IBOPE Mexico national surveys.

We believe that Channel 5 has positioned itself as the most innovative television channel in Mexico with a combination of reality shows, sitcoms, dramas, movies, cartoons and other children's programming. The majority of Channel 5's programs are produced outside of Mexico, primarily in the U.S. Most of these programs are produced in English. In 2004, we aired 42 of the 50 top-rated movies.

Channel 4 Network. Channel 4 broadcasts in the Mexico City metropolitan area and, according to our estimates, reaches over 4.6 million households, representing approximately 23.1% of television households in Mexico in 2004. As described above, as part of our plan to attract medium-sized and local Mexico City advertisers, we reduced the number of households reached by this network throughout Mexico and revised the format of Channel 4 to create 4TV in an effort to target viewers in the Mexico City metropolitan area. We currently sell local

advertising time on 4TV to medium-sized and local advertisers at rates comparable to those charged for advertising time on local, non-television media, such as radio, newspapers and billboards. However, by purchasing local advertising time on 4TV, medium-sized and local advertisers are able to reach a wider audience than they would reach through local, non-television media.

The following table shows the average audience share of the Channel 4 Network during prime time hours, weekday prime time hours and sign-on to sign-off hours during the periods indicated, including audience share for local stations:

	YEAR ENDED DECEMBER 31,		
	2002(1)	2003(1)	2004(1)
Prime time hours.....	8.1%	8.0%	6.6%
Weekday prime time hours.....	8.2%	8.1%	7.0%
Sign-on to sign-off hours.....	10.4%	10.1%	8.7%

(1) Source: IBOPE Mexico national surveys.

4TV targets young adults and stay-at-home parents. Its programs consist primarily of news, comedy, sports, and entertainment shows produced by us, as well as a late night home shopping program, foreign-produced series, mini-series and movies, which are dubbed or subtitled in Spanish. In an attempt to attract a larger share of the Mexico City television audience, in recent years, 4TV also began broadcasting three new local newscasts relating to the Mexico City metropolitan area.

Channel 9 Network. In addition to its anchor station, Channel 9 is affiliated with 28 repeater stations, approximately one-third of which are located in central Mexico. We estimate that Channel 9 reaches approximately 14.9 million households, representing approximately 74.1% of households with television sets in Mexico. Channel 9 broadcasts in all of the 26 cities other than Mexico City that are covered by national surveys.

The following table shows the average audience share of the Channel 9 Network during prime time hours, weekday prime time hours and sign-on to sign-off hours during the periods indicated:

	YEAR ENDED DECEMBER 31,		
	2002(1)	2003(1)	2004(1)
Prime time hours.....	12.7%	11.2%	11.7%
Weekday prime time hours.....	10.8%	9.2%	9.9%
Sign-on to sign-off hours.....	11.2%	10.5%	11.0%

(1) Source: IBOPE Mexico national surveys.

The Channel 9 Network targets families as its audience. Its programs principally consist of movies, sports, sitcoms, game shows, news and reruns of popular programs from Channel 2.

Local Affiliates. There are currently 33 local television stations affiliated with our networks, of which 18 stations are wholly owned, one station is minority owned and 14 stations are independent affiliated stations. These stations receive part of their programming from Channels 4 and 9. See " -- Channel 4 Network." The remaining programs aired consist primarily of programs licensed from our program library and locally produced programs. The locally produced programs include news, game shows, musicals and other cultural programs and programs offering professional advice. In 2002, 2003 and 2004, the local television stations owned by us produced 37,200 hours, 39,800 hours and 39,800 hours, respectively, of programming. Each of the local affiliates maintains its own sales department and sells advertising time during broadcasts of programs that it produces and/or licenses. Generally, we pay the affiliate stations that we do not wholly own a fixed percentage of advertising sales for network affiliation.

Border Stations. We currently own a television station on the Mexico/U.S. border that broadcasts English-language programs, as an affiliate of the Fox Television network under an affiliation agreement with Fox, and under renewable permits issued by the FCC to the station and to Fox Television that authorize electronic cross-border

programming transmissions. The station, XETV, is licensed to Tijuana and serves the San Diego television market. XETV is operated on our behalf by U.S. broadcaster Entravision Communications Corporation, or Entravision, pursuant to a joint marketing and programming agreement we have with Entravision, the initial term of which expired in December 2004 and was extended to December 2005. XETV's FCC cross-border permit was renewed in 2003 for a five-year term expiring in June 2008. Fox's cross-border FCC permit expires in 2006, and the Fox affiliation agreement for XETV expires in 2008. In March 2002, we converted two of the additional border stations that we own and operate from English-language Fox Television network affiliates to stations broadcasting entirely in Spanish.

Advertising Sales Plan. Our sales force is organized into separate teams, each of which focuses on a particular segment of our business. We sell commercial time in three ways: advanced payment, upfront and scatter basis. We also have differentiated pricing by calendar quarter, with the highest rates applicable in the fourth quarter of a given year. We have also recently implemented our CPM pricing system which adjusts advertising pricing per thousand viewers of the specific program during which the advertisement appears. In addition, sales force incentive compensation largely ties bonuses to total year-end results. For a description of our advertising sales plan, see "Operating and Financial Review and Prospects -- Results of Operations -- Total Segment Results -- Advertising Rates and Sales."

We currently sell only a portion of our available television advertising time. We use our remaining available television advertising time to satisfy our legal obligation to the Mexican government to provide up to 18 minutes per day of our broadcast time between 6:00 a.m. to midnight for public service announcements and 30 minutes per day for public programming, in each case distributed in an equitable and proportionate manner, and to promote our products, including television, DTH satellite services, radio and cable programming, magazines, sports and special events. We sold approximately 56%, 70% and 66% of total available national advertising time on our networks during prime time broadcasts in 2002, 2003 and 2004, respectively, and approximately 42%, 57% and 55% of total available national advertising time during all time periods in 2002, 2003 and 2004, respectively. See "Operating and Financial Review and Prospects -- Results of Operations -- Total Segment Results -- Television Broadcasting," "Operating and Financial Review and Prospects -- Results of Operations -- Total Segment Results -- Pay Television Networks," "Operating and Financial Review and Prospects -- Total Segment Results -- Publishing," "Operating and Financial Review and Prospects -- Total Segment Results -- Cable Television" and "Operating and Financial Review and Prospects -- Total Segment Results -- Radio."

PAY TELEVISION NETWORKS. We produce or license a suite of Spanish- and English-language television channels for pay-television systems in Mexico, Latin America and the Caribbean, Europe and the U.S. These channels include programming such as general entertainment, telenovelas, movies and music-related shows, interviews and videos. Some of the programming included in these channels is produced by us while other programming is acquired or commissioned from third parties.

In 2002, 2003 and 2004, we produced approximately 4,400 hours, 4,000 hours and 4,800 hours, respectively, of programming for broadcast on our pay-television channels. The names and brands of our channels include: Telehit, Ritmoson Latino, Bandamax, De Pelicula, De Pelicula Clasico, Unicable, Cinema Golden Choice 1 & 2, Canal de Telenovelas, American Network, Canal de las Estrellas Latinoamerica and Galavision Europa.

In April 2003, we entered into a joint venture with Univision to operate and distribute a suite of Spanish-language television channels for digital cable and satellite delivery in the U.S. The joint venture, called "TuTV," began operations in the second quarter of 2003 and currently distributes five cable channels, including two movie channels and three channels featuring music videos, celebrity lifestyle and interviews and entertainment news programming. See " -- Univision." In May 2003, TuTV entered into a five-year distribution agreement with Echostar Communications Corporation to distribute three of TuTV's five channels. See " -- Univision."

PROGRAMMING EXPORTS. We license our programs and our rights to programs produced by other television broadcasters and pay-television providers in the U.S., Latin America, Asia, Europe and Africa. We collect licensing fees based on the size of the market for which the license is granted or on a percentage of the advertising sales generated from the programming. In addition to the programming licensed to Univision, we licensed approximately 60,000 hours, 60,000 hours and 54,500 hours of programming in 2002, 2003 and 2004, respectively. Most of the

programming licensed by us in the U.S. is to Univision. See " -- Univision" and "Operating and Financial Review and Prospects -- Results of Operations -- Total Segment Results -- Programming Exports." As of December 31, 2004, we had approximately 181,800 half-hours of television programming in our library available for licensing.

EXPANSION OF PROGRAMMING REACH. Our programs can be seen in the U.S., Latin America, Asia, Europe and Africa. We intend to continue to expand our sales of Spanish-language programming internationally through cable and DTH satellite services.

PUBLISHING

We believe that we are the largest publisher and distributor of magazines in Mexico, and of Spanish-language magazines in the world, as measured by circulation.

EDITORIAL. With a total circulation of approximately 137 million copies in 2002, 128 million copies in 2003 and 127 million copies in 2004, we publish 60 titles that are distributed in 20 countries, including the U.S., Mexico, Colombia, Chile, Argentina, Ecuador, Peru and Panama, among others. See " -- Publishing Distribution." Our main publications in Mexico include a weekly entertainment and telenovelas magazine, TV y Novelas, and a weekly television guide, Tele Guia. We also publish the following popular magazines: Vanidades, a popular bi-weekly magazine for women; Caras, a monthly leading lifestyle and socialite magazine; Eres, a bi-weekly magazine for teenagers; Conozca Mas, a monthly science and culture magazine; and Furia Musical, a bi-weekly musical magazine that promotes principally Banda and Onda Grupera music performers. Our other main publications in Latin America and the U.S. include Vanidades and TV y Novelas USA and Caras.

We publish the Spanish-language edition of several magazines, including Cosmopolitan, Good Housekeeping, Harper's Bazaar and Popular Mechanics through a joint venture with Hearst Communications, Inc.; PC Magazine and EGM Electronic Gaming Monthly, pursuant to a license agreement with Ziff-Davis Media, Inc.; Maxim, pursuant to a license agreement with Dennis Publishing, Inc.; Marie Claire, pursuant to a license agreement with Marie Claire Album; Men's Health, pursuant to a license agreement with Rodale Press, Inc.; Sport Life and Automovil Panamericano, as well as other special editions of popular automotive magazines, through a joint venture with Motorpress Iberica, S.A.; Muy Interesante and Padres e Hijos pursuant to a license agreement with GyJ Espana Ediciones, S.L.S. en C.; Golf Digest, pursuant to a license agreement with The New York Times Company Magazine Group, Inc.; Ocean Drive, pursuant to a license agreement with Sobe News, Inc.; Disney Art Attack, Disney Princesas, Disney Winnie Pooh and W.I.T.C.H., pursuant to a license agreement with Disney Consumer Products Latin America, Inc.; and Travel + Leisure, pursuant to a license agreement with American Express Publishing Corporation. We also publish a Spanish-language edition of National Geographic in Latin America and in the U.S. through a licensing agreement with National Geographic Society.

During 2004, we launched nine new titles, one of which is a Spanish-language version of a popular English language magazine, National Geographic Kids, pursuant to a license agreement with National Geographic Society. We also launched Mia, a lifestyle, health and self-improvement magazine for women, through a license agreement with GyJ Espana Ediciones, S.L.S. en C., and Pumas, the official magazine of the Mexican Premiere League soccer team known as Pumas, winner of two recent tournaments, pursuant to a license agreement with Club Universidad Nacional, A.C.

PUBLISHING DISTRIBUTION. We estimate that we distribute approximately 60%, in terms of volume, of the magazines circulated in Mexico through our subsidiary, Distribuidora Intermex, S.A. de C.V., the largest publishing distribution network in Latin America. We believe that our distribution network reaches over 300 million Spanish-speaking people in 20 countries, including Mexico, Colombia, Chile, Argentina, Ecuador, Peru and Panama. We also estimate that our distribution network reaches over 22,000 points of sale in Mexico and over 80,000 points of sale outside of Mexico. We also own publishing distribution operations in six countries. Our publications are also sold in the U.S., the Caribbean and elsewhere through independent distributors. In 2003 and 2004, approximately 64% and 65%, respectively, of the publications distributed by this segment were published by our Publishing segment. In addition, our distribution network sells a number of publications published by joint ventures and independent publishers, as well as videos, calling cards and other consumer products.

CABLE TELEVISION

THE CABLE TELEVISION INDUSTRY IN MEXICO. Cable television offers multiple channels of entertainment, news and informational programs to subscribers who pay a monthly fee. These fees are based on the package of channels they receive. See " -- Cable Television Services." According to Mexico's cable television trade organization, Camara Nacional de la Industria de Television por Cable, or CANITEC, there were approximately 572 cable concessions in Mexico as of December 31, 2004, serving approximately 2.3 million subscribers.

MEXICO CITY CABLE SYSTEM. We own a 51% interest in Cablevision, one of the largest cable television operators in Mexico in terms of number of subscribers and homes passed, which provides cable television services to subscribers in Mexico City and surrounding areas. As of December 31, 2003 and 2004, Cablevision had over 364,400 and 355,000 basic subscribers, respectively, as compared to approximately 412,400 as of December 31, 2002. As of December 31, 2002, 2003 and 2004, approximately 65,000, 60,300 and 123,000 subscribers, respectively, were digital subscribers. Cablevision is currently the largest cable television operator and one of the largest high-speed Internet access providers through cable modem in Mexico City.

Through April 2002, we operated Cablevision through a joint venture with America Movil, Latin America's largest cellular communications provider and an affiliate of Telmex. America Movil sold its 49% equity interest in Cablevision in April 2002 in connection with an offering on the Mexican Stock Exchange. CPOs, each representing two series A shares and one series B share of Cablevision, began trading on the Mexican Stock Exchange under the ticker symbol "CABLE" in April 2002.

CABLE TELEVISION SERVICES. Cablevision's basic service package offers up to 53 channels, including Mexico City's nine over-the-air television channels. Other channels in the basic service package include E! Entertainment, the Latin American MTV channel, ESPN International, Nickelodeon, the Latin American Discovery Channel, the Sony Channel, the Warner Channel and various sports-related and international film channels. Cablevision also currently offers five premium digital service packages ranging in price from Ps.322.00 to Ps.579.00, in each case, including the Ps.245.00 basic service fee. Cablevision's five premium digital service packages offer up to 207 channels, including 50 audio channels, which provide access to a variety of additional channels, including CNN International, HBO, Cinemax, Cinecanal and Movie City, and 28 pay-per-view channels.

PAY-PER-VIEW CHANNELS. Cablevision currently offers 28 pay-per-view cable television channels in each of its digital service packages. Pay-per-view channels show films and special events programs, including sports and musical events.

CABLE TELEVISION REVENUES. Cablevision's revenues are generated from subscriptions for its cable services and from sales of advertising to local and national advertisers. Subscriber revenues come from monthly service and rental fees, and to a lesser extent, one-time installation fees. Its current monthly service fees range in price from Ps.245.00 to Ps.579.00. See " -- Cable Television Services." The Mexican government does not currently regulate the rates Cablevision charges for its basic and digital premium service packages, although we cannot assure you that the Mexican government will not regulate Cablevision's rates in the future. If the SCT were to determine that the size and nature of Cablevision's market presence was significant enough so as to have an anti-competitive effect, then the SCT could regulate the rates Cablevision charges for its various services.

For years 2002 and 2003, revenues from telecommunications and pay television services, including such services provided by Cablevision, were subject to a 10% excise tax. For those years, Cablevision filed amparo proceedings challenging the constitutionality of this excise tax. The 2002 and 2003 amparo proceedings were denied with respect to Cablevision.

The 10% excise tax imposed on services rendered in connection with restricted television, which directly affected the services provided by Cablevision in 2002 and 2003, was eliminated as of January 1, 2004. From this date and going forward Cablevision recognizes this positive effect as part of its revenues, without any modification in price to its subscribers.

CABLE TELEVISION INITIATIVES. In an effort to expand its subscriber base and increase its average monthly revenues per subscriber and substantially reduce piracy, in 2004, Cablevision began switching its current analog subscriber base to digital service. Cablevision continues to offer on a limited basis high-speed Internet access services through cable modems. In addition, subject to the expansion and upgrade of its existing network, the receipt of the requisite governmental approvals and, in the case of IP telephony, the availability of certain technology, Cablevision plans to offer the following multimedia communications services to its subscribers:

- enhanced programming services, including VOD services and video games; and
- IP telephony services.

In order to provide these multimedia communications services, Cablevision requires a cable network with bi-directional capability operating at a speed of at least 870 MHz and a digital set-top box. In order to provide these new services, Cablevision is in the process of upgrading its existing cable network. Cablevision's cable network currently consists of more than 10,576 kilometers with over 1.4 million homes passed. In 2004, Cablevision expanded its network by over 536 kilometers. As of December 31, 2004, 100% of Cablevision's network runs at least at 450 MHz, approximately 78% of Cablevision's network runs at least at 750 MHz, approximately 57% runs at least at 870 MHz, and approximately 71% of Cablevision's network has bi-directional capability.

RADIO

RADIO STATIONS. Our radio business, Sistema Radiopolis, or Radiopolis, is operated under a joint venture with Grupo Prisa, S.A., a leading Spanish communications group. Under this joint venture, we hold a controlling 50% full voting stake in this subsidiary and we have the right to appoint the majority of the members of the joint venture's board of directors. Except in the case of matters that require unanimous board and/or shareholder approval, such as extraordinary corporate transactions, the removal of directors and the amendment of the joint venture's organizational documents, among others, we control the outcome of most matters that require board and/or shareholder approval. We also have the right to appoint Radiopolis' Chief Financial Officer. The election of Radiopolis' Chief Executive Officer requires a unanimity from the joint venture's board of directors.

Radiopolis owns and operates 17 radio stations in Mexico, including three AM and three FM radio stations in Mexico City, five AM and two FM radio stations in Guadalajara, one FM radio station in Mexicali and repeater radio stations in each of Monterrey, San Luis Potosi and Veracruz. Some Radiopolis stations transmit powerful signals that reach beyond the market areas they serve. For example, XEW-AM and XEWA-AM transmit signals that reach the southern part of the U.S. XEW-AM serves most of southern Mexico. In May 2004, a subsidiary of Radiopolis entered into an agreement with Radiorama, S.A. de C.V., or Radiorama, one of Mexico's leading radio networks, that added 49 affiliate stations (31 AM and 18 FM) to Radiopolis' existing network, expanding its total network, including owned and operated and affiliate stations, to 82 stations. After giving effect to the transaction with Radiorama, we estimate that Radiopolis' radio stations reach 37 cities in Mexico. We plan to continue exploring expanding the reach of our radio programming and advertising through affiliations with third parties and through acquisitions.

According to Investigadores Internacionales Asociados, S.C., or INRA, in 2002, 2003 and 2004, XEW-AM ranked, on average, tenth, tenth and fourteenth, respectively, among the 33 stations in the Mexico City metropolitan area AM market, and XEQ-FM ranked, on average, sixth, fifth and tenth, respectively, among the 27 stations in the Mexico City metropolitan area FM market during the same periods. XEBA ranked, on average, second, second and second, respectively, among 24 stations in the Guadalajara City metropolitan FM market during the same periods. INRA conducts daily door-to-door and automobile interviews in the Mexico City metropolitan area to determine radio listeners' preferences. Outside Mexico City, INRA conducts periodic surveys. Arbitron, a U.S.-based company, also carries out surveys in Mexico City and Guadalajara. We believe that no other independent survey of this nature is routinely conducted in Mexico.

Our radio stations use various program formats, which target specific audiences and advertisers, and cross-promote the talent, content and programming of many of our other businesses, including television, sports and news.

In 2003, Radiopolis launched several new programs, including a three-edition newscast "Hoy x Hoy," featuring three leading Mexican journalists; one of Mexico's most popular sports radio programs on one of its most popular stations, "Pasion W/Estadio W," which has exclusive radio-broadcast rights to certain soccer games; and "Poder y Dinero," which covers politics and economic issues. Most of these new programs were rated among the top five in their genre and helped Radiopolis to increase its audience share. In 2004, Radiopolis organized four significant musical events with leading artists in each musical format, gathering a record attendance of approximately 50,000 people at each event. These events have become among the most popular events among the musical radio stations in Mexico. The successful radio broadcasting of the Olympic games placed Radiopolis among the top radio networks in sports event broadcasting. In addition to alliances with other local radio stations, such as with Radiorama, we also increased Radiopolis' geographical coverage through the exclusive nationwide broadcast of XEW-AM's programming over one of Sky's channels, our Mexican DTH platform.

RADIO ADVERTISING. We sell both national and local advertising on our radio stations. Our radio advertising sales force sells advertising time primarily on a scatter basis. See " -- Television -- Television Broadcasting -- Advertising Sales Plan." In addition, we use some of our available radio advertising time to satisfy our legal obligation to provide up to 35 minutes per day of our broadcast time between 6:00 a.m. to midnight to the Mexican government for public service announcements and programming, distributed in an equitable and proportionate manner.

OTHER BUSINESSES

ESMAS.COM. In May 2000, we launched EsMas.com, a Spanish-language horizontal Internet portal integrating several sites. The portal leverages our unique and extensive Spanish-language content, including news, sports, business, music and entertainment, editorials, life and style, technology, culture, shopping, health, kids and an opinion survey channel, and offers a variety of services, including e-mail, search engines, chat forums, e-cards, on-line radio stations, recruitment services, news bulletins and a downloadable service for customer assistance. With a wide range of content channels, online and mobile services, and with more than 103 million page views, and approximately 3.7 million monthly unique users in 2004, we believe that EsMas.com has positioned itself as one of the leading Internet portals in Mexico. We are currently targeting users in Mexico and intend to explore targeting users in the rest of the world. Currently, we control 100% of the venture.

In connection with the series of agreements we entered into with Univision in December 2001, as described under " -- Univision," we amended our program license agreement such that, for a five-year period, ending in December 2006, we are permitted to show certain limited programming over the Internet. For a description of current litigation we filed against Univision, and a possible dispute we may have with Univision after the five-year period ending in December 2006 regarding the broadcast of programming over the Internet, see "Key Information -- Risk Factors -- Risk Factors Related to Our Business -- Future Activities Which We May Wish to Undertake in the U.S. May Be Affected by Our Arrangements with Univision. These Activities, as Well as a Current Dispute We Are Having With Univision, May Affect Our Relationship With, and Our Equity Interest in, Univision."

In April 2004, EsMas.com began to offer premium content short messages services, or SMS, to mobile phones, in order to take advantage of the growing appetite of the Mexican consumer for wireless information. EsMas.com has entered into service agreements to provide SMS content to the three largest mobile carriers of Mexico. During 2004, EsMas.com sent approximately 15.7 million messages to approximately 3.1 million mobile phone users. The offered service consists of text information of sports, news, events, sweepstakes, contests, downloading of photos and ring-tones. We believe that due to the Mexican public's affinity for the high quality and wide range of Televisa's programming content, EsMas.com has become the leading premium SMS content provider in Mexico and in Latin America.

SPORTS AND SHOW BUSINESS PROMOTIONS. We actively promote a wide variety of sports events and cultural, musical and other entertainment productions in Mexico. Most of these events and productions are broadcast on our television stations, cable television system, radio stations and DTH satellite services. See " -- Television --

Programming," " -- Cable Television -- Cable Television Services," "Cable Television -- Pay-Per-View Channels," " -- Radio -- Radio Stations," and " -- DTH Joint Ventures -- Mexico."

Soccer. We own three of Mexico's soccer teams, two of which, America and Necaxa, play in the Premiere League and are among the most popular and successful teams in Mexico, and Real San Luis, which plays in Mexico's First-A Division League. In 2002 and 2005, America won the Premiere League championship. Each team plays two 17 game regular seasons. The best teams of each season engage in post-season championship play. In 2002, 2003 and 2004, we broadcast 111, 112 and 87 hours, respectively, of our teams' home games.

We own the Azteca Stadium which has a seating capacity of approximately 105,000 people. Azteca Stadium has hosted two World Cup Soccer Championships. In addition, America, Atlante and the Mexican National Soccer team generally play their home games at this stadium. We have exclusive rights to broadcast the home games of the America and Necaxa teams, as well as those of eight other Premiere League soccer teams.

Promotions. We promote a wide variety of concerts and other shows, including beauty pageants, song festivals and nightclub shows of popular Mexican and international artists. In 2004, Azteca Stadium was the site of the annual Teleton, a charity fundraiser, which raised over Ps.273.7 million for disabled children.

We have a 50/50 venture with Clear Channel, now called Viveló, which is now focused exclusively on the operations in the U.S. Under this arrangement, we produce and promote tours of Spanish-speaking artists and other live events primarily targeting Spanish-speaking audiences in the U.S. In 2003 and 2004, Viveló promoted more than 90 and 70 concerts, respectively, in the U.S. including Chayanne, Alejandro Sanz and Alejandro Fernandez, as well as several Mexican professional soccer games.

In October 2002, we acquired a 40% stake in OCEN, a subsidiary of CIE. OCEN owns all of the assets related to CIE's live entertainment business unit in Mexico. OCEN's business includes the production and promotion of concerts, theatrical, family and cultural events, as well as the operation of entertainment venues, the sale of entrance tickets, food, beverages and souvenirs, and the organization of special and corporate events. As part of the agreement, OCEN has access to our media assets to promote its events throughout Mexico, and we have the right of first refusal to broadcast on our over-the-air channels and pay-TV ventures movies and events produced and distributed by CIE.

FEATURE FILM PRODUCTION AND DISTRIBUTION. We produce first-run Spanish-language feature films, some of which are among Mexico's top films based on box office receipts. We co-produced four, three and two feature films in 2002, 2003 and 2004, respectively. We have previously established co-production arrangements with Mexican film production companies, as well as with major international companies such as Miravista, Warner Bros. and Plural Entertainment. We will continue to consider entering into co-production arrangements with third parties in the future, although no assurances can be given in this regard.

We distribute our films to Mexican movie theaters and later release them on video for broadcast on cable and network television. In 2002, 2003 and 2004, we released five, five and one, respectively, of our feature films through movie theaters, including "Un Dia Sin Mexicanos." We also distribute our feature films outside of Mexico.

We have a first option to purchase rights in Mexico to distribute CIE's feature films in movie theatres and broadcast these films on our cable and television networks. We purchased the distribution rights in Mexico for 13 and 9 of CIE's feature films in 2002 and 2003, respectively. We have not purchased any feature films from CIE in 2004.

We distribute feature films produced by non-Mexican producers in Mexico. Under an agreement with Warner Bros. which we recently extended through 2005, we are the exclusive distributor in Mexico of feature films produced by Warner Bros. In 2002, 2003 and 2004, we distributed 53, 53 and 34 feature films, respectively, including, in 2004, several U.S. box office hits, such as Lord of the Rings -- Return of the King, Troy and Harry Potter and the Prisoner of the Azkaban. We also distribute independently produced non-Mexican and Mexican films in Mexico, such as Matando Cabos and Zapata.

At December 31, 2004, we owned or had rights to approximately 595 Spanish-language films and 25 movies on video. Many of these films and movies have been shown on our television networks, cable system and DTH services. We also licensed the rights to two films produced by third parties.

NATIONWIDE PAGING. We recently exited the nationwide paging business. On November 18, 2004, we sold our 51% interest in "Skytel," which is a nationwide paging service in Mexico and the transaction was authorized by the SCT on March 4, 2005.

MUTUAL FUND VENTURE. In October 2002, we entered into a joint venture with a group of investors, including Manuel Robleda, former president of the Mexican Stock Exchange, to establish "Mas Fondos," the first mutual fund distribution company in Mexico. Mas Fondos sells mutual funds that are owned and managed by third parties to individual and institutional investors. Currently, Mas Fondos distributes 68 funds managed by seven entities. The company operates under a license granted by the Comision Nacional Bancaria y de Valores, or CNBV. On June 1, 2004, we sold a 5% interest of Mas Fondos to Grupo de Servicios Profesionales, S.A. de C.V., or Servicios Profesionales. As a result of this sale we have a 46% interest in Mas Fondos. We received authorization for this transaction from the CNBV on June 28, 2004. For a description of the transaction, see "Major Shareholders and Related Party Transactions -- The Principal Shareholders and Related Party Transactions -- The Major Shareholders -- Transactions and Arrangements with our Directors and Officers."

POTENTIAL GAMING BUSINESS. We recently obtained a permit from the Secretaria de Gobernacion, or Mexican Ministry of the Interior, to establish, among other things, up to 65 sportbooks and number draws throughout Mexico. If we actively pursue this business, we anticipate to start operations within the next 12 months. We are in the process of finalizing the business plan for this new venture.

INVESTMENTS

We have investments in several other businesses. See Note 5 to our year-end financial statements.

DTH JOINT VENTURES

Background. In November 1995, we, along with Globopar, News Corp. and, at a later date, Liberty Media, agreed to form a number of joint ventures to develop and operate DTH satellite services for Latin America and the Caribbean basin.

In October 1997, we and our partners formed MCOP, a U.S. partnership in which we, News Corp., and Globopar each indirectly held a 30% interest and in which Liberty Media indirectly held a 10% interest, to make investments in, and to supply programming and other services to, the Sky platforms in Latin America outside of Mexico and Brazil. In addition, until October 2004, each of Televisa, News Corp., Globopar and Liberty Media indirectly held an interest (in the same proportion as their interests in MCOP were then held) in Sky Latin America Partners, or ServiceCo, a U.S. partnership formed to provide certain business and management services, and TechCo, a U.S. partnership formed to provide certain technical services from two uplink facilities located in Florida.

Digital Ku-band DTH satellite services commenced operations for the first time in Mexico and Brazil in the fourth quarter of 1996, in Colombia in the fourth quarter of 1997, in Chile in the fourth quarter of 1998 and in Argentina in the fourth quarter of 2000. We currently, directly and indirectly, own interests in DTH satellite joint ventures in Mexico, Colombia and Chile. In July 2002, we ceased operations in Argentina. We do not own any equity interest in the venture in Brazil. In July 2003, we exchanged our 10% minority interest in the Spanish company which operated Via Digital, a DTH venture in Spain, for a de minimis ownership interest in Sogecable, a Spanish company which operates the only DTH venture in Spain, Digital +. No assurances can be given that the DTH joint ventures will be successful. See "Key Information -- Risk Factors -- Risk Factors Related to Our Business -- We Have Experienced Substantial Losses, Primarily in Respect of Our Investments in Innova and Sky Multi-Country Partners, and Expect to Continue to Experience Substantial Losses as a Result of Our Participation in DTH Joint Ventures, Which Would Adversely Affect Our Net Income." For a description of capital contributions and loans we have made to date to those ventures, see "Operating and Financial Review and Prospects -- Results of

Operations -- Liquidity, Foreign Exchange and Capital Resources -- Capital Expenditures, Acquisitions and Investments, Distributions and Other Sources of Liquidity" and "Major Shareholders and Related Party Transactions -- The Principal Shareholders and Related Party Transactions -- Related Party Transactions -- Transactions and Arrangements With Innova -- Capital Contributions and Loans."

We have also been developing channels exclusively for pay-television broadcast. Through our relationship with News Corp., we expect that our DTH satellite service will continue to negotiate favorable terms for programming rights with both third parties in Mexico and with international suppliers from the U.S., Europe and Latin America.

In December 2003, News Corp. acquired a 34% equity interest in DIRECTV, and transferred its ownership interest in DIRECTV to Fox Entertainment Group, Inc., an 82% owned subsidiary of News Corp. Innova's Social Part Holders Agreement provides that neither we nor News Corp. may directly or indirectly operate or acquire an interest in any business that operates a DTH satellite system in Mexico (subject to limited exceptions).

In October 2004, DIRECTV Mexico announced that it was shutting down its operations and we, Innova, News Corp., DIRECTV, Liberty Media and Globopar entered into a series of agreements relating to our DTH joint ventures. With respect to the DTH joint venture in Mexico:

- Innova and DIRECTV Mexico entered into a purchase and sale agreement, pursuant to which Innova agreed to purchase DIRECTV Mexico's subscriber list for two promissory notes with an aggregate original principal amount of approximately Ps.621.1 million. The promissory notes mature on the earlier of (i) the date five business days after the date Innova and DIRECTV Mexico finally determine the number of subscribers that successfully migrated from DIRECTV Mexico to Innova, measured as of a date approximately 16 to 22 months after the date of the agreements, or (ii) October 9, 2009;

- Innova and DIRECTV Mexico entered into a letter agreement which provides for cash payments to be made (i) by Innova to DIRECTV Mexico if more than 180,000 subscribers successfully migrate to Innova, (ii) by DIRECTV Mexico to Innova if fewer than 70,000 subscribers successfully migrate to Innova, and (iii) by DIRECTV Mexico to Innova to the extent Innova waives the applicable sign-up fees for migrating subscribers or certain migrated subscribers churn shortly after migration;

- Innova, Innova Holdings and News Corp. entered into an option agreement, pursuant to which News Corp. was granted options to acquire up to a 15% equity interest in each of Innova and Innova Holdings in exchange for the two promissory notes referred above that were delivered to DIRECTV Mexico. The amount of equity to be received upon the exercise of each option depends on the successful migration and retention of DIRECTV Mexico's subscribers to Innova with a minimum migration of 175,000 subscribers required for the issuance of the full 15% equity interest. The options become exercisable when the DTH business operations of DIRECTV Mexico have finally ceased, Innova and DIRECTV Mexico have finally determined the number of subscribers that successfully migrated from DIRECTV Mexico to Innova, and certain other conditions have been satisfied. If the options become exercisable, the holder may exercise them by delivering to Innova and Innova Holdings the promissory notes for cancellation or by paying to Innova and Innova Holdings an amount in cash equal to the aggregate principal amount of the promissory notes. The options expire on October 8, 2009. If the options are terminated under certain limited circumstances related to regulatory challenges, or after a final determination that renders the options illegal, or expire unexercised, then within ten days of the expiration date, DIRECTV Mexico will be entitled to receive an aggregate cash payment (including any payments made under the notes described above) of up to approximately U.S.\$137.7 million if 175,000 DIRECTV Mexico subscribers successfully migrate to Innova. Termination of the option is limited to certain limited events;

- DIRECTV and News Corp. entered into a purchase agreement pursuant to which DIRECTV acquired (i) the right (which DIRECTV concurrently assigned to DIRECTV Latin America, or DTVLA) to purchase from News Corp. the options granted to News Corp. by Innova and Innova Holdings to purchase up to an additional 15% of the outstanding equity of each of such entities pursuant to the option agreement described above, and (ii) the right to acquire News Corp.'s 30% interest in Innova;

- DIRECTV and Liberty Media National Holdings LLC, or Liberty Media, entered into a purchase agreement pursuant to which DIRECTV agreed to purchase all of Liberty Media's 10% interest in Innova for U.S.\$88 million in cash, subject to customary closing conditions. DIRECTV has agreed that we may purchase two-thirds (2/3) of any equity interest in Innova sold by Liberty Media, on the terms and subject to the conditions set forth in the purchase agreement between DIRECTV and Liberty Media;

- we entered into an amended and restated guaranty with PanAmSat, pursuant to which the proportionate share of Innova's transponder lease obligation guaranteed by us was reduced from 60% to 51%, until the full exercise of the options to News Corp. granted by Innova and Innova Holdings, at which point our guarantee will be adjusted to cover a percentage of the transponder lease obligations equal to our percentage ownership of Innova at that time;

- pursuant to the DTH agreement we entered into with News Corp., Innova, DIRECTV and DTVLA, with respect to certain DTH platforms owned or operated by News Corp. or DIRECTV or their affiliates and subject to certain restrictions, we have the right to require carriage of five of our channels on any such platform serving Latin America (including Puerto Rico but excluding Mexico, Brazil and countries in Central America), two of our channels on any such platform serving the United States or Canada, and one of our channels on any such platform serving areas other than the United States and Latin America;

- we, News Corp., Innova, DIRECTV and DTVLA entered into a DTH agreement that, among other things, governs the rights of the parties with respect to DTVLA's announced shutdown of its Mexican DTH business, planned shutdown of its existing DTH business in certain countries in Central America, the carriage of certain of our programming channels by Innova and other DTH platforms of DIRECTV, DTVLA, News Corp. and their respective affiliates, and the waiver and potential release of certain claims between certain of the parties; and

- we and Innova entered into a channel licensing agreement pursuant to which Innova will pay us a royalty fee to carry our over-the-air channels on its DTH service.

If the transactions contemplated by these agreements are consummated, we will own an approximately 57% equity interest in Innova and DIRECTV and DTVLA will collectively own an approximately 43% equity interest in Innova.

In connection with the October 2004 reorganization, with respect to the DTH joint ventures elsewhere in Latin America:

- we entered into a purchase and sale agreement with DIRECTV, pursuant to which among other things, (i) DIRECTV acquired all of our direct equity interests in Sky Latin America Partners, or ServiceCo (a U.S. partnership formed to provide business and management services), (ii) subject to the satisfaction or waiver of certain conditions, including the resolution of an audit currently pending before the U.S. Internal Revenue Service related to MCOP, DIRECTV has agreed to purchase all of our indirect equity interests in MCOP, and (iii) DIRECTV has agreed to indemnify us for any and all losses arising out of our status as a partner in MCOP other than losses arising out of the pending tax audit;

- DIRECTV also agreed to purchase each of News Corp.'s, Liberty Media's and Globopar's equity interests in TechCo (a U.S. partnership formed to provide technical services from a main uplink facility in Miami Lakes, Florida and a redundancy site in Port St. Luice, Florida), ServiceCo and MCOP; and

- PanAmSat Corporation, or PanAmSat, unconditionally released us from any and all obligations related to the MCOP transponder lease.

As a result of these transactions, ServiceCo is wholly owned by DIRECTV, TechCo is owned 70% by DIRECTV and 30% by us, and MCOP is owned 40% by DIRECTV, 30% by Globopar and 30% by us. If the

transactions contemplated by the foregoing agreements are consummated, DIRECTV will acquire the remaining 60% in MCOP owned by us and by Globopar.

The closing of these transactions is subject to certain regulatory approvals, including clearances from competition and telecommunications authorities in foreign jurisdictions, and other closing conditions. Therefore, we cannot assure you that these transactions will be consummated. In addition, Darlene Investments, LLC, or Darlene, a minority owner of DTVLA, has filed suit alleging fraud, self-dealing and violation of fiduciary duties against DIRECTV, News Corp. and others seeking, among other things, injunctive relief to preclude the consummation of these transactions. The timing and outcome of the final resolutions to these matters is uncertain. See "Other Information -- Legal Proceedings" for more information on this proceeding.

Mexico. We operate "Sky," our DTH satellite joint venture in Mexico, through Innova. We own 60% of this joint venture, and our partners are News Corp., which owns a 30% interest, and Liberty Media, which owns a 10% interest. As of December 31, 2003 and 2004, Innova's DTH satellite pay-television service had approximately 856,600 and 1,002,500 gross active subscribers, respectively, as compared to approximately 737,800 gross active subscribers as of December 31, 2002. Innova primarily attributes its successful growth to its superior programming content, its exclusive transmission of sporting events such as soccer tournaments and special events such as reality shows, its high quality customer service and its nationwide distribution network with more than 3,100 points of sale. Sky continues to offer the highest quality and exclusive content in the Mexican pay-television industry. Its programming packages combine our over-the-air channels with other DTH exclusive channels produced by News Corp.

During 2004, Sky continued to enhance its programming content by adding special events on a pay-TV exclusive basis, including the reality shows Big Brother VIP3 and "Confianza Ciega" and several professional sporting events, including certain matches of the Mexican Closing Soccer Tournament and the Opening Soccer Tournament, the pay-TV exclusive broadcast of the America team soccer matches in the "Copa Libertadores" soccer tournament, the Wimbledon and U.S. Open tennis tournaments, boxing matches, certain matches of the Mexican baseball league, the LPGA, U.S. PGA and U.S. Senior PGA golf tournaments, an interactive mosaic channel of the Olympic Games at Athens and the NFL Sunday Ticket, previously an exclusive content of DIRECTV Mexico.

During 2004, Sky also added several new channels to its line-up, including: Antena 3, a popular channel broadcast in Spain; the "Film Zone," a movies channel; TV Globo, a popular Brazilian channel, the "G Channel," an adult-oriented channel; the Cinecanal Classics, a classic movies channel; VH1, a music videos channel; and Universal channel, a movies channel. In addition to new programming contracts, Sky continues to operate under arrangements with a number of third party programming providers to provide additional channels to its subscribers, including HBO, MaxPrime, Cinemax, The Discovery Channel, E! Entertainment, The Disney Channel, National Geographic, Canal Fox, Fox Sports, Fox News, MTV, VH1, Nickelodeon, TNT, CNN, The Cartoon Network, Boomerang, Playboy, BBC World and The Bloomberg Channel. Sky also has arrangements with the following studios to show films on an as-needed basis: DreamWorks, 20th Century Fox, Universal Studios International, Buena Vista International, MGM, Paramount Pictures, Sony Pictures International, PWI Films, Inc., Warner Bros., and Independent Studios.

Sky currently offers 192 digital channels through five programming packages: Basic (70 video channels, 32 audio channels and 31 pay-per-view); Fun (88 video channels, 32 audio channels and 37 pay-per-view); Movie City (102 video channels, 32 audio channels and 37 pay-per-view); HBO/Max (106 video channels, 32 audio channels and 37 pay-per-view); and Universe (123 video channels, 32 audio channels and 37 pay-per-view) for a monthly fee of Ps.228.00, Ps.278.00, Ps.398.00, Ps.448.00, and Ps.588.00, respectively. The subscriber receives a "prompt payment" discount if the monthly subscription payment is made within 12 days after the billing date.

Programming package monthly fees for residential subscribers, net of a prompt payment discount if the subscriber pays within 12 days of the billing date, are the following: Basic Ps.151.00, Fun Ps.241.00, Movie City Ps.351.00, HBO/Max Ps.401.00 and Universe Ps.541.00. Monthly fees for each programming package do not reflect a monthly rental fee in the amount of Ps.161.00 for the decoder necessary to receive the service (or Ps.148.00 if the subscriber pays within 12 days of the billing date) and a one-time installation fee of Ps.799.00, which is reduced to

Ps.699.00 if the subscriber pays the monthly programming fees via an automatic charge to a debit card or Ps.199.00 if payment is charged directly to a credit card.

Sky devotes 24 pay-per-view channels to family entertainment and movies and seven channels are devoted to adult entertainment. In addition, Sky assigns six extra channels exclusively for special events, known as Sky Events, which include boxing matches, concerts, sports and movies. Sky provides some Sky Events at no additional cost while it sells others on a pay-per-view basis.

For years 2002 and 2003, revenues from telecommunications and pay television services, including such services provided by Innova, were subject to a 10% excise tax. For those years, Innova filed amparo proceedings challenging the constitutionality of this excise tax. Innova obtained a favorable ruling in respect of its 2002 amparo proceeding. Innova continues proceedings to recover the amounts paid for this tax in 2002. The 2003 amparo proceeding was denied with respect to Innova.

Innova implemented a rate increase in January 2002 in an effort to mitigate, in part, the impact of this tax on its results of operations and financial condition. The imposition of the tax caused a decrease in net income attributable to the services provided by Innova, as well as adversely impacted the ability of the company to attract new subscribers.

The 10% excise tax imposed on services rendered in connection with restricted television, including DTH, which affected directly the services rendered by Innova, was eliminated as of January 1, 2004. From this date and going forward Innova recognizes this positive effect as part of its revenues, without any modification in price to its subscribers.

In November 2003, Sky successfully implemented a new subscriber management system, or SMS, to support the growth of its subscriber base by managing client billing services. Currently this system is in service and fully operational.

Colombia. The Colombian DTH platform commenced operations in December 1997 and as of December 31, 2003 and December 31, 2004, had over 36,300 and 34,900 gross active subscribers, respectively, and provided 74 video channels, 29 pay-per-view channels and 40 audio channels. As of December 31, 2004, we owned a 27.1% interest in this venture on a fully diluted basis through MCOP, and our partners, Casa Editorial El Tiempo, S.A., Radio Cadena Nacional, S.A., RTI Comunicaciones de Colombia Ltda. and Pastrana Arango, owned 2.80%, 2.72%, 2.76% and 1.32%, respectively. The concession for the Colombian DTH platform was granted in 1997 for 10 years and Sky Colombia has the right to renew six months prior to the expiration date. We are not obligated to make any capital contributions or incur any obligations in respect of this venture and, if the proposed sale of our interest in MCOP to DIRECTV is completed, we will have no further ownership interest in the Colombian DTH platform.

Chile. Sky Chile, the Chilean DTH platform, commenced operations in October 1998 and, as of December 31, 2003 and December 31, 2004, had over 52,200 and over 52,600 gross active subscribers, respectively, and provided 78 video channels, 30 pay-per-view channels and 41 audio channels. As of December 31, 2004, we owned a 30% interest in this venture on a fully diluted basis through MCOP. As of December 31, 2004, we did not have any local partners in this joint venture. The concession for the Chilean DTH platform was granted in 1998 for 10 years and Sky Chile has the right to renew 180 days prior to expiration. We are not obligated to make any capital contributions or incur any obligations in respect of this venture and, if the proposed sale of our interest in MCOP to DIRECTV is completed, we will have no further ownership interest in the Chilean DTH platform.

Programming. We and News Corp. are major sources of programming content for our DTH joint ventures and have granted our DTH joint ventures in Latin America and Mexico exclusive DTH satellite service broadcast rights to all of our and News Corp.'s existing and future program services (including pay-per-view services on DTH), subject to some pre-existing third party agreements in the territories of our DTH joint ventures in Latin America and Mexico and excluding the Fox Sports (Americas) channel. In addition to sports, news and general entertainment programming, we provide our DTH joint ventures in Mexico with exclusive DTH satellite service broadcast rights to our four over-the-air broadcast channels, which are among the most popular television channels in Mexico. Our

DTH satellite service in Mexico is the only pay-television service that offers all the over-the-air broadcast signals from Mexico City as well as our channels from Guadalajara, Monterrey, Puebla and Veracruz. Our DTH satellite service also has exclusive DTH broadcast rights in Mexico to Fox News and Canal Fox, one of the leading pay-television channels in Mexico. Through its relationships with us and News Corp., we expect that the DTH satellite service in Mexico will be able to continue to negotiate favorable terms for programming both with third parties in Mexico and with international suppliers from the U.S., Europe and Latin America.

UNIVISION

In December 1992, A. Jerrold Perenchio, a Los Angeles private investor, Corporacion Venezolana de Television (Venevision), C.A. and one of our subsidiaries acquired the businesses of Univision from Hallmark Cards, Inc. We currently own 39,289,534 shares and warrants representing an approximate 10.7% equity interest in Univision, on a fully diluted basis. Information regarding Univision's business which appears in this annual report has been derived primarily from public filings made by Univision with the SEC and the FCC.

We currently have a number of programming and financial arrangements with Univision, the leading Spanish-language media company in the U.S. which owns and operates the Univision Network, the most-watched Spanish-language television network in the U.S.; the TeleFutura broadcast and Galavision satellite/cable television networks; several dozen full power and low power television broadcast stations; and 68 radio stations constituting the largest Spanish-language radio broadcasting company in the U.S.; and the Univision Music Group, the leading Spanish-language music recording and publishing company in terms of music record sales in the U.S.

We and Venevision, a Venezuelan media company, have agreed to supply programming to Univision under program license agreements that expire in December 2017, under which we and Venevision granted Univision an exclusive license to broadcast in the United States, solely over the Univision, Galavision and TeleFutura Networks, substantially all Spanish-language television programming, including programming with Spanish subtitles, for which we or Venevision own the U.S. distribution rights, subject to some exceptions, including some co-productions. See "Operating and Financial Review and Prospects -- Results of Operations -- Programming Exports." We are entitled, in addition to our 9% programming royalty on net time sales in respect of the Univision and Galavision Networks, to an incremental 3% programming royalty on net time sales on these networks to the extent such net time sales exceed net time sales for the year 2001, as well as a 12% programming royalty on net time sales of the TeleFutura Network, subject to certain adjustments, including minimum annual royalties of U.S.\$5.0 million in respect of TeleFutura for 2003, increasing by U.S.\$2.5 million each year up to U.S.\$12.5 million. In exchange for programming royalties based upon combined net time sales regardless of the amount of our and Venevision's programming used by Univision, we have agreed that we will provide Univision with 8,531 hours of programming per year for the term of the agreement. See "Key Information -- Risk Factors -- Risk Factors Related to Our Business -- Future Activities Which We May Wish to Undertake in the U.S. May Be Affected by Our Arrangements With Univision. These Activities, as Well as a Current Dispute We Are Having With Univision, May Affect Our Relationship With, and Our Equity Interest in, Univision" for a description of our current dispute with Univision relating to royalties under the program license agreement with Univision. In 2004, Televisa programming represented approximately 36% of Univision's and 23% of TeleFutura Networks' non-repeat broadcast hours, respectively.

Under an agreement we have with Univision, we are required to offer Univision the opportunity to acquire a 50% economic interest in our interest in certain ventures relating to U.S. Spanish-language television broadcasting.

We and Univision entered into definitive agreements in April 2003 to commence a joint venture to introduce our satellite and cable pay-TV programming into the United States. The joint venture company, called TuTV, commenced operations in the second quarter of 2003. It currently distributes five channels, including two of our existing movie channels and three channels featuring music videos, celebrity lifestyle and interviews and entertainment news programming, and will create future channels available in the U.S. that feature our programming. In May 2003, TuTV entered into a five-year distribution agreement with EchoStar Communications Corporation for three of the five existing channels. TuTV is jointly controlled by Univision and us, and we have each agreed to contribute U.S.\$20 million over the first three years of the venture. We cannot assure you that this venture will be profitable.

We have an international program rights agreement with Univision that requires Univision to grant us and Venevision the right to broadcast, outside the United States, programs produced by Univision for broadcast on the Univision or Galavision networks. We have the exclusive right to broadcast these programs in Mexico and Venevision has the exclusive right to broadcast these programs in Venezuela. We and Venevision each have an undivided right to broadcast these programs in all other territories (other than the United States, but including Puerto Rico), provided those programs were on the air as of October 2, 1996. The rights to these programs granted to us and Venevision will revert back to Univision when the relevant program license agreement terminates. For such programs produced after October 2, 1996, we and Venevision have the exclusive broadcast and related merchandising rights for Mexico and Venezuela, but Univision retains all rights for the rest of the world. For such programs produced after September 26, 1996, we and Venevision have merchandising rights only in those territories. The rights to these programs granted to us and Venevision will revert back to Univision when we or Venevision, as the case may be, own less than an aggregate of 13,578,084 shares and warrants of Univision, unless our ownership interest changes as a result of a merger or other similar transaction involving Univision, in which case these rights will continue until the termination of the program license agreement.

In addition, we entered into arrangements with Univision regarding two Puerto Rico television stations that Univision had an option to acquire and to which Univision provides programming. Univision exercised this option in December of 2004, subject to FCC approval (where a third party challenged the transaction, in 2005, and the application remains pending), and, as a result, Univision is required to offer us the right to acquire a 15% interest in the Puerto Rico stations and to offer Venevision the right to acquire a 10% interest in the stations if the transaction is approved. Until May 2005, Univision has a right of first refusal with respect to Televisa programs that are not already subject to preexisting contractual commitments, and will pay performance and license fees to us for these programs. After May 2005, its rights will be exclusive in a manner similar to existing program rights agreements, and it will pay Televisa royalties for these rights. Similar arrangements exist between Univision and Venevision.

In December 2001, we made a U.S.\$375.0 million equity investment in Univision for which we ultimately received 10,594,500 shares of Univision Class A Common Stock. We have rights to require Univision to register for public sale the shares of Univision stock that we own.

In addition, we are entitled to elect one director and one alternate director to Univision's Board of Directors. In 2002, we appointed Emilio Azcarraga Jean, our Chairman of the Board, Chief Executive Officer, President and President of our Executive Committee of our Board, as our director of Univision, and Alfonso de Angoitia Noriega, our Executive Vice President, as our alternate director of Univision. Univision subsequently appointed Mr. Azcarraga Jean as Vice-Chairman of its Board of Directors. Effective as of May 9, 2005, Mr. Azcarraga Jean and Mr. de Angoitia Noriega resigned as a director and alternate director, respectively, of Univision. See "Key Information -- Risk Factors -- Risk Factors Related to Our Business -- Future Activities Which We May Wish to Undertake in the U.S. May Be Affected by Our Arrangements With Univision. These Activities, as Well as a Current Dispute We Are Having With Univision, May Affect Our Relationship With, and Our Equity Interest in, Univision."

COMPETITION

We compete with various forms of media and entertainment companies in Mexico, both Mexican and non-Mexican.

TELEVISION BROADCASTING

Our television stations compete for advertising revenues and for the services of recognized talent and qualified personnel with other television stations (including the stations owned by TV Azteca) in their markets, as well as with other advertising media, such as radio, newspapers, outdoor advertising, cable television and multi-channel, multi-point, multi-channel distribution system and DTH satellite services. We generally compete with 197 channels throughout Mexico, including the channels of our major competitor, TV Azteca, which owns and operates Channels 7 and 13 in Mexico City, which we believe are affiliated with 176 stations outside of Mexico City. Televisora del

Valle de Mexico, S.A. de C.V. owns the concession for Channel 40, a UHF channel that broadcasts in the Mexico City metropolitan area. Based upon IBOPE Mexico surveys, during 2002, 2003 and 2004, the combined average audience share throughout Mexico of both the Channel 7 and 13 networks was 27.6%, 29.9% and 31.1%, respectively, during prime time, and 25.6%, 28.2% and 28.7%, respectively, during sign-on to sign-off hours. See " -- Television -- Television Industry in Mexico."

In addition to the foregoing channels, there are additional operating channels in Mexico with which we also compete, including Channel 11, which has 7 repeater stations, and Channel 22 in Mexico City, which are operated by the Mexican government. Our television stations are the leading television stations in their respective markets. See " -- Television -- Television Broadcasting."

Our English- and Spanish-language border stations compete with English-and Spanish-language television stations in the U.S., and our Spanish-language productions compete with other English- and Spanish-language programs broadcast in the U.S.

We are a major supplier of Spanish-language programming in the U.S. and throughout the world. We face competition from other international producers of Spanish-language programming and other types of programming.

PUBLISHING

Each of our magazine publications competes for readership and advertising revenues with other magazines of a general character and with other forms of print and non-print media. Competition for advertising is based on circulation levels, reader demographics and advertising rates.

CABLE TELEVISION

According to the most recent information from CANITEC, there were approximately 572 cable concessions in Mexico as of December 31, 2004 serving approximately 2.3 million subscribers. Cablevision is the largest cable system operator in Mexico City and one of seven cable system operators in the areas surrounding Mexico City. Cablevision also competes with Innova, our DTH joint venture. See " -- Cable Television -- Mexico City Cable System" and " -- DTH Satellite Services." Cablevision also faces competition from MVS Multivision, S.A. de C.V., or Multivision, a multi-point, multi-channel distribution system, or MMDS, operator, in Mexico City and the surrounding areas. MMDS, commonly called wireless cable, is a microwave transmission system which operates from a headend similar to that of a cable system. Multivision has been in operation for more than 15 years and offers 15 channels to its subscribers, but it cannot broadcast Mexico's over-the-air channels, including Channels 2, 4, 5 and 9. Some of the channels that Multivision broadcasts compete directly with the Cablevision channels, as well as Cablevision's 28 pay-per-view channels. Furthermore, since Cablevision operates under non-exclusive franchises, other companies may obtain permission to build cable television systems and MMDS systems in areas where Cablevision presently operates. In addition, pursuant to the Ley Federal de Telecomunicaciones, or the Telecommunications Law, Cablevision is required to provide access to its cable network to the extent it has available capacity on its network.

In addition, in connection with its Internet access services and other new products and multimedia communications services, Cablevision will face competition from several media and telecommunications companies throughout Mexico, including Internet service providers, DTH services and other personal communication and telephone companies, including us and our affiliates.

RADIO

The radio broadcast business is highly competitive in Mexico. Our radio stations compete with other radio stations in their respective markets, as well as with other advertising media, such as television, newspapers, magazines and outdoor advertising. Among our principal competitors in the radio broadcast business are Grupo Radio Centro, S.A. de C.V., which owns or operates approximately 114 radio stations throughout Mexico, 11 of

which are located in Mexico City, and Grupo Acir, which owns or operates approximately 160 radio stations in Mexico, seven of which are located in Mexico City.

Competition for audience share in the radio broadcasting industry in Mexico occurs primarily in individual geographic markets. Our radio stations are located in highly competitive areas. However, the strength of the signals broadcast by a number of our stations enables them to reach a larger percentage of the radio audience outside the market areas served by their competitors.

FEATURE FILM PRODUCTION AND DISTRIBUTION

Production and distribution of feature films is a highly competitive business in Mexico. The various producers compete for the services of recognized talent and for film rights to scripts and other literary property. We compete with other feature film producers, Mexican and non-Mexican, and distributors in the distribution of films in Mexico. See " -- Other Businesses -- Feature Film Production and Distribution." Our films also compete with other forms of entertainment and leisure time activities.

DTH SATELLITE SERVICES

Innova presently competes with, or expects to compete with, among others, cable systems (including Cablevision), MMDS systems, national broadcast networks (including our four networks), regional and local broadcast stations, unauthorized C-band and Ku-band television signals obtained by Mexican viewers on the gray market, radio, movie theaters, video rental stores, internet and other entertainment and leisure activities generally.

Innova's main DTH competitor in Mexico used to be DTVLA, which operated DIRECTV Mexico. In October 2004, DTVLA announced that it was shutting down DIRECTV Mexico's operations and agreed to sell its subscriber list to Innova.

Consolidation in the entertainment and broadcast industries could further intensify competitive pressures. As the pay-television market in Mexico matures, Innova expects to face competition from an increasing number of sources, including emerging technologies that provide new services to pay-television customers and require us to make significant capital expenditures in new technologies.

Other entities have announced the formation of partnerships or ventures or obtained licenses to provide DTH satellite services in Latin America but are not yet operational.

REGULATION

Our business, activities and investments are subject to various Mexican and U.S. federal, state and local statutes, rules, regulations, policies and procedures, which are constantly subject to change, and are affected by the actions of various Mexican and U.S. federal, state and local governmental authorities. The material Mexican and U.S. federal, state and local statutes, rules, regulations, policies and procedures to which our business, activities and investments are subject are summarized below. These summaries do not purport to be complete and should be read together with the full texts of the relevant statutes, rules, regulations, policies and procedures described therein.

TELEVISION

Mexican Television Regulations

Concessions. In order to own and operate a television station in Mexico, a broadcaster must obtain a concession, which must be published in the Official Gazette of the Federation, from the SCT to broadcast over a certain channel. Applications are submitted to the SCT and, after a formal review process of all competing applications and an objection period open to third parties, a concession is granted. Concessions may be granted for up to 30 years. The SCT may void the grant of any concession or terminate or revoke the concession at any time, upon the occurrence of, among others, the following events:

- failure to construct broadcasting facilities within a specified time period;
- changes in the location of the broadcasting facilities or changes in the frequency assigned without prior governmental authorization;
- direct or indirect transfer of the concession, the rights arising therefrom or ownership of the broadcasting facilities without prior governmental authorization;
- transfer or encumbrance, in whole or in part, of the concession, the rights arising therefrom, the broadcasting equipment or any assets dedicated to the concessionaire's activities, to a foreign government, company or individual, or the admission of any such person as a partner in the concessionaire's business;
- failure to broadcast for more than 60 days without reasonable justification;
- any amendment to the bylaws of the concessionaire that is in violation of applicable Mexican law; and
- any breach to the terms of the concession title.

None of our concessions has ever been revoked or otherwise terminated.

We believe that we have operated our television concessions substantially in compliance with their terms and applicable Mexican law. If a concession is revoked or terminated, the concessionaire could be required to forfeit to the Mexican government all of its assets or the Mexican government could have the right to purchase all the concessionaire's assets. In our case, the assets of our licensee subsidiaries generally consist of transmitting facilities and antennas. See "Key Information -- Risk Factors -- Risk Factors Related to Our Business -- The Operation of Our Business May Be Terminated or Interrupted if the Mexican Government Does Not Renew or Revokes Our Broadcast or Other Concessions; Proposed Revisions to the Ley Federal de Radio y Television, or Radio and Television Law, if Adopted, Could Adversely Impact our Results of Operations."

Concessions may be renewed for a term of up to 30 years. In July 2004, in connection with the adoption of a release issued by the SCT for the transition to digital television, all of our television concessions were renewed until 2021. The expiration dates for the concessions for our radio stations range from 2008 to 2016. Our cable telecommunications concessions expire in 2029. See "Key Information -- Risk Factors -- Risk Factors Related to Our Business -- The Operation of Our Business May Be Terminated or Interrupted if the Mexican Government Does Not Renew or Revokes Our Broadcast or Other Concessions; Proposed Revisions to the Ley Federal de Radio y Television, or Radio and Television Law, if Adopted, Could Adversely Impact our Results of Operations."

Supervision of Operations. The SCT regularly inspects the television stations and the companies to which concessions have been granted must file annual reports with the SCT.

Television programming is not censored under Mexican law, except that it is subject to various regulations, including prohibitions on foul language and programming which is offensive or is against the national security or against public order. Under Mexican regulations, the Secretaria de Gobernacion, or Mexican Ministry of the Interior, reviews most television programming and classifies the age group for which the programming is acceptable for viewing. Programs classified for adults may be broadcast only after 10:00 p.m.; programs classified for adults and teenagers over 15 years old may be broadcast only after 9:00 p.m.; programs classified for adults and teenagers under 15 years old may be broadcast only after 8:00 p.m.; and programs classified for all age groups may be shown at any time.

Television programming is required to promote Mexico's cultural, social and ideological identity. Each concessionaire is also required to transmit each day, free of charge, up to 30 minutes of programming regarding cultural, educational, family counseling and other social matters using programming provided by the Mexican government. Historically, the Mexican government has not used a significant portion of this time. In addition, during

political campaigns all registered political parties have the right to purchase time to broadcast political messages at commercial rates.

Networks. There are no Mexican regulations regarding the ownership and operation of a television network, such as the Channel 2, 4, 5 and 9 networks, apart from the regulations applicable to operating a television station as described above.

Restrictions on Advertising. Mexican law regulates the type and content of advertising broadcast on television. Concessionaires may not broadcast misleading advertisements. Under current law, advertisements of alcoholic beverages (other than beer and wine) may be broadcast only after 10:00 p.m. As of January 20, 2004, advertisements for tobacco products are prohibited by amendment to the Ley General de Salud, or the Public Health Law. Advertising for alcoholic beverages must not be excessive and must be combined with general promotions of nutrition and general hygiene. The advertisements of some products and services, such as medicine and alcohol, require approval of the Mexican government prior to their broadcast. Moreover, the Mexican government must approve any advertisement of lotteries and other games.

No more than 18% of broadcast time may be used for advertisements on any day. The SCT approves the minimum advertising rates. There are no restrictions on maximum rates.

Broadcast Tax. Since 1969, radio and television stations have been subject to a tax which may be paid by granting the Mexican government the right to use 12.5% of all daily broadcast time. In October 2002, the 12.5% tax was replaced by the obligation to the Mexican government to provide up to 18 minutes per day of our television broadcast time and 35 minutes per day of our radio broadcast time between 6:00 a.m. and midnight, in each case distributed in an equitable and proportionate manner. Any time not used by the Mexican government on any day is forfeited. Generally, the Mexican government uses all or substantially all of the broadcast time available under this tax.

Foreign Ownership. Non-Mexican ownership of shares of Mexican enterprises is restricted in some economic sectors, including broadcast television, cable television, radio and DTH satellite services. Under Mexico's Ley de Inversion Extranjera, or Foreign Investment Law, the Ley Federal de Radio y Television, or Radio and Television Law, and the Reglamento de la Ley de Inversion Extranjera, or Foreign Investment Law Regulations, foreign investors may not vote the capital stock of Mexican broadcasting companies (other than through "neutral investment" mechanisms, such as through the CPOs held by certain of our shareholders). See " -- Satellite Communications -- Mexican Regulation of DTH Satellite Services."

Regulation of U.S. Television Broadcast Networks and Satellite/Cable Networks

Univision is subject to U.S. laws and regulations affecting the Univision and TeleFutura television broadcast networks and the Galavision satellite/cable network.

Television Broadcast Network Restrictions. Under current FCC rules, there are no limits either on the number of broadcast networks that may be maintained by a television broadcast network organization, or on the number of television stations that may be affiliated with a network organization. Mergers among any existing or future U.S. television broadcast networks are permitted by the FCC except among ABC, CBS, Fox or NBC, and television broadcast networks may acquire, or be acquired by or commonly controlled with, cable television systems. FCC rules restrict television broadcast networks' contractual relationships with their affiliated stations.

Satellite/Cable Network Restrictions. Chiefly through its jurisdiction over cable system operators, the FCC regulates satellite and cable networks in a variety of ways, including, but not limited to, by preventing the ability of certain cable networks to discriminate against non-affiliated multi-channel video programming distributors in the sale or delivery of programming, limiting the number of commercial minutes that may be sold within children's programming, and imposing closed captioning requirements on programs transmitted to cable subscribers.

Ownership Restrictions. There are no restrictions on non-U.S. ownership of U.S. broadcast networks or satellite/cable networks.

U.S. Regulation of Broadcast Stations

The ownership and operation of U.S. broadcast stations, including television and radio stations owned by and/or affiliated with Univision, are subject to the jurisdiction of the FCC, which acts under authority granted by the U.S. Communications Act. The FCC allots particular TV and radio channels to specific communities, approves stations' technical parameters and operating equipment, issues, modifies, renews and revokes licenses, approves changes in licensee ownership or control, regulates the ownership and employment practices of licensees, and in certain limited respects controls the content of broadcast programming, including by imposing sanctions for the broadcast of obscene, indecent or profane material. The FCC collects annual regulatory fees and imposes penalties, including monetary fines and license revocation, for violations of the Communications Act or its rules.

Ownership Matters. FCC rules limit the "attributable" interests that an individual or entity may hold in broadcast licensees. Generally, the officers, directors, general partners, parties who own or control a 5% or greater voting stock interest (20% if the holder is a qualified passive investor), and non-"insulated" limited partners and limited liability company members of a licensee or its parent hold "attributable" interests in the licensee. Also constituting "attributable" interests are the brokering of more than 15% of a television station's weekly program time by another TV station in the market or of a radio station's weekly program time by another radio station in the market, and the holding of equity and debt interests that together exceed 33% of a licensee's total asset value, if the interest holder supplies more than 15% of total weekly programming hours or is an attributable same-market media entity.

On June 2, 2003, the FCC adopted substantial changes to its broadcast ownership rules that would restrict the holdings that those with attributable interests in broadcast licensees may possess in various types of media properties. Before the new rules took effect, however, several parties appealed the FCC's order, and on September 3, 2003, the United States Court of Appeals for the Third Circuit, or Third Circuit, issued a stay of the new rules. On June 24, 2004, the Third Circuit issued a decision remanding some of the rules to the FCC for additional justification or modification, and affirming others. The FCC has declined to appeal this ruling to the U.S. Supreme Court, and on June 13, 2005 the Supreme Court declined to hear appeals filed by several third parties in the proceeding. In connection with its decision, the Third Circuit stayed the effective date of all of the FCC's revised rules, including those it had affirmed. In September 2004, in response to the FCC's Petition for Rehearing, the court lifted the stay as to several local radio market regulations and allowed them to take effect. With respect to the remaining rules, the FCC must now conduct additional proceedings in response to the Third Circuit's remand.

Pursuant to legislation signed into law on January 23, 2004, an entity may hold "attributable" interests in U.S. television stations with an aggregate national audience reach of 39% of total U.S. television households. This law was a compromise between those desiring to maintain the pre-June 2003 limit of 35% and those supporting the FCC's June 2003 order, which would have raised the limit to 45%. For purposes of this national audience reach cap, all potential viewers in each market in which an entity holds an "attributable" TV station interest are counted regardless of the station's actual audience ratings, but UHF television stations are attributed with only 50% of the television households in their markets. The FCC's June 2003 action temporarily retained this "UHF Discount," which benefits Univision since virtually all of its television stations operate in the UHF band. In February 2004, the FCC sought public comment on whether the new law establishing a 39% national audience reach limitation restricts the FCC's authority to alter or eliminate the UHF Discount. Univision has filed comments urging the FCC to conclude that the law mandates retention of the UHF Discount. In its June 24, 2004 decision, the Third Circuit held that the new law mandating a 39% audience reach cap rendered moot the appeals before it on that issue. The court also found that it could not entertain challenges to the FCC's retention of the UHF Discount, but that the FCC itself could decide the scope of its authority to modify or eliminate the UHF Discount.

The FCC also limits television ownership at the local level, that is, within each individual market (as between different markets, only the national audience reach cap limits the ownership of television stations). The June 2003 FCC action would have liberalized the circumstances under which a single entity may hold interests in two stations in the same market, and permitted for the first time common ownership of three same-market television stations in the largest markets, including some markets where Univision currently owns two stations. In its June 24, 2004 decision, the Third Circuit found that the justification for these changes was inadequate, and directed the FCC either to provide better support for strictly numerical limits that weight all television stations in each market as equal, or to modify the regulations to reflect actual market share. The court upheld the FCC's decision to maintain its prohibition on common ownership of any two of the top four stations in a given market.

Since 2002, common ownership of television stations and cable television systems in the same market has been allowed. The Third Circuit upheld the FCC's June 2003 decision to repeal the ban on common ownership of broadcast stations and daily newspapers. However, at the same time, the court remanded for further proceedings the cross-media limits that would have replaced both the broadcast/newspaper cross-ownership ban and the former rule limiting common ownership of radio and television stations in the same market. The FCC's June 2003 action would have prohibited cross-media combinations only in markets with three or fewer television stations. The Third Circuit determined that the FCC had not provided adequate justification to support the specific combinations of newspaper, television and radio ownership that it proposed to allow. As a result, the existing cross-ownership restrictions remain in effect, pursuant to the court's stay.

There is no national limit on the number of U.S. radio stations in which a single entity may hold "attributable" interests. On the local level, "attributable" interests may currently be held in up to eight radio stations in the largest markets, based on the total number of radio stations in the market. Although the FCC did not alter the local radio ownership limits in its June 2003 decision, it did decide to use a different methodology for defining a radio market for purposes of determining compliance with these limits. Under the revised rule, the FCC will use markets defined by Arbitron, the principal market research firm providing radio ratings survey data, instead of the complex case-by-case determination based on signal overlap that previously applied. This new methodology means that certain existing commonly owned station groups now exceed the current numerical limits. The Third Circuit upheld the FCC's adoption of the new methodology for defining radio markets, but remanded the FCC's decision to retain its existing numerical limits, which do not consider the overall market share of co-owned stations. The FCC had announced in its June 2003 decision that combinations exceeding its limits under the new market definition would be "grandfathered," but could not be transferred intact, except to a qualified small business entity, a concept that the Third Circuit upheld. The FCC had said that it would process station sale applications pending at the time the new rules take effect under the revised market definition methodology. Following the lifting of the stay as to the local radio market rules, the FCC began to process applications under the new market definition in October 2004. The new rules also provide that any station subject to a joint sales agreement under which another radio station licensee in the same market brokers more than 15% of the brokered station's total weekly advertising time will be attributed to the licensee selling the advertising time as if that company held the license of such station(s).

The FCC's action in response to the Third Circuit's remand notwithstanding, some or all of these changes could be superseded by Congressional action (such legislation has been introduced).

Alien Ownership. Under the Communications Act, broadcast licenses may not be granted to non-U.S. citizens (including their representatives), foreign governments or their representatives, or non-U.S. companies (collectively, "non-U.S. Persons"); to any entity having more than 20% of its equity owned or voted by non-U.S. Persons; or to any entity whose parent company is more than 25% owned by non-U.S. Persons. The 25% provision may be waived, but waivers have been rare in the broadcast context.

License Renewal. Television and radio broadcasting licenses are subject to renewal, normally for an eight-year term, upon application to the FCC. A license renewal application will be granted, and no competing applications for the same frequency will be entertained, if the licensee has served the public interest, has committed no serious violations of the Communications Act or the FCC's rules, and has not committed other violations which together would constitute a pattern of abuse of such Act or rules. However, interested parties, including members of the public, may file petitions to deny license renewal applications, and the transferability of an applicant's license may be restricted during the pendency of its renewal application.

Programming and Operation. The Communications Act requires broadcasters to serve the public interest. All licensees must present programming that is responsive to community problems, needs and interests, and maintain certain records demonstrating such responsiveness. By Act of Congress, television licensees must also present programming specifically designed to educate and inform children, must limit the number of commercial minutes and comply with other restrictions on commercial practices during children's programming, and must maintain and file records demonstrating compliance with these requirements. The FCC also prohibits or restricts the broadcast of obscene, indecent or profane programming.

Failure to observe FCC rules and policies can result in the imposition of various sanctions, including monetary forfeitures, the grant of renewals for less than the standard eight-year renewal term or, for particularly egregious violations, the denial of a license renewal application or the revocation of a license.

Digital Television Transition. The FCC has assigned each U.S. full power television station an additional 6 MHz of broadcast spectrum for the provision of a free digital video programming service. Broadcasters may utilize this spectrum to provide multiple video programming streams, and may also use some of the new spectrum for data transmission and other revenue-generating services, so long as such services do not detract from the free over-the-air program service. The broadcast licensee must pay the FCC 5% of any gross subscription and advertising revenues received from all ancillary or supplementary services. Univision's television stations have either timely commenced digital television, or DTV, operations pursuant to their FCC authorizations, or have received or requested extensions that would authorize their commencement of DTV operations at a future date. All broadcasters are required to operate exclusively in the digital mode and to surrender channels operating in analog mode no later than December 31, 2006, assuming that certain penetration levels pertaining to the transmission and reception of DTV signals have been achieved in each individual market by that date. Although Congress has required the FCC to extend this deadline on a market-by-market basis if the requisite penetration levels have not been met by that time, and the FCC is currently considering precisely how to make that determination, Congress is now weighing other options for terminating analog broadcasting including the possible imposition of a "hard" deadline.

The transition to digital television continues to require significant expenditures by licensees such as Univision, although the FCC has permitted lower-powered, and therefore less expensive, initial DTV facilities to be constructed. Moreover, although the FCC has attempted to assign DTV channels and power levels that will reasonably replicate each licensee's current coverage area (and thus its audience reach levels), there is no assurance that such replication will be fully achieved for any or all of the Univision television stations. In addition, the FCC recently reaffirmed that cable television systems are not obligated to retransmit both digital and analog television broadcast signals during the period when television licensees must transmit in both modes, and that in the post-transition period, cable television systems will not be required to carry more than the primary video signal of each DTV station. Moreover, DTV receivers have not been widely purchased by consumers, and issues of cable compatibility, mandatory inclusion of DTV tuners in TV sets, control over navigational devices, and copy protection (digital rights management) have also delayed the deployment of DTV. In addition, uncertainty surrounds the analog termination date. For all these reasons, it is unclear whether, or when, audience levels for DTV broadcasts will equal current levels for analog television broadcasting.

Cable Carriage. Most U.S. residents view television broadcast signals by means of cable television retransmissions of these signals. Cable television systems must devote up to one-third of their available channels to the carriage of local commercial television stations, and Univision has stated that its full power television stations rely on these "must-carry" rights to obtain cable carriage. Must-carry rights are not absolute, however, and the mere election of "must-carry" status may not secure carriage in every circumstance. As noted above, the FCC recently determined that cable systems will be required to carry only a single digital program stream per broadcast station and will not be compelled to carry both digital and analog channels.

Direct Broadcast Satellite Carriage. The Satellite Home Viewer Improvement Act of 1999, as amended by the Satellite Home Viewer Extension and Reauthorization Act of 2004, contemplates mandatory carriage of all local television stations by a direct broadcast satellite, or DBS, carrier in any market in which that carrier chooses to provide one or more local signals pursuant to the statutory copyright license and, by mid-2006, all such local stations must be accessible by subscribers through a single receiving antenna. Currently, two DBS carriers provide such local service in more than 90 of the largest markets, including most Univision markets. Univision has stated that it intends to obtain DBS carriage for each of its eligible stations.

Proposed changes. Proposals for additional or revised regulations and requirements are pending before Congress and federal regulatory agencies on an ongoing basis. It cannot be predicted at this time whether new legislation, court action or FCC regulations, or changes in the interpretation or enforcement of current laws and regulations, will have an adverse impact on Univision's operations.

RADIO

The regulations applicable to the operation of radio stations in Mexico are identical in all material respects to those applicable to television stations. As of December 31, 2004, the expiration dates of our radio concessions ranged from 2008 to 2016. See " -- Television," " -- Radio -- Radio Stations" and "Key Information -- Risk Factors -- Risk Factors Related to Our Business -- The Operation of Our Business May Be Terminated or Interrupted if the Mexican Government Does Not Renew or Revokes Our Broadcast or Other Concessions; Proposed Revisions to the Ley Federal de Radio y Television, or Radio and Television Law, if Adopted, Could Adversely Impact Our Results of Operations."

CABLE TELEVISION

Concessions. Cable television operators now apply for a public telecommunications network concession from the SCT in order to operate their networks and provide cable television services and other multimedia communications services. Applications are submitted to the SCT and, after a formal review process, a public telecommunications network concession is granted for an initial term of up to 30 years. Cablevision's previous cable television concession expired in August 1999. On September 23, 1999, Cablevision obtained a telecommunications concession from the SCT, which expires in 2029, and a concession to transmit the over-the-air UHF restricted television channel 46, which expires in 2010. Pursuant to its public telecommunications concession, Cablevision can provide cable television, limited audio transmission services, specifically music programming, bidirectional Internet access and unlimited data transmission services in Mexico City and surrounding areas in the State of Mexico. The scope of Cablevision's public telecommunications concession is much broader than the scope of its former cable television concession, which covered only cable television services and audio programming. A public telecommunications concession may be renewed upon its expiration, or revoked or terminated prior to its expiration in a variety of circumstances including:

- unauthorized interruption or termination of service;
- interference by the concessionaire with services provided by other operators;
- noncompliance with the terms and conditions of the public telecommunications concession;
- the concessionaire's refusal to interconnect with other operators;
- loss of the concessionaire's Mexican nationality;
- unauthorized assignment, transfer or encumbrance, in whole or in part, of the concession or any rights or assets;
- the liquidation or bankruptcy of the concessionaire; and
- ownership or control of the capital stock of the concessionaire by a foreign government.

In addition, the SCT may establish under any public telecommunications concession further events which could result in revocation of the concession. Under current Mexican laws and regulations, upon the expiration or termination of a public telecommunications concession, the Mexican government has the right to purchase those assets of the concessionaire that are directly related to the concession, at market value.

Cable television operators, including Cablevision, are subject to the Telecommunications Law and, since February 2000, have been subject to the Reglamento del Servicio de Television y Audio Restringidos, or Restricted Television and Audio Services Regulations. Under current Mexican law, cable television operators are classified as public telecommunications networks, and must conduct their business in accordance with Mexican laws and regulations applicable to public telecommunications networks which, in addition to the Telecommunications Law and the Restricted Television and Audio Services Regulations, includes the Federal Television and Radio Law and

the Reglamento de la Ley Federal de Radio y Television y de la Industria Cinematografica, or the Federal Television, Radio and Film Industry Regulations.

Under the applicable Mexican law, the Mexican government, through the SCT, may also temporarily seize or even expropriate all of a public telecommunications concessionaire's assets in the event of a natural disaster, war, significant public disturbance or threats to internal peace and for other reasons related to preserving public order or for economic reasons. The Mexican government is obligated by Mexican law to compensate the concessionaire, both for the value of the assets seized and related profits.

Supervision of Operations. The SCT regularly inspects the operations of cable systems and cable television operators must file annual reports with the SCT.

Under Mexican law, programming broadcast on Cablevision networks is not subject to judicial or administrative censorship. However, this programming is subject to various regulations, including prohibitions on foul language, programming which is against good manners and customs or programming which is against the national safety or against public order.

Mexican law also requires cable television operators, including Cablevision, to broadcast programming that promotes Mexican culture, although cable television operators are not required to broadcast a specified amount of this type of programming.

In addition to broadcasting programming that promotes Mexican culture, cable television operators must also set aside a specified number of their channels, which number is based on the total number of channels they transmit, to transmit programming provided by the Mexican government. Cablevision currently broadcasts programming provided by the Mexican government on three of its channels, Channel 11, Channel 22 and Channel 5, a channel used by the Mexican Congress.

Restrictions on Advertising. Mexican law restricts the type of advertising which may be broadcast on cable television. These restrictions are similar to those applicable to advertising broadcast on over-the-air Channels 2, 4, 5 and 9. See " -- Regulation -- Television -- Mexican Television Regulations -- Restrictions on Advertising."

Government Participation. Pursuant to the terms of cable concessions, cable television operators, including Cablevision through September 23, 1999, were required to pay, on a monthly basis, absent a waiver from the Mexican government, up to 15% of revenues derived from subscriber revenues and substantially all other revenues, including advertising revenues, to the Mexican government in exchange for use of the cable concession. Most cable concessionaires, including Cablevision, obtained a waiver on an annual basis to pay 9% of their revenues as participation to the Mexican government, as opposed to 15%. Under the Federal Telecommunications Law and accompanying regulations, cable television operators with public telecommunications network concessions, including Cablevision, no longer have to pay the Mexican government any percentage of their revenues.

Forfeiture of Assets. Under Mexican regulations, at the end of the term of a public telecommunications concession, assets of concessionaires may be purchased by the Mexican government at market value.

NON-MEXICAN OWNERSHIP OF PUBLIC TELECOMMUNICATIONS NETWORKS

Under current Mexican law, non-Mexicans may currently own up to 49% of the outstanding voting stock of Mexican companies with a public telecommunications concession. However, non-Mexicans may currently own up to all of the outstanding voting stock of Mexican companies with a public telecommunications concession to provide cellular telephone services, provided, that the requisite approvals are obtained from the Comision Nacional de Inversiones Extranjeras, or the Foreign Investment Commission.

APPLICATION OF EXISTING REGULATORY FRAMEWORK TO INTERNET ACCESS AND IP

TELEPHONY SERVICES

When Cablevision begins offering IP telephony services, it may be required, under Mexican law, to permit other concessionaires to connect their network to its network in a manner that enables its customers to choose the network by which the services are carried.

To the extent that a cable television operator has any available capacity on its network, as a public telecommunications network, Mexican law requires the operator to offer third party providers access to its network. Cablevision currently does not have any capacity available on its network to offer to third party providers and does not expect that it will have capacity available in the future given the broad range of services it plans to provide over its network.

SATELLITE COMMUNICATIONS

Mexican Regulation of DTH Satellite Services. Concessions to broadcast DTH satellite services are for an initial term of up to 30 years, and are renewable for up to 30 years. We received a 30-year concession to operate DTH satellite services in Mexico utilizing SatMex satellites on May 24, 1996. On November 27, 2000, we received an additional 20-year concession to operate our DTH satellite service in Mexico using the PAS-9 satellite system, a foreign-owned satellite system.

Like a public telecommunications network concession, a DTH concession may be revoked or terminated by the SCT prior to the end of its term in certain circumstances, which for a DTH concession include:

- the failure to use the concession within 180 days after it was granted;
- a declaration of bankruptcy of the concessionaire;
- failure to comply with the obligations or conditions specified in the concession;
- unlawful assignments of, or encumbrances on, the concession; or
- failure to pay to the government the required fees.

At the termination of a concession, the Mexican government has the preemptive right to acquire the assets of a DTH satellite service concessionaire. In the event of a natural disaster, war, significant public disturbance or for reasons of public need or interest, the Mexican government may temporarily seize and expropriate all assets related to a concession, but must compensate the concessionaire for such seizure. The Mexican government may collect fees based on DTH satellite service revenues of a satellite concessionaire.

Under the Telecommunications Law, DTH satellite service concessionaires may freely set customer fees but must notify the SCT of the amount, except that if a concessionaire has substantial market power, the SCT may determine fees that may be charged by such concessionaire. The Telecommunications Law specifically prohibits cross-subsidies.

Non-Mexican investors may currently own up to 49% of full voting equity of DTH satellite system concessionaires; provided that Mexican investors maintain control of the operation. Foreign investors may increase their economic participation in the equity of a concessionaire through neutral investment mechanisms such as the CPO trust.

Regulation of DTH Satellite Services in Other Countries. Our current and proposed DTH joint ventures in other countries are and will be governed by laws, regulations and other restrictions of such countries, as well as treaties that such countries have entered into, regulating the delivery of communications signals to, or the uplink of signals from, such countries. In addition, the laws of some other countries establish restrictions on our ownership interest in some of these DTH joint ventures as well as restrictions on programming that may be broadcast by these DTH joint ventures.

MEXICAN ANTITRUST LAW

Mexico's federal antitrust law, or Ley Federal de Competencia Economica, and the accompanying regulations, the Reglamento de la Ley Federal de Competencia Economica, may affect some of our activities, including our ability to introduce new products and services, enter into new or complementary businesses and complete acquisitions. In addition, the federal antitrust law and the accompanying regulations may adversely affect our ability to determine the rates we charge for our services and products. In addition, approval of the Mexican Antitrust Commission is required for us to acquire and sell significant businesses or enter into significant transactions, such as joint ventures. See "Key Information -- Risk Factors -- Risk Factors Related to Mexico -- Mexican Antitrust Laws May Limit Our Ability to Expand Through Acquisitions or Joint Ventures."

SIGNIFICANT SUBSIDIARIES, ETC.

The table below sets forth our significant subsidiaries and Innova, a variable interest entity, as of December 31, 2004.

NAME OF SIGNIFICANT SUBSIDIARY	JURISDICTION OF ORGANIZATION OR INCORPORATION	PERCENTAGE OWNERSHIP (1)
Corporativo Vasco de Quiroga, S.A. de C.V.(2)(3).....	Mexico	100.0%
CVQ Espectaculos, S.A. de C.V.(2)(3).....	Mexico	100.0%
Editora Factum, S.A. de C.V.(3)(4).....	Mexico	100.0%
Empresas Cablevision, S.A. de C.V.(3)(5).....	Mexico	51.0%
Galavision DTH, S. de R.L. de C.V.(3)(6).....	Mexico	100.0%
Editorial Televisa, S.A. de C.V.(3)(7).....	Mexico	100.0%
Factum Mas, S.A. de C.V.(3)(8).....	Mexico	100.0%
Sky DTH, S. de R.L. de C.V.(8).....	Mexico	100.0%
Innova, S. de R.L. de C.V. (Innova).(3)(9).....	Mexico	60.0%
Grupo Distribuidoras Intermex, S.A. de C.V.(3)(10).....	Mexico	100.0%
Campus America, S.A. de C.V.(11).....	Mexico	100.0%
Television Holdings USA, LLC(11).....	USA	100.0%
Sistema Radiopolis, S.A. de C.V.(3)(12).....	Mexico	50.0%
Telesistema Mexicano, S.A. de C.V.(13).....	Mexico	100.0%
G - Televisa - D, S.A. de C.V.(14).....	Mexico	100.0%
Televisa, S.A. de C.V.(15).....	Mexico	100.0%
Television Independiente de Mexico, S.A. de C.V.(13) ..	Mexico	100.0%

(1) Percentage of equity owned by us directly or indirectly through subsidiaries or affiliates.

(2) One of two direct subsidiaries through which we conduct the operations of our Other Businesses segment, excluding Internet operations.

(3) While this subsidiary is not a significant subsidiary within the meaning of Rule 1-02(w) of Regulation S-X under the Securities Act, we have included this subsidiary in the table above to provide a more complete description of our operations.

- (4) Subsidiary through which we own equity interests in and conduct our cable television and Internet businesses.
- (5) Direct subsidiary through which we conduct the operating of our Cable Television business. For a description of America Movil's sale of its 49% equity interest in this business in April 2002, see "Information on the Company -- Business Overview -- Cable Television -- Mexico City Cable System."
- (6) Subsidiary through which we own equity interests in DTH joint ventures, excluding Innova.
- (7) Subsidiary through which we conduct the operations of our Publishing segment.
- (8) One of two subsidiaries through which we own a 60% equity interest in Innova.
- (9) Variable interest entity through which we conduct the operations of our Sky Mexico segment.
- (10) Direct subsidiary through which we conduct the operations of our Publishing Distribution segment.
- (11) One of two subsidiaries through which we own most of our equity interest in Univision.
- (12) Direct subsidiary through which we conduct the operations of our Radio segment. Since we hold a controlling 50% full voting stake in this subsidiary and have the right to elect a majority of the members of its Board of Directors, we will continue to consolidate 100% of the results of operations of this subsidiary in accordance with Mexican GAAP. See "Operating and Financial Review and Prospects -- Results of Operations -- Radio" and "Operating and Financial Review and Prospects -- Results of Operations -- Minority Interest."
- (13) One of two direct subsidiaries through which we conduct the operations of our Television Broadcasting, Pay Television Networks and Programming Exports segments.
- (14) Indirect subsidiary through which we conduct certain operations of our Television Broadcasting segment.
- (15) Indirect subsidiary through which we conduct the operations of our Television Broadcasting, Pay Television Networks and Programming Exports segments.

PROPERTY, PLANT AND EQUIPMENT

Broadcasting, Office and Production Facilities. Our properties consist primarily of broadcasting, production facilities, television and reporter stations, technical operations facilities, workshops, studios and office facilities, most of which are located in Mexico. We own most of our properties or lease offices and facilities through indirect wholly owned and majority owned subsidiaries. There are no major encumbrances on any of our properties, and we currently do not have any significant plans to construct any new properties or expand or improve our existing properties. Our principal offices, which we own, are located in Santa Fe, a suburb of Mexico City. Each of our television stations has individual transmission facilities located in Mexico, substantially all of which we own. Our television production operations are concentrated in two locations in Mexico City, 14 studios in San Angel and 10 studios located in Chapultepec. We own substantially all of these studios. The local television stations wholly or majority owned by us have in the aggregate 35 production studios. We own other properties used in connection with our operations, including a training center, technical operations facilities, studios, workshops, television and repeater stations, and office facilities. We beneficially own Azteca Stadium, which seats approximately 105,000 people, through a trust arrangement which was renewed in 1993 for a term of 30 years and which may be extended for additional periods. In the aggregate, these properties, excluding Azteca Stadium, currently represent approximately 4.7 million square feet of space, of which over 3.2 million square feet are located in Mexico City and the surrounding areas, and approximately 1.4 million square feet are located outside of Mexico City and the surrounding areas.

Our cable television, radio, publishing and Mexican DTH satellite service businesses are located in Mexico City. We also own the transmission and production equipment and facilities of our radio stations located outside Mexico City.

We also own or lease over a total of 481,349 square feet in properties in the U.S., Latin America and Spain in connection with our operations there. We own or lease all of these properties through indirect wholly owned and majority owned subsidiaries. The following table summarizes our real estate and lease agreements in the U.S., Latin America and Spain.

OPERATIONS	NUMBER OF PROPERTIES	LOCATION
TELEVISION AND NEWS ACTIVITIES		
Owned properties.....	1	San Diego, California
Leased properties.....	4	Madrid, Spain San Diego, California Miami, Florida
PUBLISHING ACTIVITIES		
Owned properties.....	1	Miami, Florida
Leased properties.....	4	Beverly Hills, California Miami, Florida New York, New York San Juan, Puerto Rico
PUBLISHING DISTRIBUTION AND OTHER ACTIVITIES		
Owned properties.....	8	Alicante, Colombia Guayaquil, Ecuador Quito, Ecuador Buenos Aires, Argentina
Leased properties*.....	16	Quito, Ecuador Cali, Colombia Bogota, Colombia Medellin, Colombia Lima, Peru Buenos Aires, Argentina Panama, Panama Chacao, Venezuela Santiago, Chile

* Not including a network of 45 newsstands and point-of-sale arrangements.

Satellites. We currently use transponder capacity on four satellites:

Satmex V, which reaches Mexico, the U.S., Latin America, except Brazil, and the Caribbean; PAS-3R, which reaches North America, Western Europe, Latin America and the Caribbean; Solidaridad II, which reaches Mexico; and Galaxy IVR, which reaches Mexico, the U.S. and Canada. According to published reports, Galaxy IVR has experienced irreparable damage and its period of operation is expected to last until approximately February 2007. A new replacement for the Galaxy IVR, Galaxy 17, will be launched in the third quarter of 2006, initiating its operations in the fourth quarter 2006. Sky, our DTH satellite joint venture in Mexico, uses transponder capacity from PAS-9. PAS-9 provides coverage of Central America, Mexico, the Southern U.S. and the Caribbean. The PAS-9 satellite is currently functioning and its period of operation is expected to last 15 years. We do not have a replacement plan for PAS-9. For a description of guarantees related to our DTH joint venture transponder obligations, see Note 12 to our year-end financial statements.

On September 20, 1996, PanAmSat, our primary satellite service provider, agreed to provide us transponder service on three to five PAS-3R Ku-band transponders, at least three of which were intended to be for the delivery of DTH satellite services to Spain. Under the PAS-3R transponder contract, as amended, we were required to pay for five transponders at an annual fee for each transponder of U.S.\$3.1 million. We currently have available transponder capacity on two 36 MHz C-band transponders on Galaxy IVR, which reaches Mexico, the U.S. and Canada, due to an exchange with three of the five 54 MHz Ku-band transponders on PAS-3R described above. For each of the 36 MHz C-band transponders we pay an annual fee of approximately U.S.\$3.7 million.

PanAmSat and DIRECTV announced the completion of the sale of PanAmSat on August 20, 2004, to affiliates of Kohlberg, Kravis, Roberts & Co. L.P., The Carlyle Group and Providence Equity Partners, Inc. To date, the sale has had no material effect on our relationship with PanAmSat, although we cannot predict our future relationship with PanAmSat.

With several new domestic and international satellites having been launched recently, and with several others scheduled for launch in the next few years, including those scheduled for launch by PanAmSat, we believe that we will be able to secure satellite capacity to meet our needs in the future, although no assurances can be given in this regard.

Insurance. We maintain comprehensive insurance coverage for our offices, equipment and other property, subject to some limitations, that result from a business interruption due to natural disasters or other similar events.

ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

You should read the following discussion together with our year-end financial statements and the accompanying notes, which appear elsewhere in this annual report. This annual report contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to these differences include, but are not limited to, those discussed below and elsewhere in this annual report, particularly in "Key Information -- Risk Factors." In addition to the other information in this annual report, investors should consider carefully the following discussion and the information set forth under "Key Information -- Risk Factors" before evaluating us and our business.

PREPARATION OF FINANCIAL STATEMENTS

Our year-end financial statements have been prepared in accordance with Mexican GAAP, which differ in some significant respects from U.S. GAAP. Note 26 to our year-end financial statements describes the principal differences between Mexican GAAP and U.S. GAAP as they relate to us through December 31, 2004. Note 26 to our year-end financial statements provides a reconciliation to U.S. GAAP of net income and total stockholders' equity. Note 26 to our year-end financial statements also presents all other disclosures required by U.S. GAAP, as well as condensed financial statement data.

RESULTS OF OPERATIONS

The following tables set forth our results of operations data for the indicated periods as a percentage of net sales:

	YEAR ENDED		
	DECEMBER 31, (1) (2)		
	2002	2003	2004
SEGMENT NET SALES			
Television Broadcasting.....	64.0%	64.4%	56.9%
Pay Television Networks.....	2.8	2.9	2.7
Programming Exports.....	6.4	6.8	6.4
Publishing.....	7.7	7.5	7.0
Publishing Distribution.....	6.1	7.5	5.2
Sky Mexico(3).....	-	-	12.1
Cable Television.....	5.1	4.1	3.7
Radio.....	0.8	1.1	1.0
Other Businesses.....	7.1	5.7	5.0
	-----	-----	-----
Total Segment Net Sales.....	100.0%	100.0%	100.0%
Intersegment Operations.....	(1.7)	(1.3)	(2.4)
	-----	-----	-----
Total Consolidated Net Sales.....	98.3%	98.7%	97.6%
	=====	=====	=====

	YEAR ENDED		
	DECEMBER 31, (1)		
	2002	2003	2004
TOTAL NET SALES			
Cost of sales.....	57.6%	54.7%	50.6%
Selling expenses.....	7.8	7.2	7.5
Administrative expenses.....	6.3	6.0	5.6
Operating income before depreciation and amortization.....	28.3	32.1	36.3
Total.....	100.0%	100.0%	100.0%

(1) Certain segment data set forth in these tables may vary from certain data set forth in our year-end consolidated financial statements due to differences in rounding. The segment net sales and total segment net sales data set forth in this annual report reflect sales from intersegment operations in all periods presented. See Note 25 to our year-end financial statements.

(2) Percentages for 2002 have been reclassified to reflect the classification of the results of our Music Recording segment as discontinued operations. See footnote (2) to the tables set forth under the caption " -- Summary of Business Segment Results," " -- Discontinued Operations" and Note 22 to our year-end financial statements.

(3) Effective April 1, 2004, we began consolidating Sky Mexico, according with the Financial Accounting Standard Board Interpretation No. 46, "Consolidation of Variable Interest Entities" (FIN 46), which is applicable under Mexican GAAP Bulletin A-8, "Supplementary Application of International Accounting Standards."

SUMMARY OF BUSINESS SEGMENT RESULTS

The following tables set forth the net sales and operating income (loss) before depreciation and amortization of each of our business segments and intersegment sales and corporate expenses for the years ended December 31, 2002, 2003 and 2004. Information regarding our business segments and unallocated corporate expenses for 2002 was prepared in accordance with International Accounting Standard No. 14, "Segment Reporting" (IAS 14), which was applicable in that year to Mexican companies under Bulletin A-8. In 2003, we adopted the provisions of Bulletin B-5, "Financial Information by Segments" issued by the MIPA, which provisions are similar to those standards previously applied by us under IAS 14. These standards require us to look to our internal organizational structure and reporting system to identify our business segments. In accordance with these standards, we currently classify our operations into nine business segments: Television Broadcasting, Pay Television Networks, Programming Exports, Publishing, Publishing Distribution, Sky Mexico, Cable Television, Radio and Other Businesses. In 2004, we changed the names of two of our segments -- "Programming for Pay Television" to "Pay Television Networks" and "Programming Licensing" to "Programming Exports" -- in order to make the descriptions more accurate. See Note 25 to our year-end financial statements. Results attributable to our music recording operations, which we sold to Univision in April 2002, have been classified as discontinued operations. See " -- Discontinued Operations" and Note 22 to our year-end financial statements. Our results for 2004 include Sky Mexico as a segment. Effective April 1, 2004, we adopted the guidelines of the Financial Accounting Standards Board Interpretation No. 46, "Consolidation of Variable Interest Entities" (FIN 46) in accordance with Mexican GAAP Bulletin A-8 "Supplementary Application of International Accounting Standards." Before adopting FIN 46, we accounted for our investment in Sky Mexico by applying the equity method and recognized equity in losses in excess of our investment up to the amount of the guarantees made by us in connection with certain capital lease obligations of Sky Mexico. See Note 1(g) to our year-end financial statements.

	YEAR ENDED DECEMBER 31, (1) (2)		
	2002	2003	2004
MILLIONS OF MEXICAN PESOS IN PURCHASING POWER AS OF DECEMBER 31, 2004			
SEGMENT NET SALES			
Television Broadcasting....	Ps.15,354.2	Ps.16,185.7	Ps.17,102.0
Pay Television Networks....	665.0	736.0	800.8
Programming Exports.....	1,536.9	1,714.8	1,917.3
Publishing.....	1,840.9	1,880.6	2,093.4
Publishing Distribution....	1,469.7	1,868.4	1,574.0
Sky Mexico(3).....	--	--	3,636.9
Cable Television.....	1,212.1	1,037.7	1,127.9
Radio.....	204.6	262.2	295.8
Other Businesses.....	1,694.0	1,431.9	1,497.5
Total Segment Net Sales..	23,977.4	25,117.3	30,045.6
Intersegment Operations....	(397.2)	(331.0)	(731.3)
Total Consolidated Net Sales.....	Ps.23,580.2	Ps.24,786.3	Ps.29,314.3

	YEAR ENDED DECEMBER 31, (1) (2)		
	2002	2003	2004
MILLIONS OF MEXICAN PESOS IN PURCHASING POWER AS OF DECEMBER 31, 2004			
SEGMENT OPERATING INCOME (LOSS) BEFORE DEPRECIATION AND AMORTIZATION			
Television Broadcasting.....	Ps.5,996.3	Ps.6,879.7	Ps.7,760.2
Pay Television Networks.....	113.0	162.3	298.5
Programming Exports.....	250.9	523.9	731.7
Publishing.....	296.5	364.1	424.7
Publishing Distribution.....	16.3	9.1	(25.4)
Sky Mexico(3).....	--	--	1,338.5
Cable Television.....	354.8	317.1	356.6
Radio.....	(32.1)	23.7	31.7
Other Businesses.....	(167.0)	(158.6)	(127.7)
Total Segment OIBDA.....	6,828.7	8,121.3	10,788.8
Corporate Expenses(4).....	(156.9)	(157.1)	(156.0)
Total Consolidated OIBDA.....	Ps.6,671.8	Ps.7,964.2	Ps.10,632.8

(1) Certain segment data set forth in these tables may vary from certain data set forth in our year-end financial statements due to differences in rounding. The segment net sales and total segment net sales data set forth in this annual report reflect sales from intersegment operations in all periods presented. See Note 25 to our year-end financial statements.

(2) Total segment net sales, total consolidated net sales, total segment operating income before depreciation and amortization and total consolidated operating income before depreciation and amortization do not reflect the results of operations of our Music Recording segment. We sold our music recording operations to Univision in April 2002. We no longer engage in the music recording business and under Mexican GAAP the results of our Music Recording segment have been classified as discontinued operations. See " -- Discontinued Operations" and Note 22 to our year-end financial statements.

(3) Effective April 1, 2004, we began consolidating Sky Mexico, in accordance with the Financial Accounting Standards Board Interpretation No. 46 "Consolidation of Variable Interest Entities" (FIN 46), which is applicable under Mexican GAAP Bulletin A-8, "Supplementary Application of International Accounting Standards."

(4) The segment operating income (loss) before depreciation and amortization, or OIBDA, and total segment operating income before depreciation and amortization data set forth in this annual report do not reflect corporate expenses in any period presented. Total

consolidated operating income before depreciation and amortization reflects corporate expenses in all periods presented. See Note 25 to our year-end financial statements.

SEASONALITY

Our results of operations are seasonal. We typically recognize a disproportionately large percentage of our overall advertising net sales in the fourth quarter in connection with the holiday shopping season. For example, in 2002, 2003 and 2004, we recognized 29.5%, 29.8%, and 28.7%, respectively, of our net sales in the fourth quarter of the year. Our costs, in contrast to our revenues, are more evenly incurred throughout the year and generally do not correlate to the amount of advertising sales.

RESULTS OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31, 2004 COMPARED TO THE YEAR ENDED DECEMBER 31, 2003

TOTAL SEGMENT RESULTS

NET SALES

Our net sales increased by Ps.4,528.0 million, or 18.3%, to Ps.29,314.3 million for the year ended December 31, 2004 from Ps.24,786.3 million for the year ended December 31, 2003. This increase reflects the consolidation of Sky Mexico into our financial statements beginning in April 2004, as well as higher revenues in most of our businesses units. These increases were partially offset by a decrease in the revenues of the Publishing Distribution segment due to the change in the accounting treatment. See " -- Publishing Distribution" below for a description of this change in accounting treatment.

COST OF SALES

Cost of sales increased by Ps.1,275.7 million, or 9.4%, to Ps.14,833.8 million for the year ended December 31, 2004 from Ps.13,558.1 million for the year ended December 31, 2003. This increase principally reflects the consolidation of Sky Mexico beginning in April 2004, as well as increases in costs of sales in our Television Broadcasting, Publishing, Cable Television, Radio and Other Businesses segments. These increases were partially offset by lower costs in the Publishing Distribution segment as a result of the change in the accounting treatment and decreases in cost of sales in Pay Television Networks and Programming Exports segments.

SELLING EXPENSES

Selling expenses increased by Ps.420.2 million, or 23.6%, to Ps.2,201.0 million for the year ended December 31, 2004 from Ps.1,780.8 million for the year ended December 31, 2003. This increase principally was due to the consolidation of Sky Mexico, as well as higher selling expenses in our Publishing, Cable Television and Radio segments and increases in promotional and advertising expenses and personnel costs due to the restructuring of our sales force. These increases were partially offset by lower selling expenses in our Television Broadcasting, Pay Television Networks, Programming Exports, Publishing Distribution and Other Businesses segments.

ADMINISTRATIVE EXPENSES

Administrative expenses increased by Ps.163.5 million, or 11.0%, to Ps.1,646.7 million for the year ended December 31, 2004 from Ps.1,483.2 million for the year ended December 31, 2003. This increase reflects the consolidation of Sky Mexico, as well as increases in administrative expenses in our Television Broadcasting, Programming Exports, Publishing, Publishing Distribution and Cable Television segments. These increases were partially offset by a decrease in the administrative expenses in our Pay Television Networks, Radio and Other Businesses segments.

OPERATING INCOME BEFORE DEPRECIATION AND AMORTIZATION

Operating income before depreciation and amortization increased by Ps.2,668.6 million, or 33.5%, to Ps.10,632.8 million for the year ended December 31, 2004 from Ps.7,964.2 million for the year ended December 31, 2003. This increase reflects the increase in our total net sales, partially offset by the increases in cost of sales and operating expenses.

Excluding the effect of the consolidation of Sky Mexico and the change in accounting treatment of the Publishing Distribution segment on our operating results for the year ended December 31, 2004, our net sales would have increased by approximately 5.8% and our operating income before depreciation and amortization would have increased by approximately 11.6%.

TELEVISION BROADCASTING

Television Broadcasting net sales are derived primarily from the sale of advertising time on our national television networks, Channels 2, 4, 5 and 9, and local stations, including our English language station on the Mexico/U.S. border. The contribution of local stations net sales to Television Broadcasting net sales was 13.7% in 2004, 13.2% in 2003 and 12.5% in 2002. No Television Broadcasting advertiser accounted for more than 10% of Television Broadcasting advertising sales in any of these periods.

ADVERTISING RATES AND SALES

We sell commercial time in three ways: advanced payment, upfront and scatter basis. Advertisers that elect the advanced payment or upfront options lock in prices for the upcoming year or quarter, regardless of future price changes. Advertisers that choose the advanced payment option make annual prepayments, with cash or short-term notes, and are charged the lowest rates for their commercial time, given the highest priority in schedule placement, and given a first option in advertising during special programs. Upfront advertisers make commitments for a year or a quarter, without making advance payments, and have second priority in scheduling commercial time during regular and special programs. Scatter advertisers, or advertisers who choose not to make advance or upfront payments but rather advertise from time to time, risk both higher prices and lack of access to choice commercial time slots. We offer guarantees to advanced payment and upfront advertisers based on the growth of their annual commitment. The largest portion of our sales force incentive compensation ties bonuses to total year-end results.

The Mexican government does not restrict our ability to set our advertising rates. In setting advertising rates and terms, we consider, among other factors, the likely effect of rate increases on the volume of advertising sales. We have historically been flexible in setting rates and terms for our television advertising. Nominal rate increases have traditionally been much higher in prime time and weekday prime time hours as a result of high demand for advertising during these hours. During 2002, 2003, 2004 and the three months ended March 31, 2005, we increased our nominal advertising rates on a quarterly basis, and we intend to continue to increase our nominal advertising rates on a quarterly basis throughout 2005. During prime time broadcasts, we sold an aggregate of 1,587 hours of advertising time in 2004, 1,660 hours of advertising time in 2003, and 1,336 hours of advertising time in 2002. During sign-on to sign-off hours, we sold 3,357 hours of advertising time in 2004, 3,491 hours of advertising time in 2003, and 2,555 hours of advertising time in 2002. Television Broadcasting advertising time that is not sold to the public is primarily used to satisfy our legal requirement to make broadcast time available to the Mexican government and to promote our programs, services and products and entities in which we have made investments.

Net Sales

Television Broadcasting net sales increased by Ps.916.3 million, or 5.7%, to Ps.17,102.0 million for the year ended December 31, 2004 from Ps.16,185.7 million for the year ended December 31, 2003. This increase is mainly attributable to the broadcast of the Olympic Games and other major sporting events and an increase of 9.8% in local sales driven mainly by Channel 4TV. Excluding the non-recurring revenues related to the political advertising campaigns in 2003, Television Broadcasting net sales would have increased 10.4%.

Operating Income before Depreciation and Amortization

Television Broadcasting operating income before depreciation and amortization increased by Ps.880.5 million, or 12.8%, to Ps.7,760.2 million for the year ended December 31, 2004 from Ps.6,879.7 million for the year ended December 31, 2003. This increase was primarily due to the increase in net sales and a marginal decrease in operating expenses. Cost of sales had a marginal increase in 2004 as compared to 2003 as a result of the incurrence of non-recurring costs related to sporting events, including charges related to transmission rights for the Olympic Games.

PAY TELEVISION NETWORKS

Pay Television Networks net sales are derived primarily from revenues received in exchange for providing programming to pay television providers servicing the U.S., Europe and Latin America, including other cable systems in Mexico and the DTH satellite joint ventures in which we have interests. Revenues from advertising time sold with respect to programs provided to cable systems in Mexico are also reflected in this segment. Pay Television Networks sell advertising independently from our other media-related segments on a scatter basis.

Net Sales

Pay Television Networks net sales increased by Ps.64.8 million, or 8.8%, to Ps.800.8 million for the year ended December 31, 2004 from Ps.736.0 million for the year ended December 31, 2003. This increase was primarily due to higher advertising revenues and revenues from programs sold to pay television providers in Mexico, as well as higher revenues from programs sold to pay television providers in Latin America. These increases were partially offset by lower revenues from programs sold to pay television providers in Spain.

Operating Income before Depreciation and Amortization

Pay Television Networks operating income before depreciation and amortization increased by Ps.136.2 million, or 83.9%, to Ps.298.5 million for the year ended December 31, 2004, from Ps.162.3 million for the year ended December 31, 2003. This increase was primarily due to higher sales, a decrease in cost of sales due to lower signal and programming costs and lower operating expenses. Operating expenses decreased primarily due to a decrease in commissions and the provision for doubtful trade accounts.

PROGRAMMING EXPORTS

Programming Exports net sales consist primarily of revenues from program license agreements and principally relate to our telenovelas, our variety programs and programming produced by third parties. Approximately 63.5% in 2004, 65.6% in 2003 and 55.3% in 2002 of net sales for this segment were attributable to programming licensed under our program license agreement with Univision. In 2004, 2003 and 2002, we received U.S.\$105.0 million, U.S.\$96.1 million, and U.S.\$77.7 million, respectively, in program royalties from Univision, related to the Univision and Galavision networks. In 2003, we gained the right to receive from Univision an additional 12% in royalties from the net time sales of the TeleFutura network, subject to certain adjustments. See "Information on the Company -- Business Overview -- Univision." We also license programming to broadcasters in Latin America, the Middle East, Russia and other countries.

Net Sales

Programming Exports net sales increased by Ps.202.5 million, or 11.8%, to Ps.1,917.3 million for the year ended December 31, 2004 from Ps.1,714.8 million for the year ended December 31, 2003. This increase was primarily due to higher royalties paid to us under our program license agreement with Univision, as well as an increase in export sales to Latin America. We received U.S.\$105.0 million in royalties from Univision for the year ended December 31, 2004, as compared to U.S.\$96.1 million for the year ended December 31, 2003. The increase in Programming Export net sales was partially offset by lower export sales to Europe, Asia and Africa.

Operating Income before Depreciation and Amortization

Programming Exports operating income before depreciation and amortization increased by Ps.207.8 million, or 39.7%, to Ps.731.7 million for the year ended December 31, 2004 from Ps.523.9 million for the year ended December 31, 2003. This increase was primarily due to the increase in net sales, as well as a marginal decrease in cost of sales and operating expenses due to lower provision for doubtful trade accounts. The impact of these changes was partially offset by an increase in commissions, personnel costs and costs related to consulting services.

PUBLISHING

Publishing net sales are primarily derived from the sale of advertising pages in our various magazines, as well as magazine sales to distributors. Our Publishing segment sells advertising independently from our other media-related segments. Advertising rates are based on the publication and the assigned space of the advertisement.

Net Sales

Publishing net sales increased by Ps.212.8 million, or 11.3%, to Ps.2,093.4 million for the year ended December 31, 2004 from Ps.1,880.6 million for the year ended December 31, 2003. This increase was primarily due to an increase in advertising pages sold in Mexico and abroad and an increase in magazines sold abroad. These increases in revenue were partially offset by a negative translation effect on foreign-currency denominated sales.

Operating Income before Depreciation and Amortization

Publishing operating income before depreciation and amortization increased by Ps.60.6 million, or 16.6%, to Ps.424.7 million for the year ended December 31, 2004 from Ps.364.1 million for the year ended December 31, 2003. This increase primarily reflects the increase in net sales and was partially offset by increases (i) in cost of sales due to the increase in costs of supplies and (ii) operating expenses attributable to higher personnel and distribution services costs resulting from an increase in subscriptions to our magazines.

PUBLISHING DISTRIBUTION

Publishing Distribution net sales are primarily derived from the distribution of magazines published by us, our joint ventures or independent publishers and pursuant to licenses and other arrangements with third parties. Of the total volume of magazines we distributed, approximately 65.4% in 2004, 63.7% in 2003 and 64.2% in 2002 were published by our Publishing segment.

In the past, the agreements with our publishers provided that we did not bear any risk on inventory transferred to our publishers. Due to certain amendments to the terms and conditions under such agreements affecting the risk of loss provisions, in October 2004, we changed the accounting treatment of our Publishing Distribution segment's sales and cost of goods sold. As a result of this change, we now recognize the difference between sales and cost of sales in the Publishing Distribution segment as net sales. This accounting change does not have any impact on operating results before depreciation and amortization.

Net Sales

Publishing Distribution net sales decreased by Ps.294.4 million, or 15.8%, to Ps.1,574.0 million for the year ended December 31, 2004 from Ps.1,868.4 million for the year ended December 31, 2003. This decrease was primarily attributable to the change in the accounting treatment of sales described above, which reduced net sales by Ps.510.2 million in the fourth quarter of 2004, as well as a decrease in the distribution of magazines published by third parties and sold in Mexico and a negative translation effect on foreign-currency denominated sales. These decreases were partially offset by higher sales of magazines published by our Publishing segment and higher sales of magazines published by third parties and sold abroad.

On a pro forma basis, giving effect to the accounting change described above for 2003 and 2004, Publishing Distribution net sales increased by Ps.13.1 million, or 3.7%, to Ps.368.7 million for the year ended December 31, 2004 from Ps.355.6 million for the year ended December 31, 2003.

Operating Result before Depreciation and Amortization

Publishing Distribution operating income before depreciation and amortization decreased by Ps.34.5 million, to a loss of Ps.25.4 million for the year ended December 31, 2004 from income of Ps.9.1 million for the year ended December 31, 2003. This decrease primarily reflects the decrease in net sales and higher operating expenses related to the distribution of magazines. The impact of these changes was partially offset by a decrease in cost of sales associated with the decrease in volume of magazines sold.

SKY MEXICO

Effective April 1, 2004, we began consolidating Sky Mexico into our financial statements due to our adoption of the guidelines of the Financial Accounting Standard Board Interpretation No. 46, "Consolidation of Variable Interest Entities" (FIN 46) in accordance with Mexican GAAP Bulletin A-8, "Supplementary Application of International Accounting Standards."

Net Sales

On a pro forma basis, giving effect to the consolidation of Sky Mexico as if it occurred on January 1, 2003, Sky Mexico net sales increased by Ps.749.9 million, or 18.7%, to Ps.4,769.0 million for the year ended December 31, 2004 from Ps.4,019.1 million for the year ended December 31, 2003. This increase was primarily due to a 17.0% increase in its subscriber base, which as of December 31, 2004 reached 1,002,500 gross active subscribers (including 60,700 commercial subscribers) compared to 856,600 gross active subscribers (including 48,500 commercial subscribers) as of December 31, 2003.

Operating Income before Depreciation and Amortization

Sky Mexico operating income before depreciation and amortization increased by Ps.486.0 million, or 38.8%, to Ps.1,739.4 million for the year ended December 31, 2004 from Ps.1,253.4 million for the year ended December 31, 2003. This increase was due to the increase in net sales, partially offset by (i) higher programming and activations costs and (ii) an increase in operating expenses due to more free special events offered to subscribers, higher commissions and promotion expenses and higher call center costs.

CABLE TELEVISION

Cable Television net sales are derived from Cable Television services and advertising sales. Net sales for Cable Television services generally consist of monthly subscription fees for basic and premium service packages, fees charged for pay-per-view programming and, to a significantly lesser extent, monthly rental and one-time installation fees. Net sales for Cable Television advertising consist of revenues from the sale of local and national advertising on Cablevision. Our Cable Television segment sells advertising independently from our other media-related segments on a scatter basis. Rates are based on the day and time the advertising is aired, as well the type of programming in which the advertising is aired. Cable subscription and advertising rates are adjusted periodically in response to inflation and in accordance with market conditions.

Net Sales

Cable Television net sales increased by Ps.90.2 million, or 8.7%, to Ps.1,127.9 million for the year ended December 31, 2004 from Ps.1,037.7 million for the year ended December 31, 2003. This increase is attributable to the elimination of the excise tax on telecommunication services, as well as higher revenues from advertising, broadband services and subscription fees. The impact of these changes was partially offset by a 2.6% decrease in the

subscriber base during 2004 to 355,000, of which more than 123,000 were digital subscribers at December 31, 2004, from a subscriber base of 364,400, of which approximately 60,300 were digital subscribers, at December 31, 2003.

Operating Income before Depreciation and Amortization

Cable Television operating income before depreciation and amortization increased by Ps.39.5 million, or 12.5%, to Ps.356.6 million for the year ended December 31, 2004 from Ps.317.1 million for the year ended December 31, 2003. This increase primarily reflects the increase in net sales, partially offset by an increase in (i) call center and personnel costs and (ii) advertising expenses.

RADIO

Radio net sales consist of advertising sold on our radio stations. Our Radio segment sells advertising independently from our other media-related segments on a scatter basis. Rates are based on the day and time the advertising is aired, as well as the type of programming in which the advertising is aired.

Net Sales

Radio net sales increased by Ps.33.6 million, or 12.8%, to Ps.295.8 million for the year ended December 31, 2004 from Ps.262.2 million for the year ended December 31, 2003. This increase primarily reflects an increase in advertising time sold especially in newscasts and sporting events programs.

Operating Income before Depreciation and Amortization

Radio operating income before depreciation and amortization increased by Ps.8.0 million, or 33.8%, to Ps.31.7 million for the year ended December 31, 2004 from Ps.23.7 million for the year ended December 31, 2003. This increase was primarily due to the increase in net sales, partially offset by increases in (i) cost of sales related to the transmission of soccer games and programming costs, (ii) operating expenses due to higher commissions paid and (iii) the provision for doubtful trade accounts.

OTHER BUSINESSES

Other Businesses net sales are primarily derived from the promotion of sports and special events in Mexico, subscriber fees for nationwide paging services until October 2004, the distribution of feature films, revenues from dubbing services until November 2003, and revenues from our internet businesses, which includes revenues from advertisers for advertising space on EsMas.com, and revenues related to our SMS messaging service. In the fourth quarter of 2004 we reached an agreement to sell our nationwide paging business and we completed sale in the first quarter of 2005.

Net Sales

Other Businesses net sales increased by Ps.65.6 million, or 4.6%, to Ps.1,497.5 million for the year ended December 31, 2004 from Ps.1,431.9 million for the year ended December 31, 2003. This increase was primarily due to higher revenues from our feature films distribution and internet businesses. These increases in revenues were partially offset by lower revenues related to our sport events production, nationwide paging and dubbing businesses.

Operating Loss before Depreciation and Amortization

Other Businesses operating loss before depreciation and amortization decreased by Ps.30.9 million, or 19.5%, to Ps.127.7 million for the year ended December 31, 2004 from Ps.158.6 million for the year ended December 31, 2003. This decrease reflects the increase in net sales and a decrease in operating expenses in our internet, nationwide paging and dubbing businesses. The impact of these changes was partially offset by an increase in cost of sales in the feature films distribution and sports events production businesses.

DEPRECIATION AND AMORTIZATION

Depreciation and amortization expense increased by Ps.470.6 million, or 29.3%, to Ps.2,075.0 million for the year ended December 31, 2004 from Ps.1,604.4 million for the year ended December 31, 2003. This increase primarily reflects the depreciation expense of Sky Mexico and increases in the depreciation and amortization expenses related to our Television Broadcasting and Cable Television segments. The impact of these changes was partially offset by a decrease in amortization of deferred costs of EsMas.com.

NON OPERATING RESULTS

INTEGRAL COST OF FINANCING

Integral cost of financing significantly impacts our financial statements in periods of high inflation or currency fluctuations. Under Mexican GAAP, integral cost of financing reflects:

- interest income;
- interest expense, including the restatement of our UDI-denominated notes, as described under " -- Liquidity, Foreign Exchange and Capital Resources -- Indebtedness" and " -- Liquidity, Foreign Exchange and Capital Resources -- Interest Expense";
- foreign exchange gain or loss attributable to monetary assets and liabilities denominated in foreign currencies (including gains or losses from derivative instruments); and
- gain or loss attributable to holding monetary assets and liabilities exposed to inflation.

Our foreign exchange position is affected by our assets or liabilities denominated in foreign currencies.

We record a foreign exchange gain or loss if the exchange rate of the Peso to the other currencies in which our monetary assets or liabilities are denominated rises or falls.

The expenses attributable to integral cost of financing increased by Ps.869.8 million, or 134.6%, to Ps.1,516.2 million for the year ended December 31, 2004 from Ps.646.4 million for the year ended December 31, 2003. This increase reflected:

- a Ps.648.2 million increase in interest expense, primarily as a result of an increase in the average amount of debt, resulting from the consolidation of Sky Mexico's debt beginning in the second quarter of 2004;
- a Ps.295.5 million loss resulting from a net foreign exchange loss in 2004 compared to a net foreign exchange gain in 2003, primarily in connection with a negative hedge effect in 2004 that arose from a 0.68% appreciation of the Mexican Peso against the U.S. Dollar during 2004. This compares to a favorable hedge effect in 2003, resulting from a 7.27% depreciation of the Mexican Peso against the U.S. Dollar during the year ended December 31, 2003; and
- a Ps.27.1 million decrease in interest income, reflecting Sky Mexico's capitalization in September 2003 of all amounts due to us in connection with certain financing provided for this joint venture, which was partially offset by an increase in interest income in connection with a higher average amount of temporary investments during 2004.

These unfavorable variances were offset by a favorable Ps.101.0 million change resulting from a gain from monetary position compared to a loss from monetary position, primarily as a result of a higher net liability monetary position, as well as a higher inflation rate in 2004 (5.19%) compared with 2003 (3.98%).

RESTRUCTURING AND NON-RECURRING CHARGES

Restructuring and non-recurring charges decreased by Ps.296.2 million, or 42.8%, to Ps.395.2 million for the year ended December 31, 2004 compared to Ps.691.4 million for the year ended December 31, 2003. This decrease primarily reflects certain non-recurring charges recognized by us in 2003 in connection with (i) the payment of salary benefits to union employees, (ii) a loss on the disposal of long-lived assets and associated costs related to the sale of our nationwide paging business and (iii) a reduction in restructuring charges in connection with work force reductions. Additionally, we recognized non-recurring charges in the third quarter of 2004 resulting from impairment adjustments made to the carrying value in our Publishing Distribution business.

We have taken various steps to reduce our costs and expenses, including reducing the number of our full- and part-time employees. On a historical basis, on December 31, 2004 our total employee headcount was approximately 12,300, compared to approximately 12,300 at December 31, 2003 and approximately 12,600 at December 31, 2002. On a pro forma basis, giving effect to the consolidation of Innova, our total employee headcount would have been approximately 14,100 at December 31, 2004, approximately 14,200 at December 31, 2003 and approximately 14,400 at December 31, 2002. Other steps we have taken to reduce our costs and expenses include: consolidating our offices and facilities and shutting down or selling non-essential operations; relocating some of our U.S. magazine operations to Mexico to reduce printing costs; downsizing non-essential post-production studios; eliminating some of our underperforming programming; reducing real estate rental, promotional and employee travel expenses, charitable donations and amenities; and reducing overtime payments.

We intend to continue to implement these cost-cutting initiatives throughout 2005, as well as introduce new initiatives, such as a performance-based compensation policy for executives (see "Directors, Senior Management and Employees -- Stock Purchase Plan" and "Directors, Senior Management and Employees -- Long Term Retention Plan"), and increasing employee awareness of our cost containment programs.

OTHER EXPENSE, NET

Other expense, net decreased by Ps.56.5 million, or 9.9%, to Ps.515.0 million for the year ended December 31, 2004 as compared to Ps.571.5 million for the year ended December 31, 2003. This decrease primarily reflects: a reduction in the amortization of goodwill as we ceased amortizing this intangible asset beginning January 1, 2004 with the adoption of Mexican GAAP Bulletin B-7 related to business acquisitions, as well as a reduction in the loss on disposition of fixed assets. These decreases were partially offset by a loss on disposition of our 30% interest in a television programming production company in Spain in the second quarter of 2004 compared to a gain on disposition of our remaining minority interest in a DTH venture in Spain during the third quarter of 2003.

INCOME TAX, ASSETS TAX AND EMPLOYEES' PROFIT SHARING

Income tax increased by Ps.419.5 million, or 55.4%, to Ps.1,176.3 million for the year ended December 31, 2004 from Ps.756.8 million for the year ended December 31, 2003. This increase primarily reflects a higher income tax base in 2004. Our effective income tax rate was 19% for the year ended December 31, 2004 as compared to 17% for the year ended December 31, 2003.

We are authorized by the Mexican tax authorities to compute our income tax and assets 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 60% of their share ownership in such subsidiaries for periods ended on or before December 31, 2004. Effective January 1, 2005, such percentage increased to 100%.

We and our subsidiaries are also subject to an assets tax, at a tax rate of 1.8% on the adjusted book value of some of our assets. In some cases, income tax paid in excess of asset tax can be individually credited against any assets tax payable by us and our subsidiaries. The assets tax is computed on a fully consolidated basis.

The Mexican corporate income tax rate in 2002, 2003 and 2004 was 35%, 34% and 33%, respectively. In accordance with the current Mexican Income Tax Law, the corporate income tax rate in 2005 will be 30%, and will be reduced annually by 1% until it reaches 28% in 2007. Consequently, the effect of this gradual decrease in the income tax rate reduced our deferred income tax liability in 2002, 2003 and 2004.

EQUITY IN RESULTS OF AFFILIATES

This line item reflects our equity participation in the operating results and net assets of unconsolidated businesses in which we maintain an interest, but over which we have no control. We recognize equity in losses of affiliates up to the amount of our initial investment and subsequent capital contributions, or beyond that amount when guaranteed commitments have been made by us in respect of obligations incurred by affiliates.

Equity in income of affiliates increased by Ps.585.2 million to equity in income of affiliates of Ps.615.0 million for the year ended December 31, 2004 compared to Ps.29.8 million for the year ended December 31, 2003. This increase primarily reflects:

- the reversal of previous reserves due to our release from our PAS 6B satellite transponder guarantee in connection with Sky Multi-Country Partners;
- the absence of equity loss of Sky Mexico of approximately Ps.208.5 million;
- a reduction in our equity loss of DTH TechCo Partners of Ps.115.9 million in 2004; and
- an increase in our equity income relating to our investment in Univision.

MINORITY INTEREST

Minority interest reflects that portion of operating results attributable to the interests held by third parties in the businesses which are not wholly-owned by us, including our Sky Mexico (since April 2004), Cable Television, Radio (since 2001) and nationwide paging (until the fourth quarter 2004) businesses.

Minority interest increased by Ps.359.1 million to a charge of Ps.231.8 million for the year ended December 31, 2004 from a benefit of Ps.127.3 million for the year ended December 31, 2003. This increase primarily reflects the portion of net income attributable to the interest held by third parties in the Sky Mexico business beginning the second quarter of 2004.

NET INCOME

We generated net income in the amount of Ps.4,316.7 million in 2004, as compared to net income of Ps.3,783.3 million in 2003. The net increase of Ps.533.4 million reflected:

- a Ps.2,198.0 million increase in operating income;
- a Ps.296.2 million decrease in restructuring and non-recurring charges;
- a Ps.56.5 million decrease in other expense-net;
- a Ps.585.2 million increase in equity in earnings from affiliates; and
- a Ps.67.5 million decrease in loss from discontinued operations.

This change was partially offset by a Ps.869.8 million increase in integral cost of financing, a Ps.419.5 million increase in income taxes, a Ps.1,021.6 million increase in cumulative loss effect of accounting change, and an increase of Ps.359.1 million in minority interest.

CAPITAL EXPENDITURES AND INVESTMENTS

In the year ended December 31, 2004, we:

- invested approximately U.S.\$174.6 million in property, plant and equipment as capital expenditures, of which approximately U.S.\$35.1 million and U.S.\$57.6 million were related to our Cable Television and Sky Mexico segments, respectively;
- we invested approximately U.S.\$12.5 million in long term loans made to our Latin American DTH joint ventures; and
- we contributed Ps.69.9 million (nominal) to fund our seniority premium obligations.

INDEBTEDNESS

As of December 31, 2004, our consolidated long-term portion of debt amounted to Ps.18,943.8 million, including Ps.4,356.7 million from Sky Mexico, of which Ps.3,840.6 million is not guaranteed by the Company, and our consolidated current portion of debt was Ps.3,297.1 million, including Ps.981.0 million from Sky Mexico, which is not guaranteed by the Company. Additionally, as of December 31, 2004, Sky Mexico had long-term and current portions of a capital lease obligation totaling Ps.1,324.6 million and Ps.70.7 million, respectively. As of December 31, 2003, our consolidated long-term portion of debt amounted to Ps.15,467.5 million, and our consolidated current portion of debt was Ps.300.0 million.

RESULTS OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31, 2003 COMPARED TO THE YEAR ENDED DECEMBER 31, 2002

TOTAL SEGMENT RESULTS

NET SALES

Our net sales increased by Ps.1,206.1 million, or 5.1%, to Ps.24,786.3 million for the year ended December 31, 2003 from Ps.23,580.2 million for the year ended December 31, 2002. This increase reflects higher revenues in our Television Broadcasting, Programming Exports, Pay Television Networks, Publishing, Publishing Distribution and Radio segments and was partially offset by lower net sales in our Cable Television and Other Businesses segments.

COST OF SALES

Cost of sales decreased by Ps.24.0 million, or 0.2%, to Ps.13,558.1 million for the year ended December 31, 2003 from Ps.13,582.1 million for the year ended December 31, 2002. This decrease reflects lower costs in our Television Broadcasting, Programming Exports, Publishing, Cable Television, Radio and Other Businesses segments. These decreases were partially offset by higher costs in our Publishing Distribution and Pay Television Networks segments.

SELLING EXPENSES

Selling expenses decreased by Ps.62.8 million, or 3.4%, to Ps.1,780.8 million for the year ended December 31, 2003 from Ps.1,843.6 million for the year ended December 31, 2002. This decrease reflects lower selling expenses in our Pay Television Networks, Programming Exports, Cable Television and Other Businesses segments. This decrease was partially offset by an increase in the selling expenses of our Television Broadcasting, Publishing, Publishing Distribution and Radio segments.

ADMINISTRATIVE EXPENSES

Administrative expenses increased by Ps.0.5 million, to Ps.1,483.2 million for the year ended December 31, 2003 from Ps.1,482.7 million for the year ended December 31, 2002. This marginal increase was primarily due to an increase in our Television Broadcasting, Pay Television Networks and Publishing Distribution segments and was partially offset by a decrease in the administrative expenses of our Programming Exports, Publishing, Cable Television, Radio and Other Businesses segments primarily by lower personnel costs as a result of workforce reductions and layoffs, as well as reductions in other office facilities expenses, in connection with our continued cost-cutting efforts.

OPERATING INCOME BEFORE DEPRECIATION AND AMORTIZATION

For the foregoing reasons, our operating income before depreciation and amortization increased by Ps.1,292.4 million, or 19.4%, to Ps.7,964.2 million for the year ended December 31, 2003 from Ps.6,671.8 million for the year ended December 31, 2002.

TELEVISION BROADCASTING

Net Sales

Television Broadcasting net sales increased by Ps.831.5 million, or 5.4%, to Ps.16,185.7 million for the year ended December 31, 2003 from Ps.15,354.2 million for the year ended December 31, 2002. This increase is principally due to four factors: (i) the political advertising campaigns for the mid-term elections in Mexico during 2003; (ii) an increase of 11.5% in local sales, driven mainly by Channel 4TV; (iii) an increase in advertising time sold to existing clients; and (iv) the success of reality shows, primarily Big Brother. Excluding non-recurring revenues related to the political advertising campaigns in 2003 and the transmission of the Soccer World Cup in 2002, Television Broadcasting net sales would have increased by Ps.527.0 million, or 3.5% to Ps.15,483.6 million for the year ended December 31, 2003 from Ps.14,956.6 million for the year ended December 31, 2002.

Operating Income before Depreciation and Amortization

Television Broadcasting operating income before depreciation and amortization increased by Ps.883.4 million, or 14.7%, to Ps.6,879.7 million for the year ended December 31, 2003 from Ps.5,996.3 million for the year ended December 31, 2002. This increase was primarily due to the increase in net sales and a decrease in cost of sales due to the transmission rights of the Soccer World Cup in 2002; partially offset by an increase in selling expenses due to higher commissions and promotional expenses. Excluding the results of the political advertising campaigns in 2003 and the transmission of the Soccer World Cup in 2002, Television Broadcasting operating income before depreciation and amortization would have increased by Ps.387.4 million, or 6.7%, to Ps.6,177.5 million for the year ended December 31, 2003 from Ps.5,790.1 million for the year ended December 31, 2002.

PAY TELEVISION NETWORKS

Net Sales

Pay Television Networks net sales increased by Ps.71.0 million, or 10.7%, to Ps.736.0 million for the year ended December 31, 2003 from Ps.665.0 million for the year ended December 31, 2002. This increase was primarily due to an increase in the number of pay television subscribers which resulted in higher revenues from programming sold, and higher advertising sales in Mexico, partially offset by lower revenues from programming sold to pay television systems in Latin America (other than Mexico) and Spain.

Operating Income before Depreciation and Amortization

Pay Television Networks operating income before depreciation and amortization increased by Ps.49.3 million, or 43.7%, to Ps.162.3 million for the year ended December 31, 2003, from Ps.113.0 million for the year ended

December 31, 2002, primarily due to higher sales and lower operating expenses primarily due to lower commissions paid as a result of our new commission program. This increase was partially offset by higher costs of programming sold to third parties.

PROGRAMMING EXPORTS

Net Sales

Programming Exports net sales increased by Ps.177.9 million, or 11.6%, to Ps.1,714.8 million for the year ended December 31, 2003 from Ps.1,536.9 million for the year ended December 31, 2002. This increase was primarily due to higher royalties paid to us under the Program License Agreement entered into with Univision, as well as an increase by the translation effect on foreign-currency denominated sales. We received U.S.\$96.1 million in royalties from Univision for the year ended December 31, 2003 as compared to U.S.\$77.7 million for the year ended December 31, 2002. These increases were partially offset by lower export sales mainly to Latin America and Europe.

Operating Income before Depreciation and Amortization

Programming Exports operating income before depreciation and amortization increased by Ps.273.0 million, or 108.8%, to Ps.523.9 million for the year ended December 31, 2003 from Ps.250.9 million for the year ended December 31, 2002. This increase was primarily due to the increase in net sales, as well as a decrease in cost of sales and operating expenses due to lower provision for doubtful trade accounts.

PUBLISHING

Net Sales

Publishing net sales increased by Ps.39.7 million, or 2.2%, to Ps.1,880.6 million for the year ended December 31, 2003 from Ps.1,840.9 million for the year ended December 31, 2002. This increase was primarily due to an increase in the revenues of magazines sold in Mexico due to an increase in average price, as well as an increase in the number of advertising pages sold in Mexico and abroad, and the positive translation effect on foreign-currency denominated sales. These increases were partially offset by lower circulation of magazines sold abroad.

Operating Income before Depreciation and Amortization

Publishing operating income before depreciation and amortization increased by Ps.67.6 million, or 22.8%, to Ps.364.1 million for the year ended December 31, 2003 from Ps.296.5 million for the year ended December 31, 2002. This increase primarily reflects the increase in net sales and a decrease in cost of sales, primarily due to reduced magazine returns in Mexico and a reduction in print runs of magazines in Mexico and abroad. This increase was partially offset by a marginal increase in operating expenses.

PUBLISHING DISTRIBUTION

Net Sales

Publishing Distribution net sales increased by Ps.398.7 million, or 27.1%, to Ps.1,868.4 million for the year ended December 31, 2003 from Ps.1,469.7 million for the year ended December 31, 2002. This increase was attributable to an increase in distribution sales abroad, primarily due to revenues from operations in Chile which were acquired in May 2002; the translation effect on foreign-currency denominated sales; and the increase in distribution of magazines published by us and sold in Mexico. These increases were partially offset by lower sales of magazines published by third parties and sold in Mexico. Including the sales from the company acquired in Chile, from January to April 2002 on a pro forma basis as if we had acquired this business on January 1, 2002, Publishing Distribution net sales would have increased 8.5%.

Operating Income before Depreciation and Amortization

Publishing Distribution operating income before depreciation and amortization decreased by Ps.7.2 million, or 44.5%, to Ps.9.1 million for the year ended December 31, 2003 from Ps.16.3 million for the year ended December 31, 2002. This decrease primarily reflects higher cost of sales and operating expenses associated to the distribution company acquired in Chile and an increase in provision for doubtful trade accounts, partially offset by the increase in net sales. Including the operations in Chile, from January to April 2002, the Publishing Distribution operating income before depreciation and amortization would have decreased by Ps.13.9 million, or 60.6%, to Ps.9.1 million for the year ended December 31, 2003 from Ps.23.0 million for the year ended December 31, 2002.

CABLE TELEVISION

Net Sales

Cable Television net sales decreased by Ps.174.4 million, or 14.4%, to Ps.1,037.7 million for the year ended December 31, 2003 from Ps.1,212.1 million for the year ended December 31, 2002. This decrease is attributable to the decrease in the subscriber base during 2003, to more than 364,400, of which more than 60,300 were digital subscribers, at December 31, 2003, from a subscriber base of approximately 412,400, of which approximately 65,000 were digital subscribers, at December 31, 2002, as well as a decrease in advertising sales. Cablevision began a process of gradually digitalizing its services last November 2003; the project is being implemented in stages over a period of up to two years.

Operating Income before Depreciation and Amortization

Cable Television operating income before depreciation and amortization decreased by Ps.37.7 million, or 10.6%, to Ps.317.1 million for the year ended December 31, 2003 from Ps.354.8 million for the year ended December 31, 2002. This decrease primarily reflects the decrease in net sales and was partially offset by a decrease in cost of sales and operating expenses.

RADIO

Net Sales

Radio net sales increased by Ps.57.6 million, or 28.2%, to Ps.262.2 million for the year ended December 31, 2003 from Ps.204.6 million for the year ended December 31, 2002. This increase primarily reflects an increase in advertising time sold, principally in newscasts and sporting events programs.

Operating Result before Depreciation and Amortization

Radio operating result before depreciation and amortization increased by Ps.55.8 million, or 173.8%, to a gain of Ps.23.7 million for the year ended December 31, 2003 from a loss of Ps.32.1 million for the year ended December 31, 2002. This improvement was primarily due to the increase in net sales and lower cost of sales, partially offset by an increase in operating expenses.

OTHER BUSINESSES

Net Sales

Other Businesses net sales decreased by Ps.262.1 million, or 15.5%, to Ps.1,431.9 million for the year ended December 31, 2003 from Ps.1,694.0 million for the year ended December 31, 2002. This decrease was primarily due to lower sales attributable to our nationwide paging, feature film distribution, dubbing until November 2003, and live entertainment businesses. This decrease was partially offset by higher sales related to sport events production and internet businesses.

Operating Loss before Depreciation and Amortization

Other Businesses operating loss before depreciation and amortization decreased by Ps.8.4 million, or 5.0%, to Ps.158.6 million for the year ended December 31, 2003 from Ps.167.0 million for the year ended December 31, 2002. This decrease reflects the decrease in cost of sales and operating expenses primarily related to our nationwide paging and live entertainment businesses, partially offset by lower net sales.

DEPRECIATION AND AMORTIZATION

Depreciation and amortization expense increased by Ps.18.8 million, or 1.2%, to Ps.1,604.4 million for the year ended December 31, 2003 from Ps.1,585.6 million for the year ended December 31, 2002. This change primarily reflects increases in the depreciation and amortization expenses related to our internet business and to our Cable Television and Publishing Distribution segments.

INTEGRAL COST OF FINANCING

Integral cost of financing significantly impacts our financial statements in periods of high inflation or currency fluctuations. Under Mexican GAAP, integral cost of financing reflects:

- interest income;
- interest expense, including the restatement of our UDI-denominated notes, as described under " -- Liquidity, Foreign Exchange and Capital Resources -- Indebtedness" and " -- Liquidity, Foreign Exchange and Capital Resources -- Interest Expense";
- foreign exchange gain or loss attributable to monetary assets and liabilities denominated in foreign currencies (including gains or losses from derivative instruments); and
- gain or loss attributable to holding monetary assets and liabilities exposed to inflation.

Our foreign exchange position is affected by our assets or liabilities denominated in foreign currencies. We record a foreign exchange gain or loss if the exchange rate of the Peso to the other currencies in which our monetary assets or liabilities are denominated rises or falls.

The expense attributable to integral cost of financing decreased by Ps.24.0 million, or 3.6%, to Ps.646.4 million for the year ended December 31, 2003 from Ps.670.4 million for the year ended December 31, 2002. This decrease reflects:

- a Ps.349.2 million decrease in net foreign exchange loss, primarily due to the 7.3% depreciation of the Mexican peso as compared to the U.S. dollar during the year ended December 31, 2003 versus a 14.0% depreciation of the Mexican peso as compared to the U.S. dollar during the year ended December 31, 2002;
- a Ps.38.7 million increase in interest income, primarily as a result of a higher average amount of temporary investments maintained during the year ended December 31, 2003 as compared to the year ended December 31, 2002, which was partially offset by a reduction of interest rates during the year ended December 31, 2003 as compared to the year ended December 31, 2002, and a decrease in interest income from Innova for the year ended December 31, 2003 as compared to the year ended December 31, 2002, as a result of Innova's capitalization in September 2003 of Ps.2.7 billion, comprising all of the amounts due then to us by Innova in connection with long-term loans provided by us;
- a Ps.52.5 million decrease in interest expense, primarily related to our UDI-denominated debt, due to lower inflation during the year ended December 31, 2003 (3.98%) as compared to the year ended December 31, 2002 (5.70%), as well as an increase in the net gain on interest rate swap contracts outstanding in the year ended December 31, 2003 as compared to the year ended December 31, 2002;

- a Ps.376.4 million decrease in the favorable hedge effect of the foreign exchange loss incurred in the year ended December 31, 2003, as compared to the year ended December 31, 2002, in connection with our U.S.\$600.0 million long-term debt securities maturing in 2011 and 2032, which principal amount has been hedged by our net investment in Univision since March 2002; and

- a Ps.40.0 million increase in loss from monetary position primarily as a result of a higher net asset monetary position during the year ended December 31, 2003 as compared to the year ended December 31, 2002.

RESTRUCTURING AND NON-RECURRING CHARGES

Restructuring and non-recurring charges decreased by Ps.229.4 million, or 24.9%, to Ps.691.4 million for the year ended December 31, 2003 from Ps.920.8 million for the year ended December 31, 2002. This decrease reflects:

- a Ps.355.9 million non-recurring charge taken in the year ended December 31, 2002 in connection with the write-off of exclusive rights letters for soccer players;

- a Ps.178.7 million non-recurring charge taken in the year ended December 31, 2002 related to the drawdown by DirecTV under a letter of credit posted by us in connection with certain arrangements between DirecTV and us to broadcast the 2002 Soccer World Cup; and

- a reduction in restructuring charges in connection with workforce reductions in the year ended December 31, 2003 as compared to the year ended December 31, 2002.

These decreases were partially offset by:

- a Ps.299.0 million non-recurring charge taken in the year ended December 31, 2003, in connection with the payment of vested and unvested salary benefits to certain of our union employees, as a part of our continuing cost-cutting efforts; and

- a Ps.173.1 million non-recurring charge taken in connection with an estimate for the disposal of certain long-lived assets and associated costs related to our nationwide paging business, based on the evaluation of the recoverability of the assets.

We have taken various steps to reduce our costs and expenses, including reducing the number of our full- and part-time employees. As of December 31, 2001, 2002 and 2003, our total employee headcount was approximately 13,700, 12,600 and 12,300 employees. Other steps taken by us to reduce our costs and expenses include: consolidating our offices and facilities and the shutdown or sale of non-essential operations; relocating some of our U.S. magazine operations to Mexico to reduce printing costs; downsizing non-essential post-production studios; eliminating some of our underperforming programming; reducing real estate rental, promotional and employee travel expenses, charitable donations and amenities; and reducing overtime payments.

In connection with our workforce reductions and other cost-cutting measures, we recorded non-recurring charges of Ps.219.2 million in 2003 and Ps.379.1 million in 2002, which consisted primarily of severance payments and other terminating charges.

OTHER EXPENSE, NET

In 2003, other expense, net decreased by Ps.1,762.6 million, or 75.5%, to Ps.571.5 million for the year ended December 31, 2003, as compared to Ps.2,334.1 million for the year ended December 31, 2002. This decrease primarily reflects:

a Ps.1,046.9 million decrease in the write-off of goodwill for the year ended December 31, 2003, as compared to the year ended December 31, 2002, as well as a gain of Ps.468.9 million on disposition of the remaining shares held by us in our former DTH venture in Spain for the year ended December 31, 2003. Other expense, net for the year ended December 31, 2003 primarily reflects non-cash charges in connection with the

amortization of goodwill in the amount of Ps.484.6 million, the write-off of unamortized goodwill in the amount of Ps.119.9 million, a net gain in disposition of certain investments in the amount of Ps.415.9 million, as well as fees and expenses for professional services, donations and a net loss in disposition of certain non-current assets for an aggregate amount of Ps.447.8 million.

INCOME TAX, ASSETS TAX AND EMPLOYEES' PROFIT SHARING

The effective income and assets tax rate and employees' profit sharing decreased for the year ended December 31, 2003, as compared to the year ended December 31, 2002, primarily reflecting the increased use of tax loss carryforwards in 2003 as compared to 2002, partially offset by an increase in consolidated assets tax, as a result of a higher assets tax base for the year ended December 31, 2003 as compared to the year ended December 31, 2002, and an increase in foreign income tax in 2003 as compared to 2002.

In accordance with the Ley del Impuesto Sobre la Renta, or Mexican Income Tax Law, the corporate income tax of 35% in 2002 decreased to 34% in 2003. As a result, our deferred income tax liability decreased in 2003. We and our subsidiaries are also subject to an assets tax on the adjusted book value of some of our assets. In some cases, income tax paid in excess of asset tax can be individually credited against any assets tax payable by us and our subsidiaries.

The assets tax rate is 1.8% for all periods and continues to be 1.8% as of the date of this annual report. Income tax and assets tax from continuing operations as a percentage of income before provisions was 16.9% in 2003 and 27.8% in 2002. See Note 21 to our year-end financial statements for the effective rate reconciliation for each of these periods.

See Note 21 to our year-end financial statements for a description and quantification of the principal differences between the statutory tax rate and the effective income tax rate and our consolidated and unconsolidated loss carryforwards in 2003, 2002 and 2001.

We, like other Mexican companies, are required by law to pay our employees, in addition to their agreed compensation and benefits, profit-sharing in an aggregate amount equal to 10% of our taxable income, calculated, on a subsidiary by subsidiary basis, on a statutory basis that differs from the calculation of taxable income under Mexican income tax law. We have also agreed to pay our employees a special bonus each year, which we record under cost of sales and operating expenses. In 2003 and 2002 our subsidiaries recognized little or no taxable income for purposes of calculating employees' profit-sharing, largely as a result of inflationary differentials and temporary differences of expensing inventory. We recorded Ps.33.5 million and Ps.76.2 million in 2003 and 2002, respectively, under cost of sales and operating expenses for special bonuses paid to our employees.

EQUITY IN LOSSES OF AFFILIATES

During the periods presented, this line item primarily reflected:

- our investments in DTH satellite services in Mexico and other countries throughout Latin America; and
- our investment in Univision.

Equity in results of affiliates increased by Ps.1,294.0 million to a gain of Ps.29.8 million for the year ended December 31, 2003 from an equity loss of Ps.1,264.2 million for the year ended December 31, 2002. This increase primarily reflects a decrease in equity losses of Innova in the year ended December 31, 2003, as compared to the year ended December 31, 2002; a reduction in our liability position in Sky Multi-Country Partners, or MCOP, as a result of the reduction in the estimated remaining lease obligation due to a reduction in the estimated useful life of the satellite transponders being leased by MCOP and guaranteed by us; and equity income from our investment in Univision. This change was partially offset by an increase in equity losses in TechCo for the year ended December 31, 2003, as compared to the year ended December 31, 2002.

We expect that our DTH joint ventures will continue to experience substantial net losses and substantial negative cash flow over at least the next several years while they develop and expand their DTH satellite services. See "Information on the Company -- Business Overview -- DTH Joint Ventures" and Notes 5 and 10 to our year-end financial statements. As a result of certain changes in U.S. accounting standards and the adoption of such standards as permitted by Mexican GAAP, beginning April 1, 2004, we consolidated Innova into our financial statements. We have not consolidated, and do not expect to consolidate, any of our other DTH joint ventures into our financial statements.

To the extent that we make additional funding to Innova and MCOP in excess of our net liability position, we will be required to recognize our equity in losses generated by Innova and MCOP up to the amount of any such excess under this line item. In addition, in the event that Innova or MCOP generates net income in the future, we will not be able to recognize our proportionate share of this net income unless we first recognize our proportionate share of any losses not previously recognized.

DISCONTINUED OPERATIONS

In December 2001, we entered into an agreement to sell our music recording operations to Univision, and we consummated this sale in April 2002. We no longer engage in the music recording business, and under Mexican GAAP the results of our music recording segment through December 31, 2001 and from prior and subsequent periods have been classified as discontinued operations. As consideration for the sale of this business, we received 6,000,000 shares and 100,000 warrants, which expire in 2017, to purchase shares of Univision's common stock, which were recognized at their fair value as of the date of the agreement. As a result of this transaction, we recognized a gain on disposition of the music recording business of Ps.1,162.4 million, net of related costs, expenses and taxes in 2002 and additional net loss on disposition of this business of Ps.67.5 million in 2003, which were also reflected as discontinued operations in those years. As part of this transaction, we paid certain working capital adjustments to Univision in connection with an audit of the Music Recording business by Univision, which was resolved by the parties in August 2004. See Note 22 to our year-end financial statements.

MINORITY INTEREST

Minority interest increased by Ps.52.0 million to a gain of Ps.127.3 million for the year ended December 31, 2003 from a gain of Ps.75.3 million for the year ended December 31, 2002. This increase primarily reflected a net loss of our nationwide paging business in 2003 as compared to a net income in 2002, partially offset by decreases in the net loss of our Cable Television and Radio segments for the year ended December 31, 2003, as compared to the year ended December 31, 2002. See Note 16 to our year-end financial statement.

NET INCOME

We generated net income in the amount of Ps.3,783.3 million in 2003, as compared to net income of Ps.807.0 million in 2002. The net increase of Ps.2,976.3 million reflected:

- a Ps.1,273.6 million increase in operating income;
- a Ps.24.0 million decrease in integral cost of financing;
- a Ps.229.4 million decrease in restructuring and non-recurring charges;
- a Ps.1,762.6 million decrease in other expense, net;
- a Ps.1,294.0 million decrease in equity in losses from affiliates; and
- a Ps.52.0 million increase in minority interest.

This change was partially offset by a Ps.1,229.9 million decrease in income from discontinued operations, and a Ps.429.4 million increase in income taxes.

EFFECTS OF DEVALUATION AND INFLATION

The following table sets forth, for the periods indicated:

- the percentage that the Peso devalued or appreciated against the U.S. Dollar;
- the Mexican inflation rate;
- the U.S. inflation rate; and
- the percentage change in Mexican GDP compared to the prior period.

	YEAR ENDED DECEMBER 31,		
	2002	2003	2004
Devaluation (appreciation) of the Mexican Peso as compared to the U.S. Dollar(1).....	14.0%	7.3%	(0.7)%
Mexican inflation rate(2).....	5.7	4.0	5.2
U.S. inflation rate.....	2.4	1.9	3.3
Increase in Mexican GDP(3).....	0.8	1.4	4.4

(1) Based on changes in the Interbank Rates, as reported by Banamex, at the end of each period, which were as follows: Ps.9.178 per U.S. Dollar as of December 31, 2001; Ps.10.464 per U.S. Dollar as of December 31, 2002; Ps.11.225 per U.S. Dollar as of December 31, 2003; and Ps.11.149 per U.S. Dollar as of December 31, 2004.

(2) Based on changes in the NCPI from the previous period, as reported by the Mexican Central Bank, which were as follows: 97.4 in 2001; 102.9 in 2002; 107.0 in 2003; and 112.5 in 2004.

(3) As reported by the Instituto Nacional de Estadística, Geografía e Informática, or INEGI, and, in the case of GDP information for 2002, 2003 and 2004 as estimated by INEGI.

The general condition of the Mexican economy, the devaluation of the Peso as compared to the U.S. Dollar, inflation and high interest rates have in the past adversely affected, and may in the future adversely affect, our:

- Advertising and other revenues. Inflation in Mexico adversely affects consumers. As a result, our advertising customers may purchase less advertising, which would reduce our advertising revenues, and consumers may reduce expenditures for our other products and services, including pay television services.

- U.S. Dollar-denominated revenues and operating costs and expenses. We have substantial operating costs and expenses denominated in U.S. Dollars. These costs are principally due to our activities in the U.S., the costs of foreign-produced programming and publishing supplies and the leasing of satellite transponders. The following table sets forth our U.S. Dollar-denominated revenues and operating costs and expenses for 2002, 2003 and 2004:

	YEAR ENDED DECEMBER 31,		
	2002	2003	2004
	-----	-----	-----
		(MILLIONS OF U.S. DOLLARS)	
Revenues.....	U.S.\$434	U.S.\$414	U.S.\$435
Operating costs and expenses.....	404	417	459

In 2002, our U.S. Dollar-denominated revenues exceeded our U.S. Dollar-denominated costs and expenses, primarily due to the improvement of our Programming Exports and Publishing Distribution segments. However, in 2003 and 2004 our U.S. Dollar-denominated costs and expenses exceeded, and they could continue to exceed in the future, our U.S. Dollar-denominated revenues. As a result we will continue to remain vulnerable to future devaluation of the Peso, which would increase the Peso equivalent of our U.S. Dollar-denominated costs and expenses.

- Depreciation and amortization expense. We restate our non-monetary Mexican and foreign assets to give effect to inflation. The restatement of these assets in periods of high inflation, as well as the devaluation of the Peso as compared to the U.S. Dollar, increases the carrying value of these assets, which in turn increases the related depreciation expense.

- Integral cost of financing. The devaluation of the Peso as compared to the U.S. Dollar generates foreign exchange losses relating to our net U.S. Dollar-denominated liabilities and increases the Peso equivalent of our interest expense on our U.S. Dollar-denominated indebtedness. Foreign exchanges losses and increased interest expense increase our integral cost of financing.

In the second quarter of 2003, we repaid all of the remaining Series A Senior Notes, which matured in May 2003, with the net proceeds from a long-term credit agreement that we entered into with a Mexican bank for an aggregate principal amount of Ps.800 million. As a result of these refinancings, we reduced our exposure to the effects of the devaluation of the Peso as compared to the U.S. Dollar, inflation and increases in interest rates. See " -- Liquidity, Foreign Exchange and Capital Resources -- Refinancings," " -- Liquidity, Foreign Exchange and Capital Resources -- Indebtedness" and Note 8 to our year-end financial statements.

We have also entered into and will continue to consider entering into additional financial instruments to hedge against Peso devaluations and reduce our overall exposure to the devaluation of the Peso as compared to the U.S. Dollar, inflation and high interest rates. We cannot assure you that we will be able to enter into financial instruments to protect ourselves from the effects of the devaluation of the Peso as compared to the U.S. Dollar, inflation and increases in interest rates, or if so, on favorable terms. In the past we have designated, and from time to time in the future we may designate, certain of our investments or other assets as effective hedges against Peso devaluations. In that connection, effective March 2002, we designated our investment in Univision as an effective hedge against our U.S. Dollar-denominated semi-annual interest payments with respect to both our U.S.\$300.0 million aggregate principal amount of 8% Senior Notes due 2011 and our U.S.\$300.0 million aggregate principal amount of 8.5% Senior Notes due 2032. See "Key Information -- Risk Factors -- Risk Factors Related to Mexico," "Quantitative and Qualitative Disclosures About Market Risk -- Market Risk Disclosures" and Note 10 to our year-end financial statements.

Inflation under Mexican GAAP. Mexican GAAP requires that our financial statements recognize the effects of inflation. In particular, our financial statements reflect the:

- restatement of Mexican non-monetary assets (other than transmission rights, inventories and equipment of non-Mexican origin), non-monetary liabilities and shareholders' equity using the NCPI; and
- restatement of all inventories at net replacement cost.

U.S. GAAP RECONCILIATION

For a discussion of the principal quantitative and disclosure differences between Mexican GAAP and U.S. GAAP as they relate to us through December 31, 2004, see Note 26 to our year-end financial statements.

RECENTLY ISSUED U.S. ACCOUNTING STANDARDS

In December 2004, and as amended in April 2005, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 123R, "Share-Based Payment" (SFAS 123R), which replaces SFAS 123 and supersedes APB Opinion No. 25. SFAS 123R requires all share-based payments to employees, including grants of employee stock options, to be recognized in the financial statements based on their fair values. The pro forma disclosures previously permitted under SFAS 123 no longer will be an alternative to financial statement recognition. SFAS 123R is effective for fiscal years beginning after June 15, 2005. Early application of SFAS 123R is encouraged, but not required.

Public companies are required to adopt the new standard using a modified prospective method and may elect to restate prior periods using the modified retrospective method. Under the modified prospective method, companies are required to record compensation cost for new and modified awards over the related vesting period of such awards prospectively and record compensation cost prospectively for the unvested portion, at the date of adoption, of previously issued and outstanding awards over the remaining vesting period of such awards. No change to prior periods presented is permitted under the modified prospective method. Under the modified retrospective method, companies record compensation costs for prior periods retroactively through restatement of such periods using the exact pro forma amounts disclosed in the companies' footnotes. Also, in the period of adoption and after, companies record compensation cost based on the modified prospective method. In March 2005, the Securities and Exchange Commission (SEC) issued Staff Accounting Bulletin No. 107, "TOPIC 14: Share-based payment" (SAB 107). SAB 107 addresses the interaction between SFAS 123(R) and certain SEC rules and regulations and provides views regarding the valuation of share-based payment arrangements for public companies. This bulletin is effective immediately. We have not yet determined the method of adoption to be used and have not completed our evaluation of the effects of adopting SFAS 123R.

In December 2004, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 153, "Exchanges of Nonmonetary Assets" (An amendment to APB Opinion No. 29) (SFAS 153). This statement addresses the measurement of exchanges of nonmonetary exchanges of similar productive assets in paragraph 21(b) of APB Opinion No. 29, "Accounting for Nonmonetary Transactions", and replaces it with an exception for exchanges that do not have commercial substance. This statement specifies that a monetary exchange has commercial substance if the future cash flows of the entity are expected to change significantly as a result of the exchange. The provisions of this statement shall be effective for nonmonetary asset exchanges occurring in fiscal periods beginning after June 15, 2005. Earlier application is permitted. We are currently evaluating the potential impact of this statement.

In March 2005, the FASB issued Interpretation No. 47 (FIN 47), "Accounting for Conditional Asset Retirement Obligations - an interpretation of FASB Statement No. 143". FIN 47 requires an entity to recognize a liability for the fair value of a conditional asset retirement obligation if the fair value can be reasonably estimated. FIN 47 states that a conditional asset retirement obligation is a legal obligation to perform an asset retirement activity in which the timing or method of settlement are conditional upon a future event that may or may not be within control of the entity. FIN 47 is effective no later than the end of fiscal years ending after December 15, 2005. We have not quantified the impact of adopting FIN 47, but we do not expect the adoption to have a material impact on our financial position or results of operations.

NEW MEXICAN ACCOUNTING STANDARDS

In May 2004, the Mexican Institute of Public Accountants, or MIPA, issued Bulletin B-7, "Business Acquisitions," which provides guidance for accounting of business acquisitions and investments in associated

entities. Bulletin B-7 requires that all business acquisitions and investments in associates be accounted for by a single method, the purchase method, and supplements the accounting for the recognition of intangible assets as a part of a business acquisition. Upon adoption of Bulletin B-7, goodwill should not be amortized, but rather tested for impairment at least on an annual basis. Bulletin B-7 also provides guidelines for the acquisition of a minority interest, and for asset transfers and business acquisitions among entities under common control. Adoption of Bulletin B-7 is effective for periods beginning on January 1, 2005 with early adoption encouraged. We adopted the provisions of Bulletin B-7 effective January 1, 2004, and therefore, we no longer amortize our goodwill effective that date. Before 2004, our goodwill was amortized over a period of 20 years. This change resulted in a favorable impact of approximately Ps.479.5 million in our financial statements for 2004.

In April 2004, the MIPA issued Bulletin C-10, "Derivative Financial Instruments and Hedge Operations." Bulletin C-10 establishes accounting and reporting standards requiring that all derivative instruments, including certain derivative instruments embedded in other contracts, be recorded in the balance sheet as either an asset or a liability measured at its fair value. Bulletin C-10 also requires that changes in the derivative's fair value be recognized in current earnings unless specific hedge accounting criteria is met, in which case such changes will be recognized in current earnings or stockholders' equity (as accumulated other comprehensive income or loss), depending on the intended use of the derivative and the resulting designation. Bulletin C-10 requires that a company formally document, designate and assess the effectiveness of transactions that receive hedge accounting. Bulletin C-10 is effective for periods beginning on January 1, 2005. The adoption of Bulletin C-10 in 2005 did not have a material effect on our consolidated financial statements.

Effective April 1, 2004, we adopted the guidelines of FIN 46, and identified Innova as a variable interest entity under the guidance of FIN 46, which is described under "New U.S. Accounting Standards" above, where we are the primary beneficiary of our investment in Innova. Adoption of FIN 46 is permitted under the scope of Mexican GAAP Bulletin A-8, "Supplementary Application of International Accounting Standards." As a result of the adoption of FIN 46, on April 1, 2004 we began to consolidate the assets, liabilities and accumulated comprehensive losses of Innova into our consolidated financial statements, and expect to recognize a cumulative loss effect of accounting change of approximately Ps.1,021.6 million, net of a related minority interest, in our consolidated statement of income for the year ending December 31, 2004. Before adopting FIN 46, we accounted for our investment in Innova by applying the equity method, and recognized equity losses in excess of our investment in Innova up to the amount of the guarantees made by us in connection with certain capital lease obligations incurred by Innova.

In April 2004, the MIPA issued Bulletin C-10, "Derivative Financial Instruments and Hedge Operations." This Statement, besides detailing recording valuation and disclosure criteria applicable to all derivative financial instruments, requires that the effectiveness of hedges be evaluated and that the effective portion of the gains or losses on hedging instruments be recognized within comprehensive income. Bulletin C-10 is effective for periods beginning on January 1, 2005, with early adoption recommended. The adoption of Bulletin C-10 in 2005 is not expected to have a material effect on our consolidated financial statements.

In March 2003, the MIPA issued Bulletin C-15, "Impairment and Disposition of Long-Lived Assets," which provides guidance for the recognition and measurement of the impairment of long-lived assets to be held and used, including goodwill, and the measurement of long-lived assets to be disposed of by sale. Bulletin C-15 became effective for periods beginning on January 1, 2004 and did not have a material effect on our consolidated financial statements since we were already applying an accounting policy for the valuation of our long-lived assets, similar to the requirements of the Bulletin C-15.

In January 2004, the MIPA issued a revised Bulletin D-3 "Labor Obligations," effective January 1, 2005, which requires, among other amendments, that severance obligations to dismissed personnel, other than those arising from restructurings, be recognized based upon actuarial calculations. The transition provisions of Bulletin D-3 allow for companies to fully charge the amount of the initial liability to the income statement as a change in accounting principle or alternatively, amortize the amount on a straight-line basis over the expected future employee relationship period. In connection with this amendment, as of January 1, 2005, we recognized a severance liability of Ps.252,403 and a cumulative loss effect of accounting change in the amount of Ps.176,682, net of an income tax

benefit of Ps.75,721 for the first quarter of 2005. Through December 31, 2004, severance obligations to dismissed personnel were charged by us to income in the year in which they were incurred.

CRITICAL ACCOUNTING POLICIES

We have identified certain key accounting policies upon which our consolidated financial condition and results of operations are dependent. The application of these key accounting policies often involve complex considerations and assumptions and the making of subjective judgments or decisions on the part of our management. In the opinion of our management, our most critical accounting policies under both Mexican GAAP and U.S. GAAP are those related to the accounting for programming, equity investments and the evaluation of definite lived and indefinite lived long-lived assets. For a full description of these and other accounting policies, see Note 1 and Note 26 to our year-end financial statements.

Accounting for Programming. We produce a significant portion of programming for initial broadcast over our television networks in Mexico, our primary market. Following the initial broadcast of this programming, we then license some of this programming for broadcast in secondary markets, such as the United States, Latin America (including Mexico), Asia and Europe. Under Mexican GAAP, in order to properly capitalize and subsequently amortize production costs related to this programming, we must estimate the expected future benefit period over which a given program will generate revenues (generally, over a five-year period). We then capitalize the production costs related to a given program over the expected future benefit period. Under this policy, we generally expense approximately 70% of the production costs related to a given program in the year of its initial broadcast and defer and expense the remaining production costs over the remainder of the expected future benefit period. See Note 2 to our year-end financial statements.

We estimate expected future benefit periods based on past historical revenue patterns for similar types of programming and any potential future events, such as new outlets through which we can exploit or distribute our programming, including our consolidated subsidiaries and equity investees, among other outlets. To the extent that a given future expected benefit period is shorter than we estimate, we may have to write-off capitalized production costs sooner than anticipated. Conversely, to the extent that a given future expected benefit period is longer than we estimate, we may have to extend the amortization schedule for the remaining capitalized production costs.

We also purchase programming from, and enter into license arrangements with, various third party programming producers and providers, pursuant to which we receive the rights to broadcast programming produced by third parties over our television networks in Mexico and/or our pay television and other media outlets. In the case of programming acquired from third parties, we estimate the expected future benefit period based on the anticipated number of showings in Mexico over our television networks and/or our pay television and other media outlets. In the case of programming licensed from third parties, we estimate the expected future benefit period based upon the term of the license. To the extent that a given future expected benefit period is shorter than we estimate, we may have to write off the purchase price or the license fee sooner than anticipated. Conversely, to the extent that a given future expected benefit period is longer than we estimate, we may have to extend the amortization schedule for the remaining portion of the purchase price or the license fee.

Equity Investments. Some of our investments are structured as equity investments. See Notes 1(g) and 2 to our year-end financial statements. As a result, under both Mexican and U.S. GAAP, the results of operations attributable to these investments are not consolidated with the results of our various segments for financial reporting purposes, but are reported as equity in income (losses) of affiliates in our consolidated income statement. See Note 5 to our year-end financial statements.

In the past we have made significant capital contributions and loans to our joint ventures, and we, in the future, may make additional capital contributions and loans to at least some of our joint ventures. In the past, these ventures have generated, and they may continue to generate operating losses and negative cash flows as they continue to build and expand their respective businesses. We also monitor the value of our investment in Univision for indicators of impairment, including changes in market conditions and quoted market prices which may result in the inability to recover our carrying value.

We periodically evaluate our investments in these joint ventures for impairment, taking into consideration the performance of these ventures as compared to projections related to net sales, expenditures and subscriber growth, strategic plans and future required cash contributions, and quoted market prices in the case of Univision, among other factors. In doing so, we evaluate whether any declines in value are other than temporary. We have taken impairment charges in the past for some of these investments. Given the dynamic environments in which these businesses operate, as well as changing macroeconomic conditions, we cannot assure you that our future evaluations would not result in our recognizing additional impairment charges for these investments.

Once the carrying balance of a given investment is reduced to zero, we evaluate whether we should suspend the equity method accounting, taking into consideration both quantitative and qualitative factors, such as guarantees we have provided to these ventures, future funding commitments and expectations as to the viability of the business. These conditions may change from year to year, and accordingly, we periodically evaluate whether to continue to account for our various investments under the equity method.

Goodwill and Other Indefinite-lived Intangible Assets. Under Mexican GAAP, goodwill and other indefinite-lived intangibles, such as television broadcast licenses were amortized on a straight-line basis over their estimated useful lives through December 31, 2004 and 2003, respectively. We ceased amortizing our goodwill and other indefinite-lived intangible assets, beginning January 1, 2004 and 2003, respectively. We assess our goodwill and other indefinite-lived intangible assets for impairment using fair value measurement techniques under Mexican GAAP, which is similar to U.S. GAAP in this regard except that Mexican GAAP does not require a two-step impairment evaluation process, but rather, a direct comparison of fair value to carrying value.

The identification and measurement of impairment to goodwill and intangible assets with indefinite lives involves the estimation of fair values. These estimates and assumptions could have a significant impact on whether or not an impairment charge is recognized and also the magnitude of any such charge. We perform valuation analyses with the assistance of third parties and consider relevant internal data, as well as other market information, that is publicly available. Estimates of fair value are primarily determined using discounted cash flows and market comparisons. These approaches use significant estimates and assumptions including projected future cash flows (including timing), discount rate reflecting the risk inherent in future cash flows, perpetual growth rate, determination of appropriate market comparables and the determination of whether a premium or discount should be applied to comparables. Inherent in these estimates and assumptions is a certain level of risk, which we believe we have considered in our valuations. Nevertheless, if future actual results differ from estimates, a possible impairment charge may be recognized in future periods related to the write-down of the carrying value of goodwill and other intangibles in addition to the amounts recognized previously.

Long-lived Assets. Under both Mexican and U.S. GAAP, we present certain long-lived assets and capitalized costs other than goodwill and other indefinite-lived intangible assets in our consolidated balance sheet. Long-lived assets are tested for impairment whenever events or changes in circumstances indicate that the carrying value of an asset is no longer recoverable from future discounted projected cash flows. Estimates of future cash flows involve considerable management judgment. These estimates are based on historical data, future revenue growth, anticipated market conditions, management plans, assumptions regarding projected rates of inflation and currency fluctuations, among other factors. If these assumptions are not correct, we would have to recognize a write-off or write-down or accelerate the amortization schedule related to the carrying value of these assets. See Notes 1(j), 7 and 20 to our year-end financial statements. Unlike U.S. GAAP, Mexican GAAP allows the reversal in subsequent periods of previously taken impairment charges.

Deferred Income Taxes. Under both Mexican and U.S. GAAP, we record a valuation allowance to reduce our deferred tax assets to the amount that is more likely than not to be realized. While we have considered future taxable income and ongoing prudent and feasible tax planning strategies in assessing the need for the valuation allowance, in the event we were to determine that we would be able to realize our deferred tax assets in the future in excess of the net recorded amount, an adjustment to the deferred tax asset would increase income in the period such determination was made. Should we determine that we would not be able to realize all or part of our net deferred tax

asset in the future, an adjustment to the deferred tax asset would be charged to income in the period such determination was made.

LIQUIDITY, FOREIGN EXCHANGE AND CAPITAL RESOURCES

Liquidity. We generally rely on a combination of operating revenues, borrowings and net proceeds from dispositions to fund our working capital needs, capital expenditures, acquisitions and investments. Historically, we have received, and continue to receive, most of our advertising revenues in the form of upfront advertising deposits in the fourth quarter of a given year, which we in turn used, and continue to use, to fund our cash requirements during the rest of the quarter in which the deposits were received and for the first nine months of the following year. As of December 31, 2004, December 31, 2003 and December 31, 2002 we had received Ps.13,615.3 million (nominal), Ps.12,354.9 million (nominal) and Ps.11,304.7 million (nominal), respectively, of advertising deposits for television advertising during 2005, 2004 and 2003, respectively, representing U.S.\$1.2 billion, U.S.\$1.1 billion, and U.S.\$1.1 billion, respectively, at the applicable year-end exchange rates. The deposits as of December 31, 2004 represented a 10.2% (nominal) increase, or 4.3% in real terms, as compared to year-end 2003, and the deposits at December 31, 2003 represented a 9.3% (nominal) increase or 5.1% in real terms as compared to year-end 2002. Approximately 60.9%, 62.0% and 62.6% of the advanced payment deposits as of each of December 31, 2004, December 31, 2003 and December 31, 2002, respectively, were in the form of short-term, non-interest bearing notes, with the remainder in each of those years consisting of cash deposits. The weighted average maturity of these notes at December 31, 2004, December 31, 2003 and December 31, 2002 was 3.5 months, 3.3 months and 3.5 months, respectively. See " -- Results of Operations -- Total Segment Results -- Television Broadcasting."

We expect to fund our cash needs during 2005, other than cash needs in connection with any potential investments and acquisitions, through a combination of cash from operations and cash on hand. We intend to finance our potential investments or acquisitions in 2005 through available cash from operations, cash on hand and/or borrowings. The amount of borrowings required to fund these cash needs in 2005 will depend upon the timing of cash payments from advertisers under our advertising sales plan.

Cash Basis Income. Our cash basis income is defined in our Consolidated Statement of Changes in Financial Position in our year end financial statements as "net income adjusted for non-cash items." Non-cash items represent primarily depreciation and amortization, deferred income taxes and equity in results of affiliates, exclusive of changes in working capital. The Mexican Pesos amounts in this section are expressed in millions of Mexican Pesos in purchasing power as of December 31, 2004.

In 2004, we generated positive cash basis income of Ps.7,999.6 million, as compared to a positive cash basis income of Ps.5,265.8 million during 2003. This change was due primarily to the following increases in cash basis income:

- a Ps.2,668.6 million increase in operating income;
- a Ps.539.2 million decrease in restructuring and non-recurring charges; and
- a Ps.502.2 million decrease in income and assets taxes and employees' profit sharing.

The increases in our cash basis income were partially offset by:

- a Ps.838.1 million increase in integral cost of financing, which was due primarily to an increase in interest expense and foreign exchange loss; and
- a Ps.138.1 million increase in other expense, net.

In 2003, we generated positive cash basis income of Ps.5,265.8 million, as compared to a positive cash basis income of Ps.3,512.3 million during 2002. This change was due primarily to the following increases in cash basis income:

- a Ps.1,292.4 million increase in operating income;
- a Ps.326.5 million decrease in other expense, net;
- a Ps.229.4 million decrease in restructuring and non-recurring charges; and
- a Ps.24.0 million decrease in integral cost of financing, which was due primarily to an increase in interest income and a decrease in interest expense.

The increases in our cash basis income were partially offset by a Ps.118.8 million increase in income and assets taxes and employees' profit sharing.

In 2002, we generated positive cash basis income of Ps.3,512.3 million, as compared to a positive cash basis income of Ps.4,154.1 million during 2001. This change was due primarily to the following decreases in cash basis income:

- a Ps.434.2 million increase in other expense, net;
- a Ps.292.5 million increase in restructuring and non-recurring charges;
- a Ps.192.6 million increase in integral cost of financing, which was due primarily to a decrease in interest income and an increase in interest expense; and
- a Ps.167.0 million increase in income and assets taxes and employees' profit sharing.

This change was partially offset by a Ps.444.5 million increase in operating income.

Capital Expenditures, Acquisitions and Investments, Distributions and Other Sources of Liquidity.

During 2005, we expect to:

- make aggregate expenditures for property, plant and equipment of approximately U.S.\$210.0 million, which amount includes capital expenditures in amount of U.S.\$35.0 million for the expansion and improvements of our cable business and U.S.\$115.0 million for the expansion and improvements of our DTH business, which is operated by Innova.

During 2004, we:

- made aggregate capital expenditures for property, plant and equipment of approximately U.S.\$174.6 million, which amount included capital expenditures in the amount of U.S.\$35.1 million and U.S.\$57.6 million related to our Cable Television and Sky Mexico segments, respectively;
- invested an aggregate of U.S.\$12.5 million in TechCo and MCOP in the form of long-term loans; and
- contributed Ps.69.9 million (nominal) to fund our seniority premium obligations.

During 2003, we:

- made aggregate capital expenditures for property, plant and equipment of approximately U.S.\$94.9 million, which amount included capital expenditures in the amount of U.S.\$17.4 million for the expansion and improvement of our cable business;

- invested an aggregate of U.S.\$2.5 million in "TuTV," a 50% joint venture with Univision for distribution of our Spanish-speaking programming packages in the U.S.;

- invested an amount of approximately U.S.\$4.8 million in OCEN, the live entertainment company in which we hold a 40% stake;

- invested an aggregate of U.S.\$20.6 million in our Latin America DTH joint ventures in the form of long-term loans. Innova did not require shareholder funding in 2003 or 2004; and

- contributed Ps.36.1 million (nominal) to fund our seniority premium obligations.

For a description of commitments we have made in connection with our joint venture with Endemol, see "Information on the Company -- Business Overview -- Television -- Programming."

Refinancings. During 2000, we completed a refinancing of our indebtedness which included the repurchase of a majority of the aggregate principal amounts of our Series A Senior Notes due May 2003, Series B Senior Notes due May 2006 and Senior Discount Debentures due May 2008, and the amendments to the related indentures. After giving effect to the amendments to the related indentures, substantially all of the restrictive covenants and certain of the events of default were eliminated. In May 2001, we redeemed all of the remaining Senior Discount Debentures outstanding and terminated the related indenture. In the second quarter of 2003, we repaid all of the remaining Series A Senior Notes, which matured in May 2003, with the net proceeds from a long-term credit agreement that we entered into with a Mexican bank for an aggregate principal amount of Ps.800.0 million. See "-- Indebtedness" below and Note 9 to our year-end financial statements. For a description of the aggregate principal amount of Series B Senior Notes outstanding as of December 31, 2004, see "-- Indebtedness" below.

In September 2001, we issued U.S.\$300.0 million aggregate principal amount of 8% Senior Notes due 2011, which net proceeds and cash on hand were used to repay approximately U.S.\$300.0 million of a U.S.\$400.0 million term loan facility that we entered into with a group of banks in May 2000, which originally matured in 2004. In December 2001, we entered into a U.S.\$100.0 million long-term loan facility, the proceeds of which were used to repay the remaining approximately U.S.\$100.0 million of indebtedness then outstanding under our U.S.\$400.0 million term loan facility, which was subsequently terminated. For a description of our 8% Senior Notes due 2011 and the U.S.\$100.0 million long-term loan facility, see "-- Indebtedness" below.

In connection with our acquisition of shares of preferred stock of Univision, as described under "Information on the Company -- Business Overview -- Univision," on December 21, 2001, we entered into a U.S.\$276.0 million bridge loan facility. We borrowed U.S.\$276.0 million in a single drawing on December 21, 2001. We used all of the net proceeds from this bridge loan facility, together with approximately U.S.\$99.0 million of cash on hand, to finance our acquisition of shares of preferred stock of Univision. See "Information on the Company -- Business Overview -- Univision." We repaid all of the U.S.\$276.0 million of indebtedness outstanding under this bridge loan facility with a substantial portion of the net proceeds from the issuance of U.S.\$300.0 million aggregate principal amount of 8.5% Senior Notes due 2032 in March 2002. For a description of our 8.5% Senior Notes due 2032, see "-- Indebtedness" below.

In May 2004, we entered into a five-year credit agreement with a Mexican bank for an aggregate principal amount of Ps.1,162.5 million, which net proceeds were used by us to repay any outstanding amounts under the U.S.\$100.0 million syndicated term loan. For a description of the terms of the Ps.1,162.5 million long-term credit agreement, see "-- Indebtedness" below.

In October 2004, we entered into a seven-and-a-half-year credit agreement with a Mexican bank for an aggregate principal amount of Ps.2,000.0 million. Net proceeds of this loan are intended to be used principally to prefund a portion of our U.S.\$200.0 million aggregate principal amount 8 5/8% Senior Notes due in August 2005.

In March 2005, we issued U.S.\$400 million aggregate principal amount of 6 5/8% Senior Notes due 2025. We applied the net proceeds from this issuance, as well as cash on hand, to fund our tender offers for any or all of our

U.S.\$300 million aggregate principal amount outstanding of our 8.00% Senior Notes due 2011 and our Ps.3,839 million (equivalent to approximately U.S.\$336.9 million) aggregate principal amount of 8.15% UDI-denominated Notes due 2007. For a description of our 6 5/8% Senior Notes due 2025, see " -- Indebtedness" below.

In May 2005, we reopened our 6 5/8% Senior Notes due 2025 for an additional U.S.\$200 million for an aggregate principal amount of U.S.\$600 million of 6 5/8% Senior Notes due 2025 outstanding.

Indebtedness. The following table sets forth a description of our outstanding indebtedness as of December 31, 2004 on a historical, actual basis and as adjusted to reflect (a) the early redemption in January 2005 by Innova of U.S.\$88 million of 12.875% Senior Notes due 2007 using a portion of the net proceeds from a bank loan from HSBC, which was incurred in December 2004, (b) the issuance of U.S.\$400 million in aggregate principal amount of 6 5/8% Senior Notes due 2025 and the application of the net proceeds from this issuance, together with cash on hand, to fund our tender offers for any or all of our U.S.\$300.0 million aggregate principal amount outstanding of our 8.00% Senior Notes due 2011 and our Ps.3,839 million (equivalent to approximately U.S.\$336.9 million) aggregate principal amount of 8.15% UDI-denominated Notes due 2007, (c) the prepayment of the Serfin loan in the aggregate principal amount of Ps.80 million in May 2005 and (d) the issuance of the U.S.\$200 million aggregate principal amount of 6 5/8% Senior Notes due 2025 via a reopening of the note in May 2005, in each case, as if such transactions occurred on December 31, 2004. Information in following table is presented in millions of constant Mexican Pesos in purchasing power as of December 31, 2004:

DESCRIPTION OF DEBT -----	DEBT OUTSTANDING(1)				
	DECEMBER 31, 2004		INTEREST RATE (2)	DENOMINATION	MATURITY OF DEBT
	ACTUAL (MILLIONS OF PESOS)	PRO FORMA (MILLIONS OF PESOS)			
CURRENT DEBT:					
Notes Payable.....	Ps. 22	Ps. 22	4.21%	Various	2005
8 5/8% Senior Notes due 2005(4)(5).....	2,230	2,230	8.625%	U.S. Dollars	2005
Innova's 12 7/8% Senior Notes due 2007.....	981	--	12.875%	U.S. Dollars	2007
Serfin loan.....	64	--	TIIE Rate +.30%	Mexican Pesos	2005
	-----	-----			
Total Current Debt.....	3,297	2,252			
	=====	=====			
LONG-TERM DEBT					
Series B Senior Notes(3).....	Ps. 60	Ps. 60	11.875%	U.S. Dollars	2006
8% Senior Notes(4)(6).....	3,345	864	8.0%	U.S. Dollars	2011
8.5% Senior Notes(4)(7).....	3,345	3,345	8.5%	U.S. Dollars	2032
6 5/8% Senior Notes issued March 2005 (4)(8)	--	4,460	6.625%	U.S. Dollars	2025
6 5/8% Senior Notes issued May 2005 (4)(8)	--	2,230	6.625%	U.S. Dollars	2025
Innova's HSBC Loan(14).....	1,012	1,012	10.55%	Mexican Pesos	2010 and 2011
Innova's 9 3/8% Senior Notes(9).....	3,345	3,345	9.375%	U.S. Dollars	2013
UDI-denominated notes.....	3,839	914	8.15%	UDIs (Peso-Indexed)	2007

Banamex loan(10)	2,000	2,000	10.35%	Mexican Pesos	2010 and 2012
Banamex loan(11)	720	720	8.925%	Mexican Pesos	2006-2008
Banamex loan(12)	1,162	1,162	9.70%	Mexican Pesos	2009
Serfin loan(13)	32	--	TIIE Rate +.30%	Mexican Pesos	2006
Other debt(15)	84	84	3.73%	Various	2006-2010

Total debt (including current maturities)	22,241	22,448	--	--	8.4(16)

Less: current maturities	3,297	2,252	--	Various	December 2005

Total long-term debt	Ps. 18,944	Ps. 20,196	-----		

(1) U.S. Dollar-denominated debt is translated into Pesos at an exchange rate of Ps.11.1490 per U.S. Dollar, the Interbank Rate, as reported by Banamex, as of December 31, 2004.

(2) Excludes additional amounts payable in respect of Mexican withholding taxes. See "Other Information -- Taxation -- Mexican Taxes."

(3) Interest on the Series B Senior Notes is payable semi-annually. The Series B Notes bear interest at an effective rate of 12.49%. The Series B Senior Notes are redeemable by us in the event of certain changes in the law affecting the Mexican withholding tax treatment of certain payments we make on the Series B Senior Notes, as well as at our option in certain cases. See Note 9 to our year-end financial statements.

(4) Interest is payable semi-annually on each of the 8 5/8% Senior Notes due 2005, the 8.0% Senior Notes due 2011, the 8.5% Senior Notes due 2032 and the 6 5/8% Senior Notes due 2025. The 8 5/8% Senior Notes due 2005, the 8.0% Senior Notes due 2011, the 8.5% Senior Notes due 2032 and the 6 5/8% Senior notes due 2025 bear interest at an effective rate of 9.07%, 8.41%, 8.94% and 6.97%, respectively. The 8 5/8% Senior Notes due 2005, the 8.0% Senior Notes due 2011, the 8.5% Senior Notes due 2032 and the 6 5/8% Senior notes due 2025 are redeemable by us in the event of certain changes in the law affecting the Mexican withholding tax treatment of certain payments we make in respect of these notes, as well as at our option in certain cases. See Note 9 to our year-end financial statements.

(5) As described below, we registered substantially all of our 8 5/8% Senior Notes due 2005 through an exchange offer in January 2001.

(6) Reflects the issuance of U.S.\$300.0 million aggregate principal amount of 8.0% Senior Notes due 2011 issued on September 13, 2001. We applied the net proceeds from this issuance, together with cash on hand, to repay approximately U.S.\$300.0 million of the U.S.\$400.0 million of indebtedness then outstanding under our prior U.S.\$400.0 million term loan facility. As described below, we registered substantially all of these notes through an exchange offer in March 2002.

(7) Reflects the issuance of U.S.\$300.0 million aggregate principal amount of 8.5% Senior Notes due 2032 issued on March 1, 2002. We applied a substantial portion of the net proceeds from this issuance to repay all of the U.S.\$276.0 million of indebtedness then outstanding under our bridge loan facility. In July 2002, we registered all of our 8.5% Senior Notes due 2032 pursuant to an exchange offer. See Note 9 to our year-end financial statements.

(8) Reflects the issuance of U.S.\$600.0 million aggregate principal amount of 6 5/8% Senior Notes due 2025 issued in the amount of U.S.\$400.0 million on March 18, 2005 and U.S.\$200.0 million on May 26, 2005. We applied the net proceeds from the March 18 issuance, together with cash on hand, to fund our tender offers for any or all of our U.S.\$300.0 million aggregate principal amount outstanding of our 8.00% Senior Notes due 2011 and our Ps.3,839 million (equivalent to approximately U.S.\$336.9 million) aggregate principal amount of 8.15% UDI-denominated Notes due 2007. We may use the net proceeds from the May 26, 2005 issuance for

general corporate purposes and may also apply it, subject to market conditions and other factors, to the repayment of some of our and/or our subsidiaries' outstanding indebtedness See Note 9 to our year-end financial statements.

(9) In September 2003, Innova completed the offering of these U.S.\$300.0 million Senior Notes, bearing an interest at a coupon rate of 9.375%, payable semi-annually. These securities are unsecured and unsubordinated indebtedness of Innova and contain certain restrictive covenants for Innova on additional indebtedness, liens, sales and leasebacks, restricted payments, asset sales, and certain mergers, consolidations and similar transactions. Innova may, at its own option, redeem these Senior Notes, in whole or in part, at any time on or after September 19, 2008 at redemption prices from 104.6875% to 101.5625% between September 19, 2008 through September 18, 2011, or 100% commencing on September 19, 2011, plus accrued and unpaid interest, if any. Additionally, on or before September 19, 2006, Innova may, at its own option and subject to certain requirements, use the proceeds from one or more qualified equity offerings to redeem up to 35% of the aggregate principal amount of these Senior Notes at 109.375% of their principal amount, plus accrued and unpaid interest.

(10) In October 2004, the Company entered into a long-term credit agreement with a Mexican bank in the aggregate principal amount of Ps.2,000.0 million, which matures in 2010 (50%) and 2012 (50%). Interest on this loan is 10.35% per annum, and is payable on a monthly basis. The proceeds of this loan are intended to be used principally to prefund a portion of the Company's debt maturing in August 2005.

(11) In May 2003, we entered into a long-term credit agreement with a Mexican bank for an aggregate principal amount of Ps.800.0 million, with two tranches of Ps.400.0 million each. The annual interest rate for the first tranche equals 9.35% plus additional basis points from 0 to 45 based on the maintenance of certain financial coverage ratios related to indebtedness (the "additional basis points"), and an annual interest rate for the second tranche equal to the Mexican interbank rate plus 40 basis points plus additional basis points. Interest due in connection with this credit agreement is payable on a 28-day basis. This indebtedness has two semi-annual maturities of Ps.40.0 million each in 2004, two semi-annual maturities of Ps.120.0 million each in 2006 and two quarterly maturities of Ps.240.0 million each in 2008. This credit agreement was subsequently amended to reflect a fixed annual interest rate of 8.50% plus additional basis points for the second tranche beginning in the third quarter of 2003.

(12) In May 2004, we entered into a long-term credit agreement with a Mexican bank for an aggregate principal amount of Ps.1,162.5 million, which matures in 2009. The annual interest rate of this indebtedness equals 9.70% and is payable on a monthly basis.

(13) The aggregate principal amount of this loan is payable in 20 equal quarterly installments beginning August 2001 and ending May 2006. Interest on this loan is payable on a quarterly basis.

(14) In December 2004, Innova entered into a long-term credit agreement with a Mexican bank in the aggregate principal amount of Ps.1,012.0 million, which amortizes in 2010 (50%) and 2011 (50%), and is guaranteed by us and News Corp. at 51% and 49%, respectively. Interest on this loan is 10.55% per annum, and is payable on a monthly basis. The net proceeds of this loan were used by Innova to prepay in January 2005 all of the outstanding amounts of the U.S.\$88.0 million outstanding principal amount of Senior Notes due in 2007.

(15) Includes outstanding indebtedness in the aggregate amount of Ps.106.0 million under the following bank loans and capital leases:

- Ps.2.0 million in capital lease obligations. These obligations bear interest at a variable annual rate between 13% and 18% and have maturities ranging from 2005 to 2009; and

- Ps.104.0 million in other bank loans, which are denominated in U.S. Dollars. These bank loans bear interest at a variable annual rate between one and five points above LIBOR and have maturities ranging from 2005 and 2010.

(16) Actual weighted average maturity of long-term debt as of December 31, 2004.

In April 2000, we issued UDI-denominated notes for an aggregate principal amount of 1,086,007,800 UDIs, pursuant to a medium-term note program in Mexico. Our UDI-denominated notes mature in 2007 and bear interest at an annual rate of 8.15%. The facility governing the medium-term note program pursuant to which we issued our UDI-denominated notes does not contain any financial or restrictive covenants. In March of 2005, as part of a refinancing plan, we launched a tender offer for any or all of our 8.15% UDI-denominated notes due 2007 through

which approximately Ps.2,935 million (equivalent to approximately U.S.\$262 million) in aggregate principal amount, representing approximately 76% of the outstanding principal amount of these notes, were tendered. See Note 8 to our year-end financial statements.

In August 2000, we issued U.S.\$200.0 million aggregate principal amount of 8 5/8% Senior Notes due 2005. Interest on the 8 5/8% Senior Notes due 2005 is payable semi-annually in February and August of each year, commencing in February 2001. In September 2001, we issued U.S.\$300.0 million aggregate principal amount of 8% Senior Notes due 2011. Interest on the 8.0% Senior Notes due 2011 is payable semi-annually in March and September of each year, commencing in March 2002. In March of 2005, as part of a refinancing plan, we consummated a tender offer for our Senior Notes due 2011 through which approximately U.S.\$222 million in aggregate principal amount, representing approximately 74% of the outstanding principal amount of these notes, were tendered. In March 2002, we issued U.S.\$300.0 million aggregate principal amount of 8.5% Senior Notes due 2032. Interest on the 8.5% Senior Notes due 2032 is payable semi-annually in March and September of each year, commencing in September 2002. In March 2005, we issued U.S.\$400 million aggregate principal amount of 6 5/8% Senior Notes due 2025. Interest on the 6 5/8% Senior Notes due 2025 is payable semi-annually in March and September of each year, commencing September 2005. In May 2005, we reopened our 6 5/8% Senior Notes due 2025 by issuing an additional U.S.\$200 million under the same terms and payable semi-annually on the same dates as the 6 5/8% Senior Notes due 2025 issued in March 2005. The indenture related to the 8 5/8% Senior Notes due 2005, the 8.0% Senior Notes due 2011, the 8.5% Senior Notes due 2032 and the 6 5/8% Senior Notes due 2025 requires us to comply with certain covenants. The 8 5/8% Senior Notes due 2005, the 8.0% Senior Notes due 2011, the 8.5% Senior Notes due 2032 and the 6 5/8% Senior notes due 2025 are unsecured obligations, rank equally in right of payment with all of our future unsecured and subordinated indebtedness and are junior in right of payment to all existing and future liabilities of our subsidiaries. The 8 5/8% Senior Notes due 2005, the 8.0% Senior Notes due 2011, the 8.5% Senior Notes due 2032 and the 6 5/8% Senior Notes due 2025 are redeemable by us in the event of certain changes in the law affecting the Mexican withholding tax treatment of certain payments we make on these notes. The 6 5/8% Senior Notes due 2025 are also redeemable at any time in whole or in part, at our option, by paying the greater of the principal amount of the notes and a "make-whole" amount, plus in each case accrued interest. We intend to register the 6 5/8% Senior Notes due 2025 pursuant to an exchange offer. In the fourth quarter of 2000, we registered substantially all of the 8 5/8% Senior Notes due 2005 pursuant to an exchange offer. We registered substantially all of the U.S.\$300.0 million 8.0% Senior Notes due 2011 pursuant to an exchange offer in March 2002. In July 2002, we registered all of the 8.5% Senior Notes due 2032 pursuant to an exchange offer. See Note 9 to our year-end financial statements.

As described above under " -- Refinancings," in December 2001, we entered into a U.S.\$100.0 million term loan facility. We borrowed U.S.\$100.0 million in a single drawing on December 21, 2001, the principal of which was payable over five years in semi-annual installments, commencing on June 21, 2005. Borrowings under this facility bore interest at a rate of 0.875% per annum over LIBOR. Interest in respect of principal amounts borrowed under this facility was payable in semi-annual installments. In May 2004, we prepaid any amounts outstanding under the U.S.\$100.0 million term loan facility by using the net proceeds from a Ps.1,162.5 million long-term credit agreement that we entered into with a Mexican bank in May 2004, which terms are summarized below.

The Ps.1,162.5 million long-term credit agreement contains restrictive covenants that limit our ability and the ability of our subsidiaries through which we conduct our television broadcasting, pay television networks and programming exports businesses to:

- incur indebtedness;
- make dividend payments;
- issue and sell capital stock of restricted subsidiaries; and
- consummate mergers and consolidations, liquidations, dissolutions or transfers of assets.

The Ps.1,162.5 million long-term credit agreement also requires us to maintain:

- a total net debt/EBITDA ratio (as defined) not greater than 3.50 to 1.00; and

- a EBITDA/cash interest ratio (as defined) not less than 1.50 to 1.00.

In the second quarter of 2003, we repaid all of the remaining Series A Senior Notes, which matured in May 2003, with the net proceeds from a long-term credit agreement that we entered into with a Mexican bank for an aggregate principal amount of Ps.800.0 million. The principal amount is divided into two tranches of Ps.400.0 million each, with an annual interest rate for the first tranche of 9.35% plus additional basis points from 0 to 45 based on the maintenance of certain financial coverage ratios related to indebtedness (the "additional basis points"), and an annual interest rate for the second tranche equal to the Mexican interbank rate plus 40 basis points plus additional basis points. Interest due in connection with this credit agreement is payable on a 28-day basis. This indebtedness has two semi-annual maturities of Ps.40.0 million each in 2004, two semi-annual maturities of Ps.120.0 million each in 2006 and two quarterly maturities of Ps.240.0 million each in 2008. The terms of this credit agreement require us to comply with certain covenants and maintain certain financial ratios similar to those under the Ps.1,162.5 million long-term credit agreement summarized above. This credit agreement was subsequently amended to reflect a fixed annual interest rate of 8.50% plus additional basis points for the second tranche beginning in the third quarter of 2003. In October 2004, we entered into a seven-and-a-half-year credit agreement with a Mexican bank for an aggregate principal amount of Ps.2,000.0 million. The net proceeds of this financing are intended to be used principally to prefund a portion of our U.S.\$200 million aggregate principal amount 8 5/8% Senior Notes due in August 2005.

In addition, in April 2003 we prepaid a long-term loan for approximately 23.6 million Euros, which originally matured in June 2003. This indebtedness was incurred to finance the recapitalization of Via Digital in January 2000.

Interest Expense. Interest expense for 2004 was Ps.2,095.4 million, Ps.172.1 million of which was attributable to the index restatement of our UDI-denominated notes due 2007.

The following table sets forth our interest expense for the years indicated:

	YEAR ENDED DECEMBER 31, (1) (2)		
	2002	2003	2004
	(MILLIONS OF U.S. DOLLARS)		
Interest payable in U.S. Dollars.....	U.S.\$ 76.2	U.S.\$ 70.2	U.S.\$110.0
Amounts currently payable under Mexican withholding taxes(3).....	3.9	3.4	5.0
Total interest payable in U.S. Dollars.....	U.S.\$ 80.1	U.S.\$ 73.6	U.S.\$115.0
Peso equivalent of interest payable in U.S. Dollars.....	Ps. 872.5	Ps. 854.3	Ps.1,334.8
Interest payable in Pesos.....	419.8	446.3	588.5
Restatement of UDI-denominated Notes due 2007.....	207.3	146.5	172.1
Total interest expense(4).....	Ps.1,499.6	Ps.1,447.1	Ps.2,095.4

(1) U.S. Dollars are translated into Pesos at the rate prevailing when interest was recognized as an expense for each period and restated to Pesos in purchasing power as of December 31, 2004.

(2) Interest expense in these periods includes amounts effectively payable in U.S. Dollars as a result of U.S. Dollar-Peso swaps.

(3) See "Other Information -- Taxation -- Mexican Taxes."

(4) Total interest expense amounts in these periods exclude capitalized and hedged interest expense.

Guarantees. We guarantee our proportionate share of our DTH joint ventures' minimum commitments for use on PanAmSat and other transponders for periods of up to 15 years. The amount of these guaranteed commitments is estimated to be an aggregate of approximately U.S.\$111.8 million as of December 31, 2004, related to Innova. In October 2004, in connection with the transactions with DIRECTV Mexico, we entered into an amended and restated guarantee with PanAmSat, pursuant to which the proportionate share of Innova's transponder lease obligation guaranteed by us was reduced from 60% to 51% and will remain at 51% until the options granted by Innova and Innova Holdings to News Corp. are exercised in full, at which point our obligations under the guarantee will be adjusted to cover a percentage of the transponder lease obligations equal to our percentage ownership of Innova at that time. See "Information of the Company -- Business Overview -- DTH Joint Ventures." See "Major Shareholders and Related Party Transactions -- The Principal Shareholders and Related Party Transactions -- Related Party Transactions," See "Information of the Company -- Business Overview -- DTH Joint Ventures" and Notes 10 and 12 to our year-end financial statements. In addition, we have guaranteed obligations of TechCo in which we have a 30% interest in an aggregate amount of approximately U.S.\$9.9 million. See "Key Information -- Risk Factors -- Risk Factors Related to Our Business -- We Have Experienced Substantial Losses, Primarily in Respect of Our Investments in Innova and Sky Multi-Country Partners, and Expect to Continue to Experience Substantial Losses as a Result of Our Participation in DTH Joint Ventures, Which Would Adversely Affect Our Net Income" and Note 12 to our year-end financial statements.

CONTRACTUAL OBLIGATIONS AND COMMERCIAL COMMITMENTS

Our contractual obligations and commercial commitments consist primarily of long-term debt, as described above, satellite transponder obligations and transmission rights obligations.

CONTRACTUAL OBLIGATIONS ON THE BALANCE SHEET

The following table summarizes our contractual obligations on the balance sheet as of December 31, 2004:

	PAYMENTS DUE BY PERIOD				
	TOTAL	LESS THAN	12-36 MONTHS	36-60 MONTHS	AFTER 60 MONTHS
		JANUARY 1, 2005 TO DECEMBER 31, 2005	JANUARY 1, 2006 TO DECEMBER 31, 2007	JANUARY 1, 2008 TO DECEMBER 31, 2009	SUBSEQUENT TO DECEMBER 31, 2009
	(THOUSANDS OF U.S. DOLLARS)				
Series B Senior Notes	U.S.\$ 5,343	U.S.\$ --	U.S.\$ 5,343	U.S.\$ --	U.S.\$ --
8.625% Senior Notes	200,000	200,000	--	--	--
8% Senior Notes	300,000	--	--	--	300,000
8.5% Senior Notes	300,000	--	--	--	300,000
Innova's 12.875% Senior Notes	88,000	88,000	--	--	--
Innova's 9.375% Senior Notes	300,000	--	--	--	300,000
UDI-denominated Notes	344,312	--	344,312	--	--
Banamex loan II	64,580	--	21,527	43,053	--
Banamex loan III	104,266	--	--	104,266	--
Banamex loan IV	179,388	--	--	--	179,388
Serfin loan	8,610	5,740	2,870	--	--
Innova's HSBC loan	90,770	--	--	--	90,770
Other debt	9,609	1,990	3,404	1,691	2,524
Long-term debt.....	1,994,878	295,730	377,456	149,010	1,172,682
Satellite transponder obligation	125,155	6,345	15,092	18,974	84,744
Transmission rights(1).....	82,564	48,824	33,723	17	--
Total contractual obligations	U.S.\$ 2,202,597	U.S.\$ 350,899	U.S.\$ 426,271	U.S.\$ 168,001	U.S.\$ 1,257,426

(1) This liability reflects our transmission rights obligations related to programming acquired or licensed from third party producers and suppliers, and special events, which are reflected for in our consolidated balance sheet within trade accounts payable (current liabilities) and other long-term liabilities.

CONTRACTUAL OBLIGATIONS OFF THE BALANCE SHEET

The following table summarizes our contractual obligations off the balance sheet as of December 31, 2004:

PAYMENTS DUE BY PERIOD

	TOTAL	PAYMENTS DUE BY PERIOD			
		LESS THAN 12 MONTHS JANUARY 1, 2005 TO DECEMBER 31, 2005	12-36 MONTHS JANUARY 1, 2006 TO DECEMBER 31, 2007	36-60 MONTHS JANUARY 1, 2008 TO DECEMBER 31, 2009	AFTER 60 MONTHS SUBSEQUENT TO DECEMBER 31, 2009
(THOUSANDS OF U.S. DOLLARS)					
DTH joint ventures(1).....	U.S.\$ 7,000	U.S.\$ 7,000	U.S.\$ --	U.S.\$ --	U.S.\$ --
Capital expenditures commitments(2).....	62,108	62,108	--	--	--
Capital lease(3).....	9,865	3,344	6,521	--	--
Guarantees(4).....	13,468	875	12,593	--	--
Other(5).....	24,483	12,200	12,283	--	--
Total contractual obligations..	U.S.\$116,924	U.S.\$ 85,527	U.S.\$ 31,397	U.S.\$ --	U.S.\$ --

(1) We have commitments to make long-term loans in 2005 to our DTH technical facilities.

(2) Our commitments for capital expenditures include U.S.\$53,764, which are related to commitments to Sky Mexico projects.

(3) We have guaranteed the obligations of certain capital leases of our DTH technical facilities.

(4) In connection with the disposal of our investment in PanAmSat in 1997, we granted collateral to secure certain indemnification obligations. After the expiration of applicable tax statutes of limitations, the collateral will be reduced to a de minimis amount. The collateral agreement will terminate in approximately three years.

(5) In September 2001, we entered into a 50/50 programming joint venture with Endemol, an international content developer and producer for television and online platforms based in the Netherlands, to produce and develop content for television and the Internet. As of December 31, 2004, we have commitments to acquire from Endemol programming formats through this joint venture up to in the aggregate U.S.\$24.5 million through 2006. ITEM 6.

ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

BOARD OF DIRECTORS

The following table sets forth the names of our current directors and their alternates, their dates of birth, their principal occupation, their business experience, including other directorships, and their years of service as directors or alternate directors. Each of the following directors and alternate directors were elected or ratified for a one-year term by our shareholders at our April 29, 2005 annual shareholders' meeting.

NAME AND DATE OF BIRTH	PRINCIPAL OCCUPATION	BUSINESS EXPERIENCE	FIRST ELECTED
Emilio Azcarraga Jean (02/21/68)	Chairman of the Board, President and Chief Executive Officer and President of the Executive Committee of Grupo Televisa	Member of the Boards of Telefonos de Mexico, S.A. de C.V. and Banco Nacional de Mexico, S.A. and former Vice Chairman of the Board of Univision	December 1990
Maria Asuncion Aramburuzabala Larregui (05/02/63)	Vice Chairwoman of the Board and Member of the Executive Committee of Grupo Televisa and Vice Chairwoman of the Board and Member of the Executive Committee of Grupo Modelo, S.A. de C.V.	Chief Executive Officer of Tresalia Capital, S.A. de C.V. and Member of the Boards of Grupo Financiero Banamex, S.A. de C.V., Banco Nacional de Mexico, S.A. and America Movil, S.A. de C.V.	July 2000
In alphabetical order:			
Alfonso de Angoitia Noriega (01/17/62)	Executive Vice President and Member of the Executive Office of the Chairman and Member of the Executive Committee of Grupo Televisa	Former Chief Financial Officer of Grupo Televisa and former Alternate Member of the Board of Univision and Partner, Mijares, Angoitia, Cortes y Fuentes, S.C. (1994-1999)	April 1998
Pedro Aspe Armella (07/07/50)	Chairman of the Board and Chief Executive Officer of Protego Asesores, S.A. de C.V.	Member of the Board of The McGraw Hill Companies and Xignux and former Member of the Board of Vector Casa de Bolsa, S.A. de C.V.	April 2003
Julio Barba Hurtado (05/20/33)	Legal Advisor to the President, Prosecretary to the Board and the Executive Committee of Grupo Televisa and Secretary to the Audit Committee of Grupo Televisa	Former Legal Advisor to Televisa, S.A. de C.V.	December 1990
Jose Antonio Baston Patino (04/13/68)	Corporate Vice President of Television and Member of the Executive Committee of Grupo Televisa	Former Vice President of Operations of Grupo Televisa, former General Director of Programming of Grupo Televisa and former Member of the Board of Univision	April 1998

Alberto Bailleres Gonzalez (08/22/31)	Chairman of the Board of Directors of Grupo Bal.	Member of the Board of Directors of Valores Mexicanos, Casa de Bolsa, S.A. de C.V., Desc., S.A. de C.V., Fomento Economico Mexicano, S.A. de C.V. (FEMSA), Grupo Financiero BBVA Bancomer, S.A. de C.V., Industrias Penoles, S.A. de C.V., Grupo Nacional Provincial, S.A., GNP Pensiones, S.A. de C.V., Grupo Palacio de Hierro, S.A. de C.V., Profuturo GNP, S.A. de C.V., Aseguradora Porvenir GNP, S.A. de C.V. and President of the Board of Governors of the Instituto Tecnologico Autonomo de Mexico, A.C. (ITAM)	April 2005
Manuel Jorge Cutillas Covani (03/01/32)	Director of Bacardi Limited	Member of the Board of Bacardi Limited and former Chairman of the Board of Bacardi Limited	April 1994
Carlos Fernandez Gonzalez (09/29/66)	Chief Executive Officer and Vice Chairman of the Board of Grupo Modelo, S.A. de C.V.	Member of the Boards of Anheuser Busch Co., Grupo Financiero Santander Mexicano, S.A. de C.V. and Emerson Electric, Co.	July 2000
Bernardo Gomez Martinez (07/24/67)	Executive Vice President and Member of the Executive Office of the Chairman and Member of the Executive Committee of Grupo Televisa	Former President of the Mexican Chamber of Television and Radio Broadcasters and Deputy to the President of Grupo Televisa	April 1999
Claudio X. Gonzalez Laporte (05/22/34)	Chairman of the Board and Chief Executive Officer of Kimberly-Clark de Mexico, S.A. de C.V.	Member of the Boards of Kimberly-Clark Corporation, General Electric Co., Kellogg Company, Home Depot, Inc., Alfa, S.A. de C.V., Grupo Carso, S.A. de C.V., America Movil, S.A. de C.V. and Investment Company of America, and former President of the Mexican Business Council	April 1997
Roberto Hernandez Ramirez (03/24/42)	Chairman of the Board of Banco Nacional de Mexico, S.A.	Former Chief Executive Officer of Banco Nacional de Mexico, S.A. and Member of the Boards of Citigroup, Inc., Empresas ICA, Sociedad Controladora, S.A. de C.V., Grupo Modelo, S.A. de C.V., Gruma, S.A. de C.V., Grupo Financiero Banamex Accival, S.A. de C.V., Avantel, S.A. and Munchener de Mexico, S.A. de C.V.	April 1992

Enrique Krauze Kleinbort (09/17/47)	Chief Executive Officer of Editorial Clio Libros y Videos, S.A. de C.V.	General Director of Editorial Clio Libros y Videos, S.A. de C.V.	April 1996
German Larrea Mota Velasco (10/26/53)	Chairman of the Board, Chief Executive Officer and President of Grupo Mexico, S.A. de C.V.	Chairman of the Board and Chief Executive Officer of Asarco Incorporated, Southern Peru Copper Corporation and Grupo Ferrovial Mexicano, S.A. de C.V. and former Member of the Boards of Banco Nacional de Mexico, S.A. and Bolsa Mexicana de Valores, S.A. de C.V.	April 1999
Gilberto Perezalonso Cifuentes (03/06/43)	Managing Director of Aerovias de Mexico, S.A. de C.V.	Member of the Boards of Grupo Gigante, S.A. de C.V. and Southern Peru Copper Corporation and Director of Afore Banamex S.A. de C.V.	April 1998
Carlos Slim Domit (02/28/67)	Chairman of the Board of Grupo Carso, S.A. de C.V. and Telefonos de Mexico, S.A. de C.V. and President of Grupo Sanborns, S.A. de C.V.	Vice Chairman of America Telecom, S.A. de C.V. and Member of the Boards of Grupo Condumex, S.A. de C.V., Phillip Morris Mexico, S.A. de C.V. and Sears Roebuck de Mexico, S.A. de C.V.	April 2004
Alejandro Quintero Iniguez (02/11/50)	Corporate Vice President of Sales and Marketing and Member of the Executive Committee of Grupo Televisa	Shareholder and Member of the Board of Grupo TV Promo, S.A. de C.V. and former Advisor to former Mexican President Ernesto Zedillo	April 1998
Fernando Senderos Mestre (03/03/50)	Chairman of the Board and Chief Executive Officer of Grupo Desc, S.A. de C.V.	Member of the Boards of Telefonos de Mexico, S.A. de C.V., Alfa, S.A. de C.V., Kimberly Clark de Mexico, S.A. de C.V., Industrias Penoles, S.A. de C.V. and Dana Corporation	April 1992
Enrique F. Senior Hernandez (08/03/43)	Executive Vice President and Managing Director of Allen & Company Incorporated	Member of the Board of Pics Retail Networks and Member of the Board of Coca Cola Femsa and Member of the Board of Cinemark	April 2001
Lorenzo H. Zambrano Trevino (03/27/44)	Chairman of the Board and Chief Executive Officer of Cemex, S.A. de C.V.	Member of the Boards of Alfa, S.A. de C.V., Empresas ICA, Sociedad Controladora, S.A. de C.V., Fomento Economico Mexicano, S.A. de C.V. and Vitro, S.A. de C.V.	April 1999

ALTERNATE DIRECTORS:

In alphabetical order:

Herbert Allen III (06/08/67)	Executive Vice President and Managing Director of Allen & Company Incorporated	Member of the Boards of Coca Cola Femsa, S.A. de C.V., Convera-Enterprise Software and Global Education Network	April 2002
Juan Pablo Andrade Frich (06/05/64)	Asset Manager of Tresalia Capital, S.A. de C.V. and Member of the Executive and Audit Committee of Grupo Televisa	Former Member of the Board of Televisi3n and Member of the Board of Empresas Cablevisi3n, S.A. de C.V.	July 2000
Lucrecia Aramburuzabala Larregui (03/29/67)	Private Investor	Employee of Tresalia Capital, S.A. de C.V. and Member of the Board of Grupo Modelo, S.A. de C.V. and former Member of the Board of Televisi3n	July 2000
Felix Araujo Ramirez (03/20/51)	Vice President of Telesistema Mexicano	Former Private Investor in Promoci3n y Programaci3n de la Provincia, S.A. de C.V., Promoci3n y Programaci3n del Valle de Lerma, S.A. de C.V., Promoci3n y Programaci3n del Sureste, S.A. de C.V., Teleimagen Profesional del Centro, S.A. de C.V. and Estrategia Satelitte, S.C.	April 2002
Maximiliano Arteaga Carlebach (12/06/42)	Vice President of Operations, Technical Service and Television Production of Grupo Televisa	Former Vice President of Operations -- Televisa Chapultepec, former Vice President of Administration -- Televisa San Angel and Chapultepec and former Vice President of Administration and Finance of Univisa, Inc.	April 2002
Joaquin Balcarcel Santa Cruz (01/04/69)	Vice President -- Legal and General Counsel -- Television Division of Grupo Televisa	Former Director, Legal Department of Grupo Televisa and former associate at Martinez, Algaba, Estrella, De Haro y Galvan-Duque, S.C.	April 2000
Juan Fernando Calvillo Armendariz (12/27/41)	Vice President of Internal Auditing and Executive Secretary of the Audit Committee of Grupo Televisa	Member of the Board of Private Banking of Vanguardia, S.A. de C.V. and former Member of the Boards of Grupo Financiero Serfin, S.A. de C.V. and Serpaproza, S.A. de C.V.	April 2002
Rafael Carabias Principe (11/13/44)	Vice President of Administration of Grupo Televisa	Former Member of the Boards of Promecap, S.C. and Grupo Financiero del Sureste, S.A. and former Director of Corporate Finance of Scotiabank Inverlat, S.A.	April 1999

Francisco Jose Chevez Robelo (07/03/29)	Retired Partner of Chevez, Ruiz, Zamarripa y Cia, S.C. and Chairman of the Audit Committee of Grupo Televisa	Member of the Board of Empresas Cablevision, S.A. de C.V. and former Partner of Chevez, Ruiz, Zamarripa y Cia, S.C.	April 2003
Jose Luis Fernandez Fernandez (05/18/59)	Partner of Chevez, Ruiz, Zamarripa y Cia., S.C.	Former Member of the Boards of Alexander Forbes, S.A. de C.V. and Afore Bitel, S.A.	April 2002
Salvi Folch Viadero (08/16/67)	Chief Financial Officer of Grupo Televisa	Former Vice President of Financial Planning of Grupo Televisa, Chief Executive Officer and Chief Financial Officer of Comercio MAS, S.A. de C.V. and former Vice Chairman of Banking Supervision of the National Banking and Securities Commission	April 2002
Leopoldo Gomez Gonzalez Blanco (04/06/59)	Vice President of Newscasts of Grupo Televisa	Former Director of Information to the President of Grupo Televisa	April 2003
Jose Heredia Breton (06/16/61)	Director of Sociedad de Inversion de Capitales of Grupo Financiero Inbursa, S.A	Member of the Board of Banco Inbursa, S.A., Member of the Board of Aseguradora Inbursa, S.A. de C.V. and former Director of Retail Business of Grupo Financiero Inbursa, S.A.	April 2004
Jose Antonio Lara del Olmo (09/02/70)	Vice President -- Tax of Grupo Televisa	Former Tax Director of Grupo Televisa and former Associate of Chevez, Ruiz, Zamarripa y Cia, S.C.	April 2003
Jorge Lutteroth Echegoyen (01/24/53)	Vice President Controller of Grupo Televisa	Former Senior Partner of Coopers & Lybrand Despacho Roberto Casas Alatrliste, S.C.	April 2000
Juan Sebastian Mijares (10/04/59)	Vice President -- Legal and Corporate General Counsel of Grupo Televisa	Partner, Mijares, Angoitia, Cortes y Fuentes, S.C., Member and Secretary of the Board of Bank of Tokyo-Mitsubishi Bank-Mexico and Member of the Boards of Afore Banamex, S.A. de C.V. and Organizacion de Telecomunicaciones Iberoamericanas, OTI, A.C.	July 2000
Alberto Montiel Castellanos (11/22/45)	Director of Montiel Font y Asociados, S.C. and Member of the Audit Committee of Grupo Televisa	Former Tax Director of Wal-Mart de Mexico, S.A. de C.V.	April 2002
Raul Morales Medrano (05/12/70)	Partner of Chevez, Ruiz, Zamarripa y Cia, S.C.	Former Senior Manager of Chevez, Ruiz, Zamarripa y Cia, S.C.	April 2002

Guillermo Nava Gomez Tagle (08/27/43)	Vice President of Administration -- Televisa -- San Angel	Former Vice President of Corporate Finance of Grupo Televisa, former Vice President of Citibank -- Colombia and former Finance Director of CIFRA	April 1999
Alexandre Moreira Penna Da Silva (12/25/54)	Chief Executive Officer of Innova	Former Vice President of Corporate Finance of Grupo Televisa and former Managing Director of JPMorgan Chase	April 2002

Maria Asuncion Aramburuzabala Larregui and Lucrecia Aramburuzabala Larregui are sisters. Carlos Fernandez Gonzalez is the husband of Lucrecia Aramburuzabala Larregui and the brother-in-law of Maria Asuncion Aramburuzabala Larregui.

Maria Asuncion Aramburuzabala Larregui and Carlos Fernandez Gonzalez are beneficiaries of the Investor Trust, one of our Major Shareholders which owns 5.15% of the Shares held in the Shareholder Trust. See "Major Shareholders and Related Party Transactions -- The Major Shareholders." Pursuant to the Shareholders Trust Agreement, the Investor Trust is entitled to nominate one individual to our Board of Directors so long as the Shares it holds through the Shareholder Trust constitute more than 2% of the total issued and outstanding Shares. See "Major Shareholders and Related Party Transactions -- The Major Shareholders" for a further discussion of the rights of the Investor Trust.

OUR BOARD OF DIRECTORS

General. The management of our business is vested in our Board of Directors. Our bylaws currently provide for a Board of Directors of 20 members, at least 25% of which must be "independent directors" under Mexican law (as described below), and the same number of alternate directors. See "Other Information -- Mexican Securities Market Law." Under Mexican law, a person will not qualify as an "independent director" if he or she is, among others things:

- one of our employees or managers;
- a controlling shareholder, in our case, the beneficiaries of the Shareholder Trust;
- a partner or employee of a company which provides advisory services to us or any company which is part of the same economic group as we are, that receives 10% or more of its income from us;
- a significant client, supplier, debtor or creditor, or member of the Board or executive officer of any such entities;
- an employee of any association, foundation, or partnership that receives at least 15% of its total donations from us; or
- any high level executive officer of a corporation in which one of our high level executives is a member of the Board of Directors of that corporation.

Election of Directors. A majority of the members of our Board of Directors must be Mexican nationals and must be elected by Mexican shareholders. At our annual shareholders' meeting on April 29, 2005 and at our annual meetings thereafter, a majority of the holders of the A Shares voting together elected, or will have the right to elect, eleven of our directors and corresponding alternates and a majority of the holders of the B Shares voting together elected, or will have the right to elect, five of our directors and corresponding alternates. At our special

shareholders' meetings, a majority of the holders of the L Shares and D Shares will each continue to have the right to elect two of our directors and alternate directors, each of which must be an independent director. Ten percent holders of A Shares, B Shares, L Shares or D Shares will be entitled to nominate, a director and corresponding alternates. Each alternate director may vote in the absence of a corresponding director. Directors and alternate directors are elected for one-year terms by our shareholders at each annual shareholders' meeting, and each serves until a successor is elected and takes office. All of the current and alternate members of the Board of Directors were elected by our shareholders at our 2005 annual shareholders' special and general meetings, which were held on April 29, 2005.

Quorum; Voting. In order to have a quorum for a meeting of the Board of Directors, generally at least 50% of the directors or their corresponding alternates must be present. However, in the case of a meeting of the Board of Directors to consider certain proposed acquisitions of our capital stock, at least 75% of the directors or their corresponding alternates must be present. See "Other Information -- Bylaws -- Antitakeover Protections." In the event of a deadlock of our Board, our Chairman will have the deciding vote.

Meetings; Actions Requiring Board Approval. Our bylaws provide that our Board must meet at least once a quarter, and that our Chairman, 25% of the Board, our Secretary or alternate Secretary or any statutory auditor may call for a Board meeting. Pursuant to the Mexican Securities Market Law and our bylaws, our Board of Directors must approve all transactions that deviate from our ordinary course of business, and involve, among others, (i) a related party transaction, (ii) any purchase or sale of 10% or more of our assets, (iii) the grant by us of guarantees in an amount or amounts exceeding 30% of our assets or (iv) other transactions representing more than 1% of our assets, in addition to any shareholder approval required by our bylaws or otherwise.

Committees of Our Board of Directors. Our Board of Directors has an Executive Committee. Each member is appointed for a one-year term at each annual general shareholders' meeting. Our bylaws provide that the Executive Committee may generally exercise the powers of the Board of Directors, except those expressly reserved for the Board in our bylaws or by applicable law. The Executive Committee currently consists of Emilio Azcarraga Jean, Juan Pablo Andrade Frich, Alfonso de Angoitia Noriega, Maria Asuncion Aramburuzabala Larregui, Julio Barba Hurtado, Jose Antonio Baston Patino, Bernardo Gomez Martinez and Alejandro Quintero Iniguez. In accordance with the Mexican Securities Market Law and our bylaws, we established an Audit Committee consisting of the following members of our Board: Francisco Jose Chevez Robelo, who is the Chairman of this Committee, Juan Pablo Andrade Frich and Alberto Montiel Castellanos. Both the Chairman and a majority of the members of the Audit Committee must be independent directors. Our statutory auditors must be invited to attend all Audit Committee meetings. Among other duties and responsibilities, the Audit Committee must:

- prepare an annual report regarding its activities for submission to the Board and to our shareholders at our annual shareholders' meeting;
- render an opinion as to transactions and arrangements with related parties, which must be approved by our Board of Directors; and
- propose independent experts to render opinions in connection with transactions that deviate from our ordinary course of business, and which involve, among other things, (i) a related party, (ii) any purchase or sale of 10% or more of our assets, (iii) the grant by us of guarantees in an amount or amounts exceeding 30% of our assets or (iv) other transactions representing more than 1% of our assets.

EXECUTIVE OFFICERS

The following table sets forth the names of our executive officers, their dates of birth, their current position, their prior business experience and the year in which they were appointed to their current positions:

NAME AND DATE OF BIRTH	CURRENT POSITION	BUSINESS EXPERIENCE	FIRST APPOINTED
Emilio Azcarraga Jean (02/21/68)	Chairman of the Board, President and Chief Executive Officer and President of the Executive Committee of Grupo Televisa	Member of the Boards of Telefonos de Mexico, S.A. de C.V. and Banco Nacional de Mexico, S.A. and former Vice Chairman of the Board of Univision	March 1997
In alphabetical order:			
Alfonso de Angoitia Noriega (01/17/62)	Executive Vice President and Member of the Executive Office of the Chairman and Member of the Executive Committee of Grupo Televisa	Former Chief Financial Officer of Grupo Televisa, Member of the Board and of the Executive Committee of Grupo Televisa, former Alternate Member of the Board of Univision and Partner, Mijares, Angoitia, Cortes y Fuentes, S.C. (1994-1999)	May 2000
Felix Jose Araujo Ramirez (03/20/51)	Vice President of Telesistema Mexicano	Former Private Investor in Promocion y Programacion de la Provincia, S.A. de C.V., Promocion y Programacion del Valle de Lerma, S.A. de C.V., Promocion y Programacion del Sureste, S.A. de C.V., Teleimagen Profesional del Centro, S.A. de C.V. and Estrategia Satelite, S.C.	January 1993
Maximiliano Arteaga Carlebach (12/06/42)	Vice President of Operations, Technical Service and Television Production of Grupo Televisa	Former Vice President of Operations -- Televisa Chapultepec, former Vice President of Administration -- Televisa San Angel and Chapultepec and former Vice President of Administration and Finance of Univisa, Inc.	March 2002
Jose Antonio Baston Patino (04/13/68)	Corporate Vice President of Television of Grupo Televisa	Member of the Board and of the Executive Committee of Grupo Televisa, former Vice President of Operations of Grupo Televisa, former General Director of Programming of Grupo Televisa and former Member of the Board of Univision	February 2001

Jean Paul Broc Haro (08/08/62)	Chief Executive Officer of Cablevision	Former General Manager of Pay Television Networks of Grupo Televisa	February 2003
Salvi Folch Viadero (08/16/67)	Chief Financial Officer	Former Vice President of Financial Planning of Grupo Televisa, Chief Executive Officer and Chief Financial Officer of Comercio MAS, S.A. de C.V. and former Vice Chairman of Banking Supervision of the National Banking and Securities Commission	April 2002
Bernardo Gomez Martinez (07/24/67)	Executive Vice President and Member of the Executive Office of the Chairman and Member of the Executive Committee of Grupo Televisa	Former Deputy to the President of Grupo Televisa, member of the Board and of the Executive Committee of Televisa and former President of the Mexican Chamber of Television and Radio Broadcasters	July 1997
Eduardo Michelsen Delgado (03/03/71)	Chief Executive Officer of Editorial Televisa	Former General Director -- Grupo Semana and former Project Director -- McKinsey & Co.	January 2002
Jorge Eduardo Murguia Orozco (01/25/50)	Vice President of Production of Grupo Televisa	Former Administrative Vice President and former Director of Human Resources of Televisa	March 1992
Alejandro Quintero Iniguez (02/11/50)	Corporate Vice President of Sales and Marketing of Grupo Televisa	Member of the Board and of the Executive Committee of Grupo Televisa, Shareholder and Member of the Board of Grupo TV Promo, S.A. de C.V. and former advisor to former Mexican President Ernesto Zedillo	April 1998
Raul Rodriguez Gonzalez (06/20/59)	Chief Executive Officer Sistema Radiopolis	Former Media Advisor of Grupo Prisa and former Chief Executive Officer of Gerencia de Medios, S.A.	January 2002
Alexandre Moreira Penna Da Silva (12/25/54)	Chief Executive Officer of Innova	Former Vice President of Corporate Finance of Grupo Televisa and former Managing Director of JPMorgan Chase	January 2004

COMPENSATION OF DIRECTORS AND OFFICERS

For the year ended December 31, 2004, we paid our directors, alternate directors and executive officers for services in all capacities aggregate compensation of approximately nominal Ps.309.2 million (U.S.\$27.7 million using the Interbank Rate, as reported by Banamex, as of December 31, 2004).

We made Ps.61.4 million in contributions to our pension and seniority premium plans on behalf of our directors, alternate directors and executive officers in 2004. Projected benefit obligations as of March 31, 2005 were approximately Ps.47.6 million.

STOCK PURCHASE PLAN

Pursuant to the terms of our stock purchase plan, as amended, we may grant eligible participants, who consist of key executives and other personnel, rights to purchase CPOs and/or CPO equivalents or we may conditionally sell CPOs and/or CPO equivalents to these participants. Our shareholders have authorized the allocation of up to 8% of our capital stock to this and any other plans we may establish from time to time for the benefit of our employees. See " -- Long Term Retention Plan." Pursuant to the stock purchase plan, the exercise or sale prices of the CPOs and/or CPO equivalents are based on then current market prices at the time the options are granted or the conditional sale agreement is executed. We have implemented the stock purchase plan by means of a special purpose trust. The CPOs, CPO equivalents and underlying shares that are part of the stock purchase plan will be held by the special purpose trust and will be voted with the majority of the CPOs, CPO equivalents and underlying shares represented at the relevant meeting until these securities are transferred to plan participants or otherwise sold in the open market. In accordance with the stock purchase plan, our President and the technical committee of the special purpose trust have broad discretion to make decisions related to the stock purchase plan, including the ability to accelerate vesting terms, to release or transfer CPOs and/or CPO equivalents, subject to conditional sale agreements, to plan participants in connection with sales for purposes of making the payment of the related purchase price, and to implement amendments to the stock purchase plan, among others.

The stock purchase plan has been implemented in several stages since 1999, through a series of conditional sales to plan participants of CPOs. The conditional sale agreements entered into by plan participants since the implementation of the stock purchase plan through the fourth quarter of 2001 were terminated for several reasons, including the failure of plan participants to pay the purchase price and the fact that the average closing price per CPO on the Mexican Stock Exchange fell below certain thresholds for a 15 trading day period.

As of March 11, 2005, allocations and conditional sale agreements have been made or executed with respect to approximately 118 million CPOs, generally at exercise prices ranging from approximately Ps.11.21 to Ps.19.10 (approximately U.S.\$1.04 to U.S.\$1.71) per CPO (in certain cases, adjusted upwards by a specified percentage ranging from 2% to 6%, depending upon whether the purchase price is paid in Pesos or in U.S. Dollars, generally from the date of the relevant conditional sale agreement through the date of payment(s)). Pursuant to the related conditional sale agreements, rights to approximately 30 million CPOs vested in February 2003, approximately 17.5 million CPOs vested in March 2004 and approximately 17.5 million vested in March 2005. Rights to the remaining CPOs currently vest no later than 2008. Rights to purchase these CPOs currently expire in 2011. Unless the technical committee of the special purpose trust or our President determines otherwise, these CPOs will be held in the special purpose trust until they are transferred to plan participants or otherwise sold in the open market, subject to the conditions set forth in the related conditional sale agreements. Any CPOs not transferred to plan participants pursuant to the relevant conditional sale agreement may be allocated to other existing or future plan participants, provided that the rights of the original plan participants to purchase these CPOs have expired or are terminated. See Notes 13 and 26 to our year-end financial statements.

In December 2002, we registered for sale CPOs by the special purpose trust to plan participants pursuant to a registration statement on Form S-8 under the Securities Act. The registration of these CPOs permits plan participants who are not affiliates and/or the special purpose trust on behalf of these plan participants to sell their CPOs that have vested into the Mexican and/or U.S. markets through ordinary brokerage transactions without any volume or other

limitations or restrictions. Those plan participants who are affiliates may only sell their vested CPOs either pursuant to an effective registration statement under the Securities Act or in reliance on an exemption from registration. All or a portion of the net proceeds from any such sales would be used to satisfy the purchase price obligations of these plan participants pursuant to their conditional sale agreements. As of December 31, 2004, approximately 16.5 million CPOs transferred to plan participants have been sold in open market transactions, and additional sales took place during the three months ended March 31, 2005 and will continue to take place during or after 2005.

LONG-TERM RETENTION PLAN

At our general extraordinary and ordinary shareholders' meeting held on April 30, 2002, our shareholders authorized the creation and implementation of a Long-Term Retention Plan, which supplements our existing stock purchase plan. At the meeting, our shareholders also authorized the issuance of A Shares in an aggregate amount of up to 4.5% of our capital stock at the time the A Shares are issued, a portion of the 8% of our capital stock previously authorized by our shareholders for these plans, as well as the creation of one or more special purpose trusts to implement the Long-Term Retention Plan. One of these special purpose trusts currently owns approximately 143.5 million CPOs or CPO equivalents, of which approximately 53% are in the form of CPOs and the remaining 47% are in the form of A, B, D and L Shares. We estimate that all of those Shares will become vested over a period of no less than 18 years. Pursuant to our Long-Term Retention Plan, we may grant eligible participants, who consist of unionized and non-unionized employees, including key personnel, awards as stock options, conditional sales, restricted stock or other similar arrangements. As approved by our shareholders, the exercise or sale price, as the case may be, is based (i) on the average trading price of the CPOs during the first six months of 2003, or (ii) on the price determined by the Board, the technical committee of the special purpose trust or the President of Televisa, in either case, adjusted by any applicable discount, including discounts attributable to limitations on the disposition of the Shares or CPOs that are subject to the Long-Term Retention Plan. The CPOs and their underlying shares as well as A, B, D and L Shares that are part of the Long-Term Retention Plan will be held by the special purpose trust and will be voted (y) with the majority of those securities, as the case may be, represented at the relevant meeting or (z) as determined by the technical committee of the special purpose trust, until these securities are transferred to plan participants or otherwise sold in the open market.

As of March 31, 2005, awards under the Long-Term Retention Plan have been granted with respect to approximately 52 million CPOs or CPO equivalents million Shares, either in the form of CPOs or Shares, at prices ranging from approximately Ps.13.45 to Ps.28.05 per CPO. Rights with respect to these securities vest during the period commencing in 2008 and ending in 2023 (in certain cases, adjusted upwards by a specified percentage similar to the interest rate generated by Government liquid securities). Pursuant to the resolutions adopted by our shareholders' meeting, we have not, and do not intend to, register shares under the Securities Act that are allocated to the Long-Term Retention Plan. See "Key Information -- Risk Factors -- Risk Factors Related to Our Securities -- The Interests of Our GDS Holders Will Be Diluted if We Issue New Shares and These Holders Are Unable to Exercise Preemptive Rights for Cash."

SHARE OWNERSHIP OF DIRECTORS AND OFFICERS

Share ownership of our directors, alternate directors and executive officers is set forth in the table under "The Principal Shareholders and Related Party Transactions." Except as set forth in this table, none of our directors, alternate directors or executive officers is currently the beneficial owner of more than 1% of any class of our capital stock or conditional sale agreements or options representing the right to purchase more than 1% of any class of our capital stock.

STATUTORY AUDITORS

Under our bylaws, the holders of a majority of the outstanding A Shares and B Shares elect a statutory auditor (comisario) and a corresponding alternate statutory auditor at the annual ordinary shareholders' meeting. For such election, the vote of the majority of the outstanding A Shares is also required. In accordance with the Mexican Securities Market Law, holders of common stock or non-voting stock representing at least 10% of a company's capital stock shall have the right to appoint one statutory auditor. Mexican law requires that the statutory auditors receive monthly reports from the Board of Directors regarding material aspects of our affairs, including our financial

condition, and that they be invited to attend any meeting of the Board of Directors. The statutory auditors are also authorized to call ordinary or extraordinary general meetings, place items on the agenda for meetings of shareholders or the Board of Directors, attend meetings of shareholders, the Board of Directors or the audit committee and generally monitor our affairs. In addition, the statutory auditors are also required to report to the shareholders at the annual shareholders' meeting regarding our financial statements and related matters, and must be invited to all Board and Audit and Executive Committee meetings, where they can attend but not vote. At our 2005 Annual Ordinary Shareholders' Meeting, Mario Salazar Erdmann was elected to serve as our statutory auditor until the acceptance of the election by his successor at the next annual shareholders' meeting and Jose Miguel Arrieta Mendez was elected as alternate statutory auditor.

EMPLOYEES AND LABOR RELATIONS

The following table sets forth the number of employees and a breakdown of employees by main category of activity and geographic location as of the end of each year in the three-year period ended December 31, 2004:

	YEAR ENDED DECEMBER 31,		
	2002	2003	2004
TOTAL NUMBER OF EMPLOYEES.....	12,550	12,284	14,140
CATEGORY OF ACTIVITY:			
Employees.....	12,514	12,248	14,104
Executives.....	36	36	36
GEOGRAPHIC LOCATION:			
Mexico.....	11,169	10,912	12,769
Latin America (other than Mexico).....	999	1,020	965
U.S.....	371	342	398
Spain.....	11	10	8

As of December 31, 2002, 2003 and 2004, approximately half of our employees were represented by unions. We believe that our relations with our employees are good. Under Mexican law, the agreements between us and most of our television, radio and cable television union employees are subject to renegotiation on an annual basis in January of each year. We also have union contracts with artists, musicians and other employees, which are also renegotiated on an annual basis.

As a result of continuing the cost-cutting initiatives introduced in the first half of 2001, we reduced our workforce by 1,134 employees in 2002, 266 employees in 2003 and 23 employees in 2004. As of December 31, 2004 and 2003, our total employee headcount was approximately 12,300 and 12,300 employees, respectively. On a pro forma basis, after giving effect to the consolidation of Innova, our total employee headcount would have been approximately 14,100 at December 31, 2004 and approximately 14,200 at December 31, 2003. See "Information on the Company -- Business Overview -- Business Strategy -- Continuing to Improve Cash Flow Margins" and "Operating and Financial Review and Prospects -- Restructuring and Non-recurring Charges."

ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

THE PRINCIPAL SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

The following table sets forth information about the beneficial ownership of our capital stock by our directors, alternate directors, executive officers and each person who is known by us to own more than 5% of the currently outstanding A Shares, B Shares, L Shares or D Shares as of April 30, 2005. Except as set forth below, we are not aware of any holder of more than 5% of any class of our Shares.

IDENTITY OF OWNER	SHARE BENEFICIALLY OWNED(1)(2)							
	A SHARES		B SHARES		D SHARES		L SHARES	
	NUMBER	PERCENTAGE OF CLASS	NUMBER	PERCENTAGE OF CLASS	NUMBER	PERCENTAGE OF CLASS	NUMBER	PERCENTAGE OF CLASS
Azcarraga Trust(3)	52,991,825,693	42.62%	67,814,604	0.11%	107,886,870	0.12%	107,886,870	0.12%
Inbursa Trust(3)	4,972,649,700	4.00%	4,375,931,745	7.30%	6,961,709,595	7.60%	6,961,709,595	7.60%
Investor Trust(3)	4,042,279,411	3.25%	3,557,205,882	5.94%	5,659,191,176	6.18%	5,659,191,176	6.18%
Capital Research and Management Company(4)	3,799,350,000	3.06%	3,343,428,000	5.60%	5,319,090,000	5.83%	5,319,090,000	5.83%
AMVESCAP PLC(5)	3,472,909,500	2.80%	3,056,160,360	5.12%	4,862,073,300	5.33%	4,862,073,300	5.33%
	AGGREGATE PERCENTAGE OF OUTSTANDING SHARES							
IDENTITY OF OWNER	BENEFICIALLY OWNED							
Azcarraga Trust(3)	14.50%							
Inbursa Trust(3)	6.33%							
Investor Trust(3)	5.15%							
Capital Research and Management Company(4)	4.86%							
AMVESCAP PLC(5)	4.44%							

(1) Unless otherwise indicated, the information presented in this section is based on the number of shares authorized, issued and outstanding as of April 30, 2005. The number of shares issued and outstanding for legal purposes as of April 30, 2005 was 65,134,488,300 Series A Shares, 57,318,349,704 Series B Shares, 91,188,283,620 Series D Shares and 91,188,283,620 Series L Shares, in the form of CPOs, and an additional 58,926,488,375 Series A Shares, 2,357,097,692 Series B Shares, 63,595 Series D Shares and 63,595 Series L Shares not in the form of CPOs. The number of shares issued and outstanding reflects our repurchase in the open market of 27,010,700 CPOs as of April 30, 2005 pursuant to our share repurchase program. For financial reporting purposes under Mexican GAAP only, the number of shares authorized, issued and outstanding as of April 30, 2005 was 61,817,280,475 Series A Shares, 54,399,206,818 Series B Shares, 86,544,192,665 Series D Shares and 86,544,192,665 Series L Shares in the form of CPOs, and an additional 52,915,723,965 Series A Shares, 76,537 Series B Shares, 63,541 Series D Shares and 63,541 Series L Shares not in the form of CPOs. The number of shares authorized, issued and outstanding for financial reporting purposes under Mexican GAAP as of April 30, 2005 does not include: (i) 56,177,437 CPOs and an additional 516,887,975 Series A Shares, 20,675,534 Series B Shares, 25 Series D Shares and 25 Series L Shares not in the form of CPOs acquired by one of our subsidiaries, Televisa, S.A. de C.V., substantially all of which are currently held by the trust created to implement our stock purchase plan; and (ii) 76,510,876 CPOs and an additional 5,493,876,435 Series A Shares, 2,336,345,621 Series B Shares, 29 Series D Shares and 29 Series L Shares not in the form of CPOs acquired by the trust we created to implement our long-term retention plan. See Notes 2 and 13 to our year-end financial statements.

(2) Except indirectly through the Shareholder Trust, none of our directors and executive officers currently beneficially owns more than 1% of our outstanding A Shares, L Shares or D Shares. See "Directors, Senior Management and Employees -- Share Ownership of Directors and Officers." This information is based on information provided by directors and executive officers.

(3) For a description of the Shareholder Trust, see " -- The Major Shareholders" below.

(4) Based solely on information included in the Report on Form 13F for the period ending March 31, 2005 filed by Capital Research and Management Company, an affiliate of Capital Group Companies Inc.

(5) Based solely on information included in the Report on Form 13F for the period ending March 31, 2005 filed by AMVESCAP PLC.

THE MAJOR SHAREHOLDERS

Approximately 49.71% of the outstanding A Shares, 13.95% of the outstanding B Shares, 13.95% of the outstanding D Shares and 13.95% of the outstanding L Shares are held through a trust (the "Shareholder Trust"), including shares in the form of CPOs. The beneficiaries of the Shareholder Trust are a trust for the benefit of Emilio Azcarraga Jean (the "Azcarraga Trust"), a trust for the benefit of Promotora Inbursa, S.A. de C.V. (the "Inbursa Trust"), and a trust for the benefit of Maria Asuncion Aramburuzabala Larregui, Lucrecia Aramburuzabala Larregui de Fernandez, Maria de las Nieves Fernandez Gonzalez, Antonino Fernandez Rodriguez and Carlos Fernandez Gonzalez (the "Investor Trust"). Promotora Inbursa, S.A. de C.V. is an indirect subsidiary of Grupo Financiero Inbursa, S.A. de C.V.

The Azcarraga Trust beneficially owns 55.75% of the Televisa shares held through the Shareholder Trust; the Inbursa Trust beneficially owns 24.41%; and the Investor Trust beneficially owns 19.84%, of which 16.27% represents the interests of the Aramburuzabala family, and 3.56% represents the interests of the Fernandez family.

The Televisa shares held through the Shareholder Trust are voted by the trustee as instructed by a Technical Committee comprising five members -- three appointed by the Azcarraga Trust and one appointed by each of the Inbursa Trust and the Investor Trust. Accordingly, except as described below, Emilio Azcarraga Jean will control the voting of the shares held through the Shareholder Trust. In elections of directors, the Technical Committee will instruct the trustee to vote the A Shares held through the Shareholder Trust for individuals designated by Mr. Azcarraga Jean. The A Shares held through the Shareholder Trust constitute a majority of the A Shares whose holders are entitled to vote them, because non-Mexican holders of CPOs and GDSs are not permitted by law to vote the underlying A Shares. Accordingly, so long as non-Mexicans own more than a minimal number of A Shares, Mr. Azcarraga Jean will have the ability to direct the election of eleven out of 20 members of our Board and in addition, since he controls the majority of A Shares, certain key matters including dividend payments, mergers, spin-offs, changes in corporate purpose, changes of nationality and amendments to the anti-takeover provisions of our bylaws require his vote in favor.

Pursuant to Televisa's by-laws, holders of Series B shares are entitled to elect five out of 20 members of the Board of Directors. The Shareholder Trust regulates the manner in which shareholders participating in such trust are entitled to propose nominees as members of the Board of Directors to be elected by holders of Series B Shares. In accordance with the Shareholders Trust, the five nominees for which the trustee will vote the B Shares held by the Shareholders Trust are proposed by the shareholders participating in the Shareholders Trust, as follows (i) Emilio Azcarraga Jean is entitled to propose two nominees to be members of the Board of Directors elected by Series B Shares, (ii) the Investors Trust is entitled to propose one nominee, so long as the shares it holds through the Shareholder Trust constitute more than 2% of the total issued and outstanding Televisa shares, and (iii) until the Inbursa Trust is entitled to release all its Televisa shares from the Shareholder Trust, and so long as the shares it holds through the Shareholder Trust constitute more than 2% of the total issued and outstanding Televisa shares, the Inbursa Trust will be entitled to propose two nominees. In the event that one of the nominees proposed by the Inbursa Trust is not elected to our Board of Directors, then so long as Mr. Azcarraga Jean has the ability to direct the election of 11 Board members, the A Shares held through the Shareholder Trust will be voted for one individual nominated by the Inbursa Trust to serve on our Board.

Because the B Shares held through the Shareholder Trust constitute only 13.35% of the total B Shares outstanding, there can be no assurance that individuals nominated by the Shareholder Trust beneficiaries will be elected to our Board. However, the B Shares held through the Shareholder Trust constitute a higher proportion of the B Shares whose holders are entitled to vote them, because non-Mexican holders of CPOs and GDSs are not permitted by law to vote the underlying B Shares.

Emilio Azcarraga Jean has agreed to consult with the Inbursa Trust and the Investor Trust as to the voting of shares held through the Shareholder Trust on matters specifically set forth in the Shareholder Trust Agreement, including increases or reductions in the capital stock of Televisa; merger, split-up, dissolution, liquidation or bankruptcy proceedings of Televisa; related party transactions, extensions of credit or share repurchases, in each case exceeding specified thresholds; and selection of the chairman of Televisa's Board of Directors, if different from

Emilio Azcarraga Jean. If either of the Inbursa Trust or the Investor Trust requests that shares be voted in a particular way on such a matter, and Mr. Azcarraga Jean declines to do so, such party may immediately release its Televisa shares from the Shareholder Trust. These consultation rights will terminate as to either the Inbursa Trust or the Investor Trust if it ceases to be party to the Shareholder Trust or if it owns less than 2% of the total capital stock of Televisa.

RELEASE OF SHARES

The beneficiaries of the Shareholder Trust will have only limited rights to transfer or pledge their trust interests without the consent of the other trust beneficiaries, but they may transfer freely to affiliated parties as defined in the Shareholder Trust Agreement.

Except for two million CPOs which were released to the Fernandez family immediately upon the completion of the Recapitalization, the Shareholder Trust beneficiaries will not be permitted to release shares from the trust before July 1, 2005. Beginning July 1, 2005, the Investor Trust may release or sell any or all of its Shares from the Shareholder Trust. The Inbursa Trust may release or sell up to two-thirds of its Shares from July 1, 2005 through June 30, 2009 and any or all of its Shares beginning July 1, 2009. The Azcarraga Trust may release or sell any or all of its Shares from the Shareholder Trust beginning July 1, 2005, but upon any such release or sale, the Inbursa Trust may freely release or sell any or all of its Shares.

In addition, as described above, if either of the Inbursa Trust or the Investor Trust requests that Shares be voted in a particular way on any matter specifically set forth in the Shareholder Trust Agreement, and Mr. Azcarraga Jean declines to do so, such party may immediately release its Shares.

RELATED PARTY TRANSACTIONS

Transactions and Arrangements With Innova. In 2002, 2003 and 2004, we engaged in, and we expect that we will continue to engage in, transactions with Innova, including, without limitation, the transactions described below. We hold a 60% equity interest in Innova through a consolidated joint venture with News Corp. and Liberty Media. Beginning April 1, 2004, we began including the assets, liabilities and results of operations of Innova in our consolidated financial statements (see Notes 1(g) and 10 to our year-end financial statements). Although we hold a majority of Innova's equity, News Corp. has significant governance rights, including the right to block any transaction between us and Innova. See Note 9 to Innova's year-end financial statements for all of the information that Innova must make publicly available in Mexico regarding transactions and arrangements with us.

Capital Contributions and Loans. From Innova's inception through December 2004, we had made approximately U.S.\$89.4 million in capital contributions and approximately U.S.\$185.9 million in loans and U.S.\$48.6 million in accrued interest, or a total of U.S.\$234.5 million capitalized in Innova. Effective as of September 9, 2003, we capitalized all outstanding loans and accrued interest to Innova, which were reflected as a contribution to Innova's capital.

In May 2004, we entered into the following transactions with Innova and the other two equity owners of Innova, News Corp. and Liberty Media, which had the net effect of increasing Innova's net worth by U.S.\$15 million but did not affect the relative ownership interests of any equity owner:

- News Corp. contributed to Innova an account receivable of U.S.\$15 million owed to News Corp. by Sky DTH, S. de R. L. de C.V., or Sky DTH;
- We assigned to Sky DTH an account receivable of U.S.\$15 million owed to us by Innova; and
- Innova, Innova Holdings, News Corp., Liberty Media and Sky DTH agreed that the obligation owed by Innova to Sky DTH and the obligation owed by Sky DTH to Innova would be set off against each other and cancelled.

In connection with this transaction, we and the other equity owners also increased Innova's capital by a de minimis amount; we continue to indirectly own 60%, News Corp. continues to indirectly own 30% and Liberty Media continues to indirectly own 10% of Innova. In October 2004, we, Innova, News Corp., and Liberty Media entered into a series of transactions with each other and with DIRECTV, which, if consummated, would result in Innova being owned 57% by us and 43% by DIRECTV and DTVLA. See "Information on the Company -- Business Overview -- DTH Joint Ventures."

Programming. Pursuant to an agreement between us and Innova, we have granted Innova exclusive DTH rights to some program services in Mexico, subject to some preexisting agreements with third parties. Innova paid us approximately Ps.307.2 million, Ps.282.6 million and Ps.358.1 million for these rights in 2002, 2003 and 2004, respectively. Innova currently pays the rates paid by third party providers of cable television and MMDS services in Mexico for our various programming services. In addition, pursuant to the agreement, we cannot charge Innova higher rates than the rates that we charge third party providers of cable television and MMDS services in Mexico for our various programming services. In October 2004, we entered into new channel licensing agreements with Innova pursuant to which Innova will pay us a royalty fee to carry our over-the-air channel on its DTH service.

Advertising Services. In January 2001, we entered into an agreement with Innova, pursuant to which Innova pools most of its advertising time with advertising time on channels broadcast by us, Innova and Cablevision. Innova pays us 12% of the revenues from any advertising sales we make on its behalf pursuant to this agreement. Pursuant to this agreement, we also negotiate most of Innova's advertising contracts with third party advertisers, as well as provide other related and ancillary services, such as invoicing and collection services.

Innova also purchased magazine advertising space and television and radio advertising time from us in connection with the promotion of its DTH satellite services in 2002, 2003 and 2004, and we expect that Innova will continue to do so in the future. For television, radio and magazine advertising, Innova paid and will continue to pay the rates applicable to third party advertisers. Innova paid us Ps.143.7 million, Ps.128.6 million and Ps.127.4 million for advertising services in 2002, 2003 and 2004, respectively.

Guarantees. We have guaranteed a portion of Innova's payments to PanAmSat for transponder services on satellite PAS-9. Our guarantee is currently limited to 51% of Innova's obligations under the transponder lease and will be adjusted to equal our percentage ownership in Innova, after the options granted to News Corp. by Innova and Innova Holdings are exercised in full. Innova is obligated to pay a monthly service fee of U.S.\$1.7 million to PanAmSat for satellite signal reception and retransmission service from transponders on the PAS-9 satellite through September 2015. As of December 31, 2003 and 2004, we had guaranteed payments in the amount of U.S.\$143.8 million and U.S.\$111.8 million, respectively, which represented 60% and 51% of Innova's obligations to PanAmSat at the end of 2003 and 2004, respectively. In October 2004, in connection with the transactions with DIRECTV Mexico, we entered into an amended and restated guarantee with PanAmSat, pursuant to which the proportionate share of Innova's transponder lease obligation guaranteed by us was reduced from 60% to 51% and will remain at 51% until the options granted by Innova and Innova Holdings to News Corp. are exercised in full, at which point our obligations under the guarantee will be adjusted to cover a percentage of the transponder lease obligations equal to our percentage ownership of Innova at that time. See "Information of the Company -- Business Overview -- DTH Joint Ventures." See "Major Shareholders and Related Party Transactions -- The Principal Shareholders and Related Party Transactions -- Related Party Transactions," See "Information of the Company -- Business Overview -- DTH Joint Ventures" and Notes 10 and 12 to our year-end financial statements. If Innova does not pay these fees in a timely manner, we will be required to pay our proportionate share of its obligations to PanAmSat. We have also guaranteed 51% of Innova's payment obligation under the Ps.1,012 million credit agreement it entered into in December 2004 with HSBC.

Tax Sharing Agreement. We have a tax sharing agreement with Innova, which sets forth certain of our rights and obligations, as well as those of Innova, with respect to Innova's liability for federal income and assets taxes imposed under Mexican tax laws. We received an authorization from Mexican tax authorities to include Innova's results in our consolidated tax return for purposes of determining our income and assets taxes. Tax profits or losses obtained by Innova are consolidated with our tax profits or losses up to 100% of our percentage ownership of Innova, which is currently 60%. Pursuant to the tax sharing agreement, in no event shall Innova be required to remit to us an

amount in respect of its federal income and assets taxes that is in excess of the product of (x) the amount that Innova would be required to pay on an individual basis, as if Innova had filed a separate tax return, and (y) with respect to asset and income taxes, our direct or indirect percentage ownership of Innova's capital stock.

For additional information concerning transactions with Innova, as well as amounts paid to us by Innova pursuant to these transactions in 2004, see Note 17 to our year-end financial statements and Note 9 to Innova's year-end financial statements. See also "Key Information -- Risk Factors -- Risk Factors Related to Our Business -- We Have Experienced Substantial Losses, Primarily in Respect of Our Investments in Innova and Sky Multi-Country Partners, and Expect to Continue to Experience Substantial Losses as a Result of Our Participation in DTH Joint Ventures, Which Would Adversely Affect Our Net Income" and "Information on the Company -- Business Overview -- DTH Joint Ventures -- Mexico."

Transactions and Arrangements with MCOP. In 2002, 2003 and 2004, we engaged in, transactions with MCOP, including, without limitation, the transactions described below. We indirectly hold a 30% equity interest in MCOP, our DTH non-consolidated joint venture in Latin America outside of Mexico and Brazil. Until October 2004, the balance of MCOP's equity was owned by News Corp. and Globopar, each of which indirectly held a 30% equity interest, and Liberty Media, which indirectly held a 10% equity interest. Each of the partners also held indirect interests, individually, in the same proportion as their interests in MCOP, in two service entities: (i) ServiceCo, a U.S. partnership formed to provide certain business and management services; and (ii) TechCo, a U.S. partnership formed to provide certain technical services from a main uplink facility in Miami Lakes, Florida and a redundancy site in Port St. Lucie, Florida. Under an agreement among us and the partners of MCOP, all material decisions relating to the business and affairs of MCOP and all decisions relating to MCOP's investment in any DTH platform were required to be approved by 75% of the partners. In addition, representation on the board was proportional to the parties' relative voting interests in MCOP. In October 2004, we, Innova, News Corp., Liberty Media and Globopar entered into a series of agreements with each other and with DIRECTV relating to our DTH joint ventures which resulted in ServiceCo being wholly-owned by DIRECTV and which, if consummated, would result in MCOP being wholly owned by DIRECTV. See "Information on the Company -- Business Overview -- DTH Joint Ventures."

Capital Contributions and Loans. From MCOP's inception through December 2004, we have made approximately U.S.\$139.2 million in capital contributions. Additionally, capital contributions of approximately U.S.\$15.0 million were made on our behalf by News Corp. in which amount was reflected as a liability due to News Corp. in our consolidated balance sheets at December 31, 2003. During 2003 and 2004, we made loans to MCOP in the aggregate amount of U.S.\$13.1 million and U.S.\$7.2 million respectively, in connection with the transponder service agreement with PanAmSat. We are not obligated to make any further capital contributions or loans to MCOP.

Programming. MCOP paid us approximately U.S.\$1.5 million for rights to carry certain of our program services in 2003 and U.S.\$0.5 million in 2004. MCOP currently pays the rates paid by third party providers of cable television and MMDS services for our various programming services.

Guarantees. Until October 2004, we had guaranteed MCOP's payments to PanAmSat for transponder services on PAS-6B in proportion to our respective ownership interest in MCOP, which is currently 30%. MCOP is obligated to pay a monthly service fee of U.S.\$3.0 million to PanAmSat for satellite signal reception and retransmission service from transponders on the PAS-6B satellite through 2014. In October 2004, in conjunction with a series of agreements entered into by us with DIRECTV and News Corp., we were released from our satellite transponder guarantee, which, as of December 31, 2004, amounted to approximately Ps.345.6 million.

For additional information concerning transactions with MCOP, see Note 10 to our year-end financial statements. See also "Key Information -- Risk Factors -- Risk Factors Related to Our Business -- MCOP's Inability to Provide Financial Support to TechCo Could Compromise Innova's Ability to Provide Services to its Customers" and "Business -- DTH Joint Ventures -- Mexico."

Transactions and Arrangements with TechCo. In 2002, 2003 and 2004, we engaged in, and we expect that we will continue to engage in, transactions with TechCo, including, without limitation, the transactions described below. We indirectly hold a 30% equity interest in TechCo, our U.S. partnership formed to provide certain technical services from a main uplink facility in Miami Lakes, Florida and a redundancy site in Port St. Lucie, Florida. Until October 2004, the balance of TechCo's equity was owned by News Corp. and Globopar, each of which indirectly held a 30% equity interest, and Liberty Media, which indirectly held a 10% equity interest. In October 2004, DIRECTV acquired the 70% indirect interest in TechCo owned by News Corp., Globopar and Liberty Media. Under an agreement among us and the partners of TechCo, all decisions relating to the business and affairs of TechCo and all decisions relating to TechCo's investment in any DTH platform must be approved by 75% of the partners. In addition, representation on the board is proportional to the parties' relative voting interests in TechCo.

Capital Contributions and Loans. From TechCo's inception through December 2004, we have made approximately U.S.\$12.9 million in capital contributions. During 2003 and 2004, we made loans to TechCo in the aggregate amount of U.S.\$7.5 million and U.S.\$4.5 million, respectively, in connection with TechCo's operating cash shortfall. We do not anticipate to continue to fund TechCo's shortfall in the form of loans.

Guarantees. We have guaranteed 36% of TechCo's payments in respect of its capital lease obligations. TechCo is obligated to make payments under its capital leases with various maturities between 2005 and 2007 for an aggregate amount of U.S.\$27.4 million in respect of its capital lease obligations. As of December 31, 2003, we had guaranteed payments by TechCo in the aggregate amount of U.S.\$15.8 million and as of December 31, 2004 we had guaranteed payments in the aggregate amount of U.S.\$9.9 million.

For additional information concerning transactions with TechCo, see Notes 5 and 12 to our year-end financial statements. See also "Key Information -- Risk Factors -- Risk Factors Related to Our Business -- MCOP's Inability to Provide Financial Support to TechCo Could Compromise Innova's Ability to Provide Services to its Customers" and "Information on the Company -- Business Overview -- DTH Joint Ventures -- Mexico."

Transactions and Arrangements With Univision. In 2002, 2003 and 2004, we engaged in, and we expect that we will continue to engage in, transactions with Univision. We currently own 39,289,534 shares and warrants representing an approximate 10.7% equity stake in Univision, on a fully diluted basis. For a description of programming and other agreements between us and Univision, as well as royalties paid to us by Univision pursuant to programming agreements, see "Information on the Company -- Business Overview -- Television -- Programming Exports," "Information on the Company -- Business Overview -- Univision" and Note 17 to our year end financial statements.

As described under "Information on the Company -- Business Overview -- Univision," we currently have the right to appoint a member of Univision's Board of Directors. In 2002, we appointed Emilio Azcarraga Jean, our Chairman of the Board, Chief Executive Officer, President and President of the Executive Committee of our Board, as our director, and Alfonso de Angoitia Noriega, our Executive Vice President, as our alternate director of Univision. Univision subsequently appointed Mr. Azcarraga Jean as Vice-Chairman of its Board of Directors. Effective as of May 9, 2005, Mr. Azcarraga Jean and Mr. de Angoitia Noriega resigned as a director and alternate director, respectively, of Univision.

TRANSACTIONS AND ARRANGEMENTS WITH OUR DIRECTORS AND OFFICERS

On June 1, 2004, Servicios Profesionales, a company controlled by Emilio Azcarraga Jean, purchased a 5% interest of Mas Fondos from Corporativo Vasco de Quiroga, S.A. de C.V., one of our subsidiaries and the controlling shareholder of Mas Fondos. The total consideration that Servicios Profesionales paid in connection with this acquisition was Ps.500,000. We received authorization for this transaction from the CNBV on June 28, 2004. For additional information concerning Mas Fondos see "Information on the Company -- Business Overview -- Other Business -- Mutual Fund Venture."

On May 31, 2000, we made a personal loan in the amount of U.S.\$150,000 to Jorge Eduardo Murguia Orozco, one of our executive officers. The aggregate principal amount of this loan, together with accrued interest, was repaid in full by Mr. Murguia in June 2004.

Certain of our executive officers have in the past, and from time to time in the future may, purchase debt securities issued by us and/or Innova from third parties in negotiated transactions.

TRANSACTIONS AND ARRANGEMENTS WITH AFFILIATES AND RELATED PARTIES OF OUR

DIRECTORS, OFFICERS AND MAJOR SHAREHOLDERS

Fonovideo. In March 2004, we entered into a production services agreement with FV Productions LLC, which is currently controlled by Televiscentro, for the production of a telenovela series. Under these arrangements, we will pay approximately U.S.\$4.2 million for each telenovela series delivered in accordance with an agreed upon schedule.

Acquisition of Telespecialidades. In June 2003, we purchased all the outstanding equity of Telespecialidades, a company which was owned by all of the shareholders of Televiscentro in the same proportion that they owned Televiscentro. The total consideration we paid in connection with this acquisition was approximately U.S.\$83.0 million, which was financed with cash on hand. At the time of the acquisition, Telespecialidades's net assets consisted principally of 1,591,283 CPOs, which CPOs were previously owned by Televiscentro, and tax loss carryforwards of approximately Ps.7,062.2 million. The terms of this acquisition were approved by our Audit Committee. Telespecialidades was merged into Televisa, S.A. de C.V. on December 31, 2003.

Consulting Services. Instituto de Investigaciones Sociales, S.C., or Instituto de Investigaciones Sociales, a consulting firm which is controlled by Ariana Azcarraga De Surmont, the sister of Emilio Azcarraga Jean, has, from time to time during 2002, 2003 and 2004 provided consulting services and research in connection with the effects of our programming, especially telenovelas, on our viewing audience. Instituto de Investigaciones Sociales has provided us with such services in 2005 and we expect to continue these arrangements through 2005.

Loans from Banamex. From time to time in the past and in 2002, 2003 and 2004, Banamex made loans to us, Televiscentro and several other of our affiliates, and we expect that this will continue to be the case in the future. These loans were made to us, Televiscentro and our affiliates on terms substantially similar to those offered by Banamex to third parties. Emilio Azcarraga Jean, our Chief Executive Officer, President and Chairman of the Board, is a member of the Board of Banamex. One of our directors, Roberto Hernandez Ramirez, is the Chairman of the Board of Banamex. Mr. Hernandez is also a member of the Board of, and the beneficial owner of less than 1% of the outstanding capital stock of, Citigroup, Inc., the entity that indirectly controls Banamex. Lorenzo H. Zambrano Trevino, one of our directors, is also a member of the Board of Banamex. For a description of amounts outstanding under, and the terms of, our existing credit facilities with Banamex, see "Operating and Financial Review and Prospects -- Results of Operations -- Liquidity, Foreign Exchange and Capital Resources -- Indebtedness."

Advertising Services. Two of our directors, Maria Asuncion Aramburuzabala Larregui and Carlos Fernandez Gonzalez, and one of our alternate directors, Lucrecia Aramburuzabala Larregui, are members of the Board and Executive Committee of, as well as shareholders of, Grupo Modelo, S.A. de C.V., or Grupo Modelo, the leading producer, distributor and exporter of beer in Mexico. Carlos Fernandez Gonzalez also serves as the Chief Executive Officer of Grupo Modelo. Grupo Modelo purchased advertising services from us in connection with the promotion of its products from time to time in 2002, 2003, 2004 and the three months ended March 31, 2005, and we expect that this will continue to be the case in the future. Grupo Modelo paid and will continue to pay rates applicable to third party advertisers for these advertising services.

Several other members of our current Board serve as members of the Boards and/or shareholders of other companies. See "Directors, Senior Management and Employees." Some of these companies, including Banamex, Kimberly-Clark de Mexico, S.A. de C.V., Grupo Financiero Santander, S.A. de C.V. and Telefonos de Mexico, S.A. de C.V., among others, purchased advertising services from us in connection with the promotion of their respective products and services from time to time in 2002, 2003, 2004 and the three months ended March 31, 2005, and we expect that this will continue to be the case in the future. Similarly, Alejandro Quintero Iniguez, a member of the Board and the Executive Committee and our Corporate Vice President of Sales and Marketing, is a shareholder and

member of the Boards of Grupo TV Promo, S.A. de C.V., or Grupo TV Promo, and TV Promo, S.A. de C.V., or TV Promo, companies which produce promotional campaigns and events for their and our clients. Grupo TV Promo and TV Promo have purchased and will continue to purchase advertising services from us in connection with these promotional campaigns. All of the companies described above paid and will continue to pay rates applicable to third party advertisers for these advertising services.

Legal and Advisory Services. During 2002, 2003, 2004 and the three months ended March 31, 2005, Mijares, Angoitia, Cortes y Fuentes, S.C., a Mexican law firm, provided us with legal and advisory services, and we expect that this will continue to be the case in the future. Alfonso de Angoitia Noriega, a partner on leave of absence from the law firm of Mijares, Angoitia, Cortes y Fuentes, S.C., is one of our directors, a member of our Executive Committee, an Executive Vice President and was a member of the Related Party Transactions Committee. Juan Sebastian Mijares Ortega, another partner on leave of absence from the law firm of Mijares, Angoitia, Cortes y Fuentes, S.C., serves as one of our alternate directors, our Vice President -- Legal and Corporate General Counsel and was a member of the Related Party Transactions Committee, which was replaced by the Audit Committee. Neither Alfonso de Angoitia Noriega nor Juan Sebastian Mijares Ortega currently receives any form of compensation from, or participates in any way in the profits of, Mijares, Angoitia, Cortes y Fuentes, S.C. Ricardo Maldonado Yanez, a partner from the law firm of Mijares, Angoitia, Cortes y Fuentes, S.C., serves also as Secretary of our Board of Directors and Secretary to the Executive Committee of our Board of Directors. We believe that the fees we paid for these services were comparable to those that we would have paid another law firm for similar services. See Note 17 to our year-end financial statements.

ITEM 8. FINANCIAL INFORMATION

See "Item 18 -- Financial Statements" and pages F-1 through F-126, which are incorporated herein by reference.

ITEM 9. OFFER AND LISTING DETAILS

TRADING HISTORY OF CPOS AND GDSS

Since December 1993, the GDSs have been traded on the NYSE and the CPOs have been traded on the Mexican Stock Exchange. In July 2002, we removed Citibank, N.A. as the depository for the GDSs and appointed JPMorgan Chase Bank pursuant to a new deposit agreement.

The table below shows, for the periods indicated, the high and low market prices in nominal Pesos for the CPOs on the Mexican Stock Exchange, giving effect to the March 1, 2000 10-for-1 stock split in all cases.

	NOMINAL PESOS PER CPO(1)	
	HIGH	LOW
2000.....	Ps. 40.50	Ps. 20.20
2001.....	Ps. 25.90	Ps. 12.63
2002.....	Ps. 22.31	Ps. 12.44
First Quarter.....	22.00	17.35
Second Quarter.....	22.31	17.90
Third Quarter.....	18.41	12.69
Fourth Quarter.....	15.58	12.44
December.....	15.58	14.36
2003.....	Ps. 23.56	Ps. 12.63
First Quarter.....	15.64	12.63
Second Quarter.....	18.71	13.75
Third Quarter.....	21.71	17.53
Fourth Quarter.....	23.56	19.80
December.....	23.41	21.18
2004.....	Ps. 34.93	Ps. 22.22
First Quarter.....	26.35	22.22
Second Quarter.....	26.74	22.73
Third Quarter.....	30.15	24.82
Fourth Quarter.....	34.93	30.24
December.....	34.86	32.71
2005 (through May 31, 2005).....	Ps. 36.27	Ps. 29.20
First Quarter.....	36.27	31.67
January.....	33.95	31.67
February.....	35.78	34.04
March.....	36.27	31.91
Second Quarter (through May 31, 2005).....	34.27	29.20
April.....	32.88	29.20
May.....	34.27	30.75

(1) Source: Mexican Stock Exchange.

The table below shows, for the periods indicated, the high and low market prices in U.S. Dollars for the GDSs on the NYSE.

	U.S. DOLLARS PER GDS(1)	
	HIGH	LOW
2000.....	U.S.\$86.25	U.S.\$42.63
2001.....	U.S.\$53.50	U.S.\$26.83
2002.....	U.S.\$48.65	U.S.\$24.30
First Quarter.....	48.52	38.40
Second Quarter.....	48.65	35.99
Third Quarter.....	37.00	25.20
Fourth Quarter.....	30.70	24.30
December.....	30.70	27.60
2003.....	U.S.\$42.27	U.S.\$23.26
First Quarter.....	29.95	23.26
Second Quarter.....	35.45	25.61
Third Quarter.....	39.85	33.55
Fourth Quarter.....	42.27	35.19
December.....	41.20	37.60
2004.....	U.S.\$62.65	U.S.\$39.23
First Quarter.....	47.34	40.08
Second Quarter.....	47.66	39.23
Third Quarter.....	52.90	43.59
Fourth Quarter.....	62.65	53.24
December.....	62.65	57.53
2005 (through May 31, 2005).....	U.S.\$65.56	U.S.\$52.75
First Quarter.....	65.56	56.50
January.....	60.41	56.55
February.....	64.57	60.80
March.....	65.56	56.50
Second Quarter (through May 31, 2005).....	60.95	52.75
April.....	58.88	52.75
May.....	60.95	55.77

(1) Source: NYSE.

Trading prices of the CPOs and the GDSs will be influenced by our results of operations, financial condition, cash requirements, future prospects and by economic, financial and other factors and market conditions. See "Key Information -- Risk Factors -- Risk Factors Related to Mexico -- Economic and Political Developments in Mexico May Adversely Affect Our Business." There can be no assurance that prices of the CPOs and the GDSs will, in future, be within the ranges set forth above. We believe that as of May 31, 2005, approximately 89.4 million GDSs were held of record by 136 persons with U.S. addresses. Before giving effect to the Recapitalization, substantially all of the outstanding A Shares not held through CPOs were owned by Televiscentro and a special purpose trust created for our Long Term Retention Plan, as described under "Major Shareholders and Related Party Transactions" and "Directors, Senior Management and Employees -- Long Term Retention Plan."

TRADING ON THE MEXICAN STOCK EXCHANGE

OVERVIEW

The Mexican Stock Exchange, located in Mexico City, is the only stock exchange in Mexico. Operating continuously since 1907, the Mexican Stock Exchange is organized as a corporation with variable capital, or sociedad anonima de capital variable. Securities trading on the Mexican Stock Exchange occurs from 8:30 a.m. to 3:00 p.m., Mexico City time, each business day. Since January 1999, all trading on the Mexican Stock Exchange has been effected electronically. The Mexican Stock Exchange may impose a number of measures to promote an orderly and transparent trading price of securities, including the operation of a system of automatic suspension of trading in shares of a particular issuer when price fluctuation exceeds certain limits. The Mexican Stock Exchange may also suspend trading in shares of a particular issuer as a result of the disclosure of a material event, or when the changes in the volume traded or share price are not consistent with either the historic performance or information publicly available. The Mexican Stock Exchange may resume trading in the shares when it deems that the material events have been adequately disclosed to public investors or when it deems that the issuer has adequately explained the reasons for the changes in the volume traded or prevailing share price. Under current regulations, in certain cases when the relevant securities are simultaneously traded on a stock exchange outside of Mexico, the Mexican Stock Exchange may consider the measures adopted by the other stock exchange in order to suspend and/or resume trading in the issuer's shares.

Settlement is effected two business days after a share transaction on the Mexican Stock Exchange. Deferred settlement, even by mutual agreement, is not permitted without the approval of the CNBV. Most securities traded on the Mexican Stock Exchange, including the CPOs, are on deposit with S.D. Indeval, S.A. de C.V., Institucion para el Deposito de Valores, or Indeval, a privately owned securities depository that acts as a clearinghouse, depository and custodian, as well as a settlement, transfer and registration agent for Mexican Stock Exchange transactions, eliminating the need for physical transfer of securities.

Although the Mexican Securities Market Law provides for the existence of an over-the-counter market, no such market for securities in Mexico has been developed.

MARKET REGULATION AND REGISTRATION STANDARDS

In 1946, the Comision Nacional de Valores, or the National Securities Commission, commonly known as the CNV, was established to regulate stock market activity. In 1995, the CNV and the Comision Nacional Bancaria, or the National Banking Commission, were merged to form the CNBV. The Mexican Securities Market Law, which took effect in 1975, introduced important structural changes to the Mexican financial system, including the organization of brokerage firms as corporations with variable capital, or sociedades anonimas de capital variable. The Mexican Securities Market Law sets standards for authorizing companies to operate as brokerage firms, which authorization is granted at the discretion of the Ministry of Finance upon the recommendation of the CNBV. In addition to setting standards for brokerage firms, the Mexican Securities Market Law empowers the CNBV, among other things, to regulate the public offering and trading of securities and to impose sanctions for the illegal use of insider information. The CNBV regulates the Mexican securities market, the Mexican Stock Exchange and brokerage firms through a board of governors composed of thirteen members, five of which are appointed by the Ministry of Finance.

As of June 2, 2001, the Mexican Securities Market Law requires issuers to increase the protections offered to minority shareholders and to impose corporate governance controls on Mexican listed companies in line with international standards. The Mexican Securities Market Law expressly permits Mexican listed companies, with prior authorization from the CNBV, to include in their bylaws anti-takeover defenses such as shareholder rights plans, or poison pills. We amended our bylaws to include certain of these protections at our general extraordinary shareholders' meeting, which was held on April 30, 2002. See "Other Information -- Bylaws -- Other Provisions -- Appraisal Rights and Other Minority Protections" and "Other Information -- Bylaws -- Antitakeover Protections."

To offer securities to the public in Mexico, an issuer must meet specific qualitative and quantitative requirements, and generally only securities for which an application for registration in the National Registry of Securities maintained by the CNBV has been approved by the CNBV may be listed on the Mexican Stock Exchange. This approval does not imply any kind of certification or assurance related to the merits or the quality of the securities or the solvency of the issuer.

In March 2003, the CNBV issued general rules, or General CNBV Rules, applicable to issuers and other securities market participants. The General CNBV Rules, which repealed several previously enacted rules, or circulares, of the CNBV, now provide a single set of rules governing issuers and issuer activity, among other things.

The General CNBV Rules have mandated that the Mexican Stock Exchange adopt minimum requirements for issuers to be registered with the CNBV and have their securities listed on the Mexican Stock Exchange. To be registered, issuers will be required to have, among other things:

- a minimum number of years of operating history;
- a minimum financial condition;
- a minimum number of shares or CPOs to be publicly offered to public investors;
- a minimum price for the securities to be offered;
- a minimum of 15% of the capital stock placed among public investors;
- a minimum of 200 holders of shares or of shares represented by CPOs, who are deemed to be public investors under the General CNBV Rules, upon the completion of the offering;
- the following distribution of the securities offered pursuant to an offering in Mexico: (i) at least 50% of the total number of securities offered must be placed among investors who acquire less than 5% of the total number of securities offered; and (ii) no investor may acquire more than 40% of the total number of securities offered; and
- complied with certain corporate governance requirements.

To maintain its registration, an issuer will be required to have, among other things:

- a minimum financial condition;
- minimum operating conditions, including a minimum number of trades;
- a minimum trading price of its securities;
- a minimum of 12% of the capital stock held by public investors;
- a minimum of 100 holders of shares or of shares represented by CPOs who are deemed to be public investors under the General CNBV Rules; and
- complied with certain corporate governance requirements.

The CNBV has the authority to waive some of these requirements in some circumstances. Also, some of these requirements are applicable for each series of shares of the relevant issuer.

The Mexican Stock Exchange will review annually compliance with the foregoing and other requirements, some of which may be further reviewed on a quarterly or semi-annual basis. The Mexican Stock Exchange must inform the CNBV of the results of its review and this information must, in turn, be disclosed to investors. If an

issuer fails to comply with any of the foregoing requirements, the Mexican Stock Exchange will request that the issuer propose a plan to cure the violation. If the issuer fails to propose such plan, if the plan is not satisfactory to the Mexican Stock Exchange or if the issuer does not make substantial progress with respect to the corrective measures, trading of the relevant series of shares on the Mexican Stock Exchange will be temporarily suspended until the situation is corrected. In addition, if the issuer fails to propose the plan or ceases to follow such plan once proposed, the CNBV may suspend or cancel the registration of the shares. In such event, the issuer must evidence the mechanisms to protect the rights of public investors and market in general.

Issuers of listed securities are required to file unaudited quarterly financial statements and audited annual financial statements as well as various periodic reports with the CNBV and the Mexican Stock Exchange. Pursuant to the General CNBV Rules, the internal regulations of the Mexican Stock Exchange must be amended to include, among other things, the implementation of the Sistema Electronico de Envio y Difusion de Informacion, or the SEDI, an automated system for the electronic transfer of the information required to be filed with the Mexican Stock Exchange, which will be similar to, but will replace, the existing Sistema Electronico de Comunicacion con Emisores de Valores, or EMISNET. Issuers of listed securities must prepare and disclose their financial information by a Mexican Stock Exchange-approved system known as the Sistema de Informacion Financiera Computarizada, or Computerized Financial Information System, commonly known as the SIFIC. Immediately upon its receipt, the Mexican Stock Exchange makes that information available to the public.

The General CNBV Rules and the internal regulations of the Mexican Stock Exchange require issuers of listed securities to file through the SEDI information on the occurrence of material events affecting the relevant issuer. Material events include, but are not limited to:

- the entering into or termination of joint venture agreements or agreements with key suppliers;
- the creation of new lines of businesses or services;
- significant deviations in expected or projected operating performance;
- the restructuring or payment of significant indebtedness;
- material litigation or labor conflicts;
- changes in dividend policy;
- the commencement of any insolvency, suspension or bankruptcy proceedings;
- changes in the directors; and
- any other event that may have a material adverse effect on the results, financial condition or operations of the relevant issuer.

If there is unusual price volatility of the securities listed, the Mexican Stock Exchange must immediately request that the issuer inform the public as to the causes of such volatility or, if the issuer is unaware of such causes, make a statement to that effect. In addition, the Mexican Stock Exchange must immediately request that issuers disclose any information relating to relevant material events, when it deems the information currently disclosed to be insufficient, as well as instruct issuers to clarify such information when it deems the information to be confusing. The Mexican Stock Exchange may request issuers to confirm or deny any material events that have been disclosed to the public by third parties when it deems that the material event may affect or influence the securities being traded. The Mexican Stock Exchange must immediately inform the CNBV of any requests made to issuers. The CNBV may also make any of these requests directly to issuers. An issuer may delay the disclosure of material events under some circumstances, including where the information being offered is not related to transactions that have been completed.

The CNBV and the Mexican Stock Exchange may suspend the dealing in securities of an issuer:

- if the issuer does not adequately disclose a material event; or

- upon price or volume volatility or changes in the offer or demand in respect of the relevant securities, which are not consistent with the historic performance of the securities and could not be explained solely by the information made publicly available under the General CNBV Rules.

The Mexican Stock Exchange must immediately inform the CNBV and the general public of any such suspension. An issuer may request that the CNBV or the Mexican Stock Exchange resume trading, provided it demonstrates that the causes triggering the suspension have been resolved and that it is in full compliance with the periodic reporting requirements under the applicable law. If its request has been granted, the Mexican Stock Exchange will determine the appropriate mechanism to resume trading in its securities. If trading of an issuer is suspended for more than 20 business days and the issuer is authorized to resume trading without conducting a public offering, the issuer must disclose through the SEDI, before trading resumes, a description of the causes that resulted in the suspension and reasons why it is now authorized to resume trading.

Likewise, if the securities of an issuer are traded on both the Mexican Stock Exchange and a foreign securities market, that issuer must file with the CNBV and the Mexican Stock Exchange on a simultaneous basis the information that it is required to file pursuant to the laws and regulations of the relevant other jurisdiction.

Pursuant to the Mexican Securities Market Law, shareholders of issuers listed on the Mexican Stock Exchange must notify the CNBV before effecting transactions outside of the Mexican Stock Exchange that result in a transfer of 10% or more of an issuer's capital stock. These shareholders must also inform the CNBV of the results of these transactions within three days of their completion, or, in the alternative, that these transactions have not been consummated. The CNBV will notify the Mexican Stock Exchange of these transactions, without specifying the names of the parties involved. In addition, the Mexican Securities Market Law provides that the CNBV also has the ability to determine whether purchasers in these types of transactions must effect these transactions through a tender offer, as well as the minimum and maximum percentages of capital stock that may be purchased through any such tender offer. See "Other Information -- Mexican Securities Market Law."

In addition, the Mexican Securities Market Law requires shareholders holding 10% or more of the capital stock of companies listed in the registry to notify the CNBV of any ownership changes in shares of the company that results in a transfer of shares representing a beneficial ownership interest of 10% or more, within ten business days following the transaction in question.

ITEM 10. OTHER INFORMATION

MEXICAN SECURITIES MARKET LAW

The Mexican Congress approved amendments to the Mexican Securities Market Law, which became effective on June 2, 2001, and have been implemented by governmental regulations. We amended our bylaws at our annual shareholders' meeting, which was held on April 30, 2002, to reflect some of these amendments, including amendments that:

- established a Board with at least five and not more than 20 members and alternate members, of which 25% must qualify as "independent directors" under Mexican law;
- adopted specified corporate governance measures, which require us to establish, among other things, an audit committee, as well as more stringent procedures for the approval of transactions and arrangements with related parties and extraordinary corporate transactions; and
- provide additional protections for minority shareholders.

For a further description of amendments we made to our bylaws in accordance with the Mexican Securities Market Law, see "Directors, Senior Management and Employees -- Board of Directors," "Directors, Senior Management and Employees -- Our Board of Directors -- Committees of Our Board of Directors," and " -- Bylaws -- Other Provisions -- Share Repurchases" and "Bylaws -- Other Provisions -- Appraisal Rights and Other Minority Protections."

In addition, the Mexican Securities Market Law now permits issuers to include anti-takeover defenses in their bylaws, provided that their bylaws also include specified minority rights and protections, among other things, and we have included such provisions in our bylaws. See " -- Bylaws -- Other Provisions -- Appraisal Rights and Other Minority Protections" and "Bylaws -- Antitakeover Protections." The Mexican Securities Market Law does not permit issuers to implement mechanisms where common shares and limited or non-voting shares are jointly traded or offered to public investors, unless the limited or non-voting shares are convertible into common shares within a term of up to five years, or when as a result of the nationality of a given holder, the shares or the securities representing the shares limit the right to vote in order to comply with applicable foreign investment regulations. In addition, the aggregate amount of shares with limited or non-voting rights may not exceed 25% of the total shares held by public investors. As a result of applicable grandfathering provisions, our existing CPO structure will not be affected by this aspect of the Mexican Securities Market Law.

The Mexican Securities Market Law imposes some restrictions on shareholders of issuers listed on the Mexican Stock Exchange. Shareholders of issuers listed on the Mexican Stock Exchange must notify the CNBV before effecting transactions outside of the Mexican Stock Exchange that result in a transfer of 10% or more of an issuer's capital stock. These shareholders must also inform the CNBV of the results of these transactions within three days of their completion, or, in the alternative, that these transactions have not been consummated. The CNBV will notify the Mexican Stock Exchange of these transactions without specifying the names of the parties involved. The CNBV also has the ability to determine whether purchasers in these types of transactions must effect these transactions through a tender offer, as well as the minimum and maximum percentages of capital stock that may be purchased through any such tender offer.

On April 25, 2002, the CNBV issued general rules to regulate public tender offers and the obligation to disclose share acquisitions above certain thresholds, as well as share acquisitions of the capital stock of public companies by related parties. Subject to certain exceptions, any acquisition of shares of a public company which increases the acquiror's ownership to 10% or more, but not more than 30%, of the company's outstanding capital stock must be disclosed to the CNBV and the Mexican Stock Exchange by no later than the day following the acquisition. Any acquisition of shares by a related party that increases such party's ownership interest in a public company by 5% or more of the company's outstanding capital stock must also be disclosed to the CNBV and the Mexican Stock Exchange by no later than the day following the acquisition. In addition, any intended acquisition of shares of a public company which increases the potential acquiror's ownership to 30% or more, but not more than 50%, of the

company's voting shares requires the potential acquiror to make a tender offer for the greater of (i) the percentage of the capital stock intended to be acquired or (ii) 10% of the outstanding capital stock. Finally, any intended acquisition of shares of a public company which increases the potential acquiror's ownership to more than 50% of the company's voting shares requires the potential acquiror to make a tender offer for 100% of the outstanding capital stock. Bylaw provisions regarding mandatory tender offers in the case of these acquisitions may differ from the requirements summarized above, provided that they are more protective to minority shareholders than those afforded by law. See " -- Bylaws -- Antitakeover Protections."

BYLAWS

Set forth below is a brief summary of some significant provisions of our bylaws and Mexican law. This description does not purport to be complete, and is qualified by reference in its entirety to our bylaws, which have been filed as an exhibit to this annual report and Mexican law. For a description of the provisions of our bylaws relating to our Board of Directors, Executive Committee and statutory auditors, see "Directors, Senior Management and Employees."

ORGANIZATION AND REGISTER

Televisa is a sociedad anonima, or limited liability stock corporation, organized under the laws of Mexico in accordance with the Mexican Companies Law. Televisa was incorporated under Public Deed Number 30,200, dated December 19, 1990, granted before Notary Public Number 73 of Mexico City, D.F., and registered with the Public Registry of Commerce of Mexico City, under Commercial Page (folio mercantil) Number 142,164. We have a general corporate purpose, the specifics of which can be found in Article Four of our bylaws.

We maintain a stock registry, and in accordance with Mexican law, we only recognize those holders listed in our stock registry as our shareholders. Our shareholders may hold their share in the form of physical certificates or through book-entries with institutions that have accounts with Indeval. The CPO Trustee is the holder of record for Shares represented by CPOs. Accounts may be maintained at Indeval by brokers, banks and other entities approved by the CNBV.

VOTING RIGHTS AND SHAREHOLDERS' MEETINGS

Holders of A Shares. Holders of A Shares have the right to vote on all matters subject to shareholder approval at any general shareholders' meeting and have the right, voting as a class, to appoint eleven members of our Board of Directors and the corresponding alternate directors. In addition to requiring approval by a majority of all Shares entitled to vote together on a particular corporate matter, certain corporate matters must be approved by a majority of the holders of A Shares voting separately. These matters include mergers, dividend payments, spin-offs, changes in corporate purpose, changes of nationality and amendments to the anti-takeover provisions of our bylaws.

Holders of B Shares. Holders of B Shares have the right to vote on all matters subject to shareholder approval at any general shareholders' meeting and have the right, voting as a class, to appoint five members of our Board of Directors and the corresponding alternate directors. The five directors and corresponding alternate directors elected by the holders of the B Shares will be elected at a shareholders' meeting that must be held within the first four months after the end of each year beginning in 2005.

Holders of D Shares and L Shares. Holders of D Shares, voting as a class, are entitled to vote at special meetings to elect two of the members of our Board of Directors and the corresponding alternate directors, each of which must be an independent director. In addition, holders of D Shares are entitled to vote on the following matters at extraordinary general meetings:

- our transformation from one type of company to another;
- any merger (even if we are the surviving entity);

- extension of our existence beyond our prescribed duration;
- our dissolution before our prescribed duration (which is currently December 2089);
- a change in our corporate purpose;
- a change in our nationality; and
- the cancellation from registration of the D Shares or the securities which represent the D Shares with the securities or special section of the National Registry of Securities, or NRS, and with any other Mexican or foreign stock exchange in which such shares or securities are registered.

Holders of L Shares, voting as a class, are entitled to vote at special meetings to elect two of the members of our Board of Directors and the corresponding alternate directors, each of which must be an independent director. Holders of L Shares are also entitled to vote at extraordinary general meetings on the following matters:

- our transformation from one type of company to another;
- any merger in which we are not the surviving entity; and
- the cancellation from registration of the L Shares or the securities that represent the L Shares with the special section of the NRS.

The two directors and corresponding alternate directors elected by each of the holders of the D Shares and the L Shares are elected annually at a special meeting of those holders. Special meetings of holders of D Shares and L Shares must also be held to approve the cancellation from registration of the D Shares or L Shares or the securities representing any of such shares with the securities and/or special sections of the NRS, as the case may be, and in the case of D Shares, with any other Mexican or foreign stock exchange in which such shares or securities are registered. All other matters on which holders of L Shares or D Shares are entitled to vote must be considered at an extraordinary general meeting. Holders of L Shares and D Shares are not entitled to attend or to address meetings of shareholders at which they are not entitled to vote. Under Mexican law, holders of L Shares and D Shares are entitled to exercise certain minority protections. See " -- Other Provisions -- Appraisal Rights and Other Minority Protections."

Other Rights of Shareholders. Under Mexican law, holders of shares of any series are also entitled to vote as a class in a special meeting governed by the same rules that apply to extraordinary general meetings, as described below, on any action that would prejudice the rights of holders of shares of such series, but not rights of holders of shares of other series, and a holder of shares of such series would be entitled to judicial relief against any such action taken without such a vote. Generally, the determination of whether a particular shareholder action requires a class vote on these grounds could initially be made by the Board of Directors or other party calling for shareholder action. In some cases, under the Mexican Securities Market Law and the Mexican Companies Law, the Board of Directors, the statutory auditors or a Mexican court on behalf of those shareholders representing 10% of our capital stock could call a special meeting. A negative determination would be subject to judicial challenge by an affected shareholder, and the necessity for a class vote would ultimately be determined by a court. There are no other procedures for determining whether a particular proposed shareholder action requires a class vote, and Mexican law does not provide extensive guidance on the criteria to be applied in making such a determination.

General shareholders' meetings may be ordinary general meetings or extraordinary general meetings. Extraordinary general meetings are those called to consider specific matters specified in Article 182 of the Mexican Companies Law and our bylaws, including, among others, amendments to our bylaws, our dissolution, liquidation or split-up, our merger and transformation from one form of company to another, increases and reductions in our capital stock, the approval of certain acquisitions of shares, including a change of control, as set forth in the antitakeover provisions in our bylaws and any action for civil liabilities against the members of our Board of Directors, members of our Audit Committee or our statutory auditors. In addition, our bylaws require an

extraordinary general meeting to consider the cancellation of registration of the D Shares or L Shares or the securities representing these Shares with the securities and/or special sections of the NRS, as the case may be, and in the case of D Shares, with any other Mexican or foreign stock exchange in which such Shares or securities are registered. General meetings called to consider all other matters are ordinary meetings which are held at least once each year within four months following the end of each fiscal year. Shareholders may be represented at any shareholders' meeting by completing a form of proxy provided by us, which proxy is available within fifteen days prior to such meeting, and designating a representative to vote on their behalf. The form of proxy must comply with certain content requirements as set forth in the Mexican Securities Market Law, as amended, and in our bylaws.

Holders of CPOs. Holders of CPOs who are Mexican nationals or Mexican corporations whose bylaws exclude foreign ownership of their shares are entitled to exercise voting rights with respect to the A Shares, B Shares, D Shares and L Shares underlying their CPOs. The CPO Trustee will vote such shares as directed by Mexican holders of CPOs, which must provide evidence of Mexican nationality. Non-Mexican holders of CPOs may only vote the L Shares held in the CPO Trust and are not entitled to exercise any voting rights with respect to the A Shares, B Shares and D Shares held in the CPO Trust. Voting rights in respect of these A Shares, B Shares and D Shares may only be exercised by the CPO Trustee. A Shares, B Shares and D Shares underlying the CPOs of non-Mexican holders or holders that do not give timely instructions as to voting of such Shares, (a) will be voted at special meetings of A Shares, B Shares or D Shares, as the case may be, as instructed by the CPO Trust's Technical Committee (which consists of members of the Board of Directors and/or Executive Committee, who must be Mexican nationals), and (b) will be voted at any general meeting where such series has the right to vote in the same manner as the majority of the outstanding A Shares held by Mexican nationals or Mexican corporations (directly, or through the CPO Trust, as the case may be) are voted at the relevant meeting. L Shares underlying the CPOs of any holders that do not give timely instructions as to the voting of such Shares will be voted, at special meetings of L Shares and at general extraordinary meetings where L Shares have voting rights, as instructed by the Technical Committee of the CPO Trust. The CPO Trustee must receive voting instructions five business days prior to the shareholders' meeting. Holders of CPOs that are Mexican nationals or Mexican corporations whose bylaws exclude foreign ownership of their Shares also must provide evidence of nationality, such as a copy of a valid Mexican passport or birth certificate, for individuals, or a copy of the bylaws, for corporations.

As described in "Major Shareholders and Related Party Transactions," A Shares held through the Shareholder Trust constitute a majority of the A Shares whose holders are entitled to vote them, because non-Mexican holders of CPOs and GDSs are not permitted to vote the underlying A Shares. Accordingly, the vote of A Shares held through the Shareholder Trust generally will determine how the A Shares underlying our CPOs are voted. B Shares held through the Shareholder Trust constitute 13.28% of the outstanding B Shares but represent a greater percentage of B Shares whose holders are entitled to vote them, because non-Mexican holders of CPOs and GDSs are not permitted to vote the underlying B Shares.

Holders of GDRs. Global Depositary Receipts, or GDRs evidencing GDSs are issued by the Depositary, JPMorgan Chase Bank, pursuant to the Deposit Agreement we entered into with the Depositary and all holders from time to time of GDSs. Each GDR evidences a specified number of GDSs. A GDR may represent any number of GDSs. Only persons in whose names GDRs are registered on the books of the Depositary will be treated by us and the Depositary as owners and holders of GDRs. Each GDR represents the right to receive 20 CPOs which will be credited to the account of Banco Inbursa, S.A., the Custodian, maintained with Indeval for such purpose. Each CPO represents financial interests in, and limited voting rights with respect to, 25 A Shares, 22 B Shares, 35 L Shares and 35 D Shares held pursuant to the CPO Trust.

The Depositary will mail information on shareholders' meetings to all holders of GDRs. At least six business days prior to the relevant shareholders' meeting, GDR holders may instruct the Depositary as to the exercise of the voting rights, if any, pertaining to the CPOs represented by their GDSs, and the underlying Shares. Since the CPO Trustee must also receive voting instructions five business days prior to the shareholders' meeting, the Depositary may be unable to vote the CPOs and underlying Shares in accordance with any written instructions. Holders that are Mexican nationals or Mexican corporations whose bylaws exclude foreign ownership of their Shares are entitled to exercise voting rights with respect to the A Shares, B Shares, D Shares and L Shares underlying the CPOs represented by their GDSs. Such Mexican holders also must provide evidence of nationality,

such as a copy of a valid Mexican passport or birth certificate, for individuals, or a copy of the bylaws, for corporations.

Non-Mexican holders may exercise voting rights only with respect to L Shares underlying the CPOs represented by their GDSs. They may not direct the CPO Trustee as to how to vote the A Shares, B Shares or D Shares represented by CPOs or attend shareholders' meetings. Under the terms of the CPO Trust Agreement, the CPO Trustee will vote the A Shares, B Shares, D Shares and L Shares represented by CPOs held by non-Mexican holders (including holders of GDRs) as described under " -- Holders of CPOs." If the Depositary does not timely receive instructions from a Mexican or Non-Mexican holder of GDRs as to the exercise of voting rights relating to the A Shares, B Shares, D Shares or L Shares underlying the CPOs, as the case may be, in the relevant shareholders' meeting then, if requested in writing by us, the Depositary will give a discretionary proxy to a person designated by us to vote the Shares. If no such written request is made by us, the Depositary will not represent or vote, attempt to represent or vote any right that attaches to, or instruct the CPO Trustee to represent or vote, the Shares underlying the CPOs in the relevant shareholders' meeting and, as a result, the underlying shares will be voted in the manner described under " -- Holders of CPOs" with respect to shares for which timely instructions as to voting are not given.

If the Depositary does not timely receive instructions from a Mexican or non-Mexican holder of GDRs as to the exercise of voting rights relating to the underlying CPOs in the relevant CPO holders' meeting, the Depositary and the Custodian will take such actions as are necessary to cause such CPOs to be counted for purposes of satisfying applicable quorum requirements and, unless we in our sole discretion have given prior written notice to the Depositary and the Custodian to the contrary, vote them in the same manner as the majority of the CPOs are voted at the relevant CPOs holders' meeting.

Under the terms of the CPO Trust, beginning in December 2008, a non-Mexican holder of CPOs or GDSs may instruct the CPO Trustee to request that we issue and deliver certificates representing each of the Shares underlying its CPOs so that the CPO Trustee may sell, to a third party entitled to hold the Shares, all of those Shares and deliver to the holder any proceeds derived from the sale.

DIVIDEND RIGHTS

At our annual ordinary general shareholders' meeting, our Board of Directors is required to submit our financial statements from the previous fiscal year to the holders of our A Shares and B Shares voting together and a majority of the A Shares voting separately. Once our shareholders approve these financial statements, they must then allocate our net profits for the previous fiscal year. Under Mexican law, at least 5% of our net profits must be allocated to a legal reserve, until the amount of this reserve equals 20% of our paid-in capital stock. Thereafter, our shareholders may allocate our net profits to any special reserve, including a reserve for share repurchases. After this allocation, the remainder of our net profits will be available for distribution as dividends. The vote of the majority of the A Shares and B Shares voting together, and a majority of the A Shares voting separately, is necessary to approve dividend payments. As described below, in the event that dividends are declared, holders of D Shares will have preferential rights to dividends as compared to holders of A Shares, B Shares and L Shares. Holders of A Shares, B Shares and L Shares have the same financial or economic rights, including the participation in any of our profits.

PREFERENTIAL RIGHTS OF D SHARES

Holders of D Shares are entitled to receive a cumulative fixed preferred annual dividend in the amount of Ps. 0.00034177575 per D Share before any dividends are payable in respect of A Shares, B Shares and L Shares. If we pay any dividends in addition to the D Share fixed preferred dividend, then such dividends shall be allocated as follows:

- first, to the payment of dividends with respect to the A Shares, the B Shares and the L Shares, in an equal amount per share, up to the amount of the D Share fixed preferred dividend; and

- second, to the payment of dividends with respect to the A Shares, B Shares, D Shares and L Shares, such that the dividend per share is equal.

Upon any dissolution or liquidation of our company, holders of D Shares are entitled to a liquidation preference equal to:

- accrued but unpaid dividends in respect of their D Shares; plus

- the theoretical value of their D Shares as set forth in our bylaws. See "Other Provisions -- Dissolution or Liquidation."

LIMITATION ON CAPITAL INCREASES

Our bylaws provide that, in the event shares of a given series are issued as a result of a capital increase (in respect of a cash capital contribution), each holder of shares of that series will have a preferential right to subscribe to new shares of that series, in proportion to the number of such holder's existing Shares of that series. In addition, primary issuances of A Shares, B Shares, D Shares and L Shares in the form of CPOs may be limited under the Mexican Securities Market Law, as amended. As a result of grandfathering provisions, our existing CPO structure will not be affected by the amendments to the law. However, in the case of primary issuances of additional A Shares, B Shares, L Shares and D Shares in the form of CPOs, any new L Shares and D Shares may be required to be converted into A Shares or other voting stock within a term specified by the CNBV, which in no event shall exceed five years. Moreover, under the Mexican Securities Market Law, as amended, the aggregate amount of shares of an issuer with limited or non-voting rights may not exceed 25% of the total shares held by public investors. The vote of the holders of a majority of the A Shares is necessary to approve capital increases.

PREEMPTIVE RIGHTS

In the event of a capital increase, a holder of existing shares of a given series has a preferential right to subscribe to a sufficient number of shares of the same series in order to maintain the holder's existing proportionate holdings of shares of that series. Shareholders must exercise their preemptive rights within the time period fixed by our shareholders at the meeting approving the issuance of additional shares. This period must continue for at least fifteen days following the publication of notice of the issuance in the Diario Oficial de la Federacion and in a newspaper of general circulation in Mexico City. Under Mexican law, shareholders cannot waive their preemptive rights in advance or be represented by an instrument that is negotiable separately from the corresponding share.

U.S. holders of GDSs may exercise preemptive rights only if we register any newly issued shares under the Securities Act of 1933, as amended, or qualify for an exemption from registration. We intend to evaluate at the time of any offering of preemptive rights the costs and potential liabilities associated with registering additional shares. In addition, if our shareholders' meeting approves the issuance of shares of a particular series, holders of shares of other series may be offered shares of that particular series.

LIMITATIONS ON SHARE OWNERSHIP

Ownership by non-Mexicans of shares of Mexican enterprises is regulated by the Foreign Investment Law and the accompanying Foreign Investment Regulations. The Economics Ministry and the Foreign Investment Commission are responsible for the administration of the Foreign Investment Law and the Foreign Investment Regulations. The Foreign Investment Law reserves certain economic activities exclusively for the Mexican State, certain other activities exclusively for Mexican individuals or Mexican corporations and limits the participation of non-Mexican investors to certain percentages in regard to other enterprises engaged in activities specified therein. Foreign investors may freely participate in up to 100% of the capital stock of Mexican companies or entities except for those existing companies engaged in specific activities, as described below and those with assets exceeding specified amounts established annually by the Foreign Investment Commission, in which case an approval from the Foreign Investment Commission will be necessary in order for foreign investment to exceed 49% of the capital stock. The Foreign Investment Law reserves certain economic activities exclusively for the Mexican state and

reserves certain other activities (including television and radio broadcasting) exclusively for Mexican nationals, consisting of Mexican individuals and Mexican corporations the charters of which contain a prohibition on ownership by non-Mexicans of the corporation's capital stock (a "foreign exclusion clause"). However, the Foreign Investment Law grants broad authority to the Foreign Investment Commission to allow foreign investors to own specified interests in the capital of certain Mexican enterprises. In particular, the Foreign Investment Law provides that certain investments are considered "neutral investments" and are not included in the calculation of the foreign investment percentage for the relevant Mexican entity.

In order to comply with these restrictions, we have limited the ownership of our A Shares and B Shares to Mexican individuals, Mexican companies the charters of which contain a foreign exclusion clause, credit institutions acting as trustees (such as the CPO Trustee) in accordance with the Foreign Investment Law and the Foreign Investment Regulations, and trusts or stock purchase, investment and retirement plans for Mexican employees. The criteria for an investor to qualify as Mexican under our bylaws are stricter than those generally applicable under the Foreign Investment Law and Foreign Investment Regulations. A holder that acquires A Shares or B Shares in violation of the restrictions on non-Mexican ownership will have none of the rights of a shareholder with respect to those A Shares or B Shares and could also be subject to monetary sanctions. The D Shares are subject to the same restrictions on ownership as the A Shares and B Shares. However, the foregoing limitations do not affect the ability of non-Mexican investors to hold A Shares, B Shares, D Shares and L Shares through CPOs, or L Shares directly, because such instruments constitute a "neutral investment" and do not affect control of the issuing company, pursuant to the exceptions contained in the Foreign Investment Law. The sum of the total outstanding number of A Shares and B Shares is required to exceed at all times the sum of the total outstanding L Shares and D Shares.

The Foreign Investment Law and Foreign Investment Regulations also require that we and the CPO Trust register with the National Registry of Foreign Investments. In addition to the limitations established by the Foreign Investment Law, the Mexican Federal Radio and Television Law provides restrictions on ownership by non-Mexicans of shares of Mexican enterprises holding concessions for radio and television such as those held indirectly by us. Non-Mexican states and governments are prohibited under our bylaws and Mexican Federal Radio and Television Law from owning Shares of Televisa and are, therefore, prohibited from being the beneficial or record owners of the A Shares, B Shares, D Shares, L Shares, CPOs and GDSs. We have been advised by our Mexican counsel, Mijares, Angoitia, Cortes y Fuentes, S.C., that ownership of the A Shares, B Shares, D Shares, L Shares, CPOs and GDSs by pension or retirement funds organized for the benefit of employees of non-Mexican state, municipal or other governmental agencies will not be considered as ownership by non-Mexican states or governments for the purpose of our bylaws or the Radio and Television Law.

We may restrict transfers or, to the extent permitted under applicable law, cause the mandatory sale or disposition of CPOs and GDRs where such transfer or ownership, as the case may be, might result in ownership of CPOs or GDRs exceeding the limits under applicable law or our bylaws, the CPO Trust Agreement or the CPO Deed. Non-Mexican states and governments are prohibited under our bylaws and Radio and Television Law from owning our Shares and are, therefore, prohibited from being beneficial or record owners of GDRs.

OTHER PROVISIONS

Forfeiture of Shares. As required by Mexican law, our bylaws provide that for L Shares and CPOs, our non-Mexican shareholders formally agree with the Foreign Affairs Ministry:

- to be considered as Mexicans with respect to the L Shares and CPOs that they acquire or hold, as well as to the property, rights, concessions, participations or interests owned by us or to the rights and obligations derived from any agreements we have with the Mexican government; and

- not to invoke the protection of their own governments with respect to their ownership of L Shares and CPOs.

Failure to comply is subject to a penalty of forfeiture of such a shareholders' capital interests in favor of Mexico. In the opinion of Mijares, Angoitia, Cortes y Fuentes, S.C., our Mexican counsel, under this provision a non-Mexican

shareholder is deemed to have agreed not to invoke the protection of its own government by asking such government to interpose a diplomatic claim against the Mexican government with respect to the shareholders' rights as a shareholder, but is not deemed to have waived any other rights it may have, including any rights under the U.S. securities laws, with respect to its investment in Televisa. If the shareholder should invoke governmental protection in violation of this agreement, its shares could be forfeited to the Mexican government.

Exclusive Jurisdiction. Our bylaws provide that legal action relating to the execution, interpretation or performance of the bylaws shall be brought only in courts located in Mexico City.

Duration. Our corporate existence under our bylaws continues until 2089.

Dissolution or Liquidation. Upon any dissolution or liquidation of our company, our shareholders will appoint one or more liquidators at an extraordinary general shareholders' meeting to wind up our affairs. The approval of holders of the majority of the A Shares is necessary to appoint or remove any liquidator. Upon a dissolution or liquidation, holders of D Shares will be entitled to both accrued but unpaid dividends in respect of their D Shares, plus the theoretical value of their D Shares (as set forth in our bylaws). The theoretical value of our D Shares is Ps. 0.00683551495 per share. Thereafter, a payment per share will be made to each of the holders of A Shares, B Shares and L Shares equivalent to the payment received by each of the holders of D Shares. The remainder will be distributed equally among all shareholders in proportion to their number of Shares and amount paid.

Redemption. Our bylaws provide that we may redeem our Shares with distributable profits without reducing our capital stock by way of a shareholder resolution at an extraordinary shareholders' meeting. In accordance with Mexican law and our bylaws:

- any redemption shall be made on a pro-rata basis among all of our shareholders;
- to the extent that a redemption is effected through a public tender offer on the Mexican Stock Exchange, the shareholders' resolution approving the redemption may empower our Board to specify the number of shares to be redeemed and appoint the related intermediary or purchase agent; and
- any redeemed shares must be cancelled.

Share Repurchases. As required by Mexican law, our bylaws provide that we may repurchase our Shares on the Mexican Stock Exchange at then prevailing market prices. The amount of capital stock allocated to share repurchases and the amount of the corresponding reserve created for this purpose is determined annually by our shareholders at a ordinary general shareholders' meeting. The aggregate amount of resources allocated to share repurchases in any given year cannot exceed the total amount of our net profits in any given year, including retained earnings. Share repurchases must be charged to either our net worth if the repurchased Shares remain in our possession or our capital stock if the repurchased Shares are converted into treasury shares, in which case our capital stock is reduced automatically in an amount equal to the theoretical value of any repurchased Shares, if any. Any surplus is charged to the reserve for share repurchases. If the purchase price of the Shares is less than the theoretical value of the repurchased Shares, our capital stock account will be affected by an amount equal to the theoretical value of the repurchased Shares. Under Mexican law, we are not required to create a special reserve for the repurchase of shares, nor do we need the approval of our Board to effect share repurchases. In addition, any repurchased Shares cannot be represented at any shareholders' meeting.

Conflicts of Interest. Under the Mexican Securities Market Law, any shareholder or director that votes on a transaction in which his, her or its interests conflict with our interests may be liable for damages, but only if the transaction would not have been approved without his, her or its vote. In addition, any member of the Board of Directors that votes on a transaction in which his, her or its interests conflict, with our interests may be liable for damages. Our existing bylaws do not contain any provisions that govern or limit the ability of our directors or shareholders to vote on transactions in which their interests conflict with our interests. In addition, our existing bylaws do not contain any provisions that govern or limit the ability of our directors, in the absence of an

independent quorum, to borrow from us or to vote compensation to themselves or any other member of our Board of Directors or any committee of our Board of Directors. In addition, pursuant to the Mexican Securities Market Law our Audit Committee must review and approve transactions and arrangements with our major shareholders, directors, executive officers and other related parties and prepare and render statements to the Board as to the fairness of transactions and arrangements with related parties, and these transactions and arrangements must be approved by our Board of Directors. Members of our Board, members of our Audit Committee and our Statutory Auditor could be liable to our shareholders for breach of their duty of loyalty to the corporation to the extent that these persons approve transactions in which they have a conflict of interest.

Appraisal Rights and Other Minority Protections. Whenever our shareholders approve a change in our corporate purpose or jurisdiction of organization or our transformation from one type of company to another, any shareholder entitled to vote that did not vote in favor of these matters has the right to receive payment for its A Shares, B Shares, D Shares or L Shares in an amount calculated in accordance with Mexican law. However, shareholders must exercise their appraisal rights within fifteen days after the shareholders' meeting at which the matter was approved. Because the holders of L Shares and D Shares may only vote in limited circumstances, appraisal rights are generally not available to them. See " -- Voting Rights and Shareholders' Meetings."

Because the CPO Trustee must vote at a general shareholders' meeting, the A Shares, B Shares and D Shares held by non-Mexicans in the CPO Trust in the same manner as the majority of the A Shares held by Mexican nationals (directly, or through the CPO Trust, as the case may be), the A Shares, B Shares and D Shares underlying CPOs held by non-Mexicans will not be voted against any change that triggers the appraisal rights of the holders of these Shares. Therefore, these appraisal rights will not be available to holders of CPOs (or GDRs) with respect to A Shares, B Shares or D Shares. The CPO Trustee will exercise such other corporate rights at special shareholders' meetings with respect to the underlying A Shares, B Shares and D Shares as may be directed by the Technical Committee of the CPO trust.

Our bylaws include provisions that permit:

- holders of at least 10% of our outstanding capital stock to call a shareholders' meeting in which they are entitled to vote;
- subject to the satisfaction of certain requirements under Mexican law, holders of at least 15% of our outstanding capital stock to bring an action for civil liabilities against our directors;
- holders of at least 10% of our Shares that are entitled to vote and are represented at a shareholders' meeting to request postponement of resolutions with respect to any matter on which they were not sufficiently informed; and
- subject to the satisfaction of certain requirements under Mexican law, holders of at least 20% of our outstanding capital stock to contest and suspend any shareholder resolution.

See "Key Information -- Risk Factors -- Risk Factors Related to Our Securities -- The Protections Afforded to Minority Shareholders in Mexico Are Different From Those in the U.S." In addition, in accordance with the Mexican Securities Market Law, we are also subject to certain corporate governance requirements, including the requirement to maintain an audit committee and to elect independent directors. The protections afforded to minority shareholders under Mexican law are generally different from those in the U.S. and many other jurisdictions. Substantive Mexican law concerning fiduciary duties of directors has not been the subject of extensive judicial interpretation in Mexico, unlike many states in the U.S. where duties of care and loyalty elaborated by judicial decisions help to shape the rights of minority shareholders. Mexican civil procedure does not contemplate class actions or shareholder derivative actions, which permit shareholders in U.S. courts to bring actions on behalf of other shareholders or to enforce rights of the corporation itself. Shareholders in Mexico also cannot challenge corporate actions taken at shareholders' meetings unless they meet stringent procedural requirements. See " -- Voting Rights and Shareholders' Meetings." As a result of these factors, it is generally more difficult for our minority shareholders to enforce rights against us or our directors or Major Shareholders than it is for shareholders

of a corporation established under the laws of a state of the U.S. In addition, under U.S. securities laws, as a foreign private issuer we are exempt from certain rules that apply to domestic U.S. issuers with equity securities registered under the Security Exchange Act of 1934, as amended, or the Exchange Act, including the proxy solicitation rules. We are also exempt from many of the corporate governance requirements of the New York Stock Exchange.

ANTITAKEOVER PROTECTIONS

General. Our bylaws provide that, subject to certain exceptions, (i) any person, entity or group of persons and/or entities that wishes to acquire beneficial ownership of common Shares (as defined below) which, when coupled with common Shares previously beneficially owned by such persons or their affiliates, represent 10% or more of our outstanding common Shares, (ii) any competitor or group of competitors that wishes to acquire beneficial ownership of Shares which, when coupled with Shares previously beneficially owned by such competitor, group of competitors or their affiliates, represent 5% or more of our outstanding capital stock, (iii) any person, entity or group of persons and/or entities that wishes to acquire beneficial ownership of Shares representing 10% or more of our outstanding Shares, and (iv) any competitor or group of competitors that wishes to acquire beneficial ownership of Shares representing 5% or more of our capital stock, must obtain the prior approval of our Board of Directors and/or of our shareholders, as the case may be, subject to certain exceptions summarized below. Holders that acquire Shares in violation of these requirements will not be considered the beneficial owners of such Shares under our bylaws and will not be registered in our stock registry. Accordingly, these holders will not be able to vote such Shares or receive any dividends, distributions or other rights in respect of these Shares. In addition, pursuant to our bylaws, these holders will be obligated to pay us a penalty in an amount equal to the market value of the Shares so acquired. Pursuant to our bylaws, "Shares" are defined as the shares (of any class or series) representing our capital stock, and any instruments or securities that represent such shares or that grant any right with respect to or are convertible into those shares, expressly including CPOs.

Pursuant to our bylaws, a "competitor" is generally defined as any person or entity who, directly or indirectly, is engaged in any of the following businesses or activities: television production and broadcasting, pay television production, program licensing, direct-to-home satellite services, publishing (newspaper and/or magazine), publishing distribution, music recording, cable television, the transmission of programming and/or other content by any other means known or to be known, radio broadcasting and production, the promotion of professional sports and other entertainment events, paging services, production, feature film/motion picture production and distribution, dubbing and/or the operation of an Internet portal. A "competitor" is also defined to include any person, entity and/or group that is engaged in any type of business or activity in which we may be engaged from time to time and from which we derive 5% or more of our consolidated income.

Board Notices, Meetings, Quorum Requirements and Approvals. To obtain the prior approval of our Board, a potential acquiror must properly deliver a written notice that states, among other things: (i) the number and class/type of our Shares it beneficially owns, (ii) the percentage of Shares it beneficially owns with respect to both our outstanding capital stock and the respective class/type of our Shares, (iii) the number and class/type of Shares it intends to acquire, (iv) the number and class/type of Shares it intends to grant or share a common interest or right, (v) its identity, or in the case of an acquiror which is a corporation, trust or legal entity, its shareholders or beneficiaries as well as the identity and nationality of each person effectively controlling such corporation, trust or legal entity, (vi) its ability to acquire our Shares in accordance with our bylaws and Mexican law, (vii) its source of financing the intended acquisition, (viii) if it has obtained any financing from one of its related parties for the payment of the Shares, (ix) the purpose of the intended acquisition, (x) if it intends to acquire additional common Shares in the future, which coupled with the current intended acquisition of common Shares and the common Shares previously beneficially owned by the potential acquiror, would result in ownership of 20% or more of our common Shares, (xi) if it intends to acquire control of us in the future, (xii) if the acquiror is our competitor or if it has any direct or indirect economic interest in or family relationship with one of our competitors, and (xiii) the identity of the financial institution, if any, that will act as the underwriter or broker in connection with any tender offer.

Either the Chairman, the Secretary or the Alternate Secretary of our Board of Directors must call a Board meeting within 10 calendar days following the receipt of the written notice and the Board meeting must be held within 45 calendar days following the call. Action by written consent is not permitted. With the exception of

acquisitions that must be approved by the general extraordinary shareholders' meeting as described below in "Shareholder Notices, Meetings, Quorum Requirements and Approvals," in order to proceed with any acquisition of Shares that require Board authorization as set forth in our bylaws, such acquisition must be approved by at least the majority of the members of our Board present at a meeting at which at least 75% of the members of our Board are present. Such acquisitions must be acted upon by our Board within 60 calendar days following the receipt of the written notice described above, unless the Board determines that it does not have sufficient information upon which to base its decision. In such case, the Board shall deliver a written request to the potential acquiror for any additional information that it deems necessary to make its determination. The 60 calendar days referred to above will commence following the receipt of the additional information from the potential acquiror to render its decision.

Shareholder Notices, Meetings, Quorum Requirements and Approvals. In the event (i) of a proposed acquisition of Shares that would result in a "change of control," (ii) that our Board cannot hold a Board meeting for any reason, (iii) of a proposed acquisition by a competitor and having certain characteristics, or (iv) that the Board determines that the proposed acquisition must be approved by our shareholders at a general extraordinary shareholders' meeting, among others, then the proposed acquisition must be approved by the holders of at least 75% of our outstanding common Shares at a general extraordinary shareholders' meeting (both in the case of first and subsequent calls) at which the holders of at least 85% of our outstanding common Shares are present. In addition, any proposed merger, spin-off, or capital increase or decrease which results in a change of control must also be approved by the holders of at least 75% of our outstanding common Shares at a general extraordinary shareholders' meeting (both in the case of first and subsequent calls) at which the holders of at least 85% of our outstanding common Shares are present. Pursuant to our bylaws, a "change of control" is defined as the occurrence of any of the following: (i) the acquisition or transfer of ownership of a majority of our outstanding common Shares, (ii) the ability of a person, entity or group, other than the person who currently has the ability to, directly or indirectly, elect a majority of the members of our Board of Directors, to elect a majority of the members of our Board of Directors or (iii) the ability of a person, entity or group, other than the person who currently has the ability to, directly or indirectly, determine our administrative decisions or policies, to determine our administrative decisions or policies. In the event that the general extraordinary shareholders' meeting must approve the proposed acquisition, either the Chairman, the Secretary or the Alternate Secretary of our Board of Directors must publish a call for a general extraordinary shareholders' meeting in the Official Gazette of the Federation and two other newspapers of general circulation in Mexico City at least 30 calendar days prior to such meeting (both in the case of first and subsequent calls). Once the call for the general extraordinary shareholders' meeting has been published, all information related to the agenda for the meeting must be available for review by the holders of common Shares at the offices of our Secretary.

Mandatory Tender Offers in the Case of Certain Acquisitions. If either our Board of Directors or our shareholders at a general extraordinary shareholders' meeting, as the case may be, authorize an acquisition of common Shares which increases the acquiror's ownership to 20% or more, but not more than 50%, of our outstanding common Shares, without such acquisition resulting in a change of control, then the acquiror must effect its acquisition by way of a cash tender offer for a specified number of Shares equal to the greater of (x) the percentage of common Shares intended to be acquired or (y) 10% of our outstanding capital stock. In the event that our shareholders approve an acquisition that would result in a change of control, the acquiror must effect its acquisition by way of a cash tender offer for 100% of our total outstanding capital stock at a price which cannot be lower than the highest of the following: (i) the book value of the common Shares and CPOs as reported on the last quarterly income statement approved by the Board of Directors, (ii) the highest closing price of the common Shares, on any stock exchange during any of the three hundred-sixty-five (365) days preceding the date of the shareholders' resolution approving the acquisition; or (iii) the highest price paid for any Shares, at any time by the acquiror. All tender offers must be made in Mexico and the U.S. within 60 days following the date on which the acquisition was approved by our Board of Directors or shareholders' meeting, as the case may be. All holders must be paid the same price for their common Shares. The provisions of our bylaws summarized above regarding mandatory tender offers in the case of certain acquisitions are generally more stringent than those provided for under the Mexican Securities Market Law. In accordance with the Mexican Securities Market Law, bylaw provisions regarding mandatory tender offers in the case of certain acquisitions may differ from the requirements set forth in such law, provided that those provisions are more protective to minority shareholders than those afforded by law. In these cases, the relevant

bylaw provisions, and not the relevant provisions of the Mexican Securities Market Law, will apply to certain acquisitions specified therein.

Exceptions. The provisions of our bylaws summarized above will not apply to (i) transfers of common Shares and/or CPOs by operation of the laws of inheritance, (ii) acquisitions of common Shares and/or CPOs by any person who, directly or indirectly, is entitled to appoint the greatest number of members to our Board of Directors, as well as by (A) entities controlled by such person, (B) affiliates of such person, (C) the estate of such person, (D) certain family members of such person, and (E) such person, when such person acquires any common Shares and/or CPOs from any entity, affiliate, person or family member referred to in (A), (B) and (D) above, and (iii) acquisitions or transfers of common Shares and/or CPOs by us, our subsidiaries or affiliates, or any trust created by us or any of our subsidiaries.

Amendments to the Antitakeover Provisions. Any amendments to these antitakeover provisions must be authorized by the CNBV and registered before the Public Registry of Commerce at our corporate domicile.

ENFORCEABILITY OF CIVIL LIABILITIES

We are organized under the laws of Mexico. Substantially all of our directors, executive officers and controlling persons reside outside of the U.S., all or a significant portion of the assets of our directors, executive officers and controlling persons, and substantially all of our assets, are located outside of the U.S. and some of the experts named in this annual report also reside outside of the U.S. As a result, it may not be possible for you to effect service of process within the U.S. upon these persons or to enforce against them or us in U.S. courts judgments predicated upon the civil liability provisions of the federal securities laws of the U.S. We have been advised by our Mexican counsel, Mijares, Angoitia, Cortes y Fuentes, S.C., that there is doubt as to the enforceability, in original actions in Mexican courts, of liabilities predicated solely on U.S. federal securities laws and as to the enforceability in Mexican courts of judgments of U.S. courts obtained in actions predicated upon the civil liability provisions of U.S. federal securities laws. See "Key Information -- Risk Factors -- Risks Factors Related to Our Securities -- It May Be Difficult to Enforce Civil Liabilities Against Us or Our Directors, Executive Officers and Controlling Persons."

MATERIAL CONTRACTS

We have been granted a number of concessions by the Mexican government that authorize us to broadcast our programming over our television and radio stations and our cable and DTH systems. These concessions are described under "Information on the Company -- Business Overview -- Regulation." If we are unable to renew, or if the Mexican government revokes, any of the concessions for our significant television stations, our business would be materially adversely affected. See "Key Information -- Risk Factors -- Risk Factors Related to Our Business -- The Operation of Our Business May Be Terminated or Interrupted if the Mexican Government Does Not Renew or Revokes Our Broadcast or Other Concessions; Proposed Revisions to the Ley Federal de Radio y Television, or Radio and Television Law, if Adopted, Could Adversely Impact our Results of Operations."

We operate our DTH satellite service in Mexico, Innova, through a joint venture with News Corp. and Liberty Media, and our DTH joint ventures in Latin America outside of Mexico and Brazil through a partnership with News Corp., Globopar and Liberty Media. See "Information on the Company -- Business Overview -- DTH Joint Ventures."

We completed a refinancing of our indebtedness in 2000, which refinancing involved a tender offer for our outstanding Series A Senior Notes, Series B Senior Notes and Senior Discount Debentures and the amendment of the related indentures, as well as the issuance of Ps.3.0 billion (nominal) as of April 14, 2000 of UDI-denominated notes. We also amended our working capital facility with Banamex in July 2000. We issued U.S.\$200.0 million aggregate principal amount of 8 5/8% Senior Notes due 2005 in August 2000, U.S.\$300.0 million aggregate principal amount of 8% Senior Notes due 2011 in September 2001, refinanced approximately U.S.\$100.0 million of our indebtedness through a five-year U.S.\$100 million term loan facility in December 2001 and U.S.\$300 million in aggregate principal amount of 8.5% Senior Notes due 2032. We redeemed all of our remaining Senior Discount

Debentures and terminated the related indentures in May 2001. In addition, in May 2003, we repaid all of the remaining Series A Senior Notes, which matured in May 2003, with the net proceeds from a long-term credit agreement that we entered into with a Mexican bank for an aggregate principal amount of Ps.800.0 million. Also, in March 2005, we completed a refinancing involving a tender offer for each of our outstanding U.S.\$300 million aggregate principal amount of 8.00% Senior Notes due 2011 and our outstanding Ps. 3.0 billion (nominal) as of April 14, 2000 of our UDI-denominated notes due 2007. As part of this refinancing, we also issued U.S.\$400 million aggregate principal amount of 6 5/8% Senior Notes due 2025. In May 2005, through a reopening of the same series of note, we issued an additional U.S.\$200 million aggregate principal amount of 6 5/8% Senior Notes due 2025. For a description of the material terms of the amended indentures related to the Series A Senior Notes and Series B Senior Notes, the UDI-denominated notes, the indenture and supplemental indentures related to our 8 5/8% Senior Notes due 2005, our 8% Senior Notes due 2011, our 8.5% Senior Notes due 2032 and our 6 5/8% Senior Notes due 2025, our facilities with a Mexican bank, our five-year term U.S.\$100.0 million loan facility and our Ps.800 million long-term credit agreement, see "Operating and Financial Review and Prospects -- Results of Operations -- Liquidity, Foreign Exchange and Capital Resources -- Refinancings" and "Operating and Financial Review and Prospects -- Results of Operations -- Liquidity, Foreign Exchange and Capital Resources -- Indebtedness."

On May 17, 2004, we entered into a long-term credit agreement with a Mexican bank for an aggregate amount of Ps.1,162.5 million, which matures in 2009. The annual interest rate is 9.70%. See "Operating and Financial Review and Prospects -- Results of Operations -- Liquidity, Foreign Exchange and Capital Resources -- Indebtedness."

On October 22, 2004, we entered into another long-term credit agreement with a Mexican bank for an aggregate amount of Ps.2,000.0 million which matures in 2012. The interest rate is 10.35%. For more information regarding this credit agreement, see "Operating and Financial Review and Prospects -- Results of Operations -- Liquidity, Foreign Exchange and Capital Resources -- Indebtedness."

Our transactions and arrangements with related parties are described under "Major Shareholders and Related Party Transactions -- Related Party Transactions."

For a description of our material transactions and arrangements with Univision,, see "Information on the Company -- Business Overview -- Univision."

LEGAL PROCEEDINGS

In June 2003, we were notified by the Secretaria de Hacienda y Credito Publico, or the Mexican tax authority, of a federal tax assessment for approximately Ps.302.0 million plus approximately Ps.658.7 million of penalties and surcharges. The assessment, which relates to an alleged assets tax liability for the year ended December 31, 1994, was originally brought by the Mexican tax authority in 1999, but was dismissed in 2002 on procedural grounds. We believe that this claimed assessment is without merit, and we are vigorously defending against it before the appropriate judicial authority, although no assurances can be given as to the outcome of this dispute.

On October 18, 2004, Darlene Investments, LLC, or Darlene, a minority owner of DTVLA, filed an action in the Circuit Court of the 11th Judicial District in and for Miami-Dade County, Florida against DTVLA, DIRECTV, DIRECTV International, Inc., DIRECTV Latin America Holdings, Inc. (together, the "DIRECTV Defendants"); News Corp. Ltd.; Televisa; Globopar; MCOP; and Innova. The complaint seeks an injunction based on allegations that the DIRECTV Defendants breached fiduciary and contractual duties to Darlene by entering into transactions with MCOP, Sky Brasil Servicos Ltda. and Innova in respect of their respective direct-to-home satellite services and that the remaining defendants aided and abetted the DIRECTV Defendant's alleged breaches of their contractual and fiduciary duties. The complaint also asserts claims for monetary damages against the DIRECTV Defendants and News Corp. based on fraud and tortious interference with contract. The action was removed to federal court by the DIRECTV Defendants. Darlene has moved to remand the case to state court; the DIRECTV Defendants have, in addition to opposing Darlene's motion, moved to stay the action pending arbitration on the grounds that disputes between the DIRECTV Defendants and Darlene are subject to arbitration under the relevant contracts. Darlene has recently purported to serve Televisa and Innova with the complaint by registered mail, although neither Televisa nor

Innova concede such service is proper. We believe Darlene's claims against us and Innova are without merit and intend to vigorously defend against these claims. News Corp. has agreed to indemnify us for any losses arising out of these claims.

In October 2001, a claim for damages was filed in connection with an alleged copyright infringement on a technical written work titled "La Lupa," or "Catch the Clue." In November 2002, a final judgment was entered against us whereby we were declared liable for an amount equal to 40% of the income generated from such work. In January 2005, a motion to enforce the final judgment was filed and the parties are currently in the process of arguing before the court the amounts that we will be liable to pay to plaintiffs. Although we currently believe that the ultimate amount of damages will not be material, no assurances can be given in this regard.

For a description of a complaint we filed on May 9, 2005 in the United States District Court Central District of California against Univision alleging, among other things, that Univision breached the program license agreement we entered into with Univision by failing to pay certain royalties and by making certain unauthorized edits of our programs, see "Key Information -- Risk Factors -- Risk Factors Related to Our Business -- Future Activities Which We May Wish to Undertake in the U.S. May Be Affected by Our Arrangements with Univision. These Activities, as Well as a Current Dispute We Are Having With Univision, May Affect Our Relationship With, and Our Equity Interest in, Univision."

On May 25, 2005, the Mexican Antitrust Commission notified us that, in response to a claim by a third party, it had commenced an investigation into alleged violations of the Mexican Antitrust law by two of our subsidiaries relating to the unilateral refusal by our subsidiaries to provide certain pay and free television signals to a cable provider in Piedras Negras. We believe that the claim by the third party is without merit, and intend to vigorously dispute this claim, although we cannot assure you as to the outcome of the procedure.

There are other various legal actions and other claims pending against us that are incidental to the ordinary course of our business. Our management does not consider these actions or claims to be material. See Note 13 to our year-end financial statements.

NEW YORK STOCK EXCHANGE CORPORATE GOVERNANCE STANDARDS

As a foreign private issuer with shares listed on the NYSE, we are subject to different corporate governance requirements than a U.S. company under the NYSE listing standards. With certain exceptions, foreign private issuers are permitted to follow home country practice standards. Pursuant to Rule 303.A11 of the NYSE listed company manual, we required to provide a summary of the significant ways in which our corporate governance practices differ from those required for U.S. companies under the NYSE listing standards.

We are a Mexican corporation with shares, in the form of CPOs listed on the Bolsa Mexicana de Valores, or Mexican Stock Exchange. Our corporate governance practices are governed by our bylaws, the Mexican Securities Market Law, and the regulations issued by the CNBV and the Mexican Stock Exchange. Although compliance is not mandatory, we also substantially comply with the Mexican Code of Best Corporate Practices (Codigo de Mejores Practicas Corporativas), which was created in January 1999 by a group of Mexican business leaders and was endorsed by the Mexican Banking and Securities Commission. See " -- Bylaws" for a more detailed description of our corporate governance practices.

The table below sets forth a description of the significant differences between corporate governance practices required for U.S. companies under the NYSE listing standards and the Mexican corporate governance standards that govern our practices.

NYSE RULES	MEXICAN RULES
Listed companies must have a majority of independent directors	The Mexican Securities Market Law requires that listed companies have at least 25% of independent directors. Our board of directors is not required to make a determination as to the independence of the directors.

The definition of independence under the Mexican Securities Market Law differs in some aspects from the one applicable to U.S. issuers under the NYSE standard and prohibits, among other relationships, an independent director from being an employee or officer of the company or a shareholder that may have influence over our officers, as well as certain relationships between the company and the independent director, entities in which the independent director is a partner, director or employee and family members of the independent director. In addition, our bylaws broadens the definition of independent director. Our bylaws provide for an executive committee of our board of directors. The executive committee is currently composed of eight members, and there are no Mexican rules applicable that require any of the members to be independent. The executive committee may generally exercise the powers of our board of directors, subject to certain exceptions. Our Chief Executive Officer is a member of our board of directors and the executive committee.

Listed companies must have a nominating/corporate governance committee composed entirely of independent directors.

Listed companies are not required to have a nominating/corporate governance committee

Listed companies must have a compensation committee composed entirely of independent directors.

The Mexican Code of Best Corporate Practices recommends listed companies to have a compensation committee. While these rules are not legally binding, companies failing to comply with the Code's recommendation must disclose publicly why their practices differ from those recommended by the Code.

Listed companies must have an audit committee with a minimum of three members and must be independent.

The Mexican Securities Market Law requires that listed companies must have an audit committee. The Chairman and the majority of the members must be independent. We are not required to satisfy the audit committee requirements of Rule 10A-3 under the Exchange Act until July 31, 2005.

Non-management directors must meet at executive sessions without management.

Our non-management directors are not required to meet at executive sessions. The Mexican Code of Best Corporate Practices does not expressly recommend executive sessions.

Listed companies must adopt and disclose a code of business conduct and ethics for directors, officers and employees, and promptly discuss any waivers of the code for directors or executive officers.

Companies listed on the Mexican Stock Exchange are not required to adopt a code of ethics. However, we have recently adopted a code of ethics which is available free of charge through our offices. See Item 16B "Code of Ethics" for directions on how to obtain a copy of our code of ethics. Waivers involving any of our executive officers or directors will be made only by our Board of Directors or a designated committee of the Board.

EXCHANGE CONTROLS

For a description of exchange controls and exchange rate information, see "Key Information -- Exchange Rate Information."

TAXATION

U.S. TAXES

GENERAL. The following is a summary of the anticipated material U.S. federal income tax consequences of the purchase, ownership and disposition of GDSs, CPOs and the A Shares, B Shares, L Shares and D Shares underlying the CPOs (referred to herein as the "Underlying Shares"), in each case, except as otherwise noted, by U.S. Holders (as defined below). This discussion does not address all aspects of U.S. federal income taxation that may be relevant to a particular beneficial owner of GDSs, CPOs or Underlying Shares based on the beneficial owner's particular circumstances. For example, with respect to U.S. Holders, the following discussion does not address the U.S. federal income tax consequences to a U.S. Holder:

- that owns, directly, indirectly or through attribution, 2% or more of the total voting power or value of our outstanding Underlying Shares (including through ownership of GDSs);
- that is a dealer in securities, insurance company, financial institution, tax-exempt organization, U.S. expatriate, broker-dealer or trader in securities; or
- whose functional currency is not the U.S. Dollar.

Also, this discussion does not consider:

- the tax consequences to the shareholders, partners or beneficiaries of a U.S. Holder; or
- special tax rules that may apply to a U.S. Holder that holds GDSs, CPOs or Underlying Shares as part of a "straddle," "hedge," "conversion transaction," "synthetic security" or other integrated investment.

In addition, the following discussion does not address any aspect of state, local or non-U.S. tax laws other than Mexican tax laws. Further, this discussion generally applies only to U.S. Holders that hold the CPOs, GDSs or Underlying Shares as capital assets within the meaning of Section 1221 of the Internal Revenue Code.

The discussion set forth below is based on the U.S. federal income tax laws as in force on the date of this annual report, including:

- the U.S. Internal Revenue Code of 1986, as amended, applicable U.S. Treasury regulations and judicial and administrative interpretations, and
- the convention between the Government of the United States of America and the Government of the United Mexican States for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income, including the applicable protocols, collectively referred to herein as the "tax treaty,"

and is subject to changes to those laws and the tax treaty subsequent to the date of this annual report, which changes could be made on a retroactive basis; and

- is also based, in part, on the representations of the depositary with respect to the GDSs and on the assumption that each obligation in the deposit agreement relating to the GDSs and any related agreements will be performed in accordance with their terms.

As used in this section, the term "U.S. Holder" means a beneficial owner of CPOs, GDSs or Underlying Shares that is, for U.S. federal income tax purposes:

- a citizen or individual resident of the United States;
- a corporation (or entity treated as a corporation for such purposes) created or organized in or under the laws of the United States, or any State thereof or the District of Columbia;
- an estate the income of which is included in gross income for U.S. federal income tax purposes regardless of source; or
- a trust, if either (x) it is subject to the primary supervision of a court within the United States and one or more "United States persons" has the authority to control all substantial decisions of the trust or (y) it has a valid election in effect under applicable U.S. Treasury regulations to be treated as a "United States person".

If a partnership (or an entity or arrangement classified as a partnership for U.S. federal income tax purposes) holds CPOs, GDSs or Underlying Shares, the U.S. federal income tax treatment of a partner in the partnership generally will depend on the status of the partner and the activities of the partnership, and partnerships holding CPOs, GDSs or Underlying Shares should consult their own tax advisors regarding the U.S. federal income tax consequences of purchasing, owning and disposing of CPOs, GDSs or Underlying Shares.

An individual may be treated as a resident of the United States in any calendar year for United States federal income tax purposes by being present in the U.S. on at least 31 days in that calendar year and for an aggregate of at least 183 days during a three-year period ending at the close of that year. For purposes of this calculation, all of the days present in the current year, one-third of the days present in the immediately preceding year and one-sixth of the days present in the second preceding year would be counted. Residents are taxed for U.S. federal income purposes as if they were U.S. citizens.

The application of the tax treaty to U.S. Holders is conditioned upon, among other things, the assumptions that the U.S. Holder:

- is not a resident of Mexico for purposes of the tax treaty;
- is an individual who has a substantial presence in the United States;
- is entitled to the benefits of the tax treaty under the limitation on benefits provision contained in Article 17 of the tax treaty; and
- does not have a fixed place of business or a permanent establishment in Mexico with which its ownership of CPOs, GDSs or Underlying Shares is effectively connected.

For U.S. federal income tax purposes, U.S. Holders of GDSs and CPOs will be treated as the beneficial owners of the Underlying Shares represented by the GDSs and CPOs.

DIVIDENDS. Any distribution paid by us, including the amount of any Mexican taxes withheld, will be included in the gross income of a U.S. Holder as a dividend, treated as ordinary income, to the extent that the distribution is paid out of our current and/or accumulated earnings and profits, as determined under U.S. federal income tax principles. U.S. Holders will not be entitled to claim a dividends received deduction for dividends received from us. Distributions that are treated as dividends received from us in taxable years beginning before January 1, 2009 by a non-corporate U.S. Holder who meets certain eligibility requirements will qualify for U.S. federal income taxation at a reduced rate of 15% or lower if we are a "qualified foreign corporation." We generally will be a "qualified foreign corporation" if either (i) we are eligible for benefits under the tax treaty or (ii) the Underlying Shares or GDSs are listed on an established securities market in the United States. As we are eligible for benefits under the tax treaty and the GDSs are listed on the New York Stock Exchange, we presently are a "qualified foreign corporation", and

we generally expect to be a "qualified foreign corporation" during such taxable years, but no assurance can be given that a change in circumstances will not affect our treatment as a "qualified foreign corporation" in any of such taxable years. A non-corporate U.S. Holder will not be eligible for the reduced rate (a) if the U.S. Holder has not held the Underlying Shares, CPOs or GDSs for at least 61 days of the 121-day period beginning on the date which is 60 days before the ex-dividend date, (b) to the extent the U.S. Holder is under an obligation to make related payments on substantially similar or related property or (c) with respect to any portion of a dividend that is taken into account as investment income under Section 163(d)(4)(B) of the U.S. Internal Revenue Code of 1986, as amended. Any days during which a U.S. Holder has diminished the U.S. Holder's risk of loss with respect to the Underlying Shares, CPOs or GDSs (for example, by holding an option to sell such Underlying Shares, CPOs or GDSs) is not counted towards meeting the 61-day holding period. Special rules apply in determining the foreign tax credit limitation with respect to dividends subject to U.S. federal income taxation at the reduced rate. U.S. Holders should consult their own tax advisors concerning whether dividends received by them qualify for the reduced rate.

To the extent, if any, that the amount of a distribution exceeds our current and/or accumulated earnings and profits, the distribution will first reduce the U.S. Holder's adjusted tax basis in its Underlying Shares, CPOs or GDSs and, to the extent the distribution exceeds the U.S. Holder's adjusted tax basis, it will be treated as gain from the sale of the U.S. Holder's Underlying Shares, CPOs or GDSs.

The U.S. Dollar value of any dividends paid in Pesos, including the amount of any Mexican taxes withheld, will be calculated by reference to the interbank exchange rate in effect on the date of receipt by the U.S. Holder or, with respect to the GDSs, JPMorgan Chase Bank, in its capacity as Depositary, regardless of whether the payment is in fact converted into U.S. Dollars. U.S. Holders should consult their own tax advisors regarding the treatment of any foreign currency gain or loss on any dividends paid in Pesos that are not converted into U.S. Dollars on the day the Pesos are received. For U.S. foreign tax credit purposes, dividends distributed by us on CPOs, GDSs or Underlying Shares generally will constitute foreign source "passive income" or, in the case of some U.S. Holders, foreign source "financial services income" for taxable years beginning before December 31, 2006 and foreign source "general category income" for taxable years beginning after December 31, 2006.

In general, pro rata distributions of additional shares with respect to the Underlying Shares that are part of a pro rata distribution to all of our shareholders generally (including U.S. Holders of GDSs) will not be subject to U.S. federal income tax.

A beneficial owner of CPOs, GDSs or Underlying Shares that is not a U.S. Holder and is not a partnership (or an entity or arrangement classified as a partnership for U.S. federal income tax purposes) will not be subject to U.S. federal income or withholding tax on a dividend paid with respect to the CPOs, GDSs or the Underlying Shares, unless the dividend is effectively connected with the conduct by the beneficial owner of a trade or business in the United States.

CAPITAL GAINS. Gain or loss recognized by a U.S. Holder on a taxable sale or exchange of CPOs, GDSs or Underlying Shares will be subject to U.S. federal income taxation as capital gain or loss in an amount equal to the difference between the amount realized on the sale or exchange and the U.S. Holder's adjusted tax basis in the CPOs, GDSs or Underlying Shares. Such capital gain or loss generally will be long-term capital gain or loss if the CPOs, GDSs or Underlying Shares have been held for more than one year at the time of disposition.

Such capital gains generally will be U.S. source income, unless the gains are subject to Mexican taxation, in which case such gains generally will be treated as arising in Mexico under the tax treaty. If capital gains are subject to Mexican taxation under the tax treaty, a U.S. Holder generally may elect to treat such gains as foreign source income for U.S. foreign tax credit limitation purposes. However, any such Mexican taxes may not be used to offset U.S. federal income tax on any other item of income, and foreign taxes on any other item of income cannot be used to offset U.S. federal income tax on such gains. U.S. Holders should consult their tax advisors.

Capital losses recognized on the sale or exchange of CPOs, GDSs or Underlying Shares generally will offset U.S. source income. Deposits and withdrawals of CPOs for GDSs and of Underlying Shares for CPOs by U.S. Holders will not be subject to U.S. federal income tax.

A beneficial owner of CPOs, GDSs or Underlying Shares that is not a U.S. Holder and is not a partnership (or an entity or arrangement classified as a partnership for U.S. federal income tax purposes) generally will not be subject to U.S. federal income tax on gain recognized on a sale or exchange of CPOs, GDSs or Underlying Shares unless:

- the gain is effectively connected with the beneficial owners' conduct of a trade or business in the United States; or
- the beneficial owner is an individual who holds CPOs, GDSs or Underlying Shares as a capital asset, is present in the United States for 183 days or more in the taxable year of the sale or exchange and meets other requirements.

U.S. BACKUP WITHHOLDING. A U.S. Holder may be subject to U.S. information reporting and U.S. backup withholding on dividends paid on Underlying Shares, and on proceeds from the sale or other disposition of CPOs, GDSs or Underlying Shares, unless the U.S. Holder:

- is a corporation or comes within an exempt category; or
- provides a taxpayer identification number, certifies as to no loss of exemption from backup withholding tax and otherwise complies with the applicable requirements of the backup withholding rules.

The amount of any backup withholding will be allowed as a credit against the U.S. Holder's U.S. federal income tax liability and may entitle such holder to a refund; provided, however, that certain required information is furnished to the U.S. Internal Revenue Service. A beneficial owner of CPOs, GDSs or Underlying Shares that is not a U.S. Holder may be required to comply with certification and identification procedures in order to establish its exemption from backup withholding.

MEXICAN TAXES

GENERAL. The following is a summary of the anticipated material Mexican tax consequences of the purchase, ownership and disposition of CPOs, GDSs or underlying A Shares, B Shares, L Shares and D Shares by a person that is not a resident of Mexico, as defined below.

U.S. Holders should consult with their own tax advisors as to their entitlement to benefits afforded by the tax treaty between the U.S. and Mexico. Mexico has also entered into and is negotiating with various countries regarding other tax treaties that may have an effect on the tax treatment of CPOs, GDSs or shares underlying the CPOs. Holders should consult with their tax advisors as to their entitlement to the benefits afforded by these treaties.

This discussion does not constitute, and shall not be considered as, legal or tax advice to holders. This discussion is for general information purposes only and is based upon the federal tax laws of Mexico as in effect on the date of this annual report, which are subject to change, including:

- the Mexican Income Tax Law, the Mexican Federal Tax Code, and
- the tax treaty.

Holders should consult their own tax advisors as to U.S., Mexican or other tax consequences of the purchase, ownership and disposition of CPOs, GDSs or underlying A Shares, B Shares, L Shares and D Shares.

As of January 1, 2004, the following principles apply regarding residency, for Mexican income tax purposes:

- an individual is treated as a resident of Mexico if the individual has established his home in Mexico. When an individual, in addition to his home in Mexico, has a home in another country,

the individual will be a resident of Mexico if his center of vital interests is located in Mexico. This will be deemed to occur, among others, if either (i) more than 50% of the total income obtained by the individual in the calendar year is Mexican source; or (ii) when the individual's center of professional activities is located in Mexico. Unless otherwise proven, a Mexican national is considered a Mexican resident.

- a legal entity is considered a resident of Mexico if it is incorporated under Mexican law or if it maintains the main administration of its head office or business or the effective location of its management in Mexico; and

- a permanent establishment of a foreign person will be treated as a resident of Mexico, and that permanent establishment will be required to pay taxes in Mexico in accordance with applicable law for income attributable to such permanent establishment.

DIVIDENDS. Dividends, either in cash or in any other form, paid with respect to the shares underlying the CPOs, including those CPOs represented by GDSs, will not be subject to Mexican withholding tax.

When dividends are paid from our "previously taxed net earnings account," or "cuenta de utilidad fiscal neta," we will not be required to pay any Mexican corporate income tax on the dividends. If dividends are not paid from our "previously taxed net earnings account" we will be required to pay a 30% Mexican corporate income tax on the dividends multiplied by 1.4286.

As a result of changes to the Mexican Income Tax Law effective January 1, 2005, the corporate income tax rate was reduced from 33% (effective in year 2004) to 28%. However, by means of an annual disposition the reduction is going to be gradual with rates of 30% for year 2005, 29% for year 2006, and 28% for year 2007.

SALES OR OTHER DISPOSITIONS. Deposits and withdrawals of CPOs for GDSs and of underlying A Shares, B Shares, L Shares and D Shares for CPOs will not give rise to Mexican tax or transfer duties.

Generally, the sale or other disposition of CPOs, GDSs or underlying A Shares, L Shares and D Shares will not be subject to any Mexican tax if:

- the sale is carried out through the Mexican Stock Exchange (or a recognized securities market located in a country with which Mexico has entered into a tax treaty); and

- the Ministry of Finance and Public Credit considers such securities to be publicly held.

Sales or other dispositions of CPOs, GDSs or underlying A Shares, B Shares, L Shares and D Shares made in other circumstances would be subject to Mexican income tax. However, under the tax treaty, any U.S. Holder that is eligible to claim the benefits of the tax treaty may be exempt from Mexican tax on gains realized on a sale or other disposition of CPOs and shares underlying the CPOs in a transaction that is not carried out through the Mexican Stock Exchange or such other approved securities markets. The U.S. Holder will be exempt under the tax treaty if the U.S. Holder did not own directly or indirectly 25% or more of the our outstanding shares within the 12-month period preceding such sale or disposition. Gains realized by other Holders that are eligible to receive benefits pursuant to other income tax treaties to which Mexico is a party may be exempt from Mexican income tax in whole or in part. Non-U.S. Holders should consult their own tax advisors as to their possible eligibility under such other income tax treaties. Appropriate residence certifications must be obtained by Holders eligible for tax treaty benefits.

As of January 1, 2005 all income derived from the constitution of an usufruct or usage of shares and securities or the transfer of the rights concerning the usufruct of stock, as well as all income derived from other legal acts through which the right to perceive revenues generated by shares is transferred, should be considered as income as if it were obtained from the sale of shares.

OTHER MEXICAN TAXES. There are no estate, gift, or succession taxes applicable to the ownership, transfer or disposition of CPOs, GDSs or underlying A Shares, B Shares, L Shares and D Shares. However, a gratuitous

transfer of CPOs, GDSs or underlying A Shares, B Shares, L Shares and D Shares may, in some circumstances, result in the imposition of a Mexican federal tax upon the recipient. There are no Mexican stamp, issuer, registration or similar taxes or duties payable by holders of GDSs, CPOs, or underlying A Shares, B Shares, L Shares and D Shares.

DOCUMENTS ON DISPLAY

For further information with respect to us and our CPOs and GDSs, we refer you to the filings we have made with the SEC. Statements contained in this annual report concerning the contents of any contract or any other document are not necessarily complete. If a contract or document has been filed as an exhibit to any filing we have made with the SEC, we refer you to the copy of the contract or document that has been filed. Each statement in this annual report relating to a contract or document filed as an exhibit to any filing we have made with the SEC is qualified in its entirety by the filed exhibit.

Televisa is subject to the informational requirements of the Exchange Act and in accordance therewith files reports and other information with the SEC. Reports and other information filed by Televisa with the SEC can be inspected and copied at the public reference facilities maintained by the SEC at its Public Reference Room at Room 1024, 450 Fifth Street, N.W., Washington, D.C. 20549 and at the SEC's regional offices located at the Woolworth Building, 233 Broadway, 13th Floor, New York, New York 10007 and Citicorp Center, Suite 1400, 500 West Madison Street, Chicago, Illinois 60661-2511. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. Such materials can also be inspected at the offices of the New York Stock Exchange, Inc., 20 Broad Street, New York, New York 10005. Any filings we make electronically will be available to the public over the Internet at the SEC's website at www.sec.gov.

We furnish JPMorgan Chase Bank, the depositary for our GDSs, with annual reports in English. These reports contain audited consolidated financial statements that have been prepared in accordance with Mexican GAAP, and include reconciliations of net income and stockholders' equity to U.S. GAAP. These reports have been examined and reported on, with an opinion expressed by, an independent auditor. The depositary is required to mail our annual reports to all holders of record of our GDSs. The deposit agreement for the GDSs also requires us to furnish the depositary with English translations of all notices of shareholders' meetings and other reports and communications that we send to holders of our CPOs. The depositary is required to mail these notices, reports and communications to holders of record of our GDSs.

As a foreign private issuer, we are not required to furnish proxy statements to holders of our CPOs or GDSs in the U.S.

ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

MARKET RISK DISCLOSURES

Market risk is the exposure to an adverse change in the value of financial instruments caused by interest rate changes, foreign currency fluctuations, inflation and changes in the market value of investments. The following information includes "forward-looking statements" that involve risks and uncertainties. Actual results could differ from those presented. Unless otherwise indicated, all information below is presented on a Mexican GAAP basis in constant Mexican pesos in purchasing power as of December 31, 2004.

RISK MANAGEMENT. We are exposed to market risks arising from changes in interest rates, inflation, foreign currency exchange rates and equity prices, in both the Mexican and U.S. markets. Our risk management activities are monitored by our Risk Management Committee and reported to our Executive Committee.

We monitor our exposure to interest rate risk by: (i) evaluating differences between interest rates on our outstanding debt and short-term investments and market interest rates on similar financial instruments; (ii) reviewing our cash flow needs and financial ratios (interest coverage); (iii) assessing current and forecasted trends in the relevant markets; and (iv) evaluating peer group and industry practices. This approach allows us to establish the optimal liability's interest rate "mix" between variable and fixed rate debt.

Foreign exchange risk is monitored by assessing our net monetary liability position in U.S. Dollars and our forecasted cash flow needs for anticipated U.S. Dollar investments and servicing our U.S. Dollar-denominated debt. Equity price risk is assessed by evaluating the long-term value of our investment in both domestic and foreign affiliates, versus comparable investments in the marketplace. We classify our equity investments, consisting of investments in both domestic and foreign affiliates, as long-term assets.

In compliance with the procedures and controls established by our Risk Management Committee, in 2002, 2003 and 2004 and through April, 2005 we entered into certain derivative financial transactions with certain financial institutions in order to manage our exposure to market risks resulting from changes in foreign exchange rates, interest rates, inflation and the price of our common stock. Our objective in managing foreign currency and inflation fluctuations is to reduce earnings and cash flow volatility. See Notes 1(p) and 9 to our year-end financial statements.

FOREIGN CURRENCY, EXCHANGE RATE RISK

In connection with the Senior Notes due 2005, in the third quarter of 2002 we entered into currency option agreements on a notional amount of U.S.\$100.0 million. Under these agreements, and subject to the exercise of the options by us and the financial institution, as well as the payment of related premiums by us for approximately U.S.\$11.8 million in April 2004, the parties will exchange U.S. Dollars and Mexican Pesos at fixed exchange rates in October 2005. In May 2004, we terminated this hedge early by pre-paying a net amount of U.S.\$2.7 million. In addition, from June through February 2005, we entered into forward exchange contracts on a notional amount of U.S.\$185 million to exchange U.S. Dollars and Mexican Pesos at fixed exchange rates in June and August 2005.

Effective March 1, 2002, we designated our equity investment in Univision as an effective hedge of the U.S. Dollar principal amount with respect to both our 8% Senior Notes due 2011 and our 8.5% Senior Notes due 2032 (see Notes 1(c) and 8 to our year-end financial statements). As long as we maintain our net investment in Univision as an effective hedge against these principal amounts, any foreign exchange gain or loss attributable to our 8% Senior Notes due 2011 and 8.5% Senior Notes due 2032 will be credited or charged directly to equity (other comprehensive income or loss: foreign currency translation) for Mexican GAAP purposes. In March 2005, in connection with the issuance of the Senior Notes due 2025 and the tender offer of the Senior Notes due 2011, we re-designated our net investment in Univision as an effective hedge of the U.S. Dollar principal amount of our Senior Notes due 2025. At March 31, 2005, the total principal amount of our long-term debt being hedged by our investment in Univision was of approximately U.S.\$777.5 million.

INTEREST RATE RISK

In connection with the Senior Notes due 2005, in October 2002, April 2003 and June 2003, we entered into option contracts to exchange interest rates on a notional amount of U.S.\$200.0 million, and received premiums in cash for an amount of approximately U.S.\$3.4 million which were being amortized through the maturity of the Senior Notes due 2005. In February and August 2003, these options expired unexercised and we recognized the benefit of unamortized premiums. In February 2004, the financial institution exercised the option to enter into an interest rate swap to receive amounts based on a variable interest rate in exchange for amounts based on fixed interest rates over the life of the agreement. In July 2004, we terminated this hedge early by pre-paying a net amount of U.S.\$0.9 million.

In connection with the Senior Notes due 2011, in the fourth quarter of 2002 we entered into an interest rate swap agreement on a notional amount of U.S.\$100.0 million. These agreements involve the exchange of amounts based on a fixed interest rate for amounts based on variable interest rates over the life of the agreement, without an exchange of the notional amount upon which the payments are based. We terminated these arrangements in early June 2003, and recognized a net gain on these contracts in the amount of U.S.\$5.5 million.

In connection with the Senior Notes due 2011 and 2032, we entered into cross-currency interest rate swap agreements "coupon swaps" that allow us to hedge against Mexican Peso depreciation on the interest payments for a period of five years. As of March 31, 2005, such transactions correspond to interest payments of U.S.\$600.0 million of the principal amount. As a result of the tender of the Senior Notes due 2011, we reclassified part of the "coupon swap" agreements to the recently issued Senior Notes due 2025. In April 2005, we entered into an additional U.S.\$42 million of the principal amount. As of April 30, 2005, such transactions correspond to interest payments for a period of four years of U.S.\$319.7 million of the principal amount of the Senior Notes due 2025.

In March 2005, in connection with and ahead of the issuance of the Senior Notes due 2025, we entered into agreements that allow us to hedge against increases in the U.S. Treasury interest rates on the pricing date for a notional amount of U.S.\$300 million. This hedge expired at the same time we issued the Senior Notes resulting in a net gain of U.S.\$2.5 million, thus reducing the reoffered yield of the Senior Notes due 2025 by approximately 0.05% to 6.75%.

INFLATION RATE RISK

We entered into inflation swap agreements to fix the inflation rate on the principal amount of the UDI-denominated medium-term notes due 2007 for a notional amount of 1,086 million UDIs. On average, we fixed the inflation rate at an annual rate of approximately 4.06%. In March 2005, in connection with the issuance of the Senior Notes due 2025 and as a result of the tender of the UDI-denominated Medium Term Notes due 2007, we terminated early the inflation swap agreements on the principal amount and received an amount equal to Ps.107.7 million.

COMMON STOCK PRICE RISK

In the third quarter of 2002, the first quarter of 2003, the fourth quarter of 2004 and February 2005 we entered into agreements to sell share put options on our common stock and received premiums in cash for approximately U.S.\$2.8 million. These put options were exercisable in April and July 2003 and January 2005 and may be exercised in May, June, July, September and December of 2005. We have recorded the related premiums, in other income or expense. Several of these agreements expired unexercised by the financial institution in April and July 2003 and January 2005, and we recognized the benefit of unamortized premiums. We foresee that the outstanding agreements will also expire unexercised by the financial institution.

We have recorded the change in value in each period of all the above mentioned agreements, together with the amortization of related premiums, from inception through December 31, 2004 in the income statement.

SENSITIVITY AND FAIR VALUE ANALYSES. The sensitivity analyses that follow are intended to present the hypothetical change in fair value or loss in earnings due to changes in interest rates, inflation rates, foreign exchange rates and debt and equity market prices as they affect our financial instruments at December 31, 2003 and 2004. These analyses address market risk only and do not present other risks that we face in the ordinary course of business, including country risk and credit risk. The hypothetical changes reflect our view of changes that are reasonably possible over a one-year period. For purposes of the following sensitivity analyses, we have made conservative assumptions of expected near-term future changes in U.S. interest rates, Mexican interest rates, inflation rates and Peso to U.S. Dollar exchange rates of 10%, 10%, 10% and 5%, respectively. The results of the analyses do not purport to represent actual changes in fair value or losses in earnings that we will incur.

	FAIR VALUE AT DECEMBER 31,		
	2003	2004	2004
	(MILLIONS OF PESOS IN PURCHASING POWER AS OF DECEMBER 31, 2004 OR MILLIONS OF U.S. DOLLARS) (1)		
ASSETS:			
Temporary investments(2).....	Ps.12,509.1	Ps.16,250.8	U.S.\$1,457.6
LIABILITIES:			
U.S. DOLLAR-DENOMINATED DEBT:			
Long-term debt securities(3).....	Ps. 71.8	66.0	5.9
Five-year U.S.\$100.0 million term loan.....	1,087.8	-	-
Senior Notes due 2005(4).....	2,589.7	2,298.5	206.2
Senior Notes due 2011(5).....	4,130.3	3,874.5	347.5
Senior Notes due 2032(6).....	3,734.5	3,854.8	345.8
Innova's Senior Notes due 2007(7)		981.7	88.1
Innova's Senior Notes due 2013(8)		3,815.5	342.2
MEXICAN PESO-DENOMINATED DEBT:			
UDI-denominated long-term loan facility(9).....	4,334.2	4,159.6	373.1
Long-term notes payable to Mexican Bank(10).....	888.1	5,031.9	451.3

(1) Peso amounts have been converted to U.S. Dollars solely for the convenience of the reader at a nominal exchange rate of Ps.11.1490 per U.S. Dollar, the Interbank Rate as of December 31, 2004.

(2) At December 31, 2004, our temporary investments consisted of fixed rate short-term deposits in commercial banks (primarily Peso- and U.S. Dollar-denominated in 2003 and 2004). Given the short-term nature of these investments, an increase in U.S. and/or Mexican interest rates would not significantly decrease the fair value of these investments.

(3) At December 31, 2004, fair value exceeded the carrying value of those debt securities by approximately Ps.6.4 million (U.S.\$0.6 million). The increase in the fair value of a hypothetical 10% increase in the estimated market price of those debt securities would amount to Ps.13.0 million (U.S.\$1.2 million) at December 31, 2004.

(4) At December 31, 2004, the carrying value exceeded the fair value of amounts outstanding under this loan by approximately Ps.68.7 million (U.S.\$6.2 million). A hypothetical 10% increase in U.S. interest rates would increase the fair value of amounts outstanding under this loan by approximately Ps.298.5 million (U.S.\$26.8 million) at December 31, 2004.

(5) At December 31, 2004, fair value exceeded the carrying value of these notes by approximately Ps.529.8 million (U.S.\$47.5 million). The increase in the fair value of these notes of a hypothetical 10% increase in the quoted market price of these notes would amount to approximately Ps.917.2 million (U.S.\$82.3 million) at December 31, 2004.

(6) At December 31, 2004, fair value exceeded the carrying value of these notes by approximately Ps.510.1 million (U.S.\$47.8 million). The increase in the fair value of these notes of a hypothetical 10% increase in the quoted market price of these notes would amount to approximately Ps.895.5 million (U.S.\$80.3 million) at December 31, 2004.

(7) At December 31, 2004, fair value exceeded the carrying value of these notes by approximately Ps.0.6 million (U.S.\$0.01 million). The increase in the fair value of these notes of a hypothetical 10% increase in the quoted market price of these notes would amount to approximately Ps.98.8 million (U.S.\$8.9 million) at December 31, 2004.

(8) At December 31, 2004, fair value exceeded the carrying value of these notes by approximately Ps.470.7 million (U.S.\$42.2 million). The increase in the fair value of these notes of a hypothetical 10% increase in the quoted market price of these notes would amount to approximately Ps.852.3 million (U.S.\$76.4 million) at December 31, 2004.

(9) At December 31, 2004, fair value exceeded carrying value of amounts outstanding under this loan by approximately Ps.320.9 million (U.S.\$28.8 million). At December 31, 2004, a hypothetical 10% increase in the Mexican inflation rate to 5.7% for the year 2005 would increase principal amounts outstanding under this UDI-denominated long-term loan facility by approximately Ps.736.9 million (U.S.\$66.1 million). An inflation rate of less than 4.0% is forecasted by the Mexican government for 2005. We entered into inflation swap agreements to fix the inflation rate on this UDI-denominated facility at an annual rate of approximately 4%, however, we terminated these derivative agreements in March 2005.

(10) At December 31, 2004, fair value exceeded carrying value of these notes by approximately Ps.137.4 million (U.S.\$12.3 million). At December 31, 2004, a hypothetical 10% increase in Mexican interest rates would increase the fair value of these notes by approximately Ps.640.6 million (U.S.\$57.5 million).

We are also subject to the risk of foreign currency exchange rate fluctuations, resulting from the net monetary position in U.S. Dollars of our Mexican operations, as follows:

	YEAR ENDED DECEMBER 31,	
	2003	2004
	(IN MILLIONS OF U.S. DOLLARS)	
U.S. Dollar-denominated short-term investments and long-term notes receivable	U.S.\$373.0	U.S.\$582.6
U.S. Dollar-denominated senior debt securities and other notes payable....	1,099.3	1,482.5
	726.3	899.9
Derivative instruments, net.....	2.7	(8.0)
	U.S.\$729.0	U.S.\$891.9
Net liability position.....	U.S.\$729.0	U.S.\$891.9

At December 31, 2004, a hypothetical 5.0% depreciation in the U.S. Dollar to Peso exchange rate would result in a loss in earnings of Ps.122.3 million and an increase in other comprehensive loss of Ps.437.1 million. This depreciation rate is based on the December 31, 2004 forecast of the U.S. Dollar to Peso exchange rate for 2005 by the Mexican government for such year.

ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

Not applicable.

PART II

ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

Not applicable.

ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

Not applicable.

ITEM 15. CONTROLS AND PROCEDURES

We carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of December 31, 2004. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are effective to ensure that information required to be disclosed in our periodic filings under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms.

There have been no significant changes in our internal controls over financial reporting identified in connection with the evaluation above during the period covered by this Annual Report that has materially affected, or is reasonably likely to materially affect, our internal controls over financial reporting.

PART III

ITEM 16A. AUDIT COMMITTEE FINANCIAL EXPERT

Our board of directors has determined that Mr. Francisco Jose Chevez Robelo is our audit committee financial expert. Mr. Francisco Jose Chevez Robelo is "independent" and meets the requisite qualifications as defined in Item 16A of Form 20-F, who serves on its audit committee.

ITEM 16B. CODE OF ETHICS

We have adopted a written code of ethics that applies to all of our employees, including our principal executive officer, principal financial officer and principal accounting officer.

You may request a copy of our code of ethics, at no cost, by writing to or telephoning us as follows:

Grupo Televisa, S.A.
Avenida Vasco de Quiroga
No. 2000,
Colonia Santa Fe, 01210 Mexico, D.F., Mexico. Telephone: (52) (55) 5261-2000.

ITEM 16C. PRINCIPAL ACCOUNTANT FEES AND SERVICES

PricewaterhouseCoopers acted as our independent auditor for the fiscal years ended December 31, 2003 and 2004.

The chart below sets forth the total amount billed by our independent auditors for services performed in the years 2003 and 2004, and breaks down these amounts by category of service:

	2003	2004
	(IN MILLIONS OF PESOS IN PURCHASING POWER AS OF DECEMBER 31, 2004)	
Audit Fees.....	Ps. 32.3	Ps. 37.4
Audit-Related Fees.....	1.9	-
Tax Fees.....	6.7	5.5
Other Fees.....	-	-
Total.....	Ps. 40.9	Ps. 42.9

"Audit Fees" are the aggregate fees billed by our independent auditor for the audit of our consolidated annual financial statements, services related to regulatory financial filings with the SEC and attestation services that are provided in connection with statutory and regulatory filings or engagements.

"Audit-Related Fees" are fees charged by our independent auditor for assurance and related services that are reasonably related to the performance of the audit or review of our financial statements and are not reported under "Audit Fees." This category comprises fees billed for independent accountant review of the financial statements of certain of our DTH joint ventures, assistance in financial due diligence in connection with the disposal of our Music Recording segment, as well as advisory services associated with our financial reporting.

"Tax Fees" are fees for professional services rendered by the Company's independent auditor for tax compliance in connection with our subsidiaries and interests in the United States, as well as tax advice on actual or contemplated transactions.

We have introduced procedures for the review and pre-approval of any services performed by PricewaterhouseCoopers. The procedures require that all proposed engagements of PricewaterhouseCoopers for audit and non-audit services are submitted to the audit committee for approval prior to the beginning of any such services.

AUDIT COMMITTEE PRE-APPROVAL POLICIES AND PROCEDURES

Our audit committee is responsible, among other things, for the appointment, compensation and oversight of our external auditors. To assure the independence of our independent auditors, our audit committee pre-approves annually a catalog of specific audit and non-audit services in the categories Audit Services, Audit-Related Services, Tax-Related Services, and Other Services that may be performed by our auditors, as well as the budgeted fee levels for each of these categories. All other permitted services must receive a specific approval from our audit committee. Our external auditor periodically provides a report to our audit committee in order for our audit committee to review the services that our external auditor is providing, as well as the status and cost of those services.

During 2004, none of the services provided to us by our external auditors were approved by our audit committee pursuant to the de minimus exception to the pre-approval requirement provided by paragraph (c)(7)(i)(C) of Rule 2-01 of Regulation S-X.

ITEM 16D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

Not applicable.

ITEM 16E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

The following table sets forth, for the periods indicated, information regarding purchases of any of our equity securities registered pursuant to Section 12 of the Exchange Act made by us or on our behalf or by or on behalf of any affiliated purchaser (as that term is defined in Rule 10b-18(a)(3) under the Exchange Act):

PURCHASES OF EQUITY SECURITIES

PURCHASE DATE	TOTAL NUMBER OF CPOS PURCHASED	AVERAGE PRICE PAID PER CPO (1)	TOTAL NUMBER OF CPOS PURCHASED AS PART OF PUBLICLY ANNOUNCED PLANS OR PROGRAMS	MAXIMUM NUMBER (OR APPROPRIATE MEXICAN PESO VALUE) OF SHARES (OR UNITS) THAT MAY YET BE PURCHASED UNDER THE PLANS OR PROGRAMS (1)
JANUARY 1 TO JANUARY 31	--	Ps. --	31,600,100	Ps. 3,939,439,552
FEBRUARY 1 TO FEBRUARY 29	--	--	31,600,100	3,939,439,552
MARCH 1 TO MARCH 31	--	--	31,600,100	3,939,439,552
APRIL 1 TO APRIL 30	--	--	31,600,100	3,939,439,552
MAY 1 TO MAY 31	7,039,400	23.19641	38,639,500	3,776,150,743
JUNE 1 TO JUNE 30	8,453,200	24.66161	47,092,700	3,567,681,222
JULY 1 TO JULY 31	--	--	47,092,700	3,567,681,222
AUGUST 1 TO AUGUST 31	--	--	47,092,700	3,567,681,222
SEPTEMBER 1 TO SEPTEMBER 30	--	--	47,092,700	3,567,681,222
OCTOBER 1 TO OCTOBER 31	--	--	47,092,700	3,567,681,222
NOVEMBER 1 TO NOVEMBER 30	--	--	47,092,700	3,567,681,222
DECEMBER 1 TO DECEMBER 31	--	--	47,092,700	3,567,681,222
TOTAL	15,492,600	Ps. 23.99587	47,092,700	Ps. 3,567,681,222

(1) The values have not been restated in constant Mexican Pesos and therefore represent nominal historical figures.

(2) Our share repurchase program was announced in September of 2002 and is set to expire December 31, 2008. Our share repurchase program is limited to a total amount of U.S.\$400 million.

(3) Table does not include repurchases or purchases by the special purpose trust formed in connection with our stock purchase plan.

PART IV**ITEM 17. FINANCIAL STATEMENTS**

We have responded to Item 18 in lieu of Item 17.

ITEM 18. FINANCIAL STATEMENTS

See pages F-1 through F-126, which are incorporated herein by reference.

ITEM 19. EXHIBITS

Documents filed as exhibits to this annual report appear on the following page.

EXHIBIT INDEX

EXHIBIT NUMBER	DESCRIPTION OF EXHIBITS
1.1--	English translation of Amended and Restated Bylaws (Estatutos Sociales) of the Registrant, dated as of April 16, 2004 (previously filed with the Securities Exchange Commission as Exhibit 1.1 to the Form 20-F and incorporated herein by reference).
2.1--	Indenture relating to Senior Debt Securities, dated as of August 8, 2000, between the Registrant, as Issuer, and The Bank of New York, as Trustee (previously filed with the Securities and Exchange Commission as Exhibit 4.1 to the Registrant's Registration Statement on Form F-4 (File number 333-12738), as amended (the "2000 Form F-4"), and incorporated herein by reference).
2.2--	First Supplemental Indenture relating to the 8 5/8% Senior Notes due 2005, dated as of August 8, 2000, between the Registrant, as Issuer, and The Bank of New York and Banque Internationale a Luxembourg, S.A. (previously filed with the Securities and Exchange Commission as Exhibit 4.2 to the 2000 Form F-4 and incorporated herein by reference).
2.3--	Second Supplemental Indenture relating to the 8 5/8% Senior Exchange Notes due 2005, dated as of January 19, 2001, between the Registrant, as Issuer, and the Bank of New York and Banque Internationale a Luxembourg, S.A. (previously filed with the Securities and Exchange Commission as Exhibit 4.3 to the 2000 Form F-4 and incorporated herein by reference).
2.4--	Third Supplemental Indenture relating to the 8% Senior Notes due 2011, dated as of September 13, 2001, between the Registrant, as Issuer, and The Bank of New York and Banque Internationale a Luxembourg, S.A. (previously filed with the Securities and Exchange Commission as Exhibit 4.4 to the Registrant's Registration Statement on Form F-4 (File number 333-14200) (the "2001 Form F-4") and incorporated herein by reference).
2.5--	Fourth Supplemental Indenture relating to the 8.5% Senior Exchange Notes due 2032 between the Registrant, as Issuer, and The Bank of New York and Dexia Banque Internationale a Luxembourg (previously filed with the Securities Exchange Commission as Exhibit 4.5 to the Registrant's Registration Statement on Form F-4 (the "2002 Form F-4") and incorporated herein by reference).
2.6--	Fifth Supplemental Indenture relating to the 8% Senior Notes due 2011 between Registrant, as Issuer, and The Bank of New York and Dexia Banque Internationale a Luxembourg (previously filed with the Securities and Exchange Commission as Exhibit 4.5 to the 2001 Form F-4 and incorporated herein by reference).
2.7--	Sixth Supplemental Indenture relating to the 8.5% Senior Notes due 2032 between Registrant, as Issuer, and The Bank of New York and Dexia Banque Internationale a Luxembourg (previously filed with the Securities and Exchange Commission as

EXHIBIT
NUMBER

DESCRIPTION OF EXHIBITS

-
- Exhibit 4.7 to the 2002 Form F-4 and incorporated herein by reference).
- 2.8-- Seventh Supplemental Indenture relating to the 6 5/8% Senior Notes due 2025 between Registrant, as Issuer, and The Bank of New York and Dexia Banque Internationale a Luxembourg, dated March 18, 2005.
- 2.9-- Eighth Supplemental Indenture relating to the 6 5/8% Senior Notes due 2025 between Registrant, as Issuer, and The Bank of New York and Dexia Banque Internationale a Luxembourg, dated May 26, 2005.
- 2.10-- Form of Deposit Agreement between the Registrant, JPMorgan Chase Bank, as depositary and all holders and beneficial owners of the Global Depositary Shares, evidenced by Global Depositary Receipts (previously filed with the Securities and Exchange Commission as an Exhibit to the Registrant's Registration Statement on Form F-6 (File number 333-99195) (the "Form F-6") and incorporated herein by reference).
- 4.1-- Form of Indemnity Agreement between the Registrant and its directors and executive officers (previously filed with the Securities and Exchange Commission as Exhibit 10.1 to the Registrant's Registration Statement on Form F-4 (File number 33-69636), as amended, (the "1993 Form F-4") and incorporated herein by reference).
- 4.2-- Agreement of General Partnership of Sky Multi-Country Partners, dated as of October 24, 1997, among DTH USA, Inc., SESLA, Inc., Televisa MCOP Holdings, Inc. and TCI Multicountry DTH, Inc (previously filed with the Securities and Exchange Commission as Exhibit 10.3 to the Form F-3 and incorporated herein by reference).
- 4.3-- Amended and Restated Collateral Trust Agreement, dated as of June 13, 1997, as amended, among PanAmSat Corporation, Hughes Communications, Inc., Satellite Company, LLC, the Registrant and IBJ Schroder Bank and Trust Company (previously filed with the Securities and Exchange Commission as an Exhibit to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2001 (the "2001 Form 20-F") and incorporated herein by reference).
- 4.4-- Amended and Restated Program License Agreement, dated as of December 19, 2001, by and between Productora de Teleprogramas, S.A. de C.V. and Univision Communications Inc. ("Univision") (previously filed with the Securities and Exchange Commission as Exhibit 10.7 to the 2001 Form F-4 and incorporated herein by reference).
- 4.5-- Participation Agreement, dated as of October 2, 1996, by and among Univision, Perenchio, the Registrant, Venevision and certain of their respective affiliates (previously filed with the Securities and Exchange Commission as Exhibit 10.8 to Univision's Registration Statement on Form S-1 (File number 333-6309) (the "Univision Form S-1") and incorporated herein by reference).

EXHIBIT NUMBER	DESCRIPTION OF EXHIBITS
4.6--	Amended and Restated International Program Rights Agreement, dated as of December 19, 2001, by and among Univision, Venevision and the Registrant (previously filed with the Securities and Exchange Commission as Exhibit 10.9 to the 2001 Form F-4 and incorporated herein by reference).
4.7--	Co-Production Agreement, dated as of March 27, 1998, between the Registrant and Univision Network Limited Partnership (previously filed with the Securities and Exchange Commission as an Exhibit to Univision's Annual Report on Form 10-K for the year ended December 31, 1997 and incorporated herein by reference).
4.8--	Amended and Restated Bylaws (Estatutos Sociales) of Innova, S. de R.L. de C.V., dated as of December 22, 1998 (previously filed with the Securities and Exchange Commission as an Exhibit to the 1998 Form 20-F and incorporated herein by reference).
4.9--	English summary of Ps.1,162.5 million credit agreement, dated as of May 17, 2004, between the registrant and Banamex (the "May 2004 Credit Agreement") and the May 2004 Credit Agreement (in Spanish).
4.10--	English summary of amendment to the May Credit Agreement and the amendment to the May 2004 Credit Agreement (in Spanish).
4.11--	English summary of Ps.2,000.0 million credit agreement, dated as of October 22, 2004, between the registrant and Banamex (the "October 2004 Credit Agreement") and the October Credit Agreement (in Spanish).
4.12--	Administration Trust Agreement relating to Trust No. 80375, dated as of March 23, 2004, by and among Nacional Financiera, S.N.C., as trustee of Trust No. 80370, Banco Inbursa, S.A., as trustee of Trust No. F/0553, Banco Nacional de Mexico, S.A., as trustee of Trust No. 14520-1, Nacional Financiera, S.N.C., as trustee of Trust No. 80375, Emilio Azcarraga Jean, Promotora Inbursa, S.A. de C.V., Maria Asuncion Aramburuzabala Larregui, Lucrecia Aramburuzabala Larregui de Fernandez, Maria de las Nieves Fernandez Gonzalez, Antonino Fernandez Rodriguez, Carlos Fernandez Gonzalez, Grupo Televisa, S.A. and Grupo Televiscentro, S.A. de C.V. (as previously filed with the Securities and Exchange Commission as an Exhibit to Schedules 13D or 13D/A in respect of various parties' to the Trust Agreement (File number 005-60431) and incorporated herein by reference).
8.1--	List of Subsidiaries of Registrant.
12.1--	CEO Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, dated June 13, 2005.
12.2--	CFO Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, dated June 13, 2005.

EXHIBIT NUMBER	DESCRIPTION OF EXHIBITS
13.1--	CEO Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, dated June 13, 2005.
13.2--	CFO Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, dated June 13, 2005.

(b)Financial Statement Schedules

All financial statement schedules relating to the Registrant are omitted because they are not required or because the required information, if material, is contained in the audited year-end financial statements or notes thereto.

SIGNATURE

The Registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

Date: June 13, 2005

GRUPO TELEVISIA, S.A.

By: /s/ Rafael Carabias Principe

Name: Rafael Carabias Principe
Title: Vice President of Administration

By: /s/ Jorge Lutteroth Echnegoyen

Name: Jorge Lutteroth Echnegoyen
Title: Controller and Vice President

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(1) The accompanying unaudited consolidated financial statements of Sky Multi-Country Partners as of December 31, 2004 and 2003 and for the three years ended December 31, 2004, 2003 and 2002 are presented herein as required by Rule 3-09(b) of Regulation S-X. The unaudited consolidated financial statements as of December 31, 2004 and 2003 and for the two years ended December 31, 2004 and 2003 were prepared by management of Sky Multi-Country Partners and they have not been subject to a review or audit. Therefore, we do not take any responsibility for the accuracy or presentation of these unaudited consolidated financial statements. The consolidated financial statements of Sky Multi-Country Partners for the year ended December 31, 2002 were audited and included in our Form 20-F for the year ended December 31, 2003, as required by Rule 3-09(b) of Regulation S-X.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Mexico, D.F., March 18, 2005

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

We have audited the accompanying consolidated balance sheets of Grupo Televisa, S.A. ("the Company") and its subsidiaries as of December 31, 2003 and 2004, and the related consolidated statements of income, of changes in stockholders' equity and of changes in financial position, for the years ended December 31, 2002, 2003 and 2004. 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 did not audit the financial statements of Univision Communications, Inc. (Univision), an equity method investee. The Company's financial statements include an investment of Ps.5,758 million as of December 31, 2004, and an equity in earnings of Ps.271 million for the year ended December 31, 2004. Those statements were audited by other auditors whose report thereon has been furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included for Univision, as of and for the year ended December 31, 2004, is based solely on the report of the other auditors.

We conducted our audits in accordance with auditing standards generally accepted in Mexico and with the standards of the Public Company Accounting Oversight Board (United States). 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 prepared in accordance with Mexican generally accepted accounting principles. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles 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 Notes 1(i) and 7 to the consolidated financial statements, effective January 1, 2004, the Company adopted the guidelines of Bulletin B-7 "Business Acquisitions", issued by the Mexican Institute of Public Accountants.

As discussed in Notes 1(g) and 10 to the consolidated financial statements, effective April 1, 2004, the Company consolidates the financial information of Innova, S. de R.L. de C.V.

In our opinion, based on our audits and the report of other auditors referred to in the first paragraph above, the aforementioned consolidated financial statements present fairly, in all material respects, the financial position of Grupo Televisa, S.A. and its subsidiaries at December 31, 2003 and 2004, and the results of their operations, the changes in their stockholders' equity and changes in their financial position, for the years ended December 31, 2002, 2003 and 2004, in conformity with accounting principles generally accepted in Mexico.

Accounting principles generally accepted in Mexico vary in certain significant respects from accounting principles generally accepted in the United States of America. The application of the latter would have affected the determination of the consolidated net income for each of the three years ended December 31, 2002, 2003 and 2004, and the determination of consolidated stockholders' equity at December 31, 2003 and 2004, to the extent summarized in Note 26 to the consolidated financial statements.

PRICEWATERHOUSECOOPERS

C.P.C. Jose Miguel Arrieta Mendez
Audit Partner

FINANCIAL STATEMENT OPINION

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Stockholders
Univision Communications Inc.

We have audited the accompanying consolidated balance sheets of Univision Communications Inc. and subsidiaries as of December 31, 2004 and 2003 and the related consolidated statements of income, stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2004. Our audits also included the financial statement schedule of Univision Communications Inc. and subsidiaries listed in index at Item 15(b). These financial statements and the schedule are the responsibility of management. Our responsibility is to express an opinion on these financial statements and schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Univision Communications Inc. and subsidiaries at December 31, 2004 and 2003 and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 2004 in conformity with U.S. generally accepted accounting principles. Also, in our opinion, the financial statement schedule, when considered in relation to the basic financial statements taken as a whole, present fairly in all material respects the information set forth therein.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the effectiveness of Univision Communications Inc.'s internal control over financial reporting as of December 31, 2004, based on criteria established in Internal Control -- Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated March 7, 2005 expressed an unqualified opinion thereon.

ERNST & YOUNG LLP

New York, New York
March 7, 2005

GRUPO TELEVISA, S.A. AND SUBSIDIARIES

**CONSOLIDATED BALANCE SHEETS
AS OF DECEMBER 31, 2003 AND 2004**

(IN THOUSANDS OF MEXICAN PESOS IN PURCHASING POWER AS OF DECEMBER 31, 2004)

(NOTES 1 AND 2)

	2003	2004
	-----	-----
ASSETS		
Current:		
Available:		
Cash.....	Ps. 391,051	Ps. 390,525
Temporary investments.....	12,509,052	16,250,816
	-----	-----
	12,900,103	16,641,341
Trade notes and accounts receivable -- net..... (Note 3)	11,153,437	11,229,979
Other accounts and notes receivable -- net.....	939,581	1,134,122
Due from affiliated companies -- net..... (Note 17)	465,406	76,414
Transmission rights and programming..... (Note 4)	3,718,590	3,593,910
Inventories.....	540,111	662,760
Other current assets.....	533,676	710,956
	-----	-----
Total current assets.....	30,250,904	34,049,482
Transmission rights and programming..... (Note 4)	4,913,018	4,491,708
Investments..... (Note 5)	6,649,931	6,757,722
Property, plant and equipment -- net..... (Note 6)	16,410,499	19,159,567
Goodwill and other intangible assets -- net..... (Note 7)	9,677,720	9,156,596
Other assets..... (Note 11)	218,691	268,581
	-----	-----
Total assets.....	Ps. 68,120,763	Ps. 73,883,656
	=====	=====

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

GRUPO TELEVISIA, S.A. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS -- (CONTINUED)

(IN THOUSANDS OF MEXICAN PESOS IN PURCHASING POWER AS OF DECEMBER 31, 2004)

(NOTES 1 AND 2)

		2003	2004
		-----	-----
	LIABILITIES		
Current:			
Current portion of long-term debt.....	(Note 8)	Ps. 299,997	Ps. 3,297,091
Current portion of satellite transponder lease obligation.....	(Note 8)	--	70,743
Trade accounts payable.....		2,539,151	2,135,250
Customer deposits and advances.....		14,289,837	14,930,323
Taxes payable.....		1,353,848	1,558,762
Accrued interest.....		331,524	449,376
Other accrued liabilities.....		1,121,578	1,270,755
		-----	-----
Total current liabilities.....		19,935,935	23,712,300
Long-term debt.....	(Note 8)	15,467,489	18,943,799
Satellite transponder lease obligation.....	(Note 8)	--	1,324,615
Customer deposits and advances.....		441,339	372,888
Other long-term liabilities.....		745,282	592,004
Deferred taxes.....	(Note 21)	1,214,381	1,334,022
DTH joint ventures.....	(Note 10)	1,361,173	--
		-----	-----
Total liabilities.....		39,165,599	46,279,628
		-----	-----
Commitments and contingencies.....	(Note 12)		
	STOCKHOLDERS' EQUITY		
Majority interest:			
Capital stock issued, no par value.....	(Note 13)	Ps. 8,633,472	Ps. 9,570,506
Additional paid-in capital.....		4,076,581	4,076,581
		-----	-----
		12,710,053	13,647,087
		-----	-----
Retained earnings:.....	(Note 14)		
Legal reserve.....		1,335,383	1,524,548
Reserve for repurchase of shares.....		5,559,308	5,559,308
Unappropriated earnings.....		13,465,635	11,533,617
Net income for the year.....		3,783,295	4,316,743
		-----	-----
		24,143,621	22,934,216
Accumulated other comprehensive loss.....	(Note 15)	(2,359,974)	(2,562,063)
Shares repurchased.....	(Note 14)	(6,673,171)	(6,294,667)
		-----	-----
		15,110,476	14,077,486
		-----	-----
Total majority interest.....		27,820,529	27,724,573
Minority interest.....	(Note 16)	1,134,635	(120,545)
		-----	-----
Total stockholders' equity.....		28,955,164	27,604,028
		-----	-----
Total liabilities and stockholders' equity.....		Ps. 68,120,763	Ps. 73,883,656
		=====	=====

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

GRUPO TELEVISIA, S.A. AND SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 2002, 2003 AND 2004**

(IN THOUSANDS OF MEXICAN PESOS IN PURCHASING POWER AS OF DECEMBER 31, 2004,
EXCEPT PER CPO AMOUNTS)

(NOTES 1 AND 2)

		2002	2003	2004
Net sales.....	(Note 25)	Ps. 23,580,172	Ps. 24,786,332	Ps. 29,314,253
Cost of sales.....		13,582,122	13,558,108	14,833,751
Gross profit.....		9,998,050	11,228,224	14,480,502
Operating expenses:				
Selling.....		1,843,544	1,780,806	2,201,043
Administrative.....		1,482,691	1,483,236	1,646,619
		3,326,235	3,264,042	3,847,662
Depreciation and amortization.....		1,585,577	1,604,412	2,075,004
Operating income.....	(Note 25)	5,086,238	6,359,770	8,557,836
Integral cost of financing -- net.....	(Note 18)	670,430	646,426	1,516,158
Restructuring and non-recurring charges.....	(Note 19)	920,777	691,365	395,250
Other expense -- net.....	(Note 20)	2,334,119	571,456	514,997
Income before taxes.....		1,160,912	4,450,523	6,131,431
Income tax and asset tax.....	(Note 21)	322,926	751,019	1,169,822
Employees' profit sharing.....	(Note 21)	4,480	5,811	6,519
		327,406	756,830	1,176,341
Income before equity in results of affiliates, results from discontinued operations and cumulative loss effect of accounting change.....		833,506	3,693,693	4,955,090
Equity in (losses) earnings of affiliates -- net.....	(Note 5)	(1,264,161)	29,756	614,994
Income (loss) from discontinued operations -- net.....	(Note 22)	1,162,369	(67,487)	--
Cumulative loss effect of accounting change -- net.....	(Note 1(p))	--	--	(1,021,590)
Consolidated net income.....		731,714	3,655,962	4,548,494
Minority interest.....	(Note 16)	75,285	127,333	(231,751)
Net income.....	(Note 14)	Ps. 806,999	Ps. 3,783,295	Ps. 4,316,743
Net income per CPO.....	(Note 23)	Ps. 0.28	Ps. 1.32	Ps. 1.48

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

GRUPO TELEVISIA, S.A. AND SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2002, 2003 AND 2004
(IN THOUSANDS OF MEXICAN PESOS IN PURCHASING POWER AS OF DECEMBER 31, 2004)**

(NOTES 1 AND 2)

	CAPITAL STOCK ISSUED (NOTE 13)	ADDITIONAL PAID-IN CAPITAL	RETAINED EARNINGS (NOTE 14)	ACCUMULATED OTHER COMPREHENSIVE (LOSS) INCOME (NOTE 15)	SHARES REPURCHASED (NOTE 14)	TOTAL MAJORITY INTEREST
BALANCE AT JANUARY 1, 2002.....	Ps. 8,327,518	Ps. 236,308	Ps. 20,550,273	Ps. (6,294,035)	Ps. (2,296,005)	Ps. 20,524,059
Shares issued.....	39	409	--	--	--	448
Repurchase of capital stock.....	--	--	--	--	(40,572)	(40,572)
Increase in minority interest.....	--	--	--	--	--	--
Comprehensive income.....	--	--	806,999	786,059	--	1,593,058
BALANCE AT DECEMBER 31, 2002.....	8,327,557	236,717	21,357,272	(5,507,976)	(2,336,577)	22,076,993
Dividends.....	--	--	(601,555)	--	--	(601,555)
Share cancellation.....	(86,442)	--	--	--	561,150	474,708
Repurchase of capital stock.....	--	--	(346,077)	--	(5,022,478)	(5,368,555)
Sale of capital stock.....	--	--	(49,314)	--	124,734	75,420
Shares issued.....	392,357	3,839,864	--	--	--	4,232,221
Decrease in minority interest.....	--	--	--	--	--	--
Comprehensive income.....	--	--	3,783,295	3,148,002	--	6,931,297
BALANCE AT DECEMBER 31, 2003.....	8,633,472	4,076,581	24,143,621	(2,359,974)	(6,673,171)	27,820,529
Dividends.....	--	--	(3,981,377)	--	--	(3,981,377)
Stock dividends.....	937,034	--	(937,034)	--	--	--
Repurchase of capital stock.....	--	--	(128,604)	--	(686,818)	(815,422)
Sale of capital stock.....	--	--	(479,133)	--	1,065,322	586,189
Decrease in minority interest.....	--	--	--	--	--	--
Comprehensive income (loss).....	--	--	4,316,743	(202,089)	--	4,114,654
BALANCE AT DECEMBER 31, 2004.....	Ps. 9,570,506	Ps. 4,076,581	Ps. 22,934,216	Ps. (2,562,063)	Ps. (6,294,667)	Ps. 27,724,573
	=====	=====	=====	=====	=====	=====
	MINORITY INTEREST (NOTE 16)	TOTAL STOCKHOLDERS' EQUITY				
BALANCE AT JANUARY 1, 2002.....	Ps. 1,128,112	Ps. 21,652,171				
Shares issued.....	--	448				
Repurchase of capital stock.....	--	(40,572)				
Increase in minority interest.....	118,285	118,285				
Comprehensive income.....	--	1,593,058				
BALANCE AT DECEMBER 31, 2002.....	1,246,397	23,323,390				
Dividends.....	--	(601,555)				
Share cancellation.....	--	474,708				
Repurchase of capital stock.....	--	(5,368,555)				
Sale of capital stock.....	--	75,420				
Shares issued.....	--	4,232,221				
Decrease in minority interest.....	(111,762)	(111,762)				
Comprehensive income.....	--	6,931,297				
BALANCE AT DECEMBER 31, 2003.....	1,134,635	28,955,164				
Dividends.....	--	(3,981,377)				
Stock dividends.....	--	--				
Repurchase of capital stock.....	--	(815,422)				
Sale of capital stock.....	--	586,189				
Decrease in minority interest.....	(1,255,180)	(1,255,180)				
Comprehensive income (loss).....	--	4,114,654				
BALANCE AT DECEMBER 31, 2004.....	Ps. (120,545)	Ps. 27,604,028				
	=====	=====				

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

GRUPO TELEVISIA, S.A. AND SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF CHANGES IN FINANCIAL POSITION
FOR THE YEARS ENDED DECEMBER 31, 2002, 2003 AND 2004
(IN THOUSANDS OF MEXICAN PESOS IN PURCHASING POWER AS OF DECEMBER 31, 2004)**

(NOTES 1 AND 2)

	2002	2003	2004
	-----	-----	-----
Operating activities:			
Consolidated net income.....	Ps. 731,714	Ps. 3,655,962	Ps. 4,548,494
Adjustments to reconcile net income to resources provided by (used for) operating activities:			
Equity in losses (earnings) of affiliates.....	1,264,161	(29,756)	(614,994)
Depreciation and amortization.....	1,585,577	1,604,412	2,075,004
Write-off of long-lived assets and other amortization...	1,739,486	786,011	274,675
Deferred taxes.....	(659,914)	(349,305)	572,359
Loss (gain) on disposition of affiliates.....	13,670	(468,966)	122,455
(Income) loss from discontinued operations.....	(1,162,369)	67,487	--
Cumulative loss effect of accounting change.....	--	--	1,021,590
	-----	-----	-----
	3,512,325	5,265,845	7,999,583
	-----	-----	-----
Changes in operating assets and liabilities:			
(Increase) decrease in:			
Trade notes and accounts receivable -- net.....	(322,518)	(760,692)	69,320
Transmission rights and programming.....	(162,559)	526,841	312,212
Inventories.....	59,267	16,256	(108,818)
Other accounts and notes receivable and other current assets.....	654,836	(53,563)	(332,218)
Increase (decrease) in:			
Customer deposits and advances.....	367,952	1,876,379	539,303
Trade accounts payable.....	158,522	100,870	(605,452)
Other liabilities, taxes payable and deferred taxes....	1,321,169	(266,692)	(174,651)
Pension plans and seniority premiums.....	20,026	71,713	63,507
	-----	-----	-----
	2,096,695	1,511,112	(236,797)
	-----	-----	-----
Resources provided by operating activities.....	5,609,020	6,776,957	7,762,786
	-----	-----	-----
Financing activities:			
Issuance of Senior Notes.....	3,433,459	--	--
Other (decrease) increase in debt -- net.....	(2,688,988)	(184,774)	1,880,331
Repurchase and sale of capital stock.....	(40,572)	(4,818,427)	(229,233)
Series "A" Shares of capital stock issued.....	448	4,232,221	--
Dividends paid.....	--	(601,555)	(3,981,377)
Gain on issuance of shares of investee.....	--	--	107,870
Minority interest.....	193,570	15,571	(51,422)
Translation effect.....	(266,829)	(323,510)	(48,716)
	-----	-----	-----
Resources provided by (used for) financing activities....	631,088	(1,680,474)	(2,322,547)
	-----	-----	-----
Investing activities:			
Due from affiliated companies -- net.....	540,261	(462,264)	(36,370)
Investments.....	1,698,509	(641,357)	(239,193)
Disposition of investments.....	789,001	564,907	36,291
Investments in property, plant and equipment.....	(1,480,835)	(1,106,840)	(2,026,979)
Disposition of property, plant and equipment.....	114,410	435,958	148,543
Disposition of discontinued operations.....	2,395,259	(99,245)	--
Goodwill and other intangible assets -- net.....	(7,194,403)	(522,276)	49,299
Other assets.....	5,034	24,278	(98,451)
	-----	-----	-----
Resources used for investing activities.....	(3,132,764)	(1,806,839)	(2,166,860)
	-----	-----	-----
Net increase in cash and temporary investments.....	3,107,344	3,289,644	3,273,379
Net increase in cash and temporary investments of Innova's consolidation.....	--	--	467,859
Cash and temporary investments at beginning of year.....	6,503,115	9,610,459	12,900,103
	-----	-----	-----
Cash and temporary investments at end of year.....	Ps. 9,610,459	Ps. 12,900,103	Ps. 16,641,341
	=====	=====	=====

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

GRUPO TELEVISA, S.A. AND SUBSIDIARIES

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2002, 2003 AND 2004**

(IN THOUSANDS OF MEXICAN PESOS IN PURCHASING POWER AS OF DECEMBER 31, 2004,
EXCEPT PER CPO, PER SHARE AND EXCHANGE RATE AMOUNTS)

1. ACCOUNTING POLICIES

The principal accounting policies followed by Grupo Televisa, S.A. (the "Company") and its consolidated subsidiaries (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 and in accordance with accounting principles generally accepted in Mexico ("Mexican GAAP"), and accordingly, include the recognition of the effects of inflation on financial information.

The consolidated financial statements include the net assets 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 ("VIEs") in which the Group is deemed the primary beneficiary (see Notes 1(g) and 10). All significant intercompany balances and transactions have been eliminated from the financial statements.

The preparation of financial statements in conformity with Mexican GAAP 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.

B) MEMBERS OF THE GROUP

At December 31, 2004, the Group consisted of the Company and various consolidated entities, including the following:

	COMPANY'S OWNERSHIP(1)	BUSINESS SEGMENTS(2)
	-----	-----
Telesistema Mexicano, S.A. de C.V. and subsidiaries.....	100%	Television Broadcasting Pay Television Networks Programming Exports
Television Independiente de Mexico, S.A. de C.V. and subsidiaries.....	100%	Television Broadcasting
Editorial Televisa, S.A. de C.V. and subsidiaries.....	100%	Publishing
Grupo Distribuidoras Intermex, S.A. de C.V. and subsidiaries.....	100%	Publishing Distribution
Innova, S. de R. L. de C.V. and subsidiaries (collectively, "Innova")(3).....	60%	Sky Mexico
Empresas Cablevision, S.A. de C.V. and subsidiaries.....	51%	Cable Television
Sistema Radiopolis, S.A. de C.V. and subsidiaries.....	50%	Radio
Corporativo Vasco de Quiroga, S.A. de C.V. and subsidiaries.....	100%	Other Businesses
CVQ Espectaculos, S.A. de C.V. and subsidiaries.....	100%	Other Businesses

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

(2) See Note 25 for a description of each of the Company's business segments.

GRUPO TELEVISIA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

(3) Beginning April 1, 2004, the Group began to include in its consolidated financial statements the assets, liabilities and results of operations of Innova (see Notes 1(g) and 10).

The Group's Television Broadcasting, Sky Mexico, Cable Television and Radio businesses require concessions (licenses) granted by the Mexican Federal Government for a fixed term, subject to renewal in accordance with Mexican law. At December 31, 2004, the expiration dates of the Group's concessions were as follows:

CONCESSIONS	EXPIRATION DATES
Television broadcasting.....	In 2021
Sky Mexico.....	In 2020 and 2026
Cable television.....	In 2029
Radio.....	Various from 2005 to 2015

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 are first converted to Mexican GAAP, including restating to recognize the effects of inflation based on the inflation of each foreign country, and then translated to Mexican pesos utilizing the exchange rate as of the balance sheet date at year-end. Resulting translation differences are recognized in equity as part of the other comprehensive income or loss. Financial statements of non-Mexican operations that are integral to Mexican operations are converted to Mexican GAAP and translated to Mexican pesos by utilizing the exchange rate of the balance sheet date at year-end for monetary assets and liabilities, with the related adjustment included in net income, and historical exchange rates for non-monetary items.

Effective March 2002, the Group designated its net investment in Univision as an effective hedge of its Senior Notes due 2011 and 2032 for an aggregate amount of U.S.\$600.0 million (Ps.6,689,400) (see Note 8). Consequently, beginning March 2002, any foreign exchange gain or loss attributable to this U.S. dollar long-term debt, being hedged by the Group's net investment in shares of Univision, is credited or charged directly to equity (other comprehensive income or loss).

D) TEMPORARY INVESTMENTS

The Group considers all highly liquid investments with original maturities of one year or less, to be temporary investments. Temporary investments are valued at market value.

As of December 31, 2003 and 2004, temporary investments consisted of fixed short-term deposits in commercial banks (primarily Mexican pesos and U.S. dollars), with an average yield of approximately 1.30% for U.S. dollar deposits and 7.07% for Mexican peso deposits in 2003, and approximately 1.42% for U.S. dollar deposits and 6.88% for Mexican peso deposits in 2004.

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

GRUPO TELEVISA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

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

Transmission rights, programs, literary works, production talent advances and films are restated by using the National Consumer Price Index ("NCPI") factors, and specific costs for some of these assets, which are determined by the Group on the basis of last purchase price or production cost, or replacement cost whichever is more representative. Cost of sales is determined based on restated costs, and calculated for the month in which such transmission rights, programs, literary works, production talent advances and films are matched with related revenues.

Transmission rights and literary works 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 based upon past experience, but not for more than 25 years.

F) INVENTORIES

Inventories of paper, magazines, materials and supplies are valued at the lesser of acquisition cost or net realizable value. Inventories are restated by using the NCPI factors and specific costs for some of these assets, which are determined by the Group on the basis of last purchase price.

G) INVESTMENTS

Investments in companies in which the Group exercises significant influence or joint control are accounted for by the equity method. The Group recognizes equity in losses of affiliated companies 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. Other investments are accounted for at cost.

Effective April 1, 2004, the Group adopted the guidelines of the Financial Accounting Standards Board Interpretation No. 46 ("FIN 46"), "Consolidation of Variable Interest Entities." Adoption of FIN 46 is permitted under the scope of Mexican GAAP Bulletin A-8, "Supplementary Application of International Accounting Standards." FIN 46, which became effective in 2004, requires the primary beneficiary of a variable interest entity ("VIE") to consolidate that entity. The primary beneficiary of a VIE is the party 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. The Group identified Innova as a VIE, and the Group as the primary beneficiary of the investment in Innova under the scope of FIN 46, and began to consolidate Innova's assets, liabilities and results of operations beginning April 1, 2004 (see Note 10). As of December 31, 2004, the Group does not have any other investments in entities it believes are VIEs for which the Company is the primary beneficiary. The Group will apply the consolidation requirements of FIN 46 in future periods if it owns any interest in any VIE or upon reconsideration whether it is the primary beneficiary of any VIE at each reporting date or whenever triggering events occur.

H) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are recorded at acquisition cost and thereafter are restated to constant Mexican pesos using the NCPI, except for equipment of non-Mexican origin, which is restated using an

GRUPO TELEVISIA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

index which reflects the inflation in the respective country of origin and the exchange rate of the Mexican Peso against the currency of such country at the balance sheet date ("Specific Index").

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, 3 to 25 years for technical equipment and 5 to 20 years for other equipment.

I) GOODWILL AND OTHER INTANGIBLE ASSETS

Goodwill and other intangible assets are recognized at cost and thereafter restated using the NCPI.

Since January 1, 2003, the Group's trademarks and its television network concession have been deemed intangible assets with indefinite useful lives and ceased being amortized after December 31, 2002. Prior to 2003, trademarks and the television network concession were amortized over periods of 40 and 15 years, respectively.

Since January 1, 2004, in connection with the Group's early adoption of Bulletin B-7, "Business Acquisitions", issued by the Mexican Institute of Public Accountants ("MIPA"), the Group's goodwill has been deemed intangible asset with indefinite useful life and ceased being amortized after December 31, 2003. Prior to 2004, goodwill was amortized over periods of 20 years. Bulletin B-7 establishes the purchase method as the only method of accounting for the acquisition of a business, and changes the accounting treatment of goodwill, eliminating the amortization of goodwill and making it subject instead to annual impairment tests. Bulletin B-7 also provides specific rules for the acquisition of minority interests and the transfer of assets or the exchange of shares between entities under common control. The adoption of these provisions in 2004 resulted in a reduction in the goodwill amortization charged to income for the year of approximately Ps.479,500.

Indefinite-lived intangibles are subject to at least an annual assessment for impairment and, if circumstances indicate a possible impairment exists, a more frequent assessment. Other significant intangible assets with finite lives are amortized using the straight-line method over the following periods:

	YEARS
Licenses and software.....	----- Various from 3 to 10
Financing costs.....	Over the life of the related debt

J) IMPAIRMENT OF LONG-LIVED ASSETS

Through December 31, 2003, the Group evaluated the recoverability of its long-lived assets to determine whether current events or circumstances warranted adjustment to the carrying value. Such evaluation was based on current and projected income and cash flows from operations as well as other economic and market variables (see Notes 7 and 20).

Effective January 1, 2004, the Group adopted Bulletin C-15, "Impairment in the Value of Long-Lived Assets and their Disposal," issued by the MIPA, which establishes, among other things, the general criteria for the identification and, when applicable, the recording of impairment losses or decrease in the value of long-lived assets, tangible and intangible, including goodwill. In connection with the adoption of Bulletin C-15 in 2004, the Group did not recognize any cumulative loss effect of accounting change in its consolidated statement of income for the year ended December 31, 2004 (see Note 7).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

K) CUSTOMER DEPOSITS AND ADVANCES

Customer deposit and advance agreements for television advertising services provide that customers receive preferred 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 and type of programming.

Customer deposits and advances are considered non-monetary items since they are non-refundable and are applied at rates in effect when they were received. Accordingly, these deposits and advances are restated to recognize the effects of inflation by using the NCPI.

L) STOCKHOLDERS' EQUITY

The capital stock and other stockholders' equity accounts (other than the result from holding non-monetary assets account and the foreign currency translation adjustments account) include the effect of restatement, determined by applying the change in the NCPI between the dates capital was contributed or net results were generated to the most recent period end. The restatement represents the amount required to maintain the contributions, share repurchases and accumulated results in Mexican pesos in purchasing power as of December 31, 2004.

M) REVENUE RECOGNITION

The Group derives the majority of its revenues from media- and entertainment-related business activities both domestically and internationally. Revenues are recognized when the service is provided and collectibility 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 and books are recognized when the merchandise is delivered, net of a provision for estimated returns.
- Sky Mexico program service revenues, including advances from customers for future DTH program services and installation fees, are recognized at the time the DTH service is provided.
- Cable television subscription, pay-per-view and installation fees are recognized in the period in which the services are rendered.
- 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.
- Revenues from nationwide paging were recognized when the paging services were rendered.
- Motion picture production and distribution revenues are recognized as the films are exhibited.

N) PENSION PLANS, SENIORITY PREMIUMS AND INDEMNITIES

Plans exist for pension and retirement payments for substantially all of the Group's Mexican employees, funded through irrevocable trusts. Payments to the trusts are determined in accordance with actuarial computations of funding requirements. Pension payments are made by the trust administrators.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Increases or decreases in the seniority premium liability are made by the Group and are based upon actuarial calculations.

Through December 31, 2004, severance obligations to dismissed personnel were charged to income in the year in which they were incurred. In January 2004, the MIPA issued a revised Bulletin D-3, "Labor Obligations," which requires, among other amendments, that severance obligations to dismissed personnel, other than those arising from restructurings, are recognized based upon actuarial calculations. In connection with this amendment to Bulletin D-3, which is effective on January 1, 2005, the Group estimated a severance liability of Ps.252,403 as of that date. The transition provisions of Bulletin D-3 allow for companies to fully charge the amount of the initial liability to the income statement as a change in accounting principle or alternatively, amortize the amount on a straight-line basis over the expected future employee relationship period. The Group recognized a severance liability of Ps.252,403, as of January 1, 2005, and a cumulative loss effect of accounting change in the amount of Ps.176,682, net of an income tax benefit of Ps.75,721, for the first quarter of 2005.

O) INCOME TAX

The recognition of deferred income tax 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.

P) DERIVATIVE FINANCIAL INSTRUMENTS

The Group uses derivative financial instruments for the purpose of reducing its exposure to adverse fluctuations in foreign exchange rates, interest rates and inflation. According to Bulletin C-2 "Financial Instruments," derivative financial instruments that qualify for hedge accounting are recorded in the balance sheet, on the same basis of the hedged assets or liabilities, and changes in value are recorded in each period in the income statement. Derivative financial instruments that do not qualify for hedge accounting are recorded in the balance sheet at their fair value and changes in the fair value are recorded in each period in the income statement.

In April 2004, the MIPA issued Bulletin C-10, "Derivative Financial Instruments and Hedge Operations." Bulletin C-10 establishes accounting and reporting standards requiring that all derivative instruments, including certain derivative instruments embedded in other contracts, be recorded in the balance sheet as either an asset or a liability measured at its fair value. Bulletin C-10 also requires that changes in the derivative's fair value be recognized in current earnings unless specific hedge accounting criteria is met, in which case such changes will be recognized in current earnings or stockholders' equity (as accumulated other comprehensive income or loss) depending on the intended use of the derivative and the resulting designation. Bulletin C-10 requires that a company formally document, designate and assess the effectiveness of transactions that receive hedge accounting. Bulletin C-10 is effective for periods beginning on January 1, 2005, with early adoption recommended. The Group is evaluating the effect of the adoption of Bulletin C-10 in 2005 in its consolidated financial statements.

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 15).

GRUPO TELEVISIA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

R) PRIOR YEARS' FINANCIAL STATEMENTS

The Group's financial statements for prior years have been restated to Mexican pesos in purchasing power as of December 31, 2004, by using a restatement factor derived from the change in the NCPI, which for 2002 and 2003 was 1.0937 and 1.0519, respectively. Had the alternative weighted average factor allowed under Mexican GAAP been applied to restate the Group's financial statements for prior years, which included the results of Mexican and non-Mexican subsidiaries, the restatement factor for 2002 and 2003 would have been 1.1089 and 1.0546, respectively.

The NCPI at the following dates was:

December 31, 2001.....	97.354
December 31, 2002.....	102.904
December 31, 2003.....	106.996
December 31, 2004.....	112.550

Certain reclassifications have been made in prior years' financial statements to conform to classifications used in the most recent year.

2. ACQUISITIONS AND DISPOSITIONS

In February 2002, certain non-voting preferred shares of Univision stock acquired by the Group in December 2001, were converted into 10,594,500 shares of Univision Class "A" Common Stock. Following this conversion, the Group recognized an excess of the purchase price of U.S.\$375.0 million paid by the Group over the carrying value of the Univision stock acquired of approximately U.S.\$321.8 million (Ps.3,682,521) (see Notes 5, 9 and 22).

In April 2002, the Group sold its Music Recording business to Univision in exchange for 6,000,000 shares of Univision Class "A" Common Stock and warrants (which expire in December 2017) to purchase, at an exercise price of U.S.\$38.261 per share, 100,000 shares of Univision Class "A" Common Stock. In connection with the sale of this business, the Group recognized (i) an excess of the purchase price of U.S.\$233.1 million (Ps.2,689,544) assigned to the shares of Univision common stock at the transaction date over the carrying value of the Univision stock acquired of approximately U.S.\$197.6 million (Ps.2,248,287); (ii) an acquisition cost of U.S.\$2.0 million (Ps.22,890) for the warrants to purchase 100,000 shares of Univision common stock, as being the fair value assigned to this investment at the transaction date; and (iii) a gain (loss) on disposal of the music recording business of Ps.1,160,518 and (Ps.67,487), in 2002 and 2003, respectively, net of related costs, expenses and income taxes (see Notes 5, 9 and 22).

In April 2002, the Group acquired an additional 50% interest in the capital stock of certain publishing distribution companies in Chile and Argentina, which were 50% owned by the Group before this acquisition, for an aggregate amount of U.S.\$3.6 million (U.S.\$2.7 million in cash and U.S.\$0.9 million through an account payable due in April 2003), of which U.S.\$3.1 million is related to the acquisition in Chile. Accordingly, beginning May 2002, these businesses became wholly-owned subsidiaries of the Company. The Group recognized related goodwill as a result of this acquisition in the amount of Ps.29,467 resulting from the excess of the purchase price over the carrying value of the related net assets of such companies.

In August 2002, the Group sold all of its 21.99% minority interest in the capital stock of Red Televisiva Megavisión, S.A. ("Megavisión"), a broadcasting television company in Chile, for an aggregate amount of U.S.\$4.2 million, of which U.S.\$2.1 million was paid in cash and U.S.\$2.1 million in the form of a receivable due in August 2003 and collateralized with the shares of Megavisión previously owned by the Group. The Group recognized a pre-tax gain on this sale of approximately Ps.5,465, which represented

GRUPO TELEvisa, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

the excess of the proceeds over the carrying value of the net investment in Megavision at the transaction date.

In October 2002, the Group acquired a 40% interest in Ocesa Entretenimiento, S.A. de C.V. ("OCEN"), a subsidiary of Corporacion Interamericana de Entretenimiento, S.A. de C.V. ("CIE"), which owns all the assets related to CIE's live entertainment business unit in Mexico, for a gross amount of approximately U.S.\$104.7 million, of which approximately U.S.\$67.0 million (Ps.740,267) was paid in cash in the fourth quarter of 2002, and the remaining balance of U.S.\$37.7 million (Ps.431,472) was paid in March 2003. The Group recognized goodwill as a result of this minority interest acquisition in the amount of Ps.756,328 resulting from the excess of the purchase price over the estimated carrying value of the related net assets of OCEN. Under this agreement, the purchase price of this acquisition is subject to be adjusted based on a formula of EBITDA generated by OCEN (as defined) in a three-year period which will end on December 31, 2005. In the first quarter of 2003, the Group made an additional capital contribution to OCEN in the amount of Ps.56,188 (see Notes 5 and 17).

During 2002, the Group sold certain non-strategic businesses of the television broadcasting and publishing segments for an aggregate amount of Ps.9,532, which included a sale transaction with a Company's director for an amount of Ps.1,920, and recognized in other expense a pre-tax loss in disposition of these businesses of Ps.33,518 (see Note 20).

During 2003, the Group disposed its 10% minority interest in the capital stock of DTS Distribuidora de Television Digital, S.A. ("Via Digital"), a DTH venture in Spain. The disposal was effected by the Group through the sale of a portion of its interest in Via Digital with cash proceeds of approximately 27.5 million euros (Ps.417,690) and the exchange of its remaining investment in this venture for a de minimus interest in Sogecable S.A., a public pay television company in Spain. As a result of these transactions, the Group recognized a pre-tax gain of approximately 30.8 million euros (Ps.468,966), which represented the excess of the cash and non-cash proceeds over the carrying value of the Group's net investment in Via Digital at the transaction dates (see Note 20).

In May 2003, The Company made initial capital contributions of U.S.\$2.5 million (Ps.28,189) to TuTv, LLC, a 50% joint venture with Univision engaged in the distribution of the Company's Spanish-speaking programming packages in the United States.

In June 2003, the Company completed the acquisition of all the outstanding equity of Telespecialidades, S.A. de C.V. ("Telespecialidades"), a company which was owned by the shareholders of Grupo Televiscentro, S.A. de C.V. ("Televiscentro"), the Group's controlling company. The total consideration paid in the third quarter of 2003 in connection with this acquisition was for the equivalent of U.S.\$83.0 million (Ps.940,088), which was financed with cash on hand. At the time of acquisition, Telespecialidades net assets consisted principally of 4,773,849 shares of the Company's capital stock in the form of 1,591,283 CPOs, which securities were previously owned by Televiscentro, and tax loss carryforwards for approximately Ps.7,062,177. Beginning June 30, 2003, the Group recognizes the Company's shares owned by Telespecialidades as a share repurchase.

In April 2004, the Company sold its 30% minority interest in Grupo Europroducciones, S.A., a television programming producer in Spain, in the aggregate amount of approximately 7.5 million euros (Ps.116,246) in cash. As a result of this disposal, the Company recognized a net loss of approximately 8.0 million euros (Ps.122,455) as other expense in its consolidated statement of income for the year ended December 31, 2004.

In November 2004, the Group sold its 51% interest in its nationwide paging service in Mexico. This transaction was approved by the Mexican regulatory authorities in March 2005. As a result of this disposal, the Group recognized a net loss of approximately Ps.5,105 as other expense in its consolidated statement of income for the year ended December 31, 2004.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

During the second half of 2004, the Group acquired certain companies in an aggregate amount of Ps.327,523 (Ps.230,636 in cash and Ps.96,887 through the capitalization of liabilities), which net assets at the time of acquisitions consisted principally of tax loss carryforwards in the amount of approximately Ps.3,134,191, of which Ps.2,519,154 were used by the Group in 2004 and Ps.615,037 are expected to be used by the Group in 2005. As a result of these acquisitions, the Group recognized in its consolidated statement of income for the year ended December 31, 2004, a net gain of approximately Ps.620,706 as an income tax benefit (see Note 21).

3. TRADE NOTES AND ACCOUNTS RECEIVABLE

Trade notes and accounts receivable as of December 31, 2003 and 2004, consisted of:

	2003	2004
	-----	-----
Non-interest bearing notes received as customer deposits and advances.....	Ps. 8,460,155	Ps. 8,557,396
Accounts receivable, including value-added tax receivables related to advertising services.....	3,507,990	3,794,584
Allowance for doubtful accounts.....	(814,708)	(1,122,001)
	-----	-----
	Ps. 11,153,437	Ps. 11,229,979
	=====	=====

4. TRANSMISSION RIGHTS AND PROGRAMMING

At December 31, 2003 and 2004, transmission rights and programming consisted of:

	2003	2004
	-----	-----
Transmission rights.....	Ps. 4,366,784	Ps. 4,182,509
Programming.....	4,264,824	3,903,109
	-----	-----
	8,631,608	8,085,618
	-----	-----
Non-current portion of:		
Transmission rights.....	2,230,831	2,153,763
Programming.....	2,682,187	2,337,945
	-----	-----
	4,913,018	4,491,708
	-----	-----
Current portion of transmission rights, and programming...	Ps. 3,718,590	Ps. 3,593,910
	=====	=====

GRUPO TELEVISIA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

5. INVESTMENTS

At December 31, 2003 and 2004, the Group had the following investments:

	2003	2004	OWNERSHIP % AS OF DECEMBER 31, 2004
	-----	-----	-----
ACCOUNTED FOR BY THE EQUITY METHOD:			
Univision(1).....	Ps. 5,594,505	Ps. 5,735,486	9.3%
OCEM (see Note 2).....	481,455	500,159	40.0%
DTH TechCo Partners(2).....	37,969	(806)	30.0%
Other.....	185,073	153,970	
	-----	-----	
	6,299,002	6,388,809	
	-----	-----	
OTHER INVESTMENTS:			
Deposits in escrow(3).....	156,375	140,404	
DTH TechCo Partners(2).....	90,595	140,285	
Univision(1).....	22,890	22,890	
Other.....	81,069	65,334	
	-----	-----	
	350,929	368,913	
	-----	-----	
	Ps. 6,649,931	Ps. 6,757,722	
	=====	=====	

(1) The Group accounts for this investment under the equity method due to the Group's continued ability to exercise significant influence over Univision's operations. As of December 31, 2003 and 2004, the Group owned 16,594,500 shares Class "A" and 13,593,034 shares Class "T" of common stock of Univision, as well as warrants to acquire 6,374,864 shares Class "A" and 2,727,136 shares Class "T" of common stock of Univision (see Note 2). Substantially all of these warrants can be exercised at a price of U.S.\$38.261 per share, and expire in December 2017. Any shares of Univision common stock owned by the Group and those shares of Univision common stock that may be purchased by the Group in connection with related warrants and warrant purchase agreements are intended to be held as equity securities accounted for under the equity method. The warrants to purchase 6,274,864 shares of Univision Class "A" Common Stock and 2,725,136 shares of Univision Class "T" Common Stock are not accounted for at any cost since they were acquired by the Group as a consideration for surrendering certain governance rights previously held by the Group in Univision. In 2002, the Group recognized the acquisition cost of 100,000 warrants for an amount of Ps.22,890 as other investments since the shares that may be purchased through these instruments are intended to be held by the Group as an equity investment in Univision (see Notes 2 and 9). In September 2003, Univision and Hispanic Broadcasting Corporation ("HBC"), a leading Spanish-language radio group in the United States, completed a merger of their businesses. As a result of this merger, the Group (i) decreased its ownership in Univision from approximately 14.7% to 10.9% on a fully diluted basis; and (ii) increased the carrying value of its investment in Univision by recognizing a net other comprehensive income of approximately U.S.\$250.6 million (Ps.2,958,940) in 2003 (see Note 15). The Group's ownership stake in Univision as of December 31, 2004, was approximately of 10.7% on a fully diluted basis. The quoted market price of Univision's common stock at December 31, 2003 and 2004, was U.S.\$39.69 per share and U.S.\$29.27 per share, respectively. The carrying value of the Group's net investment in Univision at December 31, 2004, which includes goodwill in the amount of Ps.5,552,363 (see Note 7), is in excess of the related quoted marked price as of that date. The Company believes

GRUPO TELEVISA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

that an impairment adjustment for a decline in the price of Univision's common stock at December 31, 2004 is not necessary since such decline is deemed temporary.

(2) General partnership engaged in providing technical services to DTH ventures in Latin America. During 2003 and 2004, the Group provided funding to DTH TechCo Partners ("TechCo") for approximately U.S.\$7.5 million (Ps.88,659) and U.S.\$4.5 million (Ps.49,693) in the form of long-term notes with principal and interest maturities in 2008, bearing annual interest rate of LIBOR plus 2.5%. As of December 31, 2003 and 2004, promissory notes and accrued interest receivable due from TechCo were approximately U.S.\$7.7 million (Ps.90,596) and U.S.\$12.6 million (Ps.140,285), respectively. Additionally, in the fourth quarter of 2004, the Group made a capital contribution to TechCo in the amount of U.S.\$0.9 million (Ps.9,927).

(3) In connection with the disposal of a Group's investment in 1997, the Group granted collateral to secure certain indemnification obligations which consisted, at December 31, 2003 and 2004, of short-term securities of approximately U.S.\$13.2 million (Ps.156,375) and U.S.\$12.6 million (Ps.140,404), respectively. After the expiration of applicable tax statutes of limitations, the collateral will be reduced to a de minimus amount. The collateral agreement will terminate in approximately three years (see Note 12).

In 2002, 2003 and 2004, the Group recognized in the consolidated statements of income equity in losses (earnings) of affiliates of Ps.1,264,161, (Ps.29,756), and (Ps.614,994), respectively, and in the consolidated other comprehensive income or loss (see Note 15), equity in the loss (gain) from holding non-monetary assets of affiliates of Ps.17, (Ps.66) and (Ps.12), respectively, equity in the translation loss (gain) effect of affiliates of Ps.116,996, (Ps.162,708) and Ps.145,464, respectively, and in 2003 and 2004, equity in the gain on issuance of shares of associates of Ps.3,032,876 and Ps.11,735, respectively.

6. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment as of December 31, 2003 and 2004, consists of:

	2003	2004
	-----	-----
Buildings.....	Ps. 7,532,458	Ps. 7,555,707
Buildings improvements.....	1,719,478	1,664,567
Technical equipment.....	11,991,044	13,888,627
Satellite transponders.....	--	1,659,346
Furniture and fixtures.....	591,899	567,453
Transportation equipment.....	1,141,075	1,118,352
Computer equipment.....	963,800	1,154,406
	-----	-----
Accumulated depreciation.....	23,939,754 (11,892,933)	27,608,458 (12,785,009)
	-----	-----
Land.....	12,046,821 3,717,960	14,823,449 3,704,367
Construction in progress.....	645,718	631,751
	-----	-----
	Ps.16,410,499	Ps.19,159,567
	=====	=====

At December 31, 2003 and 2004, the Group's Mexican subsidiaries had technical equipment, transportation equipment and computer equipment of non-Mexican origin totaling Ps.3,078,718 and Ps.4,709,900, respectively, net of accumulated depreciation (see Note 1(h)).

GRUPO TELEVISIA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Had the NCPI been applied to restate all of the Group's net equipment, the net balance of property, plant and equipment as of December 31, 2003 and 2004 would have been Ps.17,021,817 and Ps.19,787,889, respectively.

Depreciation charged to income in 2002, 2003 and 2004 was Ps.1,100,536, Ps.1,347,953 and Ps.1,809,809, respectively, of which Ps.146,820 was recognized in 2003 as non-recurring charges in connection with the disposal of the nationwide paging business (see Note 19).

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 PanAmSat Corporation ("PanAmSat") for 12 KU-band transponders on PanAmSat's satellite PAS-9 (see Note 8). As of December 31, 2004, satellite transponders, net of accumulated depreciation, amounted to Ps.1,179,979.

7. GOODWILL AND OTHER INTANGIBLE ASSETS -- NET

The balances of goodwill and other intangible assets as of December 31, 2003 and 2004, were as follows (see Note 1(i)):

	NET CARRYING AMOUNT AS OF DECEMBER 31, 2003	GROSS CARRYING AMOUNT	ACCUMULATED AMORTIZATION	NET CARRYING AMOUNT AS OF DECEMBER 31, 2004
	-----	-----	-----	-----
Intangible assets with finite lives:				
Licenses and software.....	Ps. 365,492	Ps.1,019,750	Ps. (740,004)	Ps. 279,746
Deferred financing cost.....	149,130	396,578	(235,979)	160,599
Other.....	151,554	224,735	(109,457)	115,278
	-----	-----	-----	-----
	666,176	Ps.1,641,063	Ps.(1,085,440)	555,623
	-----	-----	-----	-----
Intangible assets with indefinite lives:				
Goodwill.....	7,960,826			7,520,966
Trademarks.....	467,546			496,835
Television network concession.....	583,172			583,172
	-----			-----
	9,011,544			8,600,973
	-----			-----
	Ps.9,677,720			Ps.9,156,596
	=====			=====

Amortization of intangible assets (other than goodwill) charged to income in 2002, 2003 and 2004, was Ps.578,993, Ps.438,011 and Ps.309,870, respectively, of which Ps.51,155 and Ps.2,655 in 2002 and 2003, respectively, were recorded as other cost and expenses (see Note 20), Ps.35,371, Ps.32,077 and Ps.31,726, respectively, were recorded as interest expense (see Note 18) and Ps.7,426 and Ps.12,949 in 2002 and 2004, respectively, were recorded as non-recurring charges in connection with the extinguishment of long-term debt (see Note 19).

Amortization of goodwill in 2002 and 2003 was Ps.478,843 and Ps.484,605, respectively, which was recorded in other expense (see Note 20).

GRUPO TELEVISA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

The changes in the net carrying amount of goodwill and trademarks for the year ended December 31, 2004, were as follows:

	BALANCE AS OF DECEMBER 31, 2003	ACQUISITIONS	FOREIGN CURRENCY TRANSLATION ADJUSTMENTS	ALLOCATED (ADJUSTED) GOODWILL	IMPAIRMENT ADJUSTMENTS	BALANCE AS OF DECEMBER 31, 2004
BUSINESS SEGMENTS:						
Television broadcasting....	Ps.1,238,468	Ps. --	Ps. --	Ps. --	Ps. --	Ps.1,238,468
Publishing distribution....	176,607	--	(3,831)	--	(172,776)	--
Other businesses.....	35,322	--	--	--	--	35,322
Equity-method investees....	6,510,429	--	(139,390)	(106,742)	(17,121)	6,247,176
	-----	-----	-----	-----	-----	-----
	Ps.7,960,826	Ps. --	Ps.(143,221)	Ps.(106,742)	Ps.(189,897)	Ps.7,520,966
	=====	=====	=====	=====	=====	=====
Trademarks (Publishing)....	Ps. 467,546	Ps.81,132	Ps. (11,740)	Ps. --	Ps. (40,103)	Ps. 496,835
	=====	=====	=====	=====	=====	=====

In 2002 and 2003, write-offs of unamortized goodwill in the amount of Ps.1,166,689 and Ps.119,853, respectively, were recognized in connection with the recoverability evaluation of certain long-lived assets of the Group (see Note 20). In 2002, the write-off of unamortized goodwill was primarily related to the operations of a television broadcasting subsidiary in San Diego.

During 2004, the Group tested for impairment the carrying value of goodwill and other intangible assets. As a result of such testing, impairment adjustments were made to goodwill related primarily to the Group's Publishing Distribution segment and trademarks in the amount of Ps.189,897 and Ps.40,103, respectively. For purposes of the goodwill impairment test, the fair value of the related reporting unit was estimated using the expected present value of future cash flows. These impairment adjustments were recognized in income as non-recurring charges for the year ended December 31, 2004.

GRUPO TELEVISIA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

8. DEBT AND SATELLITE TRANSPONDER LEASE OBLIGATION

As of December 31, 2003 and 2004, debt and satellite transponder lease obligation outstanding were as follows:

	2003	2004
	-----	-----
U.S. dollars:		
11.875% Series "B" Senior Notes due 2006(1)(3).....	Ps. 63,088	Ps. 59,569
8.625% Senior Notes due 2005(2)(3).....	2,361,534	2,229,800
8% Senior Notes due 2011(2)(3).....	3,542,300	3,344,700
8.50% Senior Notes due 2032(2)(3).....	3,542,300	3,344,700
Innova's 12.875% Senior Notes due 2007(8).....	--	981,112
Innova's 9.375% Senior Notes due 2013(4).....	--	3,344,700
U.S.\$100 million syndicated term loan(7).....	1,180,767	--
Other(5).....	96,603	105,119
	-----	-----
	10,786,592	13,409,700
	-----	-----
Mexican pesos:		
UDI-denominated Notes due 2007(6).....	3,829,263	3,838,729
Long-term loans(7).....	841,526	3,882,460
Innova's long-term loan(8).....	--	1,012,000
Other bank loans(9).....	308,220	96,000
	-----	-----
	4,979,009	8,829,189
	-----	-----
Other currency debt.....	1,885	2,001
	-----	-----
Total debt.....	15,767,486	22,240,890
Less: Long-term debt maturities.....	15,467,489	18,943,799
	-----	-----
Current portion of long-term debt.....	Ps. 299,997	Ps. 3,297,091
	=====	=====
Innova's satellite transponder lease obligation(10)....	Ps. --	Ps. 1,395,358
Less: Long-term maturities.....	--	1,324,615
	-----	-----
Current portion of satellite transponder lease obligation.....	Ps. --	Ps. 70,743
	=====	=====

(1) These securities are unsecured, unsubordinated obligations of the Company, rank pari passu in right of payment with all existing and future unsecured, unsubordinated obligations of the Company, are senior in right of payment to all future subordinated indebtedness of the Company, and are effectively subordinated to all existing and future liabilities of the Company's subsidiaries.

(2) These Senior Notes 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. The agreement of these Senior Notes contains certain covenants that limit the ability of the Company and its 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. Substantially all of these Senior Notes are registered with the U.S. Securities and Exchange Commission. The Senior Notes due 2011 and 2032 were priced at 98.793% and 99.431%, respectively, for a yield to maturity of 8.179% and 8.553%, respectively.

GRUPO TELEVISIA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

(3) Interest on Series "B" Senior Notes due 2006, and Senior Notes due 2005, 2011 and 2032, including additional amounts payable in respect of certain Mexican withholding taxes, is 12.49%, 9.07%, 8.41% and 8.94% per annum, respectively, and is payable semi-annually. These Senior Notes may not be redeemed prior to maturity, except 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.

(4) In September 2003, Innova completed the offering of these U.S.\$300.0 million Senior Notes, bearing an interest at a coupon rate of 9.375%, payable semi-annually. These securities are unsecured and unsubordinated indebtedness of Innova and contain certain restrictive covenants for Innova on additional indebtedness, liens, sales and leasebacks, restricted payments, asset sales, and certain mergers, consolidations and similar transactions. Innova may, at its own option, redeem these Senior Notes, in whole or in part, at any time on or after September 19, 2008 at redemption prices from 104.6875% to 101.5625% between September 19, 2008 through September 18, 2011, or 100% commencing on September 19, 2011, plus accrued and unpaid interest, if any. Additionally, on or before September 19, 2006, Innova may, at its own option and subject to certain requirements, use the proceeds from one or more qualified equity offerings to redeem up to 35% of the aggregate principal amount of these Senior Notes at 109.375% of their principal amount, plus accrued and unpaid interest.

(5) Includes notes payable to banks, bearing annual interest rates which vary between 0.35 and 2.00 points above LIBOR. The maturities of this debt at December 31, 2004, are various from 2005 to 2010.

(6) Notes denominated in Mexican Investment Units ("Unidades de Inversion" or "UDIs"), representing 1,086,007,800 UDIs, with an annual interest rate of 8.15% and maturity in 2007. Interest on these notes is payable semi-annually. The balance as of December 31, 2003 and 2004 includes restatement of Ps.673,539 and Ps.838,729, respectively. The UDI value as of December 31, 2004, was of Ps.3.534716 per UDI.

(7) In May 2003, May 2004 and October 2004, the Company entered into long-term credit agreements with a Mexican bank in an aggregate amount of Ps.800,000, Ps.1,162,500 and Ps.2,000,000, respectively, with maturities in 2004, 2006 and 2008; in 2009; and in 2010 and 2012, respectively, and bearing annual interest rates of 8.925% plus additional basis points from 0 to 45 based on the maintenance of certain financial coverage ratios related to indebtedness, 9.70% and 10.35%, respectively, and payable on a monthly basis. The net proceeds of the long-term loans were primarily used to pay amounts outstanding under the Series "A" Senior Notes which matured in May 2003, to prepay in 2004 all of the outstanding amounts of the U.S.\$100 million syndicated long-term loan which originally matured in 2005 and 2006, and are intended to be used to refinance certain Company's debt maturing in 2005. Under the terms of these credit agreements, 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.

(8) In December 2004, Innova entered into a long-term credit agreement with a Mexican bank in the aggregate principal amount of Ps.1,012.0 million, which matures partially (50%) in 2010 and the remainder (50%) in 2011, and is guaranteed by the Company and News Corporation ("News Corp.") at 51% and 49%, respectively. Interest on this loan is 10.55% per annum, and is payable on a monthly basis. In January 2005, the net proceeds of this loan were used by Innova to prepay all of the outstanding amounts of the U.S.\$88.0 million Senior Notes due in 2007. Accordingly, this U.S.\$88.0 million long-term debt has been classified as short-term debt in the Group's consolidated balance sheet as of December 31, 2004.

GRUPO TELEVISA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

(9) Includes a long-term loan payable to a Mexican bank with outstanding balances of Ps.120,411 at December 31, 2003, with equal quarterly installments ending July 2004, and bearing an annual interest rate of the Mexican interbank rate plus 45 basis points, payable on a monthly basis. The 2003 and 2004 balance also includes a long-term loan of Ps.168,305 and Ps.96,000, respectively, granted by a commercial Mexican bank in 2001 to refinance the redemption of the Company's Senior Discount Debentures then outstanding, with principal and interest thereof payable on a quarterly basis through May 2006 and annual interest rate equal to the Mexican interbank rate plus 30 basis points. The terms of this loan include certain financial ratios and covenants. The maturities of these loans at December 31, 2004 are various from 2005 to 2006.

(10) Innova is committed to pay a monthly fee of U.S.\$1.7 million per month under an agreement entered into with PanAmSat Corporation in February 1999 for satellite signal reception and retransmission service from 12 KU-band transponders on satellite PAS-9, which became operational in September 2000. The service term for PAS-9 will end at the earlier of (a) the end of 15 years or (b) the date PAS-9 is taken out of service. The present value of Innova future obligations from the PAS-9 agreement was determined using the Innova incremental borrowing rate at the lease commencement date of 11.5% (see Note 6). Through September 2004, the obligations of Innova under the PAS-9 agreement were proportionately guaranteed by the Company and the other Innova equity owners in relation to their respective ownership interests. Beginning October 2004, this obligation is being guaranteed by the Company at 51% (see Note 12).

SUBSEQUENT EVENT

On March 18, 2005, the Company issued U.S.\$400.0 million aggregate principal amount of 6.625% Senior Notes due 2025, which were priced at 98.081% for a yield to maturity of 6.802%. In connection with this financing, the Company entered into a derivative transaction to hedge against interest rate increases, netting the yield to maturity to approximately 6.74%. Interest on these Senior Notes, including additional amounts payable in respect of certain Mexican withholding taxes, is 6.97% per annum, and is payable semi-annually. The net proceeds of that offering, together with cash on hand, will be used to fund the Group's tender offers made on March 15, 2005 for any or all of the U.S.\$300 million aggregate principal amount of 8.00% Senior Notes due 2011 and the Mexican peso equivalent of the aggregate principal amount of 8.15% UDI-denominated Notes due 2007. The tender offers for the Senior Notes due 2011 and the UDI-denominated Notes due 2007 will expire on March 21, 2005 and March 23, 2005, respectively.

MATURITIES OF DEBT AND SATELLITE TRANSPONDER LEASE OBLIGATION

Debt maturities for the years subsequent to December 31, 2004, are as follows:

2005.....	Ps. 3,297,091
2006.....	351,378
2007.....	3,856,872
2008.....	493,193
2009.....	1,168,115
Thereafter.....	13,074,241

	Ps. 22,240,890
	=====

GRUPO TELEVISA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Future minimum payments under satellite transponder lease obligation for the years subsequent to December 31, 2004, are as follows:

2005.....	Ps.	227,440
2006.....		227,440
2007.....		227,440
2008.....		227,440
2009.....		227,440
Thereafter.....		1,293,244

		2,430,444
Less: amount representing interest.....		1,035,086

		Ps. 1,395,358
		=====

9. FINANCIAL INSTRUMENTS

The Group's financial instruments recorded on the balance sheet include cash, temporary investments, accounts and notes receivable, accounts payable, debt and derivative instruments. For cash, 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. Escrow deposits (see Note 5) bear interest at market rates and the carrying value approximates fair value.

The fair value of warrants to purchase shares of Univision was based upon an option pricing model. 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 currency option, interest rate swap and share put option agreements is based on quotes obtained from financial institutions.

GRUPO TELEVISIA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

The estimated fair values of the Group's financial instruments at December 31, 2003 and 2004 were as follows:

	2003		2004	
	CARRYING VALUE	FAIR VALUE	CARRYING VALUE	FAIR VALUE
ASSETS:				
Univision warrants (see Note 5)....	Ps. 22,890	Ps. 2,613,757	Ps. 22,890	Ps. 1,470,419
LIABILITIES:				
Senior Notes due 2005, 2011 and 2032.....	9,446,134	10,454,450	8,919,200	10,027,745
Other long-term debt securities....	63,088	71,885	4,385,381	4,863,183
UDI-denominated long-term securities.....	3,829,263	4,334,161	3,838,729	4,159,632
Long-term notes payable to Mexican banks.....	841,526	888,140	4,894,460	5,031,864
U.S.\$100 million term loan.....	1,180,767	1,087,793	--	--
DERIVATIVE FINANCIAL INSTRUMENTS:				
ASSETS:				
UDI forwards(1).....	--	--	101,543	141,902
LIABILITIES:				
Innova's interest rate swaps(2)....	--	--	--	11,807
Foreign currency forwards(3).....	23,305	23,305	24,149	42,481
Interest rate swaps(4).....	9,410	9,410	19,639	31,778

(1) In connection with the notes denominated in Mexican Investment Units ("Unidades de Inversion" or "UDIs"), during April, 2004, the Company entered into forward contracts with three financial institutions covering the total amount of UDIs payable at the maturity of the notes in 2007, through these contracts, the Company fixed the price of the UDI at Ps.3.41067 in exchange for payments of interest over the notional amount in pesos at an average rate of 4.06% with half-yearly payments. As of December 31, 2004, the Company recorded a net benefit of Ps.101,543 derived from the difference in the price of the UDI published by the Mexican Central Bank at that date and the price fixed in those contracts.

(2) In February 2004, Innova entered into coupon swap agreements to hedge a portion of its U.S. dollar foreign exchange exposure related to its Senior Notes due 2013. Under these transactions, Innova receives semi-annual payments calculated based on the aggregate notional amount of U.S.\$300.0 million at an annual rate of 9.375%, and Innova makes monthly payments calculated based on an aggregate notional amount of approximately Ps.3,282,225 at an annual rate of 10.25%. These transactions will terminate in September 2008.

(3) As of December 31, 2004, the Company entered into forward contracts with diverse financial institutions to buy U.S.\$150.0 million of the Senior Notes due 2005 for hedge purposes. The average price fixed in these agreements is Ps.11.79 per U.S. dollar. As a result of the depreciation of the exchange rate of the U.S. dollar in relation to the Mexican peso, as of December 31, 2004, the Company recorded a loss for Ps.24,149 in the integral cost of financing (foreign exchange gain or loss), which was calculated by comparing the spot exchange rates at the beginning of each contract with the exchange rate of the balance sheet date at year-end.

(4) In connection with the Senior Notes due 2011, in the fourth quarter of 2002, the Company entered into an interest rate swap agreement with a financial institution in a notional amount of

GRUPO TELEVISIA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

U.S.\$100.0 million. This agreement involved the exchange of amounts based on a fixed interest rate for amounts based on variable interest rates over the life of the agreement, without an exchange of the notional amount upon which the payments are based. The Company has recorded the change in value of this agreement in the integral cost of financing (interest expense). In June 2003, the Company decided to unwind this agreement and received an amount in cash of approximately U.S.\$4.6 million, which was recognized as a benefit from this transaction.

In order to reduce the adverse effects of exchange rates on the Senior Notes due 2011 and 2032, during 2004, the Company entered into interest rate swap agreements with various financial institutions. Under these transactions, the Company receives semi-annual payments based on the aggregate notional amount of U.S.\$550.0 million at an average annual rate of 8.27% and the Company makes semi-annual payments based on an aggregate notional amount of approximately Ps.6,177,000 at an average annual rate of 9.26%, without an exchange of the notional amount upon which the payments are based. As of December 31, 2004, the Company recorded a loss in the integral cost of financing (foreign exchange loss) derived of comparing the interest payable calculated at the exchange rate of the balance sheet date at year-end.

10. DTH JOINT VENTURE PROVISIONS

DTH joint venture provisions resulted from the Group's investments in Innova and Sky Multi-Country Partners ("SMCP"), and the equity in losses of these joint ventures recognized by the Group in excess of such investments and up to the amount of the guarantees made by the Group in connection with certain satellite transponder obligations of Innova and SMCP (see Notes 1(g) and 12). As of December 31, 2003 and 2004, DTH joint venture provisions were as follows:

	2003	2004
	-----	-----
Innova (1) (3)	Ps. 926,769	Ps. --
SMCP (2) (3)	434,404	--
	-----	-----
	Ps. 1,361,173	Ps. --
	=====	=====

(1) Joint venture engaged in providing DTH broadcast satellite pay television services in Mexico, in which the Group has a 60% interest. During 2002 the Group provided long-term loans to Innova in the amount of approximately U.S.\$17.7 million (Ps.202,574), bearing annual interest rate of 9.0%. In September 2003, the Group capitalized all of the amounts outstanding of long-term notes and interest receivable from Innova in connection with its 60% interest in this joint venture for an aggregate amount of U.S.\$234.5 million (Ps.2,737,875). Through March 31, 2004, the Group accounted for its investment in Innova by applying the equity method, and recognized equity in losses in excess of its investment up to the amount of the guarantees made by the Group in connection with certain capital lease obligations of Innova. Beginning April 1, 2004, in accordance with the guidelines of the FIN 46, the Group began to include in its consolidated financial statements the assets, liabilities and results of operations of Innova, since the Group is considered the primary beneficiary of the risks and residual return of this variable interest entity (see Note 1 (g)). As a result of this accounting change, the Group recognized at April 1, 2004, a consolidated cumulative loss effect of Ps.1,021,590, net of income tax in the amount of Ps.309,093, in its consolidated statement of income for the year ended December 31, 2004, primarily in connection with Innova's accumulated losses not recognized by the Group in prior years and the first quarter of 2004.

(2) General partnership engaged in providing DTH broadcast satellite pay television services in Latin America outside of Mexico and Brazil, in which the Group has a 30% interest. The Group liability position in SMCP as of December 31, 2003, was net of long-term receivables due from SMCP of

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

approximately U.S.\$13.1 million (Ps.155,169), in connection with loans provided to SMCP by the Group in 2003. Capital contributions made to SMCP by the Group in 2002 amounted to U.S.\$14.8 million (Ps.169,441). In 2001, News Corp. made equity contributions in this partnership on behalf of the Group in the amount of U.S.\$15.0 million (Ps.177,115), and in 2004, News Corp. contributed this same amount due from the Group as additional paid-in capital in Innova, from which the Group recognized a gain on issuance of shares of Ps.107,870 as other accumulated comprehensive income for the year ended December 31, 2004 (see Notes 15 and 17). In the fourth quarter of 2003, a portion of the SMCP liability provision was reversed by the Group for an amount of approximately U.S.\$38.9 million (Ps.459,571) in connection with the expected reduction of the SMCP lease obligation being guaranteed by the Group, resulting from a technical failure that shortened the remaining useful life of the satellite being leased by SMCP. This reversal was recognized by the Group as equity in earnings of affiliates in the consolidated income statement for the year ended December 31, 2003. During 2004, the Group provided funds to SMCP in the form of loans in the amount of approximately U.S.\$7.2 million (Ps.80,273).

(3) In October 2004, in conjunction with a series of agreements entered into by the Group with DirecTV Group, Inc. ("DirecTV") and News Corp., the Group announced among other matters, that (a) DirecTV Mexico sold its subscriber list to Sky Mexico (see Note 12); (b) News Corp. received an option to purchase an equity stake in Sky Mexico; (c) the Group will acquire 2/3 of Liberty Media's 10% equity interest in Sky Mexico for a net amount of approximately U.S.\$48.0 million, while News Corp. has agreed to acquire the remaining portion; and (d) the Group agreed to sell, subject to certain conditions, its 30% equity interest in SMCP, releasing the Group from its satellite transponder guarantee. As a result of these transactions, the Group's equity stake in Sky Mexico could be marginally reduced from 60% to 57%, and News Corp.'s stake could increase from 30% to 43%. Additionally, the Group executed new agreements for the transmission of the Group's channels on Sky Mexico and DirecTV Latin America, and Sky Mexico has the option to extend the DTH business in Central America and certain Caribbean countries. As a result of these agreements, in 2004, the Group cancelled the provision for its guarantee in connection with satellite transponders of SMCP in the amount of approximately Ps.345,641, and recognized the benefit as equity in earnings of affiliates in the year ended December 31, 2004.

11. PENSION PLANS AND SENIORITY PREMIUMS

Certain companies in the Group have collective bargaining contracts which include defined benefit pension plans 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.

Pension and seniority premium amounts 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 has used a 4% discount rate, 2% salary scale, and 5% return on assets rate for 2002, 2003 and 2004. 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. No cash contributions to the trusts were made by the Group in 2001. In the fourth quarter of 2003 and third quarter of 2004, the Group made a cash contribution of approximately Ps.37,940 and Ps.69,939, respectively, to its pension and seniority premium plans. Plan assets were invested in a portfolio that

GRUPO TELEVISA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

primarily consisted of equity and debt securities (including shares of the Company) as of December 31, 2003 and 2004. Pension and seniority premium benefits are paid when they become due.

The pension and seniority premium plan liability as of December 31, 2003 and 2004, was as follows:

	2003	2004
	-----	-----
SENIORITY PREMIUM PLAN		
Actuarial present value of benefit obligations:		
Vested benefit obligations.....	Ps. 137,270	Ps. 155,076
Nonvested benefit obligations.....	120,930	66,622
	-----	-----
Accumulated benefit obligation.....	258,200	221,698
Benefit attributable to projected salaries.....	23,593	16,909
	-----	-----
Projected benefit obligation.....	281,793	238,607
Plan assets.....	301,585	354,251
	-----	-----
Plan assets in excess of projected benefit obligation....	19,792	115,644
	-----	-----
Items to be amortized over a 12-year period:		
Transition obligation.....	154,455	134,521
Unrecognized prior service cost.....	(65,534)	(106,339)
Unrecognized net loss from experience differences.....	140,274	70,400
	-----	-----
	229,195	98,582
	-----	-----
Net projected asset.....	248,987	214,226
	-----	-----
PENSION PLAN		
Actuarial present value of benefit obligations:		
Vested benefit obligations.....	Ps. 215,066	Ps. 225,671
Nonvested benefit obligations.....	268,621	271,451
	-----	-----
Accumulated benefit obligation.....	483,687	497,122
Benefit attributable to projected salaries.....	130,629	130,190
	-----	-----
Projected benefit obligation.....	614,316	627,312
Plan assets.....	633,296	763,201
	-----	-----
Plan assets in excess of projected benefit obligation....	18,980	135,889
	-----	-----
Items to be amortized over a 19-year period:		
Transition obligation.....	139,675	131,915
Unrecognized prior service cost.....	(18,487)	(16,092)
Unrecognized net loss from experience differences.....	(189,428)	(329,718)
	-----	-----
	(68,240)	(213,895)
	-----	-----
Net projected liability.....	(49,260)	(78,006)
	-----	-----
Total labor assets in the balance sheet (other non-current assets).....	Ps. 199,727	Ps. 136,220
	=====	=====

The net pension and seniority premium cost for 2002, 2003 and 2004 was Ps.129,968, Ps.129,812 and Ps.84,775, respectively.

GRUPO TELEVISA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

12. COMMITMENTS AND CONTINGENCIES

At December 31, 2004, the Group had commitments in an aggregate amount of Ps.692,439, of which Ps.599,418 related to commitments to Sky Mexico projects, Ps.45,142 were construction commitments for building improvements and technical facilities, Ps.32,527 were commitments for the acquisition of software and related services, and Ps.15,352 related to purchase commitments to acquire television technical equipment.

In September 2001, the Company entered into a 50/50 programming joint venture with Endemol, a world leading content developer and producer for television and online platforms based in the Netherlands, to produce and develop content for television and the Internet. As of December 31, 2004, the Group has commitments to acquire from Endemol programming formats through this venture for up to U.S.\$24.5 million through 2006.

At December 31, 2004, the Group made a commitment to acquire a subscriber list from DirecTV for its Sky Mexico business, subject to certain conditions, for up to Ps.621,112, which amount will be recognized as a liability in 2005, as the subscribers on the list become official subscribers under the terms of the related agreement (see Note 10).

The Group has granted collateral in connection with certain indemnification obligations (see Note 5), which includes a deposit of U.S.\$12.6 million of short-term securities as of December 31, 2004.

In June 2003, the Company was notified by the Mexican tax authority, of a federal tax claim made against the Company for approximately Ps.960,657, including penalties and surcharges, for an alleged asset tax liability for the year 1994. The Company believes it has meritorious defense against this claim.

The Company has guaranteed approximately Ps.516,120, representing 51% of Innova's obligation for a long-term credit agreement (see Note 8).

Furthermore, the Group has guaranteed certain financing and lease obligations of TechCo (see Note 5) for an amount of approximately U.S.\$9.9 million (undiscounted). At December 31, 2004, the Group had commitments for capital contributions and/or providing funds in the form of long-term loans in 2005 to TechCo, for up to U.S.\$7.0 million.

At December 31, 2004, the Group had the following aggregate minimum annual commitments for the use of satellite transponders (other than transponders for DTH television services described below):

	THOUSANDS OF U.S. DOLLARS

2005	U.S. \$18,264
2006	15,837
2007	11,362
2008	7,555
2009 and thereafter	24,333

	U.S. \$77,351
	=====

In October 2004, in conjunction with a series of agreements entered into by the Company with DirecTV and News Corp., the Company entered into an amended and restated guarantee related to Innova's minimum commitment for use of transponders over a period ending 2015, pursuant to which the proportionate share of Innova's transponder lease obligation guaranteed by the Company was reduced from 60% to 51%, and will remain at 51% until the Group's percentage ownership of Innova is adjusted. This guarantee is estimated to be an aggregate of approximately U.S.\$111.8 million (undiscounted) as of December 31, 2004 (see Notes 8 and 10).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

In the fourth quarter of 2001, a former U.S. subsidiary of the Company received final proposed adjustments in connection with U.S. Internal Revenue Service audits for fiscal periods ended in 1995, 1996 and 1997. As a result of these audits, the Group made U.S. federal and state income tax and interest payments in 2001 and 2003 of approximately U.S.\$14.0 million (Ps.148,898) and U.S.\$1.8 million (Ps.20,393), respectively. As of December 31, 2004, the Group has accrued Ps.37,148 representing the Group's estimate of state and other tax liabilities in connection with these matters. These matters did not have, and the Group does not expect that they will have, a material adverse effect on its financial condition or results of operations.

There are other various legal actions and other claims pending against the Group incidental to its businesses and operations. In the opinion of the Group's management, none of these proceedings will have a material adverse effect on the Group's financial position or results of operations.

13. 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.

At December 31, 2004, shares of capital stock and CPOs consisted of (in thousands):

	AUTHORIZED AND ISSUED	REPURCHASED BY THE COMPANY	ACQUIRED BY A COMPANY'S TRUST	ACQUIRED BY A SUBSIDIARY OF THE COMPANY	OUTSTANDING
Series "A" Shares....	124,736,245	(387,315)	(7,406,648)	(2,333,895)	114,608,387
Series "B" Shares....	60,269,683	(340,837)	(4,019,585)	(1,619,642)	54,289,619
Series "D" Shares....	92,133,721	(542,241)	(2,677,881)	(2,543,811)	86,369,788
Series "L" Shares....	92,133,721	(542,241)	(2,677,881)	(2,543,811)	86,369,788
Total shares.....	369,273,370	(1,812,634)	(16,781,995)	(9,041,159)	341,637,582
Shares in the form of CPOs(1)(2).....	307,989,156	(1,812,634)	(8,951,772)	(8,503,596)	288,721,153
CPOs(1)(2).....	2,632,386	(15,493)	(76,511)	(72,680)	2,467,702

(1) 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 twenty CPOs. Non-Mexican holders of CPOs do not have voting rights with respect to the Series "A", Series "B" and Series "D" Shares.

(2) In connection with the Company's Recapitalization in July 2004, the Company issued 312,880,056 additional CPOs by combining 7,822,001,400 Series "A" Shares, 6,883,361,232 Series "B" Shares, 10,950,801,960 Series "D" Shares and 10,950,801,960 Series "L" Shares, not in the form of CPOs, which were owned by certain shareholders. Additionally, in October 2004, the Company issued 79,956,795 additional CPOs by combining 1,998,919,875 Series "A" Shares, 1,759,049,490 Series "B" Shares, 2,798,487,825 Series "D" Shares and 2,798,487,825 Series "L" Shares, not in the form of CPOs, which were acquired by a Company's trust (equivalent to 76,510,876 CPOs) and a Company's subsidiary (equivalent to 3,445,919 CPOs).

GRUPO TELEVISA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

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 equivalent 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 shareholders 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", Series "B" Shares and Series "L" Shares.

In September 2002, in connection with the approval of the Company's shareholders on April 30, 2002 to issue additional Series "A" Shares for the Long-Term Retention Plan, which supplements the Company's existing stock purchase plan, in an aggregate amount of up to 4.5% of the Company's outstanding capital stock or 10,758,766,775 Series "A" Shares (a portion of the 8% of the Company's capital stock previously authorized by the shareholders for these plans), and in conjunction with preemptive rights exercised by certain existing holders of Series "A" Shares, the Company increased its capital stock in the amount of Ps.448 by issuing an additional 1,077,925 Series "A" Shares (not in the form of CPOs), of which Ps.409 were recognized as additional paid-in capital. In December 2003, the Company increased its capital stock in the amount of Ps.4,232,221 by issuing the remaining additional 10,757,688,850 Series "A" Shares (not in the form of CPOs), of which Ps.3,839,864 were recognized as additional paid-in capital. Following this capital stock increase, the 10,757,688,850 Series "A" Shares were acquired by a Company's trust for the purpose of implementing the Company's Long-Term Retention Plan.

In April and December 2003, the Company's stockholders approved the cancellation of 2,370,067,800 shares of capital stock in the form of 31,600,904 CPOs, which were repurchased by the Company in 2000 and 2003.

In April 2004, the Company's stockholders approved a restructuring of the Company's capital stock (the "Recapitalization"), which comprised the following:

(i) a 25-for-one stock split, which became effective on July 26, 2004 (all the Company's share and per share data in these financial statements are presented on a post-split basis); (ii) the creation of the Series "B" Shares; (iii) a 14-for-25 stock dividend in the amount of Ps.937,034 (nominal of Ps.906,114); and (iv) an increase in the number of shares represented by each outstanding CPO. The Recapitalization increased the number of the Company's shares by a factor of 39 on a pre-split basis but did not affect the Company's total equity or dilute the equity interest of any shareholder.

At December 31, 2004, the restated tax value of the Company's common stock was Ps.21,098,844. 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 14).

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 grant and sale of up to 8% of the Company's capital stock to key Group employees. Pursuant to this Plan, through December 31, 2004, the Company had assigned approximately 118 million CPOs at market prices, subject to certain conditions, including vesting

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

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 the United States, can only be transferred to the plan participants when the conditions set forth in the Plan and the related agreements are satisfied. During 2003 and 2004, 5.0 million CPOs and approximately 42.5 million CPOs, respectively, were exercisable pursuant to this Plan in the amount of Ps.75,420 and Ps.586,088, respectively, and transferred to the Plan participants. In October 2004, those Series "B", Series "D" and Series "L" Shares, together with certain Series "A" Shares previously held by the trust, were exchanged by 3.4 million CPOs.

LONG-TERM RETENTION PLAN

In 2003, the Company designated a trust to implement a long-term retention plan (the "Retention Plan") which supplements the Company's existing stock purchase plan described above, and provides for the grant and sale of the Company's capital stock to key Group employees. In December 2003, the designated trust acquired approximately 10,757.6 million Series "A" Shares (not in the form of CPOs) for the purposes of the Company's Retention Plan. As a result of the Recapitalization described above and other related transactions, the trust designated for the implementation of the Retention Plan received a number of Series "B", Series "D" and Series "L" Shares against the delivery of the same number of Series "A" Shares. In October 2004, those Series "B", Series "D" and Series "L" Shares, together with certain Series "A" Shares previously held by the trust, were exchanged by approximately 76.5 million CPOs. Shares assigned to employees under the Retention Plan are estimated to be vested over a period comprised between 2008 and 2023. As of December 31, 2004, the Company had assigned approximately 50.0 million CPOs, at prices which vary between Ps.13.45 and Ps.28.05 per CPO, subject to certain conditions.

14. 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. In 2003 and 2004, the Company's stockholders approved increases to the legal reserve amounting to Ps.40,350 and Ps.189,165, respectively. 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.

As of December 31, 2004 the Company's stockholders had approved appropriating from retained earnings a reserve amounting to Ps.6,959,847 for the repurchase of shares, at the discretion of management. As of December 31, 2004, this reserve has been used for an amount of Ps.1,400,539, in connection with the cancellation of shares repurchased by the Company.

In September 2002, the Company announced a share repurchase program of up to U.S.\$400 million (Ps.4,577,946) over the next three years. Under the terms of the program, the Company may, at the discretion of management, acquire stock subject to legal, market and other conditions at the time of purchase. In connection with this program, the Company repurchased shares in the form of CPOs in the years ended December 31, 2003 and 2004, as follows:

	2003	2004(1)
	-----	-----
Number of shares repurchased.....	2,370,007,500	1,813,102,200
Number of CPOs repurchased.....	31,600,100	15,496,600
Amount repurchased.....	Ps.561,120	Ps.390,106

(1) During 2004, the Company resold 4,000 CPOs in the amount of Ps.101.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Unappropriated earnings as of December 31, 2003 and 2004 are comprised of

(i) accumulated earnings from prior years for an amount of Ps.15,072,242 and Ps.13,747,961, respectively; (ii) cumulative charges in connection with the acquisition of shares of the Company made by subsidiaries and a subsequently cancelled or sold in an amount of Ps.1,619,343 and Ps.2,227,080, respectively; and (iii) other unappropriated earnings in an amount of Ps.12,736.

In April 2003, the Company's stockholders approved the payment of a dividend in the aggregate amount of Ps.601,555 (nominal Ps.550,000), which consisted of Ps.0.18936540977 (nominal) per CPO and Ps.0.05260150265 (nominal) per Series "A" Share (not in the form of a CPO), and was paid in cash in June 2003.

In April 2004, the Company's stockholders approved the payment of a dividend in the aggregate amount of Ps.3,981,377 (nominal Ps.3,850,000), which consisted of nominal Ps.1.21982800845 per CPO and nominal Ps.0.40660933615 per former Series "A" Share (not in the form of a CPO), and was paid in cash in May 2004.

In April 2004, in connection with the Recapitalization of the Company (see Note 13), the Company's stockholders approved a stock dividend in the amount of Ps.937,034 (nominal Ps.906,114).

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 subject to a 42.86%, 40.85% or 38.89% income tax to be paid by the companies paying the dividends in 2005, 2006 or 2007, respectively.

At December 31, 2004, cumulative earnings that have been subject to income tax and can be distributed by the Company free of Mexican withholding tax were approximately Ps.2,440,488. In addition, the payment of dividends is restricted under certain circumstances by the terms of certain Mexican peso loan agreements (see Note 8).

15. COMPREHENSIVE INCOME

Comprehensive income related to the majority interest for the years ended December 31, 2002, 2003 and 2004, was as follows:

	2002	2003	2004
	-----	-----	-----
Net income.....	Ps. 806,999	Ps. 3,783,295	Ps. 4,316,743
	-----	-----	-----
Other comprehensive (loss) income -- net:			
Foreign currency translation adjustments,			
net(1).....	(149,833)	(160,783)	(194,180)
Result from holding non-monetary assets,			
net(2).....	400,014	275,909	(127,514)
Gain on issuance of shares of investees			
(see Notes 5 and 10).....	535,878	3,032,876	119,605
	-----	-----	-----
Total other comprehensive income			
(loss) -- net.....	786,059	3,148,002	(202,089)
	-----	-----	-----
Comprehensive income.....	Ps. 1,593,058	Ps. 6,931,297	Ps. 4,114,654
	=====	=====	=====

(1) The amounts for 2002, 2003 and 2004 include the foreign exchange (loss) gain of (Ps.869,767), (Ps.493,333) and Ps.42,643, respectively, which were hedged by the Group's net investment in Univision (see Note 1(c)).

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(2) Represents the difference between specific costs (net replacement cost or Specific Index) of non-monetary assets and the restatement of such assets using the NCPI, net of deferred tax (provision) benefit of (Ps.208,728), (Ps.157,115) and Ps.54,829 for the years ended December 31, 2002, 2003 and 2004, respectively.

The changes in components of accumulated other comprehensive (loss) income for the years ended December 31, 2002, 2003 and 2004, were as follows:

	GAIN ON ISSUANCE OF SHARES OF INVESTEES	ACCUMULATED MONETARY RESULT	CUMULATIVE RESULT FROM HOLDING NON- MONETARY ASSETS	CUMULATIVE RESULT FROM FOREIGN CURRENCY TRANSLATION	CUMULATIVE EFFECT OF DEFERRED INCOME TAXES	ACCUMULATED OTHER COMPREHENSIVE (LOSS) INCOME
Balance at January 1, 2002.....	Ps. 235,196	Ps. (31,540)	Ps. (2,358,903)	Ps. (1,248,542)	Ps. (2,890,246)	Ps. (6,294,035)
Current year change.....	535,878	--	400,014	(149,833)	--	786,059
Balance at December 31, 2002.....	771,074	(31,540)	(1,958,889)	(1,398,375)	(2,890,246)	(5,507,976)
Current year change.....	3,032,876	--	275,909	(160,783)	--	3,148,002
Balance at December 31, 2003.....	3,803,950	(31,540)	(1,682,980)	(1,559,158)	(2,890,246)	(2,359,974)
Current year change.....	119,605	--	(127,514)	(194,180)	--	(202,089)
Balance at December 31, 2004.....	Ps.3,923,555	Ps. (31,540)	Ps. (1,810,494)	Ps. (1,753,338)	Ps. (2,890,246)	Ps. (2,562,063)

Cumulative result from holding non-monetary assets as of December 31, 2002, 2003 and 2004 is net of a deferred income tax benefit of Ps.218,249, Ps.61,134 and Ps.115,963, respectively.

16. MINORITY INTEREST

Minority interest at December 31, 2003 and 2004, consisted of:

	2003	2004(1)
Capital stock.....	Ps.1,143,159	Ps. 3,668,943
Retained earnings.....	437,108	(3,725,526)
Cumulative result from holding non-monetary assets.....	(244,612)	(240,055)
Accumulated monetary result.....	(4,840)	(6,773)
Cumulative effect of deferred income taxes.....	(68,847)	(48,885)
Net (loss) income for the year.....	(127,333)	231,751
	Ps.1,134,635	Ps. (120,545)

(1) Beginning April 1, 2004, the minority interest of Innova is recognized in the Group's consolidated minority interest.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

17. TRANSACTIONS WITH RELATED PARTIES

The principal transactions that the Group carried out with affiliated companies, including equity investees, stockholders and entities in which stockholders have an equity interest, were as follows:

	2002	2003	2004
	-----	-----	-----
Revenues:			
Royalties (Univision)(a).....	Ps. 851,918	Ps.1,125,694	Ps.1,098,418
Soccer transmission rights (Univision)....	51,710	44,136	71,209
Programming production and transmission rights(b).....	316,587	323,767	218,952
Administrative services(c).....	126,430	73,179	51,896
Interest income.....	186,896	132,493	896
Advertising(d).....	234,851	218,260	108,388
	-----	-----	-----
	Ps.1,768,392	Ps.1,917,529	Ps.1,549,759
	=====	=====	=====
Costs:			
Donations.....	Ps. 60,580	Ps. 73,078	Ps. 92,217
Administrative services(c).....	45,347	39,274	5,453
Other.....	56,347	59,720	74,629
	-----	-----	-----
	Ps. 162,274	Ps. 172,072	Ps. 172,299
	=====	=====	=====

(a) The Group receives royalties from Univision for programming provided pursuant to a program license agreement that expires in December 2017. Royalties are determined based upon a percentage of combined net sales of Univision, which was 9% plus an incremental percentage of up to 3% over additional sales in 2002, 2003 and 2004.

(b) Services rendered to Innova in 2002, Innova and other affiliates in 2003, and Innova for the three months ended March 31, 2004, Endemol and other affiliates in 2004.

(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.

(d) Advertising services rendered to Innova in 2002, 2003 and for the three months ended March 31, 2004, to OCEN in 2003, 2004, and to Univision in 2002, 2003 and 2004.

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

(a) A consulting firm owned by a relative of one of the Group's director, which has, from time to time, provided consulting services and research in connection with the effects of the Group's programming on its viewing audience.

(b) 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. One of the Group's directors is a member of the board of this bank and another of the Group's directors is the Chairman of the board of this bank. Also, other members of the Group's Board serve as board members of this bank.

(c) Two of the Group's directors and one of the Group's alternate directors are members of the board as well as shareholders 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

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

promotion of its products from time to time, paying rates applicable to third-party advertisers for these advertising services.

(d) Several other members of the Group's current board serve as members of the boards and/or shareholders of other companies, some of which purchased advertising services from the Group in connection with the promotion of their respective products and services.

(e) During 2002, 2003 and 2004, a professional services firm in which a current director and two alternate directors maintain interest provided legal advisory services to the Group in connection with various corporate matters. Total fees for such services amounted to Ps.10,288, Ps.8,491 and Ps.18,565, respectively.

The balances of receivables and (payables) between the Group and affiliates as of December 31, 2003 and 2004, were as follows:

	2003	2004
	-----	-----
TechCo.	Ps. --	Ps. (15,577)
Innova (see Note 10).....	384,511	--
News Corp. (see Note 10).....	(177,115)	(57,289)
OCEN (see Note 2).....	22,576	(7,284)
Univision (see Note 5).....	101,748	87,248
Other.....	133,686	69,316
	-----	-----
	Ps. 465,406	Ps. 76,414
	=====	=====

All significant account balances included in amounts due from affiliates bear interest. In 2002, 2003 and 2004, average interest rates of 14.56%, 7.07% and 6.9% 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, 2003 and 2004 included deposits and advances from affiliates in an aggregate amount of Ps.475,999 and Ps.377,834, respectively, which were made by Univision, Editorial Clio, Libros y Videos, S.A. de C.V. and OCEN as of December 31, 2003 and 2004, and Innova as of December 31, 2003.

18. INTEGRAL COST OF FINANCING

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

	2002	2003	2004
	-----	-----	-----
Interest expense(1).....	Ps.1,499,681	Ps.1,447,183	Ps.2,095,384
Interest income.....	(644,898)	(683,626)	(656,511)
Foreign exchange (gain) loss, net(2).....	(230,592)	(203,392)	92,109
Loss (gain) from monetary position(3).....	46,239	86,261	(14,824)
	-----	-----	-----
	Ps. 670,430	Ps. 646,426	Ps.1,516,158
	=====	=====	=====

(1) Interest expense in 2002 and 2003 includes Ps.207,426 and Ps.146,563, respectively, derived from the restatement of the Company's UDI-denominated debt securities, and in 2004 includes Ps.202,484 derived from the UDI index restatement of Company's UDI-denominated debt securities and a net gain from related derivative contracts of Ps.30,375 (see Notes 8 and 9).

(2) Net foreign exchange gain in 2002 and 2003 includes a net loss from foreign currency option contracts of Ps.3,169 and Ps.18,750, respectively, and net foreign exchange loss in 2004 includes a net loss from

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

foreign currency derivative contracts of Ps.96,261. A foreign exchange loss in 2002 and 2003 of Ps.869,767 and Ps.493,333, respectively, and a foreign exchange gain in 2004 of Ps.42,643, were hedged by the Group's net investment in Univision and recognized in stockholders' equity as other comprehensive loss (see Notes 1(c) and 15).

(3) The gain or loss from monetary position represents the effects of inflation, as measured by the NCPI in the case of Mexican companies, or the general inflation index of each country in the case of foreign subsidiaries, on the monetary assets and liabilities at the beginning of each month. It also includes monetary loss in 2002, 2003 and 2004 of Ps.196,589, Ps.142,683 and Ps.181,744, respectively, arising from temporary differences of non-monetary items in calculating deferred income tax (see Note 21).

19. RESTRUCTURING AND NON-RECURRING CHARGES

Restructuring and non-recurring charges for the years ended December 31, are analyzed as follows:

	2002	2003	2004
	-----	-----	-----
Restructuring charges:			
Severance costs.....	Ps. 332,881	Ps.198,805	Ps.146,320
Non-recurring charges:			
Write-off of exclusive rights letters for soccer players.....	355,883	--	--
Drawdown by DirecTV under a letter of credit(1).....	178,750	--	--
Payment of vested and non-vested salary benefits(2).....	--	298,952	--
Estimate for the disposal the Group's nationwide paging business (see Notes 2 and 6).....	--	173,119	--
Impairment adjustments(3).....	--	--	230,000
Other.....	53,263	20,489	18,930
	-----	-----	-----
	Ps. 920,777	Ps. 691,365	Ps. 395,250
	=====	=====	=====

(1) Letter of credit posted by the Company in connection with the broadcasting of the 2002 World Cup.

(2) Benefits paid to certain of the Group's union employees.

(3) In connection with the carrying value of goodwill and trademarks (see Note 7).

GRUPO TELEVISIA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

20. OTHER EXPENSE -- NET

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

	2002	2003	2004
	-----	-----	-----
Loss (gain) on disposition of investments, net (see Note 2).....	Ps. 39,562	Ps. (467,210)	Ps. 133,824
Amortization of goodwill (see Note 7).....	478,843	484,605	--
Amortization of DTH development costs.....	31,642	--	--
Provision for doubtful non-trade accounts and write-off of other receivables.....	72,683	11,182	37,769
Write-off of goodwill (see Notes 2 and 7)....	1,166,689	119,853	--
Donations (see Note 17).....	124,102	170,307	165,337
Financial advisory and professional services(1).....	115,980	53,984	66,915
Loss on disposition of fixed assets.....	145,256	223,527	66,369
Penalties and surcharges.....	76,312	--	--
Unaccredited foreign income tax.....	50,585	--	--
Miscellaneous other expense (income) -- net...	32,465	(24,792)	44,783
	-----	-----	-----
	Ps. 2,334,119	Ps. 571,456	Ps. 514,997
	=====	=====	=====

(1) 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, 12 and 17).

21. INCOME TAX, ASSET TAX AND EMPLOYEES' PROFIT SHARING

The Company is authorized by the Mexican tax authorities to compute its income tax and asset 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 a certain percentage of their share ownership in such subsidiaries, which was 60% through December 31, 2004, and will be 100% beginning January 1, 2005. The asset tax is computed on a fully consolidated basis.

The Mexican corporate income tax rate in 2002, 2003 and 2004 was 35%, 34% and 33%, respectively. In accordance with the current Mexican Income Tax Law, the corporate income tax rate in 2005 will be 30%, and will be gradually reduced annually by 1% until it reaches 28% in 2007. Consequently, the effect of this gradual decrease in the income tax rate reduced the Group's deferred income tax liability in 2002, 2003 and 2004.

Through 2001, companies were allowed to pay the income tax liability computed at a 30% rate with the remaining 5% of the liability due when the taxable income of the year is distributed to shareholders. At December 31, 2004, the amount of payments deferred under this provision of the income tax law totaled Ps.80,553.

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The income tax provision for the years ended December 31, 2002, 2003 and 2004, was comprised as follows:

	2002	2003	2004
	-----	-----	-----
Income tax and asset tax -- current.....	Ps. 982,840	Ps.1,100,324	Ps. 597,463
Income tax and asset tax -- deferred.....	(659,914)	(349,305)	572,359
	-----	-----	-----
	Ps. 322,926	Ps. 751,019	Ps.1,169,822
	=====	=====	=====

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

	%		
	2002	2003	2004
	-----	-----	-----
Tax at the statutory rate on income before provisions.....	35	34	33
Differences in inflation adjustments for tax and book purposes.....	7	2	2
Hedge.....	(26)	(3)	--
Non-deductible items.....	7	4	3
Special tax consolidation items.....	2	(1)	--
Unconsolidated income tax.....	38	6	2
Minority interest.....	(2)	11	(4)
Excess in tax provision of prior years.....	(17)	4	(2)
Changes in valuation allowances:			
Goodwill.....	42	--	--
Asset tax.....	(7)	6	4
Tax loss carryforwards.....	26	--	5
Effect of change in income tax rates.....	(25)	4	--
Foreign operations.....	(51)	(18)	(9)
Discontinued operations.....	(1)	--	--
Recoverable income tax from repurchase of shares.....	--	--	(5)
Use of unconsolidated tax loss carryforwards(a).....	--	(32)	(10)
	-----	-----	-----
Provision for income tax and the asset tax.....	28	17	19
	===	===	===

(a) In 2003 and 2004, this amount represents the effect of the use of tax loss carryforwards arising from the acquisition of Telespecialidades in June 2003 and certain other subsidiaries in the second half of 2004 (see Note 2).

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

The Group has tax loss carryforwards at December 31, 2004, as follows:

	AMOUNT	EXPIRATION
	-----	-----
Operating tax loss carryforwards:		
Unconsolidated:		
Mexican subsidiaries(1).....	Ps. 824,832	From 2005 to 2014
Non-Mexican subsidiaries(2).....	1,181,203	From 2005 to 2024

	2,006,035	
Capital tax loss carryforwards:		
Unconsolidated Mexican subsidiary(3).....	469,074	From 2009 to 2014

	Ps.2,475,109	
	=====	

(1) During 2002, 2003 and 2004, certain Mexican subsidiaries utilized unconsolidated operating tax loss carryforwards of Ps.1,146,559, Ps.6,748,889 and Ps.2,116,096, respectively.

(2) Approximately the equivalent of U.S.\$105.9 million for subsidiaries in Spain, South America and the United States.

(3) These carryforwards can only be used in connection with capital gains to be generated by such subsidiary.

The asset tax rate is 1.8%. The asset tax paid in excess of the income tax in the previous ten years can be credited in future years if the amount of the income tax in subsequent years is in excess of the assets tax. As of December 31, 2004, the Company had Ps.1,250,616 of asset tax subject to be credited and expiring between 2007 and 2013.

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

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

The deferred taxes as of December 31, 2003 and 2004, were principally derived from the following temporary differences:

	2003		2004
	-----		-----
ASSETS:			
Accrued liabilities.....	Ps. 529,292	Ps.	570,084
Goodwill.....	876,447		853,023
Tax loss carryforwards.....	901,285		996,397
Allowance for doubtful accounts.....	371,958		414,232
Customer advances.....	1,528,369		1,504,999
LIABILITIES:			
Inventories.....	(1,333,103)		(732,271)
Property, plant and equipment -- net.....	(1,293,549)		(1,238,913)
Other items.....	(420,716)		(1,256,371)
Innova.....	(1,661,285)		(1,568,519)
Deferred-income taxes of Mexican companies.....	(501,302)		(457,339)
Deferred income taxes of foreign subsidiaries.....	(393,553)		(301,537)
Asset tax.....	1,952,028		1,250,616
Valuation allowances.....	(2,364,941)		(2,223,528)
Recoverable income tax from repurchase of shares.....	--		214,345
Deferred income tax liability.....	(1,307,768)		(1,517,443)
Effect of change of income tax rates.....	93,387		183,421
Deferred income tax liability -- net.....	Ps. (1,214,381)	Ps.	(1,334,022)
	=====		=====

The change in the deferred income tax liability for the years ended December 31, 2002, 2003 and 2004, representing a (credit) charge (Ps.224,267), Ps.1,012,314 and (Ps.119,641), respectively, was recorded against the following accounts:

	2002	2003	2004
	-----	-----	-----
Credits to the gain from monetary position...	Ps. 107,997	Ps. 85,158	Ps. 59,925
(Charges) credits to the result from holding non-monetary assets.....	(208,728)	(157,115)	54,829
Credits (charges) to the provision for deferred income tax.....	463,325	206,622	(754,103)
(Charges) credits to the discontinued operations.....	(586,861)	31,758	--
Credits to the cumulative effect accounting change.....	--	--	309,093
Acquisition of companies (see Note 2).....	--	845,891	210,615
	Ps. (224,267)	Ps. 1,012,314	Ps. (119,641)
	=====	=====	=====

Additionally, the provision for deferred income tax for the years ended December 31, 2002, 2003 and 2004 was credited by Ps.196,589, Ps.142,683 and Ps.181,744, respectively, representing the effect on restatement of the non-monetary items included in the deferred tax calculation, which was originally accounted for in the result from monetary position and then reclassified to the provision for deferred income tax (see Note 18). Consequently, the total (benefit) provision for deferred income tax and asset

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

tax for the years ended December 31, 2002, 2003 and 2004, was of (Ps.659,914), (Ps.349,305) and Ps.572,359, respectively.

22. DISCONTINUED OPERATIONS

In December 2001, in connection with a series of transactions the Group reached an agreement with Univision to sell its music recording business in the United States and Latin America, which sale was consummated in April 2002 (see Note 2). Accordingly, the results of operations of the music recording business are reported as discontinued operations for all periods presented in these consolidated financial statements.

Discontinued operations of the music recording segment are presented as follows:

	2002	2003
	-----	-----
Income from music recording operations.....	Ps. 1,851	Ps. --
Gain (loss) on disposal of music recording operations, net of an income tax provision (benefit) of Ps.586,861 and (Ps.31,758) for 2002 and 2003, respectively(1).....	1,160,518	(67,487)
	-----	-----
	Ps.1,162,369	Ps.(67,487)
	=====	=====

(1) In 2002, the costs and expenses related to the disposal of the Group's music recording operations, amounted to approximately Ps.942,165, which included fees of Ps.94,227 for financial advisory services provided to the Group by a professional services firm in which a current director of the Company maintains an interest, and advertising time for an aggregate amount of Ps.171,673 rendered and to be provided to Univision by the Group in a three-year period following this disposal (see Note 17). In 2003, the Group incurred approximately Ps.99,245 in additional costs and expenses related to this disposal.

Summarized information on results of the discontinued music recording operations for the period from January 1, 2002 through the closing date in March 2002, is as follows:

	2002

Net sales.....	Ps.226,773
Cost of sales.....	165,585
Operating expenses.....	39,430
Depreciation and amortization.....	841
Operating income.....	20,917
Income before income tax.....	12,954
Income taxes.....	11,103
Net income from discontinued operations.....	1,851

The results of the music recording segment reflected revenues, costs and expenses related to the production and distribution (in Mexico and abroad) of cassettes, compact disc recordings and records of Mexican and Latin American artists, principally under three record labels which were wholly-owned by the Group. Music recording segment revenues were derived primarily from sales of recorded music and royalty revenues from the licensing of recordings to third parties.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

23. EARNINGS PER CPO/SHARE

The information included in this Note has been adjusted to retroactively reflect the capital stock restructuring which is more fully described in Note 13.

During the years ended December 31, 2002, 2003 and 2004, 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):

	2002	2003	2004
	-----	-----	-----
Total Shares.....	353,905,831	352,421,221	345,205,994
CPOs.....	2,186,139	2,166,320	2,293,867
Shares not in the form of CPO units:			
Series "A" Shares.....	57,386,475	57,387,552	55,524,135
Series "B" Shares.....	8,214,835	8,214,835	5,305,998
Series "D" Shares.....	11,255,911	11,255,911	6,645,321
Series "L" Shares.....	11,255,911	11,255,911	6,645,321

Earnings (loss) 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, 2002, 2003 and 2004, are presented as follows:

	2002		2003		2004	
	-----	-----	-----	-----	-----	-----
	PER CPO	PER SERIES "A" SHARE	PER CPO	PER SERIES "A" SHARE	PER CPO	PER EACH SERIES "A", "B", "D" AND "L" SHARE
	-----	-----	-----	-----	-----	-----
Continuing operations.....	Ps. (0.12)	Ps. --	Ps. 1.34	Ps. 0.01	Ps. 1.83	Ps. 0.01
Discontinued operations....	0.40	--	(0.02)	--	--	--
Cumulative loss effect of accounting change.....	--	--	--	--	(0.35)	--
Net income.....	Ps. 0.28	Ps. --	Ps. 1.32	Ps. 0.01	Ps. 1.48	Ps. 0.01
	=====	=====	=====	=====	=====	=====

GRUPO TELEVISIA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

24. FOREIGN CURRENCY POSITION

The foreign currency position of monetary items of the Group at December 31, 2004, was as follows:

	FOREIGN CURRENCY AMOUNTS (THOUSANDS)	YEAR-END EXCHANGE RATE	MEXICAN PESOS
	-----	-----	-----
ASSETS:			
U.S. dollars.....	653,794	Ps.11.1490	Ps. 7,289,149
Euros.....	10,070	15.2500	153,568
Chilean pesos.....	7,185,750	0.0200	143,715
Colombian pesos.....	14,633,913	0.0046	67,316
Other currencies.....	40,384	--	87,404
LIABILITIES:			
U.S. dollars(1).....	1,513,640	Ps.11.1490	Ps.16,875,572
Euros.....	339	15.2500	5,170
Chilean pesos.....	8,161,300	0.0200	163,226
Colombian pesos.....	12,342,391	0.0046	56,775
Other currencies.....	57,964	--	72,485

(1) Includes U.S.\$600.0 million (Ps.6,689,400) of long-term securities being hedged by the Group's net investment in Univision (see Note 1 (c)).

The foreign currency position of non-monetary items as of December 31, 2004, was as follows:

	FOREIGN CURRENCY AMOUNTS (THOUSANDS)	YEAR-END EXCHANGE RATE	MEXICAN PESOS(1)
	-----	-----	-----
PROPERTY, PLANT AND EQUIPMENT:			
U.S. dollars.....	274,151	Ps.11.1490	Ps.3,056,509
Japanese yen.....	3,873,145	0.1090	422,173
Euros.....	13,455	15.2500	205,189
Colombian pesos.....	8,046,502	0.0046	37,014
Pounds sterling.....	3,077	21.5200	66,217
Other currencies.....	507,649	--	60,317
TRANSMISSION RIGHTS AND PROGRAMMING:			
U.S. dollars.....	368,086	Ps.11.1490	Ps.4,103,791
Colombian pesos.....	3,622,056	0.0046	16,661
Chilean pesos.....	3,254,560	0.0200	65,091
Peruvian nuevo sol.....	3,526	3.3959	11,974
Other currencies.....	2,593	--	14,967

(1) Amounts translated at the year-end exchange rates for reference purposes only; does not indicate the actual amounts accounted for in the financial statements.

GRUPO TELEVISIA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Transactions incurred during 2004 in foreign currencies were as follows:

	U.S. DOLLAR (THOUSANDS)	U.S. DOLLAR EQUIVALENT OF OTHER FOREIGN CURRENCY TRANSACTIONS (THOUSANDS)	TOTAL U.S. DOLLAR (THOUSANDS)	MEXICAN PESOS(1)
	-----	-----	-----	-----
INCOME:				
Revenues.....	\$312,423	\$122,689	\$435,112	Ps. 4,851,064
Other income.....	3,816	2,213	6,029	67,217
Interest income.....	6,354	276	6,630	73,918
	-----	-----	-----	-----
	\$322,593	\$125,178	\$447,771	Ps. 4,992,199
	=====	=====	=====	=====
PURCHASES, COSTS AND EXPENSES:				
Purchases of inventories.....	\$297,455	\$ 20,140	\$317,595	Ps. 3,540,867
Purchases of property and equipment.....	41,145	13,161	54,306	605,458
Investments.....	18,797	--	18,797	209,568
Costs and expenses.....	261,502	132,871	394,373	4,396,865
Interest expense.....	113,827	323	114,150	1,272,658
	-----	-----	-----	-----
	\$732,726	\$166,495	\$899,221	Ps. 10,025,416
	=====	=====	=====	=====

(1) Income statement amounts translated at the year-end exchange rate of Ps.11.149 for reference purposes only; does not indicate the actual amounts accounted for in the financial statements (see Note 1(c)).

As of December 31, 2004 the exchange rate was Ps.11.149 per U.S. dollar, which represents the interbank free market exchange rate on that date as reported by Banco Nacional de Mexico, S.A.

As of March 18, 2005, the exchange rate was Ps.11.1645 per U.S. dollar, which represents the interbank free market exchange rate on that date as reported by Banco Nacional de Mexico, S.A.

25. SEGMENT DATA

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. The Group's reportable segments are 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.

GRUPO TELEVISA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

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 the 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.

PUBLISHING DISTRIBUTION

The publishing distribution segment consists of distribution of Spanish-language magazines, owned by either the Group or independent publishers, and other consumer products in Mexico and Latin America. Publishing distribution revenues are derived from magazine and other consumer products sales to retailers.

SKY MEXICO

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

CABLE TELEVISION

The cable television segment includes the operation of a cable television system in the Mexico City metropolitan area and derives revenues principally from basic and premium services subscription and installation fees from cable subscribers, pay-per-view fees, and local and national advertising sales.

RADIO

The radio segment includes the operation of six radio stations in Mexico City and eleven other domestic stations owned by the Group. Revenues are derived by advertising and by the distribution of programs to non-affiliated radio stations.

OTHER BUSINESSES

The other businesses segment includes the Group's domestic operations in sports and show business promotion, soccer, nationwide paging (through October 2004), feature film production and distribution, Internet operations and dubbing services for Mexican and multinational companies (through October 2003).

GRUPO TELEVISIA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

The table below presents information by segment for the years ended December 31, 2002, 2003 and 2004.

	TOTAL REVENUES	INTERSEGMENT REVENUES	CONSOLIDATED REVENUES	OPERATING INCOME (LOSS) BEFORE DEPRECIATION AND AMORTIZATION	DEPRECIATION AND AMORTIZATION EXPENSE	OPERATING INCOME (LOSS)
2002:						
Television Broadcasting...	Ps.15,354,178	Ps. 110,093	Ps.15,244,085	Ps. 5,996,362	Ps. 1,004,142	Ps. 4,992,220
Pay Television Networks...	665,026	62,355	602,671	113,021	47,113	65,908
Programming Exports.....	1,536,891	--	1,536,891	250,966	12,543	238,423
Publishing.....	1,840,881	16,032	1,824,849	296,551	30,149	266,402
Publishing Distribution...	1,469,726	12,325	1,457,401	16,299	18,326	(2,027)
Cable Television.....	1,212,080	525	1,211,555	354,753	134,405	220,348
Radio.....	204,597	45,913	158,684	(32,013)	18,013	(50,026)
Other Businesses.....	1,693,987	149,951	1,544,036	(167,156)	320,886	(488,042)
Eliminations and corporate expenses.....	(397,194)	(397,194)	--	(156,968)	--	(156,968)
Consolidated total.....	Ps.23,580,172	Ps. --	Ps.23,580,172	Ps. 6,671,815	Ps. 1,585,577	Ps. 5,086,238
2003:						
Television Broadcasting...	Ps.16,185,710	Ps. 73,751	Ps.16,111,959	Ps. 6,879,704	Ps. 971,067	Ps. 5,908,637
Pay Television Networks...	735,996	58,777	677,219	162,326	41,669	120,657
Programming Exports.....	1,714,773	--	1,714,773	523,880	7,790	516,090
Publishing.....	1,880,552	1,700	1,878,852	364,099	19,874	344,225
Publishing Distribution...	1,868,424	6,960	1,861,464	9,093	21,318	(12,225)
Cable Television.....	1,037,715	5,125	1,032,590	317,069	189,879	127,190
Radio.....	262,247	49,523	212,724	23,653	16,343	7,310
Other Businesses.....	1,431,939	135,188	1,296,751	(158,585)	336,472	(495,057)
Eliminations and corporate expenses.....	(331,024)	(331,024)	--	(157,057)	--	(157,057)
Consolidated total.....	Ps.24,786,332	Ps. --	Ps.24,786,332	Ps. 7,964,182	Ps. 1,604,412	Ps. 6,359,770
2004:						
Television Broadcasting...	Ps.17,101,942	Ps. 409,905	Ps.16,692,037	Ps. 7,760,194	Ps. 1,039,112	Ps. 6,721,082
Pay Television Networks...	800,784	112,141	688,643	298,522	20,779	277,743
Programming Exports.....	1,917,307	--	1,917,307	731,724	7,194	724,530
Publishing.....	2,093,365	4,979	2,088,386	424,733	23,506	401,227
Publishing Distribution...	1,573,979	8,121	1,565,858	(25,381)	22,960	(48,341)
Sky Mexico.....	3,636,946	42,994	3,593,952	1,338,579	566,889	771,690
Cable Television.....	1,127,924	3,524	1,124,400	356,551	282,237	74,314
Radio.....	295,766	49,353	246,413	31,746	18,903	12,843
Other Businesses.....	1,497,520	100,263	1,397,257	(127,853)	93,424	(221,277)
Eliminations and corporate expenses.....	(731,280)	(731,280)	--	(155,975)	--	(155,975)
Consolidated total.....	Ps.29,314,253	Ps. --	Ps.29,314,253	Ps.10,632,840	Ps. 2,075,004	Ps. 8,557,836

GRUPO TELEVISA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

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 expenses.

GRUPO TELEVISIA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

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, 2002, 2003 and 2004.

	SEGMENT ASSETS AT YEAR-END	SEGMENT LIABILITIES AT YEAR-END	ADDITIONS TO PROPERTY, PLANT AND EQUIPMENT
	-----	-----	-----
2002:			
Continuing operations:			
Television operations(1).....	Ps.40,643,005	Ps.18,354,261	Ps.1,207,150
Publishing.....	1,696,059	187,425	3,832
Publishing Distribution.....	1,016,721	393,703	16,230
Cable Television.....	2,303,634	630,270	200,367
Radio.....	433,771	50,408	11,819
Other Businesses.....	4,016,667	2,961,569	41,437
	-----	-----	-----
Total.....	Ps.50,109,857	Ps.22,577,636	Ps.1,480,835
	=====	=====	=====
2003:			
Continuing operations:			
Television operations(1).....	Ps.44,368,054	Ps.20,123,572	Ps. 789,951
Publishing.....	1,955,756	383,033	11,177
Publishing Distribution.....	1,019,866	415,457	22,279
Cable Television.....	2,225,616	510,413	185,409
Radio.....	445,507	53,657	14,778
Other Businesses.....	3,495,206	1,990,560	83,246
	-----	-----	-----
Total.....	Ps.53,510,005	Ps.23,476,692	Ps.1,106,840
	=====	=====	=====
2004:			
Continuing operations:			
Television operations(1).....	Ps.46,293,559	Ps.20,589,421	Ps. 835,419
Publishing.....	1,986,695	288,756	53,293
Publishing Distribution.....	1,002,582	368,404	33,481
Sky Mexico.....	4,525,728	7,245,750	655,664
Cable Television.....	2,024,446	324,682	400,433
Radio.....	455,730	54,652	8,946
Other Businesses.....	3,316,228	555,658	39,743
	-----	-----	-----
Total.....	Ps.59,604,968	Ps.29,427,323	Ps.2,026,979
	=====	=====	=====

(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.

GRUPO TELEVISA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Segment assets reconcile to total assets as follows:

	2002	2003	2004
	-----	-----	-----
Segment assets.....	Ps. 50,109,857	Ps. 53,510,005	Ps. 59,604,968
Non-trade long-term receivables.....	6,250	--	--
Investments attributable to:			
Television operations(1).....	8,274,782	11,545,962	11,501,608
Other segments.....	496,177	571,626	677,867
DTH ventures(2).....	396,124	369,172	150,333
Goodwill -- net attributable to:			
Television operations.....	1,329,723	1,238,468	1,238,470
Publishing Distribution.....	288,632	176,607	--
Other segments.....	801,371	708,923	710,410
	-----	-----	-----
Total assets.....	Ps. 61,702,916	Ps. 68,120,763	Ps. 73,883,656
	=====	=====	=====

(1) Includes goodwill attributable to equity investments of Ps.5,760,675, Ps.5,730,086 and Ps.5,572,086 in 2002, 2003 and 2004, respectively.

(2) Includes goodwill attributable to investments in DTH ventures of Ps.89,002 and Ps.106,742 in 2002 and 2003, respectively.

Equity method income for the years ended December 31, 2002, 2003 and 2004 attributable to television operations, equity investments approximated Ps.60,084, Ps.122,239 and Ps.255,076, respectively.

Segment liabilities reconcile to total liabilities as follows:

	2002	2003	2004
	-----	-----	-----
Segment liabilities.....	Ps. 22,577,636	Ps. 23,476,692	Ps. 29,427,323
Notes payable and long-term debt not attributable to segments.....	15,801,896	15,688,907	16,852,305
	-----	-----	-----
Total liabilities.....	Ps. 38,379,532	Ps. 39,165,599	Ps. 46,279,628
	=====	=====	=====

GRUPO TELEVISIA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

GEOGRAPHICAL SEGMENT INFORMATION

	TOTAL NET SALES	SEGMENT ASSETS AT YEAR-END	ADDITIONS TO PROPERTY, PLANT AND EQUIPMENT
	-----	-----	-----
2002:			
Mexico.....	Ps.19,932,524	Ps.45,341,571	Ps.1,453,262
Other countries.....	3,647,648	4,768,286	27,573
	-----	-----	-----
	Ps.23,580,172	Ps.50,109,857	Ps.1,480,835
	=====	=====	=====
2003:			
Mexico.....	Ps.20,471,449	Ps.49,805,107	Ps.1,057,773
Other countries.....	4,314,883	3,704,898	49,067
	-----	-----	-----
	Ps.24,786,332	Ps.53,510,005	Ps.1,106,840
	=====	=====	=====
2004:			
Mexico.....	Ps.24,803,269	Ps.51,595,242	Ps.1,969,604
Other countries.....	4,510,984	8,009,726	57,375
	-----	-----	-----
	Ps.29,314,253	Ps.59,604,968	Ps.2,026,979
	=====	=====	=====

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

GRUPO TELEVISIA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

26. DIFFERENCES BETWEEN MEXICAN AND U.S. GAAP

The Group's consolidated financial statements are prepared in accordance with Mexican GAAP, which differs in certain significant respects from accounting principles generally accepted in the United States ("U.S. GAAP"). The differences between Mexican GAAP and U.S. GAAP are presented below, together with explanations of certain adjustments that affect net income and shareholders' equity as of and for the years ended December 31:

RECONCILIATION OF NET (LOSS) INCOME

	2002	2003	2004
	-----	-----	-----
Net income as reported under Mexican GAAP.....	Ps. 806,999	Ps. 3,783,295	Ps. 4,316,743
U.S. GAAP adjustments:			
(a) Capitalization of financing costs, net of depreciation.....	18,425	20,784	23,855
(b) Deferred costs, net of amortization.....	25,377	215,727	36,279
(c) Equipment restatement, net of depreciation.....	(111,369)	67,925	69,814
(d) Purchase accounting adjustments:			
Amortization of broadcast license and network affiliation agreements.....	--	(6,417)	(6,417)
Depreciation of fixed assets.....	(10,862)	(10,862)	(10,862)
Amortization of other assets.....	(4,334)	(4,380)	(4,279)
(e) Goodwill and other intangible assets:			
Reversal of Mexican GAAP goodwill amortization.....	478,843	484,605	--
Reversal of Mexican GAAP impairment of goodwill.....	858,365	93,415	172,776
Reversal of Mexican GAAP amortization of intangible assets with indefinite lives.....	98,589	--	--
(f) Equity method investees:			
Innova.....	(823,445)	(312,305)	1,303,180
SMCP.....	--	(802,690)	(454,575)
Univision.....	64,612	40,936	--
Others.....	(2,192)	--	--
(g) Adjustment to gain on sale of music recording business.....	(290,433)	--	--
(h) Derivative financial instruments.....	(1,287,311)	1,399,393	(1,020,376)
(i) Pension plan and seniority premiums.....	1,414	(391)	22,958
(j) Employee stock option plans.....	5,691	(491,234)	(1,102,943)
(k) Production and film costs.....	(365,079)	682,541	(66,087)
(l) Deferred income taxes and employee profit sharing:			
Deferred income taxes(1).....	623,422	(2,288,542)	327,761
Deferred employees' profit sharing(1).....	25,749	84,380	(66,503)
(m) Maintenance reserve.....	--	--	1,449
(n) Minority interest on U.S. GAAP adjustments.....	8,807	(851)	(25,747)
(o) Effects of inflation accounting on U.S. GAAP adjustments.....	(11,696)	(5,564)	(44,456)
	-----	-----	-----
Net income before cumulative effect of change in accounting principles.....	109,572	2,949,765	3,472,570
Cumulative effect of change in accounting principles (SFAS 141(d), and SFAS 142(e), Ps.1,348,317, net of write off of negative goodwill of Ps.1342,438 and tax benefit of Ps.457,586).....	(1,348,317)	--	--
	-----	-----	-----
Net (loss) income under U.S. GAAP.....	Ps.(1,238,745)	Ps. 2,949,765	Ps. 3,472,570
	=====	=====	=====

(1) Net of inflation effects.

GRUPO TELEVISA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

RECONCILIATION OF STOCKHOLDERS' EQUITY

	2003	2004
Total stockholders' equity under Mexican GAAP.....	Ps. 28,955,164	Ps. 27,604,028
U.S. GAAP adjustments:		
Capitalization of financing costs, net of		
(a) accumulated depreciation.....	(855,408)	(831,553)
(b) Deferred costs, net of amortization.....	(151,557)	(115,278)
(c) Equipment restatement, net of depreciation.....	389,610	427,289
(d) Purchase accounting adjustments:		
Broadcast license and network affiliation		
agreements.....	136,897	130,480
Fixed assets.....	81,460	70,598
Other assets.....	54,752	49,215
Goodwill on acquisition of Bay City.....	(1,980,153)	(1,980,153)
Goodwill on acquisition of minority interest in		
Editorial Televisa.....	1,217,637	1,217,637
Goodwill on acquisition of additional interests in		
Univision.....	(589,674)	(589,674)
(e) Goodwill and other intangible assets:		
Reversal of Mexican GAAP goodwill amortization.....	963,448	963,448
Reversal of Mexican GAAP impairment of goodwill....	858,365	1,034,972
Reversal of Mexican GAAP amortization of intangible		
assets with indefinite lives.....	98,589	98,589
Impairment of goodwill of Publishing Distribution		
segment.....	(286,887)	(286,887)
(f) Equity method investees:		
Innova.....	(1,324,334)	--
SMCP.....	(802,690)	(1,262,559)
Univision.....	105,547	105,547
Others.....	(2,192)	(2,192)
Adjustment to gain on sale of music recording		
(g) business.....	(290,433)	(290,433)
(h) Derivative financial instruments.....	2,613,753	1,490,806
(i) Pension plan and seniority premiums.....	--	22,958
(j) Employee stock option plans.....	(610,557)	(1,655,385)
(k) Production and film costs.....	(1,861,142)	(1,927,229)
Deferred income taxes and employee's profit		
(l) sharing:		
Deferred income taxes.....	(40,099)	291,944
Deferred employees' profit sharing.....	(114,881)	(181,384)
(m) Maintenance reserve.....	--	17,400
(n) Minority interest.....	(1,126,679)	88,723
Total U.S. GAAP adjustments, net.....	(3,516,628)	(3,113,121)
Total stockholders' equity under U.S. GAAP.....	Ps. 25,438,536	Ps. 24,490,907

GRUPO TELEVISIA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

A summary of the Group's statement of changes in stockholders' equity with balances determined under U.S. GAAP is as follows:

CHANGES IN U.S. GAAP STOCKHOLDERS' EQUITY

	2003	2004
	-----	-----
Balance at January 1,.....	Ps.19,311,939	Ps.25,438,536
Net income for the year.....	2,949,765	3,472,570
Share issuance.....	4,232,220	--
Repurchase of capital stock.....	(4,893,870)	(815,422)
Acquisition of Telespecialidades.....	1,446,370	--
Dividends.....	(601,555)	(3,981,377)
Sale of capital stock under long-term retention plans.....	75,420	586,189
Other comprehensive income:		
Gain on issuance of shares of associates.....	3,032,876	119,605
Result from holding non-monetary assets.....	57,084	(155,366)
Foreign currency translation adjustment.....	(171,713)	(173,828)
	-----	-----
Balance at December 31,.....	Ps.25,438,536	Ps.24,490,907
	=====	=====

The reconciliation to U.S. GAAP includes a reconciling item for the effect of applying the option provided by the Mexican GAAP Bulletin B-10, "Recognition of the Effects of Inflation on Financial Information" for the restatement of equipment of non-Mexican origin because, as described below, this provision of inflation accounting under Mexican GAAP does not meet the consistent reporting currency requirement of Regulation S-X of the Securities and Exchange Commission ("SEC").

The reconciliation to U.S. GAAP does not include the reversal of the other adjustments to the financial statements for the effects of inflation required under Mexican GAAP Bulletin B-10, because the application of Bulletin B-10 represents a comprehensive measure of the effects of price level changes in the inflationary Mexican economy and, as such, is considered a more meaningful presentation than historical, cost-based financial reporting for both Mexican and U.S. accounting purposes.

Mexican GAAP Bulletin B-15, "Foreign Currency Transactions and Translation of Financial Statements of Foreign Operations" requires restating the financial statements for all periods prior to the most recent period by using a weighted-average factor which considers the inflation in Mexico and the other countries in which the Group and its subsidiaries operate and the currency exchange rate for the currency of each country as of the date of the most recent balance sheet. The consistent reporting currency requirements of the SEC rules require restatement of prior periods for general price level changes only, utilizing the NCPI, and supplemental condensed financial statements utilizing the NCPI are required for U.S. GAAP purposes. The Group utilized the NCPI to restate its financial statements for prior years because the use of the weighted-average factor prescribed by B-15 would not have produced a materially different result.

(a) Capitalization of financing costs, net of depreciation

Mexican GAAP allows, but does not require, capitalization of financing costs as part of the cost of assets under construction. Financing costs capitalized include interest costs, gains from monetary position and foreign exchange losses.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

U.S. GAAP requires the capitalization of interest during construction on qualifying assets. With price level restated financial statements, acceptable practice is to capitalize interest net of the monetary gain on the related Mexican Peso debt, but not monetary gain on U.S. dollar or other stable currency debt. U.S. GAAP does not allow the capitalization of foreign exchange losses.

(b) Deferred costs, net of amortization

Under Mexican GAAP, certain development costs (including those related to web site development) and other deferred costs are capitalized and subsequently amortized on a straight-line basis once the related venture commences operations, defined as the period when revenues are generated. In addition, other expenditures which are expected to generate significant and identifiable future benefit are also capitalized and amortized over the expected future benefit period.

Under U.S. GAAP, development and other deferred costs are generally expensed as incurred given that the assessment of future economic benefit is uncertain. In the case of web site development costs, certain costs are capitalized and others expensed in accordance with EITF Issue No. 00-2, "Accounting for Web Site Development Costs". Consequently, the U.S. GAAP net income reconciliation reflects the write-off, for U.S. GAAP purposes, of the preoperating and other deferred costs (including certain web site development costs) capitalized under Mexican GAAP, net of the reversal of any amortization which is reflected under Mexican GAAP. In 2003 and 2004, there were no additional capitalizations under Mexican GAAP and therefore, the U.S. GAAP adjustment reflects the reversal of the Mexican GAAP amortization. For the years ended December 31, 2002 and 2004, the U.S. GAAP net income adjustment reflects the net impact of reversing the amounts capitalized under Mexican GAAP and any related amortization recorded under Mexican GAAP.

(c) Equipment restatement, net of depreciation

The Group restates equipment of non-Mexican origin using the Specific Index for determining the restated balances under Mexican GAAP. Under Regulation S-X of the SEC, the restatement of equipment of non-Mexican origin by the Specific Index under the provisions of Bulletin B-10 is a deviation from the historical cost concept. The NCPI factors applied to restate equipment of non-Mexican origin were 5.70%, 3.98% and 5.20% in 2002, 2003 and 2004, respectively. The U.S. GAAP net income and stockholders' equity reconciliations reflect adjustments to reverse the Specific Index restatement recognized under Mexican GAAP and to restate equipment of non-Mexican origin by the NCPI and recalculate the depreciation expense on this basis. Consequently, the deficit from restatement adjustment recognized in stockholders' equity under Mexican GAAP related to fixed assets totaling Ps.(306,120) and Ps.18,893 for the years ended December 31, 2003 and 2004, respectively, has been reversed for U.S. GAAP purposes.

(d) Purchase accounting adjustments

Under Mexican GAAP, the excess of the purchase price over the adjusted net book value of enterprises acquired is recorded as goodwill and amortized over a period not to exceed twenty years.

Under U.S. GAAP, the purchase method of accounting, for acquisitions prior to June 1, 2001, requires the acquiring Group to record at fair value the assets acquired and liabilities assumed, including deferred income taxes on existing temporary differences. The difference between the purchase price and the sum of the fair values of tangible and identifiable intangible assets less liabilities assumed, whether or not previously recorded by the acquired enterprise, is recorded as goodwill. The U.S. GAAP adjustments prior to the adoption of SFAS 142 described below, reflected the difference in the amortization expense of goodwill and other purchase price adjustments resulting from the application of the purchase method for U.S. GAAP and the accounting under Mexican GAAP described above related to the acquisition of Bay City Television, Inc. ("Bay City") and Radiotelevision, S.A. de C.V. in July 1996. For U.S. GAAP

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

purposes, the purchase price has been allocated, based on fair values primarily to the broadcast license and network affiliation agreement, programming and advertising contracts, fixed assets, other assets and goodwill. Such purchase price adjustments are amortized over the remaining estimated useful lives of the respective assets, which is 15 years for fixed assets and 20 for other assets. Upon the adoption of the new accounting standard on goodwill and other intangible assets (described below) on January 1, 2002, the Group ceased amortizing the broadcast license and network affiliation agreement, as they were considered to have indefinite lives, as well as the amount allocated to goodwill. Notwithstanding, following new EITF Issue No. 03-9 Interaction of Determination of the Useful Life and Amortization of an Intangible Asset, in 2003 the Company re-assessed the useful life of its network affiliation agreement and concluded that it constitutes a definite lived intangible. Consequently, in 2003 the Company restarted amortizing the remaining carrying value of its network affiliation agreement amounting to Ps.35,829 over the remaining life of the contract, which is 6 years. In addition, on January 1, 2002, the Group recorded a non-cash impairment charge relating to the broadcast license and network affiliation agreement (Ps.838,868, net of tax benefit of Ps.457,586) and the goodwill in Bay City (Ps.553,816) (described below).

On October 19, 2000, the Group acquired all of the interest owned by a minority shareholder in its majority-owned subsidiary, Editorial Televisa, by issuing 172,922,325 shares of capital stock in the form of 57,640,775 CPOs. Under Mexican GAAP, this acquisition was accounted for as a purchase, and the related purchase price was determined using the carrying value of the Group's treasury shares at the acquisition date, with a related goodwill of Ps.81,863 and an additional paid-in capital of Ps.228,524 being recognized. Under U.S. GAAP, this acquisition was accounted for by the purchase method, and the related purchase price was determined by using the fair value of the shares issued by the Group as consideration for the minority interest acquired. The additional purchase price adjustment under U.S. GAAP was allocated to goodwill and amortized through December 31, 2001. Upon the adoption of the new accounting standard on goodwill and other intangible assets effective January 1, 2002 (described below), this amount is no longer amortized, but subject to an annual impairment test.

In 1999, the Group exercised warrants to acquire an additional interest in Univision. Under Mexican GAAP, the Group recognized the excess of its underlying equity in the net assets of Univision over the cost of the investment in income. Under U.S. GAAP, the additional investment in Univision was accounted for as a purchase with the difference between the investors' cost and underlying equity in the net assets of the investee at the date of acquisition being accounted for as goodwill and amortized over the remaining estimated useful lives of the underlying assets. The unamortized balance of negative goodwill totaling Ps.342,438 that arose on this transaction was written off on January 1, 2002 and was reflected as part of "Cumulative effect of change in accounting principle" in the accompanying U.S. GAAP reconciliation, pursuant to the provisions of Statement of Financial Accounting Standard No. 141, "Business Combinations" ("SFAS 141").

In addition, as described in Note 2, the Group also entered into a series of transactions with Univision by which, among other things, the Group acquired 375,000 non-voting preferred shares of Univision stock, which converted in February 2002, into 10,594,500 shares of Univision Class "A" Common Stock and 2,725,136 shares of Univision Class "B" Common Stock, and 6,000,000 shares of Univision Class "A" Common Stock as partial consideration for the sale of its music recording business. Under Mexican GAAP, the Group recognized the excess of its underlying equity in the net assets of Univision over the cost of the additional investments as goodwill. Under U.S. GAAP, the additional investments were each accounted for as a purchase with the difference between the investors' cost and underlying equity in the net assets of the investee at the date of acquisition being accounted for as goodwill. Accordingly, under U.S. GAAP, the Group recognized goodwill on these acquisitions amounting to Ps.5,050,700.

GRUPO TELEVISIA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

(e) Goodwill and other intangible assets

During 2001, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards No. 142 "Goodwill and Other Intangible Assets" ("SFAS 142"), which requires that, effective January 1, 2002, goodwill, including the goodwill included in the carrying value of investments accounted for using the equity method of accounting, and certain other intangible assets deemed to have an indefinite useful life, cease amortizing. The new rules also require that goodwill and certain intangible assets be assessed for impairment using fair value measurement techniques.

The Group recorded a Ps.1,348,317 non-cash charge (net of a write off of negative goodwill of Ps.342,438 and tax benefit of Ps.457,586) for the impairment of goodwill and other intangible assets upon completion of its initial impairment reviews pursuant to the adoption of SFAS 142 on January 1, 2002. The charge is reflected as a cumulative effect of an accounting change in the accompanying U.S. GAAP reconciliation. The charge reduced the carrying value of goodwill in the Group's Television Broadcasting and Publishing Distribution segments by Ps.553,816 and Ps.287,133, respectively. The impairment in the Group's Television Broadcasting segment relates to the operations of Bay City, were adversely affected by an increase in operational costs resulting from the start up of a local news center in the frame of the Company's business strategy and the commitments assumed under the network affiliation agreement signed with Fox, as well as from increased competition. The impairment in the Group's Publishing Distribution segment related primarily to the operations of Grupo Distribuidoras Intermex, S.A. de C.V. ("Distribuidoras Intermex"), as a result of increased competition and decreasing margins of its South American operations. The fair values of Bay City and Distribuidoras Intermex, as separate reporting units, were determined using expected present value of future cash flows.

The changes in the carrying amount of goodwill by segment under U.S. GAAP for the years ended December 31, 2003 and 2004, are as follows:

	BALANCE AS OF JANUARY 1, 2003	TRANSLATION EFFECT OF GOODWILL OF FOREIGN SUBSIDIARIES	DISPOSALS AND OTHER MOVEMENTS	IMPAIRMENT LOSSES	BALANCE AS OF DECEMBER 31, 2003
Consolidated subsidiaries:					
Television Broadcasting.....	Ps. 301,653	Ps. --	Ps. --	Ps. --	Ps. 301,653
Publishing.....	1,294,725	--	--	--	1,294,725
Other segments.....	45,091	--	--	(1,210)	43,881
Equity method investees.....	5,990,489	309,815	(27,405)	(25,229)	6,247,670
	-----	-----	-----	-----	-----
	Ps. 7,631,958	Ps. 309,815	Ps. (27,405)	Ps. (26,439)	Ps. 7,887,929
	=====	=====	=====	=====	=====

	BALANCE AS OF JANUARY 1, 2004	TRANSLATION EFFECT OF GOODWILL OF FOREIGN SUBSIDIARIES	DISPOSALS AND OTHER MOVEMENTS	IMPAIRMENT LOSSES	BALANCE AS OF DECEMBER 31, 2004
Consolidated subsidiaries:					
Television Broadcasting....	Ps. 301,653	Ps. --	Ps. --	Ps. --	Ps. 301,653
Publishing.....	1,294,725	--	--	--	1,294,725
Other segments.....	43,881	--	--	--	43,881
Equity method investees.....	6,247,670	(139,390)	(106,742)	(17,121)	5,984,417
	-----	-----	-----	-----	-----
	Ps. 7,887,929	Ps. (139,390)	Ps. (106,742)	Ps. (17,121)	Ps. 7,624,676
	=====	=====	=====	=====	=====

GRUPO TELEVISIA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

The U.S. GAAP net carrying value of intangible assets as of December 31, 2003 and 2004 amounted to:

	2003	2004
Trademarks(1)(2).....	Ps. 483,666	Ps. 512,957
Television network concession(1).....	665,639	665,639
Network affiliation agreements(1).....	107,485	107,485
Broadcast license.....	29,412	22,995
Total intangible assets.....	Ps. 1,286,202	Ps. 1,309,076

(1) Indefinite-lived

(2) Includes translation effect, impairment adjustments and acquisitions (see Note 7)

The aggregate amortization expense for intangible assets subject to amortization under U.S. GAAP, is estimated at Ps.107,485 for each of the next five fiscal years.

As described in Note 1 (i), under Mexican GAAP, until January 1, 2003, all intangible assets were amortized over their estimated useful life. Bulletin C-8 was adopted starting January 1, 2003, and consequently, trademarks and the television network concession were recognized as having indefinite lives and were no longer amortized. Accordingly, amortization of these indefinite-lived intangible assets ceased in 2002 for U.S. GAAP and in 2003 for Mexican GAAP.

In addition, as described in Note 1 (i), under Mexican GAAP, effective January 1, 2004, with the adoption of Bulletin B-7 goodwill is no longer amortized but subject to an annual impairment test. As a result, the U.S. GAAP net income reconciliation for the year ended December 31, 2004 no longer includes a reconciling item for goodwill amortization. In addition, as described in Note 7, in 2004, the Group recognized for Mexican GAAP purposes impairment charges totaling Ps.172,776 related to the Publishing Distribution segment. Given that the Publishing Distribution segment impairment charge had been previously been recognized for U.S. GAAP purposes upon adoption of SFAS 142 in 2002, this Mexican GAAP impairment adjustment has been reversed in the U.S. GAAP 2004 net income reconciliation.

(f) Equity method investees

The effect of applying U.S. GAAP to the Group's equity investees, as it relates to Innova (through March 31, 2004), SMCP (through October 2004), Univision and other minor investees, has been included in the Group's U.S. GAAP reconciliation.

The schedules below present, under U.S. GAAP, summarized statements of operations for the years ended December 31, 2002, 2003 and 2004, and balance sheet information as of December 31, 2004 and 2003 for the significant investments that were accounted for under the equity method.

GRUPO TELEVISIA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

CONDENSED STATEMENTS OF OPERATIONS

YEAR ENDED DECEMBER 31, 2002

	INNOVA	UNIVISION	SMCP(1)	OTHER EQUITY INVESTMENTS	TOTAL EQUITY INVESTMENTS
Net sales.....	Ps. 3,626,806	Ps.12,489,700	Ps. 638,108	Ps. 7,536,079	Ps.24,290,693
Total expenses.....	5,512,706	10,795,494	2,099,205	10,882,252	29,289,657
(Loss) income before income taxes and minority interest.....	(1,885,900)	1,694,206	(1,461,097)	(3,346,173)	(4,998,964)
Income tax provisions.....	(82,609)	(703,905)	(23)	(13,283)	(799,820)
(Loss) income before minority interest.....	(1,968,509)	990,301	(1,461,120)	(3,359,456)	(5,798,784)
Minority interest.....	--	--	--	(2,390)	(2,390)
U.S. GAAP net (loss) income.....	Ps.(1,968,509)	Ps. 990,301	Ps.(1,461,120)	Ps.(3,361,846)	Ps.(5,801,174)
Televisa's equity in net (losses) income of equity investees, under U.S. GAAP.....	Ps.(1,181,105)	Ps. 129,452	Ps. (955,772)(1)	Ps. (17,761)	Ps.(2,025,186)

(1) Includes corporate consolidation adjustments of Ps.(517,436)

YEAR ENDED DECEMBER 31, 2003

	INNOVA	UNIVISION	OTHER EQUITY INVESTMENTS	TOTAL EQUITY INVESTMENTS
Net sales.....	Ps.3,940,287	Ps.15,480,029	Ps. 3,745,513	Ps.23,165,829
Total expenses.....	4,885,546	12,400,738	4,998,635	22,284,919
(Loss) income before income taxes and minority interest.....	(945,259)	3,079,291	(1,253,122)	880,910
Income tax benefit (provision).....	123,126	(1,244,363)	(79,482)	(1,200,719)
(Loss) income before minority interest.....	(822,133)	1,834,928	(1,332,604)	(319,809)
Minority interest.....	--	--	(16,077)	(16,077)
U.S. GAAP net (loss) income.....	Ps. (822,133)	Ps. 1,834,928	Ps.(1,348,681)	Ps. (335,886)
Televisa's equity in net (losses) income of equity investees, under U.S. GAAP.....	Ps. (493,280)	Ps. 171,932	Ps. (722,955)	Ps.(1,044,303)

GRUPO TELEVISIA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

	YEAR ENDED DECEMBER 31, 2004		
	UNIVISION	OTHER EQUITY INVESTMENTS	TOTAL EQUITY INVESTMENTS
Net sales.....	Ps.19,922,538	Ps.5,480,254	Ps.25,402,792
Total expenses.....	15,234,862	5,820,984	21,055,846
Income (loss) before income taxes and minority interest.....	4,687,676	(340,730)	4,346,946
Income tax (provision).....	(1,834,836)	(162,811)	(1,997,647)
Income (loss) before minority interest....	2,852,840	(503,541)	2,349,299
Minority interest.....	--	(3,019)	(3,019)
U.S. GAAP net income (loss).....	Ps. 2,852,840	Ps. (506,560)	Ps. 2,346,280
Televisa's equity in net income (losses) of equity investees, under U.S. GAAP....	Ps. 271,359	Ps. (138,443)	Ps. 132,916

CONDENSED BALANCE SHEETS

	AS OF DECEMBER 31, 2003			
	INNOVA	UNIVISION	OTHER EQUITY INVESTMENTS	TOTAL EQUITY INVESTMENTS
Current assets.....	Ps. 798,358	Ps. 6,146,670	Ps. 2,182,210	Ps. 9,127,238
Non-current assets.....	3,016,964	84,098,351	2,142,777	89,258,092
Total assets.....	Ps. 3,815,322	Ps. 90,245,021	Ps. 4,324,987	Ps. 98,385,330
Current liabilities.....	1,506,218	3,408,082	5,565,612	10,479,912
Non-current liabilities.....	6,060,895	26,582,684	641,728	33,285,307
Stockholders' (deficit) equity.....	(3,751,791)	60,254,255	(1,882,353)	54,620,111
Total liabilities and stockholders' equity...	Ps. 3,815,322	Ps. 90,245,021	Ps. 4,324,987	Ps. 98,385,330
Televisa's investment in and advances to equity investees at cost plus equity in undistributed (losses) earnings since acquisition (net).....	Ps. (2,251,075)	Ps. 5,644,857	Ps. (335,168)	Ps. 3,058,614

	AS OF DECEMBER 31, 2004		
	UNIVISION	OTHER EQUITY INVESTMENTS	TOTAL EQUITY INVESTMENTS
Current assets.....	Ps. 7,410,562	Ps. 1,507,825	Ps. 8,918,387
Non-current assets.....	84,313,666	1,846,063	86,159,729
Total assets.....	Ps. 91,724,228	Ps. 3,353,888	Ps. 95,078,116
Current liabilities.....	3,250,101	5,128,885	8,378,986
Non-current liabilities.....	28,406,615	933,457	29,340,072
Stockholders' (deficit) equity.....	60,067,512	(2,708,454)	57,359,058
Total liabilities and stockholders' equity.....	Ps. 91,724,228	Ps. 3,353,888	Ps. 95,078,116
Televisa's investment in and advances to equity investees at cost plus equity in undistributed earnings since acquisition (net).....	Ps. 5,611,634	Ps. 92,488	Ps. 5,704,122

GRUPO TELEVISIA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

INNOVA

The primary difference between Innova's Mexican GAAP and U.S. GAAP net earnings is due to satellite transponder and reorientation cost adjustments, the recognition of the derivative financial instruments, the recognition of revenue and the adjustment to depreciation expense for the inflation restatement of fixed assets of non-Mexican origin. Under Mexican GAAP, Innova established an accrual and recognized non-recurring losses for the redundant use of transponders as well as antenna reorientation costs. Under U.S. GAAP, the redundant satellite costs would not be accrued and along with the antenna reorientation costs, would be expensed as incurred. In addition, under Mexican GAAP, Innova restates its equipment of non-Mexican origin using the Specific Index while for U.S. GAAP, this equipment is restated to constant currency using the change in the NCPI.

In addition, for Mexican GAAP purposes, prior to 2002, the Group decided to discontinue the recognition of equity losses with respect to its investment in Innova. Under U.S. GAAP, the Group continued to equity account Innova's results of operations since the Group has guaranteed certain of its obligations and is committed to provide further financial support for Innova. Hence, the U.S. GAAP net income reconciliation adjustments for 2002 and 2003 also reflect the difference in the equity in earnings recognized under Mexican GAAP and U.S. GAAP for Innova. In 2004, Innova was consolidated under Mexican GAAP and consequently, all previously unrecognized losses were recognized under Mexican GAAP as a cumulative effect adjustment. The U.S. GAAP net income adjustment for 2004 reflects the reversal of the Mexican GAAP cumulative effect adjustment since as explained above, all equity method losses had continued to be recognized on a U.S. GAAP basis.

SMCP

As mentioned in Note 10, during 2003 and 2004, under Mexican GAAP, the Group ceased recognizing additional equity losses in SMCP since its investment balance had already recognized losses up to the amount of its expected proportional guarantee of SMCP's satellite transponder obligation. Due to a series of events which are more fully described in Note 10, during 2003 and 2004, the Group has reversed for Mexican GAAP purposes, its estimated liability related to the guarantee. Under U.S. GAAP, the Group continued to account for SMCP under the equity method of accounting through October 2004 when it announced its intention to dispose of its interest in the investment. Consequently, the U.S. GAAP adjustment reflects the reversal of the benefit recognized under Mexican GAAP in 2003 and 2004, in addition to the continued recognition of the equity method losses.

UNIVISION

Under Mexican GAAP, the convertible preference shares of Univision received in 2002 were initially accounted for at cost, with the equity method applied from the date of conversion into Univision Class "A" and Class "B" Common Stock. Under U.S. GAAP, the equity method was applied retroactively to these shares upon conversion, in a manner consistent with the accounting for a "step" acquisition of a subsidiary. In addition, the U.S. GAAP adjustments for 2002 and 2003 reflect the reversal of the Mexican GAAP amortization of goodwill and 2002 also reflects the reversal of the Mexican GAAP amortization of other indefinite lived intangibles of the equity investee. No adjustments were necessary for 2004 as goodwill and indefinite lived intangibles are no longer amortized for Mexican GAAP purposes.

(g) Adjustment to gain on sale of music recording business

As described in Note 2 and in (d) above, the Group disposed of its music recording business to Univision in exchange for 6,000,000 shares of Univision Class "A" Common Stock and warrants to purchase, at an exercise price of U.S.\$38.261 per share, 100,000 shares of Univision Class "A" Common Stock. The sale, which was consummated in April 2002, was accounted for at fair value under both

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Mexican and U.S. GAAP. The fair value of the proceeds exceeded the carrying value of music recording business and, under Mexican GAAP, the Group recognized a 100% of the gain arising on the disposal of the business. Under U.S. GAAP however, although the fair value of the proceeds exceeded the carrying value of the assets by the same amount, the Group only recognized the portion of the gain that has effectively been sold to third parties. The U.S. GAAP adjustment therefore eliminates a portion of the gain recognized under Mexican GAAP attributable to the Group's interest in Univision, immediately after the transaction.

(h) Derivative financial instruments

The Group's activities expose it to a variety of market risks, including risks related to the effects of changes in foreign-currency exchange rates, inflation and interest rates. These financial exposures are monitored and managed by the Group in the Risk Management Committee which reports to the Executive Committee. The Group's risk management program focuses on the unpredictability of financial markets and seeks to reduce the potentially adverse effects that the volatility of these markets may have on its operating results.

The Group uses currency option agreements to protect its exposure to changes in the exchange rates created by its U.S. dollar-denominated debt. The Group also uses derivative financial instruments to minimize significant, unanticipated earnings fluctuations that may arise from volatility in interest rates. The Group's specific goals are to (1) manage interest rate sensitivity by modifying the repricing or maturity characteristics of some of its debt and (2) lower (where possible) the cost of its borrowed funds. Fluctuations in interest rates create an unrealized appreciation or depreciation in the market value of the Group's fixed-rate debt when that market value is compared with the cost of the borrowed funds.

By using derivative financial instruments to hedge exposures to changes in exchange rates and interest rates, the Group exposes itself to credit risk and market risk. Credit risk is the risk that the counterparty might fail to fulfill its performance obligations under the terms of the derivative contract. When the fair value of a derivative contract is positive, the counterparty owes the Group, which creates repayment risk for the Group. When the fair value of a derivative contract is negative, the Group owes the counterparty and, therefore, does not assume repayment risk. The Group minimizes its credit (or repayment) risk in derivative instruments by (1) entering into transactions with high-quality counterparties (2) limiting the amount of its exposure to each counterparty, and (3) monitoring the financial condition of its counterparties. Market risk is the risk that the value of a financial instrument might be adversely affected by a change in interest rates and currency exchange rates. The Group manages the market risk associated with interest rate and foreign-exchange contracts by establishing and monitoring parameters that limit the types and degree of market risk that may be undertaken.

As further described in Note 9, during 2002, 2003 and 2004, the Group entered into currency option agreements, UDI forward contracts, interest rate option agreements, interest rate swap agreements, currency swap agreements and written put option agreements on its own shares. Under Mexican GAAP, the Group recorded these derivative instruments, which qualify for hedge accounting, on the balance sheet, on the same basis of the hedged assets or liabilities, and changes in value are recorded in each period in the income statement. However, for U.S. GAAP purposes, these derivative instruments do not qualify for hedge accounting, and as such, they should be recorded on the balance sheet at their fair value with changes in fair values taken directly to the income statement.

The Group manages the currency exposure related to the net assets of Univision through the U.S. dollar-denominated debt agreements that the Group enters into (its U.S.\$300 million Senior Notes due 2011 and its U.S.\$300 million Senior Notes due 2032). The Group generally hedges the total beginning-period amount of the net investment up to the total amount of hedging U.S. dollar-denominated debt and measures ineffectiveness of such hedge based upon the change in the spot foreign exchange rate.

GRUPO TELEVISA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Gains and losses in Group's net investment in Univision are offset by exchange losses and gains in the Group's debt obligations, which are charged or credited to other comprehensive income or loss.

As described in Note 5, the Group received warrants for 9,000,000 Class A Common Shares of Univision in 2001 in exchange for the relinquishing of certain governance rights related to its investment in Univision. Under Mexican GAAP, the warrants have not been assigned a value since they are related to an equity investee and it is management's intent not to dispose of such warrants, but rather to exercise such warrants prior to their expiration. Under U.S. GAAP, SFAS 133, due to the cashless exercise feature of the warrants, the warrants are considered derivative financial instruments. In accordance with EITF Issue No. 00-8, "Accounting by a Grantee for an Equity Instrument to Be Received in Conjunction with providing Goods or Services", they must be recorded at their fair value from the date of performance commitment.

As described in Note 1(c), under Mexican GAAP the Group designated its net investment in Univision as being a hedge of the U.S. dollar-denominated debt. However, this different designation has no significant effect in the U.S. GAAP reconciliation.

For the years ended December 31, 2003 and 2004, Ps.493,333 and Ps.(42,643), respectively, of net losses (gains) related to the foreign-currency-denominated debt agreements were included in the Group's cumulative translation adjustment.

(i) Pension plan and seniority premiums

For U.S. GAAP purposes, pension plan costs and seniority premiums have been determined in accordance with SFAS No. 87, "Employers' Accounting for Pensions" ("SFAS 87"), which became effective for the Group on January 1, 1989, whereas, for Mexican GAAP purposes, the Group adopted Bulletin D-3 "Labor Obligations," effective January 1, 1993. Therefore, the difference between Mexican GAAP and U.S. GAAP is due to the difference in implementation dates. Such difference is determined by separate actuarial computations for each year under both SFAS 87 and Bulletin D-3.

The Company uses a December 31 measurement date for its plans.

COMPONENTS OF NET PERIODIC BENEFIT COST

The components of net periodic pension and seniority premium plan cost as of December 31, calculated in accordance with SFAS 87, consist of the following:

	2002	2003	2004
	-----	-----	-----
Service cost.....	Ps. 80,780	Ps. 75,020	Ps. 64,285
Interest cost.....	39,698	39,514	34,441
Expected return on plan assets.....	(38,204)	(38,581)	(44,554)
Net amortization and deferral.....	46,280	54,250	7,645
	-----	-----	-----
Net cost under U.S. GAAP.....	128,554	130,203	61,817
Net cost under Mexican GAAP.....	129,968	129,812	84,775
	-----	-----	-----
(Reduction) increase of net cost that would be recognized under U.S. GAAP.....	Ps. (1,414)	Ps. 391	Ps. (22,958)
	=====	=====	=====

GRUPO TELEVISIA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

**WEIGHTED-AVERAGE ASSUMPTIONS USED TO DETERMINE NET PERIODIC BENEFIT COST
FOR YEARS ENDED DECEMBER 31**

The assumptions used to determine the pension obligation and seniority premiums as of year-end and net costs in the ensuing year were:

	2002	2003	2004
	-----	-----	-----
Weighted average discount rate.....	4%	4%	4%
Rate of increase in future compensation levels.....	2%	2%	2%
Expected long-term rates of return on plan assets.....	5%	5%	5%

The long-term asset return rate is based on the annual recommendations of the Actuarial Commission of the Mexican Association of Consulting Actuaries (AMAC), which in turn based its recommendation on historical average real interest rates of Treasury Bills (CETES) for the last twenty years. AMAC recommends an asset return between 0 and 400 basis points above discount rate used to estimate the benefit obligation. According to such recommendation, the Group used a 4% discount rate and a 5% asset return rate, which is 100 basis points higher than the discount rate.

OBLIGATIONS AND FUNDED STATUS AT DECEMBER 31

The pension and seniority premium plan liability as of December 31, 2003 and 2004, under SFAS 87, is as follows:

	2003	2004
	-----	-----
Projected benefit obligation.....	Ps. 896,109	Ps. 865,919
Plan assets.....	(934,881)	(1,117,452)
Funded status.....	(38,772)	(251,533)
Unrecognized prior service cost.....	(294,130)	(266,436)
Unrecognized net loss.....	133,175	358,791
	-----	-----
	(160,955)	92,355
Prepaid pension asset.....	(199,727)	(159,178)
Balance sheet liability.....	Ps. (199,727)	Ps. (159,178)
	=====	=====
Change in benefit obligation:		
Projected benefit obligation at beginning of year.....	Ps. 1,013,548	Ps. 896,109
Service cost.....	75,020	64,285
Interest cost.....	39,514	34,441
Actuarial gain.....	(131,509)	(85,183)
Benefits paid.....	(100,464)	(43,733)
	-----	-----
Projected benefit obligation at end of year.....	Ps. 896,109	Ps. 865,919
	=====	=====

GRUPO TELEVISIA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

	2003		2004
	-----		-----
Change in plan assets:			
Fair value of plan assets at beginning of year.....	Ps. 760,898	Ps.	934,881
Actual return on plan assets.....	199,191		197,530
Plan asset contributions.....	37,940		69,939
Benefits paid.....	(63,148)		(84,898)
	-----		-----
Fair value of plan assets at end of year.....	Ps. 934,881	Ps.	1,117,452
	=====		=====

PLAN ASSETS

The Company's weighted average asset allocation by asset category as of December 31 was as follows:

	2003		2004
	-----		-----
Equity securities.....	54.3%		63.4%
Fixed rate instruments.....	45.7%		36.6%
	-----		-----
Total.....	100.0%		100.0%
	=====		=====

Included within plan assets at December 31, 2003 and 2004 are shares held by the trust in the Group with a fair value of Ps.507,510 and Ps.724,139, respectively (54.3% and 63.4% of total plan assets, respectively).

The plan assets are invested according to specific investment guidelines determined by the technical committees of the pension plan and seniority premiums trusts. These investment guidelines require to invest a minimum of 30% of the plan assets in fixed rate instruments, or mutual funds comprised of fixed rate instruments. The plan assets that are invested in mutual funds are all rated "AA" or better by at least one of the main rating agencies. These mutual funds vary in liquidity characteristics ranging from one day to one month. The investment goals of the plan assets are to preserve principal, diversify the portfolio, maintain a high degree of liquidity and credit quality, and deliver competitive returns subject to prevailing market conditions. Currently, the plan assets do not engage in the use of financial derivative instruments.

The Group has substantially funded its projected benefit obligation as of December 31, 2004, accordingly, the Group does not expect to make significant contributions to its plan assets in 2005.

(j) Employee stock option plans

STOCK PURCHASE PLAN

As described in Note 13, the Group adopted a stock purchase plan, as amended (the "Purchase Plan"), under which a specific number of awards to purchase CPOs are granted and sold to eligible employees. Pursuant to the Purchase Plan, ownership of the CPOs is not transferred until certain conditions are met. In accordance with the Purchase Plan, a trust administered by a Mexican financial institution is being used to implement the Plan (the "Trust"). The technical committee of the Trust may also authorize anticipated sales in the open market by the trustee of a portion of the CPOs granted and sold to employees in order to settle the purchase price (a "cashless transaction").

Under the Purchase Plan, all awards are granted at an exercise price ranging from approximately Ps.11.21 to Ps.19.10 or from U.S.\$1.04 to U.S.\$1.71 (Initial Price) per CPO, in certain cases, to be adjusted by a rate ranging from 2% to 6% per annum (depending upon whether the purchase price is paid in pesos or U.S. dollars) (Adjusted Price) accruing from the date of the contract to the date of exercise.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Under the terms of the Purchase Plan, the awards generally vest within five years depending on certain variables. The Group will transfer the CPOs to the participant at the end of each vesting period if the participant settles the payment of the Initial Price or the Adjusted Price and continues as an employee of the Group or any of its subsidiaries.

LONG-TERM RETENTION PLAN

As described in Note 13, the Group adopted a long-term retention plan (the "Retention Plan"), which supplements the Group's existing Purchase Plan, under which a specific number of awards to purchase CPOs or CPO equivalents are granted and sold to eligible employees. Pursuant to the Retention Plan, ownership of the CPOs is not transferred until certain conditions are met. In accordance with the Retention Plan, a trust administered by a Mexican financial institution is being used to implement the Plan.

Under the Retention Plan, all awards were granted at an exercise price ranging from approximately Ps.13.45 to Ps.28.05 per CPO, and the awards are estimated to vest over a period comprised between 2008 and 2023.

Under Mexican GAAP, the Group recognizes no compensation expense for its employee stock plans. For U.S. GAAP purposes, the Group applies Accounting Principles Board Opinion No. 25 "Accounting for Stock Issued to Employees", and its related interpretations ("APB 25") to account for stock-based compensation. In accordance with APB 25, the Company recognizes compensation expense for its employee stock plans using the intrinsic-value method of accounting. Under the terms of the intrinsic-value method, compensation cost is the excess, if any, of the market price of the stock at the grant date, or other measurement date, over the amount an employee must pay to acquire the stock. Compensation cost is accrued over the vesting/performance periods and adjusted for subsequent changes in fair market value of the shares from the measurement date.

The Company has elected to continue to account for its stock based compensation in accordance with the provision of APB 25 and present the pro forma disclosures required by SFAS 123 as amended by SFAS 148.

At December 31, 2002, 2003 and 2004, the Group had granted approximately 83 million, 83 million and 170 million CPOs, respectively, under its employee stock plans. Had the compensation cost of these plans been determined based on the fair value of the options at date of grant using the provisions of

GRUPO TELEVISIA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

SFAS No. 123, "Accounting for Stock-Based Compensation", the Group's net income and earnings per share would be the pro forma amounts shown in the following table:

	YEAR ENDED DECEMBER 31,		
	2002	2003	2004
Net (loss) income under U.S. GAAP			
As reported.....	Ps. (1,238,745)	Ps. 2,949,765	Ps. 3,472,570
Add: Stock-based employee compensation expense included in reported net (loss) income, net of related tax effects.....	(5,691)	491,234	1,102,943
Deduct: Total stock-based employee compensation expense determined under fair value based method for all awards, net of related tax effects....	(101,975)	(243,061)	(588,293)
Pro forma.....	Ps. (1,346,411)	Ps. 3,197,938	Ps. 3,987,220
(Loss) earnings per CPO under U.S. GAAP (constant pesos)			
Basic and diluted, as reported.....	(0.42)	1.01	1.19
Basic and diluted, pro forma.....	(0.46)	1.10	1.37

The results may not be representative of the effects on the pro forma net income for the future.

The Group determined the pro forma amounts using the Black-Scholes option-pricing model based on the following weighted-average assumptions:

	DECEMBER 31,		
	2002	2003	2004
Dividend yield.....	0%	3.5%	3.8%
Expected volatility.....	52%	52%	50%
Risk-free interest rate.....	8.5%	6.3%	8.6%
Expected life of options (in years).....	3.2	1.2	3.1

A summary of the changes of the stock awards for employees for the years ended December 31, is presented below (in constant pesos and thousands of CPOs):

STOCK PURCHASE PLAN

	2002		2003		2004	
	CPOS	WEIGHTED-AVERAGE EXERCISE PRICE	CPOS	WEIGHTED-AVERAGE EXERCISE PRICE	CPOS	WEIGHTED-AVERAGE EXERCISE PRICE
Outstanding at beginning of year.....	83,812	Ps.12.70	82,776	Ps.12.48	80,476	Ps.12.14
Granted.....	20	12.25	4,416	11.79	32,699	19.10
Exercised.....	--	--	(5,000)	12.62	(41,533)	11.97
Forfeited.....	(1,056)	--	(1,716)	--	(380)	--
Outstanding at the end of the year....	82,776	12.48	80,476	12.14	71,262	14.69
Options exercisable at end of year.....	--	--	25,000	12.62	995	10.95

GRUPO TELEVISIA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

As of December 31, 2004, the weighted-average remaining contractual life of the awards under the stock purchase plan is 1.1 years.

LONG-TERM RETENTION PLAN

	2004	
	CPOS OR CPO EQUIVALENTS	WEIGHTED- AVERAGE EXERCISE PRICE
	-----	-----
Outstanding at beginning of year.....	--	Ps. --
Granted.....	52,667	15.55
Exercised.....	--	--
Forfeited.....	--	--

Outstanding at the end of the year.....	52,667	15.55
	=====	
Options exercisable at end of year.....	--	
	=====	

As of December 31, 2004, the weighted-average remaining contractual life of the awards under the long-term retention plan is 5.1 years.

(k) Production and film costs

Under Mexican GAAP, the Group capitalizes production costs related to programs, which benefit more than one period, and amortizes them proportionately over the projected program revenues that are based on the Group's historic revenue patterns for similar types of production. For Mexican GAAP purposes, royalty agreements that are not individual film-specific are considered in projecting program revenues to capitalize related production costs.

Under U.S. GAAP, the Group follows the provisions of the American Institute of Certified Public Accountants Statement of Position 00-2, "Accounting by Producers or Distributors of Films" ("SoP 00-2"). Pursuant to SoP 00-2, production costs related to programs are also capitalized and amortized over the period in which revenues are expected to be generated (ultimate revenues). In evaluating ultimate revenues, the Group uses projected program revenue on a program-by-program basis, taking into consideration secondary market revenue only for those programs where a firm commitment or licensing arrangement exists related to specific individual programs. For U.S. GAAP purposes, royalty agreements that are not individual film-specific are not considered in the ultimate revenues. Exploitation costs are expensed as incurred. The Group expects to amortize all of its unamortized film costs over the next year.

In addition, Mexican GAAP allows the capitalization of artist exclusivity contracts and literary works subject to impairment assessments, whereas U.S. GAAP is generally more restrictive as to their initial capitalization.

(l) Deferred income taxes

Under Mexican GAAP, the Group applies the provisions of Bulletin D-4, "Accounting for Income Tax, Assets Tax and Employees' Profit Sharing", which uses the comprehensive asset and liability method for the recognition of deferred income taxes for existing temporary differences.

Under U.S. GAAP, SFAS No. 109, "Accounting for Income Taxes" ("SFAS 109"), requires recognition of deferred tax liabilities and assets for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax liabilities

GRUPO TELEVISA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

and assets are determined based on the difference between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse.

The components of the net deferred tax liability applying SFAS 109 consist of the following:

	DECEMBER 31,	
	2003	2004
Net deferred income tax liability recorded under Mexican GAAP (see Note 21).....	Ps. (1,214,381)	Ps. (1,334,022)
Impact of U.S. GAAP adjustments:		
Capitalization of financing costs.....	290,839	249,466
Deferred costs.....	51,530	34,583
Equipment restatement.....	(132,468)	(128,187)
Purchase accounting adjustments.....	(92,858)	(75,089)
Adjustment of gain on sale of music recording business.....	98,747	87,130
Pension plan and seniority premiums.....	--	(6,887)
Derivative financial instruments.....	(888,676)	(447,242)
Production and film costs.....	632,788	578,170
Employee long-term retention plan.....	207,589	496,615
Valuation allowance.....	(207,589)	(496,615)
	(40,098)	291,944
Net deferred income tax liability on U.S. GAAP.....	(1,254,479)	(1,042,078)
Less:		
Deferred income tax liability under Mexican GAAP.....	(1,214,381)	(1,334,022)
Net deferred income tax adjustment required under U.S. GAAP.....	Ps. (40,098)	Ps. 291,944

The components of net deferred employees' profit sharing ("EPS") liability applying SFAS 109 consist of the following:

	DECEMBER 31,	
	2003	2004
Deferred EPS liability:		
Current:		
Inventories.....	Ps. (923)	Ps. (877)
Noncurrent:		
Property, plant and equipment.....	(127,831)	(118,529)
Deferred costs.....	(60,835)	(57,668)
Pension plan and seniority premiums.....	77,997	(2,299)
Other.....	(3,289)	(2,011)
Total deferred EPS liability.....	Ps. (114,881)	Ps. (181,384)

GRUPO TELEVISIA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

The provisions for income tax and assets tax from continuing operations, on a U.S. GAAP basis, by jurisdiction as of December 31 are as follows:

	2002	2003	2004
	-----	-----	-----
Current:			
Mexican.....	Ps. 975,785	Ps.1,096,160	Ps.593,406
Foreign.....	7,055	4,164	4,057
	-----	-----	-----
	982,840	1,100,324	597,463
	-----	-----	-----
Deferred:			
Mexican.....	(644,485)	1,908,458	(65,779)
Foreign.....	(498,473)	(980)	1,284
	-----	-----	-----
	(1,142,958)	1,907,478	(64,495)
	-----	-----	-----
	Ps. (160,118)	Ps.3,007,802	Ps.532,968
	=====	=====	=====

For purposes of the U.S. GAAP, the Group has charged (credited) Ps.1,373,526, Ps. (613,003) and Ps.265,538 of the change for the years ended December 31, 2002, 2003, and 2004 respectively, in SFAS 109 deferred income tax and EPS liabilities to income, and has charged (credited) Ps.178,176, Ps.87,264 and Ps.(4,281), respectively, of deferred income tax liability and deferred EPS directly to stockholders' equity relating to the result from holding non-monetary assets and translation effect of foreign subsidiaries.

As disclosed in Note 2, in June 2003, the Company completed the acquisition of Telespecialidades from the shareholders of Telecentro, paying approximately U.S.\$83 million. At the time of acquisition, Telespecialidades's net assets consisted principally of 4,773,849 shares of the Company as well as a deferred tax asset for net operating loss carryforwards of approximately Ps.7,062,177 and a related full valuation allowance. Under Mexican GAAP, the difference between the purchase price of U.S.\$83 million Ps.(940,088) and the historical cost basis of the net assets acquired was recognized on the balance sheet as a deferred tax asset amounting to Ps.845,891. Subsequent incremental amounts realized in the 2003 tax return amounting to Ps.1,446,370 resulting from the use of these net loss carryforwards were recognized in the income statement. For U.S. GAAP purposes, since the Company and Telespecialidades were under common control, the transaction was accounted for on a historical cost basis with the difference between the purchase price and the historical cost basis of the net assets acquired being accounted for as an adjustment to shareholders' equity. In addition, the Company accounted for the utilization of the acquired net operating loss carryforwards as a capital contribution.

A roll-forward of the Group's valuation allowance for 2004 is as follows:

Balance at December 31, 2003.....	Ps.(2,364,941)
Decrease in valuation allowance.....	141,413

Balance at December 31, 2004.....	Ps.(2,223,528)
	=====

(m) Maintenance reserve

Under Mexican GAAP, it is acceptable to accrue for certain expenses which management believes will be incurred in subsequent periods. Under U.S. GAAP, these costs are expensed as incurred.

GRUPO TELEVISA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

(n) Minority interest

This adjustment represents the allocation to the minority interest of non-wholly owned subsidiaries of certain U.S. GAAP adjustments related to such subsidiaries.

In addition, under Mexican GAAP, the minority interest in consolidated subsidiaries is presented as a separate component within the stockholders' equity section in the consolidated balance sheet. For U.S. GAAP purposes, the minority interest is not included in stockholders' equity.

(o) Effects of inflation accounting on U.S. GAAP adjustments

In order to determine the net effect on the consolidated financial statements of recognizing the adjustments described above, it is necessary to recognize the effects of applying the Mexican GAAP inflation accounting provisions (described in Note 1) to such adjustments.

In addition, as disclosed in Notes 18 and 21, under Mexican GAAP Bulletin D-4, effective 2000, the monetary gain or loss generated by the monetary temporary differences are reflected within the integral cost of financing while those related to the non-monetary items are reflected within the deferred tax provision. For U.S. GAAP purposes, the Group has historically followed the provisions of EITF Issue No. 93-9 and reflected the entire monetary gain or loss within the provision for deferred taxes. Consequently for 2002, 2003 and 2004, the Ps.88,592, Ps.57,525 and Ps.121,819, respectively, of monetary gain reflected within integral result of financing under Mexican GAAP has been reclassified to the deferred tax provision under U.S. GAAP.

ADDITIONAL DISCLOSURE REQUIREMENTS

Presentation in the financial statements -- Operating income

Under Mexican GAAP, the Group recognizes various costs as non-operating expenses, which would be considered operating expenses under U.S. GAAP. Such costs include primarily amortization of goodwill, the write-off of certain receivables, the write-off of program inventories, write-off of exclusive rights letters for soccer players, disputed or contractual letters of credit, certain financial advisory and professional fees, restructuring charges and employees' profit sharing expense (see Notes 19, 20 and 22). The differences relate primarily to the Television Broadcasting and Publishing segments. Operating income of the Television Broadcasting segment would have been Ps.3,786,827, Ps.7,337,682 and Ps.6,494,764 and operating income of the Publishing segment would have been Ps.245,682, Ps.353,454 and Ps.406,423 for the years ended December 31, 2002, 2003 and 2004, respectively.

Presentation in the financial statements -- Discontinued operations

As more fully disclosed in Note 22, under Mexican GAAP, in 2002 and 2003, the Group has reflected as a discontinued operation the Music Recording segment that it sold to Univision, its equity investee. Under U.S. GAAP, pursuant to Staff Accounting Bulletin 5-Z, the disposition of a business in which the seller retains an interest, either directly or indirectly, and over which it has continuing significant influence, is not presented as a discontinued operation. Summarized condensed results of operation information for the Music recording business for the year ended December 31, 2002 is reflected in Note 22.

To provide a better understanding of the differences in accounting standards, the table below presents the Group's condensed consolidated statements of operations for the three years ended December 31, 2002, 2003 and 2004 under U.S. GAAP in a format consistent with the presentation of U.S. GAAP consolidated

GRUPO TELEVISIA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

statements of operations, as if the music recording business were presented as continuing operations, and after reflecting the adjustments described in (a) to (n) above:

	YEAR ENDED DECEMBER 31,		
	2002	2003	2004
Net sales.....	Ps.23,806,946	Ps.24,786,332	Ps.29,314,253
Cost of providing services (exclusive of depreciation and amortization).....	14,647,418	12,875,567	14,876,880
Selling and administrative expenses.....	3,960,178	4,262,016	5,325,395
Depreciation and amortization.....	1,905,704	1,494,895	2,067,064
Income from operations.....	3,293,646	6,153,854	7,044,914
Integral result of financing -- net.....	(1,966,638)	747,404	(2,549,264)
Other income (expense) -- net.....	1,021,128	(25,870)	(532,968)
Income before income taxes, minority interest, equity in earnings or losses of affiliates and cumulative effect of change in accounting principles.....	2,348,136	6,875,388	4,130,120
Income tax and assets tax -- current and deferred.....	(297,470)	(3,007,802)	(721,290)
Income before minority interest, equity in earnings or losses of affiliates and cumulative effect of change in accounting principles.....	2,050,666	3,867,586	3,597,152
Minority interest.....	84,092	126,482	(257,498)
Equity in (losses) earnings of affiliates.....	(2,025,186)	(1,044,303)	132,916
Income before cumulative effect of change in accounting principles.....	109,572	2,949,765	3,472,570
Cumulative effect of change in accounting principles (SFAS 141 and SFAS 142, Ps.1,348,317, net of write off of negative goodwill of Ps.342,438 and tax benefit of Ps.457,588 in 2002).....	(1,348,317)	--	--
Net (loss) income.....	Ps.(1,238,745)	Ps.2,949,765	Ps.3,472,570
Weighted average common shares outstanding (in millions).....	353,906	352,421	345,206

Presentation in the financial statements -- Earnings per CPO and per share

As disclosed in Note 13, the Group has four classes of capital stock, Series "A", Series "B", Series "L" and Series "D". Holders of the Series "D" shares, and therefore holders of the CPOs, are entitled to an annual, cumulative and preferred dividend of approximately nominal Ps.0.00034177575 per Series "D" share before any dividends are payable on the Series "A", Series "B" or Series "L" shares. For purposes of U.S. GAAP, the "two-class" method, which first reduces net income by the amount of the dividend preference to the Series "D" shares, has been applied to calculate earnings per share.

GRUPO TELEVISA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Earnings (loss) per CPO and per share under U.S. GAAP is presented in constant pesos for the years ended December 31, 2002, 2003 and 2004, as follows:

	2002		2003		2004	
	PER SERIES "A" SHARE		PER SERIES "A" SHARE		PER SERIES "A", "B", "D" AND "L" SHARE	
	PER CPO	PER CPO	PER CPO	PER CPO	PER CPO	PER CPO
Continuing operations.....	Ps. 0.04	Ps.--	Ps.1.01	Ps.0.01	Ps.1.19	Ps. 0.01
Cumulative effect of change in accounting principles.....	(0.46)	--	--	--	--	--
Net (loss) income per CPO/share.....	Ps.(0.42)	Ps.--	Ps.1.01	Ps.0.01	Ps.1.19	Ps. 0.01

Presentation in the financial statements -- Consolidated balance sheets

To provide a better understanding of the differences in accounting standards, the table below presents the condensed consolidated balance sheets as of December 31, 2003 and 2004, in a format consistent with the presentation of condensed consolidated balance sheets under U.S. GAAP, and after reflecting the adjustments described in (a) and (n) above.

	DECEMBER 31,	
	2003	2004
ASSETS		
Current assets:		
Cash and cash equivalents.....	Ps.10,457,667	Ps.15,906,455
Other investments.....	2,442,436	734,886
Trade notes and accounts receivable -- net.....	11,153,437	11,229,979
Other accounts and notes receivable -- net.....	939,581	1,134,122
Due from affiliated companies -- net.....	465,406	76,414
Transmission rights and programming.....	3,718,589	3,593,910
Inventories.....	540,112	662,760
Deferred taxes.....	2,554,240	3,732,917
Other current assets.....	533,676	710,956
Total current assets.....	32,805,144	37,782,399
Non-current assets:		
Transmission rights and programming.....	3,051,876	2,564,479
Investments.....	6,546,811	6,966,681
Property, plant and equipment -- net.....	16,026,159	18,825,903
Goodwill -- net.....	7,887,929	7,624,676
Intangible assets -- net.....	1,286,202	1,309,076
Deferred costs -- net.....	514,622	440,345
Other assets.....	3,058,871	1,668,196
TOTAL ASSETS.....	Ps.71,177,614	Ps.77,181,755

GRUPO TELEVISIA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

	DECEMBER 31,	
	2003	2004
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current portion of long-term debt.....	Ps. 299,997	Ps. 3,297,091
Current portion of satellite transponder lease obligation...	--	70,743
Trade accounts payable.....	2,470,489	2,135,250
Customer deposits and advances.....	14,289,837	14,930,323
Taxes payable.....	1,353,848	1,558,762
Accrued interest.....	331,525	449,376
Other accrued liabilities.....	1,190,240	1,253,355
Total current liabilities.....	19,935,936	23,694,900
Non-current liabilities:		
Long-term debt.....	15,467,489	18,943,799
Satellite transponder lease obligation.....	--	1,324,615
Customer deposits and advances.....	441,338	372,888
Other long-term liabilities.....	745,282	592,004
Deferred taxes.....	3,923,600	4,956,379
DTH joint ventures.....	3,488,197	1,262,559
Pension plans and seniority premiums.....	610,557	1,632,427
TOTAL LIABILITIES.....	44,612,399	52,779,571
Commitments and contingencies:		
Minority interest.....	1,126,679	(88,723)
TOTAL STOCKHOLDERS' EQUITY.....	25,438,536	24,490,907
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY.....	Ps. 71,177,614	Ps. 77,181,755

Cash flow information

Mexican GAAP Bulletin B-12 issued by the MIPA specifies the appropriate presentation of the statements of changes in financial position. Under Bulletin B-12, the sources and uses of resources are determined based upon the differences between beginning and ending financial statement balances in Mexican Pesos of constant purchasing power. In addition, the inflation-adjusted statement of changes in financial position includes certain non-cash items such as monetary gains and losses, unrealized foreign currency translation gains or losses and net effect of foreign investment hedges. Under U.S. GAAP, Statement of Financial Accounting Standard No. 95, "Statement of Cash Flows" ("SFAS 95"), a statement of cash flows is required, which presents only cash movements and excludes non-cash items.

The Group considers all highly liquid temporary cash investments with original maturities of three months or less, consisting primarily of short-term promissory notes (Mexican pesos and U.S. dollars in 2002, 2003 and 2004) of Mexican financial institutions, to be cash equivalents.

GRUPO TELEVISIA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

The following is a cash flow statement on a U.S. GAAP basis in constant Mexican Pesos with the effects of inflation on cash and cash equivalents stated separately in a manner similar to the concept of presenting the effects of exchange rate changes on cash and cash equivalents as prescribed by SFAS 95.

	2002	2003	2004
	-----	-----	-----
Operating activities:			
Net (loss) income under U.S. GAAP.....	Ps. (1,238,745)	Ps. 2,949,765	Ps. 3,472,570
Adjustments to reconcile net income to cash provided by operating activities:			
Equity in losses of affiliates.....	2,025,186	1,044,303	(132,916)
Minority interest from continuing operations...	(84,092)	(126,482)	257,498
Depreciation and amortization.....	1,905,704	1,494,895	2,067,064
Cumulative loss effect of accounting change....	1,348,316	--	--
Deferred income tax and employees' profit sharing.....	(711,120)	408,485	2,008
Derivative financial instruments.....	1,287,311	(1,399,393)	1,020,376
Gain on disposal of investment.....	(830,521)	(468,966)	122,455
Unrealized foreign exchange loss, net.....	540,876	233,735	(71,408)
Loss from monetary position.....	(173,904)	(80,697)	180,848
	-----	-----	-----
	4,069,011	4,055,645	6,918,495
	-----	-----	-----
Changes in operating assets and liabilities:			
Decrease (increase) in:			
Trade notes and accounts receivable and customer deposits and advances, net.....	(481,120)	674,715	51,963
Inventories.....	59,267	16,256	(109,295)
Transmission rights, programs and films and production talent advances.....	183,108	(173,345)	382,103
Other accounts and notes receivable and other current assets.....	479,939	(110,152)	(406,282)
(Decrease) increase in:			
Trade accounts payable.....	303,318	154,115	(408,352)
Other liabilities and taxes payable.....	1,800,196	145	184,132
Pension plans and seniority premiums.....	(283,018)	584,616	1,357,767
	-----	-----	-----
	2,061,690	1,146,350	1,052,036
	-----	-----	-----
Cash provided by operating activities.....	6,130,701	5,201,995	7,970,531
	-----	-----	-----
Financing activities:			
Issuance of Senior Notes.....	3,433,459	--	--
Other changes in notes payable.....	(3,178,720)	(215,866)	2,646,720
Shares issued.....	447	4,232,220	--
Repurchase of shares.....	(40,573)	(4,818,450)	(229,233)
Gain on issuance of shares of investee.....	--	--	107,870
Dividends.....	--	(601,556)	(3,981,377)
Minority interest.....	193,569	15,572	(86,699)
	-----	-----	-----
Cash provided (used) by financing activities.....	408,182	(1,388,080)	(1,542,719)
	-----	-----	-----

GRUPO TELEVISIA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

	2002	2003	2004
	-----	-----	-----
Investing activities:			
Other investments.....	(254,671)	(2,187,765)	1,707,575
Due from affiliated companies, net.....	697,671	(289,976)	(53,716)
Proceeds from dispositions of investments.....	2,755,474	417,689	(285,780)
Equity investments and other advances.....	(5,799,383)	701,928	--
Investments in property, plant and equipment...	(1,331,773)	(682,786)	(1,976,390)
Deferred costs and other assets.....	659,539	(230,860)	(204,933)
	-----	-----	-----
Cash used for investing activities.....	(3,273,143)	(2,271,770)	(813,244)
	-----	-----	-----
Net increase in cash and cash equivalents.....	3,265,740	1,542,145	5,614,568
Translation effect on cash and cash equivalents.....	(72,003)	(53,796)	6,177
Effect of inflation on cash and cash equivalents.....	(341,064)	(386,470)	(639,816)
Net increase in cash and temporary investments of Innova's consolidation.....	--	--	467,859
Cash and cash equivalents at beginning of year...	6,503,115	9,355,788	10,457,667
	-----	-----	-----
Cash and cash equivalents at end of year.....	Ps. 9,355,788	Ps.10,457,667	Ps.15,906,455
	=====	=====	=====

Net cash provided by (used for) operating activities reflects cash payments for interest and income taxes as follows:

	2002	2003	2004
	-----	-----	-----
Interest.....	Ps.1,183,311	Ps.1,101,465	Ps.1,637,407
Income taxes and/or assets tax.....	759,260	505,299	719,810

Supplemental disclosures about non-cash activities:

	2002	2003	2004
	-----	-----	-----
Note receivable related to customer deposits.....	Ps.7,829,566	Ps.8,460,155	Ps.8,557,396

Recently issued accounting standards

In December 2004, and as amended in April 2005, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 123R, "Share-Based Payment" (SFAS 123R), which replaces SFAS 123 and supersedes APB Opinion No. 25. SFAS 123R requires all share-based payments to employees, including grants of employee stock options, to be recognized in the financial statements based on their fair values. The pro forma disclosures previously permitted under SFAS 123 no longer will be an alternative to financial statement recognition. SFAS 123R is effective for fiscal years beginning after June 15, 2005. Early application of SFAS 123R is encouraged, but not required.

Public companies are required to adopt the new standard using a modified prospective method and may elect to restate prior periods using the modified retrospective method. Under the modified prospective method, companies are required to record compensation cost for new and modified awards over the related vesting period of such awards prospectively and record compensation cost prospectively for the unvested portion, at the date of adoption, of previously issued and outstanding awards over the remaining vesting period of such awards. No change to prior periods presented is permitted under the modified prospective method. Under the modified retrospective method, companies record compensation costs for prior periods retroactively through restatement of such periods using the exact pro forma amounts disclosed in the companies' footnotes. Also, in the period of adoption and after, companies record compensation cost based

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

on the modified prospective method. In March 2005, the Securities and Exchange Commission (SEC) issued Staff Accounting Bulletin No. 107, "TOPIC 14:

Share-based payment" (SAB 107). SAB 107 addresses the interaction between SFAS 123(R) and certain SEC rules and regulations and provides views regarding the valuation of share-based payment arrangements for public companies. This bulletin is effective immediately. We have not yet determined the method of adoption to be used and have not completed our evaluation of the effects of adopting SFAS 123R.

In December 2004, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 153, "Exchanges of Nonmonetary Assets" (An amendment to APB Opinion No. 29) (SFAS 153). This statement addresses the measurement of exchanges of nonmonetary exchanges of similar productive assets in paragraph 21(b) of APB Opinion No. 29, "Accounting for Nonmonetary Transactions", and replaces it with an exception for exchanges that do not have commercial substance. This statement specifies that a monetary exchange has commercial substance if the future cash flows of the entity are expected to change significantly as a result of the exchange. The provisions of this statement shall be effective for nonmonetary asset exchanges occurring in fiscal periods beginning after June 15, 2005. Earlier application is permitted. We are currently evaluating the potential impact of this statement.

In March 2005, the FASB issued Interpretation No. 47 (FIN 47), "Accounting for Conditional Asset Retirement Obligations -- an interpretation of FASB Statement No. 143". FIN 47 requires an entity to recognize a liability for the fair value of a conditional asset retirement obligation if the fair value can be reasonably estimated. FIN 47 states that a conditional asset retirement obligation is a legal obligation to perform an asset retirement activity in which the timing or method of settlement are conditional upon a future event that may or may not be within control of the entity. FIN 47 is effective no later than the end of fiscal years ending after December 15, 2005. We have not quantified the impact of adopting FIN 47, but we do not expect the adoption to have a material impact on our financial position or results of operations.

GRUPO TELEVISA, S.A. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Consolidated valuation and qualifying accounts

DESCRIPTION -----	BALANCE AT BEGINNING OF PERIOD -----	ADDITIONS -----	DEDUCTIONS -----	BALANCE AT END OF PERIOD -----
CONTINUING OPERATIONS:				
Reserve for damage, obsolescence or deterioration of inventory:				
Year ended December 31, 2002.....	Ps. 11,230	Ps. 1,902	Ps. (3,942)	Ps. 9,190
Year ended December 31, 2003.....	9,190	2,832	(58)	11,964
Year ended December 31, 2004.....	11,964	1,688	(5,252)	8,400
Allowances for doubtful accounts(1):				
Year ended December 31, 2002.....	Ps. 817,153	Ps. 344,638	Ps. (159,153)	Ps. 1,002,638
Year ended December 31, 2003.....	1,002,638	375,242	(445,217)	932,663
Year ended December 31, 2004.....	932,663	521,747	(253,429)	1,200,981
DISCONTINUED OPERATIONS:				
Reserve for damage, obsolescence or deterioration of inventory:				
Year ended December 31, 2002.....	Ps. 6,287	Ps. --	Ps. (6,287)	Ps. --
Year ended December 31, 2003.....	--	--	--	--
Year ended December 31, 2004.....	--	--	--	--
Allowances for doubtful accounts(1):				
Year ended December 31, 2002.....	Ps. 39,833	Ps. --	Ps. (39,833)	Ps. --
Year ended December 31, 2003.....	--	--	--	--
Year ended December 31, 2004.....	--	--	--	--

(1) Include allowances for trade and non-trade doubtful accounts.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Mexico, D.F., January 30, 2004, except for the restatement to December 31, 2004 constant pesos for which the date is March 11, 2005.

To the Equity Owners of
Innova, S. de R. L. de C. V.:

We have audited the accompanying consolidated balance sheets of Innova, S. de R. L. de C. V. and its subsidiaries (collectively the "Group") as of December 31, 2003 and 2002, and the related consolidated statements of loss, of changes in equity owners' deficit and of changes in financial position for the years then ended, all expressed in Mexican pesos. These financial statements are the responsibility of the Group'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 and with the standards of the Public Company Accounting Oversight Board (United States of America). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles 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.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Innova, S. de R. L. de C. V. and its subsidiaries at December 31, 2003 and 2002, and the results of their operations, the changes in the equity owners' deficit and the changes in their financial position for the years then ended, in conformity with accounting principles generally accepted in Mexico.

Accounting principles generally accepted in Mexico vary in certain significant respects from accounting principles generally accepted in the United States of America. The application of the latter would have affected the determination of the consolidated net loss for the years ended December 31, 2003 and 2002, and the determination of consolidated equity owner's deficit at December 31, 2003 and 2002 to the extent summarized in Note 20 to the consolidated financial statements.

PRICEWATERHOUSECOOPERS

/s/ FELIPE PEREZ CERVANTES, C.P.C.

Felipe Perez Cervantes, C.P.

INNOVA, S. DE R. L. DE C. V. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(EXPRESSED IN THOUSANDS OF MEXICAN PESOS IN
PURCHASING POWER AS OF DECEMBER 31, 2004)

	DECEMBER 31,	
	2003	2002
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents.....	Ps. 519,189	Ps. 291,634
Trade accounts receivable, net (Note 4).....	118,137	113,515
Value-added tax credit and other.....	2,056	1,345
Spare parts.....	10,602	14,240
Prepaid advertising (Note 9).....	131,489	133,479
Other current assets.....	16,885	48,145
Total current assets.....	798,358	602,358
Property and equipment, net (Note 5).....	1,470,230	1,689,777
Satellite transponders, net (Note 6).....	1,318,503	1,357,371
Deferred costs, net (Note 7).....	61,228	90,124
Intangible assets, net (Note 8).....	5,317	7,374
Other non-current assets.....	3,357	17,269
Total assets.....	Ps. 3,656,993	Ps. 3,764,273
	=====	=====
LIABILITIES AND EQUITY OWNERS' DEFICIT		
CURRENT LIABILITIES:		
Trade accounts payable.....	Ps. 155,267	Ps. 108,923
Accrued expenses.....	267,847	293,351
Satellite transponders obligation (Note 6).....	66,820	57,765
Due to affiliated companies and other related parties (Note 9).....	448,408	474,064
Accrued interest.....	126,615	145,262
Accrued taxes.....	102,734	34,510
Deferred income.....	145,118	119,766
Total current liabilities.....	1,312,809	1,233,641
NON-CURRENT LIABILITIES:		
Senior notes (Note 10).....	4,581,377	4,291,971
Equity owners' loans (Note 11).....	--	3,546,884
Satellite transponders obligation (Note 6).....	1,477,795	1,497,206
Accrued interest.....	--	746,448
Other liabilities.....	1,726	1,290
Total liabilities.....	7,373,707	11,317,440
Commitments and contingencies (Note 13).....	--	--
EQUITY OWNERS' DEFICIT:		
Contributed capital:		
Social parts (Note 14).....	6,655,668	2,092,516
Earned capital:		
Accumulated losses (Note 16).....	(9,611,501)	(7,677,087)
Loss for the period.....	(840,110)	(1,934,414)
Excess (deficit) from restatement.....	79,333	(34,036)
	(10,372,278)	(9,645,537)
Supplementary liability for labor obligations.....	(104)	(146)
Total equity owners' deficit.....	(3,716,714)	(7,553,167)
Total liabilities and equity owners' deficit.....	Ps. 3,656,993	Ps. 3,764,273
	=====	=====

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

INNOVA, S. DE R. L. DE C. V. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF LOSS

(EXPRESSED IN THOUSANDS OF MEXICAN PESOS IN
PURCHASING POWER AS OF DECEMBER 31, 2004)

	YEARS ENDED DECEMBER 31,	
	2003	2002
Net sales.....	Ps. 4,019,067	Ps. 3,754,787
Operating expenses:		
Cost of sales.....	1,241,478	1,162,421
Administrative expenses.....	131,485	132,866
Selling expenses.....	892,395	910,841
Other operating expenses.....	500,356	526,966
Total operating expenses.....	2,765,714	2,733,094
Depreciation and amortization.....	850,603	1,011,827
Operating profit.....	402,750	9,866
Integral results of financing (Note 3):		
Interest expense.....	(987,638)	(1,075,243)
Interest income.....	15,959	12,101
Foreign exchange losses, net.....	(618,268)	(1,284,553)
Gain from monetary position.....	331,661	545,372
Total integral results of financing.....	(1,258,286)	(1,802,323)
Other income (expenses) -- Net.....	3,659	(23,854)
Restructuring and non-recurring items (Note 15).....	(112,445)	(35,468)
Loss before taxes and minority interest.....	(964,322)	(1,851,779)
Provision for income and asset taxes (Note 17).....	123,125	(82,613)
Minority interest.....	1,087	(22)
Net loss.....	Ps. (840,110)	Ps. (1,934,414)

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

INNOVA, S. DE R. L. DE C. V. AND SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY OWNERS' DEFICIT
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002**

(EXPRESSED IN THOUSANDS OF MEXICAN PESOS IN
PURCHASING POWER AS OF DECEMBER 31, 2004)

	SOCIAL PARTS	DEFICIT FROM RESTATEMENT	SUPPLEMENTARY LIABILITY FOR LABOR OBLIGATIONS	ACCUMULATED LOSSES	NET LOSS	TOTAL EQUITY OWNERS' DEFICIT
	-----	-----	-----	-----	-----	-----
Balance at December 31, 2001.....	Ps. 2,092,516	Ps. (213,706)	Ps. (17)	Ps. (7,229,246)	Ps. (447,841)	Ps. (5,798,294)
Transfer of net loss to accumulated losses.....				(447,841)	447,841	--
Comprehensive loss (Note 18).....		179,670	(129)		(1,934,414)	(1,754,873)
	-----	-----	-----	-----	-----	-----
Balance at December 31, 2002.....	2,092,516	(34,036)	(146)	(7,677,087)	(1,934,414)	(7,553,167)
Capitalization of equity owners' loans (Note 11).....	4,563,152					4,563,152
Transfer of net loss to accumulated losses.....				(1,934,414)	1,934,414	--
Comprehensive loss (Note 18).....		113,369	42		(840,110)	(726,699)
	-----	-----	-----	-----	-----	-----
Balance at December 31, 2003.....	Ps. 6,655,668	Ps. 79,333	Ps. (104)	Ps. (9,611,501)	Ps. (840,110)	Ps. (3,716,714)
	=====	=====	=====	=====	=====	=====

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

INNOVA, S. DE R. L. DE C. V. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN FINANCIAL POSITION

(EXPRESSED IN THOUSANDS OF MEXICAN PESOS IN
PURCHASING POWER AS OF DECEMBER 31, 2004)

	YEARS ENDED DECEMBER 31,	
	2003	2002
Operating activities:		
Net loss.....	Ps. (840,110)	Ps. (1,934,414)
Adjustments to reconcile net loss to resources provided by (used in) operating activities:		
Depreciation and amortization.....	850,603	1,011,827
Maintenance reserve.....	4,876	7,747
Impairment of fixed assets.....	--	33,661
	-----	-----
	15,369	(881,179)
	-----	-----
Changes in operating assets and liabilities:		
Trade accounts receivable.....	(4,622)	26,624
Value-added tax credit and other.....	(711)	8,894
Spare parts.....	3,637	(5,007)
Prepaid advertising and other current assets.....	33,248	34,652
Deferred costs.....	36,011	16,099
Intangible and other assets.....	47,722	6,412
Trade accounts payable.....	46,344	14,582
Accrued expenses.....	42,723	(63,185)
Due to affiliated companies and other related parties....	(25,656)	91,652
Accrued interest.....	(765,099)	384,592
Deferred income.....	25,352	1,189
Supplementary liability for labor obligations.....	42	(130)
Other.....	437	493
	-----	-----
Resources used in operating activities.....	(545,203)	(364,312)
	-----	-----
Financing activities:		
Capital contributions.....	4,563,152	--
Equity owners' loans.....	(3,546,884)	571,597
Senior notes.....	289,406	312,897
Satellite transponders obligation.....	(10,355)	69,320
	-----	-----
Resources provided by financing activities.....	1,295,319	953,814
	-----	-----
Investing activities:		
Investment in property and equipment, net.....	(522,561)	(347,285)
	-----	-----
Resources used in investing activities.....	(522,561)	(347,285)
	-----	-----
Cash and cash equivalents:		
Increase for the period.....	227,555	242,217
At the beginning of the period.....	291,634	49,417
	-----	-----
At the end of the period.....	Ps. 519,189	Ps. 291,634
	=====	=====

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(EXPRESSED IN THOUSANDS OF MEXICAN PESOS IN PURCHASING POWER AS OF DECEMBER 31, 2004)

NOTE 1 -- THE COMPANY AND ITS PRINCIPAL OPERATIONS:

Innova, S. de R.L. de C.V. ("Innova" or the "Company"), a Mexican company with limited liability and variable capital, provides direct-to-home ("DTH") broadcast satellite pay television services in Mexico under the SKY brand name. Innova is a joint venture indirectly owned by Grupo Televisa, S. A. ("Televisa") (60%), The News Corporation Limited ("News Corporation") (30%) and Liberty Media International Holdings, LLC (formerly Liberty Media International, Inc.) ("LMI") (10%). The Company and its subsidiaries are collectively referred to as the Group.

The Group's business requires a concession (license granted by the Mexican federal government) to operate. On May 24, 1996, the Ministry of Communications and Transportation (the "SCT") ratified the concession granted to a wholly-owned subsidiary of the Company to offer DTH satellite broadcasting services in Mexico using domestic satellites. The concession is for a period of thirty years, beginning May 24, 1996, and renewable in accordance with Mexican Communications Law. On November 27, 2000, the SCT granted to a wholly-owned subsidiary of the Company a concession to provide its broadcasting services using foreign satellites. The concession is for a 20-year period, effective November 27, 2000 and may be extended in accordance with Mexican Communications Law.

NOTE 2 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The consolidated financial statements have been prepared in accordance with generally accepted accounting principles in Mexico ("Mexican GAAP") as promulgated by the Mexican Institute of Public Accountants ("MIPA"). A reconciliation from Mexican GAAP to United States generally accepted accounting principles ("U.S. GAAP") is included in Note 20.

The principal accounting policies followed by the Group are as follows:

A. BASIS OF PRESENTATION

The financial statements of the Group are presented on a consolidated basis. All significant intercompany balances and transactions have been eliminated.

The preparation of financial statements in conformity with generally accepted accounting principles 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 date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Certain prior period amounts have been reclassified to conform with the current year basis of presentation.

B. MEMBERS OF THE GROUP

At December 31, 2003, the Group consists of the Company and the following wholly-owned subsidiaries:

- Corporacion de Radio y Television del Norte de Mexico, S. de R.L. de C.V.
- Corporacion Novavision, S. de R. L. de C.V.
- Corporacion Novaimagen, S. de R. L. de C.V.
- Servicios Novasat, S. de R.L. de C.V.
- Servicios Corporativos de Telefonía, S. de R. L. de C.V. ("SECOTEL")

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

SECOTEL was formed in July 2001, when the Company purchased the Call Center operation from an affiliate of Televisa (Note 8).

C. CASH AND CASH EQUIVALENTS

The Group considers all highly liquid temporary cash investments with original maturities of three months or less, consisting primarily of overnight deposits, obligations of the Mexican Government, deposits and bonds in U.S. financial institutions to be cash equivalents.

D. PROPERTY AND EQUIPMENT

Property and equipment are recorded at acquisition cost and thereafter are restated using the National Consumer Price Index ("NCPI"), except for equipment of a non-Mexican origin, which are restated using an index which reflects the inflation in the respective country of origin and the exchange rate of the Mexican peso against the currency of such country at the balance sheet date ("Specific Index"). Maintenance costs for technical equipment are reserved based on management estimates. Actual costs are applied against the applicable reserve when incurred. Repair and maintenance costs for computer equipment and integrated receiver/decoders ("IRDs") are expensed as incurred.

Installation costs of antennas, low noise blocks ("LNBs") and accessories in subscribers' homes or businesses are capitalized in the line item antennas, LNBs and accessories, and are amortized over the estimated useful life of the asset, which is three years.

When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the appropriate accounts and any gain or loss is included in results of operations.

External costs incurred for internal use software are capitalized in computer equipment and depreciated over three years.

E. SPARE PARTS

Spare parts inventory are recorded at the lower of cost or net realizable value. The cost of spare parts utilized is charged to income when utilized.

F. DEPRECIATION

Depreciation of property and equipment is based upon the restated carrying value of the assets and is recognized using the straight-line method over the estimated useful lives of the assets, which range from 3 to 10 years. Land, equipment in progress and advances to suppliers are not depreciated.

G. SENIORITY PREMIUMS AND INDEMNITIES

Seniority premiums to which employees are entitled upon termination of employment after 15 years of service, as well as the obligations under the Company's noncontributory retirement plan for its employees, are recognized as expenses in the years in which the services are rendered, based on actuarial studies using the projected unit credit method.

Other compensation based on length of service to which employees may be entitled in the event of dismissal or death, in accordance with the Federal Labor Law, is charged to income in the year in which it becomes payable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

H. FOREIGN CURRENCY

Monetary assets and liabilities denominated in foreign currencies are reported at the prevailing exchange rate at the balance sheet date. Exchange differences on monetary assets and liabilities are included in income for the period and reflected in the integral result of financing. Revenues and expenses denominated in foreign currencies are reported at the exchange rates in effect when recognized.

I. REVENUE RECOGNITION

Program service revenues are recognized on a monthly basis as DTH service is provided. Program service revenues paid in advance are deferred until earned.

The Group provides the DTH antenna, LNB and remote control to customers along with the IRD, but has retained title to the equipment. The IRD is included in fixed assets and is rented to customers under an operating lease. Rental revenues are recognized on a monthly basis.

Advertising revenues are recognized at the time the advertising services are rendered.

J. ADVERTISING COSTS

Advertising expenses are expensed as incurred and amounted to Ps.211,637 and Ps.223,134 during the years ended December 31, 2003 and 2002, respectively.

K. CAPITALIZED FINANCING COSTS

The Group capitalized the integral financing costs attributable to acquired assets during installation and preoperating expenses. Capitalized integral financing costs include interest costs, gains from monetary position and foreign exchange gains or losses, and are determined by reference to the Group's average interest cost for outstanding borrowings. No amounts were capitalized in 2003 and 2002.

L. RISK CONCENTRATIONS

Financial instruments which potentially subject the Group to significant concentrations of credit risk consist primarily of cash and cash equivalents and trade accounts receivable. The Group maintains its cash and cash equivalents with various major financial institutions and are principally invested in obligations of the U.S. and Mexican governments. Concentration of credit risk with respect to trade accounts receivable is limited due to the large number of customers throughout Mexico. The Group's policy is to require one month's payment in advance, to reserve for all accounts receivable greater than ninety days and to write off against the reserve all receivables greater than 120 days. Bad debt expense was Ps.101,762 in 2003 and Ps.121,219 in 2002 (Note 4).

In order to provide DTH service to customers, the Group relies on the use of 12 KU-band transponders on the PAS 9 satellite. The use of these transponders is unprotected and, as a result, any long-term disruption to one or more of the transmission signals could have a material adverse effect on the Group.

M. COMPREHENSIVE LOSS

Comprehensive loss represents the net loss for the period presented in the income statement plus other results for the period reflected in equity owners' deficit which are from non-owner sources (Note 18).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

N. EVALUATION OF LONG-LIVED ASSETS

The Group evaluates the recoverability of its long-lived assets to determine whether current events or circumstances warrant adjustment to the carrying value. Such evaluation may be based on current and projected income and cash flows from operations as well as other economic and market variables.

O. INCOME TAX

The recognition of deferred income tax 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.

The accrued effect required the recognition of a net deferred tax asset and corresponding valuation allowance, because available evidence did not indicate that there was a high probability of future taxable income to realize the deferred tax asset. Subsequent changes in deferred tax assets and liabilities and valuation allowances are recognized in income.

P. NEW ACCOUNTING BULLETINS

In January 2002, the MIPA issued Statement C-8 "Intangible Assets" effective as of January 1, 2003. This statement establishes criteria for the recognition of intangible assets, as well as their accounting treatment through particular valuation, disclosure and presentation regulations. The adoption of Statement C-8 did not have any impact on the Group's consolidated financial statements.

In January 2002, the MIPA issued Statement C-9 "Liabilities, Provisions, Contingent Assets and Liabilities and Commitments" effective as from January 1, 2003. This statement establishes the particular valuation, disclosure and presentation regulations of liabilities and provisions, as well as those for commitments and contingent assets and liabilities. The adoption of this Statement did not have any impact on the Group's financial statements.

On January 1, 2004 the provisions of Statement C-15 "Impairment of Long-Lived Assets and Their Disposal" issued by the MIPA became effective. This Statement contains general standards covering the identification and recording of losses due to impairment or reduction in value of long-lived assets, tangible or intangible, including goodwill. In addition, it also prescribes guidelines for valuation of long-lived assets. The Group does not expect the adoption of this standard to have any effect on its financial statement.

In 2003, the MIPA issued new Statement C-12, "Financial Instruments Qualifying as Liabilities, Capital or Both" ("Statement C-12"), which highlights the differences between liabilities and stockholders' equity from the viewpoint of the issuer, as a basis for identifying, classifying and recording the liability and capital components of combined financial instruments in their initial recognition. Statement C-12 establishes the methodology for separating liabilities and stockholders' equity from the price received from the placement of combined financial instruments. That methodology is based on the residual nature of stockholders' equity and avoids the use of fair values affecting stockholders' equity in initial transactions. Additionally, it establishes that beginning on January 1, 2004, the initial costs resulting from the issuance of the combined instruments are assigned to liabilities and stockholders' equity in the same proportion as the amounts of the components recognized as liabilities and stockholders' equity; that the losses and incomes related to financial instrument components classified as liabilities are recorded in overall financing; and the yield distributions to owners of financial instrument components classified as stockholders' equity are charged directly to a capital account other than the income account for the year. Although this Statement C-12 became effective on January 1, 2004, it is not required when restating information for prior periods or when recognizing an initial accrued effect on the income for the year it is adopted, in accordance with the provisions established in the transitory paragraph of the Statement C-12.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

The Group does not expect that the adoption of this Statement will have a material effect on the consolidated financial statements.

NOTE 3 -- EFFECTS OF INFLATION ON THE FINANCIAL STATEMENTS:

The consolidated financial statements of the Group have been prepared in accordance with Statement B-10, "Recognition of the Effects of Inflation on Financial Information", as amended, ("Statement B-10"), which provides guidance for recognizing the effects of inflation. The financial statements of the Group are presented in Mexican Pesos in purchasing power as of December 31, 2004 in order to be comparable to financial information as of that date, as follows:

- The balance sheets have been restated in Mexican Pesos in purchasing power as of December 31, 2004 using the NCPI as of December 31, 2004.

- The statements of loss and changes in equity owners' deficit have been restated in Mexican Pesos in purchasing power as of December 31, 2004 using the NCPI for the month in which the transactions occurred.

The restatement of the financial statements has been applied in accordance with Statement B-10 guidelines as described below:

RESTATEMENT OF NON-MONETARY ASSETS

Property and equipment, except for equipment of non-Mexican origin, are restated using the NCPI. Equipment of non-Mexican origin, primarily satellite transponders, are restated using a Specific Index. The Specific Index is derived from inflation in the country of the assets' origin and the foreign currency exchange rate of the Mexican Peso against the currency of such country.

Property and equipment in use at the beginning of the year is depreciated based upon the restated carrying value of the assets and is recognized using the straight-line method over the estimated useful lives of the assets. Additions during the year are depreciated based on the restated value.

RESTATEMENT OF EQUITY OWNERS' DEFICIT

Social parts and other equity owners' deficit accounts (other than the excess/deficit from restatement) include the effect of restatement, determined by applying the NCPI factor to the applicable period. The restatement represents the amount required to maintain the contributions and the accumulated results in Mexican Pesos in purchasing power as of December 31, 2004. The deficit/excess from restatement includes the result from holding non-monetary assets and is the cumulative difference between the cost of the non-monetary assets restated using NCPI and the restatement of such assets using the Specific Index.

INTEGRAL RESULTS OF FINANCING

The gain or loss from monetary position represents the effects of inflation, as measured by the NCPI, on the monetary assets and liabilities of the Group at the beginning of each month. For the years ended December 31, 2003 and 2002, monetary liabilities exceeded monetary assets, resulting in gains from monetary position during the periods.

STATEMENT OF CHANGES IN FINANCIAL POSITION

Statement B-12, "Statements of Changes in Financial Position" ("Statement B-12"), issued by the MIPA, specifies the appropriate presentation of the statement of changes in financial position when the financial statements have been restated in constant monetary units in accordance with the Third Amendment to Statement B-10. Statement B-12 identifies the generation and application of resources as

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

the differences between beginning and ending financial statement balances in constant monetary units. The Statement also requires that monetary and foreign exchange gains and losses not be treated as non-cash items in the determination of resources provided by operations. The translation effects of operating assets and liabilities are included in the stated change of the related item.

OTHER ACCOUNTS

The following accounts are restated using the NCPI:

Debt issuance costs and related amortization Leasehold improvements and related amortization Intangible assets and related amortization

NATIONAL CONSUMER PRICE INDEX (NCPI)

Restatement of the financial statements to Mexican pesos in purchasing power as of December 31, 2004, in accordance with the Third Amendment to Statement B-10, requires restatement of the results for each month during each year using a factor derived from the change in the NCPI. The NCPI as of December 31, 2004, 2003 and 2002 was 112.550, 106.996 and 102.904, respectively.

NOTE 4 -- TRADE ACCOUNTS RECEIVABLE, NET:

Trade accounts receivable, net includes the receivables from DTH services provided to subscribers, from the rental of IRDs and from the sale of advertising. Balances as of December 31, consist of:

	2003	2002
	-----	-----
Trade accounts receivable.....	Ps. 192,045	Ps. 193,508
Allowance for doubtful accounts.....	(73,908)	(79,993)
	-----	-----
	Ps. 118,137	Ps. 113,515
	=====	=====

The allowance for doubtful accounts for the years ended December 31, 2003 and 2002, was as follows:

	2003	2002
	-----	-----
Beginning balance.....	Ps. 79,993	Ps. 92,724
Additions.....	101,762	121,219
Write offs.....	(107,847)	(133,950)
	-----	-----
Ending balance.....	Ps. 73,908	Ps. 79,993
	=====	=====

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

NOTE 5 -- PROPERTY AND EQUIPMENT, NET:

Property and equipment, net as of December 31, consists of:

	2003	2002
Integrated receiver/decoders.....	Ps.2,790,422	Ps.2,787,564
Transmission equipment.....	399,440	374,793
Antennas, LNBS and accessories.....	842,567	606,516
Computer equipment.....	513,189	334,516
Furniture.....	21,382	21,344
Transportation equipment.....	21,498	22,943
Buildings.....	895	2,227
	-----	-----
	4,589,393	4,149,903
Accumulated depreciation.....	(3,167,005)	(2,600,065)
	-----	-----
	1,422,388	1,549,838
Land.....	1,420	9,564
Equipment in progress.....	34,108	127,728
Advances to suppliers.....	12,314	2,647
	-----	-----
	Ps.1,470,230	Ps.1,689,777
	=====	=====

Depreciation expense for the years ended December 31, 2003 and 2002 was Ps.729,836 and Ps.803,642, respectively.

The Group recorded an impairment loss on certain transmission equipment and other equipment not in use of Ps.33,661 (which was included in "Restructuring and non-recurring items" line item) during the year ended December 31, 2002. As of April 2002, the Group ceased utilizing the service of the Solidaridad 2 satellite, continuing only with the services provided by the PAS-9 satellite. At that date, transmission equipment with a book value of Ps.41,937 associated with Solidaridad 2 was held by the Group and the Group decided to recognize an impairment charge amounting to Ps.33,661 for the equipment that could not be utilized by the PAS-9 satellite, and to create a spare-part inventory for the remaining Ps.8,276 of transmission equipment that could be utilized by the PAS-9 satellite.

At December 31, 2003 and 2002, IRDs, transmission equipment, computer equipment and transportation equipment include restated assets which are of a non-Mexican origin of Ps.341,150 and Ps.464,976, respectively, net of accumulated depreciation. Computer equipment includes Ps.188,043 and Ps.17,830 of capitalized software costs as of December 31, 2003 and 2002, respectively.

NOTE 6 -- SATELLITE TRANSPONDERS:

On February 8, 1999, the Group and PanAmSat Corporation ("PanAmSat") entered into a new agreement for satellite signal reception and retransmission service from 12 KU-band transponders on a new satellite ("PAS-9"), which became operational in September 2000. The service term for PAS-9 will end at the earlier of (a) the end of 15 years or (b) the date PAS-9 is taken out of service. The Group is committed to pay a monthly fee of U.S.\$1.7 million. The Group received a credit against the initial service fees of U.S.\$11.7 million paid under the new agreement.

The concession authorizing the use of PAS-9 was granted by the Federal Government through the SCT in November 2000. Under the terms of this concession, the Group is bound to offer the service of paid television via DTH satellite for a three-year term starting in November 2000, in the Municipalities or

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

City Districts where 40% of the total population of the coverage area dwells in, as per the most recent census information available. The process of migrating customers from Solidaridad 2 to PAS-9 started in November 2000 and ended in March 2002. The Group stopped using the services of Solidaridad 2 in early April 2002.

The Group recorded an asset equal to the net present value of the U.S.\$1.7 million per month payments and the U.S.\$11.7 million credit. The balance of the satellite transponders as of December 31, is as follows:

	2003	2002
Satellite transponders.....	Ps.1,695,219	Ps.1,607,413
Accumulated depreciation.....	(376,716)	(250,042)
	-----	-----
	Ps.1,318,503	Ps.1,357,371
	=====	=====

Amortization of satellite transponders in 2003 and 2002 was Ps.113,014 and Ps.107,160, respectively.

The Group's future obligation from the PAS-9 agreement, determined using the Group's incremental borrowing rate at the lease commencement date of 11.5%, is as follows:

	TOTAL
2004.....	Ps.240,877
2005.....	240,877
2006.....	240,877
2007.....	240,877
2008.....	240,877
Thereafter.....	1,610,525

	2,814,910
Less: amount representing interest.....	(1,270,295)

	Ps.1,544,615
	=====

Interest expense recognized during the years ended December 31, 2003 and 2002 was Ps.178,682 and Ps.174,740, respectively.

The obligation is reflected on the consolidated balance sheet as of December 31, as follows:

	DECEMBER 31,	
	2003	2002
Current portion.....	Ps. 66,820	Ps. 57,765
Long-term portion.....	1,477,795	1,497,206
	-----	-----
	Ps.1,544,615	Ps.1,554,971
	=====	=====

The obligations of the Group under the PAS-9 agreement are proportionately guaranteed by the Group's equity owners' in relation to their respective ownership interests.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

NOTE 7 -- DEFERRED COSTS, NET:

Deferred costs, net as of December 31, consist of:

	2003	2002
	-----	-----
Debt issuance costs, net(a).....	Ps. 53,941	Ps. 80,688
Leasehold improvements, net(b).....	7,287	9,436
	-----	-----
	Ps. 61,228	Ps. 90,124
	=====	=====

A. DEBT ISSUANCE COSTS

	2003	2002
	-----	-----
Old Senior Notes(1).....	Ps. 44,468	Ps. 188,791
New Senior Notes(2).....	41,467	--
	-----	-----
	85,935	188,791
Less: Accumulated amortization.....	(31,994)	(108,103)
	-----	-----
Total capitalized expenses, net.....	Ps. 53,941	Ps. 80,688
	=====	=====

(1) During 2003, the Group expensed as a non-recurring item, Ps.48,052 corresponding to the unamortized debt issuance costs in respect of noteholders that accepted to exchange their Old Senior Notes for the New Senior Notes (Note 10). The remaining Ps.13,507 corresponds to the proportional debt issuance cost of the Old Senior Notes that were not exchanged, which will continue to be amortized over the remaining term of the Old Senior Notes.

(2) Fees and expenses incurred for the issuance of the New Senior Notes (Note 10), will be amortized over the term of the New Senior Notes.

Amortization of debt issuance costs was Ps.17,248 and Ps.18,867 in 2003 and 2002, respectively.

B. LEASEHOLD IMPROVEMENTS

Amortization of leasehold improvements was Ps.3,858 and Ps.10,410 in 2003 and 2002, respectively.

NOTE 8 -- INTANGIBLE ASSETS, NET:

Intangible and other assets, net are amortized using the straight-line method over a period of five years. Balances as of December 31, consist of:

	2003	2002
	-----	-----
Noncompetition agreement(a).....	Ps. --	Ps. 190,631
Call Center Operations(b).....	10,292	10,292
	-----	-----
	10,292	200,923
Accumulated amortization.....	(4,975)	(193,549)
	-----	-----
	Ps. 5,317	Ps. 7,374
	=====	=====

(a) Consists mainly of a noncompetition agreement and certain rights for the use of transponders acquired in 1997, both of which were fully amortized in 2002.

(b) Consist mainly of software and other licenses for the Call Center operation that was acquired from an affiliate of Televisa in 2001.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

NOTE 9 -- TRANSACTIONS WITH AFFILIATED COMPANIES AND OTHER RELATED PARTIES:

The principal transactions of the Group with affiliated companies and related parties are:

	2003	2002
	-----	-----
Borrowings and accrued interest from equity owners' (Note 11).....	Ps. --	Ps. 4,293,332
Broadcasting services, Florida(a).....	89,632	89,807
Programming(b).....	215,479	195,756
Special events programming(c)(h).....	130,317	200,381
Advertising costs(d).....	132,551	140,003
Royalties(e).....	65,878	48,370
Broadcasting services, Mexico City(f).....	47,767	42,146
Fixed asset acquisitions.....	--	12,840
Acquisition of smart cards.....	12,314	11,030
Finance costs (Note 11).....	224,904	312,006
Management and administrative services.....	2,278	7,921
Maintenance services.....	4,120	13,785
Advertising revenue.....	27,240	31,404
Transmission services, income.....	6,423	7,844
Other.....	696	8,564

(a) The Group has an agreement with DTH TechCo Partners, an affiliate of both Televisa and News Corporation, for play-out, uplink and downlink of signals and compression services. Costs for these services are anticipated to be approximately U.S.\$8.0 million per year.

(b) The Group purchases the rights to broadcast certain popular channels through affiliates of Televisa and News Corporation. Fees for this programming are based upon the number of subscribers.

(c) The Group purchases, on occasion, the rights to broadcast certain special events programming from Televisa and its affiliates.

(d) The Group purchases advertising time from Televisa on an as needed basis and creative services from DTH TechCo Partners.

(e) Royalties paid to an affiliate of News Corporation consist of license, security and access fees and charges for the use of certain technology. The monthly fees and charges are based on the total number of smart cards, new subscribers during the period and the number of IRDs purchased.

(f) The Group purchases uplink and downlink, playout and compression services from an affiliate of Televisa for operations conducted in the Mexico City broadcast facility.

The outstanding balances due to affiliates and other related parties, excluding equity owners' loans and accrued interest, as of December 31, are as follows:

	2003	2002
	-----	-----
Televisa and subsidiaries(g).....	Ps. 384,817	Ps. 413,233
News Corporation and subsidiaries.....	63,591	60,831
	-----	-----
	Ps. 448,408	Ps. 474,064
	=====	=====

(g) Amount includes the liability for the prepaid advertising to Televisa. On December, 2003, the Group entered into one-year advertising agreements with Televisa and subsidiaries for Ps.131,489, covering

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

the period January 1, 2004 to December 31, 2004. In December 2002, the Group entered into a one-year advertising agreement amounting to Ps.126,229, covering the period January 1, 2003 to December 31, 2003. The prepaid advertising is amortized as the advertising is aired.

(h) The Company has an informal agreement with Televisa for the purchase of exclusive rights to exhibit and distribute through SKY certain of the professional Mexican Soccer League programming and Mexican Boxing programming during the 2001 through 2003 seasons, as follows:

- Exclusive transmission rights and local block-out rights over 20% of the professional Mexican Soccer League programming during the summer and winter seasons of 2001 and 2002;
- Exclusive transmission rights and local block-out rights over 10% of the professional Mexican Soccer League programming during the summer season of 2003; and
- Exclusive transmission rights to all Mexican Boxing programming during the calendar years 2001 and 2002.

In consideration for the right to distribute all of the licensed events, the Group should pay Televisa a total license fee amounting to U.S.\$15.0 million pro rata during the term, as follows:

- U.S.\$6.0 million for all programming licensed during 2001;
- U.S.\$6.0 million for all programming licensed during 2002; and
- The remaining U.S.\$3.0 million for all programming licensed thereafter until the end of the summer soccer season for 2003.

During 2003, the Group entered into an agreement with Televisa amounting to approximately U.S.\$4.6 million for all programming licensed thereafter until the end of the winter soccer season for 2003 and approximately U.S.\$4.9 million for all programming licensed of summer soccer season for 2004.

The Group has engaged the law firm of Mijares, Angoitia, Cortes y Fuentes, S. C. to advise them on various legal issues. Two of their partners, currently on leave from the partnership, serve as members of the Group's Board and an active partner in such firm serves as Secretary of the Group's Board and Secretary of the Group's Executive Committee. The fees paid to such law firm during 2003 was Ps.460. In 2002 no legal fees were paid.

NOTE 10 -- SENIOR NOTES:

The Senior Notes consist of the following balances as of December 31:

	2003	2002
New Senior Notes(a)	Ps. 3,542,302	Ps. --
Old Senior Notes(b)	1,039,075	4,291,971
	-----	-----
	Ps. 4,581,377	Ps. 4,291,971
	=====	=====

(a) On September 19, 2003 the Group completed the offering of U.S.\$300 million of its Senior Notes due 2013 ("New Senior Notes"). The New Senior Notes bear interest at a coupon rate of 9.375%, payable semiannually on March 19 and September 19 of each year, commencing March 19, 2004. Interest will be computed on the basis of a 360-day year or twelve 30-day months. The New Senior Notes are unsecured and unsubordinated indebtedness of the Group and contain certain covenants relating to the Group, including covenants with respect to: (i) limitations on additional indebtedness; (ii) limitations on liens; (iii) limitations on sales and leasebacks; (iv) limitations on restricted

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

payments; (v) limitations on asset sales; and (vi) limitations on certain mergers, consolidations and similar transactions.

The Group may, at its own option, redeem the New Senior Notes, in whole or in part, at any time on or after September 19, 2008 at the following redemption prices (expressed in percentages of the principal amount), plus accrued and unpaid interest, if any:

IF REDEEMED DURING THE TWELVE-MONTH PERIOD COMMENCING SEPTEMBER 19, -----	REDEMPTION PERCENTAGE -----
2008.....	104.6875
2009.....	103.1250
2010.....	101.5625
2011.....	100.0000

In addition, on or before September 19, 2006, the Group may, at its own option and subject to certain requirements, use the proceeds from one or more qualified equity offerings to redeem up to 35% of the aggregate principal amount of the New Senior Notes at 109.375% of their principal amount, plus accrued and unpaid interest.

The net proceeds from the offering of the New Senior Notes were used to redeem on October 20, 2003 U.S.\$287.0 million in principal amount of the Group's 12 7/8% Old Senior Notes due 2007 (see below), and to pay a redemption premium of U.S.\$9.2 million, and fees and expenses relating to the transaction of U.S.\$3.8 million (Note 7-a).

(b) In 1997, the Group concluded an offering of U.S.\$375 million of its Senior Notes due 2007 ("Old Senior Notes"). The Old Senior Notes bear interest at a rate of 12 7/8% and are redeemable at the option of the Group, in whole or in part, at any time on or after April 1, 2002, initially at 106.4375% of their principal amount, plus accrued interest, declining ratably to 100% of their principal amount, plus accrued interest, on or after April 1, 2004. Interest on the Old Senior Notes is payable semi-annually on April 1 and October 1 of each year and commenced on October 1, 1997. The Old Senior Notes are uncollateralized, unsubordinated indebtedness of the Group and contain certain covenants similar to the New Senior Notes.

The U.S.\$88 million in Old Senior Notes that were not exchanged will continue to accrue interest at 12 7/8% per annum, and remain outstanding in accordance with their original terms.

NOTE 11 -- EQUITY OWNERS' LOANS:

Effective September 9, 2003, the Group's equity owners capitalized all outstanding principal amounts of the loans made by them to the Group totaling Ps.3,617,469 as well as the portion of accrued interest as of such date which amounted to Ps.945,683. After giving effect to the capitalization, the Group's equity owners Televisa, News Corporation and Liberty Media, continue to indirectly own 60%, 30% and 10% of Innova, respectively.

The equity owners' loans, which were all made on a pro rata basis by the Group's equity owners, incurred interest at an annual rate of 9% and were payable in full ten years from the date of issuance. The maturity date of any individual loan could be accelerated or otherwise modified upon joint agreement of the equity owners and the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

NOTE 12 -- FINANCIAL INSTRUMENTS:

The Group's financial instruments include cash and cash equivalents, trade accounts receivables, trade accounts payable, due to affiliated companies and other related parties, and debt. For cash and cash equivalents, trade accounts receivables, trade accounts payable, and due to affiliated companies and other related parties, the carrying amounts approximate fair value due to the short maturity of these instruments.

The fair value of the Senior Notes is based on quoted market prices. The estimated fair value of these instruments at December 31, 2003 and 2002 is as follows (amounts in thousands):

		CARRYING VALUE	FAIR VALUE
		-----	-----
December 31, 2003.....	New Senior Notes	U.S.\$300,000	U.S.\$307,890
	Old Senior Notes	U.S.\$ 88,000	U.S.\$ 89,100
December 31, 2002.....	Old Senior Notes	U.S.\$375,000	U.S.\$330,000

The Senior Notes are thinly traded financial instruments. Accordingly, their market price at any balance sheet date may not be representative of the price which would be obtained in a more active market.

In 2002 management was unable to estimate the fair value of the equity owners' loans due to their nature.

NOTE 13 -- COMMITMENTS AND CONTINGENCIES:

a. In 1996, the Group signed an agreement with an affiliate of News Corporation to acquire and implement a conditional access system. This system includes Smart Cards which decode satellite signals and control access by subscribers. In 1999, the Group acquired a subscriber management system (SMS) designed specifically for DTH services. Under these arrangements, the Group estimates that the 2004 commitment will approximate U.S.\$11.6 million for royalties, licenses and maintenance of the foregoing systems. In 2003 and 2002, the Group incurred expenses of U.S.\$7.2 million and U.S.\$5.9 million, respectively.

The Group has entered into agreements with Televisa and an affiliate of Televisa to provide uplink and downlink, playout and compression services at the Mexico City station. The annual commitments are estimated to be approximately U.S.\$4.0 million per year. The Group incurred expenses of U.S.\$4.1 million in 2003 and U.S.\$3.9 million in 2002.

The Group entered into several contracts with programming providers, establishing that the amounts payable to the programmers will be based on the number of subscribers. These charges totaled Ps.767,480 and Ps.718,899 for the years ended December 31, 2003 and 2002, respectively.

b. The Group entered into two related agreements with CSG Software, Inc. (CSG), on June 12, 2002 under which CSG provides: a) A non-exclusive, perpetual license for the use of the software "Kenan" to provide billing and order management to licensed subscribers, besides installation and implementation of the system, training and support services and, b) consulting services.

Under the Software License and Service Agreement, the Group paid U.S.\$2.9 million to CSG for a license capacity of up to 1,125,000 subscribers. However, the Group can purchase additional capacity according to the subscriber base growth at an additional cost per every 100,000 subscribers. Technical support in Mexico will be available for the first 24 months following the date on which live production of the system begins, the annual cost for this service will be U.S.\$585,600. It is possible in accordance with the agreement to use the Kenan system for other DTH platform in case of merger, acquisition or combination of platforms. The new SMS was placed in service on November 2003.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Under the Consulting Services agreement, CSG provided management and technology consulting, advisory and integration services related to the implementation of the Kenan end-to-end integrated solution, as well as the required interfaces with the Group's Siebel and NDS software currently in operation, in accordance with an Implementation Planning and Analysis process (IPA), previously agreed with the Group. The total cost of these services is U.S.\$4.4 million. As of December 31, 2003, U.S.\$3.8 million were paid and the U.S.\$0.6 million remaining will be payable upon completion of certain agreed milestones.

c. On January 2002, the Group executed an agreement with TV Azteca to begin paying them for the rights to rebroadcast their over-the-air Channels 7 and 13. It has also committed to purchase up to U.S.\$10.6 million in advertising from TV Azteca over three years and received rights to broadcast certain soccer matches and an option for exclusive broadcast rights after 2004. Prior to May 1, 2002, the Group was permitted to rebroadcast these over-the-air channels at no cost. The remaining commitment under this agreement amounted to U.S.\$4.2 million on December 31, 2003.

d. Since January 1, 2002, a 10% federal excise tax was imposed on the collected revenues from the Group's pay television services. In February 2002, the Group filed a petition for constitutional relief against the Legislative Decree, which contains the amendments to the law regarding the excise tax. On August 15, 2003, the Group received a favorable resolution for the excise tax paid in 2002; such resolution generated a tax return which is in process. The resolution for the excise tax paid in 2003 is still pending (Note 15-c).

NOTE 14 -- SOCIAL PARTS:

The social parts as of December 31, 2003 and 2002, is represented by four and three partnership interests, respectively, of unequal value distributed as follows:

DECEMBER 31, 2003:		
PARTNERSHIP INTEREST	SUBSERIES	AMOUNT
1	A-1	Ps. 926,563
1	B-1	463,282
1	B-2	154,427
1	C	5,111,396
DECEMBER 31, 2002:		
PARTNERSHIP INTEREST	SUBSERIES	AMOUNT
1	A-1	Ps. 1,255,510
1	B-1	627,755
1	B-2	209,251

As discussed in Note 11, effective September 9, 2003, the Group's equity owners capitalized all loans made by them. These loans were capitalized in exchange for a proportionate interest in Innova Holdings, S. de R. L. de C. V. ("Innova Holdings"), a newly created company. Innova Holdings is the holder of a 100% of Series "C" partnership interest, described below.

Series "A" is composed of a partnership interest initially representing 13.92% (60% in 2002) of the total social parts. The Series "A" partnership interest may be subscribed to only by persons of Mexican nationality.

Series "B" is composed of a partnership interest initially representing 9.28% (40% in 2002) of the total social parts. The Series "B" partnership interest is unrestricted as to ownership and therefore, may be acquired by Mexican investors and foreign natural and legal persons or by persons, companies or entities that are included in Article 2, Section III of the Foreign Investments Law.

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Series "C" is composed of a partnership interest initially representing 76.80% of the social parts. The Series C interest are owned by Innova Holdings and have limited voting rights.

Dividends paid are not subject to income tax if paid from the Net Tax Profit Account and will be taxed at a rate that fluctuates between 4.62% and 7.69% if they arise from the reinvested Net Tax Profit Account. Any excess over this account is subject to a tax equivalent to 49.25% and 47.06% depending on whether paid in 2004 or 2005, respectively. The tax is payable by the company and may be credited against its income tax in the same year or the following two years. Dividends paid are not subject to tax withholding.

The ability of the Group to declare dividends is restricted by the New and Old Senior Notes indentures.

In the event of a capital reduction, any excess of equity owners' equity over capital contributions, the latter restated in accordance with the provisions of the Income Tax Law, is accorded the same tax treatment as dividends.

NOTE 15 -- RESTRUCTURING AND NON-RECURRING ITEMS:

- a. The restructuring charges in 2003 and 2002 consisted of severance costs in connection with employee terminations.
- b. As a result of the restructuring of the Senior Notes, the Group recognized a nonrecurring loss in the amount of Ps.152,687 (net), which is mainly composed of the Premium on redemption payment, and the unamortized cost of debt issuance corresponding to the Old Senior Notes that were exchanged for the New Senior Notes (Note 7).
- c. On October 30, 2003, the Federal Executive approved a temporary tax incentive equal to 100% of the 10% excise tax on telecommunications, effective November 1, 2003 and applicable only to the tax triggered from this date up to December 31, 2003. Therefore, during the months of November and December 2003, the Group recorded, the derived effects of the tax incentive above mentioned amounting to Ps.42,053, as a non-recurring charge.
- d. During 2000, the Group recognized a nonrecurring charge of Ps.471,324 relating to the redundant use of the transponders on the Solidaridad 2 satellite once the PAS-9 satellite became operational, and for the increased costs to re-orientate customers' antennas to PAS-9 in a short period of time. The process of migrating customers from Solidaridad 2 to PAS-9 started in November 2000 and finally ended in March 2002. As explained in Note 5, the Group recorded an impairment charge of Ps.33,661 in April 2002 that related to certain transmission equipment associated with Solidaridad 2. This impairment loss, together with the payments for the use of Solidaridad 2 in the first quarter of 2002 amounting to Ps.15,512, was offset by the reversal of unutilized amounts raised in 2000 amounting to Ps.20,809, and reflected as a nonrecurring charge of Ps.28,364 in 2002.

NOTE 16 -- ACCUMULATED LOSSES:

Under Mexican Corporate Law, interested third parties can request the dissolution of the Group if accumulated losses exceed two-thirds of social parts. At December 31, 2003, the Group's accumulated losses exceeded its social parts. Although the Group believes it is unlikely such action will occur, the Group, obtained from Televisa and News Corporation, a commitment to provide financial support to the Group for a period of one year from the balance sheet date, in proportion to their respective ownership interests, if required, to avoid such action.

The recoverability of the Group's investment in DTH infrastructure and product development is dependent upon future events, including, but not limited to, the stability of the Mexican economic

INNOVA, S. DE R.L. DE C.V. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

environment, obtaining adequate financing for the Group's development program, the continued operation of satellites owned by third parties, the competitive and market environment for pay television services in Mexico, and the achievement of a level of operating revenues that is sufficient to support the Group's cost structure.

NOTE 17 -- PROVISION FOR INCOME TAX ("IT"), ASSETS TAX ("AT") AND EMPLOYEES' STATUTORY PROFIT SHARING:

Tax losses can be carried forward for up to ten years and offset against any profits that the Group or Televisa may generate during that period in accordance with the Income Tax Law.

At December 31, 2003, the Group had total tax loss carryforwards of Ps.8,611,489, which will under certain circumstances, be carried forward over ten years from the period that the respective tax loss was generated in:

YEAR OF EXPIRATION	AMOUNT
2004.....	Ps. 5
2005.....	9
2006.....	346,737
2007.....	1,346,728
2008.....	2,062,258
2009.....	736,436
2010.....	983,802
2011.....	769,023
2012.....	1,648,597
2013.....	717,894

	Ps. 8,611,489
	=====

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

	2003	2002
Tax at the statutory rate 34% in 2003 (35% in 2002) on loss before taxes.....	Ps. (327,869)	Ps. (648,130)
Differences in restatement.....	134,044	98,258
Valuation allowance.....	238,040	636,383
Deferred advertising.....	(4,198)	(14,576)
Depreciation and amortization.....	(10,504)	(47,110)
Debt issuance costs.....	8,236	3,817
Provisions.....	(30,111)	(12,103)
Deferred income.....	16,840	(8,002)
Other.....	(24,478)	(8,537)
	-----	-----
Provision for income tax.....	--	--
Assets tax.....	123,125	(82,613)
	-----	-----
Total.....	Ps. 123,125	Ps. (82,613)
	=====	=====

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Deferred taxes at December 31, 2003 and 2002, were generated by the following temporary differences and tax loss carryforwards:

	2003	2002
	-----	-----
Prepaid expenses.....	Ps. (18,591)	Ps. (14,532)
Other deferred costs.....	5,899	40,178
Property and equipment.....	97,092	138,326
Deferred income.....	47,889	40,708
Accrued expenses.....	115,998	177,192
Satellite transponders, net.....	74,617	67,184
Debt issuance costs.....	(13,812)	(27,434)
Tax loss carryforwards.....	2,841,769	2,684,083
	-----	-----
Valuation allowance.....	3,150,861	3,105,705
	(3,150,861)	(3,105,705)
	-----	-----
Deferred income tax.....	Ps. --	Ps. --
	=====	=====

Employees' statutory profit sharing in Mexico is determined for each subsidiary individually, not on a consolidated basis. There is no employees' statutory profit sharing deferred tax as of December 31, 2003 and 2002.

Pursuant to the tax legislation in force, the Company must pay annually the greater of the IT or the AT, which is determined on the average value of assets less certain liabilities. When the AT payments are greater than IT, they are recoverable against the IT in excess of the AT from the three prior years and the ten subsequent years. In 2003 and 2002 the asset tax rate was 1.8%. Under Mexican law, taxpayers cannot deduct from their asset tax basis debt contracted with nonresident companies or financial intermediaries. The Group challenged these provisions of Mexico's asset tax law but at the same time, and in order to avoid penalties and interest payments in the event the Group could lose the appeal, the Group paid Ps.47,535 of tax on assets for the year ended December 31, 2002, and Ps.7,922 for the months of January and February 2003. On March 19, 2003, the court issued a resolution in the Group's favor, allowing the Group to deduct debts payable to nonresidents from the asset tax basis. In addition, subsequent to March 19, 2003, the Group has recovered the amounts previously paid as described above.

The Group is also included in the consolidated tax return of Televisa and its consolidated subsidiaries for purposes of determining its income taxes and assets tax. Beginning January 1, 1999, 60% of the tax profit or loss obtained by the Group will be consolidated with the tax profit or loss of Televisa to the extent of Televisa's percentage ownership of the Group. Through December 31, 1998, Televisa recognized the total taxable loss of the Group to the extent of its percentage ownership.

The Group entered into a tax sharing agreement with Televisa under which the Group will, during the periods that the Group is a part of Televisa's consolidated tax group, pay Televisa the amount of income and asset taxes that Televisa is required to pay on behalf of the Group. No such amount will be payable until the Group's profit exceeds its tax loss carryforwards. Conversely, Televisa shall pay to the Group the portion of any tax refund allocable to the Group.

INNOVA, S. DE R.L. DE C.V. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

NOTE 18 -- COMPREHENSIVE LOSS:

Comprehensive loss for the years ended December 31, 2003 and 2002, was as follows:

	2003	2002
	-----	-----
Loss per consolidated statements of loss.....	Ps. (840,110)	Ps. (1,934,414)
Result from holding non-monetary assets for the year.....	113,369	179,670
Supplementary liability for labor obligations.....	42	(129)
	-----	-----
Comprehensive loss for the year.....	Ps. (726,699)	Ps. (1,754,873)
	=====	=====

NOTE 19 -- FOREIGN CURRENCY POSITION:

a. The foreign currency position of monetary items of the Group at December 31, 2003 and 2002, were as follows:

2003:

CURRENCY	FOREIGN CURRENCY AMOUNTS	YEAR-END EXCHANGE RATE	MEXICAN PESOS
-----	-----	-----	-----
	(THOUSANDS)		
Assets:			
U.S. Dollars.....	42,331	11.225	Ps. 475,165
Liabilities:			
U.S. Dollars.....	574,056	11.225	6,443,779

2002:

CURRENCY	FOREIGN CURRENCY AMOUNTS	YEAR-END EXCHANGE RATE	MEXICAN PESOS
-----	-----	-----	-----
	(THOUSANDS)		
Assets:			
U.S. Dollars.....	21,391	10.464	Ps. 223,835
Liabilities:			
U.S. Dollars.....	935,999	10.464	9,794,294

b. The foreign currency position of non-monetary items of the Group at December 31, 2003 and 2002, were as follows:

2003:

CURRENCY	FOREIGN CURRENCY AMOUNTS	YEAR-END EXCHANGE RATE	MEXICAN PESOS
-----	-----	-----	-----
	(THOUSANDS)		(THOUSANDS)
Property and equipment:			
U.S. Dollars.....	22,755	11.225	Ps. 255,425
Pounds Sterling.....	2,210	20.32	44,907
Yen.....	37,031	0.1070	3,962
Canadian dollar.....	277	8.91	2,468
Satellite transponders:			
U.S. Dollars.....	104,396	11.225	1,171,845

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

2002:

CURRENCY -----	FOREIGN CURRENCY AMOUNTS ----- (THOUSANDS)	YEAR-END EXCHANGE RATE -----	MEXICAN PESOS ----- (THOUSANDS)
Property and equipment:			
U.S. Dollars.....	32,674	10.464	Ps. 341,901
Pounds Sterling.....	3,364	17.00	57,188
Yen.....	46,674	0.0899	4,196
Canadian dollar.....	360	6.69	2,408
Satellite transponders:			
U.S. Dollars.....	113,344	10.464	1,186,032

c. Transactions during 2003 and 2002 in foreign currencies included in the consolidated statements of loss were as follows:

2003:

CURRENCY -----	FOREIGN CURRENCY AMOUNTS ----- (THOUSANDS)	YEAR-END EXCHANGE RATE -----	MEXICAN PESOS (1) ----- (THOUSANDS)
Interest income..... U.S. Dollars	1,079	11.225	Ps. 12,112
Costs and expenses:			
Transponder expense..... U.S. Dollars	20,400	11.225	228,990
Broadcasting..... U.S. Dollars	12,536	11.225	140,717
Programming..... U.S. Dollars	64,300	11.225	721,768
Royalty fees..... U.S. Dollars	5,769	11.225	64,757
Other expenses..... U.S. Dollars	9,163	11.225	102,855
Interest expense..... U.S. Dollars	76,643	11.225	860,318

2002:

CURRENCY -----	FOREIGN CURRENCY AMOUNTS ----- (THOUSANDS)	YEAR-END EXCHANGE RATE (1) -----	MEXICAN PESOS (1) ----- (THOUSANDS)
Interest income..... U.S. Dollars	74	10.464	Ps. 774
Costs and expenses:			
Transponder expense... U.S. Dollars	21,900	10.464	229,162
Broadcasting..... U.S. Dollars	12,663	10.464	132,506
Programming..... U.S. Dollars	58,800	10.464	615,283
Royalty fees..... Pounds Sterling	652	17.00	11,084
Royalty fees..... U.S. Dollars	3,605	10.464	37,723
Other expenses..... U.S. Dollars	3,552	10.464	37,168
Interest expense..... U.S. Dollars	79,974	10.464	836,848

(1) For reference purposes only. Does not indicate the actual amounts presented in the consolidated statement of loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Paragraphs b) and c) are disclosed in accordance with the Fourth Amendment to Bulletin B-10 issued by the MIPA, which also provides that liabilities denominated in a foreign currency are translated using exchange rates in effect at the balance sheet date.

As of December 31, 2003 and 2002, the exchange rate between the Mexican Peso and the U.S. Dollar was Ps.11.225 and Ps.10.464 per U.S. dollar, respectively, which represents the interbank free market exchange rate as of those dates as published by Banco de Mexico, S.A. As of January 30, 2004, the exchange rate was Ps.11.0843 per U.S. dollar, which represents the interbank free market exchange rate as of that date as published by Banco de Mexico, S.A.

NOTE 20 -- DIFFERENCES BETWEEN MEXICAN GAAP AND U.S. GAAP:

The Group's consolidated financial statements are prepared in accordance with Mexican GAAP, which differs in certain significant respects from U.S. GAAP.

The reconciliation to U.S. GAAP includes a reconciling item for the effect of applying the option provided by the Modified Fifth Amendment to Bulletin B-10 for the restatement of equipment of non-Mexican origin because, as described below, this provision of inflation accounting under Mexican GAAP does not meet the consistent currency requirement of Regulation S-X of the Securities and Exchange Commission ("SEC").

The reconciliation to U.S. GAAP does not include the reversal of the other adjustments to the financial statements for the effects of inflation required under Mexican GAAP Bulletin B-10, because the application of Bulletin B-10 represents a comprehensive measure of the effects of price level changes in the inflationary Mexican economy and, as such, is considered a more meaningful presentation than historical, cost-based financial reporting for both Mexican and U.S. accounting purposes.

The principal differences between Mexican GAAP and U.S. GAAP that affect net loss and total equity owners' deficit are described below:

SATELLITE REORIENTATION COSTS

Under Mexican GAAP, the Group recognized a non-recurring loss during the year ended December 31, 2000 for the increased costs to reorientate customers' antennas to PAS-9 from Solidaridad 2 Satellite in a short period of time. Under U.S. GAAP, the satellite reorientation costs are expensed as incurred as a part of operating expenses.

MAINTENANCE RESERVE

Under Mexican GAAP, it is acceptable to accrue for certain expenses which management believes will be incurred in subsequent periods. Under U.S. GAAP, these costs are expensed as incurred.

RESTATEMENT OF PROPERTY AND EQUIPMENT

Effective January 1, 1997, the Group adopted the Fifth Amendment to Bulletin B-10 which eliminated the use of replacement costs for the restatement of property and equipment and instead, included an option of using the Specific Index for the restatement of equipment of non-Mexican origin. The Group has elected to apply the Specific Index option for determining the restated balances of equipment of non-Mexican origin under Mexican GAAP. For U.S. GAAP purposes, the use of an index that contemplates currency exchange movements is not in accordance with the historical cost concept nor does it present financial information in a constant currency. Hence for U.S. GAAP purposes, property and equipment are restated by the NCPI and the difference in depreciation expense and carrying value are recognized in the net income and equity owners' equity adjustments, respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

REVENUE RECOGNITION

The Group provides the antenna, LNB and accessories to new subscribers, together with the IRD, for a set monthly rental fee, retaining title and ownership of all the equipment. The Group also uses intermediate parties to perform certain customer acquisition and installation services on its behalf. Under Mexican GAAP, the Group records as revenue amounts received from these intermediate parties. Under U.S. GAAP, the Group follows the guidance of Emerging Issues Task Force Summary No. 99-19, "Reporting Revenue Gross as a Principal versus Net as an Agent", pursuant to which it has determined that it serves as principal in these transactions and that it should record as revenue amounts billed to the subscriber, as ultimate customer. The accompanying condensed consolidated statement of loss under U.S. GAAP for the years ended December 31, 2003 and 2002 therefore include an adjustment to reflect as revenue the amounts billed to subscribers and not the amounts received from intermediate parties.

In addition, under Mexican GAAP, initial non-refundable subscription fees are recognized upon activation of the new subscriber's DTH services. Under U.S. GAAP, initial non-refundable subscription fees are recognized over the period that a new subscriber is expected to remain a customer (estimated to be 3 years). Customer acquisition costs directly attributable to the income are recognized over the same period under U.S. GAAP. Those customer acquisition costs in excess of the initial non-refundable subscription fee revenues, are expensed as incurred.

Initial non-refundable subscription fees for the year ended December 31, 2003 and 2002 amounted to Ps.127,762 and Ps.158,500, respectively. Under U.S. GAAP, deferred initial non-refundable subscription fee revenues of approximately Ps.209,463 and Ps.213,334 were recorded as of December 31, 2003 and 2002, respectively. In addition, customer acquisition costs which are expensed immediately under Mexican GAAP, have been deferred to match and equal initial non-refundable subscription revenues; therefore at December 31, 2003 and 2002, deferred costs under U.S. GAAP also amounted to Ps.209,463 and Ps.213,334, respectively. Initial non-refundable subscription revenues (which are matched by customer acquisition costs) that have been recognized during the year amount to Ps.136,383 (Ps.85,842 in 2002).

These U.S. GAAP adjustments did not have any impact on operating or net loss in 2003 and 2002.

PRESENTATION IN THE FINANCIAL STATEMENTS -- RESTRUCTURING AND NON-RECURRING ITEMS

Under Mexican GAAP, the Group recognizes various cost as "Restructuring and non-recurring items", which would be considered operating expenses under U.S. GAAP. Such cost primarily include severance costs in connection with employee termination, the derived effects of the 10% excise tax on telecommunications, costs related to the redundant use of the Solidaridad 2 satellite and the increased costs to reorientate customer's antennas to PAS 9 in a short period of time (Note 15).

In addition, during the year ended December 31, 2003 the provisions of Statement of Financial Accounting Standard ("SFAS") No. 145, "Rescission of FASB Statement No. 4, 44 and 64, Amendment of FASB Statement No. 13, and Technical Corrections" became effective for the Group. As a result, the Group is not allowed to classify the loss on the restructuring of the Senior Notes as an extraordinary item, since the restructuring of the Senior Notes did not meet the criteria of Accounting Principles Board Opinion No. 30. Accordingly, the loss on restructuring of Senior Notes, which is comprised of the redemption premium on the Old Senior Notes (Note 10) and the unamortized cost of debt issuance costs corresponding to the Old Senior Notes that were exchanged for the New Senior Notes (Note 7), are classified as part of income from continuing operations under U.S. GAAP.

INNOVA, S. DE R.L. DE C.V. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

DEFERRED INCOME TAXES

Under Mexican GAAP, the Group follows the guidelines of amended Bulletin D-4 in accounting for income taxes. Bulletin D-4 is similar to U.S. GAAP, Statement of Financial Accounting Standards No. 109 ("SFAS 109") "Accounting for Income Taxes", in many respects.

SFAS 109 requires recognition of deferred tax liabilities and assets for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax liabilities and assets are determined based on the difference between the financial statements and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. Deferred tax assets including benefits from tax loss carryforwards are recognized to the extent their realization is more likely than not.

The tax effects of temporary differences that give rise to significant deferred tax assets and liabilities, applying SFAS 109 at December 31, 2003 and 2002, are as follows:

	2003	2002
	-----	-----
Deferred income tax liabilities:		
Current:		
Prepaid expenses and other.....	Ps. (18,591)	Ps. (87,065)
	-----	-----
Total current.....	(18,591)	(87,065)
Non-current:		
Debt issuance costs.....	(13,813)	(27,434)
	-----	-----
Total deferred income tax liabilities.....	(32,404)	(114,499)
	-----	-----
Deferred income tax assets:		
Current:		
Satellite transponders, net.....	74,617	78,291
Accrued expenses.....	110,736	172,742
Deferred income.....	47,889	113,242
	-----	-----
Total current.....	233,242	364,275
Non-current:		
Other deferred costs.....	5,899	40,178
Property and equipment.....	97,093	111,166
Tax loss carryforwards.....	2,841,792	2,684,083
	-----	-----
Total deferred income tax assets.....	3,178,026	3,199,702
Less: Valuation allowance.....	(3,145,622)	(3,085,203)
	-----	-----
Net deferred income tax assets.....	32,404	114,499
	-----	-----
Deferred income taxes.....	Ps. --	Ps. --
	=====	=====

In conformity with the Income Tax Law, the Group restates the tax basis of preoperating expenses and property and equipment in a form similar to the restatement for financial reporting purposes, however based on a different date criteria.

INNOVA, S. DE R.L. DE C.V. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

SUMMARY

Net loss for the years ended December 31, 2003 and 2002, adjusted to take into account the principal differences between Mexican GAAP and U.S. GAAP, as they relate to the Group, are as follows:

	2003	2002
	-----	-----
Net loss as reported under Mexican GAAP.....	Ps. (840,110)	Ps. (1,934,414)
Satellite reorientation costs.....	--	(35,344)
Maintenance reserve.....	2,862	7,746
Restatement of property and equipment.....	15,116	(1,085)
Restructuring charge.....	--	(5,153)
	-----	-----
Net loss in accordance with U.S. GAAP.....	Ps. (822,132)	Ps. (1,968,250)
	=====	=====

Equity owners' deficit as of December 31, 2003 and 2002, adjusted to take into account the principal differences between Mexican GAAP and U.S. GAAP, as they relate to the Group, are as follows:

	2003	2002
	-----	-----
Total equity owners' deficit under Mexican GAAP.....	Ps. (3,716,714)	Ps. (7,553,167)
U.S. GAAP adjustments:		
Maintenance reserve.....	15,952	13,090
Restatement of property and equipment.....	(51,026)	47,229
	-----	-----
Total U.S. GAAP adjustments.....	(35,074)	60,319
	-----	-----
Total equity owners' deficit under U.S. GAAP.....	Ps. (3,751,788)	Ps. (7,492,848)
	=====	=====

A summary of the Group's statement of changes in equity owners' deficit with balances determined under U.S. GAAP is as follows:

Balance at December 31, 2002.....	Ps. (7,492,848)
Capitalization of equity owners' loans.....	4,563,150
Supplementary liability for labor obligations.....	42
Net loss for the year.....	(822,132)

Balance at December 31, 2003.....	Ps. (3,751,788)
	=====

A summary of the Group's equity owners' deficit after the U.S. GAAP adjustments described above, as of December 31, is as follows:

	2003	2002
	-----	-----
Social parts.....	Ps. 6,655,668	Ps. 2,092,516
Accumulated losses.....	(10,420,298)	(9,598,164)
Other comprehensive income:		
Excess from restatement.....	12,946	12,946
Supplementary liability for labor obligations.....	(104)	(146)
	-----	-----
Total equity owners' deficit under U.S. GAAP.....	Ps. (3,751,788)	Ps. (7,492,848)
	=====	=====

Included below are condensed consolidated financial statements of the Group as of December 31, 2003 and 2002 and for the years ended December 31, 2003 and 2002, after giving effect to the U.S. GAAP adjustments.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

CONDENSED CONSOLIDATED BALANCE SHEETS

(EXPRESSED IN THOUSANDS OF MEXICAN PESOS IN PURCHASING POWER AS OF DECEMBER 31, 2004)

	DECEMBER 31,	
	2003	2002
ASSETS		
Current assets:		
Cash and cash equivalents.....	Ps. 519,189	Ps. 291,634
Trade accounts receivables, net.....	118,137	113,515
Prepaid advertising.....	131,489	133,479
Other current assets.....	29,543	63,730
Total current assets.....	798,358	602,358
Property and equipment, net.....	1,517,512	1,769,665
Satellite transponders, net.....	1,220,088	1,324,711
Deferred costs, net.....	270,692	303,459
Intangible and other assets, net.....	8,674	24,643
Total assets.....	Ps. 3,815,324	Ps. 4,024,836
LIABILITIES		
Current liabilities:		
Trade accounts payable.....	Ps. 155,267	Ps. 108,923
Accrued expenses.....	251,894	280,263
Satellite transponders obligation.....	66,820	57,765
Due to affiliated companies and other related parties.....	448,408	474,064
Other current liabilities.....	583,825	512,870
Total current liabilities.....	1,506,214	1,433,885
Non-current liabilities:		
Senior notes.....	4,581,377	4,291,971
Equity owners' loans.....	--	3,546,884
Satellite transponders obligation.....	1,477,795	1,497,206
Other non-current liabilities.....	1,726	747,738
Total liabilities.....	7,567,112	11,517,684
Commitments and contingencies.....	--	--
Equity owners' deficit.....	(3,751,788)	(7,492,848)
Total liabilities and equity owners' deficit.....	Ps. 3,815,324	Ps. 4,024,836

INNOVA, S. DE R.L. DE C.V. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

CONDENSED CONSOLIDATED STATEMENT OF LOSS

(EXPRESSED IN THOUSANDS OF MEXICAN PESOS IN PURCHASING POWER AS OF DECEMBER 31, 2004)

	YEARS ENDED DECEMBER 31,	
	2003	2002
Revenues from programming services.....	Ps. 2,231,904	Ps. 2,083,111
Revenues from rental of IRDs.....	1,031,785	880,298
Other revenues.....	676,600	663,521
Net revenues.....	3,940,289	3,626,930
Operating expenses:		
Cost of sales -- programming services.....	704,724	610,143
Cost of sales -- other.....	457,977	424,421
Administrative expenses.....	131,485	145,125
Selling expenses.....	892,395	910,841
Other operating expenses.....	452,504	606,804
Depreciation and amortization.....	835,488	1,012,912
Total operating expenses.....	3,474,573	3,710,246
Operating profit (loss).....	465,716	(83,316)
Loss on debt restructuring.....	(161,394)	--
Integral results of financing.....	(1,249,580)	(1,802,321)
Loss before tax.....	(945,258)	(1,885,637)
Provision for income and assets taxes.....	123,126	(82,613)
Net loss.....	Ps. (822,132)	Ps. (1,968,250)

CASH FLOWS

Mexican GAAP Bulletin B-12, specifies the appropriate presentation of the statements of changes in financial position. Under Bulletin B-12, the sources and uses of resources are determined based upon differences between beginning and ending financial statement balances in constant pesos. Under U.S. GAAP, a statement of cash flows is required, which presents only cash movements and excludes non-cash items.

INNOVA, S. DE R.L. DE C.V. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

Presented below are statements of cash flow for the years ended December 31, 2003 and 2002, prepared after considering the impact of U.S. GAAP adjustments. The cash flow statements present nominal cash flows during the period, adjusted to December 31, 2004, purchasing power.

	2003	2002
	-----	-----
Operating activities:		
Net loss.....	Ps. (822,132)	Ps. (1,968,250)
Adjustments to reconcile net (loss) to cash flows (used in) operating activities:		
Gain from monetary position.....	(331,661)	(545,372)
Unrealized exchange losses.....	243,641	1,118,521
Allowance for doubtful accounts.....	101,763	121,220
Depreciation and amortization.....	835,488	1,012,912
Impairment of fixed assets.....	--	33,965
Changes in operating assets and liabilities:		
Assets.....	(42,479)	(127,305)
Liabilities.....	513,959	688,704
	-----	-----
Cash flows provided by operating activities.....	498,579	334,395
	-----	-----
Financing activities:		
Equity owners' loans.....	--	337,635
Satellite transponders obligation.....	(54,858)	(49,318)
Payments of Old Senior Notes.....	(3,159,058)	--
Proceeds from New Senior Notes.....	3,473,823	--
	-----	-----
Cash flows provided by financing activities.....	259,907	288,317
	-----	-----
Investing activities:		
Investment in property and equipment.....	(499,024)	(368,691)
	-----	-----
Cash flows used in investing activities.....	(499,024)	(368,691)
	-----	-----
Effects of inflation.....	(31,907)	(11,804)
	-----	-----
Increase in cash and cash equivalents.....	227,555	242,217
Cash and cash equivalents, beginning of period.....	291,634	49,417
	-----	-----
Cash and cash equivalents, end of period.....	Ps. 519,189	Ps. 291,634
	=====	=====
Interest and taxes paid:		
Interest paid.....	Ps. 569,378	Ps. 541,554
Income and asset taxes paid.....	423	97,202

NON-CASH INVESTING AND FINANCING ACTIVITIES

Capital lease obligation of U.S.\$133.9 million (Ps.1,566,941) was incurred when the Group entered into agreements with PanAmSat for the use of 12 KU-band transponders on the PAS-9 satellite in September 2000.

Excluded from the Cash Flows Statement for 2003, is the capitalization of the equity owners loans (Note 11).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

In January 2003, the Financial Accounting Standards Board ("FASB") issued Interpretation No. 46 ("FIN 46"), Consolidation of Variable Interest Entities. FIN 46 requires the primary beneficiary of a variable interest entity to consolidate that entity. A Variable Interest Entity ("VIE") is created when (i) the equity investment at risk is not sufficient to permit the entity from financing its activities without additional subordinated financial support from other parties or (ii) equity holders either (a) lack direct or indirect ability to make decisions about the entity, (b) are not obligated to absorb expected losses of the entity or (c) do not have the right to receive expected residual returns of the entity if they occur. The primary beneficiary of a variable interest entity is the party that absorbs a majority of the variable interest 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 interests in the entity. In December 2003, the FASB issued a revision of FIN 46 ("FIN 46-R"), clarifying certain provisions of FIN 46. The Company was required to adopt the provisions of FIN 46-R on February 1, 2003 as they related to VIEs created on or after that date. For VIEs created before January 31, 2003, FIN 46-R was deferred to 2004. The partial adoption of FIN 46-R on February 1, 2003 did not have a material impact on the Company's results of operation and financial position. In addition, the Group does not expect that the full adoption of FIN 46-R will have a significant impact on the Company's results of operation and financial condition.

In April 2003, the FASB issued SFAS No. 149, "Amendment of SFAS No. 133 on Derivative Instruments and Hedging Activities" ("SFAS 149"). This statement amends and clarifies the accounting for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities under SFAS 133, "Accounting for Derivative Instruments and Hedging Activities". SFAS 149 is generally effective for contracts entered into or modified after June 30, 2003 and for hedging relationships designed after June 30, 2003. The adoption of SFAS 149 did not have a material impact on the consolidated financial statements.

In May 2003, the FASB issued SFAS No. 150, "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity" ("SFAS 150"). This statement affects how an entity measures and reports financial instruments that have characteristics of both liabilities and equity, and is effective for financial instruments entered into or modified after May 31, 2003 and is otherwise effective at the beginning of the first interim period beginning after June 15, 2003. The adoption of SFAS 150 did not have a material impact on the consolidated financial statements.

SKY MULTI-COUNTRY PARTNERS

**UNAUDITED CONSOLIDATED BALANCE SHEETS
AS OF DECEMBER 31, 2004 AND 2003
(IN THOUSANDS OF U.S. DOLLARS)**

	2004	2003
	-----	-----
	(UNAUDITED)	(UNAUDITED)
ASSETS		
Current assets:		
Cash and cash equivalents.....	\$ 7,705	\$ 6,546
Trade accounts receivable, net of allowance for doubtful accounts of \$232 and \$2,484.....	3,199	4,610
Value-added tax credits.....	--	627
Deferred marketing and installation costs, current portion.....	442	961
Prepaid expenses and other current assets.....	3,640	334
	-----	-----
Total current assets.....	14,986	13,078
Property and equipment, net.....	5,764	11,345
Other assets.....	1,751	348
	-----	-----
	\$ 22,501	\$ 24,771
	=====	=====
LIABILITIES AND PARTNERS' DEFICIT		
Current liabilities:		
Current portion of long-term debt and capital lease obligations.....	\$ 17,112	\$ 244,049
Accounts payable and accrued liabilities.....	7,556	32,967
Deferred revenue.....	4,158	3,870
Due to related parties.....	78,468	62,393
Due to Partners.....	88,417	29,411
	-----	-----
Total current liabilities.....	195,711	372,690
Long term debt and capital lease obligations.....	208,483	1,319
	-----	-----
Total liabilities.....	404,194	374,009
	-----	-----
Commitments and contingencies (Note 7).....	--	--
	-----	-----
Partners' deficit.....	(381,693)	(349,238)
	-----	-----
	\$ 22,501	\$ 24,771
	=====	=====

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

SKY MULTI-COUNTRY PARTNERS

**UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
FOR THE YEARS ENDED DECEMBER 31, 2004, 2003 AND 2002
(IN THOUSANDS OF U.S. DOLLARS)**

	2004	2003	2002
	----- (UNAUDITED)	----- (UNAUDITED)	----- (UNAUDITED)
Revenue.....	\$ 43,531	\$ 40,031	\$ 55,784
Direct costs:			
Programming.....	11,771	13,170	31,061
Transmission and satellite.....	23,274	23,131	26,465
Depreciation and amortization.....	4,968	8,314	12,995
Other.....	8,234	8,250	13,449
	-----	-----	-----
Selling, general and administrative expenses.....	48,247	52,865	83,970
	13,089	12,930	23,371
	-----	-----	-----
Total costs and expenses.....	61,336	65,795	107,341
	-----	-----	-----
Operating loss.....	(17,805)	(25,764)	(51,557)
Other income (expense):			
Interest income.....	--	--	75
Interest expense.....	(26,922)	(25,683)	(25,056)
Other, net.....	13,643	355	(23,660)
	-----	-----	-----
Loss before income taxes.....	(31,084)	(51,092)	(100,198)
Income tax provision.....	(897)	(741)	(430)
	-----	-----	-----
Net loss.....	(31,981)	(51,833)	(100,628)
Other comprehensive (loss) income.....	(474)	1,154	19,645
	-----	-----	-----
Total comprehensive loss.....	\$(32,455)	\$(50,679)	\$ (80,983)
	=====	=====	=====

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

SKY MULTI-COUNTRY PARTNERS

**UNAUDITED CONSOLIDATED STATEMENTS OF PARTNERS' DEFICIT
FOR THE YEARS ENDED DECEMBER 31, 2004, 2003 AND 2002
(IN THOUSANDS OF U.S. DOLLARS)**

	SESILA, INC.	DIRECT TV GROUP INC.	DTH USA, INC.	TELEVISA MCOP HOLDINGS, INC.	LIBERTY MULTI- COUNTRY DTH, INC.	TOTAL
Balance, December 31, 2002...	\$ (89,567)	\$ --	\$ (89,567)	\$ (89,567)	\$ (29,858)	\$ (298,559)
Capital contributions.....	--	--	--	--	--	--
Net loss.....	(15,550)	--	(15,550)	(15,550)	(5,183)	(51,833)
Other comprehensive income...	346	--	346	346	116	1,154
Balance, December 31, 2003...	(104,771)	--	(104,771)	(104,771)	(34,925)	(349,238)
Capital contributions.....	--	--	--	--	--	--
Net loss.....	(7,068)	--	(7,068)	(7,068)	(2,355)	(23,559)
Other comprehensive loss.....	(147)	--	(147)	(147)	(50)	(491)
Balance, October 8, 2004.....	(111,986)	--	(111,986)	(111,986)	(37,330)	(373,288)
Transfer of Ownership.....	--	(37,330)	--	--	37,330	--
Capital contributions.....	--	--	--	--	--	--
Net loss.....	(2,527)	(841)	(2,527)	(2,527)	--	(8,422)
Other comprehensive income...	6	(1)	6	6	--	17
Balance, December 31, 2004...	\$ (114,507)	\$ (38,172)	\$ (114,507)	\$ (114,507)	\$ --	\$ (381,693)
	=====	=====	=====	=====	=====	=====

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

SKY MULTI-COUNTRY PARTNERS

**UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2004, 2003 AND 2002
(IN THOUSANDS OF U.S. DOLLARS)**

	2004	2003	2002
	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)
Cash flow from operating activities:			
Net loss.....	\$(31,981)	\$(51,833)	\$(100,628)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation and amortization.....	4,968	8,314	12,995
Bad debt expense.....	2,252	(497)	3,419
Write-off of Argentine net liabilities.....	(12,448)	--	--
Other asset write-downs.....	--	--	3,723
Other.....	1,577	1,744	854
(Increase) decrease in:			
Trade accounts receivable.....	(841)	(306)	709
Value added tax credits.....	627	(28)	6,165
Prepaid expenses and other assets.....	(3,834)	1,405	2,738
Deferred marketing and installation costs.....	519	733	40
Increase (decrease) in:			
Accounts payable, accrued liabilities and accrued interest.....	1,412	6,586	(1,938)
Deferred revenue.....	288	(606)	(5,442)
Due to partners and related parties.....	60,461	54,438	17,740
Other liabilities.....	--	(1,909)	(213)
	-----	-----	-----
Net cash provided by (used in) operating activities.....	23,000	18,041	(59,838)
	-----	-----	-----
Cash flows from investing activities:			
Proceeds from sale of assets.....	--	--	631
Purchases of property and equipment.....	(719)	(439)	(622)
	-----	-----	-----
Net cash (used in) provided by investing activities.....	(719)	(439)	9
	-----	-----	-----
Cash flows from financing activities:			
Partners' contributions.....	--	--	49,350
Proceeds from issuance of long term debt.....	(875)	--	--
Payments of long term debt and capital lease obligations.....	(19,773)	(12,569)	(11,825)
	-----	-----	-----
Net cash (used in) provided by financing activities.....	(20,648)	(12,569)	37,525
	-----	-----	-----
Effect of exchange rate changes on cash and cash equivalents.....	(474)	1,154	20,489
	-----	-----	-----
Net increase (decrease) in cash and cash equivalents.....	1,159	6,187	(1,815)
Cash and cash equivalents, beginning of period.....	6,546	358	2,173
	-----	-----	-----
Cash and cash equivalents, end of period.....	\$ 7,705	\$ 6,545	\$ 358
	=====	=====	=====

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

SKY MULTI-COUNTRY PARTNERS

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003

1. DESCRIPTION OF THE BUSINESS

Sky Multi-Country Partners (the "Partnership") is a Delaware general partnership formed on October 24, 1997 between SESLA, Inc., a subsidiary of The News Corporation Limited ("News"), DTH USA, Inc., a subsidiary of Globo Comunicacoes e Participacoes, Ltda. ("Globo"), Televisa MCOP Holdings, Inc., a subsidiary of Grupo Televisa, S.A. ("Televisa"), and Liberty Multi-Country DTH, Inc., a subsidiary of Liberty Media, Inc. ("Liberty Media"). The Partnership was established to invest, develop, distribute and manage direct-to-home ("DTH") satellite transmission platforms providing satellite-fed television, audio and related entertainment programming services to subscribers in Latin America under the Sky brand. As of December 31, 2004, the Partnership was providing DTH services to approximately 53,000 and 34,000 subscribers in Chile and Colombia, respectively.

Prior to October 8, 2004, News, Globo and Televisa each owned a 30% interest of the Partnership with Liberty owning the remaining 10% interest. In accordance with the Partnership agreement, Partnership capital, profits and losses were to be shared in proportion to the partners' respective ownership percentages. All capital contributions made prior to October 8, 2004 were made in proportion to the Partners' ownership interest, except for Liberty, which was only required to make capital contributions in the aggregate of \$27 million, plus 10% of the amount the Partnership was obligated to pay third parties for satellite capacity.

Pursuant to a series of purchase and sale agreements among News, Globo, Televisa, and Liberty that were signed on October 8, 2004 (the "Sky Transactions"), the DIRECTV Group ("DIRECTV") indirectly acquired News' 30% interest in the Partnership through its acquisition of SESLA, Inc. In addition, DIRECTV directly acquired Liberty's 10% interest in the Partnership from Liberty Multi-Country DTH, Inc. DIRECTV also agreed to acquire all of Globo's and Televisa's interests in the Partnership at a later date, subject to the satisfaction or waiver of certain conditions, including the successful resolution by Globo and Televisa of an audit currently pending before the U.S. Internal Revenue Service related to the Partnership.

On October 11, 2004, DIRECTV announced a reorganization of its Latin America platforms, which is designed to consolidate its Latin American DTH platforms and its newly acquired Sky DTH platforms into a single platform in each of the major territories served. As part of this reorganization, the Partnership's subscribers in Chile are expected to migrate to DIRECTV's platform in 2005. In Colombia, the Partnership's subscribers are also expected to migrate to DIRECTV's platform in 2005, subject to obtaining required regulatory approvals.

2. LIQUIDITY

Since inception, the Partnership has incurred significant operating losses and generated negative cash flows from operating activities and as a result had a working capital deficit of approximately \$180.7 million and a partners' deficit of approximately \$381.7 million as of December 31, 2004. In addition, the Partnership's Colombian and Chilean DTH platforms continue to generate operating losses, and will require additional funding to support operations and working capital requirements. Accordingly, as the Partnership's only source of income is the operations of the Colombian and Chilean DTH platforms, additional funding will be required in order to support continued operations.

In Colombia and Chile, the local subsidiaries' operations have at times been unable to support their operating costs and therefore have required funding to cover such deficiencies. Financial support to these local subsidiaries has been provided by the Partnership in various forms, including equity contributions, capitalization of intercompany balances and intercompany loans. In Colombia, the local subsidiary has at times been under technical dissolution as defined by Colombian law because its net stockholder's equity

SKY MULTI-COUNTRY PARTNERS

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED) FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003

has been less than 50% of its paid in capital. To avoid technical dissolution and possible actions from the Colombian regulatory agencies, the Partnership has increased the capital of its Colombian subsidiary by converting portions of its outstanding debt into capital. (Also see Notes 7 and 10.)

As discussed in Note 4, the Partnership receives satellite uplink/downlink and other related services from DTH TechCo Partners ("TechCo"), an affiliate of the Partnership, that prior to October 8, 2004, was 30% owned by each of News, Globo and Televisa and 10% owned by Liberty. Following the Sky Transactions described in Note 1, TechCo is owned 70% by DIRECTV and 30% by Televisa. TechCo depends on timely payment of invoices from the Partnership and affiliated platforms operating in Brazil and Mexico to fund its operations. The Partnership annually represents approximately 52% of such invoices. Because of the Partnership's lack of liquidity, approximately \$67.60 million due to TechCo as of December 31, 2004 was delinquent and unpaid. The shortfalls in TechCo's funding created by the Partnership's inability to remit payments on a timely basis has been funded by TechCo's partners, however, should TechCo be unable to provide services to the Partnership in the future, the Partnership would be unable to provide programming services to its customers.

During 2002, the Partnership's Argentinean DTH platform ceased operations and was placed in liquidation following the deterioration of Argentina's economy and the significant devaluation of the peso in December 2001. The Partnership launched this platform in late 2000, with the expectation that future positive cash flows from operations would contribute to funding the Partnership's obligations. However, given the significant impact of the Argentine economic crisis in 2002, the Partnership determined that the long-term viability of this platform could not be assured.

The above matters raise substantial doubt about the Partnership's ability to continue as a going concern. As discussed in Note 4, prior to October 8, 2004, News, Televisa, and Liberty Media had directly or indirectly provided the necessary funding to maintain the Partnership's operations in Colombia and Chile as well as providing the necessary financial support of the operations of TechCo. In addition, as stated in Note 1 and Note 12, the Partnership is currently in the process of being reorganized, which could also have a significant effect on the Partnership's long-term viability. Therefore, there can be no assurance that the reorganization will prove to be successful, that the level of cash flow generated from the business will be adequate to fund operations or that the Partnership will provide financial support adequate to cover cash flow deficiencies, or that TechCo will continue to provide uplink/downlink services to the Partnership. The accompanying financial statements do not reflect any adjustments that might result from the outcome of these uncertainties.

SKY MULTI-COUNTRY PARTNERS

**NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003**

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

CONSOLIDATION

The accompanying consolidated financial statements include the accounts of the Partnership and its subsidiaries, after elimination of all significant intercompany accounts and transactions. The following companies represent the significant subsidiaries of the Partnership:

ENTITY -----	TYPE ----	OWNERSHIP -----
Argentina		
Sky Argentina SCA.....	DTH Platform in Liquidation	100%
Sky Sistemas Argentina S.R.L.....	Broadcast Facility
Chile		
Sky Chile Television Directa al Hogar Ltda.	Holding Company	100%
Sky Chile Television Directa al Hogar Ltda. y CIA CPA.....	DTH Platform	100%
Columbia		
Sky Columbia SA.....	DTH Platform	94%
U.S.		
Sky Argentina DTH Management LLC.....	Holding Company	100%
Sky Argentina DTH Holdings LLC.....	Holding Company	100%
Sky Chile DTH Holdings LLC.....	Holding Company	100%
Cayman Islands		
Multi-Country DTH Holdings Ltd.	Holding Company	100%

The interest of the majority owned subsidiaries' shareholders, other than the Partnership's, in the net losses and net assets of the majority owned subsidiaries is set forth as minority interest in the consolidated statements of operations and consolidated balance sheets, respectively. In certain circumstances, losses allocated to minority interest are in excess of the applicable minority interest balance. Such excess losses are absorbed by the Partnership.

As a result of liquidation of the Partnership's programming operations in Argentina (see Note 1), the Partnership's Argentine operations are reflected on a liquidation basis of accounting.

REVENUE RECOGNITION

Revenues are generated from sales of DTH broadcast subscriptions, equipment rentals, and installation services. Installation revenue represents up-front fees paid by the customer for equipment installation, certain promotional programming packages and, in certain instances, the sale of antennas. Installation revenue is deferred and recognized as revenue over the estimated life of the customer. As of December 31, 2004 and 2003, deferred installation revenue amounted to \$0.4 million and \$0.9 million, respectively.

Subscription revenues and rental revenues are recognized in the period that services are delivered. As of December 31, 2004 and 2003, deferred subscription and rental revenue amounted to \$1.9 million and

SKY MULTI-COUNTRY PARTNERS

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED) FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003

\$1.6 million, respectively, resulting from the timing of invoicing for these services prior to their delivery date.

Marketing and installation costs directly related to installation revenue, which include sales commissions, the cost of installing the equipment and in certain instances, the cost of the antennas, are deferred to the extent of installation revenue and recognized as expense over the estimated life of the customer. As of December 31, 2004 and 2003, deferred marketing and installation costs amounted to \$0.4 million and \$1.0 million, respectively.

The Partnership classifies deferred revenue and marketing and installation costs expected to be recognized as revenue and direct costs, respectively, within one year as current.

FOREIGN CURRENCY

All of the Partnership's foreign operations, except for Sky Sistemas Argentina S.R.L., have determined the local currency to be their functional currency. Accordingly, these subsidiaries translate assets and liabilities from their local currencies to U.S. dollars using year-end exchange rates, while income and expense accounts are translated at the average rates in effect during the year. The resulting translation adjustment is recorded as part of other comprehensive loss, a component of partners' deficit. Sky Sistemas Argentina S.R.L. has determined the U.S. dollar as its functional currency.

All of the amounts recorded as other comprehensive loss in the statement of partners' deficit represent cumulative translation losses as follows:

Balance at December 31, 2002.....	\$ (8,107)
Recognition of Chilean cumulative translation losses...	155
Recognition of Colombian cumulative translation losses.....	999

Balance at December 31, 2003.....	\$ (6,953)
Recognition of Chilean cumulative translation losses...	(177)
Recognition of Colombian cumulative translation losses.....	(297)

Balance at December 31, 2004.....	\$ (7,427)
	=====

Gains and losses resulting from remeasurement into the functional currency of transactions denominated in non-functional currencies are recognized in earnings. Net foreign currency transaction gains and losses approximated \$0.3 million for the year ended December 31, 2004 (\$0.1 million in 2003).

LONG-LIVED ASSETS

The Partnership accounts for the impairment of long-lived assets to be held and used by evaluating the carrying value of its long-lived assets in relation to the operating performance and future undiscounted cash flows of the underlying businesses when indications of impairment are present.

Long-lived assets to be disposed of are evaluated in relation to the estimated fair value of such assets less costs to sell.

SKY MULTI-COUNTRY PARTNERS

**NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003**

PROPERTY AND EQUIPMENT

Property and equipment is stated at cost. Depreciation and amortization (including amortization of assets under capital leases) are computed using the straight-line method over estimated useful lives as follows:

	YEARS
Satellite.....	----
Communication, transmission and reception equipment....	--
Furniture, fixtures and all other equipment.....	5-10
	3-10

The cost of antennas expected to be leased to subscribers is included in property and equipment in the accompanying balance sheet. Prior to the write down in 2001 of capitalized satellite cost (see Note 5), the Partnership amortized such asset over a 15-year period.

VALUE ADDED TAX CREDITS

The Partnership's subsidiaries have earned certain value added tax credits. The value added tax credits arise from goods and services acquired by the Partnership's subsidiaries and are generally recovered by allocating these credits against value added tax payable on services provided by the Partnership's subsidiaries. The Partnership has classified value added tax credits expected to be recovered within one year as current.

ADVERTISING COSTS

Advertising costs are expensed as incurred and totaled \$1.7 million for each of the years ended December 31, 2004 and 2003.

INCOME TAXES

The Partnership is not subject to U.S. federal, state or local income taxes. Income taxes are the responsibility of the individual partners. The Partnership's subsidiaries are subject to income taxes in their respective countries.

The Partnership accounts for its subsidiaries' income taxes using the liability method. The liability method requires the recognition of deferred tax liabilities and assets for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities. A valuation allowance is established when management believes that it is more likely than not that all or a portion of the Company's net deferred tax asset will not be recovered.

USE OF ESTIMATES

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CONCENTRATIONS OF CREDIT RISK

Financial instruments, which potentially expose the Partnership to concentration of credit risk, consist mainly of trade receivables from subscribers. Concentration of credit risk with respect to trade receivables is limited due to the large number of customers and to the Partnership's ability to stop providing the

SKY MULTI-COUNTRY PARTNERS

**NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003**

service to customers with past due accounts in a short period of time. However, the Partnership's operations are concentrated in various Latin American countries and the ability of customers to pay depends, in part, upon the general economic condition of these countries.

CASH AND CASH EQUIVALENTS

The Partnership considers all highly liquid investments with a maturity of three months or less at the date of purchase to be cash equivalents.

4. RELATED PARTY TRANSACTIONS

Sky Multi-Country Partners is a member of a group of affiliated companies and, as disclosed below, has extensive transactions and relationships with members of the group. Because of these relationships, it is possible that the terms of these transactions are not the same as those that would result from transactions among wholly unrelated parties.

Amounts due to affiliated and related parties at December 31, 2004 and 2003 are as follows (in thousands):

	2004	2003
	-----	-----
Due to DTH TechCo Partners		
Services.....	\$46,504	\$31,726
Note Payable.....	15,685	15,685
Interest on Note Payable.....	2,349	1,565
Equipment.....	3,042	3,076
	-----	-----
	67,580	52,052
Due to Sky Latin America Partners		
Note Payable.....	2,722	2,722
Interest on Note Payable.....	354	218
Services.....	1,040	953
Programming.....	5,236	5,690
	-----	-----
	9,352	9,583
Due to Innova.....	1,334	758
Other.....	202	--
	-----	-----
	\$78,468	\$62,393
	=====	=====

In 1998, the Partnership entered into a 10-year contract with TechCo to provide satellite uplink/downlink and other related services. The contract specifies that TechCo charge the Partnership all costs incurred for the provision of services plus 5.76%. For the years ending December 31, 2004 and 2003, the Partnership incurred costs of approximately \$21.6 million, and \$20.9 million related to these services, respectively.

In 1999, the Partnership recorded a note payable to TechCo for approximately \$3.0 million for certain uplink equipment paid by TechCo on behalf of the Partnership.

During 2000, the Partnership entered into a note payable agreement with TechCo, which provides for cash borrowings by the Partnership from TechCo with an annual interest rate of 5%. The note is payable in monthly installments until the full amount borrowed is fully paid. The Partnership has been making

SKY MULTI-COUNTRY PARTNERS

**NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003**

payments on the note payable at its discretion and is currently not in compliance with the terms of the note payable agreement. Accordingly, the note is classified as a current liability and is included in the amount due to related parties in the accompanying balance sheets at December 31, 2004 and 2003. Interest costs incurred on the note during both 2004 and 2003 was approximately \$0.8 million.

Sky Latin America Partners (previously known as Sky Latin America, LLC), affiliated with the Partnership through common ownership, provided administrative and programming services totaling approximately \$4.7 million and \$5.9 million during the years ending December 31, 2004 and 2003, respectively. Sky Latin America Partners provides all of the Partnership's U.S. based personnel and administrative and certain programming related services. Sky Latin America Partners also made interest bearing cash advances to the Partnership during 2002 and 2001, which at December 31, 2004 and 2003 approximated \$3.1 million and \$2.9 million, respectively. The cash advances do not have any repayment terms and bear interest at 5%. Interest costs incurred on the cash advances during 2004 and 2003 approximated \$0.1 million and \$0.2 million, respectively.

Corporacion Novavision S.R.L., a related party indirectly owned by Televisa, News and Liberty Media, provided satellite up-link services totaling approximately \$0.5 and \$0.6 million for the years ended December 31, 2004 and 2003, respectively.

5. PROPERTY AND EQUIPMENT

Property and equipment consist of the following (in thousands):

	2004	2003
	-----	-----
Communication, transmission and set top boxes, including assets under capital leases of \$3,329 and \$4,566.....	\$ 45,267	\$ 46,346
Furniture, fixtures and all other equipment.....	5,439	4,982
	-----	-----
	50,706	51,328
Accumulated depreciation and amortization.....	(44,942)	(39,983)
	-----	-----
	\$ 5,764	\$ 11,345
	=====	=====

Accumulated amortization for assets under capital leases approximates \$0 million and \$0.1 million at December 31, 2004 and 2003, respectively. Depreciation and amortization expense related to the Partnership's property and equipment for the years ended December 31, 2004, and 2003 amounted to \$4.9 million, and \$8.3 million, respectively.

In December 2001, the Partnership recorded an asset impairment of \$208.1 million relating to its capitalized transponder obligations, reducing its carrying value to \$0. The impairment considered historical losses and on-going cash flow deficits of the Partnership, the effects of prolonged economic difficulties and uncertainties in the Latin American region on estimated future cash flow projections, as well as the effects of the Partnership's decision to liquidate its operations in Argentina.

6. LONG-TERM DEBT AND CAPITAL LEASE OBLIGATIONS

In March 1999, sixteen satellite transponders were placed in service subject to a capital lease agreement executed by the Partnership in March 1998. The capital lease has an implicit rate of 9% and has a term for the useful life of the satellite transponders, estimated at 15 years at date of lease inception. The balance of the capital lease as of December 31, 2004 and 2003 included in the accompanying balance sheet is approximately \$224.2 million and \$239.2 million, respectively.

SKY MULTI-COUNTRY PARTNERS

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED) FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003

The capital lease contains escalation clauses for the minimum lease payments for the first four years of the lease as well as payments contingent on the Partnership reaching certain monthly and annual revenue thresholds per transponder as described in the Transponder Service Agreement with the satellite provider ("the Agreement"). The Partners guarantee the capital lease payments based on their attributable ownership.

Included in the Agreement are certain termination indemnity clauses which require the Partnership to compensate the satellite provider should certain termination events occur, including, among other things, failure to make payments and failure to cease any satellite activity as specified in the Agreement.

The Partnership was not in compliance with the terms of the Agreement from November 1, 2002 through October 8, 2004, because it did not make full payments on the satellite transponder obligation. In order to cure the default, on December 2002 the Partnership along with News, Televisa, Globo and Liberty entered into a Forbearance Agreement with the satellite provider which extended the forbearance period through January 31, 2004. However, pursuant to the Sky Transactions (see Note 1) and subject to the satisfaction or waiver of certain conditions, PanAmSat entered into a Termination and Release of Guaranty Agreement, which among other things, terminates Televisa's, Globo's and Liberty's PanAmSat guaranty. Also, in connection with the Sky Transactions, DIRECTV made current all past due payments. Accordingly, the Partnership is no longer in default of the Agreement as of December 31, 2004. While the Partnership was in default of the Agreement, it classified the total obligation under the Agreement as a current liability and accrued for possible default penalties. Accordingly, the accompanying financial statements reflect accrual of approximately \$1.5 million for possible default penalties as of December 31, 2003.

In June 2003, PanAmSat publicly announced an anomaly on the satellite that significantly reduced the available on-board fuel estimates of the satellite. As a result of this development, PanAmSat estimated that the satellite would have fuel sufficient to maintain appropriate positioning until early 2008, as opposed to the original date of 2013. This anomaly does not affect the current performance of the satellite or of the Partnership's leased transponders, and is not expected to cause any other performance issues during its revised useful life. Although the Partnership will have no further obligation to PanAmSat when the satellite is taken out of service in 2008, it remains obligated under the terms of the original lease agreement until service is terminated. Upon termination of service, if prior to the original anticipated date of 2013, the Partnership would reduce the satellite transponder obligation by any remaining unpaid balance and record a gain for amounts it would no longer be obligated to pay. Should the satellite transponder agreement be terminated in 2008, the Partnership estimates that it would record a gain of approximately \$170.0 million; however, there can be no assurance that the lease transponder agreement would be terminated in 2008.

The Partnership entered into other capital leases for various other equipment with balances at December 31, 2004 and 2003 of approximately \$0.7 million and \$0.8 million, respectively. The Partnership also entered into loan agreements with various banks for loans with balances at December 31, 2004 and 2003 of approximately \$0.7 million and \$0.8 million, respectively. The capital leases and banks loans have various maturity terms from 2005 to 2006 with interest rates at December 31, 2004 of 15% to 16% for debt denominated in the subsidiaries' local currencies, and of 6% to 7% for debt denominated in U.S. dollars.

SKY MULTI-COUNTRY PARTNERS

**NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003**

As of December 31, 2004, aggregate annual maturities of long term debt and future annual minimum lease payments for capital leases are as follows (in thousands):

	CAPITAL LEASES -- MINIMUM LEASE PAYMENTS		
	SATELLITE	OTHER	DEBT
2005.....	\$ 36,000	\$ 328	\$ 312
2006.....	36,000	459	411
2007.....	36,000	--	--
2008.....	36,000	--	--
Thereafter.....	186,000	--	--
	-----	-----	-----
	330,000	787	723
Less: Amount representing interest.....	(105,835)	(80)	--
	-----	-----	-----
Present value of net minimum payments.....	224,165	707	723
Less: Current maturities.....	(16,494)	(306)	(312)
	-----	-----	-----
Long term debt and capital lease obligations.....	\$ 207,671	\$ 401	\$ 411
	=====	=====	=====

In December 2003, the Partnership's Colombian subsidiary refinanced \$1.4 million of its debt and capital lease obligations. Under the new agreement the payment terms were extended through 2006 and the interest rates were increased by 0.5% in 2005 and 2006. As discussed in Note 10, the Partnership paid off the outstanding amounts of these obligations and debt for approximately \$1.4 million in May 2005.

7. COMMITMENTS AND CONTINGENCIES

As discussed in Note 2, the Partnership has increased its ownership interest in the Colombian subsidiary over time by converting a portion of its outstanding debt to capital or through capital contributions in excess of its proportionate ownership interest. As of December 31, 2004, the Partnership owns 90.4% of its Colombian subsidiary. The Partnership has not recorded goodwill from these transactions as the Partnership is funding substantially all the losses and capital requirements of its Colombian subsidiary. As discussed in Note 10, the Partnership acquired the remaining ownership of its Colombian subsidiary in May 2005 for a nominal amount.

The Partnership is committed under non-cancelable operating lease agreements for the rental of its existing office facilities in Chile and Colombia. Total rent expense amounted to \$1.2 million in both 2004 and 2003. The total aggregate commitment under these agreements is \$0.3 million in 2005.

LITIGATION

The Partnership is a defendant in a regulatory lawsuit in Colombia. The National Television Commission of Colombia (CNTV) is seeking fees in the amount of \$2.1 million. Management and its legal counsel are of the opinion that the Partnership will prevail in defending the lawsuit; however, a Colombian tribunal ordered the Company to obtain a \$2.1 million bond to avoid any attachment of the Company's assets. The Company is committed to make payments of \$0.4 million and \$0.2 million in 2005 and 2006, respectively.

SKY MULTI-COUNTRY PARTNERS

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED) FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003

TAX MATTERS

The Colombian tax authorities have informed the Partnership of several possible tax contingencies, which aggregate \$0.5 million. Management and its legal counsel, are vigorously defending these matters, and believe that the final disposition of such matters will not have a material adverse effect on the financial position and results of operations of the Partnership.

OTHER

The Partnership is involved in various other claims and legal actions arising from ordinary course of business. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the Partnership's financial position, results of operations or liquidity.

8. INCOME TAXES

Foreign income taxes are provided in the accompanying consolidated statements of operations as follows (in thousands):

	2004	2003
	-----	-----
Current expense.....	\$ (897)	\$ (741)
Deferred benefit.....	--	--
	-----	-----
Income tax provision.....	\$ (897)	\$ (741)
	=====	=====

9. RISKS, UNCERTAINTIES AND GEOGRAPHIC INFORMATION

The Partnership has operations in Colombia and Chile. The Partnership's operations in these countries are subject to political, monetary, economic and regulatory risk, which can have a significant impact on the Partnership's financial position, results of operations and cash flows.

All revenues are generated in the Partnerships foreign operations. Long-lived assets, net of accumulated depreciation, located in the foreign operations approximate \$5.8 million and \$11.3 million as of December 31, 2004 and 2003, respectively. Long-lived assets net of accumulated depreciation, considered to be located in the United States primarily represent the satellite transponders under capital lease with a carrying amount of \$0 as of December 31, 2004 and 2003, since this asset is considered impaired (see Note 5).

10. SUBSEQUENT EVENTS

In January 2005, the Partnership's Colombian subsidiary substantially ceased selling and marketing its services and took certain related actions aimed at minimizing cash flow expenditures pending confirmation of regulatory approval of the combination of the Partnerships DTH platform with DIRECTV's Colombian DTH platform.

In February 2005, the Partnership's Chilean subsidiary acquired the broadcast rights of the DIRECTV service in Chile and certain related assets from VTR GlobalCom S.A., VTR Banda Ancha S.A. and VTR Galaxy Chile S.A. (collectively "VTR") for approximately \$1.9 million. VTR was acting as DIRECTV's local representative under a local operating agreement that provided VTR the exclusive right to sell the DIRECTV service to subscribers in Chile. Funding for this acquisition was provided by DIRECTV in the form of a note payable, bearing interest at LIBOR plus 6%, with a limit of 12%. The note is convertible up to a maximum of 7% of the equity of the Partnership's Chilean subsidiary at the discretion of DIRECTV.

SKY MULTI-COUNTRY PARTNERS

**NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003**

In March 2005, DIRECTV contributed approximately \$5.4 million to the Partnership, which was used to pay TechCo for services rendered after October 8, 2004. Amounts payable by the Partnership to TechCo for services rendered prior to October 8, 2004 remain outstanding and past due.

In May 2005, the Partnership acquired the remaining ownership interest in its Colombian subsidiary for a nominal amount. In accordance with this agreement, the Partnership paid the outstanding bank debt due of approximately \$1.4 million to local Colombian banks.

EXHIBIT 2.8

EXECUTION COPY

GRUPO TELEVISA, S.A.,

as Issuer,

THE BANK OF NEW YORK,

as Trustee, Registrar, Paying Agent

and Transfer Agent

and

DEXIA BANQUE INTERNATIONALE A

LUXEMBOURG, SOCIETE ANONYME

as Luxembourg Paying Agent

and Transfer Agent

SEVENTH SUPPLEMENTAL INDENTURE

Dated as of March 18, 2005

Supplementing the Trust Indenture

Dated as of August 8, 2000

\$400,000,000 6.625% Senior Notes due 2025.

SEVENTH SUPPLEMENTAL INDENTURE, dated as of the 18th day of March, 2005, between GRUPO TELEVISIA, S.A., a limited liability company (sociedad anonima) organized under the laws of the United Mexican States (the "Issuer" or the "Company"), THE BANK OF NEW YORK, a New York banking corporation, having its Corporate Trust Office located at 101 Barclay Street, New York, New York 10286, as trustee (the "Trustee"), registrar ("Registrar"), paying agent ("Paying Agent") and transfer agent ("Transfer Agent"), and DEXIA BANQUE INTERNATIONALE A LUXEMBOURG, SOCIETE ANONYME a bank duly incorporated and existing under the laws of Luxembourg, as paying agent and transfer agent (a "Paying Agent" and a "Transfer Agent," as the case may be);

WHEREAS, the Company has heretofore executed and delivered to the Trustee an Indenture dated as of August 8, 2000 (the "Original Indenture" and, together with the First Supplemental Indenture, dated August 8, 2000, the Second Supplemental Indenture, dated January 19, 2001, the Third Supplemental Indenture, dated September 13, 2001, the Fourth Supplemental Indenture, dated March 11, 2002, the Fifth Supplemental Indenture, dated March 8, 2002, and the Sixth Supplemental Indenture, dated July 31, 2002 between the Company, The Bank of New York, as Trustee, Registrar, Paying Agent and Transfer Agent and Dexia Banque Internationale a Luxembourg, Societe Anonyme as Luxembourg Paying Agent and Transfer Agent, and this Seventh Supplemental Indenture, the "Indenture") providing for the issuance by the Company from time to time of its senior debt securities to be issued in one or more series (in the Original Indenture and herein called the "Securities");

WHEREAS, the Company, in the exercise of the power and authority conferred upon and reserved to it under the provisions of the Original Indenture and pursuant to appropriate resolutions of the Board of Directors, has duly determined to make, execute and deliver to the Trustee, on March 18, 2005, this Seventh Supplemental Indenture to the Original Indenture in order to establish the form and terms of, and to provide for the creation and issue of, one series of Securities to be designated as the "6.625% Senior Notes due 2025" under the Original Indenture in the aggregate principal amount of \$400,000,000 subject to Section 202 hereof;

WHEREAS, Section 901 of the Original Indenture provides, among other things, that the Company, when authorized by a Board Resolution, and the Trustee, at any time and from time to time, without the consent of any Holders, may enter into an indenture supplemental to the Original Indenture to establish the terms of Securities of any series as permitted by Sections 201 and 301 of the Original Indenture; and

WHEREAS, all things necessary to make the Securities, when executed by the Company and authenticated and delivered by the Trustee or any Authenticating Agent and issued upon the terms and subject to the conditions set forth hereinafter and in the Indenture against payment therefor, the valid, binding and legal obligations of the Company and to make this Seventh Supplemental Indenture a valid, binding and legal agreement of the Company, have been done;

NOW, THEREFORE, This SEVENTH SUPPLEMENTAL INDENTURE WITNESSETH that, in order to establish the terms of the series of Securities designated as the "6.625% Senior Notes due 2025" and for and in consideration of the premises and of the covenants contained in the Original Indenture and in this Seventh Supplemental Indenture and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, it is mutually covenanted and agreed as follows:

ARTICLE I

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 101. Definitions.

Each capitalized term that is used herein and is defined in the Original Indenture shall have the meaning specified in the Original Indenture unless such term is otherwise defined herein.

"Applicable Procedures" means, with respect to any transfer or exchange of or for beneficial interests in any Global Note, the rules and procedures of DTC, Euroclear or Clearstream Banking, as the case may be, that apply to such transfer or exchange.

"Clearstream Banking" shall mean Clearstream Banking, societe anonyme (formerly Cedelbank) or any successor.

"Depository" shall mean DTC or its nominee, or any other depository appointed by the Company, provided, however, that such depository shall have an address in the Borough of Manhattan, in the City of New York.

"DTC" shall mean The Depository Trust Company.

"Euroclear" shall mean the Euroclear System or any successor.

"Global Securities" or "Global Security" shall have the meaning assigned to it in Section 203 hereof.

"Initial Purchasers" shall mean Credit Suisse First Boston LLC ("CSFB") and Citigroup Global Markets Inc. ("Citigroup").

"Interest Payment Date" shall have the meaning assigned to it in Section 206 hereof.

"Notes" shall mean the Company's 6.625% Senior Notes due 2025.

"Remaining Scheduled Payments" shall mean, with respect to the Notes, the remaining scheduled payments of principal thereof and interest thereon that would be due after the related Redemption Date but for such redemption. "Securities" shall mean the Notes.

"Securities Act" shall mean the United States Securities Act of 1933, as amended.

Section 102. Section References.

Each reference to a particular Section set forth in this Seventh Supplemental Indenture shall, unless the context otherwise requires, refer to this Seventh Supplemental Indenture.

ARTICLE II

TITLE AND TERMS OF THE SECURITIES

Section 201. Title of the Securities.

The title of the Securities of the series established hereby is the "6.625% Senior Notes due 2025".

Section 202. Amount and Denominations.

The aggregate principal amount of the Notes which may be authenticated and delivered under this Seventh Supplemental Indenture is limited to \$400,000,000, except for Securities of such series authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other Securities of the same series pursuant to Section 305, 306, 904 or 1107 of the Original Indenture; provided, however, that the Notes may be reopened, without the consent of the Holders thereof, for issuance of additional Securities of the same series.

Section 203. Registered Securities.

The certificates for the Notes shall be Registered Securities in global form and shall be in substantially the forms attached hereto as Exhibits A-1 and A-2 (collectively, the "Global Securities," each a "Global Security"), and shall bear the legends as are inscribed thereon.

Section 204. Issuance and Pricing.

The Notes shall be issued under the Indenture and sold by the Company to the Initial Purchasers at a price equal to 98.081% of the principal amount thereof.

Section 205. Stated Maturity.

The Stated Maturity of the Notes on which the principal thereof is due and payable shall be March 18, 2025.

Section 206. Interest.

The principal of the Notes shall bear interest from the later of March 18, 2005 or from the most recent Interest Payment Date to which interest has been paid or provided

for, payable semiannually on March 18 and September 18 of each year, commencing September 18, 2005 to the Persons in whose names the Notes (or one or more Predecessor Securities) are registered at the close of business on the fifteenth calendar day preceding such Interest Payment Date. Interest payable at maturity will be payable to the person to whom principal is payable on that date. Interest on the Notes shall be computed on the basis of a 360-day year of twelve 30- day months. If any Interest Payment Date or Maturity would otherwise be a day that is not a Business Day, the related payment of principal, interest, premium and Additional Amounts will be made on the next succeeding Business Day as if it were made on the date the payment was due, and no interest will accrue on the amounts so payable for the period from and after the Interest Payment Date or the Maturity, as the case may be, to the next succeeding Business Day.

Interest on the Notes will accrue at the rate of 6.625% per annum, until the principal thereof is paid or made available for payment.

Section 207. Registration, Transfer and Exchange.

The principal of, interest, premium and Additional Amounts on the Notes shall be payable and the Notes may be surrendered or presented for payment, the Notes may be surrendered for registration of transfer or exchange, and notices and demands to or upon the Company in respect of the Notes and the Indenture may be served, at the office or agency of the Company maintained for such purposes in The City of New York, State of New York, and so long as any Notes are listed on the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require, a Paying Agent and a Transfer Agent with a specified office in Luxembourg, from time to time; provided, however, that at the option of the Company payment of interest on either series may be made by check mailed to the address of the Persons entitled thereto, as such addresses shall appear in the Security Register.

The Company hereby initially appoints the Trustee at its office in the City of New York as the Registrar, a Paying Agent and a Transfer Agent under the Indenture and the Trustee, by its execution hereof, accepts such appointment; provided, however, that (subject to Section 1002 of the Indenture) the Company may at any time remove the Trustee at its office or agency in The City of New York designated for the foregoing purposes and may from time to time designate one or more other offices or agencies for the foregoing purposes and may from time to time rescind such designations. The Company hereby initially appoints Dexia Banque Internationale a Luxembourg, Societe Anonyme at its office at 69 route d'Esch, L-2953 Luxembourg, to act as a Paying Agent and Transfer Agent under the Indenture and Dexia Banque Internationale a Luxembourg, Societe Anonyme by its execution hereof, hereby accepts such appointment. The Trustee, the Registrar, each Paying Agent and Transfer Agent shall keep copies of the Indenture available for inspection and copying by holders of the Notes during normal business hours at their respective offices.

Notwithstanding the foregoing, a Holder of \$10 million or more in aggregate principal amount of certificated Notes on a Regular Record Date shall be entitled to

receive interest payments, if any, on any Interest Payment Date, other than an Interest Payment Date that is also the date of Maturity, by wire transfer of immediately available funds if appropriate wire transfer instructions have been received in writing by the Trustee not less than 15 calendar days prior to the applicable Interest Payment Date. Any wire transfer instructions received by the Trustee will remain in effect until revoked by the Holder. Any interest not punctually paid or duly provided for on a certificated note on any interest payment date other than the maturity date will cease to be payable to the Holder of the Note as of the close of business on the related record date and may either be paid (1) to the person in whose name the certificated note is registered at the close of business on a special record date for the payment of the defaulted interest that is fixed by the Company, written notice of which will be given to the holders of the notes not less than 30 calendar days prior to the special record date, or (2) at any time in any other lawful manner.

Rule 144A Security to Regulation S Security. If a holder of a beneficial interest in the Rule 144A Security deposited with the Depository wishes at any time to exchange all or a portion of its beneficial interest in such Rule 144A Security, for a beneficial interest in the Regulation S Security, or to transfer all or a portion of its beneficial interest in such Rule 144A Security to a Person who wishes to take delivery thereof in the form of a beneficial interest in such Regulation S Security, such holder may, subject to the rules and procedures of the Depository and to the requirements set forth below, exchange or cause the exchange or transfer or cause the transfer of such beneficial interest for an equivalent beneficial interest in such Regulation S Security.

Upon receipt by the Trustee, as transfer agent, at its office in The City of New York of (1) instructions given in accordance with the Depository's procedures from an agent member directing the Trustee to credit or cause to be credited a beneficial interest in the Regulation S Security in an amount equal to the beneficial interest in the Rule 144A Security to be exchanged or transferred, (2) a written order given in accordance with the Depository's procedures containing information regarding the account to be credited with such increase and (3) a certificate substantially in the form of Exhibit B hereto, in the case of transfers prior to the expiration of the "distribution compliance period" (within the meaning of Rule 903 of Regulation S) (the "Restricted Period"), or Exhibit C, in the case of transfers after the expiration of the "distribution compliance period" given by the holder of such beneficial interest, the Trustee, as transfer agent, shall instruct the Depository, its nominee, or the custodian for the Depository, as the case may be, to reduce or reflect on its records a reduction of the Rule 144A Security by the aggregate principal amount of the beneficial interest in such Rule 144A Security to be so exchanged or transferred and the Trustee, as transfer agent, shall instruct the Depository, its nominee, or the custodian for the Depository, as the case may be, concurrently with such reduction, to increase or reflect on its records an increase of the principal amount of such Regulation S Security by the aggregate principal amount of the beneficial interest in such Rule 144A Security to be so exchanged or transferred, and to credit or cause to be credited to the account of the Person specified in such instructions a beneficial interest in such Regulation S Security equal to the reduction in the principal amount of such Rule 144A Security.

Regulation S Security to Rule 144A Security. If a holder of a beneficial interest in the Regulation S Security which is deposited with the Depository wishes at any time to exchange its interest for a beneficial interest in the Rule 144A Security, or to transfer its beneficial interest in the Rule 144A Security, or to transfer its beneficial interest in such Regulation S Security to a person who wishes to take delivery thereof in the form of a beneficial interest in such Rule 144A Security, such holder may, subject to the rules and procedures of Euroclear or Clearstream Banking or the Depository, as the case may be, and to the requirements set forth in the following sentence, exchange or cause the exchange or transfer or cause the transfer of such interest for an equivalent beneficial interest in such Rule 144A Security.

Upon receipt by the Trustee, as transfer agent, at its offices in The City of New York of (1) instructions from Euroclear or Clearstream Banking or the Depository, as the case may be, directing the Trustee, as transfer agent, to credit or cause to be credited a beneficial interest in the Rule 144A Security in an amount equal to the beneficial interest in the Regulation S Security to be exchanged or transferred, such instructions to contain information regarding the agent member's account with the Depository to be credited with such increase, and (2) with respect to an exchange or transfer of a beneficial interest in the Regulation S Security for a beneficial interest in the Rule 144A Security, a certificate substantially in the form of Exhibit D hereto given by the holder of such beneficial interest, the Trustee, as transfer agent, shall instruct the Depository, its nominee, or the custodian for the Depository, as the case may be, to reduce or reflect on its records a reduction of the Regulation S Security, as the case may be, by the aggregate principal amount of the beneficial interest in such Regulation S Security to be exchanged or transferred, and the Trustee, as transfer agent, shall instruct the Depository, its nominee, or the custodian for the Depository, as the case may be, concurrently with such reduction, to increase or reflect on its records an increase of the principal amount of such Rule 144A Security by the aggregate principal amount of the beneficial interest in such Regulation S Security, as the case may be, to be so exchanged or transferred, and to credit or cause to be credited to the account of the Person specified in such instructions a beneficial interest in such Rule 144A Security equal to the reduction in the principal amount of such Regulation S Security, as the case may be.

Section 208. Redemption of the Securities.

The Notes are redeemable by the Company pursuant to Sections 1008 and 1009 of the Original Indenture in accordance with Article Eleven thereof.

Section 209. Denominations.

Interests in the Rule 144A Security shall be in minimum denominations of \$100,000 and integral multiples of \$1,000 in excess thereof and interests in the Regulation S Security shall be in minimum denominations of \$100,000 and integral multiples of \$1,000 in excess thereof.

Section 210. Currency.

The interest, premium, if any, Additional Amounts, if any, and principal on the Notes shall be payable only in Dollars.

Section 211. Applicability of Certain Indenture Provisions.

All Sections of the Original Indenture shall apply to the Notes, except for Articles Twelve, Thirteen and Fourteen.

Section 212. Security Registrar and Paying Agent.

The Trustee shall be Security Registrar and the initial Paying Agent and initial Transfer Agent for the Notes (subject to the Company's right (subject to Section 1002 of the Indenture) to remove the Trustee as such Paying Agent and or Transfer Agent with respect to each series and or, from time to time, to designate one or more co-registrars and one or more other Paying Agents and Transfer Agents and to rescind from time to time any such designations), and The City of New York is designated as a Place of Payment for the Notes. The Company shall maintain a Paying Agent and Transfer Agent in Luxembourg for so long as any Notes are listed on the Luxembourg Stock Exchange.

Section 213. Global Securities.

(a) Form of Securities. The Notes may be issued in whole or in part in the form of one or more Global Securities in fully registered form. No Notes will be issued in bearer form. The initial Depository for the Global Securities of each series shall be DTC, and the depository arrangements shall be those employed by whoever shall be the Depository with respect to the Notes from time to time.

(b) Rule 144A Securities. Notes initially offered and sold in reliance on Rule 144A to QIBs shall be issued in the form of permanent Global Securities in definitive, fully registered form, without interest coupons, substantially in the form of Exhibit A-1 (the "Rule 144A Security"). The Rule 144A Security shall be deposited on behalf of the purchasers of the Notes represented thereby with the custodian for the Depository, and registered in the name of a nominee of the Depository, duly executed by the Company and authenticated by the Trustee as provided in the Original Indenture. The aggregate principal amount of the Rule 144A Security may from time to time be increased or decreased by adjustments made on the records of the custodian for the Depository or its nominee, as the case may be.

(c) Regulation S Securities. Notes offered and sold in reliance on Regulation S shall be issued in the form of Global Securities in definitive, fully registered form, without interest coupons, substantially in the form of Exhibit A-2 (the "Regulation S Security"). The Regulation S Security shall be deposited on behalf of the purchasers of the Notes represented thereby with the custodian for the Depository, and registered in the name of a nominee of the Depository, duly

executed by the Company and authenticated by the Trustee as provided herein, for credit to their respective accounts (or to such other accounts as they may direct) at Euroclear or Clearstream Banking. During the Restricted Period, interests in a Regulation S Security may be exchanged for interests in the Rule 144A Security. The aggregate principal amount of the Regulation S Security may from time to time be increased or decreased by adjustments made on the records of the custodian for the Depositary or the Depositary or its nominee, as the case may be, as provided herein.

Each Global Security authenticated under this Indenture shall be registered in the name of the Depositary or a nominee thereof and delivered to such Depositary or a nominee thereof or custodian therefore, and each such Global Security shall constitute a single Security for all purposes of this Indenture.

Notwithstanding any other provision in this Indenture or the Securities, no Global Security may be exchanged, in whole or in part for certificated Notes, and no transfer of a Global Security in whole or in part may be registered, in the name of any Person, other than the Depositary or a nominee thereof unless (A) the Depositary has notified the Company that it is unwilling or unable to continue as Depositary for such Global Security or (B) the Depositary has ceased to be a clearing agency registered under the Exchange Act, or (C) there shall have occurred and be continuing an Event of Default with respect to such Global Security or (D) the Company in its sole discretion determines that the Global Securities (in whole not in part) should be exchanged for certificated Notes and delivers a written notice to such effect to the Trustee; provided, however, that interests in the Regulation S Security will not be exchangeable for certificated Notes until expiration of the Restricted Period and receipt of certification of non-U.S. beneficial ownership. Any Global Security exchanged pursuant to Clause (A) or (B) above shall be so exchanged in whole and not in part and any Global Security exchanged pursuant to Clause (C) above may be exchanged in whole or from time to time in part in the manner directed by the Depositary. In the event of the occurrence of any of the events specified in this paragraph, the Company will promptly make available to the Trustee a reasonable supply of certificated Notes in definitive, fully registered form, without interest coupons.

Upon any exchange, the certificated Notes shall be issued in definitive, fully-registered form, without interest coupons, shall have an aggregate principal amount equal to that of such Global Security or portion thereof to be so exchanged, shall be registered in such names and be in such denominations as the Depositary shall designate and shall bear any legends required hereunder. Any Global Security to be exchanged in whole shall be surrendered by the Depositary to the Trustee, as Security Registrar. With regard to any Global Security to be exchanged in part, either such Global Security shall be so surrendered for exchange or, if the Trustee is acting as custodian for the Depositary or its nominee with respect to such Global Security, the principal thereof shall be reduced, by an amount equal to the portion thereof to be so exchanged, by means of any appropriate adjustment made on the records of the Trustee. Upon any such surrender or adjustment, the Trustee shall authenticate and deliver the Security issuable on such exchange to or upon the order of the Depositary or an authorized representative thereof.

The provisions of the "Operating Procedures of the Euroclear System" and the "Terms and Conditions Governing Use of Euroclear" and the "Management Regulations" and "Instructions to Participants" of Clearstream Banking, respectively, shall be applicable to any Global Security insofar as interests in such Global Security are held by the agent members of Euroclear or Clearstream Banking. Account holders or participants in Euroclear and Clearstream Banking shall have no rights under the Indenture with respect to such Global Security, and the Depository or its nominee may be treated by the Company, the Trustee, and any agent of the Company or the Trustee as the owner of such Global Security for all purposes whatsoever. Notwithstanding the foregoing, nothing herein shall prevent the Company, the Trustee, or any agent of the Company or the Trustee from giving effect to any written certification, proxy or other authorization furnished by the Depository or impair, as between DTC and its agent members, the operation of customary practices governing the exercise of the rights of a holder of any Security.

Section 214. [INTENTIONALLY OMITTED]

Section 215. Sinking Fund.

The Notes shall not be subject to any sinking fund or similar provision and shall not be redeemable at the option of the holder thereof.

Section 216. Conversion; Exchange.

The Notes shall not be convertible into Common Stock. The Company and the Initial Purchasers, have entered into a Registration Rights Agreement dated the date hereof in the form of Exhibit F hereto, relating to the Notes.

Section 217. Amendments.

This Supplemental Indenture may be amended by the Company without the consent of any holder of the Notes in order for the restrictions on transfer contained herein to be in compliance with applicable law or the Applicable Procedures.

Section 218. Applicable Procedures.

Notwithstanding anything else herein, the Company shall not be required to permit a transfer to a Global Note that is not permitted by the Applicable Procedures.

Section 219. Paying and Transfer Agent.

Dexia Banque Internationale a Luxembourg, Societe Anonyme agrees that the provisions of Section 1003 of the Original Indenture shall be binding on it as Paying Agent and Transfer Agent.

ARTICLE III

MISCELLANEOUS PROVISIONS

The Trustee makes no undertaking or representations in respect of, and shall not be responsible in any manner whatsoever for and in respect of, the validity or sufficiency of this Seventh Supplemental Indenture or the proper authorization or the due execution hereof by the Company or for or in respect of the recitals and statements contained herein, all of which recitals and statements are made solely by the Company.

Except as expressly amended hereby, the Original Indenture shall continue in full force and effect in accordance with the provisions thereof and the Original Indenture is in all respects hereby ratified and confirmed.

This Seventh Supplemental Indenture and all its provisions shall be deemed a part of the Original Indenture in the manner and to the extent herein and therein provided. This Seventh Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to conflicts of laws principles thereof other than Section 5-1401 of the New York General Obligations Law.

This Seventh Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Seventh Supplemental Indenture to be duly executed as of the day and year first above written.

**GRUPO TELEVISA, S.A.,
as Issuer**

By: /s/ Alfonso de Angoitia Noriega

Name: Alfonso de Angoitia Noriega
Title: Executive Vice President

By: /s/ Salvi Folch Viadero

Name: Salvi Folch Viadero
Title: Chief Financial Officer

THE BANK OF NEW YORK,
As Trustees, Registrar, Paying Agent
And Transfer Agent

BY /s/ Rouba F. Farah

Name: Rouba F. Farah
Title: Assistant Vice President

**DEXIA BANQUE INTERNATIONALE
A LUXEMBOURG, SOCIETE ANONYME**
as Luxembourg Paying Agent and Transfer
Agent

BY /s/ Daniel Schammo

Name: Daniel Schammo
Title: Premier Conseiller

Exhibit A-1

RULE 144A SECURITY

THIS SECURITY IS A RULE 144A SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITARY (AS DEFINED IN THE INDENTURE) OR A NOMINEE THEREOF. UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR SECURITIES IN DEFINITIVE FORM, THIS GLOBAL SECURITY MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY, OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY, OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY.

UNLESS THIS SECURITY IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITARY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE COMPANY (AS DEFINED BELOW) OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY SECURITY ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC) ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THE SECURITIES EVIDENCED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE OR OTHER SECURITIES LAWS. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS THE TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE HOLDER OF THIS SECURITY BY ITS ACCEPTANCE HEREOF (1) REPRESENTS THAT (A) IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) OR (B) IT IS NOT A U.S. PERSON AND IS ACQUIRING THIS SECURITY IN AN "OFFSHORE TRANSACTION" PURSUANT TO RULE 903 OR 904 OF REGULATION S, (2) AGREES THAT IT WILL NOT SELL OR OTHERWISE TRANSFER THIS SECURITY EXCEPT (A)(1) TO A PERSON WHO THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT ACQUIRING FOR ITS OWN ACCOUNT OR FOR THE

ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION COMPLYING WITH RULE 144A, (II) IN AN OFFSHORE TRANSACTION COMPLYING WITH THE REQUIREMENTS OF RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, OR (III) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND OTHER JURISDICTIONS, AND (3) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. AS USED HEREIN, THE TERMS "OFFSHORE TRANSACTION," "UNITED STATES" AND "U.S. PERSON" HAVE THE RESPECTIVE MEANINGS GIVEN TO THEM BY REGULATION S. UNDER THE SECURITIES ACT.

THE HOLDER OF THIS SECURITY BY ITS ACCEPTANCE HEREOF AGREES TO BE BOUND BY THE PROVISIONS OF THE REGISTRATION RIGHTS AGREEMENT RELATING TO ALL THE SECURITIES.

GRUPO TELEVISA, S. A.

6.625% Senior Notes due 2025

Rule 144A Security

Grupo Televisa, S.A., a limited liability company (sociedad anonima), organized under the laws of the United Mexican States (hereinafter called the "Company", which term includes any successor corporation under the Indenture referred to below), for value received, hereby promises to pay to Cede & Co., or registered assigns, the principal sum of three hundred and thirty nine million and seven hundred and fifty thousand dollars (\$339,750,000) (or such lesser amount as shall be the outstanding principal amount of this Rule 144A Security shown in Schedule A hereto) on March 18, 2025 and to pay interest thereon from March 18, 2005 or from the most recent date to which interest has been paid or provided for, semiannually on March 18 and September 18 in each year (each, an "Interest Payment Date"), commencing September 18, 2005 at the rate of 6.625 % per annum, until the principal hereof is paid or made available for payment. Interest on this Note shall be calculated on the basis of a 360-day year consisting of twelve 30-day months. The interest so payable and paid or provided for on any Interest Payment Date will, as provided in such Indenture, be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which shall be the fifteenth calendar day (whether or not a Business Day) preceding such Interest Payment Date. Any such interest which is payable, but is not paid or provided for, on any Interest Payment Date shall forthwith cease to be payable to the registered Holder hereof on the relevant Regular Record Date by virtue of having been such Holder, and may be paid to the Person in whose name this Note (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Company, notice whereof shall be given to the Holders of Notes of this Series not less than 10 days prior to such Special Record Date, or may be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Notes may be listed, and upon such notice as may be required by such exchange, all as more fully provided in such Indenture.

Payment of the principal of and the interest on this Note will be made at the office or agency of the Company maintained for that purpose in The Borough of Manhattan, The City of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts; provided, however, that, at the option of the Company, interest may be paid by check mailed to the address of the Person entitled thereto as such address shall appear in the Security Register; provided, further, that payment to DTC or any successor Depository may be made by wire transfer to the account designated by DTC or such successor Depository in writing.

This Security is a global Rule 144A Security issued on the date hereof which represents \$339,750,000 of the principal amount of the Company's 6.625 % Senior Notes due 2025, initially offered and sold to qualified institutional buyers, as defined in Rule 144A under the Securities Act. This Note is one of a duly authorized issue of securities of the Company (herein called the "Notes") issued and to be issued in one series under an Indenture dated as of August 8, as supplemented by the first supplemental indenture dated as of August 8, 2000, the second supplemental indenture dated as of January 19, 2001, the third supplemental indenture dated as of September 13, 2001, the fourth supplemental indenture dated as of March 11, 2002, the fifth supplemental indenture dated as of March 8, 2002 and the sixth supplemental indenture dated as of July 31, 2002 (herein called, together with the Seventh Supplemental Indenture referred to below and all other indentures supplemental thereto, the "Indenture") between the Company and The Bank of New York, as Trustee (herein called the "Trustee", which term includes any successor trustee under the Indenture), to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Notes, and of the terms upon which the Notes are, and are to be, authenticated and delivered. This Note is one of the series designated on the face hereof, initially limited (subject to exceptions provided in the Indenture) to the aggregate principal amount specified in the Seventh Supplemental Indenture between the Company, The Bank of New York, as Trustee, Registrar, Paying Agent and Transfer Agent and Dexia Banque Internationale a Luxembourg, Societe Anonyme, as Luxembourg Paying Agent and Transfer Agent, dated as of March 18, 2005, establishing the terms of the Notes pursuant to the Indenture (the "Seventh Supplemental Indenture").

If an Event of Default with respect to the Notes shall occur and be continuing, the principal of the Notes may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Securities of each series issued under the Indenture at any time by the Company and the Trustee with the consent of the Holders of not less than a majority in aggregate principal amount of the Securities at the time Outstanding of each series affected thereby. The Indenture also contains provisions permitting the Holders of specified percentages in aggregate principal amount of the Securities of any series at the time Outstanding, on behalf of the Holders of all Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Note shall be conclusive and binding upon such Holder and upon all future Holders of this Note and of any Notes issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Note or such Notes.

No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and

unconditional, to pay the principal of and interest on this Note, at the times, place and rate, and in the coin or currency, herein and in the Indenture prescribed.

As provided in the Indenture and subject to certain limitations set forth therein and in this Note, the transfer of this Note may be registered on the Security Register upon surrender of this Note for registration of transfer at the office or agency of the Company maintained for the purpose in any place where the principal of and interest on this Note are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or by his attorney duly authorized in writing, and thereupon one or more new Notes of this series and of like tenor, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Notes are issuable in book-entry fully registered form without coupons in minimum denominations of \$100,000, and integral multiples of \$1,000 as specified in the Seventh Supplemental Indenture establishing the terms of the Notes and as more fully provided in the Original Indenture. As provided in the Original Indenture, and subject to certain limitations set forth in the Original Indenture and in this Note, the Notes are exchangeable for a like aggregate principal amount of Notes of this Series in different authorized denominations, as requested by the Holders surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith, other than in certain cases provided in the Indenture.

Interests in this Note are exchangeable or transferable in whole or in part for interests in the Regulation S Security, of the same series, only if such exchange or transfer complies with the terms for transfer contained in the Indenture.

Prior to due presentment of this Note for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Note is registered as the owner hereof for all purposes, whether or not this Note be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

The Indenture contains provisions whereby (i) the Company may be discharged from its obligations with respect to the Notes (subject to certain exceptions) or (ii) the Company may be released from its obligation under specified covenants and agreements in the Indenture, in each case if the Company irrevocably deposits with the Trustee money or U.S. Government Obligations sufficient to pay and discharge the entire indebtedness on all Notes of this series, and satisfies certain other conditions, all as more fully provided in the Indenture.

This Note shall be governed by and construed in accordance with the laws of the State of New York without giving effect to any provisions relating to conflicts of laws other than Section 5-1401 of the New York General Obligations Law.

All terms used in this Note which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

Unless the certificate of authentication hereon has been executed by or on behalf of the Trustee under the Indenture by the manual signature of one of its authorized signatories, this Note shall not be entitled to any benefits under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed under its corporate seal.

GRUPO TELEVISA, S.A.

Attest: _____

Name: Juan Sebastian Mijares
Title: Secretary of the Board of
Directors of Grupo
Televisa S.A.

By: _____

Name: Alfonso de Angiotia Noriega
Title: Executive Vice President

By: _____

Name: Salvi Folch Viadero
Title: Chief Financial Officer

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

Dated: March 18, 2005 The Bank of New York, as Trustee

By: _____

FORM OF REVERSE OF RULE 144A SECURITY

This Security is one of a duly authorized issue of Securities of the Company designated as its 6.625% Senior Notes due 2025 (hereinafter called the "Notes"), limited in aggregate principal amount to U.S.\$339,750,000, issued and to be issued under a Seventh Supplemental Indenture, dated as of March 18, 2005 (hereinafter called the "Seventh Supplemental Indenture"), among the Company, The Bank of New York, as Trustee, Registrar, Paying Agent and Transfer Agent and Dexia Banque Internationale a Luxembourg, Societe Anonyme, as Luxembourg Paying Agent and Transfer Agent.

Additional Amounts. All payments of amounts due in respect of the Securities by the Company will be made without withholding or reduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of Mexico any political subdivision thereof or any agency or authority in or of Mexico ("Taxes") unless the withholding or deduction of such Taxes is required by law or by the interpretation or administration thereof. In that event, the Company will pay such additional amounts ("Additional Amounts") as may be necessary in order that the net amounts receivable by the Holders after such withholding or deduction shall equal the respective amounts which would have been receivable in respect of the Securities, in the absence of such withholding or deduction, which Additional Amounts shall be due and payable when the amount to which such Additional Amounts relate are due and payable; except that no such Additional Amounts shall be payable with respect to:

(i) any Taxes which are imposed on, or deducted or withheld from, payments made to the Holder or beneficial owner of the Securities by reason of the existence of any present or former connection between the Holder or beneficial owner of the Securities (or between a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of a power over, such Holder or beneficial owner, if such Holder or beneficial owner is an estate, trust, corporation or partnership) and Mexico (or any political subdivision or territory or possession thereof or area subject to its jurisdiction) (including, without limitation, such Holder or beneficial owner (or such fiduciary, settlor, beneficiary, member, shareholder or possessor) (x) being or having been a citizen or resident thereof, (y) maintaining or having maintained an office, permanent establishment, fixed base or branch therein, or (z) being or having been present or engaged in trade or business therein) other than the mere holding of such Securities or the receipt of amounts due in respect thereof;

(ii) any estate, inheritance, gift, sales, stamp, transfer or personal property Tax;

(iii) any Taxes that are imposed on, or withheld or deducted from, payments made to the Holder or beneficial owner of the Securities to the extent such Taxes would not have been so imposed, deducted or withheld but for the failure by such Holder or beneficial owner of such Securities to comply with any certification, identification, information, documentation or other reporting requirement concerning the nationality, residence, identity or connection with

Mexico (or any political subdivision or territory or possession thereof or area subject to its jurisdiction) of the Holder or beneficial owner of such Securities if (x) such compliance is required or imposed by a statute, treaty, regulation, rule, ruling or administrative practice in order to make any claim for exemption from, or reduction in the rate of, the imposition, withholding or deduction of any Taxes, and (y) at least 60 days prior to the first payment date with respect to which the Company shall apply this clause (iii), the Company shall have notified all the Holders of Securities, in writing, that such Holders or beneficial owners of the Securities will be required to provide such information or documentation;

(iv) any Taxes imposed on, or withheld or deducted from, payments made to a Holder or beneficial owner of the Securities at a rate in excess of the 4.9% rate of Tax in effect on the date hereof and uniformly applicable in respect of payments made by the Company to all Holders or beneficial owners eligible for the benefits of a treaty for the avoidance of double taxation to which Mexico is a party without regard to the particular circumstances of such Holders or beneficial owners (provided that, upon any subsequent increase in the rate of Tax that would be applicable to payments to all such Holders or beneficial owners without regard to their particular circumstances, such increased rate shall be substituted for the 4.9% rate for purposes of this clause (iv)), but only to the extent that (x) such Holder or beneficial owner has failed to provide on a timely basis, at the reasonable request of the Company (subject to the conditions set forth below), information, documentation or other evidence concerning whether such Holder or beneficial owner is eligible for benefits under a treaty for the avoidance of double taxation to which Mexico is a party if necessary to determine the appropriate rate of deduction or withholding of Taxes under such treaty or under any statute, regulation, rule, ruling or administrative practice, and (y) at least 60 days prior to the first payment date with respect to which the Company shall make such reasonable request, the Company shall have notified the Holders of the Securities, in writing, that such Holders or beneficial owners of the Securities will be required to provide such information, documentation or other evidence;

(v) to or on behalf of a Holder of the Securities in respect of Taxes that would not have been imposed but for the presentation by such Holder for payment on a date more than 15 days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for and notice thereof given to Holders, whichever occurs later, except to the extent that the Holder of such Securities would have been entitled to Additional Amounts in respect of such Taxes on presenting such Securities for payment on any date during such 15-day period; or

(vi) any combination of (i), (ii), (iii), (iv) or (v) above (the Taxes described in clauses (i) through (vi), for which no Additional Amounts are payable, are hereinafter referred to as "Excluded Taxes").

Notwithstanding the foregoing, the limitations on the Company's obligation to pay Additional Amounts set forth in clauses (iii) and (iv) above shall not apply if (a) the

provision of information, documentation or other evidence described in such clauses (iii) and (iv) would be materially more onerous, in form, in procedure or in the substance of information disclosed, to a Holder or beneficial owner of a Note (taking into account any relevant differences between U.S. and Mexican law, rules, regulations or administrative practice) than comparable information or other reporting requirements imposed under U.S. tax law, regulations and administrative practice (such as IRS Forms W-8BEN and W-9) or (b) Rule 3.23.8 issued by the Secretaria de Hacienda y Credito Publico (Ministry of Finance and Public Credit), or a substantially similar successor of such rule is in effect, unless the provision of the information, documentation or other evidence described in clauses (iii) and (iv) is expressly required by statute, regulation, rule, ruling or administrative practice in order to apply Rule 3.23.8 (or a substantially similar successor of such rule), the Company cannot obtain such information, documentation or other evidence on its own through reasonable diligence and the Company otherwise would meet the requirements for application of Rule 3.23.8 (or such other successor of such rule). In addition, such clauses (iii) and (iv) shall not be construed to require that a non-Mexican pension or retirement fund or a non-Mexican financial institution or any other Holder register with the Ministry of Finance and Public Credit for the purpose of establishing eligibility for an exemption from or reduction of Mexican withholding tax or to require that a Holder or beneficial owner certify or provide information concerning whether it is or is not a tax-exempt pension or retirement fund.

At least 30 days prior to each date on which any payment under or with respect to the Securities is due and payable, if the Company will be obligated to pay Additional Amounts with respect to such payment (other than Additional Amounts payable on the date of the Indenture or Supplemental Indenture relating to such Securities), the Company will deliver to the relevant Trustee an Officers' Certificate stating the fact that such Additional Amounts will be payable and the amounts so payable and will set forth such other information necessary to enable the relevant Trustee to pay such Additional Amounts to Holders on the payment date. Whenever either in the Indenture or such Supplemental Indenture there is mentioned, in any context, the payment of principal (and premium, if any), Redemption Price, interest or any other amount payable under or with respect to any Securities, such mention shall be deemed to include mention of the payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

Optional Redemption. The Company may redeem any of the Notes (the "Optional Redemption") in whole or in part, at any time or from time to time prior to their maturity, upon not less than 30 nor more than 60 days prior notice of the date for such redemption (the "Redemption Date") mailed by first-class mail to each Holder's registered address, at a redemption price equal to the greater of (1) 100% of the principal amount of such Notes redeemed and (2) the sum of the present values of each remaining scheduled payment of principal and interest thereon (exclusive of interest accrued to the Redemption Date) discounted to the Redemption Date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 40 basis points (the "Make-Whole Amount"), plus in each case accrued and unpaid interest on the principal amount of the Notes to the Redemption Date.

"Treasury Rate" means, with respect to any redemption date, the rate per annum equal to the semiannual equivalent yield to maturity or interpolated maturity (on a day count basis) of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

"Comparable Treasury Issue" means the United States Treasury security or securities selected by an Independent Investment Banker as having an actual or interpolated maturity comparable to the remaining term of the notes to be redeemed that would be utilized, at the time of the selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of a comparable maturity to the remaining term of the notes.

"Independent Investment Banker" means one of the Reference Treasury Dealers appointed by the Company.

"Comparable Treasury Price" means, with respect to any redemption date (1) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference Treasury Dealer Quotation or (2) if the Trustee obtains fewer than four such Reference Treasury Dealer Quotations, the average of all such quotations.

"Reference Treasury Dealer" means Credit Suisse First Boston LLC or its affiliates with are primary United States government securities dealers and two other leading primary United States government securities dealers in New York City reasonably designated by the Company; provided, however, that if any of the foregoing shall cease to be a primary United States government securities dealer in New York City (a "Primary Treasury Dealer"), the Company will substitute therefore another Primary Treasury Dealer.

"Reference Treasury Dealer Quotation" means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Trustee, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Trustee by such Reference Treasury Dealer at 3:30 pm New York time on the third business day preceding such redemption date.

On an after the Redemption Date, interest will cease to accrue on the Notes or any portion of the Notes called for redemption (unless the Company defaults in the payment of the redemption price and accrued interest). On or before the Redemption Date, the Company will deposit with the Trustee money sufficient to pay the Make-Whole Amount and (unless the redemption date shall be an interest payment date) accrued interest to the redemption date on the Notes to be redeemed on such date. If less than all of the Notes are to be redeemed, the notes to be redeemed shall be selected by the Trustee by such method as the Trustee shall deem appropriate.

The election of the Company to redeem the Notes shall be evidenced by a certificate (a "Make-Whole Redemption Certificate") of an officer of the Company, which certificate shall be delivered to the Trustee. The Company shall, not less than 45 days nor more than 60 days prior to the Redemption Date, notify the Trustee in writing of such Redemption Date and of all other information necessary to the giving by the Trustee of notices of the Optional Redemption. The Trustee shall be entitled to rely conclusively upon the information so furnished by the Company in the Make-Whole Redemption Certificate and shall be under no duty to check the accuracy or completeness thereof. Such notice shall be irrevocable and upon its delivery the Company shall be obligated to make the payment or payments to the Trustee referred to therein at least two Business Days prior to such Redemption Date.

Notice of the Optional Redemption shall be given by the Trustee to the holders, in accordance with the provisions of Section 106 of the Original Indenture, upon the mailing by first-class postage prepaid to each holder at the address of such holder as it appears in the Register not less than 30 days nor more than 60 days prior to the Redemption Date.

The notice of Optional Redemption shall state:

- (i) the Redemption Date;
- (ii) the Make-Whole Amount;
- (iii) the sum of all other amounts due to the holders under the Notes and this Indenture;
- (iv) that on the Redemption Date the Make-Whole Amount will become due and payable upon each such Notes so to be redeemed; and
- (v) the place or places, including the offices of our Paying Agent in Luxembourg, where such Securities so to be redeemed are to be surrendered for payment of the Make-Whole Amount.

Notice of the Optional Redemption having been given as aforesaid, the Notes so to be redeemed shall, on the Redemption Date, become due and payable at the Make-Whole Amount therein specified. Upon surrender of any such Notes for redemption in accordance with such notice, such Notes shall be paid by the Paying Agent on behalf of the Company on the Redemption Date; provided that moneys sufficient therefor have been deposited with the Trustee for the holders.

Notwithstanding anything to the contrary in this Indenture or in the Notes, if a Make-Whole Redemption Certificate has been delivered to the Trustee and the Company shall have paid to the Trustee for the benefit of the holders (i) the Make-Whole Amount and (ii) all other amounts due to the holders and the Trustee under the Notes and this Indenture, then neither the holders nor the Trustee on their behalf shall any longer be entitled to exercise any of the rights of the holders under the Notes other than the rights of the holders to receive payment of such amounts from the Paying Agent and the occurrence of an Event of Default whether before or after such payment by the Company to the Trustee for the benefit of the holders shall not entitle either the holders or the Trustee on their behalf after such payment to declare the principal of any Notes then

outstanding to be due and payable on any date prior to the Redemption Date. The funds paid to the Trustee shall be used to redeem the Securities on the Redemption Date.

Repurchase of Securities upon a Change of Control. The Company must commence, within 30 days of the occurrence of a Change of Control, and consummate an Offer to Purchase for all Securities then outstanding, at a purchase price equal to 101% of the principal amount of the Securities on the date of repurchase, plus accrued interest (if any) to the date of purchase. The Company is not required to make an Offer to Purchase following a Change of Control if a third party makes an Offer to Purchase that would be in compliance with the provisions described in this Section if it were made by the Company and such third party purchases (for the consideration referred to in the immediately preceding sentence) the Securities validly tendered and not withdrawn. Prior to the mailing of the notice to Holders and publishing such notice to holders in a daily newspaper of general circulation in Luxembourg commencing such Offer to Purchase, but in any event within 30 days following any Change of Control, the Company, covenants to (i) repay in full all indebtedness of the Company that would prohibit the repurchase of the Securities pursuant to such Offer to Purchase or (ii) obtain any requisite consents under instruments governing any such indebtedness of the Company to permit the repurchase of the Securities. The Company shall first comply with the covenant in the preceding sentence before it shall be required to repurchase Securities pursuant to this covenant.

Withholding Tax Redemption. The Securities are subject to redemption ("Withholding Tax Redemption") at any time (a "Withholding Tax Redemption Date"), as a whole but not in part, at the election of the Company, at a redemption price equal to 100% of the unpaid principal amount thereof plus accrued and unpaid interest, if any, to and including the Withholding Tax Redemption Date (the "Withholding Tax Redemption Price") if, as a result of (i) any change in or amendment to the laws, rules or regulations of Mexico, or any political subdivision or taxing authority or other instrumentality thereof or therein, or (ii) any amendment to or change in the rulings or interpretations relating to such laws, rules or regulations made by any legislative body, court or governmental or regulatory agency or authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination) of Mexico, or any political subdivision or taxing authority or other instrumentality thereof or therein, or (iii) any official interpretation, application or pronouncement by any legislative body, court or governmental or regulatory agency or authority that provides for a position with respect to such laws, rules or regulations that differs from the theretofore generally accepted position, which amendment or change is enacted, promulgated, issued or announced or which interpretation, application or pronouncement is issued or announced, in each case, after the Closing Date, the Company has become or would become required to pay any Additional Amounts in excess of those attributable to Taxes that are imposed, deducted or withheld at a rate of 10% on or from any payments under the Securities.

The election of the Company to redeem the Securities shall be evidenced by a certificate (a "Withholding Tax Redemption Certificate") of a financial officer of the Company, which certificate shall be delivered to the Trustee. The Company shall, not less than 30 days nor more than 45 days prior to the Withholding Tax Redemption Date, notify the Trustee in writing of such Withholding Tax Redemption Date and of all other information necessary to the giving by the Trustee of notices of such Withholding Tax Redemption. The Trustee shall be entitled to rely conclusively upon the information so furnished by the Company in the Withholding Tax Redemption Certificate and shall be under no duty to check the accuracy or completeness thereof. Such notice shall be irrevocable and upon its delivery the Company shall be obligated to make the payment or payments to the Trustee referred to therein at least two Business Days prior to such Withholding Tax Redemption Date.

Notice of Withholding Tax Redemption shall be given by the Trustee to the holders, in accordance with the provisions of Section 106 of the Original Indenture, upon the mailing by first-class postage prepaid to each holder at the address of such holder as it appears in the Register not less than 15 days nor more than 30 days prior to the Withholding Tax Redemption Date.

The notice of Withholding Tax Redemption shall state:

- (i) the Withholding Tax Redemption Date;
- (ii) the Withholding Tax Redemption Price;
- (iii) the sum of all other amounts due to the holders under the Securities and this Indenture;
- (iv) that on the Withholding Tax Redemption Date the Withholding Tax Redemption Price will become due and payable upon each such Security so to be redeemed; and
- (v) the place or places, including the offices of our Paying Agent in Luxembourg, where such Securities so to be redeemed are to be surrendered for payment of the Withholding Tax Redemption Price.

Notice of Withholding Tax Redemption having been given as aforesaid, the Securities so to be redeemed shall, on the Withholding Tax Redemption Date, become due and payable at the Withholding Tax Redemption Price therein specified. Upon surrender of any such Securities for redemption in accordance with such notice, such Securities shall be paid by the Paying Agent on behalf of the Company on the Withholding Tax Redemption Date; provided that moneys sufficient therefor have been deposited with the Trustee for the holders.

Notwithstanding anything to the contrary in this Indenture or in the Securities, if a Withholding Tax Redemption Certificate has been delivered to the Trustee and the Company shall have paid to the Trustee for the benefit of the holders (i) the Withholding Tax Redemption Price and (ii) all other amounts due to the holders and the Trustee under

the Securities and this Indenture, then neither the holders nor the Trustee on their behalf shall any longer be entitled to exercise any of the rights of the holders under the Securities other than the rights of the holders to receive payment of such amounts from the Paying Agent and the occurrence of an Event of Default whether before or after such payment by the Company to the Trustee for the benefit of the holders shall not entitle either the holders or the Trustee on their behalf after such payment to declare the principal of any Securities then outstanding to be due and payable on any date prior to the Withholding Tax Redemption Date. The funds paid to the Trustee shall be used to redeem the Securities on the Withholding Tax Redemption Date.

All terms used in this Security which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

THE INDENTURE AND THIS SECURITY SHALL BE GOVERNED BY AND BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT GIVING EFFECT TO ANY PROVISIONS RELATING TO CONFLICTS OF LAWS OTHER THAN SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW.

SCHEDULE A

SCHEDULE OF EXCHANGES

The following exchanges of Notes for Notes represented by this Rule 144A Security have been made:

Principal amount of this Rule 144A Security as of the date of exchange	Date exchange made	Change in principal Amount of this Rule 144A Security due to exchange	Principal amount of this Rule 144A Security following such exchange	Notation made by or on behalf of the Trustee
\$				

REGULATION S SECURITY

PRIOR TO EXPIRATION OF THE 40-DAY DISTRIBUTION COMPLIANCE PERIOD (AS DEFINED IN REGULATION S ("REGULATION S") UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT")), THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES (AS DEFINED IN REGULATION S) OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, A U.S. PERSON (AS DEFINED IN REGULATION S), EXCEPT TO A PERSON REASONABLY BELIEVED TO BE A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A ("RULE 144A") UNDER THE SECURITIES ACT) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A AND THE INDENTURE REFERRED TO HEREIN.

THIS SECURITY IS A REGULATION S SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITARY (AS DEFINED IN THE INDENTURE) OR A NOMINEE THEREOF. UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR SECURITIES IN DEFINITIVE FORM, THIS GLOBAL SECURITY MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY, OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY, OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY.

UNLESS THIS SECURITY IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITARY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE COMPANY (AS DEFINED BELOW) OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY SECURITY ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC) ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THE HOLDER OF THIS SECURITY BY ITS ACCEPTANCE HEREOF AGREES TO BE BOUND BY THE PROVISIONS OF THE REGISTRATION RIGHTS AGREEMENT RELATING TO ALL THE SECURITIES.

GRUPO TELEVISA, S.A.

6.625% Senior Notes due 2025

Regulation S Security

Grupo Televisa, S.A., a limited liability company (sociedad anonima), organized under the laws of the United Mexican States (hereinafter called the "Company", which term includes any successor corporation under the Indenture referred to below), for value received, hereby promises to pay to Cede & Co., or registered assigns, the principal sum of sixty million two hundred and fifty thousand dollars (\$60,250,000) (or such lesser amount as shall be the outstanding principal amount of this Regulation S Security shown in Schedule A hereto) on March 18, 2005 and to pay interest thereon from March 18, 2005 or from the most recent date to which interest has been paid or provided for, semiannually on March 18 and September 18 in each year (each, an "Interest Payment Date"), commencing September 18, 2005 at the rate of 6.625% per annum, until the principal hereof is paid or made available for payment. Interest on this Note shall be calculated on the basis of a 360-day year consisting of twelve 30-day months. The interest so payable and paid or provided for on any Interest Payment Date will, as provided in such Indenture, be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which shall be the fifteenth calendar day (whether or not a Business Day) preceding such Interest Payment Date. Any such interest which is payable, but is not paid or provided for, on any Interest Payment Date shall forthwith cease to be payable to the registered Holder hereof on the relevant Regular Record Date by virtue of having been such Holder, and may be paid to the Person in whose name this Note (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Company, notice whereof shall be given to the Holders of Notes of this Series not less than 10 days prior to such Special Record Date, or may be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Notes may be listed, and upon such notice as may be required by such exchange, all as more fully provided in such Indenture.

Payment of the principal of and the interest on this Note will be made at the office or agency of the Company maintained for that purpose in The Borough of Manhattan, The City of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts; provided, however, that, at the option of the Company, interest may be paid by check mailed to the address of the Person entitled thereto as such address shall appear in the Security Register; provided, further, that payment to DTC or any successor Depository may be made by wire transfer to the account designated by DTC or such successor Depository in writing.

This Security is a Regulation S Security issued on the date hereof which represents \$60,250,000 of the principal amount of the Company's 6.625 % Senior Notes due 2025 (the "Notes") deposited on behalf of the purchasers of the Notes with the custodian for the Depository for credit to their respective accounts at Euroclear or Clearstream Banking (each, as defined herein). This Note is one of a duly authorized issue of securities of the Company issued and to be issued in one series under an Indenture dated as of August 8, 2000 as supplemented by the first supplemental indenture dated as of August 8, 2000, the second supplemental indenture dated as of January 19, 2001, the third supplemental indenture dated as of September 13, 2001, the fourth supplemental indenture dated as of March 11, 2002, the fifth supplemental indenture dated as of March 8, 2002 and the sixth supplemental indenture dated as of July 31, 2002 (herein called, together with the Seventh Supplemental Indenture referred to below and all other indentures supplemental thereto, the "Indenture") between the Company and The Bank of New York, as Trustee (herein called the "Trustee", which term includes any successor trustee under the Indenture), to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Notes, and of the terms upon which the Notes are, and are to be, authenticated and delivered. This Note is one of the series designated on the face hereof, limited (subject to exceptions provided in the Indenture) to the aggregate principal amount specified in the seventh supplemental indenture between the Company, The Bank of New York, as Trustee, Registrar, Paying Agent and Transfer Agent and Dexia Banque Internationale a Luxembourg, Societe Anonyme, as Luxembourg Paying Agent and Transfer Agent, dated as of March 18, 2005 , establishing the terms of the Notes pursuant to the Indenture (the "Seventh Supplemental Indenture").

If an Event of Default with respect to the Notes shall occur and be continuing, the principal of the Notes may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Securities of each series issued under the Indenture at any time by the Company and the Trustee with the consent of the Holders of not less than a majority in aggregate principal amount of the Securities at the time Outstanding of each series affected thereby. The Indenture also contains provisions permitting the Holders of specified percentages in aggregate principal amount of the Securities of any series at the time Outstanding, on behalf of the Holders of all Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Note shall be conclusive and binding upon such Holder and upon all future Holders of this Note and of any Notes issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Note or such Notes.

No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and

unconditional, to pay the principal of and interest on this Note, at the times, place and rate, and in the coin or currency, herein and in the Indenture prescribed.

As provided in the Indenture and subject to certain limitations set forth therein and in this Note, the transfer of this Note may be registered on the Security Register upon surrender of this Note for registration of transfer at the office or agency of the Company maintained for the purpose in any place where the principal of and interest on this Note are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or by his attorney duly authorized in writing, and thereupon one or more new Notes of this series and of like tenor, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

Prior to expiration of the "40-day distribution compliance period" (as defined in Rule 901 of Regulation S under the Securities Act), payments (if any) on this Regulation S Security will only be paid to the registered holder hereof to the extent that there is presented to the Trustee a certificate substantially in the form of Exhibit E to the Seventh Supplemental Indenture. Interests in this Regulation S Security will be transferable in accordance with the rules and procedures of the Euroclear System or Clearstream Banking or DTC in effect at the time of the transfer.

The Notes are issuable in book-entry fully registered form without coupons in minimum denominations of \$1,000, and integral multiples thereof as specified in the Seventh Supplemental Indenture establishing the terms of the Notes and as more fully provided in the Original Indenture. As provided in the Original Indenture, and subject to certain limitations set forth in the Original Indenture and in this Note, the Notes are exchangeable for a like aggregate principal amount of Notes of this Series in different authorized denominations, as requested by the Holders surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith, other than in certain cases provided in the Indenture.

Interests in this Note are exchangeable or transferable in whole or in part for interests in the Rule 144A Security of the same series only if such exchange or transfer complies with the terms for transfer contained in the Indenture.

Prior to due presentment of this Note for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Note is registered as the owner hereof for all purposes, whether or not this Note be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

The Indenture contains provisions whereby (i) the Company may be discharged from its obligations with respect to the Notes (subject to certain exceptions) or (ii) the Company may be released from its obligation under specified covenants and agreements

in the Indenture, in each case if the Company irrevocably deposits with the Trustee money or U.S. Government Obligations sufficient to pay and discharge the entire indebtedness on all Notes of this series, and satisfies certain other conditions, all as more fully provided in the Indenture.

This Note shall be governed by and construed in accordance with the laws of the State of New York without giving effect to any provisions relating to conflicts of laws other than Section 5-1401 of the New York General Obligations Law.

All terms used in this Note which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

Unless the certificate of authentication hereon has been executed by or on behalf of the Trustee under the Indenture by the manual signature of one of its authorized signatories, this Note shall not be entitled to any benefits under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed under its corporate seal.

GRUPO TELEVISA, S.A.

Attest: _____
Name: Juan Sebastian Mijares
Title: Secretary of the Board of
Directors of Grupo
Televisa S.A.

By: _____
Name: Alfonso de Angiotia Noriega
Title: Executive Vice President

By: _____
Name: Salvi Folch Viadero
Title: Chief Financial Officer

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

Dated: March 18, 2005

The Bank of New York,
as Trustee

By: _____
Authorized Signatory

FORM OF REVERSE OF REGULATION S SECURITY

This Security is one of a duly authorized issue of Securities of the Company designated as its 6.625% Senior Notes due 2025 (hereinafter called the "Notes"), limited in aggregate principal amount to U.S.\$60,250,000, issued and to be issued under a Seventh Supplemental Indenture, dated as of March 18, 2005 (hereinafter called the "Seventh Supplemental Indenture"), among the Company, The Bank of New York, as Trustee, Registrar, Paying Agent and Transfer Agent and Dexia Banque Internationale a Luxembourg, Societe Anonyme, as Luxembourg Paying Agent and Transfer Agent.

Additional Amounts. All payments of amounts due in respect of the Securities by the Company will be made without withholding or reduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of Mexico any political subdivision thereof or any agency or authority in or of Mexico ("Taxes") unless the withholding or deduction of such Taxes is required by law or by the interpretation or administration thereof. In that event, the Company will pay such additional amounts ("Additional Amounts") as may be necessary in order that the net amounts receivable by the Holders after such withholding or deduction shall equal the respective amounts which would have been receivable in respect of the Securities, in the absence of such withholding or deduction, which Additional Amounts shall be due and payable when the amount to which such Additional Amounts relate are due and payable; except that no such Additional Amounts shall be payable with respect to:

(i) any Taxes which are imposed on, or deducted or withheld from, payments made to the Holder or beneficial owner of the Securities by reason of the existence of any present or former connection between the Holder or beneficial owner of the Securities (or between a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of a power over, such Holder or beneficial owner, if such Holder or beneficial owner is an estate, trust, corporation or partnership) and Mexico (or any political subdivision or territory or possession thereof or area subject to its jurisdiction) (including, without limitation, such Holder or beneficial owner (or such fiduciary, settlor, beneficiary, member, shareholder or possessor) (x) being or having been a citizen or resident thereof, (y) maintaining or having maintained an office, permanent establishment, fixed base or branch therein, or (z) being or having been present or engaged in trade or business therein) other than the mere holding of such Securities or the receipt of amounts due in respect thereof;

(ii) any estate, inheritance, gift, sales, stamp, transfer or personal property Tax;

(iii) any Taxes that are imposed on, or withheld or deducted from, payments made to the Holder or beneficial owner of the Securities to the extent such Taxes would not have been so imposed, deducted or withheld but for the failure by such Holder or beneficial owner of such Securities to comply with any certification, identification, information, documentation or other reporting requirement concerning the nationality, residence, identity or connection with

Mexico (or any political subdivision or territory or possession thereof or area subject to its jurisdiction) of the Holder or beneficial owner of such Securities if (x) such compliance is required or imposed by a statute, treaty, regulation, rule, ruling or administrative practice in order to make any claim for exemption from, or reduction in the rate of, the imposition, withholding or deduction of any Taxes, and (y) at least 60 days prior to the first payment date with respect to which the Company shall apply this clause (iii), the Company shall have notified all the Holders of Securities, in writing, that such Holders or beneficial owners of the Securities will be required to provide such information or documentation;

(iv) any Taxes imposed on, or withheld or deducted from, payments made to a Holder or beneficial owner of the Securities at a rate in excess of a 4.9% rate of Tax in effect on the date hereof and uniformly applicable in respect of payments made by the Company to all Holders or beneficial owners eligible for the benefits of a treaty for the avoidance of double taxation to which Mexico is a party without regard to the particular circumstances of such Holders or beneficial owners (provided that, upon any subsequent increase in the rate of Tax that would be applicable to payments to all such Holders or beneficial owners without regard to their particular circumstances, such increased rate shall be substituted for a 4.9% rate for purposes of this clause (iv)), but only to the extent that (x) such Holder or beneficial owner has failed to provide on a timely basis, at the reasonable request of the Company (subject to the conditions set forth below), information, documentation or other evidence concerning whether such Holder or beneficial owner is eligible for benefits under a treaty for the avoidance of double taxation to which Mexico is a party if necessary to determine the appropriate rate of deduction or withholding of Taxes under such treaty or under any statute, regulation, rule, ruling or administrative practice, and (y) at least 60 days prior to the first payment date with respect to which the Company shall make such reasonable request, the Company shall have notified the Holders of the Securities, in writing, that such Holders or beneficial owners of the Securities will be required to provide such information, documentation or other evidence;

(v) to or on behalf of a Holder of the Securities in respect of Taxes that would not have been imposed but for the presentation by such Holder for payment on a date more than 15 days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for and notice thereof given to Holders, whichever occurs later, except to the extent that the Holder of such Securities would have been entitled to Additional Amounts in respect of such Taxes on presenting such Securities for payment on any date during such 15-day period; or

(vi) any combination of (i), (ii), (iii), (iv) or (v) above (the Taxes described in clauses (i) through (vi), for which no Additional Amounts are payable, are hereinafter referred to as "Excluded Taxes").

Notwithstanding the foregoing, the limitations on the Company's obligation to pay Additional Amounts set forth in clauses (iii) and (iv) above shall not apply if (a) the

provision of information, documentation or other evidence described in such clauses (iii) and (iv) would be materially more onerous, in form, in procedure or in the substance of information disclosed, to a Holder or beneficial owner of a Note (taking into account any relevant differences between U.S. and Mexican law, rules, regulations or administrative practice) than comparable information or other reporting requirements imposed under U.S. tax law, regulations and administrative practice (such as IRS Forms W-8BEN and W-9) or (b) Rule 3.23.8 issued by the Secretaria de Hacienda y Credito Publico (Ministry of Finance and Public Credit), or a substantially similar successor of such rule is in effect, unless the provision of the information, documentation or other evidence described in clauses (iii) and (iv) is expressly required by statute, regulation, rule, ruling or administrative practice in order to apply Rule 3.23.8 (or a substantially similar successor of such rule), the Company cannot obtain such information, documentation or other evidence on its own through reasonable diligence and the Company otherwise would meet the requirements for application of Rule 3.23.8 (or such other successor of such rule). In addition, such clauses (iii) and (iv) shall not be construed to require that a non-Mexican pension or retirement fund or a non-Mexican financial institution or any other Holder register with the Ministry of Finance and Public Credit for the purpose of establishing eligibility for an exemption from or reduction of Mexican withholding tax or to require that a Holder or beneficial owner certify or provide information concerning whether it is or is not a tax-exempt pension or retirement fund.

At least 30 days prior to each date on which any payment under or with respect to the Securities is due and payable, if the Company will be obligated to pay Additional Amounts with respect to such payment (other than Additional Amounts payable on the date of the Indenture or Supplemental Indenture relating to such Securities), the Company will deliver to the relevant Trustee an Officers' Certificate stating the fact that such Additional Amounts will be payable and the amounts so payable and will set forth such other information necessary to enable the relevant Trustee to pay such Additional Amounts to Holders on the payment date. Whenever either in the Indenture or such Supplemental Indenture there is mentioned, in any context, the payment of principal (and premium, if any), Redemption Price, interest or any other amount payable under or with respect to any Securities, such mention shall be deemed to include mention of the payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

Optional Redemption. The Company may redeem any of the Notes (the "Optional Redemption") in whole or in part, at any time or from time to time prior to their maturity, upon not less than 30 nor more than 60 days prior notice of the date for such redemption (the "Redemption Date") mailed by first-class mail to each Holder's registered address, at a redemption price equal to the greater of (1) 100% of the principal amount of such Notes redeemed and (2) the sum of the present values of each remaining scheduled payment of principal and interest thereon (exclusive of interest accrued to the Redemption Date) discounted to the Redemption Date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 40 basis points (the "Make-Whole Amount"), plus in each case accrued and unpaid interest on the principal amount of the Notes to the Redemption Date.

"Treasury Rate" means, with respect to any redemption date, the rate per annum equal to the semiannual equivalent yield to maturity or interpolated maturity (on a day count basis) of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

"Comparable Treasury Issue" means the United States Treasury security or securities selected by an Independent Investment Banker as having an actual or interpolated maturity comparable to the remaining term of the notes to be redeemed that would be utilized, at the time of the selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of a comparable maturity to the remaining term of the notes.

"Independent Investment Banker" means one of the Reference Treasury Dealers appointed by the Company.

"Comparable Treasury Price" means, with respect to any redemption date (1) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference Treasury Dealer Quotation or (2) if the Trustee obtains fewer than four such Reference Treasury Dealer Quotations, the average of all such quotations.

"Reference Treasury Dealer" means Credit Suisse First Boston LLC or its affiliates with are primary United States government securities dealers and two other leading primary United States government securities dealers in New York City reasonably designated by the Company; provided, however, that if any of the foregoing shall cease to be a primary United States government securities dealer in New York City (a "Primary Treasury Dealer"), the Company will substitute therefore another Primary Treasury Dealer.

"Reference Treasury Dealer Quotation" means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Trustee, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Trustee by such Reference Treasury Dealer at 3:30 pm New York time on the third business day preceding such redemption date.

On an after the Redemption Date, interest will cease to accrue on the Notes or any portion of the Notes called for redemption (unless the Company defaults in the payment of the redemption price and accrued interest). On or before the Redemption Date, the Company will deposit with the Trustee money sufficient to pay the Make-Whole Amount and (unless the redemption date shall be an interest payment date) accrued interest to the redemption date on the Notes to be redeemed on such date. If less than all of the Notes are to be redeemed, the notes to be redeemed shall be selected by the Trustee by such method as the Trustee shall deem appropriate.

The election of the Company to redeem the Notes shall be evidenced by a certificate (a "Make-Whole Redemption Certificate") of an officer of the Company, which certificate shall be delivered to the Trustee. The Company shall, not less than 45 days nor more than 60 days prior to the Redemption Date, notify the Trustee in writing of such Redemption Date and of all other information necessary to the giving by the Trustee of notices of the Optional Redemption. The Trustee shall be entitled to rely conclusively upon the information so furnished by the Company in the Make-Whole Redemption Certificate and shall be under no duty to check the accuracy or completeness thereof. Such notice shall be irrevocable and upon its delivery the Company shall be obligated to make the payment or payments to the Trustee referred to therein at least two Business Days prior to such Redemption Date.

Notice of the Optional Redemption shall be given by the Trustee to the holders, in accordance with the provisions of Section 106 of the Original Indenture, upon the mailing by first-class postage prepaid to each holder at the address of such holder as it appears in the Register not less than 30 days nor more than 60 days prior to the Redemption Date.

The notice of Optional Redemption shall state:

- (i) the Redemption Date;
- (ii) the Make-Whole Amount;
- (iii) the sum of all other amounts due to the holders under the Notes and this Indenture;
- (iv) that on the Redemption Date the Make-Whole Amount will become due and payable upon each such Notes so to be redeemed; and
- (v) the place or places, including the offices of our Paying Agent in Luxembourg, where such Securities so to be redeemed are to be surrendered for payment of the Make-Whole Amount.

Notice of the Optional Redemption having been given as aforesaid, the Notes so to be redeemed shall, on the Redemption Date, become due and payable at the Make-Whole Amount therein specified. Upon surrender of any such Notes for redemption in accordance with such notice, such Notes shall be paid by the Paying Agent on behalf of the Company on the Redemption Date; provided that moneys sufficient therefor have been deposited with the Trustee for the holders.

Notwithstanding anything to the contrary in this Indenture or in the Notes, if a Make-Whole Redemption Certificate has been delivered to the Trustee and the Company shall have paid to the Trustee for the benefit of the holders (i) the Make-Whole Amount and (ii) all other amounts due to the holders and the Trustee under the Notes and this Indenture, then neither the holders nor the Trustee on their behalf shall any longer be entitled to exercise any of the rights of the holders under the Notes other than the rights of the holders to receive payment of such amounts from the Paying Agent and the occurrence of an Event of Default whether before or after such payment by the Company to the Trustee for the benefit of the holders shall not entitle either the holders or the Trustee on their behalf after such payment to declare the principal of any Notes then

outstanding to be due and payable on any date prior to the Redemption Date. The funds paid to the Trustee shall be used to redeem the Securities on the Redemption Date.

Repurchase of Securities upon a Change of Control. The Company must commence, within 30 days of the occurrence of a Change of Control, and consummate an Offer to Purchase for all Securities then outstanding, at a purchase price equal to 101% of the principal amount of the Securities on the date of repurchase, plus accrued interest (if any) to the date of purchase. The Company is not required to make an Offer to Purchase following a Change of Control if a third party makes an Offer to Purchase that would be in compliance with the provisions described in this Section if it were made by the Company and such third party purchases (for the consideration referred to in the immediately preceding sentence) the Securities validly tendered and not withdrawn. Prior to the mailing of the notice to Holders and publishing such notice to holders in a daily newspaper of general circulation in Luxembourg commencing such Offer to Purchase, but in any event within 30 days following any Change of Control, the Company, covenants to (i) repay in full all indebtedness of the Company that would prohibit the repurchase of the Securities pursuant to such Offer to Purchase or (ii) obtain any requisite consents under instruments governing any such indebtedness of the Company to permit the repurchase of the Securities. The Company shall first comply with the covenant in the preceding sentence before it shall be required to repurchase Securities pursuant to this covenant.

Withholding Tax Redemption. The Securities are subject to redemption ("Withholding Tax Redemption") at any time (a "Withholding Tax Redemption Date"), as a whole but not in part, at the election of the Company, at a redemption price equal to 100% of the unpaid principal amount thereof plus accrued and unpaid interest, if any, to and including the Withholding Tax Redemption Date (the "Withholding Tax Redemption Price") if, as a result of (i) any change in or amendment to the laws, rules or regulations of Mexico, or any political subdivision or taxing authority or other instrumentality thereof or therein, or (ii) any amendment to or change in the rulings or interpretations relating to such laws, rules or regulations made by any legislative body, court or governmental or regulatory agency or authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination) of Mexico, or any political subdivision or taxing authority or other instrumentality thereof or therein, or (iii) any official interpretation, application or pronouncement by any legislative body, court or governmental or regulatory agency or authority that provides for a position with respect to such laws, rules or regulations that differs from the theretofore generally accepted position, which amendment or change is enacted, promulgated, issued or announced or which interpretation, application or pronouncement is issued or announced, in each case, after the Closing Date, the Company has become or would become required to pay any Additional Amounts in excess of those attributable to Taxes that are imposed, deducted or withheld at a rate of 10.0% on or from any payments under the Securities.

The election of the Company to redeem the Securities shall be evidenced by a certificate (a "Withholding Tax Redemption Certificate") of a financial officer of the Company, which certificate shall be delivered to the Trustee. The Company shall, not

less than 30 days nor more than 45 days prior to the Withholding Tax Redemption Date, notify the Trustee in writing of such Withholding Tax Redemption Date and of all other information necessary to the giving by the Trustee of notices of such Withholding Tax Redemption. The Trustee shall be entitled to rely conclusively upon the information so furnished by the Company in the Withholding Tax Redemption Certificate and shall be under no duty to check the accuracy or completeness thereof. Such notice shall be irrevocable and upon its delivery the Company shall be obligated to make the payment or payments to the Trustee referred to therein at least two Business Days prior to such Withholding Tax Redemption Date.

Notice of Withholding Tax Redemption shall be given by the Trustee to the holders, in accordance with the provisions of Section 106 of the Original Indenture upon the mailing by first-class postage prepaid to each holder at the address of such holder as it appears in the Register not less than 15 days nor more than 30 days prior to the Withholding Tax Redemption Date.

The notice of Withholding Tax Redemption shall state:

(i) the Withholding Tax Redemption Date;

(ii) the Withholding Tax Redemption Price;

(iii) the sum of all other amounts due to the holders under the Securities and this Indenture;

(iv) that on the Withholding Tax Redemption Date the Withholding Tax Redemption Price will become due and payable upon each such Security so to be redeemed; and

(v) the place or places, including the offices of our Paying Agent in Luxembourg, where such Securities so to be redeemed are to be surrendered for payment of the Withholding Tax Redemption Price.

Notice of Withholding Tax Redemption having been given as aforesaid, the Securities so to be redeemed shall, on the Withholding Tax Redemption Date, become due and payable at the Withholding Tax Redemption Price therein specified. Upon surrender of any such Securities for redemption in accordance with such notice, such Securities shall be paid by the Paying Agent on behalf of the Company on the Withholding Tax Redemption Date; provided that moneys sufficient therefor have been deposited with the Trustee for the holders.

Notwithstanding anything to the contrary in this Indenture or in the Securities, if a Withholding Tax Redemption Certificate has been delivered to the Trustee and the Company shall have paid to the Trustee for the benefit of the holders (i) the Withholding Tax Redemption Price and (ii) all other amounts due to the holders and the Trustee under the Securities and this Indenture, then neither the holders nor the Trustee on their behalf shall any longer be entitled to exercise any of the rights of the holders under the Securities other than the rights of the holders to receive payment of such amounts from

the Paying Agent and the occurrence of an Event of Default whether before or after such payment by the Company to the Trustee for the benefit of the holders shall not entitle either the holders or the Trustee on their behalf after such payment to declare the principal of any Securities then outstanding to be due and payable on any date prior to the Withholding Tax Redemption Date. The funds paid to the Trustee shall be used to redeem the Securities on the Withholding Tax Redemption Date.

All terms used in this Security which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

THE INDENTURE AND THIS SECURITY SHALL BE GOVERNED BY AND BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT GIVING EFFECT TO ANY PROVISIONS RELATING TO CONFLICTS OF LAWS OTHER THAN SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW.

SCHEDULE A

SCHEDULE OF EXCHANGES

The following exchanges of Notes for Notes represented by this Regulation S Security have been made:

Principal Amount of this Regulation S Security as of the date of exchange	Date exchange made	Change in Principal amount of this Regulation S Security due to exchange	Principal amount of this Regulation S Security following such exchange	Notation made by or on behalf of the Trustee
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Exhibit B

FORM OF TRANSFER CERTIFICATE FOR EXCHANGE OR TRANSFER FROM RULE 144A SECURITY TO REGULATION S SECURITY PRIOR TO THE EXPIRATION OF THE RESTRICTED PERIOD

The Bank of New York
101 Barclay Street
New York, New York 10286
Attention: Corporate Trust Administration

Re: Grupo Televisa, S.A.
\$400,000,000 6.625% Senior Notes due 2025 (the "Notes")

Reference is hereby made to the Indenture dated as of August 8, 2000, between THE BANK OF NEW YORK (the "Trustee") and GRUPO TELEVISIA, S.A. (the "Company") (as amended or supplemented through the date hereof, the "Indenture"). Capitalized terms not defined in this Certificate shall have the meanings given to them in the Indenture.

This Certificate relates to _____ principal amount of Notes represented by a beneficial interest in the Rule 144A Security (CUSIP No.) held with the Depository by or on behalf of [transferor] as beneficial owner (the "Transferor"). The Transferor has requested an exchange or transfer of its beneficial interest for an interest in the Regulation S Security (CUSIP (CINS) No.).

In connection with such request and in respect of such Notes, the Transferor does hereby certify that such exchange or transfer has been effected in accordance with the transfer restrictions set forth in the Notes and pursuant to and in accordance with Rule 903 or Rule 904 (as applicable) of Regulation S under the Securities Act, and accordingly the Transferor does hereby certify that:

(1) the Transferor is not a distributor of the Securities, an affiliate of the Company or any such distributor or a person acting on behalf of any of the foregoing;

(2) the offer of the Notes was not made to a person in the United

States;

- (3) either: (A) at the time the buy order was originated, the transferee was outside the United States or the Transferor and any person acting on its behalf reasonably believed that the transferee was outside the United States, or
- (B) The transaction was executed in, on or through the facilities of a designated offshore securities market and

neither the Transferor nor any person acting on its behalf knows that the transaction was prearranged with a buyer in the United States;

- (4) no directed selling efforts have been made in contravention of the requirements of Rule 903(b) or 904(b) of Regulation S, as applicable;
- (5) if the Transferor is a dealer in securities or has received a selling concession, fee or other remuneration in respect of the Securities covered by this transfer certificate then the requirements of Rule 904(c)(1) have been satisfied;
- (6) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act; and
- (7) upon completion of the transaction, the beneficial interest being transferred as described above is to be held with the Depository in account [_____].

This Certificate and the statements contained herein are made for your benefit and the benefit of the Company and the Initial Purchasers of such Notes being exchanged or transferred. Terms used in this Certificate and not otherwise defined in the Indenture have the meanings set forth in Regulation S under the Securities Act.

[Insert Name of Transferor]

By: _____ Name:

Title:

Dated: _____

cc: Grupo Televisa, S.A.

Exhibit C

**FORM OF TRANSFER CERTIFICATE FOR TRANSFER
OR EXCHANGE FROM RULE 144A SECURITY
TO REGULATION S SECURITY AFTER THE
EXPIRATION OF THE RESTRICTED PERIOD**

The Bank of New York
101 Barclay Street
New York, New York 10286
Attention: Corporate Trust Administration

Re: Grupo Televisa, S.A.
\$400,000,000 6.625% Senior Notes due 2025 (the "Notes")

Reference is hereby made to the Indenture dated as of August 8, 2000, between THE BANK OF NEW YORK (the "Trustee") and GRUPO TELEVISIA, S.A. (the "Company") (as amended or supplemented through the date hereof, the "Indenture"). Capitalized terms not defined in this Certificate shall have the meanings given to them in the Indenture.

This Certificate relates to _____ principal amount of Notes represented by a beneficial interest in the Rule 144A Security (CUSIP No. 40049JAN7) held with the Depository by or on behalf of [transferor] as beneficial owner (the "Transferor").

In connection with such request and in respect of such Notes, the Transferor does hereby certify that such exchange or transfer has been effected in accordance with the transfer restrictions set forth in the Notes and that, with respect to transfers made in reliance on Regulation S under the Securities Act, pursuant to and in accordance with Regulation S under the Securities Act, and accordingly the Transferor does hereby further certify that:

(i) (A) the offer of the Notes was not made to a person in the United States;

- (B) either:
- (1) at the time the buy order was originated, the transferee was outside the United States or the Transferor and any person acting on its behalf reasonably believed that the transferee was outside the United States, or
 - (2) the transaction was executed in, on or through the facilities of a designated offshore securities market and neither the Transferor nor any person acting on its behalf knows that the transaction was pre-arranged with a buyer in the United States;

(C) no directed selling efforts have been made in contravention of the requirements of Rule 903(b) or 904(b) of Regulation S, as applicable; and

(D) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act; or

(ii) with respect to transfers made in reliance on Rule 144 under the Securities Act, the Notes are being transferred in a transaction permitted by Rule 144 under the Securities Act.

This Certificate and the statements contained herein are made for your benefit and the benefit of the Company and the Initial Purchasers of such Notes being exchanged or transferred. Terms used in this Certificate and not otherwise defined in the Indenture have the meanings set forth in Regulation S under the Securities Act.

[Insert Name of Transferor]

By: _____ Name:

Title:

Dated: _____

cc: Grupo Televisa, S.A.

C-2

Exhibit D

**FORM OF TRANSFER CERTIFICATE FOR TRANSFER OR
EXCHANGE FROM REGULATION S SECURITY
TO RULE 144A SECURITY**

The Bank of New York
101 Barclay Street
New York, New York 10286
Attention: Corporate Trust Administration

Re: Grupo Televisa, S.A.
\$400,000,000 6.625% Senior Notes due 2025 (the "Notes")

Reference is hereby made to the Indenture dated as of August 8, 2000 between THE BANK OF NEW YORK (the "Trustee") and GRUPO TELEVISIA, S.A. (the "Company") (as amended or supplemented through the date hereof, the "Indenture"). Capitalized terms not defined in this Certificate shall have the meanings given to them in the Indenture.

This Certificate relates to _____ principal amount of Notes which are held in the form of a beneficial interest in the Regulation S Security (CUSIP No. [____]) through the Depositary by or on behalf of transferor as beneficial owner (the "Transferor"). The Transferor has requested an exchange or transfer of its interest in the Notes for an interest in the Rule 144A Security (CUSIP No. [____]).

In connection with such request, and in respect of such Notes, the Transferor does hereby certify that such transfer is being effected in accordance with the transfer restrictions set forth in the Indenture and pursuant to and in accordance with Rule 144A under the United States Securities Act of 1933, as amended (the "Securities Act") to a transferee that the Transferor reasonably believes is purchasing the Securities for its own account or an account with respect to which the transferee exercises sole investment discretion and the transferee and any such account is a "qualified institutional buyer" within the meaning of Rule 144A, in each case in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction.

This Certificate and the statements contained herein are made for your benefit and the benefit of the Company and the Initial Purchasers of the Notes being transferred.

[Insert Name of Transferor]

By: _____ Name:

Title:

Dated: _____

D-1

cc: Grupo Televisa, S.A.

D-2

Exhibit E

FORM OF CERTIFICATE OF BENEFICIAL OWNERSHIP

Re: Grupo Televisa, S.A.

\$400,000,000 6.625% Senior Notes due 2025 (the "Notes")

Reference is hereby made to the Indenture dated as of August 8, 2000 between THE BANK OF NEW YORK (the "Trustee") and GRUPO TELEVISIA, S.A. (the "Company") (as supplemented by the First Supplemental Indenture, dated August 8, 2000, between the Company, the Trustee and Banque Internationale a Luxembourg, Societe Anonyme, the "Indenture"). Capitalized terms not defined in this Certificate shall have the meanings given to them in the Indenture.

This is to certify that as of the date hereof and except as set forth below, the above-captioned Notes held by you for our account are beneficially owned by (a) non-U.S. person(s) or (b) U.S. person(s) who purchased the Notes in transactions which did not require registration under the Securities Act of 1933, as amended (the "Act"). As used in this paragraph, the term "U.S. person" has the meaning given to it by Regulation S under the Securities Act.

As used herein, "United States" means the United States of America (including the States and the District of Columbia); and its "possessions" included Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands.

We undertake to advise you promptly by tested telex or by electronic transmission on or prior to the date on which you intend to submit your certification relating to the Notes held by you for our account in accordance with your operating procedures if any applicable statement herein is not correct on such date, and in the absence of any such notification it may be assumed that this certification applies as of such date.

This certification excepts and does not relate to \$_____ of such interest in the above Notes in respect of which we are not able to certify and as to which we understand exchange and delivery of definitive Notes (or, if relevant, exercise of any rights or collection of any interest) cannot be made until we do so certify.

We understand that this certification is required in connection with certain securities laws of the United States. In connection therewith, if administrative or legal proceedings are commenced or threatened in connection with which this certification is or would be relevant, we irrevocably authorize you to produce this certification to any interested party in such proceedings.

Date: _____(1)

By: _____

As, or as agent for, the beneficial owner(s) of the [Notes] to which this certificate relates.

(1) Not earlier than 15 days prior to the certification event to which the certification relates.

Exhibit F

FORM OF REGISTRATION RIGHTS AGREEMENT

REGISTRATION RIGHTS AGREEMENT

DATED AS OF MARCH 18, 2005

AMONG

GRUPO TELEVISA, S.A.

AND

CREDIT SUISSE FIRST BOSTON LLC

CITIGROUP GLOBAL MARKETS INC.

EXHIBIT 2.9

EXECUTION COPY

GRUPO TELEVISA, S.A.,

as Issuer,

THE BANK OF NEW YORK,

as Trustee, Registrar, Paying Agent

and Transfer Agent

and

DEXIA BANQUE INTERNATIONALE A

LUXEMBOURG, SOCIETE ANONYME

as Luxembourg Paying Agent

and Transfer Agent

EIGHTH SUPPLEMENTAL INDENTURE

Dated as of May 26, 2005

Supplementing the Trust Indenture

Dated as of August 8, 2000

\$200,000,000 6.625% Senior Notes due 2025.

(Reopening of series created pursuant to
Seventh Supplement Indenture
Dated as of March 18, 2005)

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EIGHTH SUPPLEMENTAL INDENTURE, dated as of the [] day of [], 2005, between GRUPO TELEVISIA, S.A., a limited liability company (sociedad anonima) organized under the laws of the United Mexican States (the "Issuer" or the "Company"), THE BANK OF NEW YORK, a New York banking corporation, having its Corporate Trust Office located at 101 Barclay Street, New York, New York 10286, as trustee (the "Trustee"), registrar ("Registrar"), paying agent ("Paying Agent") and transfer agent ("Transfer Agent"), and DEXIA BANQUE INTERNATIONALE A LUXEMBOURG, SOCIETE ANONYME a bank duly incorporated and existing under the laws of Luxembourg, as paying agent and transfer agent (a "Paying Agent" and a "Transfer Agent," as the case may be);

WHEREAS, the Company has heretofore executed and delivered to the Trustee an Indenture dated as of August 8, 2000 (the "Original Indenture" and, together with the First Supplemental Indenture, dated August 8, 2000, the Second Supplemental Indenture, dated January 19, 2001, the Third Supplemental Indenture, dated September 13, 2001, the Fourth Supplemental Indenture, dated March 11, 2002, the Fifth Supplemental Indenture, dated March 8, 2002, the Sixth Supplemental Indenture, dated July 31, 2002 between the Company, The Bank of New York, as Trustee, Registrar, Paying Agent and Transfer Agent and Dexia Banque Internationale a Luxembourg, Societe Anonyme as Luxembourg Paying Agent and Transfer Agent, the Seventh Supplemental Indenture dated March 18, 2005, and this Eighth Supplemental Indenture, the "Indenture") providing for the issuance by the Company from time to time of its senior debt securities to be issued in one or more series (in the Original Indenture and herein called the "Securities");

WHEREAS, the Company, in the exercise of the power and authority conferred upon and reserved to it under the provisions of the Original Indenture and pursuant to appropriate resolutions of the Board of Directors, has duly determined to make, execute and deliver to the Trustee, on March 18, 2005, a Seventh Supplemental Indenture to the Original Indenture in order to establish the form and terms of, and to provide for the creation and issue of, one series (the "Series") of Securities to be designated as the "6.625% Senior Notes due 2025" (the "Notes") under the Original Indenture in the aggregate principal amount of \$400,000,000 subject to Section 202 hereof;

WHEREAS, Section 901 of the Original Indenture provides, among other things, that the Company, when authorized by a Board Resolution, and the Trustee, at any time and from time to time, without the consent of any Holders, may enter into an indenture supplemental to the Original Indenture to establish the terms of Securities of any series as permitted by Sections 201 and 301 of the Original Indenture;

WHEREAS, Section 202 of the Seventh Supplemental Indenture provides, among other things, that the Company may, without the consent of the Holders of the Notes, reopen the Series and issue additional Notes in addition to the \$400,000,000 of Notes authorized pursuant to the Seventh Supplemental Indenture;

WHEREAS, the Company and the Trustee are executing and delivering this Eighth Supplemental Indenture in order to provide for the reopening of the Series and the issuance of the additional Notes in the aggregate principal amount of \$200,000,000;

WHEREAS, all things necessary to make the Securities, when executed by the Company and authenticated and delivered by the Trustee or any Authenticating Agent and issued upon the terms and subject to the conditions set forth hereinafter and in the Indenture against payment therefor, the valid, binding and legal obligations of the Company and to make this Eighth Supplemental Indenture a valid, binding and legal agreement of the Company, have been done;

NOW, THEREFORE, This EIGHTH SUPPLEMENTAL INDENTURE WITNESSETH that, in order to provide for the reopening of the Series and the issuance of the additional Notes in the aggregate principal amount of \$200,000,000 and for and in consideration of the premises and of the covenants contained in the Original Indenture and in this Eighth Supplemental Indenture and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, it is mutually covenants and agreed as follows:

ARTICLE I

DEFINITIONS

Each capitalized term that is used herein and is defined in the Original Indenture shall have the meaning specified in the Original Indenture unless such term is otherwise defined herein.

ARTICLE II

REOPENING OF THE SERIES

Section 201 Reopening of the Series. The Series is hereby reopened by the Company, and the aggregate principal amount of the Notes that may be authenticated and delivered under the Seventh Supplemental Indenture and this Eighth Supplemental Indenture shall not, except as permitted by the Original Indenture, exceed \$600,000,000, provided that the Company may, without the consent of the Holders of the Notes, further reopen this Series and issue additional Notes under the Original Indenture, and this Eighth Supplemental Indenture in addition to the aggregate \$600,000,000 of Notes authorized as of the date hereof.

Section 202 Form and Other Terms of Notes: Incorporation of Terms. The Notes shall be substantially in the forms attached as Exhibits A-1 and A-2 to the Seventh Supplemental Indenture. The terms of such Notes are hereby incorporated by reference herein and are part of this Eighth Supplemental Indenture.

Section 203 Conversion; Exchange. The Notes shall not be convertible into Common Stock. The Company and the Initial Purchasers, have entered into a Registration Rights Agreement dated the date hereof in the form of Exhibit A hereto, relating to the Notes.

Section 204 Terms of the Seventh Supplemental Indenture:

Incorporation of Terms. All terms of the Seventh Supplemental Indenture applicable to the \$400,000,000 of Notes authorized pursuant to the Seventh Supplement Indenture, other than Section 216 of the Seventh Supplemental Indenture, shall apply with the same force and effect to such Notes and to the \$200,000,000 of Notes authorized pursuant to this Eighth Supplemental Indenture, it being

understood that for all purposes the Notes authorized pursuant to the Seventh Supplemental Indenture and this Eighth Supplemental Indenture shall vote together with respect to all matters upon which such holders are entitled to vote or consent under the terms of the Original Indenture, as supplemented by the Seventh Supplemental Indenture and this Eighth Supplemental Indenture. The terms of the Seventh Supplemental Indenture applicable to the Notes are hereby incorporated by reference herein and are part of this Eighth Supplemental Indenture.

ARTICLE III

MISCELLANEOUS

Section 301 Ratification of the Original Indenture and Seventh Supplemental Indenture. As supplemented by this Eighth Supplemental Indenture, the Original Indenture and the Seventh Supplemental Indenture are in all respects ratified and confirmed, and the Original Indenture and Seventh Supplemental Indenture and this Eighth Supplemental Indenture shall be read, taken and construed as one and the same instrument.

Section 302 Conflict with Trust Indenture Act. If any provision hereof limits, qualifies or conflicts with another provision hereof which is required to be included in this Eighth Supplemental Indenture by any of the provisions of the Trust Indenture Act, such required provisions shall control.

Section 303 Effect of Headings. The article and section headings herein are included for convenience only and shall not affect the construction hereof.

Section 304 Counterparts. This Eighth Supplemental Indenture may be executed in any number of counterparts, each of which shall be an original; but such counterparts shall together constitute but one and the same instrument.

Section 305 Severability. In case any provision of this Eighth Supplemental Indenture or in the Notes shall be found invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 306 Benefits of Indenture Supplement. Nothing in this Eighth Supplemental Indenture or in the Notes, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder and the Holders, any benefit or any legal or equitable right, remedy or claim under this Eighth Supplemental Indenture.

Section 307 Acceptance of Trusts. The Bank of New York hereby accepts the trusts in this Eighth Supplemental Indenture declared and provided, upon the terms and conditions herein and in the Original Indenture and Seventh Supplemental Indenture set forth.

Section 308 Governing Law. This Eighth Supplemental Indenture and all its provisions shall be deemed a part of the Original Indenture in the manner and to the extent herein and therein provided. This Eighth Supplemental Indenture shall be governed by, and construed

in accordance with, the laws of the State of New York, without regard to conflicts of laws principles thereof other than Section 5-1401 of the New York General Obligations Law.

IN WITNESS WHEREOF, the parties hereto have caused this Eighth Supplemental Indenture to be duly executed as of the day and year first above written.

**GRUPO TELEVISA, S.A.,
as Issuer**

By: /s/ Alfonso de Angoitia Noriega

Name: Alfonso de Angoitia Noriega
Title: Executive Vice President

By: /s/ Salvi Folch Viadero

Name: Salvi Folch Viadero
Title: Chief Financial Officer

THE BANK OF NEW YORK,
As Trustees, Registrar, Paying Agent
And Transfer Agent

By: /s/ Rouba F. Farah

Name: Rouba F. Farah

Title: Vice President

**DEXIA BANQUE INTERNATIONALE
A LUXEMBOURG, SOCIETE ANONYME,**
as Luxembourg Paying Agent and Transfer
Agent

By: /s/ Daniel Schammo

Name: Daniel Schammo

Title: Premier Conseiller

Exhibit 4.9

TERM SHEET LONG TERM CREDIT AGREEMENT

The following are the main terms and conditions pursuant to which Banco Nacional de Mexico, S.A. ("Banamex") and Grupo Televisa, S.A. ("Televisa") entered into a long term credit agreement dated May 17, 2004 (the "Loan Agreement").

TYPE OF TRANSACTION: Long term loan (the "Loan")

BANK: Banco Nacional de Mexico, S.A.

BORROWER: Grupo Televisa, S.A.

USE OF PROCEEDS: General corporate purposes, including refinancing of corporate debt

GUARANTIES: None

AGGREGATE AMOUNT: Ps.\$1,162,460.00 (One Thousand One Hundred Sixty Two Million Four Hundred Sixty Pesos 00/100)

PAYMENT DATE: May 20, 2004

TERM: 5 (five) years

MATURITY DATE: May 21, 2009

INTEREST RATE: Fixed annual interest rate equal to 9.70% payable on a monthly basis

STRUCTURING COMMISSION: 0.125% of the Aggregate Amount

COVENANTS: As long as the Loan is outstanding and until payment in full of Aggregate Amount, Grupo Televisa assumed, among others, the following covenants:

- (a) Compliance with applicable laws
- (b) Existence
- (c) Disclosing obligations
- (d) Inspection rights
- (e) Insurance
- (f) Accounting
- (g) Taxes
- (h) Compliance with obligations
- (i) Use of Proceeds

RESTRICTIVE COVENANTS: Pursuant to the Loan Agreement, Grupo Televisa assumed certain restrictive covenants that limit its ability and the ability of the Restricted Subsidiaries through which it conducts television broadcasting, pay television networks and programming exports businesses to:

- (a) incur indebtedness;
- (b) make dividend payments;
- (c) issue and sell capital stock of restricted subsidiaries; and
- (d) consummate mergers and consolidations,

liquidations, dissolutions or transfers of assets.

FINANCIAL RATIOS:

As long as the Loan is outstanding and until payment in full of Aggregate Amount, Grupo Televisa shall maintain the following financial ratios:

Total Net Debt to EBITDA: Grupo Televisa will not at any time permit the ratio of (i) Total net debt at such time to (ii) EBITDA to be greater than 4.00 to 1.00

Interest Coverage Leverage: Grupo Televisa will not at any time, permit the interest coverage (EBITDA to Interest) to be less than 2.50 to 1.00

For the aforementioned financial ratios, EBITDA means, for any period until payment of Aggregate Amount, the sum of the amounts for such period of consolidated operating income of Grupo Televisa and Restricted Subsidiaries (as such term is defined in the Loan Agreement), determined pursuant to Generally Accepted Accounting Principles in Mexico, before depreciation and amortization.

Minimum Net Worth: Grupo Televisa will not permit the consolidated net worth at the last day of each fiscal quarter of Grupo Televisa, to be less than 75% of the consolidated net worth as at December 31, 2000, which amount shall be indexed as of December 31, 2000 until the date of the respective calculation, in terms of the National Consumers Price Index (Indice Nacional de Precios al Consumidor) as published by Banco de Mexico.

DEFAULTS:

Grupo Televisa shall be deemed to have incurred in default upon the occurrence, among others, of any of the following events:

- (i) Default in payment when due of Loan;
- (ii) False or misleading representations, warranties or certifications made under the Loan Agreement;
- (iii) Default in payment, when due, of any principal or interest, of any indebtedness in the aggregate principal amount of US\$20,000,000;
- (iv) Inability to pay its debts as they become due;
- (v) Any license, consent, authorization, concession, registration or approval at any time necessary to

enable Grupo Televisa to comply with any of its obligations under the Agreement is revoked;

- (vi) A change in the Board of Directors resulting in an adverse change to the financial situation of Grupo Televisa;
- (vii) A final judgment or judgments for the payment of US\$10,000,000 or more in the aggregate;
- (viii) Grupo Televisa fails to observe or perform certain covenants, conditions or agreements and such default continues unremedied for a period of 30 or more days after notice thereof by the Bank to Grupo Televisa;
- (ix) Grupo Televisa shall apply for or consent to appointment of a receiver, custodian, sindico, interventor, conciliador, trustee, examiner or liquidator of all or a substantial part of its Property; makes a general assignment for the benefit of its creditors, files a petition relating to bankruptcy, insolvency, concurso mercantil, reorganisation, liquidation, dissolution, arrangement or winding-up; or
- (x) Any governmental authority takes action to condemn, seize, nationalize or appropriate any substantial portion of the Company.

GOVERNING LAW:

Applicable federal law in Mexico.

JURISDICTION:

Mexican federal courts located in Mexico City.

CONTRATO DE APERTURA DE CREDITO SIMPLE (EL "CONTRATO") QUE CELEBRAN ESTE DIA 17 DE MAYO DE 2004, GRUPO TELEVISIA, S.A. (LA "ACREDITADA"), REPRESENTADA EN ESTE ACTO POR LOS SRES. SALVI RAFAEL FOLCH VIADERO Y JOAQUIN BALCARCEL SANTA CRUZ Y BANCO NACIONAL DE MEXICO, S.A., INTEGRANTE DEL GRUPO FINANCIERO BANAMEX, (EL "BANCO"), REPRESENTADO EN ESTE ACTO POR LOS SRES. MIGUEL ANGEL SOTO GUTIERREZ Y FEDERICO DELGADO PASTOR SURRELL, CONFORME A LAS SIGUIENTES DECLARACIONES Y CLAUSULAS:

PREAMBULO

Los terminos definidos que se utilizan en el presente Contrato tienen el significado que se les atribuye en la Clausula Primera.

DECLARACIONES

I. Declara la Acreditada, por conducto de sus representantes legales, que:

(a) Es una sociedad anonima debidamente constituida y existente conforme a las leyes de Mexico.

(b) (i) es propietaria, directa o indirectamente, libre de todo Gravamen y cualquier otra restriccion o limitacion de dominio o derechos preferentes, y cuenta libremente con el derecho de voto correspondiente a todas las acciones, partes sociales, participaciones o intereses representativos del Capital Social de cada una de las Subsidiarias Restringidas y (ii) el Capital Social en circulacion de cada una de las Subsidiarias Restringidas ha sido validamente emitido, se encuentra totalmente pagado y libre de todo Gravamen o cualquier otra restriccion o limitacion de dominio.

(c) La celebracion, suscripcion, entrega y cumplimiento por su parte de este Contrato y del Pagare, estan comprendidos dentro de su objeto social, han sido debidamente autorizados por todas las medidas corporativas pertinentes y no estan en conflicto con, ni son inconsistentes con, ni resultan en incumplimiento de (i) sus estatutos vigentes a la fecha del presente Contrato, ni (ii) cualquier ley, termino, condicion, obligacion o restriccion contractual alguna que la obligue o afecte; ni resulte en la constitucion o imposicion de cualquier Gravamen sobre cualesquiera propiedades o activos de la Acreditada.

(d) No se requiere de autorizacion ni registro alguno de, o ante cualquier Autoridad Gubernamental (como dicho termino se define mas adelante), para la debida celebracion, suscripcion, entrega y cumplimiento por su parte del presente Contrato y del Pagare, ni para la legalidad, validez o exigibilidad de los mismos.

(e) Este Contrato constituye, y el Pagare una vez suscrito constituira, obligaciones legales y validas de la Acreditada, exigibles en su contra de conformidad con sus respectivos terminos.

(f) Sus estados de situacion financiera auditados y consolidados por el ejercicio terminado al 31 de diciembre de 2003, y sus estados de resultados y estados de

cambios en la posición financiera consolidados para dicho periodo, fueron preparados de conformidad con los PCGA, presentan adecuadamente su situación financiera y resultados de operaciones consolidados durante y para el periodo cubierto por los mismos.

(g) Toda la información factual (considerada en conjunto), proporcionada por escrito hasta esta fecha por su parte o por su cuenta para efectos de o en relación con el presente Contrato o cualquier operación contemplada en el mismo es, y cualquier otra información factual similar (considerada en conjunto) que se proporcione por escrito a partir de esta fecha por su parte o por su cuenta será, completa y precisa en todo aspecto significativo en la fecha a que dicha información este referida y no omitirá hecho significativo alguno que fuera necesario comunicar a modo que dicha información (considerada en conjunto) no conduzca a error en dicho momento en función de las circunstancias bajo las cuales fue proporcionada.

(h) Ha presentado todas las declaraciones de Impuestos requeridas y ha pagado todos los Impuestos a su cargo que se han causado de conformidad con dichas declaraciones de Impuestos y cualesquiera otros impuestos y contribuciones a su cargo que se han causado, salvo por los no vencidos y los impugnados de buena fe mediante procedimientos apropiados, iniciados y conducidos oportuna y diligentemente, y para los cuales se hayan establecido reservas adecuadas de conformidad con los PCGA, y por aquellos cuya falta de declaración o pago no sea de esperarse que razonablemente puedan afectar adversamente y en forma importante su condición financiera o sus operaciones.

(i) No existe (i) ninguna reclamación de importancia pendiente o, que a su leal saber sea inminente, en relación con prácticas laborales, en su contra o en contra de cualquiera de sus Subsidiarias Materiales ante cualquier Autoridad Gubernamental con jurisdicción sobre dichos asuntos, y no existen procedimientos pendientes, o que a su leal saber sean inminentes, derivados o relacionados con cualesquiera contratos colectivos de trabajo en su contra o en contra de cualesquiera de sus Subsidiarias Materiales; (ii) ninguna huelga, conflicto laboral, paro significativo pendiente o, que a su leal saber sea inminente, en su contra o en contra de cualquiera de sus Subsidiarias Materiales; y (iii) a su leal saber, cuestionamiento alguno sobre la representatividad de ningún sindicato con respecto a sus empleados o de cualquiera de sus Subsidiarias Materiales, ni se están llevando a cabo actividades de organización sindical, salvo aquellas actividades (respecto de cualquiera de los asuntos especificados en los incisos (i), (ii) o (iii) anteriores, ya sea en lo individual o en conjunto) de las que no fuera de esperarse razonablemente que puedan afectar adversamente y en forma importante su condición financiera o sus operaciones o la de cualquiera de sus Subsidiarias Materiales.

(j) Todo contrato importante del que sea parte la Acreditada o cualquiera de sus Subsidiarias Materiales (incluyendo, sin limitación, cualquier acta de emisión, hipoteca, fideicomiso, crédito o cualquier otro instrumento o documento) se encuentra en pleno vigor y efecto, y (i) ni la Acreditada ni cualquiera de sus Subsidiarias Materiales se encuentra en incumplimiento substancial en términos de cualquier disposición de cualesquiera de tales contratos, y (ii) no existen condiciones que, mediante aviso o por el transcurso del tiempo o ambos o por cualquier otro motivo, pudieran constituir un incumplimiento en términos de dichos contratos en cualquiera de los casos anteriores, del

que pudiera esperarse razonablemente, en lo individual o en conjunto, que puedan afectar adversamente y en forma importante la condicion financiera o las operaciones de la Acreditada o de cualquiera de sus Subsidiarias Materiales.

(k) Se encuentra, al igual que sus Subsidiarias Materiales, en cumplimiento en todo respecto, con sus respectivas obligaciones relativas a seguridad social, pension y retiro y obligaciones legales referentes a la vivienda de sus trabajadores, así como los planes de beneficios a empleados establecidos o a los que contribuyen respectivamente, y no tienen pendiente ninguna responsabilidad con respecto a dichos planes de beneficios a empleados, excepto en la medida en que de su incumplimiento no es de esperarse razonablemente que pudiera afectar adversamente y en forma importante su condicion financiera o sus operaciones ni la de sus Subsidiarias Materiales.

(l) La Acreditada y cada una de sus Subsidiarias Materiales han cumplido, y en la Fecha de Disposicion estaran en cumplimiento con toda Ley Ambiental aplicable en todo aspecto significativo, excepto por aquellos incumplimientos de los que no fuera de esperarse razonablemente, en lo individual o en conjunto, que puedan afectar adversamente y en forma importante la condicion financiera o las operaciones de la Acreditada o de sus Subsidiarias Materiales. La Acreditada y cada una de sus Subsidiarias Materiales ha obtenido todos los permisos que se requieren en terminos de la Ley Ambiental aplicable en relacion con sus respectivos negocios u operaciones y cada uno de dichos permisos se encuentra en pleno vigor y efecto y la Acreditada y cada una de sus Subsidiarias Materiales se encuentra en cumplimiento con los requerimientos de cualesquiera permisos emitidos en terminos de dicha Ley Ambiental, salvo por aquellos de los que no fuera de esperarse razonablemente que tengan, en lo individual o en conjunto, o que pudieran tener un efecto adverso importante en la condicion financiera o las operaciones de la Acreditada o cualquiera de sus Subsidiarias Materiales. No existen Reclamaciones Ambientales (salvo por reclamaciones en relacion con las cuales no fuera de esperarse razonablemente que pudieran afectar adversamente y en forma importante la condicion financiera o las operaciones de la Acreditada) pasadas, pendientes o, que al leal saber de la Acreditada, sean inminentes en contra de la Acreditada o cualquiera de sus Subsidiarias Materiales.

(m) No existe accion, demanda o procedimiento alguno pendiente, o que al leal saber de la Acreditada sea inminente, ante tribunal, Autoridad Gubernamental o arbitro alguno, contra la Acreditada o cualquiera de sus Subsidiarias Materiales o sus respectivos activos, que pudiera afectar adversamente y en forma importante, la condicion financiera o las operaciones de la Acreditada o cualquiera de sus Subsidiarias Materiales, o la capacidad de la Acreditada para cumplir con las obligaciones que le derivan de este Contrato y de los Pagares.

(n) A la fecha de este Contrato, no se encuentra en incumplimiento respecto de Adeudo o convenio alguno de importancia del que sea parte o por virtud del cual pueda estar obligada.

(o) A partir del 31 de diciembre de 2003, fecha del ultimo estado financiero disponible, no ha ocurrido ningun evento o condicion en o antes de la fecha de este Contrato que tenga o pueda tener un efecto adverso de importancia en sus negocios, activos, responsabilidades o condicion (financiera o de cualquier otra naturaleza), que

pueda afectar el resultado de sus operaciones o proyectos o su capacidad para cumplir con las obligaciones que le derivan de este Contrato y de los Pagares.

(p) las personas que celebran el presente Contrato en nombre y representacion de la Acreditada tiene todos los poderes y facultades suficientes, así como las autorizaciones corporativas necesarias para celebrar el presente Contrato en su nombre y representacion y para obligarla en los terminos y condiciones estipulados en el mismo, y que dichos poderes, facultades y autorizaciones corporativas no les han sido revocadas o limitadas en forma alguna.

(q) Todos los recursos del Credito seran utilizados por la Acreditada para sus operaciones corporativas en general, incluyendo el refinanciamiento de pasivos de la Acreditada y sus Subsidiarias, en los terminos y sujeto a las condiciones previstas en el presente Contrato.

(r) El Capital Contable Consolidado (como dicho termino se define mas adelante) de la Acreditada al 31 de diciembre de 2000 ascendia a la cantidad de \$10,755,051,000.00 (diez mil setecientos cincuenta y cinco millones cincuenta y un mil Pesos 00/100).

II. Declara el Banco, por conducto de sus representantes legales, que:

(a) En base a las declaraciones de la Acreditada contenidas anteriormente y de conformidad con los terminos y sujeto a las condiciones previstas en este Contrato, ha convenido en poner a disposicion de la Acreditada un credito hasta por una suma principal igual a \$1,162,460,000.00 (MIL CIENTO SESENTA Y DOS MILLONES CUATROCIENTOS SESENTA MIL PESOS 00/100).

(b) las personas que celebran el presente Contrato en nombre y representacion del Banco tienen todos los poderes y facultades suficientes, así como las autorizaciones corporativas necesarias para celebrar el presente Contrato en su nombre y representacion y para obligarla en los terminos y condiciones estipulados en el mismo, y que dichos poderes, facultades y autorizaciones corporativas no les han sido revocadas o limitadas en forma alguna.

EN VIRTUD DE LO ANTERIOR, con base en las Declaraciones contenidas en el presente Contrato, las cuales constituyen motivo determinante de la voluntad del Banco para celebrar el presente Contrato, las partes se obligan conforme a los terminos y condiciones que se pactan en las siguientes clausulas:

CLAUSULAS

PRIMERA DEFINICIONES, INTERPRETACION

1.01. Definicion de Terminos. Para efectos del presente Contrato, los siguientes terminos tendran el significado que se les atribuye a continuacion:

(1) "ACCIONES AMORTIZABLES" significa Capital Social de cualquier clase o serie de cualquier Persona, que por sus terminos o por cualquier otro motivo (i) requiera ser amortizado con anterioridad a la ultima fecha de pago de principal prevista en la Clausula 2.03 del presente Contrato; (ii) pueda ser amortizado a eleccion del titular de dicha clase o serie de Capital Social en cualquier momento con anterioridad a la ultima fecha de pago de principal prevista en la Clausula 2.03 del presente Contrato; o (iii) sea convertible en o intercambiable por Capital Social del tipo o naturaleza referido en los incisos (i) o (ii) anteriores o por cualquier Adeudo que tenga una fecha de vencimiento programada que sea anterior a la ultima fecha de pago de principal prevista en la Clausula 2.03 del presente Contrato; en el entendido que cualquier Capital Social que no constituiria Acciones Amortizables salvo por cualquier disposicion del mismo que otorgue a sus titulares el derecho a requerir a la Persona emisora de dicho Capital Social a recomprar o amortizar dicho Capital Social ante la existencia de una "venta de activos" o "cambio de control" que ocurra con anterioridad a la ultima fecha de pago de principal prevista en la Clausula 2.03 del presente Contrato, no constituiria Acciones Amortizables.

(2) "ACCIONES DE VOTO" significa, con respecto a cualquier Persona, Capital Social de cualquier clase o de cualquier tipo que ordinariamente tenga el derecho o la facultad de voto para elegir a los consejeros, directores, gerentes o cualesquiera otras personas que integren el organo de administracion de dicha Persona.

(3) "ACCIONES PREFERENTES" significa, con respecto a cualquier Persona, todas y cada una de las acciones, intereses, participaciones o equivalentes (como quiera que se les designe, ya sea con o sin derecho a voto) de las acciones preferentes de dicha Persona, ya sea que se encuentren actualmente en circulacion o sean emitidas con posterioridad a la fecha de firma del presente Contrato, incluyendo, sin limitacion alguna, todas las series y clases de dichas acciones preferentes; en el entendido que el termino "Acciones Preferentes" no debera incluir las Acciones Serie D de la Acreditada emitidas y en circulacion a la fecha de firma del presente Contrato o cualesquier acciones substancialmente similares del Capital Social emitidas por la Acreditada o cualquier Subsidiaria Restringida con posterioridad a la fecha de firma del presente Contrato.

(4) "ACCIONISTAS EXISTENTES" significa (i) el senor Emilio Azcarraga Jean; (ii) los padres, hermanos o hermanas del senor Emilio Azcarraga Jean; (iii) el conyuge, presente o pasado, de cualesquiera de los individuos descritos en los sub-incisos (i) y (ii) anteriores; (iv) los descendientes en linea directa de cualesquiera de los individuos descritos en los sub-incisos (i) a (iii) anteriores y el conyuge, presente o pasado, de cualesquiera de dichos descendientes en linea directa; (v) la masa hereditaria o cualquier guardian, custodio, tutor o cualquier otro representante legal de cualesquiera de los individuos descritos en los sub-incisos (i) a (iv) anteriores; (vi) cualquier fideicomiso constituido exclusivamente para el

beneficio de uno o mas de cualesquiera de los individuos descritos en los sub-incisos (i) a (v) anteriores; y (vii) cualquier Persona, cuyo capital social sea, directa o indirectamente, totalmente propiedad de uno o mas de cualesquiera de los individuos descritos en los sub-incisos (i) a (vi) anteriores.

(5) "ACTIVOS TANGIBLES AJUSTADOS CONSOLIDADOS" significa los activos totales de la Acreditada y sus Subsidiarias Restringidas (menos depreciacion, amortizacion y demas reservas de valuacion aplicables), incluyendo cualesquier incrementos de valor de bienes o reexpresiones requeridos de conformidad con los PCGA, despues de haber deducido de los mismos (i) el monto total insoluto de los pasivos a corto plazo de la Acreditada y sus Subsidiarias Restringidas (excluyendo Depositos y anticipos de clientes) y (ii) el prestigio (goodwill), nombres comerciales, marcas, licencias, concesiones, patentes, descuentos de deuda no amortizados y gastos y demas intangibles, todos ellos determinados de conformidad con los PCGA y a la fecha del balance general mas reciente otorgado al Banco de conformidad con la Clausula 4.01(c)(i) y (ii) del presente Contrato; en el entendido que el termino "Activos Tangibles Ajustados Consolidados" se considerara que incluye los derechos de transmision, de programacion y de peliculas, segun sean determinados de conformidad con los PCGA.

(6) "ADEUDO" significa, respecto de cualquier Persona en cualquier fecha de determinacion (sin duplicacion), (i) todos los adeudos de dicha Persona por dinero tomado en prestamo, (ii) todas las obligaciones de dicha Persona documentadas en bonos, obligaciones, pagares u otros instrumentos similares, (iii) todas las obligaciones de dicha Persona en relacion con cartas de credito o demas instrumentos similares (incluyendo obligaciones de reembolso con respecto a los mismos), (iv) todas las obligaciones de dicha Persona de pagar el precio de compra diferido no pagado de bienes, activos o servicios, cuyo precio de compra venza con posterioridad a un plazo de un ano, contado a partir de la fecha en que dicho bien o activo sea puesto en servicio o que se haya recibido la titularidad y propiedad del mismo o en que se hayan prestado dichos servicios, (v) todas las obligaciones de dicha Persona como arrendatario bajo Arrendamientos Capitalizables, (vi) todos los Adeudos de otras Personas, garantizados por un Gravamen sobre cualquier bien o activo de dicha Persona, ya sea que dicho Adeudo sea o no asumido por dicha Persona, en el entendido que el monto de dicho Adeudo sera lo que resulte menor de (A) el valor de mercado de dicho bien o activo en dicha fecha de determinacion y (B) el monto de dicho Adeudo, (vii) todos los Adeudos de otras Personas, Garantizados por dicha Persona, en la medida que dicho Adeudo sea Garantizado por dicha Persona y (viii) en la medida que no se incluyan de otra forma en la presente definicion, los pasivos netos de dicha Persona bajo Contratos de Divisas y Contratos de Tasas de Interes, y cualesquier montos vencidos y pagaderos por dicha Persona bajo cualesquier otros acuerdos substancialmente similares al "ISDA Master

Agreement" de fecha 24 de agosto de 1999 celebrado por JP Morgan Chase Bank y la Acreditada, incluyendo sus apendices y adenda, celebrados por dicha Persona con posterioridad al 10 de mayo de 2000. El monto del Adeudo de cualquier Persona en cualquier fecha sera (sin duplicacion) el balance insoluto a dicha fecha de todas las obligaciones incondicionales segun se describen anteriormente y, con respecto a las obligaciones contingentes, el pasivo maximo al momento de ocurrir la contingencia de la cual derive la obligacion (salvo que la contingencia subyacente no haya ocurrido y el acontecimiento de la contingencia subyacente se encuentre bajo el control total de la Acreditada o de cualquiera de sus Subsidiarias Restringidas); en el entendido que (i) el monto insoluto en cualquier momento de cualquier Adeudo emitido con descuento de emision original es el monto nominal de dicho Adeudo, menos la porcion remanente no amortizada del descuento de emision original de dicho Adeudo en dicho momento, segun sea determinado de conformidad con los PCGA y (ii) Adeudo no incluire pasivos referentes a: (A) impuestos federales, estatales, locales, impuestos sobre la renta, impuestos al activo o demas impuestos de Mexico, de los Estados Unidos de America o cualquier otra jurisdiccion, (B) Depositos, (C) endosos de titulos de creditos para su deposito o cobranza, u operaciones similares en el curso ordinario de negocios, (D) adeudos a cargo de la Acreditada o de cualquier Subsidiaria Restringida y a favor de (x) cualquier Subsidiaria Restringida o (y) cualquier Subsidiaria No Restringida reflejando (1) los balances de credito que surjan de actividades de administracion de efectivo o cualquier contrato para compartir impuestos celebrados entre la Acreditada y sus Subsidiarias en el curso ordinario de negocios, o (2) obligaciones bajo cualquier contrato para compartir impuestos celebrados entre la Acreditada y sus Subsidiarias; (E) cualquier adeudo que haya sido cancelado o satisfecho de conformidad con los terminos de los documentos que regulan dicho adeudo (F) Cuentas Comerciales por Pagar, o (G) como arrendatario o fiador bajo cualquier arrendamiento de satelites o transpondedor (sin importar si dichos arrendamientos estan catalogados como Arrendamientos Capitalizables). Para determinar el monto principal de cualquier Adeudo emitido por cualquier Persona que se encuentre denominado en UDIS, dicho monto principal de dicho Adeudo debera ser calculado tomando como base la proporcion de UDIS a Pesos vigente en la fecha de su emision.

(7) "ADEUDOS ADQUIRIDOS" significa (i) Adeudos de una Persona existentes al momento en que dicha Persona se convierta en una Subsidiaria Restringida o asumidos en virtud de una Adquisicion de Activos por parte de la Acreditada o una Subsidiaria Restringida y no incurridos en relacion con, o en anticipacion a, la conversion de dicha Persona en una Subsidiaria Restringida o dicha Adquisicion de Activos; y
(ii) Adeudos de una Persona garantizados por Gravamenes sobre cualquier bien o activo adquirido por dicha Persona, siempre y cuando dichos Adeudos no haya sido incurridos en relacion con, o en anticipacion a, dicha adquisicion; en el entendido que cualesquiera Adeudos de dicha Persona que sean amortizados, liquidados,

retirados o de cualquier otra forma pagados al momento de consumir, o inmediatamente una vez consumada, la o las operaciones en virtud de las cuales dicha Persona se convierta en una Subsidiaria Restringida o dicho bien o activo sea adquirido, no seran Adeudos Adquiridos o Adeudos.

(8) "ADEUDOS CONVERTIBLES" significa, con respecto a cualquier Persona, los Adeudos de dicha Persona que sean convertibles en, o intercambiables por, Capital Social de dicha Persona o cualquier Afiliada de dicha Persona.

(9) "ADQUISICION DE ACTIVOS" significa (i) una Inversion realizada por la Acreditada o cualquiera de sus Subsidiarias Restringidas en cualquier otra Persona, conforme a la cual dicha Persona se convertira en una Subsidiaria Restringida o se fusionara con, o se consolidara en, la Acreditada o cualquiera de sus Subsidiarias Restringidas; en el entendido que el negocio principal de dicha Persona sea un Negocio Principal o (ii) una adquisicion por parte de la Acreditada o cualquiera de sus Subsidiarias Restringidas de un bien o activo de cualquier Persona distinta a la Acreditada o cualquiera de sus Subsidiarias Restringidas que constituya substancialmente la totalidad de una division o linea de negocios de dicha Persona; en el entendido que dicha division o linea de negocios se encuentre relacionada con un Negocio Principal.

(10) "AFILIADA" significa, en relacion con cualquier Persona, cualquier otra Persona que, directa o indirectamente, controle a, sea controlada por o se encuentre bajo el control comun directo o indirecto con, dicha Persona. Para efectos de esta definicion, "control" (incluyendo, con significados correlativos, los terminos "controlando", "controlado por" y "bajo el control comun con"), en relacion con cualquier Persona, significara la facultad, directa o indirecta, de dirigir o influir en la direccion de la administracion y politicas de dicha Persona, ya sea mediante la titularidad de Acciones de Voto, por convenio o de cualquier otra forma.

(11) "AGENTE DE CALCULO" significa, el Banco.

(12) "AGENTES DE CALCULO SUSTITUTOS" significan, los tres participantes (excluyendo a Afiliadas del Banco) que, en la Fecha de Pago Anticipado, sean los mas activos en terminos del numero y volumen de Operaciones de Derivados en el Mercado Mexicano de Derivados, conforme a la determinacion que haga en forma concluyente el Banco.

(13) "ARRENDAMIENTO CAPITALIZABLE" significa, segun se aplique a cualquier Persona, cualquier arrendamiento de cualquier bien o activo cuyo valor presente descontado de las obligaciones de pago de renta y demas obligaciones de arrendamiento de dicha Persona en su caracter de arrendatario, de conformidad con los PCGA, se requiera capitalizar en el balance general de dicha Persona; y "OBLIGACIONES POR ARRENDAMIENTOS CAPITALIZABLES" significa el valor presente descontado de las obligaciones de pago de renta y demas obligaciones de arrendamiento de dicha Persona

en su caracter de arrendatario bajo dicho arrendamiento, determinado de conformidad con los PCGA.

(14) "AUTORIDAD GUBERNAMENTAL" significa, cualquier secretaria, departamento administrativo, agencia, comision, oficina, junta, autoridad regulatoria, registro, dependencia, corporacion u otro cuerpo, entidad o tribunal gubernamental (incluyendo, sin limitacion, autoridades bancarias y fiscales) de, o propiedad de, o controlada por, Mexico, o cualquier subdivision politica de este, que en cada caso ejerza funciones ejecutivas, legislativas, judiciales, regulatorias o administrativas.

(15) "AVISO DE DISPOSICION" tiene el significado que se le atribuye en el inciso (a) de la Clausula 2.02 del presente Contrato.

(16) "CAPITAL CONTABLE CONSOLIDADO" significa, en la fecha de determinacion que corresponda, el capital contable previsto en el balance general trimestral o anual de la Acreditada y sus Subsidiarias Restringidas a la fecha de los estados financieros mas recientes entregados al Banco de conformidad con el inciso (c)(i) o (c)(ii) de la Clausula 4.01, menos (i) aquellas cantidades de capital contable atribuibles a Subsidiarias No Restringidas; (ii) cualesquier cantidades atribuibles a Acciones Amortizables o cualquier otra participacion social convertible en, o intercambiable por, Adeudos; (iii) el costo de acciones de tesoreria (en la medida en que no haya sido previamente deducido en la determinacion de capital contable); y (iv) el monto de Capital Social suscrito y no pagado a la Acreditada o cualquiera de sus Subsidiarias Restringidas, en cada caso, a ser determinado de conformidad con los PCGA.

(17) "CAPITAL ORDINARIO" significa, respecto de cualquier Persona, todo el Capital Social de dicha Persona, excluyendo Acciones Amortizables de dicha Persona.

(18) "CAPITAL SOCIAL" significa, respecto de cualquier Persona, todas las acciones, partes sociales, intereses, participaciones o equivalentes (como quiera que se les denomine, ya sea con o sin derechos de voto) representativas del capital social de dicha Persona, ya sea actualmente en circulacion o emitidas con posterioridad a la fecha de firma del presente Contrato.

(19) "CAUSA DE INCUMPLIMIENTO" tiene el significado que se le atribuye en la Clausula 5.01 del presente Contrato.

(20) "CO-INVERSION" significa, en cualquier momento, cualquier Persona en la cual la Acreditada o una Subsidiaria Restringida tenga o haya adquirido menos del 50% (cincuenta por ciento) de la totalidad del capital de dicha Persona, pero que tenga o adquiera (i) una influencia significativa, segun sea determinado de conformidad con los PCGA; o bien (ii) una inversion en el capital que represente el 7.5% (siete punto cinco por ciento) o mas de la totalidad del Capital Social de dicha Persona. Para efectos de claridad,

ninguna Subsidiaria de la Acreditada sera considerada como una Co-Inversion.

(21) "CONTRATO DE CREDITO SINDICADO" significa el contrato de credito sindicado denominado "Credit Agreement" de fecha 21 de diciembre de 2001, celebrado entre la Acreditada, en dicho caracter, los bancos y entidades financieras que ahi se indican, como acreditantes, y JPMorgan Chase Bank, como agente administrativo, por un monto de EU\$100,000,000.00 (cien millones de Dolares 00/100), incluyendo sus apendices y adenda.

(22) "CONTRATO DE DIVISAS" significa cualquier contrato de paridad cambiaria, contrato de intercambio (swap), contrato adelantado (forward) o contrato a futuro de paridad cambiaria o cualquier otro contrato o arreglo similar en o bajo el cual la Acreditada o cualquiera de sus Subsidiarias Restringidas sea parte o beneficiaria en la fecha del presente Contrato o que llegue a ser parte o beneficiaria con posterioridad a dicha fecha.

(23) "CONTRATO DE TASA DE INTERES" significa cualquier contrato de cobertura o proteccion de tasa de interes, contrato futuro de tasa de interes, contrato de opcion de tasa de interes, contrato de intercambio (swap) de tasa de interes, contrato de techo (cap) de tasa de interes, contrato collar (collar) de tasa de interes, contrato de cobertura (hedge) de tasa de interes o cualquier otro contrato o arreglo similar en o bajo el cual la Acreditada o cualquiera de sus Subsidiarias Restringidas sea parte o beneficiaria en la fecha del presente Contrato o que llegue a ser parte o beneficiaria con posterioridad a dicha fecha.

(24) "COMISION POR PAGO ANTICIPADO", tiene el significado que se le atribuye en el inciso (b) de la Clausula 2.04 del presente Contrato.

(25) "CREDITO" significa el credito que el Banco pone a disposicion de la Acreditada conforme a los terminos y sujeto a las condiciones del presente Contrato, hasta por una suma principal igual a \$1,162,460,000.00 (MIL CIENTO SESENTA Y DOS MILLONES CUATROCIENTOS SESENTA MIL PESOS 00/100).

(26) "CREDITOS BANAMEX" significa los contratos de credito, de fechas 24 de julio de 2000 y 7 de mayo de 2003 el cual fue modificado el 25 de junio de 2003, celebrados entre la Acreditada y Banco Nacional de Mexico, S.A.

(27) "CREDITO EN UDIS EXISTENTE" significa el credito existente de los pagares de mediano plazo establecido por la Acreditada, en virtud del cual un Adeudo denominado en UDIS por la cantidad total de \$3,000,000,000.00 (tres mil millones de Pesos 00/100) fue emitido el 14 de abril de 2000.

- (28) "CREDITO SERFIN" significa el contrato de credito de fecha 15 de mayo de 2001, celebrado entre la Acreditada y Banca Serfin, S.A., Institucion de Banca Multiple, Grupo Financiero Santander Mexicano.
- (29) "CUENTAS COMERCIALES POR PAGAR" significa, con respecto a cualquier Persona, cualesquier cuentas por pagar, pagares o cualquier otra obligacion monetaria creada, asumida o Garantizada por dicha Persona o cualquiera de sus Subsidiarias Restringidas en favor de acreedores comerciales, que surjan dentro del curso ordinario de negocios en relacion con (i) la adquisicion de bienes o servicios que requieran ser pagados dentro del ano siguiente a la fecha de adquisicion de los mismos o (ii) programaciones y peliculas.
- (30) "DEPOSITOS" significa aquellas cantidades recibidas por la Acreditada o sus Subsidiarias Restringidas en virtud de contratos de deposito u otros acuerdos entre la Acreditada o sus Subsidiarias Restringidas y terceros para la prestacion de servicios de publicidad u otros servicios a dichos terceros, ya sea evidenciados por dinero, pagares, cuentas por cobrar u otros activos.
- (31) "DETERMINACION POR METODOLOGIA DE VALUACION", tiene el significado que se le atribuye en el inciso (c) de la Clausula 2.04 del presente Contrato.
- (32) "DEUDA TOTAL CONSOLIDADA" significa, en cualquier fecha de determinacion, el monto total agregado de todos los Adeudos, calculados de manera consolidada, de la Acreditada y sus Subsidiarias Restringidas a dicha fecha, segun se determine de conformidad con los PCGA.
- (33) "DIA HABIL" significa cualquier dia excepto sabado, domingo y cualquier dia que en la Ciudad de Mexico sea un dia de descanso obligatorio o un dia en el que las instituciones bancarias esten autorizadas u obligadas por ley u otra disposicion gubernamental a mantener sus puertas cerradas.
- (34) "DISPOSICION" significa el desembolso de dinero hecho por el Banco en favor de la Acreditada hasta por el monto del Credito, conforme a los terminos y sujeto a las condiciones de este Contrato.
- (35) "DOLARES" y el signo de "EU\$" significan la moneda de curso legal en los Estados Unidos de America.
- (36) "EMISOR DE NEGOCIO ADICIONAL" significa cualquier Persona dedicada a o que realice uno o varios Negocios Adicionales.
- (37) "FECHA DE DISPOSICION" significa la fecha especificada en el Aviso de Disposicion, la cual no podra exceder del 20 de mayo de 2004.

(38) "FECHA DE PAGO ANTICIPADO", tiene el significado que se le atribuye en el inciso (b) de la Clausula 2.04 del presente Contrato.

(39) "FECHA DE PAGO DE INTERESES" significa el ultimo dia de cada Periodo de Intereses.

(40) "GARANTIA" significa cualquier obligacion, contingente o de cualquier otra naturaleza, de cualquier Persona que directa o indirectamente garantice (ya sea a traves de una garantia, fianza, aval u otra forma) cualquier Adeudo de cualquier otra Persona y, sin limitar la generalidad de los anterior, cualquier obligacion, directa o indirecta, contingente o de cualquier otra naturaleza, de dicha Persona (i) para comprar o pagar (o prestar o anticipar fondos para la compra o pago de) dicho Adeudo de dicha otra Persona (ya sea que surjan por virtud de acuerdos de socios, o por contratos que contengan obligaciones de aportar capital o proveer fondos a dicha otra Persona, de comprar, vender o rentar (como arrendatario o arrendador) cualquier bien o activo o para comprar o prestar servicios, para tomar o pagar, o para mantener condiciones en los estados financieros u otras (pero sin incluir obligaciones que surjan solamente por razon del status de socio de dicha Persona en una sociedad o como socio de una sociedad de responsabilidad limitada o como titular y propietario de capital social de cualquier otra sociedad)) o (ii) asumida para asegurarse de cualquier otra manera que el deudor de dicho Adeudo pague su parte correspondiente o para proteger a dicho deudor contra las perdidas con respecto al mismo (ya sea total o parcialmente). El termino "Garantia" usado como verbo tendra un significado correlativo.

(41) "GASTOS DE CAPITAL" significa, para cualquier periodo con respecto a cualquier Persona, la suma de todos los gastos durante dicho periodo (ya sea que hayan sido pagados en efectivo o acumulados como pasivos durante dicho periodo) que, de conformidad con los PCGA, se requieran incluir o se deban reflejar en el balance general de dicha Persona respecto de equipo, activos fijos, bienes inmuebles o mejoras, o para reemplazos o sustituciones de los mismos o adiciones a los mismos, incluyendo (sin duplicacion) el monto de gastos considerados a ser realizados en relacion con el equipo que se adquiera simultaneamente con el intercambio de equipo existente propiedad de dicha Persona, en la medida que el monto bruto del precio de compra de dicho equipo adquirido exceda el valor de precio de mercado (segun sea determinado de buena fe por dicha Persona) del equipo existente entregado a cambio, pero excluyendo los gastos efectuados en relacion con el reemplazo o restauracion de bienes, en la medida que dicho reemplazo o restauracion sea financiada con montos derivados de seguro pagados a cuenta de la perdida o dano de los bienes reemplazados o restaurados.

(42) "GASTO POR INTERESES CONSOLIDADO" significa, para cualquier periodo, el monto agregado de los intereses en relacion con Adeudos (incluyendo (i) la amortizacion del descuento de emision original sobre cualquier Adeudo

y la porcion de intereses de cualquier obligacion de pago diferida, calculada de conformidad con el metodo de contabilidad efectivo de intereses, (ii) todas las comisiones, descuentos y demas honorarios y cargos adeudados en relacion con cartas de credito y aceptaciones bancarias de financiamiento, (iii) los costos netos asociados con Contratos de Tasas de Interes, y (iv) los intereses pagados (por cualquier Persona) con respecto a algun Adeudo que se encuentra Garantizado por cualquier bien o activo de la Acreditada o de cualquiera de sus Subsidiarias Restringidas) y todos los intereses, menos el componente principal, de rentas en relacion con Obligaciones por Arrendamientos Capitalizables, pagados por la Acreditada y sus Subsidiarias Restringidas durante dicho periodo; excluyendo sin embargo (a) cualquier monto de dichos intereses de cualquier Subsidiaria Restringida, en la medida en que el ingreso neto de dicha Subsidiaria Restringida sea excluido del calculo del Ingreso Neto Ajustado Consolidado de conformidad con el inciso (ii) de la definicion de dicho termino (pero solamente en la misma proporcion en que el ingreso neto de dicha Subsidiaria Restringida sea excluido del calculo del Ingreso Neto Ajustado Consolidado de conformidad con el inciso (ii) de la definicion de dicho termino),

(b) cualesquier regalias, honorarios (incluyendo honorarios de consentimiento) y gastos (y cualquier amortizacion o eliminacion de los mismos) pagados o pagaderos en relacion con el presente Contrato, los Creditos Banamex, el Credito Serfin, las Ofertas Publicas de Compra y la compra de valores bajo los mismos y el pago de los honorarios de consentimiento en relacion con los mismos, la emision de los valores emitidos o a ser emitidos bajo el Senior Note Indenture y la oferta de intercambio o registro de inscripciones preventivas respecto de dichos valores (shelf registration statement), la emision de los valores emitidos bajo el Credito en UDIS Existente, y la emision de los valores emitidos bajo la Serie B del Senior Note Indenture, fechado el 13 de mayo de 1996, entre la Acreditada y el State Street Bank and Trust Company (como sucesor del Fleet National Bank), como fiduciario, todo determinado en una base consolidada (sin tomar en cuenta las Subsidiarias No Restringidas) de conformidad con los PCGA, (c) intereses en relacion con Adeudos denominados en UDIS en la medida que no hayan sido pagados o pagaderos en efectivo durante dicho periodo y (d) aumentos en el monto principal de cualquier Adeudo denominado en UDIS que resulte de los ajustes de inflacion realizados de conformidad con los terminos de dicho Adeudo.

No obstante lo anterior, si durante cualquier periodo en el que se este determinado el Gasto por Intereses Consolidado, la Acreditada o cualquiera de sus Subsidiarias Restringidas haya consumado cualquier Adquisicion de Activos, entonces para los efectos de este Contrato, el Gasto por Interes Consolidado debera ser determinado en una base pro forma como si la consumacion de dicha Adquisicion de Activos y la contratacion o asuncion de cualquier Adeudo en relacion con la misma hubiera ocurrido el primer dia de dicho periodo.

(43) "GRAVAMEN" significa, en relacion con cualquier propiedad, bien o activo, cualquier hipoteca, prenda, caucion bursatil, fideicomiso, embargo, carga o cualquier otro gravamen o garantia de cualquier naturaleza o cualquier acuerdo de preferencia sobre dicha propiedad, bien o activo que tenga el efecto practico de crear un derecho real o personal de garantia o gravamen sobre dicha propiedad, bien o activo.

(44) "GRAVAMENES PERMITIDOS" significa:

(a) Gravámenes impuestos por contribuciones fiscales, cargos gubernamentales o reclamaciones que, ya sea, (i) se encuentren vencidos por un plazo menor de 90 días, siempre y cuando el valor de mercado total de los bienes o activos sujetos a dichos Gravámenes no exceda la cantidad total de EU\$10,000,000.00 (diez millones de Dolares 00/100) o su equivalente en Pesos; (ii) no hayan vencido o que esten siendo impugnados de conformidad con el inciso (h) de la Clausula 4.01;

(b) Gravámenes de transportistas, almacenistas, trabajadores, mecanicos, reparadores o Gravámenes similares impuestos por ley, que surjan en el curso ordinario de negocios y que garanticen obligaciones que no esten vencidas por mas de 30 días o que esten siendo impugnados de conformidad con el inciso (h) de la Clausula 4.01;

(c) prendas otorgadas y depositos efectuados dentro del curso ordinario de negocios, en cumplimiento con disposiciones de seguridad social, salarios de los trabajadores y seguros de desempleo, incluyendo prendas y/o depositos otorgados en favor del Instituto para la Vivienda de los Trabajadores (INFONAVIT); Instituto Mexicano del Seguro Social (IMSS) y el Sistema de Ahorro para el Retiro (SAR);

(d) Gravámenes impuestos o depositos efectuados para garantizar (i) cartas de credito, el cumplimiento de ofertas, posturas, convenios comerciales, arrendamientos, licencias, obligaciones regulatorias o legales, aceptaciones bancarias, fianzas legales o judiciales, contratos celebrados con Autoridades Gubernamentales, fianzas de cumplimiento y demas obligaciones de naturaleza similar incurridas dentro del curso ordinario de negocios (excluyendo obligaciones contraidas para el pago de prestamos de dinero) y cualquier derecho de compensacion de bancos que no hayan sido ejercidos en relacion con depositos realizados dentro del curso ordinario y (ii) obligaciones de indemnizacion respecto de la venta, arrendamiento, cesion o cualquier otra transmision de cualquier bien o activo de la Acreditada o cualquiera de sus Subsidiarias Restringidas; en el entendido que los bienes o activos sujetos a dichos Gravámenes no tengan un valor de mercado superior a los montos en efectivo o equivalentes de efectivo recibidos por la Acreditada y sus Subsidiarias Restringidas en relacion con dicha venta, arrendamiento, cesion o transmision;

- (e) Gravámenes impuestos por sentencias o laudos de cualquier naturaleza que no constituyan una Causa de Incumplimiento bajo el inciso (i) de la Clausula 5.01 del presente Contrato;
- (f) servidumbres, restricciones de uso de suelo federales y municipales, derechos de paso y Gravámenes similares impuestos sobre bienes inmuebles, que no interfieran de manera importante con la conduccion ordinaria de negocios de la Acreditada o cualquiera de sus Subsidiarias Restringidas;
- (g) Gravámenes (incluyendo las extensiones y renovaciones de los mismos) sobre algun bien o activo adquirido con posterioridad a la fecha de firma del Contrato de Credito Sindicado; en el entendido que (i) dicho Gravamen se constituya solamente con el proposito de garantizar Adeudos incurridos, (A) para financiar el costo (incluyendo el costo de mejoras, de construccion o produccion) de la unidad o material integrante del bien o activo (incluyendo programas o peliculas) sujeto a dicho Gravamen, y que dicho Gravamen haya sido constituido con anterioridad a, al momento de o dentro de los seis meses siguientes a la fecha de adquisicion, la terminacion de la construccion o produccion o el comienzo de operaciones de dicho bien o activo, o (B) para refinanciar cualquier Adeudo garantizado con anterioridad, (ii) el monto principal del Adeudo garantizado por dicho Gravamen no exceda el 100% (cien por ciento) de dichos costos (mas honorarios, gastos y pagos similares realizados en relacion con dicho Adeudo) y (iii) cualquiera de dichos Gravámenes no sera extensivo a, o cubrira, cualquier otro bien o activo distinto a la unidad o material integrante de dicho bien o activo (incluyendo peliculas y programaciones) y cualesquier mejoras efectuadas en dicha unidad o material y los frutos derivados de los mismos;
- (h) arrendamientos o subarrendamientos celebrados con terceros, que no interfieran de manera importante con el curso ordinario de negocios de la Acreditada y de sus Subsidiarias Restringidas consideradas como un todo;
- (i) Gravámenes que afecten bienes o activos que se encuentren en construccion surgidos de pagos parciales o progresivos realizados por un cliente de la Acreditada o cualquiera de sus Subsidiarias Restringidas relacionadas con dichos bienes o activos;
- (j) cualquier interes o derecho de un arrendador respecto de bienes o activos sujetos a algun arrendamiento financiero (incluyendo arrendamientos que sean o deban ser capitalizables de conformidad con los PCGA) o arrendamiento puro;
- (k) Gravámenes que surjan de registros conforme al Codigo de Comercio Uniforme (Uniform Commercial Code) de los Estados Unidos de America o estados de financiamiento (financing statements) similares en relacion con arrendamientos;

- (l) Gravámenes sobre bienes o activos de, o sobre acciones representativas del capital social de, o Adeudos a cargo de, cualquier sociedad u otra entidad existente al momento en que dicha sociedad u otra entidad se constituya como o se convierta en parte de, una Subsidiaria Restringida, siempre y cuando dichos Gravámenes no sean extensivos sobre, o cubran bienes o activos de la Acreditada o de cualquiera de sus Subsidiarias Restringidas, distintos de los bienes o activos adquiridos;
- (m) Gravámenes a favor de la Acreditada o de cualquier Subsidiaria Restringida totalmente propiedad de la Acreditada;
- (n) Gravámenes que surjan de una sentencia definitiva o resolución en contra de la Acreditada o cualquiera de sus Subsidiarias Restringidas, y que no constituya una Causa de Incumplimiento;
- (o) Gravámenes que garanticen obligaciones de reembolso en relación con las cartas de crédito que gravan documentos o cualesquier otros bienes o activos relacionados con dichas cartas de crédito y los productos y rendimientos de los mismos;
- (p) Gravámenes en favor de autoridades aduanales y fiscales que surjan por ministerio de ley para garantizar el pago de derechos arancelarios o aduanales en relación con la importación de bienes;
- (q) Gravámenes que afecten depósitos iniciales y depósitos de margen, y cualesquier otros Gravámenes que se encuentren ya sea dentro de los parámetros generales que se acostumbran en la industria y que hayan sido incurridos en el curso ordinario de negocios, en cada caso, garantizando Adeudos bajo cualesquier Contratos de Tasa de Interés (si dichos Contratos de Tasa de Interés no tiene un monto nominal que exceda el monto principal del Adeudo de la Acreditada y de sus Subsidiarias Restringidas con tasa de intereses variables) y cualesquier Contratos de Divisas y contratos forward, de opciones, de futuros y de opciones sobre contratos de futuros o contratos similares o acuerdos diseñados para proteger a la Acreditada o a cualquiera de sus Subsidiarias Restringidas de fluctuaciones en las tasas de intereses o tasas de cambio de divisas, respectivamente, y celebrados con propósitos no especulativos;
- (r) Gravámenes que surjan de contratos sujetos a condición o con reserva de dominio, consignación o acuerdos similares para la venta de bienes, celebrados por la Acreditada o cualquiera de sus Subsidiarias Restringidas dentro del curso ordinario de negocios de la Acreditada y de sus Subsidiarias Restringidas;
- (s) Gravámenes sobre los derechos de la Acreditada o una Subsidiaria Restringida para recibir pagos derivados de programación o películas, así como los rendimientos de los mismos;

- (t) Gravámenes en relación con el cumplimiento y liquidación o cancelación de Adeudos de la Acreditada o de una Subsidiaria Restringida; y
- (u) Gravámenes incurridos para renovar, extender o refinanciar, total o parcialmente, Adeudos u obligaciones garantizadas por cualquier Gravamen incurrido bajo los incisos (a) a (t) anteriores; en el entendido que (i) dicho Gravamen no se extienda a cualquier otro bien o activo (distinto de los frutos y bienes o activos adquiridos con posterioridad, en la medida en que el Gravamen que este siendo renovado, extendido o refinanciado sea extensivo a los frutos y bienes o activos adquiridos con posterioridad) y (ii) el monto principal del Adeudo garantizado, de haberlo, no sea incrementado (distinto de los montos relativos a primas, intereses acumulados y demás obligaciones de pago, incluyendo pagos consentidos, en relación con el Adeudo refinanciado y los gastos razonables de emisión de dicho nuevo Adeudo).
- (45) "IMPUESTOS" tiene el significado que se le atribuye en el inciso (a) de la Clausula 2.10 del presente Contrato.
- (46) "INDICE DE COBERTURA DE INTERESES" significa, la razón de UAFIDA Consolidada a Gasto por Intereses Consolidado (excluyendo intereses generados o acumulados pero no pagados ni requeridos de pago) en cualquier periodo de cuatro trimestres calendario consecutivos (considerados como un solo periodo contable).
- (47) "INDICE DE ENDEUDAMIENTO" significa, la razón de Deuda Total Consolidada a UAFIDA Consolidada al término de cualquier periodo de cuatro trimestres calendario consecutivos (considerados como un solo periodo contable).
- (48) "INGRESO NETO AJUSTADO CONSOLIDADO" significa, para cualquier periodo, el ingreso acumulado neto (o pérdida) de la Acreditada y sus Subsidiarias Restringidas para dicho periodo, determinado de conformidad con los PCGA; en el entendido que los siguientes conceptos serán excluidos al momento de computar el Ingreso Neto Ajustado Consolidado (sin duplicación): (i) el ingreso neto (o pérdida) de cualquier Persona (distinta al ingreso neto (o pérdida) atribuible a una Subsidiaria Restringida) en la cual cualquier Persona (distinta a la Acreditada o cualquiera de sus Subsidiarias Restringidas) tenga un interés en común y el ingreso neto (o pérdida) de cualquier Subsidiaria No Restringida, excepto, en el caso de ingreso neto, solo por el monto de dividendos o cualesquier otras distribuciones y pagos de intereses, en cada caso, efectivamente pagados a la Acreditada o cualquiera de sus Subsidiarias Restringidas por dicha otra Persona o dicha Subsidiaria No Restringida durante dicho periodo; (ii) excepto en el caso de cualquier restricción permitida bajo los sub-incisos (iii), (iv) y (v) del inciso (j) de la Clausula 4.02 del presente Contrato, el ingreso neto de cualquier Subsidiaria Restringida en la medida, y solamente en la medida, que la declaración o pago de la totalidad o una

porcion de los dividendos o distribuciones similares por dicha Subsidiaria Restringida de dicho ingreso neto no se encuentre en dicho momento permitida por sus estatutos sociales o cualquier convenio, instrumento, sentencia, decreto, orden, ley, regla o regulacion gubernamental aplicable a dicha Subsidiaria Restringida;

(iii) cualquier ganancias o perdidas (en una base posterior-a-impuestos, libres de cualesquier honorarios y gastos relacionados) atribuibles a Venta de Activos, descartando para este proposito, las exclusiones previstas en la definicion de dicho termino bajo los incisos (A) a (E) de dicha definicion; (iv) cualquier monto pagado o acumulado como dividendos sobre Acciones Preferentes de la Acreditada o cualquiera de sus Subsidiarias Restringidas, propiedad de Personas distintas a la Acreditada y cualquiera de sus Subsidiarias Restringidas; (v) todas las ganancias extraordinarias, perdidas extraordinarias y operaciones discontinuadas (en cada caso, en una base posterior-a-impuestos, libres de cualesquier honorarios y gastos relacionados); y (vi) el efecto acumulativo de cambios de contabilidad con anterioridad a la fecha de firma del presente Contrato en relacion a la adopcion del Boletin C-2, en el entendido que el valor total del efecto acumulativo de cualquiera de dichos cambios de contabilidad no podra exceder un monto agregado igual a \$69,259,000.00 (sesenta y nueve millones doscientos cincuenta y nueve mil Pesos 00/100) calculados al 30 de septiembre de 2001 (y reexpresados de tiempo en tiempo por el Indice Nacional de Precios al Consumidor).

(49) "INVERSION" en cualquier Persona, significa, directa o indirectamente, cualquier desembolso, prestamo u otra extension de credito (incluyendo, sin limitacion, otorgado como garantia de algun Adeudo), o contribucion de capital a (mediante contribucion de efectivo o bienes a terceras personas o cualquier pago por bienes o servicios por cuenta o uso de terceras personas), o cualquier adquisicion de Capital Social, bonos, pagares, obligaciones u otros instrumentos similares emitidos por, dicha Persona e incluire la designacion de una Subsidiaria Restringida como una Subsidiaria No Restringida despues de la fecha de firma del presente Contrato. No obstante lo anterior, (i) cualquier Capital Social emitido por la Acreditada o cualquier Subsidiaria Restringida a cambio de Capital Social o bienes o activos de otra Persona no sera considerado como una Inversion de la Acreditada o cualquier Subsidiaria Restringida en aquella otra Persona, en la medida en que dicha Subsidiaria Restringida continue siendo una Subsidiaria Restringida inmediatamente despues de haber llevado a cabo dicha emision; y (ii) el termino "Inversion" no incluire: montos insolutos de creditos a cargo de alguna Subsidiaria No Restringida y a favor de la Acreditada o cualquier Subsidiaria Restringida, derivados de actividades relativas a la administracion de efectivo en el curso ordinario de negocios, Inversiones realizadas por la Acreditada o cualquier Subsidiaria Restringida mediante la contribucion de, o a cambio de, servicios de publicidad, Inversiones realizadas por la Acreditada o cualquier Subsidiaria Restringida a cambio de modificaciones a los acuerdos de Inversion existentes que no prevean el pago de efectivo o bienes o activos, cantidades debidas por alguna Subsidiaria No Restringida

a la Acreditada o cualquier Subsidiaria Restringida bajo cualquier contrato para compartir impuestos, o respecto de gastos generales y administrativos, seguros globales y de responsabilidad civil ampliada (umbrella insurance) o servicios de publicidad u otros servicios prestados a Subsidiarias No Restringidas, Depositos, adelantos a clientes (excluyendo Subsidiarias de la Acreditada) y cuentas por pagar a proveedores en el curso ordinario de negocios, que esten, de conformidad con los PCGA, registrados como cuentas por cobrar (o depositos de clientes) o cuentas por pagar, segun sea el caso, y pagos debidos a la Acreditada o a cualquier Subsidiaria Restringida en virtud de Cuentas Comerciales por Pagar.

(50) "INVERSION DE NEGOCIO ADICIONAL" significa cualquier Inversion en un Emisor de Negocio Adicional a cambio de (i) Capital Social de la Acreditada o cualquiera de sus Subsidiarias Restringidas (siempre y cuando dicha Subsidiaria Restringida permanezca como una Subsidiaria Restringida inmediatamente despues de dar efecto a dicho intercambio) o (ii) la prestacion de servicios de publicidad u otros servicios por parte de la Acreditada o cualquiera de sus Subsidiarias Restringidas.

(51) "INVERSIONES PERMITIDAS" significa, (a) una Inversion en una Subsidiaria Restringida o en cualquier Persona que, una vez realizada dicha inversion, se convertira en una Subsidiaria Restringida o se fusionara o consolidara con la Acreditada o con una Subsidiaria Restringida; siempre que el negocio principal de dicha Persona se relacione, sea complementario o auxiliar con el negocio de la Acreditada y el de sus Subsidiarias Restringidas en la fecha en que se realice dicha inversion; (b) Inversiones Temporales de Efectivo; (c) nomina, beneficios extrasalariales, vacaciones, viaticos, reubicaciones y desembolsos similares, que se espere sean reembolsados o que sean respecto de cuestiones que al momento de desembolso se consideren gastos de conformidad con PCGA; (d) (i) prestamos o adelantos para empleados de la Acreditada o de sus Subsidiarias Restringidas que en ningun momento excedan la cantidad insoluta acumulada de EU\$25,000,000.00 (veinticinco millones de Dolares 00/100) o su equivalente en Pesos, y (ii) otros prestamos o anticipos a distribuidores, proveedores, licenciantes de contenido o clientes de la Acreditada o cualquiera de sus Subsidiarias Restringidas que en ningun momento excedan la cantidad insoluta acumulada de EU\$40,000,000.00 (cuarenta millones de Dolares 00/100) o su equivalente en Pesos; (e) Inversiones recibidas en cumplimiento de sentencias judiciales, quiebras, concurso mercantil, insolvencia, reestructuras o cualquier arreglo similar; (f) cualquier Contrato de Tasa de Interes (siempre que la cantidad subyacente bajo el mismo no exceda la suma principal de los Adeudos de la Acreditada y de sus Subsidiarias Restringidas con tasas de interes variables) o cualquier Contrato de Divisas, siempre que sean celebrados con el proposito de proteger a la Acreditada o sus Subsidiarias Restringidas en contra de fluctuaciones en tasas de interes o paridades cambiarias, respectivamente, y no con

propositos especulativos; (g) Inversiones en gastos pagados por anticipado, titulos de credito para cobro, y depositos de renta, de garantia de cumplimiento o cualquier otro deposito similar, en cada caso, realizados en el curso normal de los negocios de la Acreditada o sus Subsidiarias Restringidas; (h) Inversiones recibidas como pago de precio de cualquier propiedad o activo vendido, arrendado, cedido o de cualquier otra forma transmitido por la Acreditada o cualquiera de sus Subsidiarias Restringidas, siempre que el valor de mercado de dicha propiedad o activo, conjuntamente con el valor de mercado de todas las demas propiedades o activos vendidos, arrendados, cedidos o de cualquier otra forma transmitidos por la Acreditada o cualquiera de sus Subsidiarias Restringidas durante el ejercicio social en que dicha venta, arrendamiento, cesion o transmision ocurrio, no exceda del 5% (cinco por ciento) de los activos consolidados de la Acreditada y de sus Subsidiarias Restringidas al final del ejercicio social inmediato anterior; (i) Inversiones de cualquier Persona existentes al momento en que dicha Persona se convierta en una Subsidiaria Restringida y que no sean realizadas en relacion con o contemplando que dicha Persona se convierta en una Subsidiaria Restringida; (j) Inversiones que constituyan Prestamos Permitidos a Empleados para Compra de Acciones; y (k) Inversiones existentes a la fecha de firma del Contrato de Credito Sindicado.

(52) "INVERSIONES TEMPORALES DE DINERO" significa cualquiera de las siguientes inversiones: (i) obligaciones directas de los Estados Unidos de America o cualquiera de sus agencias, u obligaciones integramente garantizadas de manera incondicional por los Estados Unidos de America o cualquiera de sus agencias; (ii) depositos a plazo, certificados de deposito y depositos de mesa de dinero, con vencimiento dentro de los 730 (setecientos treinta) dias siguientes a la fecha de adquisicion de los mismos, emitidos por un banco o una institucion fiduciaria constituida conforme a las leyes de los Estados Unidos de America o cualquiera de sus estados o cualquier otro pais reconocido por los Estados Unidos de America, con los cuales la Acreditada o cualquiera de sus Subsidiarias o Co-Inversiones realicen actividades de negocios, y cuyo banco o institucion fiduciaria (o la entidad controladora de dicho banco o institucion fiduciaria) tenga capital, superavit y utilidades no distribuidas por un monto total agregado superior a EU\$250,000,000.00 (doscientos cincuenta millones de Dolares 00/100) (o su equivalente en Pesos) y que tenga deudas insolutas con una calificacion de "A" (o una calificacion similar equivalente) o superior de por lo menos una organizacion calificadora (statistical rating organization, segun dicho termino se define en la Regulacion 436 del Securities Act de 1933 de los Estados Unidos de America) de reconocido prestigio nacional o cualquier fondo de mesa de dinero patrocinado por una casa de bolsa registrada u operador de fondos de inversion; (iii) contratos de recompra por un plazo no mayor a 60 (sesenta) dias respecto de los valores mencionados en el inciso (i) anterior, celebrados con algun banco que cumpla con los criterios establecidos en el inciso (ii) anterior; (iv) papel comercial con un vencimiento que no exceda

365 (trescientos sesenta y cinco) días siguientes a la fecha de adquisición, emitido por una sociedad (que no sea una Afiliada de la Acreditada) constituida u organizada y existente conforme a las leyes de México o cualquiera de sus entidades federativas o de los Estados Unidos de América, cualquiera de sus estados o el Distrito de Columbia, o cualquier otro país reconocido por los Estados Unidos de América, con las cuales la Acreditada o cualquiera de sus Subsidiarias o Co-Inversiones realicen actividades de negocios, y que cuente con una calificación, al momento en que se realice cualquier inversión en dicho papel comercial, de "P-1" (o superior) por Moody's o de "A-1" (o superior) por S&P (o calificaciones equivalentes emitidas por sus afiliadas mexicanas); (v) valores con vencimiento de 6 (seis) meses o menos, a partir de la fecha de adquisición, emitidos o garantizados íntegramente y de manera incondicional, por cualquier estado, commonwealth, o territorio de los Estados Unidos de América o por cualquier subdivisión política o autoridad fiscal del mismo y con una calificación de por lo menos "A" o su equivalente por S&P o Moody's; (vi) Bonos corporativos denominados en Dolares con una calificación de por lo menos "A" o su equivalente, por S&P o Moody's y con un vencimiento que no exceda de 730 (setecientos treinta) días siguientes a la fecha de adquisición de los mismos; (vii) Certificados de la Tesorería de la Federación (CETES), Bonos de Protección al Ahorro (BPAS); Bonos de Regulación Monetaria (BREMS), Bonos Denominados en UDIS (UDI Bonos) o Bonos de Desarrollo del Gobierno Federal (BONDES) emitidos por el gobierno de México y con un vencimiento que no exceda 1095 (mil noventa y cinco) días siguientes a la fecha de adquisición de los mismos; (viii) obligaciones directas del gobierno de México u obligaciones íntegramente garantizadas de manera incondicional por el gobierno de México; y (ix) certificados de depósito, pagares bancarios y aceptaciones bancarias denominadas en Pesos, con un vencimiento que no exceda 365 (trescientos sesenta y cinco) días siguientes a la fecha de adquisición de los mismos, emitidos o garantizados por (A) alguno de los doce bancos más importantes (basado en activos, al 31 de diciembre del año inmediato anterior) constituidos conforme a las leyes de México o (B) uno o más bancos constituidos conforme a las leyes de México (en el entendido que el monto total agregado de certificados de depósito, pagares bancarios y aceptaciones bancarias emitidas o garantizadas por alguno de los bancos referidos en este inciso (B), no deberá exceder, en ningún momento, la cantidad de EU\$100,000,000.00 (cien millones de Dolares 00/100) o su equivalente en Pesos), y, en cada caso, que no se encuentre intervenido o controlado por el Instituto para la Protección al Ahorro Bancario.

(53) "LEY AMBIENTAL" significa, todas las leyes ambientales, de salud y de seguridad aplicables, incluyendo, sin limitación, la Ley General del Equilibrio Ecológico y la Protección al Ambiente y sus reglamentos, la Ley de Aguas Nacionales y su Reglamento, la Ley General de Salud (en la medida en que se relacione con cuestiones ambientales), el Reglamento Federal de Seguridad, Higiene y Medio Ambiente en el Trabajo (en la

medida en que se relacione con cuestiones ambientales), y todas las Normas Oficiales Mexicanas y leyes estatales que establezcan límites máximos permisibles para emisiones aéreas contaminantes de fuentes fijas, descargas de aguas residuales contaminantes a cuerpos de agua o a sistemas de drenaje, requerimientos relativos al manejo, transporte y disposición de cualesquiera materiales peligrosos y requerimientos relativos a desechos peligrosos y a la salud y seguridad en el trabajo.

(54) "MEXICO" significa los Estados Unidos Mexicanos.

(55) "MOODY'S" significa Moody's Investors Service, Inc., y sus sucesores.

(56) "NEGOCIO ADICIONAL" significa cualquier actividad de negocios de cualquier Persona que sea la emisora de Capital Social adquirido por la Acreditada o cualquiera de sus Subsidiarias a cambio de (i) Capital Social de la Acreditada o cualquiera de sus Subsidiarias o (ii) la prestación de servicios de publicidad u otros servicios por parte de la Acreditada o cualquiera de sus Subsidiarias.

(57) "NEGOCIO PRINCIPAL" significa actividades de negocios en la misma o razonablemente relacionada línea de negocios a la cual la Acreditada, sus Subsidiarias o Co-Inversiones (Joint Ventures) se encuentran dedicadas a la fecha de firma del presente Contrato.

(58) "OFERTAS PÚBLICAS DE COMPRA" significa las ofertas públicas de compra con margen fijo (con solicitudes de consentimiento de salida) de la Acreditada por sus 11-7/8 % Pagares Preferentes Serie B con vencimiento en 2006.

(59) "OPERACION DE DERIVADOS EN EL MERCADO", significan las operaciones financieras derivadas, incluyendo, entre otros, las operaciones a futuro, de opción o de swaps, sobre diversos activos subyacentes, incluyendo valores, tasas de referencia y divisas, celebradas con el propósito de cubrir un riesgo asociado con otros activos o pasivos.

(60) "PAGARE" significa el pagare que suscriba y entregue la Acreditada a la orden del Banco en la Fecha de Disposición, documentando la obligación de la Acreditada de pagar al Banco la suma principal de dicha Disposición y los intereses causados por la misma, en forma substancialmente igual a la del Anexo "A"

(61) "PAGARES SENIOR" significa (i) los EU\$200,000,000.00 de monto principal agregado a 8-5/8% Pagares Preferentes de la Acreditada con vencimiento en el 2005; (ii) los EU\$300,000,000.00 de monto principal agregado a 8% Pagares Preferentes de la Acreditada con vencimiento en el 2011; y (iii) los EU\$300,000,000.00 de monto principal agregado a 8.50% Pagares Preferentes de la Acreditada con vencimiento en el 2032, en cada caso emitidos de conformidad con el Senior Note Indenture.

(62) "PAGOS RESTRINGIDOS" significa cualquier dividendo o cualquier otra distribucion (ya sea en efectivo, en valores o en cualquier otro bien o activo), pero excluyendo cualquier dividendo o cualquier otra distribucion de Capital Social u otros valores emitidos por, o cualquier bien o activo de, una Subsidiaria No Restringida o del producto (ya sea en efectivo, en valores o en cualquier otro bien o activo) derivado de la venta de la totalidad o de una porcion del Capital Social u otros valores emitidos por, o bienes o activos de, cualquier Subsidiaria No Restringida, en relacion con acciones de cualquier clase del Capital Social de la Acreditada o cualquiera de sus Subsidiarias Restringidas, o cualquier pago (ya sea en efectivo, en valores o en cualquier otro bien o activo), incluyendo cualquier fondo de reserva (sinking fund) o depositos similares, a cuenta de la compra, amortizacion, retiro, adquisicion, cancelacion o terminacion de cualesquiera de dichas acciones del Capital Social de la Acreditada o de cualquiera de sus Subsidiarias Restringidas o cualquier opcion, warrant u otro derecho para adquirir cualesquiera de dichas acciones del Capital Social de la Acreditada o de cualquiera de sus Subsidiarias Restringidas; en el entendido que (i) los Prestamos Permitidos a Empleados para Compra de Acciones o (ii) los dividendos pagaderos solamente en acciones representativas del Capital Social de la Acreditada o de cualquiera de sus Subsidiarias Restringidas, no seran considerados como Pagos Restringidos.

(63) "PASIVOS TOTALES DE SUBSIDIARIAS RESTRINGIDAS" significa, en cualquier fecha, el monto total agregado de todos los Adeudos de Subsidiarias Restringidas a dicha fecha, segun se determine de conformidad con los PCGA, excluyendo (i) Adeudos Adquiridos y cualesquier extensiones, refinanciamientos, renovaciones o reemplazos de los mismos; (ii) Adeudos a cargo de una Subsidiaria Restringida y a favor de la Acreditada u otra Subsidiaria Restringida; y (iii) Adeudos garantizados mediante Gravámenes permitidos conforme al inciso (d) de la Clausula 4.02.

(64) "PERIODO DE INTERESES" significa, cada periodo de 30 dias calendario, con base en el cual se calcularan los intereses que devengue el saldo insoluto de la suma principal del Credito, en el entendido de que (a) el primer Periodo de Intereses comenzara en la Fecha de Disposicion y terminara en el dia numericamente correspondiente en el mes calendario que sea 30 dias calendario despues de la misma, y (b) cada Periodo de Intereses subsecuente comenzara el ultimo dia del Periodo de Intereses inmediato anterior y terminara en el dia numericamente correspondiente en el mes calendario que sea 30 dias calendario despues de la misma; en el entendido, que todas las disposiciones anteriores relacionadas con Periodos de Intereses estan sujetas a lo siguiente: (i) si cualquier Periodo de Intereses termina en un dia que no sea un Dia Habil, dicho Periodo de Intereses terminara el Dia Habil inmediato anterior; y (ii) cualquier Periodo de Intereses que se encuentre vigente en cualquier fecha de pago

de principal del Credito conforme a la Clausula 2.03, vencera precisamente en dicha fecha de pago de principal; y (iii) ningun Periodo de Intereses terminara despues de la ultima fecha de pago de principal prevista en la Clausula 2.03.

(65) "PERIODO RESTRINGIDO" significa cualquier trimestre fiscal de la Acreditada en el que la proporcion de (i) la Deuda Total Consolidada en cualquier dia durante dicho trimestre a (ii) UAFIDA Consolidada por el periodo de los cuatro trimestres fiscales consecutivos de la Acreditada terminados inmediatamente antes de dicho trimestre fiscal, sea mayor de 3.25 (tres punto veinticinco) a 1.00 (uno).

(66) "PCGA" significa, en la fecha de aplicacion respectiva, los principios de contabilidad generalmente aceptados en Mexico y consistentemente aplicados.

(67) "PERSONA" significa, cualquier persona fisica o moral, fideicomiso, compania, sociedad civil o mercantil, asociacion, gobierno, dependencia o Autoridad Gubernamental o cualquier otra entidad de cualquier naturaleza.

(68) "PESOS" y el signo de "\$" significan, la moneda de curso legal en Mexico.

(69) "PRESTAMOS PERMITIDOS A EMPLEADOS PARA COMPRA DE ACCIONES" significa aquellos prestamos, desembolsos u otros Adeudos incurridos para la compra de Capital Ordinario de la Acreditada que se realicen de conformidad con planes de opcion de compra de acciones o cualquier otro plan similar de beneficios para los trabajadores de la Acreditada o cualquiera de sus Subsidiarias o Co-Inversiones siempre que no excedan la cantidad insoluta acumulada de EU\$100,000,000.00 (cien millones de Dolares 00/100) o su equivalente en Pesos, por todos aquellos prestamos, desembolsos u otros Adeudos.

(70) "PRODUCTO DE EFECTIVO NETO DE CAPITAL SOCIAL" significa el monto en efectivo recibido por la Acreditada o cualquiera de sus Subsidiarias Restringidas (libres de descuentos y comisiones por colocacion) con posterioridad a la fecha de firma del presente Contrato derivado o al momento (sin duplicacion) (i) de la emision de Capital Social, u opciones, derechos o warrants para adquirir Capital Social de la Acreditada o de cualquiera de sus Subsidiarias Restringidas (distintos de los derechos de conversion asociados con Adeudos Convertibles), (ii) la conversion o intercambio de Adeudos Convertibles de la Acreditada o de cualquiera de sus Subsidiarias emitidos con posterioridad a la fecha de firma del presente Contrato, a Capital Social de la Acreditada o de cualquiera de sus Subsidiarias Restringidas (los cuales deberan incluir el monto en efectivo recibido al momento de la emision de cualquiera de dichos Adeudos Convertibles) o (iii) el ejercicio de opciones, derechos o warrants para adquirir Capital Social de la Acreditada o de cualquiera de sus Subsidiarias Restringidas.

(71) "RECLAMACIONES AMBIENTALES" significa, todas y cualesquiera acciones, demandas, requerimientos, reclamaciones, Gravámenes, avisos de incumplimiento o violación, investigaciones o procedimientos administrativos, regulatorios o judiciales que se relacionen de cualquier manera con cualquier Ley Ambiental o con cualquier permiso emitido en términos de cualquier Ley Ambiental (en lo sucesivo "Reclamaciones"), incluyendo, sin limitación (a) todas y cualesquiera Reclamaciones por parte de Autoridades Gubernamentales relativas a medidas de ejecución, limpieza, remoción o reparación, u otras acciones o daños en términos de cualquier Ley Ambiental aplicable, y (b) todas y cualesquiera Reclamaciones por parte de cualquier tercero exigiendo daños, contribución, indemnización, reembolso de gastos, compensación o suspensión que resulten de cualesquiera materiales peligrosos o que deriven de daños o amenaza de daños a la salud, a la seguridad o al medio ambiente.

(72) "S&P": significa Standard & Poor's Ratings Services, una división de The McGraw-Hill Companies, Inc., y sus sucesores.

(73) "SENIOR NOTE INDENTURE" significa el contrato denominado "Indenture" de fecha 8 de agosto de 2000, celebrado entre la Acreditada y el Bank of New York, como fiduciario, según el mismo sea modificado o adicionado de tiempo en tiempo, el cual prevé la emisión de los Pagares Senior.

(74) "SUBSIDIARIA" significa, respecto de cualquier Persona, cualquier sociedad civil o mercantil, asociación, co-inversión (joint venture), sociedad de responsabilidad limitada, fideicomiso, patrimonio o cualquier otra Persona de la que (o en la que) más del 50% (cincuenta por ciento) de (a) en caso de ser una sociedad, las acciones emitidas y en circulación del Capital Social con derecho a voto; (b) en el caso de ser una sociedad de responsabilidad limitada, asociación, o co-inversión (joint venture), las partes sociales o la participación en el Capital Social o utilidades de dicha sociedad de responsabilidad limitada, asociación o co-inversión (joint venture); o (c) en caso de ser un fideicomiso o figura similar, el derecho de participar en el patrimonio del mismo, es en ese momento, directa o indirectamente, sea propiedad de, o este controlado por (x) dicha Persona; (y) dicha Persona y una o más de sus Subsidiarias; o (z) una o más de las Subsidiarias de dicha Persona.

(75) "SUBSIDIARIA MATERIAL" significa cualquier Subsidiaria de la Acreditada que sea una Subsidiaria Restringida y/o una Subsidiaria Significante.

(76) "SUBSIDIARIA NO RESTRINGIDA" significa, (i) cada Subsidiaria de la Acreditada que no sea una Subsidiaria Restringida; (ii) cualquier Subsidiaria de la Acreditada que, al momento de determinación, sea designada como una Subsidiaria No Restringida por el consejo de administración de la Acreditada en la forma establecida más adelante; y

(iii) cualquier Subsidiaria de una Subsidiaria No Restringida. El consejo de administracion de la Acreditada podra designar a cualquier Subsidiaria Restringida (incluyendo cualquier Subsidiaria recien adquirida o constituida) como una Subsidiaria No Restringida, salvo que dicha Subsidiaria tenga alguna participacion en el capital social de, o que sea propietaria o titular de algun Gravamen sobre cualquier propiedad o activo de la Acreditada o cualquiera de sus Subsidiarias Restringidas; en el entendido que inmediatamente despues de dicha designacion no debera existir y continuar alguna Causa de Incumplimiento. Sujeto a lo previsto en el inciso (iii) anterior, el consejo de administracion de la Acreditada podra designar a cualquier Subsidiaria No Restringida como una Subsidiaria Restringida de la Acreditada; en el entendido que inmediatamente despues de dicha designacion no debera existir y continuar alguna Causa de Incumplimiento; en el entendido, ademas, que despues de una o varias escisiones de una o mas Subsidiarias No Restringidas, el consejo de administracion de la Acreditada debera designar ciertas Subsidiarias No Restringidas como Subsidiarias Restringidas en la medida en que dicha designacion sea necesaria para cumplir con las disposiciones previstas en los incisos (k), (l) y (m) de la Clausula 4.01 del presente Contrato. Cualquiera de las designaciones del consejo de administracion de la Acreditada antes descritas debera hacerse constar ante el Banco mediante la entrega al Banco de una copia de la resolucio del consejo de administracion en la que se haya acordado y efectuado dicha designacion conforme a los terminos aqui establecidos, y dicha entrega sera considerada como una declaracion y garantia de la Acreditada en el sentido de que dicha designacion satisface los requerimientos aqui previstos.

(77) "SUBSIDIARIA RESTRINGIDA" significa, (i) cada Subsidiaria de la Acreditada que se lista en el Anexo "B" del presente Contrato, segun dicho Anexo "B" sea adicionado o modificado de tiempo en tiempo por la Acreditada de acuerdo al procedimiento establecido en la definicion de "Subsidiaria No Restringida"; (ii) cualquier Subsidiaria de la Acreditada que sea designada como una Subsidiaria Restringida en la forma establecida en la definicion de "Subsidiaria No Restringida"; y (iii) cualquier Subsidiaria de una Subsidiaria Restringida, distinta de aquellas Subsidiarias designadas como "Subsidiarias No Restringidas" y en cada caso, sus respectivos sucesores, ya sea por fusion, consolidacion, escision o cualquier otra forma.

(78) "SUBSIDIARIA SIGNIFICANTE" significa, en cualquier fecha de determinacion, cualquier Subsidiaria de la Acreditada que, conjuntamente con sus Subsidiarias, (i) represente, para el ejercicio social concluido mas reciente de la Acreditada, mas del 10% (diez por ciento) de los ingresos consolidados de la Acreditada y sus Subsidiarias o (ii) al final de dicho ejercicio social, era la propietaria de mas del 10% (diez por ciento) de los bienes y activos consolidados de la Acreditada y sus Subsidiarias, todo de conformidad con lo previsto en los estados financieros consolidados mas

recientes disponibles de la Acreditada para dicho ejercicio social. Para los efectos previstos en los incisos (d), (e) y (i) de la Clausula 5.01 del presente Contrato, si ocurre y subsiste cualquiera de los eventos descritos en dichos incisos respecto de dos o mas Subsidiarias de la Acreditada que no sean Subsidiarias Significantes pero que al ser consideradas como un todo satisfagan uno o los dos requerimientos previstos en los incisos (i) y/o (ii) del enunciado inmediato anterior, entonces se considerara que dicho evento ha ocurrido respecto de una Subsidiaria Significante.

(79) "TASA ORDINARIA" significa la tasa fija del 9.70% (nueve punto setenta por ciento anual)

(80) "UAFIDA CONSOLIDADA" significa, para cualquier periodo, la suma (sin duplicacion) de la utilidad de operacion consolidada de la Acreditada y sus Subsidiarias Restringidas (determinada conforme a PCGA) para dicho periodo, antes de depreciacion y amortizacion.

(81) "UDI" significa la unidad de cuenta, cuyo valor en Pesos se encuentra indexado a la inflacion de manera diaria, conforme a las variaciones en el Indice Nacional de Precios al Consumidor.

(82) "VENTA DE ACTIVOS" significa cualquier venta, arrendamiento, cesion, transmision, o disposicion por parte de la Acreditada o cualquiera de sus Subsidiarias Restringidas a cualquier otra Persona distinta a la Acreditada o cualquiera de sus Subsidiarias Restringidas de (i) la totalidad o una parte sustancial del Capital Social de cualquier Subsidiaria Restringida, (ii) la totalidad o una parte sustancial de los bienes o activos de una unidad de operacion o de negocios de la Acreditada o de cualquiera de sus Subsidiarias Restringidas, (iii) cualquier otro bien o activo (incluyendo peliculas, programaciones, grabaciones de musica, revistas, videos o derechos con respecto a los mismos) de la Acreditada o cualquiera de sus Subsidiarias Restringidas, cuya venta, arrendamiento, cesion, transmision, o disposicion se realice fuera del curso ordinario de negocios de la Acreditada o dicha Subsidiaria Restringida, en el entendido que el termino Venta de Activos no incluire cualquier venta, arrendamiento, cesion, transmision, o disposicion (A) relacionada con inventario (distinto de peliculas, programaciones, grabaciones de musica, revistas, videos o derechos con respecto a los mismos), servicios (incluyendo servicios de publicidad), cuentas por cobrar y otros activos circulantes (distinto de peliculas, programaciones, grabaciones de musica, revistas, videos o derechos con respecto a los mismos), (B) a traves de dividendos u otras distribuciones con respecto al Capital Social de la Acreditada o cualquier Subsidiaria Restringida permitida conforme al inciso (e) de la Clausula 4.02,

(C) a traves de Inversiones permitidas conforme a lo previsto en el inciso (f) de la Clausula 4.02, (D) a traves de Gastos de Capital permitidos conforme a lo previsto en el inciso (i) de la Clausula 4.02, (E) por la Acreditada o cualquier Subsidiaria Restringida de la Acreditada a favor de la Acreditada o cualquier otra Subsidiaria Restringida de la Acreditada;

(F) que consista de un bien o activo que se ha vuelto inservible, obsoleto, danado o de cualquier otra manera inservible para el uso, en relacion con el negocio de la Acreditada o cualquier Subsidiaria Restringida, segun sea el caso, (G) de cualquier bien o activo, siempre y cuando el valor de mercado de dicho bien o activo, conjuntamente con el valor de mercado de cualquier bien o activo vendido, arrendado, transmitido, asignado o dispuesto por la Acreditada o cualquiera de sus Subsidiarias Restringidas durante el ejercicio social en el cual dicha Venta de Activos haya ocurrido, no exceda el 5% (cinco por ciento) de los activos totales consolidados de la Acreditada y sus Subsidiarias Restringidas al final del ejercicio social anterior inmediato o (H) relativo a licencias o derechos similares con respecto a programaciones, grabaciones de musica, peliculas y videos, siempre y cuando (i) la Acreditada o una Subsidiaria Restringida reciba una contraprestacion por los mismos que tenga un valor de mercado substancialmente equivalente al valor de mercado de la licencia o derechos similares vendidos, arrendados, transmitidos, asignados o dispuestos o (ii) dicha venta, arrendamiento, cesion, transmision o disposicion se efectue dentro del curso ordinario de negocios.

1.02. Terminos Contables. Todos los terminos contables que no se definen expresamente en este Contrato, se interpretaran, y toda la informacion financiera que se deba proporcionar conforme a este Contrato se preparara, y, en su caso, se consolidara, de conformidad con los PCGA.

1.03. Interpretacion de Terminos Definidos. (a) Los terminos definidos en esta Clausula Primera aplicaran tanto a la forma singular como al plural de dichos terminos. Cuando el contexto asi lo requiera, cualquier pronombre incluire la forma masculina, femenina o neutral correspondiente. Salvo que expresamente se establezca lo contrario, todas las referencias a numeros o letras de Clausulas, secciones, incisos o sub-incisos se refieren a Clausulas, secciones, incisos o sub-incisos de este Contrato, y todas las referencias a los Anexos se refieren a Anexos adjuntos e incorporados por referencia al presente Contrato. Se entendera que palabras (i) "en el presente", "del presente", "conforme al presente" "mas adelante en el presente" y palabras de significado similar hacen referencia a este Contrato en su conjunto y no a alguna Clausula, seccion, inciso o sub-inciso en particular del Contrato; (ii) "incluyen", "incluye" e "incluyendo" van seguidas de la frase "sin limitacion alguna", salvo que se establezca expresamente lo contrario; y (iii) "activo", "bien" y/o "propiedad" tienen el mismo significado y efecto y que se refieren a todos y cada uno de los activos, bienes y propiedades, tangibles e intangibles, incluyendo efectivo, Capital Social, valores, ingresos, cuentas, derechos de arrendamiento y contractuales. Asimismo, segun se utiliza en el presente Contrato, las cantidades en Dolares seguidas por la frase "o su equivalente en Pesos" se entenderan que se refieren al equivalente en Pesos, al tipo de cambio publicado por Banco de Mexico en el Diario Oficial de la Federacion en la fecha de determinacion aplicable.

(b) Se considerara que cualquier referencia a (i) cualquier contrato, convenio o instrumento incluye la referencia a dicho contrato, convenio o instrumento segun el mismo sea modificado ya sea total o parcialmente o de cualquier otra forma reformado de

tiempo en tiempo, y (ii) cualquier ley o reglamento incluye las reformas a los mismos de tiempo en tiempo o a cualquier ley o reglamento que los sustituya.

1.04. Calculos de Periodos de Tiempo. En este Contrato, para calcular un periodo de tiempo de una fecha especifica a una fecha posterior especifica, la palabra "desde" significa "desde e incluyendo" y las palabras "a" y "hasta" significan "hasta pero excluyendo".

SEGUNDA

MONTO Y TERMINOS DE LA DISPOSICION; PAGO DEL CREDITO

2.01. Disposicion. Las partes convienen en que la Acreditada podra disponer del monto total del Credito en la Fecha de Disposicion, de conformidad con los terminos y sujeto a las condiciones previstas en el presente Contrato; en el entendido de que la suma principal de la Disposicion no incluire cantidad alguna de intereses, comisiones, ni otras sumas pagaderas (excepto principal) por la Acreditada al Banco conforme a este Contrato y/o el Pagare.

2.02. Forma de Hacer la Disposicion. (a) Cuando la Acreditada desee efectuar la Disposicion en terminos del presente, debera dar aviso por escrito al Banco con por lo menos 24 (veinticuatro) horas antes de la fecha propuesta para la Disposicion, en el entendido de que dicho aviso se considerara recibido en determinado dia unicamente si es entregado antes de las 11:00 A.M. (hora de la Ciudad de Mexico) de ese mismo dia. Dicho aviso (el "AVISO DE DISPOSICION") sera irrevocable y debera elaborarse por la Acreditada sustancialmente en la forma del Anexo "C", completado adecuadamente a efecto de especificar la Fecha de Disposicion propuesta (la cual debera ser un Dia Habil).

(b) El Banco pondra el monto total del Credito a disposicion de la Acreditada mediante deposito en la cuenta de cheques numero 8700544843 CLABE: 002180087005448430 que la Acreditada tiene en la sucursal 870 de Banco Nacional de Mexico, S.A., Integrante del Grupo Financiero Banamex, precisamente en la Fecha de Disposicion, sujeto a (i) que todas las condiciones suspensivas que se establecen en la Clausula 3.01 del presente Contrato hayan sido debida y oportunamente cumplidas y satisfechas; y (ii) la entrega al Banco del Pagare negociable suscrito por la Acreditada en forma sustancialmente igual a la del Anexo "A", a la orden del Banco, y por el monto principal del Credito, y (y) cualquier otro documento que el Banco, con anterioridad a la Fecha de Disposicion, hubiere solicitado por escrito a la Acreditada. La Acreditada conviene y reconoce que la suscripcion del Pagare no es y no debera ser considerada como pago del Credito.

2.03. Pago del Credito. Amortizacion del Monto Principal del Credito. La Acreditada restituira al Banco la totalidad de la suma principal del Credito precisamente el Dia Habil siguiente al quinto aniversario de la Fecha de Disposicion.

2.04. Amortizacion Anticipada Voluntaria.

(a) La Acreditada podra pagar anticipadamente total o parcialmente el saldo insoluto del Credito, siempre y cuando cumpla con lo aqui previsto, a menos que el Banco renuncie por escrito al cumplimiento de una o varias de las condiciones y, ademas,

cumpla con lo siguiente: (i) la Acreditada deba notificar irrevocablemente al Banco por escrito su intencion de pagar anticipadamente todo o parte del saldo insoluto del Credito, con por lo menos 5 (cinco) Dias Habiles de anticipacion a la fecha en que vaya a realizar el pago anticipado; (ii) todo pago anticipado sera de cuando menos \$50,000,000.00 (cincuenta millones de Pesos), en el entendido de que dicho pago anticipado siempre deba ser en multiples de \$10,000,000.00 (diez millones de Pesos); (iii) conjuntamente con dicho pago anticipado, la Acreditada deba pagar al Banco el monto de la Comision por Pago Anticipado, en su caso; (iv) conjuntamente con el pago anticipado, la Acreditada deba pagar los intereses ordinarios vigentes, generados y no pagados en relacion con el importe del pago anticipado; (v) la Acreditada no podra volver a disponer de las cantidades pagadas anticipadamente; y (vi) el o los pagos anticipados seran aplicados en el orden establecido en la Clausula 2.08 (b) del presente Contrato.

(b) Sin perjuicio de las demas estipulaciones aplicables a pagos anticipados, en el supuesto de que la Acreditada realice un pago anticipado, total o parcial, del saldo insoluto del Credito, la Acreditada estara obligada a rembolsar al Banco, en la misma fecha en que tenga lugar el pago anticipado (la "FECHA DE PAGO ANTICIPADO"), cualquier perdida o costo incurrido o en el que hipoteticamente pudiera haber incurrido el Banco que se derive del pago anticipado del Credito (la "COMISION POR PAGO ANTICIPADO").

(c) En todo caso, la Comision por Pago Anticipado la determinara en forma concluyente el Agente de Calculo conforme a cualquiera de los metodos que a continuacion se indican, en el orden en que aparecen:

Primero. La Comision por Pago Anticipado se determinara con base en el precio de cotizacion de la operacion correspondiente, en su caso, vigente en la Fecha de Pago Anticipado, que el Banco determine, con base en metodos o modelos de valuacion de Operaciones Derivadas en el Mercado que, a la fecha de la determinacion de la Comision por Pago Anticipado y en el desarrollo ordinario de sus operaciones, utilice el Banco, de conformidad con las disposiciones aplicables, las practicas financieras y las reglas de caracter general y particular del Banco de Mexico (la "DETERMINACION POR METODOLOGIA DE VALUACION"). Para hacer la Determinacion por Metodologia de Valuacion, el Banco deba seguir los siguientes principios:

(i) La metodologia aplicable deba reconocer informacion relevante del mercado de que se trate, incluyendo, entre otros, tasas de interes, precios de mercado de determinados valores, rendimientos, curvas de rendimiento, volatilidades, diferenciales o margenes, o correlaciones: (x) proporcionada por uno o mas terceros, incluyendo proveedores de precios, otros intermediarios financieros, sin limitacion, o (y) obtenidas de fuentes internas (incluyendo cualquier sociedad relacionada del Banco), siempre que las mismas sean iguales a las utilizadas por el Banco en el curso ordinario de sus operaciones. En todo caso, la citada informacion deba corresponder a la fecha de la determinacion de la Comision por Pago Anticipado;

(ii) La metodologia podra incorporar el costo de fondeo del Banco, siempre que el mismo no haya sido previamente incluido en la informacion previamente utilizada en la referida metodologia.

(iii) La metodología podrá comprender la utilización de diferentes métodos de valuación de Operaciones Derivadas en el Mercado, en función del tipo, complejidad, tamaño o número de las mismas.

(iv) Para efectos de todo lo anterior, el Banco, como Agente de Cálculo, mediante certificado que expida a la Acreditada, señalará, además de la Comisión por Pago Anticipado, que deberá cubrir la Acreditada, el procedimiento utilizado para su determinación.

Segundo. En caso de que la Acreditada objete por escrito y en forma razonada y fundada el certificado que expida el Agente de Cálculo en los términos anteriores dentro de los dos (2) Días Hábiles siguientes a que el Agente de Cálculo lo expida y lo entregue a la Acreditada, el Banco determinará en forma concluyente quienes deben actuar como Agentes de Cálculo Sustitutos y les pedirá una cotización, siguiendo los mismos principios que para la Determinación de la Metodología por Valuación, y el promedio de la Comisión por Pago Anticipado que determinen los Agentes de Cálculo Sustitutos será la Comisión por Pago Anticipado que se aplicará para efectos del presente Contrato, la cual será obligatoria para las partes del presente Contrato.

(d) Si la Acreditada objetara de cualquier forma la determinación del Agente de Cálculo y de los Agentes de Cálculo Sustitutos o no hiciera el pago de la Comisión por Pago Anticipado junto con el pago anticipado del Crédito, el Banco tendrá derecho a rehusar el pago anticipado del Crédito y la Acreditada perderá el derecho a realizar pagos por anticipo del Crédito.

(e) El mismo procedimiento de que trata esta Clausula se aplicará para el caso de que los pagos anticipados sean resultado del vencimiento anticipado del Crédito por una o varias de las Causas de Incumplimiento.

(f) En caso de que como resultado del cálculo de la Comisión de Pago Anticipado, resulte una cantidad positiva a favor de la Acreditada, el Banco la reembolsará a la Acreditada dentro de los 5 (cinco) Días Hábiles siguientes a que el Banco reciba efectivamente el pago anticipado, en el entendido, sin embargo, que: (x) la Acreditada no podrá compensar o retener cantidad alguna del pago anticipado por concepto de la Comisión por Pago Anticipado que, en su caso, resulte a su favor; y (y) la Acreditada no tendrá derecho a recibir, en su caso, la Comisión por Pago Anticipado, en caso de que el pago anticipado sea resultado del vencimiento anticipado del Crédito por una o varias de las Causas de Incumplimiento.

(g) La Acreditada deberá pagar al Banco, además de la Comisión por Pago Anticipado, en la misma fecha en que haga el pago de esta, las cantidades que resulten a su cargo, en su caso, en los términos de la Clausula 2.10 del Contrato.

(h) En caso de Amortización Anticipada Voluntaria parcial conforme a lo previsto en esta clausula, la Acreditada deberá suscribir y entregar al Banco nuevos Pagares, que sustituyan a los Pagares que estén en posesión del Banco en ese momento, que reflejen las cantidades prepagadas en dicha fecha. Contra la entrega de los nuevos Pagares al Banco,

el Banco devolvera a la Acreditada los Pagares que esten en ese momento en su posesion, debidamente cancelados.

(i) En caso de que, no obstante el pago anticipado del Credito conforme a lo previsto en la presente Clausula, la Acreditada tenga interes en continuar con la misma exposicion o perfil de tasa de interes, las partes utilizaran la misma metodologia de valuacion para celebrar, en su caso, la operacion que corresponda en terminos y condiciones aceptables para ambas partes.

2.05. Intereses Ordinarios. (a) La Acreditada pagara al Banco, sin necesidad de previo requerimiento, intereses ordinarios sobre la suma principal insoluta del Credito, durante cada Periodo de Intereses, desde la Fecha de Disposicion hasta la fecha en que el monto principal insoluto del Credito sea pagado en su totalidad, pagaderos en cada Fecha de Pago de Intereses, a una tasa de interes anual igual a la Tasa Ordinaria.

2.06. Intereses Moratorios. La suma principal vencida y no pagada de cualquier abono del Credito, causara intereses desde el dia siguiente al de su vencimiento hasta el de su pago total, a una tasa de interes anual igual en todo momento durante cada dia en que permanezca insoluta dicha cantidad al resultado de sumar 200 (doscientos) puntos base a la Tasa Ordinaria.

2.07. Calculo de Intereses. Los intereses conforme a este Contrato y los Pagares, se calcularan sobre la base de un ano de 360 (trescientos sesenta) dias y el numero de dias que efectivamente transcurran, incluyendo el primero pero excluyendo el ultimo de dichos dias.

2.08. Pagos. (a) Todos los pagos que deba hacer la Acreditada al Banco conforme a este Contrato y los Pagares, se haran al Banco a mas tardar a las 14:00 horas (hora de Mexico, Distrito Federal) en la fecha en que deban hacerse, mediante cargo automatico que realice el Banco a la siguiente cuenta de la Acreditada aperturada con el Banco: 00219827016, CLABE: 002180002198270163 o en cualquier otro lugar o forma que oportunamente informe el Banco a la Acreditada por escrito. La Acreditada en este acto instruye, faculta y autoriza irrevocablemente al Banco para que cargue contra la cuenta de la Acreditada referida anteriormente todos los pagos que deba hacer la Acreditada al Banco conforme a este Contrato y los Pagares.

(b) Cualesquiera pagos efectuados por la Acreditada al Banco en relacion con el presente Contrato seran aplicados en el siguiente orden: (i) para el pago de cualesquiera Impuestos causados, (ii) para el pago de cualesquiera gastos y comisiones generados, (iii) para el pago de cualesquiera intereses moratorios adeudados, (iv) para el pago de cualesquiera intereses ordinarios adeudados, y (v) para el pago de cualesquiera montos de principal pendientes de pago.

2.09. Pagos y Periodos de Intereses que Venzan en Dias Inhabiles. Si cualquier pago debido conforme a este Contrato y/o los Pagares debiera hacerse en cualquier dia que no fuere un Dia Habil, dicho pago se hara en el Dia Habil inmediato anterior.

2.10. Impuestos. (a) La Acreditada pagara al Banco todas las sumas de principal, intereses y otras sumas pagaderas conforme al presente Contrato y los Pagares, libres, exentas y sin deduccion por concepto o a cuenta, de cualquier Impuesto que grave dichas cantidades en la actualidad o en lo futuro, pagadero en cualquier jurisdiccion. Si en cualquier ocasion cualquier autoridad de cualquier jurisdiccion con derecho a ello impone, carga o cobra cualquier impuesto, derecho, contribucion, tributo, retencion, deduccion, carga, Gravamen u otra responsabilidad fiscal junto con intereses, recargos, sanciones, multas o cargos derivados de los mismos ("IMPUESTOS"), sobre o respecto a este Contrato o los Pagares, o a cualquier pago que deba hacerse conforme a los mismos, la Acreditada pagara a la autoridad fiscal correspondiente, por cuenta del Banco, el monto de cualquiera de dichos Impuestos, y pagara al Banco las cantidades adicionales que se requieran para asegurar que el Banco reciba la cantidad integra que hubiera recibido si no se hubiesen pagado o retenido dichos Impuestos, y entregara al Banco los recibos originales u otras constancias satisfactorias para el Banco, del pago de cualquier Impuesto, dentro de los 30 (treinta) dias siguientes a la fecha en que dicho Impuesto sea exigible y pagadero, conforme a las disposiciones legales aplicables; todo lo anterior, salvo que cualesquiera de dichos Impuestos deriven de la negligencia grave, dolo o mala fe del Banco.

(b) El Banco notificara de inmediato a la Acreditada de cualquier requerimiento, notificacion, demanda de pago o cualquier otro aviso que reciba el Banco de cualquier autoridad con respecto a los Impuestos, para que la Acreditada atienda con prontitud dicho requerimiento, notificacion demanda o aviso, pague dicho Impuesto y mantenga al Banco en paz y a salvo con respecto a dicho requerimiento, notificacion, demanda de pago o aviso, en el entendido de que, en tal caso, el Banco entregara a la Acreditada cualquier documento que el Banco posea o copia del mismo, que la Acreditada requiera con respecto de cualquier procedimiento relativo a dicho requerimiento, notificacion, demanda de pago o aviso.

(c) Las obligaciones de la Acreditada conforme a esta Clausula 2.10 subsistiran a todas las demas obligaciones de la Acreditada conforme al presente Contrato y los Pagares.

2.11. Comision por Apertura. La Acreditada debera pagar al Banco una comision por apertura de credito equivalente al 0.125% (cero punto ciento veinticinco por ciento) del monto del Credito, la cual sera pagada en la Fecha de Disposicion, para lo cual, la Acreditada en este acto autoriza expresa e irrevocablemente al Banco a deducir el monto de dicha comision del monto de la Disposicion en la Fecha de Disposicion.

TERCERA CONDICIONES PARA LA DISPOSICION

3.01. Condiciones Previas a la Disposicion. La obligacion del Banco de realizar la Disposicion estara sujeta a la condicion de que el Banco haya recibido, en las fechas que a continuacion se indican, los siguientes documentos y que, en o con anterioridad a la Fecha de Disposicion, se hayan cumplido y satisfecho las siguientes condiciones suspensivas, en forma y fondo aceptables para el Banco y sus asesores legales:

- (a) El Banco debiera haber recibido un tanto original del presente Contrato, debidamente firmado por la Acreditada;
- (b) El Banco debiera haber recibido una copia certificada de las escrituras publicas (con datos de registro) que contengan el acta constitutiva de la Acreditada en la Fecha de Disposicion, y una copia de la escritura publica (sin datos de registro) que contenga los estatutos sociales vigentes a la fecha de este Contrato dentro de los 3 (tres) Dias Habiles siguientes a la Fecha de Disposicion;
- (c) El Banco debiera haber recibido en la Fecha de Disposicion (i) una certificacion del Secretario del Consejo de Administracion de la Acreditada que incluya el extracto de las resoluciones del Consejo de Administracion de la Acreditada de fecha 28 de abril de 2004, en donde consten las autorizaciones y facultades de la Acreditada para suscribir el presente Contrato y el Pagare y para cumplir con las obligaciones establecidas en los mismos; y (ii) una copia certificada de las escrituras publicas (sin datos de registro) que acrediten la personalidad y facultades de las personas que suscriban en nombre y representacion de la Acreditada el presente Contrato y los Pagares, asi como los demas documentos que deban suscribirse conforme a los mismos, las cuales deberan ser entregadas en la Fecha de Disposicion;
- (d) El Banco debiera haber recibido un certificado emitido por un funcionario autorizado de la Acreditada certificando que los funcionarios de la Acreditada cuyas firmas autografas aparezcan en el mismo estan autorizados para suscribir este Contrato y los Pagares, asi como los demas documentos y certificaciones que la Acreditada debiera suscribir y entregar conforme al presente Contrato, el cual debiera ser entregado al Banco en la Fecha de Disposicion. El Banco podra basarse en dicho certificado hasta en tanto reciba otro certificado emitido por un funcionario autorizado de la Acreditada cancelando o modificando el certificado anterior y sometiendo las firmas autografas de los funcionarios designados en dicho otro certificado;
- (e) Que las declaraciones de la Acreditada contenidas en el presente Contrato, sean ciertas, completas y correctas en todos sus aspectos en y a la Fecha de Disposicion como si dichas declaraciones hubieren sido realizadas en la Fecha de Disposicion;
- (f) Que en o antes de la Fecha de Disposicion, no haya ocurrido o subsista alguna Causa de Incumplimiento o evento que mediante notificacion o con el transcurso del tiempo, o ambos, constituiria una Causa de Incumplimiento;
- (g) Que el Banco haya recibido, antes de la Fecha de Disposicion, el Pagare suscrito por la Acreditada a la orden del Banco, documentando el Credito;
- (h) Que no haya ocurrido o subsista cualquier evento o condicion en o antes de la Fecha de Disposicion que, segun lo determine el Banco de buena fe, tenga o pueda tener un efecto adverso de importancia en los negocios, activos, responsabilidades o condicion (financiera o de cualquier otra naturaleza) de la Acreditada que pueda afectar el resultado de las operaciones o proyectos de la Acreditada, o la capacidad de la Acreditada para pagar sus obligaciones conforme al presente Contrato y los Pagares;

(i) El Banco debera haber recibido de la Acreditada el pago de todos y cada uno de las comisiones, honorarios, gastos y demas costos del Banco, asi como los honorarios y gastos de sus asesores legales a mas tardar dentro de los 10 (diez) dias naturales siguientes a la Fecha de Disposicion; en el entendido, sin embargo, de que la comision por apertura prevista en la Clausula 2.11 debera ser pagada por la Acreditada al Banco en la Fecha de Disposicion; y

(j) El Banco debera haber recibido cualesquier otros documentos, autorizaciones u opiniones que requiera a su entera discrecion.

CUARTA OBLIGACIONES DE HACER Y DE NO HACER

4.01. Obligaciones de Hacer de la Acreditada. Mientras cualquier Pagare permanezca insoluto en todo o en parte, y mientras la Acreditada tenga cualquier obligacion conforme a este Contrato, a menos que el Banco consienta por escrito en lo contrario, la Acreditada se obliga a:

(a) Cumplimiento de Leyes. Cumplir, y hacer que cada una de sus Subsidiarias Restringidas cumplan, en todos los aspectos de importancia, con todas las leyes, reglas, reglamentos y ordenes aplicables (incluyendo Leyes Ambientales), incluyendo, sin limitacion, el pago a su vencimiento de todos los Impuestos a cargo de la Acreditada o dichas Subsidiarias Restringidas o que se generen sobre sus respectivos bienes, excepto, (i) respecto a dichas leyes, reglas, reglamentos y ordenes aplicables (incluyendo Leyes Ambientales), en la medida en que el incumplimiento de las mismas no pueda tener, en lo individual o de manera conjunta, un efecto adverso y de importancia en los negocios, operaciones o propiedades de la Acreditada o de sus Subsidiarias Restringidas; y

(i) respecto de dichos Impuestos, en la medida en que sean impugnados de buena fe mediante procedimientos apropiados, iniciados y conducidos oportuna y diligentemente, y para los cuales la Acreditada o la Subsidiaria Restringida correspondiente, segun sea el caso, establezca reservas adecuadas de conformidad con los PCGA.

(b) Personalidad Juridica y Conduccion de Negocios. La Acreditada continuara dedicandose al mismo tipo de actividades y negocios a los que actualmente se dedica, y conservara y mantendra, y hara que cada una de sus Subsidiarias Restringidas conserve y mantenga, su existencia legal, derechos, (ya sean estatutarios o legales), licencias, autorizaciones, permisos, avisos, registros y franquicias que sean considerados relevantes para sus negocios; en el entendido que ni la Acreditada, ni sus Subsidiarias Restringidas estaran obligadas a mantener su existencia legal en relacion con una fusion o consolidacion realizada de conformidad con lo establecido en la Clausula 4.02

(a); y en el entendido, ademas, que ni la Acreditada, ni sus Subsidiarias Restringidas estaran obligadas a conservar cualquier derecho o franquicia si la Acreditada o cualquiera de dichas Subsidiarias Restringidas a su juicio, de buena fe, determinan que la conservacion de estas no tiene ningun beneficio para la Acreditada o para cualquiera de sus Subsidiarias Restringidas, segun sea el caso, y que de la perdida de dicho derecho o franquicia no pueda esperarse que tenga una consecuencia adversa.

(c) Requisitos de Informar. Proporcionar al Banco:

(i) tan pronto como esten disponibles, pero en todo caso dentro de los 180 (ciento ochenta) dias siguientes al cierre de cada ejercicio social, una copia de sus estados financieros auditados consolidados correspondientes a dicho ejercicio social, que incluyan el balance general, los estados de resultados, individuales y consolidados, de cambios en la situacion financiera y de variaciones en el capital contable para dicho ejercicio social, de acuerdo con PCGA.

(ii) Tan pronto como esten disponibles, pero en todo caso dentro de los 90 (noventa) dias siguientes al cierre de cada trimestre de cada ejercicio social (excluyendo el cuarto trimestre calendario), su balance al final de dicho trimestre, y estados de resultados por dicho trimestre y por el periodo iniciado al final del ejercicio social anterior y terminado al cierre de dicho trimestre, en su caso consolidados de acuerdo con PCGA, certificados por un Vicepresidente Ejecutivo, el Vicepresidente de Administracion y Finanzas, el Vicepresidente de Contraloria, el Vicepresidente de Administracion Corporativa o el Vicepresidente de Financiamiento Corporativo de la Acreditada;

(iii) Tan pronto como sea posible pero en todo caso dentro de los 5 (cinco) Dias Habiles siguientes a la fecha en que la Acreditada tenga o deba tener conocimiento de la existencia de cualquier Causa de Incumplimiento o evento que mediante aviso o por el transcurso de tiempo o ambos constituiria una Causa de Incumplimiento, una constancia firmada por un Vicepresidente Ejecutivo, el Vicepresidente de Administracion y Finanzas, el Vicepresidente de Contraloria, el Vicepresidente de Financiamiento Corporativo, el Vicepresidente de Administracion Corporativa o un Vicepresidente Juridico de la Acreditada indicando los detalles de dicha Causa de Incumplimiento o evento, y las medidas que se han tomado o que se proponen tomar al respecto;

(iv) Tan pronto como se inicie, pero en todo caso dentro de los 5 (cinco) Dias Habiles siguientes al emplazamiento o notificacion de cualquier accion, demanda o procedimiento administrativo, arbitral o judicial en la que la Acreditada o cualquiera de sus Subsidiarias Restringidas sea parte y que pueda tener, en lo individual o de manera conjunta, un efecto adverso y de importancia en los negocios, operaciones o propiedades de la Acreditada o de sus Subsidiarias Restringidas, una notificacion firmada por algun funcionario autorizado de la Acreditada describiendo la naturaleza de dicha accion, demanda o procedimiento y las medidas que se han tomado o que se proponen tomar al respecto;

(v) Tan pronto como este disponible, pero en todo caso dentro de los 15 (quince) Dias Habiles siguientes a la fecha de firma del presente Contrato, una copia certificada de la escritura publica que contenga las resoluciones del Consejo de Administracion de la Acreditada de fecha 28 de abril de 2004, en donde consten las autorizaciones y facultades de la Acreditada

para suscribir el presente Contrato y el Pagare y para cumplir con las obligaciones establecidas en los mismos; y

(vi) Cualquier otra informacion relativa a la situacion financiera u operaciones o de cualquier otra naturaleza de la Acreditada y/o de cualquiera de sus Subsidiarias Restringidas, que sea solicitada razonablemente en cualquier momento por el Banco.

(d) Seguros. Obtener y mantener vigentes y hacer que cada una de sus Subsidiarias Restringidas obtengan y mantengan vigentes, seguros adecuados en relacion con sus activos, cubriendo los riesgos y hasta por los importes que se requieran conforme a procedimientos administrativos adecuados, considerando la naturaleza de los negocios de la Acreditada y de sus Subsidiarias Restringidas y la ubicacion de los activos asegurados.

(e) Contabilidad. Mantener y hacer que cada una de sus Subsidiarias Restringidas mantenga libros y registros de contabilidad en forma tal que reflejen fielmente su posicion financiera y los resultados de sus operaciones, de acuerdo con los PCGA.

(f) Derechos de Inspeccion. A solicitud del Banco (a traves del ejecutivo de relacion correspondiente) con por lo menos 7 (siete) dias de anticipacion, permitir que los representantes designados por escrito por el Banco inspeccionen los registros contables y/o propiedades de la Acreditada y de cualquiera de sus Subsidiarias Restringidas durante dias y horas habiles.

(g) Impuestos. Pagar y hacer que cada una de sus Subsidiarias Restringidas paguen, antes de incurrir en mora, (i) todos los impuestos, contribuciones, derechos y cargas gubernamentales que les sean determinados, impuestos o exigidos, y (ii) todas las reclamaciones que sean hechas conforme a derecho, cuya falta de pago, por ministerio de ley o por cualquier otro motivo, resulte en un Gravamen sobre los bienes de la Acreditada o de sus Subsidiarias Restringidas, salvo que de la falta de pago no pueda esperarse razonablemente un efecto adverso importante sobre la condicion financiera o las operaciones de la Acreditada o de sus Subsidiarias Restringidas; en el entendido, sin embargo, que ni la Acreditada ni sus Subsidiarias Restringidas estaran obligadas a pagar o hacer que sean pagados cualesquier impuestos, cargas o reclamaciones que sean impugnadas de buena fe y mediante procedimientos apropiados, y respecto de las cuales se mantengan reservas adecuadas.

(h) Cumplimiento de Obligaciones. Cumplir y pagar, y hacer que cada una de sus Subsidiarias Restringidas cumplan y paguen con todas sus obligaciones en terminos de cada contrato, hipoteca, garantia y demas instrumentos de deuda por los cuales estuvieran obligadas, con excepcion de aquellas obligaciones (i) cuyo monto o validez este siendo impugnado de buena fe por medio de procedimientos apropiados y para los cuales se han establecido las reservas adecuadas conforme a la legislacion aplicable, y (ii) cuya falta de pago pendiente por dicha impugnacion no pudiera esperarse, de manera razonable, que tendra un efecto adverso importante en los negocios, activos, responsabilidades, condicion (financiera o de cualquier otra naturaleza), licencias, operacion o proyectos de la Acreditada o de cualquiera de sus Subsidiarias Restringidas o en la capacidad de la

Acreditada de pagar el Credito o cumplir con las obligaciones que le derivan de este Contrato y/o los Pagares.

(i) Destino de los Fondos. Destinar los recursos del Credito para los fines que se contemplan en la Declaracion I (q).

(j) Prelacion. Asegurarse y hacer todo lo necesario a fin de que las obligaciones de la Acreditada bajo el presente Contrato y los Pagares (i) constituyan en todo momento deuda incondicional e insubordinada de la Acreditada; y (ii) tengan por lo menos la misma prelacion de pago respecto de cualquiera otra deuda quirografaria e insubordinada, presente o futura, de la Acreditada.

(k) Indice de Endeudamiento. Mantener en todo momento durante la vigencia de este Contrato, un Indice de Endeudamiento no mayor de 4.00 (cuatro punto dos ceros) a 1.00 (uno punto dos ceros).

(l) Indice de Cobertura de Intereses. Mantener en todo momento durante la vigencia de este Contrato, un Indice de Cobertura de Intereses no menor de 2.50 (dos punto cincuenta) a 1 (uno).

(m) Capital Contable Consolidado Minimo. Mantener, al final de cada trimestre de la Acreditada, un Capital Contable Consolidado no menor al 75% (setenta y cinco por ciento) del Capital Contable Consolidado al 31 de diciembre de 2000, cuyo importe debera ser ajustado para reconocer los efectos inflacionarios desde el 31 de diciembre de 2000 a la fecha en que se realice el calculo correspondiente, de conformidad con el Indice Nacional de Precios al Consumidor (o cualquier indice que lo sustituya) publicado por el Banco de Mexico).

4.02. Obligaciones de No Hacer de la Acreditada. Mientras cualquier Pagare permanezca insoluto en todo o en parte, y mientras la Acreditada tenga cualquier obligacion conforme a este Contrato, a menos que el Banco consienta por escrito en lo contrario, la Acreditada se obliga a:

(a) Fusion, Escision, Etc. No fusionarse, consolidarse, escindirse, liquidarse o disolverse (o permitir su liquidacion o disolucion), o permitir que sus Subsidiarias Restringidas se fusionen, consoliden, escindan, liquiden o disuelvan (o que sus Subsidiarias Restringidas permitan su liquidacion o disolucion), excepto que: (i) cualquier Subsidiaria de la Acreditada se podra fusionar o consolidar en o con (A) la Acreditada, en la medida en que la Acreditada sea la sociedad fusionante o sobreviviente, o (B) cualquier otra Subsidiaria de la Acreditada (incluyendo cualquier Persona que se convierta en Subsidiaria de la Acreditada como resultado de dicha fusion o consolidacion);

(ii) la Acreditada o cualquiera de sus Subsidiarias Restringidas se podra fusionar o consolidar con cualquier otra Persona siempre y cuando (A) en el caso de una fusion o consolidacion de la Acreditada o una Subsidiaria Restringida, la Acreditada o dicha Subsidiaria Restringida debera ser la sociedad fusionante o sobreviviente, y (B) no debera existir y subsistir ninguna Causa de Incumplimiento o algun evento o condicion que, mediante aviso o por el transcurso del tiempo o ambos, pudiera constituir una Causa de Incumplimiento despues de dar efecto a dicha fusion o consolidacion; (iii) cualquier Subsidiaria Restringida se podra fusionar o consolidar con cualquier Persona mediante

una adecuada contraprestación a la Acreditada y sus Subsidiarias Restringidas consistente en una o más Inversiones o cantidades de efectivo permitidas por el inciso (f) de esta Clausula 4.02.

(b) Cambios en la Naturaleza de los Negocios. No hacer o permitir que la Acreditada y sus Subsidiarias Restringidas cambien de manera importante el giro o naturaleza de sus Negocios Principales.

(c) Venta de Activos Fijos. No vender, arrendar, ceder, transferir, o de cualquier otra manera disponer, o permitir que sus Subsidiarias Restringidas vendan, den en arrendamiento, cedan, transfieran, o de cualquier otra manera dispongan, en una operación o serie de operaciones (sin limitar lo previsto en el inciso (a) de esta Clausula 4.02), cualquiera de sus respectivos bienes o activos, ya sea presentes o futuros (incluyendo sin limitación, cuentas por cobrar y derechos de arrendamiento), excepto por ventas, arrendamientos, cesiones, transmisiones o disposiciones (i) realizadas dentro del curso ordinario de negocios de la Acreditada o dicha Subsidiaria Restringida; (ii) realizadas vía dividendos u otras distribuciones respecto del Capital Social de la Acreditada o cualquiera de sus Subsidiarias Restringidas, los cuales se encuentren permitidos conforme a lo previsto en el inciso (e) de esta Clausula 4.02; (iii) realizadas vía Inversiones permitidas conforme a lo previsto en el inciso (f) de esta Clausula 4.02; y (iv) respecto de cualquier otro bien o activo, siempre y cuando el valor de mercado de todos aquellos otros bienes o activos arrendados, cedidos, transferidos, o de cualquier otra manera transmitidos por la Acreditada y sus Subsidiarias Restringidas durante el ejercicio social en el cual dicha venta, arrendamiento, cesión, transferencia o transmisión ocurrió, no exceda del 5% (cinco por ciento) de la totalidad de los bienes y activos consolidados de la Acreditada y sus Subsidiarias Restringidas, según lo previsto en el balance general de la Acreditada para el periodo concluido al 31 de diciembre del ejercicio social inmediato anterior. No obstante lo previsto en este inciso (c), cualquier Subsidiaria de la Acreditada podrá vender, ceder, transferir o de cualquier otra manera disponer de todos o cualquier parte de sus bienes y activos (ante una liquidación voluntaria o por cualquier otro motivo) en favor de la Acreditada o cualquier Subsidiaria Restringida de la Acreditada (incluyendo cualquier persona que se convierta en una Subsidiaria Restringida en virtud de dicha venta, cesión, transferencia o disposición).

(d) Gravámenes. No crear, constituir o permitir la existencia de cualquier Gravamen de cualquier naturaleza sobre cualquiera de sus propiedades o activos, ya sea presentes o futuros, o los de sus Subsidiarias Restringidas, excepto por:

(i) Gravámenes sobre bienes o activos de la Acreditada o de sus Subsidiarias Restringidas, creados o constituidos en favor del Banco;

(ii) Gravámenes sobre bienes o activos de una Subsidiaria Restringida, creados o constituidos por dicha Subsidiaria Restringida en favor de la Acreditada o de una Subsidiaria Restringida totalmente propiedad de la Acreditada, a efecto de garantizar Adeudos en favor de la Acreditada o de dicha Subsidiaria Restringida;

(iii) otros Gravámenes; en el entendido de que el monto principal insoluto del Adeudo garantizado por Gravámenes creados o constituidos conforme a este sub-inciso (iii), determinado en la fecha en que se incurrió dicho Adeudo, no podrá exceder, de

manera conjunta (en la fecha en que dicho Gravamen fue creado), 15% (quince por ciento) de los Activos Tangibles Ajustados Consolidados de la Acreditada y sus Subsidiarias Restringidas en dicha fecha;

(iv) Gravámenes Permitidos; o

(v) Gravámenes sobre bienes o activos de la Acreditada que garanticen el cumplimiento de obligaciones impuestas por ministerio de ley y obligaciones analogas, garantías procesales, fianzas procesales y fianzas de cumplimiento, en cada caso, asumidas, incurridas u otorgadas en el curso ordinario de negocios de la Acreditada o cualquiera de sus Subsidiarias Restringidas;

(vi) Gravámenes sobre los frutos derivados de bienes o activos que estén sujetos a algún Gravamen de los descritos en los sub-incisos (i) a (v) anteriores.

Para determinar los Activos Tangibles Ajustados Consolidados de la Acreditada y sus Subsidiarias Restringidas para los efectos del sub-inciso (iii) anterior,

(x) cada Subsidiaria Restringida, respecto de la cual mas del 15% (quince por ciento) de las acciones comunes representativas de su Capital Social coticen publicamente en un mercado de valores legitimo o en un sistema de cotizacion automatizado (un "mercado") por mas de 50 (cincuenta) dias, sera excluida del balance general consolidado de la Acreditada y sus Subsidiarias Restringidas y

(y) los Activos Tangibles Ajustados Consolidados de la Acreditada y sus Subsidiarias Restringidas (segun sean reducidos conforme al inciso (x) anterior) seran incrementados por un monto equivalente (i)(a) al precio de cierre promedio por accion de dichas acciones comunes en dicho mercado durante los 50 (cincuenta) dias de cotizacion anteriores a la constitucion de dicho Gravamen, multiplicado por (b) el numero de acciones comunes representativas del Capital Social de dicha Subsidiaria Restringida de la clase registrada en dicho mercado, de las cuales sea titular la Acreditada y sus Subsidiarias Restringidas en la fecha en que se constituyo dicho Gravamen, mas (ii) el valor en libros de cualesquier otras acciones representativas del Capital Social de dicha Subsidiaria Restringida de las cuales sea titular la Acreditada y sus Subsidiarias Restringidas en dicha fecha.

(e) Pagos Restringidos. Durante cualquier Periodo Restringido, la Acreditada no debera declarar o realizar, y no permitira que sus Subsidiarias Restringidas declaren o realicen, Pagos Restringidos por un monto total agregado por dicho Periodo Restringido y todos los demas Periodos Restringidos durante el periodo de tres trimestres fiscales consecutivos de la Acreditada terminados inmediatamente antes de dicho Periodo Restringido que exceda, lo que resulte mayor, de (i) 20% (veinte por ciento) de UAFIDA Consolidada por el periodo de los cuatro trimestres fiscales consecutivos terminados inmediatamente antes de dicho Periodo Restringido y (ii) EU\$30,000,000.00 (treinta millones de Dolares 00/100) o su equivalente en Pesos; en el entendido que el monto total agregado de Pagos Restringidos que podran ser declarados o realizados durante cualquier Periodo Restringido se incrementara por el monto de los Pagos Restringidos que pudieron haber sido realizados en Periodos Restringidos anteriores (incluyendo en virtud de esta disposicion) pero que no se hayan realizado. No obstante lo anterior, la Acreditada podra en cualquier caso (x) pagar o permitir que Subsidiarias Restringidas paguen dividendos que hayan sido declarados durante un periodo que no era un Periodo Restringido, (y) realizar Pagos Restringidos que no excedan el Producto de Efectivo Neto de Capital

Social menos el monto de dicho producto utilizado para realizar Inversiones permitidas bajo el inciso (f)(v) de esta Clausula 4.02 o Gastos de Capital permitidos conforme al segundo enunciado del inciso (i) de esta Clausula 4.02 y

(z) sujeto a lo previsto en el inciso (f)(vii) de esta Clausula 4.02, para (i) pagar un dividendo o realizar una distribucion (ya sea en efectivo, valores u otros bienes o activos) del Capital Social de una o mas Subsidiarias No Restringidas a los accionistas de la Acreditada, y, en relacion con el mismo,

(ii) pagar dividendos o realizar otras distribuciones de efectivo y/o bienes o activos a dichos accionistas por un monto total agregado de hasta EU\$600,000,000.00 (seiscientos millones de Dolares 00/100) o su equivalente en Pesos, menos el monto total agregado de cualesquiera Inversiones realizadas con anterioridad conforme a dicho inciso (f)(vii) de esta Clausula 4.02.

(f) Inversiones. No realizar Inversiones o permitir que sus Subsidiarias Restringidas realicen Inversiones, excepto por:

(i) Inversiones realizadas por la Acreditada y sus Subsidiarias Restringidas durante cualquier ejercicio social en una cantidad acumulada que no exceda el monto de EU\$25,000,000.00 (veinticinco millones de Dolares 00/100) o su equivalente en Pesos, comenzando a partir del ejercicio social del 2001, en el entendido que el monto de las Inversiones que podran ser realizadas en cualquier ejercicio social de conformidad con este inciso (f)(i) se incrementara en una cantidad equivalente al monto de las Inversiones que pudieron haber sido realizadas en ejercicios sociales anteriores de conformidad con este inciso (f)(i) (incluyendo en virtud de esta disposicion o cualquier reduccion neta en el monto de dichas Inversiones derivada de la aplicacion del ultimo enunciado del ultimo parrafo de este inciso (f)) pero que no se hayan efectuado; en el entendido, sin embargo, que, a partir del ejercicio social del 2004, la Acreditada no podra, en ningun caso, acumular el monto de Inversiones no realizadas por mas de 5 (cinco) anos consecutivos.

(ii) Inversiones Permitidas;

(iii) Inversiones en la Acreditada o en cualquier Subsidiaria Restringida;

(iv) Inversiones realizadas por la Acreditada y sus Subsidiarias Restringidas en una Co-Inversion o una Subsidiaria No Restringida si (A) la cantidad acumulada de dichas Inversiones realizadas durante cualquier periodo de cuatro trimestres fiscales consecutivos de la Acreditada no excede de una cantidad equivalente al 35% (treinta y cinco por ciento) de UAFIDA Consolidada por el periodo de los cuatro trimestres fiscales consecutivos terminados inmediatamente antes de dicha Inversion, (B) dicha Co-Inversion o Subsidiaria No Restringida se dedique a un Negocio Principal; y (C) inmediatamente antes de llevar a cabo cada una de dichas Inversiones y despues de dar efecto a las mismas, no exista o subsista una Causa de Incumplimiento o algun evento o condicion que, mediante aviso o por el transcurso del tiempo o ambos, pudiera constituir una Causa de Incumplimiento; en el

entendido de que el monto de las Inversiones que podran ser realizadas en cualquier periodo de conformidad con este inciso (f)(iv) se incrementara en una cantidad equivalente al monto de las Inversiones que pudieron haber sido realizadas en periodos anteriores de conformidad con este inciso

(f)(iv) (incluyendo en virtud de esta disposicion o cualquier reduccion neta en el monto de dichas Inversiones derivada de la aplicacion del ultimo enunciado del ultimo parrafo de este inciso (f)) pero que no se hayan efectuado; en el entendido, sin embargo, que, a partir del ejercicio social del 2004, la Acreditada no podra, en ningun caso, acumular el monto de Inversiones no realizadas por mas de 5 (cinco) anos consecutivos;

(v) Inversiones realizadas por la Acreditada y sus Subsidiarias Restringidas por un monto total agregado que no exceda el Producto Neto de Efectivo de Capital Social menos el monto de dicho producto utilizado para realizar Pagos Restringidos permitidos conforme al segundo enunciado del inciso (e) de esta Clausula 4.02 o Gastos de Capital permitidos conforme al segundo enunciado del inciso (i) de esta Clausula 4.02;

(vi) Inversiones de Negocios Adicionales; y

(vii) sin duplicacion de cualesquiera montos, en efectivo y/o bienes o activos, pagados como dividendos o distribuciones bajo el inciso (e), parrafo (z) de esta Clausula 4.02, Inversiones, en adiccion a las permitidas por el sub-inciso (iv) anterior, por un monto total agregado de hasta EU\$600,000,000 (seiscientos millones de Dolares 00/100) o su equivalente en Pesos (ya sea en efectivo o en bienes o activos), realizadas (x) en una o mas Subsidiarias No Restringidas en anticipacion de (I) una o mas escisiones de dichas Subsidiarias No Restringidas o Subsidiarias y/o (II) la inversion de dichas Subsidiarias No Restringidas o Subsidiarias en el Capital Social de cualquier otra Persona y/o (y) por una o mas Subsidiarias Restringidas en el Capital Social de cualquier otra Persona; en el entendido que (A) dichas Inversiones se realicen con el proposito de invertir en uno o mas negocios existentes de la Acreditada y sus Subsidiarias a la fecha de firma del presente Contrato y (B) inmediatamente despues de que se efectue dicha escision u otra Inversion, no debera existir y continuar una Causa de Incumplimiento o algun evento o condicion que, mediante aviso o por el transcurso del tiempo o ambos, pudiera constituir una Causa de Incumplimiento y, de conformidad con la misma, la Acreditada debera designar ciertas Subsidiarias No Restringidas como Subsidiarias Restringidas, en la medida en que dicha designacion sea necesaria para mantener el cumplimiento de las disposiciones previstas en los incisos (k), (l) y (m) de la Clausula 4.01 del presente Contrato.

Para cumplir con las disposiciones previstas en el inciso (f) de la presente Clausula 4.02, en caso de que una Inversion cumpla con los criterios de mas de uno de los tipos de Inversiones descritas en los sub-incisos del inciso

(f) anterior, la Acreditada, a su entera discrecion, debera clasificar dicha Inversion y solamente tendra la obligacion de incluir el monto y tipo de dicha Inversion en uno de dichos sub-incisos. Cualquier Inversion realizada inicialmente de conformidad con cualquiera de los sub-incisos del inciso (f) anterior podra ser tratada en cualquier momento, y a la entera discrecion de la Acreditada, como una Inversion realizada de conformidad con un sub-inciso distinto, siempre y cuando el monto principal insoluto de dicha Inversion, en el momento de cualquier reclasificacion, pudiera haber sido realizada de conformidad con dicho otro sub-inciso. El monto de cualquier Inversion en cualquier momento sera considerado como equivalente al monto de dicha Inversion en la fecha que haya sido realizada, menos un monto equivalente a la reduccion neta en dicha Inversion derivada de pagos de intereses de Adeudos, dividendos, pagos de creditos o prestamos, u otras transferencias de activos, en cada caso, a la Acreditada o a cualquiera de sus Subsidiarias Restringidas, o por redesignaciones de Subsidiarias No Restringidas como Subsidiarias Restringidas (en cada caso, valuadas segun se establece en la definicion de "Inversiones"), que no excedan el monto de Inversiones previamente realizadas por la Acreditada o por cualquiera de sus Subsidiarias Restringidas, en dicha Persona.

(g) Operaciones con Afiliadas. No llevar a cabo o permitir que sus Subsidiarias Restringidas lleven a cabo cualquier operacion o serie de operaciones relacionadas con cualquiera de sus Afiliadas, salvo (i) en terminos y condiciones por lo menos igual de favorables para la Acreditada o dicha Subsidiaria Restringida que los que obtendria la Acreditada o dicha Subsidiaria Restringida en ese momento en una operacion comparable en terminos de mercado con una persona que no fuera una Afiliada o una parte relacionada; y (ii) operaciones entre la Acreditada y sus Subsidiarias Restringidas. Las limitaciones previstas en este inciso (g) no limitan, y no aplicaran a (A) una operacion o serie de operaciones relacionadas cuya contraprestacion no exceda de EU\$10,000,000.00 (diez millones de Dolares 00/100) o su equivalente en Pesos; (B) una operacion o serie de operaciones relacionadas solamente entre la Acreditada y cualquiera de sus Subsidiarias o Afiliadas controladas (excluyendo Subsidiarias o Afiliadas controladas en las cuales cualquier Accionista Existente sea propietario de Capital Social que represente mas del 5% (cinco por ciento) del valor economico o poder de voto de todo el Capital Social de dicha Subsidiaria o Afiliada controlada) o solamente entre Subsidiarias o Afiliadas controladas (excluyendo Subsidiarias o Afiliadas controladas en las cuales cualquier Accionista Existente sea propietario de Capital Social que represente mas del 5% (cinco por ciento) del valor economico o poder de voto de todo el Capital Social de dicha Subsidiaria o Afiliada controlada); (C) el pago de honorarios razonables y en terminos de mercado a directores o consejeros de la Acreditada o sus Subsidiarias Restringidas; (D) cualesquier pagos u otras operaciones conforme a cualquier convenio de solidaridad para el pago de impuestos entre la Acreditada y cualquier otra Persona con la cual la Acreditada presente una declaracion de impuestos consolidada o con la cual la Acreditada sea parte de un grupo consolidado para efectos fiscales; (E) cualesquier pagos u otras operaciones respecto a la distribucion de gastos generales y administrativos o la contratacion de seguros globales y de responsabilidad civil ampliada (umbrella insurance) o descuentos en servicios de publicidad en el curso ordinario de negocios y consistentes con practicas pasadas; (F) Prestamos Permitidos a Empleados para Compra

de Acciones; (G) otros prestamos o anticipos a empleados por un monto total insoluto que en ningun momento exceda la cantidad de EU\$25,000,000.00

(veinticinco millones de Dolares 00/100) o su equivalente en Pesos; o (H)

cualesquier Pagos Restringidos que no se encuentren prohibidos confirme al inciso (e) de la Clausula 4.02.

(h) Limite de Endeudamiento de las Subsidiarias Restringidas. No permitir, en ningun momento, que los Pasivos Totales de Subsidiarias Restringidas excedan la cantidad acumulada de EU\$200,000,000.00 (doscientos millones de Dolares 00/100) o su equivalente en Pesos.

(i) Gastos de Capital. Durante cualquier Periodo Restringido, la Acreditada no debera realizar, y no permitira que sus Subsidiarias Restringidas realicen, Gastos de Capital por un monto total agregado por dicho Periodo Restringido y todos los demas Periodos Restringidos durante el periodo de tres trimestres fiscales consecutivos de la Acreditada terminados inmediatamente antes de dicho Periodo Restringido que excedan EU\$200,000,000.00 (doscientos millones de Dolares 00/100) o su equivalente en Pesos; en el entendido que el monto total agregado de Gastos de Capital que podran ser declarados o realizados durante cualquier Periodo Restringido se incrementara por el monto de los Gastos de Capital que pudieron haber sido realizadas en Periodos Restringidos anteriores (incluyendo en virtud de esta disposicion) pero que no se hayan realizado. No obstante lo anterior, la Acreditada podra en cualquier caso realizar, o permitir que sus Subsidiarias Restringidas realicen, Gastos de Capital que no excedan el Producto de Efectivo Neto de Capital Social menos el monto de dicho producto utilizado para realizar Inversiones Permitidas bajo el inciso (f)(v) de esta Clausula 4.02 o Pagos Restringidos permitidos conforme al segundo enunciado del inciso (e) de esta Clausula 4.02.

(j) Obligaciones Contractuales que Restrinjan Distribuciones. A partir de la fecha del presente Contrato, la Acreditada no debera permitir que sus Subsidiarias Restringidas celebren, creen o asuman restriccion contractual alguna que limite la facultad de dichas Subsidiarias Restringidas de realizar Pagos Restringidos. La limitacion prevista en el presente inciso (j) no limitara restricciones contractuales (i) existentes a la fecha de firma del presente Contrato o bajo cualquier otro contrato que se encuentre en pleno vigor y efecto a la fecha de firma del presente Contrato, y cualesquier extensiones, refinanciamientos, renovaciones o reemplazos de los mismos o bajo algun otro contrato conforme al cual exista una restriccion permitida conforme al sub-inciso (ii) siguiente; en la inteligencia que la restricciones bajo cualesquiera de dichas extensiones, refinanciamientos, renovaciones o reemplazos no deberan ser menos favorables que aquellas restricciones que se encuentren en vigor en dicho momento y que esten siendo extendidas, refinanciadas, renovadas o reemplazadas; (ii) existentes respecto de cualquier Persona (incluyendo cualquier Persona que se convierta en una Subsidiaria Restringida) adquirida, o respecto de las propiedades o activos de dicha Persona adquiridos, por la Acreditada o cualquier Subsidiaria Restringida, existentes al momento de dicha adquisicion y no creadas en virtud de dicha adquisicion, cuyas cargas o restricciones no sean aplicables a cualesquiera otras Personas o a las propiedades o activos de cualesquiera otras Personas, distintas a la Persona adquirida o las propiedades o activos adquiridos de dicha Persona; (iii) que restrinjan, en terminos de mercado, la facultad de subarrendar, ceder o transmitir cualquier activo que sea un arrendamiento, licencia,

propiedad o contrato o activo similar; (iv) existentes en virtud de cualquier venta de, contrato de promesa de venta, opcion o derecho respecto de, o Gravamen sobre, cualquier propiedad o activo de la Acreditada o cualquier Subsidiaria Restringida que no se encuentre de cualquier otro forma prohibida por el presente Contrato; (v) que surjan o sean acordadas en el curso ordinario de negocios, no esten relacionadas con algun Adeudo y que resten, individual o conjuntamente, valor significativo a la propiedad o activo respectivo de la Acreditada o cualquier Subsidiaria Restringida; (vi) respecto de cualquier Subsidiaria Restringida de conformidad con cualquier contrato que haya sido celebrado para la venta o enajenacion de todo o una parte sustancial del Capital Social de, o de todos o una parte sustancial de las propiedades y activos de, dicha Subsidiaria Restringida, siempre y cuando dichas cargas o restricciones solamente se encuentren en vigor durante el plazo de tiempo transcurrido entre la fecha de firma de dicho contrato y la consumacion de dicha venta o enajenacion. Nada de lo previsto en el presente inciso (j) limitara que la Acreditada o cualquier Subsidiaria Restringida (1) constituya, incurra, asuma o sufra la existencia de cualquier Gravamen que se encuentre permitido conforme al inciso (d) de esta Clausula 4.02 o (2) restrinjan la venta u otra enajenacion de propiedades o activos de la Acreditada o de cualquiera de sus Subsidiarias Restringidas que garanticen Adeudos de la Acreditada o de cualquiera de sus Subsidiarias Restringidas.

QUINTA CAUSAS DE INCUMPLIMIENTO

5.01. Causas de Incumplimiento. Si ocurre y subsiste cualquiera de los eventos descritos a continuacion (cada uno, una "CAUSA DE INCUMPLIMIENTO"), el Banco podra mediante aviso por escrito dado a la Acreditada (i) en caso de que no hubiera sido sucedido la Disposicion, declarar extinguido su compromiso, y de inmediato la obligacion del Banco de permitir la Disposicion se extinguirá, y (ii) en caso de haber sucedido ya la Disposicion, declarar vencida y pagadera de inmediato la suma principal insoluta del Credito, los intereses devengados y no pagados, y todas las demas sumas pagaderas conforme a este Contrato, caso en el cual, los Pagares, la suma principal insoluta del Credito, los intereses devengados y no pagados y todas las demas sumas adeudadas por la Acreditada al Banco conforme a este Contrato y los Pagares, venceran y seran pagaderas de inmediato, sin requisito de presentacion, requerimiento, solicitud, protesto u otro aviso de cualquier naturaleza, a todo lo cual la Acreditada renuncia expresamente por este medio, en el entendido de que, salvo que se senale algo en contrario, la Acreditada contara con un plazo de 2 (dos) Dias Habiles para remediar la Causa de Incumplimiento a que se refiere el inciso (h) siguiente:

- (a) Si la Acreditada no pagare, a su vencimiento (ya sea en la fecha de vencimiento programada, por vencimiento anticipado o por cualquier otro motivo), cualquier (i) abono de la suma principal del Credito o de cualquier Pagare; o
- (ii) cualquier pago de los intereses devengados o de cualquier otra cantidad pagadera conforme a este Contrato o cualquier Pagare (excluyendo principal) y dicho incumplimiento de pago de intereses o cualquier otra cantidad pagadera conforme a este Contrato o cualquier Pagare distinta a la suma principal, no se subsanare dentro de los 5 (cinco) dias naturales siguientes; o

(b) Si cualquier declaracion hecha por la Acreditada conforme a este Contrato, o cualquier certificacion o documento que la Acreditada haya entregado en cumplimiento de las obligaciones a su cargo estipuladas en este Contrato, resulta ser incorrecta o falsa en cualquier aspecto relevante, al momento de haber sido hecha; o

(c) Si la Acreditada o cualquiera de sus Subsidiarias Significantes (i) incumple en el pago de sus obligaciones pactadas o en cualquiera de sus Adeudos cuya suma principal (individual o conjuntamente con otros Adeudos no pagados) sea superior a EU\$20,000,000.00 (veinte millones de Dolares 00/100) (o su equivalente en Pesos) o sus intereses, a su vencimiento, ya sea este convencional, por pago anticipado obligatorio o de cualquier otra manera, y dicho incumplimiento subsiste una vez transcurrido el periodo aplicable de gracia, en su caso, estipulado en el convenio o instrumento relativo a dicho Adeudos, o (ii) incumple con cualquier otro termino, pacto o condicion contenido en el convenio o instrumento relativo a cualquiera de sus Adeudos y dicho incumplimiento subsiste una vez transcurrido el periodo aplicable de gracia, en su caso, estipulado en dicho convenio o instrumento, independientemente de que dicho Adeudo sea o no declarado vencido anticipadamente; o

(d) Si la Acreditada o cualquiera de sus Subsidiarias Significantes admitiere por escrito su incapacidad para pagar sus deudas, o hiciere cesion general de bienes en beneficio de acreedores, o fuere entablado por o en contra de la Acreditada o de cualquiera de sus Subsidiarias Significantes procedimiento alguno de concurso mercantil, reorganizacion o similar, y respecto de procedimientos de concurso mercantil, reorganizacion o similares iniciados sin la solicitud o consentimiento de la Acreditada o de sus Subsidiarias Significantes, siempre y cuando dichos procedimientos permanezcan sin ser desechados o sobreesidos por un periodo de sesenta (60) dias naturales o mas; o

(e) Si cualquier autoridad confiscare, expropiare, o asumiere la custodia o el control de todos o cualquier parte importante de los bienes de la Acreditada o desplazare la administracion de la Acreditada o limitare en forma substancial su facultad para operar sus negocios o ejercer control sobre cualquiera de sus Subsidiarias Significantes o de todos o cualquier parte importante de los bienes de dichas Subsidiarias Significantes y dicha accion tenga o razonablemente pudiera tener, un efecto adverso importante en los negocios, activos, responsabilidades, condicion (financiera o de cualquier otra naturaleza), licencias, operacion o proyectos de la Acreditada o de cualquiera de sus Subsidiarias Significantes o en la capacidad de la Acreditada de pagar el Credito o cumplir con las obligaciones que le derivan de este Contrato y/o los Pagares; o si cualquier franquicia, licencia, autorizacion o concesion importante de la Acreditada o cualquier Subsidiaria Significante es terminada o modificada substancialmente y dicha terminacion o modificacion sustancial tenga o razonablemente pudiera tener, un efecto adverso importante en los negocios, activos, responsabilidades, condicion (financiera o de cualquier otra naturaleza), licencias, operacion o proyectos de la Acreditada o de cualquiera de sus Subsidiarias Significantes o en la capacidad de la Acreditada de pagar el Credito o cumplir con las obligaciones que le derivan de este Contrato y/o los Pagares; o

(f) Si en cualquier momento durante la vigencia de este Contrato, la Acreditada incumpliera (i) con cualquiera de sus obligaciones estipuladas en el inciso , los incisos

(b), (c)(iii), (c)(v), (i), (k), (l), y (m) de la Clausula 4.01 de este Contrato y los incisos (a), (b), (c), (d), (e), (f), (g), (h), (i) y (j) de la Clausula 4.02 de este Contrato; o (ii) con cualquiera de sus otras obligaciones o cualquiera de los terminos, pactos o convenios contenidos en este Contrato y (para el caso de este sub-inciso (ii)) dicho incumplimiento no se subsanare dentro de los 30 (treinta) dias naturales siguientes a la fecha en que el Banco se lo notifique a la Acreditada; o

(g) Si sucede algun cambio en el Consejo de Administracion de la Acreditada que implique un riesgo fundado de afectar la situacion financiera de esta, a juicio razonable del Banco; o

(h) Si cualquier evento o condicion ocurriere que, segun lo determine el Banco de buena fe, tenga o sea capaz de tener un efecto adverso en la capacidad de la Acreditada o sus Subsidiarias Restringidas de pagar el Credito o cumplir con las obligaciones que le derivan de este Contrato y/o los Pagares; o

(i) Si se dicta una o mas sentencias o decretos en contra de la Acreditada o cualquiera de sus Subsidiarias Significantes que involucre una contingencia en total (que no se pague o que no este totalmente cubierta por seguros) de EU\$10,000,000 (diez millones de Dolares) o su equivalente en Pesos, y si dichas sentencias o decretos no se desechan, invalidan o garantizan mientras son apeladas dentro de los 40 (cuarenta) dias siguientes a la fecha en que sean dictadas o dentro del termino legal para la apelacion respectiva, o si no se reservan por parte del Acreditado o la Subsidiaria Significante de que se trate de conformidad con los PCGA o de acuerdo a los principios de contabilidad generalmente aceptados aplicables a la Subsidiaria Significante de que se trate, segun sea el caso.

SEXTA MISCELANEOS

6.01. Modificaciones. Ninguna modificacion o renuncia a derecho alguno derivado de este Contrato y ningun consentimiento a divergencia alguna por parte de la Acreditada de las obligaciones que le derivan de este Contrato, tendra efecto a menos que conste por escrito y este suscrito por el Banco y en ese caso, dicha modificacion, consentimiento o renuncia, solo tendra efectos en relacion con el proposito especifico para el cual haya sido otorgada.

6.02. Renuncias; Recursos Acumulativos. Ninguna omision o demora por parte del Banco en el ejercicio de cualquiera de sus derechos, facultades o acciones conforme a este Contrato, se podra considerar como renuncia a los mismos, ni podra cualquier ejercicio singular o parcial de cualquiera de dichos derechos, facultades o acciones, impedir cualquier otro o ulterior ejercicio de las mismas o el ejercicio de cualquier otro derecho, facultad o accion. Los derechos y acciones previstos en este Contrato son acumulativos y no excluyentes de derecho o accion alguna previsto por la ley.

6.03. Notificaciones, Etc. A menos que en este Contrato se estipule lo contrario, las notificaciones o avisos que se contemplan en el mismo, se haran por escrito y se

enviaran por telefax, o se entregaran a cada parte de este Contrato en el domicilio que consta bajo su nombre en las paginas de este Contrato que ostentan las firmas de cada parte, o a cualquier otro domicilio que cualquier parte senale en aviso por escrito dado a las demas partes de este Contrato. Todas las notificaciones y avisos que se entreguen en el domicilio de la parte correspondiente, surtirán efecto en la fecha de entrega de los mismos y, los que sean enviados por telefax, cuando el destinatario de los mismos emita un recibo reconociendo la entrega de la notificación o aviso correspondiente.

6.04. Costos y Gastos. La Acreditada conviene en pagar, a solicitud del Banco, todos los costos y gastos razonables en relación con la preparación, suscripción, inscripción, perfeccionamiento y administración de este Contrato y de los Pagares así como de cualquier otro documento que se deba entregar conforme a este Contrato, incluyendo, sin limitar, los honorarios y gastos de los asesores legales del Banco. La Acreditada conviene asimismo en pagar a solicitud del Banco, las pérdidas, costos y gastos, si los hubiere, en relación con la exigibilidad de este Contrato y de los Pagares, así como de cualquier otro documento que se deba entregar conforme a este Contrato.

6.05. Cesión. La Acreditada no podrá ceder los derechos u obligaciones que le derivan del presente Contrato, sin el previo consentimiento otorgado por escrito por el Banco. El Banco podrá ceder los derechos y obligaciones que le deriven del presente Contrato y de los Pagares a (i) cualquier institución de crédito o institución de seguros mexicana, mediante simple notificación por escrito a la Acreditada con 7 (siete) días de anticipación, pero sin requerir el consentimiento de la Acreditada; o (ii) a cualquier otra Persona, siempre y cuando cuente con el consentimiento de la Acreditada, el cual no podrá ser negado sin causa justificada; en el entendido que, para los efectos de este sub-inciso (ii), la Acreditada contará con un plazo de 7 (siete) días para otorgar o negar (con causa justificada) dicho consentimiento por escrito, contado a partir de la fecha en que reciba la solicitud respectiva por escrito del Banco, en el entendido que en caso de que la Acreditada no responda a dicha solicitud dentro de dicho plazo, se entenderá, para todos los efectos a que haya lugar, que la Acreditada ha otorgado su consentimiento al Banco para realizar la cesión de que se trate. En el supuesto de que el Banco llevare a cabo cualquier cesión de acuerdo con esta Clausula 6.05, el cesionario adquirirá los mismos derechos y beneficios a cargo de la Acreditada, que tendría, con respecto a los derechos y obligaciones que le fueron cedidos, si originalmente fuese el Banco conforme a este Contrato.

6.06. Compensación. (a) En cualquier fecha en que:

(i) la Acreditada deba pagar al Banco cualquier cantidad conforme a este Contrato y/o los Pagares, ya sea por concepto de principal, intereses o cualquier otro concepto, o

(ii) ocurra cualquier Causa de Incumplimiento y hubiere transcurrido cualquier periodo de gracia que fuere aplicable y se hubiere declarado vencida la suma principal del Crédito,

entonces, la Acreditada en la medida permitida por la ley, autoriza y faculta irrevocablemente al Banco para que cargue contra cualquier depósito y/o cuenta que la Acreditada mantenga con el Banco (incluyendo, sin limitar, depósitos y/o cuentas, a la

vista, de ahorro, a plazo, provisionales o definitivos), excluyendo expresamente los fondos derivados de pagos del Banco, actuando en su caracter de fiduciario bajo contratos de fideicomisos dentro de los cuales la Acreditada sea fideicomisaria, depositados en cuentas de la Acreditada especificamente abiertas para dichos propositos; en la inteligencia de que esta excepcion no sera aplicable en caso de que exista una Causa de Incumplimiento de pago conforme a los terminos del presente Contrato, y compense contra cualquier Adeudos que el Banco pueda tener en favor de la Acreditada por cualquier concepto, hasta una cantidad igual al monto de la cantidad no pagada al Banco, en el supuesto del sub-inciso (i) anterior, y al monto total de la suma principal insoluta del Credito, mas intereses y accesorios, en el supuesto del sub-inciso (ii) anterior, sin necesidad de aviso, requerimiento o demanda alguna.

(b) El Banco notificara a la Acreditada tan pronto como le sea posible, pero en todo caso dentro de los 3 (tres) Dias Habiles siguientes a la fecha en que la Acreditada realice el cargo o compensacion correspondiente conforme a lo permitido por esta Clausula 6.06, en el entendido de que la falta de dicha notificacion no afectara en forma alguna la validez de dicho cargo o compensacion. El derecho del Banco conforme a esta Clausula 6.06 es adicional a cualquier otro derecho (incluyendo otros derechos de compensacion) que el Banco pueda tener.

6.07. Jurisdiccion. Las partes al presente Contrato se someten expresa e irrevocablemente a la jurisdiccion de los tribunales federales competentes de Mexico, ubicados en el Distrito Federal, Mexico, respecto a cualquier accion o procedimiento relativo a este Contrato, y renuncian expresa e irrevocablemente por este medio a cualquier otra jurisdiccion que les pudiere corresponder en la actualidad o en el futuro por virtud de sus respectivos domicilios actuales o cualquier otro domicilio futuro o por cualquier otra razon.

6.08. Ley Aplicable. El presente Contrato se regira por, e interpretara de acuerdo con, las leyes federales aplicables de Mexico.

6.09. Titulos. Los titulos de las Clausulas y sus subdivisiones que se usan en este Contrato no tienen mas fin que la conveniencia de las partes y no podran afectar la interpretacion de este Contrato.

En virtud de lo anterior, las partes han celebrado el presente Contrato en la fecha mencionada en el proemio.

GRUPO TELEVISIA, S.A., como Acreditada

Por: /s/ Salvi Rafael Folch Viadero

Nombre: Salvi Rafael Folch Viadero
Cargo: Apoderado

Por: /s/ Joaquin Balcarcel Santa Cruz

Nombre: Joaquin Balcarcel Santa Cruz
Cargo: Apoderado

BANCO NACIONAL DE MEXICO, S.A.,
INTEGRANTE DEL GRUPO FINANCIERO BANAMEX

Por: /s/ Miguel Angel Soto Gutierrez

Nombre: Miguel Angel Soto Gutierrez
Cargo: Apoderado

Por: /s/ Federico Delgado Pastor Surrell

Nombre: Federico Delgado Pastor Surrell
Cargo: Apoderado

Domicilio:
Avenida Vasco de Quiroga No. 2000
Edificio A, Piso 4
Colonia Zedec Santa Fe
01210 Mexico, D.F.

Atencion: Salvi R. Folch Viadero
y/o Fernando Suarez Gerard
Telefono: 5261-2309
Facsimil: 5261-2039

con copia para:

Vicepresidencia Juridica
Domicilio:
Avenida Vasco de Quiroga No. 2000
Edificio A, Piso 4
Colonia Zedec Santa Fe
01210 Mexico, D.F.

Atencion: Joaquin Balcarcel Santa
Cruz
Telefono: 5261-2433
Facsimil: 5261-2546

Domicilio:
Act. Roberto Medellin No. 800
Torre Sur, Piso 4
Colonia Santa Fe
01210 Mexico, D.F.

Atencion: Juan Carlos Perez Rocha
Telefono: 2262-3787
Facsimil: 2262-2912 / 2262-2927

ANEXO "A"

[FORMATO DE PAGARE]

PAGARE

POR VALOR RECIBIDO, la suscrita, Grupo Televisa, S.A., (el "SUSCRIPTOR"), una sociedad anonima debidamente constituida y validamente existente de conformidad con las leyes de los Estados Unidos Mexicanos ("MEXICO"), por medio de este Pagare promete incondicionalmente pagar a la orden de Banco Nacional de Mexico, S.A., Integrante del Grupo Financiero Banamex (el "BANCO"), la cantidad principal de \$1,162,460,000.00 (Mil Ciento Sesenta y Dos Millones Cuatrocientos Sesenta Mil Pesos 00/100 moneda nacional), cuyo monto sera pagado en (una) exhibicion, precisamente el dia 21 de mayo de 2009.

En caso que el pago de la suma de principal que deba realizar el Suscriptor bajo el presente Pagare venza y sea exigible en un dia que no sea un Dia Habil (como dicho termino se define mas adelante), entonces dicho pago vencera y sera exigible en el Dia Habil inmediato anterior.

El Suscriptor asimismo promete incondicionalmente pagar intereses sobre el saldo insoluto de principal de este Pagare, desde e incluyendo la fecha del presente hasta, pero excluyendo, la fecha en que el saldo principal insoluto del presente Pagare sea pagado en su totalidad, a una tasa anual que, durante cada Periodo de Intereses (como dicho termino se define mas adelante) aplicable, sera igual a 9.70% (nueve punto setenta por ciento) (la "TASA DE INTERES"). Los intereses seran pagaderos en forma vencida, en cada Fecha de Pago de Intereses (como dicho termino se define mas adelante).

El Suscriptor ademas promete incondicionalmente pagar intereses moratorios sobre el saldo principal insoluto de este PAGARE, a partir de la fecha en que hubiere incumplido en el pago de cualquier exhibicion de la suma principal o de los intereses de este PAGARE conforme a lo previsto en el mismo, y hasta la fecha en que el saldo principal insoluto de este PAGARE sea pagado en su totalidad, a una tasa de interes anual igual al producto de sumar la Tasa de Interes mas 200 (doscientos) puntos base, cuyos intereses seran pagaderos a la vista.

Los intereses generados conforme al presente Pagare seran calculados por los dias efectivamente transcurridos sobre la base de un ano de trescientos sesenta (360) dias (incluyendo el primer dia pero excluyendo el ultimo dia).

Todos los pagos que deban hacerse conforme a este Pagare deberan hacerse al tenedor de este Pagare a mas tardar a las 14:00 horas (hora de Mexico, Distrito Federal) en la fecha en que deban hacerse, mediante transferencia electronica en pesos y en fondos libremente disponibles el mismo dia, en cualquier sucursal del Banco ubicada dentro del territorio de Mexico, sin considerar para dichos efectos a las sucursales de autoservicio y a las sucursales ubicadas en empresas corporativas (SEC), o en cualquier otro lugar o forma que oportunamente informe el tenedor de este Pagare al Suscriptor por escrito.

El Suscriptor pagara al tenedor de este Pagare todas las sumas de principal, intereses y otras sumas pagaderas conforme al presente Pagare, libres, exentas y sin deduccion por concepto o a cuenta, de cualquier Impuesto que grave dichas cantidades en la actualidad o en lo futuro, pagadero en cualquier jurisdiccion. Si en cualquier ocasion cualquier autoridad de cualquier jurisdiccion con derecho a ello impone, carga o cobra cualquier impuesto, derecho, contribucion, tributo, retencion, deduccion, carga, gravamen u otra responsabilidad fiscal junto con intereses, recargos, sanciones, multas o cargos derivados de los mismos ("IMPUESTOS"), sobre o respecto a este Pagare, o a cualquier pago que deba hacerse conforme al mismo, el Suscriptor pagara a la autoridad fiscal correspondiente, por cuenta del tenedor de este Pagare, el monto de cualquiera de dichos Impuestos, y pagara al tenedor de este Pagare las cantidades adicionales que se requieran para asegurar que el tenedor de este Pagare reciba la cantidad integra que hubiera

recibido si no se hubiesen pagado o retenido dichos Impuestos, y entregara al tenedor de este Pagare los recibos originales u otras constancias satisfactorias para el tenedor de este Pagare, del pago de cualquier Impuesto, dentro de los 30 (treinta) días siguientes a la fecha en que dicho Impuesto sea exigible y pagadero, conforme a las disposiciones legales aplicables; todo lo anterior, salvo que cualesquiera de dichos Impuestos deriven de la negligencia grave, dolo o mala fe del tenedor del presente Pagare.

Para efectos de este Pagare, los siguientes terminos tendran los siguientes significados:

"DIA HABIL" significa cualquier dia excepto sabado, domingo y cualquier dia que en la Ciudad de Mexico sea un dia de descanso obligatorio o un dia en el que las instituciones bancarias esten autorizadas u obligadas por ley u otra disposicion gubernamental a mantener sus puertas cerradas.

"FECHA DE PAGO DE INTERESES" significa el ultimo dia de cada Periodo de Intereses.

"PERIODO DE INTERESES" significa cada periodo de 30 dias calendario, con base en el cual se calcularan los intereses que devengue el saldo insoluto de la suma principal del presente Pagare, en el entendido de que (a) el primer Periodo de Intereses comenzara en la fecha de suscripcion del presente Pagare y terminara en el dia numericamente correspondiente en el mes calendario que sea 30 dias calendario despues de la misma, y (b) cada Periodo de Intereses subsecuente comenzara el ultimo dia del Periodo de Intereses inmediato anterior y terminara en el dia numericamente correspondiente en el mes calendario que sea 30 dias calendario despues de la misma; en el entendido, que todas las disposiciones anteriores relacionadas con Periodos de Intereses estan sujetas a lo siguiente: (i) si cualquier Periodo de Intereses termina en un dia que no sea un Dia Habil, dicho Periodo de Intereses terminara el Dia Habil inmediato anterior; y (ii) cualquier Periodo de Intereses que se encuentre vigente en cualquier fecha de pago de principal del Calendario de Pagos, vencera precisamente en dicha fecha de pago de principal; y (iii) ningun Periodo de Intereses terminara despues de la ultima fecha de pago de principal prevista en el Calendario de Pagos.

Para todo lo relacionado con este PAGARE, el Suscriptor designa como su domicilio: Avenida Vasco de Quiroga No. 2000, Edificio A, Piso 3, Colonia Zedec Santa Fe, 01210 Mexico, D.F.

Este Pagare se registra e interpretara de acuerdo con las leyes de los Estados Unidos Mexicanos.

Para cualquier demanda, accion o procedimiento que derive o se relacione con este Pagare, el Suscriptor y el tenedor del presente Pagare expresa e irrevocablemente se someten a la jurisdiccion de los tribunales federales competentes de Mexico, ubicados en el Distrito Federal, Estados Unidos Mexicanos, y en este acto renuncian expresa e irrevocablemente a cualquier otra jurisdiccion a la que pudieran tener derecho por razon de sus respectivos domicilios presentes o futuros, o por razon del lugar de pago de este Pagare o por cualquier otro motivo.

El Suscriptor en este acto dispensa al tenedor del presente Pagare de realizar previamente cualquier diligencia, demanda, protesto, presentacion, notificacion de no aceptacion y notificacion o demanda alguna de cualquier naturaleza, para obtener el pago del presente Pagare a lo cual el Suscriptor en este acto renuncia irrevocablemente.

Ningun ejercicio parcial o individual de cualquier derecho, facultad o privilegio conforme a este Pagare impide o limita cualquier otro o futuro ejercicio de dichos derechos, facultades o privilegios o el ejercicio de cualquier otro derecho, facultad o privilegio conforme a este Pagare.

Este Pagare consta de _ (____) paginas, todas la cuales han sido inicializadas por el Suscriptor y esta ha sido firmada por el Suscriptor.

El Suscriptor ha firmado este Pagare en la fecha abajo mencionada.

Mexico, Distrito Federal, a 20 de mayo de 2004

EL SUSCRIPTOR

GRUPO TELEVISA, S.A.

Por: _____
Nombre: _____
Cargo: Apoderado

Por: _____
Nombre: _____
Cargo: Apoderado

ANEXO "B"

**SUBSIDIARIAS RESTRINGIDAS DE LA ACREDITADA
AL 17 DE MAYO DE 2004**

ALTAVISTA SUR INMOBILIARIA, S.A. DE C.V.

CADENA TELEVISORA DEL NORTE, S.A. DE C.V.

CANAL 23 DE ENSENADA, S.A. DE C.V.

CANAL XXI, S.A. DE C.V.

CANALES DE TELEVISION POPULARES, S.A. DE C.V.

COMPANIA TELEVISORA DE LEON GUANAJUATO, S.A. DE C.V.

DIMAR, S.A. DE C.V.

EDITORA SAN ANGEL, S.A. DE C.V.

EMPRESAS BALUARTE, S.A. DE C.V.

ESTUDIO SEVILLA 613, S.A. DE C.V.

GRUPO RADIOPOLIS, S.A. DE C.V.

GRUPO TELEVISA, S.A.

INMOBILIARIA AMBER, S.A. DE C.V.

INMOBILIARIA RIO DE LA LOZA, S.A. DE C.V.

MORNING GLORY PRODUCTIONS, S.A. DE C.V.

PICO TRES PADRES, S. DE R.L. DE C.V.

RADIOTELEVISORA DE MEXICO NORTE, S.A. DE C.V.

T.V. DE LOS MOCHIS, S.A. DE C.V.

T.V. DEL HUMAYA, S.A. DE C.V.

TELEHERMOSILLO, S.A. DE C.V.

TELEINMOBILIARIA, S. DE R.L. DE C.V.

TELESISTEMA MEXICANO, S.A. DE C.V.

TELEVICENTRO, S.A. DE C.V.

TELEVIMEX, S.A. DE C.V.

TELEVISA CORPORACION, S.A. DE C.V.

TELEVISA MEXICO, LTD. (SUIZA)

TELEVISA PRODUCCIONES, S.A. DE C.V.

TELEVISA TALENTO, S.A. DE C.V.

TELEVISA, S.A. DE C.V.

TELEVISION DE PUEBLA, S.A. DE C.V.

TELEVISION DEL GOLFO, S.A. DE C.V.

TELEVISION HOLDINGS USA, LLC (E.E.U.U.)

TELEVISION INDEPENDIENTE DE MEXICO, S.A. DE C.V.

TELEVISORA DE CALIMEX, S.A. DE C.V.

TELEVISORA DE MEXICALI, S.A. DE C.V.

TELEVISORA DE NAVOJOA, S.A.

TELEVISORA DE OCCIDENTE, S.A. DE C.V.

TELEVISORA DEL GOLFO, S.A.

TELEVISORA PENINSULAR, S.A. DE C.V.

TERMA, S.A. DE C.V.

TI II, LLC. (E.E.U.U.)

VIDEOSERPEL, LTD. (SUIZA)

VISAT, S.A. DE C.V.

XHCC - TV TELEVISION, S.A. DE C.V.

[FORMATO DE AVISO DE DISPOSICION]

Fecha

Banco Nacional de Mexico, S.A.,
Integrante del Grupo Financiero Banamex
Act. Roberto Medellin No. 800, Torre Sur, Piso 4 Colonia Santa Fe
Delegacion Alvaro Obregon
01210 Mexico, Distrito Federal

Atencion:
Facsimil: _____, Telefono: _____

Senoras y Senores:

La suscrita, GRUPO TELEVISIA, S.A., hace referencia al Contrato de Credito de fecha 17 de mayo de 2004 (el "CONTRATO DE CREDITO"; terminos utilizados con mayuscula inicial y no definidos expresamente en la presente, tendran el significado que se le atribuye a los mismos bajo el Contrato de Credito), celebrado entre la suscrita, como Acreditada y Banco Nacional de Mexico, S.A., Integrante del Grupo Financiero Banamex, como Banco, y por medio del presente notifica irrevocablemente al Banco, conforme a la Clausula 2.02 del Contrato de Credito, que la suscrita solicita efectuar la Disposicion por el monto total del Credito bajo y conforme al Contrato de Credito, y al efecto se senala que el Dia Habil de dicha Disposicion es el dia __ de ____ de _____. La Acreditada instruye al Banco para que el desembolso de la Disposicion se realice a la cuenta de cheques numero 8700544843 CLABE 002180087005448430 que la Acreditada tiene en la sucursal 870 de Banco Nacional de Mexico, S.A., Integrante del Grupo Financiero Banamex.

Por medio del presente, la suscrita certifica (i) que todas y cada una de las declaraciones hechas por la suscrita en el Contrato de Credito son veraces y correctas a la fecha del presente y que seran veraces y correctas en todo aspecto significativo, antes y despues de efectuarse la Disposicion y la aplicacion de los recursos derivados de la misma, como si fuesen hechas en y a dicha fecha (excepto en la medida en que dichas declaraciones se refieran a una fecha anterior especifica, en cuyo caso dichas declaraciones deberan ser veraces y correctas en todo aspecto significativo a dicha fecha anterior), (ii) que ninguna Causa de Incumplimiento ha ocurrido ni continua, ni podria resultar de dicha Disposicion o de la aplicacion de los recursos derivados de la misma, y (iii) que no ha ocurrido ningun evento o condicion que tenga o pueda tener un efecto adverso de importancia en los negocios, activos, responsabilidades o condicion (financiera o de cualquier otra naturaleza) de la Acreditada o de cualquiera de sus Subsidiarias Restringidas, que pueda afectar el resultado de las operaciones o proyectos de la Acreditada o de cualquiera de sus Subsidiarias Restringidas o la capacidad de la Acreditada para pagar el Credito o cumplir con sus obligaciones conforme al presente Contrato y el Pagare.

Por: _____
Nombre:
Cargo: Apoderado

Por: _____
Nombre:
Cargo: Apoderado

Exhibit 4.10

SUMMARY OF AMENDMENT TO THE MAY 17, 2004 LONG TERM CREDIT AGREEMENT

The following is a summary of the principal terms of the amendment (the "Amendment") to the May 17, 2004 long term credit agreement entered into by Banco Nacional de Mexico, S.A. ("Banamex") and Grupo Televisa, S.A. ("Televisa") (the "Loan Agreement").

Covenants:

The amendment increased the threshold applicable to Televisa's covenant to cause its restricted subsidiaries to comply with and pay their respective obligations.

Financial Ratios:

Total Net Debt to EBITDA: The Amendment revised the Total Net Debt to EBITDA covenant in the Loan Agreement to provide that Televisa will not, at any time, permit the ratio of (i) Total Net Debt at such time to (ii) EBITDA to be greater than 3.50 to 1.00.

Interest Coverage Leverage: The Amendment revised the Interest Coverage Leverage covenant in the Loan Agreement to provide that Televisa will not, at any time, permit the interest coverage (EBITDA to Interest) to be less than 1.50 to 1.00.

Minimum Net Worth: The Amendment eliminated the minimum net worth requirements of the Loan Agreement.

Defaults:

The Amendment revised the Default covenant in the Loan Agreement to (i) increase the threshold applicable to defaults in the payment of indebtedness from U.S.\$20,000,000 to U.S.\$100,000,000 and (ii) to increase the threshold from U.S.\$10,000,000 to U.S.\$20,000,000 applicable to defaults caused by judgments in excess of such threshold.

PRIMER CONVENIO MODIFICATORIO AL CONTRATO DE APERTURA DE CREDITO

Primer Convenio Modificatorio de fecha 22 de octubre de 2004 (el "PRIMER CONVENIO MODIFICATORIO") al Contrato de Apertura de Credito Simple del 17 de mayo de 2004 (el "CONTRATO DE CREDITO"), que celebran (i) GRUPO TELEVISA, S.A. (la "ACREDITADA"), representada en este acto por sus apoderados, los señores Salvi Rafael Folch Viadero y Joaquin Balcarcel Santa Cruz y BANCO NACIONAL DE MEXICO, S.A., integrante del Grupo Financiero Banamex (el "BANCO"), representada en este acto por sus apoderados, los señores Miguel Angel Soto Gutierrez y Federico Delgado Pastor Surrell, conforme al siguiente Antecedente, Declaraciones y Clausulas:

ANTECEDENTE

Unico. El 17 de mayo de 2004 el Banco llevo a cabo una apertura de credito simple con intereses a favor de la Acreditada, hasta por la suma principal de \$1,162,460,000.00 (Mil Ciento Sesenta y Dos Millones Cuatrocientos Sesenta Mil Pesos 00/100, moneda nacional) (el "CREDITO"), lo que quedo documentado en el Contrato de Credito.

Por asi convenir a sus respectivos intereses, las partes tienen la intencion de modificar el Contrato de Credito de conformidad con los terminos y condiciones de este Primer Convenio Modificatorio.

DECLARACIONES

I. LA ACREDITADA DECLARA QUE:

(a) Es una sociedad anonima, debidamente constituida y existente de conformidad con las leyes de Mexico;

(b) Esta facultada para suscribir este Convenio Modificatorio y obligarse conforme a los terminos del mismo;

(c) En este acto ratifica sus declaraciones (a), (b), (c), (d), (e), (f),

(g), (h), (i), (j), (k), (l), (m), (n), (o), (p) y (q), contenidas en el Contrato de Credito, mismas que declara continuan siendo ciertas a la fecha de firma de este Convenio Modificatorio, y que para efectos de este Primer Convenio Modificatorio cada vez que aparezca la palabra Contrato en el Contrato de Credito, se entienda que comprende a los terminos del Contrato de Credito, segun este quede modificado por los terminos de este Convenio Modificatorio;

(d) Sus apoderados, los señores Salvi Rafael Folch Viadero y Joaquin Balcarcel Santa Cruz, cuentan con facultades suficientes para obligar a la Acreditada en terminos de este Convenio Modificatorio y de los Pagares, segun consta en la escritura publica numero 56,299, otorgada el 6 de diciembre de 2002 ante el señor Lic. Rafael Manuel Oliveros Lara, notario publico numero 45 del Distrito Federal, facultades que no les han sido revocadas o modificadas en forma alguna a la fecha de este Convenio Modificatorio.

II. EL BANCO DECLARA QUE:

- (a) Es una institucion de banca multiple, debidamente constituida y existente de conformidad con las leyes de Mexico;
- (b) Por y en consideracion de las declaraciones de la Acreditada es su voluntad celebrar el presente Convenio a fin de modificar el Contrato de Credito conforme a los terminos y condiciones que aqui se pactan, y
- (c) Sus apoderados, los senores Miguel Angel Soto Gutierrez y Federico Delgado Pastor Surrell, cuentan con facultades suficientes para obligar al Banco en terminos de este Convenio Modificatorio, segun consta en la escritura publica numero 48,699 del 14 de octubre de 2002, otorgada ante el notario publico numero 1 del Distrito Federal, Lic. Roberto Nunez y Bandera, inscrita en el Registro Publico de Comercio del Distrito Federal con el folio mercantil numero 65126 del 24 de octubre del 2002, facultades que no les han sido revocadas o modificadas en forma alguna a la fecha de este Convenio Modificatorio.

En virtud de lo anterior, las partes convienen las siguientes clausulas:

CLAUSULAS

PRIMERA. TERMINOS DEFINIDOS. Los terminos que se usan con mayuscula inicial en el presente Convenio Modificatorio, tendran los significados que se les atribuyen en el Contrato de Credito, salvo en los casos en que cualquiera de dichos terminos se haya definido en el presente Convenio Modificatorio, caso en el cual tendran los significados que se les atribuyen precisamente en este Convenio Modificatorio.

SEGUNDA. MODIFICACION DE TERMINOS DEL CONTRATO DE CREDITO. Las partes

convienen modificar el Contrato de Credito de acuerdo a lo siguiente:

- (a) Con efectos a partir de la fecha de firma de este Convenio Modificatorio, se elimina la definicion de "Acciones Amortizables" y en consecuencia se modifica la numeracion de las definiciones subsecuentes para que dicha numeracion sea progresiva y consecutiva.
- (b) Con efectos a partir de la fecha de firma de este Convenio Modificatorio, se elimina la definicion de "Accionistas Existentes" y en consecuencia se modifica la numeracion de las definiciones subsecuentes para que dicha numeracion sea progresiva y consecutiva.
- (c) Con efectos a partir de la fecha de firma de este Convenio Modificatorio, se elimina la definicion de "Capital Contable Consolidado" y en consecuencia se modifica la numeracion de las definiciones subsecuentes para que dicha numeracion sea progresiva y consecutiva.
- (d) Con efectos a partir de la fecha de firma de este Convenio Modificatorio, se elimina la definicion de "Capital Ordinario" y en consecuencia se modifica la numeracion de las definiciones subsecuentes para que dicha numeracion sea progresiva y consecutiva.
- (e) Con efectos a partir de la fecha de firma de este Convenio Modificatorio, se elimina la definicion de "Co-Inversion" y en consecuencia se modifica la numeracion de las definiciones subsecuentes para que dicha numeracion sea progresiva y consecutiva.
- (f) Con efectos a partir de la fecha de firma de este Convenio Modificatorio, se elimina la definicion de "Contrato de Credito Sindicado" y en consecuencia se modifica la numeracion de las definiciones subsecuentes para que dicha numeracion sea progresiva y consecutiva.

(g) Con efectos a partir de la fecha de firma de este Convenio Modificatorio, se agrega la definicion de "Convenio Modificatorio" al Contrato, misma que quedara redactada como sigue:

"CONVENIO MODIFICATORIO" significa el primer convenio modificatorio de fecha 22 de octubre de 2004, al Contrato de Apertura de Credito Simple del 17 de mayo del 2004, celebrado por la Acreditada y el Banco.

(h) Con efectos a partir de la fecha de firma de este Convenio Modificatorio, se modifica la definicion de "Credito Banamex" para quedar redactada como sigue:

"CREDITOS BANAMEX" significan los contratos de credito celebrados entre la Acreditada y el Banco, de fechas 7 de mayo de 2003 el cual fue modificado el 25 de junio de 2003 y el 18 de mayo del 2004, asi como el de fecha 17 de mayo del 2004, celebrado entre Grupo Televisa, S.A. y Banco Nacional de Mexico, S.A.

(i) Con efectos a partir de la fecha de firma de este Convenio Modificatorio, se modifica la definicion de "Deuda Total Consolidada" para quedar redactada como sigue:

"DEUDA TOTAL CONSOLIDADA" significa, en cualquier fecha de determinacion, el monto total agregado de todos los Adeudos, calculados de manera consolidada, de la Acreditada y sus Subsidiarias a dicha fecha, segun se determine de conformidad con los PCGA menos el monto agregado de todos los Adeudos de Innova que no esten garantizados por la Acreditada.

(j) Con efectos a partir de la fecha de firma de este Convenio Modificatorio, se elimina la definicion de "Emisor de Negocio Adicional" y en consecuencia se modifica la numeracion de las definiciones subsecuentes para que dicha numeracion sea progresiva y consecutiva.

(k) Con efectos a partir de la fecha de firma de este Convenio Modificatorio, se incluye la definicion de "Fitch", para quedar redactada de la siguiente manera y en consecuencia se modifica la numeracion de las definiciones subsecuentes para que dicha numeracion sea progresiva y consecutiva:

"FITCH" significa Fitch Ratings, Inc. y sus sucesores.

(l) Con efectos a partir de la fecha de firma de este Convenio Modificatorio, se modifica la definicion de "Gasto por Intereses Consolidado" para quedar redactada de la siguiente manera:

"GASTO POR INTERESES CONSOLIDADO" significa, para cualquier periodo, el monto agregado de los intereses en relacion con Adeudos (incluyendo (i) la amortizacion del descuento de emision original sobre cualquier Adeudo y la porcion de intereses de cualquier obligacion de pago diferida, calculada de conformidad con el metodo de contabilidad efectivo de intereses, (ii) todas las comisiones, descuentos y demas honorarios y cargos adeudados en relacion con cartas de credito y aceptaciones bancarias de financiamiento, (iii) los costos netos asociados con Contratos de Tasas de Interes, y (iv) los intereses pagados (por cualquier Persona) con respecto a algun Adeudo que se encuentra Garantizado por cualquier bien o activo de la Acreditada o de cualquiera de sus Subsidiarias Restringidas) y todos los intereses, menos el componente principal, de rentas en relacion con Obligaciones por Arrendamientos Capitalizables, pagados por la Acreditada y sus Subsidiarias Restringidas durante dicho periodo; excluyendo sin embargo (a) cualesquier regalias, honorarios (incluyendo honorarios de consentimiento) y gastos (y cualquier amortizacion o eliminacion de los mismos) pagados o pagaderos en relacion con el presente Contrato, los Creditos Banamex, el Credito Serfin, las Ofertas Publicas de Compra y la compra de valores bajo los mismos y el pago de los

honorarios de consentimiento en relacion con los mismos, la emision de los valores emitidos o a ser emitidos bajo el Senior Note Indenture y la oferta de intercambio o registro de inscripciones preventivas respecto de dichos valores (shelf registration statement), la emision de los valores emitidos bajo el Credito en UDIS Existente, y la emision de los valores emitidos bajo la Serie B del Senior Note Indenture, fechado el 13 de mayo de 1996, entre la Acreditada y el State Street Bank and Trust Company (como sucesor del Fleet National Bank), como fiduciario, todo determinado en una base consolidada (sin tomar en cuenta las Subsidiarias No Restringidas) de conformidad con los PCGA, (b) intereses en relacion con Adeudos denominados en UDIS en la medida que no hayan sido pagados o pagaderos en efectivo durante dicho periodo y (c) aumentos en el monto principal de cualquier Adeudo denominado en UDIS que resulte de los ajustes de inflacion realizados de conformidad con los terminos de dicho Adeudo.

No obstante lo anterior, si durante cualquier periodo en el que se este determinado el Gasto por Intereses Consolidado, la Acreditada o cualquiera de sus Subsidiarias Restringidas haya consumado cualquier Adquisicion de Activos, entonces para los efectos de este Contrato, el Gasto por Interes Consolidado debera ser determinado en una base pro forma como si la consumacion de dicha Adquisicion de Activos y la contratacion o asuncion de cualquier Adeudo en relacion con la misma hubiera ocurrido el primer dia de dicho periodo.

(m) Con efectos a partir de la fecha de firma de este Convenio Modificatorio, se modifica la definicion de "Gravámenes Permitidos" para quedar redactada de la siguiente manera:

"GRAVAMENES PERMITIDOS" significa:

(a) Gravámenes impuestos por contribuciones fiscales, cargos gubernamentales o reclamaciones que, ya sea, (i) se encuentren vencidos por un plazo menor de 90 días, siempre y cuando el valor de mercado total de los bienes o activos sujetos a dichos Gravámenes no exceda la cantidad total de EU\$10,000,000.00 (diez millones de Dolares 00/100) o su equivalente en Pesos; (ii) no hayan vencido o que esten siendo impugnados de conformidad con el inciso (a) de la Clausula 4.01;

(b) Gravámenes de transportistas, almacenistas, trabajadores, mecanicos, reparadores o Gravámenes similares impuestos por ley, que surjan en el curso ordinario de negocios y que garanticen obligaciones que no esten vencidas por mas de 30 dias o que esten siendo impugnados de conformidad con el inciso (a) de la Clausula 4.01;

(c) prendas otorgadas y depositos efectuados dentro del curso ordinario de negocios, en cumplimiento con disposiciones de seguridad social, salarios de los trabajadores y seguros de desempleo, incluyendo prendas y/o depositos otorgados en favor del Instituto para la Vivienda de los Trabajadores (INFONAVIT); Instituto Mexicano del Seguro Social (IMSS) y el Sistema de Ahorro para el Retiro (SAR);

(d) Gravámenes impuestos o depositos efectuados para garantizar (i) cartas de credito, el cumplimiento de ofertas, posturas, convenios comerciales, arrendamientos, licencias, obligaciones regulatorias o legales, aceptaciones bancarias, fianzas legales o judiciales, contratos celebrados con Autoridades Gubernamentales, fianzas de cumplimiento y demas obligaciones de naturaleza similar incurridas dentro del curso ordinario de negocios (excluyendo obligaciones contraidas para el pago de prestamos de dinero) y cualquier derecho de compensacion de bancos que no hayan sido ejercidos en relacion con depositos realizados dentro del curso ordinario y (ii) obligaciones de

indemnización respecto de la venta, arrendamiento, cesión o cualquier otra transmisión de cualquier bien o activo de la Acreditada o cualquiera de sus Subsidiarias Restringidas; en el entendido que los bienes o activos sujetos a dichos Gravámenes no tengan un valor de mercado superior a los montos en efectivo o equivalentes de efectivo recibidos por la Acreditada y sus Subsidiarias Restringidas en relación con dicha venta, arrendamiento, cesión o transmisión;

(e) Gravámenes impuestos por sentencias o laudos de cualquier naturaleza que no constituyan una Causa de Incumplimiento bajo el inciso (i) de la Clausula 5.01 del presente Contrato;

(f) servidumbres, restricciones de uso de suelo federales y municipales, derechos de paso y Gravámenes similares impuestos sobre bienes inmuebles, que no interfieran de manera importante con la conducción ordinaria de negocios de la Acreditada o cualquiera de sus Subsidiarias Restringidas;

(g) Gravámenes (incluyendo las extensiones y renovaciones de los mismos) sobre algún bien o activo adquirido con posterioridad al 21 de diciembre de 2001; en el entendido que (i) dicho Gravamen se constituya solamente con el propósito de garantizar Adeudos incurridos, (A) para financiar el costo (incluyendo el costo de mejoras, de construcción o producción) de la unidad o material integrante del bien o activo (incluyendo programas o películas) sujeto a dicho Gravamen, y que dicho Gravamen haya sido constituido con anterioridad a, al momento de dentro de los seis meses siguientes a la fecha de adquisición, la terminación de la construcción o producción o el comienzo de operaciones de dicho bien o activo, o (B) para refinanciar cualquier Adeudo garantizado con anterioridad, (ii) el monto principal del Adeudo garantizado por dicho Gravamen no exceda el 100% (cien por ciento) de dichos costos (más honorarios, gastos y pagos similares realizados en relación con dicho Adeudo) y (iii) cualquiera de dichos Gravámenes no será extensivo a, o cubra, cualquier otro bien o activo distinto a la unidad o material integrante de dicho bien o activo (incluyendo películas y programaciones) y cualesquier mejoras efectuadas en dicha unidad o material y los frutos derivados de los mismos;

(h) arrendamientos o subarrendamientos celebrados con terceros, que no interfieran de manera importante con el curso ordinario de negocios de la Acreditada y de sus Subsidiarias Restringidas consideradas como un todo;

(i) Gravámenes que afecten bienes o activos que se encuentren en construcción surgidos de pagos parciales o progresivos realizados por un cliente de la Acreditada o cualquiera de sus Subsidiarias Restringidas relacionadas con dichos bienes o activos;

(j) cualquier interés o derecho de un arrendador respecto de bienes o activos sujetos a algún arrendamiento financiero (incluyendo arrendamientos que sean o deban ser capitalizables de conformidad con los PCGA) o arrendamiento puro;

(k) Gravámenes que surjan de registros conforme al Código de Comercio Uniforme (Uniform Commercial Code) de los Estados Unidos de América o estados de financiamiento (financing statements) similares en relación con arrendamientos;

- (l) Gravámenes sobre bienes o activos de, o sobre acciones representativas del capital social de, o Adeudos a cargo de, cualquier sociedad u otra entidad existente al momento en que dicha sociedad u otra entidad se constituya como o se convierta en parte de, una Subsidiaria Restringida, siempre y cuando dichos Gravámenes no sean extensivos sobre, o cubran bienes o activos de la Acreditada o de cualquiera de sus Subsidiarias Restringidas, distintos de los bienes o activos adquiridos;
- (m) Gravámenes a favor de la Acreditada o de cualquier Subsidiaria Restringida totalmente propiedad de la Acreditada;
- (n) Gravámenes que surjan de una sentencia definitiva o resolución en contra de la Acreditada o cualquiera de sus Subsidiarias Restringidas, y que no constituya una Causa de Incumplimiento;
- (o) Gravámenes que garanticen obligaciones de reembolso en relación con las cartas de crédito que gravan documentos o cualesquier otros bienes o activos relacionados con dichas cartas de crédito y los productos y rendimientos de los mismos;
- (p) Gravámenes en favor de autoridades aduanales y fiscales que surjan por ministerio de ley para garantizar el pago de derechos arancelarios o aduanales en relación con la importación de bienes;
- (q) Gravámenes que afecten depósitos iniciales y depósitos de margen, y cualesquier otros Gravámenes que se encuentren ya sea dentro de los parámetros generales que se acostumbran en la industria y que hayan sido incurridos en el curso ordinario de negocios, en cada caso, garantizando Adeudos bajo cualesquier Contratos de Tasa de Interés (si dichos Contratos de Tasa de Interés no tiene un monto nominal que exceda el monto principal del Adeudo de la Acreditada y de sus Subsidiarias Restringidas con tasa de intereses variables) y cualesquier Contratos de Divisas y contratos forward, de opciones, de futuros y de opciones sobre contratos de futuros o contratos similares o acuerdos diseñados para proteger a la Acreditada o a cualquiera de sus Subsidiarias Restringidas de fluctuaciones en las tasas de intereses o tasas de cambio de divisas, respectivamente, y celebrados con propósitos no especulativos;
- (r) Gravámenes que surjan de contratos sujetos a condición o con reserva de dominio, consignación o acuerdos similares para la venta de bienes, celebrados por la Acreditada o cualquiera de sus Subsidiarias Restringidas dentro del curso ordinario de negocios de la Acreditada y de sus Subsidiarias Restringidas;
- (s) Gravámenes sobre los derechos de la Acreditada o una Subsidiaria Restringida para recibir pagos derivados de programación o películas, así como los rendimientos de los mismos;
- (t) Gravámenes en relación con el cumplimiento y liquidación o cancelación de Adeudos de la Acreditada o de una Subsidiaria Restringida; y
- (u) Gravámenes incurridos para renovar, extender o refinanciar, total o parcialmente, Adeudos u obligaciones garantizadas por cualquier Gravamen incurrido bajo los incisos (a) a (t) anteriores; en el entendido que (i) dicho Gravamen no se extienda a cualquier otro bien o activo (distinto de los frutos y bienes o activos adquiridos con

posterioridad, en la medida en que el Gravamen que este siendo renovado, extendido o refinanciado sea extensivo a los frutos y bienes o activos adquiridos con posterioridad) y (ii) el monto principal del Adeudo garantizado, de haberlo, no sea incrementado (distinto de los montos relativos a primas, intereses acumulados y demas obligaciones de pago, incluyendo pagos consentidos, en relacion con el Adeudo refinanciado y los gastos razonables de emision de dicho nuevo Adeudo).

(n) Con efectos a partir de la fecha de firma de este Convenio Modificatorio, se modifica la definicion de "Impuestos" para quedar redactada de la siguiente manera:

"IMPUESTOS" tiene el significado que se le atribuye en el inciso (a) de la Clausula 2.10 del presente Contrato.

(o) Con efectos a partir de la fecha de firma de este Convenio Modificatorio, se modifica la definicion de "Indice de Endeudamiento" para quedar redactada de la siguiente manera:

"INDICE DE ENDEUDAMIENTO" significa, la razon de Deuda Total Consolidada menos Inversiones Temporales de Efectivo a UAFIDA Consolidada al termino de cualquier periodo de cuatro trimestres calendario consecutivos (considerados como un solo periodo contable).

(p) Con efectos a partir de la fecha de firma de este Convenio Modificatorio, se elimina la definicion de "Ingreso Neto Ajustado Consolidado" y en consecuencia se modifica la numeracion de las definiciones subsecuentes para que dicha numeracion sea progresiva y consecutiva.

(q) Con efectos a partir de la fecha de firma de este Convenio Modificatorio se elimina la definicion de "Inversion" y en consecuencia se modifica la numeracion de las definiciones subsecuentes para que dicha numeracion sea progresiva y consecutiva.

(r) Con efectos a partir de la fecha de firma de este Convenio Modificatorio se elimina la definicion de "Inversion de Negocio Adicional" y en consecuencia se modifica la numeracion de las definiciones subsecuentes para que dicha numeracion sea progresiva y consecutiva.

(s) Con efectos a partir de la fecha de firma de este Convenio Modificatorio se elimina la definicion de "Inversiones Permitidas" y en consecuencia se modifica la numeracion de las definiciones subsecuentes para que dicha numeracion sea progresiva y consecutiva.

(t) Con efectos a partir de la fecha de firma de este Convenio Modificatorio se incluye la definicion de "Innova" para quedar redactada de la siguiente manera y en consecuencia se modifica la numeracion de las definiciones subsecuentes para que dicha numeracion sea progresiva y consecutiva:

"INNOVA" significa Innova, S. de R.L. de C.V. y sus Subsidiarias.

(u) Con efectos a partir de la fecha de firma de este Convenio Modificatorio, se modifica la definicion de "Inversiones Temporales de Efectivo" para quedar redactada de la siguiente manera:

"INVERSIONES TEMPORALES DE EFECTIVO" significa cualquier cantidad disponible en efectivo e inversiones de la Acreditada y sus Subsidiarias (excluyendo a Innova) en cualquier moneda, con cualquier vencimiento y que el gobierno respectivo o la entidad financiera, empresa, banco o emisora, banco central o aseguradora que emita el instrumento de inversion, cuente con una calificacion al momento en que se realice dicha inversion, de "Baa3" (o superior) por Moody's o de "BBB-" (o superior) por Standard & Poor's.

superior) por S&P y/o Fitch (o calificaciones equivalentes emitidas por sus afiliadas mexicanas) mas la cantidad que equivalga a la parte proporcional de los Adeudos contraídos por Innova garantizados por la Acreditada.

(v) Con efectos a partir de la fecha de firma de este Convenio Modificatorio, se elimina la definicion de "Margen Aplicable" y en consecuencia se modifica la numeracion de las definiciones subsecuentes para que dicha numeracion sea progresiva y consecutiva.

(w) Con efectos a partir de la fecha de firma de este Convenio Modificatorio, se elimina la definicion de "Negocio Adicional" y en consecuencia se modifica la numeracion de las definiciones subsecuentes para que dicha numeracion sea progresiva y consecutiva.

(x) Con efectos a partir de la fecha de firma de este Convenio Modificatorio, se modifica la definicion de "Pagos Restringidos" para quedar redactada de la siguiente manera:

"PAGOS RESTRINGIDOS" significa cualquier dividendo o cualquier otra distribucion (ya sea en efectivo, en valores o en cualquier otro bien o activo), pero excluyendo cualquier dividendo o cualquier otra distribucion de Capital Social u otros valores emitidos por, o cualquier bien o activo de, una Subsidiaria No Restringida o del producto (ya sea en efectivo, en valores o en cualquier otro bien o activo) derivado de la venta de la totalidad o de una porcion del Capital Social u otros valores emitidos por, o bienes o activos de, cualquier Subsidiaria No Restringida, en relacion con acciones de cualquier clase del Capital Social de la Acreditada o cualquiera de sus Subsidiarias Restringidas, o cualquier pago (ya sea en efectivo, en valores o en cualquier otro bien o activo), incluyendo cualquier fondo de reserva (sinking fund) o depositos similares, a cuenta de la compra, amortizacion, retiro, adquisicion, cancelacion o terminacion de cualesquiera de dichas acciones del Capital Social de la Acreditada o de cualquiera de sus Subsidiarias Restringidas o cualquier opcion, warrant u otro derecho para adquirir cualesquiera de dichas acciones del Capital Social de la Acreditada o de cualquiera de sus Subsidiarias Restringidas; en el entendido que (i) los prestamos permitidos a empleados para compra de acciones o (ii) los dividendos pagaderos solamente en acciones representativas del Capital Social de la Acreditada o de cualquiera de sus Subsidiarias Restringidas, no seran considerados como Pagos Restringidos.

(y) Con efectos a partir de la fecha de firma de este Convenio Modificatorio, se elimina la definicion de "Pasivos Totales de Subsidiarias Restringidas" y en consecuencia se modifica la numeracion de las definiciones subsecuentes para que dicha numeracion sea progresiva y consecutiva.

(z) Con efectos a partir de la fecha de firma de este Convenio Modificatorio, se elimina la definicion de "Periodo Restringido" y en consecuencia se modifica la numeracion de las definiciones subsecuentes para que dicha numeracion sea progresiva y consecutiva.

(aa) Con efectos a partir de la fecha de firma de este Convenio Modificatorio, se elimina la definicion de "Prestamos Permitidos a Empleados para Compra de Acciones" y en consecuencia se modifica la numeracion de las definiciones subsecuentes para que dicha numeracion sea progresiva y consecutiva.

(bb) Con efectos a partir de la fecha de firma de este Convenio Modificatorio, se elimina la definicion de "Producto de Efectivo Neto de Capital Social" y en consecuencia se modifica la numeracion de las definiciones subsecuentes para que dicha numeracion sea progresiva y consecutiva.

(cc) Con efectos a partir de la fecha de firma de este Convenio Modificatorio, se modifica la definicion de "Subsidiaria" para quedar redactada de la siguiente manera:

"SUBSIDIARIA" significa, respecto de cualquier Persona, cualquier sociedad civil o mercantil, asociacion, co-inversion (joint venture), sociedad de responsabilidad limitada, incluyendo a Innova,

fideicomiso, patrimonio o cualquier otra Persona de la que (o en la que) mas del 50% (cincuenta por ciento) de (a) en caso de ser una sociedad, las acciones emitidas y en circulacion del Capital Social con derecho a voto; (b) en el caso de ser una sociedad de responsabilidad limitada, asociacion, o co-inversion (joint venture), las partes sociales o la participacion en el Capital Social o utilidades de dicha sociedad de responsabilidad limitada, asociacion o co-inversion (joint venture); o (c) en caso de ser un fideicomiso o figura similar, el derecho de participar en el patrimonio del mismo, es en ese momento, directa o indirectamente, sea propiedad de, o este controlado por (x) dicha Persona; (y) dicha Persona y una o mas de sus Subsidiarias; o (z) una o mas de las Subsidiarias de dicha Persona.

(dd) Con efectos a partir de la fecha de firma de este Convenio Modificadorio, se elimina la definicion de "Subsidiaria Material" y en consecuencia se modifica la numeracion de las definiciones subsecuentes para que dicha numeracion sea progresiva y consecutiva.

(ee) Con efectos a partir de la fecha de firma de este Convenio Modificadorio, se modifica la definicion de "Subsidiaria Significante" para quedar redactada de la siguiente manera:

"SUBSIDIARIA SIGNIFICANTE" significa, en cualquier fecha de determinacion, cualquier Subsidiaria de la Acreditada que, conjuntamente con sus Subsidiarias,

(i) represente, para el ejercicio social concluido mas reciente de la Acreditada, mas del 20% (veinte por ciento) de los ingresos consolidados de la Acreditada y sus Subsidiarias o (ii) al final de dicho ejercicio social, era la propietaria de mas del 20% (veinte por ciento) de los bienes y activos consolidados de la Acreditada y sus Subsidiarias, todo de conformidad con lo previsto en los estados financieros consolidados mas recientes disponibles de la Acreditada para dicho ejercicio social. Para los efectos previstos en los incisos (d), (e) y (i) de la Clausula 5.01 del presente Contrato, si ocurre y subsiste cualquiera de los eventos descritos en dichos incisos respecto de dos o mas Subsidiarias de la Acreditada que no sean Subsidiarias Significantes pero que al ser consideradas como un todo satisfagan uno o los dos requerimientos previstos en los incisos (i) y/o (ii) del enunciado inmediato anterior, entonces se considerara que dicho evento ha ocurrido respecto de una Subsidiaria Significante.

(ff) Con efectos a partir de la fecha de firma de este Convenio Modificadorio, se modifica la definicion de "UAFIDA Consolidada" para quedar redactada de la siguiente manera:

"UAFIDA CONSOLIDADA" significa, para cualquier periodo, la suma (sin duplicacion) de la utilidad de operacion consolidada de la Acreditada y sus Subsidiarias (excluyendo a Innova) (determinada conforme a PCGA) para dicho periodo, antes de depreciacion y amortizacion, mas el monto que equivalga a la parte proporcional de los Adeudos contraidos por Innova y garantizados por la Acreditada.

(gg) Con efectos a partir de la fecha de firma de este Convenio Modificadorio, se modifica la definicion de "Venta de Activos" para quedar redactada de la siguiente manera:

"VENTA DE ACTIVOS" significa cualquier venta, arrendamiento, cesion, transmision, o disposicion por parte de la Acreditada o cualquiera de sus Subsidiarias Restringidas a cualquier otra Persona distinta a la Acreditada o cualquiera de sus Subsidiarias Restringidas de (i) la totalidad o una parte sustancial del Capital Social de cualquier Subsidiaria Restringida, (ii) la totalidad o una parte sustancial de los bienes o activos de una unidad de operacion o de negocios de la Acreditada o de cualquiera de sus Subsidiarias Restringidas, en el entendido que el termino Venta de Activos no incluire cualquier venta, arrendamiento, cesion, transmision, o disposicion (A) relacionada con inventario, servicios (incluyendo servicios de publicidad), cuentas por cobrar y otros activos circulantes, (B) a traves de dividendos u otras distribuciones con respecto al Capital Social de la Acreditada o cualquier Subsidiaria Restringida permitida conforme al inciso (e) de la Clausula 4.02, (C) a traves de Inversiones permitidas conforme a lo previsto en el inciso (f) de la Clausula 4.02, (D) a traves de Gastos de Capital permitidos conforme a lo previsto en el inciso (i) de la Clausula 4.02, (E)

por la Acreditada o cualquier Subsidiaria Restringida de la Acreditada a favor de la Acreditada o cualquier otra Subsidiaria Restringida de la Acreditada; (F) que consista de un bien o activo que se ha vuelto inservible, obsoleto, danado o de cualquier otra manera inservible para el uso, en relacion con el negocio de la Acreditada o cualquier Subsidiaria Restringida, segun sea el caso, (G) de cualquier bien o activo, siempre y cuando el valor de mercado de dicho bien o activo, conjuntamente con el valor de mercado de cualquier bien o activo vendido, arrendado, transmitido, asignado o dispuesto por la Acreditada o cualquiera de sus Subsidiarias Restringidas durante el ejercicio social en el cual dicha Venta de Activos haya ocurrido, no exceda el 20% (veinte por ciento) de los activos totales consolidados de la Acreditada y sus Subsidiarias Restringidas al final del ejercicio social anterior inmediato o (H) relativo a licencias o derechos similares con respecto a programaciones, grabaciones de musica, peliculas y videos, siempre y cuando (i) la Acreditada o una Subsidiaria Restringida reciba una contraprestacion por los mismos que tenga un valor de mercado equivalente al valor de mercado de la licencia o derechos similares vendidos, arrendados, transmitidos, asignados o dispuestos o (ii) dicha venta, arrendamiento, cesion, transmision o disposicion se efectue dentro del curso ordinario de negocios.

(hh) Con efectos a partir de la fecha de firma este Convenio Modificatorio, se eliminan los incisos (g) y (m) de la Clausula 4.01, y en consecuencia se modifica la numeracion de las definiciones subsecuentes para que dicha numeracion sea progresiva y consecutiva.; asimismo, se modifican los incisos (a), (g), (j) y (k) de la Clausula 4.01, para quedar de la siguiente manera:

4.01. Obligaciones de Hacer de la Acreditada....

(a) Cumplimiento de Leyes y Pago de Impuestos. Cumplir, y hacer que cada una de sus Subsidiarias Restringidas cumplan, en todos los aspectos de importancia, con todas las leyes, reglas, reglamentos y ordenes aplicables (incluyendo Leyes Ambientales), incluyendo, sin limitacion, el pago a su vencimiento de todos los Impuestos a cargo de la Acreditada o dichas Subsidiarias Restringidas o que se generen sobre sus respectivos bienes, asi como contribuciones, derechos y cargas gubernamentales que le sean determinados, impuestos o exigidos, excepto, (i) respecto a dichas leyes, reglas, reglamentos y ordenes aplicables (incluyendo Leyes Ambientales), en la medida en que el incumplimiento de las mismas no pueda tener, en lo individual o de manera conjunta, un efecto adverso y de importancia en los negocios, operaciones o propiedades de la Acreditada o de sus Subsidiarias Restringidas; y (ii) respecto de dichos Impuestos, en la medida en que sean impugnados de buena fe mediante procedimientos apropiados, iniciados y conducidos oportuna y diligentemente, y para los cuales la Acreditada o la Subsidiaria Restringida correspondiente, segun sea el caso, establezca reservas adecuadas de conformidad con los PCGA.

(g) Cumplimiento de Obligaciones. Cumplir y pagar, y hacer que cada una de sus Subsidiarias Restringidas cumplan y paguen con todas sus obligaciones cuya suma principal (individual o conjuntamente con otros Adeudos no pagados) sea superior a EU\$100,000,000.00 (Cien Millones de Dolares 00/100) (o su equivalente en Pesos) o sus intereses, a su vencimiento, ya sea este convencional, por pago anticipado obligatorio o de cualquier otra manera, en terminos de cada contrato, hipoteca, garantia y demas instrumentos de deuda por los cuales estuvieran obligadas, con excepcion de aquellas obligaciones (i) cuyo monto o validez este siendo impugnado de buena fe por medio de procedimientos apropiados y para los cuales se han establecido las reservas adecuadas conforme a la legislacion aplicable, y (ii) cuya falta de pago pendiente por dicha impugnacion no pudiera esperarse, de manera razonable, que

tendra un efecto adverso importante en los negocios, activos, responsabilidades, condicion (financiera o de cualquier otra naturaleza), licencias, operacion o proyectos de la Acreditada o de cualquiera de sus Subsidiarias Restringidas o en la capacidad de la Acreditada de pagar el Credito o cumplir con las obligaciones que le derivan de este Contrato y/o el Pagare.

(j) Indice de Endeudamiento. Mantener en todo momento durante la vigencia de este Contrato, un Indice de Endeudamiento no mayor de 3.50 (tres punto cincuenta) a 1.00 (uno punto dos ceros).

(k) Indice de Cobertura de Intereses. Mantener en todo momento durante la vigencia de este Contrato, un Indice de Cobertura de Intereses no menor de 1.50 (uno punto cincuenta) a 1 (uno).

(ii) Con efectos a partir de la fecha de firma de este Convenio Modificatorio, se eliminan los incisos (b), (e), (f), (g), (h), e (i) de la Clausula 4.02, y en consecuencia se modifica la numeracion de las definiciones subsecuentes para que dicha numeracion sea progresiva y consecutiva; asimismo, se modifican los incisos (a), (b), y (d) de la Clausula 4.02; en consecuencia de lo anterior, los incisos (a), (b) y (d) de la Clausula 4.02 quedan redactados de la siguiente manera:

4.02. Obligaciones de No Hacer de la Acreditada.

(a) Fusion, Escision, Etc. No fusionarse, consolidarse, escindirse, liquidarse o disolverse (o permitir su liquidacion o disolucion), o permitir que sus Subsidiarias Restringidas se fusionen, consoliden, escindan, liquiden o disuelvan (o que sus Subsidiarias Restringidas permitan su liquidacion o disolucion), excepto que: (i) cualquier Subsidiaria de la Acreditada se podra fusionar o consolidar en o con (A) la Acreditada, en la medida en que la Acreditada sea la sociedad fusionante o sobreviviente, o (B) cualquier otra Subsidiaria de la Acreditada (incluyendo cualquier Persona que se convierta en Subsidiaria de la Acreditada como resultado de dicha fusion o consolidacion); (ii) la Acreditada o cualquiera de sus Subsidiarias Restringidas se podra fusionar o consolidar con cualquier otra Persona siempre y cuando (A) en el caso de una fusion o consolidacion de la Acreditada o una Subsidiaria Restringida, la Acreditada o dicha Subsidiaria Restringida debiera ser la sociedad fusionante o sobreviviente, y (B) no debiera existir y subsistir ninguna Causa de Incumplimiento o algun evento o condicion que, mediante aviso o por el transcurso del tiempo o ambos, pudiera constituir una Causa de Incumplimiento despues de dar efecto a dicha fusion o consolidacion; (iii) cualquier Subsidiaria Restringida se podra fusionar o consolidar con cualquier Persona mediante una adecuada contraprestacion a la Acreditada y sus Subsidiarias Restringidas consistente en una o mas Inversiones o cantidades de efectivo permitidas por el inciso (f) de esta Clausula 4.02.

(b) Venta de Activos Fijos. No vender, arrendar, ceder, transferir, o de cualquier otra manera disponer, o permitir que sus Subsidiarias Restringidas vendan, den en arrendamiento, cedan, transfieran, o de cualquier otra manera dispongan, en una operacion o serie de operaciones (sin limitar lo previsto en el inciso (a) de esta Clausula 4.02), cualquiera de sus respectivos bienes o activos, ya sea presentes o futuros (incluyendo sin limitacion, cuentas por cobrar y derechos de arrendamiento), excepto por ventas, arrendamientos, cesiones, transmisiones o disposiciones (i) realizadas dentro del curso ordinario de negocios de la Acreditada o dicha Subsidiaria

Restringida; (ii) realizadas via dividendos u otras distribuciones respecto del Capital Social de la Acreditada o cualquiera de sus Subsidiarias Restringidas, los cuales se encuentren permitidos conforme a lo previsto en el inciso (e) de esta Clausula 4.02; (iii) realizadas via Inversiones permitidas conforme a lo previsto en el inciso (f) de esta Clausula 4.02; y (iv) respecto de cualquier otro bien o activo, siempre y cuando el valor de mercado de todos aquellos otros bienes o activos arrendados, cedidos, transferidos, o de cualquier otra manera transmitidos por la Acreditada y sus Subsidiarias Restringidas durante el ejercicio social en el cual dicha venta, arrendamiento, cesion, transferencia o transmision ocurrio, no exceda del 20% (veinte por ciento) de la totalidad de los bienes y activos consolidados de la Acreditada y sus Subsidiarias Restringidas, segun lo previsto en el balance general de la Acreditada para el periodo concluido al 31 de diciembre del ejercicio social inmediato anterior. No obstante lo previsto en este inciso (c), cualquier Subsidiaria de la Acreditada podra vender, ceder, transferir o de cualquier otra manera disponer de todos o cualquier parte de sus bienes y activos (ante una liquidacion voluntaria o por cualquier otro motivo) en favor de la Acreditada o cualquier Subsidiaria Restringida de la Acreditada (incluyendo cualquier persona que se convierta en una Subsidiaria Restringida en virtud de dicha venta, cesion, transferencia o disposicion).

(d) Obligaciones Contractuales que Restrinjan Distribuciones. A partir de la fecha del presente Contrato, la Acreditada no debera permitir que sus Subsidiarias Restringidas celebren, creen o asuman restriccion contractual alguna que limite la facultad de dichas Subsidiarias Restringidas de realizar Pagos Restringidos. La limitacion prevista en el presente inciso (d) no limitara restricciones contractuales (i) existentes a la fecha de firma del presente Contrato o bajo cualquier otro contrato que se encuentre en pleno vigor y efecto a la fecha de firma del presente Contrato, y cualesquier extensiones, refinanciamientos, renovaciones o reemplazos de los mismos o bajo algun otro contrato conforme al cual exista una restriccion permitida conforme al sub-inciso (ii) siguiente; en la inteligencia que las restricciones bajo cualesquiera de dichas extensiones, refinanciamientos, renovaciones o reemplazos no deberan ser menos favorables que aquellas restricciones que se encuentren en vigor en dicho momento y que esten siendo extendidas, refinanciadas, renovadas o reemplazadas;

(ii) existentes respecto de cualquier Persona (incluyendo cualquier Persona que se convierta en una Subsidiaria Restringida) adquirida, o respecto de las propiedades o activos de dicha Persona adquiridos, por la Acreditada o cualquier Subsidiaria Restringida, existentes al momento de dicha adquisicion y no creadas en virtud de dicha adquisicion, cuyas cargas o restricciones no sean aplicables a cualesquiera otras Personas o a las propiedades o activos de cualesquiera otras Personas, distintas a la Persona adquirida o las propiedades o activos adquiridos de dicha Persona; (iii) que restrinjan, en terminos de mercado, la facultad de subarrendar, ceder o transmitir cualquier activo que sea un arrendamiento, licencia, propiedad o contrato o activo similar; (iv) existentes en virtud de cualquier venta de, contrato de promesa de venta, opcion o derecho respecto de, o Gravamen sobre, cualquier propiedad o activo de la Acreditada o cualquier Subsidiaria Restringida que no se encuentre de cualquier otro forma prohibida por el presente Contrato; (v) que surjan o sean acordadas en el curso ordinario de negocios, no esten relacionadas con algun Adeudo y que resten, individual o conjuntamente, valor significativo a la propiedad o activo respectivo de la Acreditada o cualquier Subsidiaria Restringida; (vi) respecto de cualquier Subsidiaria Restringida de conformidad con cualquier contrato que haya sido celebrado para la venta o

enajenacion de todo o una parte sustancial del Capital Social de, o de todos o una parte sustancial de las propiedades y activos de, dicha Subsidiaria Restringida, siempre y cuando dichas cargas o restricciones solamente se encuentren en vigor durante el plazo de tiempo transcurrido entre la fecha de firma de dicho contrato y la consumacion de dicha venta o enajenacion. Nada de lo previsto en el presente inciso (d) limitara que la Acreditada o cualquier Subsidiaria Restringida (1) constituya, incurra, asuma o sufra la existencia de cualquier Gravamen que se encuentre permitido conforme al inciso (c) de esta Clausula 4.02 o (2) restrinjan la venta u otra enajenacion de propiedades o activos de la Acreditada o de cualquiera de sus Subsidiarias Restringidas que garanticen Adeudos de la Acreditada o de cualquiera de sus Subsidiarias Restringidas.

(jj) Con efectos a partir de la fecha de firma de este Convenio Modificatorio, se modifican los incisos (c), (f) e (i) de la Clausula 5.01 para quedar redactados de la siguiente manera:

5.01. Causas de Incumplimiento.

(c) Si la Acreditada o cualquiera de sus Subsidiarias Significantes

(i) incumple en el pago de sus obligaciones pactadas o en cualquiera de sus Adeudos cuya suma principal (individual o conjuntamente con otros Adeudos no pagados) sea superior a EU\$100,000,000.00 (Cien Millones de Dolares 00/100) (o su equivalente en Pesos) o sus intereses, a su vencimiento, ya sea este convencional, por pago anticipado obligatorio o de cualquier otra manera, y dicho incumplimiento subsiste una vez transcurrido el periodo aplicable de gracia, en su caso, estipulado en el convenio o instrumento relativo a dicho Adeudos, o (ii) incumple con cualquier otro termino, pacto o condicion contenido en el convenio o instrumento relativo a cualquiera de sus Adeudos y dicho incumplimiento subsiste una vez transcurrido el periodo aplicable de gracia, en su caso, estipulado en dicho convenio o instrumento, independientemente de que dicho Adeudo sea o no declarado vencido anticipadamente; o

(f) Si en cualquier momento durante la vigencia de este Contrato, la Acreditada incumpliera (i) con cualquiera de sus obligaciones estipuladas en los incisos (b), (c)(iii), (c)(v), (i), (k) y (l) de la Clausula 4.01 de este Contrato y los incisos (a), (b), (c) y (d) de la Clausula 4.02 de este Contrato;

o (ii) con cualquiera de sus otras obligaciones o cualquiera de los terminos, pactos o convenios contenidos en este Contrato y (para el caso de este sub-inciso (ii)) dicho incumplimiento no se subsanare dentro de los 30 (treinta) dias naturales siguientes a la fecha en que el Banco se lo notifique a la Acreditada; o

(i) Si se dicta una o mas sentencias o decretos en contra de la Acreditada

o cualquiera de sus Subsidiarias Significantes que involucre una contingencia en total (que no se pague o que no este totalmente cubierta por seguros) de EU\$20,000,000 (veinte millones de Dolares) o su equivalente en Pesos, y si dichas sentencias o decretos no se desechan, invalidan o garantizan mientras son apeladas dentro de los 40 (cuarenta) dias siguientes a la fecha en que sean dictadas o dentro del termino legal para la apelacion respectiva, o si no se reservan por parte del Acreditado o la Subsidiaria Significante de que se trate de conformidad con los PCGA o de acuerdo a los principios de contabilidad generalmente aceptados aplicables a la Subsidiaria Significante de que se trate, segun sea el caso.

TERCERA. EFICACIA. Las partes acuerdan que este Convenio Modificatorio sera eficaz y surtira plenos efectos a partir de su fecha de firma; es decir, a partir del 22 de octubre del 2004.

CUARTA. AUSENCIA DE NOVACION. La celebracion de este Convenio Modificatorio no implica novacion de las obligaciones de la Acreditada contenidas en el Contrato.

QUINTA. RATIFICACION DE TERMINOS. Excepto por los terminos del Contrato de Credito que las partes convienen en modificar conforme a los terminos de este Convenio Modificatorio, las partes convienen que el resto de los terminos del Contrato de Credito quedaran en pleno vigor y efecto, en los terminos originalmente pactados en el Contrato de Credito.

SEXTA. ENCABEZADOS. Los encabezados que se utilizan en este Convenio Modificatorio se utilizan unicamente por conveniencia, y no podran utilizarse para interpretar cualquier estipulacion del mismo.

SEPTIMA. ANEXOS. Las partes convienen que los Anexos de este Convenio Modificatorio se consideraran parte del mismo, para todos los efectos a que haya lugar.

OCTAVA. DIVISIBILIDAD. Las partes convienen que si cualquier estipulacion de este Convenio Modificatorio fuere invalida o ilegal entonces, en la medida en que fuere permitido por la legislacion aplicable, tal disposicion se considerara como no puesta en este Convenio Modificatorio, quedando en pleno vigor y efectos el resto de las estipulaciones de este Convenio Modificatorio.

NOVENA. LEY APLICABLE Y JURISDICCION. Las partes convienen que este Convenio Modificatorio sera regido por, e interpretado de acuerdo con, la legislacion federal aplicable en Mexico. Para resolver cualquier controversia que surja del presente Convenio Modificatorio, las partes se someten expresamente a la jurisdiccion de los tribunales federales competentes de Mexico, ubicados en el Distrito Federal, Mexico, renunciando a cualquier otro fuero que pudiere corresponderles por virtud de sus domicilios, presentes o futuros, o por cualquier otra razon.

En testimonio de lo anterior, las partes han hecho que sus representantes suscriban este Convenio Modificatorio en la fecha indicada al inicio del mismo, en la Ciudad de Mexico, Distrito Federal.

ACREDITADA:

GRUPO TELEVISA, S.A.

/s/ Joaquin Balcarcel Santa Cruz

Joaquin Balcarcel Santa Cruz
Apoderado

/s/ Salvi Rafael Folch Viadero

Salvi Rafael Folch Viadero
Apoderado

BANAMEX:

**BANCO NACIONAL DE MEXICO, S.A.,
INTEGRANTE DEL GRUPO FINANCIERO BANAMEX**

/s/ Miguel Angel Soto Gutierrez

Miguel Angel Soto Gutierrez
Apoderado

/s/ Federico Delgado Pastor Surrell

Federico Delgado Pastor Surrell
Apoderado

EXHIBIT 4.11

TERM SHEET LONG TERM CREDIT AGREEMENT

The following are the main terms and conditions pursuant to which Banco Nacional de Mexico, S.A. ("Banamex") and Grupo Televisa, S.A. ("Televisa") entered into a long term credit agreement dated October 22, 2004 (the "Loan Agreement").

TYPE OF TRANSACTION:	Long term loan (the "Loan")
BANK:	Banco Nacional de Mexico, S.A.
BORROWER:	Grupo Televisa, S.A.
USE OF PROCEEDS:	General corporate purposes, including refinancing of corporate debt
GUARANTIES:	None
AGGREGATE AMOUNT:	Ps.\$2,000,000,000.00 (Two Thousand Million Pesos 00/100)
DISBURSEMENT DATE:	October 22, 2004
TERM:	7 (seven) years and 6 (six) months. The Loan Agreement matures on April 23, 2012
MATURITY DATES:	The amount of Ps\$500,000,000 to be paid on April 24, 2010; The amount of Ps\$500,000,000 to be paid on October 21, 2010; The amount of Ps\$1,000,000,000 to be paid on April 23, 2012
INTEREST RATE:	Fixed annual interest rate equal to 10.35% payable on a monthly basis
STRUCTURING COMMISSION:	0.125% of the Aggregate Amount
COVENANTS:	As long as the Loan is outstanding and until payment in full of Aggregate Amount, Grupo Televisa

assumed, among others, the following covenants:

- (a) Compliance with applicable laws
- (b) Existence
- (c) Disclosing obligations
- (d) Inspection rights
- (e) Insurance
- (f) Accounting
- (g) Taxes
- (h) Compliance with obligations
- (i) Use of Proceeds

RESTRICTIVE COVENANTS:

Pursuant to the Loan Agreement, Grupo Televisa assumed certain restrictive covenants that limit its ability and the ability of the Restricted Subsidiaries through which it conducts television broadcasting, pay television networks and programming exports businesses to:

- (a) incur indebtedness;
- (b) make dividend payments;
- (c) issue and sell capital stock of restricted subsidiaries; and
- (d) consummate mergers and consolidations, liquidations, dissolutions or transfers of assets.

FINANCIAL RATIOS:

As long as the Loan is outstanding and until payment in full of Aggregate Amount, Grupo Televisa shall maintain the following financial ratios:

Total Net Debt to EBITDA: Grupo Televisa will not at any time permit the ratio of (i) Total net debt at such time to (ii) EBITDA to be greater than 3.50 to 1.00

Interest Coverage Leverage: Grupo Televisa will not at any time, permit the interest coverage (EBITDA to Interest) to be less than 1.50 to 1.00

For the aforementioned financial ratios, EBITDA means, for any period until payment of Aggregate Amount, the sum of the amounts for such period of consolidated operating income of Grupo Televisa and Restricted Subsidiaries (as such term is defined in the Loan Agreement), determined pursuant to Generally Accepted Accounting Principles in Mexico, before depreciation and amortization.

DEFAULTS:

Grupo Televisa shall be deemed to have incurred in default upon the occurrence, among others, of any

of the following events:

- (i) Default in payment when due of Loan;
- (ii) False or misleading representations, warranties or certifications made under the Loan Agreement;
- (iii) Default in payment, when due, of any principal or interest, of any indebtedness in the aggregate principal amount of US\$100,000,000;
- (iv) Inability to pay its debts as they become due;
- (v) Any license, consent, authorization, concession, registration or approval at any time necessary to enable Grupo Televisa to comply with any of its obligations under the Agreement is revoked;
- (vi) A change in the Board of Directors resulting in an adverse change to the financial situation of Grupo Televisa;

- (vii) A final judgment or judgments for the payment of US\$20,000,000 or more in the aggregate;
- (viii) Grupo Televisa fails to observe or perform certain covenants, conditions or agreements and such default continues unremedied for a period of 30 or more days after notice thereof by the Bank to Grupo Televisa;
- (ix) Grupo Televisa shall apply for or consent to appointment of a receiver, custodian, sindico, interventor, conciliador, trustee, examiner or liquidator of all or a substantial part of its Property; makes a general assignment for the benefit of its creditors, files a petition relating to bankruptcy, insolvency, concurso mercantil, reorganisation, liquidation, dissolution, arrangement or winding-up; or
- (x) Any governmental authority takes action to condemn, seize, nationalize or appropriate any substantial portion of the Company.

GOVERNING LAW:

Applicable federal law in Mexico.

JURISDICTION:

Mexican federal courts located in Mexico City.

CONTRATO DE APERTURA DE CREDITO SIMPLE (EL "CONTRATO") QUE CELEBRAN ESTE DIA 22 DE OCTUBRE DE 2004, GRUPO TELEVISIA, S.A. (LA "ACREDITADA"), REPRESENTADA EN ESTE ACTO POR LOS SRES. RAFAEL CARABIAS PRINCIPE Y JOAQUIN BALCARCEL SANTA CRUZ Y BANCO NACIONAL DE MEXICO, S.A., INTEGRANTE DEL GRUPO FINANCIERO BANAMEX, (EL "BANCO"), REPRESENTADO EN ESTE ACTO POR LOS SRES. MIGUEL ANGEL SOTO GUTIERREZ Y FEDERICO DELGADO PASTOR SURRELL, CONFORME A LAS SIGUIENTES DECLARACIONES Y CLAUSULAS:

PREAMBULO

Los terminos definidos que se utilizan en el presente Contrato tienen el significado que se les atribuye en la Clausula Primera.

DECLARACIONES

I. Declara la Acreditada, por conducto de sus representantes legales, que:

(a) Es una sociedad anonima debidamente constituida y existente conforme a las leyes de Mexico.

(b) (i) es propietaria, directa o indirectamente, libre de todo Gravamen y cualquier otra restriccion o limitacion de dominio o derechos preferentes, y cuenta libremente con el derecho de voto correspondiente a todas las acciones, partes sociales, participaciones o intereses representativos del Capital Social de cada una de las Subsidiarias Restringidas y (ii) el Capital Social en circulacion de cada una de las Subsidiarias Restringidas ha sido validamente emitido, se encuentra totalmente pagado y libre de todo Gravamen o cualquier otra restriccion o limitacion de dominio.

(c) La celebracion, suscripcion, entrega y cumplimiento por su parte de este Contrato y del Pagare, estan comprendidos dentro de su objeto social, han sido debidamente autorizados por todas las medidas corporativas pertinentes y no estan en conflicto con, ni son inconsistentes con, ni resultan en incumplimiento de (i) sus estatutos vigentes a la fecha del presente Contrato, ni (ii) cualquier ley, termino, condicion, obligacion o restriccion contractual alguna que la obligue o afecte; ni resulte en la constitucion o imposicion de cualquier Gravamen sobre cualesquiera propiedades o activos de la Acreditada.

(d) No se requiere de autorizacion ni registro alguno de, o ante cualquier Autoridad Gubernamental (como dicho termino se define mas adelante), para la debida celebracion, suscripcion, entrega y cumplimiento por su parte del presente Contrato y del Pagare, ni para la legalidad, validez o exigibilidad de los mismos.

(e) Este Contrato constituye, y el Pagare una vez suscrito constituira, obligaciones legales y validas de la Acreditada, exigibles en su contra de conformidad con sus respectivos terminos.

(f) Sus estados de situacion financiera auditados y consolidados por el ejercicio terminado al 31 de diciembre de 2003, y sus estados de resultados y estados de cambios en la posicion financiera consolidados para dicho periodo, fueron preparados de conformidad con los PCGA, presentan adecuadamente su situacion financiera y resultados de operaciones consolidados durante y para el periodo cubierto por los mismos.

(g) Toda la informacion factual (considerada en conjunto), proporcionada por escrito hasta esta fecha por su parte o por su cuenta para efectos de o en relacion con el presente Contrato o cualquier operacion contemplada en el mismo es, y cualquier otra informacion factual similar (considerada en conjunto) que se proporcione por escrito a partir de esta fecha por su parte o por su cuenta sera, completa y precisa en todo aspecto significativo en la fecha a que dicha informacion este referida y no omitira hecho significativo alguno que fuera necesario comunicar a modo que dicha informacion (considerada en conjunto) no conduzca a error en dicho momento en funcion de las circunstancias bajo las cuales fue proporcionada.

(h) Ha presentado todas las declaraciones de Impuestos requeridas y ha pagado todos los Impuestos a su cargo que se han causado de conformidad con dichas declaraciones de Impuestos y cualesquiera otros impuestos y contribuciones a su cargo que se han causado, salvo por los no vencidos y los impugnados de buena fe mediante procedimientos apropiados, iniciados y conducidos oportuna y diligentemente, y para los cuales se hayan establecido reservas adecuadas de conformidad con los PCGA, y por aquellos cuya falta de declaracion o pago no sea de esperarse que razonablemente puedan afectar adversamente y en forma importante su condicion financiera o sus operaciones.

(i) No existe (i) ninguna reclamacion de importancia pendiente o, que a su leal saber sea inminente, en relacion con practicas laborales, en su contra o en contra de cualquiera de sus Subsidiarias Materiales ante cualquier Autoridad Gubernamental con jurisdiccion sobre dichos asuntos, y no existen procedimientos pendientes, o que a su leal saber sean inminentes, derivados o relacionados con cualesquiera contratos colectivos de trabajo en su contra o en contra de cualesquiera de sus Subsidiarias Materiales; (ii) ninguna huelga, conflicto laboral, paro significativo pendiente o, que a su leal saber sea inminente, en su contra o en contra de cualquiera de sus Subsidiarias Materiales; y (iii) a su leal saber, cuestionamiento alguno sobre la representatividad de ningun sindicato con respecto a sus empleados o de cualquiera de sus Subsidiarias Materiales, ni se estan llevando a cabo actividades de organizacion sindical, salvo aquellas actividades (respecto de cualquiera de los asuntos especificados en los incisos (i), (ii) o (iii) anteriores, ya sea en lo individual o en conjunto) de las que no fuera de esperarse razonablemente que puedan afectar adversamente y en forma importante su condicion financiera o sus operaciones o la de cualquiera de sus Subsidiarias Materiales.

(j) Todo contrato importante del que sea parte la Acreditada o cualquiera de sus Subsidiarias Materiales (incluyendo, sin limitacion, cualquier acta de emision, hipoteca, fideicomiso, credito o cualquier otro instrumento o documento) se encuentra en pleno vigor y efecto, y (i) ni la Acreditada ni cualquiera de sus Subsidiarias Materiales se encuentra en incumplimiento substancial en terminos de cualquier disposicion de cualesquiera de tales contratos, y (ii) no existen condiciones que, mediante aviso o por el

transcurso del tiempo o ambos o por cualquier otro motivo, pudieran constituir un incumplimiento en terminos de dichos contratos en cualquiera de los casos anteriores, del que pudiera esperarse razonablemente, en lo individual o en conjunto, que puedan afectar adversamente y en forma importante la condicion financiera o las operaciones de la Acreditada o de cualquiera de sus Subsidiarias Materiales.

(k) Se encuentra, al igual que sus Subsidiarias Materiales, en cumplimiento en todo respecto, con sus respectivas obligaciones relativas a seguridad social, pension y retiro y obligaciones legales referentes a la vivienda de sus trabajadores, asi como los planes de beneficios a empleados establecidos o a los que contribuyen respectivamente, y no tienen pendiente ninguna responsabilidad con respecto a dichos planes de beneficios a empleados, excepto en la medida en que de su incumplimiento no es de esperarse razonablemente que pudiera afectar adversamente y en forma importante su condicion financiera o sus operaciones ni la de sus Subsidiarias Materiales.

(l) La Acreditada y cada una de sus Subsidiarias Materiales han cumplido, y en la Fecha de Disposicion estaran en cumplimiento con toda Ley Ambiental aplicable en todo aspecto significativo, excepto por aquellos incumplimientos de los que no fuera de esperarse razonablemente, en lo individual o en conjunto, que puedan afectar adversamente y en forma importante la condicion financiera o las operaciones de la Acreditada o de sus Subsidiarias Materiales. La Acreditada y cada una de sus Subsidiarias Materiales ha obtenido todos los permisos que se requieren en terminos de la Ley Ambiental aplicable en relacion con sus respectivos negocios u operaciones y cada uno de dichos permisos se encuentra en pleno vigor y efecto y la Acreditada y cada una de sus Subsidiarias Materiales se encuentra en cumplimiento con los requerimientos de cualesquiera permisos emitidos en terminos de dicha Ley Ambiental, salvo por aquellos de los que no fuera de esperarse razonablemente que tengan, en lo individual o en conjunto, o que pudieran tener un efecto adverso importante en la condicion financiera o las operaciones de la Acreditada o cualquiera de sus Subsidiarias Materiales. No existen Reclamaciones Ambientales (salvo por reclamaciones en relacion con las cuales no fuera de esperarse razonablemente que pudieran afectar adversamente y en forma importante la condicion financiera o las operaciones de la Acreditada) pasadas, pendientes o, que al leal saber de la Acreditada, sean inminentes en contra de la Acreditada o cualquiera de sus Subsidiarias Materiales.

(m) No existe accion, demanda o procedimiento alguno pendiente, o que al leal saber de la Acreditada sea inminente, ante tribunal, Autoridad Gubernamental o arbitro alguno, contra la Acreditada o cualquiera de sus Subsidiarias Materiales o sus respectivos activos, que pudiera afectar adversamente y en forma importante, la condicion financiera o las operaciones de la Acreditada o cualquiera de sus Subsidiarias Materiales, o la capacidad de la Acreditada para cumplir con las obligaciones que le derivan de este Contrato y del Pagare.

(n) A la fecha de este Contrato, no se encuentra en incumplimiento respecto de Adeudo o convenio alguno de importancia del que sea parte o por virtud del cual pueda estar obligada.

(o) A partir del 31 de diciembre de 2003, fecha del ultimo estado financiero disponible, no ha ocurrido ningun evento o condicion en o antes de la fecha de este

Contrato que tenga o pueda tener un efecto adverso de importancia en sus negocios, activos, responsabilidades o condicion (financiera o de cualquier otra naturaleza), que pueda afectar el resultado de sus operaciones o proyectos o su capacidad para cumplir con las obligaciones que le derivan de este Contrato y del Pagare.

(p) Las personas que celebran el presente Contrato en nombre y representacion de la Acreditada tiene todos los poderes y facultades suficientes, asi como las autorizaciones corporativas necesarias para celebrar el presente Contrato en su nombre y representacion y para obligarla en los terminos y condiciones estipulados en el mismo, y que dichos poderes, facultades y autorizaciones corporativas no les han sido revocadas o limitadas en forma alguna.

(q) Todos los recursos del Credito seran utilizados por la Acreditada para sus operaciones corporativas en general, incluyendo el refinanciamiento de pasivos de la Acreditada y sus Subsidiarias, en los terminos y sujeto a las condiciones previstas en el presente Contrato.

II. Declara el Banco, por conducto de sus representantes legales, que:

(a) Con base en las declaraciones de la Acreditada contenidas anteriormente y de conformidad con los terminos y sujeto a las condiciones previstas en este Contrato, ha convenido en poner a disposicion de la Acreditada un credito hasta por una suma principal igual a \$2,000,000,000.00 (DOS MIL MILLONES DE PESOS 00/100).

(b) Las personas que celebran el presente Contrato en nombre y representacion del Banco tienen todos los poderes y facultades suficientes, asi como las autorizaciones corporativas necesarias para celebrar el presente Contrato en su nombre y representacion y para obligarla en los terminos y condiciones estipulados en el mismo, y que dichos poderes, facultades y autorizaciones corporativas no les han sido revocadas o limitadas en forma alguna.

EN VIRTUD DE LO ANTERIOR, con base en las Declaraciones contenidas en el presente Contrato, las cuales constituyen motivo determinante de la voluntad del Banco para celebrar el presente Contrato, las partes se obligan conforme a los terminos y condiciones que se pactan en las siguientes clausulas:

CLAUSULAS

PRIMERA DEFINICIONES, INTERPRETACION

1.01. Definicion de Terminos. Para efectos del presente Contrato, los siguientes terminos tendran el significado que se les atribuye a continuacion:

(1) "ACCIONES DE VOTO" significa, con respecto a cualquier Persona, Capital Social de cualquier clase o de cualquier tipo que ordinariamente tenga el derecho o la facultad de voto para elegir a los consejeros, directores,

gerentes o cualesquiera otras personas que integren el organo de administracion de dicha Persona.

(2) "ACCIONES PREFERENTES" significa, con respecto a cualquier Persona, todas y cada una de las acciones, intereses, participaciones o equivalentes (como quiera que se les designe, ya sea con o sin derecho a voto) de las acciones preferentes de dicha Persona, ya sea que se encuentren actualmente en circulacion o sean emitidas con posterioridad a la fecha de firma del presente Contrato, incluyendo, sin limitacion alguna, todas las series y clases de dichas acciones preferentes; en el entendido que el termino "Acciones Preferentes" no debera incluir las Acciones Serie D de la Acreditada emitidas y en circulacion a la fecha de firma del presente Contrato o cualesquier acciones substancialmente similares del Capital Social emitidas por la Acreditada o cualquier Subsidiaria Restringida con posterioridad a la fecha de firma del presente Contrato.

(3) "ACTIVOS TANGIBLES AJUSTADOS CONSOLIDADOS" significa los activos totales de la Acreditada y sus Subsidiarias Restringidas (menos depreciacion, amortizacion y demas reservas de valuacion aplicables), incluyendo cualesquier incrementos de valor de bienes o reexpresiones requeridos de conformidad con los PCGA, despues de haber deducido de los mismos (i) el monto total insoluto de los pasivos a corto plazo de la Acreditada y sus Subsidiarias Restringidas (excluyendo Depositos y anticipos de clientes) y (ii) el prestigio (goodwill), nombres comerciales, marcas, licencias, concesiones, patentes, descuentos de deuda no amortizados y gastos y demas intangibles, todos ellos determinados de conformidad con los PCGA y a la fecha del balance general mas reciente otorgado al Banco de conformidad con la Clausula 4.01(c)(i) y (ii) del presente Contrato; en el entendido que el termino "Activos Tangibles Ajustados Consolidados" se considerara que incluye los derechos de transmision, de programacion y de peliculas, segun sean determinados de conformidad con los PCGA.

(4) "ADEUDO" significa, respecto de cualquier Persona en cualquier fecha de determinacion (sin duplicacion), (i) todos los adeudos de dicha Persona por dinero tomado en prestamo, (ii) todas las obligaciones de dicha Persona documentadas en bonos, obligaciones, pagares u otros instrumentos similares, (iii) todas las obligaciones de dicha Persona en relacion con cartas de credito o demas instrumentos similares (incluyendo obligaciones de reembolso con respecto a los mismos), (iv) todas las obligaciones de dicha Persona de pagar el precio de compra diferido no pagado de bienes, activos o servicios, cuyo precio de compra venza con posterioridad a un plazo de un ano, contado a partir de la fecha en que dicho bien o activo sea puesto en servicio o que se haya recibido la titularidad y propiedad del mismo o en que se hayan prestado dichos servicios y que tengan algun costo de interes, (v) todas las obligaciones de dicha Persona como arrendatario bajo Arrendamientos Capitalizables, (vi) todos los Adeudos de otras Personas, garantizados por un Gravamen sobre

cualquier bien o activo de dicha Persona, ya sea que dicho Adeudo sea o no asumido por dicha Persona, en el entendido que el monto de dicho Adeudo sera lo que resulte menor de (A) el valor de mercado de dicho bien o activo en dicha fecha de determinacion y (B) el monto de dicho Adeudo, (vii) todos los Adeudos de otras Personas, Garantizados por dicha Persona, en la medida que dicho Adeudo sea Garantizado por dicha Persona y (viii) en la medida que no se incluyan de otra forma en la presente definicion, los pasivos netos de dicha Persona bajo Contratos de Divisas y Contratos de Tasas de Interes, y cualesquier montos vencidos y pagaderos por dicha Persona bajo cualesquier otros acuerdos substancialmente similares al "ISDA Master Agreement" de fecha 24 de agosto de 1999 celebrado por JP Morgan Chase Bank y la Acreditada, incluyendo sus apendices y adenda, celebrados por dicha Persona con posterioridad al 10 de mayo de 2000. El monto del Adeudo de cualquier Persona en cualquier fecha sera (sin duplicacion) el balance insoluto a dicha fecha de todas las obligaciones incondicionales segun se describen anteriormente y, con respecto a las obligaciones contingentes, el pasivo maximo al momento de ocurrir la contingencia de la cual derive la obligacion (salvo que la contingencia subyacente no haya ocurrido y el acontecimiento de la contingencia subyacente se encuentre bajo el control total de la Acreditada o de cualquiera de sus Subsidiarias Restringidas); en el entendido que (i) el monto insoluto en cualquier momento de cualquier Adeudo emitido con descuento de emision original es el monto nominal de dicho Adeudo, menos la porcion remanente no amortizada del descuento de emision original de dicho Adeudo en dicho momento, segun sea determinado de conformidad con los PCGA y (ii) Adeudo no incluire pasivos referentes a: (A) impuestos federales, estatales, locales, impuestos sobre la renta, impuestos al activo o demas impuestos de Mexico, de los Estados Unidos de America o cualquier otra jurisdiccion, (B) Depositos, (C) endosos de titulos de creditos para su deposito o cobranza, u operaciones similares en el curso ordinario de negocios, (D) adeudos a cargo de la Acreditada o de cualquier Subsidiaria Restringida y a favor de (x) cualquier Subsidiaria Restringida o (y) cualquier Subsidiaria No Restringida reflejando (1) los balances de credito que surjan de actividades de administracion de efectivo o cualquier contrato para compartir impuestos celebrados entre la Acreditada y sus Subsidiarias en el curso ordinario de negocios, o (2) obligaciones bajo cualquier contrato para compartir impuestos celebrados entre la Acreditada y sus Subsidiarias; (E) cualquier adeudo que haya sido cancelado o satisfecho de conformidad con los terminos de los documentos que regulan dicho adeudo (F) Cuentas Comerciales por Pagar, (G) como arrendatario o fiador bajo cualquier arrendamiento de satelites o transpondedor (sin importar si dichos arrendamientos estan catalogados como Arrendamientos Capitalizables). Para determinar el monto principal de cualquier Adeudo emitido por cualquier Persona que se encuentre denominado en UDIS, dicho monto principal de dicho Adeudo debera ser calculado tomando como base la proporcion de UDIS a Pesos vigente en la fecha de su emision.

(5) "ADEUDOS ADQUIRIDOS" significa (i) Adeudos de una Persona existentes al momento en que dicha Persona se convierta en una Subsidiaria Restringida o asumidos en virtud de una Adquisicion de Activos por parte de la Acreditada o una Subsidiaria Restringida y no incurridos en relacion con, o en anticipacion a, la conversion de dicha Persona en una Subsidiaria Restringida o dicha Adquisicion de Activos; y

(ii) Adeudos de una Persona garantizados por Gravámenes sobre cualquier bien o activo adquirido por dicha Persona, siempre y cuando dichos Adeudos no haya sido incurridos en relacion con, o en anticipacion a, dicha adquisicion; en el entendido que cualesquiera Adeudos de dicha Persona que sean amortizados, liquidados, retirados o de cualquier otra forma pagados al momento de consumar, o inmediatamente una vez consumada, la o las operaciones en virtud de las cuales dicha Persona se convierta en una Subsidiaria Restringida o dicho bien o activo sea adquirido, no seran Adeudos Adquiridos o Adeudos.

(6) "ADEUDOS CONVERTIBLES" significa, con respecto a cualquier Persona, los Adeudos de dicha Persona que sean convertibles en, o intercambiables por, Capital Social de dicha Persona o cualquier Afiliada de dicha Persona.

(7) "ADQUISICION DE ACTIVOS" significa (i) una Inversion realizada por la Acreditada o cualquiera de sus Subsidiarias Restringidas en cualquier otra Persona, conforme a la cual dicha Persona se convertira en una Subsidiaria Restringida o se fusionara con, o se consolidara en, la Acreditada o cualquiera de sus Subsidiarias Restringidas; en el entendido que el negocio principal de dicha Persona sea un Negocio Principal o (ii) una adquisicion por parte de la Acreditada o cualquiera de sus Subsidiarias Restringidas de un bien o activo de cualquier Persona distinta a la Acreditada o cualquiera de sus Subsidiarias Restringidas que constituya substancialmente la totalidad de una division o linea de negocios de dicha Persona; en el entendido que dicha division o linea de negocios se encuentre relacionada con un Negocio Principal.

(8) "AFILIADA" significa, en relacion con cualquier Persona, cualquier otra Persona que, directa o indirectamente, controle a, sea controlada por o se encuentre bajo el control comun directo o indirecto con, dicha Persona. Para efectos de esta definicion, "control" (incluyendo, con significados correlativos, los terminos "controlando", "controlado por" y "bajo el control comun con"), en relacion con cualquier Persona, significara la facultad, directa o indirecta, de dirigir o influir en la direccion de la administracion y politicas de dicha Persona, ya sea mediante la titularidad de Acciones de Voto, por convenio o de cualquier otra forma.

(9) "AGENTE DE CALCULO" significa, el Banco.

(10) "AGENTES DE CALCULO SUSTITUTOS" significan, los tres participantes (excluyendo a Afiliadas del Banco) que, en la Fecha de Pago Anticipado, sean los mas activos en terminos del numero y volumen de Operaciones de Derivados en el Mercado Mexicano de Derivados, conforme a la

determinacion que haga en forma concluyente el Banco y que sean aprobados por la Acreditada por escrito.

(11) "ARRENDAMIENTO CAPITALIZABLE" significa, segun se aplique a cualquier Persona, cualquier arrendamiento de cualquier bien o activo cuyo valor presente descontado de las obligaciones de pago de renta y demas obligaciones de arrendamiento de dicha Persona en su caracter de arrendatario, de conformidad con los PCGA, se requiera capitalizar en el balance general de dicha Persona; y "OBLIGACIONES POR ARRENDAMIENTOS CAPITALIZABLES" significa el valor presente descontado de las obligaciones de pago de renta y demas obligaciones de arrendamiento de dicha Persona en su caracter de arrendatario bajo dicho arrendamiento, determinado de conformidad con los PCGA.

(12) "AUTORIDAD GUBERNAMENTAL" significa, cualquier secretaria, departamento administrativo, agencia, comision, oficina, junta, autoridad regulatoria, registro, dependencia, corporacion u otro cuerpo, entidad o tribunal gubernamental (incluyendo, sin limitacion, autoridades bancarias y fiscales) de, o propiedad de, o controlada por, Mexico, o cualquier subdivision politica de este, que en cada caso ejerza funciones ejecutivas, legislativas, judiciales, regulatorias o administrativas.

(13) "AVISO DE DISPOSICION" tiene el significado que se le atribuye en el inciso (a) de la Clausula 2.02 del presente Contrato.

(14) "CAPITAL SOCIAL" significa, respecto de cualquier Persona, todas las acciones, partes sociales, intereses, participaciones o equivalentes (como quiera que se les denomine, ya sea con o sin derechos de voto) representativas del capital social de dicha Persona, ya sea actualmente en circulacion o emitidas con posterioridad a la fecha de firma del presente Contrato.

(15) "CAUSA DE INCUMPLIMIENTO" tiene el significado que se le atribuye en la Clausula 5.01 del presente Contrato.

(16) "CONTRATO DE DIVISAS" significa cualquier contrato de paridad cambiaria, contrato de intercambio (swap), contrato adelantado (forward) o contrato a futuro de paridad cambiaria o cualquier otro contrato o arreglo similar en o bajo el cual la Acreditada o cualquiera de sus Subsidiarias Restringidas sea parte o beneficiaria en la fecha del presente Contrato o que llegue a ser parte o beneficiaria con posterioridad a dicha fecha.

(17) "CONTRATO DE TASA DE INTERES" significa cualquier contrato de cobertura o proteccion de tasa de interes, contrato futuro de tasa de interes, contrato de opcion de tasa de interes, contrato de intercambio (swap) de tasa de interes, contrato de techo (cap) de tasa de interes, contrato collar (collar) de tasa de interes, contrato de cobertura (hedge) de tasa de interes o cualquier otro contrato o arreglo similar en o bajo el cual la Acreditada o cualquiera de sus Subsidiarias Restringidas sea parte o beneficiaria en la

fecha del presente Contrato o que llegue a ser parte o beneficiaria con posterioridad a dicha fecha.

(18) "COMISION POR PAGO ANTICIPADO", tiene el significado que se le atribuye en el inciso (b) de la Clausula 2.04 del presente Contrato.

(19) "CREDITO" significa el credito que el Banco pone a disposicion de la Acreditada conforme a los terminos y sujeto a las condiciones del presente Contrato, hasta por una suma principal igual a \$2,000,000,000.00 (DOS MIL MILLONES DE PESOS 00/100).

(20) "CREDITOS BANAMEX" significa los contratos de credito, de fechas 7 de mayo de 2003 el cual fue modificado el 25 de junio de 2003 y el 18 de mayo del 2004, asi como el de fecha 17 de mayo del 2004, celebrado entre Grupo Televisa, S.A. y Banco Nacional de Mexico, S.A.

(21) "CREDITO EN UDIS EXISTENTE" significa el credito existente de los pagares de mediano plazo establecido por la Acreditada, en virtud del cual un Adeudo denominado en UDIS por la cantidad total de \$3,000,000,000.00 (tres mil millones de Pesos 00/100) fue emitido el 14 de abril de 2000.

(22) "CREDITO SERFIN" significa el contrato de credito de fecha 15 de mayo de 2001, celebrado entre la Acreditada y Banca Serfin, S.A., Institucion de Banca Multiple, Grupo Financiero Santander Mexicano.

(23) "CUENTAS COMERCIALES POR PAGAR" significa, con respecto a cualquier Persona, cualesquier cuentas por pagar, pagares o cualquier otra obligacion monetaria creada, asumida o Garantizada por dicha Persona o cualquiera de sus Subsidiarias Restringidas en favor de acreedores comerciales, que surjan dentro del curso ordinario de negocios en relacion con (i) la adquisicion de bienes o servicios que requieran ser pagados dentro del ano siguiente a la fecha de adquisicion de los mismos o (ii) programaciones y peliculas.

(24) "DEPOSITOS" significa aquellas cantidades recibidas por la Acreditada o sus Subsidiarias Restringidas en virtud de contratos de deposito u otros acuerdos entre la Acreditada o sus Subsidiarias Restringidas y terceros para la prestacion de servicios de publicidad u otros servicios a dichos terceros, ya sea evidenciados por dinero, pagares, cuentas por cobrar u otros activos.

(25) "DETERMINACION POR METODOLOGIA DE VALUACION", tiene el significado que se le atribuye en el inciso (c) de la Clausula 2.04 del presente Contrato.

(26) "DEUDA TOTAL CONSOLIDADA" significa, en cualquier fecha de determinacion, el monto total agregado de todos los Adeudos, calculados de manera consolidada, de la Acreditada y sus Subsidiarias a dicha fecha, segun se determine de conformidad con los PCGA menos el monto

agregado de todos los Adeudos de Innova que no esten garantizados por la Acreditada.

(27) "DIA HABIL" significa cualquier dia excepto sabado, domingo y cualquier dia que en la Ciudad de Mexico sea un dia de descanso obligatorio o un dia en el que las instituciones bancarias esten autorizadas u obligadas por ley u otra disposicion gubernamental a mantener sus puertas cerradas.

(28) "DISPOSICION" significa el desembolso de dinero hecho por el Banco en favor de la Acreditada hasta por el monto del Credito, conforme a los terminos y sujeto a las condiciones de este Contrato.

(29) "DOLARES" y el signo de "EU\$" significan la moneda de curso legal en los Estados Unidos de America.

(30) "FECHA DE DISPOSICION" significa la fecha especificada en el Aviso de Disposicion, la cual no podra exceder del 27 de octubre de 2004.

(31) "FECHA DE PAGO ANTICIPADO", tiene el significado que se le atribuye en el inciso (b) de la Clausula 2.04 del presente Contrato.

(32) "FECHA DE PAGO DE INTERESES" significa el ultimo dia de cada Periodo de Intereses.

(33) "FITCH" significa Fitch Ratings, Inc., y sus sucesores.

(34) "GARANTIA" significa cualquier obligacion, contingente o de cualquier otra naturaleza, de cualquier Persona que directa o indirectamente garantice (ya sea a traves de una garantia, fianza, aval u otra forma) cualquier Adeudo de cualquier otra Persona y, sin limitar la generalidad de los anterior, cualquier obligacion, directa o indirecta, contingente o de cualquier otra naturaleza, de dicha Persona (i) para comprar o pagar (o prestar o anticipar fondos para la compra o pago de) dicho Adeudo de dicha otra Persona (ya sea que surjan por virtud de acuerdos de socios, o por contratos que contengan obligaciones de aportar capital o proveer fondos a dicha otra Persona, de comprar, vender o rentar (como arrendatario o arrendador) cualquier bien o activo o para comprar o prestar servicios, para tomar o pagar, o para mantener condiciones en los estados financieros u otras (pero sin incluir obligaciones que surjan solamente por razon del status de socio de dicha Persona en una sociedad o como socio de una sociedad de responsabilidad limitada o como titular y propietario de capital social de cualquier otra sociedad)) o (ii) asumida para asegurarse de cualquier otra manera que el deudor de dicho Adeudo pague su parte correspondiente o para proteger a dicho deudor contra las perdidas con respecto al mismo (ya sea total o parcialmente). El termino "Garantia" usado como verbo tendra un significado correlativo.

(35) "GASTOS DE CAPITAL" significa, para cualquier periodo con respecto a cualquier Persona, la suma de todos los gastos durante dicho periodo (ya

sea que hayan sido pagados en efectivo o acumulados como pasivos durante dicho periodo) que, de conformidad con los PCGA, se requieran incluir o se deban reflejar en el balance general de dicha Persona respecto de equipo, activos fijos, bienes inmuebles o mejoras, o para reemplazos o sustituciones de los mismos o adiciones a los mismos, incluyendo (sin duplicación) el monto de gastos considerados a ser realizados en relación con el equipo que se adquiriera simultáneamente con el intercambio de equipo existente propiedad de dicha Persona, en la medida que el monto bruto del precio de compra de dicho equipo adquirido exceda el valor de precio de mercado (según sea determinado de buena fe por dicha Persona) del equipo existente entregado a cambio, pero excluyendo los gastos efectuados en relación con el reemplazo o restauración de bienes, en la medida que dicho reemplazo o restauración sea financiada con montos derivados de seguro pagados a cuenta de la pérdida o daño de los bienes reemplazados o restaurados.

(36) "GASTO POR INTERESES CONSOLIDADO" significa, para cualquier periodo, el monto agregado de los intereses en relación con Adeudos (incluyendo (i) la amortización del descuento de emisión original sobre cualquier Adeudo y la porción de intereses de cualquier obligación de pago diferida, calculada de conformidad con el método de contabilidad efectivo de intereses, (ii) todas las comisiones, descuentos y demás honorarios y cargos adeudados en relación con cartas de crédito y aceptaciones bancarias de financiamiento, (iii) los costos netos asociados con Contratos de Tasas de Interés, y (iv) los intereses pagados (por cualquier Persona) con respecto a algún Adeudo que se encuentra Garantizado por cualquier bien o activo de la Acreditada o de cualquiera de sus Subsidiarias Restringidas) y todos los intereses, menos el componente principal, de rentas en relación con Obligaciones por Arrendamientos Capitalizables, pagados por la Acreditada y sus Subsidiarias Restringidas durante dicho periodo; excluyendo sin embargo (a) cualesquier regalías, honorarios (incluyendo honorarios de consentimiento) y gastos (y cualquier amortización o eliminación de los mismos) pagados o pagaderos en relación con el presente Contrato, los Créditos Banamex, el Crédito Serfin, las Ofertas Públicas de Compra y la compra de valores bajo los mismos y el pago de los honorarios de consentimiento en relación con los mismos, la emisión de los valores emitidos o a ser emitidos bajo el Senior Note Indenture y la oferta de intercambio o registro de inscripciones preventivas respecto de dichos valores (shelf registration statement), la emisión de los valores emitidos bajo el Crédito en UDIS Existente, y la emisión de los valores emitidos bajo la Serie B del Senior Note Indenture, fechado el 13 de mayo de 1996, entre la Acreditada y el State Street Bank and Trust Company (como sucesor del Fleet National Bank), como fiduciario, todo determinado en una base consolidada (sin tomar en cuenta las Subsidiarias No Restringidas) de conformidad con los PCGA, (b) intereses en relación con Adeudos denominados en UDIS en la medida que no hayan sido pagados o pagaderos en efectivo durante dicho periodo y (c) aumentos en el monto principal de cualquier Adeudo denominado en UDIS que resulte

de los ajustes de inflacion realizados de conformidad con los terminos de dicho Adeudo.

No obstante lo anterior, si durante cualquier periodo en el que se este determinado el Gasto por Intereses Consolidado, la Acreditada o cualquiera de sus Subsidiarias Restringidas haya consumado cualquier Adquisicion de Activos, entonces para los efectos de este Contrato, el Gasto por Interes Consolidado debera ser determinado en una base pro forma como si la consumacion de dicha Adquisicion de Activos y la contratacion o asuncion de cualquier Adeudo en relacion con la misma hubiera ocurrido el primer dia de dicho periodo.

(37) "GRAVAMEN" significa, en relacion con cualquier propiedad, bien o activo, cualquier hipoteca, prenda, caucion bursatil, fideicomiso, embargo, carga o cualquier otro gravamen o garantia de cualquier naturaleza o cualquier acuerdo de preferencia sobre dicha propiedad, bien o activo que tenga el efecto practico de crear un derecho real o personal de garantia o gravamen sobre dicha propiedad, bien o activo.

(38) "GRAVAMENES PERMITIDOS" significa:

(a) Gravámenes impuestos por contribuciones fiscales, cargos gubernamentales o reclamaciones que, ya sea, (i) se encuentren vencidos por un plazo menor de 90 días, siempre y cuando el valor de mercado total de los bienes o activos sujetos a dichos Gravámenes no exceda la cantidad total de EU\$10,000,000.00 (diez millones de Dolares 00/100) o su equivalente en Pesos; (ii) no hayan vencido o que esten siendo impugnados de conformidad con el inciso (a) de la Clausula 4.01;

(b) Gravámenes de transportistas, almacenistas, trabajadores, mecanicos, reparadores o Gravámenes similares impuestos por ley, que surjan en el curso ordinario de negocios y que garanticen obligaciones que no esten vencidas por mas de 30 dias o que esten siendo impugnados de conformidad con el inciso (a) de la Clausula 4.01;

(c) prendas otorgadas y depositos efectuados dentro del curso ordinario de negocios, en cumplimiento con disposiciones de seguridad social, salarios de los trabajadores y seguros de desempleo, incluyendo prendas y/o depositos otorgados en favor del Instituto para la Vivienda de los Trabajadores (INFONAVIT); Instituto Mexicano del Seguro Social (IMSS) y el Sistema de Ahorro para el Retiro (SAR);

(d) Gravámenes impuestos o depositos efectuados para garantizar (i) cartas de credito, el cumplimiento de ofertas, posturas, convenios comerciales, arrendamientos, licencias, obligaciones regulatorias o legales, aceptaciones bancarias, fianzas legales o judiciales, contratos celebrados con Autoridades Gubernamentales, fianzas de cumplimiento y demas obligaciones de naturaleza similar incurridas dentro del curso ordinario de negocios (excluyendo obligaciones contraidas para el pago de prestamos

de dinero) y cualquier derecho de compensacion de bancos que no hayan sido ejercidos en relacion con depositos realizados dentro del curso ordinario y (ii) obligaciones de indemnizacion respecto de la venta, arrendamiento, cesion o cualquier otra transmision de cualquier bien o activo de la Acreditada o cualquiera de sus Subsidiarias Restringidas; en el entendido que los bienes o activos sujetos a dichos Gravámenes no tengan un valor de mercado superior a los montos en efectivo o equivalentes de efectivo recibidos por la Acreditada y sus Subsidiarias Restringidas en relacion con dicha venta, arrendamiento, cesion o transmision;

(e) Gravámenes impuestos por sentencias o laudos de cualquier naturaleza que no constituyan una Causa de Incumplimiento bajo el inciso (i) de la Clausula 5.01 del presente Contrato;

(f) servidumbres, restricciones de uso de suelo federales y municipales, derechos de paso y Gravámenes similares impuestos sobre bienes inmuebles, que no interfieran de manera importante con la conduccion ordinaria de negocios de la Acreditada o cualquiera de sus Subsidiarias Restringidas;

(g) Gravámenes (incluyendo las extensiones y renovaciones de los mismos) sobre algun bien o activo adquirido con posterioridad al 21 de diciembre de 2001; en el entendido que (i) dicho Gravamen se constituya solamente con el proposito de garantizar Adeudos incurridos, (A) para financiar el costo (incluyendo el costo de mejoras, de construccion o produccion) de la unidad o material integrante del bien o activo (incluyendo programas o peliculas) sujeto a dicho Gravamen, y que dicho Gravamen haya sido constituido con anterioridad a, al momento de o dentro de los seis meses siguientes a la fecha de adquisicion, la terminacion de la construccion o produccion o el comienzo de operaciones de dicho bien o activo, o (B) para refinanciar cualquier Adeudo garantizado con anterioridad, (ii) el monto principal del Adeudo garantizado por dicho Gravamen no exceda el 100% (cien por ciento) de dichos costos (mas honorarios, gastos y pagos similares realizados en relacion con dicho Adeudo) y (iii) cualquiera de dichos Gravámenes no sera extensivo a, o cubrira, cualquier otro bien o activo distinto a la unidad o material integrante de dicho bien o activo (incluyendo peliculas y programaciones) y cualesquier mejoras efectuadas en dicha unidad o material y los frutos derivados de los mismos;

(h) arrendamientos o subarrendamientos celebrados con terceros, que no interfieran de manera importante con el curso ordinario de negocios de la Acreditada y de sus Subsidiarias Restringidas consideradas como un todo;

(i) Gravámenes que afecten bienes o activos que se encuentren en construccion surgidos de pagos parciales o progresivos realizados por un cliente de la Acreditada o cualquiera de sus Subsidiarias Restringidas relacionadas con dichos bienes o activos;

- (j) cualquier interes o derecho de un arrendador respecto de bienes o activos sujetos a algun arrendamiento financiero (incluyendo arrendamientos que sean o deban ser capitalizables de conformidad con los PCGA) o arrendamiento puro;
- (k) Gravámenes que surjan de registros conforme al Codigo de Comercio Uniforme (Uniform Commercial Code) de los Estados Unidos de America o estados de financiamiento (financing statements) similares en relacion con arrendamientos;
- (l) Gravámenes sobre bienes o activos de, o sobre acciones representativas del capital social de, o Adeudos a cargo de, cualquier sociedad u otra entidad existente al momento en que dicha sociedad u otra entidad se constituya como o se convierta en parte de, una Subsidiaria Restringida, siempre y cuando dichos Gravámenes no sean extensivos sobre, o cubran bienes o activos de la Acreditada o de cualquiera de sus Subsidiarias Restringidas, distintos de los bienes o activos adquiridos;
- (m) Gravámenes a favor de la Acreditada o de cualquier Subsidiaria Restringida totalmente propiedad de la Acreditada;
- (n) Gravámenes que surjan de una sentencia definitiva o resolucio en contra de la Acreditada o cualquiera de sus Subsidiarias Restringidas, y que no constituya una Causa de Incumplimiento;
- (o) Gravámenes que garanticen obligaciones de reembolso en relacion con las cartas de credito que gravan documentos o cualesquier otros bienes o activos relacionados con dichas cartas de credito y los productos y rendimientos de las mismos;
- (p) Gravámenes en favor de autoridades aduanales y fiscales que surjan por ministerio de ley para garantizar el pago de derechos arancelarios o aduanales en relacion con la importacion de bienes;
- (q) Gravámenes que afecten depositos iniciales y depositos de margen, y cualesquier otros Gravámenes que se encuentren ya sea dentro de los parametros generales que se acostumbran en la industria y que hayan sido incurridos en el curso ordinario de negocios, en cada caso, garantizando Adeudos bajo cualesquier Contratos de Tasa de Interes (si dichos Contratos de Tasa de Interes no tiene un monto nominal que exceda el monto principal del Adeudo de la Acreditada y de sus Subsidiarias Restringidas con tasa de intereses variables) y cualesquier Contratos de Divisas y contratos forward, de opciones, de futuros y de opciones sobre contratos de futuros o contratos similares o acuerdos disenados para proteger a la Acreditada o a cualquiera de sus Subsidiarias Restringidas de fluctuaciones en las tasas de intereses o tasas de cambio de divisas, respectivamente, y celebrados con propositos no especulativos;

(r) Gravámenes que surjan de contratos sujetos a condición o con reserva de dominio, consignación o acuerdos similares para la venta de bienes, celebrados por la Acreditada o cualquiera de sus Subsidiarias Restringidas dentro del curso ordinario de negocios de la Acreditada y de sus Subsidiarias Restringidas;

(s) Gravámenes sobre los derechos de la Acreditada o una Subsidiaria Restringida para recibir pagos derivados de programación o películas, así como los rendimientos de los mismos;

(t) Gravámenes en relación con el cumplimiento y liquidación o cancelación de Adeudos de la Acreditada o de una Subsidiaria Restringida; y

(u) Gravámenes incurridos para renovar, extender o refinanciar, total o parcialmente, Adeudos u obligaciones garantizadas por cualquier Gravamen incurrido bajo los incisos (a) a (t) anteriores; en el entendido que (i) dicho Gravamen no se extienda a cualquier otro bien o activo (distinto de los frutos y bienes o activos adquiridos con posterioridad, en la medida en que el Gravamen que este siendo renovado, extendido o refinanciado sea extensivo a los frutos y bienes o activos adquiridos con posterioridad) y (ii) el monto principal del Adeudo garantizado, de haberlo, no sea incrementado (distinto de los montos relativos a primas, intereses acumulados y demás obligaciones de pago, incluyendo pagos consentidos, en relación con el Adeudo refinanciado y los gastos razonables de emisión de dicho nuevo Adeudo).

(39) "IMPUESTOS" tiene el significado que se le atribuye en el inciso (a) de la Clausula 2.10 del presente Contrato.

(40) "INDICE DE COBERTURA DE INTERESES" significa, la razón de UAFIDA Consolidada a Gasto por Intereses Consolidado (excluyendo intereses generados o acumulados pero no pagados ni requeridos de pago) en cualquier periodo de cuatro trimestres calendario consecutivos (considerados como un solo periodo contable).

(41) "INDICE DE ENDEUDAMIENTO" significa, la razón de Deuda Total Consolidada menos Inversiones Temporales de Efectivo a UAFIDA Consolidada al término de cualquier periodo de cuatro trimestres calendario consecutivos (considerados como un solo periodo contable).

(42) "INNOVA" significa Innova, S. de R.L. de C.V. y sus Subsidiarias.

(43) "INVERSIONES TEMPORALES DE EFECTIVO" significa cualquier cantidad disponible en efectivo e inversiones de la Acreditada y sus Subsidiarias (excluyendo a Innova) en cualquier moneda, con cualquier vencimiento y que el gobierno respectivo o la entidad financiera, empresa, banco o emisora, banco central o aseguradora que emita el instrumento de inversión, cuente con una calificación al momento en que se realice dicha

inversion, de "Baa3" (o superior) por Moody's o de "BBB-" (o superior) por S&P y/o Fitch (o calificaciones equivalentes emitidas por sus afiliadas mexicanas) mas la cantidad que equivalga a la parte proporcional de los Adeudos contraidos por Innova garantizados por la Acreditada.

(44) "LEY AMBIENTAL" significa, todas las leyes ambientales, de salud y de seguridad aplicables, incluyendo, sin limitacion, la Ley General del Equilibrio Ecologico y la Proteccion al Ambiente y sus reglamentos, la Ley de Aguas Nacionales y su Reglamento, la Ley General de Salud (en la medida en que se relacione con cuestiones ambientales), el Reglamento Federal de Seguridad, Higiene y Medio Ambiente en el Trabajo (en la medida en que se relacione con cuestiones ambientales), y todas las Normas Oficiales Mexicanas y leyes estatales que establezcan limites maximos permisibles para emisiones aereas contaminantes de fuentes fijas, descargas de aguas residuales contaminantes a cuerpos de agua o a sistemas de drenaje, requerimientos relativos al manejo, transporte y disposicion de cualesquiera materiales peligrosos y requerimientos relativos a desechos peligrosos y a la salud y seguridad en el trabajo.

(45) "MEXICO" significa los Estados Unidos Mexicanos.

(46) "MOODY'S" significa Moody's Investors Service, Inc., y sus sucesores.

(47) "NEGOCIO PRINCIPAL" significa actividades de negocios en la misma o razonablemente relacionada linea de negocios a la cual la Acreditada, sus Subsidiarias o Co-Inversiones (Joint Ventures) se encuentran dedicadas a la fecha de firma del presente Contrato.

(48) "OFERTAS PUBLICAS DE COMPRA" significa las ofertas publicas de compra con margen fijo (con solicitudes de consentimiento de salida) de la Acreditado por sus 11-7/8 % Pagares Preferentes Serie B con vencimiento en 2006.

(49) "OPERACION DE DERIVADOS EN EL MERCADO", significan las operaciones financieras derivadas, incluyendo, entre otros, las operaciones a futuro, de opcion o de swaps, sobre diversos activos subyacentes, incluyendo valores, tasas de referencia y divisas, celebradas con el proposito de cubrir un riesgo asociado con otros activos o pasivos.

(50) "PAGARE" significa el pagare que suscriba y entregue la Acreditada a la orden del Banco en la Fecha de Disposicion, documentando la obligacion de la Acreditada de pagar al Banco la suma principal de dicha Disposicion y los intereses causados por la misma, en forma substancialmente igual a la del Anexo "A"

(51) "PAGARES SENIOR" significa (i) los EU\$200,000,000.00 de monto principal agregado a 8-5/8% Pagares Preferentes de la Acreditada con vencimiento en el 2005; (ii) los EU\$300,000,000.00 de monto principal agregado a 8% Pagares Preferentes de la Acreditada con vencimiento en el 2011; y (iii)

los EU\$300,000,000.00 de monto principal agregado a 8.50% Pagares Preferentes de la Acreditada con vencimiento en el 2032, en cada caso emitidos de conformidad con el Senior Note Indenture.

(52) "PAGOS RESTRINGIDOS" significa cualquier dividendo o cualquier otra distribución (ya sea en efectivo, en valores o en cualquier otro bien o activo), pero excluyendo cualquier dividendo o cualquier otra distribución de Capital Social u otros valores emitidos por, o cualquier bien o activo de, una Subsidiaria No Restringida o del producto (ya sea en efectivo, en valores o en cualquier otro bien o activo) derivado de la venta de la totalidad o de una porción del Capital Social u otros valores emitidos por, o bienes o activos de, cualquier Subsidiaria No Restringida, en relación con acciones de cualquier clase del Capital Social de la Acreditada o cualquiera de sus Subsidiarias Restringidas, o cualquier pago (ya sea en efectivo, en valores o en cualquier otro bien o activo), incluyendo cualquier fondo de reserva (sinking fund) o depósitos similares, a cuenta de la compra, amortización, retiro, adquisición, cancelación o terminación de cualesquiera de dichas acciones del Capital Social de la Acreditada o de cualquiera de sus Subsidiarias Restringidas o cualquier opción, warrant u otro derecho para adquirir cualesquiera de dichas acciones del Capital Social de la Acreditada o de cualquiera de sus Subsidiarias Restringidas; en el entendido que (i) los préstamos permitidos a empleados para compra de acciones o (ii) los dividendos pagaderos solamente en acciones representativas del Capital Social de la Acreditada o de cualquiera de sus Subsidiarias Restringidas, no serán considerados como Pagos Restringidos.

(53) "PERIODO DE INTERESES" significa, cada periodo de 30 días calendario, con base en el cual se calcularán los intereses que devengue el saldo insoluto de la suma principal del Crédito, en el entendido de que (a) el primer Periodo de Intereses comenzará en la Fecha de Disposición y terminará en el día numéricamente correspondiente en el mes calendario que sea 30 días calendario después de la misma, y (b) cada Periodo de Intereses subsecuente comenzará el último día del Periodo de Intereses inmediato anterior y terminará en el día numéricamente correspondiente en el mes calendario que sea 30 días calendario después de la misma; en el entendido, que todas las disposiciones anteriores relacionadas con Periodos de Intereses están sujetas a lo siguiente: (i) si cualquier Periodo de Intereses termina en un día que no sea un Día Hábil, dicho Periodo de Intereses terminará el Día Hábil inmediato anterior; y (ii) cualquier Periodo de Intereses que se encuentre vigente en cualquier fecha de pago de principal del Crédito conforme a la Clausula 2.03, vencerá precisamente en dicha fecha de pago de principal; y (iii) ningún Periodo de Intereses terminará después de la última fecha de pago de principal prevista en la Clausula 2.03.

(54) "PCGA" significa, en la fecha de aplicacion respectiva, los principios de contabilidad generalmente aceptados en Mexico y consistentemente aplicados.

(55) "PERSONA" significa, cualquier persona fisica o moral, fideicomiso, compania, sociedad civil o mercantil, asociacion, gobierno, dependencia o Autoridad Gubernamental o cualquier otra entidad de cualquier naturaleza.

(56) "PESOS" y el signo de "\$" significan, la moneda de curso legal en Mexico.

(57) "RECLAMACIONES AMBIENTALES" significa, todas y cualesquiera acciones, demandas, requerimientos, reclamaciones, Gravámenes, avisos de incumplimiento o violacion, investigaciones o procedimientos administrativos, regulatorios o judiciales que se relacionen de cualquier manera con cualquier Ley Ambiental o con cualquier permiso emitido en terminos de cualquier Ley Ambiental (en lo sucesivo "Reclamaciones"), incluyendo, sin limitacion (a) todas y cualesquiera Reclamaciones por parte de Autoridades Gubernamentales relativas a medidas de ejecucion, limpieza, remocion o reparacion, u otras acciones o danos en terminos de cualquier Ley Ambiental aplicable, y (b) todas y cualesquiera Reclamaciones por parte de cualquier tercero exigiendo danos, contribucion, indemnizacion, reembolso de gastos, compensacion o suspension que resulten de cualesquiera materiales peligrosos o que deriven de danos o amenaza de danos a la salud, a la seguridad o al medio ambiente.

(58) "S&P": significa Standard & Poor's Ratings Services, una division de The McGraw-Hill Companies, Inc., y sus sucesores.

(59) "SENIOR NOTE INDENTURE" significa el contrato denominado "Indenture" de fecha 8 de agosto de 2000, celebrado entre la Acreditada y el Bank of New York, como fiduciario, segun el mismo sea modificado o adicionado de tiempo en tiempo, el cual preve la emision de los Pagares Senior.

(60) "SUBSIDIARIA" significa, respecto de cualquier Persona, cualquier sociedad civil o mercantil, asociacion, co-inversion (joint venture), sociedad de responsabilidad limitada, incluyendo a Innova, fideicomiso, patrimonio o cualquier otra Persona de la que (o en la que) mas del 50% (cincuenta por ciento) de (a) en caso de ser una sociedad, las acciones emitidas y en circulacion del Capital Social con derecho a voto; (b) en el caso de ser una sociedad de responsabilidad limitada, asociacion, o co-inversion (joint venture), las partes sociales o la participacion en el Capital Social o utilidades de dicha sociedad de responsabilidad limitada, asociacion o co-inversion (joint venture); o (c) en caso de ser un fideicomiso o figura similar, el derecho de participar en el patrimonio del mismo, es en ese momento, directa o indirectamente, sea propiedad de, o este controlado por (x) dicha Persona; (y) dicha Persona y una o mas de sus Subsidiarias; o (z) una o mas de las Subsidiarias de dicha Persona.

(61) "SUBSIDIARIA NO RESTRINGIDA" significa, (i) cada Subsidiaria de la Acreditada que no sea una Subsidiaria Restringida; (ii) cualquier Subsidiaria de la Acreditada que, al momento de determinacion, sea designada como una Subsidiaria No Restringida por el consejo de administracion de la Acreditada en la forma establecida mas adelante; y (iii) cualquier Subsidiaria de una Subsidiaria No Restringida. El consejo de administracion de la Acreditada podra designar a cualquier Subsidiaria Restringida (incluyendo cualquier Subsidiaria recién adquirida o constituida) como una Subsidiaria No Restringida, salvo que dicha Subsidiaria tenga alguna participacion en el capital social de, o que sea propietaria o titular de algun Gravamen sobre cualquier propiedad o activo de la Acreditada o cualquiera de sus Subsidiarias Restringidas; en el entendido que inmediatamente despues de dicha designacion no debera existir y continuar alguna Causa de Incumplimiento. Sujeto a lo previsto en el inciso (iii) anterior, el consejo de administracion de la Acreditada podra designar a cualquier Subsidiaria No Restringida como una Subsidiaria Restringida de la Acreditada; en el entendido que inmediatamente despues de dicha designacion no debera existir y continuar alguna Causa de Incumplimiento; en el entendido, ademas, que despues de una o varias escisiones de una o mas Subsidiarias No Restringidas, el consejo de administracion de la Acreditada debera designar ciertas Subsidiarias No Restringidas como Subsidiarias Restringidas en la medida en que dicha designacion sea necesaria para cumplir con las disposiciones previstas en los incisos (k), (l) y (m) de la Clausula 4.01 del presente Contrato. Cualquiera de las designaciones del consejo de administracion de la Acreditada antes descritas debera hacerse constar ante el Banco mediante la entrega al Banco de una copia de la resolucio del consejo de administracion en la que se haya acordado y efectuado dicha designacion conforme a los terminos aqui establecidos, y dicha entrega sera considerada como una declaracion y garantia de la Acreditada en el sentido de que dicha designacion satisface los requerimientos aqui previstos.

(62) "SUBSIDIARIA RESTRINGIDA" significa, (i) cada Subsidiaria de la Acreditada que se lista en el Anexo "B" del presente Contrato, segun dicho Anexo "B" sea adicionado o modificado de tiempo en tiempo por la Acreditada de acuerdo al procedimiento establecido en la definicion de "Subsidiaria No Restringida"; (ii) cualquier Subsidiaria de la Acreditada que sea designada como una Subsidiaria Restringida en la forma establecida en la definicion de "Subsidiaria No Restringida"; y (iii) cualquier Subsidiaria de una Subsidiaria Restringida, distinta de aquellas Subsidiarias designadas como "Subsidiarias No Restringidas" y en cada caso, sus respectivos sucesores, ya sea por fusion, consolidacion, escision o cualquier otra forma.

(63) "SUBSIDIARIA SIGNIFICANTE" significa, en cualquier fecha de determinacion, cualquier Subsidiaria de la Acreditada que, conjuntamente con sus Subsidiarias, (i) represente, para el ejercicio social concluido mas reciente

de la Acreditada, mas del 20% (veinte por ciento) de los ingresos consolidados de la Acreditada y sus Subsidiarias o (ii) al final de dicho ejercicio social, era la propietaria de mas del 20% (veinte por ciento) de los bienes y activos consolidados de la Acreditada y sus Subsidiarias, todo de conformidad con lo previsto en los estados financieros consolidados mas recientes disponibles de la Acreditada para dicho ejercicio social. Para los efectos previstos en los incisos (d), (e) y (i) de la Clausula 5.01 del presente Contrato, si ocurre y subsiste cualquiera de los eventos descritos en dichos incisos respecto de dos o mas Subsidiarias de la Acreditada que no sean Subsidiarias Significantes pero que al ser consideradas como un todo satisfagan uno o los dos requerimientos previstos en los incisos (i) y/o (ii) del enunciado inmediato anterior, entonces se considerara que dicho evento ha ocurrido respecto de una Subsidiaria Significante.

(64) "TASA ORDINARIA" significa la tasa fija del 10.35% (diez punto treinta y cinco por ciento anual).

(65) "UAFIDA CONSOLIDADA" significa, para cualquier periodo, la suma (sin duplicacion) de la utilidad de operacion consolidada de la Acreditada y sus Subsidiarias (excluyendo a Innova) (determinada conforme a PCGA) para dicho periodo, antes de depreciacion y amortizacion, mas el monto que equivalga a la parte proporcional de los Adeudos contraidos por Innova y garantizados por la Acreditada.

(66) "UDI" significa la unidad de cuenta, cuyo valor en Pesos se encuentra indexado a la inflacion de manera diaria, conforme a las variaciones en el Indice Nacional de Precios al Consumidor.

(67) "VENTA DE ACTIVOS" significa cualquier venta, arrendamiento, cesion, transmision, o disposicion por parte de la Acreditada o cualquiera de sus Subsidiarias Restringidas a cualquier otra Persona distinta a la Acreditada o cualquiera de sus Subsidiarias Restringidas de (i) la totalidad o una parte sustancial del Capital Social de cualquier Subsidiaria Restringida, (ii) la totalidad o una parte sustancial de los bienes o activos de una unidad de operacion o de negocios de la Acreditada o de cualquiera de sus Subsidiarias Restringidas, en el entendido que el termino Venta de Activos no incluirea cualquier venta, arrendamiento, cesion, transmision, o disposicion (A) relacionada con inventario, servicios (incluyendo servicios de publicidad), cuentas por cobrar y otros activos circulantes, (B) a traves de dividendos u otras distribuciones con respecto al Capital Social de la Acreditada o cualquier Subsidiaria Restringida permitida conforme al inciso (e) de la Clausula 4.02, (C) a traves de Inversiones permitidas conforme a lo previsto en el inciso (f) de la Clausula 4.02, (D) a traves de Gastos de Capital permitidos conforme a lo previsto en el inciso (i) de la Clausula 4.02, (E) por la Acreditada o cualquier Subsidiaria Restringida de la Acreditada a favor de la Acreditada o cualquier otra Subsidiaria Restringida de la Acreditada; (F) que consista de un bien o activo que se ha vuelto inservible, obsoleto, danado o de cualquier otra manera

inservible para el uso, en relacion con el negocio de la Acreditada o cualquier Subsidiaria Restringida, segun sea el caso, (G) de cualquier bien o activo, siempre y cuando el valor de mercado de dicho bien o activo, conjuntamente con el valor de mercado de cualquier bien o activo vendido, arrendado, transmitido, asignado o dispuesto por la Acreditada o cualquiera de sus Subsidiarias Restringidas durante el ejercicio social en el cual dicha Venta de Activos haya ocurrido, no exceda el 20% (veinte por ciento) de los activos totales consolidados de la Acreditada y sus Subsidiarias Restringidas al final del ejercicio social anterior inmediato o (H) relativo a licencias o derechos similares con respecto a programaciones, grabaciones de musica, peliculas y videos, siempre y cuando (i) la Acreditada o una Subsidiaria Restringida reciba una contraprestacion por los mismos que tenga un valor de mercado equivalente al valor de mercado de la licencia o derechos similares vendidos, arrendados, transmitidos, asignados o dispuestos o (ii) dicha venta, arrendamiento, cesion, transmision o disposicion se efectue dentro del curso ordinario de negocios.

1.02. Terminos Contables. Todos los terminos contables que no se definen expresamente en este Contrato, se interpretaran, y toda la informacion financiera que se deba proporcionar conforme a este Contrato se preparara, y, en su caso, se consolidara, de conformidad con los PCGA.

1.03. Interpretacion de Terminos Definidos. (a) Los terminos definidos en esta Clausula Primera aplicaran tanto a la forma singular como al plural de dichos terminos. Cuando el contexto asi lo requiera, cualquier pronombre incluire la forma masculina, femenina o neutral correspondiente. Salvo que expresamente se establezca lo contrario, todas las referencias a numeros o letras de Clausulas, secciones, incisos o sub-incisos se refieren a Clausulas, secciones, incisos o sub-incisos de este Contrato, y todas las referencias a los Anexos se refieren a Anexos adjuntos e incorporados por referencia al presente Contrato. Se entendera que palabras (i) "en el presente", "del presente", "conforme al presente" "mas adelante en el presente" y palabras de significado similar hacen referencia a este Contrato en su conjunto y no a alguna Clausula, seccion, inciso o sub-inciso en particular del Contrato; (ii) "incluyen", "incluye" e "incluyendo" van seguidas de la frase "sin limitacion alguna", salvo que se establezca expresamente lo contrario; y (iii) "activo", "bien" y/o "propiedad" tienen el mismo significado y efecto y que se refieren a todos y cada uno de los activos, bienes y propiedades, tangibles e intangibles, incluyendo efectivo, Capital Social, valores, ingresos, cuentas, derechos de arrendamiento y contractuales. Asimismo, segun se utiliza en el presente Contrato, las cantidades en Dolares seguidas por la frase "o su equivalente en Pesos" se entenderan que se refieren al equivalente en Pesos, al tipo de cambio publicado por Banco de Mexico en el Diario Oficial de la Federacion en la fecha de determinacion aplicable.

(b) Se considerara que cualquier referencia a (i) cualquier contrato, convenio o instrumento incluye la referencia a dicho contrato, convenio o instrumento segun el mismo sea modificado ya sea total o parcialmente o de cualquier otra forma reformado de

tiempo en tiempo, y (ii) cualquier ley o reglamento incluye las reformas a los mismos de tiempo en tiempo o a cualquier ley o reglamento que los sustituya.

1.04. Calculos de Periodos de Tiempo. En este Contrato, para calcular un periodo de tiempo de una fecha especifica a una fecha posterior especifica, la palabra "desde" significa "desde e incluyendo" y las palabras "a" y "hasta" significan "hasta pero excluyendo".

SEGUNDA MONTO Y TERMINOS DE LA DISPOSICION; PAGO DEL CREDITO

2.01. Disposicion. Las partes convienen en que la Acreditada podra disponer del monto total del Credito en la Fecha de Disposicion, de conformidad con los terminos y sujeto a las condiciones previstas en el presente Contrato; en el entendido de que la suma principal de la Disposicion no incluire cantidad alguna de intereses, comisiones, ni otras sumas pagaderas (excepto principal) por la Acreditada al Banco conforme a este Contrato y/o el Pagare.

2.02. Forma de Hacer la Disposicion. (a) Cuando la Acreditada desee efectuar la Disposicion en terminos del presente, debera dar aviso por escrito al Banco con por lo menos 24 (veinticuatro) horas antes de la fecha propuesta para la Disposicion, en el entendido de que dicho aviso se considerara recibido en determinado dia unicamente si es entregado antes de las 11:00 A.M. (hora de la Ciudad de Mexico) de ese mismo dia. Dicho aviso (el "AVISO DE DISPOSICION") sera irrevocable y debera elaborarse por la Acreditada sustancialmente en la forma del Anexo "C", completado adecuadamente a efecto de especificar la Fecha de Disposicion propuesta (la cual debera ser un Dia Habil).

(b) El Banco pondra el monto total del Credito a disposicion de la Acreditada mediante deposito en la cuenta de cheques numero 8700544843 CLABE: 002180087005448430 que la Acreditada tiene en la sucursal 870 de Banco Nacional de Mexico, S.A., Integrante del Grupo Financiero Banamex, precisamente en la Fecha de Disposicion, sujeto a (i) que todas las condiciones suspensivas que se establecen en la Clausula 3.01 del presente Contrato hayan sido debida y oportunamente cumplidas y satisfechas; y (ii) la entrega al Banco del Pagare negociable suscrito por la Acreditada en forma sustancialmente igual a la del Anexo "A", a la orden del Banco, y por el monto principal del Credito, y (y) cualquier otro documento que el Banco, con anterioridad a la Fecha de Disposicion, hubiere solicitado por escrito a la Acreditada. La Acreditada conviene y reconoce que la suscripcion del Pagare no es y no debera ser considerada como pago del Credito.

2.03. Pago del Credito. Amortizacion del Monto Principal del Credito. La Acreditada restituira al Banco la suma principal del Credito en las siguientes fechas:

\$500,000,000.00 (quinientos millones de pesos) el dia 24 de abril de 2010

\$500,000,000.00 (quinientos millones de pesos) el dia 21 de octubre de 2010

\$1,000,000,000.00 (mil millones de pesos) precisamente el Dia Habil siguiente al haber transcurrido 90 meses calendario de la Fecha de Disposicion; es decir, el dia 23 de abril de 2012

2.04. Amortizacion Anticipada Voluntaria.

(a) La Acreditada podra pagar anticipadamente total o parcialmente el saldo insoluto del Credito, siempre y cuando cumpla con lo aqui previsto, a menos que el Banco renuncie por escrito al cumplimiento de una o varias de las condiciones y, ademas, cumpla con lo siguiente: (i) la Acreditada debera notificar irrevocablemente al Banco por escrito su intencion de pagar anticipadamente todo o parte del saldo insoluto del Credito, con por lo menos 10 (diez) Dias Habiles de anticipacion a la fecha en que vaya a realizar el pago anticipado; (ii) todo pago anticipado sera de cuando menos \$50,000,000.00 (cincuenta millones de Pesos), en el entendido de que dicho pago anticipado siempre debera ser en multiples de \$10,000,000.00 (diez millones de Pesos); (iii) conjuntamente con dicho pago anticipado, la Acreditada debera pagar al Banco el monto de la Comision por Pago Anticipado, en su caso; (iv) conjuntamente con el pago anticipado, la Acreditada debera pagar los intereses ordinarios vigentes, generados y no pagados en relacion con el importe del pago anticipado; (v) la Acreditada no podra volver a disponer de las cantidades pagadas anticipadamente; y (vi) el o los pagos anticipados seran aplicados en el orden establecido en la Clausula 2.08 (b) del presente Contrato.

(b) Sin perjuicio de las demas estipulaciones aplicables a pagos anticipados, en el supuesto de que la Acreditada realice un pago anticipado, total o parcial, del saldo insoluto del Credito, la Acreditada estara obligada a rembolsar al Banco, en la misma fecha en que tenga lugar el pago anticipado (la "FECHA DE PAGO ANTICIPADO"), cualquier perdida o costo incurrido o en el que hipoteticamente pudiera haber incurrido el Banco que se derive del pago anticipado del Credito (la "COMISION POR PAGO ANTICIPADO").

(c) En todo caso, la Comision por Pago Anticipado la determinara en forma concluyente el Agente de Calculo conforme a cualquiera de los metodos que a continuacion se indican, en el orden en que aparecen:

Primero. La Comision por Pago Anticipado se determinara con base en el precio de cotizacion de la operacion correspondiente, en su caso, vigente en la Fecha de Pago Anticipado, que el Banco determine, con base en metodos o modelos de valuacion de Operaciones Derivadas en el Mercado que, a la fecha de la determinacion de la Comision por Pago Anticipado y en el desarrollo ordinario de sus operaciones, utilice el Banco, de conformidad con las disposiciones aplicables, las practicas financieras y las reglas de caracter general y particular del Banco de Mexico (la "DETERMINACION POR METODOLOGIA DE VALUACION"). Para hacer la Determinacion por Metodologia de Valuacion, el Banco debera seguir los siguientes principios:

(i) La metodologia aplicable debera reconocer informacion relevante del mercado de que se trate, incluyendo, entre otros, tasas de interes, precios de mercado de determinados valores, rendimientos, curvas de rendimiento, volatilidades, diferenciales o margenes, o correlaciones: (x) proporcionada por uno o mas terceros, incluyendo proveedores de precios, otros intermediarios financieros, sin limitacion, o (y) obtenidas de fuentes internas (incluyendo cualquier sociedad relacionada del Banco), siempre que

las mismas sean iguales a las utilizadas por el Banco en el curso ordinario de sus operaciones. En todo caso, la citada informacion debera corresponder a la fecha de la determinacion de la Comision por Pago Anticipado;

(ii) La metodologia podra incorporar el costo de fondeo del Banco, siempre que el mismo no haya sido previamente incluido en la informacion previamente utilizada en la referida metodologia;

(iii) La metodologia podra comprender la utilizacion de diferentes metodos de valuacion de Operaciones Derivadas en el Mercado, en funcion del tipo, complejidad, tamano o numero de las mismas; y

(iv) Para efectos de todo lo anterior, el Banco, como Agente de Calculo, mediante certificado que expida a la Acreditada, senalara, ademas de la Comision por Pago Anticipado, que debera cubrir la Acreditada, el procedimiento utilizado para su determinacion.

Segundo. En caso de que la Acreditada objete por escrito y en forma razonada y fundada el certificado que expida el Agente de Calculo en los terminos anteriores dentro de los dos (2) Dias Habiles siguientes a que el Agente de Calculo lo expida y lo entregue a la Acreditada, el Banco determinara, previa autorizacion escrita que, en su caso, otorgue la Acreditada, quienes deben actuar como Agentes de Calculo Sustitutos y les pedira una cotizacion, siguiendo los mismos principios que para la Determinacion de la Metodologia por Valuacion, y el promedio de la Comision por Pago Anticipado que determinen los Agentes de Calculo Sustitutos sera la Comision por Pago Anticipado que se aplicara para efectos del presente Contrato, la cual sera obligatoria para las partes del presente Contrato.

(d) Si la Acreditada objetara de cualquier forma la determinacion del Agente de Calculo y de los Agentes de Calculo Sustitutos o no hiciere el pago de la Comision por Pago Anticipado junto con el pago anticipado del Credito, el Banco tendra derecho a rehusar el pago anticipado del Credito y la Acreditada perdera el derecho a realizar pagos por anticipado del Credito.

(e) El mismo procedimiento de que trata esta Clausula se aplicara para el caso de que los pagos anticipados sean resultado del vencimiento anticipado del Credito por una o varias de las Causas de Incumplimiento.

(f) La Acreditada debera pagar al Banco, ademas de la Comision por Pago Anticipado, en la misma fecha en que haga el pago de esta, las cantidades que resulten a su cargo, en su caso, en los terminos de la Clausula 2.11 del Contrato.

(g) En caso de Amortizacion Anticipada Voluntaria parcial conforme a lo previsto en esta Clausula, la Acreditada debera suscribir y entregar al Banco un nuevo Pagare, que sustituya al Pagare que esten en posesion del Banco en ese momento, que reflejen las cantidades prepagadas en dicha fecha. Contra la entrega del nuevo Pagare al Banco, el Banco devolvera a la Acreditada el Pagare que esten en ese momento en su posesion, debidamente cancelados.

(h) En caso de que, no obstante el pago anticipado del Credito conforme a lo previsto en la presente Clausula, la Acreditada tenga interes en continuar con la misma exposicion o perfil de tasa de interes, las partes utilizaran la misma metodologia de valuacion para celebrar, en su caso, la operacion que corresponda en terminos y condiciones aceptables para ambas partes.

2.05. Intereses Ordinarios. (a) La Acreditada pagara al Banco, sin necesidad de previo requerimiento, intereses ordinarios sobre la suma principal insoluta del Credito, durante cada Periodo de Intereses, desde la Fecha de Disposicion hasta la fecha en que el monto principal insoluto del Credito sea pagado en su totalidad, pagaderos en cada Fecha de Pago de Intereses, a una tasa de interes anual igual a la Tasa Ordinaria.

2.06. Intereses Moratorios. La suma principal vencida y no pagada de cualquier abono del Credito, causara intereses desde el dia siguiente al de su vencimiento hasta el de su pago total, a una tasa de interes anual igual en todo momento durante cada dia en que permanezca insoluta dicha cantidad al resultado de sumar 200 (doscientos) puntos base a la Tasa Ordinaria.

2.07. Calculo de Intereses. Los intereses conforme a este Contrato y el Pagare, se calcularan sobre la base de un ano de 360 (trescientos sesenta) dias y el numero de dias que efectivamente transcurran, incluyendo el primero pero excluyendo el ultimo de dichos dias.

2.08. Pagos. (a) Todos los pagos que deba hacer la Acreditada al Banco conforme a este Contrato y el Pagare, se haran al Banco a mas tardar a las 14:00 horas (hora de Mexico, Distrito Federal) en la fecha en que deban hacerse, mediante cargo automatico que realice el Banco a la siguiente cuenta de la Acreditada aperturada con el Banco: 00219827016, CLABE: 002180002198270163 o en cualquier otro lugar o forma que oportunamente informe el Banco a la Acreditada por escrito. La Acreditada en este acto instruye, faculta y autoriza irrevocablemente al Banco para que cargue contra la cuenta de la Acreditada referida anteriormente todos los pagos que deba hacer la Acreditada al Banco conforme a este Contrato y el Pagare.

(b) Cualesquiera pagos efectuados por la Acreditada al Banco en relacion con el presente Contrato seran aplicados en el siguiente orden: (i) para el pago de cualesquiera Impuestos causados, (ii) para el pago de cualesquiera gastos y comisiones generados, (iii) para el pago de cualesquiera intereses moratorios adeudados, (iv) para el pago de cualesquiera intereses ordinarios adeudados, y (v) para el pago de cualesquiera montos de principal pendientes de pago.

2.09. Pagos y Periodos de Intereses que Venzan en Dias Inhabiles. Si cualquier pago debido conforme a este Contrato y/o el Pagare debiera hacerse en cualquier dia que no fuere un Dia Habil, dicho pago se hara en el Dia Habil inmediato anterior.

2.10. Impuestos. (a) La Acreditada pagara al Banco todas las sumas de principal, intereses y otras sumas pagaderas conforme al presente Contrato y el Pagare, libres, exentas y sin deduccion por concepto o a cuenta, de cualquier Impuesto que grave dichas cantidades en la actualidad o en lo futuro, pagadero en cualquier jurisdiccion. Si en cualquier ocasion cualquier autoridad de cualquier jurisdiccion con derecho a ello

impone, carga o cobra cualquier impuesto, derecho, contribucion, tributo, retencion, deduccion, carga, Gravamen u otra responsabilidad fiscal junto con intereses, recargos, sanciones, multas o cargos derivados de los mismos ("IMPUESTOS"), sobre o respecto a este Contrato o el Pagare, o a cualquier pago que deba hacerse conforme a los mismos, la Acreditada pagara a la autoridad fiscal correspondiente, por cuenta del Banco, el monto de cualquiera de dichos Impuestos, y pagara al Banco las cantidades adicionales que se requieran para asegurar que el Banco reciba la cantidad integra que hubiera recibido si no se hubiesen pagado o retenido dichos Impuestos, y entregara al Banco los recibos originales u otras constancias satisfactorias para el Banco, del pago de cualquier Impuesto, dentro de los 30 (treinta) dias siguientes a la fecha en que dicho Impuesto sea exigible y pagadero, conforme a las disposiciones legales aplicables; todo lo anterior, salvo que cualesquiera de dichos Impuestos deriven de la negligencia grave, dolo o mala fe del Banco.

(b) El Banco notificara de inmediato a la Acreditada de cualquier requerimiento, notificacion, demanda de pago o cualquier otro aviso que reciba el Banco de cualquier autoridad con respecto a los Impuestos, para que la Acreditada atienda con prontitud dicho requerimiento, notificacion demanda o aviso, pague dicho Impuesto y mantenga al Banco en paz y a salvo con respecto a dicho requerimiento, notificacion, demanda de pago o aviso, en el entendido de que, en tal caso, el Banco entregara a la Acreditada cualquier documento que el Banco posea o copia del mismo, que la Acreditada requiera con respecto de cualquier procedimiento relativo a dicho requerimiento, notificacion, demanda de pago o aviso.

(c) Las obligaciones de la Acreditada conforme a esta Clausula 2.10 subsistiran a todas las demas obligaciones de la Acreditada conforme al presente Contrato y el Pagare.

2.11. Comision por Apertura. La Acreditada debera pagar al Banco una comision por apertura de credito equivalente al 0.125% (cero punto ciento veinticinco por ciento) del monto del Credito, la cual sera pagada en la Fecha de Disposicion, para lo cual, la Acreditada en este acto autoriza expresa e irrevocablemente al Banco a deducir el monto de dicha comision del monto de la Disposicion en la Fecha de Disposicion.

TERCERA CONDICIONES PARA LA DISPOSICION

3.01. Condiciones Previas a la Disposicion. La obligacion del Banco de realizar la Disposicion estara sujeta a la condicion de que el Banco haya recibido, en las fechas que a continuacion se indican, los siguientes documentos y que, en o con anterioridad a la Fecha de Disposicion, se hayan cumplido y satisfecho las siguientes condiciones suspensivas, en forma y fondo aceptables para el Banco y sus asesores legales:

(a) El Banco debera haber recibido un tanto original del presente Contrato, debidamente firmado por la Acreditada;

(b) El Banco debera haber recibido una copia certificada de las escrituras publicas (con datos de registro) que contengan el acta constitutiva de la Acreditada en la Fecha de Disposicion, y una copia de la escritura publica (sin datos de registro) que contenga los

estatutos sociales vigentes a la fecha de este Contrato dentro de los 3 (tres) Dias Habiles siguientes a la Fecha de Disposicion;

(c) El Banco debera haber recibido en la Fecha de Disposicion (i) una certificacion del Secretario del Consejo de Administracion de la Acreditada de fecha 17 de mayo del 2004 que incluya el extracto de las resoluciones del Consejo de Administracion de la Acreditada de fecha 28 de abril de 2004, en donde consten las autorizaciones y facultades de la Acreditada para suscribir el presente Contrato y el Pagare para cumplir con las obligaciones establecidas en el mismo; y (ii) una copia certificada de las escrituras publicas (sin datos de registro) que acrediten la personalidad y facultades de las personas que suscriban en nombre y representacion de la Acreditada el presente Contrato y el Pagare, asi como los demas documentos que deban suscribirse conforme a los mismos, las cuales deberan ser entregadas en la Fecha de Disposicion;

(d) El Banco debera haber recibido el certificado de fecha 17 de mayo del 2004, emitido por un funcionario autorizado de la Acreditada certificando que los funcionarios de la Acreditada cuyas firmas autografas aparezcan en el mismo estan autorizados para suscribir este Contrato y el Pagare, asi como los demas documentos y certificaciones que la Acreditada debera suscribir y entregar conforme al presente Contrato, el cual debera ser entregado al Banco en la Fecha de Disposicion. El Banco podra basarse en dicho certificado hasta en tanto reciba otro certificado emitido por un funcionario autorizado de la Acreditada cancelando o modificando el certificado anterior y sometiendo las firmas autografas de los funcionarios designados en dicho otro certificado;

(e) Que las declaraciones de la Acreditada contenidas en el presente Contrato, sean ciertas, completas y correctas en todos sus aspectos en y a la Fecha de Disposicion como si dichas declaraciones hubieren sido realizadas en la Fecha de Disposicion;

(f) Que en o antes de la Fecha de Disposicion, no haya ocurrido o subsista alguna Causa de Incumplimiento o evento que mediante notificacion o con el transcurso del tiempo, o ambos, constituiria una Causa de Incumplimiento;

(g) Que el Banco haya recibido, antes de la Fecha de Disposicion, el Pagare suscrito por la Acreditada a la orden del Banco, documentando el Credito;

(h) Que no haya ocurrido o subsista cualquier evento o condicion en o antes de la Fecha de Disposicion que, segun lo determine el Banco de buena fe, tenga o pueda tener un efecto adverso de importancia en los negocios, activos, responsabilidades o condicion (financiera o de cualquier otra naturaleza) de la Acreditada que pueda afectar el resultado de las operaciones o proyectos de la Acreditada, o la capacidad de la Acreditada para pagar sus obligaciones conforme al presente Contrato y el Pagare;

(i) El Banco debera haber recibido de la Acreditada el pago de todos y cada uno de las comisiones, honorarios, gastos y demas costos del Banco, asi como los honorarios y gastos de sus asesores legales a mas tardar dentro de los 10 (diez) dias naturales siguientes a la Fecha de Disposicion; en el entendido, sin embargo, de que la comision por apertura prevista en la Clausula 2.11 debera ser pagada por la Acreditada al Banco en la Fecha de Disposicion; y

(j) El Banco debera haber recibido cualesquier otros documentos, autorizaciones u opiniones que requiera a su entera discrecion.

CUARTA OBLIGACIONES DE HACER Y DE NO HACER

4.01. Obligaciones de Hacer de la Acreditada. Mientras cualquier Pagare permanezca insoluto en todo o en parte, y mientras la Acreditada tenga cualquier obligacion conforme a este Contrato, a menos que el Banco consienta por escrito en lo contrario, la Acreditada se obliga a:

(a) Cumplimiento de Leyes y Pago de Impuestos. Cumplir, y hacer que cada una de sus Subsidiarias Restringidas cumplan, en todos los aspectos de importancia, con todas las leyes, reglas, reglamentos y ordenes aplicables (incluyendo Leyes Ambientales), incluyendo, sin limitacion, el pago a su vencimiento de todos los Impuestos a cargo de la Acreditada o dichas Subsidiarias Restringidas o que se generen sobre sus respectivos bienes, asi como contribuciones, derechos y cargas gubernamentales que le sean determinados, impuestos o exigidos, excepto, (i) respecto a dichas leyes, reglas, reglamentos y ordenes aplicables (incluyendo Leyes Ambientales), en la medida en que el incumplimiento de las mismas no pueda tener, en lo individual o de manera conjunta, un efecto adverso y de importancia en los negocios, operaciones o propiedades de la Acreditada o de sus Subsidiarias Restringidas; y (ii) respecto de dichos Impuestos, en la medida en que sean impugnados de buena fe mediante procedimientos apropiados, iniciados y conducidos oportuna y diligentemente, y para los cuales la Acreditada o la Subsidiaria Restringida correspondiente, segun sea el caso, establezca reservas adecuadas de conformidad con los PCGA.

(b) Personalidad Juridica y Conduccion de Negocios. La Acreditada continuara dedicandose al mismo tipo de actividades y negocios a los que actualmente se dedica, y conservara y mantendra, y hara que cada una de sus Subsidiarias Restringidas conserve y mantenga, su existencia legal, derechos, (ya sean estatutarios o legales), licencias, autorizaciones, permisos, avisos, registros y franquicias que sean considerados relevantes para sus negocios; en el entendido que ni la Acreditada, ni sus Subsidiarias Restringidas estaran obligadas a mantener su existencia legal en relacion con una fusion o consolidacion realizada de conformidad con lo establecido en la Clausula 4.02

(a); y en el entendido, ademas, que ni la Acreditada, ni sus Subsidiarias Restringidas estaran obligadas a conservar cualquier derecho o franquicia si la Acreditada o cualquiera de dichas Subsidiarias Restringidas a su juicio, de buena fe, determinan que la conservacion de estas no tiene ningun beneficio para la Acreditada o para cualquiera de sus Subsidiarias Restringidas, segun sea el caso, y que de la perdida de dicho derecho o franquicia no pueda esperarse que tenga una consecuencia adversa.

(c) Requisitos de Informar. Proporcionar al Banco:

(i) Tan pronto como esten disponibles, pero en todo caso dentro de los 180 (ciento ochenta) dias siguientes al cierre de cada ejercicio social, una copia de sus estados financieros auditados consolidados correspondientes a dicho ejercicio social, que incluyan el balance general, los estados de resultados consolidados, de cambios en la situacion financiera y de

variaciones en el capital contable para dicho ejercicio social, de acuerdo con PCGA.

(ii) Tan pronto como esten disponibles, pero en todo caso dentro de los 90 (noventa) dias siguientes al cierre de cada trimestre de cada ejercicio social (excluyendo el cuarto trimestre calendario), su balance al final de dicho trimestre, y estados de resultados por dicho trimestre y por el periodo iniciado al final del ejercicio social anterior y terminado al cierre de dicho trimestre, en su caso consolidados de acuerdo con PCGA, firmados por un Vicepresidente Ejecutivo, el Vicepresidente de Administracion y Finanzas, el Vicepresidente de Contraloria, el Vicepresidente de Administracion Corporativa o el Vicepresidente de Financiamiento Corporativo de la Acreditada;

(iii) Tan pronto como sea posible pero en todo caso dentro de los 5 (cinco) Dias Habiles siguientes a la fecha en que la Acreditada tenga o deba tener conocimiento de la existencia de cualquier Causa de Incumplimiento o evento que mediante aviso o por el transcurso de tiempo o ambos constituiria una Causa de Incumplimiento, una constancia firmada por un Vicepresidente Ejecutivo, el Vicepresidente de Administracion y Finanzas, el Vicepresidente de Contraloria, el Vicepresidente de Financiamiento Corporativo, el Vicepresidente de Administracion Corporativa o un Vicepresidente Juridico de la Acreditada indicando los detalles de dicha Causa de Incumplimiento o evento, y las medidas que se han tomado o que se proponen tomar al respecto;

(iv) Tan pronto como se inicie, pero en todo caso dentro de los 5 (cinco) Dias Habiles siguientes al emplazamiento o notificacion de cualquier accion, demanda o procedimiento administrativo, arbitral o judicial en la que la Acreditada o cualquiera de sus Subsidiarias Restringidas sea parte y que pueda tener, en lo individual o de manera conjunta, un efecto adverso y de importancia en los negocios, operaciones o propiedades de la Acreditada o de sus Subsidiarias Restringidas, una notificacion firmada por algun funcionario autorizado de la Acreditada describiendo la naturaleza de dicha accion, demanda o procedimiento y las medidas que se han tomado o que se proponen tomar al respecto;

(v) Tan pronto como este disponible, pero en todo caso dentro de los 20 (veinte) Dias Habiles siguientes a la fecha de firma del presente Contrato, una copia certificada de la escritura publica que contenga las resoluciones del Consejo de Administracion de la Acreditada de fecha 22 de octubre de 2004, en donde conste la ratificacion de las autorizaciones y facultades de la Acreditada para suscribir el presente Contrato y el Pagare y para cumplir con las obligaciones establecidas en los mismos; y

(vi) Cualquier otra informacion relativa a la situacion financiera u operaciones o de cualquier otra naturaleza de la Acreditada y/o de cualquiera de sus

Subsidiarias Restringidas, que sea solicitada razonablemente en cualquier momento por el Banco.

(d) Seguros. Obtener y mantener vigentes y hacer que cada una de sus Subsidiarias Restringidas obtengan y mantengan vigentes, seguros adecuados en relacion con sus activos, cubriendo los riesgos y hasta por los importes que se requieran conforme a procedimientos administrativos adecuados, considerando la naturaleza de los negocios de la Acreditada y de sus Subsidiarias Restringidas y la ubicacion de los activos asegurados.

(e) Contabilidad. Mantener y hacer que cada una de sus Subsidiarias Restringidas mantenga libros y registros de contabilidad en forma tal que reflejen fielmente su posicion financiera y los resultados de sus operaciones, de acuerdo con los PCGA.

(f) Derechos de Inspeccion. A solicitud del Banco (a traves del ejecutivo de relacion correspondiente) con por lo menos 7 (siete) dias de anticipacion, permitir que los representantes designados por escrito por el Banco inspeccionen los registros contables y/o propiedades de la Acreditada y de cualquiera de sus Subsidiarias Restringidas durante dias y horas habiles.

(g) Cumplimiento de Obligaciones. Cumplir y pagar, y hacer que cada una de sus Subsidiarias Restringidas cumplan y paguen con todas sus obligaciones cuya suma principal (individual o conjuntamente con otros Adeudos no pagados) sea superior a EU\$100,000,000.00 (Cien Millones de Dolares 00/100) (o su equivalente en Pesos) o sus intereses, a su vencimiento, ya sea este convencional, por pago anticipado obligatorio o de cualquier otra manera, en terminos de cada contrato, hipoteca, garantia y demas instrumentos de deuda por los cuales estuvieran obligadas, con excepcion de aquellas obligaciones (i) cuyo monto o validez este siendo impugnado de buena fe por medio de procedimientos apropiados y para los cuales se han establecido las reservas adecuadas conforme a la legislacion aplicable, y (ii) cuya falta de pago pendiente por dicha impugnacion no pudiera esperarse, de manera razonable, que tendra un efecto adverso importante en los negocios, activos, responsabilidades, condicion (financiera o de cualquier otra naturaleza), licencias, operacion o proyectos de la Acreditada o de cualquiera de sus Subsidiarias Restringidas o en la capacidad de la Acreditada de pagar el Credito o cumplir con las obligaciones que le derivan de este Contrato y/o el Pagare.

(h) Destino de los Fondos. Destinar los recursos del Credito para los fines que se contemplan en la Declaracion I (q).

(i) Prelacion. Asegurarse y hacer todo lo necesario a fin de que las obligaciones de la Acreditada bajo el presente Contrato y el Pagare (i) constituyan en todo momento deuda incondicional e insubordinada de la Acreditada; y (ii) tengan por lo menos la misma prelacion de pago respecto de cualquiera otra deuda quirografaria e insubordinada, presente o futura, de la Acreditada.

(j) Índice de Endeudamiento. Mantener en todo momento durante la vigencia de este Contrato, un Índice de Endeudamiento no mayor de 3.50 (tres punto cincuenta) a 1.00 (uno punto dos ceros).

(k) Índice de Cobertura de Intereses. Mantener en todo momento durante la vigencia de este Contrato, un Índice de Cobertura de Intereses no menor de 1.50 (uno punto cincuenta) a 1 (uno).

4.02. Obligaciones de No Hacer de la Acreditada. Mientras cualquier Pagare permanezca insoluto en todo o en parte, y mientras la Acreditada tenga cualquier obligacion conforme a este Contrato, a menos que el Banco consienta por escrito en lo contrario, la Acreditada se obliga a:

(a) Fusion, Escision, Etc. No fusionarse, consolidarse, escindirse, liquidarse o disolverse (o permitir su liquidacion o disolucion), o permitir que sus Subsidiarias Restringidas se fusionen, consoliden, escindan, liquiden o disuelvan (o que sus Subsidiarias Restringidas permitan su liquidacion o disolucion), excepto que: (i) cualquier Subsidiaria de la Acreditada se podra fusionar o consolidar en o con (A) la Acreditada, en la medida en que la Acreditada sea la sociedad fusionante o sobreviviente, o (B) cualquier otra Subsidiaria de la Acreditada (incluyendo cualquier Persona que se convierta en Subsidiaria de la Acreditada como resultado de dicha fusion o consolidacion); (ii) la Acreditada o cualquiera de sus Subsidiarias Restringidas se podra fusionar o consolidar con cualquier otra Persona siempre y cuando (A) en el caso de una fusion o consolidacion de la Acreditada o una Subsidiaria Restringida, la Acreditada o dicha Subsidiaria Restringida deba ser la sociedad fusionante o sobreviviente, y (B) no deba existir y subsistir ninguna Causa de Incumplimiento o algun evento o condicion que, mediante aviso o por el transcurso del tiempo o ambos, pudiera constituir una Causa de Incumplimiento despues de dar efecto a dicha fusion o consolidacion; (iii) cualquier Subsidiaria Restringida se podra fusionar o consolidar con cualquier Persona mediante una adecuada contraprestacion a la Acreditada y sus Subsidiarias Restringidas consistente en una o mas Inversiones o cantidades de efectivo permitidas por el inciso (f) de esta Clausula 4.02.

(b) Venta de Activos Fijos. No vender, arrendar, ceder, transferir, o de cualquier otra manera disponer, o permitir que sus Subsidiarias Restringidas vendan, den en arrendamiento, cedan, transfieran, o de cualquier otra manera dispongan, en una operacion o serie de operaciones (sin limitar lo previsto en el inciso (a) de esta Clausula 4.02), cualquiera de sus respectivos bienes o activos, ya sea presentes o futuros (incluyendo sin limitacion, cuentas por cobrar y derechos de arrendamiento), excepto por ventas, arrendamientos, cesiones, transmisiones o disposiciones (i) realizadas dentro del curso ordinario de negocios de la Acreditada o dicha Subsidiaria Restringida; (ii) realizadas via dividendos u otras distribuciones respecto del Capital Social de la Acreditada o cualquiera de sus Subsidiarias Restringidas; (iii) realizadas via inversiones; y (iv) respecto de cualquier otro bien o activo, siempre y cuando el valor de mercado de todos aquellos otros bienes o activos arrendados, cedidos, transferidos, o de cualquier otra manera transmitidos por la Acreditada y sus Subsidiarias Restringidas durante el ejercicio social en el cual dicha venta, arrendamiento, cesion, transferencia o transmision ocurrio, no exceda del 20% (veinte por ciento) de la totalidad de los bienes y activos consolidados

inmediato anterior. No obstante lo previsto en este inciso (b), cualquier Subsidiaria de la Acreditada podra vender, ceder, transferir o de cualquier otra manera disponer de todos o cualquier parte de sus bienes y activos (ante una liquidacion voluntaria o por cualquier otro motivo) en favor de la Acreditada o cualquier Subsidiaria Restringida de la Acreditada (incluyendo cualquier persona que se convierta en una Subsidiaria Restringida en virtud de dicha venta, cesion, transferencia o disposicion).

(c) Gravámenes. No crear, constituir o permitir la existencia de cualquier Gravamen de cualquier naturaleza sobre cualquiera de sus propiedades o activos, ya sea presentes o futuros, o los de sus Subsidiarias Restringidas, excepto por:

(i) Gravámenes sobre bienes o activos de la Acreditada o de sus Subsidiarias Restringidas, creados o constituidos en favor del Banco;

(ii) Gravámenes sobre bienes o activos de una Subsidiaria Restringida, creados o constituidos por dicha Subsidiaria Restringida en favor de la Acreditada o de una Subsidiaria Restringida totalmente propiedad de la Acreditada, a efecto de garantizar Adeudos en favor de la Acreditada o de dicha Subsidiaria Restringida;

(iii) otros Gravámenes; en el entendido de que el monto principal insoluto del Adeudo garantizado por Gravámenes creados o constituidos conforme a este sub-inciso (iii), determinado en la fecha en que se incurrió dicho Adeudo, no podra exceder, de manera conjunta (en la fecha en que dicho Gravamen fue creado), 15% (quince por ciento) de los Activos Tangibles Ajustados Consolidados de la Acreditada y sus Subsidiarias Restringidas en dicha fecha;

(iv) Gravámenes Permitidos; o

(v) Gravámenes sobre bienes o activos de la Acreditada que garanticen el cumplimiento de obligaciones impuestas por ministerio de ley y obligaciones analogas, garantias procesales, fianzas procesales y fianzas de cumplimiento, en cada caso, asumidas, incurridas u otorgadas en el curso ordinario de negocios de la Acreditada o cualquiera de sus Subsidiarias Restringidas;

(vi) Gravámenes sobre los frutos derivados de bienes o activos que esten sujetos a algun Gravamen de los descritos en los sub-incisos (i) a (v) anteriores.

Para determinar los Activos Tangibles Ajustados Consolidados de la Acreditada y sus Subsidiarias Restringidas para los efectos del sub-inciso (iii) anterior,

(x) cada Subsidiaria Restringida, respecto de la cual mas del 15% (quince por ciento) de las acciones comunes representativas de su Capital Social coticen publicamente en un mercado de valores legitimo o en un sistema de cotizacion automatizado (un "mercado") por mas de 50 (cincuenta) dias, sera excluida del balance general consolidado de la Acreditada y sus Subsidiarias Restringidas y

(y) los Activos Tangibles Ajustados Consolidados de la Acreditada y sus Subsidiarias Restringidas (segun sean reducidos conforme al inciso (x) anterior) seran incrementados por un monto equivalente (i)(a) al precio de cierre promedio por accion de dichas acciones comunes en dicho mercado durante los 50 (cincuenta) dias de cotizacion anteriores a la constitucion de dicho Gravamen, multiplicado por (b) el numero de acciones comunes representativas del Capital Social de

dicha Subsidiaria Restringida de la clase registrada en dicho mercado, de las cuales sea titular la Acreditada y sus Subsidiarias Restringidas en la fecha en que se constituyo dicho Gravamen, mas (ii) el valor en libros de cualesquier otras acciones representativas del Capital Social de dicha Subsidiaria Restringida de las cuales sea titular la Acreditada y sus Subsidiarias Restringidas en dicha fecha.

(d) Obligaciones Contractuales que Restrinjan Distribuciones. A partir de la fecha del presente Contrato, la Acreditada no debera permitir que sus Subsidiarias Restringidas celebren, creen o asuman restriccion contractual alguna que limite la facultad de dichas Subsidiarias Restringidas de realizar Pagos Restringidos. La limitacion prevista en el presente inciso (d) no limitara restricciones contractuales (i) existentes a la fecha de firma del presente Contrato o bajo cualquier otro contrato que se encuentre en pleno vigor y efecto a la fecha de firma del presente Contrato, y cualesquier extensiones, refinanciamientos, renovaciones o reemplazos de los mismos o bajo algun otro contrato conforme al cual exista una restriccion permitida conforme al sub-inciso (ii) siguiente; en la inteligencia que la restricciones bajo cualesquiera de dichas extensiones, refinanciamientos, renovaciones o reemplazos no deberan ser menos favorables que aquellas restricciones que se encuentren en vigor en dicho momento y que esten siendo extendidas, refinanciadas, renovadas o reemplazadas; (ii) existentes respecto de cualquier Persona (incluyendo cualquier Persona que se convierta en una Subsidiaria Restringida) adquirida, o respecto de las propiedades o activos de dicha Persona adquiridos, por la Acreditada o cualquier Subsidiaria Restringida, existentes al momento de dicha adquisicion y no creadas en virtud de dicha adquisicion, cuyas cargas o restricciones no sean aplicables a cualesquiera otras Personas o a las propiedades o activos de cualesquiera otras Personas, distintas a la Persona adquirida o las propiedades o activos adquiridos de dicha Persona; (iii) que restrinjan, en terminos de mercado, la facultad de subarrendar, ceder o transmitir cualquier activo que sea un arrendamiento, licencia, propiedad o contrato o activo similar; (iv) existentes en virtud de cualquier venta de, contrato de promesa de venta, opcion o derecho respecto de, o Gravamen sobre, cualquier propiedad o activo de la Acreditada o cualquier Subsidiaria Restringida que no se encuentre de cualquier otro forma prohibida por el presente Contrato; (v) que surjan o sean acordadas en el curso ordinario de negocios, no esten relacionadas con algun Adeudo y que resten, individual o conjuntamente, valor significativo a la propiedad o activo respectivo de la Acreditada o cualquier Subsidiaria Restringida; (vi) respecto de cualquier Subsidiaria Restringida de conformidad con cualquier contrato que haya sido celebrado para la venta o enajenacion de todo o una parte sustancial del Capital Social de, o de todos o una parte sustancial de las propiedades y activos de, dicha Subsidiaria Restringida, siempre y cuando dichas cargas o restricciones solamente se encuentren en vigor durante el plazo de tiempo transcurrido entre la fecha de firma de dicho contrato y la consumacion de dicha venta o enajenacion. Nada de lo previsto en el presente inciso (d) limitara que la Acreditada o cualquier Subsidiaria Restringida (1) constituya, incurra, asuma o sufra la existencia de cualquier Gravamen que se encuentre permitido conforme al inciso (c) de esta Clausula 4.02 o (2) restrinjan la venta u otra enajenacion de propiedades o activos de la Acreditada o de cualquiera de sus Subsidiarias Restringidas que garanticen Adeudos de la Acreditada o de cualquiera de sus Subsidiarias Restringidas.

QUINTA
CAUSAS DE INCUMPLIMIENTO

5.01. Causas de Incumplimiento. Si ocurre y subsiste cualquiera de los eventos descritos a continuacion (cada uno, una "CAUSA DE INCUMPLIMIENTO"), el Banco podra mediante aviso por escrito dado a la Acreditada (i) en caso de que no hubiera sido sucedido la Disposicion, declarar extinguido su compromiso, y de inmediato la obligacion del Banco de permitir la Disposicion se extinguiere, y (ii) en caso de haber sucedido ya la Disposicion, declarar vencida y pagadera de inmediato la suma principal insoluta del Credito, los intereses devengados y no pagados, y todas las demas sumas pagaderas conforme a este Contrato, caso en el cual, el Pagare, la suma principal insoluta del Credito, los intereses devengados y no pagados y todas las demas sumas adeudadas por la Acreditada al Banco conforme a este Contrato y el Pagare , venceran y seran pagaderas de inmediato, sin requisito de presentacion, requerimiento, solicitud, protesto u otro aviso de cualquier naturaleza, a todo lo cual la Acreditada renuncia expresamente por este medio, en el entendido de que, salvo que se senale algo en contrario, la Acreditada contara con un plazo de 2 (dos) Dias Habiles para remediar la Causa de Incumplimiento a que se refiere el inciso (h) siguiente:

- (a) Si la Acreditada no pagare, a su vencimiento (ya sea en la fecha de vencimiento programada, por vencimiento anticipado o por cualquier otro motivo), cualquier (i) abono de la suma principal del Credito o de cualquier Pagare; o
- (ii) cualquier pago de los intereses devengados o de cualquier otra cantidad pagadera conforme a este Contrato o cualquier Pagare (excluyendo principal) y dicho incumplimiento de pago de intereses o cualquier otra cantidad pagadera conforme a este Contrato o cualquier Pagare distinta a la suma principal, no se subsanare dentro de los 5 (cinco) dias naturales siguientes; o
- (b) Si cualquier declaracion hecha por la Acreditada conforme a este Contrato, o cualquier certificacion o documento que la Acreditada haya entregado en cumplimiento de las obligaciones a su cargo estipuladas en este Contrato, resulta ser incorrecta o falsa en cualquier aspecto relevante, al momento de haber sido hecha; o
- (c) Si la Acreditada o cualquiera de sus Subsidiarias Significantes (i) incumple en el pago de sus obligaciones pactadas o en cualquiera de sus Adeudos cuya suma principal (individual o conjuntamente con otros Adeudos no pagados) sea superior a EU\$100,000,000.00 (Cien Millones de Dolares 00/100) (o su equivalente en Pesos) o sus intereses, a su vencimiento, ya sea este convencional, por pago anticipado obligatorio o de cualquier otra manera, y dicho incumplimiento subsiste una vez transcurrido el periodo aplicable de gracia, en su caso, estipulado en el convenio o instrumento relativo a dicho Adeudos, o (ii) incumple con cualquier otro termino, pacto o condicion contenido en el convenio o instrumento relativo a cualquiera de sus Adeudos y dicho incumplimiento subsiste una vez transcurrido el periodo aplicable de gracia, en su caso, estipulado en dicho convenio o instrumento, independientemente de que dicho Adeudo sea o no declarado vencido anticipadamente; o
- (d) Si la Acreditada o cualquiera de sus Subsidiarias Significantes admitiere por escrito su incapacidad para pagar sus deudas, o hiciere cesion general de bienes en beneficio de acreedores, o fuere entablado por o en contra de la Acreditada o de

cualquiera de sus Subsidiarias Significantes procedimiento alguno de concurso mercantil, reorganizacion o similar, y respecto de procedimientos de concurso mercantil, reorganizacion o similares iniciados sin la solicitud o consentimiento de la Acreditada o de sus Subsidiarias Significantes, siempre y cuando dichos procedimientos permanezcan sin ser desechados o sobreesidos por un periodo de sesenta (60) dias naturales o mas; o

(e) Si cualquier autoridad confiscare, expropiare, o asumiere la custodia o el control de todos o cualquier parte importante de los bienes de la Acreditada o desplazare la administracion de la Acreditada o limitare en forma substancial su facultad para operar sus negocios o ejercer control sobre cualquiera de sus Subsidiarias Significantes o de todos o cualquier parte importante de los bienes de dichas Subsidiarias Significantes y dicha accion tenga o razonablemente pudiera tener, un efecto adverso importante en los negocios, activos, responsabilidades, condicion (financiera o de cualquier otra naturaleza), licencias, operacion o proyectos de la Acreditada o de cualquiera de sus Subsidiarias Significantes o en la capacidad de la Acreditada de pagar el Credito o cumplir con las obligaciones que le derivan de este Contrato y/o el Pagare; o si cualquier franquicia, licencia, autorizacion o concesion importante de la Acreditada o cualquier Subsidiaria Significante es terminada o modificada substancialmente y dicha terminacion o modificacion sustancial tenga o razonablemente pudiera tener, un efecto adverso importante en los negocios, activos, responsabilidades, condicion (financiera o de cualquier otra naturaleza), licencias, operacion o proyectos de la Acreditada o de cualquiera de sus Subsidiarias Significantes o en la capacidad de la Acreditada de pagar el Credito o cumplir con las obligaciones que le derivan de este Contrato y/o el Pagare; o

(f) Si en cualquier momento durante la vigencia de este Contrato, la Acreditada incumpliera (i) con cualquiera de sus obligaciones estipuladas en los incisos (b), (c)(iii), (c)(v), (i), (k) y (l) de la Clausula 4.01 de este Contrato y los incisos (a), (b), (c) y (d) de la Clausula 4.02 de este Contrato; o (ii) con cualquiera de sus otras obligaciones o cualquiera de los terminos, pactos o convenios contenidos en este Contrato y (para el caso de este sub-inciso (ii)) dicho incumplimiento no se subsanare dentro de los 30 (treinta) dias naturales siguientes a la fecha en que el Banco se lo notifique a la Acreditada; o

(g) Si sucede algun cambio en el Consejo de Administracion de la Acreditada que implique un riesgo fundado de afectar la situacion financiera de esta, a juicio razonable del Banco; o

(h) Si cualquier evento o condicion ocurriere que, segun lo determine el Banco de buena fe, tenga o sea capaz de tener un efecto adverso en la capacidad de la Acreditada o sus Subsidiarias Restringidas de pagar el Credito o cumplir con las obligaciones que le derivan de este Contrato y/o el Pagare; o

(i) Si se dicta una o mas sentencias o decretos en contra de la Acreditada o cualquiera de sus Subsidiarias Significantes que involucre una contingencia en total (que no se pague o que no este totalmente cubierta por seguros) de EU\$20,000,000 (veinte millones de Dolares) o su equivalente en Pesos, y si dichas sentencias o decretos no se desechan, invalidan o garantizan mientras son apeladas dentro de los 40 (cuarenta) dias siguientes a la fecha en que sean dictadas o dentro del termino legal para la apelacion respectiva, o si no se reservan por parte del Acreditado o la Subsidiaria Significante de que se trate de conformidad con los PCGA o de acuerdo a los principios de contabilidad

generalmente aceptados aplicables a la Subsidiaria Significante de que se trate, según sea el caso.

SEXTA MISCELANEOS

6.01. Modificaciones. Ninguna modificación o renuncia a derecho alguno derivado de este Contrato y ningún consentimiento a divergencia alguna por parte de la Acreditada de las obligaciones que le derivan de este Contrato, tendrá efecto a menos que conste por escrito y este suscrito por el Banco y en ese caso, dicha modificación, consentimiento o renuncia, solo tendrá efectos en relación con el propósito específico para el cual haya sido otorgada.

6.02. Renuncias; Recursos Acumulativos. Ninguna omisión o demora por parte del Banco en el ejercicio de cualquiera de sus derechos, facultades o acciones conforme a este Contrato, se podrá considerar como renuncia a los mismos, ni podrá cualquier ejercicio singular o parcial de cualquiera de dichos derechos, facultades o acciones, impedir cualquier otro o ulterior ejercicio de las mismas o el ejercicio de cualquier otro derecho, facultad o acción. Los derechos y acciones previstos en este Contrato son acumulativos y no excluyentes de derecho o acción alguna previsto por la ley.

6.03. Notificaciones, Etc. A menos que en este Contrato se estipule lo contrario, las notificaciones o avisos que se contemplan en el mismo, se harán por escrito y se enviarán por telefax, o se entregarán a cada parte de este Contrato en el domicilio que consta bajo su nombre en las páginas de este Contrato que ostentan las firmas de cada parte, o a cualquier otro domicilio que cualquier parte señale en aviso por escrito dado a las demás partes de este Contrato. Todas las notificaciones y avisos que se entreguen en el domicilio de la parte correspondiente, surtirán efecto en la fecha de entrega de los mismos y, los que sean enviados por telefax, cuando el destinatario de los mismos emita un recibo reconociendo la entrega de la notificación o aviso correspondiente.

6.04. Costos y Gastos. La Acreditada conviene en pagar, a solicitud del Banco, todos los costos y gastos razonables en relación con la preparación, suscripción, inscripción, perfeccionamiento y administración de este Contrato y del Pagare así como de cualquier otro documento que se deba entregar conforme a este Contrato, incluyendo, sin limitar, los honorarios y gastos de los asesores legales del Banco. La Acreditada conviene asimismo en pagar a solicitud del Banco, las pérdidas, costos y gastos, si los hubiere, en relación con la exigibilidad de este Contrato y del Pagare, así como de cualquier otro documento que se deba entregar conforme a este Contrato.

6.05. Cesión. La Acreditada no podrá ceder los derechos u obligaciones que le derivan del presente Contrato, sin el previo consentimiento otorgado por escrito por el Banco. El Banco podrá ceder los derechos y obligaciones que le deriven del presente Contrato y del Pagare a (i) con previo aviso dado a la Acreditada con 10 (diez) Días Hábiles de anticipación, y siempre y cuando dicha cesión se haga a favor de Afiliadas y/o Subsidiarias del Banco o a fideicomisos en los que el Banco y/o sus Afiliadas y/o sus Subsidiarias actúen como fideicomitentes y fideicomisario en cualquier lugar (ii) cualquier institución de crédito o institución de seguros mexicana, mediante simple notificación por escrito a la Acreditada con 7 (siete) días de anticipación, pero sin requerir

el consentimiento de la Acreditada; o (iii) a cualquier otra Persona, siempre y cuando cuente con el consentimiento de la Acreditada, el cual no podra ser negado sin causa justificada. En el supuesto de que el Banco llevare a cabo cualquier cesion de acuerdo con esta Clausula 6.05, el cesionario adquirira los mismos derechos y beneficios a cargo de la Acreditada, que tendria, con respecto a los derechos y obligaciones que le fueron cedidos, si originalmente fuese el Banco conforme a este Contrato.

6.06. Compensacion. (a) En cualquier fecha en que:

(i) la Acreditada deba pagar al Banco cualquier cantidad conforme a este Contrato y/o el Pagare, ya sea por concepto de principal, intereses o cualquier otro concepto, o

(ii) ocurra cualquier Causa de Incumplimiento y hubiere transcurrido cualquier periodo de gracia que fuere aplicable y se hubiere declarado vencida la suma principal del Credito,

entonces, la Acreditada en la medida permitida por la ley, autoriza y faculta irrevocablemente al Banco para que cargue contra cualquier deposito y/o cuenta que la Acreditada mantenga con el Banco (incluyendo, sin limitar, depositos y/o cuentas, a la vista, de ahorro, a plazo, provisionales o definitivos), excluyendo expresamente los fondos derivados de pagos del Banco, actuando en su caracter de fiduciario bajo contratos de fideicomisos dentro de los cuales la Acreditada sea fideicomisaria, depositados en cuentas de la Acreditada especificamente abiertas para dichos propositos; en la inteligencia de que esta excepcion no sera aplicable en caso de que exista una Causa de Incumplimiento de pago conforme a los terminos del presente Contrato, y compense contra cualquier Adeudos que el Banco pueda tener en favor de la Acreditada por cualquier concepto, hasta una cantidad igual al monto de la cantidad no pagada al Banco, en el supuesto del sub-inciso (i) anterior, y al monto total de la suma principal insoluta del Credito, mas intereses y accesorios, en el supuesto del sub-inciso (ii) anterior, sin necesidad de aviso, requerimiento o demanda alguna.

(b) El Banco notificara a la Acreditada tan pronto como le sea posible, pero en todo caso dentro de los 3 (tres) Dias Habiles siguientes a la fecha en que la Acreditada realice el cargo o compensacion correspondiente conforme a lo permitido por esta Clausula 6.06, en el entendido de que la falta de dicha notificacion no afectara en forma alguna la validez de dicho cargo o compensacion. El derecho del Banco conforme a esta Clausula 6.06 es adicional a cualquier otro derecho (incluyendo otros derechos de compensacion) que el Banco pueda tener.

6.07. Jurisdiccion. Las partes al presente Contrato se someten expresa e irrevocablemente a la jurisdiccion de los tribunales federales competentes de Mexico, ubicados en el Distrito Federal, Mexico, respecto a cualquier accion o procedimiento relativo a este Contrato, y renuncian expresa e irrevocablemente por este medio a cualquier otra jurisdiccion que les pudiese corresponder en la actualidad o en el futuro por virtud de sus respectivos domicilios actuales o cualquier otro domicilio futuro o por cualquier otra razon.

6.08. Ley Aplicable. El presente Contrato se regira por, e interpretara de acuerdo con, las leyes federales aplicables de Mexico.

6.09. Titulos. Los titulos de las Clausulas y sus subdivisiones que se usan en este Contrato no tienen mas fin que la conveniencia de las partes y no podran afectar la interpretacion de este Contrato.

En virtud de lo anterior, las partes han celebrado el presente Contrato en la fecha mencionada en el proemio.

GRUPO TELEVISIA, S.A., como Acreditada

Por: /s/ Rafael Carabias Principe

Nombre: Rafael Carabias Principe
Cargo: Apoderado

Por: /s/ Joaquin Balcarcel Santa Cruz

Nombre: Joaquin Balcarcel Santa Cruz
Cargo: Apoderado

Domicilio:

Avenida Vasco de Quiroga No. 2000
Edificio A, Piso 4
Colonia Zedec Santa Fe
01210 Mexico, D.F.

Atencion: Salvi R. Folch Viadero
y/o
Fernando Suarez Gerard
Telefono: 5261-2309
Facsimil: 5261-2039

con copia para:

Vicepresidencia Juridica
Domicilio:
Avenida Vasco de Quiroga No. 2000
Edificio A, Piso 4
Colonia Zedec Santa Fe
01210 Mexico, D.F.

Atencion: Joaquin Balcarcel Santa
Cruz
Telefono: 5261-2433
Facsimil: 5261-2546

BANCO NACIONAL DE MEXICO, S.A.,
INTEGRANTE DEL GRUPO FINANCIERO
BANAMEX

Domicilio:
Act. Roberto Medellin No. 800
Torre Sur, Piso 4
Colonia Santa Fe
01210 Mexico, D.F.

Por: /s/ Miguel Angel Soto Gutierrez

Nombre: Miguel Angel Soto Gutierrez
Cargo: Apoderado

Atencion: Miguel Angel Soto
Gutierrez y/o
Juan Carlos Perez Rocha
Telefono: 2262-3787
Facsimil: 2226-2912 / 2226-2927

Por: /s/ Federico Delgado Pastor Surrell

Nombre: Federico Delgado Pastor Surrell
Cargo: Apoderado

EXHIBIT 8.1

GRUPO TELEVISIVA'S SUBSIDIARIES, VARIABLE INTEREST ENTITIES, JOINT VENTURES AND ASSOCIATES AS OF DECEMBER 31, 2004

NAME OF COMPANY	COUNTRY OF INCORPORATION
Corporativo Vasco de Quiroga, S.A. de C.V.	Mexico
Audiomaster 3000, S.A. de C.V.	Mexico
Corporatel, S.A. de C.V.	Mexico
Dibujos Animados Mexicanos Diamex, S.A.(*).....	Mexico
Editorial Clio Libros y Videos, S.A. de C.V.(*).....	Mexico
Eventicket, S.A. de C.V. (1).....	Mexico
Futbol del Distrito Federal, S.A. de C.V.	Mexico
Grupo Comunicacion y Esfuerzo Comercial, S.A. de C.V.	Mexico
Impulsora del Deportivo Necaxa, S.A. de C.V.	Mexico
Magical Entertainment, S. de R.L. de C.V. (1).....	Mexico
En Vivo Espectaculos, S. de R.L. de C.V. (1).....	Mexico
Mas Fondos, S.A. de C.V. (*).....	Mexico
Operadora Dos Mil, S.A. de C.V.	Mexico
Promarca y Cia., S.A. de C.V.	Mexico
Promo-Certamen, S.A. de C.V.	Mexico
Radiotelefonía Movil Metropolitana, S.A. de C.V. (1).....	Mexico
CVQ Espectaculos, S.A. de C.V.	Mexico
Club de Futbol America, S.A. de C.V.	Mexico
Nueva Generacion, S.A.	Mexico
Real San Luis F.C., S.A. de C.V.	Mexico
Teatro de los Insurgentes, S.A. de C.V.	Mexico
Videocine, S.A. de C.V.	Mexico
Coyoacan Films, S.A. de C.V. (*).....	Mexico
DTH Europa, S.A.	Spain
Editora Factum, S.A. de C.V.	Mexico
BouncyNet, Inc. and subsidiary (*).....	United States of America
Desarrollo Vista Hermosa, S.A. de C.V.	Mexico
Digital TV, S.A. de C.V.	Mexico
Empresas Cablevision, S.A. de C.V.	Mexico
Milar, S.A. de C.V.	Mexico
Argos Comunicacion, S.A. de C.V. (*).....	Mexico
Cablestar, S.A. de C.V.	Mexico
Cablevision, S.A. de C.V.	Mexico
Tercera Mirada, S.A. de C.V.	Mexico
Grupo Mexicano de Cable, S.A. de C.V.	Mexico
Integravision de Occidente, S.A. de C.V.	Mexico
La Casa de la Risa, S.A. de C.V.	Mexico
Servicios Cablevision, S.A. de C.V.	Mexico
Tecnicable, S.A. de C.V.	Mexico
Telestar del Pacifico, S.A. de C.V.	Mexico
Galavision DTH, S. de R.L. de C.V.	Mexico
Televisa DTH TechCo, Inc.	United States of America
DTH TechCo Partners (*).....	United States of America
DTH, LLC.	United States of America
Televisa MCOP Holdings, Inc.	United States of America
Sky Multi-Country Partners and subsidiaries (*).....	United States of America
Mednet, S.A. de C.V. (*).....	Mexico
Metros Cubicos, S.A. de C.V. (*).....	Mexico
Queplan, S.A. de C.V. (*).....	Mexico
Editorial Televisa, S.A. de C.V.	Mexico
Editorial Delaware, S.A. de C.V.	Mexico
Editorial Televisa International, S.A.	Mexico
ET Publishing International, Inc.	United States of America
Hispanic Publishing Associates, LLC.	United States of America
Editorial Televisa Puerto Rico, Inc.	Puerto Rico
Repremix Incorporated (1).....	United States of America
Union Publishing Company, Inc. (1).....	United States of America
Editorial Motorpress Televisa, S.A. de C.V.	Mexico
Editorial Televisa Argentina, S.A.	Argentina
Editorial Tucuman, S.A.C.I. y de M.S.	Argentina
Editorial Televisa Chile, S.A.	Chile
Editorial Televisa Colombia, S.A.	Colombia

NAME OF COMPANY	COUNTRY OF INCORPORATION
Editorial Televisa Peru, S.A.	Peru
Editorial Televisa Venezuela, S.A.	Venezuela
Vanipubli Ecuatoriana, S.A.	Ecuador
Venetel Servicios Publicitarios, S.A.	Venezuela
En Vivo U.S. Holding, LLC.	United States of America
En Vivo U.S. Holding Company (1)	United States of America
CCE-Televisa Music Promotions, LLC (*)	United States of America
Vivelo, Inc. (*)	United States of America
Esmas Holding, LLC (1)	United States of America
Esmas I, LLC (1)	United States of America
Factum Mas, S.A. de C.V.	Mexico
Sky DTH, S. de R.L. de C.V.	Mexico
Innova Holdings, S. de R.L. de C.V.	Mexico
Innova, S. de R.L. de C.V. (2)	Mexico
Corporacion Novaimagen, S. de R.L. de C.V.	Mexico
Corporacion Novavision, S. de R.L. de C.V.	Mexico
Corporacion de Radio y Television del Norte de Mexico, S. de R.L. de C.V.	Mexico
Nova Call-Center, S. de R.L. de C.V.	Mexico
Servicios Corporativos de Telefonía, S. de R.L. de C.V.	Mexico
Servicios Novasat, S. de R.L. de C.V.	Mexico
Consortio Portal, S.A. de C.V.	Mexico
Comercio Mas, S.A. de C.V.	Mexico
Corporacion Mas, S.A. de C.V.	Mexico
Grupo Distribuidoras Intermex, S.A. de C.V.	Mexico
Distribuidora Panamex, S.A.	Panama
Atmore Investment, A.V.V.	Aruba
Distribuidora Bolivariana, S.A.	Peru
Distribuidora de Revistas Bertran, S.A.C.	Argentina
Intercontinental Media, S.A.	Argentina
Distribuidora Intermex, S.A. de C.V.	Mexico
Distribuidora Televisa Chile, S.A.	Chile
Distribuidora Alfa, S.A.	Chile
Distribuidora San Joaquin, S.A.	Chile
Easa Colombiana, S.A.	Colombia
Editorial Momento, S.A.	Colombia
Distribuidoras Unidas, S.A.	Colombia
Gonarmex, S.A. de C.V.	Mexico
Grupo America, S.A.	Panama
Samra, S.A.	Ecuador
Distribuidora Los Andes, S.A.	Ecuador
Saral Publications, Inc.	United States of America
Campus America, S.A. de C.V.	Mexico
Fonovisa Centroamerica, S.A. (1)	Nicaragua
Television Holdings USA, LLC	United States of America
Univision Communications, Inc. (*)	United States of America
Televisa Pay-TV Venture, Inc.	United States of America
TuTv, LLC (*)	United States of America
Promo-Industrias Metropolitanas, S.A. DE C.V.	Mexico
Telestar de Occidente, S.A. de C.V.	Mexico
Multimedios Santa Fe, S.A. de C.V.	Mexico
Recursos Corporativos Alameda, S.C.	Mexico
Producciones Nacionales Televisa, S.C.	Mexico
Proyectos Especiales Televisa, S.C.	Mexico
Grupo Editorial Metropolitano, S.A. de C.V.	Mexico
Sistema Radiopolis, S.A. de C.V.	Mexico
Cadena Radiodifusora Mexicana, S.A. de C.V.	Mexico
Radio Melodia, S.A. de C.V.	Mexico
Radio Tapatia, S.A. de C.V.	Mexico
X.E.Z.Z., S.A. de C.V.	Mexico
Radio Comerciales, S.A. de C.V.	Mexico
Radiotelevisora de Mexicali, S.A. de C.V.	Mexico
Teleparabolas, S.L.	Spain

NAME OF COMPANY	COUNTRY OF INCORPORATION
Telesistema Mexicano, S.A. de C.V.	Mexico
Altavista Sur Inmobiliaria, S.A. de C.V.	Mexico
Dimar, S.A. de C.V.	Mexico
Estudio Sevilla 613, S.A. de C.V.	Mexico
Inmobiliaria Amber, S.A. de C.V.	Mexico
Inmobiliaria Rio de la Loza, S.A. de C.V.	Mexico
Imagen y Talento Internacional, S.A. de C.V.	Mexico
NMP Canal 1, S.A. De C.V.	Mexico
Pico Tres Padres, S. de R.L. de C.V.	Mexico
Teleinmobiliaria, S. de R.L. de C.V.	Mexico
G. Televisa-D, S.A. de C.V.	Mexico
Terma, S.A. de C.V.	Mexico
Televisa, S.A. de C.V.	Mexico
Endemol Mexico, S.A. de C.V. (*)	Mexico
Espacio en Vinculacion, A. C.	Mexico
Exposicion Universal de Mexico 2010, S.A. De C.V.	Mexico
Morning Glory Productions, S.A. de C.V.	Mexico
Televisa Internacional, LLC.	United States of America
Televisa International Marketing Group, Inc.	United States of America
Visat, S.A. de C.V.	Mexico
Televisa Mexico, Ltd.	Switzerland
Videoserpel, Ltd.	Switzerland
Televisa Entretenimiento, S.A. de C.V.	Mexico
Ocesa Entretenimiento, S.A. de C.V. and subsidiaries (*)	Mexico
Televisa Argentina, S.A.	Argentina
Television Independiente de Mexico, S.A. de C.V.	Mexico
Bay City Television, Inc.	United States of America
Cadena de las Americas, S.A. de C.V.	Mexico
Cadena Televisora del Norte, S.A. de C.V.	Mexico
Canal 23 de Ensenada, S.A. de C.V.	Mexico
Canal XXI, S.A. de C.V.	Mexico
Canales de Television Populares, S.A. de C.V.	Mexico
Compania Televisora de Leon Guanajuato, S.A. de C.V.	Mexico
Desarrollo Milaz, S.A. de C.V.	Mexico
ECO Producciones, S.A. de C.V.	Mexico
Editora San Angel, S.A. de C.V.	Mexico
Empresas Baluarte, S.A. de C.V.	Mexico
Grupo Administrativo Tijuana, S.A. de C.V.	Mexico
Radiotelevisora de Mexico Norte, S.A. de C.V.	Mexico
Radio Television, S.A. de C.V.	Mexico
Telehermosillo, S.A. de C.V.	Mexico
Televimex, S.A. de C.V.	Mexico
Televisa Corporacion, S.A. de C.V.	Mexico
Televisa Producciones, S.A. de C.V.	Mexico
Televisa Talento, S.A. de C.V.	Mexico
Television de Puebla, S.A. de C.V.	Mexico
Television del Golfo, S.A. de C.V.	Mexico
Televisora de Calimex, S.A. de C.V.	Mexico
Televisora de Mexicali, S.A. de C.V.	Mexico
Televisora de Navojoa, S.A.	Mexico
Televisora de Occidente, S.A. de C.V.	Mexico
Televisora del Golfo, S.A. de C.V.	Mexico
Televisora del Yaqui, S.A. de C.V. (*)	Mexico
Televisora Peninsular, S.A. de C.V.	Mexico
T.V. de los Mochis, S.A. de C.V.	Mexico
Telemercado Alameda, S. de R.L. de C.V.(*) (1)	Mexico
T.V. del Humaya, S.A. de C.V.	Mexico
Transmisiones Nacionales de Television, S.A. de C.V.	Mexico
T.V. Conceptos, S.A. de C.V.	Mexico
XHCC-TV Television, S.A. de C.V.	Mexico

(*) Joint Venture or Associates. Under Mexican GAAP and International Accounting Standard No. 28, paragraph 3, an "associate" is an enterprise in which the investor has significant influence and which is neither a subsidiary nor a joint venture of the investor.

(1) Without current operations.

(2) Variable Interest Entity. The Company and / or any of its subsidiaries is the primary beneficiary.

EXHIBIT 12.1

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Emilio Azcarraga Jean, certify that:

1. I have reviewed this annual report on Form 20-F of Grupo Televisa, S.A.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
4. The company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the company and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - c) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and
5. The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Dated this 13th day of June, 2005

By: /s/ Emilio Azcarraga Jean

Name: Emilio Azcarraga Jean

Title: Chairman of the Board, President and Chief Executive Officer

EXHIBIT 12.2

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Salvi Rafael Folch Viadero, certify that:

1. I have reviewed this annual report on Form 20-F of Grupo Televisa, S.A.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
4. The company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the company and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - c) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and
5. The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated this 13th day of June, 2005

By: /s/ Salvi Folch Viadero

Name: Salvi Folch Viadero
Title: Chief Financial Officer

EXHIBIT 13.1

GRUPO TELEVISA, S.A.

SECTION 906 CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Emilio Azcarraga Jean, Chairman of the Board, President and Chief Executive Officer of Grupo Televisa, S.A. (the "Company"), hereby certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

1. The Company's annual report on Form 20-F for the fiscal year ended December 31, 2004, to which this statement is filed as an exhibit (the "Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: June 13, 2005

By: /s/ Emilio Azcarraga Jean

Name: Emilio Azcarraga Jean
Title: Chairman of the Board, President
and Chief Executive Officer

EXHIBIT 13.2

GRUPO TELEVISA, S.A.

SECTION 906 CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Salvi Rafael Folch Viadero, the Chief Financial Officer of Grupo Televisa, S.A. (the "Company"), hereby certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

1. The Company's annual report on Form 20-F for the fiscal year ended December 31, 2004, to which this statement is filed as an exhibit (the "Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: June 13, 2005

*By: /s/ Salvi Folch Viadero

Name: Salvi Folch Viadero
Title: Chief Financial Officer*

End of Filing

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