

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

(Mark One)

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, 2015**

OR

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

OR

SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of event requiring this shell company report

For the transition period from to

Commission file number 1-12610

Grupo Televisa, S.A.B.

(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 City
Mexico**

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(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

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
Series "A" Shares, without par value ("Series "A" Shares")	New York Stock Exchange (for listing purposes only)
Series "B" Shares, without par value ("Series "B" Shares")	New York Stock Exchange (for listing purposes only)
Series "L" Shares, without par value ("Series "L" Shares")	New York Stock Exchange (for listing purposes only)
Dividend Preferred Shares, without par value ("Series "D" Shares")	New York Stock Exchange (for listing purposes only)
Global Depository Shares ("GDSs"), each representing five Ordinary Participation Certificates (<i>Certificados de Participación Ordinarios</i>) ("CPOs")	New York Stock Exchange
CPOs, each representing twenty-five Series "A" Shares, twenty-two Series "B" Shares, thirty-five Series "L" Shares and thirty-five Series "D" Shares	New York Stock Exchange (for listing purposes only)

[Table of Contents](#)

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, 2015 was:

115,409,011,592 Series "A" Shares
53,340,312,255 Series "B" Shares
84,859,529,456 Series "L" Shares
84,859,529,456 Series "D" Shares

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

Yes No

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 mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP

International Financial Reporting Standards as issued
by the International Accounting Standards Board

Other

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.

Item 17 Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

	<u>Part I</u>	
<u>Item 1.</u>	<u>Identity of Directors, Senior Management and Advisers</u>	4
<u>Item 2.</u>	<u>Offer Statistics and Expected Timetable</u>	4
<u>Item 3.</u>	<u>Key Information</u>	4
	<u>Selected Financial Data</u>	4
	<u>Dividends</u>	7
	<u>Exchange Rate Information</u>	8
	<u>Risk Factors</u>	10
	<u>Forward-Looking Statements</u>	25
<u>Item 4.</u>	<u>Information on the Company</u>	26
	<u>History and Development of the Company</u>	26
	<u>Capital Expenditures</u>	26
	<u>Business Overview</u>	27
<u>Item 5.</u>	<u>Operating and Financial Review and Prospects</u>	63
	<u>Preparation of Financial Statements</u>	63
	<u>Results of Operations</u>	64
	<u>Liquidity, Foreign Exchange and Capital Resources</u>	88
	<u>Contractual Obligations and Commercial Commitments</u>	95
<u>Item 6.</u>	<u>Directors, Senior Management and Employees</u>	97
<u>Item 7.</u>	<u>Major Stockholders and Related Party Transactions</u>	107
	<u>The Major Stockholders</u>	108
	<u>Related Party Transactions</u>	108
<u>Item 8.</u>	<u>Financial Information</u>	110
<u>Item 9.</u>	<u>The Offer and Listing</u>	110
	<u>Trading History of CPOs and GDSs</u>	110
	<u>Trading on the Mexican Stock Exchange</u>	112
<u>Item 10.</u>	<u>Additional Information</u>	115
	<u>Mexican Securities Market Law</u>	115
	<u>Bylaws</u>	116
	<u>Enforceability of Civil Liabilities</u>	125
	<u>Material Contracts</u>	126
	<u>Legal Proceedings</u>	126
	<u>Exchange Controls</u>	126
	<u>Taxation</u>	126
	<u>Documents on Display</u>	132
<u>Item 11.</u>	<u>Quantitative and Qualitative Disclosures About Market Risk</u>	133
<u>Item 12.</u>	<u>Description of Securities Other than Equity Securities</u>	137
	<u>Part II</u>	
<u>Item 13.</u>	<u>Defaults, Dividend Arrearages and Delinquencies</u>	138
<u>Item 14.</u>	<u>Material Modifications to the Rights of Security Holders and Use of Proceeds</u>	138
<u>Item 15.</u>	<u>Controls and Procedures</u>	138
<u>Item 16.A.</u>	<u>Audit Committee Financial Expert</u>	138
<u>Item 16.B.</u>	<u>Code of Ethics</u>	139
<u>Item 16.C.</u>	<u>Principal Accountant Fees and Services</u>	139
<u>Item 16.D.</u>	<u>Exemptions from the Listing Standards for Audit Committees</u>	140
<u>Item 16.E.</u>	<u>Purchases of Equity Securities by the Issuer and Affiliated Purchasers</u>	140
<u>Item 16.F.</u>	<u>Change in Registrant’s Certifying Accountant</u>	142
<u>Item 16.G.</u>	<u>Corporate Governance</u>	142
<u>Item 16.H.</u>	<u>Mine Safety Disclosure</u>	143
	<u>Part III</u>	
<u>Item 17.</u>	<u>Financial Statements</u>	143
<u>Item 18.</u>	<u>Financial Statements</u>	143

We publish our financial statements in accordance with International Financial Reporting Standards, or IFRS, as issued by the International Accounting Standards Board, or IASB, 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.

Unless otherwise indicated, (i) information included in this annual report is as of December 31, 2015 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.

In this annual report, “we,” “us,” “our” or “Company” refer to Grupo Televisa, S.A.B. and, where the context requires, its consolidated entities. “Group” refers to Grupo Televisa, S.A.B. and its consolidated entities.

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 information is qualified in its entirety by reference to, and should be read together with, our audited consolidated year-end financial statements. The following data for each of the years ended December 31, 2015, 2014, 2013, 2012 and 2011 has been derived from our audited consolidated year-end financial statements, including the consolidated statements of financial position as of December 31, 2015 and 2014, the related consolidated statements of income, comprehensive income, changes in stockholders' equity and cash flows for the years ended December 31, 2015, 2014 and 2013, and the accompanying notes appearing elsewhere in this annual report. As required by regulations for listed companies in the United Mexican States, or Mexico, issued by the *Comisión Nacional Bancaria y de Valores*, or Mexican Banking and Securities Commission, beginning on January 1, 2012, we discontinued using Mexican Financial Reporting Standards, or Mexican FRS, as issued by the *Consejo Mexicano de Normas de Información Financiera*, or Mexican Financial Reporting Standards Board, and began using International Financial Reporting Standards, or IFRS, as issued by the International Accounting Standards Board, or IASB, for financial reporting purposes.

The financial information as of December 31, 2015, 2014, 2013, 2012 and 2011 and for the years ended December 31, 2015, 2014, 2013, 2012 and 2011, was prepared in accordance with IFRS as issued by the IASB. Through December 31, 2011, our consolidated financial information was reported previously in accordance with Mexican FRS. Accordingly, the financial information as of and for the year ended December 31, 2011 is not directly comparable to previously reported financial information as of and for the year ended on that date. This data should also be read together with "Operating and Financial Review and Prospects". In preparing our opening IFRS statement of financial position as of January 1, 2011, we adjusted amounts previously reported in our consolidated financial statements prepared in accordance with Mexican FRS.

The exchange rate used in translating Pesos into U.S. Dollars for calculating the convenience translations included in the following tables is determined by reference to the interbank free market exchange rate, or the Interbank Rate, as reported by Banco Nacional de México, S.A., or Banamex, as of December 31, 2015, which was Ps.17.2160 per U.S. Dollar. This annual report contains translations of certain Peso amounts into U.S. Dollars at specified rates solely for the convenience of the reader. 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.

	Year Ended December 31,											
	2015		2014		2013		2012		2011			
	(Millions of U.S. Dollars or millions of Pesos)(1)											
Income Statement Data:												
Net sales	U.S.\$	5,115	Ps.	88,052	Ps.	80,118	Ps.	73,791	Ps.	69,290	Ps.	62,582
Operating income		1,089		18,745		13,956		18,738		18,140		16,274
Finance (expense) income, net (2)		(7)		(123)		(4,329)		885		(3,350)		(4,641)
Net income		716		12,325		6,660		10,234		10,069		7,957
Net income attributable to stockholders of the Company		633		10,899		5,387		7,748		8,761		6,666
Net income attributable to non-controlling interests		83		1,426		1,273		2,486		1,308		1,291
Basic earnings per CPO attributable to stockholders of the Company (3)		—		3.77		1.87		2.71		3.08		2.37
Diluted earnings per CPO attributable to stockholders of the Company (3)		—		3.52		1.74		2.50		2.83		2.24
Weighted-average number of shares outstanding (in millions)(3)(4)		—		338,291		337,551		335,263		333,372		329,463
Cash dividend per CPO(3)		—		0.35		—		0.70		0.35		0.35
Comprehensive Income Data:												
Total comprehensive income	U.S.\$	696	Ps.	11,982	Ps.	8,982	Ps.	11,833	Ps.	10,530	Ps.	8,808
Total comprehensive income attributable to stockholders of the Company		609		10,478		7,672		9,336		9,243		7,442
Total comprehensive income attributable to non-controlling interests		87		1,504		1,310		2,497		1,287		1,366

	As of December 31,											
	2015		2015		2014		2013		2012		2011	
Financial Position Data:												
Cash and cash equivalents	U.S.\$	2,869	Ps.	49,397	Ps.	29,729	Ps.	16,692	Ps.	19,063	Ps.	16,276
Temporary investments		310		5,330		4,789		3,723		5,317		5,423
Total assets		16,350		281,474		235,552		194,109		164,997		153,300
Short-term debt and current portion of long-term debt (5)		173		2,980		337		314		375		1,170
Interest payable(5)		69		1,184		975		796		742		793
Long-term debt, net of current portion(6)		6,240		107,431		80,661		59,743		52,616		54,795
Customer deposits and advances		1,219		20,985		20,435		22,437		21,985		21,386
Capital stock		289		4,978		4,978		4,978		4,978		5,041
Total equity (including non-controlling interests)		5,781		99,522		87,915		78,579		68,535		59,089
Shares outstanding (in millions)(4)		—		338,468		338,056		335,501		333,898		330,862

[Table of Contents](#)

	Year Ended December 31,											
	2015		2015		2014		2013		2012		2011	
Cash Flow Data:												
Net cash provided by operating activities	U.S.\$	1,817	Ps.	31,286	Ps.	28,463	Ps.	23,806	Ps.	22,556	Ps.	23,004
Net cash used in investing activities		(1,381)		(23,782)		(22,740)		(25,246)		(12,167)		(25,232)
Net cash provided by (used in) financing activities		699		12,033		7,231		(924)		(7,548)		(2,543)
Increase (decrease) in cash and cash equivalents		1,142		19,668		13,037		(2,371)		2,787		(4,667)
Other Financial Information:												
Capital expenditures(7)	U.S.\$	1,483	Ps.	25,524	Ps.	17,004	Ps.	14,871	Ps.	11,428	Ps.	9,669
Other Data (unaudited):												
Magazine circulation (millions of copies)(8)		—		103		117		126		129		132
Number of employees (at year end)		—		43,900		39,500		32,000		28,600		26,300
Number of Sky subscribers (in thousands at year end)(9)		—		7,284		6,638		6,015		5,153		4,008
Number of Pay Television RGUs (in thousands at year end)(10)		—		4,061		3,357		2,495		2,309		2,183
Number of Broadband Internet RGUs (in thousands at year end)(10)		—		3,067		2,289		1,667		1,306		1,066
Number of Digital Telephony RGUs (in thousands at year end)(10)		—		1,891		1,228		916		754		650

Notes to Selected Consolidated Financial Information :

- (1) Except per *Certificado de Participación Ordinario* , or CPO, magazine circulation, employee, subscriber and Revenue Generating Units, or RGUs.
- (2) Includes interest expense, interest income, foreign exchange loss or gain, net, and other finance income or expense, net. See Note 22 to our consolidated year-end financial statements.
- (3) For further analysis of net earnings per CPO (as well as corresponding amounts per Series “A” Share not traded as CPOs), see Note 24 to our consolidated year-end financial statements. In April 2015, the Company’s stockholders approved the payment of a dividend of Ps.0.35 per CPO. In 2014, the Company’s stockholders did not approve the payment of any dividends. In December 2013, and April 2013, 2012 and 2011, our stockholders approved the payment of a dividend of Ps.0.35 per CPO, respectively.
- (4) As of December 31, 2015, 2014, 2013, 2012 and 2011 we had four classes of common stock: Series “A” Shares, Series “B” Shares, Series “D” Shares and Series “L” Shares. Our shares are publicly traded in Mexico, primarily in the form of 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, or GDSs, each GDS representing five CPOs. As of December 31, 2015, there were approximately 2,424.6 million CPOs issued and outstanding, each of which was represented by 25 Series “A” Shares, 22 Series “B” Shares, 35 Series “D” Shares and 35 Series “L” Shares, and an additional number of approximately 54,795.3 million Series “A” Shares, 0.2 million Series “B” Shares, 0.2 million Series “D” Shares and 0.2 million Series “L” Shares issued and outstanding (not in the form of CPO units). See Note 16 to our consolidated year-end financial statements.
- (5) The figures set forth in this line item are presented at amortized cost (principal amount, net of finance costs). Interest payable is included in current portion of long-term debt in the consolidated statements of financial position as of December 31, 2015 and 2014, and prior to 2014 was presented as a separate line item of consolidated current liabilities in the consolidated statement of financial position. See Notes 2(n) and 13 to our consolidated year-end financial statements.
- (6) The figures set forth in this line item are presented at amortized cost (principal amount, net of finance costs). See “Operating and Financial Review and Prospects — Results of Operations — Liquidity, Foreign Exchange and Capital Resources — Indebtedness” and Note 13 to our consolidated year-end financial statements.
- (7) Capital expenditures are those investments made by us in property, plant and equipment. The exchange rate used in translating Pesos into U.S. Dollars for calculating the convenience translation for capital expenditures is determined by reference to the Interbank Rate on the dates on which a given capital expenditure was made. See “Information on the Company — Capital Expenditures”.
- (8) 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.
- (9) Sky has operations in Mexico, the Dominican Republic and Central America. The figures set forth in this line item represent the total number of gross active residential and commercial subscribers for Innova, S. de R.L. de C.V., or Innova, at the end of each year presented. For a description of Innova’s business and results of operations and financial condition, see “Information on the Company — Business Overview — Our Operations — Sky”.
- (10) An RGU is defined as an individual service subscriber who is billable under each service provided by Empresas Cablevisión, S.A.B. de C.V., or Cablevisión, Cablemás, S.A. de C.V., or Cablemás, Televisión Internacional, S.A. de C.V., or TVI, Grupo Cable TV, S.A. de C.V., or Cablecom and Cablevisión Red, S.A. de C.V., or Telecable (pay television, or pay-TV, broadband internet and digital telephony). For example, a single subscriber paying for cable television, broadband internet and digital telephony services represents three RGUs. We believe it is appropriate to use the number of RGUs as a performance measure for Cablevisión, Cablemás, TVI, Cablecom and Telecable given that these businesses provide other services in addition to pay-TV. See “Operating and Financial Review and Prospects — Results of Operations — Total Segment Results — Cable” and “Information on the Company — Business Overview — Cable”.

Dividends

Decisions regarding the payment and amount of dividends are subject to approval by holders of a majority of the Series “A” Shares and Series “B” Shares voting together, generally, but not necessarily, on the recommendation of the Board of Directors, as well as a majority of the Series “A” Shares voting separately. Emilio Azcárraga Jean indirectly controls the voting of the majority of the Series “A” Shares and, as a result of such control, both the amount and the payment of dividends require his affirmative vote. See “Major Stockholders and Related Party Transactions — The Major Stockholders”. On March 25, 2004, our Board of Directors approved a dividend policy under which we currently intend to pay an annual ordinary dividend of Ps.0.35 per CPO. On April 29, 2011, at a general stockholders’ meeting, our stockholders approved a cash distribution to stockholders of up to Ps.1,036.7

million, which represents the payment of our ordinary dividend of Ps.0.35 per CPO, equivalent to Ps.0.002991452991 per share. On April 27, 2012, at a general stockholders' meeting, our stockholders approved a cash distribution to stockholders of up to Ps.1,097.8 million, which represents the payment of our ordinary dividend of Ps.0.35 per CPO, equivalent to Ps.0.002991452991 per share. On April 2, 2013, at a general stockholders' meeting, our stockholders approved a cash distribution to stockholders of up to Ps.1,084.2 million, which represents the payment of our ordinary dividend of Ps.0.35 per CPO, equivalent to Ps.0.002991452991 per share. In addition to the dividend payment approved by our stockholders on April 2, 2013, and based on a proposal by our Board of Directors, on December 9, 2013, at a general stockholders' meeting, our stockholders approved a cash distribution to stockholders of up to Ps.1,084.2 million, which represents the payment of our ordinary dividend of Ps.0.35 per CPO, equivalent to Ps.0.002991452991 per share. The dividend approved on December 9, 2013 was in lieu of the annual dividend for 2014 that would otherwise typically have been approved in April 2014. On April 29, 2015, at our general stockholders' meeting, our stockholders approved a cash distribution to stockholders of up to Ps.1,084.2 million, which represents the payment of our ordinary dividend of Ps.0.35 per CPO, equivalent to Ps.0.002991452991 per share. On April 28, 2016, at our general stockholders' meeting, our stockholders approved a cash distribution to stockholders of up to Ps. 1,084.2 million, which represents the payment of our ordinary dividend of Ps.0.35 per CPO, equivalent to Ps. 0.002991452991 per share. All of the recommendations of the Board of Directors related to the payment and amount of dividends were voted on and approved at the applicable general stockholders' meetings.

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. There can be no assurance that the government will maintain its current policies with regard to the Peso or that the Peso will not 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 in 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.

<u>Period</u>	<u>High</u>	<u>Low</u>	<u>Average(1)</u>	<u>Period End</u>
2011	14.2542	11.5050	12.4270	13.9510
2012	14.3650	12.6250	13.1539	12.9635
2013	13.4330	11.9760	12.7584	13.0980
2014	14.7940	12.8455	13.3022	14.7500
2015	17.3580	14.5640	15.8735	17.1950
October	16.8915	16.3820	16.5697	16.5300
November	16.8540	16.3730	16.6306	16.6005
December	17.3580	16.5305	17.0696	17.1950
2016 (through April 22, 2016)	19.1925	17.2140	17.9565	17.4440
January	18.5945	17.3595	18.0648	18.2110
February	19.1925	18.0190	18.4332	18.0675
March	17.9405	17.2140	17.6303	17.2140
April (through April 22, 2016)	17.9125	17.2590	17.5185	17.4440

(1) Average rates reflect the average of the daily exchange rate during the relevant period.

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.

In the past, the Mexican economy has had balance of payment deficits and decreases 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 “— 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 Pesos into U.S. Dollars or Other Currencies, Which Could Adversely Affect Our Business, Financial Condition or Results of Operations”.

On April 22, 2016 the noon buying rate was Ps.17.4440 per U.S.\$1.00.

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 depreciation or appreciation of the Peso as compared to the U.S. Dollar and other currencies, Mexican inflation, interest rates, regulation, taxation, social instability and other political, social and economic developments in or affecting Mexico over which we have no control.

Mexico Has Experienced Adverse Economic Conditions, Which Could Have a Negative Impact on Our Results of Operations and Financial Condition

Mexico has historically experienced uneven periods of economic growth. Mexican gross domestic product, or GDP, increased by 1.3% in 2013, increased by 2.3% in 2014 and increased by 2.5% in 2015. Mexican GDP growth fell short of Mexican government forecasts in 2015 and, according to Mexican government forecasts, Mexican GDP is expected to increase in a range between 2.6% — 3.6% in 2016. We cannot assure you that these estimates and forecasts will prove to be accurate.

Any future economic downturn, including downturns in the United States, Europe and/or Asia, could affect our financial condition and results of operations. For example, 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, direct-to-home, or DTH, satellite services, pay-per-view programming, telecommunications services 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. and Other Developed Economies May Adversely Affect the Mexican Economy, the Market Value of Our Securities and Our Results of Operations

The market value of securities of Mexican companies, the social, 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 United States and other developed economies. Although economic conditions in other emerging market countries and in the United States and other developed economies 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.

Our operations, including the demand for our products or services, and the price of our securities, have also historically been adversely affected by increases in interest rates in the United States and elsewhere. Economic downturns in the United States often have a significant adverse effect on the Mexican economy and other economies globally, which in turn, could affect our financial condition and results of operations.

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. The demand for our products and services in Mexico, the U.S. and in the other countries in which we operate may be adversely affected by the tightening of credit markets and economic downturns. As a global media and cable company, we depend on the demand from customers in Mexico, the U.S. and the other countries in which we operate, and reduced consumer spending that falls short of our projections could adversely impact our revenues and profitability.

Uncertainty in Global Financial Markets Could Adversely Affect Our Financing Costs and Exposure to Our Customers and Counterparties

The global financial markets continue to be uncertain and it is hard to predict for how long the effects of the global financial stress of recent years will persist and what impact it will have on the global economy in general, or the economies in which we operate, in particular, and whether slowing economic growth in any countries could result in decreased consumer spending affecting our products and services. If access to credit tightens further and borrowing costs rise, our borrowing costs could be adversely affected. Difficulties in financial markets may also adversely affect some of our customers. In addition, we enter into derivative transactions with large financial institutions, including contracts to hedge our exposure to interest rates and foreign exchange, and we could be affected by severe financial difficulties faced by our counterparties.

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

The Peso has been subject to significant depreciation against the U.S. Dollar in the past and may be subject to significant fluctuations in the future. A significant 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 could reduce our net income.

Severe devaluation or depreciation of the Peso may also result in governmental intervention, 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 of payment deficits and shortages in foreign exchange reserves in the past.

While the Mexican government does not currently restrict 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, there can be no assurance that the Mexican government will not 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 or other currencies for the purpose of making timely payments of interest and principal on indebtedness, as well as to obtain imported goods would be adversely affected. Devaluation or depreciation of the Peso against the U.S. Dollar or other currencies may also adversely affect U.S. Dollar or other currency prices for our debt securities or the cost of imported goods.

High Inflation Rates in Mexico May Decrease Demand for Our Services While Increasing Our Costs

In the past Mexico has experienced high levels of inflation, although the rates have been lower for the past years. The annual rate of inflation, as measured by changes in the Mexican National Consumer Price Index, or NCPI, was 4.0% in 2013, 4.1% in 2014, 2.1% in 2015 and is projected to be 3.0% in 2016. An adverse change in the Mexican economy may have a negative impact on price stability and result in higher inflation than its main trading partners, including the United States. High inflation rates can adversely affect our business and results of operations in, among others, the following ways:

- inflation can adversely affect consumer purchasing power, thereby adversely affecting consumer and advertiser demand for our services and products; and
- to the extent inflation exceeds our price increases, our prices and revenues will be adversely affected in “real” terms.

High Interest Rates in Mexico Could Increase Our Financing Costs

In the past Mexico had, and may in the future have, real and nominal interest rates. The interest rates on 28-day Mexican government treasury securities averaged 3.8%, 3.0% and 3.0% for 2013, 2014 and 2015, respectively. High interest rates in Mexico could increase our financing costs and thereby impair our financial condition, results of operations and cash flow.

Political Events in Mexico Could Affect Mexican Economic Policy and Our Business, Financial Condition and Results of Operations

The Mexican Federal Congress is not controlled by any single political party. However, the *Partido Revolucionario Institucional*, or the PRI, holds a significant position both in the Senate and in the *Cámara de Diputados*, or the Chamber of Representatives. Mexican congressional elections held in June 2015 in the Lower House resulted in a majority for the PRI but it still lacks an absolute majority, which could result in government gridlock and political uncertainty regarding further reforms and secondary legislation to modernize key sectors of the Mexican economy.

The current administration has been pursuing significant amendments to Mexico's laws, regulations, public policies and government programs. Mexico's current President Enrique Peña Nieto and the three main political parties of Mexico (i.e. PRI, *Partido Acción Nacional*, or PAN, and the *Partido de la Revolución Democrática*, or PRD) signed the *Pacto por México*, or Pact for Mexico, in 2012. In accordance with the Pact for Mexico, during 2013 several amendments to the *Constitución Política de los Estados Unidos Mexicanos*, or the Political Constitution of the United Mexican States, or Mexican Constitution, were approved, relating to (i) antitrust, (ii) telecommunications, (iii) public bids to grant new concessions to offer broadcasting services, (iv) energy policy and (v) education. Likewise, in accordance with the Pact for Mexico, in January 2014, amendments were made to 34 Mexican financial laws. During 2014, pursuant to the transitory articles of the June 2013 Telecom Reform (the "Telecom Reform"), the Mexican Federal Congress amended the applicable legal framework to implement the relevant provisions of the Mexican Constitution, and issued the new *Ley Federal de Telecomunicaciones y Radiodifusión*, or Telecommunications and Broadcasting Federal Law, or LFTR, on July 14, 2014 and the *Ley Federal de Competencia Económica*, or Mexico's Federal Antitrust Law, which became effective on July 7, 2014. Such changes may have a material adverse effect on the Mexican economic, social and political situation, and on our business, financial condition and results of operations. See "— Existing Mexican Laws and Regulations or Changes Thereto or the Imposition of New Ones May Negatively Affect Our Operations and Revenue" and "— The Reform and Addition of Various Provisions of the Mexican Constitution Related to Telecommunications, the LFTR, and Other Recent Actions of IFT May Significantly and Adversely Affect the Business, Results of Operations and Financial Results of Some of Our Business Segments".

In addition, any effects on the social and political situation in Mexico could adversely affect the Mexican economy, including the stability of its currency. We cannot ascertain, at this time, how any material adverse effect on Mexican economic policy, Mexico's economic situation, the stability of Mexico's currency or market conditions may affect our business or the price of our securities.

Mexico has Experienced a Period of Increased Criminal Activity and Such Activities Could Adversely Affect Our Financing Costs and Exposure to Our Customers and Counterparties

During recent years, Mexico has experienced a period of increased criminal activity and violence, primarily due to organized crime. These activities, their escalation and the violence associated with them could have a negative impact on the business environment in which we operate, and therefore on our financial condition and results of operations.

Imposition of Fines by Regulators and Other Authorities Could Adversely Affect Our Financial Condition and Results of Operations

A significant portion of our business, activities and investments occur in heavily regulated sectors. The Mexican regulators and other authorities, including tax authorities, have increased their supervision and the frequency and amounts of fines and assessments have increased significantly. Although we intend to defend our positions vigorously when procedures are brought or fines are imposed by authorities, there can be no assurance that we will be successful in such defense. Accordingly, we may in the future be required to pay fines and assessments that could be significant in amount, which could materially and adversely affect our financial condition and results of operations.

Existing Mexican Laws and Regulations or Changes Thereto or the Imposition of New Ones May Negatively Affect Our Operations and Revenue

Our business, activities and investments are subject to various Mexican federal, state and local statutes, rules, regulations, policies and procedures, which are subject to change and are affected by the actions of various Mexican federal, state and local government authorities. In that regard, existing laws and regulations including , among others, antitrust, telecom, social security and tax laws were amended in recent years and the manner in which these laws and regulations are enforced or interpreted could change, and new laws or regulations could be adopted. Such changes could materially adversely affect our operations and our revenue.

Mexico’s Federal Antitrust Law and the LFTR, including their 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 Law and its regulations, as well as the conditions and measures imposed by the *Instituto Federal de Telecomunicaciones* , or Federal Telecommunications Institute, or IFT, an institute with constitutional autonomy responsible for overseeing the broadcasting (radio and television) and telecommunications industries and their antitrust matters, or by the *Comisión Federal de Competencia Económica* , or Mexican Antitrust Commission, or CFCE, may adversely affect our ability to determine the rates we charge for our services and products or the manner in which we provide our products or services. Approval of IFT or the CFCE, as applicable, is required to acquire certain businesses or enter into certain joint ventures. There can be no assurance that in the future IFT or the CFCE, as the case may be, will authorize certain acquisitions or joint ventures related to our businesses, the denial of which may adversely affect our business strategy, financial condition and results of operations. IFT or CFCE, as applicable, may also impose conditions, obligations and fines that could adversely affect some of our activities, our business strategy, our financial condition and results of operations. See “— Imposition of Fines by Regulators and Other Authorities Could Adversely Affect Our Financial Condition and Results of Operations”.

As a result of the amendments to the Mexican Constitution and the LFTR, relating to telecommunications, television, radio and antitrust, concessions for the use of spectrum are now only granted through public bid processes. As a result of such reform, the “Auction Program for Digital Television Broadcast Frequencies”, or the Program, was approved by IFT and took place in 2014. The Program granted concessions over frequencies that might be grouped in order to create at least two national networks with national geographic coverage, or National Digital Networks. The Program provided that holders of concessions that may be granted thereunder will only be entitled to provide broadcasting services, in connection with each radioelectric frequency (channel), within the geographic coverage zone defined by the Program.

On March 7, 2014, IFT published in the *Diario Oficial de la Federación* , or the Official Gazette of the Federation, an invitation to a public auction for the concession for the two National Digital Networks which would be granted for a term of 20 years for the operation of stations with, among other characteristics, mandatory geographic coverage in 123 locations corresponding to 246 channels within the Mexican territory.

We were prevented from participating in the bidding. In March 2015, IFT issued its ruling announcing Grupo Radio Centro, S.A.B. de C.V., or Grupo Radio Centro and Cadena Tres I, S.A. de C.V., or Cadena Tres as winning bidders for two free to air broadcasting licenses with separate national coverage. However, since Grupo Radio Centro failed to pay the amount they bid for their free to air broadcasting license, the IFT’s ruling announcing them as a winning bidder was declared null and void and they did not receive the license. As a result, the portion of the spectrum which was going to be assigned to Grupo Radio Centro is scheduled to be auctioned by August 2016, in accordance with IFT’s Annual Work Program. Cadena Tres has completed the process and has received its license. See “— The Reform and Addition of Various Provisions of the Mexican Constitution Related to Telecommunications, the LFTR, and Other Recent Actions of IFT May Significantly and Adversely Affect the Business, Results of Operations and Financial Results of Some of Our Business Segments”.

In September 2010, Mexico’s former President Felipe Calderon Hinojosa, published through the *Secretaría de Comunicaciones y Transportes* , or Secretary of Communications and Transport, or SCT, in the Official Gazette of the Federation, a decree establishing the actions to be taken to expedite the transition to digital television and digital radio broadcasting (referred to in this annual report as the 2010 Decree) . The transition was completed, and analog broadcasting ended, on December 31, 2015.

Due to the recent digital transition , and the analog shutdown in Mexico, we already experienced a loss of a portion of our audience which do not have access to digital radio and / or television. We may be further impacted by this transition.

Article 15-A of the *Ley del Seguro Social* , or the Social Security Law, could materially adversely affect our financial condition and results of operations. Article 15-A provides that a company that receives personnel services from a third party on any of the company's premises is jointly bound to comply with the obligations related to social security that have to be fulfilled by such personnel services providers for the benefit of their respective employees. Article 15-A also requires the Company to send a list to the *Instituto Mexicano del Seguro Social* , or the Social Security Mexican Institute, of all agreements entered into with personnel services providers.

In addition to the foregoing, certain provisions of the *Ley Federal del Trabajo* , or the Federal Labor Law, could materially adversely affect our financial condition and results of operations. The Federal Labor Law, as amended in November 2012, provides, among other things, that personnel outsourcing agreements must meet certain requirements. If these requirements are not met, the company that receives the benefit of the outsourced services might be deemed to be the employer of the personnel performing the services and thus required to comply with all the obligations applicable to employers pursuant to the Federal Labor Law in respect of such personnel.

In the last quarter of 2013, the Mexican Federal Congress approved a new tax reform, which became effective as of January 1, 2014. The reform has the following effects on the Mexican tax laws: the issuance of a new income tax law, the repeal of the flat rate business tax law and the cash deposits tax law, and certain amendments and changes to the Mexican tax laws related to value added tax, or VAT, and excise tax.

Among the tax reforms approved by the Mexican Federal Congress, the most relevant changes include (i) the elimination of the consolidation regime; (ii) the increase to the border VAT rate from 11% to 16%; (iii) the increase of the excise tax rates applicable to certain activities and industries such as the sale of foods with high density fat and the sale of sweetened drinks; (iv) the elimination of several deductions to the income tax, including the deduction of 47% of non-taxable employee benefits; (v) the imposition of an additional tax of 10% on dividends paid to individuals or foreign residents; and (vi) the increase in the maximum income tax rate to 35% for individuals.

In February 2014, certain subsidiaries of the Company filed an *amparo* proceeding challenging the constitutionality of the elimination of the deduction of 47% of the non-taxable employee benefits against the income tax. The *amparo* petition is pending resolution.

The following describes the tax reforms that will have an important impact on the Group.

Elimination of the tax consolidation regime : As a consequence of this reform, we will have to pay in the coming 10 years, starting in 2014, income tax that was deferred in prior years in an aggregate amount of Ps.6,813 million.

Limitation of the deduction of non-taxable employee benefits : As a result of the tax reform, employee benefits that are exempt from income tax are deductible only up to 53%. This reform will result in an increase in income tax payable by some of our subsidiaries.

Increase to the border VAT rate : The preferential VAT rate of 11% applicable to operations carried out in the border region of Mexico was eliminated; consequently, going forward, the general VAT rate of 16% must be applied in the entire country. This means that any of our entities that render services or sell goods in the border region will have to charge an additional 5% of VAT to their customers.

The Reform and Addition of Various Provisions of the Mexican Constitution Related to Telecommunications, the LFTR, and Other Recent Actions of IFT May Significantly and Adversely Affect the Business, Results of Operations and Financial Results of Some of Our Business Segments

On June 12, 2013, the Telecom Reform came into force. As a result of the Telecom Reform, the LFTR was published in the Official Gazette of the Federation, and became effective on August 13, 2014. The LFTR amends, supplements and repeals certain provisions related to previous telecommunications and broadcasting legislation, in order to be consistent with the Telecom Reform. The Telecom Reform, the LFTR and any regulations related thereto to be issued by the President and IFT, as applicable, and certain actions recently taken by IFT, or to be taken by IFT

from time to time, affect or could significantly and adversely affect the business, results of operations and financial condition of certain of our subsidiaries that provide services in the areas of broadcasting, cable and telecommunications.

The LFTR provides that measures taken or decisions issued by IFT are not subject to judicial stay. Therefore, subject to limited exceptions, until a decision, action or omission by IFT is declared void or unconstitutional by a competent court through a binding and final judgment, IFT's decision, action or omission will be valid and will have full legal effect.

As a result of the reforms to the Mexican Constitution and the must-offer and must-carry regulations issued by IFT, starting on September 10, 2013, concessionaries of broadcast services have been required to permit pay-TV concessionaries to retransmit broadcast signals, free of charge and on a non-discriminatory basis, within the same geographic coverage area simultaneously and without modifications, including advertising, and with the same quality of the broadcast signal, except in certain specific cases provided in the Telecom Reform. Also, since September 10, 2013, our pay-TV concessionaires are required to retransmit broadcast signals of free television concessionaires, free of charge and on a non-discriminatory basis, subject to certain exceptions and additional requirements provided for in the Telecom Reform.

Certain pay-TV concessionaries benefit from the free use of broadcast for retransmission to their subscribers. Consequently, our subsidiary that licenses to pay-TV concessionaires our broadcast television signals and our subsidiary that is the owner and/or licensor of the audiovisual works that we have produced or distributed, jointly or separately by us and some of our subsidiaries, have ceased receiving significant income from licensing retransmission rights, which has affected and will continue to affect their results of operations.

On February 27, 2014, the "General Guidelines Regarding the Provisions of Section 1 of the Eight Article of the Transitory Decree Amending and Supplementing a Number of Provisions of Articles 6, 7, 27, 28, 73, 78, 94 and 105 of the Mexican Constitution in Telecommunications," or the Guidelines, were published in the Official Gazette of the Federation, which include, among other obligations, the obligation of concessionaires of broadcast television licenses to permit the retransmission of their broadcast signals and the obligation of pay-TV concessionaires to perform such retransmission (without requiring the prior consent of the broadcast television concessionaires) in the same geographic coverage zone for free (subject to certain exceptions) and in a non-discriminatory manner in its entirety, simultaneously and without modifications, including advertising, and with the same quality of the broadcast signal without requiring consent from the broadcast television concessionaires.

On April 11, 2014, we, together with some of our subsidiaries, filed an *amparo* proceeding challenging the constitutionality of the Guidelines. On February 2015, certain amendments to the Guidelines were published in the Official Gazette, which among other provisions, require pay-TV concessionaires to retransmit the broadcast signals on all the commercial packages they offer to their subscribers and not only on their basic packages. On March 2015, the Company and the aforementioned subsidiaries, filed an extension to the original claims in the *amparo* proceeding, which is still under review by the relevant court. There can be no assurance that the outcome of such proceeding will be favorable to us and our subsidiaries .

On March 6, 2014, IFT issued a decision (the "Preponderance Decision") whereby it determined that we, together with other entities with concessions to provide broadcast television, including some of our subsidiaries, are preponderant economic agents in the broadcasting sector in Mexico (together, the "Preponderant Economic Agent"). The Preponderance Decision imposes on the Preponderant Economic Agent various measures, terms, conditions and restrictive obligations, some of which are described below, that may significantly and adversely affect the activities and businesses of our broadcasting businesses, as well as the results of operations and financial condition:

- Infrastructure sharing — The Preponderant Economic Agent must make its passive broadcasting infrastructure available to third-party concessionaires of broadcast television for commercial purposes in a non-discriminatory and non-exclusive manner, with the exception of broadcasters that, at the time the measures enter into force, have 12 MHz or more of radio-electric spectrum in the geographic area concerned. Such broadcasting infrastructure includes, among others, non-electronic elements at transmitting locations, rights of way, ducts, masts, trenches, towers, poles, security, sites, land, energy sources and air conditioning system elements. This action may result in the Preponderant Economic Agent being bound to incur substantial additional costs and obligations in complying with this requirement, as

well as affecting the results of operations. Furthermore, this measure will facilitate the entry and expansion of new competitors in the broadcasting industry without such competitors having to incur costs or investment expenses that new businesses in this industry otherwise would have made and which we incurred in the past and will continue incurring in the future in order to remain competitive. On December 19, 2014, an infrastructure offer with the terms and conditions to make our passive broadcasting infrastructure available to third-party concessionaires was published on our website. The price to be paid by the concessionaires for the use of our infrastructure is subject to negotiation. As of this date, we have not received any request from third-party concessionaires regarding such infrastructure offer. If the Company and the relevant concessionaire do not agree on a price, the IFT may determine a price, which, if it does not meet market conditions, may affect the businesses, results of operations and financial conditions of certain of our subsidiaries that provide services in the areas of broadcasting and telecommunications.

- Advertising sales — According to the Preponderance Decision, the Preponderant Economic Agent must deliver to IFT the terms and conditions of its broadcast advertising services and fee structures, including commercials, packages, discount plans and any other commercial offerings and publish them on its webpage. The Preponderant Economic Agent also must make publicly available on its website its forms of contracts and terms of sale for each service. Based on this decision, the Preponderant Economic Agent is expressly prohibited from refusing to sell advertising and/or discriminate with respect to the advertising spaces being offered. If IFT considers that the Preponderant Economic Agent has failed to comply with the foregoing, IFT may order the Preponderant Economic Agent to make its advertising spaces available, which, in turn, could affect the ability of the Preponderant Economic Agent to carry out its advertising sales plans in an efficient and competitive manner, affecting its operating results. This provision may also affect the ability of the Preponderant Economic Agent to offer competitive rates to its customers. This provision, may give a competitive advantage to, among others, our broadcast television competitor, TV Azteca, S.A.B. de C.V., or TV Azteca, and new concessionaires of broadcast television spectrum.
- Prohibition on acquiring certain exclusive content — The Preponderant Economic Agent may not acquire transmission rights, on an exclusive basis, for any location within Mexico with respect to certain relevant content, determined by IFT in the “Ruling whereby IFT identifies the relevant audiovisual contents in terms and for the purposes of the fourth measure and the second transitory article of the fourth attachment of the Telecommunication Preponderance Decision and the Broadcasting Preponderance Decision”, or the Relevant Content Ruling, which list may be updated every two years by IFT. Relevant content is defined as programs with a high expected level of regional or national audience and with unique characteristics that in the past have generated high levels of national or regional audiences. The Relevant Content Ruling identified certain programs that would be considered relevant content, namely, Mexican national soccer team games, the opening and closing ceremonies of the Olympic Games, the opening and closing ceremonies and semifinals and finals of the FIFA World Cup, and the finals of the Mexican Soccer League. This Ruling applies to broadcasting Preponderant Economic Agents and may limit the ability of Preponderant Economic Agents to negotiate and have access to this content and could affect its ability to acquire content in the medium and long term, which could significantly and adversely affect its revenues and results of operations from the sale of advertising, as well as the quality of the programming offered for its audiences. These audiences may move to other broadcast television transmissions or other technological platforms that transmit such content, or to other leisure activities such as cruising the internet or playing videogames, among others.
- Over-the-air channels — When the Preponderant Economic Agent offers any of its over-the-air channels, or channels that have at least 50% of the programming that is broadcast daily between 6:00 a.m. and midnight on such channels, to its affiliates, subsidiaries, related parties or third parties, for distribution through a different technological platform than over-the-air broadcast television, the Preponderant Economic Agent must offer these channels to any other person that asks for distribution over the same platform as the Preponderant Economic Agent has offered, on the same terms and conditions. Also, if the Preponderant Economic Agent offers a package of two or more of these channels, it must also offer them in an unpackaged form. This may significantly affect our ability to commercialize our programming, including programming that is not produced for broadcast television, which could affect our revenues and results of operations. Likewise, our ability to make more efficient use of other technological platforms could be significantly affected.
- Prohibition on participating in “buyers’ clubs” or syndicates to acquire audiovisual content, without IFT’s prior approval — The Preponderant Economic Agent may not enter into or remain a member of any “buyers’ club” or syndicates of audiovisual content unless it has received the prior approval of IFT. A “buyers’ club”

is defined as any arrangement between two or more economic agents to jointly acquire broadcast rights to audiovisual content in order to obtain better contractual terms. This may result in the Preponderant Economic Agent not having exclusive access to certain audiovisual content and consequently its audiences may move to other broadcast television transmissions or other technological platforms that transmit such content. It may also result in its acquisition costs significantly increasing, which can affect business strategy, financial condition and results of operations. This provision, when applied, will award a competitive advantage to, among others, our broadcast television competitor, TV Azteca, and to new licensees of broadcast television spectrum. This measure will also prevent other domestic players and the Preponderant Economic Agent from obtaining content together at competitive prices and taking advantage of economies of scale which may be available to international players.

On March 28, 2014, we, together with our subsidiaries determined to be the Preponderant Economic Agent in the broadcasting sector, filed an *amparo* proceeding challenging the constitutionality of the Preponderance Decision. The final resolution is still pending. We are unable to predict the outcome of this procedure.

The Telecom Reform provided for a public bid or auction to grant licenses to establish the National Digital Networks. The “Auction Program for Digital Television Broadcast Frequencies” took place in 2014 and the first part of 2015. On March 7, 2014, IFT published in the Official Gazette of the Federation a resolution whereby concessionaires or groups having commercial, organizational, economic or legal relations and that together hold concessions for broadcasting services representing at least 12 MHz of radio-electric spectrum in any geographic coverage zone may not participate in the public bid for National Digital Networks. Accordingly, we were prevented from participating in the bidding. In March 2015, IFT issued its ruling announcing Grupo Radio Centro and Cadena Tres as winning bidders for two free to air broadcasting licenses with separate national coverage. However, since Grupo Radio Centro has failed to pay the amount they bid for their free to air broadcasting license, the IFT’s ruling announcing them as a winning bidder was declared null and void and they will not receive the license. As a result, the portion of the spectrum which was going to be assigned to Grupo Radio Centro is scheduled to be auctioned by August 2016, in accordance with IFT’s Annual Work Program. Cadena Tres has completed the process and has received its license.

When the National Digital Networks are established, they will compete with our broadcasting subsidiaries for advertising revenues, which together with the measures previously described, can affect revenues and operating results and our ability to have access to competitive content or content of interest to advertisers and audiences. As a result, these advertisers and audiences may move to other broadcast television stations or other technological platforms, and our audience share may be reduced. Likewise, we may incur additional costs in order to meet other obligations of IFT as previously described and which may be imposed on us as a result of the LFTR and the secondary regulations issued by the executive power and IFT, as applicable.

In addition to competition from the National Digital Networks, we could also be subject to additional competition from new competitors in the broadcast, cable and telecommunications markets in which we participate, including pay-TV, broadband, telephone services, cable providers, DTH television, telephone operators and/or other participants as a result of the elimination on the restrictions on foreign investment in telecommunications services and satellite communication and the increase in the maximum permitted foreign-ownership in broadcasting (television and radio) to 49%.

The LFTR provides that integrated multiservice concessions will be renewed for terms equal to the maximum terms for which they could be granted, namely, up to 30 years. To request the renewal of a concession, a concession holder must (i) file its request with IFT one year prior to the beginning of the fifth period of the term of the concession; (ii) comply with its obligations established in the applicable laws and in the concession title; and (iii) accept the new conditions that IFT may impose. In such cases, IFT will issue its ruling within 180 days following the date the concession holder files the renewal request. If IFT does not issue its ruling within 180 days the renewal will be automatically granted.

In the case of concessions for the use of radio-electric spectrum, the maximum term of renewal is 20 years. Renewal of concessions for the use of spectrum require, among others: (i) to request such renewal to IFT in the year prior to the last fifth period of the fixed term of the related concession; (ii) to be in compliance with the concession holder’s obligations under the LFTR, other applicable regulations, and the concession title; (iii) a declaration by IFT that there is no public interest in recovering the spectrum granted under the related concession; and (iv) the

acceptance by the concession holder of any new conditions for renewing the concession as set forth by IFT, including the payment of a related fee. To our knowledge, no spectrum granted for broadcasting services in Mexico has been recovered by the Mexican government in the past several years for public interest reasons; however, the Company is unable to predict the outcome of any action by IFT in this regard.

On March 13, 2015, the IFT investigative authority issued a preliminary opinion (the “Opinion”) which was published in the Official Gazette on March 18, 2015. The Opinion was issued pursuant to Transitory Article 39 of the LFTR and presumed the probable existence of substantial power in the pay television and audio services market in Mexico, with respect to the Company and some of its subsidiaries. The authority determined that the Company does not hold substantial power in the investigated markets. Although this resolution is final at the administrative level, certain third parties have filed *amparo* proceedings challenging the constitutionality of the IFT resolution. These challenges are still under review by the competent courts and the Company is not able to predict the outcome of these challenges.

As part of our expansion of our cable business, on August 13, 2014, we acquired Cablecom and its subsidiaries (the “Cablecom Acquisition”), and on January 8, 2015, we acquired Telecable and its affiliates and subsidiaries (the “Telecable Acquisition”). For each of the Cablecom and Telecable Acquisitions, the IFT conducted an investigation pursuant to transitory Article 9 of the LFTR in order to analyze and determine if, as result of each transactions, the Company acquired substantial market power in the restricted television and audio services market. On November 2, 2015, and February 29, 2016, respectively, the IFT ruled that there were no sufficient elements to determine the existence of market power in the municipalities of Mexico in which Cablecom and Telecable operate. The resolution concerning the Cablecom Acquisition has been challenged by certain third parties. These challenges are still under review by the competent courts.

Overall, the Telecom Reform, the LFTR and secondary regulations already issued and to be issued by the executive power or IFT, as applicable, as well as any actions taken by IFT, may increase our operating costs and interfere with our ability to provide, or prevent us from offering, some of our current or future services. Moreover, the entry of new market participants and the introduction of new products could result in an impairment to the prices of some of our products and/or costs and adversely affect our results in some business segments in future periods.

The resolutions issued by IFT under the Telecom Reform significantly and adversely affect certain areas related to some of our activities, including broadcasting, cable and telecommunications, as well as our ability to introduce new products, infrastructure and services, to enter into new businesses or complementary businesses, to consummate acquisitions or joint ventures, to determine the rates we charge for our products, services and use of our infrastructure, to acquire broadcast rights to exclusive content, and to charge market rates for the licensing of copyrights we hold.

See “Information on the Company — Business Overview — Regulation — Telecom Reform and Broadcasting Regulations”.

Risk Factors Related to Our Major Stockholders

Emilio Azcárraga Jean has Substantial Influence Over Our Management and the Interests of Mr. Azcárraga Jean may Differ from Those of Other Stockholders

We have four classes of common stock: Series “A” Shares, Series “B” Shares, Series “D” Shares, and Series “L” Shares. A trust for the benefit of Emilio Azcárraga Jean, or the Azcárraga Trust, currently holds 43.0% of the outstanding Series “A” shares, 0.1% of the outstanding Series “B” shares, 0.1% of the outstanding Series “D” shares and 0.1% of the outstanding Series “L” shares of the Company. As a result, Emilio Azcárraga Jean controls the vote of most of the shares held through the Azcárraga Trust. The Series “A” Shares held through the Azcárraga Trust constitute a majority of the Series “A” Shares whose holders are entitled to vote because non-Mexican holders of CPOs and GDSs are not permitted to vote the underlying Series “A” Shares in accordance with the trust agreement governing the CPOs and the Company’s bylaws. Accordingly, and so long as non-Mexicans own more than a minimal number of Series “A” Shares, Emilio Azcárraga Jean will have the ability to direct the election of 11 out of 20 members of our Board of Directors, as well as prevent certain actions by the stockholders, including dividend payments, mergers, spin-offs, changes in corporate purpose, changes of nationality and amendments to the anti-takeover provisions of our bylaws. See “Major Stockholders and Related Party Transactions — The Major Stockholders”.

As Controlling Stockholder, Emilio Azcárraga Jean Will Have the Ability to Limit Our Ability to Raise Capital, Which Would Require Us to Seek Other Financing Arrangements

Emilio Azcárraga Jean has the voting power to prevent us from raising money through equity offerings. Mr. Azcárraga 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 Series “A” Shares in order to maintain such power. In the event that Mr. Azcárraga 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 forms 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 Adversely Affected if the Mexican Government Does Not Renew or Revokes Our Broadcast or Other Concessions

In June 2013, the Mexican Federal Congress passed the Telecom Reform which, among other things, created IFT. IFT has the authority to grant concessions for radio and television stations as well as for telecommunications services.

Under Mexican law, we need concessions from IFT (previously from SCT) to broadcast our programming over our television and radio stations, and to provide telecommunication services. In July 2004, in connection with the adoption of a release issued by the SCT for the transition to digital television, all of our broadcast television concessions were renewed until 2021. The expiration dates for the concessions for our radio stations range from 2016 to 2020. See “— Risk Factors Related to Mexico — Existing Mexican Laws and Regulations or Changes Thereto or the Imposition of New Ones May Negatively Affect Our Operations and Revenue”. The expiration dates of our Cable and Telecommunications concessions range from 2016 to 2044 and our DTH concessions expire in 2020 and 2026. The expiration dates for the concessions for our telephone services range from 2016 to 2044. Cablevisión obtained a telecommunications concession, which expires in 2029. Before the Telecom Reform in 2013, the SCT typically renewed the concessions of those concessionaires that complied with the applicable renewal procedures under Mexican law and with their obligations under the concession. In July 2014, the Mexican Federal Congress enacted the LFTR, which provides that integrated multiservice concessions will be renewed for terms equal to the maximum terms for which they could be granted, namely, up to 30 years.

Under Mexican law, we need a permit, or Gaming Permit, from the *Secretaría de Gobernación*, or Mexican Ministry of the Interior, to operate our gaming business. The operation of our gaming business may be terminated or interrupted if the Mexican Government does not renew or revokes our Gaming Permit. The Gaming Permit was granted to us on May 25, 2005 and the expiration date is May 24, 2030. We are unable to predict if we will obtain a renewal of the Gaming Permit.

See “— Risk Factors Related to Mexico — Existing Mexican Laws and Regulations or Changes Thereto or the Imposition of New Ones May Negatively Affect Our Operations and Revenue” and “— The Reform and Addition of Various Provisions of the Mexican Constitution Related to Telecommunications, the LFTR, and Other Recent Actions of IFT May Significantly and Adversely Affect the Business, Results of Operations and Financial Results of Some of Our Business Segments”.

We Face Competition in Each of Our Markets That We Expect Will Intensify

We face competition in all of our businesses, including broadcasting, advertising sales, cable, pay TV, telecommunications and all other businesses. The entities in which we have strategic investments and the joint ventures in which we participate also face competition. We expect that competition in our different businesses will intensify.

This competition mainly arises from the growth of the convergent market, pursuant to which certain concessionaries of telecommunication services are allowed to provide other services not included in their original concessions.

In television broadcasting, we face substantial competition from TV Azteca and other broadcasters such as Cadena 3 and Multimedios, among others. See “Information on the Company — Business Overview — Our Operations — Content — Television Industry in Mexico” and “Information on the Company — Business Overview — Our Operations — Programming — Television Networks”.

[Table of Contents](#)

Over-the-air broadcasting television also faces increased competition from other audiovisual platforms, including a great variety of pay-television channels distributed in Mexico, internet over-the-top (“OTT”) providers, and audiovisual content distributed over the internet and videogame systems.

We will also face additional competition in television broadcasting from at least Cadena Tres, which was granted a free to air broadcasting license with separate national coverage by IFT in March 2015. See “— Risk Factors Related to Mexico — The Reform and Addition of Various Provisions of the Mexican Constitution Related to Telecommunications, the LFTR, and Other Recent Actions of IFT May Significantly and Adversely Affect the Business, Results of Operations and Financial Results of Some of Our Business Segments”.

In radio broadcasting, we compete with other radio stations in their respective markets. Among our main competitors in the radio broadcast business are Grupo Radio Centro S.A.B. de C.V., NRM Comunicaciones, S.A. de C.V. and Grupo Acir, S.A. de C.V.

With respect to advertising, our radio and television stations compete with other radio and television stations in their respective markets, as well as with other advertising media, such as pay-TV, newspapers, magazines, internet and outdoor advertising.

Our DTH satellite business faces competition from various competitors, including Dish Mexico, a DTH satellite pay-TV platform which launched its services in Mexico at the end of 2008, Mega Cable Comunicaciones, S.A. de C.V., or Megacable, and from cable television companies which are subsidiaries of the Company. In addition, the DTH market competes with other media with respect to advertising and sales, including Pay-TV, outdoor advertising and publishing, among others.

At the end of 2012, Axtel launched a product called Axtel TV, which as of this date, under its basic package, offers up to 48 standard definition channels, optional virtual recording, in addition to internet and voice services.

In addition, the entertainment and telecommunications industries in which we operate are changing rapidly because of new participants and evolving distribution technologies, including the internet. As Mexico has completed the transition to digital television, it is likely that competition will also increase.

The cable industry in Mexico has become highly competitive and we face significant competition. Most cable operators are authorized to provide pay-TV, internet broadband services and voice services, including Voice over Internet Protocol, or VoIP, which poses a risk to us. We also face competition from the Preponderant Economic Agent in telecommunications, particularly in the provision of data and fixed telephony services.

Our pay-TV companies face competition from IPTV or online over-the-top (“OTT”) providers such as Netflix and Claro Video, as well as from other pay-TV operators such as Total Play, Megacable and other cable television companies, as well as from Dish Mexico and Sky.

We also face competition in our publishing business, where 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.

Our business for 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 and in the U.S. We also face competition in our other businesses. See “Information on the Company — Business Overview — Competition”.

Our principal competitors in the gaming industry are Codere S.A., or Codere, Corporación Interamericana de Entretenimiento, S.A.B. de C.V., or CIE, and Grupo Caliente S.A. de C.V., or Grupo Caliente.

With respect to the lottery industry, our principal competitors are the governmental lotteries, Pronósticos Deportivos and Loteria Nacional.

Our future success will be affected by changes in the broadcasting, advertising sales, cable, telecommunications, entertainment, gaming and other industries where we participate, which we cannot predict, and

consolidation in such industries could further intensify competitive pressures. We expect to face competition from an increasing number of sources in Mexico, including emerging technologies that provide new services to pay-TV customers and new entrants in the public and pay-TV industries, which will require us to make significant capital expenditures in new technologies and will result in higher costs in the acquisition of content or may impair our ability to renew rights to special events, including sporting and entertainment events. Our cable business is highly competitive and capital intensive. Our business may require substantial capital to pursue additional acquisitions and capital expenditures which may result in additional incurrence of leverage, issuance of additional capital or a combination thereof.

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, as well as cyclical patterns in periodic events such as the FIFA World Cup and the Olympic Games. We typically recognize a disproportionately large percentage of our Content advertising net sales in the fourth quarter in connection with the holiday shopping season. For example, in 2013, 2014 and 2015 we recognized 33.5%, 33.9% and 33.4%, 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.

DIRECTV Has Certain Governance and Veto Rights Over Some Operations of Innova

We own a 58.7% interest in Innova, our DTH venture in Mexico, Central America and the Dominican Republic. The remaining balance of Innova's equity is indirectly owned by The DIRECTV Group, Inc., or DIRECTV, through its subsidiaries DTH (Mexico) Investment, LTD, DIRECTV Latin America Holdings, Inc., or DIRECTV Holdings, and DIRECTV Latin America LLC, or DTVLA. Although we hold a majority of Innova's equity and designate a majority of the members of Innova's Board of Directors, DIRECTV has certain governance and veto rights in Innova, including the right to block certain transactions between us and Innova. According to public information, DIRECTV was acquired by AT&T Inc. in July 2015.

Loss of Transmission or Loss of the Use of Satellite Transponders Could Cause a Business Interruption in Innova, Which Would Adversely Affect Our Net Income

Media and telecom companies, including Innova, rely on satellite transmissions to conduct their day-to-day business. Any unforeseen and sudden loss of transmission or non-performance of the satellite for Innova can cause huge losses to Innova's business. The unforeseen loss of transmission may be caused due to the satellite's loss of the orbital slot or the reduction in the satellite's functional life.

The size of the business interruption impact for Innova in the case of a satellite loss exceeds the insurance we have acquired to cover this risk. In order to reduce the possibility of financial consequences resulting from an unforeseen loss of transmission, Innova entered into an agreement to launch a backup satellite jointly with Sky Brasil Servicos Ltda., or Sky Brasil, which was launched in the first quarter of 2010. In the third quarter of 2013, Sky entered into an agreement with DirecTV for the acquisition and launch of a satellite ("SM1"), which started operations in June 2015. In the future, we may have to invest in additional satellite capacity. We cannot predict the extent of losses to Innova in the case of current or new satellite loss or the effectiveness of any alternative strategy.

Any Incidents Affecting Our Network and Information Systems or Other Technologies Could Have an Adverse Impact on Our Business, Reputation and Results of Operations

Our business operations rely heavily on network and information systems and other technology systems. Incidents affecting these systems, including cyber-attacks, viruses, other destructive or disruptive software or activities, process breakdowns, outages, or accidental release of information, could result in a disruption of our operations, improper disclosure of personal data or other privileged or confidential information, or unauthorized access to our digital content or any other type of intellectual property. Any such incident could cause damage to our reputation and may require us to expend substantial resources to remedy the situation and could therefore have a material adverse effect on our business and results of operations. In addition, there can be no assurance that any efforts we make to prevent or mitigate these incidents will be successful in avoiding harm to our business.

The Results of Operations of Univision Holdings , Inc. May Affect Our Results of Operations and the Value of Our Investment in That Company

We have a substantial investment in Univision Holdings, Inc., or UHI (formerly known as Broadcasting Media Partners, Inc., or BMP), the parent company of Univision Communications, Inc., or Univision. However, we do not control and do not consolidate the results of UHI. Our investment in UHI is currently held in the form of common stock and warrants that are exercisable for shares of common stock. Our exercise of the warrants into shares of common stock of UHI is subject to certain conditions. The value of the common stock of UHI could materially increase or decrease the carrying value of the warrants, as they are measured at fair value. After the exercise of the warrants, we will remain a minority equity holder of UHI. The results of operations of UHI and Univision may affect the value of our investment in UHI and our results of operations. The business, financial condition and results of operations of Univision could be materially and adversely affected by risks including, but not limited to: (i) failure to service debt, (ii) cancellation, reductions or postponements of advertising, (iii) an increase in the preference among Hispanics for English-language programming, (iv) an increase in the cost of, and decrease in the supply, quality of and demand for, Univision’s programming, (v) changes in the rules and regulations of the Federal Communications Commission (the “FCC”), (vi) competitive pressures from other broadcasters and other entertainment and news media, (vii) failure to retain the rights to sports programming, (viii) possible strikes or other union job actions and (ix) the impact of new technologies.

There can be no assurance that the results of operations of UHI and its respective subsidiaries will be sufficient to maintain or increase the value of our investment in such company, or that such results will not materially and adversely affect our results of operations. For a discussion of our investment in UHI, see “Information on the Company— Business Overview — Univision”.

The Amendment to the Regulations of the General Health Law on Advertising Could Materially Affect Our Business, Results of Operations and Financial Condition

On February 14, 2014, the Mexican Ministry of Health published in the Official Gazette of the Federation an amendment to the Regulations of the General Health Law on Advertising, pursuant to which advertisers of certain high-caloric foods and non-alcoholic beverages are required to obtain prior permission from the health authorities in order to advertise their products on radio, broadcast television, pay-TV and in movie theaters (the “Health Law Amendment”). The Health Law Amendment became effective on April 16, 2014 and comprehensive guidelines entitled “Guidelines with nutritional and advertising criteria for advertisers of food and non-alcoholic beverages for obtaining permission for the advertising of their products with respect to the provisions of Articles 22bis and 79 of the Regulations of the General Health Law on Advertising” (the “Health Law Guidelines”) were published in the Official Gazette of the Federation on April 15, 2014 and became effective on July 7, 2014 for the advertisement of the following products: snacks, flavored drinks, candies, chocolates, or foods similar to chocolates and became effective for the remaining products on January 1, 2015.

The Health Law Guidelines restrict the hours that certain high-caloric foods and non-alcoholic drinks can be advertised. These restrictions do not apply when the advertisement is aired during certain programs such as sports, telenovelas, news programs, series officially rated as unsuitable for children, films with ratings of B, B15, C and D, and programs where the advertiser certifies through audience research that people between the ages of 4 and 12 represent no more than 35% of the audience and receives the prior consent from the Federal Commission for the Protection Against Health Risks.

Risk Factors Related to Our Securities

Any Actions Stockholders May Wish to Bring Concerning Our Bylaws or the CPO Trust Must Be Brought in a Mexican Court

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

Non-Mexicans May Not Hold Series “A” Shares, Series “B” Shares or Series “D” Shares Directly and Must Have Them Held in a Trust at All Times

Although, as a result of the Telecom Reform, foreign investors are no longer restricted from holding equity interests in Mexican companies doing business in the telecommunications industry, the trust governing the CPOs and our bylaws nevertheless restrict non-Mexicans from directly owning Series “A” Shares, Series “B” Shares or Series “D” Shares. Non-Mexicans may hold Series “A” Shares, Series “B” Shares or Series “D” Shares indirectly through the CPO Trust, which will control the voting of such shares. Under the terms of the CPO Trust, 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 stockholders. If non-Mexican holders of CPOs and GDSs violate this provision of our bylaws, they will automatically forfeit the Series “A” Shares, Series “B” Shares, Series “L” Shares and Series “D” Shares underlying their CPOs and GDSs to the Mexican government.

Non-Mexican Holders of Our Securities Have Limited Voting Rights

In accordance with the bylaws and trust governing the CPOs of the Company, non-Mexican holders of CPOs or GDSs are not entitled to vote the Series “A” Shares, Series “B” Shares and Series “D” Shares underlying their securities. The Series “L” Shares underlying CPOs or GDSs, the only series of our Shares that can be voted by non-Mexican holders of CPOs or 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 Series “L” Shares and other actions which are adverse to the holders of the Series “L” Shares. For a brief description of the circumstances under which holders of Series “L” Shares are entitled to vote, see “Additional Information — Bylaws — Voting Rights and Stockholders’ Meetings”.

Our Antitakeover Protections May Deter Potential Acquirers 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 stockholders’ ability to approve transactions that may be in their best interests and discourage transactions in which our stockholders 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 “Additional 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 The Bank of New York Mellon, the depository for the securities underlying the GDSs, ask GDS holders for voting instructions, the holders may instruct the depository to exercise their voting rights, if any, pertaining to the deposited securities. 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 stockholders’ 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 “Additional Information — Bylaws — Voting Rights and Stockholders’ Meetings — Holders of CPOs”. For CPO Holders’

meetings, if the depositary 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 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.

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 stockholders have preemptive rights with respect to capital increases. This means that in the event that we issue new Shares for cash, our stockholders will have a right to subscribe and pay 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 U.S. Securities Act of 1933, as amended, 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 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. See "Directors, Senior Management and Employees — Stock Purchase Plan and Long-Term Retention Plan" and "Additional Information — Bylaws — Preemptive Rights".

The Protections Afforded to Minority Stockholders in Mexico Are Different From Those in the U.S.

Under Mexican law, the protections afforded to minority stockholders 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 stockholder derivative actions and there are different procedural requirements for bringing stockholder lawsuits. As a result, in practice, it may be more difficult for our minority stockholders to enforce their rights against us or our directors or major stockholders than it would be for stockholders of a U.S. company.

The *Ley del Mercado de Valores*, or the Mexican Securities Market Law, provides additional protection to minority stockholders, such as (i) providing stockholders of a public company representing 5% or more of the capital stock of the public company, an action for liability against the members and secretary of the Board and relevant management of the public company, and (ii) establishing additional responsibilities on the audit committee in all issues that have or may have an effect on minority stockholders and their interests in an issuer or its operations.

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 parties 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, Cortés 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. In addition, we may from time to time make forward-looking statements in reports to the SEC, on Form 6-K, in annual reports to stockholders, 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. Words such as “believe”, “anticipate”, “plan”, “expect”, “intend”, “seek”, “potential”, “target”, “estimate”, “project”, “predict”, “forecast”, “guideline”, “may”, “should”, “could”, “will” and similar words and expressions are intended to identify forward-looking statements, but are not the exclusive means of identifying these statements. Examples of these forward-looking statements include, but are not limited to:

- estimates and projections of financial results, cash flows, capital expenditures, dividends, capital structure, financial position or other financial items or ratios;
- statements of our plans, objectives or goals, including those relating to anticipated trends, competition, regulation and rates;
- statements concerning our current and future plans regarding our online and wireless content division, Televisa Interactive Media, or TIM;
- statements concerning our current and future plans regarding our investment in and other arrangements with Imagina Media Audiovisual S.L., or Imagina;
- statements concerning our current and future plans regarding our investment in Grupo de Telecomunicaciones de Alta Capacidad, S.A.P.I. de C.V., or GTAC;
- statements concerning our current and future plans regarding our gaming business;
- statements concerning our future plans, including capital expenditures, regarding the pay-TV, broadband and/or telephony services provided by our subsidiaries;
- statements concerning our transactions with Univision and our current and future plans regarding our investment in UHI, the parent company of Univision;
- statements concerning our current and future plans regarding our investment in Tenedora Ares, S.A.P.I. de C.V., or Ares;
- statements concerning our current and future plans, including capital expenditures, regarding our investment in Innova and our transactions and relationship with DIRECTV;
- statements concerning our transactions with NBC Universal’s Telemundo Communications Group, or Telemundo;
- statements about our future economic performance or statements concerning general economic, political or social conditions in Mexico or other countries in which we operate or have investments; and
- statements or assumptions underlying these statements.

We have based these forward-looking statements on our current expectations, assumptions, estimates and projections. While we believe these expectations, assumptions, estimates and projections are reasonable, such forward-looking statements are only predictions and involve known and unknown risks and uncertainties, many of which are beyond our control. We caution you that a number of important factors, including those discussed under “— Risk Factors”, could cause actual results to differ materially from those expressed in or implied by these forward-looking statements. Some of the factors that could cause actual results to differ materially from those expressed in or implied by the forward-looking statements include:

- economic and political developments and conditions and government policies in Mexico or elsewhere;
- uncertainty in global financial markets;
- currency fluctuations or the depreciation of the Peso;
- changes in inflation rates;
- changes in interest rates;

- the impact of existing laws and regulations, changes thereto or the imposition of new laws and regulations affecting our businesses, activities and investments;
- the risk that our concessions may not be renewed;
- the risk of loss of transmission or loss of the use of satellite transponders or incidents affecting our network and information systems or other technologies;
- changes in customer demand; and
- effects of competition.

We caution you that the foregoing list of factors is not exhaustive and that other risks and uncertainties may cause actual results to differ materially from those in forward-looking statements. You should evaluate any statements made by us in light of these important factors and you are cautioned not to place undue reliance on any 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, future developments or other factors.

Item 4. Information on the Company

History and Development of the Company

Grupo Televisa, S.A.B. is a *sociedad anónima bursátil*, or limited liability stock corporation, which was organized under the laws of Mexico in accordance with the *Ley General de Sociedades Mercantiles*, or Mexican Companies Law. Grupo Televisa was incorporated under Public Deed Number 30,200, dated December 19, 1990, granted before Notary Public Number 73 of Mexico City, and registered with the Public Registry of Commerce in Mexico City on Commercial Page (*folio mercantil*) Number 142,164. Pursuant to the terms of our *estatutos sociales*, or bylaws, our corporate existence continues through 2106. Our principal executive offices are located at Avenida Vasco de Quiroga, No. 2000, Colonia Santa Fe, 01210, Mexico City, Mexico. Our telephone number at that address is (52) (55) 5261-2000.

Capital Expenditures

The table below sets forth our projected capital expenditures for the year ended December 31, 2016 and our actual capital expenditures, investments in joint ventures and associates, and acquisitions for the years ended December 31, 2015, 2014 and 2013.

	Year Ended December 31,(1)(2)							
	2016 (Forecast)		2015 (Actual)		2014 (Actual)		2013 (Actual)	
	(Millions of U.S. Dollars)							
Capital expenditures	U.S.\$	1,630.0	U.S.\$	1,605.4	U.S.\$	1,275.8	U.S.\$	1,157.8
GTAC(3)		3.5		6.3		8.3		10.5
Iusacell(3)		—		—		—		122.9
Cablecom(3)		—		—		447.6		742.6
Telecable(3)		—		667.7		—		—
Acquisition of a remaining non-controlling interest in TVI		392.1		—		—		—
Other acquisitions and investments		—		27.8		0.8		8.6
Total capital expenditures and investments	U.S.\$	<u>2,025.6</u>	U.S.\$	<u>2,307.2</u>	U.S.\$	<u>1,732.5</u>	U.S.\$	<u>2,042.4</u>

- (1) Amounts in respect of some of the capital expenditures, investments and acquisitions we made in 2015, 2014 and 2013 were paid for in Pesos. These 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. See “Key Information — Selected Financial Data”.
- (2) See “Operating and Financial Review and Prospects — Capital Expenditures, Acquisitions and Investments, Distributions and Other Sources of Liquidity”
- (3) See “—Our Operations—Cable”, and “—Investments” for a discussion regarding GTAC, Iusacell, Cablecom and Telecable.

In 2015, 2014 and 2013, 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 2016 and potential capital expenditures, investments and/or acquisitions going forward, which could be substantial in size, through a combination of cash from operations, cash on hand, equity, and/or borrowings. The

amount of borrowings required to fund these cash needs in 2016 will depend upon the timing of cash payments from advertisers under our advertising sales plan.

For a further discussion of how we intend to fund our projected capital expenditures, investments and acquisitions for 2016 as well as a more detailed description of our capital expenditures, investments and acquisitions in prior years, see “Operating and Financial Review and Prospects — Results of Operations — Liquidity, Foreign Exchange and Capital Resources — Liquidity” and “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”.

Business Overview

Televisa is a leading media company in the Spanish-speaking world, an important cable operator in Mexico, and an operator of a leading direct-to-home satellite pay television system in Mexico.

Televisa distributes the content it produces through several broadcast channels in Mexico and in over 50 other countries through 26 pay-tv brands and television networks, cable operators and over-the-top or “OTT” services.

In the United States, Televisa’s audiovisual content is distributed through Univision, the leading media company serving the Hispanic market. Univision broadcasts Televisa’s audiovisual content through multiple platforms in exchange for a royalty payment. In addition, Televisa has equity and warrants which upon their exercise and subject to any necessary approval from the Federal Communications Commission of the United States would represent approximately 36% on a fully-diluted, as-converted basis of the equity capital in Univision Holdings Inc., the controlling company of Univision.

Televisa’s cable business offers integrated services, including video, high-speed data and voice services to residential and commercial customers as well as managed services to domestic and international carriers through five cable Multiple System Operators in Mexico.

Televisa owns a majority interest in Sky, a leading direct-to-home satellite pay television system in Mexico, operating also in the Dominican Republic and Central America.

Televisa also has interests in magazine publishing and distribution, radio production and broadcasting, professional sports and live entertainment, feature-film production and distribution, and gaming.

Business Strategy

We intend to leverage our position as a leading 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 maintaining high operating margins and expanding our cable business.

By leveraging all our business segments and capitalizing on their synergies to extract maximum value from our content and our distribution channels, we also intend to continue expanding our cable business, increasing our international programming sales worldwide and strengthening our position in the growing U.S.-Hispanic market. We also intend to continue developing and expanding Sky, our DTH platform, and our cable businesses. We will continue to strengthen our position and will continue making additional investments, which could be substantial in size, in the DTH and cable industry in accordance with the consolidation of the cable market in Mexico, and we will also continue developing our publishing business and maintain our efforts to become an important player in the gaming industry.

We intend to continue to expand our business by developing new business initiatives and/or through business acquisitions and investments in Mexico, the United States and elsewhere.

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 in the past has propelled many of our programs to be among the most watched in Mexico. 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, new comedy and game show formats and the development of reality shows and new series. We have improved our scheduling to be better aligned with 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. We also plan to continue expanding and leveraging our Spanish-language video library, rights to soccer games and other events, as well as cultural, musical and show business productions. In addition, our strategic alliance with Telemundo allows us to broadcast more than 1,000 hours per year of Telemundo's original programming on Channel 9 and distribute Telemundo content in Mexico on an exclusive basis across multiple platforms including broadcast television, pay television and our emerging digital platforms.

Improving Our Sales and Marketing Efforts. Over the past few years we have improved, and we are continuing to improve, our television broadcasting advertising sales strategy in the following ways:

- we have developed strategies for monetizing Televisa's greatest asset, its content by, for example, increasing special events prices;
- our sales force is organized in teams focusing on groups of clients in order to also provide multi-platform offers;
- we are emphasizing a performance-based compensation policy for salespeople such that a larger portion of total compensation comprises variable incentives tied to year-end results; and
- we are continuing to provide our customers with increased opportunities for custom made product placement and branded entertainment.

For a discussion of our advertising sales plan, see "—Our Operations—Content—Advertising Sales Plan."

Maintaining High Operating Segment Income Margins. Our Content operating segment income margins for 2014 and 2015 were 44.6% and 42.4%, respectively. We intend to continue maintaining high operating segment income margins in our Content businesses by increasing revenues and controlling costs and expenses.

Continue Building Our DTH and Cable Platforms

DTH. We believe that Ku-band DTH satellite services offer an enhanced opportunity for expansion of pay television services into cable households seeking to upgrade reception of our broadcasting and in areas not currently serviced by operators of cable or multi-channel, multi-point distribution services. We own a 58.7% interest in Innova, or Sky, our venture with DIRECTV. Innova is a DTH company with services in Mexico, Central America and the Dominican Republic with approximately 7.3 million subscribers, of which 2.5% were commercial subscribers as of December 31, 2015.

The key components of our DTH strategy include:

- offering high quality programming, including rights to our four over-the-air broadcast channels, exclusive broadcasts of sporting events, such as the largest coverage of the Mexican Soccer League and the Spanish Soccer League, including La Liga and La Copa del Rey, the FA Cup, the NFL Sunday Ticket, NBA Pass, MLB Extra Innings, the NHL, WTA, bullfighting, World Equestrian Games, marathons, Diamond League, Capital One Cup, the largest coverage of the Mexican Baseball League (LMB), ATP & TT tournaments, and the Basketball Euroleague;
- capitalizing on our relationship with DIRECTV and local operators in terms of technology, distribution networks, infrastructure and cross-promotional opportunities;
- capitalizing on the low penetration of pay-TV services in Mexico;

- providing superior digital Ku-band DTH satellite services and emphasizing customer service quality; and
- providing aggressive HD offerings and continuously expanding our programming in HD.

Cable. We are a shareholder of several Mexican cable companies. For example:

- we own a controlling stake in Cablevisión, which operates in Mexico City and its metropolitan area, where it offers cable television, high speed internet and IP telephony services;
- we own TVI, which offers cable television, data and voice services in the metropolitan area of Monterrey and other areas of northern Mexico;
- we own Cablemás, which operates in approximately 60 cities in Mexico where it offers cable television, high speed internet and telephony services;
- we own Cablecom, which offers cable television, telephony, value added services and virtual networks to corporate customers around 16 states of Mexico; and
- we own Telecable, a cable company that provides video, data and telephony services in Mexico, primarily in the states of Guanajuato, Jalisco, Aguascalientes, Queretaro, Tamaulipas, and Colima, among others.

With a consolidated subscriber base of 4,061,655 cable television, or video subscribers and 12.2 million homes passed as of December 31, 2015, these companies are important service providers in Mexico. “Homes passed” refers to any residential homes or businesses that are connected to telecommunications systems, or those prepared to be connected to telecommunications systems but are not currently connected or that require some type of investment in order for them to be connected. For instance, each apartment located in a building that is prepared to be connected to telecommunications systems represents one home passed. It is generally understood that a home or business counts as a home passed when it can be connected to a telecommunications network without additional extensions to the main transmission lines. Our cable strategy aims to increase our subscriber base, average monthly revenues per subscriber and penetration rate by:

- continuing to offer high quality programming;
- continuing to upgrade our existing cable network into a broadband bidirectional network;
- aiming to provide digital services in order to stimulate new subscriptions, substantially reduce piracy and offer new value-added services;
- increasing the penetration of our high-speed internet access and other multimedia services as well as providing a platform to offer internet protocol, or IP, and telephony services;
- continuing the roll out of advanced digital set-top boxes which allow the transmission of high definition programming and recording capability; and
- continuing to leverage our strengths and capabilities to develop new business opportunities and expand through additional investments and/or acquisitions, which can be substantial in size.

Our cable companies have introduced a variety of new services over the past few years, such as interactive television and other enhanced program services, including high-speed internet access through cable modem as well as IP telephony. In November 2014, we launched izzi™, our principal brand for residential customers, offering a revolutionary double-play package with unlimited telephony services and high-speed data access. In addition, the double-play package can be upgraded to a triple-play package by adding one of three pay-TV bundles. As of December 31, 2015, we have launched izzi in 47 cities, generating significant increases in gross ads. As of December 31, 2015, our cable companies had 3,066,699 broadband subscribers. The growth in our subscriber base has been driven primarily by the upgrade of our networks and the launch of competitive broadband offerings. As of December 31, 2015, our cable companies had 1,891,026 IP telephone lines in service, or voice subscribers.

Continue Expanding the Portfolio of Channel Offerings in Mexico and Abroad

Network Subscription. Through our 26 pay-TV brands and 51 national and international feeds, we reached more than 44 million subscribers throughout Latin America, the United States, Canada, Europe and Asia Pacific in 2015. Our pay-TV channels include, among others, three music, six movie, seven variety and entertainment channels and two sports channels. Both of our sports channels offer 24 hour a day programming 365 days a year. Popular channels include, among others, TL Novelas, Televisa Deportes Network, or TDN and Distrito Comedia.

Transforming Our Publishing Business

Despite the continuing challenges facing the industry, we believe we continue to be among the leaders of the publishing business and maintained a total approximate circulation of 103 million magazines during 2015. We believe our subsidiary, Editorial Televisa, S.A. de C.V., or Editorial Televisa, is the most important Spanish-speaking publishing company in the world in number of magazines distributed. Editorial Televisa publishes 151 titles, with 71 wholly-owned trademarks and 26 licensed trademarks from world renowned publishing houses, including Spanish language editions of some of the most prestigious brands in the world. Editorial Televisa distributes its titles to 17 countries, including Mexico, the United States and countries throughout Latin America.

Increasing Our International Programming Sales Worldwide and Strengthening Our Position in the Growing U.S.-Hispanic Market

We license our programs to television broadcasters and pay-TV providers in the United States, Latin America, Asia, Europe and Africa. Excluding the United States, in 2015, we licensed 80,444 hours of programming in 72 countries throughout the world. We intend to continue exploring ways of expanding our international programming sales.

According to the “Annual Estimates of the Resident Population by Sex, Age, Race, and Hispanic Origin for the United States: April 1, 2010 to July 1, 2014” issued by the U.S. Census Bureau, the U.S.-Hispanic population is estimated to be 55.4 million, or approximately 17% of the U.S. population, as of July 1, 2014 and is currently one of the fastest growing segments in the U.S. population, with the growth among Hispanics responsible for over half of the U.S. population gains between 2000 and 2010. The U.S. Census Bureau projects that the Hispanic population will be approximately 20.3% of the U.S. population by the year 2025. Hispanics are expected to account for U.S.\$1.6 trillion of U.S. consumer spending, or 10.6% of the U.S. total disposable income, by 2018, 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 others 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 media company serving Hispanic America. In exchange for this programming, during 2013, 2014 and 2015, Univision paid us U.S.\$273.2 million, U.S.\$313.7 million and U.S.\$311.1 million respectively, in royalties. For a description of our arrangements with Univision, see “— Univision”.

Developing New Businesses and Expanding through Acquisitions

We plan to continue leveraging our strengths and capabilities to develop new business opportunities and expand through acquisitions in Mexico, the United States and elsewhere. We are constantly seeking investment opportunities that complement our cable strategy. We may identify and evaluate opportunities for strategic acquisitions of complementary businesses, technologies or companies. We may also consider joint ventures, minority investments and other collaborative projects and investments. Any such acquisition or investment could be funded using cash on hand, our equity securities and/or the incurrence of debt, or a combination thereof, and could be substantial in size.

Some of our recent acquisitions and investments include:

- our acquisition in August 2014 of Cablecom, a cable company that offers video, telephony and data services in Mexico;
- our acquisition in January 2015 of Telecable, a cable company that provides video, data and telephony services in Mexico, primarily in the states of Guanajuato, Jalisco, Aguascalientes, Queretaro, Tamaulipas, and Colima, among others; and

- our acquisition of the remaining 50% of equity interest of TVI in March 2016, a cable company that provides cable television, internet access, telephony services and bidirectional data transmission in the metropolitan area of Monterrey and other areas of northern Mexico.

For a further discussion of some of our recent investments, see “— Investments”.

We also plan to continue growing our gaming business, which consists of casinos and a national lottery. As of December 31, 2015, we had 17 casinos in operation, under the brand name “PlayCity”. In accordance with our permit, we plan to continue opening casinos. In addition, during 2007 we launched Multijuegos, an online lottery with access to a nationwide network of approximately 13,560 points of sale through electronic terminals. The casinos and Multijuegos are operated under the Gaming Permit obtained from the Mexican Ministry of the Interior, to establish, among other things, up to 55 casinos and number draws throughout Mexico.

Expanding Our Business in the Mexican Telecommunications Markets by Taking Advantage of the Telecom Reform and Implementing Legislation

Pursuant to the Telecom Reform (see “— Regulation — Telecom Reform and Broadcasting Regulations”), a “preponderant economic agent” (*agente economico preponderante*) in the telecommunications market means an economic agent that has, directly or indirectly, more than 50% of the national market share in telecommunications services, calculated based on the number of users, subscribers, network traffic or used capacity according to the data available to IFT. We are aware from the public records that, on March 7, 2014, IFT notified América Móvil, S.A.B. de C.V., or América Móvil, of a resolution which determined that América Móvil and its operating subsidiaries Radiomóvil Dipsa, S.A. de C.V., or Telcel, and Teléfonos de México, S.A.B. de C.V., or Telmex, as well as Grupo Carso, S.A.B. de C.V. and Grupo Financiero Inbursa, S.A.B. de C.V., are a preponderant economic agent in the telecommunications market, and imposed on them certain specific asymmetrical regulations which América Móvil reported publicly in the following areas:

- **Interconnection:** Regulation on interconnection, including the imposition of (a) asymmetric rates to be determined by IFT and (b) the implementation of an interconnection framework agreement (*convenio marco de interconexión*);
- **Sharing of Infrastructure:** Regulation on the access and use of passive infrastructure, including towers, sites, ducts and rights of way, at rates to be negotiated amongst the operators and, where agreement cannot be reached, to be determined by IFT using a methodology of long term average incremental costs;
- **Local Loop Unbundling:** Regulation on local loop unbundling, including the imposition of rates to be determined by IFT using a methodology of long term average incremental costs;
- **Wholesale of Leased Lines:** Regulation on wholesale of leased lines for interconnection, local and domestic and international long distance, at rates to be negotiated among the operators and, where agreement cannot be reached, to be determined by IFT using a methodology of retail minus, except for leased lines for interconnection services where the methodology to be used for determining the applicable rates will be of long term average incremental costs;
- **Roaming:** Regulation on the provision of wholesale roaming services, at rates to be negotiated amongst the operators and, where agreement cannot be reached, to be determined by IFT using a methodology of long term average incremental costs;
- **Elimination of National Roaming Charges:** IFT has imposed the elimination of national roaming charges to the preponderant economic agent’s subscribers;
- **Mobile Virtual Operators:** Regulation on wholesale access to mobile virtual operators to services provided by the preponderant economic agent to its subscribers, at rates to be negotiated among the operators and, where agreement cannot be reached, to be determined by IFT using a methodology of retail minus;
- **Certain Obligations on the Provision of Services:** Certain rates for the provision of telecommunications services to the subscribers of the preponderant economic agent shall be subject to rate control and/or

authorization by IFT, by using a series of methodologies related to maximum prices and replicability. Also, a series of obligations relating to the sale of services and products, including the obligation to offer individually all services that are offered under a bundle scheme; limited exclusivity on handsets and tablets; and the obligation of eliminating the sim-lock on handsets;

- Content: IFT has issued the Relevant Content Ruling applicable for Preponderant Economic Agents, which contains a prohibition to acquire transmission rights for any territory within Mexico on an exclusive basis, relating to relevant content (*contenidos audiovisuales relevantes*), including without limitation national soccer play-offs (*liguilla*), FIFA world cup soccer finals and, any other event where high-audiences are expected at a national or regional level. The IFT may update the relevant content list every two years; and
- Information and Quality of Service Obligations: Several obligations related to information and quality of service, including the publication of a series of reference terms (*ofertas públicas de referencia*) of the wholesale and interconnection services subject of the asymmetric regulation imposed by IFT and accounting separation.

According to public records, América Móvil and its subsidiaries filed on April 1, 2014 an *amparo* proceeding against IFT's resolution. The resolution is still pending.

The measures imposed on the preponderant economic agent, if properly implemented, will represent an opportunity for us to increase our coverage and product diversity, while reducing our costs and capital expenditures requirements as a result of the access to the network of the preponderant economic agent and the regulation of the terms and conditions, on competitive terms, of such access. Moreover, asymmetric regulations may create a beneficial economic and regulatory environment in the telephone and broadband markets and may further enhance our ability to compete in the telecommunications industry.

All of these measures, if properly implemented, could create a beneficial economic and regulatory environment, level the playing field for all participants in the telecommunications market and foster competition, representing an opportunity for the growth of our Sky and cable businesses.

We notified IFT of the Cablecom and Telecable Acquisitions according to transitory Article 9 of the LFTR. The LFTR establishes that IFT shall initiate an investigation to determine the possible existence of substantial market power in any of the relevant markets of the telecommunications and broadcasting sectors. If substantial market power is determined, IFT may impose the necessary measures. For each of the Cablecom and Telecable Acquisitions, the IFT conducted an investigation pursuant to transitory Article 9 of the LFTR in order to analyze and determine if, as result of each transactions, the Company acquired substantial market power in the restricted television and audio services market. On November 2, 2015, and February 29, 2016, respectively, the IFT ruled that there were no sufficient elements to determine the existence of market power in the municipalities of Mexico in which Cablecom and Telecable operate. The resolution concerning the Cablecom Acquisition has been challenged by certain third parties. These challenges are still under review by the competent courts.

Additionally, the Telecom Reform (1) permits 100% foreign ownership in satellite and telecommunications services and increases to up to 49% the level of permitted foreign ownership in television and radio services, subject to reciprocity of the originating foreign investment country, and (2) provides that the Mexican government will build a national network to facilitate effective access for the Mexican population to broadband and other telecommunications services. These amendments may provide opportunities for us to enter into joint ventures with foreign investors with proven international experience in these markets and also to work with the Mexican government in the development of this new network.

The Telecom Reform also calls for the *Plan Nacional de Desarrollo* , or National Development Plan, to include a program for installing broadband connections in public facilities, which would identify the number of sites to be connected per year to promote access to broadband. We believe our potential participation in this program could result in business opportunities while improving the quality of the telecommunications services to be provided by the Mexican government.

Commitment to Sustainability

We have made, and will continue to make, sustainable development part of our offerings and commercial strategy, in order to continue meeting the expectations of, and creating added value for, our stockholders. As part of our commitment to sustainability, we have named a sustainability officer in addition to establishing a committee which comprises some of our high-level executive officers as well as independent consultants and which will reinforce our efforts related to sustainability. As a result of our commitment, as of February 1, 2013, we were named one of the six members of the *IPC Sustentable*, or Sustainability Index, of the *Bolsa Mexicana de Valores*, or Mexican Stock Exchange; and on January 29, 2016 we were confirmed as a sustainable issuer for the period effective as of February 2, 2016 through January 29, 2017. The Sustainability Index currently includes 30 issuers, which have been selected based on their commitment to corporate governance, social responsibility and environmental management.

As of March 2016, we have committed to join the United Nations Global Compact, the world's largest corporate sustainability initiative, and have committed to make its Ten Principles part of our strategy, culture and daily actions.

Commitment to Social Responsibility

We are deeply committed to strengthening communities throughout Mexico and investing in their development. During the last 15 years, through Fundación Televisa, or Fundación, we have created and supported programs that provide educational opportunities, promote cultural identity and encourage communal engagement. Fundación offers a wide range of tools and opportunities that shape the lives of millions of Mexicans. We have taken advantage of the Company's wide range of media platforms to promote social awareness campaigns, and digital platforms to foster civic participation. Fundación has developed various digital educational platforms that, through innovation and creativity, allow users to substantially improve their abilities and capabilities. These no-cost, self-teaching tools are broadly available to many Mexicans that would otherwise lack basic tools and access to opportunities. Many of these efforts have improved the lives of thousands of people.

Establishing strong, strategic partnerships is a priority for Fundación. These partnerships have improved Fundación's effectiveness and have broadened its reach. We continuously seek out and collaborate with experts in the academic, business, and financial fields, as well as with other organizations to benefit a greater number of people. During these 15 years we have developed partnerships with more than 400 non-governmental organizations, public and private institutions.

We believe that the best way to enhance quality of life, increase economic opportunities, and improve the well-being of families across Mexico is through education. Therefore, we offer a range of programs tailored for every development stage, including early stimulation programs for newborns to 3 year-olds, access to high-quality elementary and basic education for 4 to 15 year-olds, programs to increase middle and high school completion rates for 16 to 22 year-olds, and programs that develop employability skills for adults above the age of 23. These programs, which focus on enhancing the quality of education in Mexico, include scholarships, school infrastructure, media labs, reading workshops, knowledge competitions, infrastructure for schools, and the promotion of entrepreneurship and universal values. Our entrepreneurship program "Posible", has become the biggest non-governmental effort in Latin America, enrolling more than 42,000 individuals in 2015.

Fundación also focuses on expanding the reach of Mexican culture. We promote our cultural values inside and outside of Mexico, sponsoring and promoting various exhibitions, collaborations, and investigative digital and editorial projects that benefit from access to our photography and audiovisual collection.

In the United States, through Televisa Foundation, we support the American Hispanic community. Our efforts are particularly focused on improving the lives of Hispanic children and young adults through programs focused on education and culture, including:

- A program to communicate the importance of early stimulation for healthy cognitive development to Hispanic families. To that end, we provide practical information and disseminate our message through Univision and various other social media platforms, reaching millions of people.
- State of the art learning materials and teacher training programs to strengthen bilingual education for young students. Our platform "Aprende con el Chavo" has reached more than half a million users in the United States, and our online courses have provided support to more than 1,500 teachers around the United States.
- A program directed to boosting the development of scientific and technological abilities in Hispanic children, with an emphasis on young women. Last year, more than 7,000 students enrolled in our program in six different cities throughout the United States.

Additionally, Televisa Foundation's cultural program aims to strengthen the sense of identity among Hispanic families and promotes Mexican visual arts in the United States. In 2015, we sponsored an exhibition of Gabriel Figueroa's work at the Museo del Barrio in New York City as well as a film cycle at the Museum of Modern Art in New York City.

Our Operations

As of December 31, 2015, we classify our operations into four business segments: Content, Sky, Cable, and Other Businesses.

Content

Television Industry in Mexico

General. There are 14 television stations operating in Mexico City and approximately 510 other television stations elsewhere in Mexico. Most of the stations outside of Mexico City rebroadcast programming originating from the Mexico City stations. We own and operate four of the 14 television stations in Mexico City, Channels 2, 4, 5 and 9. Some of these stations are affiliated with 221 repeater stations and 31 local stations outside of Mexico City. See "— Television Networks". We also own a station that has a digital subchannel that broadcasts in the English language 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 177 stations outside of Mexico City. Likewise, TV Azteca owns the concession for Channel 40, or Proyecto 40, a ultra-high radioelectric frequency, or UHF, channel that broadcasts throughout the Mexico City metropolitan area. The Mexican government currently operates six stations in Mexico City, Channel 11, which has 11 repeater stations, Channel 21 in Mexico City (transmitting only DTV), Channel 22, TVUNAM, Channel 45 (Congress), and Channel 30, an anchor station of *Sistema Público de Radiodifusión del Estado Mexicano*, which, we believe, has 24 repeater stations outside Mexico City, 22 stations (Governments of the States), and six other university stations. There are three local television stations affiliated with Channel 28, outside of Mexico City. There are also 14 independent stations outside of Mexico City which are unaffiliated with any other stations. See "— Television Networks".

We estimate that approximately 28.6 million Mexican households have television sets, representing approximately 91% of all households in Mexico as of December 31, 2015. We believe that approximately 95.4% of all households in Mexico City and the surrounding area have television sets.

Programming

Programming We Produce. We produce a significant part of the Spanish-language television programming in the world. In 2013, 2014 and 2015, we produced approximately 93,300 hours, 94,600 hours and 89,200 hours, respectively, of programming for broadcast on our network stations; including programming produced by our local stations, which represented 61.2%, 60.6% and 57.9% of our total hours produced in the same years, respectively. Programming and videos for broadcast on our pay-TV channels, through our cable operations and DTH satellite ventures, represented 25.0%, 26.0% and 28.6% of our total hours produced in 2013, 2014 and 2015, respectively.

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 and professional wrestling matches. See “— Other Businesses — Sports and Show Business Promotions”. In 2013, we broadcast FIFA World Cup Under 20 Turkey 2013, FIFA World Cup Under 17 UAE, Copa FIFA Confederaciones Brasil 2013, and Qualification Matches for FIFA World Cup Brazil 2014. In 2014, we broadcast FIFA World Cup Brazil 2014, FIFA Women’s World Cup Under 17 Costa Rica 2014, and FIFA Women’s World Cup Under 20 Canada 2014. In 2015, we broadcast Copa America Chile 2015, FIFA World Cup Under 20 New Zealand 2015, FIFA Women’s World Cup Canada 2015, CONCACAF Gold Cup 2015 and FIFA World Cup Under 17 Chile 2015. We have secured the rights to broadcast at least the 2018 FIFA World Cup Russia and the 2022 FIFA World Cup Qatar for Mexico and other territories in Latin America.

Our programming is produced primarily at our 30 studios in Mexico City. We also operate 18 fully equipped remote control units. Some of our local television stations also produce their own programming. These local stations operate 47 studios and 34 fully equipped remote control units. See “— Programming— Local Affiliates”.

Foreign-Produced Programming. We license and broadcast television programs produced by third parties outside Mexico. Most of this foreign programming is from the United States 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 34%, 35.5% and 35.8% of the programming broadcast on our four television networks in 2013, 2014 and 2015, respectively. A substantial majority of the foreign-produced programming aired on our networks was dubbed into Spanish and was aired on Channel 5, with the remainder aired on Channel 9.

Talent Promotion. We operate Centro de Educación Artística, 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 Networks. We operate three television networks that can be viewed throughout parts of Mexico depending on the schedules and programming on our affiliated television stations through Channels 2, 5 and 9 in Mexico City. The following table indicates the total number of operating television stations in Mexico affiliated with each of our three networks, as well as the total number of local affiliates, as of December 31, 2015.

	Wholly Owned Mexico City Anchor Stations	Wholly Owned Affiliates	Majority Owned Affiliates	Minority Owned Affiliates	Independent Affiliates	Total Stations
Channel 2	1	123	2	—	1	127
Channel 5	1	63	—	—	3	67
Channel 9	1	16	—	—	14	31
Subtotal	3	202	2	—	18	225
Border Stations	—	—	—	—	—	—
Local (Stations) Affiliates	—	17	—	1	13	31
Total	3	219	2	1	31	256

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 127 television stations located throughout parts of Mexico. The affiliate stations generally retransmit 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 28.1 million households, representing 98.2% 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 2013, 2014 and 2015.

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 100 to 140 half-hour episodes. Substantially all of Channel 2's programming is aired on a first-run basis and much of it is produced by us.

Channel 5 Network. In addition to its anchor station, Channel 5 is affiliated with 66 repeater stations located throughout parts of Mexico. We estimate that the Channel 5 Network reaches approximately 26.2 million households, representing approximately 91.5% 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.

We believe that Channel 5 has positioned itself as the first social television channel in Mexico, with exclusive content for each platform, 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 United States. Most of these programs are produced in English.

Channel 9 Network. In addition to its anchor station, Channel 9 is affiliated with 30 repeater stations, approximately 35% of which are located in central Mexico. We estimate that Channel 9 reaches approximately 21.2 million households, representing approximately 74% of households with television sets in Mexico.

The Channel 9 Network targets viewers 30 years and older. Its programs include movies, sports, sitcoms, game shows, telenovelas produced by third parties, news, an entertainment newscast and re-runs of popular programs from Channel 2.

Channel 4. Channel 4 broadcasts in the Mexico City metropolitan area and, according to our estimates, reaches over 6.0 million households, representing approximately 21.2% of television households in Mexico in 2015. As described above, as part of our plan to attract medium-sized and local Mexico City advertisers, we focused the reach of this network throughout Mexico and revised the format of Channel 4 to create ForoTV in an effort to target viewers in the Mexico City metropolitan area. We currently sell local advertising time on ForoTV to medium-sized and local advertisers at rates comparable to those charged for advertising on local, non-television media, such as radio, newspapers and billboards. However, by purchasing local advertising time on ForoTV, medium-sized and local advertisers are able to reach a wider audience than they would reach through local, non-television media.

ForoTV targets young adults between 30 and 40 years old, and adults more than 55 years old. Its programs consist primarily of journalist content, news, and round table programs in which the participants analyze the national and international news.

Local Affiliates. There are currently 31 local television stations affiliated with our networks, of which 17 stations are wholly owned, one station is minority owned and 13 stations are independent affiliated stations. These stations receive part of their programming from Channels 4 and 9. See "— Channel 4". 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 2013, 2014 and 2015, the local television stations owned by us produced 57,100 hours, 57,300 hours and 51,600 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 XETV, or the Border Station, a Tijuana based television station which operates under a concession from the SCT from Mexico on the Mexico/U.S. border and broadcasts English-language programs pursuant to a permit granted by The Ministry of the Interior, which is renewed annually. The Border Station is affiliated with the Tijuana/San Diego market, under an affiliation agreement with The CW Network LLC, or CW Network. CW Network was formed as a joint venture between Warner Bros. Entertainment and CBS Corporation. The Border Station broadcasts under renewable permits issued by the FCC to the station and to CW

Network, which authorize electronic cross-border programming transmissions. The Border Station is operated through a station operating agreement with Bay City Television, a U.S. corporation indirectly owned by us. The Border Station's FCC cross-border permit was renewed on July 9, 2013 for a five-year term expiring on July 9, 2018. CW Network's cross-border FCC permit became effective on February 14, 2014 for a five-year term expiring on February 14, 2019.

Network Subscription. We produce or license a suite of Spanish and English-language television channels for pay-TV systems in Mexico, Latin America, the Caribbean, Asia, Europe, the United States, Canada and Africa. 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. As of December 2015, we had over 44 million subscribers worldwide.

In 2013, 2014 and 2015, we produced approximately 23,200 hours, 24,500 hours and 25,500 hours, respectively, of programming and videos, for broadcast on our pay-TV channels. The names and brands of our standard definition channels include: *Telehit*, *Ritmoson* (formerly *Ritmoson Latino*), *Bandamax*, *De Película*, *De Película Clásico*, *Unicable*, *Golden*, *Golden Edge*, *Golden Latinoamérica*, *TLNovelas*, *Tiin*, *Canal de las Estrellas Latinoamérica*, *Canal de las Estrellas Europa*, *Canal 2 Delay-2hrs*, *Canal de las Estrellas Delay-1hr*, *Distrito Comedia* (formerly *Clásico TV*), *TDN*, *TD Centro* and *UTDN* (formerly *TDN2.0*). The brands of our high definition channels include: *Golden HD*, *Telehit HD*, *TDN HD*, *De Película HD*, *Unicable HD*, *GoldenPremier HD* and *UFC Network HD*.

Licensing and Syndication. We license our programs and our rights to programs produced by other television broadcasters and pay-TV providers in the United States, Canada, 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 79,650 hours, 87,143 hours and 80,444 hours of programming in 2013, 2014 and 2015, respectively. See “— Univision” and “Operating and Financial Review and Prospects — Results of Operations — Total Segment Results — Content”. As of December 31, 2015, we had 259,622 half-hours of television programming in our library available for licensing.

Expansion of Programming Reach. Our programs can be seen in the United States, Canada, Latin America, Asia, Europe and Africa. We intend to continue to expand our sales of Spanish-language programming internationally through pay-TV services.

SVOD Licensing. Under a license agreement with Netflix, effective as of July 12, 2011, we have made available to certain video-on-demand subscribers of Netflix, on a non-exclusive basis, around 3,000 hours annually of telenovelas, series, and other general entertainment programming from our library for the territories of Mexico, Latin America and the Caribbean. The license agreement will terminate in July 2016. However, based on the terms of the license agreement, certain programming will be available to subscribers until June 2017.

Televisa Interactive Media. TIM is the Company's online and wireless content division. This venture includes Esmas and Televisa.com, our Spanish-language horizontal websites and online and supported video streaming; and Esmas Móvil, our mobile value added service unit. TIM leverages the Company's and third parties' premium and extensive Spanish-language content, including news, sports, business, music and entertainment, editorials, life and style, technology, health, kids and an opinion survey channel. Through mobile devices, TIM became the second screen experience for the Company's television content.

With a wide range of content channels, online and mobile services, and more than 174.5 million page views per month and more than 24.9 million monthly unique users in 2015, we believe that TIM has positioned itself as one of the leading digital entertainment and information online content providers in Mexico and Hispanic territories. Currently, 75.9% of TIM's page views come from Mexico and the rest comes from the U.S. and Latin America.

In 2015, Esmas Móvil sent more than 2.3 million premium messages to approximately 500,000 mobile subscribers. Most of the content demanded by users consists of news and sports text alerts, interactive TV promotions, wallpapers games and music. We believe that due to the Mexican public's affinity for the high quality and wide range of our programming content, TIM has become one of the leading premium content mobile service providers in Mexico and in Latin America.

We have a strong presence in every social media platform by managing over 633 accounts reaching over 484 million social media user accounts.

TIM has created a mobile application division, Televisa Mobile, which is responsible for the developing of more than eight mobile content applications in nine operating systems with more than 22 million downloads and nine mobile gaming applications in four operating systems with more than 2 million downloads.

In October 2008, we entered into license agreements to distribute Telemundo's original content through digital and wireless platforms in Mexico. As part of the agreements, Telemundo provides us with original content, including its highly popular telenovelas currently broadcast on our Channel 9, on all of our digital platforms including Esmas.com. The agreements complement and are part of the strategic alliance to distribute Telemundo's original content in Mexico across multiple platforms, including broadcast television, pay-TV and emerging digital platforms.

Beginning with the first quarter of 2012, the results of our Internet business, which was previously reported as part of the Other Business segment, are included in our new Content segment, which also includes the results of our former Television Broadcasting, Pay Television Networks and Programming Exports segments.

OTT Platform. In January 2014, we launched an over-the-top ("OTT") platform under the brand "VEO" which in February 2016 was relaunched as "blim". blim is operated by Televisa, S.A. de C.V. and is accessible through any electronic device with an Internet connection and provides three different services in Mexico: (i) Subscription Video-On-Demand ("SVOD") with an extensive catalogue of domestic and foreign entertainment (original productions, movies, series, documentaries, programs, *telenovelas* and children's content); (ii) Transactional Video-On-Demand ("TVOD") with an extraordinary catalogue of the best movie premieres; and (iii) TV Everywhere that provides live television content of a few of the Company's PayTV channels.

Advertising Sales Plan. Our sales force is organized into separate teams, each of which focuses on groups of clients in order, also to provide multi-platform offers. We sell commercial time in two ways: upfront and scatter basis. Advertisers that elect the upfront option lock in prices for most of our commercial inventory for the upcoming year, regardless of future price changes. Advertisers that choose the upfront option make annual prepayments, with cash or short-term notes, and are charged lower rates for their commercial time, given the highest priority in schedule placement, and given a first option in advertising during special programs. Scatter advertisers, or advertisers who choose not to make upfront payments but rather advertise from time to time, risk both higher prices and lack of access to choice commercial time slots. All advertisers are billed for actual minutes used; the amount billed depends on the calendar quarter, channel, and hour in which the spot is transmitted. We bill our advertising customers based on fixed pricing rather than on a cost-per-rating-point basis. For a description of our advertising sales plan, see "Operating and Financial Review and Prospects — Results of Operations — Total Segment Results — Content — Advertising Rates and Sales".

We currently sell a significant portion of our available television advertising time. We use the remaining portion of our television advertising time primarily 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. and midnight for public service announcements and 30 minutes per day for public programming (referred to in this annual report as Official Television Broadcast Time), and our remaining available television advertising time to promote, among other things, our products⁽¹⁾. We sold approximately 52%, 47% and 53% of total available national advertising time on our networks during prime time broadcasts in 2013, 2014 and 2015, respectively, and approximately 43%, 39% and 45% of total available national advertising time during all time periods in 2013, 2014 and 2015, respectively⁽²⁾. See "Operating and Financial Review and Prospects — Results of Operations — Total Segment Results — Content"

⁽¹⁾ Channel 4, which broadcasts Mexico City's metropolitan area and reaches over 6.0 million households, representing approximately 21.2% of television households in Mexico in 2015, is included in the aggregate number of hours of advertising time sold reported herein.

⁽²⁾ The change in format of Channel 4 resulted in a significant reduction in the hours of advertising time sold since 2011. See "—Channel 4."

Sky

Background. We operate “Sky”, our DTH satellite venture in Mexico, Central America and the Dominican Republic, through Innova. We indirectly own 58.7% of this venture. The remaining 41.3% of Innova is owned by DIRECTV. For a description of capital contributions and loans we have made to Innova, 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”.

Innova’s Social Part Holders Agreement provides that neither we nor News Corp. nor DIRECTV may directly or indirectly operate or acquire an interest in any business that operates a DTH satellite system in Mexico, Central America and the Dominican Republic (subject to limited exceptions).

As of December 31, 2013, 2014 and 2015, Innova’s DTH satellite pay-TV service had 6,015,475, 6,638,032 and 7,284,162 gross active subscribers, respectively. Innova primarily attributes its successful growth to its superior programming content, its exclusive transmission of the largest coverage sporting events such as soccer tournaments and special events, its high quality customer service and its nationwide distribution network with approximately 1,318 points of sale. In addition to the above, Innova also experienced growth during 2013, 2014 and 2015 due to the success of VeTV, our low-end package in Mexico. Sky continues to offer the highest quality and exclusive content in the Mexican pay-TV industry. Its programming packages combine our over-the-air channels with other exclusive content.

During 2015, Sky offered exclusive content, which included certain Mexican Soccer League matches and most of the Spanish Soccer League, La Liga and La Copa del Rey, the FA Cup, the NFL Sunday Ticket, NBA Pass, MLB Extra Innings, the NHL, WTA, bullfighting, World Equestrian Games, marathons, Diamond League, Capital One Cup, the largest coverage of the Mexican Baseball League (LMB), ATP & TT tournaments, and the Basketball Euroleague. 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. Sky also has arrangements with the major programming studios and sports federations.

In 2015, the Sky HD Package comprised 123 channels, as well as 23 additional channels for pay-per-view. We expect to continue broadening our HD offering in the coming years for which we may need additional transponder capacity.

As of December 31, 2015, 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.149, VeTV Ps.169, Fun Ps.279, Fox+ Ps.439, HBO/Max Ps.449 and Universe Ps.649. Monthly fees for each programming package do not reflect a monthly rental fee in the amount of Ps.164 for the decoder necessary to receive the service (or Ps.150 if the subscriber pays within 12 days of the billing date) and a one-time activation fee which depends on the number of decoders and payment method. On February 1, 2016, we increased the price of our VeTV package from Ps.169 to Ps.185 driven by the increase of programming costs due to the impact of the devaluation of the Mexican Peso.

Sky devotes 15 pay-per-view channels to family entertainment and movies and eight channels are devoted to adult entertainment. In addition, Sky assigns seven extra channels exclusively for special events, known as Sky Events, which include concerts and sports. Sky provides some Sky Events at no additional cost while it sells others on a pay-per-view basis.

The installation fee is based on the number of set up boxes and the method of payment chosen by the subscriber. The monthly cost consists of a programming fee plus a rental fee for each additional box.

Programming. We are a major source of programming content for our DTH venture and have granted our DTH venture DTH satellite service broadcast rights to most of our existing and future program services (including pay-per-view services on DTH), subject to some pre-existing third party agreements and other exceptions and conditions. Through its relationships with us and DIRECTV, 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 United States, Europe and Latin America.

Cable

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 the subscribers receive. According to IFT, there were approximately 1,470 pay-TV concessions in Mexico as of December 31, 2015, serving approximately 17 million subscribers.

Digital Cable Television Services. Our cable companies offer on-screen interactive programming guide, video on demand, high definition channels as well as other services throughout Mexico. Along with their digital pay-TV service, our cable companies offer high speed internet and a competitive digital telephone service. Through their network, they are able to distribute high quality video content, new services, interactivity with video on demand, 1080i high definition, impulse and order pay-per-view, a-la-carte programming, among other products and services, with added value features and premium solutions for consumers, and telephony and internet.

Revenues. Our cable companies generate revenues from their pay-TV, broadband and telephony services, from additional services such as video on demand, 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.

The LFTR dictates that a telecommunication company can freely set its fees (including the ones regarding pay-TV services) that it will charge for the provision of its services to its subscribers. However, this does not apply to the incumbent agent or any other economic agent declared with substantial market power.

Cable Initiatives. Our cable companies plan to continue offering the following services to their subscribers:

- Enhanced programming services, including video on demand, subscription video on demand, high definition;
- Broadband internet services; and
- IP telephony services.

Cablevisión . We own a 51% controlling stake in Cablevisión, one of the most important cable television operators in Mexico, which operates in Mexico City and its metropolitan area, where it offers cable television, high speed internet and IP telephony services.

TVI. In March 2016 we acquired the remaining 50% of the equity interest of TVI and its subsidiaries and as a result, TVI is a wholly owned subsidiary of the Company. The transaction amounted to Ps.6,750 million, including the assumption by the Company of liabilities of Ps.5,492 million and provided for the acquisition of shares by the Company in the amount of Ps.1,258 million. TVI offers cable television, internet access, telephony services and bidirectional data transmission in the metropolitan area of Monterrey and other areas of northern Mexico.

Cablemás . We own Cablemás, which operates in approximately 60 cities in Mexico where it offers cable television, high speed internet and telephony services.

Cablecom. On July 31, 2013, we invested Ps.7,000 million in convertible debt instruments, which in August 2014 we converted into 95% of the equity interest in Ares, the owner of 51% of the equity interest in Cablecom, a cable company that offers video, telephony and data services in Mexico. As part of the 2013 transaction, we also invested U.S.\$195 million in a debt instrument issued by Ares. In August 2014 we acquired, pursuant to applicable regulations, the remaining 5% of the equity interest in Ares and the remaining 49% of the equity interest of Cablecom for an additional consideration of Ps.8,550 million, which consisted of the capitalization of the U.S. dollar debt instrument issued by Ares in the amount of Ps.2,642 million, and cash in the amount of Ps.5,908 million.

Telecable. On January 8, 2015, through a series of transactions, we acquired 100% of the equity interest of Telecable for an aggregate consideration of Ps.10,002 million. Telecable is a cable company that provides video, data and telephony services in Mexico, primarily in the states of Guanajuato, Jalisco, Aguascalientes, Queretaro, Tamaulipas, and Colima, among others.

Bestel. Currently, Cablevisión holds 69.2% and the Company indirectly holds 30.8% of the equity of Bestel, which provides voice, data, and managed services to domestic and international carriers and to the enterprise, corporate, and government segments in Mexico. Through Bestel (USA), Inc., Bestel provides cross-border services

to U.S. carriers including internet protocol, or IP, transit, collocation, international private lines, virtual private networks, or VPNs, and voice services, as well as access to the Internet backbone via companies or carriers classified as “TIER 1” which are networks that can reach every other network on the internet without purchasing internet protocol address transit or paying settlements and “TIER 2” which are networks that peer with some networks, but purchase internet protocol address transit or pay settlements to reach at least some portion of the internet. Bestel operates 2 8,000 kilometers of a fiber-optic network of which it owns approximately 10,000 kilometers. This fiber-optic network covers several important cities and economic regions in Mexico and has direct crossing of its network into Dallas, Texas, Nogales, Arizona, and San Diego, California in the United States. This enables the company to provide high capacity connectivity between the United States and Mexico.

Other Businesses

Publishing. Notwithstanding the challenges facing the publishing industry, we believe we have maintained our position as the most important publisher and distributor of magazines in Mexico, and of Spanish-language magazines in the world, as measured by circulation.

With a total circulation of approximately 103 million copies in 2015, we publish 151 titles that are distributed in 17 countries, including the United States, Mexico, Colombia, Chile, Argentina, Peru and Panama, among others. See “— Other Businesses — Publishing Distribution”. Our main publications in Mexico include *TV y Novelas*, a weekly entertainment and telenovelas magazine; *Vanidades*, a popular bi-weekly magazine for women; and *Caras*, a monthly leading lifestyle and socialite magazine. Our other main publications in Latin America and the United States include *Vanidades*, *TV y Novelas* U.S.A. and *Caras* Colombia and Chile.

We publish the Spanish-language edition of several magazines, including *Cosmopolitan*, *Harper’s Bazaar*, *Seventeen*, and *Esquire* through a joint venture with Hearst Communications, Inc.; *Marie Claire*, pursuant to a license agreement with Marie Claire Album; *Men’s Health*, *Women’s Health* and *Runner’s World*, pursuant to a license agreement with Rodale, Inc.; *Sport Life* and *Automóvil Panamericano*, as well as other special editions of popular automotive magazines, through a joint venture with Motorpress Ibérica, S.A.; *Muy Interesante* and *Padres e Hijos* pursuant to a joint venture with GyJ España Ediciones, S.L., S. en C.; and *Disney Princesas*, *Disney Club Penguin*, *Disney Frozen*, *Disney Palace Pets* and *Disney Junior* among others, pursuant to a license agreement with Disney Consumer Products Latin America, Inc. and WDC (México), S. de R.L. de C.V. We also publish a Spanish-language edition of *National Geographic* and *National Geographic Traveler* in Latin America and in the United States through a licensing agreement with National Geographic Society. In addition, we publish several comics pursuant to license agreements with Marvel Characters, B.V. and DC Comics.

Publishing Distribution. We estimate that we distribute more than 50%, in terms of volume, of the magazines circulated in Mexico through our subsidiary, Distribuidora Intermex, S.A. de C.V., or Intermex. We believe that our distribution network, including independent distributors, reaches over 300 million Spanish-speaking people in approximately 17 countries, including Mexico, Colombia, Peru and Panama. We also estimate that such distribution network reaches more than 20,000 points of sale in Mexico and approximately 50,000 points of sale outside of Mexico. We also own publishing operations in eleven countries. Our publications are also sold in the United States, the Caribbean and elsewhere through independent distributors. In Mexico, in 2013, 2014 and 2015, 68.0%, 67.2% and 67.4%, respectively, of the publications distributed by our company were published by our Publishing division. In addition, our distribution network sells a number of publications published by joint ventures and independent publishers, as well as sticker albums, novelties and other consumer products.

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 “— Content — Programming”, “— Cable — Digital Cable Television Services”, “— Radio Stations” and “Our Operations — Sky”.

Soccer. We own America, which currently plays in the Mexican First Division and is one of the most popular and successful soccer teams in Mexico. In the Mexican First Division, each team plays two tournaments of 17 games per regular annual season. The best teams of each regular season engage in post-season championship play.

We own the Azteca Stadium which hosted two World Cup Soccer Championships. Azteca Stadium is planned to be remodeled adding new presidential suites, hospitality zones, VIP seats and VIP boxes, and will have a final

seating capacity of approximately 85,000 people. In addition, America and the Mexican National Soccer team generally play their home games at this stadium, and is expected to host one official regular season NFL game in 2016, 2017 and 2018.

Promotions. We promote a wide variety of concerts and other shows, including beauty pageants, song festivals and shows of popular Mexican and international artists.

Feature Film Production and Distribution. We produce and co-produce first-run Spanish- and English-language feature films, some of which are among Mexico's top films based on box office receipts. We distribute our films to movie theaters in Mexico, the United States and Latin America, and later release them for broadcast on video on demand, cable and network television; some of those films have been partially financed by us, and are among the highest grossing Mexican films in Mexico, such as, *Cátese Quien Pueda*, *Cantinflas*, *Un Gallo Con Muchos Huevos* and the Spanish language film that broke audience and box office records in Mexico and the United States, *Instructions Not Included*, which became the second highest film in Mexico in terms of number of viewers. We distribute feature films produced by non-Mexican producers in Mexico. In 2013, 2014, 2015 and up to February 2016, we distributed 27, 14, 19 and 3 feature films, respectively, including several U.S. box office hits. At December 31, 2015, we owned or had rights to 308 Spanish-language theatrical films, 150 theatrical films in other languages, 25 Spanish-language video titles and 27 video titles in other languages. Many of these films and titles have been shown on our television networks, cable system, DTH and subscription video on demand services.

Gaming Business. In 2006, we launched our gaming business which consists of casinos and a national lottery. As of December 31, 2015, we had 17 casinos in operation, under the brand name "PlayCity". In accordance with our permit, we plan to continue opening casinos. In addition, during 2007 we launched Multijuegos, an online lottery with access to a nationwide network of approximately 13,560 points of sale through electronic terminals, including point-of-sale terminals at OXXO stores. The casinos and Multijuegos are operated under the Gaming Permit obtained from the Mexican Ministry of the Interior, to establish, among other things, up to 55 casinos and number draws throughout Mexico.

Radio Stations. Our radio business, Sistema Radiópolis, S.A. de C.V., or Radiópolis, is operated under a joint venture with Promotora de Informaciones S.A., or Grupo Prisa, 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 stockholder 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 of directors and/or stockholder approval. We also have the right to appoint Radiópolis' Chief Financial Officer. The election of Radiópolis' Chief Executive Officer requires a unanimous vote from the joint venture's board of directors.

Radiópolis 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 AM station in Monterrey, one FM radio station in Mexicali, one AM/FM combo station in San Luis Potosí and one FM radio station in Veracruz. Some

Radiópolis stations transmit powerful signals which reach beyond the market areas they serve. For example, XEW-AM and XEWA-AM transmit signals that under certain conditions may reach the southern part of the United States. XEW-AM may also reach most of southern Mexico. Including owned and affiliated stations, Radiópolis has 98 stations. We estimate that Radiópolis' radio stations reach 28 states in Mexico. Our programs aired through our radio stations network reach approximately 75% of Mexico's population. We plan to continue to explore ways to expand the reach of our radio programming and advertising through affiliations with third parties and through acquisitions. Radiorama is currently restructuring the operation of its radio stations, which might impact the number of stations that will remain affiliated with Radiorama in the future.

According to Investigadores Internacionales Asociados, S.C., or INRA, in 2013, 2014 and 2015, XEW-AM ranked, on average, twelfth, tenth and twelfth, respectively, among the 32 stations in the Mexico City metropolitan area AM market, XEQ-FM, ranked, on average, third, second and first respectively, among the 30 stations in the Mexico City metropolitan area FM market, and XEBA ranked, on average fourth, fourth and second respectively, among the 24 stations in the Guadalajara City metropolitan FM market. INRA conducts daily door-to-door and automobiles interviews in the Mexico City metropolitan area to determine radio listeners' preferences. Outside Mexico City, INRA conducts periodic surveys.

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. We produce some of Mexico's top-rated radio formats, including W Radio (News-talk), TD W (Sports), Ke Buena (Mexican music) and 40 Principales (Pop music). W Radio, Ke Buena and 40 Principales formats are also broadcast through the internet.

The successful exclusive radio broadcasting in 2015 of the Champions League, Concacaf Soccer Games and Copa Libertadores placed Radiópolis among the highest rating sports-broadcasting radio stations in Mexico.

During the last five years, Radiópolis has organized 20 massive live musical events with leading artists in both musical formats, gathering an attendance of 129,665 people in aggregate for the last two events, which were performed at the Azteca Stadium in Mexico City. The events organized by Radiópolis have become among the most popular music-related events among the musical radio stations in Mexico.

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 “— Our Operations — Content — Programming — Advertising Sales Plan”. In addition, we use some of our available radio advertising time to satisfy our legal obligation to the Mexican government to provide up to 35 minutes per day of our broadcast time, between 6:00 a.m. and midnight for public service announcements, and 30 minutes per day for official programming (referred to in this annual report as “Official Radio Broadcast Time”).

Investments

OCEN. We own a 40% stake in OCEN, a subsidiary of CIE, which owns all of the assets related to CIE's live entertainment business unit in Mexico. OCEN's business includes the production and promotion of a wide variety of live entertainment events such as concerts, theatrical, family and cultural events, as well as the operation of entertainment venues, the sale of entrance tickets (under an agreement with Ticketmaster Corporation), food, beverages and merchandising, and the booking and management of Latin artists. OCEN also promotes NASCAR Mexico, the largest racing series in the country.

During 2013, 2014 and 2015, OCEN promoted 5,380, 3,654 and 2,727 events, respectively, and during 2015, it managed 12 entertainment venues in Mexico City, Guadalajara and Monterrey, providing an entertainment platform that established OCEN as one of the principal live entertainment companies in Mexico.

During 2015, 23.8 million entrance tickets were sold by OCEN's subsidiary Ticketmaster, compared to 21.6 million in 2014.

Imagina. We own equity participations equivalent to 19.9% of the capital stock of Imagina, one of the main providers of content and audiovisual services for the media and entertainment industry in Spain. Imagina was created in 2006 with the merger of Mediapro and Grupo Arbol. Imagina is a leading distributor of sports rights and is the current promoter of the Spanish Soccer League distribution rights worldwide. Through Globomedia,

it is also a leading producer of series, dramas and comedies in Spain. Imagina is also a provider of satellite transmission services as well as “on location” production and post-production services for third parties.

As part of our participation in Imagina we improved potential synergies between us and Imagina and opportunities to create value. Additionally, we have certain rights of first refusal to acquire formats and audiovisual content, as well as transmission rights for sport events in certain territories. We appoint two directors to Imagina’s board, which is currently composed of 10 members.

Grupo de Telecomunicaciones de Alta Capacidad, S.A.P.I. de C.V. In March 2010, Telefónica, Editora Factum, S.A. de C.V., a wholly-owned subsidiary of the Company which was merged into CVQ in May 2015, and Megacable agreed to jointly participate, through a consortium known as Grupo de Telecomunicaciones de Alta Capacidad, S.A.P.I. de C.V. (“GTAC”), in the public bid for a pair of dark fiber wires held by the CFE (*Comisión Federal de Electricidad*). In June 2010, the SCT granted GTAC a favorable award in the bidding process for a 20 year contract for the lease of up to 19,457 kilometers of dark fiber-optic capacity, along with a corresponding concession, granted in July 2010, to operate a public telecommunications network using DWDM technology. In June 2010, one of our subsidiaries entered into a long-term credit facility agreement to provide financing to GTAC in an amount up to Ps.688.2 million. Under the terms of this agreement, principal and interest are payable at dates agreed by the parties, between 2013 and 2021. In addition, a subsidiary of the Company entered into supplementary long-term loans to provide additional financing to GTAC for an aggregate principal amount of Ps. 246.0 million. By the end of 2015, GTAC had in operation 152 links and 148 nationwide nodes, and the services for customers grew to 1,533, of which 90% have a capacity of 10 Gbps. The overall capacity per link is approximately 8 Tbps (80 optical channels x 100 Gbps each). In addition, GTAC maintains four of its own routes (1,555 kilometers), three third-party dark fiber IRU (996 kilometers) and local loops (518 kilometers). This new fiber optic network will represent for us a new alternative to access data transportation services, increasing competition in the Mexican telecommunications market and therefore improving the quality of the services offered. The fiber optic network will aim to increase broadband internet access for businesses as well as households in Mexico.

Iusacell. In September 2014, our partner in GSF agreed to purchase our 50% equity participation in Iusacell at a cash price of U.S. \$717 million (Ps.9,461,532). As a result of this transaction, which was subject to customary closing conditions and required regulatory approvals, we discontinued recognizing our share of income or loss in GSF and recognized a non-cash loss of Ps.4,168,468 in consolidated other expense and an account receivable for the agreed sale amount. As of December 31, 2014, the related account receivable amounted to U.S.\$717 million (Ps.10,583,852). In December 2014, we obtained regulatory approvals for this transaction. In January 2015, we received proceeds in the aggregate amount of U.S.\$717 million (Ps. 10,632,393) in connection with our disposal of our investment in GSF, of which U.S.\$697 million was in cash and U.S.\$20 million was held in escrow for certain contingent litigation costs.

We have investments in several other businesses. See Notes 3 and 10 to our consolidated year-end financial statements.

Univision

We have a number of arrangements with Univision, the leading Spanish-language media company in the United States, which owns and operates the Univision Network, the most-watched Spanish-language television network in the United States, the UniMás Network, and the Galavision satellite/cable television networks, and the Univision.com website and other Univision-branded online experiences. The UniMás Network was the result of the transformation of Univision’s former Telefutera network, which is part of Univision’s expansion and investment efforts that in 2012 included the launch of three new networks—Univision Deportes, Univision tlnovelas and FORO TV as well as a digital video network called UVideos.

On December 20, 2010, Univision, we, UHI and other parties affiliated with the investor groups that own UHI, entered into various agreements and completed certain transactions previously announced in October 2010. As a result, in December 2010, we (1) made a cash investment of U.S.\$1,255 million in UHI (formerly known as BMP), in exchange for an initial 5% equity stake in UHI, and U.S.\$1,125 million aggregate principal amount of 1.5% Convertible Debentures of UHI due 2025 which were convertible at our option into additional shares then equivalent to an approximately 30% equity stake of UHI, subject to applicable laws and regulations in the United States and

other conditions, (2) acquired an option to purchase at fair value an additional 5% equity stake in UHI, subject to applicable laws and regulations in the United States, and other terms and conditions, and (3) sold to Univision our 50% equity interest in TuTv, our previous joint venture with Univision engaged in satellite and cable pay-TV programming distribution in the United States, for an aggregate cash amount of U.S.\$55 million. In connection with this investment, (1) we entered into an amended program license agreement, or PLA, with Univision, pursuant to which Univision has the exclusive right to broadcast certain Televisa content in the United States, (2) we entered into a new program license agreement with Univision, the Mexico License Agreement, or MLA, under which we have received the exclusive Spanish-language broadcast and digital rights to Univision's audiovisual programming (subject to certain exceptions) in Mexico during the term of the PLA, and (3) three designees of the Company joined Univision's then 20-member Board of Directors, which was later increased to four designees of the Company on Univision's expanded 22-member Board of Directors, on which there are currently 18 directors serving.

As part of our investment in Univision, we agreed, together with the Univision Sponsor group, to an incentive fee with Saban Capital Group that may result in the Company reducing its stake in Univision by approximately 3% (on a fully diluted basis) or paying an equivalent amount in cash.

Under the PLA, we granted Univision exclusive Spanish-language broadcast and digital rights to our audiovisual programming (subject to certain exceptions) in the United States and all territories and possessions of the United States, including Puerto Rico, which includes the right to use our online, network and pay-television programming on current and future Spanish-language television networks (with certain exceptions), including the Univision, UniMás and Galavisión cable television networks, owned or controlled by Univision and current and future Univision Spanish-language online and interactive platforms (such as Univision.com, UVideos and Video on Demand). Univision also has rights under the PLA to broadcast in the United States Mexican First Division soccer league games for which we own or control the United States rights, which began with select teams in 2011 and which expanded in 2015 to all teams to which we own or control United States rights. We have agreed to provide Univision with at least 8,531 hours of programming per year for the term of the PLA

In connection with the December 20, 2010 transactions with Univision, we and Univision entered into the MLA, under which we have received the exclusive Spanish-language broadcast and digital rights to Univision's audiovisual programming (subject to certain exceptions) in Mexico during the term of the PLA.

We have an international program rights agreement, or IPRA, with Univision that previously required Univision to grant us and Venevision International Corporation, or Venevision, the right to broadcast outside the United States programs produced by Univision for broadcast on the Univision Network or the Galavisión Network under this agreement. On December 20, 2010, we and Univision entered into an amendment to the IPRA pursuant to which, subject to the MLA and certain existing agreements with Venevision, our broadcast rights over certain Univision programs reverted back to Univision without affecting Venevision's rights under the IPRA. We have been informed that certain of Venevision's agreements with Univision have now been terminated and others have been amended. We also entered into an international sales agency agreement with Univision, pursuant to which Univision grants us the right to act as Univision's sales agent during the term of the MLA to sell or license worldwide outside the United States and Mexico Univision's Spanish-language programming, to the extent Univision makes such programming available in other territories and Univision owns or controls rights in these territories, and subject to limited exceptions. This sales agency agreement included limitations on Univision acting as sales agent with respect to certain programming in Venezuela and certain other territories, which we understand have now been terminated.

In December 2011, we made an additional investment of U.S.\$49.1 million in cash in common stock of UHI by which we increased our interest in UHI from 5% to 7.1%. In August 2012, we made an additional investment of U.S.\$22.5 million in cash in common stock of UHI by which we increased our interest in UHI from 7.1% to 8.0%. On January 30, 2014, a group of institutional investors made a capital contribution to UHI. As a result of this transaction, our equity stake in UHI decreased from 8.0% to 7.8%. On July 15 2015, we exercised 267,532 warrants to increase our equity stake from 7.8% to 10% (as discussed further below).

On March 19, 2013, Univision and DirecTV LLC and DirecTV Puerto Rico, Ltd. (the "DirecTV Entities") announced a comprehensive multi-year agreement that includes carriage of, among other programming services, the network feeds for Univision, UniMás, Galavisión, Univision Deportes Network, Univision tlnovelas and ForoTV (the "Distribution Agreement") whereby the parties thereto included, as part of the agreement, the release by us of

certain carriage rights that we held with the DirectTV Entities for the United States. As consideration for the release by us of certain carriage rights held by us, Univision agreed to pay us an amount equal to U.S.\$30.0 million and to provide us, at no cost, with 15% of all unsold advertising inventory for our promotion of our businesses in the Univision Deportes Network and in another advertising supported programming service that will be distributed by the DirectTV Entities pursuant to the Distribution Agreement and by other distribution platforms pursuant to the respective distribution agreements. As a result of the execution of the Distribution Agreement, we expect an increase in Univision's revenues, and therefore in the corresponding royalties pursuant to the PLA.

On July 1, 2015, the Company, UHI and Univision, together with Univision's major shareholders, entered into a Memorandum of Understanding (the "MOU") and Univision and a subsidiary of the Company entered into an amendment to the existing PLA (the "PLA Amendment").

Under the PLA Amendment, the terms of the existing strategic relationship between Univision and the Company were amended, including as follows:

- (i) **Revised Royalty Computation**—In exchange for Univision agreeing to make certain additional sources of revenue subject to the royalty, effective January 1, 2015 and through December 2017, the royalty rate on substantially all of Univision's Spanish-language media networks revenue was decreased to 11.84%, compared to 11.91% under the previous terms of the PLA. On January 1, 2018, the royalty rate will increase from 11.84% to 16.13%, compared to 16.22% under the prior terms. Additionally, the Company will continue to receive an incremental 2% in royalty payments on such media networks' revenues above an increased revenue base of \$1.66 billion, compared to the prior revenue base of \$1.65 billion. The royalty rate will increase again to 16.45% starting later in June 1, 2018 and for the remainder of the term, from 16.13%, compared to the prior rate of 16.54%. With this second rate increase, the Company will receive an incremental 2% in royalty payments above a reduced revenue base of \$1.63 billion. The royalty base generally includes all Univision revenues from the exploitation or operation of its Spanish-language audiovisual platforms, sublicensing arrangements, licenses of content to network affiliates or multichannel video programming distributors, and Univision-branded online platforms, whether those revenues are derived on an advertising, subscription, distribution, interactive media, or transactional basis.
- (ii) **Term Extension**— Subject to Univision completing a public offering of its common stock that results in net proceeds to Univision of a minimum agreed upon amount (which as of April 2016, has not been completed) and no change of control having occurred, the PLA Amendment extends the term of the PLA from its current expiration date of the earlier of 2025 and 90 months after the Company voluntarily sells two-thirds of its equity interests in UHI, to the earlier of 2030 and 90 months after the Company voluntarily sells two-thirds of its equity interests in UHI. Univision's exclusive U.S. broadcast and digital rights (with limited exceptions) to the Company's programming including premium Spanish-language telenovelas, sports, sitcoms, reality series, new programming and feature films, remains substantially unchanged.

As consideration for the PLA Amendment, the MOU and other agreements entered into at the same time, Univision made a one-time payment of \$4.5 million to the Company on July 6, 2015.

At the same time, the Company and Univision amended the MLA to conform to the PLA Amendment.

In addition, under the terms of the MOU, Univision, the Company and the major shareholders of Univision agreed to the following:

- (i) **Equity Capitalization Amendment** — The equity capitalization of Univision was adjusted to realign the economic and voting interest of the Company and Univision's other stockholders. As a result, the Company holds common stock that, upon an initial public offering of Univision, would have approximately 22% of the voting rights of Univision's common stock. The classes of Univision shares of common stock held by the Company provide the right to designate a minimum number of directors to Univision's board of directors.
- (ii) **Conversion of Debentures** — In July 2015, the Company exchanged \$1.125 billion principal amount of Univision's convertible debentures into warrants that are exercisable for certain classes of UHI's

common stock. In connection with the conversion, Univision made a one-time payment to the Company of \$135.1 million on July 15, 2015 to induce the conversion. On December 31, 2015, the Company held warrants exercisable for shares of Univision. In July 2015, the Company exercised 267,532 warrants to increase its equity stake in UHI from 7.8% to 10%.

Technical Assistance Agreement

In connection with our investment in Univision, we and other parties affiliated with the investor group that own UHI, entered into an agreement under which the Company provided Univision with certain technical assistance related to the Univision's business. Effective as of March 31, 2015, UHI and the Company entered into an agreement to terminate the technical assistance agreement. Under this termination agreement, UHI agreed to pay a reduced termination fee and the increased quarterly service fees referenced below in full satisfaction of Univision's obligations to the Company under the technical assistance agreement. Pursuant to such termination agreement, Univision paid to the Company a termination fee of \$67.6 million on April 14, 2015 and continued to pay the increased quarterly service fee equal to 0.7365836% of EBITDA for the calendar quarter in question, until December 31, 2015.

FCC Matters

The Company and Univision have jointly filed a petition for a declaratory ruling with the FCC seeking (a) an increase in the authorized aggregate foreign ownership of Univision's issued and outstanding shares of common stock from 25% to 49%; and (b) to authorize the Company to hold up to 40% of Univision's issued and outstanding shares of common stock (in both cases on a voting and an equity basis). In addition, pursuant to the MOU Univision agreed that, after its original sponsors have transferred at least 75% of Univision's common stock, Univision will file an application for any required FCC approval of a transfer of control of Univision to the public stockholders of Univision or as otherwise may be required.

For additional information regarding our relationship with Univision, see Note 19 to our consolidated year-end financial statements.

Competition

We compete with various forms of media and entertainment companies in Mexico, both Mexican and non-Mexican. See "Key Information — Risk Factors — Risk Factors Related to Our Business — We Face Competition in Each of Our Markets That We Expect Will Intensify".

Content

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 pay television networks, radio, newspapers, magazines, outdoor advertising, cable television and a multi-channel, multi-point distribution system, or MMDS, over-the-top ("OTT") content providers, and DTH satellite services. Our content also competes with other forms of entertainment and leisure time activities. We generally compete with 199 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 177 stations outside of Mexico City. TV Azteca owns the concession for Channel 40, or Proyecto 40, a UHF channel that broadcasts in the Mexico City metropolitan area.

In addition to the foregoing channels, there are additional operating channels in Mexico with which we also compete, including Channel 11, which has 32 repeater stations, and Channel 22, which has 16 repeater stations in Mexico, which are operated by the Mexican government, as well as Cadena Tres that will operate as a concession holder to broadcast on a national digital network. Our television stations are the leading television stations in their respective markets. See "— Content—Television Networks".

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

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

Sky

Innova currently competes with, or expects to compete with, among others, cable television operators, MMDS systems, national broadcast networks (including our three free-to-air networks and Channel 4), regional and local broadcast stations, OTT content providers and other DTH concessions such as Dish Mexico, which as of the third quarter of 2015 had approximately 2.9 million subscribers, according to IFT. Currently, Dish offers not only low-priced packages, but also high-end products such as High Definition Packages. Innova also faces competition from unauthorized C-band and Ku-band television signals provided by third parties without authorization of the Mexican government. Other competitors include radio, movie theaters, video rental stores, IPTV, internet, video games and other entertainment sources. We also face significant competition from new entrants in pay-TV services as well as from the new public television networks. The consolidation in the entertainment and broadcast industries could further intensify competitive pressures. As the pay-TV market in Mexico matures, and as the offering of bundled services that include pay-TV, broadband and telephony increases, Innova expects to face competition from an increasing number of sources. Emerging technologies that provide new services to pay-TV customers as well as new competitors in the DTH field or cable, telecommunication and internet players entering into video services would require us to make significant capital expenditures in new technologies and additional transponder capacity.

In October 2008, Dish Mexico, a subsidiary of a U.S. based DTH company operating with certain arrangements with Telmex, started operations in Mexico through a DTH concession. Dish Mexico currently operates nationwide.

Since 2010, there is a fiber to the home, or FTTH, pay-TV service called Total Play, which offers more than 260 channels, Video on Demand, HD and other applications. This service also includes bundle discounts for their interactive TV, internet and voice services. Axtel provides a product called Axtel TV, which offers up to 90 standard definition channels, 50 HD channels, 50 audio channels, and 50 hours of virtual recording in addition to internet and voice services.

Cable

Cablevisión, Cablemás, TVI, Cablecom and Telecable face competition from several media, cable and telecommunications companies throughout Mexico, including internet service providers, such as Telmex, Axtel and cable companies, DTH services such as Sky and Dish, pay-TV service providers such as Megacable, OTT content providers such as Netflix and Claro Video, mobile service providers such as Telcel, AT&T and Telefonica, and other telecommunications and telephone companies such as Telmex and Axtel in fixed services, among others.

Other Businesses

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.

Radio

The radio broadcast business is highly competitive in Mexico as well. 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.B. de C.V., which owns or operates approximately 200 radio stations throughout Mexico, 12 of which are located in Mexico City, Grupo Acir, S.A. de C.V., which owns or operates approximately 160 radio stations in Mexico, six of which are located in Mexico City, and NRM Comunicaciones, S.A. de C.V., which owns six radio stations 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, the U.S. and in Latin America. See “— Other Businesses — Feature Film Production and Distribution”. Our films also compete with other forms of entertainment and leisure time activities.

Gaming Business

Our principal competitors in the gaming industry are, with respect to casinos, Codere, CIE and Grupo Caliente, and, with respect to Multijuegos, the governmental lotteries of Pronósticos and Lotería Nacional. We also face competition from several illegal casino and bingo parlors throughout Mexico.

Regulation

Our business, activities and investments are subject to various Mexican 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 federal, state and local governmental authorities. See “Key Information — Risk Factors — Risk Factors Related to Mexico — Imposition of Fines by Regulators and Other Authorities Could Adversely Affect Our Financial Condition and Results of Operations”, “— Existing Mexican Laws and Regulations or Changes Thereto or the Imposition of New Ones May Negatively Affect Our Operations and Revenue” and “—The Reform and Addition of Various Provisions of the Mexican Constitution Related to Telecommunications, the LFTR, and Other Recent Actions of IFT May Significantly and Adversely Affect the Business, Results of Operations and Financial Results of Some of Our Business Segments”. The material Mexican federal, state and local statutes, rules, regulations, policies and procedures to which our business, activities and investments are subject are summarized below. Station XETV, Tijuana, which broadcasts CW Network television programming in the San Diego television market, is also subject to certain regulatory requirements of the FCC, including the obligation to obtain permits for cross-border transmission of programming broadcast to the United States and to obtain licenses to operate microwave and/or satellite earth station transmitting equipment within the U.S. 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. The LFTR regulates, on a convergent basis, the use and exploitation of the radio-electric spectrum, and the telecommunications networks, as well as the rendering of broadcasting, cable, satellite pay-TV and telecommunications services.

Concessions for the commercial use of spectrum are now only granted through public bid processes. Such concessions are granted for a fixed term, subject to renewal in accordance with LFTR. Renewal of concessions for the use of spectrum require, among others: (i) to request such renewal to IFT in the year prior to the last fifth period of the fixed term of the related concession; (ii) to be in compliance with the concession holder’s obligations under the LFTR, other applicable regulations, and the concession title; (iii) a declaration by IFT that there is no public interest in recovering the spectrum granted under the related concession; and (iv) the acceptance by the concession holder of any new conditions for renewing the concession as set forth by IFT, including the payment of a related fee. To our knowledge, no spectrum granted for broadcasting services in Mexico has been recovered by the Mexican government in the past several years for public interest reasons; however, the Company is unable to predict the outcome of any action by IFT in this regard.

Pursuant to the Telecommunications and Broadcasting Federal Law, concessionaires will now only have one integrated multiservice concession to provide telecommunication and, possibly broadcasting services. Integrated multiservice concessions will be granted for a term of up to 30 years with the possibility to renew them, for the same term originally granted. Renewal of integrated multiservice concessions require, among others: (i) to request its

renewal to IFT within the year prior to the last fifth period of the fixed term of the related concession; (ii) to be in compliance with the concession holder's obligations under the LFTR, other applicable regulations, and the concession title; and (iii) the acceptance by the concession holder of any new conditions for renewing the concession as set forth by IFT. IFT shall resolve any request for renewal of the telecommunications concessions within 180 business days of its request. Failure by IFT to respond within such period of time shall be interpreted as if the request for renewal has been granted .

On March 7, 2014, IFT published in the Official Gazette of the Federation an invitation to a public auction for the concession for the two new National Digital Networks. The invitation provided that the concessions for the National Digital Networks would be granted for a term of 20 years for the operation of stations with, among other characteristics, mandatory geographic coverage in 123 locations corresponding to 246 channels within the Mexican territory.

The Company was prevented from participating as a bidder in this public auction. See "Key Information — Risk Factors Related to Mexico — The Reform and Addition of Various Provisions of the Mexican Constitution Related to Telecommunications, the LFTR, and Other Recent Actions of IFT May Significantly and Adversely Affect the Business, Results of Operations and Financial Results of Some of Our Business Segments" and "— Risk Factors Related to Our Business — The Operation of Our Business May Be Adversely Affected if the Mexican Government Does Not Renew or Revokes Our Broadcast or Other Concessions". In March 2015, IFT issued its ruling announcing Grupo Radio Centro and Cadena Tres as winning bidders for two free to air broadcasting licenses with separate national coverage. However, since Grupo Radio Centro has failed to pay the amount they bid for their free to air broadcasting license, the IFT's ruling announcing them as a winning bidder was declared null and void and they will not receive the license. As a result, the portion of the spectrum which was going to be assigned to Grupo Radio Centro is scheduled to be auctioned by August 2016, in accordance with IFT's Annual Work Program. Cadena Tres has completed the process and has received its license.

None of our over-the-air television concessions has ever been revoked or otherwise terminated and, except for an immaterial concession to transmit an UHF restricted television service which expired in November 2010, all of our concessions have been renewed. See "Information on the Company — Business Overview — Regulation — Cable Television — Concessions".

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 Adversely Affected if the Mexican Government Does Not Renew or Revokes Our Broadcast or Other Concessions".

In July 2004, in connection with the adoption of a policy issued by the SCT for the transition to digital television, all of our television concessions were renewed until 2021. In compliance with the 2014 Constitutional amendment that provided the terms for the shutdown of the analogical transmissions, the transition to digital television has been completed. See "Key Information — Risk Factors — Risk Factors Related to Mexico — Existing Mexican Laws and Regulations or Changes Thereto or the Imposition of New Ones May Negatively Affect Our Operations and Revenue" and "— Risk Factors Related to Our Business — The Operation of Our Business May Be Adversely Affected if the Mexican Government Does Not Renew or Revokes Our Broadcast or Other Concessions".

As a result of the Telecom Reform, certain provisions of the LFTR and Guidelines related to the distribution of more than one channel of programming on the same transmission channel, or multiplexing, were passed. Such provisions optimize the use of the spectrum; for example, where the 6MHz spectrum was used entirely to broadcast only one channel of programming analog standard, now based on new technologies, more than one channel of programming digital standard on the same transmission channel can be broadcast. The Company, as a Preponderant Economic Agent has a restrictive obligation related to multiplexing. The IFT shall not authorize the Preponderant Economic Agent to broadcast channels in excess of 50% of the total channels authorized to other broadcasters in the same geographic coverage. The benefits and options for the Company are still under evaluation.

Supervision of Operations. To ensure that broadcasting is performed in accordance with the provisions established in the concession title, the LFTR and Guidelines, IFT is entitled to monitor compliance by exercising powers of supervision and verification: for example, the IFT can perform technical inspections of the television stations and the concessionaire must file annual reports with IFT.

On November 4, 2015, the Mexican Ministry of Interior published in the Official Gazette of the Federation an amendment to the regulations of broadcast television and pay-TV programming guidelines providing for different age classifications for programming (the “Programming Guidelines Amendment”) which became effective on December 17, 2015. The Programming Guidelines Amendment for broadcast television is as follows: (i) programs classified “D” exclusively for mature audience only may broadcast after midnight; (ii) programs classified “C” for adults may broadcast only after 9:00 p.m.; (iii) programs classified “B15” for teenagers over 15 years old may be broadcast only after 7:00 p.m.; (iv) programs classified “B” for teenagers may be broadcast only after 4:00 p.m.; and (v) programs classified “A” and “AA” for all age groups may be broadcast at any time. The same age classifications apply for pay-TV programming, but there are no applicable broadcasting time limitations.

Content for Children and Teenagers. The LFTR includes new criteria for programming addressed for children and teenagers. Each concessionaire is also required to transmit each day, free of charge, up to 30 minutes of programming promoting 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.

Restrictions on Advertising. Mexican law regulates the type and content of advertising broadcast on television. In order to prevent the transmission of misleading advertising, without affecting freedom of expression and dissemination, the broadcasting of advertisements presented as journalistic news or information is prohibited. Under current law, advertisements of alcoholic beverages (other than beer and wine) may be broadcast only after 9:00 p.m. and advertisements for tobacco products are prohibited. Advertising for alcoholic beverages must not be excessive and must be combined with general promotions of nutrition and general hygiene. Health Law Guidelines were published in the Official Gazette of the Federation on April 15, 2014 and became effective on July 7, 2014 for the advertisement of the following products: snacks, flavored drinks, candies, chocolates, or foods similar to chocolates and became effective for the remaining products on January 1, 2015. See “Risk Factors Related to Our Business — The Amendment to the Regulations of the General Health Law on Advertising Could Materially Affect Our Business, Results of Operations and Financial Condition”. Moreover, the Mexican government must approve any advertisement of lotteries and other games.

TV advertisement will not take up more than 18% of broadcast time on any day in TV. However, this percentage can be increased by an additional 2% when at least 20% of the content programmed is national production. Another 5% of advertisement time can be added when at least 20% of the content programmed is independent national production. There are no restrictions on maximum rates. See “Key Information — Risk Factors — Risk Factors Related to Mexico — Existing Mexican Laws and Regulations or Changes Thereto or the Imposition of New Ones May Negatively Affect Our Operations and Revenue”, “— The Amendment to the Regulations of the General Health Law on Advertising Could Materially Affect Our Business, Results of Operations and Financial Situation” and “— The Reform and Addition of Various Provisions of the Mexican Constitution Related to Telecommunications, the LFTR, and Other Recent Actions of IFT May Significantly and Adversely Affect the Business, Results of Operations and Financial Results of Some of Our Business Segments”.

Additional Rights for Audiences. Among others, the LFTR imposes new obligations on concessionaires. Under the LFTR, concessionaires must have a code of ethics and appoint an Ombudsman, whom shall not have been employed by the respective concessionaire or concessionaires during a period of two years prior to his/her appointment. The Ombudsman can be appointed (i) individually by the relevant concessionaire, (ii) jointly by several concessionaires or (iii) by a body or chamber which represents concessionaires. The *Cámara Nacional de la Industria de Radio y Televisión* (CIRT) or Mexican Chamber of Television and Radio Broadcasters, has appointed a person who is authorized to act as an Ombudsman for all of its concessionaire members who decide to retain him. In addition, concessionaires must provide (i) programming that is subtitled and dubbed in Spanish; (ii) sign language for the hearing impaired in at least one of their most-watched nationwide news programs; (iii) electronic, online and telephone programming guides, and (iv) a closed caption system for channels that have over 50% national coverage between the hours of 6:00 a.m. and midnight. Except for the closed caption system, which does not have to be put in

place until August 12, 2017, these obligations became effective within the 90 days following the date on which the LFTR was implemented and are in full force and effect.

Government Broadcast Time. Radio and television stations have to provide to the Mexican Government up to 18 minutes per day of the television broadcast time and 35 minutes per day of the 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 to it under this tax.

Foreign Ownership. Non-Mexican ownership of shares of Mexican enterprises is restricted in some economic sectors, including broadcast television, and radio. As a result of the Telecom Reform, the participation of foreign investors can be up to 49% in free to air radio and television, subject to reciprocity requirements, and up to 100% in telecommunications services and satellite communications. Such amendments are reflected in the LFTR and Mexico's *Ley de Inversión Extranjera*, or Foreign Investment Law, and the *Reglamento de la Ley de Inversión Extranjera*, or the Foreign Investment Law Regulations. See "— Satellite Communications — Mexican Regulation of DTH Satellite Services".

Radio

The regulations applicable to the operation of radio stations in Mexico are identical in all material respects to those applicable to television stations. The expiration dates of our radio concessions range from 2015 to 2020. Concessions for three radio stations in the states of San Luis Potosí and Jalisco expired in 2015. Renewal applications were timely filed, but are still pending as certain related matters of the applicable regulations are being reviewed by the corresponding authorities. See "— Content", "— Other Businesses — Radio Stations" and "Key Information — Risk Factors — Risk Factors Related to Our Business — The Operation of Our Business May Be Adversely Affected if the Mexican Government Does Not Renew or Revokes Our Broadcast or Other Concessions".

Cable Television

Concessions. Cable television operators now apply for a public telecommunications network concession from IFT (previously SCT) in order to operate their networks and provide cable television services and other multimedia communications services. Applications are submitted to IFT (previously SCT) and, after a formal review process, a public telecommunications network concession is granted for an initial term of up to 30 years. Cablevisión obtained a telecommunications concession, which expires in 2029. Pursuant to its public telecommunications concession, Cablevisión 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 (*Estado de México*), and in October 2010, the SCT granted Cablevisión authorization to provide the aforementioned services in 13 additional municipalities of the State of Mexico. In addition, in May 2007, the SCT granted Cablevisión authorization to modify its concession allowing Cablevisión to provide local telephony services using the telephony public network. The scope of Cablevisión'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.

Cablemás and its affiliates operate under 53 concessions, which cover 17 Mexican states. Through these concessions, Cablemás provides cable television services, internet access and bidirectional data transmission services. Cablemás provides local and long distance telephony services. Each concession granted by the SCT allows Cablemás to install and operate a public telecommunications network. The expiration dates for Cablemás' concessions range from 2016 to 2045.

TVI and its affiliates operate under ten concessions, which cover four Mexican states. Through these concessions, TVI provides cable television services, bidirectional data transmission and internet and telephony services. Each concession granted by the SCT allows TVI to install and operate a public telecommunications network. The expiration dates for TVI's concessions range from 2025 to 2045.

Cablecom and its affiliates operate under 55 concessions, which cover 17 Mexican states. Through these concessions, Cablecom provides cable television services, bidirectional data transmission and internet and telephony services. Each concession granted by the SCT allows Cablecom to install and operate a public telecommunications network. The expiration dates for Cablecom's concessions range from 2025 to 2038.

Telecable operates under 35 concessions, which cover 11 Mexican states. Through these concessions, Telecable provides cable television services, bidirectional data transmission and internet and telephony services. Each concession granted by the SCT allows Telecable to install and operate a public telecommunications network. The expiration dates for Telecable's concessions range from 2016 to 2043 .

According to the LFTR, a public telecommunications concession may be renewed upon its expiration, or revoked or terminated prior to its expiration for a variety of circumstances, including:

- unauthorized interruption or termination of service;
- interference by the concessionaire with services provided by other operators;
- non-compliance with the terms and conditions of the public telecommunications concession (which has expressly established that failure to comply will result in the revocation of the 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, IFT (previously 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 are subject to the LFTR and, since February 2000, have been subject to the *Reglamento del Servicio de Televisión y Audio Restringidos* , or the 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.

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. IFT (previously SCT) regularly inspects the operations of cable systems and cable television operators must file annual reports with IFT (previously SCT).

Under Mexican law, programming broadcast on cable 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 security or against public order.

Mexican law also requires cable television operators 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.

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”.

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%, subject to reciprocity by the relevant foreign country, of the outstanding voting stock of Mexican companies with a broadcast television or radio 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, fixed-line telephone, pay-TV and data services.

Application of Existing Regulatory Framework to Internet Access and IP Telephony Services

Cablevisión, TVI, Cablecom, Telecable and Cablemás 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. Our cable operators currently do not have any capacity available on their networks to offer to third party providers and do not expect that they will have capacity available in the future given the broad range of services they plan to provide over their networks.

Satellite Communications

Mexican Regulation of DTH Satellite Services. Under LFTR, 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 in May 1996. In November 2000, we received an additional 20-year concession to operate our DTH satellite service in Mexico using the IS-9 satellite system, a foreign-owned satellite system. Our use of the IS-16, IS-21 and SM-1 satellites has been authorized by the competent Mexican authorities.

Like a public telecommunications network concession, a DTH concession may be revoked or terminated by IFT (previously 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 LFTR, DTH satellite service concessionaires may freely set customer fees but must notify IFT (previously SCT) of the amount, except that if a concessionaire has substantial market power, IFT (previously SCT) may determine fees that may be charged by such concessionaire. The LFTR specifically prohibits cross-subsidies.

There is currently no limitation on the level of non-Mexican ownership of voting equity of DTH satellite system concessionaires.

Regulation of DTH Satellite Services in Other Countries. Our current and proposed DTH 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 ventures as well as restrictions on programming that may be broadcast by these DTH ventures.

Mexican Gaming Regulations

Pursuant to Mexico's *Ley Federal de Juegos y Sorteos*, or Federal Law of Games and Draws, or Gaming Law, and its accompanying regulations, the *Reglamento de la Ley Federal de Juegos y Sorteos*, or Gaming Regulations, the Mexican Ministry of the Interior has the authority to permit the operation of games and lotteries that involve betting. This administrative authorization is defined as a permit under the Gaming Regulations. Under the Gaming Regulations, each permit establishes the terms and conditions for the operation of the respective activities authorized under the permit and the specific periods for operation of those activities. Permits for games and lotteries that involve betting have a maximum term of 25 years. The holder of the relevant permit must comply with all the terms provided in the permit, the Gaming Law and the Gaming Regulations. We were granted a Gaming Permit on May 25, 2005, which expires on May 24, 2030.

Mexican Antitrust Law

The Federal Antitrust Law became effective on July 7, 2014. It should be noted that the IFT is entitled to review antitrust matters related to the telecommunications and broadcasting sectors, while the CFCE is in charge of all other antitrust matters. IFT or CFCE must authorize mergers and acquisitions before they take place. In addition, one of the thresholds was modified to only apply to sales or assets of economic agents in Mexico and not worldwide economic agents. The Federal Antitrust Law allows reporting parties to request a "fast track" review for a specific transaction when it is evident that the transaction does not restrain competition. It is considered evident that a transaction does not restrain competition when:

- (i) the acquirer does not have any participation in any market related to the relevant market; and
- (ii) the acquirer is not an actual or potential competitor of target; and
- (iii) any of the following circumstances are met:
 - (x) the acquirer is a new participant in the relevant market;
 - (y) the acquirer does not have control over target before or after the transaction; or
 - (z) the acquirer has control over target before the transaction.

IFT or CFCE, as applicable, must resolve within 5 business days from the date of filing if the transaction should be admitted to the fast track review process. Once admitted, it must resolve within 15 business days whether it is evident that the transaction does not restrain competition.

The Antitrust Law provides that the following reportable transactions, among others, are exempt from being reviewed by IFT or CFCE :

- (i) Corporate restructurings.
- (ii) Transactions where the acquirer has control over the target from its incorporation or from the date the last reported transaction was approved by IFT or CFCE.
- (iii) Trusts in which the trustor contributes assets without intending to transfer, or causing the actual transfer of, assets to another company that is not part of the corporate structure of the trustor.
- (iv) Transactions that have effect in Mexico involving non-Mexican participants, if the participants will not take control of Mexican legal entities, or acquire assets in Mexico, in addition to those previously controlled or owned by such participants.
- (v) When the acquirer is a Brokerage House, whose operation involves the acquisition of stock, obligations, securities or assets, in order to place them among the investing public, except when the Brokerage House obtains a significant influence in the decisions of the company.
- (vi) Acquisitions of equity securities (or convertible securities) through stock markets that represent less than 10% of such securities, and the acquirer is not entitled to (w) appoint board members; (x) control a shareholders meeting decision; (y) vote more than 10% of voting rights of the issuer; or (z) direct or influence the management, operation, strategy or principal policies of the issuer.

- (vii) When the acquisition of stock, assets, obligations or securities is made by one or more investment funds with speculative purposes that have no investments in companies or assets that participate or are occupied in the same relevant market of the acquired company.

According to transitory article 9 of the LFTR, as long as there is a Preponderant Economic Agent in the telecommunications and broadcasting sectors, in order to promote competition and develop viable competitors in the future, it is not required to obtain IFT approval of mergers and acquisitions carried out by concession holders when the following requirements are met :

- (a) The transaction reduces the Dominance Index in the sector and the Hirschman-Herfindahl Index does not increase by more than 200 points.
- (b) As a result of the transaction, the Preponderant Economic Agent has a sector share percentage of less than 20%.
- (c) The Preponderant Economic Agent of the sector in which the transaction is taking place is not involved in the transaction.
- (d) The transaction does not effectively diminish, harm or hinder the free competition and concurrency in the applicable sector.

Notwithstanding the above, concession holders involved in the transaction shall have to inform IFT of the transaction within ten days following the completion of the transaction and IFT will then have 90 calendar days to investigate the transaction and in case it determines the existence of substantial market power in the relevant market, it may impose the necessary measures to protect and encourage free competition and concurrency in such market.

With regards to our acquisitions of Cablecom and Telecable, the IFT ruled that there were no sufficient elements to determine the existence of market power in the municipalities of Mexico in which Cablecom and Telecable operate. The resolution concerning the Cablecom Acquisition has been challenged by certain third parties. These challenges are still under review by the competent courts. There is a risk that IFT could try to impose measures upon us which could significantly and adversely affect the activities and businesses of our broadcasting and/or telecommunications businesses, as well as our results of operations and financial condition.

Other relevant provisions provided in the Antitrust Law, are the following:

- a) Granting the *Autoridad Investigadora* , or Prosecutor Authority, authority to investigate the commission of monopolistic practices, forbidden mergers, barriers to competition, essential facilities or substantial market power.
- b) Enhancement of the legal power of the authorities for conducting its investigations (i.e. requesting written evidence, testimonies, perform verification visits, etc.).
- c) Significantly increased monetary fines for the commission of illegal conduct.
- d) IFT or CFCE, as applicable, may determine the existence of essential facilities when the following conditions are met: (i) one or several economic agents with substantial market power control a good; (ii) the reproduction of such good by other economic agents is unviable, now or in the future, due to technical, legal or economic reasons; (iii) the good is indispensable for the provision of other goods or services in other markets and does not have close substitutes.
- e) IFT or CFCE, as applicable, may determine the existence of barriers to competition and free markets, when an element is found that either (i) hinders the access of new entrants; (ii) limits competition; or (iii) hinders or distorts competition and the free market process.
- f) The resolutions issued by IFT or CFCE, as applicable, can only be challenged by an *amparo* claim, which will be ruled by the Antitrust, Telecommunications and Broadcasting Federal Courts, without any judicial stay that can suspend the execution of the resolution.

The above mentioned provisions may significantly and adversely affect our business, results of operations and financial condition.

Mexican Electoral Amendment

In 2007, the Mexican Federal Congress published an amendment to the Mexican Constitution (referred to in this annual report as the 2007 Constitutional Amendment), pursuant to which, among other things, the *Instituto Federal Electoral*, or the Federal Electoral Institute, or IFE, has the exclusive right to manage and use the Official Television Broadcast Time and the Official Radio Broadcast Time (jointly referred to in this annual report as Official Broadcast Time). In February 2014, the Mexican Federal Congress approved a Constitutional amendment creating the *Instituto Nacional Electoral*, or the National Electoral Institute, or INE, which replaced the IFE. The INE has the same functions and capacity as the former IFE and regulates the services of radio and television in the same manner, except that the INE has a relevant participation in the electoral campaigns in federal, estate and local procedures by distributing the Official Broadcast Time among the political parties. For a description of the Official Broadcast Time, see “Information on the Company — Business Overview — Our Operations — Content — Programming — Advertising Sales Plan” and “Information on the Company — Business Overview — Other Businesses — Radio Stations”. The INE has the exclusive right to use the Official Broadcast Time for its own purposes and for the use of political parties in Mexico (as provided in the Mexican Constitution) for self promotion and, when applicable, to promote their electoral campaigns during election day, pre-campaign and campaign periods.

The INE and the political parties must comply with certain requirements included in the 2007 Constitutional Amendment for the use of Official Broadcast Time. During federal electoral periods, the INE will be granted, per the 2007 Constitutional Amendment, 48 minutes per day in each radio station and television channel, to be used during pre-campaign periods in two and up to three minutes per broadcast hour in each radio station and television channel, of which all the political parties will be jointly entitled, to use one minute per broadcast hour. During campaign periods, at least 85% of the 48 minutes per day, shall be allocated among the political parties, and the remaining 15% may be used by the INE for its own purposes. During non-electoral periods, the INE will be assigned with up to 12% of the Official Broadcast Time, half of which shall be allocated among the political parties. In the event that local elections are held simultaneously with federal elections, the broadcast time granted to the INE shall be used for the federal and the local elections. During any other local electoral periods, the allocation of broadcast time will be made pursuant to the criteria established by the 2007 Constitutional Amendment and as such criteria are reflected in applicable law.

In addition to the foregoing, pursuant to the 2007 Constitutional Amendment political parties are forbidden to purchase or acquire advertising time directly or through third parties, from radio or television stations; likewise, third parties shall not acquire advertising time from radio or television stations for the broadcasting of advertisements which may influence the electoral preferences of Mexican citizens, nor in favor or against political parties or candidates to offices elected by popular vote.

We believe we have been operating our business in compliance with the provisions of the 2007 Constitutional Amendment; however, we have filed legal actions contesting certain provisions of the 2007 Constitutional Amendment.

Telecom Reform and Broadcasting Regulations

On June 12, 2013, the Telecom Reform came into force. The Telecom Reform, the LFTR and secondary regulations issued by the President and IFT, as applicable, and certain actions recently taken by IFT, an organization with constitutional autonomy responsible for overseeing the radio and television broadcasting industries and telecommunications, including all aspects of economic competition, affect or could significantly and adversely affect our business, results of operations and financial position. See “Key Information — Risk Factors Related to Mexico — The Reform and Addition of Various Provisions of the Mexican Constitution Related to Telecommunications, the LFTR, and Other Recent Actions of IFT May Significantly and Adversely Affect the Business, Results of Operations and Financial Results of Some of Our Business Segments”.

The Telecom Reform created two regulatory bodies that are independent from the executive branch of government: CFCE (which assumed the functions of the former Mexican Antitrust Commission, except in the areas of telecommunications and broadcasting (television and radio), and IFT (which oversees the Mexican telecommunications and broadcasting (television and radio) industries, including all antitrust matters relating to those industries). In addition, specialized federal courts empowered to review all rulings, actions and omissions of

these independent regulatory bodies were created. No stay or injunction will suspend any measure or action taken by these regulatory bodies. Therefore, subject to limited exceptions, until any decision, action or omission by these regulatory bodies is declared void by a competent court through a binding and final judgment, CFCE's or IFT's decision, action or omission will be valid and will have full force and legal effect.

IFT is empowered, among other things, to (i) oversee the Mexican telecommunications (including cable and satellite pay-TV) and broadcasting (television and radio) industries, including all antitrust matters related to these industries; (ii) set limits to national and regional frequencies that can be exploited by a concession holder, or to the cross-ownership of telecommunications, television or radio businesses that serve the same market or geographical zone that may include the divestment of certain assets to comply with such limits; (iii) issue asymmetric regulation; (iv) grant and revoke telecommunications, television and radio concessions; (v) approve any assignment or transfer of control of such concessions; (vi) revoke a concession for various reasons, including in the case of a breach by a concessionaire of a non-appealable decision confirming the existence of illegal antitrust conduct ("*practica monopólica*"); and (vii) determine the payment to be made to the government for the granting of concessions.

Concessions for the use of spectrum will only be granted through public bid processes. On March 7, 2014, IFT published in the Official Gazette of the Federation an invitation to a public auction for the concession for the two National Digital Networks which will be granted for a term of 20 years for the operation of stations with, among other characteristics, mandatory geographic coverage in 123 locations corresponding to 246 channels within the Mexican territory.

In March 2015, IFT issued its ruling announcing Grupo Radio Centro and Cadena Tres as winning bidders for two free to air broadcasting licenses with separate national coverage. However, since Grupo Radio Centro failed to pay the amount they bid for their free to air broadcasting license, the IFT's ruling announcing them as a winning bidder was declared null and void and they will not receive the license. As a result, the portion of the spectrum which was going to be assigned to Grupo Radio Centro is scheduled to be auctioned by August 2016, in accordance with IFT's Annual Work Program. Cadena Tres has completed the process and has received its license. See "Key Information — Risk Factors — Risk Factors Related to Mexico — The Reform and Addition of Various Provisions of the Mexican Constitution Related to Telecommunications, the LFTR, and Other Recent Actions of IFT May Significantly and Adversely Affect the Business, Results of Operations and Financial Results of Some of Our Business Segments".

Access to information and communication technologies, as well as broadcasting and telecommunications services (including broadband), is established as a constitutional right. The Telecom Reform further requires that such information be diverse and timely, and that any person may search, receive and disclose information and ideas of any kind through any media. Among other things, the LFTR contemplates the right of audiences to be able to receive content that reflects ideological pluralism, that the news is distinguishable from the reporter's opinions, and to have the right to replicate the news.

The Telecom Reform permits 100% foreign ownership in satellite and telecommunications services and increases to up to 49% the level of permitted foreign ownership in television and radio services, subject to reciprocity of the originating foreign investment country.

As a result of the Telecom Reform and LFTR, starting on September 10, 2013, concessionaries of broadcast services have been required to permit pay-TV concessionaries to retransmit broadcast signals, free of charge and without discrimination, within the same geographic coverage area simultaneously and without modifications, including advertising, and with the same quality of the broadcast signal, except in certain specific cases provided in the Telecom Reform. Also, since September 10, 2013, our pay-TV licensees are required to retransmit broadcast signals of others, free of charge and on a non-discriminatory basis, subject to certain exceptions and additional requirements provided for in the Telecom Reform.

On February 27, 2014, the Guidelines were published in the Official Gazette of the Federation, which include, among other obligations, the obligation of concessionaries of broadcast television licenses to permit the retransmission of their broadcast signals and the obligation of pay-TV concessionaries to allow such retransmission (without requiring the prior consent of the broadcast television concessionaries) in the same geographic coverage zone for free (subject to certain exceptions) and in a non-discriminatory manner in its entirety, simultaneously and without modifications by the broadcasting concessionaire, including advertising, and with the same quality of the broadcast signal without requiring consent from the broadcast television concessionaries.

[Table of Contents](#)

The Telecom Reform calls for the National Development Plan. The National Development Plan includes a program for installing broadband connections in public facilities, which would identify the number of sites to be connected per year to promote access to broadband in public buildings dedicated to investigation, health, education, social services and in other facilities owned by the government.

Mexico's transition to digital television was completed on December 31, 2015. Frequencies released as a consequence of such digitalization will be transferred back to the Mexican State.

See "Key Information — Risk Factors Related to Mexico — The Reform and Addition of Various Provisions of the Mexican Constitution Related to Telecommunications, the LFTR, and Other Recent Actions of IFT May Significantly and Adversely Affect the Business, Results of Operations and Financial Results of Some of Our Business Segments".

The LFTR establishes a renewal procedure that will result in the granting of a renewal of an integrated multiservice concession (not involving a radio-electric spectrum or orbital resources which require a concession to exploit such spectrum) in order to provide telecommunications and possibly, broadcasting services. The integrated multiservice concession will be awarded for renewable 30 year terms. Renewal of integrated multiservice concessions require, among others: (i) to request its renewal to IFT within the year prior to the last fifth period of the fixed term of the related concession; (ii) to be in compliance with the concession holder's obligations under the LFTR, other applicable regulations, and the concession title; and (iii) the acceptance by the concession holder of any new conditions for renewing the concession as set forth by IFT. IFT shall resolve any request for renewal of the telecommunications concessions within 180 business days of its request. Failure by IFT to respond within such period of time shall be interpreted as if the request for renewal has been granted.

The LFTR also contemplates that concession holders that operate a public network of telecommunications must (i) abstain from charging long distance fees for calls made by users to any national destination; (ii) if there was no other concession holder providing similar services in a certain territory, the concession holder providing the service in such territory shall have to continue providing the services; and (iii) concession holders must adopt the open architecture designs for the network to guarantee the interconnection and interoperation of their network.

The LFTR establishes the maximum amount of time that a concession holder providing broadcasting services with commercial purposes can use for commercial advertising. The maximum amount of advertising time is set at 18% of the total broadcasting time for each television channel, and the maximum amount for radio stations shall not exceed 40% of the total broadcasting time for each channel.

The LFTR establishes that those concession holders providing broadcasting services shall offer broadcasting services and advertising spaces to any person or corporation that requires them on a non-discriminatory basis and on market terms granting the terms, packages, conditions, and rates in force at the time of the request. Additionally, the law provides that balance shall be maintained between advertising and programming. Advertising shall be subject to several rules, including the maximum time allowed for advertising (i.e. 18% of the total available time per channel in free to air television; 40% in radio; and 6 minutes per hour on pay-television and audio).

Significant Subsidiaries

The table below sets forth our significant subsidiaries as of December 31, 2015.

Name of Significant Subsidiary	Jurisdiction of Organization or Incorporation	Percentage Ownership(1)
Corporativo Vasco de Quiroga, S.A. de C.V. (CVQ) (3)	Mexico	100.0%
Cablemás subsidiaries (4)	Mexico	100.0%
Cablevisión Red, S.A. de C.V. (Telecable).(2) (5) (8)	Mexico	100.0%
Empresas Cablevisión, S.A.B. de C.V. .(2) (5) (19)	Mexico	51.0%
Grupo Cable T.V. S.A. de C.V.(2) (5)	Mexico	100.0%
Television Internacional, S.A. de C.V. (TVI) (2) (5) (6)	Mexico	50.0%
Editorial Televisa, S.A. de C.V.(2) (7) (9)	Mexico	100.0%
Factum Más Telecom, S.A. de C.V.(2) (10)	Mexico	100.0%
Sky DTH, S. de R.L. de C.V. (2) (10)	Mexico	100.0%
Innova Holdings, S. de R.L. de C.V. (2) (10)	Mexico	58.7%

[Table of Contents](#)

Innova, S. de R.L. de C.V. (Innova)(11)	Mexico	58.7%
Grupo Distribuidoras Intermex, S.A. de C.V.(2) (7) (12)	Mexico	100.0%
Grupo Telesistema, S.A. de C.V. (13)	Mexico	100.0%
G.Televisa-D, S.A. de C.V.(2) (14)	Mexico	100.0%
Grupo Bissagio, S.A. de C.V. (15)	Mexico	100.0%
Multimedia Telecom, S.A. de C.V. (15)	Mexico	100.0%
Villacezan, S.A. de C.V. (2) (7)	Mexico	100.0%
Televisa, S.A. de C.V.(16)	Mexico	100.0%
Televisión Independiente de México, S.A. de C.V.(2)	Mexico	100.0%
Sistema Radiópolis, S.A. de C.V.(2) (7) (17)	Mexico	50.0%
Televisa Juegos, S.A. de C.V.(2) (7) (18)	Mexico	100.0%

- (1) Percentage of equity owned by us directly or indirectly through subsidiaries or affiliates.
- (2) 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.
- (3) Direct subsidiary through which we conduct the operations of our Cable segment.
- (4) The Cablemás subsidiaries are directly and indirectly owned by CVQ. As of December 31, 2014, some Cablemás subsidiaries were direct subsidiaries, and some other were directly owned by Consorcio Nekeas, S.A. de C.V., a former wholly-owned direct subsidiary. In January 2015, Consorcio Nekeas, S.A. de C.V. was merged into TTelecom H, S.A.P.I. de C.V., a former direct subsidiary, and in July 2015, TTelecom H, S.A.,P.I. de C.V. was merged into CVQ. The Cablemás direct subsidiaries were acquired by a direct subsidiary of CVQ in the second half of 2015.
- (5) One of four indirect subsidiaries through which, together with the Cablemás subsidiaries, we conduct the operations of our Cable segment.
- (6) An indirect subsidiary of CVQ, we consolidate TVI because we appoint the majority of the members of the Board of Directors of TVI.
- (7) One of five subsidiaries through which we conduct the operations of our Other Businesses segment.
- (8) The Telecable subsidiaries are directly owned by CVQ as a result of the merger of TTelecom into CVQ in July 2015. TTelecom was a wholly-owned subsidiary through which we acquired Telecable in January 2015.
- (9) Direct subsidiary through which we conduct the operations of our Publishing business.
- (10) One of three subsidiaries through which we own our equity interest in Innova.
- (11) Indirect subsidiary through which we conduct the operations of our Sky segment. We currently own a 58.7% interest in Innova.
- (12) Direct subsidiary through which we conduct the operations of our Publishing Distribution business.
- (13) Direct subsidiary through which we conduct the operations of our Content and Other Businesses segments.
- (14) Indirect subsidiary through which we conduct certain operations of our Content segment.
- (15) Indirect subsidiaries through which we own 10% of the capital stock of UHI and maintain our investment in warrants that are exercisable for capital stock of UHI. In November, 2015, Grupo Xquenda, Ltd. an indirect subsidiary formerly incorporated in Switzerland, was migrated to Mexico with the name Grupo Bissagio, S.A. de C.V.
- (16) Indirect subsidiary through which we conduct the operations of our Content segment.
- (17) Direct subsidiary through which we conduct the operations of our Radio business.
- (18) Direct subsidiary through which we conduct the operations of our Gaming business.
- (19) A direct majority-owned subsidiary of CVQ. As of December 31, 2014, Empresas Cablevisión, S.A.B. de C.V. was directly owned by Editora Factum, S.A. de C.V., a former direct subsidiary of the Company that was merged into CVQ in May 2015

Property, Plant and Equipment

Broadcasting, Office and Production Facilities. Our properties consist primarily of broadcasting, production facilities, television and repeater 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 in 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 four locations in Mexico City, 14 studios in San Angel, 12 studios located in Chapultepec, three studios in Santa Fe and one studio in Rojo Gomez. We own substantially all of these studios. The local television stations wholly or majority owned by us have in the aggregate 47 production studios.

[Table of Contents](#)

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 100,000 people, through a trust arrangement that was renewed in 1993 for a term of 30 years and that may be extended for additional periods. In the aggregate, these properties, excluding Azteca Stadium, currently represent approximately 5.6 million square feet of space, of which over 3.8 million square feet are located in Mexico City and the surrounding areas, and approximately 1.7 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 throughout Mexico. 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 447,283 square feet in properties in the United States, Latin America, Spain and Switzerland 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 United States, Latin America, Spain and Switzerland.

Operations	Number of Properties	Location
Television and news activities		
Owned properties	1	San Diego, California(1)
Leased properties	4	Madrid, Spain(2) San Diego, California(1) Zug, Switzerland(1)
Publishing activities		
Owned properties	5	Miami, Florida(1) Caracas, Venezuela (1) Buenos Aires, Argentina(2) Bogota, Colombia(1)
Leased properties	11	Beverly Hills, California(1) Miami, Florida(1) New York, New York(1) Medellín, Colombia(1) Bogotá, Colombia(2) San Juan, Puerto Rico(1) Chicago, Illinois(1) Pearland, Texas(1) Guayaquil, Ecuador (2)
Publishing distribution and other activities		
Owned properties	1	Lima, Peru(1)
Leased properties	15	Quito, Ecuador(2) Guayaquil, Ecuador(1) Buenos Aires, Argentina(2) Panamá, Panamá(2) Santiago, Chile (2) Lima, Peru (2) Barranquilla, Colombia (1) Medellín, Colombia (1) Cali, Colombia (1) Bogotá, Colombia (1)
DTH		
Leased properties	7	San José, Costa Rica(1) Guatemala(1) Nicaragua(1) Panama(1) San Salvador(1) Honduras(1) Dominicana(1)

Operations	Number of Properties	Location
Telephony Leased properties	5	San Antonio, Texas(2) Dallas, Texas(1) Laredo, Texas(1) McAllen, Texas(1)

Satellites. We currently use transponder capacity on nine satellites: Eutelsat 117 West A (formerly Satmex 8), which reaches Mexico, the United States, Latin America, and the Caribbean; Eutelsat 115 West A (formerly Satmex 5), which reaches Mexico, the United States and Latin America; Intelsat IS-11, replacement of PAS 3-R (renamed in February 2007 IS-3R), which started operations in July 2009 and reaches North America, Western Europe, Latin America and the Caribbean; Galaxy 16 (formerly Galaxy IVR), which reaches Mexico, the United States and Canada; AMC-9, which reaches Mexico, the United States and Canada; IS-905, which reaches Western and Eastern Europe; IS-21, which reaches Central America, Mexico, the Southern United States and the Caribbean; IS-16, which reaches Central America, Mexico, the Southern United States and the Caribbean; and SM-1, which reaches Central America, Mexico, the Southern United States and the Caribbean. In March 2010, Sky reached an agreement with a subsidiary of Intelsat to lease 24 transponders on the Intelsat IS-21 satellite which is mainly used for signal reception and retransmission services over the satellite's estimated 15-year service life. IS-21 started service in the third quarter of 2012, replacing Intelsat IS-9 as Sky's primary transmission satellite. In April 2010, Intelsat released the IS-16 satellite, where Sky has an additional twelve transponders to deliver new DTH-HD channels and more DTH SD channels; this satellite is also a back-up satellite for our DTH venture operations. For a description of guarantees related to our DTH venture transponder obligations, see Note 13 to our consolidated year-end financial statements.

Since 1996, we have been working with PanAmSat (now Intelsat) as our satellites services provider, which provided to Televisa five Ku band transponders on Satellite PAS-3R, three of which were intended to be for DTH to Spain. We were required to pay an annual fee for each transponder of U.S \$3.1 million. Due to an exchange with three of five 54 Mhz ku Band transponders, we currently have capacity on two 36 Mhz C band transponders on Galaxy 16.

In December 2005, we signed an extension with PanAmSat, for the use of three transponders on the PAS-3R satellite until 2009 and 2012 and two transponders on the Galaxy IVR (replaced by Galaxy 16) satellite until 2016. On October 2015 we signed a new contract with SES S.A. until June 2019 for the replacement of two transponders of Galaxy 16 (end of contract April 2016), the new contract includes three transponders and the full service migration to the new satellite AMC-9, the operations started on October 2015.

In February 2007, Intelsat renamed some of its satellite fleet acquired with its 2006 merger with PanAmSat: current names for PAS-9 and PAS-3R are IS-9 and IS-3R, respectively. Intelsat kept the name of Galaxy 16. In December 2007, Sky and Sky Brasil reached an agreement with Intelsat Corporation and Intelsat LLC to build and launch a new 24-transponder satellite, IS-16, for which service will be dedicated to Sky and Sky Brasil over the satellite's estimated 15-year life. The satellite was successfully launched in February 2010 and started operations in April 2010. In the third quarter of 2013, Sky entered into an agreement with DirecTV for the acquisition and launch of the SM-1 satellite, which was successfully launched in May 2015 and started operations on June 2015. See Note 11 to our consolidated year-end financial statements.

In August 2009, the contract on two remaining transponders of the IS-3R satellite expired (end of life of the satellite). We negotiated a new contract for the transponder on the IS-905 satellite until August 31, 2015, for the distribution of our content in Europe. In September 2015 the contract was renewed with Intelsat until August 2018.

In February 2012, we renewed the contract with Satélites Mexicanos, S.A. de C.V., or Satmex, on Satmex 5 until January 31, 2015. In February 2015, we renewed the contract until August 31, 2018. The new contract includes the full service migration to the new satellite, Satmex 8, which started operations in April 2013.

On October 31, 2012, the contract on one of the three transponders of the Galaxy 16 satellite expired. In November 2012, we entered into a new contract with SES, S.A., or SES, for a new transponder on the AMC-9

satellite until October 31, 2017, as a replacement of the previous one. On November 2015 this contract was extended until December 2018.

In March 2014, Satélites Mexicanos, S.A. de C.V. was renamed Eutelsat Americas, as a part of Eutelsat Group. In February 2015, we renewed our contracts with Eutelsat Americas until January 2018, and also contracted for a new transponder on Eutelsat 117 West A from April 2015 until March 2018.

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 Intelsat, Eutelsat Americas (formerly Satmex) and SES, we believe that we will be able to secure satellite capacity to meet our needs in the future, although no assurance can be given in this regard.

Insurance. We maintain comprehensive insurance coverage for our offices, equipment and other property for risks including fire, earthquake, flooding, storm, and other similar events and the resulting business interruption losses, subject to some limitations. We do not maintain insurance for part of our transmission lines network and we do not maintain insurance for our DTH business in case of loss of satellite transmission.

Item 5. Operating and Financial Review and Prospects.

You should read the following discussion together with our consolidated 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”. See “Key Information — Forward-Looking Statements” for further discussion of the risks and uncertainties inherent in forward-looking statements. 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

As required by regulations issued by *Comisión Nacional Bancaria y de Valores*, or the Mexican Banking and Securities Commission, for listed companies in Mexico, our financial information is presented in accordance with the IFRS as issued by the IASB for financial reporting purposes.

	Year Ended December 31,		
	2015	2014	2013
	(Millions of Pesos)(1)		
Net sales	Ps. 88,051.8	Ps. 80,118.4	Ps. 73,790.7
Cost of sales	47,226.5	42,908.7	39,602.4
Selling expenses	9,716.2	8,561.9	7,280.6
Administrative expenses	12,035.5	9,409.7	8,086.2
Other expense, net	328.5	5,281.7	83.1
Operating income	18,745.1	13,956.4	18,738.4
Finance (expense) income, net	(122.9)	(4,328.9)	884.7
Share of income (loss) of joint ventures and associates, net	35.4	13.2	(5,659.9)
Income taxes	6,332.2	2,980.9	3,729.0
Net income	12,325.4	6,659.8	10,234.2
Net income attributable to non-controlling interests	1,426.3	1,272.9	2,485.9
Net income attributable to stockholders of the Company	Ps. 10,899.1	Ps. 5,386.9	Ps. 7,748.3

(1) Certain data set forth in the table above may vary from the corresponding data set forth in our consolidated statements of income for the years ended December 31, 2015, 2014 and 2013 included in this annual report due to differences in rounding.

Results of Operations

For segment reporting purposes, our consolidated cost of sales, selling expenses and administrative expenses for the years ended December 31, 2015, 2014 and 2013 exclude corporate expenses and depreciation and amortization, which are presented as separate line items. The following table sets forth the reconciliation between our operating segment income and the consolidated operating income according to IFRS:

	Year Ended December 31,		
	2015	2014	2013
	(Millions of Pesos) (1)		
Net sales	Ps. 88,051.8	Ps. 80,118.4	Ps. 73,790.7
Cost of sales(2)	37,169.5	34,376.8	32,273.6
Selling expenses(2)	8,764.7	7,822.0	6,605.6
Administrative expenses(2)	6,422.3	5,639.9	5,051.1
Operating segment income	35,695.3	32,279.7	29,860.4
Corporate expenses	1,960.8	1,478.5	1,192.5
Depreciation and amortization	14,660.9	11,563.1	9,846.4
Other expense, net	328.5	5,281.7	83.1
Operating income	Ps. 18,745.1	Ps. 13,956.4	Ps. 18,738.4

(1) Certain data set forth in the table above may vary from the corresponding data set forth in our consolidated statements of income for the years ended December 31, 2015, 2014 and 2013 included in this annual report due to differences in rounding.

(2) Excluding corporate expenses and depreciation and amortization.

Segment Presentation in 2014

Beginning in 2014, we adjusted our segment reporting. The Publishing business, which was previously presented as a separate reportable segment, was classified into the Other Businesses segment in the first quarter of 2014, since its operations were no longer significant to our consolidated financial statements taken as a whole. Therefore we have recast the segment information for the year ended December 31, 2013 to reflect those adjustments.

The following table sets forth our segment net sales data for the indicated periods as a percentage of total segment net sales:

	Year Ended December 31,(1)		
	2015	2014	2013
Segment Net Sales			
Content	38.1%	42.8%	45.0%
Sky	21.3	21.5	21.4
Cable	31.6	25.7	22.8
Other Businesses	9.0	10.0	10.8
Total segment net sales	100.0%	100.0%	100.0%
Intersegment operations	(2.4)	(1.7)	(1.8)
Total consolidated net sales	97.6%	98.3%	98.2%

The following table sets forth our operating income as a percentage of our total consolidated net sales:

	Year Ended December 31,(1)		
	2015	2014	2013
Net Sales			
Cost of sales(2)	42.2%	42.9%	43.7%
Selling expenses(2)	10.0	9.8	9.0
Administrative expenses(2)	9.5	8.9	8.5
Depreciation and amortization	16.6	14.4	13.3
Other expense, net	0.4	6.6	0.1
Consolidated operating income	21.3	17.4	25.4
Total consolidated net sales	100.0%	100.0%	100.0%

(1) Certain segment data set forth in these tables may vary from the corresponding data set forth in our consolidated 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 include sales from intersegment operations in all periods presented. See Note 25 to our consolidated year-end financial statements.

(2) Excluding depreciation and amortization.

Summary of Business Segment Results

The following tables set forth the net sales and operating segment income of each of our reportable business segments and intersegment sales, corporate expenses, depreciation and amortization and other expense, net for the years ended December 31, 2015, 2014 and 2013. Reportable segments are those that are based on our method of internal reporting to senior management for making operating decisions and evaluating performance of operating segments, and certain qualitative, grouping and quantitative criteria. As of December 31, 2015, we classified our operations into four business segments: Content, Sky, Cable (which we previously referred to as Telecommunications), and Other Businesses.

	Year Ended December 31,		
	2015	2014	2013
	(Millions of Pesos)(1)		
Segment Net Sales			
Content	Ps. 34,332.6	Ps. 34,868.1	Ps. 33,817.6
Sky	19,253.5	17,498.6	16,098.3
Cable	28,488.3	20,937.3	17,138.8
Other Businesses	8,124.3	8,204.0	8,073.3
Total Segment Net Sales	90,198.7	81,508.0	75,128.0
Intersegment Operations	(2,146.9)	(1,389.6)	(1,337.3)
Total Consolidated Net Sales	Ps. 88,051.8	Ps. 80,118.4	Ps. 73,790.7
Operating Segment Income			
Content	Ps. 14,564.2	Ps. 15,534.3	Ps. 15,566.0
Sky	8,972.3	8,211.3	7,340.5
Cable	11,405.6	7,882.9	6,131.8
Other Businesses	753.2	651.2	822.1
Total Operating Segment Income(2)	35,695.3	32,279.7	29,860.4
Corporate Expenses(2)	(1,960.8)	(1,478.5)	(1,192.5)
Depreciation and Amortization(2)	(14,660.9)	(11,563.1)	(9,846.4)
Other Expense, net	(328.5)	(5,281.7)	(83.1)
Consolidated Operating Income(3)	Ps. 18,745.1	Ps. 13,956.4	Ps. 18,738.4

- (1) Certain segment data set forth in these tables may vary from the corresponding data set forth in our consolidated 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 include sales from intersegment operations in all years presented. See Note 25 to our consolidated year-end financial statements.
- (2) The total operating segment income data set forth in this annual report do not include corporate expenses or depreciation and amortization in any year presented, but are presented herein to facilitate the discussion of segment results.
- (3) Consolidated operating income reflects corporate expenses, depreciation and amortization, and other expense, net, in the years presented. See Note 25 to our consolidated year-end financial statements.

Seasonality

Our results of operations are seasonal. We typically recognize a disproportionately large percentage of our overall consolidated net sales (principally advertising) in the fourth quarter in connection with the holiday shopping season. For example, in 2015, 2014 and 2013, we recognized 28.3%, 30.0% and 29.1%, respectively, of our consolidated 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.

Preponderant Economic Agent Status

For a discussion of the consequences regarding IFT's March 6, 2014 decision determining that we, together with other entities with concessions to provide broadcast television, are preponderant economic agents in the broadcasting sector in Mexico see "— Risk Factors Related to Mexico — The Reform and Addition of Various Provisions of the Mexican Constitution Related to Telecommunications, the LFTR and Other Recent Actions of IFT May Significantly and Adversely Affect the Business, Results of Operations and Financial Results of Some of Our Business Segments". For a discussion regarding the opportunities and options for us as a result of IFT's

determination that Grupo Carso, S.A.B de C.V., Grupo Financiero Inbursa, S.A.B. de C.V., and other entities are preponderant economic agents in the telecommunications market in Mexico see “— Business Overview — Business Strategy — Expanding our Business in the Mexican Telecommunications Markets by Taking Advantage of the Telecom Reform and Implementing Legislation”.

**Results of Operations for the Year Ended December 31, 201 5
Compared to the Year Ended December 31, 201 4**

Total Segment Results

Net Sales

Net sales increased by Ps.7,933.4 million, or 9.9%, to Ps.88,051.8 million for the year ended December 31, 2015 from Ps.80,118.4 million for the year ended December 31, 2014. This increase was attributable to strong growth in our Sky and Cable segments. The Cable segment results reflect the consolidation of Cablecom and Telecable, two cable companies, starting September 1, 2014 and January 1, 2015, respectively.

Cost of Sales

Cost of sales increased by Ps.2,792.7 million, or 8.1%, to Ps.37,169.5 million for the year ended December 31, 2015 from Ps.34,376.8 million for the year ended December 31, 2014. This increase was due to higher costs principally in our Sky, Cable and Content segments . This increase reflects the consolidation of Cablecom and Telecable.

Selling Expenses

Selling expenses increased by Ps.942.7 million, or 12.1%, to Ps.8,764.7 million for the year ended December 31, 2015 from Ps.7,822.0 million for the year ended December 31, 2014. This increase was attributable to higher selling expenses, primarily in our Sky and Cable segments due to the consolidation of Cablecom and Telecable.

Administrative and Corporate Expenses

Administrative and corporate expenses increased by Ps.1,264.7 million, or 17.8%, to Ps.8,383.1 million for the year ended December 31, 2015 from Ps.7,118.4 million for the year ended December 31, 2014. The growth reflects an increase in administrative expenses, principally in our Cable segment due to the consolidation of Cablecom and Telecable. This increase includes an increase of 32.6% in corporate expenses.

Corporate expense increased by Ps. 482.3 million, to Ps.1,960.8 million in 2015, from Ps.1,478.5 million in 2014. The increase reflected primarily a higher share-based compensation expense.

Share-based compensation expense in 2015 and 2014 amounted to Ps.1,199.5 million and Ps.844.8 million, respectively, and was accounted for as corporate expense. Share-based compensation expense is measured at fair value at the time the equity benefits are conditionally sold to officers and employees, and is recognized over the vesting period. The increase of Ps.354.7 million reflected primarily a higher number of our CPOs conditionally sold to officers and employees in our Cable segment.

Content

We categorize our sources of revenue in our Content segment as follows:

- Advertising,
- Network Subscription Revenue, and
- Licensing and Syndication.

Given the cost structure of our Content segment, operating segment income is reported as a single line item.

[Table of Contents](#)

The Advertising revenue is derived primarily from the sale of advertising time on our television broadcast operations, which include the production of television programming and broadcasting of Channels 2, 4, 5 and 9 (“television networks”), as well as the sale of advertising time on programs provided to pay television companies in Mexico and in our internet business, 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 our networks.

The Network Subscription revenue is derived from domestic and international programming services provided to independent cable television systems in Mexico and our direct-to-home (“DTH”) satellite and cable television businesses. These programming services for cable and pay-per-view television companies are provided in Mexico, other countries in Latin America, the United States and Europe. The programming services consist of both programming produced by us and programming produced by third parties.

The Licensing and Syndication revenue is derived from international program licensing and syndication fees. Our television programming is licensed and syndicated to customers abroad, including Univision.

The following table presents net sales and operating segment income in our Content segment, and the percentage of change when comparing 2015 with 2014:

	Year Ended December 31,		Change (%)
	2015	2014	
	(Millions of Pesos)		
Net Sales			
Advertising	Ps. 23,029.3	Ps. 25,465.7	(9.6)%
Network Subscription Revenue	3,595.4	2,854.4	26.0
Licensing and Syndication	7,707.9	6,548.0	17.7
Total Net Sales	Ps. 34,332.6	Ps. 34,868.1	(1.5)%
Operating Segment Income	Ps. 14,564.2	Ps. 15,534.3	(6.2)%

Content net sales, representing 38.1% and 42.8% of our total segment net sales for the years ended December 31, 2015 and 2014, respectively, decreased by Ps.535.5 million, or 1.5%, to Ps.34,332.6 million for the year ended December 31, 2015 from Ps.34,868.1 million for the year ended December 31, 2014.

Advertising revenue decreased by 9.6% during 2015. This decrease was mainly due to: i) the re-structuring of our advertising sales business during 2015, which included an increase in the scatter market rates for the second half of 2015 and for the upfront rates of 2016. Several of our clients were reluctant to accept the proposed increase in advertising prices, which deterred additional advertising purchases during the second half of 2015 and, while negotiations took place, delayed the closing of the upfront commitments for the 2016 calendar year; and ii) lower prices on our 2015 upfront rates, negotiated in 2014, as compared with the prior year.

Network Subscription Revenue increased by 26.0%. The growth in the full year was driven mainly by the sustained addition of pay-TV subscribers, both in Mexico and Latin America and a positive translation effect on foreign-currency denominated revenues. During the year, Televisa continued to produce and transmit several of the leading pay-TV networks in Mexico in key categories, including general entertainment, music and lifestyle, and movies. Ten of the top 30 pay-TV networks in Mexico were produced by Televisa.

Licensing and Syndication revenue increase of 17.7% is mainly explained by a positive translation effect on foreign-currency-denominated revenues. This increase was partially offset by a decrease in royalties from Univision, from U.S.\$313.7 million in 2014 to U.S.\$311.1 million in 2015.

In the aggregate, the Content segment results reflect a positive translation effect on foreign-currency-denominated sales that amounted to Ps.1,369.5 million.

Content operating segment income decreased by Ps.970.1 million, or 6.2%, to Ps.14,564.2 million for the year ended December 31, 2015 from Ps.15,534.3 million for the year ended December 31, 2014. The margin was 42.4%. The decrease in the margin by 220 basis points from 2014 is mainly explained by lower advertising revenues as a result of the restructuring of this business.

Advertising Rates and Sales

We sell commercial time in two ways: upfront and on a scatter basis. Advertisers that elect the upfront option lock in prices for most of our commercial inventory for the upcoming year, regardless of future price changes. Advertisers that choose the upfront option make annual prepayments, with cash or short-term notes, are charged lower rates for their commercial time, are given the highest priority in schedule placement, and are given a first option in advertising during special programs. Scatter advertisers, or advertisers who choose not to make upfront payments but rather advertise from time to time, risk both higher prices and lack of access to choice commercial time slots. We bill our advertising customers based on fixed pricing rather than on a cost-per-rating-point basis. Advertising revenues are recognized at the time the advertising services are rendered (i.e., the advertising is broadcast). Upon broadcast of the corresponding advertising, advertisers are charged based on the price tariff previously agreed with them. Any upfront payments are recorded as liabilities until such time as the revenue is recognized. We are not committed with advertisers to achieve a certain rating upon broadcast nor do we charge on estimates but rather on actual agreed prices. Therefore, we do not have to account for any deficiency or provide any price adjustment.

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 varied across daytime hours, and the same price increases have not been implemented for all programs, with higher increases in certain programs as a result of high demand for advertising during certain hours.

We sold approximately 52%, 47% and 53% of total available national advertising time on our networks during prime time broadcasts in 2013, 2014 and 2015, respectively, and approximately 43%, 39% and 45% of total available national advertising time during all time periods in 2013, 2014 and 2015, respectively. Television broadcasting advertising time that is not sold to the public is primarily used to satisfy our legal obligation to the Mexican government to provide Official Television Broadcast Time and to promote, among other things, our products.

As of December 31, 2015 and 2014, we had received Ps.16,442.7 million and Ps.16,695.9 million, respectively, of advertising deposits and advances for television advertising time during 2016 and 2015, respectively, representing approximately U.S.\$955.1 million and U.S.\$1,131.1 million, respectively, at the applicable year-end exchange rates. Approximately 71.1% and 59.3% of these deposits as of December 31, 2015 and 2014, respectively, were in the form of short-term, non-interest bearing notes, with the remainder in each of these years consisting of cash deposits. The weighted average maturity of these notes at December 31, 2015 and 2014 was 3.4 months and 4.5 months, respectively.

Sky

Sky net sales are primarily derived from program services, activation fees and equipment rental to subscribers, and national advertising sales.

Sky net sales, representing 21.3% and 21.5% of our total segment net sales for the years ended December 31, 2015 and 2014, respectively, increased by Ps.1,754.9 million, or 10.0%, to Ps.19,253.5 million for the year ended December 31, 2015 from Ps.17,498.6 million for the year ended December 31, 2014. The annual increase was driven by solid growth in the subscriber base of more than 646 thousand, which is explained by the continued success of Sky's low-cost offering. As of December 31, 2015, the number of net active subscribers increased to 7,284,162 (including 178,915 commercial subscribers), compared with 6,638,032 (including 174,986 commercial subscribers) as of December 31, 2014. Sky closed 2015 with 192,024 subscribers in Central America and the Dominican Republic.

Sky operating segment income increased by Ps.761.0 million, or 9.3%, to Ps.8,972.3 million for the year ended December 31, 2015 from Ps.8,211.3 million for the year ended December 31, 2014, and the margin was 46.6%, in line with the margin from last year. The increase in revenues was partially compensated by higher programming

costs mainly as a result of the depreciation of the Mexican peso, and by higher maintenance and leasing costs, as well as higher promotional expenses.

Cable

Cable net sales are derived from the provision of cable and telecommunication services, as well as advertising sales. Net sales relating to pay-TV 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, broadband internet and telephone services subscription. Voice and data business derives revenues from providing data and long-distance services solutions to carriers and other telecommunications service providers through its fiber-optic network. Net sales relating to pay-TV advertising consist of revenues from the sale of advertising on Cablevisión, CABLEMÁS, TVI, starting September 1, 2014, Cablecom and, starting January 1, 2015, Telecable. 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. Pay-TV subscription and advertising rates are adjusted periodically in response to inflation and in accordance with market conditions.

Cable net sales, representing 31.6% and 25.7% of our total segment net sales for the years ended December 31, 2015 and 2014, respectively, increased by Ps.7,551.0 million, or 36.1%, to Ps.28,488.3 million for the year ended December 31, 2015 from Ps.20,937.3 million for the year ended December 31, 2014. This increase primarily reflected the consolidation of Cablecom starting on September 1, 2014 and of Telecable starting on January 1, 2015. Excluding Cablecom and Telecable, full year sales experienced a growth of 12.5%.

Voice and data revenue generating units, or RGUs, grew by 54.0% and 34.0% compared with 2014, respectively, and video RGUs grew by 21.0%. Excluding the acquisition of Telecable, Voice and Data RGUs, grew by 46.6% and 25.4% compared with 2014, respectively, while Video RGUs grew by 6.3%.

Cable operating segment income increased by Ps.3,522.7 million, or 44.7%, to Ps.11,405.6 million for the year ended December 31, 2015 from Ps.7,882.9 million for the year ended December 31, 2014, and the margin reached 40.0%, an increase of 230 basis points from 2014. These results primarily reflected the consolidation of Cablecom and Telecable, and continued growth in the cable and network platforms. These favorable variances were partially offset by higher programming costs mainly as a result of the depreciation of the Mexican peso and by higher maintenance, personnel and leasing costs and expenses. Excluding Cablecom and Telecable, full year operating segment income increased by 14.9%.

The following table sets forth the breakdown of RGUs per service type for our Cable segment as of December 31, 2015 and 2014.

	<u>2015</u>	<u>2014</u>
Video	4,061,655	3,356,732
Broadband (data)	3,066,699	2,288,709
Voice	1,891,026	1,228,182
RGUs	<u>9,019,380</u>	<u>6,873,623</u>

Other Businesses

Other Businesses net sales are primarily derived from the promotion of sports and special events in Mexico, the distribution of feature films, gaming, radio and publishing distribution. Beginning in 2014, we adjusted our segment reporting. The Publishing business, which was previously presented as a separate reportable segment, was classified into the Other Businesses segment in the first quarter of 2014, since its operations were no longer significant to our consolidated financial statements taken as a whole.

Other Businesses net sales, representing 9.0% and 10.0% of our total segment net sales for the years ended December 31, 2015 and 2014, respectively, decreased by Ps.79.7 million, or 1.0%, to Ps.8,124.3 million for the year ended December 31, 2015 from Ps.8,204.0 million for the year ended December 31, 2014. Businesses that

performed well included gaming and radio. The gaming business benefited from higher revenues from our electronic gaming machines, while the radio business saw an increase in advertising revenues.

Other Businesses operating segment income increased by Ps.102.0 million, or 15.7%, to Ps.753.2 million for the year ended December 31, 2015 from Ps.651.2 million for the year ended December 31, 2014. This increase reflects: i) an increase in the operating segment income of gaming and radio; ii) a decrease in the operating segment income of our soccer and feature-film distribution businesses; and iii) a change from operating segment income to operating segment loss in our publishing business.

Depreciation and Amortization

Depreciation and amortization expense increased by Ps.3,097.8 million, or 26.8%, to Ps.14,660.9 million for the year ended December 31, 2015 from Ps.11,563.1 million for the year ended December 31, 2014. This change primarily reflected an increase in such expense in our Cable and Sky segments. Excluding Cablecom and Telecable, full year depreciation and amortization expense experienced a growth of 14.3%.

Other Expense, Net

Other expense, net, decreased by Ps.4,953.2 million, to Ps.328.5 million for the year ended December 31, 2015, from Ps.5,281.7 million for the year ended December 31, 2014. This decrease reflected primarily the absence of a one-time non-cash loss of Ps.4,168.5 million on disposition of our former 50% joint venture in the Iusacell telecom business in the third quarter of 2014, as well as a non-recurring cash income of US\$67.6 million (Ps.1,038.3 million) as a result of the early termination of a technical assistance agreement with Univision in the first quarter of 2015. These favorable effects were partially offset by a higher expense related to financial advisory and professional services, a non-recurrent severance expense in connection with dismissals of personnel in our Content, Cable and Other Businesses segments, and a higher loss on disposition of property and equipment.

Other expense, net, for the year ended December 31, 2015, also included financial advisory and professional services, loss on disposition of property and equipment, donations, and a non-cash impairment charge related to goodwill and trademarks in our Publishing business.

Non-operating Results

Finance Income or Expense, Net

Finance income or expense, net, significantly impacts our consolidated financial statements in periods of currency fluctuations. Finance income or expense, net, reflects:

- interest expense;
- interest income;
- foreign exchange gain or loss attributable to monetary assets and liabilities denominated in foreign currencies; and
- other finance income or expense, net, including gains or losses from derivative instruments.

Our foreign exchange position is affected by our assets or liabilities denominated in foreign currencies, primarily U.S. dollars. 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 varies.

Finance expense, net, decreased by Ps.4,206.0 million to Ps.122.9 million for the year ended December 31, 2015 from Ps.4,328.9 million for the year ended December 31, 2014. This favorable change reflected a Ps.6,228.6 million increase in other finance income, net, resulting primarily from (i) our exchange in July 2015 of Convertible Debentures issued by UHI, the controlling company of Univision, for warrants that are exercisable for UHI's

common stock, which included, as a consideration for such exchange, a cash amount of US\$135.1 million (Ps.2,195 million) received from UHI; and (ii) a Ps.4,718.2 million reclassification from accumulated other comprehensive income in consolidated equity in connection with a cumulative gain related to changes in fair value of the Convertible Debentures, which effect was partially offset by the absence of a favorable change in fair value in 2014 resulting from an embedded derivative related to our former option to convert such Debentures into an equity stake of UHI. This favorable change in other finance income net, was partially offset by (i) a Ps.687.9 million increase in interest expense, due primarily to a higher average principal amount of debt and finance lease obligations in 2015; (ii) a Ps.299.9 million decrease in interest income explained primarily by the absence of interest income from our former investments in the Convertible Debentures issued by UHI as these securities were exchanged in July 2015 for warrants that are exercisable for UHI's common stock, and convertible debt instruments issued by Tenedora Ares, S.A.P.I. de C.V. as these securities were converted in August 2014 in connection with the acquisition of Cablecom, as well as a reduction in applicable interest rates on cash, cash equivalents and temporary investments; and (iii) a Ps.1,034.8 million increase in foreign exchange loss resulting primarily from the effect of a 16.6% depreciation of the Mexican peso against the U.S. dollar on our average net unhedged U.S. dollar liability position in 2015 compared with a 12.9% depreciation and a lower U.S. dollar liability position in 2014.

Share of Income or Loss of Associates and Joint Ventures, Net

This line item reflects our equity participation in the operating results and net assets of unconsolidated businesses in which we maintain an interest, but which we do not control. We recognize equity in losses of joint ventures and associates up to the amount of our initial investment, subsequent capital contributions and long-term loans, or beyond that amount when guaranteed commitments have been made by us in respect of obligations incurred by joint ventures and associates.

Share of income of associates and joint ventures, net, increased by Ps.22.2 million to Ps.35.4 million for the year ended December 31, 2015 from Ps.13.2 million for the year ended December 31, 2014. This increase reflected mainly (i) our share in the income of Imagina, a communications company in Spain; and (ii) the absence of share of loss of our former Iusacell telecom business, as we disposed of this 50% joint venture in September 2014. These favorable effects were partially offset by a higher share of loss of UHI, the controlling company of Univision.

Income Taxes

Income taxes increased by Ps.3,351.3 million to Ps.6,332.2 million for the year ended December 31, 2015 compared with Ps.2,980.9 million for the year ended December 31, 2014. This increase reflected primarily a higher tax base.

The Mexican corporate income tax rate was 30% in each of the years 2015, 2014 and 2013. In accordance with the 2014 Tax Reform (as defined below), the corporate income tax rate will remain 30% thereafter.

In the last quarter of 2013, the Mexican Federal Congress approved a new tax reform (the "2014 Tax Reform"), which became effective as of January 1, 2014. Among the tax reforms approved by the Mexican Federal Congress was the elimination of the tax consolidation regime allowed for Mexican controlling companies through December 31, 2013. See Note 23 to our consolidated year-end financial statements.

As a result of this change, beginning on January 1, 2014, we are no longer allowed to consolidate, for income tax purposes, income or loss of our Mexican subsidiaries up to 100% of our share ownership.

In December 2009, the Mexican government enacted certain amendments and changes to the Mexican Income Tax Law that became effective as of January 1, 2010 (the "2010 Mexican Tax Reform"). These amendments and changes included, among other, the following provisions: (i) under certain circumstances, the deferred income tax benefit derived from tax consolidation of a parent company and its subsidiaries is limited to a period of five years; therefore, the resulting deferred income tax has to be paid starting in the sixth year following the fiscal year in which the deferred income tax benefit was received; and (ii) the payment of this tax has to be made in installments of 25% in the first and second year, 20% in the third year and 15% in the fourth and fifth year.

Through December 31, 2013, Mexican companies were subject to paying the greater of the Flat Rate Business Tax (“*Impuesto Empresarial a Tasa Única*” or “IETU”) or the income tax. As part of the 2014 Tax Reform, the IETU was eliminated for Mexican companies beginning on January 1, 2014. The IETU was calculated by applying a tax rate of 17.5%. Although the IETU was defined as a minimum tax, it had a wider taxable base as some of the tax deductions allowed for income tax purposes were not allowed for the IETU. Through December 31, 2013, we primarily paid regular income tax on a tax consolidated basis.

Net Income Attributable to Non-controlling Interests

Net income attributable to non-controlling interests 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 Cable and Sky segments, as well as our Radio business.

Net income attributable to non-controlling interests increased by Ps.153.4 million, or 12.1%, to Ps.1,426.3 million for the year ended December 31 2015, compared with Ps.1,272.9 million for the year ended December 31 2014. This increase reflected primarily a higher portion of net income attributable to non-controlling interests in our Sky and Cable segments.

Net Income Attributable to Stockholders of the Company

We generated net income attributable to stockholders of the Company in the amount of Ps.10,899.1 million for the year ended December 31, 2015, as compared to Ps.5,386.9 million for the year ended December 31, 2014. The net increase of Ps.5,512.2 million reflected:

- a Ps.4,788.7 million increase in operating income;
- a Ps.4,206.0 million decrease in finance expense, net; and
- a Ps.22.2 million increase in share of income of jointly controlled entities and associates, net.

These changes were partially offset by:

- a Ps.3,351.3 million increase in income taxes; and
- a Ps.153.4 million increase in net income attributable to non-controlling interests.

Results of Operations for the Year Ended December 31, 2014 Compared to the Year Ended December 31, 2013

Total Segment Results

Net Sales

Net sales increased by Ps.6,327.7 million, or 8.6%, to Ps.80,118.4 million for the year ended December 31, 2014 from Ps.73,790.7 million for the year ended December 31, 2013. This increase was attributable to revenue growth across all our business segments, principally in our Sky and Cable segments, including the consolidation of Cablecom, a cable company, starting September 1, 2014.

Cost of Sales

Cost of sales increased by Ps.2,103.2 million, or 6.5%, to Ps.34,376.8 million for the year ended December 31, 2014 from Ps.32,273.6 million for the year ended December 31, 2013. This increase was due to higher costs in all our business segments, principally in our Content and Cable segments reflecting the consolidation of Cablecom.

Selling Expenses

Selling expenses increased by Ps.1,216.4 million, or 18.4%, to Ps.7,822.0 million for the year ended December 31, 2014 from Ps.6,605.6 million for the year ended December 31, 2013. This increase was attributable to higher selling expenses primarily in our Sky and Cable segments due to the consolidation of Cablecom.

Administrative and Corporate Expenses

Administrative and corporate expenses increased by Ps.874.8 million, or 14.0%, to Ps.7,118.4 million for the year ended December 31, 2014 from Ps.6,243.6 million for the year ended December 31, 2013. The growth reflects an increase in administrative expenses principally in our Cable segment due to the consolidation of Cablecom. This increase includes an increase of 24.0% in corporate expenses.

Corporate expense increased by Ps.286.0 million, to Ps.1,478.5 million in 2014, from Ps.1,192.5 million in 2013. The increase reflected primarily a higher share-based compensation expense.

Share-based compensation expense in 2014 and 2013 amounted to Ps.844.8 million and Ps.605.1 million, respectively, and was accounted for as corporate expense. Share-based compensation expense is measured at fair value at the time the equity benefits are conditionally sold to officers and employees, and is recognized over the vesting period. The increase of Ps.239.7 million reflected primarily a higher number of our CPOs conditionally sold to officers and employees in our Cable segment, as well as the increase in the market price of our CPO from last year.

Content

The following table presents net sales and operating segment income in our Content segment, and the percentage of change when comparing 2014 with 2013:

	<u>Year Ended December 31,</u>		<u>Change</u>
	<u>2014</u>	<u>2013</u>	
	(Millions of Pesos)		
Net Sales			
Advertising	Ps. 25,465.7	Ps. 24,864.5	2.4%
Network Subscription Revenue	2,854.4	3,263.6	(12.5)
Licensing and Syndication	6,548.0	5,689.5	15.1
Total Net Sales	Ps. 34,868.1	Ps. 33,817.6	3.1%
Operating Segment Income	Ps. 15,534.3	Ps. 15,566.0	(0.2)%

Content net sales increased by Ps.1,050.5 million, or 3.1%, to Ps.34,868.1 million for the year ended December 31, 2014 from Ps.33,817.6 million for the year ended December 31, 2013.

Advertising revenue increased by 2.4%. These results were adversely affected by new regulation effective July 2014 that restricts television advertising for high-caloric foods and beverages during certain time slots. For the full year, advertising on pay-TV networks represented 6.0% of our total advertising revenues.

Network Subscription Revenue decreased by 12.5%. These results reflect forgone revenue as a result of the implementation of the must-offer regulation that came into effect with the constitutional reform in matters of telecommunications. The must-offer regulation, that came into effect in September 2013, requires us to allow the retransmission free of charge and on a nondiscriminatory basis of free-to-air television signals to pay-TV concession holders that operate in the same area of geographic coverage, subject to certain conditions being met, among others, that the retransmission is made without modifications, including advertising, and with the same quality of the broadcast signal, except in certain specific cases provided in the regulations. This effect was partially offset by the addition of pay-TV subscribers in Mexico and abroad.

The increase in Licensing and Syndication revenue of 15.1% is explained by: (i) an increase of 14.8% in royalties from Univision, from U.S.\$273.2 million in 2013 to U.S.\$313.7 million in 2014; and (ii) a positive translation effect on foreign-currency denominated revenues.

[Table of Contents](#)

Content operating segment income decreased by Ps.31.7 million, or 0.2%, to Ps.15,534.3 million for the year ended December 31, 2014 from Ps.15,566.0 million for the year ended December 31, 2013. The margin was 44.6%. The drop in the margin of 140 basis points from 2013 is mainly explained by lower Network Subscription Revenue as a result of the must-offer regulation.

Sky

Sky net sales increased by Ps.1,400.3 million, or 8.7%, to Ps.17,498.6 million for the year ended December 31, 2014 from Ps.16,098.3 million for the year ended December 31, 2013. The increase was driven by solid growth in the subscriber base of 622,557, which is explained by the continued success of Sky's low-cost offering. As of December 31, 2014, the number of net active subscribers increased to 6,638,032 (including 174,986 commercial subscribers), compared with 6,015,475 (including 168,063 commercial subscribers) as of December 31, 2013. Sky closed 2014 with 192,358 subscribers in Central America and the Dominican Republic.

Sky operating segment income increased by Ps.870.8 million, or 11.9%, to Ps.8,211.3 million for the year ended December 31, 2014 from Ps.7,340.5 million for the year ended December 31, 2013. The increase in the margin of 130 basis points from last year reflects: (i) an increase in sales; and (ii) cost of sales expenses that expanded at a slower pace. This effect was partially compensated by higher marketing expenses.

Cable

Cable net sales increased by Ps.3,798.5 million, or 22.2%, to Ps.20,937.3 million for the year ended December 31, 2014 from Ps.17,138.8 million for the year ended December 31, 2013. This increase includes the consolidation, starting September 1, 2014, of Ps.1,369.7 million revenues from Cablecom. Excluding Cablecom, full year sales experienced a growth of 14.2%.

Also excluding the acquisition of Cablecom, Voice and Data revenue generating units, or RGUs, grew 18.2% and 21.2% compared with last year, respectively, while Video RGUs grew by 4.3%.

Cable operating segment income increased by Ps.1,751.1 million, or 28.6%, to Ps.7,882.9 million for the year ended December 31, 2014 from Ps.6,131.8 million for the year ended December 31, 2013. These results primarily reflected the consolidation of Cablecom, which contributed with Ps.638.1 million to operating segment income, continued growth in the cable platforms and Bestel, and the benefit from lower programming costs as a result of the must-offer regulation. These favorable variances were partially offset by the increase in maintenance costs, personnel costs, and advertising spending during the year. Excluding Cablecom, full year operating segment income increased by 18.2%.

The following table sets forth the breakdown of RGUs per service type for our Cable segment as of December 31, 2014 and 2013.

	<u>2014</u>	<u>2013</u>
Video	3,356,732	2,495,312
Broadband (data)	2,288,709	1,666,788
Voice	1,228,182	915,927
RGUs	<u>6,873,623</u>	<u>5,078,027</u>

Other Businesses

Other Businesses net sales increased by Ps.130.7 million, or 1.6%, to Ps.8,204.0 million for the year ended December 31, 2014 from Ps.8,073.3 million for the year ended December 31, 2013. Businesses that performed well include feature-film distribution, gaming, and radio. The feature-film distribution business distributed hits such as *The Hunger Games: Mockingjay* and *Cásese Quien Pueda*. The gaming business benefited from higher revenues from our electronic gaming machines, while the radio business saw an increase in advertising revenues.

Other Businesses operating segment income decreased by Ps.170.9 million, or 20.8%, to Ps.651.2 million for the year ended December 31, 2014 from Ps.822.1 million for the year ended December 31, 2013. This decrease

reflects: (i) a decrease in the operating segment income of our publishing business; (ii) an increase in the operating segment income of gaming, soccer, radio, and feature-film distribution businesses; and (iii) a smaller operating segment loss in our publishing distribution business.

Depreciation and Amortization

Depreciation and amortization expense increased by Ps.1,716.7 million, or 17.4%, to Ps.11,563.1 million for the year ended December 31, 2014 from Ps.9,846.4 million for the year ended December 31, 2013. This change primarily reflected an increase in such expense in our Sky and Cable segments (Cablecom's depreciation and amortization expense amounted to Ps.488.9 million).

Other Expense, Net

Other expense, net, increased by Ps.5,198.6 million, to Ps.5,281.7 million for the year ended December 31, 2014, compared with Ps.83.1 million for the year ended December 31, 2013. This increase primarily reflected a one-time non-cash loss on disposition of our investment in GSF, our 50% joint venture in Iusacell, in connection with a transaction agreement entered into by us and the other owner of GSF in September 2014.

Other expense, net, for the year ended December 31, 2014 primarily included financial advisory and professional services, loss on disposition of property and equipment, donations, and a non-cash impairment charge related to goodwill and trademarks in our publishing business.

Non-operating Results

Finance Income or Expense, Net

Finance income or expense, net, significantly impacts our consolidated financial statements in periods of currency fluctuations. Finance income or expense, net, reflects:

- interest expense;
- interest income;
- foreign exchange gain or loss attributable to monetary assets and liabilities denominated in foreign currencies; and
- other finance expense, net, including gains or losses from derivative instruments.

Our foreign exchange position is affected by our assets or liabilities denominated in foreign currencies, primarily U.S. dollars. 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 varies.

Finance expense, net, increased by Ps.5,213.6 million to Ps.4,328.9 million for the year ended December 31, 2014 from finance income, net of Ps.884.7 million for the year ended December 31, 2013. This increase primarily reflected (i) a Ps.748.3 million increase in interest expense, due primarily to a higher average principal amount of debt and finance lease obligations in 2014; (ii) a Ps.1,107.4 million increase in foreign exchange loss resulting primarily from the effect of a 12.9% depreciation of the Mexican peso against the U.S. dollar on our average net unhedged U.S. dollar liability position in 2014 compared with a 1.8% depreciation and a lower U.S. dollar liability position in 2013; and (iii) a Ps.3,555.6 million decrease in other finance income, net, resulting primarily from a lower finance income resulting from a change in fair value of the embedded derivative related to our option to convert debentures issued by the controlling company of Univision ("UHI") into an equity stake of UHI. These unfavorable variances were partially offset by a Ps.197.7 million increase in interest income explained primarily by a higher average amount of cash equivalents and temporary investments in 2014.

Share of Loss of Joint Ventures and Associates, Net

This line item reflects our equity participation in the operating results and net assets of unconsolidated businesses in which we maintain an interest, but which we do not control. We recognize equity in losses of joint ventures and associates up to the amount of our initial investment, subsequent capital contributions and long-term loans, or beyond that amount when guaranteed commitments have been made by us in respect of obligations incurred by joint ventures and associates.

Share of income of joint ventures and associates, net, increased Ps.5,673.1 million to Ps.13.2 million for the year ended December 31, 2014 from share of loss of joint ventures and associates, net, of Ps.5,659.9 million for the year ended December 31, 2013. This increase primarily reflected mainly the absence of an impairment adjustment made in 2013 to our investment in GSF, as well as a lower loss of GSF as we discontinued recognizing our share of loss of this joint venture in September 2014, in connection with a transaction agreement to dispose of our investment in GSF, which was completed in January 2015.

Income Taxes

Income taxes decreased by Ps.748.1 million, or 20.1%, to Ps.2,980.9 million for the year ended December 31, 2014 from Ps.3,729.0 million for the year ended December 31, 2013. This decrease primarily reflected a lower income tax base.

The Mexican corporate income tax rate was 30% in each of the years 2014, 2013 and 2012. In accordance with the 2014 Tax Reform, the corporate income tax rate will remain 30% thereafter.

Net Income Attributable to Non-controlling Interests

Net income attributable to non-controlling interests 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 Cable and Sky segments, as well as our Radio business.

Net income attributable to non-controlling interests decreased by Ps.1,213.0 million, or 48.8%, to Ps.1,272.9 million for the year ended December 31, 2014 from Ps.2,485.9 million for the year ended December 31, 2013. This decrease primarily reflected a lower portion of net income attributable to non-controlling interests in our Sky and Cable segments.

Net Income Attributable to Stockholders of the Company

We generated net income attributable to stockholders of the Company in the amount of Ps.5,386.9 million for the year ended December 31, 2014, as compared to Ps.7,748.3 million for the year ended December 31, 2013. The net decrease of Ps.2,361.4 million reflected:

- a Ps.4,782.0 million decrease in operating income; and
- a Ps.5,213.6 million increase in finance expense, net.

These changes were partially offset by:

- a Ps.5,673.1 million decrease in share of losses of jointly controlled entities and associates, net;
- a Ps.748.1 million decrease in income taxes; and
- a Ps.1,213.0 million decrease in net income attributable to non-controlling interests.

Effects of Depreciation and Inflation

The following table sets forth, for the periods indicated:

- the percentage that the Peso depreciated 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,		
	2015	2014	2013
Depreciation (appreciation) of the Peso as compared to the U.S. Dollar(1)	16.6%	12.9%	1.8%
Mexican inflation rate(2)	2.1	4.1	4.0
U.S. inflation rate	0.7	0.8	1.5
Increase in Mexican GDP(3)	2.5	2.3	1.3

(1) Based on changes in the Interbank Rates, as reported by Banamex, at the end of each period, which were as follows: Ps.12.85 per U.S. Dollar as of December 31, 2012; Ps.13.0750 per U.S. Dollar as of December 31, 2013; Ps. 14.7613 as of December 31, 2014 and Ps. 17.2160 as of December 31, 2015.

(2) Based on changes in the NCPI from the previous period, as reported by the Mexican Central Bank, which were as follows: 107.2 in 2012; 111.5 in 2013; 116.1 in 2014 and 118.5 in 2015.

(3) In the case of GDP information for 2014 and 2013, as reported and/or restated by the *Instituto Nacional de Estadística, Geografía e Informática*, or INEGI, and, in the case of GDP information for 2015, as estimated by INEGI.

The general condition of the Mexican economy, the depreciation 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-TV services.
- Foreign Currency-Denominated Revenues and Operating Costs and Expenses. We have substantial operating costs and expenses denominated in foreign currencies, primarily in U.S. Dollars. These costs are principally due to our activities in the United States, the costs of foreign-produced programming and publishing supplies and the leasing of satellite transponders. The following table sets forth our foreign currency-denominated revenues and operating costs and expenses stated in millions of U.S. Dollars for 2015, 2014 and 2013:

	Year Ended December 31,				
	2015		2014		2013
	(Millions of U.S. Dollars)				
Revenues	U.S.\$	943	U.S.\$	956	U.S.\$ 934
Operating costs and expenses		859		707	647

On a consolidated basis, in 2015, 2014 and 2013, our foreign-currency-denominated costs and expenses did not exceed our foreign-currency-denominated revenues but there can be no assurance that they will continue not to do so in the future. As a result, we will continue to remain vulnerable to future depreciation of the Peso, which would increase the Peso equivalent of our foreign-currency-denominated costs and expenses.

- Finance Expense, Net. The depreciation 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 exchange losses, derivatives used to hedge foreign exchange risk and increased interest expense increase our finance expense, net.

We have also entered into and will continue to consider entering into additional financial instruments to hedge against Peso depreciation and reduce our overall exposure to the depreciation 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 depreciation 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 depreciations. See “Key Information — Risk Factors — Risk Factors Related to Mexico”, “Quantitative and Qualitative Disclosures About Market Risk — Market Risk Disclosures” and Note 4 to our consolidated year-end financial statements.

IFRS

As required by regulations issued by the Mexican Banking and Securities Commission for listed companies in Mexico, beginning on January 1, 2012, we discontinued using Mexican FRS as issued by the Mexican Financial Reporting Standards Board and began using IFRS as issued by the IASB for financial reporting purposes.

Our consolidated financial information as of December 31, 2015 and 2014 and for the years ended December 31, 2015, 2014 and 2013, was prepared in accordance with IFRS as issued by the IASB.

New and Amended IFRSs

Below is a list of the new and amended standards that have been issued by the IASB and are effective for annual periods starting on or after January 1, 2016. The Company’s management is in the process of assessing the potential impact of these pronouncements on our consolidated financial statements.

New or Amended Standard	Title of the Standard	Effective for Annual Periods Beginning On or After
Annual Improvements	Annual Improvements to IFRSs 2012-2014 Cycle	January 1, 2016
Amendments to IFRS 11	Accounting for Acquisitions of Interests in Joint Operations	January 1, 2016
Amendments to IAS 16 and IAS 38	Clarification of Acceptable Methods of Depreciation and Amortization	January 1, 2016
Amendments to IAS 27	Equity Method in Separate Financial Statements	January 1, 2016
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Postponed
Amendments to IFRS 10, IFRS 12 and IAS 28	Investment Entities: Applying the Consolidation Exception	January 1, 2016
Amendments to IAS 1	Disclosure Initiative	January 1, 2016
Amendments to IAS 7	Disclosure Initiative	January 1, 2017
Amendments to IAS 12	Recognition of Deferred Tax Assets for Unrealized Losses	January 1, 2017
IFRS 15	Revenue from Contracts with Customers	January 1, 2018
IFRS 9	Financial Instruments	January 1, 2018
IFRS 16	Leases	January 1, 2019

Annual Improvements to IFRSs 2012-2014 Cycle were published in September 2014 and set out amendments to certain IFRSs. These amendments result from proposals made during the IASB’s Annual Improvements process, which provides a vehicle for making non-urgent but necessary amendments to IFRSs. The IFRSs amended and the topics addressed by these amendments are as follows:

Annual Improvements 2012-2014 Cycle	Subject of Amendment
IFRS 5 Non-current Assets Held for Sale and Discontinued Operations	Changes in methods of disposal
IFRS 7 Financial Instruments: Disclosures	Servicing contracts and applicability of the amendments to IFRS 7 to condensed interim financial statements
IAS 19 Employee Benefits	Discount rate: regional market issue
IAS 34 Interim Financial Reporting	Disclosure of information ‘elsewhere in the interim financial report’

Amendments to IFRS 11 *Accounting for Acquisitions of Interests in Joint Ventures* were issued in May 2014 and add new guidance on how to account for the acquisition of an interest in a joint operation in which the activity constitutes a business, as defined in IFRS 3 Business Combinations. Under these amendments, the acquirer

of a joint operation that constitutes a business shall apply all of the principles on business combinations accounting in IFRS 3, and other IFRSs, that do not conflict with the guidance in this IFRS and disclose the information that is required in those IFRSs in relation to business combinations.

Amendments to IAS 16 and IAS 38 *Clarification of Acceptable Methods of Depreciation and Amortization* were issued in May 2014 and clarify that the use of revenue-based methods to calculate depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the assets. These amendments also clarify that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset.

Amendments to IAS 27 *Equity Method in Separate Financial Statements* were issued in August 2014 and will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in separate financial statements.

Amendments to IFRS 10 and IAS 28 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* were issued in September 2014 and address and acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involved a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involve assets that do not constitute a business, even if these assets are housed in a subsidiary. In December 2015 the IASB postponed the effective date of these amendments indefinitely pending the outcome of its research project on the equity method of accounting.

Amendments to IFRS 10, IFRS 12 and IAS 28 *Investment Entities: Applying the Consolidation Exception* were issued in December 2014, and introduce clarifications to the requirements when accounting for investment entities. These amendments clarify which subsidiaries of an investment entity are consolidated in accordance with IFRS 10 *Consolidated Financial Statements*, instead of being measured at fair value through income.

Amendments to IAS 1 *Disclosure Initiative* were issued in December 2014 and clarify that companies should use professional judgment in determining what information to disclose in the financial statements, and where and in what order information is presented in the financial disclosures.

Amendments to IAS 7 *Disclosure Initiative* were issued in January 2016 and clarify that companies should provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

Amendments to IAS 12 *Recognition of Deferred Tax Assets for Unrealized Losses* were issued in January 2016 and clarify the requirements on recognition of deferred tax assets for unrealized losses, to address diversity in practice. Earlier application is permitted.

IFRS 15 *Revenue from Contracts with Customers* (“IFRS 15”) was issued in May 2014. IFRS 15 provides a single, comprehensive revenue recognition model for all contracts with customers to improve comparability within industries, across industries, and across capital markets. This standard contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognized. The underlying principle is that an entity will recognize revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. IFRS 15 is effective on January 1, 2018, with early adoption permitted. We are expected to be impacted to some extent by the significant increase in required disclosures. The Company’s management is currently in the process of assessing the changes that are beyond disclosures, and the effect of the adoption of this standard regarding technology systems, processes, and internal controls to capture new data and address changes in financial reporting.

IFRS 9 *Financial Instruments* (“IFRS 9”) addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 *Financial Instruments: Recognition and Measurement* (“IAS 39”) that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement

categories: those measured at amortized cost and those measured at fair value. The determination is made at initial recognition. The basis of classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the financial asset. The guidance in IAS 39 on impairment of financial assets and hedge accounting continues applying. For financial liabilities, this standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. Some amendments to IFRS 9 and IFRS 7 *Financial Instruments: Disclosures* ("IFRS 7") were issued in December 2011. These amendments to IFRS 9 modify the mandatory effective date of this standard and the relief from restating prior periods, and also add transition disclosures to IFRS 7 that are required to be applied when IFRS 9 is first applied. The Company's management is currently evaluating the impact IFRS 9 will have on its consolidated financial statements and disclosures.

IFRS 16 *Leases* ("IFRS 16") was issued in January 2016 and replaces IAS 17 *Leases*. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases. The major change introduced by IFRS 16 is that leases will be brought onto the companies' statements of financial position, increasing the visibility of their assets and liabilities. IFRS 16 removes the classification of leases as either operating leases or finance leases for the lessee, treating all leases as finance leases. Short-term leases (less than 12 months) and leases of low-value assets are exempt from the requirements. Early application of IFRS 16 is permitted as long as the IFRS 15 *Revenue from Contracts with Customers* is also applied. The Company's management is currently evaluating the impact IFRS 16 will have on its consolidated financial statements and disclosures.

Critical Accounting Estimates and Assumptions

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 involves 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 IFRS are those related to the accounting for programming, investments in associates and joint ventures, the evaluation of definite lived and indefinite lived long-lived assets, deferred income taxes, fair value measurements and exchange of Convertible Debentures. For a full description of these and other accounting policies, see Note 2 to our consolidated year-end financial statements.

(a) 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 Mexico, the United States, Latin America, Asia, Europe and Africa. Under IFRS, 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 amortize 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 its initial broadcast run and defer and expense the remaining production costs over the remainder of the expected future benefit period (see Note 2 (g) to our consolidated year-end financial statements).

We estimate the 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 its programming, including our consolidated subsidiaries and equity investees. To the extent that a given future expected benefit period is shorter than the estimate, we may have to accelerate capitalized production costs sooner than anticipated. Conversely, to the extent that a given future expected benefit period is longer than the 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. 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. 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 the estimate, we may have to accelerate the purchase price or the license fee sooner than anticipated. Conversely, to the extent that a given future expected benefit period is longer than the estimate, we may have to extend the amortization schedule for the remaining portion of the purchase price or the license fee.

Assuming a hypothetical 10% decrease in expected future revenue from our programming as of December 31, 2015, the balance of such programming would decrease in the amount of Ps.228,718 with a corresponding increase in programming amortization expense.

(b) Investments in Associates and Joint Ventures

Some of our investments are structured as investments in associates and joint ventures (see Notes 2 (c) and 10 to our consolidated year-end financial statements). As a result, 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 share of income or loss of associates and joint ventures in the consolidated statement of income (see Note 10 to our consolidated year-end financial statements).

In the past, we have made significant capital contributions and loans to our associates and joint ventures, and we may in the future make additional capital contributions and loans to at least some of our joint ventures. In the past, some of 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 periodically evaluate our investments in these associates and joint ventures for impairment, taking into consideration the performance of these ventures as compared to projections related to net sales, expenditures, strategic plans and future required cash contributions, 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, there can be no assurance that our future evaluations will not result in 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 of accounting, taking into consideration both quantitative and qualitative factors, such as long-term loans guarantees we have provided to these associates and joint 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 its various investments under the equity method.

(c) Goodwill and Other Indefinite-lived Intangible Assets

Goodwill and other intangible assets with indefinite useful lives are reviewed for impairment at least annually. When an impairment test is performed, the recoverable amount is assessed by reference to the higher of the net present value of the expected future cash flows (value in use) of the relevant cash generating unit and the fair value less cost to sell.

The recoverable amount of cash generating units has been determined based on fair value less costs to disposal calculations. These calculations require the use of estimates, including management's expectations of future revenue growth, operating costs, profit margins and operating cash flows for each cash-generating unit.

During 2015 and 2014, we recorded impairments for goodwill and other indefinite-lived intangible assets related to our Publishing business, which is classified into the Other Businesses segment. During 2013, we recorded impairments for goodwill and other indefinite-lived intangible assets related to our joint venture investment in capital stock of GSF (see Notes 10 and 12 to our consolidated year-end financial statements). Other than in the Publishing business, we believe that additional reasonable changes in assumptions would not trigger any additional impairment charges. See Note 2 (b) and (k) to our consolidated year-end financial statements for disclosure regarding concession intangible assets.

(d) Long-lived Assets

We present certain long-lived assets other than goodwill and indefinite-lived intangible assets in our consolidated statement of financial position. Long-lived assets are tested for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may no longer be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Recoverability is analyzed based on 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, and 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 2 (l), 12 and 21 to our consolidated year-end financial statements). We have not recorded any significant impairment charges over the past few years.

(e) Deferred Income Taxes

We record our deferred tax assets based on the likelihood that these assets are realized in the future. This likelihood is assessed by taking into consideration the future taxable income. 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.

(f) Financial Assets and Liabilities Measured at Fair Value

We have a significant amount of financial assets and liabilities which are measured at fair value on a recurring basis. The degree of management's judgment involved in determining the fair value of a financial asset and liability varies depending upon the availability of quoted market prices. When observable quoted market prices exist, that is the fair value estimate we use. To the extent such quoted market prices do not exist, management uses other means to determine fair value (see Notes 4 and 14 to our consolidated year-end financial statements).

(g) Exchange of Convertible Debentures due 2025 issued by UHI for Warrants issued by UHI

Significant judgment was applied in assessing the qualitative factors mentioned in IAS 39 *Financial Instruments: Recognition and Measurement*, to determine that the changes in cash flows, the different risks and rewards and contractual terms between the exchanged Convertible Debentures due 2025 issued by UHI and the received Warrants issued by UHI resulted in the derecognition of the Convertible Debentures.

The Company's management applied significant judgment to determine the classification of the Warrants issued by UHI. These Warrants did not comply with the definition of a derivative financial instrument because the initial investment that we paid to acquire the original instrument (Convertible Debentures) was significant and a derivative requires no initial investment or one that is smaller than other that would be required for a contract with similar response to changes in market factors; therefore, we classified the Warrants issued by UHI as available-for-sale financial assets with changes in fair value recognized in other comprehensive income or loss in consolidated equity. Significant judgment was applied by the Company's management in assessing that the characteristics of the Warrants are closer to an equity instrument in accordance with the IAS 32 *Financial Instruments: Presentation* (see Notes 3, 9, 10 and 14 to our consolidated year-end financial statements).

Financial assets and liabilities measured at fair value as of December 31, 2015, 2014 and 2013 (in thousands of Pesos):

	<u>Balance as of December 31, 2015</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Internal Models with Significant Observable Inputs (Level 2)</u>	<u>Internal Models with Significant Unobservable Inputs (Level 3)</u>
Assets:				
Temporary investments	Ps. 5,330,448	Ps. 5,330,448	Ps. —	Ps. —
Available-for-sale financial assets:				
Available-for-sale investments	5,873,243	—	5,873,243	—
Warrants issued by UHI	35,042,577	—	—	35,042,577
Total	Ps. 46,246,268	Ps. 5,330,448	Ps. 5,873,243	Ps. 35,042,577
Liabilities:				
Derivative financial instruments	Ps. 227,062	Ps. —	Ps. 227,062	Ps. —
Total	Ps. 227,062	Ps. —	Ps. 227,062	Ps. —
	<u>Balance as of December 31, 2014</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Internal Models with Significant Observable Inputs (Level 2)</u>	<u>Internal Models with Significant Unobservable Inputs (Level 3)</u>
Assets:				
Temporary investments	Ps. 4,788,585	Ps. 4,788,585	Ps. —	Ps. —
Available-for-sale financial assets:				
Available-for-sale investments	5,511,768	—	5,511,768	—
1.5% Convertible Debentures due 2025 issued by UHI	10,421,478	—	—	10,421,478
Embedded derivative UHI	17,447,857	—	—	17,447,857
Shares of Common Stock of Imagina	836,037	—	—	836,037
Derivative financial instruments	2,894	—	2,894	—
Total	Ps. 39,008,619	Ps. 4,788,585	Ps. 5,514,662	Ps. 28,705,372
Liabilities:				
Derivative financial instruments	Ps. 335,102	Ps. —	Ps. 335,102	Ps. —
Total	Ps. 335,102	Ps. —	Ps. 335,102	Ps. —
	<u>Balance as of December 31, 2013</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Internal Models with Significant Observable Inputs (Level 2)</u>	<u>Internal Models with Significant Unobservable Inputs (Level 3)</u>
Assets:				
Temporary investments	Ps. 3,722,976	Ps. 3,722,976	Ps. —	Ps. —
Available-for-sale financial assets:				
Available-for-sale investments	4,015,105	—	4,015,105	—
1.5% Convertible Debentures due 2025 issued by UHI	7,675,036	—	—	7,675,036
Embedded derivative UHI	14,761,677	—	—	14,761,677
Shares of Common Stock of Imagina	1,169,002	—	—	1,169,002
Convertible debt instruments issued by Ares	6,446,000	—	—	6,446,000
Embedded derivative Ares	771,000	—	—	771,000
Long-term debt instrument issued by Ares	2,521,999	—	—	2,521,999
Derivative financial instruments	8,388	—	8,388	—
Total	Ps. 41,091,183	Ps. 3,722,976	Ps. 4,023,493	Ps. 33,344,714
Liabilities:				
Derivative financial instruments	Ps. 335,336	Ps. —	Ps. 335,336	Ps. —
Total	Ps. 335,336	Ps. —	Ps. 335,336	Ps. —

The table below presents the reconciliation for all assets and liabilities measured at fair value using internal models with significant unobservable inputs (Level 3) during the years ended December 31, 2015, 2014 and 2013.

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Balance at beginning of year	Ps. 28,705,372	Ps. 33,344,714	Ps. 17,469,881
Included in finance income or expense	4,275,122	3,082,374	5,441,710
Included in other comprehensive income	4,027,621	2,454,884	940,379
Additional investment in Imagina	341,710	—	—
Exchange of Convertible Debentures, reclassification of investment in Imagina and partial exercise of Warrants	(32,889,675)	—	—
Warrants	30,582,427	—	—
Acquisition of Cablecom	—	(10,176,600)	—
Long-term debt instrument issued by Ares	—	—	2,492,744
Convertible debt instrument and Embedded derivative issued by Ares	—	—	7,000,000
Balance at the end of year	<u>Ps. 35,042,577</u>	<u>Ps. 28,705,372</u>	<u>Ps. 33,344,714</u>

Temporary Investments

Temporary investments include highly liquid securities, including without limitation debt with a maturity of three months, or over, and up to one year at the date of the consolidated statement of financial position, stock and other financial instruments, or a combination thereof, denominated principally in U.S. Dollars and Pesos (see Notes 2(f) and 6 to our consolidated year-end financial statements).

Temporary investments are generally valued using quoted market prices or alternative pricing sources with reasonable levels of price transparency. The types of instruments valued based on quoted market prices in active markets include mostly fixed short-term deposits, equities and corporate fixed income securities denominated in U.S. Dollars and Pesos. Such instruments are classified in Level 1 or Level 2 depending on the observability of the significant inputs.

Available-for-Sale Financial Assets

Investments in debt securities or with readily determinable fair values, not classified as held-to-maturity are classified as “available-for-sale” and are recorded at fair value with unrealized gains and losses included in consolidated stockholders’ equity as accumulated other comprehensive result.

Available-for-sale financial assets are generally valued using quoted market prices or alternative pricing sources with reasonable levels of price transparency. Such instruments are classified in Level 1, Level 2, and Level 3 depending on the observability of the significant inputs.

As of December 31, 2014 and 2013, we have made judgments and used several estimates and assumptions for determining the fair value calculations of the UHI Convertible Debentures due 2025, the UHI embedded derivative, the Ares convertible debt instruments, the Ares embedded derivative and the shares of common stock of Imagina. These estimates and assumptions include, among others, expected long-term growth rates and operating margins, which are used to calculate projected future cash flows. We also utilize risk-adjusted discount rates to determine weighted average cost of capital. All of our estimates are based on historical data, internal estimates and observable external sources when available, and are consistent with the strategic plans of the underlying business.

Available-for-Sale Investments-Open Ended Fund

We have an investment in an open ended fund that has as a primary objective to achieve capital appreciation by using a broad range of strategies through investments and transactions in telecom, media and other sectors across global markets, including Latin America and other emerging markets. Shares may be redeemed on a quarterly basis at the net asset value per share as of the applicable redemption date (see Notes 4 and 9 to our consolidated year-end financial statements).

UHI Convertible Debentures due 2025

On December 20, 2010, we made a cash investment in the form of Convertible Debentures due 2025 issued by UHI (formerly known as BMP), the parent company of Univision, in the principal amount of U.S.\$1,125

million (Ps.1 6,606.5 million), which were convertible at our option into additional shares currently equivalent to approximately 30% equity stake of UHI, subject to existing laws and regulations in the United States and other conditions. Our option of converting these debentures into an equity stake of UHI was accounted for as an embedded derivative with changes in fair value recognized in consolidated income (see Notes 4 and 9 to our consolidated year-end financial statements).

We determined the fair value of the Convertible Debentures using the income approach based on post-tax discounted cash flows. The income approach requires management to make judgments and involves the use of significant estimates and assumptions. These estimates and assumptions include long-term growth rates and operating margins used to calculate projected future cash flows, risk-adjusted discount rates based on weighted average cost of capital within a range of 8% to 10%, among others. Our estimates for market growth are based on historical data, various internal estimates and observable external sources when available, and are based on assumptions that are consistent with the strategic plans and estimates used to manage the underlying business. Since the described methodology was an internal model with significant unobservable inputs, the Convertible Debentures were classified in Level 3.

In the case of the embedded derivative in the UHI Convertible Debentures, we used recognized industry standard option pricing models (“OPM”). The OPM requires management to make judgments and involves the use of significant estimates and assumptions. These estimates and assumptions include the UHI stock’s spot price at valuation date and the stocks expected volatility. The UHI stock’s spot price at valuation date was obtained by using a discounted projected cash flow model that used the inputs described in the paragraph above. The UHI stock’s volatility was obtained from publicly available information about comparable companies’ stock through determining an average of such companies’ annual volatility. Since the described methodology is an internal model with significant unobservable inputs, the UHI embedded derivative was classified as Level 3.

Unobservable inputs that contributed to a significantly higher fair value measurement of our investment in UHI as of December 31, 2014, included better financial performance primarily in consolidated revenue and net income for the year ended December 31, 2014 and 2013 compared to the prior year, as well as higher credit ratings. Other assumptions used as of December 31, 2014 and 2013 included UHI stock’s spot price of U.S.\$402 and U.S.\$350, respectively, and UHI stock’s expected volatility of 24% and 26%, respectively.

UHI Warrants

In July 2015, we exchanged our investment in U.S.\$1,125 million principal amount of Convertible Debentures due 2025 issued by UHI for Warrants that are exercisable, subject to existing laws, regulations and other conditions, for UHI’s common stock.

We determined the fair value of its investment in Warrants using the Black-Scholes model (“BSM”). The BSM involves the use of significant estimates and assumptions. These estimates and assumptions include the UHI stock’s spot price at valuation date and the stock’s expected volatility. UHI stock’s price at valuation date was obtained by using a discounted projected cash flow model. UHI stock’s volatility was obtained from publicly available information of comparable companies’ stock through determining an average of such companies’ annual volatility. Since the described methodology was an internal model with significant unobservable inputs, the UHI Warrants are classified as Level 3.

Unobservable inputs used as of December 31, 2015 included UHI stock’s spot price of U.S.\$443 per share and UHI stock’s expected volatility of 29%.

Ares Convertible and Long-term Debt Instruments

In July 2013, we made an investment in the principal amount of Ps.7,000 million in convertible debt instruments which, subject to regulatory approvals, would allow us to acquire 95% of the equity interest of Ares, owner of 51% of the equity interest of Cablecom. In addition, as part of this transaction, we also invested in a long-term debt instrument issued by Ares in the principal amount of U.S.\$195 million. The Ares convertible and long-term debt instruments were converted into equity in August 2014.

[Table of Contents](#)

We determined the fair value of the convertible debt instruments as of December 31, 2013 using the expected present value valuation methodology based on post-tax discontinued cash flow. The expected present value methodology requires management to make judgments and involves the use of significant estimates and assumptions. These estimates and assumptions include long-term growth rates, operating margins used to calculate projected future cash flow and risk-adjusted discount rates based on weighted average cost of capital within a range of 5.5% to 6.5% among others. Our estimates for market growth were based on current conditions and reasonable forecasts, various internal estimates and observable external sources when available, and were based on assumptions that were consistent with the strategic plans and estimates used to manage the underlying business. Since the described methodology was an internal model with significant unobservable input, the convertible debt instruments were classified in Level 3 as of December 31, 2013.

Imagina Equity Financial Instrument

The significant unobservable inputs related to the fair value measurement of our investment in Imagina’s common stock for the year ended December 31, 2014 and 2013, were (a) a discount rate of 9.59% and 13.65%, respectively, and (b) an exit multiple of 9.71 times and 10.05 times, respectively.

Disclosures for Each Class of Assets and Liabilities Subject to Recurring Fair Value Measurements Categorized Within Level 3

For the year ended December 31, 2013, there were no gains or losses for the period included in consolidated net income that were attributable to the change in unrealized gains or losses relating to our assets categorized within Level 3 held at the end of those years.

Our Corporate Finance Department has established rules for a proper portfolio asset classification according to the fair value hierarchy defined by the IFRSs. On a monthly basis, any new assets recognized in the portfolio are classified according to this criterion. Subsequently, there is a quarterly review of the portfolio in order to analyze the need for a change in classification of any of these assets.

Sensitivity analysis is performed on our investments with significant unobservable inputs (Level 3) in order to obtain a reasonable range of possible alternative valuations. This analysis is carried out by our Corporate Finance Department.

As of December 31, 2015, 2014 and 2013 the effect on consolidated income and consolidated equity of changing the main assumptions used for the measurement of Level 3 financial instruments for other reasonably possible models, taking the highest or lowest value of the range reasonably possible, would be as follows:

Financial Assets Level 3	Main Assumptions Used	Sensitivity	Potential Impact on Consolidated Income Statement		Potential Impact on Consolidated Equity	
			Most Favorable Assumptions 2015	Least Favorable Assumptions 2015	Most Favorable Assumptions 2015	Least Favorable Assumptions 2015
Warrants issued by UHI	Price per Share	+/-10%	Ps. —	Ps. —	Ps. 3,504,321	Ps. (3,504,321)
Total			Ps. —	Ps. —	Ps. 3,504,321	Ps. (3,504,321)

Financial Assets Level 3	Main Assumptions Used	Sensitivity	Potential Impact on Consolidated Income Statement		Potential Impact on Consolidated Equity	
			Most Favorable Assumptions 2014	Least Favorable Assumptions 2014	Most Favorable Assumptions 2014	Least Favorable Assumptions 2014
UHI Convertible Debentures due 2025	Discount rate	-/+1	Ps. —	Ps. —	Ps. 1,066,694	Ps. (958,700)
Embedded derivate UHI	Volatility	+/-10%	356,675	(342,412)	—	—
Shares of common stock of Imagina	Exit multiple/ discount rate	+/-10%	—	—	151,551	(148,966)
Total			Ps. 356,675	Ps. (342,412)	Ps. 1,218,245	Ps. (1,107,666)

Financial Assets Level 3	Main Assumptions Used	Sensitivity	Potential Impact on Consolidated Income Statement		Potential Impact on Total Equity					
			Most Favorable Assumptions 2013	Least Favorable Assumptions 2013	Most Favorable Assumptions 2013	Least Favorable Assumptions 2013				
UHI Convertible Debentures due 2025	Discount rate	-/+1	Ps.	—	Ps.	—	Ps.	836,964	Ps.	(745,036)
Ares Convertible and Long- term Debt Instruments	Discount rate	-/+1		—		—		270,000		(258,000)
Embedded derivate UHI	Volatility	+/-10%		259,728		(225,823)		—		—
Embedded derivate Ares	Stock's spot price	+/-2.5%		156,118		(156,118)		—		—
Shares of common stock of Imagina	Exit multiple/ discount rate	+/-10%		—		—		104,311		(67,977)
Total			Ps.	<u>415,846</u>	Ps.	<u>(381,941)</u>	Ps.	<u>1,211,275</u>	Ps.	<u>(1,071,013)</u>

Derivative Financial Instruments

Derivative financial instruments include swaps, forwards and options (see Notes 2(v), 4 and 14 to our consolidated year-end financial statements).

Our derivative portfolio is entirely over-the-counter (“OTC”). Our derivatives are valued using industry standard valuation models; projecting future cash flows discounted to present value, using market-based observable inputs including interest rate curves, foreign exchange rates, and forward and spot prices for currencies.

When appropriate, valuations are adjusted for various factors such as liquidity, bid/offer spreads and credit spreads considerations. Such adjustments are generally based on available market evidence. In the absence of such evidence, management’s best estimate is used. All derivatives are classified in Level 2.

Assets and Liabilities Measured at Fair Value on a Non-Recurring Basis

The majority of our non-financial instruments, which include goodwill, intangible assets, inventories, transmission rights and programming and property, plant and equipment, are not required to be carried at fair value on a recurring basis. However, if certain triggering events occur (or at least annually in the fourth quarter for goodwill and indefinite-lived intangible assets) such that a non-financial instrument is required to be evaluated for impairment, a resulting asset impairment would require that the non-financial instrument be recorded at the lower of carrying amount or its fair value.

The impairment test for goodwill involves a comparison of the estimated fair value of each of our reporting units to its carrying amount, including goodwill. We determine the fair value of a reporting unit using a combination of a discounted cash flow analysis and a market-based approach, which utilize significant unobservable inputs (Level 3) within the fair value hierarchy. The impairment test for intangible assets not subject to amortization involves a comparison of the estimated fair value of the intangible asset with its carrying value. We determine the fair value of the intangible asset using a discounted cash flow analysis, which utilizes significant unobservable inputs (Level 3) within the fair value hierarchy. Determining fair value requires the exercise of significant judgment, including judgment about appropriate discount rates, perpetual growth rates, the amount and timing of expected future cash flows for a period of time that comprises five years, as well as relevant comparable company earnings multiples for the market-based approach.

Once an asset has been impaired, it is not remeasured at fair value on a recurring basis; however, it is still subject to fair value measurements to test for recoverability of the carrying amount.

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 we expect to 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 have used, and expect to continue to use, to fund our cash requirements during the rest of the quarter in which the deposits were received and for the first three quarters of the following year. As of December 31, 2015, 2014 and 2013, we had received Ps. 16,442.7 million, Ps. 16,695.9 million and Ps. 18,874.1 million, respectively, of advertising deposits for television advertising during 2015, 2014 and 2013, respectively, representing U.S.\$1.0 billion, U.S.\$1.1 billion and U.S.\$1.4 billion, respectively, at the applicable year-end exchange rates. The deposits as of December 31, 2015, represented a 1.5% decrease, as compared to year-end 2014, and the deposits as of December 31, 2014, represented a 11.5% decrease, as compared to year-end 2013. Approximately 71.1%, 59.3% and 60.4% of the advance payment deposits as of December 31, 2015, 2014 and 2013, respectively, were in the form of short-term, non-interest bearing notes, with the remaining deposits in each of those years consisting of cash deposits. The weighted average maturity of these notes at December 31, 2015, 2014 and 2013, was 3.4 months, 4.5 months and 4.9 months, respectively.

During the year ended December 31, 2015, we had a net increase in cash and cash equivalents of Ps.19,667.8 million, as compared to a net increase in cash and cash equivalents of Ps.13,037.3 million during the year ended December 31, 2014.

Net cash provided by operating activities for the year ended December 31, 2015, amounted to Ps.31,285.6 million. Adjustments to reconcile income before income taxes to net cash provided by operating activities primarily included: depreciation and amortization of Ps.14,660.9 million; net unrealized foreign exchange loss of Ps.4,032.9 million; interest expense of Ps.6,239.4 million; other amortization of Ps.304.9 million; provisions for related party transactions of Ps.1,024.5 million; gain in reclassifications from accumulated other comprehensive income of Ps.5,262.6 million; gain in other finance income net of Ps.917.7 million; interest income of Ps.378.7 million; equity in gain of affiliates of Ps.35.4 million; income from UHI of Ps. 2,195.0 million; and gain on disposition of investments of Ps.76.3 million. Income taxes paid for the year ended December 31, 2015 amounted to Ps.7,823.7 million.

Net cash used for investing activities for the year ended December 31, 2015, amounted to Ps.23,781.6 million, and was primarily used for investments in property, plant and equipment of Ps.25,524.1 million; held-to-maturity and available-for-sale investments of Ps.89.6 million; equity method and other investments of Ps.10,088.9 million; and investments in goodwill and other intangible assets of Ps.1,553.8 million; which effect was partially offset by an income from UHI of Ps. 2,195.0 million; disposition of investment in GSF of Ps. 10,335.8 million; and temporary investments of Ps.16.1 million.

Net cash provided for financing activities for the year ended December 31, 2015, amounted to Ps.12,032.9 million, and was primarily provided by the issuance of Senior Notes due 2026 in the amount of Ps.4,903.7 million; issuance of Senior Notes due 2046 in the amount of Ps.14,716.6 million; issuance of Notes due 2022 in the amount of Ps.4,988.7 million; and credit agreements with certain Mexican banks in the amount of Ps.2,487.9 million; which effect was primarily used for dividends and repurchase of capital stock of Ps.1,084.2 million; interest paid of Ps.5,938.7 million; prepayment and repayment of debt and lease payments of Ps.7,194.1 million; derivative financial instruments of Ps.372.0 million; and dividends to non-controlling interest of Ps.475.1 million.

We expect to fund our operating cash needs during 2016, 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 2016 through available cash from operations, cash on hand and/or borrowings. The amount of borrowings required to fund these cash needs in 2016 will depend upon the timing of such transactions and the timing of cash payments from advertisers under our advertising sales plan.

During the year ended December 31, 2014, we had a net increase in cash and cash equivalents of Ps.13,037.3 million, as compared to a net decrease in cash and cash equivalents of Ps.2,371.3 million during the year ended December 31, 2013.

Net cash provided by operating activities for the year ended December 31, 2014, amounted to Ps.28,462.9 million. Adjustments to reconcile income before income taxes to net cash provided by operating activities primarily included: depreciation and amortization of Ps.11,563.1 million; net unrealized foreign exchange loss of Ps.2,133.5 million; interest expense of Ps.5,551.5 million; other amortization of Ps.213.2 million; gain in other finance income net of Ps.1,286.0 million; interest income of Ps.417.8 million; equity in gain of affiliates of Ps.13.2 million; and loss on disposition of investments of Ps.4,168.5 million. Income taxes paid for the year ended December 31, 2014 amounted to Ps.4,117.4 million.

Net cash used for investing activities for the year ended December 31, 2014, amounted to Ps.22,739.5 million, and was primarily used for investments in property, plant and equipment of Ps.17,004.4 million; held-to-maturity and available-for-sale investments of Ps.372.1 million; equity method and other investments of Ps.5,487.3 million; investments in goodwill and other intangible assets of Ps.794.5 million; and temporary investments of Ps.75.0 million, which effect was partially offset by a disposition of held-to-maturity and available-for-sale investments of Ps.513.1 million; and disposition of property, plant and equipment of Ps.480.6 million.

Net cash provided for financing activities for the year ended December 31, 2014, amounted to Ps.7,230.8 million, and was primarily provided by the issuance of Senior Notes due 2021 in the amount of Ps.5,988.7 million; issuance of Senior Notes due 2045 in the amount of Ps.12,400.1 million and credit agreements with certain Mexican banks in the amount of Ps.2,078.4 million; which effect was partially offset by cash used by interest paid of Ps.5,200.7 million; prepayment and repayment of debt and lease payments of Ps.7,283.0 million; derivative financial instruments of Ps.284.4 million; and dividends to non-controlling interest of Ps.468.2 million.

During the year ended December 31, 2013, we had a net decrease in cash and cash equivalents of Ps.2,371.3 million, as compared to a net increase in cash and cash equivalents of Ps.2,787.4 million during the year ended December 31, 2012.

Net cash provided by operating activities for the year ended December 31, 2013, amounted to Ps.23,806.2 million. Adjustments to reconcile income before income taxes to net cash provided by operating activities primarily included: depreciation and amortization of Ps.9,846.4 million; net unrealized foreign exchange loss of Ps.128.6 million; interest expense of Ps.4,803.2 million; other amortization of Ps.185.1 million; gain in other finance income net of Ps.4,841.7 million; and equity in losses of affiliates of Ps.5,660.0 million. Income taxes paid for the year ended December 31, 2013 amounted to Ps.4,794.7 million.

Net cash used for investing activities for the year ended December 31, 2013, amounted to Ps.25,246.5 million, and was primarily used for investments in property, plant and equipment of Ps.14,870.7 million; held-to-maturity and available-for-sale investments of Ps.517.2 million; equity method and other investments of Ps.1,588.9 million; investments in financial instruments of Ps.9,492.7 million; and investments in goodwill and other intangible assets of Ps.824.1 million; which effect was partially offset by cash provided by temporary investments of Ps.1,604.3 million; a disposition of held-to-maturity and available-for-sale investments of Ps.263.7 million; and disposition of property, plant and equipment of Ps.169.2 million.

Net cash used for financing activities for the year ended December 31, 2013, amounted to Ps.923.8 million, and was primarily used for dividends and repurchase of capital stock of Ps.2,168.4 million; interest paid of Ps.4,681.7 million; repayment of debt and lease payments of Ps.751.2 million; derivative financial instruments of Ps.140.5 million; and dividends to non-controlling interest of Ps.112.7 million; which effect was partially offset by cash provided by the issuance of 7.25% Senior Notes due 2043 in the amount of Ps.6,437.2 million and credit agreements with certain Mexican banks in the amount of Ps.493.4 million.

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

During 2016, we:

- expect to make aggregate capital expenditures for property, plant and equipment totaling approximately U.S.\$1,630.0 million, of which approximately U.S.\$1,100.0 million and approximately U.S.\$390.0 million are for the expansion and improvements of our Cable and Sky segments, respectively, and the remaining amount is for our Content and Other Businesses segments;
- expect to provide financing to GTAC in connection with long-term credit facilities and our 33.3% interest in GTAC in the aggregate principal amount of Ps.60.0 million (U.S.\$3.5 million); and
- expect to acquire the remaining 50% equity interest of TVI in the aggregate amount of Ps.6,750.0 million (U.S.\$392.1 million), including the assumption of long-term liabilities in the aggregate amount of Ps.4,750.0 million (U.S.\$275.9 million), with maturities between 2017 and 2020, and a cash payment of Ps.2,000.0 million (U.S.\$116.2 million).

During 2015, we:

- made aggregate capital expenditures for property, plant and equipment totaling U.S.\$1,605.4 million, of which U.S.\$1,077.2 million and U.S.\$361.6 million are for the expansion and improvements of our Cable and Sky segments, respectively, and the remaining U.S.\$166.6 million is for our Content segment and other segments;
- acquired, through a series of transactions, all of the equity interest of Telecable for an aggregate consideration of Ps.10,001.8 million (U.S.\$667.7 million). Telecable is a cable company that provides video, data and telephone services primarily in six states of Mexico;
- provided financing to GTAC in connection with a long-term credit facility and our 33.3% interest in GTAC in the aggregate principal amount of Ps.101.9 million; and
- acquired additional shares of Imagina for the aggregate cash amount of Ps.341.7 million and increased our equity stake in Imagina from 14.5% to 19.9 %.

During 2014, we:

- made aggregate capital expenditures for property, plant and equipment approximately U.S.\$1,275.8 million, of which U.S.\$702.9 million and U.S.\$388.8 million are for the expansion and improvements of our Cable and Sky segments, respectively, and the remaining U.S.\$184.1 million is for our Content segment and other segments;
- made an investment in the amount of Ps.5,908.0 million to purchase, pursuant to applicable regulations, all of the equity interest of Cablecom; and
- provided financing to GTAC in connection with long-term credit facilities and our 33.3% interest in GTAC in the aggregate principal amount of Ps. 121.5 million.

During 2013, we:

- made aggregate capital expenditures for property, plant and equipment totaling U.S.\$1,157.8 million, of which U.S.\$599.9 million and U.S.\$397.7 million were for the expansion and improvements of our Cable and Sky segments, respectively, and the remaining U.S.\$160.2 million was for our Content segment and other segments;
- made additional capital contributions in connection with our 50% joint interest in GSF in the aggregate amount of Ps.1,587.5 million;
- made an investment in the amount of Ps.7,000 million (U.S.\$547.6 million) in convertible debt instruments which, subject to regulatory approval, will allow us to acquire 95% of the equity interest of Ares, owner of 51% of the equity interest of Cablecom, a telecommunications company that offers video, telephony and data services in Mexico. As part of this transaction, we also invested in a long-term debt instrument issued by Ares in the amount of U.S.\$195 million; and
- provided financing to GTAC in connection with long-term credit facilities and our 33.3% interest in GTAC in the aggregate principal amount of Ps.56.6 million and U.S.\$5.9 million.

Refinancings. In May 2013, we concluded the offering of Ps.6,500 million aggregate principal amount of 7.25% Senior Notes due 2043 registered with both the SEC and the Mexican Banking and Securities Commission. We used the net proceeds for general corporate purposes. In April 2014, we concluded the offering of Ps.6,000 million aggregate principal amount of local bonds (*Certificados Bursátiles*) due 2021 with an interest rate of 0.35% plus the 28-day Interbank Equilibrium Interest Rate. We used the net proceeds of the offering for general corporate purposes. In May 2015, we concluded the offering of Ps. 5,000 million aggregate principal amount of local bonds (*Certificados Bursátiles*) due 2022 with an interest rate of 0.35% plus the 28-day Interbank Equilibrium Interest Rate. We used the net proceeds of the offering for general corporate purposes and working capital. In November 2015, we concluded the offering of \$300 million aggregate amount of 4.625% Senior Notes due 2026 and \$900 million aggregate principal amount of 6.125% Senior Notes due 2046. We used the net proceeds for general corporate purposes including capital expenditures associated with the continued growth of our Cable segment.

In March 2016, (i) our Sky segment entered into a long-term debt agreements with two Mexican banks in the aggregate principal amount of Ps.5,500 million, with maturities between 2021 and 2023, and interest payable on a monthly basis at an annual rate in the range of 7.0% and 7.13%, and prepaid an intercompany long-term loan in the principal amount of Ps.3,500 million; and (ii) we prepaid a portion of our Mexican peso outstanding long-term loans with original maturities between 2016 and 2017 in the aggregate principal amount of Ps.3,532 million.

Indebtedness. As of December 31, 2015, our consolidated long-term portion of debt amounted to Ps.107,430.8 million, and our consolidated current portion of debt was Ps.4,164.1. As of December 31, 2014, our consolidated long-term portion of debt amounted to Ps.80,660.5 million and our consolidated current portion of debt was Ps.1,312.1 million. The consolidated debt is presented net of unamortized finance costs as of December 31, 2015 and 2014, in the aggregate amount of Ps.1,387.9 million and Ps.1,268.9 million, respectively, and interest payable in the aggregate amount of Ps.1,184.2 and Ps.974.9 in 2015 and 2014, respectively. We may from time to time incur additional indebtedness or repurchase, redeem or repay outstanding indebtedness. The following table sets forth a description of our net outstanding indebtedness as of December 31, 2015, net of unamortized finance costs and interest payable (in millions of Pesos):

Description of Debt	Debt Outstanding(1)			
	December 31, 2015 Actual	Interest Rate(2)	Denomination	Maturity of Debt
6% Senior Notes(2)	Ps. 8,652.0	6.0%	U.S. Dollars	2018
8.5% Senior Notes(2)	5,270.2	8.5%	U.S. Dollars	2032
6.625% Senior Notes(2)	10,169.1	6.625%	U.S. Dollars	2025
8.49% Senior Notes(2)	4,517.4	8.49%	Pesos	2037
6.625% Senior Notes(2)	10,492.8	6.625%	U.S. Dollars	2040
7.25% Senior Notes(2)	6,490.1	7.25%	Pesos	2043
5.000% Senior Notes (2)	16,842.8	5.000%	U.S. Dollars	2045
4.625% Senior Notes (2)	5,077.3	4.625%	U.S. Dollars	2026
6.125% Senior Notes (2)	15,508.2	6.125%	U.S. Dollars	2046
7.38% Notes(3)	10,099.2	7.38%	Pesos	2020
TIIE+ 0.35% Notes (3)	5,997.6	3.71%	Pesos	2021
TIIE+ 0.35% Notes (3)	4,994.2	3.78%	Pesos	2022
Santander loan (4)	1,781.2	4.251%	Pesos	2016
HSBC loan(4)	2,497.9	4.728%	Pesos	2018
Santander loan (4)	499.8	3.8505%	Pesos	2016
Santander loan (5)	250.6	4.8475%	Pesos	2020
Santander loan (5)	249.5	4.7525%	Pesos	2019
Banco Mercantil del Norte loan (“Banorte”) (5)	1,489.2	4.6154%	Pesos	2022
HSBC loan (5)	390.3	5.2525%	Pesos	2019
HSBC loan (5)	299.8	4.7500%	Pesos	2019
Other debt (5)	25.6	5.9100%	Pesos	2017
Total debt	111,594.8			16.9 years(6)
Less: Current maturities of long-term debt	4,164.1			2016
Total long-term debt	Ps. 107,430.7			
Finance lease obligations:				
Satellite transponder lease obligations (7)	Ps. 4,879.9	7.30%	U.S. Dollars	2027
Other (8)	925.2	7.104%	Various	2016 to 2022
Total finance lease obligations	5,805.1			
Less: Current portion	511.6			2016
Finance lease obligations, net of current portion	Ps. 5,293.6			

(1) U.S. Dollar-denominated debt is translated into Pesos at an exchange rate of Ps.17.2160 per U.S. Dollar, the Interbank Rate, as reported by Banamex, as of December 31, 2015.

(2) The Senior Notes due 2018, 2025, 2026, 2032, 2037, 2040, 2043, 2045 and 2046, in the outstanding principal amount of U.S.\$500 million, U.S.\$600 million, U.S.\$300 million, U.S.\$300 million, Ps.4,500 million, U.S.\$600 million, Ps.6,500 million, U.S.\$1,000 million and U.S.\$900 million, respectively, are unsecured obligations of the Company, rank equally in right of payment with all existing and future unsecured and unsubordinated indebtedness of the Company, and are junior in right of payment to all of the existing and future liabilities of the Company’s subsidiaries. Interest on the Senior Notes due 2018, 2025, 2026, 2032, 2037, 2040, 2043, 2045 and 2046, including additional amounts payable in respect of certain Mexican withholding taxes, is 6.31%, 6.97%, 4.86%, 8.94%, 8.93%, 6.97%, 7.62%, 5.26% and 6.44% per annum, respectively, and is payable semi-annually. These Senior Notes may not be redeemed prior to maturity, except (i) in the event of certain changes in law affecting the Mexican withholding tax treatment of certain payments on the securities, in

which case the securities will be redeemable, as a whole but not in part, at the option of the Company; and (ii) in the event of a change of control, in which case the Company may be required to redeem the securities at 101% of their principal amount. Also, the Company may, at its own option, redeem the Senior Notes due 2018, 2025, 2026, 2037, 2040, 2043 and 2046, in whole or in part, at any time at a redemption price equal to the greater of the principal amount of these Senior Notes or the present value of future cash flows, at the redemption date, of principal and interest amounts of the Senior Notes discounted at a fixed rate of comparable U.S. or Mexican sovereign bonds. The Senior Notes due 2018, 2026, 2032, 2040, 2043, 2045 and 2046 were priced at 99.280%, 99.385%, 99.431%, 98.319%, 99.733%, 96.534% and 99.677%, respectively, for a yield to maturity of 6.097%, 4.700%, 8.553%, 6.755%, 7.27%, 5.227% and 6.147%, respectively. The Senior Notes due 2025 were issued in two aggregate principal amounts of U.S.\$400 million and U.S.\$200 million, and were priced at 98.081% and 98.632%, respectively, for a yield to maturity of 6.802% and 6.787%, respectively. The agreement of these Senior Notes contains covenants that limit the ability of the Company and certain restricted subsidiaries engaged in the Group's content segment, to incur or assume liens, perform sale and leaseback transactions, and consummate certain mergers, consolidations and similar transactions. The Senior Notes due 2018, 2025, 2026, 2032, 2037, 2040, 2045 and 2046 are registered with the SEC. The Senior Notes due 2043 are registered with both the SEC and the Mexican Banking and Securities Commission.

- (3) In 2010, April 2014 and May 2015, the Company issued Notes ("Certificados Bursátiles") due 2020, 2021 and 2022, respectively, through the Mexican Stock Exchange ("Bolsa Mexicana de Valores") in the aggregate principal amount of Ps.10,000 million, Ps.6,000 million and P.S. 5,000 million, respectively. Interest on the Notes due 2020 is 7.38% per annum and is payable semi-annually. Interest on the Notes due 2021 and 2022 is the Equilibrium Interbank Interest Rate ("Tasa de Interés Interbancaria de Equilibrio" or "TIIE") plus 0.35% per annum and is payable every 28 days. The Company may, at its own option, redeem the Notes due 2020, in whole or in part, at any semi-annual interest payment date at a redemption price equal to the greater of the principal amount of the outstanding Notes and the present value of future cash flows, at the redemption date, of principal and interest amounts of the Notes discounted at a fixed rate of comparable Mexican sovereign bonds. The Company may, at its own option, redeem the Notes due 2021 and 2022, at any date at a redemption price equal to the greater of the principal amount of the outstanding notes and an average price calculated from prices to be provided at the redemption date by two Mexican financial pricing companies. The agreement of these Notes contains covenants that limit the ability of the Company and certain restricted subsidiaries appointed by the Company's Board of Directors, and engaged in the Group's Content segment, to incur or assume liens, perform sale and leaseback transactions, and consummate certain mergers, consolidations and similar transactions.
- (4) In 2015, also includes long-term bank loans entered into by the Company with a Mexican bank in September 2014 and January 2015, in the principal amount of Ps. 1,782 million, with a maturity in 2016, and an annual interest rate payable on a monthly basis of 28-day TIIE plus 15 basis points in 2014, a range between 30 and 70 basis points in 2015, and a range between 70 and 80 basis points in 2016 and in the principal amount of Ps.500 million, with a maturity in 2016, and annual interest rate payable on a monthly basis of 28-day TIIE plus a range between 0 and 30 basis points in 2015, and a range between 30 and 80 basis points in 2016.
- (5) Include outstanding balance in the aggregate principal amount of Ps.2,709.2 million, in connection with certain credit agreements entered into by TVI with Mexican banks, with maturities between 2016 and 2022, bearing interest at an annual rate in the range of TIIE plus a range between 130 and 250 basis points which is payable on a monthly basis. Under the terms of the credit agreements, TVI is required to comply with certain restrictive covenants and financial coverage ratios.
- (6) Actual weighted average maturity of long-term debt as of December 31, 2015.
- (7) Starting from the fourth quarter of 2012, Sky is obligated to pay a monthly fee of U.S.\$3.0 million under a capital lease agreement entered into with Intelsat Global Sales & Marketing Ltd. ("Intelsat") in March 2010 for satellite signal reception and retransmission service from 24 KU-band transponders on satellite IS-21, which became operational in October 2012. The service term for IS-21 will end at the earlier of (a) the end of 15 years or (b) the date IS-21 is taken out of service.
- (8) Includes minimum lease payments of property and equipment and intangible assets under leases that qualify as capital leases. Also, includes a subsidiary of the Company that entered into a lease agreement with GTAC, a related party for the right to use certain capacity of a telecommunications network to 2029. This lease provides for annual payments to 2020 and 2021. The other capital leases have terms which expire at various dates between 2016 and 2019.

Interest Expense. Interest expense for the years ended December 31, 2015, 2014 and 2013 was Ps.6,239.4 million, Ps.5,551.5 million and Ps. 4,803.1 million, respectively.

The following table sets forth our interest expense for the years indicated (in millions of U.S. Dollars and millions of Pesos):

	Year Ended December 31,(1)		
	2015	2014	2013
Interest payable in U.S. Dollars	U.S.\$ 216.3	U.S.\$ 193.7	U.S.\$ 160.6
Amounts currently payable under Mexican withholding taxes(2)	9.8	8.6	6.9
Total interest payable in U.S. Dollars	U.S.\$ 226.1	U.S.\$ 202.3	U.S.\$ 167.5
Peso equivalent of interest payable in U.S. Dollars	Ps. 3,588.2	Ps. 2,690.2	Ps. 2,152.7
Interest payable in Pesos	2,651.2	2,861.3	2,650.4
Total interest expense	Ps. 6,239.4	Ps. 5,551.5	Ps. 4,803.1

(1) U.S. Dollars are translated into Pesos at the rate prevailing when interest was recognized as an expense for each period.

(2) See “Additional Information — Taxation — Federal Mexican Taxation”.

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, 2015 (these amounts do not include future interest payments):

	Payments Due by Period				
	Total	Less Than 12 Months January 1, 2016 to December 31, 2016	12-36 Months January 1, 2017 to December 31, 2018	36-60 Months January 1, 2019 to December 31, 2020	Maturities Subsequent to December 31, 2020
	(Thousands of U.S. Dollars)				
6.0% Senior Notes due 2018	U.S.\$ 500,000	U.S.\$ —	U.S.\$ 500,000	U.S.\$ —	U.S.\$ —
6.625% Senior Notes due 2025	600,000	—	—	—	600,000
8.5% Senior Notes due 2032	300,000	—	—	—	300,000
8.49% Senior Notes due 2037	261,385	—	—	—	261,385
6.625% Senior Notes due 2040	600,000	—	—	—	600,000
7.38% Notes due 2020	580,855	—	—	580,855	—
7.25% Senior Notes due 2043	377,556	—	—	—	377,556
5.000% Senior Notes due 2045	1,000,000	—	—	—	1,000,000
4.625% Senior Notes due 2026	300,000	—	—	—	300,000
6.125% Senior Notes due 2046	900,000	—	—	—	900,000
TIIE+0.35 Notes due 2021	348,513	—	—	—	348,513
TIIE+0.35 Notes due 2022	290,428	—	—	—	290,428
Santander loan due 2016	103,508	103,508	—	—	—
HSBC loan due 2018	145,213	36,303	108,910	—	—
Santander loan due 2016	29,043	29,043	—	—	—
Banco Mercantil del Norte loan due 2022	86,665	—	20,106	24,128	42,431
HSBC loan due 2019	22,750	3,776	7,551	11,423	—
HSBC loan due 2019	17,426	—	—	17,426	—
Santander loan due 2019	14,521	—	—	14,521	—
Santander loan due 2020	14,521	—	—	14,521	—
Other debt	1,487	562	925	—	—
Long-term debt	6,493,871	173,192	637,492	662,874	5,020,313
Accrued Interest	68,786	68,786	—	—	—
Satellite transponder obligation	283,454	15,831	35,337	40,873	191,413
Other capital lease obligations	53,739	13,883	19,593	17,029	3,234
Transmission rights(1)	300,608	143,943	111,207	29,782	15,676
Total contractual obligations	U.S.\$ 7,200,458	U.S.\$ 415,635	U.S.\$ 803,629	U.S.\$ 750,558	U.S.\$ 5,230,636

(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, 2015:

	Payments Due by Period				
	Total	Less Than 12 Months January 1, 2016 to December 31, 2016	12-36 Months January 1, 2017 to December 31, 2018	36-60 Months January 1, 2019 to December 31, 2020	Maturities Subsequent to December 31, 2020
	(Thousands of U.S. Dollars)				
Interest on debt(1)	U.S.\$ 7,022,723	U.S.\$ 349,529	U.S.\$ 798,996	U.S.\$ 745,745	U.S.\$ 5,128,453
Interest on capital lease obligations	146,534	21,869	39,035	33,899	51,731
Lease commitments(2)	181,720	37,103	61,115	48,854	34,648
Programming(3)	55,034	16,545	20,158	18,331	—
Transmission rights(3)	897,760	59,730	45,250	130,800	661,980
Capital expenditures commitments	26,119	26,119	—	—	—
Satellite transponder commitments(4)	24,397	9,904	13,851	642	—
Committed financing to GTAC(5)	3,485	3,485	—	—	—
Total contractual obligations	U.S.\$ 8,357,772	U.S.\$ 524,284	U.S.\$ 978,405	U.S.\$ 978,271	U.S.\$ 5,876,812

- (1) Interest to be paid in future years on outstanding debt as of December 31, 2015, was estimated based on contractual interest rates and exchange rates as of that date.
- (2) Reflects our minimum non-cancellable lease commitments for facilities under operating lease contracts, which are primarily related to our gaming business, under operating leases expiring through 2047. See Note 26 to our consolidated year-end financial statements.
- (3) These line items reflect our obligations related to programming to be acquired or licensed from third party producers and suppliers, and transmission rights for special events to be acquired from a third party.
- (4) Reflects our minimum commitments for the use of satellite transponders under operating lease contracts.
- (5) In connection with a long-term credit facility, we have agreed to provide financing to GTAC in 2016 in the aggregate principal amount of Ps.60 million (U.S.\$3.5 million).

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 stockholders at our April 28, 2016 annual stockholders' meeting.

Name and Date of Birth	Principal Occupation	Business Experience	First Elected
Emilio Fernando Azcárraga Jean (02/21/68)	Chairman of the Board, President and Chief Executive Officer and Chairman of the Executive Committee of Grupo Televisa	Member of the Boards of Banco Nacional de México and Univision	December 1990
<i>In alphabetical order:</i>			
Alfonso de Angoitia Noriega (01/17/62)	Executive Vice President, Member of the Executive Office of the Chairman and Member of the Executive Committee of Grupo Televisa	Member of the Board of Univision, Grupo Financiero Banorte, Fomento Económico Mexico S.A.B. de C.V. and Former Chief Financial Officer of Grupo Televisa	April 1997
Alberto Baillères González (08/22/31)	Chairman of the Boards of Grupo Bal, Industrias Peñoles, Fresnillo PLC, Grupo Palacio de Hierro, Grupo Nacional Provincial, Grupo Profuturo and Petrobal, Director of Valores Mexicanos Casa de Bolsa, Chairman of the Government Board of Instituto Tecnológico Autónomo de México and Associate Founder of Fundación Alberto Baillères	Director of Grupo Dine, Grupo Kuo, Grupo Financiero BBVA Bancomer, BBVA Bancomer, Fomento Económico Mexicano and J.P. Morgan International Council U.S.A.	April 2004
Julio Barba Hurtado (05/20/33)	Legal Advisor to the Company, Secretary of the Audit & Corporate Practices Committee and Member of the Executive Committee of the Company	Former Legal Advisor to the Board of the Company	December 1990
José Antonio Bastón Patiño (04/13/68)	President of Television and Contents and Member of the Executive Committee of Grupo Televisa	Former Corporate Vice President of Television and Vice President of Operations of Grupo Televisa, Member of the Board of Univision and former General Director of Programming of Grupo Televisa	April 1998

[Table of Contents](#)

Name and Date of Birth	Principal Occupation	Business Experience	First Elected
Francisco José Chévez Robelo (07/03/29)	Chairman of the Audit and Corporate Practices Committee of Grupo Televisa, Member of the Board of Directors and Chairman of the Audit and Corporate Practices Committee of Empresas Cablevisión	Retired Partner of Chévez, Ruíz, Zamarripa y Cía., S.C., Member of the Board of Directors and Chairman of the Audit and Corporate Practices Committee of Empresas Cablevisión, Member of the Board of Apuestas Internacionales, S.A. de C.V. Member of the Board of Directors of Raspafacil, S.A. de C.V. and Former Managing Partner of Arthur Andersen & Co.	April 2003
Jon Feltheimer (09/02/51)	Chief Executive Officer of Lions Gate Entertainment Corp.	Former President of Columbia TriStar Television Group and former Executive Vice President of Sony Pictures Entertainment	April 2015
José Antonio Fernández Carbajal (02/15/54)	Executive Chairman of the Board of Fomento Económico Mexicano and Chairman of the Board of Coca-Cola FEMSA	Chairman of the Board of Directors of ITESM, Fundación Femsas and Chairman Emeritus of the US-Mexico Foundation, Vice-Chairman of the Supervising Board and member of the Preparatory Committee, Selection and Appointment Committee and Chairman of the Americas Committee of Heineken N.V., Co-Chairman of the Advisory Board of the Woodrow Wilson Center, México Chapter Co. and Member of the Board of Industrias Peñoles and Heineken Holding N.V.	April 2007
José Luis Fernández Fernández (05/18/59)	Partner of Chévez, Ruíz, Zamarripa y Cía., S.C. Member of the Audit and Corporate Practices Committee of Grupo Televisa	Member of the Board of Directors of Mexichem, Arca Continental Corporativo, Genomma Lab Internacional, Unifin Financiera and Controladora Vuela Compañía de Aviación and Apuestas Internacionales.	April 2002
Salvi Rafael Folch Viadero (08/16/67)	Chief Financial Officer of Grupo Televisa	Former Vice President of Financial Planning of Grupo Televisa, former Chief Executive Officer and Chief Financial Officer of Comercio Más, S.A. de C.V. and former Vice Chairman of Banking Supervision of the National Banking and Securities Commission	April 2002

[Table of Contents](#)

Name and Date of Birth	Principal Occupation	Business Experience	First Elected
Michael Thomas Fries (02/06/63)	President, Chief Executive Officer and Director of Liberty Global, plc.	Steering Committee Member of the World Economic Forum — Information Technology and Communications, Trustee or Board Member of Lions Gate Entertainment Corp., Alliance for Choice in Education, Biennial of the Americas — Denver, Cable Center, Cable Television Laboratories, Inc., Colorado Academy, Museum of Contemporary Art- Denver, Teach for America, Colorado and Wesleyan University	April 2015
Bernardo Gómez Martínez (07/24/67)	Executive Vice President, Member of the Executive Office of the Chairman and Member of the Executive Committee of Grupo Televisa	Former Deputy Director of the Chairman of Grupo Televisa and former President of the Mexican Chamber of Television and Radio Broadcasters	April 1999
Roberto Hernández Ramírez (03/24/42)	Chairman of the Board of Banco Nacional de México	Member of the Board of Grupo Financiero Banamex Accival	April 1992
Enrique Krauze Kleinbort (09/17/47)	Director and Partner of Editorial Clío Libros y Videos and Editorial Vuelta	Member and Chairman of the Board of Quadrant and President of the Board of Directors of Productora Contadero	April 1996
Jorge Agustín Lutteroth Echegoyen (01/24/53)	Vice President and Corporate Controller of Grupo Televisa	Former Senior Partner of Coopers & Lybrand, Despacho Roberto Casas Alatríste, S.C., and former Controller of Televisa Corporation	April 2015
Lorenzo Alejandro Mendoza Giménez (10/05/65)	Chief Executive Officer of Empresas Polar	Former Member of the Boards of AES La Electricidad de Caracas, CANTV-Verizon and BBVA Banco Provincial, and Member of the Board of Grupo GEPP.	April 2009
Fernando Senderos Mestre (03/03/50)	Chairman of the Board and President of the Executive Committee of Grupo Kuo, Chairman of the Board of Dine and Chairman of the Board of Desc	Member of the Boards of Kimberly-Clark de México, Industrias Peñoles and Grupo Nacional Provincial	April 1992
Enrique Francisco José Senior Hernández (08/03/43)	Managing Director of Allen & Company, LLC	Member of the Boards of Univision, Coca-Cola FEMSA, Cinemark and FEMSA	April 2001

[Table of Contents](#)

Name and Date of Birth	Principal Occupation	Business Experience	First Elected
Eduardo Tricio Haro (08/05/63)	Owner of Eduardo Tricio Haro Company	Chairman of the Board of Grupo Lala and Fundación Lala, Member of the Boards of Grupo Aerom éxico, Grupo Financiero Banamex, Banxico, Bolsa Mexicana de Valores, Mexichem, Corporación Aura Solar, Grupo Porres, Centro Cultural Arocena Laguna, Hospital Infantil de México “Federico Gómez”, Instituto Tecnológico de Estudios Superiores de Monterrey-Campus México and Universidad de Cantabria España and Vice President of Consejo Mexicano de Negocios.	May 2012
David M. Zaslav (01/15/60)	President, Chief Executive Officer and Director of Discovery Communications, Inc.	Member of the Boards of Sirius XM Radio, Inc., Lions Gate Entertainment Corp., Univision Communications Inc., the National Cable & Telecommunications Association, The Cable Center, Center for Communication, Skills for America’s Future, Mt. Sinai Medical Center, the USC Shoah Foundation, the Partnership for New York City and the Paley Center for Media.	April 2015
Alternate Directors:			
<i>In alphabetical order:</i>			
Herbert A. Allen III (06/08/67)	President of Allen & Company LLC	Former Executive Vice President and Managing Director of Allen & Company Incorporated, Alternate Director of Coca Cola FEMSA and former Member of the Board of Convera Corporation	April 2002
Félix José Araujo Ramírez (03/20/51)	Vice President of Digital Television and Broadcasting	Former Chief Executive Officer of Telesistema Mexicano and President of the Board of Directors of Televisión Independiente de México and Televimex	April 2002
Joaquín Balcárcel Santa Cruz (01/04/69)	Vice President — Legal and General Counsel of Grupo Televisa	Former Vice President and General Counsel of Television Division, former Legal Director of Grupo Televisa	March 2000
Leopoldo Gómez González Blanco (04/06/59)	Vice President — News of Grupo Televisa	Former Director of Information to the Presidency of Grupo Televisa	April 2003

<u>Name and Date of Birth</u>	<u>Principal Occupation</u>	<u>Business Experience</u>	<u>First Elected</u>
Alberto Javier Montiel Castellanos (11/22/45)	Director of Montiel Font y Asociados, S.C. and Member of the Audit and Corporate Practices Committees of Grupo Televisa and Empresas Cablevisión	Member of the Board and Audit Committee of Blazky and Former Tax Vice President of Grupo Televisa and former Tax Director of Wal-Mart de México	April 2002
Raúl Morales Medrano (05/12/70)	Partner of Chévez, Ruiz, Zamarripa y Cia., S.A.	Former Senior Manager of Chévez, Ruiz, Zamarripa y Cia., S.C. and Member of the Audit and Corporate Practices Committee and Alternate Member of the Board of Directors of Empresas Cablevisión	April 2002
Guadalupe Phillips Margain (02/07/71)	Chief Restructuring Officer of Empresas ICA, S.A.B. de C.V.	Former Vice President of Finance and Risk of Grupo Televisa, Former Chief Financial Officer of Empresas Cablevisión and Member of the Board of Directors of Evercore Casa de Bolsa and Grupo Financiero Banorte	April 2012

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), with the same number of alternate directors. The Mexican Securities Market Law provides that the following persons, among others, do not qualify as independent:

- our principals, employees or managers, as well as the statutory auditors, or *comisarios*, of our subsidiaries, including those individuals who have occupied any of the described positions within a period of 12 months preceding the appointment;
- individuals who have significant influence over our decision making processes;
- controlling stockholders, in our case, the beneficiary of the Azcárraga Trust;
- partners or employees of any company which provides advisory services to us or any company that is part of the same economic group as we are and that receives 10% or more of its income from us;
- significant clients, suppliers, debtors or creditors, or members of the Board or executive officers of any such entities; or
- spouses, family relatives up to the fourth degree, or cohabitants of any of the aforementioned individuals.

Our bylaws prohibit the appointment of individuals to our Board of Directors who: (i) are members of the board of directors or other management boards of a company (other than the Company or its subsidiaries) that has one or more concessions to operate telecommunications networks in Mexico; or (ii) directly or indirectly, are shareholders or partners of companies (other than the Company or its subsidiaries), that have one or more concessions to operate telecommunications networks in Mexico, with the exception of ownership stakes that do not allow such individuals to appoint one or more members of the management board or any other operation or decision making board.

Election of Directors. A majority of the members of our Board of Directors must be Mexican nationals and must be elected by Mexican stockholders. At our general annual stockholders’ meeting held on April 28, 2016, a majority of the holders of the Series “A” Shares voting together elected, eleven of our directors and corresponding alternates and a majority of the holders of the Series “B” Shares voting together elected, five of our directors and corresponding alternates. At our special stockholders’ meetings, a majority of the holders of the Series “L” Shares and Series “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 Series “A” Shares, Series “B” Shares, Series “L” Shares or Series “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 stockholders at each annual stockholders' meeting, and each serves for up to a 30-day term once the one-year appointment has expired or upon resignation; in this case, the Board of Directors is entitled to appoint provisional directors without the approval of the stockholders' meeting. All of the current and alternate members of the Board of Directors were ratified in their positions by our stockholders at our 2016 annual stockholders' special and general meetings, which were held on April 28, 2016.

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. 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 quarterly, and that our Chairman, 25% of the Board members, our Secretary or alternate Secretary or the Chairman of the Audit and Corporate Practices Committee may call for a Board meeting.

Pursuant to the Mexican Securities Market Law and our bylaws, our Board of Directors must approve, among other matters:

- our general strategy;
- with input from the Audit and Corporate Practices Committee, on an individual basis: (i) any transactions with related parties, subject to certain limited exceptions; (ii) the appointment of our Chief Executive Officer, his compensation and removal for justified causes; (iii) our financial statements; (iv) unusual or non-recurrent transactions and any transactions or series of related transactions during any calendar year that involve (a) the acquisition or sale of assets with a value equal to or exceeding 5% of our consolidated assets, or (b) the giving of collateral or guarantees or the assumption of liabilities, equal to or exceeding 5% of our consolidated assets; (v) agreements with our external auditors; and (vi) accounting policies within IFRS;
- creation of special committees and granting them the power and authority, provided that the committees will not have the authority, which by law or under our bylaws is expressly reserved for the stockholders or the Board;
- matters related to antitakeover provisions provided for in our bylaws; and
- the exercise of our general powers in order to comply with our corporate purpose.

Duty of Care and Duty of Loyalty. The Mexican Securities Market Law imposes a duty of care and a duty of loyalty on directors. The duty of care requires our directors to act in good faith and in the best interests of the Company. In carrying out this duty, our directors are required to obtain the necessary information from the Chief Executive Officer, the executive officers, the external auditors or any other person to act in the best interests of the Company. Our directors are liable for damages and losses caused to us and our subsidiaries as a result of violating their duty of care.

The duty of loyalty requires our directors to preserve the confidentiality of information received in connection with the performance of their duties and to abstain from discussing or voting on matters in which they have a conflict of interest. In addition, the duty of loyalty is breached if a stockholder or group of stockholders is knowingly favored or if, without the express approval of the Board of Directors, a director takes advantage of a corporate opportunity. The duty of loyalty is also breached, among other things, by (i) failing to disclose to the Audit and Corporate Practices Committee or the external auditors any irregularities that the director encounters in the performance of his or her duties; or (ii) disclosing information that is false or misleading or omitting to record any transaction in our records that could affect our financial statements. Directors are liable for damages and losses caused to us and our subsidiaries for violations of this duty of loyalty. This liability also extends to damages and losses caused as a result of benefits obtained by the director or directors or third parties, as a result of actions of such directors.

Our directors may be subject to criminal penalties of up to 12 years imprisonment for certain illegal acts involving willful misconduct that result in losses to us. Such acts include the alteration of financial statements and records.

Liability actions for damages and losses resulting from the violation of the duty of care or the duty of loyalty may be exercised solely for our benefit and may be brought by us, or by stockholders representing 5% or more of our capital stock, and criminal actions only may be brought by the Mexican Ministry of Finance, after consulting with the Mexican National Banking and Securities Commission. As a safe harbor for directors, the liabilities specified above (including criminal liability) will not be applicable if the director acting in good faith (i) complied with applicable law, (ii) made the decision based upon information provided by our executive officers or third-party experts, the capacity and credibility of which could not be subject to reasonable doubt, (iii) selected the most adequate alternative in good faith or if the negative effects of such decision could not have been foreseeable, and (iv) complied with stockholders' resolutions provided the resolutions do not violate applicable law.

The members of the board are liable to our stockholders only for the loss of net worth suffered as a consequence of disloyal acts carried out in excess of their authority or in violation of our bylaws.

In accordance with the Mexican Securities Market Law, supervision of our management is entrusted to our Board of Directors, which shall act through an Audit and Corporate Practices Committee for such purposes, and to our external auditor.

Audit and Corporate Practices Committee. The Audit and Corporate Practices Committee is currently composed of three independent members: Francisco José Chávez Robelo, the Chairman, Alberto Javier Montiel Castellanos and José Luis Fernández Fernández. The Chairman of this Committee was confirmed in our latest annual stockholders' meeting held on April 28, 2016. The other members were confirmed at our Board of Directors meeting held on April 28, 2016. The Chairman of the Audit and Corporate Practices Committee is appointed at our stockholders' meeting, and our Board of Directors appoints the remaining members.

The Audit and Corporate Practices Committee is responsible for, among other things: (i) supervising our external auditors and analyzing their reports, (ii) analyzing and supervising the preparation of our financial statements, (iii) informing the Board of Directors of our internal controls and their adequacy, (iv) requesting reports of our Board of Directors and executive officers whenever it deems appropriate, (v) informing the Board of any irregularities that it may encounter, (vi) receiving and analyzing recommendations and observations made by the stockholders, directors, executive officers, our external auditors or any third party and taking the necessary actions, (vii) calling stockholders' meetings, (viii) supervising the activities of our Chief Executive Officer, (ix) providing an annual report to the Board of Directors, (x) providing opinions to our Board of Directors, (xi) requesting and obtaining opinions from independent third parties and (xii) assisting the Board in the preparation of annual reports and other reporting obligations.

The Chairman of the Audit and Corporate Practices Committee shall prepare an annual report to our Board of Directors with respect to the findings of the Audit and Corporate Practices Committee, which shall include, among other things (i) the status of the internal controls and internal audits and any deviations and deficiencies thereof, taking into consideration the reports of external auditors and independent experts, (ii) the results of any preventive and corrective measures taken based on results of investigations in respect of non-compliance of operating and accounting policies, (iii) the evaluation of external auditors, (iv) the main results from the review of our financial statements and those of our subsidiaries, (v) the description and effects of changes to accounting policies, (vi) the measures adopted as result of observations of stockholders, directors, executive officers and third parties relating to accounting, internal controls, and internal or external audits, (vii) compliance with stockholders' and directors' resolutions, (viii) observations with respect to relevant directors and officers, (ix) the transactions entered into with related parties and (x) the remunerations paid to directors and officers.

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 stockholders' 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 Azcárraga Jean, Alfonso de Angoitia Noriega, Bernardo Gómez Martínez, José Antonio Bastón Patiño and Julio Barba Hurtado.

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 years in which they were appointed to their current positions:

Name and Date of Birth	Principal Position	Business Experience	First Appointed
Emilio Fernando Azcárraga Jean (02/21/68)	Chairman of the Board, President and Chief Executive Officer and Chairman of the Executive Committee of Grupo Televisa	Member of the Boards of Banco Nacional de México and Univision	March 1997
<i>In alphabetical order:</i>			
Alfonso de Angoitia Noriega (01/17/62)	Executive Vice President, Member of the Executive Office of the Chairman and Member of the Executive Committee of Grupo Televisa	Member of the Board of Univision, Grupo Financiero Banorte, Fomento Económico Mexico SAB de CV and Former Chief Financial Officer of Grupo Televisa	January 2004
José Antonio Bastón Patiño (04/13/68)	President of Television and Contents and Member of the Executive Committee of Grupo Televisa	Former Corporate Vice President of Television and Vice President of Operations, Member of the Board of Univision and Former General Director of Programming of Grupo Televisa	November 2008
Salvi Rafael Folch Viadero (08/16/67)	Chief Financial Officer of Grupo Televisa	Former Vice President of Financial Planning of Grupo Televisa, former Chief Executive Officer and Chief Financial Officer of Comercio Más, S.A. de C.V. and former Vice Chairman of Banking Supervision of the National Banking and Securities Commission	January 2004
Bernardo Gómez Martínez (07/24/67)	Executive Vice President, Member of the Executive Office of the Chairman and Member of the Executive Committee of Grupo Televisa	Former Deputy Director of the Chairman of Grupo Televisa and former President of the Mexican Chamber of Television and Radio Broadcasters	January 2004

Compensation of Directors and Officers

For the year ended December 31, 2015, we paid our directors, alternate directors and officers for services in all capacities aggregate compensation of approximately Ps.750.0 million (U.S.\$43.6 million using the Interbank Rate, as reported by Banamex, as of December 31, 2015). This compensation included certain amounts related to the use of assets and services of the Company, as well as travel expenses reimbursed to directors and officers. See “— Use of Certain Assets and Services” below.

As of December 31, 2015, we have made Ps.144.5 million in contributions to our pension and seniority premium plans on behalf of our directors, alternate directors and officers. Projected benefit obligations as of December 31, 2015 were approximately Ps.173.0 million.

Certain of our officers are entitled to receive performance bonuses. The amount and rules applicable vary among the different divisions and/or officers. The amounts payable under the performance bonus depend on the results

achieved, and include certain qualitative and/or quantitative objectives that can be related to revenues and/or EBITDA, budgets, market share and others .

We have entered into certain Compensation and Retention Agreements with several executive officers. Such agreements have a five year term and were signed in late 2014. The conditions applicable to such contracts were approved by the Board of Directors and include, among other conditions, salary, an annual retention bonus and a performance bonus. In order to be entitled to the performance bonus, certain qualitative and quantitative targets must be met, including parameters related to the growth of revenues and EBITDA. If targets are not met, the amounts to be paid decline, and if targets are exceeded, the bonus can reach up to 120% of the target bonus. The target bonus is set at approximately two times the fixed component established in the relevant agreements .

We have established a deferred compensation plan for certain officers of our Cable Division, which will be payable in the event that certain revenue and EBITDA targets of a five-year plan are met. Such compensation may be payable in 2020 through a combination of cash and/or stock awards granted under the Long Term Retention Plan. In the event that the established targets in the plan are met, the annual cost during the five years of the deferred compensation plan will amount on average to approximately \$25 million dollars.

In addition, we have granted our executive officers and directors rights to purchase CPOs under the Stock Purchase Plan and the Long-Term Retention Plan. See “— Stock Purchase Plan and Long-Term Retention Plan” below .

Use of Certain Assets and Services

We maintain an overall security program for Mr. Azcárraga, other top executives, their families, in some cases, and for other specific employees and service providers, as permitted under our “*Política de Seguridad*”, or Security Policy, due to business-related security concerns. We refer to the individuals described above as Key Personnel. Our security program includes the use of our personnel, assets and services to accomplish security objectives.

In accordance with this program, we require, under certain circumstances, that certain authorized Key Personnel use aircrafts, either owned or leased by us, for non-business, as well as business travel for our benefit rather than as a personal benefit. The use of such aircrafts is carried out in accordance with, among others, our “*Política de Seguridad*” policy, which establishes guidelines under which authorized Key Personnel may use such aircrafts for personal purposes. If the use of such aircrafts for personal purposes exceeds the specified number of hours, the relevant Key Personnel must reimburse us for the cost of operating the aircrafts during the excess time of use. The aggregate amount of compensation set forth in “— Compensation of Directors and Officers” does include the cost to us of providing this service.

In addition, certain Key Personnel are provided with security systems and equipment for their residences and/or automobiles and with security advice and personal protection services at their residences. The use of these security services is provided in accordance with our “*Política de Seguridad*” policy. The cost of these systems and services are incurred as a result of business-related concerns and are not considered for their personal benefit. As a result, the Company has not included such cost in “— Compensation of Directors and Officers”.

Further, certain Key Personnel are provided with advisory services, including legal, tax and accounting services, through approved company providers .

Stock Purchase Plan and Long-Term Retention Plan

The stock purchase plan has been implemented in several stages since 1999, through a series of conditional sales to plan participants of CPOs. At our general extraordinary and ordinary stockholders’ meeting held on April 30, 2002, our stockholders authorized the creation and implementation of a Long-Term Retention Plan, as well as the creation of one or more special purpose trusts to implement the Long-Term Retention Plan. Pursuant to our Long-Term Retention Plan, we have granted eligible participants, who consist of unionized and non-unionized employees, including key personnel (“Plan Participants”), awards as conditional sales. As of October 2010, our stock purchase plan and our Long-Term Retention Plan were consolidated under a single special purpose trust. Pursuant to the resolutions adopted by our stockholders, we have not, and do not intend to, register shares under the Securities Act that are allocated to the Long-Term Retention Plan.

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 are 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 grant, 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 price at which the conditional sales of the CPOs will be made to beneficiaries is based on the lowest of (i) the closing price on March 31 of the year in which the CPOs are awarded, and (ii) the average price of the CPOs during the first three months of the year in which the CPOs are awarded. The resulting price shall be reduced by dividends, a liquidity discount and by the growth of the consolidated or relevant segment Operating Income Before Depreciation and Amortization, or OIBDA, (including OIBDA affected by acquisitions) between the date of award and the vesting date, among others.

At our annual general ordinary stockholders' meeting held on April 2, 2013, our stockholders approved that the number of CPOs that may be granted annually under the Long-Term Retention Plan shall be up to 1.5% of the capital of the Company. As of December 31, 2015, approximately 86.5 million CPOs that were transferred to Plan Participants were sold in the open market during 2013, 2014 and 2015. Additional sales will continue to take place during or after 2016.

In April 2007, the Board of Directors, with the input from the Audit and Corporate Practices Committee, reviewed the compensation of our Chief Executive Officer and determined to include our Chief Executive Officer in the Long-Term Retention Plan of the Company as well as in any other plan to be granted by the Company to its employees in the future. See "— Compensation of Directors and Officers".

Also, as of March 31, 2016, the special purpose trust created to implement the Long-Term Retention Plan owned approximately 207.0 million CPOs or CPO equivalents. This figure is net of approximately 27.0, 24.7 million and 24.3 million CPOs or CPO equivalents vested in 2013, 2014 and 2015, respectively. Of such 207.0 million CPOs or CPO equivalents approximately 73% are in the form of CPOs and the remaining 27% are in the form of A, B, D and Series "L" Shares. As of March 31, 2016, approximately 114.3 million CPOs or CPO equivalents have been reserved and will become vested between 2016 and 2018 at prices ranging from Ps.59.00 to Ps.90.59 per CPO which may be reduced by dividends, a liquidity discount and the growth of the consolidated or relevant segment OIBDA (including OIBDA affected by acquisitions) between the date of award and the vesting date, among others.

As we have done in the past, we may consider further capital increases, among other alternatives, to continue replenishing the Long-Term Retention Plan. Any such capital increases would be subject to the appropriate corporate approvals, including stockholders' preemptive rights as well as the authorization by our stockholders at the stockholders' meeting.

Share Ownership of Directors and Officers

Share ownership of our directors, alternate directors and executive officers is set forth in the table under "Major Stockholders and Related Party Transactions". Except as set forth in such 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.

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, 2015:

	Year Ended December 31,		
	2013	2014	2015
Total number of employees	32,047	39,615	43,964
Category of activity:			
Employees	31,975	39,545	43,887
Executives	72	70	77
Geographic location:			
Mexico	30,723	38,443	42,941
Latin America (other than Mexico)	978	850	728
U.S.	346	322	283
Europe	—	—	12

As of December 31, 2013, 2014 and 2015, approximately 45%, 43% and 45% of our employees, respectively, 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.

Item 7. Major Stockholders 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 Series “A” Shares, Series “B” Shares, Series “L” Shares or Series “D” Shares as of March 31, 2016. 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	Shares Beneficially Owned(1)(2)								Aggregate Percentage of Outstanding Shares Beneficially Owned
	Series “A” Shares		Series “B” Shares		Series “D” Shares		Series “L” Shares		
	Number	Percentage of Class	Number	Percentage of Class	Number	Percentage of Class	Number	Percentage of Class	
Azcárraga Trust(3)	52,991,825,705	43.0%	67,814,604	0.1%	107,886,870	0.1%	107,886,870	0.1%	14.7%
William H. Gates III(5)	5,754,450,375	4.7%	5,063,916,330	8.6%	8,056,230,525	8.9%	8,056,230,525	8.9%	7.4%
BlackRock, Inc.(4)	3,898,828,825	3.2%	3,340,969,366	5.8%	5,458,360,355	6.1%	5,458,360,355	6.1%	5.0%
First Eagle Investment Management, LLC(6)	4,215,364,250	3.4%	3,709,520,540	6.3%	5,901,509,950	6.6%	5,901,509,950	6.6%	5.4%

1) Unless otherwise indicated, the information presented in this section is based on the number of shares authorized, issued and outstanding as of March 31, 2016. The number of shares issued and outstanding for legal purposes as of March 31, 2016 was 64,347,348,050 Series “A” Shares, 56,625,666,284 Series “B” Shares, 90,086,287,270 Series “D” Shares and 90,086,287,270 Series “L” Shares, in the form of CPOs, and an additional 58,926,613,375 Series “A” Shares, 2,357,207,692 Series “B” Shares, 238,595 Series “D” Shares and 238,595 Series “L” Shares not in the form of CPOs. For financial reporting purposes under IFRS only, the number of shares authorized, issued and outstanding as of March 31, 2016 was 60,559,846,725 Series “A” Shares, 53,292,665,118 Series “B” Shares, 84,783,785,415 Series “D” Shares and 84,783,785,415 Series “L” Shares in the form of CPOs, and an additional 54,795,232,367 Series “A” Shares, 186,537 Series “B” Shares, 238,541 Series “D” Shares and 238,541 Series “L” Shares not in the form of CPOs. The number of shares authorized, issued and outstanding for financial reporting purposes under IFRS as of March 31, 2016 does not include 151,500,053 CPOs and an additional 4,131,381,008 Series “A” Shares, 2,357,021,155 Series “B” Shares, 54 Series “D” Shares and 54 Series “L” Shares not in the form of CPOs acquired by the special purpose trust we created to implement our long-term retention plan. See Note 16 to our consolidated year-end financial statements

(2) Except through the Azcárraga Trust, none of our directors and executive officers currently beneficially owns more than 1% of our outstanding Series “A” Shares, Series “B” Shares, Series “D” Shares or Series “L” 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 Azcárraga Trust, see “— The Major Stockholders” below.

(4) Based solely on information included in the report on Schedule 13G /A by BlackRock, Inc., as of December 31, 2015.

[Table of Contents](#)

- (5) Based solely on information included in (i) the report on Schedule 13D /A filed on March 19, 2010 by Cascade Investment, L.L.C. with respect to holdings by Cascade Investment, L.L.C., and (ii) the report on Form 13F filed on December 31, 2014 by the Bill and Melinda Gates Foundation Trust with respect to holdings by the Bill and Melinda Gates Foundation Trust. Includes 3,644,562,500 Series “A” Shares, 3,207,215,000 Series “B” Shares, 5,102,387,500 Series “D” Shares and 5,102,387,500 Series “L” Shares beneficially owned by Cascade Investment, L.L.C., over which William H. Gates III has sole voting and dispositive power, and 2,109,887,875 Series “A” Shares, 1,856,701,330 Series “B” Shares, 2,953,843,025 Series “D” Shares and 2,953,843,025 Series “L” Shares beneficially owned by the Bill and Melinda Gates Foundation Trust, over which William H. Gates III and Melinda French Gates have shared voting and dispositive power.
- (6) Based solely on information included in the report on Schedule 1 3G/A by First Eagle Investment Management, LLC, as of December 31, 2015.

The Major Stockholders

The Azcárraga Trust, a trust for the benefit of Emilio Azcárraga Jean, currently holds 43.0% of the outstanding Series “A” Shares, 0.1% of the outstanding Series “B” shares, 0.1% of the outstanding Series “D” Shares and 0.1% of the outstanding Series “L” Shares of the Company. As a result, Emilio Azcárraga Jean currently controls the vote of such shares through the Azcárraga Trust. The Series “A” Shares held through the Azcárraga Trust constitute a majority of the Series “A” Shares whose holders are entitled to vote because non-Mexican holders of CPOs and GDSs are not permitted to vote the underlying Series “A” Shares in accordance with the trust agreement governing the CPOs and the Company’s bylaws. Accordingly, and so long as non-Mexicans own more than a minimal number of Series “A” Shares, Emilio Azcárraga Jean will have the ability to direct the election of 11 out of 20 members of our Board of Directors, as well as prevent certain actions by the stockholders, including dividend payments, mergers, spin-offs, changes in corporate purpose, changes of nationality and amendments to the anti-takeover provisions of our bylaws.

Pursuant to our bylaws, holders of Series “B” Shares are entitled to elect five out of 20 members of our Board of Directors.

Because the Azcárraga Trust only holds a limited number of Series “B” Shares, there can be no assurance that individuals nominated by the Azcárraga Trust appointees will be elected to our Board.

We believe that as of March 31, 2016, approximately 329.6 million of GDSs were held of record by 90 persons with U.S. addresses. Those GDSs represent 33.4% of the outstanding Series “A” Shares, 61.5% of the outstanding Series “B” Shares, 64.0% of the outstanding Series “D” Shares and 64.0% of the outstanding Series “L” Shares of the Company. Before giving effect to the 2004 recapitalization, substantially all of the outstanding Series “A” Shares not held through CPOs were owned by Televisión and a special purpose trust created for our Long-Term Retention Plan, as described under “Major Stockholders and Related Party Transactions” and “Directors, Senior Management and Employees — Stock Purchase Plan and Long-Term Retention Plan”. For more information regarding our 2004 recapitalization, please refer to our Form 6-K filed with the SEC on March 25, 2004.

Related Party Transactions

Transactions and Arrangements with Univision. In December 2010, the Company and Univision announced the completion of certain agreements among related parties by which, among other transactions, the Company made an investment in BMP (now known as Univision Holdings, Inc., or UHI) the parent company of Univision, and the PLA between Televisa and Univision was amended and extended through the later of 2025 or seven and one-half years after the Company has sold two-thirds of its initial investment in UHI. Univision became a related party to the Company as of December 2010 as a result of these transactions. For a description of our arrangements with Univision, see “Information on the Company — Business Overview — Univision”.

Transactions and Arrangements with Iusacell. Iusacell purchased advertising services from us in connection with the promotion of its products and services in 2014. In January 2015, we concluded the sale of our equity interest in Iusacell to Grupo Salinas for the purchase price of US\$717 million.

Transactions and Arrangements With Our Directors and Officers. We own 15% of the equity of Centros de Conocimiento Tecnológico, or CCT, a company that owns and operates technological schools in Mexico and in which Claudio X. González Laporte and Carlos Fernández González, two of our former directors, own a minority interest.

During 2015, we entered into contracts leasing office space directly or indirectly from certain of our directors and officers. These leases have aggregate annual lease payments for 2016 equal to approximately Ps. 26.2 million. We believe that the terms of these leases are comparable to terms that we would have entered into with third parties for similar leases.

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 our subsidiaries from third parties in negotiated transactions. Certain of our executive officers and directors participate in our stock purchase plan and Long-Term Retention Plan. See “Directors, Senior Management and Employees — Stock Purchase Plan and Long-Term Retention Plan”.

Transactions and Arrangements With Affiliates and Related Parties of Our Directors, Officers and Major Stockholders

Consulting Services. Instituto de Investigaciones Sociales, S.C., a consulting firm which is controlled by Ariana Azcárraga De Surmont, the sister of Emilio Azcárraga Jean, has from time to time during 2015 provided consulting services and research in connection with the effects of our programming, especially telenovelas, on our viewing audience. Instituto de Investigaciones Sociales, S.C. provided us with such services in 2015, and we expect to continue these arrangements through 2016.

Loans from Banamex. In 2006, Banamex and Innova entered into a loan agreement with a maturity date of 2016 which was prepaid in 2015, and in 2010 Banamex and TVI entered into a revolving credit facility which was paid by TVI in March 2011. In March 2011, the Company entered into long-term credit arrangements with Banamex, with maturities between 2018 and 2021 which were prepaid in 2015. These loans were made on terms substantially similar to those offered by Banamex to third parties. Emilio Azcárraga Jean, our Chief Executive Officer, President and Chairman of the Board, is a member of the Board of Banamex. One of our directors, Roberto Hernández Ramírez, is the Honorary Chairman of the Board of Banamex. Mr. Hernández was 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. 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”.

Loans from Banorte. In 2015, Banorte and TVI entered into a loan agreement with a maturity date of 2022. This loan was made on terms substantially similar to those offered by Banorte to third parties. Alfonso de Angoitia Noriega, our Executive Vice President, Member of the Board, and Guadalupe Phillips Margain, former Vice President of Finance and Risk of Grupo Televisa, Alternate Member of the Board, are members of the Board of Banorte. For a description of amounts outstanding under, and the terms of, our existing credit facilities with Banorte, see “Operating and Financial Review and Prospects — Results of Operations — Liquidity, Foreign Exchange and Capital Resources — Indebtedness”.

Advertising Services. Several members of our current Board serve as members of the Boards and/or are stockholders of other companies. See “Directors, Senior Management and Employees”. Some of these companies, including Banamex, BBVA Bancomer, FEMSA, Grupo Nacional Provincial, Heineken and Lala, among others, purchased advertising services from us in connection with the promotion of their respective products and services from time to time in 2015, and we expect that this will continue to be the case in the future. The companies described above pay rates applicable to third party advertisers. Similarly, one of our former directors, Alejandro Quintero Iñiguez, is a stockholder of Grupo TV Promo, S.A. de C.V., or Grupo TV Promo, which is a company that renders services of publicity, promotion and advertisement to third parties. Grupo TV Promo and its subsidiaries act as licensees of the Company for the use and exploitation of certain images and/or trademarks of shows and novelas produced by the Company; and produce promotional campaigns and events for the Company and for some of the Company’s clients. Grupo TV Promo has purchased, and we expect it will continue to purchase, advertising services from us, some of which are referred to the aforementioned promotional campaigns. This company pays rates applicable to third party advertisers that purchase advertising services on pay-TV networks and free-to-air television channels, and pays rates applicable to third party advertisers that purchase unsold advertising services, which are lower than rates paid by advertisers purchasing advertising in advance or at regular rates. During 2015, Grupo TV Promo purchased unsold advertising on free-to-air television channels and on pay-TV networks of Televisa for a total of Ps.265.2 million and Ps.11.33 million, respectively.

Online Lottery Services. In March 2012, Multijuegos, our online lottery, entered into an agreement with Cadena Comercial Oxxo, S.A. de C.V. and OXXO Express, S.A. de C.V., or OXXO, the principal chain of convenience stores in Mexico, both controlled subsidiaries of Fomento Economico Mexicano, S.A.B., or FEMSA, to sell online lottery tickets through point-of-sale terminals at the OXXO stores. José Antonio Fernández Carbajal, Executive Chairman of the Board of FEMSA, is a member of our Board.

Legal and Advisory Services. During 2015, Mijares, Angoitia, Cortés 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.

Ricardo Maldonado Yáñez, a partner from the law firm of Mijares, Angoitia, Cortés 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.

In August 2009, we entered into an agreement with Allen & Company to provide the Company with advisory services related to investment opportunities outside of Mexico. In February 2010, we entered into an agreement with Allen & Company to provide the Company with advisory services related to an investment opportunity in the wireless telecommunications segment in Mexico. In 2011 and 2012, we entered into agreements with Allen & Company to provide the Company with advisory services related to an investment in the television segment outside of Mexico. Two of our directors are directors of Allen & Company as well. These agreements were entered into on an arm's length basis. We believe that the amounts paid and to be paid under these agreements to Allen & Company are comparable to those paid to third parties for these types of services.

For further information about our related party transactions, see Note 19 to our consolidated year-end financial statements.

Item 8. Financial Information

See "Financial Statements" and pages F-1 through F- 76, which are incorporated in this Item 8 by reference.

Item 9. The Offer and Listing

Trading History of CPOs and GDSs

Since December 1993, the GDSs have been traded on the New York Stock Exchange, or NYSE, and the CPOs have been traded on the Mexican Stock Exchange. In September 2007, we removed JPMorgan Chase Bank, N.A. as the depository for the GDSs and appointed The Bank of New York Mellon pursuant to a new deposit agreement.

[Table of Contents](#)

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.

	Nominal Pesos per CPO(1)	
	High	Low
2011	65.01	46.61
2012	68.63	50.60
2013	80.07	59.14
2014	104.73	74.24
First Quarter	87.07	74.24
Second Quarter	91.15	84.32
Third Quarter	98.44	88.76
Fourth Quarter	104.73	89.18
2015	122.93	87.33
First Quarter	106.93	93.86
Second Quarter	122.93	103.77
Third Quarter	122.52	87.49
Fourth Quarter	98.63	87.33
October	97.31	87.33
November	98.63	93.06
December	96.97	92.32
2016 (through April 28, 2016)	100.17	88.48
First Quarter	100.17	88.48
January	97.81	90.23
February	97.23	88.98
March	100.17	94.48
Second Quarter (through April 28, 2016)	95.98	90.41
April (through April 28, 2016)	95.98	90.41

(1) Source: Mexican Stock Exchange.

[Table of Contents](#)

The table below shows, for the periods indicated, the high and low market prices in U.S. Dollars for the GDSs on the NYSE, giving effect to the March 22, 2006 1:4 GDS ratio change in all cases.

	U.S. Dollars per GDS(1)	
	High	Low
2011	26.50	17.70
2012	26.77	18.75
2013	30.68	22.31
2014	37.35	27.84
First Quarter	33.29	27.84
Second Quarter	34.95	32.11
Third Quarter	37.32	33.64
Fourth Quarter	37.35	31.88
2015	39.71	25.71
First Quarter	35.06	32.00
Second Quarter	39.71	34.19
Third Quarter	39.09	25.71
Fourth Quarter	30.07	25.82
October	29.27	25.82
November	30.07	27.88
December	29.12	26.69
2016 (through April 28, 2016)	28.28	23.51
First Quarter	28.28	23.51
January	27.28	25.23
February	27.19	23.51
March	28.28	26.46
Second Quarter (through April 28, 2016)	27.48	25.61
April (through April 28, 2016)	27.48	25.61

(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 March 31, 2016, approximately 329.6 million of GDSs were held of record by 90 persons with U.S. addresses.

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 *sociedad anónima bursátil de capital variable*, or publicly-traded corporation with variable capital. Securities trading on the Mexican Stock Exchange occurs from 8:30 a.m. to 3:00 p.m., Mexico City time, each business day. All trading on the Mexican Stock Exchange is 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, Institución para el Depósito de Valores, S.A. de C.V., 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 *Comisión 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 *Comisión 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 anónimas 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 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.

In June 2001, the Mexican Securities Market Law required issuers to increase the protections offered to minority stockholders and to impose corporate governance controls on Mexican listed companies in line with international standards. The Mexican Securities Market Law then in effect expressly permitted Mexican listed companies, with prior authorization from the CNBV, to include in their bylaws anti-takeover defenses such as stockholder rights plans, or poison pills. We amended our bylaws to include certain of these protections at our general extraordinary stockholders' meeting, which was held on April 30, 2002. See "Additional Information — Bylaws — Other Provisions — Appraisal Rights and Other Minority Protections" and "Additional 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, or NRS, 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 *circulares*, or rules, 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;

[Table of Contents](#)

- 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 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 reviews 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. Issuers of listed securities must prepare and disclose their financial information by a Mexican Stock Exchange-approved system known as EMISNET and to the CNBV through the *Sistema de Transferencia de Información sobre Valores*, or STIV-2. 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 EMISNET and STIV-2 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 issuer would be obliged to immediately inform the CNBV and the Mexican Stock Exchange of the causes of such volatility or, if the issuer is unaware of such causes,

make a statement to that effect, in order for the Mexican Stock Exchange to immediately convey that information to the public. 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 EMISNET and STIV-2, 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, stockholders of issuers listed on the Mexican Stock Exchange must disclose any transactions, through or outside of the Mexican Stock Exchange that result in exceeding 10% ownership stake of an issuer's capital stock. These stockholders must also inform the CNBV of the results of these transactions the day after their completion. See "Additional Information — Mexican Securities Market Law".

Additionally, related parties of an issuer who increase or decrease their ownership stake, in one or more transactions, by 5% or more, shall disclose such transactions. The Mexican Securities Market Law also requires stockholders 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. Moreover, recent amendments to the CNBV regulations for issuers, require issuers to disclose to the CNBV on an annual basis on or before June 30 of each year: (i) the name and ownership percentage of any Board members and relevant officers that maintain 1% or more of the capital stock of an issuer, (ii) the names and ownership percentage of any other individual or entity that maintains 5% or more of the capital stock of an issuer (regardless of whether such stockholder is an officer or director) and (iii) the names and ownership percentage of the 10 (ten) stockholders with the largest direct ownership stake in an issuer (regardless of the ownership percentage or whether such stockholder is an officer, director, related party or private investor with no relationship to the issuer). Based on the foregoing, Mexican Securities Regulations require that (i) Board members and relevant officers that maintain 1% or more of the capital stock of an issuer and (ii) any other individual or entity that maintains 5% or more of the capital stock of an entity, provide this information to the relevant issuer on or before May 15 of each year.

Item 10. Additional Information

Mexican Securities Market Law

On December 30, 2005, a new Mexican Securities Market Law was enacted and published in the Official Gazette of the Federation. The new Securities Market Law became effective on June 28, 2006 and in some cases

allowed an additional period of 180 days (late December 2006) for issuers to incorporate in their bylaws the new corporate governance and other requirements derived from the new law.

Pursuant to the Mexican Securities Market Law:

- members of a listed issuer's board of directors,
- stockholders controlling 10% or more of a listed issuer's outstanding share capital,
- advisors,
- groups controlling 25% or more of a listed issuer's outstanding share capital, and
- other insiders must inform the CNBV of any transactions undertaken with securities of a listed issuer.

In addition, under the Mexican Securities Market Law insiders must abstain from purchasing or selling securities of the issuer within 90 days from the last sale or purchase, respectively.

Under the Mexican Securities Market Law, tender offers may be voluntary or mandatory. All tender offers must be open for at least 20 business days and purchases thereunder are required to be made pro-rata to all tendering stockholders. Any intended purchase resulting in a 30% or greater holding requires the tender to be made for the greater of 10% of the company's capital stock or the share capital intended to be acquired; if the purchase is aimed at obtaining control, the tender must be made for 100% of the outstanding shares. In calculating the intended purchase amount, convertible securities, warrants and derivatives the underlying security of which are such shares must be considered. The law also permits the payment of certain amounts to controlling stockholders over and above the offering price if these amounts are fully disclosed, approved by the board of directors and paid in connection with non-compete or similar obligations. The law also contemplates exceptions to the mandatory tender offer requirements and specifically provides for the consequences, to a purchaser, of not complying with these tender offer rules (lack of voting rights, possible annulment of purchases, etc.) and other rights available to prior stockholders of the issuer.

The Mexican Securities Market Law permits public companies to insert provisions in their bylaws pursuant to which the acquisition of control of the company, by the company's stockholders or third parties, may be prevented, if such provisions (i) are approved by stockholders without the negative vote of stockholders representing 5% or more of the outstanding shares, (ii) do not exclude any stockholder or group of stockholders, and (iii) do not restrict, in an absolute manner, the change of control.

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 Audit and Corporate Practices Committee, see "Directors, Senior Management and Employees".

Organization and Register

Televisa is a *sociedad anónima bursátil*, 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, 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.

Our stock registry is maintained by Indeval, and in accordance with Mexican law, we only recognize those holders listed in our stock registry as our stockholders. Our stockholders 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 Stockholders' Meetings

Holders of Series "A" Shares. Holders of Series "A" Shares have the right to vote on all matters subject to stockholder approval at any general stockholders' 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 Series "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 Series "B" Shares. Holders of Series "B" Shares have the right to vote on all matters subject to stockholder approval at any general stockholders' 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 Series "B" Shares will be elected at a stockholders' meeting that must be held within the first four months after the end of each year.

Holders of Series "D" Shares and Series "L" Shares. Holders of Series "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 Series "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 99 years from January 30, 2007);
- a change in our corporate purpose;
- a change in our nationality; and
- the cancellation from registration of the Series "D" Shares or the securities which represent the Series "D" Shares with the securities or special section of the NRS and with any other Mexican or foreign stock exchange in which such shares or securities are registered.

Holders of Series "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 Series "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 Series "L" Shares or the securities that represent the Series "L" Shares with the special section of the NRS.

The two directors and corresponding alternate directors elected by each of the holders of the Series "D" Shares and the Series "L" Shares are elected annually at a special meeting of those holders. Special meetings of holders of Series "D" Shares and Series "L" Shares must also be held to approve the cancellation from registration of the Series "D" Shares or Series "L" Shares or the securities representing any of such shares with the NRS, as the case may be, and in the case of Series "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 Series "L" Shares or Series "D" Shares are entitled to vote must be considered at an extraordinary general meeting. Holders of Series "L" Shares and Series "D" Shares are not entitled to attend or to address meetings of stockholders at which they are not entitled to vote. Under Mexican law, holders of Series "L" Shares and Series "D" Shares are entitled to exercise certain minority protections. See "— Other Provisions — Appraisal Rights and Other Minority Protections".

Other Rights of Stockholders. 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 stockholder action requires a class vote on these grounds could initially be made by the Board of Directors or other party calling for stockholder action. In some cases, under the Mexican Securities Market Law and the Mexican Companies Law, the Board of Directors, the Audit Committee, the Corporate Practices Committee, or a Mexican court on behalf of those stockholders representing 10% of our capital stock could call a special meeting. A negative determination would be subject to judicial challenge by an affected stockholder, 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 stockholder 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 stockholders' 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, its Secretary, or members of our Audit and Corporate Practices Committee. In addition, our bylaws require an extraordinary general meeting to consider the cancellation of registration of the Series "D" Shares or Series "L" Shares or the securities representing these Shares with the NRS, as the case may be, and in the case of Series "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. Stockholders may be represented at any stockholders' 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 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 Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "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 Series "L" Shares held in the CPO Trust and are not entitled to exercise any voting rights with respect to the Series "A" Shares, Series "B" Shares and Series "D" Shares held in the CPO Trust. Voting rights in respect of these Series "A" Shares, Series "B" Shares and Series "D" Shares may only be exercised by the CPO Trustee. Series "A" Shares, Series "B" Shares and Series "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 Series "A" Shares, Series "B" Shares or Series "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 Series "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. Series "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 Series "L" Shares and at general extraordinary meetings where Series "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 stockholders' 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 Stockholders and Related Party Transactions," Series "A" Shares held through the Azcárraga Trust constitute a majority of the Series "A" Shares whose holders are entitled to vote them, because non-Mexican holders of CPOs and GDSs are not permitted to vote the underlying Series "A" Shares. Accordingly, the vote of Series "A" Shares held through the Azcárraga Trust generally will determine how the Series "A" Shares underlying our CPOs are voted.

Holders of GDRs. Global Depositary Receipts, or GDRs, evidencing GDSs are issued by The Bank of New York Mellon, the Depositary, 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 GDS represents the right to receive five 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 Series “A” Shares, 22 Series “B” Shares, 35 Series “L” Shares and 35 Series “D” Shares held pursuant to the CPO Trust.

The Depositary will mail information on stockholders’ meetings to all holders of GDRs. At least six business days prior to the relevant stockholders’ 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 stockholders’ 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 Series “A” Shares, Series “B” Shares, Series “D” Shares and Series “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 Series “L” Shares underlying the CPOs represented by their GDSs. They may not direct the CPO Trustee as to how to vote the Series “A” Shares, Series “B” Shares or Series “D” Shares represented by CPOs or attend stockholders’ meetings. Under the terms of the CPO Trust Agreement, the CPO Trustee will vote the Series “A” Shares, Series “B” Shares, Series “D” Shares and Series “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 Series “A” Shares, Series “B” Shares, Series “D” Shares or Series “L” Shares underlying the CPOs, as the case may be, in the relevant stockholders’ 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 stockholders’ meeting and, as a result, the underlying shares will be voted in the same 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.

Limitation on Appointment of Directors. Our bylaws prohibit the appointment of individuals to our Board of Directors: who (i) are members of the board of directors or other management boards of a company (other than the Company or its subsidiaries) that has one or more concessions to operate telecommunication networks in Mexico; or (ii) directly or indirectly, are shareholders or partners of companies (other than the Company or its subsidiaries), that have one or more concessions to operate telecommunication networks in Mexico, with the exception of ownership stakes that do not allow such individuals to appoint one or more members of the management board or any other operation or decision making board.

Dividend Rights

At our annual ordinary general stockholders' meeting, our Board of Directors is required to submit our financial statements from the previous fiscal year to the holders of our Series "A" Shares and Series "B" Shares. Once our stockholders 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 stockholders 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 Series "A" Shares and Series "B" Shares is necessary to approve dividend payments. As described below, in the event that dividends are declared, holders of Series "D" Shares will have preferential rights to dividends as compared to holders of Series "A" Shares, Series "B" Shares and Series "L" Shares. Holders of Series "A" Shares, Series "B" Shares and Series "L" Shares have the same financial or economic rights, including the participation in any of our profits.

Preferential Rights of Series "D" Shares

Holders of Series "D" Shares are entitled to receive a preferred annual dividend in the amount of Ps.0.00034412306528 per Series "D" Share before any dividends are payable in respect of Series "A" Shares, Series "B" Shares and Series "L" Shares. If we pay any dividends in addition to the Series "D" Share fixed preferred dividend, then such dividends shall be allocated as follows:

- first, to the payment of dividends with respect to the Series "A" Shares, the Series "B" Shares and the Series "L" Shares, in an equal amount per share, up to the amount of the Series "D" Share fixed preferred dividend; and
- second, to the payment of dividends with respect to the Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares, such that the dividend per share is equal.

Upon any dissolution or liquidation of our company, holders of Series "D" Shares are entitled to a liquidation preference equal to:

- accrued but unpaid dividends in respect of their Series "D" Shares; plus
- the theoretical value of their Series "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 Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares in the form of CPOs may be limited under the Mexican Securities Market Law. As a result of grandfathering provisions, our existing CPO structure will not be affected by such limitations. However, in the case of primary issuances of additional Series "A" Shares, Series "B" Shares, Series "L" Shares and Series "D" Shares in the form of CPOs, any new Series "L" Shares and Series "D" Shares may be required to be converted into Series "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, 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 Series "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. Stockholders must exercise their preemptive rights within the time period fixed by our stockholders 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 Official Gazette of the Federation and in a newspaper of general circulation in Mexico City. Under Mexican law, stockholders 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, 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 stockholders' 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

Through our bylaws and the trust governing the CPOs, we have limited the ownership of our Series "A" Shares and Series "B" Shares to Mexican individuals, Mexican companies whose charters 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 Law Regulations, and trusts or stock purchase, investment and retirement plans for Mexican employees. A holder that acquires Series "A" Shares or Series "B" Shares in violation of the restrictions in our bylaws regarding non-Mexican ownership will have none of the rights of a stockholder with respect to those Series "A" Shares or Series "B" Shares. The Series "D" Shares are subject to the same restrictions on ownership as the Series "A" Shares and Series "B" Shares. However, the foregoing limitations do not affect the ability of non-Mexican investors to hold Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares through CPOs, or Series "L" Shares directly. The sum of the total outstanding number of Series "A" Shares and Series "B" Shares is required to exceed at all times the sum of the total outstanding Series "L" Shares and Series "D" Shares.

Non-Mexican states and governments are prohibited under our bylaws and the LFTR from owning Shares of Televisa and are, therefore, prohibited from being the beneficial or record owners of Series "A" Shares, Series "B" Shares, Series "D" Shares, Series "L" Shares, CPOs and GDSs. We have been advised by our Mexican counsel, Mijares, Angoitia, Cortés y Fuentes, S.C., that ownership of Series "A" Shares, Series "B" Shares, Series "D" Shares, Series "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 LFTR.

The LFTR eliminated the restrictions on foreign investment in telecommunications services and satellite communication and increased the maximum permitted foreign-ownership in broadcasting (television and radio) to 49%.

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 indenture. Non-Mexican states and governments are prohibited under our bylaws and the LFTR 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 Series "L" Shares and CPOs, our non-Mexican stockholders formally agree with the Foreign Affairs Ministry:

- to be considered as Mexicans with respect to the Series "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 Series "L" Shares and CPOs.

Failure to comply is subject to a penalty of forfeiture of such a stockholder's capital interests in favor of Mexico. In the opinion of Mijares, Angoitia, Cortés y Fuentes, S.C., our Mexican counsel, under this provision a non-Mexican stockholder 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 stockholder's rights as a stockholder, 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 stockholder 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 federal courts located in Mexico City.

Duration. Our corporate existence under our bylaws continues until 2106.

Dissolution or Liquidation. Upon any dissolution or liquidation of our company, our stockholders will appoint one or more liquidators at an extraordinary general stockholders' meeting to wind up our affairs. The approval of holders of the majority of the Series "A" Shares is necessary to appoint or remove any liquidator. Upon a dissolution or liquidation, holders of Series "D" Shares will be entitled to both accrued but unpaid dividends in respect of their Series "D" Shares, plus the theoretical value of their Series "D" Shares (as set forth in our bylaws). The theoretical value of our Series "D" Shares is Ps.0.00688246130560 per share. Thereafter, a payment per share will be made to each of the holders of Series "A" Shares, Series "B" Shares and Series "L" Shares equivalent to the payment received by each of the holders of Series "D" Shares. The remainder will be distributed equally among all stockholders 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 stockholder resolution at an extraordinary stockholders' meeting. In accordance with Mexican law and our bylaws:

- any redemption shall be made on a pro-rata basis among all of our stockholders;
- to the extent that a redemption is effected through a public tender offer on the Mexican Stock Exchange, the stockholders' 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 provided by Mexican law, our bylaws allow us to 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 stockholders at an ordinary general stockholders' 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 stockholders' meeting.

Conflicts of Interest. Under Mexican Law, any stockholder 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. The Securities Market Law also imposes a duty of care and a duty of loyalty on directors as described in "Directors, Senior Management and Employees — Our Board of Directors — Duty of Care and Duty of Loyalty". In addition, pursuant to the Mexican Securities Market Law, the Board of Directors, with input from the Audit and Corporate Practices Committee, must review and approve transactions and arrangements with related parties. See "Directors, Senior Management and Employees — Our Board of Directors — Meetings; Actions Requiring Board Approval".

Appraisal Rights and Other Minority Protections. Whenever our stockholders approve a change in our corporate purpose or jurisdiction of organization or our transformation from one type of company to another, any stockholder entitled to vote that did not vote in favor of these matters has the right to receive payment for its Series "A" Shares, Series "B" Shares, Series "D" Shares or Series "L" Shares in an amount calculated in accordance with Mexican law. However, stockholders must exercise their appraisal rights within fifteen days after the stockholders' meeting at which the matter was approved. Because the holders of Series "L" Shares and Series "D" Shares may

only vote in limited circumstances, appraisal rights are generally not available to them. See “— Voting Rights and Stockholders’ Meetings”.

Because the CPO Trustee must vote at a general stockholders’ meeting, the Series “A” Shares, Series “B” Shares and Series “D” Shares held by non-Mexicans through the CPO Trust will be voted in the same manner as the majority of the Series “A” Shares held by Mexican nationals (directly, or through the CPO Trust, as the case may be). As a result, the Series “A” Shares, Series “B” Shares and Series “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 Series “A” Shares, Series “B” Shares or Series “D” Shares. The CPO Trustee will exercise such other corporate rights at special stockholders’ meetings with respect to the underlying Series “A” Shares, Series “B” Shares and Series “D” Shares as may be directed by the Technical Committee of the CPO Trust.

The Mexican Securities Market Law and our bylaws include provisions that permit:

- holders of at least 10% of our outstanding capital stock to request our Chairman of the Board or of the Audit and Corporate Practices Committee to call a stockholders’ meeting in which they are entitled to vote;
- subject to the satisfaction of certain requirements under Mexican law, holders of at least 5% 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 stockholders’ 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 stockholder resolution.

See “Key Information — Risk Factors — Risk Factors Related to Our Securities — The Protections Afforded to Minority Stockholders 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 a corporate practices committee, and to elect independent directors. The protections afforded to minority stockholders 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 stockholders. Furthermore, despite the fact that recent amendments to the Mexican Federal Code of Civil Procedures have provided for certain types of class actions, these actions are limited to subject matters related to the use of goods or the provision of public or private services, as well as environmental matters. Therefore, Mexican civil procedure does not contemplate class actions or stockholder derivative actions, which permit stockholders in U.S. courts to bring actions on behalf of other stockholders or to enforce rights of the corporation itself. Stockholders in Mexico also cannot challenge corporate actions taken at stockholders’ meetings unless they meet stringent procedural requirements. See “— Voting Rights and Stockholders’ Meetings”. As a result of these factors, it is generally more difficult for our minority stockholders to enforce rights against us or our directors or Major Stockholders than it is for stockholders 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 Securities 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 intends to acquire beneficial ownership of ordinary Shares (as defined below) which, when coupled with ordinary Shares previously beneficially owned by such persons or their affiliates, represent 10% or more of our outstanding ordinary Shares, (ii) any competitor, or group including one or more competitors, that intends to acquire beneficial ownership of ordinary Shares which, when coupled with Shares previously beneficially owned by such competitor, group 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 ordinary Shares representing 10% or more of our outstanding ordinary Shares, and (iv) any competitor, or group including one or

more competitors, that intends to acquire beneficial ownership of ordinary Shares representing 5% or more of our capital stock, must obtain the prior approval of our Board of Directors and/or of our stockholders, as the case may be, subject to certain exceptions summarized below. Holders that acquire Shares in violation of these requirements 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; our Series “A” Shares and Series “B” Shares are our ordinary Shares.

Pursuant to our bylaws, a “competitor” is generally defined as any person or entity dedicated, directly or indirectly, to any of the following businesses or activities: television production and broadcasting, pay-TV 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 stockholders 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 stockholders’ meeting as described below in “Stockholder 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.

Stockholder 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 stockholders at a general extraordinary stockholders’ 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 stockholders’ 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 stockholders' 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 stockholders' 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 stockholders' 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 stockholders' 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 stockholders at a general extraordinary stockholders' 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 stockholders 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 stockholders' 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 stockholders' 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 stockholders 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, Cortés 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 s 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 Adversely Affected if the Mexican Government Does Not Renew or Revokes Our Broadcast or Other Concessions”.

We operate our DTH satellite service in Mexico and Central America through a partnership with DIRECTV. See “Information on the Company — Business Overview — Our Operations — Sky”.

In May 2015, we issued Ps.5,000 million aggregate principal amount of 28-day TIEE plus 0.35% local bonds (*Certificados Bursátiles*) due 2022. In November 2015, we issued U.S.\$300 million aggregate principal amount of 4.625% Senior Notes due 2026 and U.S.\$900 million aggregate principal amount of 6.125% Senior Notes due 2046. For a description of the material terms of the amended indentures related to our 6.625% Senior Notes due 2025, our 4.625% Senior Notes due 2026 ,our 8.5% Senior Notes due 2032, our 8.49% Senior Notes due 2037, our 6.0% Senior Notes due 2018, our 6.625% Senior Notes due 2040, our 7.38% local bonds (*Certificados Bursátiles*) due 2020, our 7.25% Senior Notes due 2043, our 28-day TIEE plus 0.35% local bonds (*Certificados Bursátiles*) due 2021 and 2022, our 5.0% Senior Notes due 2045, and our 6.125% Senior Notes due 2046, as well as the description of the material terms for the Company’s subsidiaries debt and finance lease obligations 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”.

Our transactions and arrangements with related parties are described under “Major Stockholders 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

There are several legal actions and claims pending against us which are filed in the ordinary course of business. In our opinion, none of these actions and claims is expected to have a material adverse effect on our financial statements as a whole; however, we are unable to predict the outcome of any of these legal actions and claims.

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 Series “A” Shares, Series “B” Shares, Series “L”

[Table of Contents](#)

Shares and Series “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 and CPOs);
- 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 stockholders, 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 U.S. Internal Revenue Code of 1986, as amended (referred to herein as the “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 Code, 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 “U.S.-Mexico Tax Treaty,” and
- is subject to changes to those laws and the U.S.-Mexico 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, the activities of the partnership and certain determinations made at the partner level. Partnerships holding CPOs, GDSs or Underlying Shares, and partners in such partnerships, 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 U.S. federal income tax purposes by being present in the United States 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 U.S.-Mexico 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 U.S.-Mexico Tax Treaty;
- is an individual who has a “substantial presence” (within the meaning of the U.S.-Mexico Tax Treaty) in the United States;
- is entitled to the benefits of the U.S.-Mexico Tax Treaty under the limitation on benefits provision contained in Article 17 of the U.S.-Mexico 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. The U.S. Dollar value of any distribution paid by us, including the amount of any Mexican taxes withheld from such distribution, 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 by a non-corporate U.S. Holder who meets certain eligibility requirements will qualify for U.S. federal income taxation at a preferential rate of 20% (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 U.S.-Mexico 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 U.S.-Mexico 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” in future 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 future 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 Code. 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) are 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. In addition, a 3.8% tax may apply to certain investment income recognized by a U.S. Holder. See “— Medicare Tax” below.

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. We do not maintain calculations of our earnings and profits under U.S. federal income tax principles. Therefore, a U.S. Holder should expect that a distribution paid by us will be treated as a dividend, even if that distribution would otherwise be treated as reducing such U.S. Holder’s adjusted tax basis in its Underlying Shares, CPOs or GDSs or as gain from the sale of the U.S. Holder’s Underlying Shares, CPOs or GDSs under the rules described above.

The U.S. Dollar value of any distributions 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, The Bank of New York Mellon, 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 distributions 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 “general category income”.

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 stockholders 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. Long-term capital gain of non-corporate U.S. Holders, including individual U.S. Holders, is subject to U.S. federal income tax at preferential rates. In addition, a 3.8% tax may apply to certain investment income recognized by a U.S. Holder on a sale or exchange of CPOs, GDSs or Underlying Shares. See “— Medicare Tax” below. The deductibility of capital losses is subject to significant limitations.

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 U.S.-Mexico Tax Treaty. If capital gains are subject to Mexican taxation under the U.S.-Mexico 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 owner’s 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.

Medicare Tax. A U.S. Holder that is an individual or estate, or a trust that does not fall into a special class of trusts that is exempt from such tax, will generally be subject to a 3.8% tax on the lesser of (i) the U.S. Holder’s “net investment income” for a taxable year and (ii) the excess of the U.S. Holder’s modified adjusted gross income for such taxable year over \$200,000 (\$250,000 in the case of joint filers). For these purposes, “net investment income” will generally include dividends paid with respect to CPOs, GDSs or Underlying Shares and net gain attributable to

the disposition of CPOs, GDSs or Underlying Shares (in each case, unless such CPOs, GDSs or Underlying Shares are held in connection with certain trades or businesses), but will be reduced by any deductions properly allocable to such income or net gain.

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:

- comes within an exempt category; or
- provides the applicable withholding agent with the U.S. Holder's 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 timely 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.

Certain Reporting Requirements. U.S. Holders that are individuals (and to the extent specified in applicable U.S. Treasury regulations, certain U.S. Holders that are entities and certain individuals that are not U.S. Holders) and hold "specified foreign financial assets" (as defined in section 6038D of the Code) are required to file a report on IRS Form 8938 with information relating to such assets for each taxable year in which the aggregate value of all such assets exceeds \$75,000 at any time during the taxable year or \$50,000 on the last day of the taxable year (or such higher dollar amount as prescribed by applicable U.S. Treasury regulations). Specified foreign financial assets would include, among other assets, GDSs, CPOs and Underlying Shares that are not held through an account maintained with a U.S. "financial institution" (as defined). Substantial penalties apply to any failure to timely file IRS Form 8938, unless the failure is shown to be due to reasonable cause and not due to willful neglect. Additionally, in the event a U.S. Holder that is required to file IRS Form 8938 does not file such form, the statute of limitations on the assessment and collection of U.S. federal income taxes of such U.S. Holder for the related tax year may not close until three years after the date that the required information is filed. Beneficial owners of GDSs, CPOs or Underlying Shares should consult their own tax advisors regarding their reporting obligations with respect to "specified foreign financial assets".

Federal Mexican Taxation

General. The following is a general summary of the main tax consequences under the Mexican Income Tax Law, Federal Tax Code and rules as currently in effect (the "Mexican Tax Legislation"), all of which are subject to change or interpretation, and under the U.S.-Mexico Tax Treaty, of the purchase, ownership and disposition of CPOs, GDSs or underlying Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares by a person that is not a resident of Mexico for tax purposes, as defined below.

U.S. Holders should consult with their own tax advisors as to their entitlement to benefits afforded by the U.S.-Mexico Tax Treaty. 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 underlying Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares. 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.

According to the Mexican Tax Legislation:

- an individual is a Mexican tax resident if the individual has established his permanent home in Mexico. When an individual, in addition to his permanent home in Mexico, has a permanent home in another country, the individual will be a Mexican tax resident if his center of vital interests is located in Mexico. This will be deemed to occur if, among other circumstances, 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. Mexican nationals who filed a change of tax residence to a country or jurisdiction that does not have a comprehensive exchange of information agreement with Mexico in which her/his income is subject to a preferred tax regime pursuant to the provisions of the Mexican Income Tax Law, will be considered Mexican residents for tax purposes during the year of filing of the notice of such residence change and during the following three years. Unless otherwise proven, a Mexican national is considered a Mexican tax resident;

- a legal entity is considered a Mexican tax resident if it maintains the main administration of its head office, business, or the effective location of its management in Mexico.
- a foreign person with a permanent establishment in Mexico will be required to pay taxes in Mexico in accordance with the Mexican Tax Legislation for income attributable to such permanent establishment; and
- a foreign person without a permanent establishment in Mexico will be required to pay taxes in Mexico in respect of revenues proceeding from sources of wealth located in national territory.

Dividends. Beginning in 2014, dividends, either in cash or in any other form, coming from our “previously taxed net earnings account”, or “*cuenta de utilidad fiscal neta*”, generated up to 2013 and paid with respect to the shares underlying the CPOs, including those CPOs represented by GDSs, will not be subject to Mexican withholding tax. On the other hand, the dividends coming from our previously taxed net earnings account generated during or after 2014 will be subject to a 10% Mexican withholding tax. We must first utilize the previously taxed net earnings account generated up to 2013 and when this account no longer has a balance, we must utilize the previously taxed net earnings account generated during or after 2014. The latter dividends will be subject to the 10% Mexican withholding tax.

However, under the U.S.-Mexico Tax Treaty, any U.S. Holder that is eligible to claim the benefits of the U.S.-Mexico Tax Treaty may be exempt from or subject to a lower withholding tax rate on dividends paid with respect to the shares underlying the CPOs, including those CPOs represented by GDSs. The U.S. Holder may be subject to a lower withholding tax rate (5%) under the U.S.-Mexico Tax Treaty if the U.S. Holder is a company that owns directly at least 10% of our voting outstanding shares.

On the other hand, the U.S. Holder may be exempt from withholding tax under the U.S.-Mexico Tax Treaty if the U.S. Holder is either (a) a company that has owned shares representing 80 percent or more of our voting outstanding shares for a 12-month period ending on the date the dividend is declared and that (1) prior to October 1, 1998 owned, directly or indirectly, shares representing 80 percent or more of our voting outstanding shares; or (2) is entitled to the benefits of the U.S.-Mexico Tax Treaty under clauses (i) or (ii) of subparagraph d) of paragraph 1 of Article 17 (Limitation on Benefits); or (3) is entitled to the benefits of the U.S.-Mexico Tax Treaty with respect to the dividends under subparagraph g) of paragraph 1 of Article 17; or (4) has received a determination from the relevant competent authority pursuant to paragraph 2 of Article 17; or (b) a trust, company, or other organization constituted and operated exclusively to administer or provide benefits under one or more plans established to provide pension, retirement or other employee benefits and its income is generally exempt from tax in the United States, provided that such dividends are not derived from the carrying on of a business, directly or indirectly, by such trust, company or organization.

Dividends paid to other Holders that are eligible to receive benefits pursuant to other income tax treaties to which Mexico is a party may be exempt from or subject to a lower withholding tax rate 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 tax residence certifications must be obtained by Holders eligible for tax treaty benefits.

When dividends are paid from our previously taxed net earnings account we will not be required to pay any Mexican corporate income tax on the dividends. During 2015, if dividends are not paid from our previously taxed net earnings account we will be required to pay a 30% Mexican corporate income tax (“CIT”) on the grossed-up dividends with the factor 1.4286.

Sales or Other Dispositions. Deposits and withdrawals of CPOs for GDSs and of underlying Series “A” Shares, Series “B” Shares, Series “D” Shares and Series “L” Shares for CPOs will not give rise to Mexican tax or transfer duties.

Beginning on January 1, 2014, the gains on the sale or other disposition of CPOs, GDSs or underlying Series “A” Shares, Series “B” Shares, Series “D” Shares and Series “L” Shares will be subject to a 10% Mexican withholding tax if the sale is carried out through the Mexican Stock Exchange. This withholding tax will not apply if the Holder is a tax resident of a country that has in effect a Tax Treaty with Mexico, as is the case with the United States; in order to obtain this benefit the Holder must deliver to the withholding agent a letter stating, under oath, (i) that the Holder is resident for purposes of the specific Tax Treaty and (ii) the Holder’s tax identification number.

Sales or other dispositions of CPOs, GDSs or underlying Series “A” Shares, Series “B” Shares, Series “D” Shares and Series “L” Shares made in other circumstances also would be subject to Mexican income tax. However, under the U.S.-Mexico Tax Treaty, any U.S. Holder that is eligible to claim the benefits of the U.S.-Mexico 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. The U.S. Holder will be exempt under the U.S.-Mexico 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 tax residence certifications must be obtained by Holders eligible for tax treaty benefits.

Other Mexican Taxes. There are no estate, gift, or succession taxes applicable to the ownership, transfer or disposition of CPOs, GDSs or underlying Series “A” Shares, Series “B” Shares, Series “D” Shares and Series “L” Shares. However, a gratuitous transfer of CPOs, GDSs or underlying Series “A” Shares, Series “B” Shares, Series “D” Shares and Series “L” 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 Series “A” Shares, Series “B” Shares, Series “D” Shares and Series “L” 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.

The Company 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 the Company with the SEC can be inspected and copied at the public reference facilities maintained by the SEC at its Public Reference Room at 100 F Street, N.E., Room 1580, Washington, D.C. 20549.

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 The Bank of New York Mellon, the depository for our GDSs, with annual reports in English. These reports contain audited consolidated financial statements that, starting with the annual report for year ended December 31, 2012, have been prepared in accordance with IFRS. The historical financial statements included in these reports have been examined and reported on, with an opinion expressed by, an independent registered public accounting firm. The depository 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 depository with English translations of all notices of stockholders’ meetings and other reports and communications that we send to holders of our CPOs. The depository 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 United States.

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 market factors including changes in equity prices, interest rates, foreign currency exchange rates, commodity prices and inflation rates. The following information includes “forward-looking statements” that involve risks and uncertainties. Actual results could differ from those presented.

Risk Management. We are exposed to market risks arising from changes in equity prices, interest rates, foreign currency exchange rates and inflation rates, 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 (indebtedness and 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 interest rate “mix” between variable and fixed rate debt.

Foreign currency 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 in affiliates, both domestic and foreign, as long-term assets.

In compliance with the procedures and controls established by our Risk Management Committee, in 2013, 2014 and 2015, we entered into certain derivative transactions with certain financial institutions in order to manage our exposure to market risks resulting from changes in interest rates, foreign currency exchange rates, and inflation rates. Our objective in managing foreign currency and inflation fluctuations is to reduce earnings and cash flow volatility. See Notes 2(v), 4 and 14 to our consolidated year-end financial statements.

Foreign Currency Exchange Rate Risk and Interest Rate Risk

During March 2011, in connection with the amortizable variable rate loan with HSBC due 2018, we entered into interest rate swap agreements on a notional amount of Ps.2,500.0 million. These agreements involve the exchange of interest payments based on a variable interest rate for amounts based on fixed rates. These agreements allowed us to fix the coupon payments for a period of seven years at an interest rate of 8.6075%. In March 2016, the variable rate bank loan was partially prepaid and this agreement was partially unwind in the equivalent amount. As of this date, the interest rate swap agreements have a notional amount of Ps.1,250.0 million.

As of March 31, 2016, the net fair value of the interest rate swap was a (liability) asset of Ps. (60.8) million, Ps.(116.1) million as of December 31, 2015 and Ps.(175.0) million as of December 31, 2014. The potential loss in fair value for such instruments from a hypothetical 50 bps adverse change in market interest rates would be approximately Ps. 15.7 million as of March 31, 2016, Ps.19.0 million as of December 31, 2015 and Ps.31.3 million as of December 31, 2014. This sensitivity analysis assumes a downward parallel shift in the Mexican interest rate swaps yield curve.

During April 2014 and March 2015, in connection with the local bonds (*Certificados Bursátiles*) issued by Televisa due 2021, we entered into interest rate swap agreements on a notional amount of Ps.3,000.0 million and Ps.3,000.0 million, respectively. These agreements involve the exchange of interest payments based on a variable interest rate for amounts based on fixed rates. These agreements allowed us to fix the coupon payments for a period of seven years at an interest rate of 6.2851%.

As of March 31, 2016, the net fair value of the interest rate swap was a (liability) asset of Ps.(177.3) million, Ps.(99.6) million as of December 31, 2015 and Ps. (69.8) million as of December 31, 2014. The potential loss in fair value for such instruments from a hypothetical 50 bps adverse change in market interest rates would be approximately Ps.140.3 million as of March 31, 2016, Ps.144.8 million as of December 31, 2015 and Ps. 84.4 million as of December 31, 2014. This sensitivity analysis assumes a downward parallel shift in the Mexican interest rate swaps yield curve.

During June 2015 and the first quarter of 2016, in connection with the local bonds (*Certificados Bursátiles*) issued by Televisa due 2022, we entered into interest rate swap agreements on a notional amount of Ps.1,000.0 million and Ps.1,500 million, respectively. These agreements involve the exchange of interest payments based on a variable interest rate for amounts based on fixed rates. These agreements allowed us to fix the coupon payments for a period of seven years at an interest rate of 5.9648%.

As of March 31, 2016, the net fair value of the interest rate swap was a (liability) asset of Ps.(13.1) million and Ps.(3.3) million as of December 31, 2015. The potential loss in fair value for such instruments from a hypothetical 50 bps adverse change in market interest rates would be approximately Ps.68.0 million as of March 31, 2016 and Ps.27.9 million as of December 31, 2015. This sensitivity analysis assumes a downward parallel shift in the Mexican interest rate swaps yield curve.

In connection with Sky's variable rate bank loans guaranteed by Televisa, in December 2006, we entered into forward starting interest rate swap agreements on a notional amount of Ps.1,400.0 million. These agreements involve the exchange of amounts based on a variable interest rate for an amount based on fixed rates, without exchange of the notional amount upon which the payments are based. These agreements allowed us to fix the coupon payments for a period of seven years at an interest rate of 8.415% starting in April 2009. In June 2015, the variable rate bank loan was prepaid and this agreement was early terminated.

In connection with TVI's variable rate bank loan with Banorte due 2016, in January and April 2012 TVI entered into interest rate swap agreements on a notional amount of Ps.500.0 million and Ps.800.0 million, respectively. These agreements involve the exchange of interest payments based on a variable interest rate for amounts based on fixed rates. These agreements allowed us to fix the coupon payments for a period of four years at an interest rate of 6.9315% . In May 2015, the variable rate bank loan was prepaid but this agreement continued because a new variable rate bank loan with Banorte due 2022 was agreed and it covered the same exposure until February 2016. These interest rate swap agreements ended on February 2016. Finally, in August 2015 TVI entered into an interest rate swap agreement on a notional amount of Ps.250.0 million. This agreement also involved the exchange of interest payments based on a variable interest rate for amounts based on fixed rates. This agreement allowed us to fix the coupon payments for a period of seven years at an interest rate of 6.8850%.

The net fair value of the interest rate swap was a (liability) asset of Ps. (2.6) million as of March 31, 2016, Ps.(2.3) million as of December 31, 2015 and Ps. (10.1) million as of December 31, 2014. The potential loss in fair value for such instruments from a hypothetical 50 bps adverse change in market interest rates would be approximately Ps.5.0 million as of March 31, 2016, Ps.5.5 million as of December 31, 2015 and Ps.4.1 million as of December 31, 2014. This sensitivity analysis assumes a downward parallel shift in the Mexican interest rate swaps yield curve.

In connection with TVI's variable rate bank loans with HSBC due 2019, in the second semester of 2013 and in the second semester of 2014, TVI entered into interest rate swap agreements on notional amounts of Ps.500.0 million and Ps.300.0 million, respectively. These agreements involve the exchange of interest payments based on a variable interest rate for amounts based on fixed rates. These agreements allowed us to fix the coupon payments for a period of five years at an interest rate of 6.7015%.

The net fair value of the interest rate swap was a (liability) asset of Ps. (3.1) million as of March 31, 2016, Ps.(3.8) million as of December 31, 2015 and Ps. (0.3) million as of December 31, 2014. The potential loss in fair value for such instruments from a hypothetical 50 bps adverse change in market interest rates would be approximately Ps.8.8 million as of March 31, 2016, Ps.9.6 million as of December 31, 2015 and Ps.12.8 million as of December 31, 2014. This sensitivity analysis assumes a downward parallel shift in the Mexican interest rate swaps yield curve.

In connection with two of TVI's variable rate bank loans with Santander due 2019 and 2020, in the second semester of 2015 TVI entered into interest rate swap agreements on notional amounts of Ps.250.0 million each. These agreements involve the exchange of interest payments based on a variable interest rate for amounts based on fixed rates. These agreements allowed us to fix the coupon payments for a period of four and five years at an interest rate of 6.5475% and 6.73%, respectively.

[Table of Contents](#)

The net fair value of the interest rate swap was a (liability) asset of Ps. (3.7) million as of March 31, 2016 and Ps.(2.0) million as of December 31, 2015. The potential loss in fair value for such instruments from a hypothetical 50 bps adverse change in market interest rates would be approximately Ps.8.9 million as of March 31, 2016 and Ps.9.4 million as of December 31, 2015. This sensitivity analysis assumes a downward parallel shift in the Mexican interest rate swaps yield curve.

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 currency exchange rates and debt and equity market prices as they affect our financial instruments at December 31, 2015 and 2014. 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%. The results of the analyses do not purport to represent actual changes in fair value or losses in earnings that we will incur.

December 31, 2015	Carrying value(3)		Fair value(4)		Increase (decrease) of fair value over carrying value		Increase (decrease) of fair value over carrying value assuming a hypothetical 10% increase in fair value	
Assets:								
Temporary investments (1)	Ps.	5,330.4	Ps.	5,330.4	Ps.	—	Ps.	—
Warrants issued by UHI		35,042.6		35,042.6		—		3,504.3
Long-term loan and interest receivable from GTAC		684.3		687.5		3.2		72.0
Held-to-maturity investments		134.0		133.8		(0.2)		13.2
Available-for-sale investments		5,873.2		5,873.2		—		587.3
Liabilities:								
U.S. dollar-denominated debt:								
Senior Notes due 2018		8,608.0		9,287.3		679.3		1,608.1
Senior Notes due 2025		10,329.6		11,773.3		1,443.7		2,621.0
Senior Notes due 2026		5,164.8		5,177.6		12.8		530.6
Senior Notes due 2032		5,164.8		6,268.6		1,103.8		1,730.7
Senior Notes due 2040		10,329.6		10,861.4		531.8		1,617.9
Senior Notes due 2045		17,216.0		14,860.9		(2,355.1)		(869.1)
Senior Notes due 2046		15,494.4		15,472.4		(22.0)		1,525.2
Peso-denominated debt:								
Notes due 2020		10,000.0		10,437.5		437.5		1,481.3
Notes due 2021		6,000.0		5,996.6		(3.4)		596.3
Notes due 2022		5,000.0		4,957.3		(42.7)		453.0
Senior Notes due 2037		4,500.0		4,355.6		(144.5)		291.1
Senior Notes due 2043		6,500.0		5,265.0		(1,235.0)		(708.5)
Long-term notes payable to Mexican Banks		7,491.3		7,562.0		70.7		826.9
Finance lease obligations		5,805.1		5,179.1		(626.1)		(108.2)
Derivative financial instruments (2)		227.1		227.1		—		—

December 31, 2014	Carrying value(3)		Fair value(4)		Increase (decrease) of fair value over carrying value		Increase (decrease) of fair value over carrying value assuming a hypothetical 10% increase in fair value	
Assets:								
Temporary investments (1)	Ps.	4,788.6	Ps.	4,788.6	Ps.	—	Ps.	—
Convertible debentures due 2025 issued by UHI		10,421.5		10,421.5		—		1,042.1
Embedded derivative in Convertible Debentures issued by UHI		17,447.9		17,447.9		—		1,744.8
Long-term loan and interest receivable from GTAC		677.3		675.2		(2.1)		65.4
Held-to-maturity investments		461.0		460.2		(0.8)		45.2
Available-for-sale investments		5,511.8		5,511.8		—		551.2
Shares of common stock of Imagina		836.0		836.0		—		83.6
Derivative financial instruments (2)		2.9		2.9		—		—
Liabilities:								
U.S. dollar-denominated debt:								
Senior Notes due 2018		7,380.6		8,192.6		812.0		1,631.2
Senior Notes due 2025		8,856.8		10,940.7		2,083.9		3,178.0
Senior Notes due 2032		4,428.4		6,097.6		1,669.2		2,279.0
Senior Notes due 2040		8,856.8		10,994.2		2,137.4		3,236.8
Senior Notes due 2045		14,761.3		15,015.8		254.5		1,756.1
Peso-denominated debt:								
Notes due 2020		10,000.0		10,469.0		469.0		1,515.9
Senior Notes due 2021		6,000.0		6,012.3		12.3		613.5
Senior Notes due 2037		4,500.0		4,778.6		278.6		756.5
Senior Notes due 2043		6,500.0		5,505.2		(994.8)		(444.2)
Short-term notes payable to Mexican Banks		10,982.6		11,413.2		430.6		1,571.9
Finance lease obligations		5,236.0		4,920.3		(315.7)		176.3
Derivative financial instruments (2)		335.1		335.1		—		—

- (1) At December 31, 2015 and 2014, the Group's temporary investments consisted of highly liquid securities, including without limitation debt securities and equity instruments held for trading (primarily denominated in Mexican pesos and U.S. dollars). 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.
- (2) Given the nature of these derivative instruments, an increase of 10% in the interest and/or exchange rates would not have a significant impact on the fair value of these financial instruments.
- (3) The carrying value of debt is stated in this table at its principal amount.
- (4) The fair value of the Senior Notes and Notes due by the Group are within Level 1 of the fair value hierarchy as there is a quoted market price for them. The fair value of the finance lease obligations are within Level 2 of the fair value hierarchy and has been estimated based on cash flows discounted using an estimated weighted average cost of capital. The fair value of held-to-maturity securities are within Level 1 of the fair value hierarchy, and were based on market interest rates to the listed securities.

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,			
	2015		2014	
	(In millions of U.S. Dollars)			
U.S. Dollar-denominated monetary assets, primarily cash and cash equivalents, held-to-maturity investments, non-current investments and convertible debentures(1)	U.S.\$	2,606.3	U.S.\$	2,767.8
U.S. Dollar-denominated monetary liabilities, primarily trade accounts payable, senior debt securities and other notes payable(2)		(4,922.5)		(3,922.3)
Net liability position	U.S.\$	(2,316.2)	U.S.\$	(1,154.5)

- (1) In 2015 and 2014, include U.S. Dollar equivalent amounts of U.S.\$15.5 million and U.S.\$65.8 million, respectively, related to other foreign currencies, primarily Euros.
- (2) In 2015 and 2014, include U.S. Dollar equivalent amounts of U.S.\$3.8 million and U.S.\$1.0 million, respectively, related to other foreign currencies, primarily Euros.

At December 31, 2015, a hypothetical 10% appreciation / depreciation in the U.S. Dollar to Peso exchange rate would result in a gain/loss in earnings of Ps.3,987.6 million. At December 31, 2014, a hypothetical 10%

appreciation/depreciation in the U.S. Dollar to Peso exchange rate would result in a gain/loss in earnings of Ps.1,704.2 million.

Item 12. Description of Securities Other than Equity Securities

Global Depositary Shares

The Bank of New York Mellon, the depositary for the securities underlying our GDSs, collects its fees for delivery and surrender of GDSs directly from investors depositing shares or surrendering GDSs for the purpose of withdrawal or from intermediaries acting for them. The depositary collects fees for making distributions to investors by deducting those fees from the amounts distributed or by selling a portion of distributable property to pay the fees. The depositary may collect its annual fee for depositary services by deductions from cash distributions or by directly billing investors or by charging the book-entry system accounts of participants acting for them. The depositary may generally refuse to provide fee-attracting services until its fees for those services are paid.

The following table summarizes the fees and charges that a GDS holder may be required to pay, directly or indirectly, to the depositary pursuant to the terms of the Deposit Agreement, which was filed with the SEC as an exhibit to our Registration Statement on Form F-6 filed on September 17, 2007:

Fee	Depositary Service
U.S.\$5.00 (or less) per 100 GDSs (or portion of 100 GDSs)	<ul style="list-style-type: none"> • Issuance of GDSs, including issuances resulting from a distribution of shares or rights or other property • Cancellation of GDSs for the purpose of withdrawal, including if the deposit agreement terminates
U.S.\$0.02 (or less) per GDS	<ul style="list-style-type: none"> • Any cash distribution to GDS registered holders
A fee equivalent to the fee that would be payable if securities distributed to holders had been CPOs and the CPOs had been deposited for issuance of GDSs	<ul style="list-style-type: none"> • Distribution of securities distributed to holders of deposited securities which are distributed by the depositary to GDS registered holders
U.S.\$0.02 (or less) per GDS per calendar year	<ul style="list-style-type: none"> • Depositary services
Registration or transfer fees	<ul style="list-style-type: none"> • Transfer and registration of CPOs on our CPO register to or from the name of the depositary or its agent when holders deposit or withdraw CPOs
Expenses of the depositary	<ul style="list-style-type: none"> • Cable, telex and facsimile transmissions (when expressly provided in the deposit agreement) • Converting foreign currency to U.S. dollars
Taxes and other governmental charges the depositary or the custodian have to pay on any GDS or share underlying an GDS, for example, stock transfer taxes, stamp duty or withholding taxes	<ul style="list-style-type: none"> • As necessary
Any charges incurred by the depositary or its agents for servicing the deposited securities	<ul style="list-style-type: none"> • As necessary

Note that the actual amounts charged by the depositary may differ from those set out in the table above, but may not exceed these levels.

The Bank of New York Mellon, as depositary, pays us an agreed amount as reimbursement for certain expenses we incur related to our being a publicly-listed entity in the United States, including, but not limited to, internal and out-of-pocket investor relations expenses, corporate finance and accounting expenses, legal expenses, annual NYSE listing fees, Sarbanes-Oxley compliance, travel expenses related to presentations to rating agencies and investors, road show presentations, or any other similar or related expenses. There are limits on the amount of expenses for which the depositary will reimburse us, but the amount of reimbursement available to us is not necessarily tied to the amount of fees the depositary collects from investors. In 2015, we received a reimbursement of U.S.\$1.5 million.

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

Evaluation of Disclosure Controls and Procedures

Based on the evaluation as of December 31, 2015, the Chief Executive Officer and the Chief Financial Officer of the Company have concluded that the Company's disclosure controls and procedures (as defined in the Exchange Act Rules 13a-15(e) and 15d-15(e)) are effective to ensure that the information required to be disclosed by the Company in the reports that it files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the SEC rules and forms and that such information is accumulated and communicated to management, including our Chief Executive Officer and the Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Management's Annual Report on Internal Control Over Financial Reporting

The Company's management, including our Chief Executive Officer and Chief Financial Officer, is responsible for establishing and maintaining adequate internal control over financial reporting and for the assessment of the effectiveness of internal control over financial reporting as defined in Rule 13a-15(f) of the Exchange Act.

Management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2015. In making this assessment, management used the criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Based on this assessment, management has concluded that the Company's internal control over financial reporting was effective as of December 31, 2015.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

PricewaterhouseCoopers, S.C., an independent registered public accounting firm, has audited the effectiveness of the Company's internal control over financial reporting as of December 31, 2015, as stated in their report which is included herein.

Changes in Internal Control Over Financial Reporting

There has been no change in the Company's internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended) that occurred during the year ended December 31, 2015 that has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting.

Item 16.A. Audit Committee Financial Expert

Our board of directors has determined that Mr. Francisco José Chévez Robelo is our audit committee financial expert. Mr. Francisco José Chévez Robelo is "independent" and meets the requisite qualifications as defined in Item 16A of Form 20-F.

Item 16.B. 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.B.
Avenida Vasco de Quiroga, No. 2000
Colonia Santa Fe, 01210 Mexico City, Mexico.
Telephone: (52) (55) 5261-2000.

In addition, the English version of the code of ethics can be found at www.televisa.com/inversionistas-ingles and the Spanish version at www.televisa.com/inversionistas-espanol.

Item 16.C. Principal Accountant Fees and Services

PricewaterhouseCoopers, S.C. acted as our independent registered public accounting firm for the fiscal years ended December 31, 201 5 and 2014.

[Table of Contents](#)

The chart below sets forth the total amount billed by our independent registered public accounting firm for services performed in the years 2015 and 2014, and breaks down these amounts by category of service:

	2015		2014	
	(in millions of Pesos)			
Audit Fees	Ps.	98.3	Ps.	99.1
Audit-Related Fees		8.5		7.8
Tax Fees		8.8		7.0
Other Fees		4.5		1.6
Total	Ps.	120.1	Ps.	115.5

“Audit Fees” are the aggregate fees billed by our Independent Registered Public Accounting Firm 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 Registered Public Accounting Firm 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 our interim financial statements in connection with the offering of our debt securities, advisory services associated with our financial reporting, and due diligence reviews in connection with potential acquisitions and business combinations.

“Tax Fees” are fees for professional services rendered by the Company’s Independent Registered Public Accounting Firm for tax compliance in connection with our subsidiaries and interests in the United States, as well as tax advice on actual or contemplated transactions.

“Other Fees” are fees charged by our Independent Registered Public Accounting Firm in connection with services rendered other than audit, audit-related and tax services.

We have procedures for the review and pre-approval of any services performed by PricewaterhouseCoopers, S.C. The procedures require that all proposed engagements of PricewaterhouseCoopers, S.C. 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 Registered Public Accounting Firm, 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 2014 and 2015, none of the services provided to us by our external auditors were approved by our audit committee pursuant to the de minimis exception to the pre-approval requirement provided by paragraph (c)(7)(i)(C) of Rule 2-01 of Regulation S-X.

Item 16.D. Exemptions from the Listing Standards for Audit Committees

Not applicable.

Item 16.E. 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

[Table of Contents](#)

any affiliated purchaser (as that term is defined in Rule 10b-18(a)(3) under the Exchange Act):

Purchases of Equity Securities by the Company

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(2)	Maximum Number (or Appropriate Peso Value) of CPOs that May Yet Be Purchased Under the Plans or Programs(2)
January 1 to January 31		Ps.	264,891,400	Ps. 20,000,000,000
February 1 to February 28			264,891,400	20,000,000,000
March 1 to March 31			264,891,400	20,000,000,000
April 1 to April 30			264,891,400	20,000,000,000
May 1 to May 31			264,891,400	20,000,000,000
June 1 to June 30			264,891,400	20,000,000,000
July 1 to July 31			264,891,400	20,000,000,000
August 1 to August 31			264,891,400	20,000,000,000
September 1 to September 30			264,891,400	20,000,000,000
October 1 to October 31			264,891,400	20,000,000,000
November 1 to November 30			264,891,400	20,000,000,000
December 1 to December 31			264,891,400	20,000,000,000
Total				

(1) The values have not been restated in constant Pesos and therefore represent nominal historical figures.

(2) Our share repurchase program was announced in September 2002 and does not have an expiration date. Since 2011 we have not repurchased any securities in the open market. The total amount of our share repurchase program is currently limited to Ps.20,000,000,000, as updated in accordance with a resolution that our stockholders approved in a general meeting of our stockholders held on April 28, 2015.

Purchases of Equity Securities by Special Purpose Trust
Formed in Connection with Long-Term Retention Plan(1)

Purchase Date	Total Number of CPOs Purchased(2)	Average Price Paid per CPO(3)	Total Number of CPOs Purchased as part of Publicly Announced Plans or Programs	Maximum Number (or Appropriate Peso Value) of CPOs that May Yet Be Purchased Under the Plans or Programs
January 1 to January 31	3,182,100	Ps. 95.3245	194,516,249	
February 1 to February 28	145,222	101.8677	194,661,471	
March 1 to March 31	11,117,169	103.3276	205,778,640	
April 1 to April 30	500,000	103.6943	206,278,640	
May 1 to May 31	2,523,760	111.9934	208,802,400	
June 1 to June 30	2,579,215	117.9590	211,381,615	
July 1 to July 31	700,000	112.5226	212,081,615	
August 1 to August 31			212,081,615	
September 1 to September 30			212,081,615	
October 1 to October 31			212,081,615	
November 1 to November 30			212,081,615	
December 1 to December 31			212,081,615	
Total	20,747,466	Ps. 105.2820		

(1) See “Directors, Senior Management and Employees — Stock Purchase Plan and Long-Term Retention Plan” for a description of the implementation, limits and other terms of our Long-Term Retention Plan.

(2) Represents open-market purchases by the special purpose trust formed in connection with our Long-Term Retention Plan.

(3) The values have not been restated in constant Pesos and therefore represent nominal historical figures.

Item 16.F. Change in Registrant’s Certifying Accountant

Not applicable.

Item 16.G. Corporate Governance

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 are 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 (*Código de Mejores Prácticas Corporativas*), which was created in January 1999 by a group of Mexican business leaders and was endorsed by the CNBV. See “Additional Information — 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.

<u>NYSE rules</u>	<u>Mexican rules</u>
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 stockholder’s meeting is required to assess the independence of the directors. The definition of “independent” 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 stockholder that may have influence over our officers, relevant clients and contractors, as well as certain relationships between the independent director and family members of the independent director. In addition, our bylaws broaden the definition of independent director. Our bylaws provide for an executive committee of our board of directors. The executive committee is currently composed of six members, and there are no applicable Mexican rules 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 required to have a corporate practices 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 Mexican Code of Best Business Practices’ recommendation must disclose publicly why their practices differ from those recommended by the Mexican Code of Best Business Practices.
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.

Non-management directors must meet at regularly scheduled 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 require shareholder approval for equity compensation plans, subject to limited exemptions.	Companies listed on the Mexican Stock Exchange are required to obtain shareholder approval for equity compensation plans, provided that such plans are subject to certain conditions.
Listed companies must adopt and disclose a code of business conduct and ethics for directors, officers and employees, and promptly disclose 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 adopted a code of ethics which is available free of charge through our offices. See “— 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.

Item 16.H. Mine Safety Disclosure

Not applicable.

Part III

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- 76, which are incorporated in this Item 18 by reference.

Item 19. Exhibits

Documents filed as exhibits to this annual report appear on the following

(a) Exhibits.

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 30, 2009 (previously filed with the Securities and Exchange Commission as Exhibit 1.1 to the Registrant’s Annual Report on Form 20-F for the year ended December 31, 2008, 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, and incorporated herein by reference).
2.2	— 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 à 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).
2.3	— 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 à Luxembourg (previously filed with the Securities and Exchange Commission as Exhibit 4.7 to the 2002 Form F-4 and incorporated herein by reference).

Exhibit Number	Description of Exhibits
2.4	— 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 à Luxembourg, dated March 18, 2005 (previously filed with the Securities and Exchange Commission as Exhibit 2.8 to the Registrant’s Annual Report on Form 20-F for the year ended December 31, 2004 (the “2004 Form 20-F”) and incorporated herein by reference).
2.5	— 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 à Luxembourg, dated May 26, 2005 (previously filed with the Securities and Exchange Commission as Exhibit 2.9 to the 2004 Form 20-F and incorporated herein by reference).
2.6	— Ninth Supplemental Indenture relating to the 6 5/8% Senior Notes due 2025 between Registrant, as Issuer, The Bank of New York and Dexia Banque Internationale à Luxembourg, dated September 6, 2005 (previously filed with the Securities and Exchange Commission as Exhibit 2.8 to the Registrant’s Annual Report on Form 20-F for the year ended December 31, 2005 (the “2005 Form 20-F”) and incorporated herein by reference).
2.7	— Tenth Supplemental Indenture related to the 8.49% Senior Notes due 2037 between Registrant, as Issuer, The Bank of New York and The Bank of New York (Luxembourg) S.A., dated as of May 9, 2007 (previously filed with the Securities and Exchange Commission as Exhibit 2.9 to the Registrant’s Annual Report on Form 20-F for the year ended December 31, 2006, and incorporated herein by reference).
2.8	— Eleventh Supplemental Indenture relating to the 8.49% Senior Exchange Notes due 2037 between Registrant, as Issuer, The Bank of New York and The Bank of New York (Luxembourg) S.A., dated as August 24, 2007 (previously filed with the Securities and Exchange Commission as Exhibit 4.12 to the Registrant’s Registration Statement on Form F-4 (File number 333-144460), as amended, and incorporated herein by reference).
2.9	— Twelfth Supplemental Indenture related to the 6.0% Senior Notes due 2018 between Registrant, as Issuer, The Bank of New York and The Bank of New York (Luxembourg) S.A., dated as of May 12, 2008 (previously filed with the Securities and Exchange Commission as Exhibit 2.11 to the Form 20-F for the year ended December 31, 2007 (the “2007 Form 20-F”) and incorporated herein by reference).
2.10	— Form of Deposit Agreement between the Registrant, The Bank of New York, as depository and all holders and beneficial owners of the Global Depository Shares, evidenced by Global Depository Receipts (previously filed with the Securities and Exchange Commission as an Exhibit to the Registrant’s Registration Statement on Form F-6 (File number 333-146130) and incorporated herein by reference).
2.11	— Thirteenth Supplemental Indenture relating to the 6.0% Senior Exchange Notes due 2018 between Registrant, as Issuer, The Bank of New York Mellon and The Bank of New York (Luxembourg) S.A., dated as of August 21, 2008 (previously filed with the Securities and Exchange Commission as Exhibit 4.14 to the Registrant’s Registration Statement on Form F-4 (File number 333-144460), as amended, and incorporated herein by reference).
2.12	— Fourteenth Supplemental Indenture relating to the 6.625% Senior Notes due 2040 between Registrant, as Issuer, The Bank of New York Mellon and The Bank of New York (Luxembourg) S.A., dated as of November 30, 2009 (previously filed with the Securities and Exchange Commission as Exhibit 4.15 to the Registrant’s Registration Statement on Form F-4 (File number 333-164595), as amended, and incorporated herein by reference).
2.13	— Fifteenth Supplemental Indenture relating to the 6.625% Senior Exchange Notes due 2040 between Registrant, as Issuer, The Bank of New York Mellon and The Bank of New York (Luxembourg) S.A., dated as of March 22, 2010 (previously filed with the Securities and Exchange Commission as Exhibit 2.15 to the Registrant’s Annual Report on Form 20-F for the year ended December 31, 2009 and incorporated herein by reference).

Exhibit Number	Description of Exhibits
2.14	— Sixteenth Supplemental Indenture relating to the 7.25% Peso Denominated Senior Notes due 2043 among the Registrant, The Bank of New York Mellon, as Trustee, Registrar, Paying Agent and Transfer Agent, the Bank of New York Mellon, London Branch, as London Paying Agent and the Bank of New York Mellon (Luxembourg) S.A., as Luxembourg Paying Agent and Transfer Agent, dated as of May 14, 2013 (previously filed with the Securities and Exchange Commission as Exhibit 4.1 to the Registrant’s Form 6-K filed on May 14, 2013 and incorporated herein by reference).
2.15	— Seventeenth Supplemental Indenture relating to the 5.000% Senior Notes due 2045 among the Registrant, The Bank of New York Mellon, as Trustee, Registrar, Paying Agent and Transfer Agent and the Bank of New York Mellon (Luxembourg) S.A., as Luxembourg Paying Agent and Transfer Agent, dated as of May 13, 2014 (previously filed with the Securities and Exchange Commission as Exhibit 4.1 to the Registrant’s Form 6-K filed on May 13, 2014 and incorporated herein by reference).
2.16	— Eighteenth Supplemental Indenture relating to the 4.625% Senior Notes due 2026 among the Registrant, The Bank of New York Mellon, as Trustee, Registrar, Paying Agent and Transfer Agent and the Bank of New York Mellon (Luxembourg) S.A., as Luxembourg Paying Agent and Transfer Agent, dated as of November 24, 2015 (previously filed with the Securities and Exchange Commission as Exhibit 4.1 to the Registrant’s Form 6-K filed on November 24, 2015 and incorporated herein by reference).
2.17	— Nineteenth Supplemental Indenture relating to the 6.125% Senior Notes due 2046 among the Registrant, The Bank of New York Mellon, as Trustee, Registrar, Paying Agent and Transfer Agent and the Bank of New York Mellon (Luxembourg) S.A., as Luxembourg Paying Agent and Transfer Agent, dated as of November 24, 2015 (previously filed with the Securities and Exchange Commission as Exhibit 4.2 to the Registrant’s Form 6-K filed on November 24, 2015 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, and incorporated herein by reference).
4.2	— 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 and incorporated herein by reference).
4.3	— Amended and Restated Bylaws (Estatutos Sociales) of Innova, S. de R.L. de C.V. (“Innova”) dated as of December 22, 1998 (previously filed with the Securities and Exchange Commission as an Exhibit to Innova’s Annual Report on Form 20-F for the year ended December 31, 2004 and incorporated herein by reference).
4.4	— 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 México, S.A., as trustee of Trust No. 14520-1, Nacional Financiera, S.N.C., as trustee of Trust No. 80375, Emilio Azcárraga Jean, Promotora Inbursa, S.A. de C.V., the Registrant and Grupo Televisión, 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).
4.5	— English translation of Ps.2,100.0 million credit agreement, dated as of March 10, 2006, by and among Innova, the Registrant and Banamex (previously filed with the Securities and Exchange Commission as Exhibit 4.7 to the 2005 Form 20-F and incorporated herein by reference).
4.6	— English summary of Ps.1,400.0 million credit agreement, dated as of April 7, 2006, by and among Innova, the Registrant and Banco Santander Serfin, S.A. (the “April 2006 Credit Agreement”) and the April 2006 Credit Agreement (in Spanish) (previously filed with the Securities and Exchange Commission as Exhibit 4.7 to the 2005 Form 20-F and incorporated herein by reference).

Exhibit Number	Description of Exhibits
4.7	— Third Amended and Restated Program License Agreement, dated as of January 22, 2009, by and between Televisa, S.A. de C.V., as successor in interest to Televisa Internacional, S.A. de C.V. and Univision Communications Inc. (previously filed with the Securities and Exchange Commission on February 2, 2009 (File number 001-12610) and incorporated herein by reference).
4.8	— Full-Time Transponder Service Agreement, dated as of November 1, 2007, by and among Intelsat Corporation, Intelsat LLC, Corporación de Radio y Televisión del Norte de México, S. de R. L. de C.V. and SKY Brasil Serviços Ltda (previously filed with the Securities and Exchange Commission as Exhibit 4.16 to the 2007 Form 20-F and incorporated herein by reference).
4.9	— Investment Agreement, dated as of December 20, 2010 (the “Investment Agreement”), by and among the Registrant, Televisa, S.A. de C.V., Univision Communications Inc., Broadcasting Media Partners, Inc., and UCI’s direct and indirect licensee subsidiaries named therein (previously filed with the Securities and Exchange Commission as Exhibit 4.19 to the Registrant’s Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.10	— Amendment, dated as of February 28, 2011, to the Investment Agreement, dated as of December 20, 2010, by and among Broadcasting Media Partners, Inc., BMPI Services II, LLC, Univision Communications Inc., the Registrant and Pay-TV Venture, Inc. (previously filed with the Securities and Exchange Commission as Exhibit 4.20 to the Registrant’s Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.11	— \$1,125 million aggregate principal amount of 1.5% Convertible Debentures due 2025 issued by Broadcasting Media Partners, Inc. pursuant to the Investment Agreement, dated as of December 20, 2010 (previously filed with the Securities and Exchange Commission as Exhibit 4.21 to the Registrant’s Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.12	— Amended and Restated Certificate of Incorporation of Broadcasting Media Partners, Inc. (previously filed with the Securities and Exchange Commission as Exhibit 4.22 to the Registrant’s Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.13	— Amended and Restated Bylaws of Broadcasting Media Partners, Inc. dated as of December 20, 2010 (previously filed with the Securities and Exchange Commission as Exhibit 4.23 to the Registrant’s Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.14*	— Amended and Restated Stockholders Agreement, dated as of December 20, 2010, by and among Broadcasting Media Partners, Inc., Broadcast Media Partners Holdings, Inc., Univision Communications Inc., and certain stockholders of Broadcasting Media Partners, Inc. (previously filed with the Securities and Exchange Commission as Exhibit 4.24 to the Registrant’s Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.15	— Amendment, dated as of February 28, 2011, to the Amended and Restated Stockholders Agreement, dated as of December 20, 2010, by and among Broadcasting Media Partners, Inc., Broadcast Media Partners Holdings, Inc., Univision Communications Inc., and certain stockholders of Broadcasting Media Partners, Inc. (previously filed with the Securities and Exchange Commission as Exhibit 4.25 to the Registrant’s Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.16*	— Amended and Restated Principal Investor Agreement, dated as of December 20, 2010, by and among Broadcasting Media Partners, Inc., Broadcast Media Partners Holdings, Inc., Univision Communications Inc., the Registrant and certain investors (previously filed with the Securities and Exchange Commission as Exhibit 4.26 to the Registrant’s Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).

Exhibit Number	Description of Exhibits
4.17*	— Amended and Restated 2011 Program License Agreement, dated as of February 28, 2011, by and among Televisa, S.A. de C.V. and Univision Communications Inc. (previously filed with the Securities and Exchange Commission as Exhibit 4.27 to the Registrant’s Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.18*	— Second Amended and Restated 2011 Program License Agreement, dated as of July 1, 2015, by and among Televisa, S.A. de C.V. and Univision Communications Inc.
4.19	— Amendment to International Program Rights Agreement, dated as of December 20, 2010, by and among Univision Communications Inc. and the Registrant (previously filed with the Securities and Exchange Commission as Exhibit 4.28 to the Registrant’s Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.20*	— Amended and Restated 2011 Mexico License Agreement, dated as of February 28, 2011, by and among Univision Communications Inc. and Videoserpel, Ltd. (previously filed with the Securities and Exchange Commission as Exhibit 4.29 to the Registrant’s Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.21*	— Amendment to Amended and Restated 2011 Mexico License Agreement, dated as of July 1, 2015, by and among Univision Communications Inc. and Mountrigi Management Group Limited (f/k/a Videoserpel, Ltd.).
4.22	— Letter Agreement, dated as of February 28, 2011, by and among Televisa, S.A. de C.V., the Registrant and Univision Communications Inc. (previously filed with the Securities and Exchange Commission as Exhibit 4.30 to the Registrant’s Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.23*	— Purchase and Assignment and Assumption Agreement, dated as of December 20, 2010, by and among Pay-TV Venture, Inc., TuTv LLC and Univision Communications Inc., solely for purposes of Section 1.4, Televisa, S.A. de C.V., as successor to Visat, S.A. de C.V. and Televisa Internacional, S.A. de C.V., and, solely for purposes of Section 1.5, the Registrant (previously filed with the Securities and Exchange Commission as Exhibit 4.31 to the Registrant’s Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.24	— English summary of Shareholders’ and Share Purchase Agreement, dated as of December 16, 2010 (and amended on April 7, 2011), by and among Grupo Salinas Telecom, S.A. de C.V., Mexico Media Investments, S.L., Sociedad Unipersonal, GSF Telecom Holdings, S.A.P.I. de C.V., Orilizo Holding B.V. and Grupo Iusacell, S.A. de C.V. and Assignment Agreement with respect to the Shareholders’ and Share Purchase Agreement, dated as of April 7, 2011, by and among Mexico Media Investments S.L., Sociedad Unipersonal, as assignor and Corporativo Vasco de Quiroga, S.A. de C.V., as assignee, with the consent of Grupo Salinas Telecom, S.A. de C.V., GSF Telecom Holdings, S.A.P.I. de C.V., Orilizo Holding B.V. and Grupo Iusacell, S.A. de C.V. (previously filed with the Securities and Exchange Commission as Exhibit 4.32 to the Registrant’s Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.25	— English summary of Irrevocable Guaranty Trust Agreement, dated as of December 16, 2010 (and amended on December 16, 2010 and April 7, 2011), by and among Grupo Salinas Telecom, S.A. de C.V., México Media Investments, S.L., GSF Telecom Holdings, S.A.P.I. de C.V. and Banco Invex, S.A., Institución de Banca Múltiple, Invex Grupo Financiero and Assignment Agreement with respect to the Irrevocable Guaranty Trust Agreement, dated as of April 7, 2011, by and among Mexico Media Investments S.L., Sociedad Unipersonal, as assignor and Corporativo Vasco de Quiroga, S.A. de C.V., as assignee, with the consent of Grupo Salinas Telecom, S.A. de C.V., GSF Telecom Holdings, S.A.P.I. de C.V. and Banco Invex, S.A., Institución de Banca Múltiple, Invex Grupo Financiero (previously filed with the Securities and Exchange Commission as Exhibit 4.33 to the Registrant’s Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).

Exhibit Number	Description of Exhibits
4.26	— English summary of Amendment and Restatement of the Indenture, dated April 7, 2011, relating to the issuance of the Series 1 and Series 2 Debentures by GSF Telecom Holdings, Sociedad Anónima Promotora de Inversión de Capital Variable with the consent of Deutsche Bank México, Sociedad Anónima, Institución de Banca Múltiple, División Fiduciaria and Assignment Agreement with respect to the Series 1 and Series 2 Debentures, dated April 7, 2011, by and among Mexico Media Investments S.L., Sociedad Unipersonal, as assignor and Corporativo Vasco de Quiroga, S.A. de C.V., as assignee, with the consent of GSF Telecom Holdings, S.A.P.I. de C.V. and Deutsche Bank México, S.A., Institución de Banca Múltiple, División Fiduciaria (previously filed with the Securities and Exchange Commission as Exhibit 4.34 to the Registrant’s Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.27	— English summary of Ps.400 million credit agreement, dated as of March 23, 2011, between the Registrant and Banco Nacional de Mexico, S.A. integrante del Grupo Financiero Banamex (previously filed with the Securities and Exchange Commission as Exhibit 4.35 to the Registrant’s Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.28	— English summary of Ps.800 million credit agreement, dated as of March 23, 2011, between the Registrant and Banco Nacional de Mexico, S.A. integrante del Grupo Financiero Banamex (previously filed with the Securities and Exchange Commission as Exhibit 4.36 to the Registrant’s Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.29	— English summary of Ps.400 million credit agreement, dated as of March 23, 2011, between the Registrant and Banco Nacional de Mexico, S.A. integrante del Grupo Financiero Banamex (previously filed with the Securities and Exchange Commission as Exhibit 4.37 to the Registrant’s Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.30	— English summary of Ps.2,500 million credit agreement, dated as of March 30, 2011, between the Registrant and BBVA Bancomer, S.A., Institución de Banca Múltiple, Grupo Financiero BBVA Bancomer (previously filed with the Securities and Exchange Commission as Exhibit 4.38 to the Registrant’s Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.31	— English summary of Ps.2,500 million credit agreement, dated as of March 28, 2011, between the Registrant and HSBC México, S.A., Institución de Banca Múltiple, Grupo Financiero HSBC (previously filed with the Securities and Exchange Commission as Exhibit 4.39 to the Registrant’s Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.32	— English summary of Ps.2,000 million credit agreement, dated as of March 30, 2011, between the Registrant and Banco Santander (México), S.A., Institución de Banca Múltiple, Grupo Financiero Santander (previously filed with the Securities and Exchange Commission as Exhibit 4.40 to the Registrant’s Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.33	— English summary of indenture, dated July 31, 2013, related to the issuance of Ps.7,000 million convertible debentures, by Tenedora Ares, S.A.P.I de C.V., together with Banco Invex, Sociedad Anónima, Institución de Banca Múltiple, Invex Grupo Financiero, Fiduciario, in its capacity as common representative for the holders of the debentures (previously filed with the Securities and Exchange Commission as Exhibit 4.30 to the Registrant’s Annual Report on Form 20-F for the year ended December 31, 2013 and incorporated herein by reference).
4.34	— English summary of call and put option agreement, dated July 31, 2013, by and among Tenedora Ares, S.A.P.I. de C.V., Thomas Stanley Heather Rodríguez, Vamole Inversiones 2013, S.L. Sociedad Unipersonal and Arretis, S.A.P.I. de C.V. (previously filed with the Securities and Exchange Commission as Exhibit 4.32 to the Registrant’s Annual Report on Form 20-F for the year ended December 31, 2013 and incorporated herein by reference).

Exhibit Number	Description of Exhibits
4.35	— English summary of conversion of debentures, dated August 13, 2014, by and between Arretis, S.A.P.I. de C.V. and Tenedora Ares, S.A.P.I. de C.V. (previously filed with the Securities and Exchange Commission as Exhibit 4.33 to the Registrant’s Annual Report on Form 20-F for the year ended December 31, 2014 and incorporated herein by reference).
4.36	— English summary of share purchase agreement, dated August 13, 2014, by and among Vamole Inversiones 2013, S.L., Sociedad Unipersonal, Thomas Stanley Heather Rodriguez, Arretis, S.A.P.I. de C.V. and San Ángel Telecom, S.A. de C.V. (previously filed with the Securities and Exchange Commission as Exhibit 4.34 to the Registrant’s Annual Report on Form 20-F for the year ended December 31, 2014 and incorporated herein by reference).
4.37	— English summary of share purchase agreement, dated August 13, 2014, by and among Dafel Investments B.V., Mexico Media Investments, S.L., Sociedad Unipersonal, Cable TV Investments, S.L., Sociedad Unipersonal, Tenedora Ares, S.A.P.I. de C.V. and San Ángel Telecom, S.A. de C.V. (previously filed with the Securities and Exchange Commission as Exhibit 4.35 to the Registrant’s Annual Report on Form 20-F for the year ended December 31, 2014 and incorporated herein by reference).
4.38	— English summary of share purchase agreement, dated July 9, 2014, by and among Invox Grupo Financiero, as trustee of Trust F/1017 and Grupo Salinas Telecom, S.A. de C.V., with the acknowledgement of GSF Telecom Holdings, S.A.P.I. de C.V. and Corporativo Vasco de Quiroga, S.A. de C.V. (previously filed with the Securities and Exchange Commission as Exhibit 4.36 to the Registrant’s Annual Report on Form 20-F for the year ended December 31, 2014 and incorporated herein by reference).
4.39	— English summary of merger agreement, dated January 8, 2015, by and among Consorcio Nekeas, S.A. de C.V., Galavisión DTH, S. de R.L. de C.V. and Inmobiliaria Hevi, S.A. de C.V. (previously filed with the Securities and Exchange Commission as Exhibit 4.37 to the Registrant’s Annual Report on Form 20-F for the year ended December 31, 2014 and incorporated herein by reference).
4.40	— English summary of stock purchase agreement, dated January 8, 2015, by and among Mara del Carmen Ordóñez Valverde, Axel Eduardo Vielma Ordóñez, Héctor Vielma Ordóñez, José Francisco Vielma Ordóñez, Luis Edmundo Vielma Ordóñez and Corporativo Vasco de Quiroga, S.A. de C.V. (previously filed with the Securities and Exchange Commission as Exhibit 4.38 to the Registrant’s Annual Report on Form 20-F for the year ended December 31, 2014 and incorporated herein by reference).
4.41	English summary of merger agreement, dated March 4, 2016, by and among Corporativo Vasco de Quiroga, S.A. de C.V. and Grupo TVI Telecom, S.A. de C.V.
8.1	— List of Subsidiaries of Registrant.
12.1	— CEO Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, dated April 29, 2016.
12.2	— CFO Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, dated April 29, 2016.
13.1	— CEO Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, dated April 29, 2016.
13.2	— CFO Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, dated April 29, 2016.
23.1	— Consent of PricewaterhouseCoopers, S.C.

* Portions of this exhibit have been omitted and filed separately with the Securities and Exchange Commission pursuant to a request for confidential treatment.

Instruments defining the rights of holders of certain issues of long-term debt of the Registrant and its consolidated subsidiaries have not been filed as exhibits to this Form 20-F because the authorized principal amount of any one of such issues does not exceed 10% of the total assets of the Registrant and its subsidiaries on a

consolidated basis. The Registrant agrees to furnish a copy of each such instrument to the Securities and Exchange Commission upon request.

(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.

GRUPO TELEVISIA, S.A.B.

By: /s/Salvi Rafael Folch Viadero

Name: Salvi Rafael Folch Viadero

Title: Chief Financial Officer

By: /s/Jorge Agustín Lutteroth Echegoyen

Name: Jorge Agustín Lutteroth Echegoyen

Title: Vice President — Corporate Controller

Date: April 29, 2016

GRUPO TELEVISA, S. A. B. AND SUBSIDIARIES
INDEX TO AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF
DECEMBER 31, 2015 AND 2014

	<u>Page</u>
Report of Independent Registered Public Accounting Firm	F-2
Consolidated Statements of Financial Position as of December 31, 2015 and 2014	F-3
Consolidated Statements of Income for the Years Ended December 31, 2015, 2014 and 2013	F-5
Consolidated Statements of Comprehensive Income for the Years Ended December 31, 2015, 2014 and 2013	F-6
Consolidated Statements of Changes in Equity for the Years Ended December 31, 2015, 2014 and 2013	F-7
Consolidated Statements of Cash Flows for the Years Ended December 31, 2015, 2014 and 2013	F-8
Notes to Consolidated Financial Statements for the Years Ended December 31, 2015, 2014 and 2013	F-10

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of Grupo Televisa, S. A. B.

In our opinion, the accompanying consolidated statements of financial position and the related consolidated statements of income, comprehensive income, changes in equity and cash flows present fairly, in all material respects, the financial position of Grupo Televisa, S.A.B. (the “Company”) and its subsidiaries at December 31, 2015 and 2014, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2015 in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2015, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company’s management is responsible for these financial statements, for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in “Management’s Annual Report on Internal Control Over Financial Reporting” appearing in Item 15. Our responsibility is to express opinions on these financial statements and on the Company’s internal control over financial reporting based on our integrated audits. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States) and International Standards on Auditing. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

PricewaterhouseCoopers, S.C.

/s/ C.P.C. José Miguel Arrieta Méndez
Audit Partner
Mexico City
April 28, 2016

GRUPO TELEVISIA, S.A.B. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As of December 31, 2015 and 2014
(In thousands of Mexican Pesos)
(Notes 1, 2 and 3)

	Notes	2015	2014
ASSETS			
Current assets:			
Cash and cash equivalents	6	Ps. 49,397,126	Ps. 29,729,350
Temporary investments	6	5,330,448	4,788,585
Trade notes and accounts receivable, net	7	21,702,128	21,087,163
Other accounts and notes receivable, net		4,296,068	2,724,692
Account receivable related to former investment in GSF	3	—	10,583,852
Derivative financial instruments	14	—	2,894
Due from related parties	19	98,388	903,252
Transmission rights and programming	8	5,389,133	4,851,722
Inventories		1,628,276	3,336,667
Other current assets		2,096,509	1,793,999
Total current assets		<u>89,938,076</u>	<u>79,802,176</u>
Non-current assets:			
Transmission rights and programming	8	9,139,149	8,994,398
Investments in financial instruments	9	41,081,474	34,709,872
Investments in associates and joint ventures	10	9,271,901	5,032,447
Property, plant and equipment, net	11	76,089,277	62,009,508
Intangible assets, net	12	38,106,325	28,778,414
Deferred income tax assets	23	17,665,086	16,080,292
Other assets		182,466	144,834
Total non-current assets		<u>191,535,678</u>	<u>155,749,765</u>
Total assets		<u>Ps. 281,473,754</u>	<u>Ps. 235,551,941</u>

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

GRUPO TELEVISA, S.A.B. AND SUBSIDIARIES**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

As of December 31, 2015 and 2014
(In thousands of Mexican Pesos)
(Notes 1, 2 and 3)

	Notes	2015	2014
LIABILITIES			
Current liabilities:			
Current portion of long-term debt and interest payable	13	Ps. 4,164,068	Ps. 1,312,052
Current portion of finance lease obligations	13	511,556	502,166
Derivative financial instruments	14	1,402	—
Trade accounts payable and accrued expenses		17,361,484	17,142,044
Customer deposits and advances		20,470,380	20,150,744
Income taxes payable		1,632,795	1,389,321
Other taxes payable		1,246,041	1,108,376
Employee benefits		1,034,446	1,005,255
Due to related parties	19	443,035	8,564
Other current liabilities		2,112,843	1,751,600
Total current liabilities		<u>48,978,050</u>	<u>44,370,122</u>
Non-current liabilities:			
Long-term debt, net of current portion	13	107,430,764	80,660,503
Finance lease obligations, net of current portion	13	5,293,559	4,807,379
Derivative financial instruments	14	225,660	335,102
Customer deposits and advances		514,531	284,000
Income taxes payable	23	6,338,078	6,628,125
Deferred income tax liabilities	23	10,000,048	7,763,024
Post-employment benefits	15	407,179	287,159
Other long-term liabilities		2,764,108	2,501,446
Total non-current liabilities		<u>132,973,927</u>	<u>103,266,738</u>
Total liabilities		<u>181,951,977</u>	<u>147,636,860</u>
EQUITY			
Capital stock	16	4,978,126	4,978,126
Additional paid-in-capital		15,889,819	15,889,819
Retained earnings	17	73,139,684	62,905,444
Accumulated other comprehensive income, net	17	5,257,554	5,679,063
Shares repurchased	16	(11,882,248)	(12,647,475)
Equity attributable to stockholders of the Company		<u>87,382,935</u>	<u>76,804,977</u>
Non-controlling interests	18	12,138,842	11,110,104
Total equity		<u>99,521,777</u>	<u>87,915,081</u>
Total liabilities and equity		<u>Ps. 281,473,754</u>	<u>Ps. 235,551,941</u>

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

GRUPO TELEVISIA, S.A.B. AND SUBSIDIARIES**CONSOLIDATED STATEMENTS OF INCOME**

For the Years Ended December 31, 2015, 2014 and 2013
(In thousands of Mexican Pesos, except per CPO amounts)
(Notes 1, 2 and 3)

	Notes	2015	2014	2013
Net sales	25	Ps. 88,051,829	Ps. 80,118,352	Ps. 73,790,711
Cost of sales	20	47,226,544	42,908,647	39,602,423
Selling expenses	20	9,716,244	8,561,911	7,280,649
Administrative expenses	20	12,035,439	9,409,697	8,086,154
Income before other expense	25	19,073,602	19,238,097	18,821,485
Other expense, net	21	328,477	5,281,690	83,150
Operating income		18,745,125	13,956,407	18,738,335
Finance expense	22	(8,665,398)	(6,942,630)	(5,086,972)
Finance income	22	8,542,542	2,613,705	5,971,689
Finance (expense) income, net		(122,856)	(4,328,925)	884,717
Share of income (loss) of associates and joint ventures, net	10	35,399	13,173	(5,659,963)
Income before income taxes		18,657,668	9,640,655	13,963,089
Income taxes	23	6,332,218	2,980,883	3,728,962
Net income		Ps. 12,325,450	Ps. 6,659,772	Ps. 10,234,127
Net income attributable to:				
Stockholders of the Company		Ps. 10,899,135	Ps. 5,386,905	Ps. 7,748,279
Non-controlling interests	18	1,426,315	1,272,867	2,485,848
Net income		Ps. 12,325,450	Ps. 6,659,772	Ps. 10,234,127
Basic earnings per CPO attributable to stockholders of the Company	24	Ps. 3.77	Ps. 1.87	Ps. 2.71
Diluted earnings per CPO attributable to stockholders of the Company	24	Ps. 3.52	Ps. 1.74	Ps. 2.50

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

GRUPO TELEVISIA, S.A.B. AND SUBSIDIARIES**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

For the Years Ended December 31, 2015, 2014 and 2013
(In thousands of Mexican Pesos)
(Notes 1, 2 and 3)

	<u>Notes</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Net income		Ps. 12,325,450	Ps. 6,659,772	Ps. 10,234,127
Other comprehensive income (loss):				
Items that will not be reclassified to income:				
Remeasurement of post-employment benefit obligations	15	(166,044)	(27,811)	133,863
Items that may be subsequently reclassified to income:				
Exchange differences on translating foreign operations		498,954	221,260	64,591
Equity instruments issued by Imagina:				
Changes in fair value	9	405,132	(328,340)	254,662
Reclassification to other finance income	9	(544,402)	—	—
Cash flow hedges		25,838	(43,439)	17,025
Convertible debentures due 2025 issued by UHI:				
Changes in fair value	9	319,307	2,058,432	592,810
Reclassification to other finance income	9	(4,718,175)	—	—
Warrants issued by UHI	9	3,303,182	—	—
Debt instruments issued by Ares:				
Convertible debt instruments	9	—	670,375	100,333
Long-term debt instrument	9	—	54,417	(54,184)
Reclassification to other finance income	22	—	(770,941)	—
Available-for-sale investments	9	(80,371)	1,193,130	987,671
Share of other comprehensive income of associates and joint ventures	10	19,705	25,664	105,259
Other comprehensive (loss) income before income taxes		(936,874)	3,052,747	2,202,030
Income taxes	23	593,337	(730,444)	(602,684)
Other comprehensive (loss) income		(343,537)	2,322,303	1,599,346
Total comprehensive income		<u>Ps. 11,981,913</u>	<u>Ps. 8,982,075</u>	<u>Ps. 11,833,473</u>
Total comprehensive income attributable to:				
Stockholders of the Company		Ps. 10,477,626	Ps. 7,671,917	Ps. 9,336,446
Non-controlling interests	18	1,504,287	1,310,158	2,497,027
Total comprehensive income		<u>Ps. 11,981,913</u>	<u>Ps. 8,982,075</u>	<u>Ps. 11,833,473</u>

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

GRUPO TELEVISIA, S.A.B. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the Years Ended December 31, 2015, 2014 and 2013

(In thousands of Mexican Pesos)

(Notes 1, 2 and 3)

	Capital Stock Issued (Note 16)	Additional Paid-in Capital	Retained Earnings (Note 17)	Accumulated Other Comprehensive Income (Note 17)	Shares Repurchased (Note 16)	Equity Attributable to Stockholders of the Company	Non- controlling Interests (Note 18)	Total Equity
Balance at January 1, 2013	Ps. 4,978,126	Ps. 15,889,819	Ps. 51,073,399	Ps. 1,805,884	Ps. (13,103,223)	Ps. 60,644,005	Ps. 7,890,598	Ps. 68,534,603
Dividends	—	—	(2,168,384)	—	—	(2,168,384)	(118,238)	(2,286,622)
Adjustment for adoption of IAS 19, as amended (Note 2 (t))	—	—	(101,814)	—	—	(101,814)	(1,088)	(102,902)
Shares repurchased	—	—	—	—	(1,057,083)	(1,057,083)	—	(1,057,083)
Sale of shares	—	—	(254,775)	—	1,311,858	1,057,083	—	1,057,083
Share-based compensation	—	—	601,181	—	—	601,181	—	601,181
Other adjustments to non- controlling interests	—	—	—	—	—	—	(300)	(300)
Comprehensive income	—	—	7,748,279	1,588,167	—	9,336,446	2,497,027	11,833,473
Balance at December 31, 2013	<u>4,978,126</u>	<u>15,889,819</u>	<u>56,897,886</u>	<u>3,394,051</u>	<u>(12,848,448)</u>	<u>68,311,434</u>	<u>10,267,999</u>	<u>78,579,433</u>
Dividends	—	—	—	—	—	—	(468,248)	(468,248)
Shares repurchased	—	—	—	—	(1,064,602)	(1,064,602)	—	(1,064,602)
Sale of shares	—	—	(200,973)	—	1,265,575	1,064,602	—	1,064,602
Share-based compensation	—	—	821,626	—	—	821,626	—	821,626
Other adjustments to non- controlling interests	—	—	—	—	—	—	195	195
Comprehensive income	—	—	5,386,905	2,285,012	—	7,671,917	1,310,158	8,982,075
Balance at December 31, 2014	<u>4,978,126</u>	<u>15,889,819</u>	<u>62,905,444</u>	<u>5,679,063</u>	<u>(12,647,475)</u>	<u>76,804,977</u>	<u>11,110,104</u>	<u>87,915,081</u>
Reduction of capital of non- controlling interests	—	—	—	—	—	—	(95,500)	(95,500)
Dividends	—	—	(1,084,192)	—	—	(1,084,192)	(379,639)	(1,463,831)
Shares repurchased	—	—	—	—	(733,831)	(733,831)	—	(733,831)
Sale of shares	—	—	(765,227)	—	1,499,058	733,831	—	733,831
Share-based compensation	—	—	1,184,524	—	—	1,184,524	—	1,184,524
Other adjustments to non- controlling interests	—	—	—	—	—	—	(410)	(410)
Comprehensive income	—	—	10,899,135	(421,509)	—	10,477,626	1,504,287	11,981,913
Balance at December 31, 2015	<u>Ps. 4,978,126</u>	<u>Ps. 15,889,819</u>	<u>Ps. 73,139,684</u>	<u>Ps. 5,257,554</u>	<u>Ps. (11,882,248)</u>	<u>Ps. 87,382,935</u>	<u>Ps. 12,138,842</u>	<u>Ps. 99,521,777</u>

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

GRUPO TELEVISIA, S.A.B. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 2015, 2014 and 2013
(In thousands of Mexican Pesos)
(Notes 1, 2 and 3)

	2015	2014	2013
Operating Activities:			
Income before income taxes	Ps. 18,657,668	Ps. 9,640,655	Ps. 13,963,089
Adjustments to reconcile income before income taxes to net cash provided by operating activities:			
Share of (income) loss of associates and joint ventures	(35,399)	(13,173)	5,659,963
Depreciation and amortization	14,660,929	11,563,085	9,846,366
Write-off and other amortization of assets	304,860	213,216	185,080
Impairment of long-lived assets	131,065	253,279	59,648
Disposition of property and equipment	688,706	715,786	236,667
Provision for doubtful accounts and write-off receivables	1,644,904	1,040,954	873,097
Post-employment benefits	38,334	157,511	143,133
Interest income	(378,736)	(417,777)	(192,712)
Income from UHI	(2,194,981)	—	—
Share-based compensation expense	1,199,489	844,788	601,181
Reclassifications from accumulated other comprehensive income	(5,262,577)	—	—
Provisions for related party transactions	1,024,484	—	—
Other finance income, net	(917,682)	(1,286,014)	(4,841,734)
(Gain) loss on disposition of investments	(76,296)	4,168,468	—
Interest expense	6,239,387	5,551,461	4,803,151
Unrealized foreign exchange loss, net	4,032,871	2,133,505	128,619
	<u>39,757,026</u>	<u>34,565,744</u>	<u>31,465,548</u>
Increase in trade notes and accounts receivable	(2,120,569)	(1,213,774)	(2,604,151)
(Increase) decrease in transmission rights and programming	(535,487)	250,554	(3,133,650)
Decrease in due from related parties, net	527,515	387,812	154,301
Decrease (increase) in inventories	1,705,238	(1,495,275)	(238,760)
Increase in other accounts and notes receivable and other current assets	(877,316)	(612,564)	(2,290,656)
Increase in trade accounts payable and accrued expenses	63,873	4,795,769	2,384,536
Increase (decrease) in customer deposits and advances	459,215	(2,112,156)	448,725
Increase (decrease) in other liabilities, taxes payable and deferred taxes	192,113	(2,086,330)	2,414,601
(Decrease) increase in post-employment benefits	(62,373)	100,516	404
Income taxes paid	(7,823,659)	(4,117,357)	(4,794,693)
	<u>(8,471,450)</u>	<u>(6,102,805)</u>	<u>(7,659,343)</u>
Net cash provided by operating activities	<u>31,285,576</u>	<u>28,462,939</u>	<u>23,806,205</u>
Investing activities:			
Temporary investments	16,083	(74,977)	1,604,322
Income from UHI	2,194,981	—	—
Due from or to related parties	—	—	9,882
Held-to-maturity and available-for-sale investments	(89,552)	(372,140)	(517,199)
Disposition of held-to-maturity and available-for-sale investments	362,416	513,134	263,737
Investments in financial instruments	—	—	(9,492,744)
Acquisition of Cablecom, net of acquired cash and cash equivalents	—	(5,536,649)	—
Acquisition of Telecable, net of acquired cash and cash equivalents	(9,731,391)	—	—
Investment in associates and other investments	(92,141)	49,356	(1,588,925)
Disposition of investment	76,335	—	—
Additional investment in Imagina	(341,710)	—	—
Disposition of investment in GSF	10,335,813	—	—
Investments in property, plant and equipment	(25,524,145)	(17,004,358)	(14,870,672)
Disposition of property, plant and equipment	565,552	480,601	169,218
Investments in intangible assets	(1,553,801)	(794,476)	(824,072)
Net cash used in investing activities	<u>(23,781,560)</u>	<u>(22,739,509)</u>	<u>(25,246,453)</u>
Financing activities:			
Long-term Mexican banks	2,487,936	2,078,433	493,383
Issuance of Senior Notes due 2043	—	—	6,437,204
Issuance of Notes due 2021	—	5,988,651	—
Issuance of Notes due 2022	4,988,747	—	—
Issuance of Senior Notes due 2045	—	12,400,063	—
Issuance of Senior Notes due 2026	4,903,744	—	—

Issuance of Senior Notes due 2046	14,716,640	—	—
Repayment of Mexican peso debt	(883,340)	(313,793)	(375,000)
Prepayment of Mexican peso debt	(5,905,601)	(6,522,250)	—
Capital lease payments	(405,151)	(446,944)	(376,159)
Interest paid	(5,938,679)	(5,200,696)	(4,681,676)
Repurchase of capital stock	(733,831)	(1,064,602)	(1,057,083)
Sale of capital stock	733,831	1,064,602	1,057,083
Dividends paid	(1,084,192)	—	(2,168,384)
Dividends to non-controlling interests	(475,139)	(468,248)	(112,651)
Derivative financial instruments	(372,040)	(284,367)	(140,534)
Net cash provided by (used in) financing activities	<u>12,032,925</u>	<u>7,230,849</u>	<u>(923,817)</u>
Effect of exchange rate changes on cash and cash equivalents	130,835	83,038	(7,227)
Net increase (decrease) in cash and cash equivalents	<u>19,667,776</u>	<u>13,037,317</u>	<u>(2,371,292)</u>
Cash and cash equivalents at beginning of year	<u>29,729,350</u>	<u>16,692,033</u>	<u>19,063,325</u>
Cash and cash equivalents at end of year	<u>Ps. 49,397,126</u>	<u>Ps. 29,729,350</u>	<u>Ps. 16,692,033</u>

Non-cash transactions:

The principal non-cash transactions in 2015 included a cumulative gain from changes in fair value, which was reclassified from accumulated other comprehensive income in consolidated equity to other finance income, net, in connection with the exchange of Convertible Debentures issued by UHI for Warrants that are exercisable for shares of common stock of UHI (see Note 22), and impairment adjustments related to the Group's Publishing business (see Note 12). The principal non-cash transactions in 2014 included the loss on disposition of the Group's joint venture investment in GSF (see Note 3); a favorable change in fair value in the Group's embedded derivative in Convertible Debentures issued by UHI (see Note 9); and an impairment adjustment related to the Group's publishing business (see Note 12). The principal non-cash transactions in 2013 included an impairment adjustment to the Group's joint venture investment in GSF (see Note 3); a favorable change in fair value in the Group's embedded derivative in Convertible Debentures issued by UHI (see Note 9); and the acquisition of assets under lease agreements recognized as finance leases (see Notes 13 and 19).

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Years Ended December 31, 2015, 2014 and 2013
(In thousands of Mexican Pesos, except per CPO, per share and exchange rate amounts)

1. Corporate Information

Grupo Televisa, S.A.B. (the “Company”) is a limited liability public stock corporation (“Sociedad Anónima Bursátil” or “S.A.B.”), incorporated under the laws of Mexico. Pursuant to the terms of the Company’s bylaws (“Estatutos Sociales”) its corporate existence continues through 2106. The shares of the Company are listed and traded in the form of “Certificados de Participación Ordinarios” or “CPOs” on the Mexican Stock Exchange (“Bolsa Mexicana de Valores”) under the ticker symbol TLEVISA CPO, and in the form of Global Depositary Shares or GDSs, on the New York Stock Exchange, or NYSE, under the ticker symbol TV. The Company’s principal executive offices are located at Avenida Vasco de Quiroga 2000, Colonia Santa Fe, 01210 Ciudad de México, México.

Grupo Televisa, S.A.B., together with its subsidiaries (collectively, the “Group”), is a leading media company in the Spanish-speaking world, an important cable operator in Mexico, and an operator of a leading direct-to-home satellite pay television system in Mexico. The Group distributes the content it produces through several broadcast channels in Mexico and in over 50 other countries through 26 pay-tv brands, and television networks, cable operators and over the top or “OTT” services. In the United States, the Group’s audiovisual content is distributed through Univision Communications Inc. (“Univision”) the leading media company serving the Hispanic market. Univision broadcasts the Group’s audiovisual content through multiple platforms, in exchange the Group receives a royalty payment. In addition, the Group has equity and Warrants which upon their exercise and subject to any necessary approval from the Federal Communications Commission of the United States would represent approximately 36% on a fully-diluted, as-converted basis of the equity capital in Univision Holdings, Inc. or “UHI” (formerly Broadcasting Media Partners, Inc.), the controlling company of Univision. The Group’s cable business offers integrated services, including video, high-speed data and voice services to residential and commercial customers as well as managed services to domestic and international carriers through five cable multiple system operators in Mexico. The Group owns a majority interest in Sky, the leading direct-to-home satellite pay television system in Mexico, operating also in the Dominican Republic and Central America. The Group also has interests in magazine publishing and distribution, radio production and broadcasting, professional sports and live entertainment, feature-film production and distribution, and gaming.

2. Accounting Policies

The principal accounting policies followed by the Group and used in the preparation of these consolidated financial statements are summarized below.

(a) Basis of Presentation

The consolidated financial statements of the Group as of December 31, 2015 and 2014, and for the years ended December 31, 2015, 2014 and 2013, are presented in accordance with International Financial Reporting Standards (“IFRSs”) as issued by the International Accounting Standards Board (“IASB”). IFRSs comprise: (i) International Financial Reporting Standards (“IFRS”); (ii) International Accounting Standards (“IAS”); (iii) IFRS Interpretations Committee (“IFRIC”) Interpretations; and (iv) Standing Interpretations Committee (“SIC”) Interpretations.

The consolidated financial statements have been prepared on a historical cost basis, except for the measurement at fair value of temporary investments, derivative financial instruments, available-for-sale financial assets, equity financial instruments, and share-based payments, as described below.

The preparation of consolidated financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies. Changes in assumptions may have a significant impact on the consolidated financial statements in the period the assumptions changed. Management believes that the underlying assumptions are appropriate. The areas involving a higher degree of judgment or complexity, or areas where estimates and assumptions are significant to the Group’s financial statements are disclosed in Note 5 to these consolidated financial statements.

These consolidated financial statements were authorized for issuance on April 8, 2016, by the Group’s Chief Financial Officer.

(b) Consolidation

The financial statements of the Group are prepared on a consolidated basis and include the assets, liabilities and results of operations of all companies in which the Company has a controlling interest (subsidiaries). All intercompany balances and transactions have been eliminated from the consolidated financial statements.

Subsidiaries

Subsidiaries are all entities over which the Company has control. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The existence and effects of potential voting rights that are currently exercisable or convertible are considered when assessing whether or not the Company controls another entity. The subsidiaries are consolidated from the date on which control is obtained by the Company and cease to consolidate from the date on which said control is lost.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquiree on an acquisition-by-acquisition basis at the non-controlling interest's proportionate share of the recognized amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in income or loss.

Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions — that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Disposal of subsidiaries

When the Company ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This means that amounts previously recognized in other comprehensive income are reclassified to income or loss.

At December 31, 2015, 2014 and 2013, the main subsidiaries of the Company were as follows:

Entity	Company's Ownership Interest (1)	Business Segment (2)
Grupo Telesistema, S.A. de C.V. and subsidiaries	100%	Content
Televisa, S.A. de C.V. ("Televisa") (3)	100%	Content
G.Televisa-D, S.A. de C.V. (3)	100%	Content
Multimedia Telecom, S.A. de C.V. ("Multimedia Telecom") and subsidiary (4)	100%	Content
Innova, S. de R.L. de C.V. ("Innova") and subsidiaries (collectively, "Sky") (5)	58.7%	Sky
Corporativo Vasco de Quiroga, S.A. de C.V. ("CVQ") and subsidiaries (6)	100%	Cable
Empresas Cablevisión, S.A.B. de C.V. and subsidiaries (collectively, "Empresas Cablevisión") (7)	51%	Cable
Subsidiaries engaged in the Cablemás business (collectively, "Cablemás") (8)	100%	Cable
Televisión Internacional, S.A. de C.V. and subsidiaries (collectively, "TVI") (9)	50%	Cable

Entity	Company's Ownership Interest (1)	Business Segment (2)
Cablestar, S.A. de C.V. and subsidiaries (collectively, "Bestel") (10)	66.1%	Cable
Grupo Cable TV, S.A. de C.V. and subsidiaries (collectively, "Cablecom") (11)	100%	Cable
Subsidiaries engaged in the Telecable business (collectively, "Telecable") (12)	100%	Cable
Editorial Televisa, S.A. de C.V. and subsidiaries	100%	Other Businesses
Grupo Distribuidoras Intermex, S.A. de C.V. and subsidiaries	100%	Other Businesses
Sistema Radiópolis, S.A. de C.V. and subsidiaries (13)	50%	Other Businesses
Televisa Juegos, S.A. de C.V. and subsidiaries	100%	Other Businesses
Villacezán, S.A. de C.V. ("Villacezan") and subsidiaries (14)	100%	Other Businesses

- (1) Percentage of equity interest directly or indirectly held by the Company.
- (2) See Note 25 for a description of each of the Group's business segments.
- (3) Televisa and G. Televisa-D, S.A. de C.V. are direct subsidiaries of Grupo Telesistema, S.A. de C.V.
- (4) Multimedia Telecom and its direct subsidiary, Comunicaciones Tieren, S.A. de C.V. ("Tieren"), are wholly-owned subsidiaries of the Company through which it owns shares of the capital stock of UHI and maintains an investment in Warrants that are exercisable for shares of common stock of UHI. As of December 31, 2015, Multimedia Telecom and Tieren have investments representing 95.2% and 4.8%, respectively, of the Group's aggregate investment in shares of common stock and Warrants issued by UHI (see Notes 9, 10 and 19).
- (5) Innova is an indirect majority-owned subsidiary of the Company and a direct majority-owned subsidiary of Innova Holdings, S. de R.L. de C.V. Sky is a satellite television provider in Mexico, Central America and the Dominican Republic. Although the Company holds a majority of Innova's equity and designates a majority of the members of Innova's Board of Directors, the non-controlling interest has certain governance and veto rights in Innova, including the right to block certain transactions between the companies in the Group and Sky. These veto rights are protective in nature and do not affect decisions about the relevant activities.
- (6) CVQ is a direct subsidiary of the Company and the parent company of Empresas Cablevisión, Cablemás, TVI, Bestel, Cablecom and Telecable. Through September 2014, CVQ maintained an investment in GSF Telecom Holdings, S.A.P.I. de C.V. ("GSF"), whose disposition was completed in January 2015 (see Note 3).
- (7) Empresas Cablevisión, S.A.B. de C.V. is a direct majority-owned subsidiary of CVQ. As of December 31, 2014, Empresas Cablevisión, S.A.B. de C.V. was directly owned by Editora Factum, S.A. de C.V., a direct subsidiary of the Company that was merged into CVQ in May 2015. At the consolidated level, the merger had no effect.
- (8) The Cablemás subsidiaries are directly and indirectly owned by CVQ. As of December 31, 2014, some Cablemás subsidiaries were directly owned by the Company, and some other were directly owned by Consorcio Nekeas, S.A. de C.V. ("Nekeas"), a former wholly-owned direct subsidiary of the Company. In January 2015, Nekeas was merged into TTelecom H, S.A.P.I. de C.V. ("TTelecom"), a former direct subsidiary of the Company, and in July 2015, TTelecom was merged into CVQ. The Cablemás subsidiaries directly owned by the Company were acquired by a direct subsidiary of CVQ in the second half of 2015. At the consolidated level, the mergers had no effect.
- (9) Televisión Internacional, S.A. de C.V. is an indirect subsidiary of CVQ. Through February 2016, the Company consolidated TVI because it appointed the majority of the members of the Board of Directors of TVI (see Note 27).
- (10) Cablestar, S.A. de C.V. is an indirect majority-owned subsidiary of CVQ and Empresas Cablevisión, S.A.B. de C.V.
- (11) Grupo Cable TV, S.A. de C.V. is an indirect subsidiary of CVQ and was acquired by the Group in 2014 (see Note 3).
- (12) The Telecable subsidiaries are directly owned by CVQ as a result of the merger of TTelecom into CVQ in July 2015. TTelecom was a wholly-owned subsidiary of the Company through which the Company acquired Telecable in January 2015 (see Note 3).
- (13) Sistema Radiópolis, S.A. de C.V. ("Radiópolis") is an indirect subsidiary of the Company. The Company controls Radiópolis as it has the right to appoint the majority of the members of the Board of Directors of Radiópolis.
- (14) Certain subsidiaries of the Company in the Other Businesses segment, owned by Nekeas as of December 31, 2014, were acquired by Villacezan in the third quarter of 2015, following the mergers described above of Nekeas into TTelecom and TTelecom into CVQ.

The Group's Content, Sky and Cable segments, as well as the Group's Radio business, which is reported in the Other Businesses segment, require governmental concessions and special authorizations for the provision of broadcasting and telecommunications services in Mexico. Such concessions are granted for a fixed term, subject to renewal in accordance with the Mexican Telecommunications and Broadcasting Law ("Ley Federal de Telecomunicaciones y Radiodifusión" or "LFTR").

Renewal of concessions for the Content segment (Broadcasting) and the Radio business require, among others: (i) to request such renewal to the Mexican Institute of Telecommunications ("Instituto Federal de Telecomunicaciones" or "IFT") within the year prior to the last fifth period of the fixed term of the related concession; (ii) to be in compliance with the concession holder's obligations under the LFTR, other applicable regulations, and the concession title; (iii) a declaration by IFT that there is no public interest in recovering the spectrum granted under the related concession; and (iv) the acceptance by the concession holder of any new conditions for renewing the concession as set forth by IFT, including the payment of a related fee. Renewal of concessions for the Sky and Cable segments require, among others: (i) to request its renewal to IFT in the year prior to the last fifth period of the fixed term of the related concession; (ii) to be in compliance with the concession holder's obligations under the LFTR, other applicable regulations, and the concession title; and (iii) the acceptance by the concession holder of any new conditions for renewing the concession as set forth by IFT. IFT shall resolve any request for renewal of the telecommunications concessions within 180 business days of its request. Failure to respond within such period of time shall be interpreted as if the request for renewal has been granted. The regulations of the broadcasting and the telecommunications

concessions (including satellite pay TV) establish that at the end of the concession, the frequency bands or spectrum attached to the services provided in the concessions shall return to the Mexican government. In addition, at the end of the concession, the Mexican government will have the preferential right to acquire infrastructure, equipment and other goods directly used in the provision of the concession. If the Mexican government were to exercise its right to acquire the infrastructure, equipment and other goods, it would be required to pay a price that is equivalent to a formula that is similar to the fair value. To the knowledge of the Company's management, no spectrum granted for broadcasting services in Mexico has been recovered by the Mexican government in at least the past three decades for public interest reasons. However, the Company's management is unable to predict the outcome of any action by IFT in this regard. In addition, the assets, by themselves, would not be enough to immediately begin broadcasting or offering satellite pay TV services or telecommunications services, as no content producing assets or other equipment necessary to operate the business would be included.

Also, the Group's Gaming business, which is reported in the Other Businesses segment, requires a permit granted by the Mexican Federal Government for a fixed term, subject to renewal in accordance with Mexican law. Additionally, the Group's Sky businesses in Central America and the Dominican Republic require concessions or permits granted by local regulatory authorities for a fixed term, subject to renewal in accordance with local laws.

The accounting guidelines provided by IFRIC 12 *Service Concession Arrangements* are not applicable to the Group due primarily to the following factors: (i) the Mexican government does not substantially control the Group's infrastructure, what services are provided with the infrastructure and the price at which such services are offered; (ii) the Group's broadcasting service does not constitute a public service as per the definition in IFRIC 12; and (iii) the Group is unable to divide its infrastructure among the public (telephony and possibly Internet services) and non-public (pay TV) service components.

At December 31, 2015, the expiration dates of the Group's concessions and permits were as follows:

<u>Segments</u>	<u>Expiration Dates</u>
Content (broadcasting concessions)	In 2021
Sky	Various from 2016 to 2027
Cable	Various from 2016 to 2045
Other Businesses:	
Radio	Various from 2015 to 2020 (1)
Gaming	In 2030

- (1) Concessions for three Radio stations in San Luis Potosí and Guadalajara expired in 2015. Renewal applications were timely filed, but are still pending as certain related matters of the applicable regulations are being reviewed by the IFT. The Group's management expects that concessions for these three stations will be renewed or granted by the IFT.

The concessions or permits held by the Group are not subject to any significant pricing regulations in the ordinary course of business.

(c) Investments in Associates and Joint Ventures

Associates are those entities over which the Group has significant influence but not control, generally those entities with a shareholding of between 20% and 50% of the voting rights. Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. Joint ventures are those joint arrangements where the Group exercises joint control with other stockholder or more stockholders without exercising control individually, and have rights to the net assets of the joint arrangements. Investments in associates and joint ventures are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the net assets of the investee after the date of acquisition.

The Group has investments in associates, including a 10% and 7.8% equity interest in UHI as of December 31, 2015 and 2014, respectively (see Notes 3, 9 and 10).

The Group recognizes its share of losses of an associate or a joint venture up to the amount of its initial investment, subsequent capital contributions and long-term loans, 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 associate or a joint venture for

which the Group had recognized a share of losses up to the amount of its guarantees generates net income in the future, the Group would not recognize its share of this net income until the Group first recognizes its share of previously unrecognized losses.

If the Group's share of losses of an associate or a joint venture equals or exceeds its interest in the investee, the Group discontinues recognizing its share of further losses. The interest in an associate or a joint venture is the carrying amount of the investment in the investee under the equity method together with any other long-term investment that, in substance, form part of the Group's net investment in the investee. After the Group's interest is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

(d) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Group's executive officers ("chief operating decision makers") who are responsible for allocating resources and assessing performance for each of the Group's operating segments.

(e) Foreign Currency Translation

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The presentation and functional currency of the Group's consolidated financial statements is the Mexican peso, which is used for compliance with its legal and tax obligations.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or measurement where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement as part of finance income or expense, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges.

Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analyzed between exchange differences resulting from changes in the amortized cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortized cost are recognized in income or loss, and other changes in carrying amount are recognized in other comprehensive income or loss.

Translation of Non-Mexican subsidiaries' financial statements

The financial statements of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows: (a) assets and liabilities are translated at the closing rate at the date of the statement of financial position; (b) income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and (c) all resulting translation differences are recognized in other comprehensive income or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Translation differences arising are recognized in other comprehensive income or loss.

Assets and liabilities of non-Mexican subsidiaries that use the Mexican Peso as a functional currency are translated into Mexican Pesos by utilizing the exchange rate of the statement of financial position date for monetary assets and liabilities, and historical exchange rates for non-monetary items, with the related adjustment included in the consolidated statement of income as finance income or expense.

The Group has designated as an effective hedge of foreign exchange exposure, a portion of the outstanding principal amount of its U.S. dollar denominated long-term debt in connection with its net investment in shares of common stock of UHI, which amounted to U.S.\$330.5 million (Ps.5,685,748) and U.S.\$237.6 million (Ps.3,507,390) as of December 31, 2015 and 2014, respectively. Consequently, any foreign exchange gain or loss attributable to this designated hedging long-term debt is credited or charged directly to other comprehensive income or loss as a cumulative result from foreign currency translation (see Note 10).

Beginning in the third quarter of 2015, the Group has designated a portion of its U.S. dollar denominated long-term debt as a fair value hedge of foreign exchange exposure related to its investment in UHI Warrants. A portion of the outstanding principal amount of its U.S. dollar denominated long-term debt (hedging instrument, disclosed in the line "Long-term debt, net of current portion" of the consolidated statement of financial position) is hedging its investment in Warrants exercisable for common stock of UHI (hedged item), which amounted to U.S.\$2,035.5 million (Ps.35,042,577) as of December 31, 2015. The other changes in fair value of the Warrants are recognized in other comprehensive income or loss. Consequently, any foreign currency gain or loss attributable to these designated hedged warrants is recognized within foreign exchange gain or loss in the consolidated statement of income, along with the recognition in the same line item of any foreign exchange gain or loss of the designated hedging instrument long-term debt (see Notes 9, 13 and 17).

(f) Cash and Cash Equivalents and Temporary Investments

Cash and cash equivalents consist of cash on hand and all highly liquid investments with an original maturity of three months or less at the date of acquisition. Cash is stated at nominal value and cash equivalents are measured at fair value, and the changes in the fair value are recognized in the income statement.

Temporary investments consist of short-term investments in securities, including without limitation debt with a maturity of over three months and up to one year at the date of acquisition, stock and other financial instruments, or a combination thereof, as well as current maturities of noncurrent held-to-maturity securities. Temporary investments are measured at fair value with changes in fair value recognized in finance income in the consolidated income statement, except the current maturities of non-current held-to-maturity securities which are measured at amortized cost.

As of December 31, 2015 and 2014, cash equivalents and temporary investments primarily consisted of fixed short-term deposits and corporate fixed income securities denominated in U.S. dollars and Mexican pesos, with an average yield of approximately 0.15% for U.S. dollar deposits and 3.09% for Mexican peso deposits in 2015, and approximately 0.10% for U.S. dollar deposits and 3.29% for Mexican peso deposits in 2014.

(g) Transmission Rights and Programming

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

Transmission rights and literary works are valued at the lesser of acquisition cost and net realizable value. Programs and films are valued at the lesser of production cost, which consists of direct production costs and production overhead, and net realizable value. Payments for production talent advances are initially capitalized and subsequently included as direct or indirect costs of program production. Transmission rights are recognized from the point of which the legally enforceable license period begins. Until the license term commences and the programming rights are available, payments made are recognized as prepayments.

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

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

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

(h) Inventories

Inventories of paper, magazines, materials and supplies for maintenance of technical equipment are recorded at the lower of cost or its net realization value. The net realization value is the estimated selling price in the normal course of business, less estimated costs to conduct the sale. Cost is determined using the average cost method.

(i) Financial Assets

The Group classifies its financial assets in the following categories: loans and receivables, held-to-maturity investments, fair value through income or loss and available-for-sale financial assets. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are initially recognized at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, with changes in carrying value recognized in the income statement in the line which most appropriately reflects the nature of the item or transaction. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables are presented as "trade notes and accounts receivable", "other accounts and notes receivable" and "due from related parties" in the consolidated statement of financial position (see Note 7).

Held-to-maturity Investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest rate method, less impairment, if any. Any gain or loss arising from these investments is included in finance income or loss in the consolidated statement of income. Held-to-maturity investments are included in investments in financial instruments, except for those with maturities less than 12 months from the end of the reporting period, which are classified as temporary investments (see Note 9).

Available-for-sale Financial Assets

Available-for-sale financial assets are non-derivative financial assets that are not classified as loans and receivables, held-to-maturity investments or financial assets at fair value through income or loss, and include debt securities and equity instruments. Debt securities in this category are those that are intended to be held for an indefinite period of time and that may be sold in response to needs for liquidity or in response to changes in the market conditions. Equity instruments in this category are those of companies in which the Group does not exercise joint control nor significant influence, but intent to hold for an indefinite term, and are neither classified as held for trading nor designated at fair value through income. After initial measurement, available-for-sale assets are measured at fair value with unrealized gains or losses recognized as other comprehensive income or loss until the investment is derecognized or the investment is determined to be impaired, at which time the cumulative gain or loss is recognized in the consolidated statement of income either in other finance income or expense (debt securities) or other income or expense (equity instruments). Interest earned whilst holding available-for-sale financial assets is reported as interest income using the effective interest rate method (see Notes 9 and 14).

Financial Assets at Fair Value through Income

Financial assets at fair value through income are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorized as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months, otherwise they are classified as non-current.

Impairment of Financial Assets

The Group assesses at each statement of financial position date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are

incurred only if there is objective and other-than-temporary evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset. If it is determined that a financial asset or group of financial assets have sustained a decline other than temporary in their value a charge is recognized in income in the related period.

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

Impairment of Financial Assets Recognized at Amortized Cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets measured at amortized cost is impaired. A financial asset or group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Offsetting of financial instruments

Financial assets are offset against financial liabilities and the net amount reported in the consolidated statement of financial position if, and only when the Group (i) currently has a legally enforceable right to set off the recognized amounts; and (ii) intends either to settle on a net basis, or to realize the assets and settle the liability simultaneously.

(j) Property, Plant and Equipment

Property, plant and equipment are recorded at acquisition cost.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to income or loss during the financial period in which they are incurred.

Land is not depreciated. Depreciation of property, plant and equipment is based upon the carrying value of the assets in use and is computed using the straight-line method over the estimated useful lives of the asset, as follows:

	Estimated useful lives
Buildings	20-65 years
Building improvements	5-20 years
Technical equipment	3-25 years
Satellite transponders	15 years
Furniture and fixtures	3-11 years
Transportation equipment	4-8 years
Computer equipment	3-5 years
Leasehold improvements	5-20 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within other income or expense in the consolidated income statement.

(k) Intangible Assets

Intangible assets are recognized at acquisition cost. Intangible assets acquired through business combinations are recorded at fair value at the date of acquisition. Intangible assets with indefinite useful lives, which include goodwill, trademarks and concessions, are not amortized, and subsequently recognized at cost less accumulated impairment losses. Intangible assets with finite useful lives are amortized on a straight-line basis over their estimated useful lives, as follows:

	<u>Estimated useful lives</u>
Licenses	3-14 years
Subscriber lists	4-10 years
Other intangible assets	3-20 years

Trademarks

The Group determines its trademarks to have an indefinite life when they are expected to generate net cash inflows for the Group indefinitely. Additionally, the Group considers that there are no legal, regulatory or contractual provisions that limit the useful lives of trademarks.

In the third quarter of 2015, the Company's management evaluated trademarks in its Cable segment to determine whether events and circumstances continue to support an indefinite useful life for these intangible assets. As a result of such evaluation, the Company identified certain businesses and locations that began migrating from a current trademark to an internally developed trademark between 2015 and 2016, in connection with enhanced service packages offered to current and new subscribers, and estimated that this migration process will take approximately four years. Accordingly, beginning in the third quarter of 2015, the Group changed the useful life assessment from indefinite to finite for acquired trademarks in certain businesses and locations in its Cable segment, and began to amortize on a straight line basis the related carrying value of these trademarks when the migration to the new trademark started using an estimated useful life of four years. The Group has not capitalized any amounts associated with internally developed trademarks.

Concessions

The Group defined concessions to have an indefinite life due to the fact that the Group has a history of renewing its concessions upon expiration, has maintained the concessions granted by the Mexican government, and has no foreseeable limit to the period over which the assets are expected to generate net cash inflows. In addition, the Group is committed to continue to invest for the long term to extend the period over which the broadcasting and telecommunications concessions are expected to continue to provide economic benefits.

Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over the Group's interest in net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash generating units ("CGUs"), or groups of CGUs, that are expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognized as an expense and may be subsequently reversed under certain circumstances.

(l) Impairment of Long-lived Assets

The Group reviews for impairment the carrying amounts of its long-lived assets, tangible and intangible, including goodwill (see Note 12), at least once a year, or whenever events or changes in business circumstances indicate that these

carrying amounts may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. To determine whether an impairment exists, the carrying value of the reporting unit is compared with its recoverable amount. Fair value estimates are based on quoted market values in active markets, if available. If quoted market prices are not available, the estimate of fair value is based on various valuation techniques, including discounted value of estimated future cash flows, market multiples or third-party appraisal valuations.

(m) Trade Accounts Payable and Accrued Expenses

Trade accounts payable and accrued expenses are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade accounts payable and accrued expenses are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade accounts payable and accrued expenses are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

Trade accounts payable and accrued expenses are presented as a single item of consolidated current liabilities in the consolidated statements of financial position as of December 31, 2015 and 2014.

(n) Debt

Debt is recognized initially at fair value, net of transaction costs incurred. Debt is subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the debt using the effective interest method.

Fees paid on the establishment of debt facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

Current portion of long-term debt and interest payable are presented as a single line item of consolidated current liabilities in the consolidated statements of financial position as of December 31, 2015 and 2014.

Debt early redemption costs are recognized as finance expense in the consolidated statement of income.

(o) Customer Deposits and Advances

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

(p) Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provisions due to passage of time is recognized as interest expense.

(q) Equity

The capital stock and other equity accounts include the effect of restatement through December 31, 1997, determined by applying the change in the Mexican National Consumer Price Index between the dates capital was contributed or net results

were generated and December 31, 1997, the date through which the Mexican economy was considered hyperinflationary under the guidelines of the IFRSs. The restatement represented the amount required to maintain the contributions and accumulated results in Mexican Pesos in purchasing power as of December 31, 1997.

Where any company in the Group purchases shares of the Company's capital stock (shares repurchased), the consideration paid, including any directly attributable incremental costs is deducted from equity attributable to stockholders of the Company until the shares are cancelled, reissued, or sold. Where such shares repurchased are subsequently reissued or sold, any consideration received, net of any directly attributable incremental transaction costs, is included in equity attributable to stockholders of the Company.

(r) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for services provided. The Group recognizes revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Group's activities, as described below. The Group bases its estimate of return on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

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

- Advertising revenues, including deposits and advances from customers for future advertising, are recognized at the time the advertising services are rendered.
- Revenues from program services for network subscription and licensed and syndicated television programs are recognized when the programs are sold and become available for broadcast.
- Revenues from magazine subscriptions are initially deferred and recognized proportionately as products are delivered to subscribers. Revenues from the sales of magazines are recognized on the date of circulation of delivered merchandise, net of a provision for estimated returns.
- Revenues from publishing distribution are recognized upon distribution of the products.
- Sky program service revenues, including advances from customers for future direct-to-home ("DTH") program services, are recognized at the time the service is provided.
- Cable television, internet and telephone subscription, and pay-per-view and installation fees are recognized in the period in which the services are rendered.
- Revenues from other telecommunications and data services are recognized in the period in which these services are provided. Other telecommunications services include long distance and local telephony, as well as leasing and maintenance of telecommunications facilities.
- Revenues from attendance to soccer games, including revenues from advance ticket sales for soccer games and other promotional events, are recognized on the date of the relevant event.
- Motion picture production and distribution revenues are recognized as the films are exhibited.
- Gaming revenues consist of the net win from gaming activities, which is the difference between amounts wagered and amounts paid to winning patrons.

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

received from such subscribers are allocated to each product in a pro-rata manner based on the fair value of each of the respective services.

(s) Interest Income

Interest income is recognized using the effective interest method. When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables is recognized using the original effective interest rate.

(t) Employee Benefits

Pension and Seniority Premium Obligations

Plans exist for pensions and seniority premiums (post-employment benefits), for most of the Group's employees funded through irrevocable trusts. Increases or decreases in the consolidated liability or asset for post-employment benefits are based upon actuarial calculations. Contributions to the trusts are determined in accordance with actuarial estimates of funding requirements. Payments of post-employment benefits are made by the trust administrators. The defined benefit obligation is calculated annually using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

In the first quarter of 2013, the Group adopted the provisions of IAS 19, *Employee Benefits*, as amended, which became effective on January 1, 2013. The amended IAS 19 eliminated the corridor approach for the recognition of rereasurement of post-employment benefit obligations, and requires the calculation of finance costs on a net funding basis. Also, the amended IAS 19 requires the recognition of past service cost as an expense at the earlier of the following dates: (i) when the plan amendment or curtailment occurs; and (ii) when the entity recognizes related restructuring costs or termination benefits. As a result of the adoption of the amended IAS 19, the Group adjusted a consolidated unamortized past service cost balance and consolidated retained earnings as of January 1, 2013 in the aggregate amount of Ps.102,902 (see Note 15).

Remeasurement of post-employment benefit obligations related to experience adjustments and changes in actuarial assumptions of post-employment benefits are recognized in the period in which they are incurred as part of other comprehensive income or loss in consolidated equity.

Profit Sharing

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

Termination Benefits

Termination benefits, which mainly represent severance payments by law, are recorded in the consolidated statement of income. The Group recognizes termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that involves the payment of termination benefits.

(u) Income Taxes

The income tax expense for the period comprises current and deferred income tax. Income tax is recognized in the consolidated statement of income, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the income tax is also recognized in other comprehensive income.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred income tax liabilities are not recognized if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction (other than in a business combination) that at the time of the transaction affects neither accounting nor taxable income or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences and tax loss carryforwards can be utilized. For this purpose, the Group takes into consideration all available positive and negative evidence, including factors such as market conditions, industry analysis, projected taxable income, carryforward periods, current tax structure, potential changes or adjustments in tax structure, and future reversals of existing temporary differences.

Deferred income tax liabilities are provided on taxable temporary differences associated with investments in subsidiaries, joint ventures and associates, except for deferred income tax liabilities where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax assets are provided on deductible temporary differences associated with investments in subsidiaries, joint ventures and associates, to the extent that it is probable that there will be sufficient taxable income against which to utilize the benefit of the temporary difference and it is expected to reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis. In the last quarter of 2013, the Mexican Congress enacted a new Tax Reform (the “2014 Tax Reform”), which became effective as of January 1, 2014. Among the tax reforms approved by the Mexican Congress, one of the most relevant changes was the elimination of the tax consolidation regime allowed for Mexican controlling companies through December 31, 2013 (see Note 23).

Beginning on January 1, 2014, as a result of the 2014 Tax Reform, the Company is no longer allowed to consolidate income or loss of its Mexican subsidiaries for income tax purposes. Accordingly, current income tax assets and current income tax liabilities, and deferred income tax assets and deferred income tax liabilities, of Mexican companies in the Group as of December 31, 2014, are not offset as they relate to income taxes levied by the taxation authority on each separate taxable entity (see Note 23).

(v) Derivative Financial Instruments

The Group recognizes derivative financial instruments as either assets or liabilities in the consolidated statements of financial position and measures such instruments at fair value. The accounting for changes in the fair value of a derivative financial instrument depends on the intended use of the derivative financial instrument and the resulting designation. For a derivative financial instrument designated as a cash flow hedge, the effective portion of such derivative’s gain or loss is initially reported as a component of accumulated other comprehensive income and subsequently reclassified into income when the hedged exposure affects income. The ineffective portion of the gain or loss is reported in income immediately. For a derivative financial instrument designated as a fair value hedge, the gain or loss is recognized in income in the period of change together with the offsetting loss or gain on the hedged item attributed to the risk being hedged. For derivative financial instruments that are not designated as accounting hedges, changes in fair value are recognized in income in the period of change. During the years ended December 31, 2015 and 2014, certain derivative financial instruments qualified for hedge accounting (see Note 14).

(w) Comprehensive Income

Comprehensive income for the period includes the net income for the period presented in the consolidated statement of income plus other comprehensive income for the period reflected in the consolidated statement of comprehensive income.

(x) Share-based Payment Agreements

Key officers and employees of certain subsidiaries of the Company have entered into agreements for the conditional sale of Company’s shares under the Company’s Long-Term Retention Plan. The share-based compensation expense is

measured at fair value at the date the equity benefits are conditionally sold to these officers and employees, and is recognized as a charge to consolidated income (administrative expense) over the vesting period (see Note 16). The Group recognized a share-based compensation expense of Ps.1,199,489, Ps.844,788 and Ps.605,067 for the years ended December 31, 2015, 2014 and 2013, respectively, of which Ps.1,184,524, Ps.821,626 and Ps.601,181 was credited in consolidated stockholders' equity for those years, respectively.

(y) Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement and requires an assessment of whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets and whether the arrangement conveys the right to use the asset.

Leases of property, plant and equipment other assets where the Group holds substantially all the risks and rewards of ownership are classified as finance leases. Finance lease assets are capitalized at the commencement of the lease term at the lower of the present value of the minimum lease payments or the fair value of the lease asset. The obligations relating to finance leases, net of finance charges in respect of future periods, are recognized as liabilities. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

Leases where a significant portion of the risks and rewards are held by the lessor are classified as operating leases. Rentals are charged to the income statement on a straight line basis over the period of the lease.

Leasehold improvements are depreciated at the lesser of its useful life or contract term.

(z) New and Amended IFRSs

Below is a list of the new and amended standards that have been issued by the IASB and are effective for annual periods starting on or after January 1, 2016. Management is in the process of assessing the potential impact of these pronouncements on the Group's consolidated financial statements.

New or Amended Standard	Title of the Standard	Effective for Annual Periods Beginning On or After
Annual Improvements	<i>Annual Improvements to IFRSs 2012-2014 Cycle</i>	January 1, 2016
Amendments to IFRS 11	<i>Accounting for Acquisitions of Interests in Joint Operations</i>	January 1, 2016
Amendments to IAS 16 and IAS 38	<i>Clarification of Acceptable Methods of Depreciation and Amortization</i>	January 1, 2016
Amendments to IAS 27	<i>Equity Method in Separate Financial Statements</i>	January 1, 2016
Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Postponed
Amendments to IFRS 10, IFRS 12 and IAS 28	<i>Investment Entities: Applying the Consolidation Exception</i>	January 1, 2016
Amendments to IAS 1	<i>Disclosure Initiative</i>	January 1, 2016
Amendments to IAS 7	<i>Disclosure Initiative</i>	January 1, 2017
Amendments to IAS 12	<i>Recognition of Deferred Tax Assets for Unrealized Losses</i>	January 1, 2017
IFRS 15	<i>Revenue from Contracts with Customers</i>	January 1, 2018
IFRS 9	<i>Financial Instruments</i>	January 1, 2018
IFRS 16	<i>Leases</i>	January 1, 2019

Annual Improvements to IFRSs 2012-2014 Cycle were published in September 2014 and set out amendments to certain IFRSs. These amendments result from proposals made during the IASB's Annual Improvements process, which provides a vehicle for making non-urgent but necessary amendments to IFRSs. The IFRSs amended and the topics addressed by these amendments are as follows:

Annual Improvements 2012-2014 Cycle	Subject of Amendment
IFRS 5 <i>Non-current Assets Held for Sale and Discontinued Operations</i>	Changes in methods of disposal
IFRS 7 <i>Financial Instruments: Disclosures</i>	Servicing contracts and applicability of the amendments to IFRS 7 to condensed interim financial statements
IAS 19 <i>Employee Benefits</i>	Discount rate: regional market issue
IAS 34 <i>Interim Financial Reporting</i>	Disclosure of information 'elsewhere in the interim financial report'

Amendments to IFRS 11 *Accounting for Acquisitions of Interests in Joint Ventures* were issued in May 2014 and add new guidance on how to account for the acquisition of an interest in a joint operation in which the activity constitutes a business, as defined in IFRS 3 *Business Combinations*. Under these amendments, the acquirer of a joint operation that constitutes a business shall apply all of the principles on business combinations accounting in IFRS 3, and other IFRSs, that do not conflict with the guidance in this IFRS and disclose the information that is required in those IFRSs in relation to business combinations.

Amendments to IAS 16 and IAS 38 *Clarification of Acceptable Methods of Depreciation and Amortization* were issued in May 2014 and clarify that the use of revenue-based methods to calculate depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the assets. These amendments also clarify that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset.

Amendments to IAS 27 *Equity Method in Separate Financial Statements* were issued in August 2014 and will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in the separate financial statements.

Amendments to IFRS 10 and IAS 28 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* were issued in September 2014 and address and acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involved a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involve assets that do not constitute a business, even if these assets are housed in a subsidiary. In December 2015 the IASB postponed the effective date of these amendments indefinitely pending the outcome of its research project on the equity method of accounting.

Amendments to IFRS 10, IFRS 12 and IAS 28 *Investment Entities: Applying the Consolidation Exception* were issued in December 2014, and introduce clarifications to the requirements when accounting for investment entities. These amendments clarify which subsidiaries of an investment entity are consolidated in accordance with IFRS 10 Consolidated Financial Statements, instead of being measured at fair value through income.

Amendments to IAS 1 *Disclosure Initiative* were issued in December 2014 and clarify that companies should use professional judgment in determining what information to disclose in the financial statements, and where and in what order information is presented in the financial disclosures.

Amendments to IAS 7 *Disclosure Initiative* were issued in January 2016 and clarify that companies should provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

Amendments to IAS 12 *Recognition of Deferred Tax Assets for Unrealized Losses* were issued in January 2016 and clarify the requirements on recognition of deferred tax assets for unrealized losses, to address diversity in practice. Earlier application is permitted.

IFRS 15 *Revenue from Contracts with Customers* (“IFRS 15”) was issued in May 2014. IFRS 15 provides a single, comprehensive revenue recognition model for all contracts with customers to improve comparability within industries, across industries, and across capital markets. This standard contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognized. The underlying principle is that an entity will recognize revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. IFRS 15 is effective on January 1, 2018, with early adoption permitted. The Group is expected to be impacted to some extent by the significant increase in required disclosures. The Company’s management is currently in the process of assessing the changes that are beyond disclosures, and the effect of the adoption of this standard regarding technology systems, processes, and internal controls to capture new data and address changes in financial reporting.

IFRS 9 *Financial Instruments* (“IFRS 9”) addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 *Financial Instruments: Recognition and Measurement* (“IAS 39”) that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured at amortized cost

and those measured at fair value. The determination is made at initial recognition. The basis of classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the financial asset. The guidance in IAS 39 on impairment of financial assets and hedge accounting continues to apply. For financial liabilities, this standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. Some amendments to IFRS 9 and IFRS 7 *Financial Instruments: Disclosures* ("IFRS 7") were issued in December 2011. These amendments to IFRS 9 modify the mandatory effective date of this standard and the relief from restating prior periods, and also add transition disclosures to IFRS 7 that are required to be applied when IFRS 9 is first applied. The Company's management is currently evaluating the impact IFRS 9 will have on its consolidated financial statements and disclosures.

IFRS 16 *Leases* ("IFRS 16") was issued in January 2016 and replaces IAS 17 *Leases*. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases. The major change introduced by IFRS 16 is that leases will be brought onto the companies' statements of financial position, increasing the visibility of their assets and liabilities. IFRS 16 removes the classification of leases as either operating leases or finance leases for the lessee, treating all leases as finance leases. Short-term leases (less than 12 months) and leases of low-value assets are exempt from the requirements. Early application of IFRS 16 is permitted as long as the IFRS 15 *Revenue from Contracts with Customers* is also applied. The Company's management is currently evaluating the impact IFRS 16 will have on its consolidated financial statements and disclosures.

3. Acquisitions, Investments and Dispositions

In July 2013, the Group made an investment in the amount of Ps.7,000,000 in convertible debt instruments to acquire, subject to regulatory approvals, 95% of the equity interest of Tenedora Ares, S.A.P.I. de C.V. ("Ares"), owner of 51% of the equity interest of Cablecom, a telecommunications company that offers video, telephony, data and other telecom services in Mexico. In addition, Ares had an option to acquire in the future, subject to regulatory approvals, the remaining 49% of the equity interest of Cablecom. As part of this transaction, the Group also invested in a long-term debt instrument issued by Ares in the amount of U.S.\$195 million (Ps.2,549,625). In August 2014, the Group acquired, pursuant to applicable regulations, all of the equity interest of Cablecom through the conversion of the debt instruments issued by Ares in the amount of Ps.7,297,292, including accrued interest at the acquisition date, and an additional consideration of Ps.8,550,369, comprised of (i) the capitalization of an outstanding long-term debt issued by Ares in the amount of U.S.\$200.2 million (Ps.2,642,367), including accrued interest at the acquisition date; and (ii) cash in the amount of Ps.5,908,002. The total fair value consideration for this acquisition amounted to Ps.15,847,661, and the Group recognized goodwill, other intangible assets and related deferred income tax liability based on a final purchase price allocation at the acquisition date. The Group began to consolidate the net assets of Cablecom in its consolidated statement of financial position as of August 31, 2014, and therefore, the Group's consolidated statement of income for the year ended December 31, 2014, included results of operations of Cablecom for the four months ended on that date. Through the acquisition of Cablecom, the Group increased its presence in the telecommunications Mexican market, not only by maintaining customers of Cablecom at the date of the acquisition, but also by increasing the number of users of Cablecom services in connection with new market strategies (see Note 25). The following table summarizes the allocation of the purchase price to the tangible and identifiable intangible assets acquired and liabilities assumed at the acquisition date. The excess of the purchase price over those fair values and the related deferred income tax liability was allocated to goodwill in the Cable segment.

	August 31, 2014
Cash and cash equivalents	Ps. 371,353
Trade and other receivables	269,868
Other current assets	169,841
Total current assets	811,062
Property, plant and equipment, net	2,762,363
Goodwill	6,913,684
Concessions	7,650,430
Other intangible assets, net	3,635,767
Other non-current assets	161,169
Total assets	21,934,475
Trade and other payables	528,177
Short-term debt and current portion of long-term debt	443,475

[Table of Contents](#)

	August 31, 2014
Other current liabilities	94,309
Total current liabilities	1,065,961
Long-term debt	1,454,046
Post-employment benefits	61,823
Deferred income tax liabilities	3,491,066
Other non-current liabilities	13,918
Total non-current liabilities	5,020,853
Total liabilities	6,086,814
Total net assets	Ps. 15,847,661

During 2013, the Group made capital contributions in connection with its former 50% interest in GSF in the aggregate amount of Ps.1,587,500. In September 2014, the Group's partner in GSF agreed to purchase the Group's 50% equity participation in the Iusacell telecom business at a cash price of U.S.\$717 million (Ps.9,461,532). As a result of this transaction, which was subject to customary closing conditions and required regulatory approvals, the Group discontinued recognizing its share of income or loss of GSF, and recognized a non-cash loss of Ps.4,168,468 in consolidated other expense and an account receivable for the agreed sale amount. As of December 31, 2014, the related account receivable amounted to U.S.\$717 million (Ps.10,583,852). In December 2014, the required regulatory approvals for this transaction were obtained. In January 2015, the Group received proceeds in the aggregate amount of U.S.\$717 million (Ps.10,632,393) in connection with the disposal in 2014 of its investment in GSF, of which U.S.\$697 million (Ps.10,335,813) were in cash and U.S.\$20 million (Ps.296,580) were held in escrow for certain contingent litigation costs. As of December 31, 2015, the amount held in escrow was U.S.\$11.9 million (Ps.204,954) (see Notes 10, 14, 21 and 22).

In January 2015, the Group acquired, through a series of transactions, all of the equity interest of Telecable for an aggregate cash consideration of Ps.10,001,838. Telecable is a cable business that provides video, data and telephone services in Mexico, primarily in the states of Guanajuato, Jalisco, Aguascalientes, Querétaro, Tamaulipas and Colima. The Group began to consolidate the net assets and results of operations of Telecable in its consolidated financial statements in the first quarter of 2015. The Group completed a final purchase price allocation for this transaction in the fourth quarter of 2015. Through the acquisition of Telecable, the Group continues with its strategy to establish a cable company with national coverage that delivers more and better services through state of the art technology and internationally competitive prices for the benefit of end users. The following table summarizes the allocation of the purchase price to the tangible and identifiable intangible assets acquired and liabilities assumed at the acquisition date. The excess of the purchase price over those fair values and the related deferred income tax liability was allocated to goodwill in the Cable segment.

	January 1, 2015
Cash and cash equivalents	Ps. 270,447
Trade and other receivables	57,687
Other current assets	34,118
Total current assets	362,252
Property, plant and equipment, net	1,724,757
Goodwill	4,885,331
Concessions	4,373,855
List of subscribers	1,233,808
Trademarks	218,578
Other intangible assets	16,240
Other non-current assets	4,582
Total assets	12,819,403
Trade and other payables	135,920
Other current liabilities	78,753
Total current liabilities	214,673
Long-term debt	505,425
Deferred income tax liability	2,090,269
Other non-current liabilities	7,198

	<u>January 1, 2015</u>
Total non-current liabilities	2,602,892
Total liabilities	2,817,565
Total net assets	Ps. 10,001,838

In July 2015, UHI, the controlling company of Univision, and the Company announced that together with major shareholders of UHI, they had entered into a Memorandum of Understanding (“MOU”) and that certain subsidiaries of UHI and the Company entered into an agreement to amend their existing Program Licensing Agreement (the “PLA”). Under the PLA amendment, the terms of the existing strategic relationship between UHI and the Group have been amended among other things, (i) to extend the term of the PLA from its current expiration date of at least 2025 to at least 2030 upon consummation of a qualified public equity offering of UHI; and (ii) to adjust the royalty computation of the PLA by making certain additional revenue subject to royalties in exchange for certain adjustments to the royalty rate. Under the terms of the MOU, UHI, the Group and the major shareholders of UHI agreed to (i) upon a qualifying initial public offering of UHI, an equity capitalization of UHI by which, among other considerations, the Group will hold common stock with approximately 22% of the voting rights of UHI common stock, and the right for the Group to designate a minimum number of directors to UHI’s Board of Directors; and (ii) the exchange of U.S.\$1,125 million (Ps.17,634,375) principal amount of Convertible Debentures issued by UHI for Warrants that are exercisable for UHI’s common stock, and a cash payment by UHI in the amount of U.S.\$135.1 million (Ps.2,194,981) for such exchange. In July 2015, the Group exercised a portion of these Warrants to increase its equity stake in UHI from 7.8% to 10% (see Notes 9, 10, 14, 19 and 22).

In July 2015, the Company acquired additional shares of Imagina Media Audiovisual, S.L. (together with its subsidiaries, “Imagina”) in the aggregate cash amount of €19.2 million (Ps.341,710) in connection with a reorganization of stockholders of this investee by which the Company increased its equity stake in Imagina from 14.5% to 19.9% (see Notes 9 and 10).

4. Financial Risk Management

(a) Market Risk

Market risk is the exposure to an adverse change in the value of financial instruments caused by market factors including changes in equity prices, interest rates, foreign currency exchange rates, commodity prices and inflation rates.

The Group is exposed to market risks arising from changes in equity prices, interest rates, foreign currency exchange rates and inflation rates, in both the Mexican and U.S. markets. Risk management activities are monitored by the Risk Management Committee on a quarterly basis and reported to the Executive Committee.

(i) Foreign Exchange Risk

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the U.S. dollar and the Mexican peso. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations.

Foreign currency exchange risk is monitored by assessing the net monetary liability position in U.S. dollars and the forecasted cash flow needs for anticipated U.S. dollar investments and servicing the Group’s U.S. dollar denominated debt.

Management has set up a policy to require Group companies to manage their foreign exchange risk against their functional currency. To manage their foreign exchange risk arising from future commercial transactions and recognized assets and liabilities, entities in the Group use forward contracts. In compliance with the procedures and controls established by the Risk Management Committee, in 2015 and 2014, the Group entered into certain derivative transactions with certain financial institutions in order to manage its exposure to market risks resulting from changes in interest rates and foreign currency exchange rates. The objective in managing foreign currency fluctuations is to reduce earnings and cash flow volatility.

Foreign Currency Position

The foreign currency position of monetary items of the Group at December 31, 2015, was as follows:

	Foreign Currency Amounts (Thousands)		Year-End Exchange Rate		Mexican Pesos
Assets:					
U.S. Dollars	2,641,885	Ps.	17.2160	Ps.	45,482,692
Euros	21,027		18.7258		393,747
Argentinean Pesos	245,087		1.3259		324,961
Chilean Pesos	3,619,630		0.0243		87,957
Colombian Pesos	14,734,815		0.0054		79,568
Other currencies	—		—		122,270
Liabilities:					
U.S. Dollars	4,966,594	Ps.	17.2160	Ps.	85,504,882
Euros	1,331		18.7258		24,924
Argentinean Pesos	171,019		1.3259		226,754
Chilean Pesos	1,388,950		0.0243		33,751
Colombian Pesos	14,683,704		0.0054		79,292
Other currencies	—		—		150,867

As of April 8, 2016, the exchange rate was Ps.17.8030 per U.S. dollar, which represents the interbank free market exchange rate on that date as reported by Banco Nacional de México, S.A.

The foreign currency position of monetary items of the Group at December 31, 2014, was as follows:

	Foreign Currency Amounts (Thousands)		Year-End Exchange Rate		Mexican Pesos
Assets:					
U.S. Dollars	2,739,794	Ps.	14.7613	Ps.	40,442,921
Euros	65,962		17.8641		1,178,352
Argentinean Pesos	218,131		1.7263		376,559
Chilean Pesos	3,743,582		0.0243		90,969
Colombian Pesos	16,753,058		0.0062		103,869
Other currencies	—		—		592,235
Liabilities:					
U.S. Dollars	3,987,204	Ps.	14.7613	Ps.	58,856,314
Euros	1,112		17.8641		19,865
Argentinean Pesos	240,330		1.7263		414,882
Chilean Pesos	968,319		0.0243		23,530
Colombian Pesos	17,565,639		0.0062		108,907
Other currencies	—		—		169,420

The Group is subject to the risk of foreign currency exchange rate fluctuations, resulting primarily from the net monetary position in U.S. dollars of the Group's Mexican operations, as follows (in millions of U.S. dollars):

	December 31,	
	2015	2014
U.S. dollar-denominated monetary assets, primarily cash and cash equivalents, held-to-maturity investments, non-current investments, and Convertible Debentures (1)	U.S.\$ 2,606.3	U.S.\$ 2,767.8
U.S. dollar-denominated monetary liabilities, primarily trade accounts payable, Senior debt securities and other notes payable (2)	(4,922.5)	(3,922.3)
Net liability position	U.S.\$ (2,316.2)	U.S.\$ (1,154.5)

(1) In 2015 and 2014, include U.S. dollar equivalent amounts of U.S.\$15.5 million and U.S.\$65.8 million, respectively, related to other foreign currencies, primarily Euros.

(2) In 2015 and 2014, include U.S. dollar equivalent amounts of U.S.\$3.8 million and U.S.\$1.0 million, respectively, related to other foreign currencies, primarily Euros.

[Table of Contents](#)

At December 31, 2015, a hypothetical 10% appreciation/depreciation in the U.S. dollar to Mexican peso exchange rate would result in a gain/loss in earnings of Ps.3,987,639. At December 31, 2014, a hypothetical 10% appreciation/depreciation in the U.S. dollar to Mexican peso exchange rate would result in a gain/loss in earnings of Ps.1,704,154.

(ii) **Cash Flow Interest Rate Risk**

The Group monitors the exposure to interest rate risk by: (i) evaluating differences between interest rates on its outstanding debt and short-term investments and market interest rates on similar financial instruments; (ii) reviewing its cash flow needs and financial ratios (indebtedness and interest coverage); (iii) assessing current and forecasted trends in the relevant markets; and (iv) evaluating peer Group and industry practices. This approach allows the Group to determine the interest rate “mix” between variable and fixed rate debt.

The Group’s interest rate risk arises from long-term debt. Debt issued at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash and cash equivalents held at variable rates. Debt issued at fixed rates expose the Group to fair value interest rate risk. During recent years the Group has maintained most of its debt in fixed rate instruments (see Note 13).

Based on various scenarios, the Group manages its cash flow interest rate risk by using cross-currency interest rate swap agreements and floating-to-fixed interest rate swaps. Cross-currency interest rate swap agreements allow the Group to hedge against Mexican peso depreciation on the interest payments for medium-term periods. Interest rate swaps have the economic effect of converting borrowings from floating rates to fixed rates.

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 currency exchange rates and debt and equity market prices as they affect the Group’s financial instruments at December 31, 2015 and 2014. These analyses address market risk only and do not take into consideration other risks that the Group faces in the ordinary course of business, including country risk and credit risk. The hypothetical changes reflect management view of changes that are reasonably possible over a one-year period. For purposes of the following sensitivity analyses, the Group has made assumptions of a hypothetical change in fair value of 10% for expected near-term future changes in U.S. interest rates, Mexican interest rates, inflation rates and Mexican peso to U.S. dollar exchange rate. The results of the analyses do not purport to represent actual changes in fair value or losses in earnings that the Group will incur.

December 31, 2015	Carrying Value (3)	Fair Value (4)	Increase (Decrease) of Fair Value Over Carrying Value	Increase (Decrease) of Fair Value Over Carrying Value Assuming a Hypothetical 10% Increase in Fair Value
Assets:				
Temporary investments (1)	Ps. 5,330,448	Ps. 5,330,448	Ps. —	Ps. —
Warrants issued by UHI	35,042,577	35,042,577	—	3,504,258
Long-term loan and interest receivable from GTAC	684,259	687,506	3,247	71,998
Held-to-maturity investments	134,034	133,824	(210)	13,172
Available-for-sale investments	5,873,243	5,873,243	—	587,324
Liabilities:				
U.S. dollar-denominated debt:				
Senior Notes due 2018	8,608,000	9,287,343	679,343	1,608,078
Senior Notes due 2025	10,329,600	11,773,265	1,443,665	2,620,991
Senior Notes due 2026	5,164,800	5,177,609	12,809	530,570
Senior Notes due 2032	5,164,800	6,268,621	1,103,821	1,730,683
Senior Notes due 2040	10,329,600	10,861,368	531,768	1,617,905
Senior Notes due 2045	17,216,000	14,860,851	(2,355,149)	(869,064)
Senior Notes due 2046	15,494,400	15,472,398	(22,002)	1,525,238
Peso-denominated debt:				
Notes due 2020	10,000,000	10,437,500	437,500	1,481,250

December 31, 2015	Carrying Value (3)	Fair Value (4)	Increase (Decrease) of Fair Value Over Carrying Value	Increase (Decrease) of Fair Value Assuming a Hypothetical 10% Increase in Fair Value
Notes due 2021	6,000,000	5,996,640	(3,360)	596,304
Notes due 2022	5,000,000	4,957,300	(42,700)	453,030
Senior Notes due 2037	4,500,000	4,355,550	(144,450)	291,105
Senior Notes due 2043	6,500,000	5,265,000	(1,235,000)	(708,500)
Short-term and long-term notes payable to Mexican banks	7,491,287	7,561,954	70,667	826,863
Finance lease obligations	5,805,115	5,179,052	(626,063)	(108,158)
Derivative financial instruments (2)	227,062	227,062	—	—

December 31, 2014	Carrying Value (3)	Fair Value (4)	Increase (Decrease) of Fair Value Over Carrying Value	Increase (Decrease) of Fair Value Assuming a Hypothetical 10% Increase in Fair Value
Assets:				
Temporary investments (1)	Ps. 4,788,585	Ps. 4,788,585	Ps. —	Ps. —
Convertible Debentures due 2025 issued by UHI	10,421,478	10,421,478	—	1,042,148
Embedded derivative in Convertible Debentures issued by UHI	17,447,857	17,447,857	—	1,744,786
Long-term loan and interest receivable from GTAC	677,315	675,198	(2,117)	65,403
Held-to-maturity investments	461,047	460,236	(811)	45,213
Available-for-sale investments	5,511,768	5,511,768	—	551,177
Shares of common stock of Imagina	836,037	836,037	—	83,604
Derivative financial instruments (2)	2,894	2,894	—	—
Liabilities:				
U.S. dollar-denominated debt:				
Senior Notes due 2018	7,380,650	8,192,595	811,945	1,631,205
Senior Notes due 2025	8,856,780	10,940,692	2,083,912	3,177,981
Senior Notes due 2032	4,428,390	6,097,627	1,669,237	2,279,000
Senior Notes due 2040	8,856,780	10,994,187	2,137,407	3,236,825
Senior Notes due 2045	14,761,300	15,015,785	254,485	1,756,063
Peso-denominated debt:				
Notes due 2020	10,000,000	10,469,000	469,000	1,515,900
Senior Notes due 2021	6,000,000	6,012,300	12,300	613,530
Senior Notes due 2037	4,500,000	4,778,640	278,640	756,504
Senior Notes due 2043	6,500,000	5,505,240	(994,760)	(444,236)
Long-term notes payable to Mexican banks	10,982,607	11,413,185	430,579	1,571,897
Finance lease obligations	5,236,046	4,920,298	(315,748)	176,282
Derivative financial instruments (2)	335,102	335,102	—	—

- (1) At December 31, 2015 and 2014, the Group's temporary investments consisted of highly liquid securities, including without limitation debt securities and equity instruments held for trading (primarily denominated in Mexican pesos and U.S. dollars). 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.
- (2) Given the nature of these derivative instruments, an increase of 10% in the interest and/or exchange rates would not have a significant impact on the fair value of these financial instruments.
- (3) The carrying value of debt is stated in this table at its principal amount.
- (4) The fair value of the Senior Notes and Notes due by the Group are within Level 1 of the fair value hierarchy as there is a quoted market price for them. The fair value of the finance lease obligations are within Level 2 of the fair value hierarchy and has been estimated based on cash flows discounted using an estimated weighted average cost of capital. The fair value of held-to-maturity securities are within Level 1 of the fair value hierarchy, and were based on market interest rates to the listed securities.

(iii) **Price Risk**

The Group is exposed to equity securities price risk because of investments held by the Group and classified in the consolidated statements of financial position as either available-for-sale or held-for-trading investments. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group. The Group is not exposed to commodity price risk.

(b) **Credit Risk**

Credit risk is managed on a Group basis, except for credit risk relating to accounts receivable balances. Each local entity is responsible for managing and analyzing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposure to customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum rating of “AA” in local scale for domestic institutions and “BBB” in global scale for foreign institutions are accepted. If customers are independently rated, these ratings are used. If there is no independent rating, the Group’s risk control function assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Company’s management. See Note 7 for further disclosure on credit risk.

No credit limits were exceeded during the reporting period, and management does not expect any losses from non-performance by the counterparties.

The Group historically has not had significant credit losses arising from customers.

(c) **Liquidity Risk**

Cash flow forecasting is performed in the operating entities of the Group and aggregated by corporate management. Corporate management monitors rolling forecasts of the Group’s liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group’s debt financing plans, covenant compliance, compliance with internal statement of financial position ratio targets and, if applicable external regulatory or legal requirements.

Surplus cash held by the operating entities over and above balance required for working capital management are transferred to the Group treasury. Group treasury invests surplus cash in interest bearing current accounts, time deposits, money market deposits and marketable securities, choosing investments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the above-mentioned forecasts. At December 31, 2015 and 2014, the Group held cash and cash equivalents of Ps.49,397,126 and Ps.29,729,350, respectively, and temporary investments of Ps.5,330,448 and Ps.4,788,585, respectively, that are expected to readily generate cash inflows for managing liquidity risk (see Note 6).

The table below analyses the Group’s non-derivative and derivative financial liabilities as well as related contractual interest on debt and finance lease obligations into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. Derivative financial liabilities are included in the analysis if their contractual maturities are essential for an understanding of the timing of the cash flows. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less Than 12 Months January 1, 2016 to December 31, 2016	12-36 Months January 1, 2017 to December 31, 2018	36-60 Months January 1, 2019 to December 31, 2020	Maturities Subsequent to December 31, 2020	Total
At December 31, 2015					
Debt (1)	Ps. 2,981,675	Ps. 10,975,074	Ps. 11,412,045	Ps. 86,429,693	Ps. 111,798,487
Finance lease liabilities	511,556	945,665	996,850	3,351,044	5,805,115

	Less Than 12 Months January 1, 2016 to December 31, 2016	12-36 Months January 1, 2017 to December 31, 2018	36-60 Months January 1, 2019 to December 31, 2020	Maturities Subsequent to December 31, 2020	Total
Derivative financial instruments (interest rate swaps)	1,402	116,108	5,849	103,703	227,062
Trade and other liabilities	23,830,644	4,216,911	3,015,304	2,277,150	33,340,009
Interest on debt (2)	6,017,494	13,755,508	12,838,750	88,291,439	120,903,191
Interest on capital lease obligations	376,495	672,020	583,615	890,602	2,522,732

	Less Than 12 Months January 1, 2015 to December 31, 2015	12-36 Months January 1, 2016 to December 31, 2017	36-60 Months January 1, 2018 to December 31, 2019	Maturities Subsequent to December 31, 2019	Total
At December 31, 2014					
Debt (1)	Ps. 339,160	Ps. 8,176,780	Ps. 9,287,317	Ps. 64,463,250	Ps. 82,266,507
Finance lease liabilities	502,166	767,606	776,767	3,263,006	5,309,545
Derivative financial instruments (interest rate swaps)	—	89,994	175,346	69,762	335,102
Trade and other liabilities	22,405,160	2,887,948	6,361,510	502,374	32,156,992
Interest on debt (2)	4,384,857	10,120,078	8,886,673	59,574,837	82,966,445
Interest on capital lease obligations	267,237	657,111	676,671	984,376	2,585,395

- (1) The amounts of debt are disclosed on a principal amount basis (see Note 13).
(2) Interest to be paid in future years on outstanding debt as of December 31, 2015 and 2014, based on contractual interest rate and exchange rates as of that date.

As of December 31, 2013, certain of the Group's derivative financial instruments (coupon swaps) were in hedge relationships and were settled during 2014. These contracts required undiscounted contractual cash inflows of U.S.\$12.8 million and undiscounted contractual cash outflows of Ps.165,316.

Capital Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for stockholders and benefits for other stakeholders and to maintain an optimal capital structure in order to minimize the cost of capital.

5. Critical Accounting Estimates and Assumptions

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. By definition, the resulting accounting estimates will seldom equal the related actual results. The estimates and assumptions that have a risk of causing a material adjustment to the carrying amounts of consolidated assets and liabilities within the next financial year are addressed below.

(a) Accounting for Programming

The Group produces a significant portion of programming for initial broadcast over its television networks in Mexico, its primary market. Following the initial broadcast of this programming, the Group then licenses some of this programming for broadcast in secondary markets, such as Mexico, the United States, Latin America, Asia, Europe and Africa. Under IFRS, in order to properly capitalize and subsequently amortize production costs related to this programming, the Group must estimate the expected future benefit period over which a given program will generate revenues (generally, over a five-year period). The Group then amortizes the production costs related to a given program over the expected future benefit period. Under this policy, the Group generally expenses approximately 70% of the production costs related to a given program in its initial broadcast run and defers and expenses the remaining production costs over the remainder of the expected future benefit period (see Note 2 (g)).

The Group estimates the 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 the Group can exploit or distribute its programming, including its consolidated subsidiaries and equity investees. To the extent that a given future expected benefit period is shorter than the estimate, the Group may have to accelerate capitalized production costs sooner than anticipated. Conversely, to the extent that a given future expected benefit period is longer than the estimate, the Group may have to extend the amortization schedule for the remaining capitalized production costs.

The Group also purchases programming from, and enters into license arrangements with, various third party programming producers and providers, pursuant to which it receives the rights to broadcast programming produced by third parties over its television networks in Mexico. In the case of programming acquired from third parties, the Group estimates the expected future benefit period based on the anticipated number of showings in Mexico. In the case of programming licensed from third parties, the Group estimates 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 the estimate, the Group may have to accelerate the purchase price or the license fee sooner than anticipated. Conversely, to the extent that a given future expected benefit period is longer than the estimate, the Group may have to extend the amortization schedule for the remaining portion of the purchase price or the license fee.

Assuming a hypothetical 10% decrease in expected future revenue from the Group's programming as of December 31, 2015, the balance of such programming would decrease in the amount of Ps.228,718 with a corresponding increase in programming amortization expense.

(b) Investments in Associates and Joint Ventures

Some of the Group's investments are structured as investments in associates and joint ventures (see Notes 2 (c) and 10). As a result, the results of operations attributable to these investments are not consolidated with the results of the Group's various segments for financial reporting purposes, but are reported as share of income or loss of associates and joint ventures in the consolidated statement of income (see Note 10).

In the past, the Group has made significant capital contributions and loans to its associates and joint ventures, and it may in the future make additional capital contributions and loans to at least some of its joint ventures. In the past, some of 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.

The Group periodically evaluates its investments in these associates and joint ventures for impairment, taking into consideration the performance of these ventures as compared to projections related to net sales, expenditures, strategic plans and future required cash contributions, among other factors. In doing so, the Group evaluates whether any declines in value are other than temporary. The Group has 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, there can be no assurance that the Group's future evaluations will not result in recognizing additional impairment charges for these investments.

Once the carrying balance of a given investment is reduced to zero, the Group evaluates whether it should suspend the equity method of accounting, taking into consideration both quantitative and qualitative factors, such as long-term loans guarantees it has provided to these associates and joint ventures, future funding commitments and expectations as to the viability of the business. These conditions may change from year to year, and accordingly, the Group periodically evaluates whether to continue to account for its various investments under the equity method.

(c) Goodwill and Other Indefinite-lived Intangible Assets

Goodwill and other intangible assets with indefinite useful lives are reviewed for impairment at least annually. When an impairment test is performed, the recoverable amount is assessed by reference to the higher of the net present value of the expected future cash flows (value in use) of the relevant cash generating unit and the fair value less cost to sell.

The recoverable amount of cash generating units has been determined based on fair value less costs to disposal calculations. These calculations require the use of estimates, including management's expectations of future revenue growth, operating costs, profit margins and operating cash flows for each cash-generating unit.

During 2015 and 2014, the Group recorded impairments for goodwill and other indefinite-lived intangible assets related to its Publishing business, which is classified into the Other Businesses segment. During 2013, the Group recorded impairments for goodwill and other indefinite-lived intangible assets related to its joint venture investment in capital stock of GSF (see Notes 10 and 12). Other than in the Publishing business, the Company believes that additional reasonable changes in assumptions would not trigger any additional impairment charges. See Note 2 (b) and (k) for disclosure regarding concession intangible assets.

(d) Long-lived Assets

The Group presents certain long-lived assets other than goodwill and indefinite-lived intangible assets in its consolidated statement of financial position. Long-lived assets are tested for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may no longer be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Recoverability is analyzed based on 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, and assumptions regarding projected rates of inflation and currency fluctuations, among other factors. If these assumptions are not correct, the Group 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 2 (l), 12 and 21). The Group has not recorded any significant impairment charges over the past few years.

(e) Deferred Income Taxes

The Group records its deferred tax assets based on the likelihood that these assets are realized in the future. This likelihood is assessed by taking into consideration the future taxable income. In the event the Group were to determine that it would be able to realize its 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 the Group determine that it would not be able to realize all or part of its 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.

(f) Financial Assets and Liabilities Measured at Fair Value

The Group has a significant amount of financial assets and liabilities which are measured at fair value on a recurring basis. The degree of management's judgment involved in determining the fair value of a financial asset and liability varies depending upon the availability of quoted market prices. When observable quoted market prices exist, that is the fair value estimate the Group uses. To the extent such quoted market prices do not exist, management uses other means to determine fair value (see Notes 4 and 14).

(g) Exchange of Convertible Debentures due 2025 issued by UHI for Warrants issued by UHI

Significant judgment was applied in assessing the qualitative factors mentioned in IAS 39 *Financial Instruments: Recognition and Measurement*, to determine that the changes in cash flows, the different risks and rewards and contractual terms between the exchanged Convertible Debentures due 2025 issued by UHI and the received Warrants issued by UHI resulted in the derecognition of the Convertible Debentures.

The Company's management applied significant judgment to determine the classification of the Warrants issued by UHI. These Warrants did not comply with the definition of a derivative financial instrument because the initial investment that the Group paid to acquire the original instrument (Convertible Debentures) was significant and a derivative requires no initial investment or one that is smaller than would be required for a contract with similar response to changes in market factors; therefore, the Group classified the Warrants issued by UHI as available-for-sale financial assets with changes in fair value recognized in other comprehensive income or loss in consolidated equity. Significant judgment was applied by the Company's management in assessing that the characteristics of the Warrants are closer to an equity instrument in accordance with the IAS 32 *Financial Instruments: Presentation* (see Notes 3, 9, 10 and 14).

6. Cash and Cash Equivalents and Temporary Investments

Cash and cash equivalents as of December 31, 2015 and 2014, consisted of:

[Table of Contents](#)

	<u>2015</u>	<u>2014</u>
Cash and bank accounts	Ps. 1,565,594	Ps. 1,830,156
Short-term investments (1)	47,831,532	27,899,194
Total cash and cash equivalents	<u>Ps. 49,397,126</u>	<u>Ps. 29,729,350</u>

(1) Highly-liquid investments with an original maturity of three months or less at the date of acquisition.

Temporary investments as of December 31, 2015 and 2014, consisted of:

	<u>2015</u>	<u>2014</u>
Short-term investments (2)	Ps. 110,832	Ps. 60,558
Other financial assets (3)	4,862,970	4,636,341
Current maturities of non-current held-to-maturity securities	356,646	91,686
Total temporary investments	<u>Ps. 5,330,448</u>	<u>Ps. 4,788,585</u>

(2) Short-term investments with a maturity of over three months and up to one year at the date of acquisition.

(3) Other financial assets include equity instruments held for trading (publicly traded instruments). The fair value is based on quoted market prices. In connection with these equity instruments, the Group recognized in consolidated finance income a fair value gain of Ps.503,797, Ps.636,305 and Ps.559,874 for the years ended December 31, 2015, 2014 and 2013, respectively.

7. Trade Notes and Accounts Receivable, Net

Trade notes and accounts receivable as of December 31, 2015 and 2014, consisted of:

	<u>2015</u>	<u>2014</u>
Non-interest bearing notes received from customers as deposits and advances in connection with annual (“upfront basis”) and from time to time (“scatter basis”) prepayments	Ps. 16,967,783	Ps. 16,864,054
Trade accounts receivable	8,413,850	7,251,553
Allowance for doubtful accounts	(3,679,505)	(3,028,444)
	<u>Ps. 21,702,128</u>	<u>Ps. 21,087,163</u>

As of December 31, 2015 and 2014, the aging analysis of the trade notes and accounts receivable that were past due is as follows:

	<u>2015</u>	<u>2014</u>
1 to 90 days	Ps. 4,182,936	Ps. 4,916,829
91 to 180 days	1,224,896	689,247
More than 180 days	2,821,110	2,453,742

The carrying amounts of the Group’s trade notes and account receivables denominated in other than peso, currencies are as follows:

	<u>2015</u>	<u>2014</u>
U.S. dollar	Ps. 2,006,250	Ps. 1,854,654
Other currencies	462,740	473,678
At December 31	<u>Ps. 2,468,990</u>	<u>Ps. 2,328,332</u>

Movements on the Group allowance for doubtful accounts of trade notes and account receivables are as follows:

	<u>2015</u>	<u>2014</u>
At January 1	Ps. (3,028,444)	Ps. (2,492,536)
Impairment provision	(2,005,704)	(1,134,657)
Write-off of receivables	969,018	480,978

	<u>2015</u>	<u>2014</u>
Unused amounts reversed	385,625	117,771
At December 31	Ps. (3,679,505)	Ps. (3,028,444)

The maximum exposure to credit risk of the trade notes and accounts receivable as of December 31, 2015 and 2014 is the carrying value of each class of receivables mentioned above.

8. Transmission Rights and Programming

At December 31, 2015 and 2014, transmission rights and programming consisted of:

	<u>2015</u>	<u>2014</u>
Transmission rights	Ps. 9,195,354	Ps. 8,626,238
Programming	5,332,928	5,219,882
	<u>14,528,282</u>	<u>13,846,120</u>
Non-current portion of:		
Transmission rights	5,775,508	5,863,275
Programming	3,363,641	3,131,123
	<u>9,139,149</u>	<u>8,994,398</u>
Current portion of transmission rights and programming	Ps. 5,389,133	Ps. 4,851,722

Amortization of transmission rights and programming charged to consolidated cost of sales for the years ended December 31, 2015, 2014 and 2013 amounted to Ps.13,216,319, Ps.12,898,031 and Ps.11,634,186, respectively (see Note 20).

9. Investments in Financial Instruments

At December 31, 2015 and 2014, the Group had the following investments in financial instruments:

	<u>2015</u>	<u>2014</u>
Available-for-sale financial assets:		
Convertible Debentures due 2025 issued by UHI (1)	Ps. —	Ps. 10,421,478
Embedded derivative in Convertible Debentures issued by UHI (1)	—	17,447,857
Warrants issued by UHI (1)	35,042,577	—
Shares of common stock of Imagina (2)	—	836,037
Available-for-sale investments (3)	5,873,243	5,511,768
	<u>40,915,820</u>	<u>34,217,140</u>
Held-to-maturity investments (4)	134,034	461,047
Other	31,620	31,685
	<u>Ps. 41,081,474</u>	<u>Ps. 34,709,872</u>

- (1) Through July 2015, the Group held an investment in Convertible Debentures due 2025 issued by UHI in the principal amount of U.S.\$1,125 million (Ps.17,634,375), with an annual interest rate of 1.5% receivable on a quarterly basis, which were convertible at the Company's option into additional shares equivalent to approximately 30% equity stake of UHI, subject to existing laws and regulations in the United States, and other conditions. These Convertible Debentures were classified as available-for-sale financial assets with changes in fair value recognized in other comprehensive income or loss in consolidated equity. The Group's option of converting these debentures into an equity stake of UHI was accounted for as an embedded derivative with changes in fair value recognized in consolidated income (see Notes 14 and 19). In July 2015, the Group exchanged its investment in these Convertible Debentures for an investment in Warrants that are exercisable for UHI's common stock, subject to the U.S. Federal Communications Commission's restrictions on foreign ownership, in whole or in part, at an exercise price of U.S.\$0.01 per Warrant share, considering that the original value of U.S.\$1,125 million invested by the Group in Convertible Debentures is part of the Group's investment in Warrants. The Warrants shall expire and no longer be exercisable after the tenth anniversary of the date of issuance (the "Expiration Date"); provided, however, the Expiration Date shall automatically be extended for nine successive ten-year periods unless the Group provides written notice to UHI of its election not to so extend the Expiration Date. The Warrants do not bear interest. The fair value of these Warrants at the date of exchange was U.S.\$1,951 million (Ps.30,582,427). The Group reclassified Ps.4,718,175 from accumulated other comprehensive income in consolidated equity to other finance income in the consolidated statement of income for the year ended December 31, 2015, as a result of derecognizing the Convertible Debentures. In July 2015, the Group exercised a portion of these Warrants in the amount of U.S.\$107.4 million

(Ps.1,695,524) to increase its equity stake in UHI from 7.8% to 10%. These Warrants are classified as available-for-sale financial assets with changes in fair value recognized in accumulated other comprehensive income or loss in consolidated equity . Changes in fair value recognized in other comprehensive income will be reclassified to the statement of income within other finance income, net, in the period the Warrants are exercised, in whole or in part (see Notes 3, 10 and 14).

- (2) Through June 2015, the Company's investment in common stock of Imagina was accounted for as an available-for-sale equity financial asset with changes in fair value recognized in consolidated other comprehensive income or loss. In July 2015, the Company acquired additional shares of Imagina for the aggregate cash amount of €19.2 million (Ps.341,710) and increased its equity stake in Imagina from 14.5% to 19.9%. As a result of this transaction, beginning in the third quarter of 2015 the Group (i) holds two of 10 seats on the Board of Directors of Imagina; (ii) began to account for this investment under the equity method due to its ability to exercise significant influence over the operating and financial policies of Imagina; (iii) recognized its investment in Imagina as an associate through the fair value as deemed cost at the transaction date; and (iv) reclassified a cumulative gain of Ps.544,402, related to changes in fair value of the investment in Imagina from accumulated other comprehensive income in consolidated equity to consolidated other finance income for the year ended December 31, 2015 (see Notes 3 and 10).
- (3) The Group has an investment in an open ended fund that has as a primary objective to achieve capital appreciation by using a broad range of strategies through investments and transactions in telecom, media and other sectors across global markets, including Latin America and other emerging markets. Shares may be redeemed on a quarterly basis at the Net Asset Value ("NAV") per share as of such redemption date. The fair value of this fund is determined by using the NAV per share. The NAV per share is calculated by determining the value of the fund assets and subtracting all of the fund liabilities and dividing the result by the total number of issued shares (see Note 2 (i)).
- (4) Held-to-maturity investments represent corporate fixed income securities with long-term maturities. These investments are stated at amortized cost. Maturities of these investments subsequent to December 31, 2015, are as follows: Ps.60,683 in 2017, Ps.13,365 in 2018 and Ps.59,986 thereafter. Held-to-maturity financial assets as of December 31, 2015 and 2014 are denominated primarily in Mexican pesos.

A roll forward of available-for-sale financial assets for the years ended December 31, 2015 and 2014 is presented as follows:

	<u>2015</u>	<u>2014</u>
At January 1	Ps. 34,217,140	Ps. 37,359,819
Foreign exchange differences	4,307,772	2,221,191
Conversion and capitalization of debt instruments (1)	—	(10,176,600)
Interest income	—	221,613
Changes in fair value in other comprehensive income	3,947,250	3,648,014
Changes in fair value in other finance income	409,196	943,103
Additional investment in Imagina	341,710	—
Exchange of Convertible Debentures	(29,625,750)	—
Reclassification of investment in Imagina	(1,568,401)	—
Partial exercise of Warrants	(1,695,524)	—
Warrants	30,582,427	—
At December 31	<u>Ps. 40,915,820</u>	<u>Ps. 34,217,140</u>

- (1) In connection with the acquisition of Cablecom (see Note 3).

The maximum exposure to credit risk of the investments in financial instruments as of December 31, 2015 and 2014 is the carrying value of the financial assets mentioned above.

10. Investments in Associates and Joint Ventures

At December 31, 2015 and 2014, the Group had the following investments in associates and joint ventures accounted for by the equity method:

	Ownership as of December 31, 2015		2015		2014
Associates:					
UHI (1)	10.0%	Ps.	5,685,748	Ps.	3,507,390
Imagina (see Notes 3 and 9)	19.9%		1,921,590		—
Ocesa Entretenimiento, S.A. de C.V. and subsidiaries (collectively, “OCEN”) (2)	40.0%		938,995		867,362
Other			83,220		81,516
Joint ventures:					
Grupo de Telecomunicaciones de Alta Capacidad, S.A.P.I. de C.V. (“GTAC”) (3)	33.3%		574,480		576,179
Televisa CJ Grand, S.A. de C.V. (“Televisa CJ Grand”)	50.0%		67,868		—
		Ps.	<u>9,271,901</u>	Ps.	<u>5,032,447</u>

- (1) The Group accounts for its investment in common stock of UHI, the parent company of Univision, under the equity method due to the Group’s ability to exercise significant influence, as defined under IFRS, over UHI’s operations. The Group has the ability to exercise significant influence over the operating and financial policies of UHI because the Group (i) as of December 31, 2015 and 2014, owned 1,110,382 and 842,850 Class C shares of common stock of UHI, respectively, representing 10% and 7.8%, respectively, of the outstanding total shares of UHI as of each of those dates; (ii) as of December 31, 2015, held Warrants exercisable for common stock of UHI equivalent to approximately 26% equity stake of UHI on a fully-diluted, as-converted basis, subject to certain conditions, laws and regulations, and as of December 31, 2014, held Convertible Debentures due 2025 issued by UHI with an interest rate of 1.5% per annum receivable on a quarterly basis, which could have been converted into additional 4,858,485 shares (subject to adjustment as provided in the debentures) of common stock of UHI equivalent to approximately 30% equity stake of UHI on a fully-diluted, as-converted basis, at the option of the Group, subject to certain conditions, laws and regulations; (iii) as of December 31, 2015 and 2014, had three officers and one director of the Company designated as members of the Board of Directors of UHI, which was composed of 18 and 20 directors, respectively, of 22 available board seats; and (iv) was party to a program license agreement, as amended, with Univision, an indirect wholly-owned subsidiary of UHI, pursuant to which Univision has the right to broadcast certain Televisa content in the United States (“Program License Agreement”), and to another program license agreement pursuant to which the Group has the right to broadcast certain Univision’s content in Mexico (“Mexican License Agreement”), in each case through the later of 2025 (2030 upon consummation of a qualified public equity offering of UHI) or 90 months after the Group has sold two-thirds of its initial investment in UHI made in December 2010. In January 2014, a group of institutional investors made a capital contribution in UHI, by which the Group’s percentage equity stake in UHI decreased from 8% to 7.8% (see Notes 3, 9, 14, 19 and 22).
- (2) OCEN is a majority-owned subsidiary of Corporación Interamericana de Entretenimiento, S.A.B. de C.V., and is engaged in the live entertainment business in Mexico. The investment in OCEN included a goodwill of Ps.359,613 as of December 31, 2015 and 2014 (see Note 19).
- (3) GTAC was granted a 20-year contract for the lease of a pair of dark fiber wires held by the Mexican Federal Electricity Commission and a concession to operate a public telecommunications network in Mexico with an expiration date in 2030. GTAC is a joint venture in which a subsidiary of the Company, a subsidiary of Grupo de Telecomunicaciones Mexicanas, S.A. de C.V. and a subsidiary of Megacable, S.A. de C.V. have an equal equity participation of 33.3%. GTAC started operations in the second half of 2011 and commercial services in the first quarter of 2012. In June 2010, a subsidiary of the Company entered into a long-term credit facility agreement to provide financing to GTAC for up to Ps.688,217, with an annual interest rate of the Mexican Interbank Interest Rate (“Tasa de Interés Interbancaria de Equilibrio” or “TIIE”) plus 200 basis points. Under the terms of this agreement, principal and interest are payable at dates agreed by the parties, between 2013 and 2021. As of December 31, 2015 and 2014, GTAC had used a principal amount of Ps.661,183 and Ps.628,683, respectively, under this credit facility. During 2015 and 2014, GTAC paid principal and interest to the Group in connection with this credit facility in the aggregate amount of Ps.99,018 and Ps.166,614, respectively. Also, a subsidiary of the Company entered into supplementary long-term loans to provide additional financing to GTAC for an aggregate principal amount of Ps.246,019, with an annual interest of TIIE plus 200 basis points payable on a monthly basis and principal maturities through 2023, 2024 and 2025. The net investment in GTAC as of December 31, 2015 and 2014, included amounts receivable in connection with this long-term credit facility and supplementary loans to GTAC in the aggregate amount of Ps.684,259 and Ps.677,315, respectively (see Note 14).

A roll forward of investments in associates and joint ventures for the years ended December 31, 2015 and 2014 is presented as follows:

	2015	2014
At January 1	Ps. 5,032,447	Ps. 18,250,764
Equity method recognized for the year	35,399	669,887
Impairment adjustment	—	(530,134)
Amortization of GSF intangibles	—	(100,916)
Long-term loans to GTAC, net	101,881	121,530

[Table of Contents](#)

	<u>2015</u>	<u>2014</u>
Disposition of GSF (Note 3)	—	(13,630,000)
Foreign currency translation adjustments	796,002	398,510
Investment in Imagina (Note 3)	1,568,401	—
Increase in equity stake of UHI (Note 3)	1,695,524	—
Investment in Televisa CJ Grand	108,750	—
Other	(66,503)	(147,194)
At December 31	<u>Ps. 9,271,901</u>	<u>Ps. 5,032,447</u>

Amounts of consolidated net sales, depreciation and amortization, operating loss, interest expense, net, income tax benefit, net income or loss, and comprehensive income or loss related to GSF for the year ended December 31, 2013, are set forth as follows:

	<u>2013</u>
Net sales	Ps. 19,582,451
Depreciation and amortization	2,378,885
Operating loss	1,093,673
Interest expense, net	1,149,683
Income tax benefit	342,215
Net (loss) income attributable to:	
Controlling stockholders of GSF	(1,991,059)
Non-controlling interests	73
Comprehensive (loss) income attributable to:	
Controlling stockholders of GSF	(1,990,710)
Non-controlling interests	73

Combined condensed balance sheet information of associates and joint ventures as of December 31, 2015 and 2014 is set forth below:

	<u>2015</u>	<u>2014</u>
Current assets	Ps. 5,706,514	Ps. 2,535,120
Non-current assets	27,734,944	17,697,676
Total assets	<u>33,441,458</u>	<u>20,232,796</u>
Current liabilities	4,213,243	1,210,164
Non-current liabilities	21,680,400	14,071,859
Total liabilities	25,893,643	15,282,023
Total net assets	<u>Ps. 7,547,815</u>	<u>Ps. 4,950,773</u>

Aggregate amounts of consolidated net income, other comprehensive income and total comprehensive income related to the Group's interests in other associates and joint ventures for the years ended December 31, 2015, 2014 and 2013, are set forth as follows:

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Net income	Ps. 161,629	Ps. 93,708	Ps. 246,276
Other comprehensive income	62,101	27,404	87,510
Total comprehensive income	<u>Ps. 223,730</u>	<u>Ps. 121,112</u>	<u>Ps. 333,786</u>

The Group recognized its share of comprehensive income (loss) of associates and joint ventures for the years ended December 31, 2015, 2014 and 2013, as follows:

	2015	2014	2013
Share of income (loss) of associates and joint ventures, net	Ps. 35,399	Ps. 13,173	Ps. (5,659,963)
Share of other comprehensive (loss) income of associates and joint ventures:			
Foreign currency translation adjustments, net	(358)	255	178
Other comprehensive income, net	20,063	25,409	105,081
	<u>19,705</u>	<u>25,664</u>	<u>105,259</u>
Share of total comprehensive income (loss) of associates and joint ventures	Ps. 55,104	Ps. 38,837	Ps. (5,554,704)

11. Property, Plant and Equipment, Net

The analysis of the changes in property, plant and equipment is as follows:

Changes	Buildings and Land	Technical Equipment	Satellite Transponders	Furniture and Fixtures	Transportation Equipment	Computer Equipment	Leasehold Improvements	Construction in Progress	Total
Cost:									
January 1, 2014	Ps. 13,314,186	Ps. 66,508,565	Ps. 7,869,492	Ps. 825,284	Ps. 1,907,209	Ps. 5,341,054	Ps. 1,528,911	Ps. 5,380,011	Ps. 102,674,712
Additions	4,947	3,518,701	—	33,912	143,566	165,305	37,018	13,218,867	17,122,316
Retirements	(413,269)	(1,910,567)	—	(37,133)	(159,359)	(224,893)	(182,277)	(967,125)	(3,894,623)
Transfers and reclassifications	409,329	9,299,432	—	78,957	121,103	559,697	257,874	(10,061,292)	665,100
Acquisition of Cablecom	94,204	2,328,541	—	10,634	39,808	95,596	—	193,580	2,762,363
Effect of translation	22,946	177,026	—	(4,648)	1,982	25,976	1	(4,075)	219,208
December 31, 2014	<u>13,432,343</u>	<u>79,921,698</u>	<u>7,869,492</u>	<u>907,006</u>	<u>2,054,309</u>	<u>5,962,735</u>	<u>1,641,527</u>	<u>7,759,966</u>	<u>119,549,076</u>
Additions	76,395	9,577,748	—	50,763	233,468	272,705	15,967	15,476,023	25,703,069
Retirements	(29,324)	(2,397,427)	—	(31,992)	(102,657)	(139,145)	(6,786)	(615,800)	(3,323,131)
Transfers and reclassifications	141,431	8,702,081	2,432,221	35,260	393,423	491,674	512,279	(12,708,369)	—
Acquisition of Telectable	88	1,619,472	—	15,120	51,121	31,440	7,516	—	1,724,757
Effect of translation	2,365	297,918	—	(9,229)	1,412	23,127	104	27,171	342,868
December 31, 2015	<u>Ps. 13,623,298</u>	<u>Ps. 97,721,490</u>	<u>Ps. 10,301,713</u>	<u>Ps. 966,928</u>	<u>Ps. 2,631,076</u>	<u>Ps. 6,642,536</u>	<u>Ps. 2,170,607</u>	<u>Ps. 9,938,991</u>	<u>Ps. 143,996,639</u>
Depreciation:									
January 1, 2014	Ps. (3,855,800)	Ps. (36,970,810)	Ps. (2,607,209)	Ps. (504,216)	Ps. (904,135)	Ps. (3,585,681)	Ps. (770,386)	Ps. —	Ps. (49,198,237)
Depreciation of the year	(214,876)	(8,314,358)	(405,307)	(57,909)	(194,082)	(722,853)	(177,139)	—	(10,086,524)
Retirements	86,799	1,507,904	—	37,798	114,676	55,583	113,250	—	1,916,010
Reclassifications	—	(148,240)	—	—	—	108,453	—	—	(39,787)
Effect of translation	(554)	(131,235)	—	5,226	(1,125)	(3,360)	18	—	(131,030)
December 31, 2014	<u>(3,984,431)</u>	<u>(44,056,739)</u>	<u>(3,012,516)</u>	<u>(519,101)</u>	<u>(984,666)</u>	<u>(4,147,858)</u>	<u>(834,257)</u>	<u>—</u>	<u>(57,539,568)</u>
Depreciation of the year	(247,959)	(10,039,099)	(472,869)	(86,525)	(280,799)	(804,061)	(207,428)	—	(12,138,740)
Retirements	10,542	1,834,022	—	31,024	66,739	123,216	3,330	—	2,068,873
Reclassifications	30,352	(179,837)	—	5,425	436	165,231	(21,607)	—	—
Effect of translation	(1,075)	(296,964)	—	7,527	(2,472)	(4,843)	(100)	—	(297,927)
December 31, 2015	<u>Ps. (4,192,571)</u>	<u>Ps. (52,738,617)</u>	<u>Ps. (3,485,385)</u>	<u>Ps. (561,650)</u>	<u>Ps. (1,200,762)</u>	<u>Ps. (4,668,315)</u>	<u>Ps. (1,060,062)</u>	<u>Ps. —</u>	<u>Ps. (67,907,362)</u>
Carrying value:									
At January 1, 2014	Ps. 9,458,386	Ps. 29,537,755	Ps. 5,262,283	Ps. 321,068	Ps. 1,003,074	Ps. 1,755,373	Ps. 758,525	Ps. 5,380,011	Ps. 53,476,475
At December 31, 2014	Ps. 9,447,912	Ps. 35,864,959	Ps. 4,856,976	Ps. 387,905	Ps. 1,069,643	Ps. 1,814,877	Ps. 807,270	Ps. 7,759,966	Ps. 62,009,508
At December 31, 2015	<u>Ps. 9,430,727</u>	<u>Ps. 44,982,873</u>	<u>Ps. 6,816,328</u>	<u>Ps. 405,278</u>	<u>Ps. 1,430,314</u>	<u>Ps. 1,974,221</u>	<u>Ps. 1,110,545</u>	<u>Ps. 9,938,991</u>	<u>Ps. 76,089,277</u>

Depreciation charges are presented in Note 20.

In the third quarter of 2013, Sky entered into an agreement with DirecTV for the acquisition and launch of a satellite (“SM1”), which started service in the third quarter of 2015. In 2015, 2014 and 2013, Sky made investments in connection with the acquisition and launch of the SM1 satellite in the aggregate amount of U.S.\$20.2 million (Ps.307,950), U.S.\$88.8 million (Ps.1,201,906) and U.S.\$70.5 million (Ps.922,365), respectively.

Property, plant and equipment include the following assets under finance leases as of December 31:

	2015	2014
Satellite transponders	Ps. 6,065,509	Ps. 6,065,509
Accumulated depreciation	(2,716,274)	(2,431,232)
	<u>Ps. 3,349,235</u>	<u>Ps. 3,634,277</u>
Technical equipment	Ps. 1,613,024	Ps. 1,456,549
Accumulated depreciation	(575,044)	(437,386)
	<u>Ps. 1,037,980</u>	<u>Ps. 1,019,163</u>

Property, plant and equipment include the following technical equipment leased to our subscribers in the Sky and Cable segments as of December 31:

	2015	2014
Subscriber leased set-top equipment	Ps. 20,138,481	Ps. 15,984,439
Accumulated depreciation	(10,632,773)	(8,892,628)
	<u>Ps. 9,505,708</u>	<u>Ps. 7,091,811</u>

12. Intangible Assets, Net

The analysis of the changes in intangible assets is as follows:

Changes	Intangible Assets with Indefinite Useful Lives			Intangible Assets with Finite Useful Lives				Total
	Goodwill	Trademarks	Concessions	Trademarks	Licenses	Subscriber Lists	Other Intangible Assets	
Cost:								
January 1, 2014	Ps. 2,621,530	Ps. 1,749,402	Ps. 3,655,985	Ps. —	Ps. 3,170,685	Ps. 2,726,844	Ps. 2,108,193	Ps. 16,032,639
Additions	—	—	—	—	1,164,138	—	578,830	1,742,968
Retirements	—	—	—	—	(41,311)	(76,307)	(13,846)	(131,464)
Acquisition of Cablecom	6,913,684	757,040	7,650,430	—	2,007	2,323,288	553,432	18,199,881
Acquisition of TVI	35,593	—	39,302	—	—	—	1,851	76,746
Impairment adjustments	(248,034)	(5,245)	—	—	—	—	—	(253,279)
Transfers and reclassifications	—	—	—	—	279,652	60	(944,812)	(665,100)
Effect of translation	—	30	—	—	319	—	7,015	7,364
December 31, 2014	<u>9,322,773</u>	<u>2,501,227</u>	<u>11,345,717</u>	<u>—</u>	<u>4,575,490</u>	<u>4,973,885</u>	<u>2,290,663</u>	<u>35,009,755</u>
Additions	—	—	—	—	922,818	—	712,305	1,635,123
Retirements	—	(10,000)	—	—	(158,216)	(288)	(14,810)	(183,314)
Acquisition of Telecable	4,885,331	99,398	4,373,855	119,180	—	1,233,808	16,240	10,727,812
Impairment adjustments	(95,478)	(35,587)	—	—	—	—	—	(131,065)
Transfers and reclassifications	—	(1,772,126)	—	1,772,126	—	—	—	—
Effect of translation	—	46	—	—	26,820	—	10,023	36,889
December 31, 2015	<u>Ps. 14,112,626</u>	<u>Ps. 782,958</u>	<u>Ps. 15,719,572</u>	<u>Ps. 1,891,306</u>	<u>Ps. 5,366,912</u>	<u>Ps. 6,207,405</u>	<u>Ps. 3,014,421</u>	<u>Ps. 47,095,200</u>
Amortization:								
January 1, 2014	Ps. —	Ps. —	Ps. —	Ps. —	Ps. (1,826,495)	Ps. (2,023,456)	Ps. (800,377)	Ps. (4,650,328)
Amortization of the year	—	—	—	—	(660,008)	(508,069)	(308,484)	(1,476,561)
Other amortization of the year (1)	—	—	—	—	(5,000)	—	(208,216)	(213,216)
Retirements	—	—	—	—	27,529	39,424	13,382	80,335
Reclassifications	—	—	—	—	(108,453)	—	148,240	39,787
Effect of translation	—	—	—	—	(4,368)	—	(6,990)	(11,358)
December 31, 2014	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(2,576,795)</u>	<u>(2,492,101)</u>	<u>(1,162,445)</u>	<u>(6,231,341)</u>
Amortization of the year	—	—	—	(151,305)	(940,084)	(1,028,837)	(401,963)	(2,522,189)
Other amortization of the year (1)	—	—	—	—	(15,000)	—	(279,860)	(294,860)
Retirements	—	—	—	—	56,503	288	34,280	91,071
Effect of translation	—	—	—	—	(13,767)	—	(17,789)	(31,556)
December 31, 2015	<u>Ps. —</u>	<u>Ps. —</u>	<u>Ps. —</u>	<u>Ps. (151,305)</u>	<u>Ps. (3,489,143)</u>	<u>Ps. (3,520,650)</u>	<u>Ps. (1,827,777)</u>	<u>Ps. (8,988,875)</u>
Carrying value:								
At January 1, 2014	Ps. 2,621,530	Ps. 1,749,402	Ps. 3,655,985	Ps. —	Ps. 1,344,190	Ps. 703,388	Ps. 1,307,816	Ps. 11,382,311
At December 31, 2014	<u>Ps. 9,322,773</u>	<u>Ps. 2,501,227</u>	<u>Ps. 11,345,717</u>	<u>Ps. —</u>	<u>Ps. 1,998,695</u>	<u>Ps. 2,481,784</u>	<u>Ps. 1,128,218</u>	<u>Ps. 28,778,414</u>
At December 31, 2015	<u>Ps. 14,112,626</u>	<u>Ps. 782,958</u>	<u>Ps. 15,719,572</u>	<u>Ps. 1,740,001</u>	<u>Ps. 1,877,769</u>	<u>Ps. 2,686,755</u>	<u>Ps. 1,186,644</u>	<u>Ps. 38,106,325</u>

Amortization charges are presented in Note 20.

(1) Other amortization of the year relates primarily to amortization of soccer player rights, which is included in consolidated cost of sales.

The changes in the net carrying amount of goodwill, indefinite-lived trademarks and concessions for the year ended December 31, 2015 and 2014, were as follows:

	Balance as of December 31, 2014	Acquisitions	Retirements	Foreign Currency Translation Adjustments	Impairment Adjustments	Transfers	Balance as of December 31, 2015
Goodwill:							
Content	Ps. 241,973	Ps. —	Ps. —	Ps. —	Ps. —	Ps. —	Ps. 241,973
Cable	8,908,353	4,885,331	—	—	—	—	13,793,684
Other Businesses	172,447	—	—	—	(95,478)	—	76,969
	<u>Ps. 9,322,773</u>	<u>Ps. 4,885,331</u>	<u>Ps. —</u>	<u>Ps. —</u>	<u>Ps. (95,478)</u>	<u>Ps. —</u>	<u>Ps. 14,112,626</u>

	Balance as of December 31, 2014	Acquisitions	Retirements	Foreign Currency Translation Adjustments	Impairment Adjustments	Transfers	Balance as of December 31, 2015
Indefinite-lived trademarks (see Note 3):							
Cable	Ps. 2,041,331	Ps. 99,398	Ps. —	Ps. —	Ps. —	Ps. (1,772,126)	Ps. 368,603
Other Businesses	459,896	—	(10,000)	46	(35,587)	—	414,355
	<u>Ps. 2,501,227</u>	<u>Ps. 99,398</u>	<u>Ps. (10,000)</u>	<u>Ps. 46</u>	<u>Ps. (35,587)</u>	<u>Ps. (1,772,126)</u>	<u>Ps. 782,958</u>
Concessions (see Note 3):							
Content	Ps. 553,505	Ps. —	Ps. —	Ps. —	Ps. —	Ps. —	Ps. 553,505
Cable	10,696,170	4,373,855	—	—	—	—	15,070,025
Sky	96,042	—	—	—	—	—	96,042
	<u>Ps. 11,345,717</u>	<u>Ps. 4,373,855</u>	<u>Ps. —</u>	<u>Ps. —</u>	<u>Ps. —</u>	<u>Ps. —</u>	<u>Ps. 15,719,572</u>

	Balance as of December 31, 2013	Acquisitions	Foreign Currency Translation Adjustments	Impairment Adjustments	Balance as of December 31, 2014
Goodwill:					
Content	Ps. 241,973	Ps. —	Ps. —	Ps. —	Ps. 241,973
Cable	1,959,076	6,949,277	—	—	8,908,353
Other Businesses	420,481	—	—	(248,034)	172,447
	<u>Ps. 2,621,530</u>	<u>Ps. 6,949,277</u>	<u>Ps. —</u>	<u>Ps. (248,034)</u>	<u>Ps. 9,322,773</u>
Indefinite-lived trademarks (see Note 3):					
Cable	Ps. 1,284,291	Ps. 757,040	Ps. —	Ps. —	Ps. 2,041,331
Other Businesses	465,111	—	30	(5,245)	459,896
	<u>Ps. 1,749,402</u>	<u>Ps. 757,040</u>	<u>Ps. 30</u>	<u>Ps. (5,245)</u>	<u>Ps. 2,501,227</u>
Concessions (see Note 3):					
Content	Ps. 553,505	Ps. —	Ps. —	Ps. —	Ps. 553,505
Cable	3,006,438	7,689,732	—	—	10,696,170
Sky	96,042	—	—	—	96,042
	<u>Ps. 3,655,985</u>	<u>Ps. 7,689,732</u>	<u>Ps. —</u>	<u>Ps. —</u>	<u>Ps. 11,345,717</u>

During the fourth quarter of 2015 and 2014, the Group monitored the market associated with its Publishing business, which is classified into the Other Businesses segment, which has experienced a general slow-down in Latin America. Accordingly, the Group reduced its cash flow expectations for some of its foreign operations. As a result, the Group compared the fair value of the goodwill and trademarks in the reporting units with the related carrying value and recorded an aggregate Ps.131,065 and Ps.253,279, respectively, pre-tax impairment charge in other expense, net, in the consolidated statements of income for the years ended December 31, 2015 and 2014.

The key assumptions used for fair value calculations of goodwill and intangible assets in 2015 were as follows (see Note 14):

	Other Businesses		Cable	
	Minimum	Maximum	Minimum	Maximum
Long-term growth rate	3.20%	4.70%	3.50%	3.80%
Discount rate	12.70%	17.30%	11.50%	12.40%

The key assumptions used for fair value calculations of goodwill and intangible assets in 2014 were as follows:

	Other Businesses		Cable	
	Minimum	Maximum	Minimum	Maximum
Long-term growth rate	3.50%	3.90%	3.50%	3.50%
Discount rate	13.60%	19.40%	10.30%	10.70%

As described in Note 2 (k), beginning in the third quarter of 2015, the Company's management estimated the remaining useful life of four years for acquired trademarks in specific locations of Mexico in connection with the migration to an internally developed trademark in the Group's Cable segment. Amortization of trademarks with a finite useful life amounted to Ps.151,305 for the year ended December 31, 2015. Assuming a useful life of four years, amortization of these trademarks in future years are estimated in the following amounts:

	Year ended December 31,
2016	Ps. 472,827
2017	472,827
2018	472,827
2019	321,520

13. Debt and Finance Lease Obligations

Debt and finance lease obligations outstanding as of December 31, 2015 and 2014, were as follows:

	2015				Effective Interest Rate	2014
	Principal	Interest Payable	Finance Costs	Total		Total
U.S. dollar debt:						
6% Senior Notes due 2018 (1)	Ps. 8,608,000	Ps. 60,256	Ps. (16,224)	Ps. 8,652,032	6.414%	Ps. 7,409,378
6.625% Senior Notes due 2025 (1)	10,329,600	193,895	(354,362)	10,169,133	7.104%	8,630,357
4.625% Senior Notes due 2026 (1)	5,164,800	23,887	(111,378)	5,077,309	5.030%	—
8.50% Senior Notes due 2032 (1)	5,164,800	134,142	(28,701)	5,270,241	9.014%	4,512,938
6.625% Senior Notes due 2040 (1)	10,329,600	315,555	(152,330)	10,492,825	7.047%	8,968,642
5% Senior Notes due 2045 (1)	17,216,000	124,338	(497,534)	16,842,804	5.388%	14,353,463
6.125% Senior Notes due 2046 (1)	15,494,400	94,903	(81,105)	15,508,198	6.490%	—
Total U.S. dollar debt	<u>72,307,200</u>	<u>946,976</u>	<u>(1,241,634)</u>	<u>72,012,542</u>		<u>43,874,778</u>
Mexican peso debt:						
7.38% Notes due 2020 (2)	10,000,000	133,250	(34,090)	10,099,160	7.432%	10,100,307
TIIIE + 0.35% Notes due 2021(2)	6,000,000	8,657	(11,034)	5,997,623	3.744%	5,994,805
TIIIE + 0.35% Notes due 2022 (2)	5,000,000	5,249	(11,060)	4,994,189	3.810%	—
8.49% Senior Notes due 2037 (1)	4,500,000	32,899	(15,528)	4,517,371	8.943%	4,518,767
7.25% Senior Notes due 2043 (1)	6,500,000	54,979	(64,933)	6,490,046	7.918%	6,492,913
Bank loans (3)	4,782,000	—	(3,095)	4,778,905	4.458%	5,879,128
Bank loans (Sky) (4)	—	—	—	—	6.660%	3,513,851
Bank loans (TVI) (5)	2,709,287	2,211	(6,502)	2,704,996	4.794%	1,598,006
Total Mexican peso debt	<u>39,491,287</u>	<u>237,245</u>	<u>(146,242)</u>	<u>39,582,290</u>		<u>38,097,777</u>
Total debt (8)	111,798,487	1,184,221	(1,387,876)	111,594,832		81,972,555
Less: Short-term debt and current portion of long-term debt	2,981,675	1,184,221	(1,828)	4,164,068		1,312,052
Long-term debt, net of current portion	<u>Ps. 108,816,812</u>	<u>Ps. —</u>	<u>Ps. (1,386,048)</u>	<u>Ps. 107,430,764</u>		<u>Ps. 80,660,503</u>
Finance lease obligations:						
Satellite transponder lease obligation (6)	Ps. 4,879,940	Ps. —	Ps. —	Ps. 4,879,940	7.300%	Ps. 4,401,423
Other (7)	925,175	—	—	925,175	7.104%	908,122
Total finance lease obligations	5,805,115	—	—	5,805,115		5,309,545
Less: Current portion	511,556	—	—	511,556		502,166
Finance lease obligations, net of current portion	<u>Ps. 5,293,559</u>	<u>Ps. —</u>	<u>Ps. —</u>	<u>Ps. 5,293,559</u>		<u>Ps. 4,807,379</u>

(1) The Senior Notes due 2018, 2025, 2026, 2032, 2037, 2040, 2043, 2045 and 2046, in the outstanding principal amount of U.S.\$500 million, U.S.\$600 million, U.S.\$300 million, U.S.\$300 million, Ps.4,500,000, U.S.\$600 million, Ps.6,500,000, U.S.\$1,000 million and U.S.\$900 million, respectively, are unsecured obligations of the Company, rank equally in right of payment with all existing and future unsecured and unsubordinated indebtedness of the Company, and are junior in right of payment to all of the existing and future liabilities of the Company's subsidiaries. Interest on the Senior Notes due 2018, 2025, 2026, 2032, 2037, 2040, 2043, 2045 and 2046, including additional amounts payable in respect of certain Mexican withholding taxes, is 6.31%, 6.97%, 4.86%, 8.94%, 8.93%, 6.97%, 7.62%, 5.26% and 6.44% per annum, respectively, and is payable semi-annually. These Senior Notes may not be redeemed prior to maturity, except (i) in the event of certain changes in law affecting the Mexican withholding tax treatment of certain payments on the securities, in which case the securities will be redeemable, as a whole but not in part, at the option of the Company; and (ii) in the event of a change of control, in which case the Company may be required to redeem the securities at 101% of their principal amount. Also, the Company may, at its own option, redeem the Senior Notes due 2018, 2025, 2026, 2037, 2040, 2043 and 2046, in whole or in part, at any time at a redemption price equal to the greater of the principal amount of these Senior Notes or the present value of future cash flows, at the redemption date, of principal and interest amounts of the Senior Notes discounted at a fixed rate of comparable U.S. or Mexican sovereign bonds. The Senior Notes due 2018, 2026, 2032, 2040, 2043, 2045 and 2046 were priced at 99.280%, 99.385%, 99.431%, 98.319%, 99.733%, 96.534%, and 99.677%, respectively, for a yield to maturity of 6.097%, 4.70%, 8.553%, 6.755%, 7.27%, 5.227% and 6.147%.

- respectively. The Senior Notes due 2025 were issued in two aggregate principal amounts of U.S.\$400 million and U.S.\$200 million, and were priced at 98.081% and 98.632%, respectively, for a yield to maturity of 6.802% and 6.787%, respectively. The agreement of these Senior Notes contains covenants that limit the ability of the Company and certain restricted subsidiaries engaged in the Group's Content segment, to incur or assume liens, perform sale and leaseback transactions, and consummate certain mergers, consolidations and similar transactions. The Senior Notes due 2018, 2025, 2026, 2032, 2037, 2040, 2045 and 2046 are registered with the U.S. Securities and Exchange Commission ("SEC"). The Senior Notes due 2043 are registered with both the U.S. SEC and the Mexican Banking and Securities Commission ("Comisión Nacional Bancaria y de Valores").
- (2) In 2010, 2014 and May 2015, the Company issued Notes ("Certificados Bursátiles") due 2020, 2021 and 2022, respectively, through the Mexican Stock Exchange ("Bolsa Mexicana de Valores") in the aggregate principal amount of Ps.10,000,000, Ps.6,000,000 and Ps.5,000,000, respectively. Interest on the Notes due 2020 is 7.38% per annum and is payable semi-annually. Interest on the Notes due 2021 and 2022 is the Equilibrium Interbank Interest Rate ("Tasa de Interés Interbancaria de Equilibrio" or "TIIE") plus 35 basis points per annum and is payable every 28 days. The Company may, at its own option, redeem the Notes due 2020, in whole or in part, at any semi-annual interest payment date at a redemption price equal to the greater of the principal amount of the outstanding Notes and the present value of future cash flows, at the redemption date, of principal and interest amounts of the Notes discounted at a fixed rate of comparable Mexican sovereign bonds. The Company may, at its own option, redeem the Notes due 2021 and 2022, at any date at a redemption price equal to the greater of the principal amount of the outstanding notes and an average price calculated from prices to be provided at the redemption date by two Mexican financial pricing companies. The agreement of these Notes contains covenants that limit the ability of the Company and certain restricted subsidiaries appointed by the Company's Board of Directors, and engaged in the Group's Content segment, to incur or assume liens, perform sale and leaseback transactions, and consummate certain mergers, consolidations and similar transactions.
 - (3) In 2015, includes a long-term credit agreement entered into by the Company with a Mexican bank in the principal amount of Ps.2,500,000, with principal maturities between 2016 and 2018, and an annual interest rate payable on a monthly basis of 28-day TIIE plus 117.5 basis points. Under the terms of this credit agreement, the Company is required to (a) maintain certain financial coverage ratios related to indebtedness and interest expense; and (b) comply with the restrictive covenant on spin-offs, mergers and similar transactions. In 2015 and 2014, includes a long-term bank loan entered into by the Company with a Mexican bank in September 2014, in the principal amount of Ps.1,782,000, with a maturity in 2016, and an annual interest rate payable on a monthly basis of 28-day TIIE plus 15 basis points in 2014, a range between 30 and 70 basis points in 2015, and a range between 70 and 80 basis points in 2016. In 2015, also includes a credit agreement entered into by the Company with a Mexican bank in the aggregate principal amount of Ps.500,000, with a maturity in 2016, and an annual interest rate payable on a monthly basis of 28-day TIIE plus a range between 0 and 30 basis points in 2015, and a range between 30 and 80 basis points in 2016. The proceeds of this credit agreement were used by the Group to prepay long-term debt previously entered into by Telecable and related accrued interest in the aggregate amount of Ps.507,632 (see Note 3). In June 2015, the Company prepaid long-term bank loans in the aggregate amount of Ps.1,600,000, with original principal maturities between 2017 and 2021, and an annual interest rate payable on a monthly basis of a range between 8.77% and 9.4%. The aggregate amount paid by the Company amounted to Ps.1,814,312, which included related accrued interest and fees. In September 2014, the Company prepaid long-term credits in the aggregate principal amount of Ps.4,500,000, which were originally due in 2016.
 - (4) In June 2015, Sky prepaid two long-term loans in the principal amount of Ps.1,400,000 and Ps.2,100,000, with an original maturity in 2016, and annual interest of TIIE plus 24 basis points and 8.74%, respectively, which was payable on a monthly basis. The aggregate amount paid by Sky amounted to Ps.3,651,712, which included related accrued interest, the settlement of a related derivative contract, and fees. This prepayment was funded primarily by a long-term loan made by the Company in the principal amount of Ps.3,500,000, with a maturity in 2022, and an annual interest rate of 7.38%, which is payable on a monthly basis.
 - (5) In 2015, included outstanding balances in the aggregate principal amount of Ps.2,709,287 in connection with certain credit agreements entered into by TVI with Mexican banks, with maturities between 2016 and 2022, bearing interest at an annual rate of TIIE plus a range between 130 and 250 basis points, which is payable on a monthly basis. In 2014, included outstanding balances in the aggregate principal amount of Ps.1,600,607 in connection with certain credit agreements entered into by TVI with Mexican banks, with maturities between 2015 and 2019, bearing interest at an annual rate of TIIE plus a range between 140 and 250 basis points, which is payable on a monthly basis. Under the terms of these credit agreements, TVI is required to comply with certain restrictive covenants and financial coverage ratios.
 - (6) Starting from the fourth quarter of 2012, Sky is obligated to pay a monthly fee of U.S.\$3.0 million under a capital lease agreement entered into with Intelsat Global Sales & Marketing Ltd. ("Intelsat") in March 2010 for satellite signal reception and retransmission service from 24 KU-band transponders on satellite IS-21, which became operational in October 2012. The service term for IS-21 will end at the earlier of (a) the end of 15 years or (b) the date IS-21 is taken out of service (see Note 11).
 - (7) Includes minimum lease payments of property and equipment under leases that qualify as finance leases. In 2015 and 2014, includes Ps.705,806 and Ps.702,630, respectively, in connection with a lease agreement entered into by a subsidiary of the Company and GTAC, for the right to use certain capacity of a telecommunications network through 2029 (see Note 19). This lease agreement provides for annual payments through 2020 and 2021. Other finance leases have terms which expire at various dates between 2016 and 2019.
 - (8) Total debt is presented net of unamortized finance costs as of December 31, 2015 and 2014, in the aggregate amount of Ps.1,387,876 and Ps.1,268,856, respectively and interest payable in the aggregate amount of Ps.1,184,221 and Ps.974,904, respectively.

As of December 31, 2015, the Company is in compliance with all covenants contained in the debt agreements.

As of December 31, 2015, the outstanding principal amounts of U.S.\$330.5 million (Ps.5,689,704) and U.S.\$2,035.5 million (Ps.35,042,577) of long-term debt of the Company are designated as hedging instruments of the net investment and foreign currency fair value, respectively of the

Group's investments in UHI (hedged items) and amounted to an aggregate of U.S.\$2,366.0 million (Ps.40,732,281). The foreign exchange loss derived from the related long-term debt that was recognized in other comprehensive income or loss amounted to Ps.688,399 and Ps.398,818 for the years ended December 31, 2015 and 2014, respectively. A Ps.2,852,491 foreign currency gain from the hedged Warrants designated in the foreign currency fair value hedge was recognized in the consolidated statement of income and was offset by the foreign exchange loss derived from the related long-term debt amounted to Ps.2,852,491 for the year ended December 31, 2015 (see Note 2 (e)).

Maturities of Debt and Finance Lease Obligations

Debt maturities for the years subsequent to December 31, 2015, are as follows:

	<u>Nominal</u>	<u>Unamortized Finance Costs</u>
2016	Ps. 2,981,675	Ps. (1,828)
2017	1,469,385	(1,516)
2018	9,505,689	(17,348)
2019	954,356	(2,868)
2020	10,457,689	(34,996)
Thereafter	86,429,693	(1,329,320)
	<u>Ps. 111,798,487</u>	<u>Ps. (1,387,876)</u>

Future minimum payments under finance lease obligations for the years subsequent to December 31, 2015, are as follows:

2016	Ps. 888,051
2017	813,370
2018	804,315
2019	810,196
2020	770,269
Thereafter	4,241,646
	<u>8,327,847</u>
Less: Amount representing interest	2,522,732
	<u>Ps. 5,805,115</u>

14. Financial Instruments

The Group's financial instruments presented in the consolidated statements of financial position included cash and cash equivalents, temporary investments, accounts and notes receivable, a long-term loan receivable from GTAC, Convertible Debentures issued by UHI with an option to convert these debentures into common stock of UHI, which were exchanged in July 2015 for Warrants that are exercisable for UHI's common stock, debt securities classified as held-to-maturity investments, investments in securities in the form of an open-ended fund classified as available-for-sale investments, accounts payable, debt, and derivative financial instruments. For cash and cash equivalents, temporary investments, accounts receivable, accounts payable, and short-term notes payable due to banks and other financial institutions, the carrying amounts approximate fair value due to the short maturity of these instruments. The fair value of the Group's long-term debt securities are based on quoted market prices.

The fair value of the long-term loans that the Group borrowed from leading Mexican banks (see Note 13) has been estimated using the borrowing rates currently available to the Group for bank loans with similar terms and average maturities. The fair value of held-to-maturity securities, available-for-sale investments, and currency option and interest rate swap agreements were determined by using valuation techniques that maximize the use of observable market data.

The carrying and estimated fair values of the Group's non-derivative financial instruments as of December 31, 2015 and 2014, were as follows:

	2015		2014	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Assets:				
Temporary investments	Ps. 5,330,448	Ps. 5,330,448	Ps. 4,788,585	Ps. 4,788,585
Trade notes and accounts receivable, net	21,702,128	21,702,128	21,087,163	21,087,163
Convertible Debentures due 2025 issued by UHI (see Note 9)	—	—	10,421,478	10,421,478
Embedded derivative in Convertible Debentures issued by UHI	—	—	17,447,857	17,447,857
Warrants issued by UHI (see Note 9)	35,042,577	35,042,577	—	—
Long-term loan and interest receivable from GTAC (see Note 10)	684,259	687,506	677,315	675,198
Held-to-maturity investments (see Note 9)	134,034	133,824	461,047	460,236
Shares of common stock of Imagina (see Note 9)	—	—	836,037	836,037
Available-for-sale investments (see Note 9)	5,873,243	5,873,243	5,511,768	5,511,768
Liabilities:				
Senior Notes due 2018, 2025, 2032 and 2040	Ps. 34,432,000	Ps. 38,190,597	Ps. 29,522,600	Ps. 36,225,101
Senior Notes due 2045	17,216,000	14,860,851	14,761,300	15,015,785
Senior Notes due 2037 and 2043	11,000,000	9,620,550	11,000,000	10,283,880
Senior Notes due 2026 and 2046	20,659,200	20,650,007	—	—
Notes due 2020	10,000,000	10,437,500	10,000,000	10,469,000
Notes due 2021	6,000,000	5,996,640	6,000,000	6,012,300
Notes due 2022	5,000,000	4,957,300	—	—
Short-term loans and long-term notes payable to Mexican banks	7,491,287	7,561,955	10,982,607	11,413,185
Finance lease obligations	5,805,115	5,179,052	5,236,046	4,920,298

The carrying values (based on estimated fair values), notional amounts, and maturity dates of the Group's derivative financial instruments as of December 31, 2015 and 2014, were as follows:

2015:	Carrying Value	Notional Amount (U.S. Dollars in Thousands)	Maturity Date
Derivative Financial Instruments			
Liabilities:			
Derivatives not recorded as accounting hedges:			
TVI's interest rate swap (d)	Ps. 8,113	Ps. 1,985,847	February 2016 through May 2022
Derivatives recorded as accounting hedges (cash flow hedges):			
Interest rate swap (c)	116,108	Ps. 2,500,000	September 2016 and March 2018
Interest rate swap (e)	99,567	Ps. 6,000,000	April 2021
Interest rate swap (f)	3,274	Ps. 1,000,000	May 2022
Total liabilities	Ps. 227,062		
2014:			
Derivative Financial Instruments			
Assets:			
Derivatives not recorded as accounting hedges:			
Options (b)	Ps. 2,894	U.S. \$135,000	November 2015
Total assets (1)	Ps. 2,894		
Liabilities:			
Derivatives not recorded as accounting hedges:			
Sky's interest rate swap (a)	Ps. 79,939	Ps. 1,400,000	April 2016
TVI's interest rate swap (d)	10,376	Ps. 1,567,607	February 2016 and July 2019
Derivatives recorded as accounting hedges (cash flow hedges):			
Interest rate swap (c)	175,025	Ps. 2,500,000	September 2016 and March 2018
Interest rate swap (e)	69,762	Ps. 3,000,000	April 2021
Total liabilities	Ps. 335,102		

(1) Includes derivative financial instruments of Ps. 2,894 that were classified in current assets in the consolidated statement of financial position as of December 31, 2014.

(a) Sky has entered into derivative transaction agreements through April 2016 to hedge the variable interest rate exposure resulting from a Mexican peso loan of a total principal amount of Ps. 1,400,000. Under these transactions, Sky receives 28-day payments based on an aggregate notional amount of Ps. 1,400,000 at an annual variable rate of THIE+24 basis points and makes 28-day payments based on the

- same notional amount at an annual fixed rate of 8.415%. As a result of the change in fair value of these transactions, the Group recorded a loss of Ps.8,263, Ps.25,951 and Ps.37,445 in consolidated other finance expense for the years ended December 31, 2015, 2014 and 2013, respectively (see Note 13).
- (b) The Company entered into derivative agreements (“knock-out option calls”) with financial institutions to reduce the adverse effect of exchange rates on the Senior Notes due 2018, 2025, 2032 and 2040, and hedge against severe Mexican peso depreciation on interest payments made in the second half of 2012, 2013, 2014 and 2015. Under these transactions, the Company had the option to receive an aggregate amount of U.S.\$135.0 million in exchange for an aggregate amount of Ps.2,497,500 as of December 31, 2014 with a maturity date in November 2015, and U.S.\$270 million in exchange for aggregate amount of Ps.4,995,000 as of December 31, 2013, with maturity dates in November 2014 and November 2015, only if the exchange rate of the Mexican peso during each agreement period was not above a limit agreed between the parties. If the exchange rate exceeded such limit at any time during the agreement period, the option would be extinguished. The Company has recognized the change in fair value of these transactions in consolidated other finance expense.
- (c) The Company has entered into a derivative transaction agreement (interest rate swap) through March 2018 to hedge the variable interest rate exposure resulting from a Mexican peso loan of a total principal amount of Ps.2,500,000. Under this transaction, the Company receives monthly payments based on an aggregate notional amount of Ps.2,500,000 through September 2016, Ps.1,875,000 through March 2017, Ps.1,250,000 through September 2017, and Ps.625,000 through March 2018, at an annual variable rate of TIIE and makes monthly payments based on the same notional amount at an annual fixed rate of 7.4325%. The Company has recognized the change in fair value of this transaction in other comprehensive income or loss attributable to stockholders of the Company, and in consolidated other finance income or expense at the time of the interest payments. The Company has recognized the change in fair value of this transaction as an accounting hedge, and recorded a cumulative loss of Ps.116,108 in other comprehensive income or loss attributable to stockholders of the Company as of December 31, 2015. In 2015, the Company recorded a loss of Ps.104,621 for this transaction agreement in consolidated other finance expense.
- (d) In 2015, 2014 and 2013, TVI entered into several derivative transaction agreements (interest rate swaps) with two financial institutions from August 2013 through May 2022 to hedge the variable interest rate exposure resulting from a Mexican peso loan of a total principal amount of Ps.750,000, Ps.300,000 and Ps.500,000, respectively. Under these transactions, the Company receives monthly payments based on aggregate notional amounts of Ps.750,000, Ps.300,000 and Ps.500,000 and makes payments based on the same notional at annual fixed rate of 5.3875%, 4.9392% and 5.2189%, respectively. As a result of the change in fair value of these transactions, in the years ended December 31, 2015, 2014 and 2013, TVI recorded a loss of Ps.28,659, Ps.22,147 and Ps.23,588, respectively, in consolidated other finance expense.
- (e) In March 2015 and April 2014, the Company entered into a derivative transaction agreement (interest rate swap) through April 2021 to hedge the variable interest rate exposure resulting from TIIE plus 0.35% Notes due 2021. Under this transaction, the Company receives 28-day TIIE payments based on a principal amount of Ps.6,000,000 and makes 28-day payments based on the same notional amount at an annual fixed rate of 5.9351%. The Company has recognized the change in fair value of this transaction as an accounting hedge, and recorded a cumulative loss of Ps.99,567 in other comprehensive income or loss attributable to stockholders of the Company for the year ended December 31, 2015. In 2015, the Company recorded a loss of Ps.136,198 for this transaction agreement in consolidated other finance expense.
- (f) In June 2015, the Company entered into a derivative transaction agreement (interest rate swap) through May 2022 to hedge the variable interest rate exposure resulting from TIIE plus 0.35% Notes due 2022. Under this transaction, the Company receives 28-day TIIE payments based on a principal amount of Ps.1,000,000 and makes 28-day payments based on the same notional amount at an annual fixed rate of 5.9075%. The Company has recognized the change in fair value of this transaction as an accounting hedge, and recorded a loss of Ps.3,274 in other comprehensive income or loss attributable to stockholders of the Company for the year ended December 31, 2015. In 2015, the Company recorded a loss of Ps.12,097 for this transaction agreement in consolidated other finance expense.

Fair Value Measurement

Assets and Liabilities Measured at Fair Value on a Recurring Basis

All fair value adjustments as of December 31, 2015 and 2014 represent assets or liabilities measured at fair value on a recurring basis. In determining fair value, the Group’s financial instruments are separated into three categories: temporary investments, available-for-sale investments and derivative instruments.

Financial assets and liabilities measured at fair value as of December 31, 2015 and 2014:

	Balance as of December 31, 2015	Quoted Prices in Active Markets for Identical Assets (Level 1)	Internal Models with Significant Observable Inputs (Level 2)	Internal Models with Significant Unobservable Inputs (Level 3)
Assets:				
Temporary investments	Ps. 5,330,448	Ps. 5,330,448	Ps. —	Ps. —
Available-for-sale financial assets:				
Available-for-sale investments	5,873,243	—	5,873,243	—
Warrants issued by UHI	35,042,577	—	—	35,042,577
Total	Ps. 46,246,268	Ps. 5,330,448	Ps. 5,873,243	Ps. 35,042,577
Liabilities:				
Derivative financial instruments	Ps. 227,062	Ps. —	Ps. 227,062	Ps. —
Total	Ps. 227,062	Ps. —	Ps. 227,062	Ps. —

	Balance as of December 31, 2014	Quoted Prices in Active Markets for Identical Assets (Level 1)	Internal Models with Significant Observable Inputs (Level 2)	Internal Models with Significant Unobservable Inputs (Level 3)
Assets:				
Temporary investments	Ps. 4,788,585	Ps. 4,788,585	Ps. —	Ps. —
Available-for-sale financial assets:				
Available-for-sale investments	5,511,768	—	5,511,768	—
Convertible Debentures due 2025 issued by UHI	10,421,478	—	—	10,421,478
Embedded derivative in Convertible Debentures issued by UHI	17,447,857	—	—	17,447,857
Shares of Common Stock of Imagina	836,037	—	—	836,037
Derivative financial instruments	2,894	—	2,894	—
Total	Ps. 39,008,619	Ps. 4,788,585	Ps. 5,514,662	Ps. 28,705,372
Liabilities:				
Derivative financial instruments	Ps. 335,102	Ps. —	Ps. 335,102	Ps. —
Total	Ps. 335,102	Ps. —	Ps. 335,102	Ps. —

The table below presents the reconciliation for all assets and liabilities measured at fair value using internal models with significant unobservable inputs (Level 3) during the years ended December 31, 2015 and 2014:

	2015	2014
Balance at beginning of year	Ps. 28,705,372	Ps. 33,344,714
Included in finance income or expense	4,275,122	3,082,374
Included in other comprehensive income	4,027,621	2,454,884
Additional investment in Imagina	341,710	—
Exchange of Convertible Debentures, reclassification of investment in Imagina and partial exercise of Warrants	(32,889,675)	—
Warrants	30,582,427	—
Acquisition of Cablecom	—	(10,176,600)
Balance at the end of year	Ps. 35,042,577	Ps. 28,705,372

Temporary Investments

Temporary investments include highly liquid securities, including without limitation debt with a maturity of three months, or over, and up to one year at the consolidated statement of financial position date, stock and other financial instruments, or a combination thereof, denominated principally in U.S. dollars and Mexican pesos (see Notes 2 (f) and 6).

Temporary investments are generally valued using quoted market prices or alternative pricing sources with reasonable levels of price transparency. The types of instruments valued based on quoted market prices in active markets include mostly fixed short-term deposits, equities and corporate fixed income securities denominated in U.S. dollars and Mexican pesos. Such instruments are classified in Level 1 or Level 2 depending on the observability of the significant inputs.

Available-for-Sale Financial Assets

Investments in debt securities or with readily determinable fair values, not classified as held-to-maturity are classified as “available-for-sale,” and are recorded at fair value with unrealized gains and losses included in consolidated stockholders’ equity as accumulated other comprehensive result.

Available-for-sale financial assets are generally valued using quoted market prices or alternative pricing sources with reasonable levels of price transparency. Such instruments are classified in Level 1, Level 2, and Level 3 depending on the observability of the significant inputs.

As of December 31, 2014 and 2013, the Group has made judgments and used several estimates and assumptions for determining the fair value calculations of the UHI Convertible Debentures due 2025, the UHI embedded derivative and the shares of common stock of Imagina. These estimates and assumptions include, among others, expected long-term growth rates and operating margins, which are used to calculate projected future cash flows. The Group also utilizes risk-adjusted discount rates to determine weighted average cost of capital. All of our estimates are based on historical data, internal estimates and observable external sources when available, and are consistent with the strategic plans of the underlying business.

Available-for-Sale Investments — Open Ended Fund

The Group has an investment in an open ended fund that has as a primary objective to achieve capital appreciation by using a broad range of strategies through investments and transactions in telecom, media and other sectors across global markets, including Latin America and other emerging markets. Shares may be redeemed on a quarterly basis at the NAV per share as of such redemption date (see Notes 4 and 9).

UHI Convertible Debentures due 2025

As described in Note 9, in December 2010, the Company made a cash investment in the form of Convertible Debentures due 2025 issued by UHI, the parent company of Univision, in the principal amount of U.S.\$1,125 million (Ps.16,606,463), which were convertible at the Company's option into additional shares equivalent to approximately 30% equity stake of UHI, subject to existing laws and regulations in the United States, and other conditions. The Group's option of converting these debentures into an equity stake of UHI was accounted for as an embedded derivative with changes in fair value recognized in consolidated income (see Notes 4 and 9).

The Group determined the fair value of the Convertible Debentures using the income approach based on post-tax discounted cash flows. The income approach requires management to make judgments and involves the use of significant estimates and assumptions. These estimates and assumptions include long-term growth rates and operating margins used to calculate projected future cash flows, risk-adjusted discount rates based on weighted average cost of capital within a range of 8% to 10%, among others. The Group's estimates for market growth were based on historical data, various internal estimates and observable external sources when available, and are based on assumptions that are consistent with the strategic plans and estimates used to manage the underlying business. Since the described methodology is an internal model with significant unobservable inputs, the Convertible Debentures were classified in Level 3.

In the case of the embedded derivative in the UHI Convertible Debentures, the Group used recognized industry standard option pricing models ("OPM"). The OPM requires management to make judgments and involves the use of significant estimates and assumptions. These estimates and assumptions include UHI stock's spot price at valuation date and the stocks expected volatility. UHI stock's spot price at valuation date was obtained by using a discounted projected cash flow model that used the inputs described in the paragraph above. UHI stock's volatility was obtained from publicly available information about comparable companies' stock through determining an average of such companies' annual volatility. Since the described methodology is an internal model with significant unobservable inputs, the UHI embedded derivative was classified as Level 3.

Unobservable inputs that contributed to a significantly higher fair value measurement of the Group's investment in UHI as of December 31, 2014, included better financial performance primarily in consolidated revenue and net income for the years ended December 31, 2014 and 2013 compared to the prior year, as well as higher credit ratings. Other assumptions used as of December 31, 2014 included UHI stock's spot price of U.S.\$402 and UHI stock's expected volatility of 24%.

UHI Warrants

As described in Note 3, in July 2015, the Group exchanged its investment in U.S.\$1,125 million principal amount of Convertible Debentures due 2025 issued by UHI for Warrants that are exercisable for UHI's common stock.

The Group determined the fair value of its investment in Warrants using the Black-Scholes model ("BSM"). The BSM involves the use of significant estimates and assumptions. These estimates and assumptions include the UHI stock's spot price at valuation date and the stock's expected volatility. UHI stock's price at valuation date was obtained by using a discounted projected cash flow model. UHI stock's volatility was obtained from publicly available information of comparable companies' stock through determining an average of such companies' annual volatility. Since the described methodology was an internal model with significant unobservable inputs, the UHI Warrants are classified as Level 3.

Unobservable inputs used as of December 31, 2015 included UHI stock's spot price of U.S.\$443 per share and UHI stock's expected volatility of 29%.

Imagina Equity Financial Instrument

The significant unobservable inputs related to the fair value measurement of the Company's investment in Imagina's common stock for the year ended December 31, 2014, were (a) a discount rate of 9.59%, and (b) an exit multiple of 9.71 times.

Ares Convertible and Long-term Debt Instruments

As described in Note 3, in July 2013, the Group made an investment in the principal amount of Ps.7,000,000 in convertible debt instruments which, subject to regulatory approvals, would allow the Group to acquire 95% of the equity interest of Ares, owner of 51% of the equity interest of Cablecom. In addition, as part of this transaction, the Group also invested in a long-term debt instrument issued by Ares in the principal amount of U.S.\$195 million. The Ares convertible and long-term debt instruments were converted into equity in August 2014.

The Group determined the fair value of the convertible debt instruments as of December 31, 2013 using the expected present value valuation methodology based on post-tax discontinued cash flows. The expected present value methodology required management to make judgments and involved the use of significant estimates and assumptions. These estimates and assumptions included long-term growth rates, operating margins used to calculate projected future cash flow and risk-adjusted discount rates based on weighted average cost of capital within a range of 5.5% to 6.5%, among others. The Group's estimates for market growth were based on current conditions and reasonable forecasts, various internal estimates and observable external sources when available, and were based on assumptions that were consistent with the strategic plans and estimates used to manage the underlying business. Since the described methodology was an internal model with significant unobservable inputs, the convertible debt instruments were classified in Level 3 as of December 31, 2013.

Disclosures for Each Class of Assets and Liabilities Subject to Recurring Fair Value Measurements Categorized Within Level 3

For the year ended December 31, 2013, there were no gains or losses for the period included in consolidated net income that were attributable to the change in unrealized gains or losses relating to the Group's assets categorized within Level 3 held at the end of that year.

The Corporate Finance Department of the Company has established rules for a proper portfolio asset classification according to the fair value hierarchy defined by the IFRSs. On a monthly basis, any new assets recognized in the portfolio are classified according to this criterion. Subsequently, there is a quarterly review of the portfolio in order to analyze the need for a change in classification of any of these assets.

Sensitivity analysis is performed on the Group's investments with significant unobservable inputs (Level 3) in order to obtain a reasonable range of possible alternative valuations. This analysis is carried out by the Corporate Finance Department of the Company.

As of December 31, 2015 and 2014 the effect on consolidated income and consolidated equity of changing the main assumptions used for the measurement of Level 3 financial instruments for other reasonably possible models, taking the highest or lowest value of the range reasonably possible, would be as follows:

Financial Assets Level 3	Main Assumptions Used	Sensitivity	Potential Impact on Consolidated Income Statement		Potential Impact on Consolidated Equity	
			Most Favorable Assumptions 2015	Least Favorable Assumptions 2015	Most Favorable Assumptions 2015	Least Favorable Assumptions 2015
Warrants issued by UHI	Price per Share	+/-10%	Ps. —	Ps. —	Ps. 3,504,321	Ps. (3,504,321)
Total			Ps. —	Ps. —	Ps. 3,504,321	Ps. (3,504,321)

Financial Assets Level 3	Main Assumptions Used	Sensitivity	Potential Impact on Consolidated Income Statement		Potential Impact on Consolidated Equity	
			Most Favorable Assumptions 2014	Least Favorable Assumptions 2014	Most Favorable Assumptions 2014	Least Favorable Assumptions 2014
UHI Convertible Debentures due 2025	Discount rate	-/+1	Ps. —	Ps. —	Ps. 1,066,694	Ps. (958,700)
Embedded derivate UHI	Volatility	+/-10%	356,675	(342,412)	—	—
Shares of common stock of Imagina	Exit multiple/discount rate	+/-10%	—	—	151,551	(148,966)
Total			Ps. 356,675	Ps. (342,412)	Ps. 1,218,245	Ps. (1,107,666)

Derivative Financial Instruments

Derivative financial instruments include swaps, forwards and options (see Notes 2 (v) and 4).

The Group’s derivative portfolio is entirely over-the-counter (“OTC”). The Group’s derivatives are valued using industry standard valuation models; projecting future cash flows discounted to present value, using market-based observable inputs including interest rate curves, foreign exchange rates, and forward and spot prices for currencies.

When appropriate, valuations are adjusted for various factors such as liquidity, bid/offer spreads and credit spreads considerations. Such adjustments are generally based on available market evidence. In the absence of such evidence, management’s best estimate is used. All derivatives are classified in Level 2.

Assets and Liabilities Measured at Fair Value on a Non-Recurring Basis

The majority of the Group’s non-financial instruments, which include goodwill, intangible assets, inventories, transmission rights and programming and property, plant and equipment, are not required to be carried at fair value on a recurring basis. However, if certain triggering events occur (or at least annually in the fourth quarter for goodwill and indefinite-lived intangible assets) such that a non-financial instrument is required to be evaluated for impairment, a resulting asset impairment would require that the non-financial instrument be recorded at the lower of carrying amount or its fair value.

The impairment test for goodwill involves a comparison of the estimated fair value of each of the Group’s reporting units to its carrying amount, including goodwill. The Group determines the fair value of a reporting unit using a combination of a discounted cash flow analysis and a market-based approach, which utilize significant unobservable inputs (Level 3) within the fair value hierarchy. The impairment test for intangible assets not subject to amortization involves a comparison of the estimated fair value of the intangible asset with its carrying value. The Group determines the fair value of the intangible asset using a discounted cash flow analysis, which utilizes significant unobservable inputs (Level 3) within the fair value hierarchy. Determining fair value requires the exercise of significant judgment, including judgment about appropriate discount rates, perpetual growth rates, the amount and timing of expected future cash flows for a period of time that comprise five years, as well as relevant comparable company earnings multiples for the market-based approach.

Once an asset has been impaired, it is not remeasured at fair value on a recurring basis; however, it is still subject to fair value measurements to test for recoverability of the carrying amount.

15. Post-employment Benefits

Certain companies in the Group have collective bargaining contracts which include defined benefit pension plans and other retirement benefits for substantially all of their employees. Additionally, the Group has defined benefit pension plans for certain eligible executives and employees. 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.

Post-employment benefits are actuarially determined by using nominal assumptions and attributing the present value of all future expected benefits proportionately over each year from date of hire to age 65.

The Group used actuarial assumptions to determine the present value of defined benefit obligations, as follows:

	<u>2015</u>	<u>2014</u>
Discount rate	6.9%	7%
Salary scale	5%	5%
Inflation rate	3.5%	3.5%

Had the discount rate of 6.9% used by the Group in 2015 been decreased by 50 basis points, the impact on defined benefit obligation would have been an increase of Ps.2,588,549 as of December 31, 2015.

Had the discount rate of 7.0% used by the Group in 2014 been decreased by 50 basis points, the impact on defined benefit obligation would have been an increase of Ps.2,539,000 as of December 31, 2014.

The reconciliation between defined benefit obligations and post-employment benefit liability (asset) in the consolidated statements of financial position as of December 31, 2015 and 2014, is presented as follows:

	<u>Pensions</u>	<u>Seniority Premiums</u>	<u>2015</u>
Vested benefit obligations	Ps. 486,556	Ps. 301,829	Ps. 788,385
Unvested benefit obligations	1,575,326	108,014	1,683,340
Defined benefit obligations	2,061,882	409,843	2,471,725
Fair value of plan assets	1,468,234	596,312	2,064,546
Underfunded (overfunded) status of the plan assets	593,648	(186,469)	407,179
Post-employment benefit liability (asset)	<u>Ps. 593,648</u>	<u>Ps. (186,469)</u>	<u>Ps. 407,179</u>

	<u>Pensions</u>	<u>Seniority Premiums</u>	<u>2014</u>
Vested benefit obligations	Ps. 445,487	Ps. 275,461	Ps. 720,948
Unvested benefit obligations	1,604,009	91,259	1,695,268
Defined benefit obligations	2,049,496	366,720	2,416,216
Fair value of plan assets	1,540,177	588,880	2,129,057
Underfunded (overfunded) status of the plan assets	509,319	(222,160)	287,159
Post-employment benefit liability (asset)	<u>Ps. 509,319</u>	<u>Ps. (222,160)</u>	<u>Ps. 287,159</u>

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

	<u>2015</u>	<u>2014</u>
Service cost	Ps. 137,121	Ps. 134,662
Interest cost	150,384	140,770
Prior service cost for plan amendments	(109,976)	15,415
Interest of assets	(139,195)	(133,336)
Net cost	<u>Ps. 38,334</u>	<u>Ps. 157,511</u>

The Group's defined benefit obligations, plan assets, funded status and balances in the consolidated statements of financial position as of December 31, 2015 and 2014, associated with post-employment benefits are presented as follows:

	<u>Pensions</u>	<u>Seniority Premiums</u>	<u>2015</u>	<u>2014</u>
Defined benefit obligations:				
Beginning of year	Ps. 2,049,496	Ps. 366,720	Ps. 2,416,216	Ps. 2,095,512
Service cost	97,942	39,179	137,121	134,662
Interest cost	125,598	24,786	150,384	140,770
Benefits paid	(114,459)	(63,365)	(177,824)	(77,844)
Remeasurement of post-employment benefit obligations	10,246	38,360	48,606	46,253

	Pensions	Seniority Premiums	2015	2014
Past service cost	(106,941)	(3,035)	(109,976)	15,415
Business acquisition	—	7,198	7,198	61,638
Liquidated obligations	—	—	—	(190)
End of year	2,061,882	409,843	2,471,725	2,416,216
Fair value of plan assets:				
Beginning of year	1,540,177	588,880	2,129,057	2,015,702
Remeasurement return on plan assets	99,253	39,942	139,195	133,336
Remeasurement of post-employment benefit obligations	(88,016)	(32,510)	(120,526)	18,442
Benefits paid	(83,180)	—	(83,180)	(38,423)
End of year	1,468,234	596,312	2,064,546	2,129,057
Underfunded (overfunded) status of the plan assets	Ps. 593,648	Ps. (186,469)	Ps. 407,179	Ps. 287,159

The changes in the net post-employment liability (asset) in the consolidated statements of financial position as of December 31, 2015 and 2014, are as follows:

	Pensions	Seniority Premiums	2015	2014
Beginning net post-employment liability (asset)	Ps. 509,319	Ps. (222,160)	Ps. 287,159	Ps. 79,810
Net periodic cost	17,346	20,988	38,334	157,511
Remeasurement of post—employment benefits	98,262	70,870	169,132	27,811
Benefits paid	(31,279)	(63,365)	(94,644)	(39,611)
Business acquisition	—	7,198	7,198	61,638
Ending net post-employment liability (asset)	Ps. 593,648	Ps. (186,469)	Ps. 407,179	Ps. 287,159

The post-employment benefits as of December 31, 2015 and 2014 and remeasurements adjustments for the years ended December 31, 2015 and 2014, are summarized as follows:

	2015	2014
Pensions:		
Defined benefit obligations	Ps. 2,061,882	Ps. 2,049,496
Plan assets	1,468,234	1,540,177
Unfunded status of the plans	593,648	509,319
Remeasurements adjustments (1)	98,262	28,462
Seniority premiums:		
Defined benefit obligations	Ps. 409,843	Ps. 366,720
Plan assets	596,312	588,880
Overfunded status of the plans	(186,469)	(222,160)
Remeasurements adjustments (1)	70,870	(651)

(1) On defined benefit obligations and plan assets.

Pension and Seniority Premium Plan Assets

The plan assets are invested according to specific investment guidelines determined by the technical committees of the pension plan and seniority premiums trusts and in accordance with actuarial computations of funding requirements. These investment guidelines require a minimum investment 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 “AAA” 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’s target allocation in the foreseeable future is to maintain approximately 20% in equity securities and 80% in fixed rate instruments.

[Table of Contents](#)

The weighted average asset allocation by asset category as of December 31, 2015 and 2014, was as follows:

	2015	2014
Equity securities (1)	27.6%	28.5%
Fixed rate instruments	72.4%	71.5%
Total	100.0%	100.0%

(1) Included within plan assets at December 31, 2015 and 2014, are shares of the Company held by the trust with a fair value of Ps.291,138 and Ps.313,473, respectively.

The weighted average expected long-term rate of return of plan assets of 6.9% and 7.0% were used in determining net periodic pension cost in 2015 and 2014, respectively. The rate used reflected an estimate of long-term future returns for the plan assets. This estimate was primarily a function of the asset classes (equities versus fixed income) in which the plan assets were invested and the analysis of past performance of these asset classes over a long period of time. This analysis included expected long-term inflation and the risk premiums associated with equity investments and fixed income investments.

The following table summarizes the Group's plan assets measured at fair value on a recurring basis as of December 31, 2015 and 2014:

	Balance as of December 31, 2015	Quoted Prices in Active Markets for Identical Assets (Level 1)	Internal Models with Significant Observable Inputs (Level 2)	Internal Models with Significant Unobservable Inputs (Level 3)
Common stocks (1)	Ps. 291,138	Ps. 291,138	Ps. —	Ps. —
Mutual funds (fixed rate instruments) (2)	812,695	812,695	—	—
Money market securities (3)	691,044	691,044	—	—
Other equity securities	269,669	269,669	—	—
Total investment assets	Ps. 2,064,546	Ps. 2,064,546	Ps. —	Ps. —

	Balance as of December 31, 2014	Quoted Prices in Active Markets for Identical Assets (Level 1)	Internal Models with Significant Observable Inputs (Level 2)	Internal Models with Significant Unobservable Inputs (Level 3)
Common stocks (1)	Ps. 313,473	Ps. 313,473	Ps. —	Ps. —
Mutual funds (fixed rate instruments) (2)	911,254	911,254	—	—
Money market securities (3)	616,929	616,929	—	—
Other equity securities	287,401	287,401	—	—
Total investment assets	Ps. 2,129,057	Ps. 2,129,057	Ps. —	Ps. —

- (1) Common stocks are valued at the closing price reported on the active market on which the individual securities are traded. All common stock included in this line item relate to the Company's CPOs.
- (2) Mutual funds consist of fixed rate instruments. These are valued at the net asset value provided by the administrator of the fund.
- (3) Money market securities consist of government debt securities, which are valued based on observable prices from the new issue market, benchmark quotes, secondary trading and dealer quotes.

The Group did not make contributions to its plan assets in 2015 and 2014 and does not expect to make significant contributions to its plan assets in 2016.

The weighted average durations of the defined benefit plans as of December 31, 2015 and 2014, were as follows:

	2015	2014
Seniority Premiums	14.1 years	15.1 years
Pensions	18.8 years	19.6 years

16. Capital Stock and Long-term Retention Plan

Capital Stock

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

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

At December 31, 2015, shares of capital stock and CPOs consisted of (in millions):

	Authorized and Issued (1)	Held by a Company’s Trust (2)	Outstanding
Series “A” Shares	123,273.9	(7,864.9)	115,409.0
Series “B” Shares	58,982.9	(5,642.6)	53,340.3
Series “D” Shares	90,086.5	(5,227.0)	84,859.5
Series “L” Shares	90,086.5	(5,227.0)	84,859.5
Total	362,429.8	(23,961.5)	338,468.3
Shares in the form of CPOs	301,145.5	(17,473.1)	283,672.4
Shares not in the form of CPOs	61,284.3	(6,488.4)	54,795.9
Total	362,429.8	(23,961.5)	338,468.3
CPOs	2,573.9	(149.3)	2,424.6

(1) As of December 31, 2015, the authorized and issued capital stock amounted to Ps.4,978,126 (nominal Ps.2,494,410).

(2) In connection with the Company’s Long-Term Retention Plan described below.

A reconciliation of the number of shares and CPOs outstanding for the years ended December 31, 2015 and 2014, is presented as follows (in millions):

	Series “A” Shares	Series “B” Shares	Series “D” Shares	Series “L” Shares	Shares Outstanding	CPOs Outstanding
As of January 1, 2014	114,197.5	52,920.5	84,191.5	84,191.5	335,501.0	2,405.5
Acquired (1)	(71.1)	(62.6)	(99.6)	(99.6)	(332.9)	(2.9)
Released (1)	910.1	473.0	752.5	752.5	2,888.1	21.5
As of December 31, 2014	115,036.5	53,330.9	84,844.4	84,844.4	338,056.2	2,424.1
Acquired (1)	(518.7)	(456.5)	(726.2)	(726.2)	(2,427.6)	(20.7)
Released (1)	891.2	465.9	741.3	741.3	2,839.7	21.2
As of December 31, 2015	115,409.0	53,340.3	84,859.5	84,859.5	338,468.3	2,424.6

(1) By a Company’s trust in connection with the Company’s Long-Term Retention Plan described below.

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 a preferred dividend equal to 5% of the nominal capital attributable to those Shares (nominal Ps.0.00034412306528 per share) before any dividends are payable in respect of Series “A” Shares, Series “B” Shares or Series “L” Shares. Holders of Series “A” Shares, Series “B” Shares and Series “L” Shares are entitled to receive the same dividends as holders of Series “D” Shares if stockholders declare dividends in addition to the preferred dividend that holders of Series “D” Shares are entitled to. If the Company is liquidated, Series “D” Shares are entitled to a

liquidation preference equal to the nominal capital attributable to those Shares nominal Ps.0.00688246130560 per share before any distribution is made in respect of Series “A” Shares, Series “B” Shares and Series “L” Shares.

At December 31, 2015, the restated for inflation tax value of the Company’s common stock was Ps.43,869,927. 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 17).

Long-Term Retention Plan

The Company has adopted a Long-Term Retention Plan for the conditional sale of the Company’s capital stock to key Group employees under a special purpose trust.

At the Company’s annual general ordinary stockholders’ meeting held on April 2, 2013, the Company’s stockholders approved that the number of CPOs that may be granted annually under the Long-Term Retention Plan shall be up to 1.5% of the capital of the Company. As of December 31, 2015, approximately 86.5 million CPOs or CPO equivalents that were transferred to Plan Participants were sold in the open market during 2013, 2014 and 2015. Additional sales will continue to take place during or after 2016.

The special purpose trust created to implement the Long-Term Retention Plan as of December 31, 2015 had approximately 204.8 million CPOs or CPO equivalents. This figure is net of approximately 27.0, 24.7 and 24.3 million CPOs or CPO equivalents vested in 2013, 2014 and 2015, respectively. Of the 204.8 million CPOs or CPO equivalents approximately 73% are in the form of CPOs and the remaining 27% are in the form of Series “A”, Series “B”, Series “D” and Series “L” Shares. As of December 31, 2015, approximately 114.7 million CPOs or CPO equivalents have been reserved and will become vested between 2016 and 2018 at prices ranging from Ps.59.00 to Ps.90.59 per CPO which may be reduced by dividends, a liquidity discount and the growth of the consolidated or relevant segment Operating Income Before Depreciation and Amortization, or OIBDA (including OIBDA affected by acquisitions) between the date of award and the vesting date, among others.

As of December 31, 2015, the designated Retention Plan trust owned approximately 2.6 million CPOs or CPOs equivalents, which have been reserved to a group of employees, and may be sold at a price at least of Ps.36.52 per CPO, subject to certain conditions, in vesting periods between 2018 and 2023.

The Group has determined its share-based compensation expense (see Note 2 (x)) by using the Black-Scholes pricing model at the date on which the stock was conditionally sold to personnel under the Company’s Long-Term Retention Plan, on the following arrangements and weighted-average assumptions:

Long-Term Retention Plan					
Arrangements:					
Year of grant	2011	2012	2013	2014	2015
Number of CPOs or CPOs equivalent granted	25,000	25,000	39,000	39,000	39,000
Contractual life	3 years				
Assumptions:					
Dividend yield	0.65%	0.66%	0.54%	0.39%	0.33%
Expected volatility (1)	25%	27%	24%	19.07%	26.92%
Risk-free interest rate	5.80%	4.90%	4.79%	4.68%	4.61%
Expected average life of awards	3.01 years	2.99 years	3.00 years	3.00 years	3.00 years

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

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

	2015		2014	
	CPOs or CPOs Equivalent	Weighted-Average Exercise Price	CPOs or CPOs Equivalent	Weighted-Average Exercise Price
Long-Term Retention Plan:				
Outstanding at beginning of year	129,941	51.98	108,073	52.17
Conditionally sold	39,000	90.59	39,000	71.68
Paid by employees	(23,271)	34.38	(16,232)	35.21
Forfeited	(1,420)	57.47	(900)	45.04
Outstanding at end of year	144,250	66.60	129,941	51.98
To be paid by employees at end of year	29,578	40.43	28,551	39.46

As of December 31, 2015, the weighted-average remaining contractual life of the awards under the Long-Term Retention Plan is 1.28 years.

As of December 31, 2014, the weighted-average remaining contractual life of the awards under the Long-Term Retention Plan is 1.42 years.

17. Retained Earnings and Accumulated Other Comprehensive Income

(a) Retained Earnings:

	Legal Reserve	Unappropriated Earnings	Net Income for the Year	Retained Earnings
Balance at January 1, 2014	Ps. 2,139,007	Ps. 47,010,600	Ps. 7,748,279	Ps. 56,897,886
Appropriation of net income relating to 2013	—	7,748,279	(7,748,279)	—
Sale of repurchased shares	—	(200,973)	—	(200,973)
Share-based compensation	—	821,626	—	821,626
Net income for the year 2014	—	—	5,386,905	5,386,905
Balance at December 31, 2014	2,139,007	55,379,532	5,386,905	62,905,444
Appropriation of net income relating to 2014	—	5,386,905	(5,386,905)	—
Dividends paid relating to 2014	—	(1,084,192)	—	(1,084,192)
Sale of repurchased shares	—	(765,227)	—	(765,227)
Share-based compensation	—	1,184,524	—	1,184,524
Net income for the year 2015	—	—	10,899,135	10,899,135
Balance at December 31, 2015	Ps. 2,139,007	Ps. 60,101,542	Ps. 10,899,135	Ps. 73,139,684

In accordance with Mexican law, the legal reserve must be increased by 5% of annual net profits until it reaches 20% of the capital stock amount. As of December 31, 2015 and 2014, the Company's legal reserve amounted to Ps.2,139,007 and Ps.2,139,007, respectively and was classified into retained earnings in consolidated equity. As the legal reserve reached 20% of the capital stock amount, no additional increases were required in 2015, 2014 and 2013. 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 Company's stockholders.

In April 2013, the Company's stockholders approved the payment of a dividend of Ps.0.35 per CPO and Ps.0.002991452991 per share of Series "A", "B", "D" and "L" Shares, not in the form of a CPO, which was paid in cash in May 2013, in the aggregate amount of Ps.1,084,192 (see Note 16).

In December 2013, the Company's stockholders approved the payment of a dividend of Ps.0.35 per CPO and Ps.0.002991452991 per share of Series "A", "B", "D" and "L" Shares, not in the form of a CPO, which was paid in cash in December 2013 in the aggregate amount of Ps.1,084,192 (see Note 16).

In 2014, the Company's stockholders did not approve any dividend payment, as the dividend approved by the Company's stockholders in December 2013 was in lieu of the annual dividend for 2014 that would otherwise typically have been approved in April 2014.

In April 2015, the Company’s stockholders approved the payment of a dividend of Ps.0.35 per CPO and Ps.0.002991452991 per share of Series “A”, “B”, “D” and “L” Shares, not in the form of a CPO, which was paid in cash in June 2015 in the aggregate amount of Ps.1,084,192 (see Note 16).

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 tax computed on an individual company basis under the provisions of the Mexican Income Tax Law. In this case, dividends will be taxable by multiplying such dividends by a 1.4286 factor and applying to the resulting amount the income tax rate of 30%. This income tax will be paid by the company paying the dividends.

In addition, the 2014 Tax Reform sets forth that entities that distribute dividends to its stockholders who are individuals or foreign residents must withhold 10% thereof for income tax purposes, which will be paid in Mexico. The foregoing will not be applicable when distributed dividends arise from the “taxed net earnings account” computed on an individual company basis generated through December 31, 2013.

As of December 31, 2015, cumulative earnings that have been subject to income tax and can be distributed by the Company free of Mexican income tax amounted to Ps.59,172,036.

(b) Accumulated Other Comprehensive Income:

Changes	Available- For-Sale Investments	Warrants Issued by UHI	Exchange Differences	Remeasurement of Post- employment Benefit Obligations	Cash Flow Hedges	Share of Equity Accounts	Income Tax	Total
Accumulated at January 1, 2013	Ps. 2,634,506	Ps. —	Ps. (52,256)	Ps. (69,792)	Ps. (218,373)	Ps. 160,601	Ps. (648,802)	Ps. 1,805,884
Changes in other comprehensive income	1,881,292	—	59,065	128,210	17,025	105,259	(602,684)	1,588,167
Accumulated at December 31, 2013	4,515,798	—	6,809	58,418	(201,348)	265,860	(1,251,486)	3,394,051
Changes in other comprehensive income	3,648,014	—	179,154	(22,996)	(43,439)	25,664	(730,444)	3,055,953
Reclassifications	(770,941)	—	—	—	—	—	—	(770,941)
Accumulated at December 31, 2014	7,392,871	—	185,963	35,422	(244,787)	291,524	(1,981,930)	5,679,063
Changes in other comprehensive income	644,068	3,303,182	417,205	(162,267)	25,838	19,705	(985,437)	3,262,294
Reclassifications	(5,262,577)	—	—	—	—	—	1,578,774	(3,683,803)
Accumulated at December 31, 2015	Ps. 2,774,362	Ps. 3,303,182	Ps. 603,168	Ps. (126,845)	Ps. (218,949)	Ps. 311,229	Ps. (1,388,593)	Ps. 5,257,554

18. Non-controlling Interests

Non-controlling interests as of December 31, 2015 and 2014, consisted of:

	2015	2014
Capital stock	Ps. 1,209,629	Ps. 1,330,512
Additional paid-in capital	3,137,163	3,137,163
Legal reserve	180,017	177,449
Retained earnings from prior years (1) (2)	6,055,693	5,140,060
Net income for the year	1,426,315	1,272,867
Accumulated other comprehensive income (loss):		
Cumulative result from foreign currency translation	136,019	54,270
Remeasurement of post-employment benefit obligations on defined benefit plans	(5,994)	(2,217)
	Ps. 12,138,842	Ps. 11,110,104

- (1) In 2015 and 2014, the holding companies of the Sky segment paid a dividend to its equity owners in the aggregate amount of Ps.750,000 and Ps.850,000, respectively, of which Ps.309,985 and Ps.351,334, respectively, were paid to its non-controlling interest.
- (2) In 2015, 2014 and 2013, the stockholders of Radiópolis approved the payment of dividends in the amount of Ps.80,000, Ps.145,000 and Ps.135,000, respectively, of which Ps.40,000, Ps.72,500 and Ps.67,500, respectively, were paid to its non-controlling interest.

[Table of Contents](#)

Amounts of consolidated current assets, non-current assets, current liabilities and non-current liabilities of Sky and Empresas Cablevisión as of December 31, 2015 and 2014, are set forth as follows:

	Sky		Empresas Cablevisión	
	2015	2014	2015	2014
Assets:				
Current assets	Ps. 6,142,504	Ps. 5,307,904	Ps. 2,901,939	Ps. 3,101,945
Non-current assets	19,245,681	18,055,932	17,380,310	14,716,853
Total assets	25,388,185	23,363,836	20,282,249	17,818,798
Liabilities:				
Current liabilities	4,721,786	4,565,400	4,677,388	3,412,589
Non-current liabilities	8,120,983	7,695,957	2,785,676	2,535,611
Total liabilities	12,842,769	12,261,357	7,463,064	5,948,200
Net assets	Ps. 12,545,416	Ps. 11,102,479	Ps. 12,819,185	Ps. 11,870,598

Amounts of consolidated net sales, net income and total comprehensive income of Sky and Empresas Cablevisión for the years ended December 31, 2015 and 2014, are set forth as follows:

	Sky		Empresas Cablevisión	
	2015	2014	2015	2014
Net sales	Ps. 19,245,108	Ps. 17,487,844	Ps. 11,064,540	Ps. 9,766,898
Net income	2,005,446	2,072,668	949,049	827,614
Total comprehensive income	2,192,936	2,171,301	948,587	828,716

As of December 31, 2015, the Group did not have dividends payable.

Amounts of consolidated summarized cash flows of Sky and Empresas Cablevisión for the years ended December 31, 2015 and 2014, are set forth as follows:

	Sky		Empresas Cablevisión	
	2015	2014	2015	2014
Cash flows from operating activities	Ps. 5,078,328	Ps. 7,233,426	Ps. 4,389,942	Ps. 3,421,901
Cash flows from investing activities	(5,766,871)	(5,176,649)	(5,020,724)	(3,225,469)
Cash flows from financing activities	(1,771,267)	(1,679,835)	(49,456)	94,142
Net (decrease) increase in cash and cash equivalents	Ps. (2,459,810)	Ps. 376,942	Ps. (680,238)	Ps. 290,574

19. Transactions with Related Parties

The principal transactions carried out by the Group with affiliated companies, including equity investees, stockholders and entities in which stockholders have an equity interest, for the years ended December 31, 2015, 2014 and 2013 were as follows:

	2015	2014	2013
Revenues, other income and interest income:			
Royalties, net (Univision) (a)	Ps. 4,986,562	Ps. 4,212,075	Ps. 3,522,746
Programming production and transmission rights (b)	462,410	367,180	280,537
Telecom services (c)	5,288	196,392	148,926
Administrative services (d)	43,117	38,825	59,568
Advertising (e)	100,024	438,681	432,123
Other income (f)	1,038,314	—	—
Interest income (g)	178,810	274,940	265,096

	2015	2014	2013
Other finance income (h)	2,194,981	—	—
	Ps. 9,009,506	Ps. 5,528,093	Ps. 4,708,996
Costs and expenses:			
Donations	Ps. 127,641	Ps. 126,297	Ps. 127,991
Administrative services (d)	31,142	41,502	17,849
Technical services (i)	156,704	76,510	112,823
Programming production, transmission rights and telecom (j)	403,500	308,907	288,990
	Ps. 718,987	Ps. 553,216	Ps. 547,653

- (a) The Group receives royalties from Univision for programming provided pursuant to a Programming License Agreement (“PLA”), as amended, pursuant to which Univision has the right to broadcast certain Televisa content in the United States for a term that commenced on January 1, 2011 and ends on the later of 2030 or seven and one-half years after the Group has sold two-thirds of its initial investment in UHI made in December 2010. The amended PLA includes a provision for certain yearly minimum guaranteed advertising, with a value of U.S.\$69.2 million (Ps.1,104,875), U.S.\$73.5 million (Ps.988,032) and U.S.\$72.6 million (Ps.919,823) for the fiscal years 2015, 2014 and 2013, respectively, to be provided by Univision, at no cost, for the promotion of the Group’s businesses. The Group also pays royalties to Univision for programming provided pursuant to a Mexico License Agreement, under which the Group has the right to broadcast certain Univision’s content in Mexico for the same term as that of the PLA (see Notes 3, 9 and 10).
- (b) Services rendered to Univision in 2015, 2014 and 2013, and Televisa CJ Grand in 2015.
- (c) Services rendered to Univision in 2015 and 2014; GTAC in 2015, 2014 and 2013, and GSF in 2014 and 2013. In September 2014, the investment in GSF, including Iusacell, was sold (see Notes 3 and 10).
- (d) 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.
- (e) Advertising services rendered to Univision, OCEN and Editorial Clío, Libros y Videos, S.A. de C.V. (“Editorial Clío”) in 2015, 2014 and 2013, and Iusacell in 2014 and 2013.
- (f) Includes in 2015 an exceptional income from Univision in the amount of U.S.\$67.6 million (Ps.1,038,314), as a result of the early termination of a technical assistance agreement with Univision, which cash proceeds were received by the Group in April 2015.
- (g) Includes in 2015, 2014 and 2013 interest income from the Group’s investment in convertible debentures issued by UHI in the aggregate amount of Ps.142,010, Ps.228,278 and Ps.215,702, respectively (see Note 9).
- (h) In July 2015, the Group recognized in consolidated other finance income, net, a cash amount of U.S.\$135.1 million (Ps.2,194,981) paid by UHI as a payment for the exchange of the Group’s former investment in Convertible Debentures issued by UHI for Warrants that are exercisable for UHI’s common stock (see Notes 3 and 9).
- (i) In 2015, 2014 and 2013, Sky received services from a subsidiary of DirecTV Latin America for play-out, uplink and downlink of signals.
- (j) Received mainly from Univision in 2015, 2014 and 2013, and Iusacell in 2014 and 2013.

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

- (1) A consulting firm controlled by a relative of one of the Company’s directors, has provided consulting services and research in connection with the effects of the Group’s programming on its viewing audience. Total fees for such services during 2015, 2014 and 2013 amounted to Ps.21,526, Ps.22,469 and Ps.22,032, respectively.
- (2) From time to time, two Mexican banks have made loans to the Group, on terms substantially similar to those offered by the banks to third parties. Some members of the Company’s Board serve as Board members of these banks.
- (3) Through April 2014, one of the Company’s directors was member of the Board of, as well as a stockholder of, a Mexican company, which is a producer, distributor and exporter of beer in Mexico. Such company purchases advertising services from the Group in connection with the promotion of its products from time to time, paying rates applicable to third-party advertisers for these advertising services.
- (4) Several other current members of the Company’s Board serve as members of the Boards and/or are stockholders of other companies, some of which purchased advertising services from the Group in connection with the promotion of their respective products and services, paying rates applicable to third-party advertisers for these advertising services.
- (5) During 2015, 2014 and 2013, a professional services firm in which the current Secretary of the Company’s Board maintains an interest provided legal advisory services to the Group in connection with various corporate matters. Total fees for such services amounted to Ps.59,281, Ps.57,968 and Ps.59,733, respectively.
- (6) During 2014 and 2013, a company related to a former director and executive of the Company, purchased unsold advertising from the Group for a total of Ps.313,682 and Ps.350,172, respectively.
- (7) During 2015, 2014 and 2013, a professional services firm in which two current directors of the Company maintain an interest provided finance advisory services to the Group in connection with various corporate matters. Total fees for such services amounted to Ps.16,034, Ps.154,336 and Ps.12,712, respectively.
- (8) A current member of the Company’s Board serves as a member of the Board of a Mexican company, which controls the principal chain of convenience stores in Mexico. Such company entered into an agreement with the Group to sell online lottery tickets from the Group’s

[Table of Contents](#)

gaming business in its convenience stores. Total fees for such services during 2015, 2014 and 2013 amounted to Ps.9,270, Ps.13,736 and Ps.8,856, respectively.

During 2015, 2014 and 2013, the Group paid to its directors, alternate directors and officers an aggregate compensation of Ps.750,208, Ps.648,055 and Ps.547,264, respectively, for services in all capacities. This compensation included certain amounts related to the use of assets and services of the Group, as well as travel expenses reimbursed to directors and officers. Projected benefit obligations related to the Group's directors, alternate directors and officers amounted to Ps.173,020, Ps.169,135 and Ps.146,686 as of December 31, 2015, 2014 and 2013, respectively. Cumulative contributions made by the Group to the pension and seniority premium plans on behalf of these directors and officers amounted to Ps.144,517, Ps.149,033 and Ps.141,099 as of December 31, 2015, 2014 and 2013, respectively. In addition, the Group has made conditional sales of the Company's CPOs to its directors and officers under the Long-term Retention Plan.

In 2015, the Group established a deferred compensation plan for certain officers of its Cable segment, which will be payable in the event that certain revenue and EBITDA targets (as defined) of a five-year plan are met. Such compensation may be payable in 2020 through a combination of cash and/or Company's stock rewards granted under the Long-Term Retention Plan. The present value of this long-term employee benefit obligation as of December 31, 2015 and the related service cost for the year ended on that date amounted to Ps.164,028.

The balances of receivables and payables between the Group and related parties as of December 31, 2015 and 2014, were as follows:

	<u>2015</u>	<u>2014</u>
Current receivables:		
UHI, including Univision	Ps. —	Ps. 535,661
Grupo TV Promo, S.A. de C.V.	—	201,060
GSF, including Iusacell	—	57,703
Other	98,388	108,828
	<u>Ps. 98,388</u>	<u>Ps. 903,252</u>
Current payables:		
UHI, including Univision (1)	Ps. 367,545	Ps. —
DirecTV Group, Inc.	47,788	—
Other	27,702	8,564
	<u>Ps. 443,035</u>	<u>Ps. 8,564</u>

- (1) During the period ended December 31, 2015, the Group recognized a provision in the amount of Ps.860,456 associated with a consulting arrangement entered into by the Group, UHI and an entity controlled by the chairman of the Board of Directors of UHI, by which upon a qualified initial public offering of the shares of UHI the Group would pay the entity a portion of a defined appreciation in excess of certain preferred returns and performance thresholds of UHI. This amount is partially offset by Ps. 492,911 in receivables from UHI related primarily to the PLA.

All significant account balances included in amounts due from affiliates bear interest. In 2015 and 2014, average interest rates of 5.0% and 5.0% 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, 2015 and 2014, included deposits and advances from affiliates and other related parties, in an aggregate amount of Ps.663,823 and Ps.874,036, respectively, which were primarily made by UHI, including Univision in 2015 and 2014 and Iusacell and Grupo TV Promo, S.A. de C.V. in 2014.

In 2012, a subsidiary of the Company entered into an amended lease contract with GTAC for the right to use certain capacity in a telecommunication network. This amended lease agreement contemplates annual payments to GTAC in the amount of Ps.41,400 through 2029, with an annual interest rate of the lower of THIE plus 122 basis points or 6% (see Notes 10, 11 and 13).

20. Cost of Sales, Selling Expenses and Administrative Expenses

Cost of sales represents primarily the production cost of programming, acquired programming and transmission rights at the moment of broadcasting or at the time the produced programs are sold and became available for broadcast (see Note 8). Such cost of sales also includes benefits to employees and post-employment benefits, network maintenance and interconnections, satellite links, paper and printing, depreciation of property, plant and equipment, leases of real estate property, and amortization of intangible assets.

Selling expenses and administrative expenses include primarily benefits to employees, sale commissions, postemployment benefits, share-based compensation to employees, depreciation of property and equipment, leases of real estate property, and amortization of intangibles.

The amounts of depreciation, amortization and other amortization included in cost of sales, selling expenses and administrative expenses for the years ended December 31, 2015, 2014 and 2013, were as follows:

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Cost of sales	Ps. 10,336,861	Ps. 8,740,067	Ps. 7,513,897
Selling expenses	951,572	739,909	675,039
Administrative expenses	3,652,356	2,291,325	1,842,510
	<u>Ps. 14,940,789</u>	<u>Ps. 11,771,301</u>	<u>Ps. 10,031,446</u>

Short-term employee benefits, share-based compensation and post-employment benefits incurred by the Group for the years ended December 31, 2015, 2014 and 2013, were as follows:

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Short-term employee benefits	Ps. 17,245,568	Ps. 14,728,298	Ps. 13,242,633
Share-based compensation	1,199,489	844,788	605,067
Post-employment benefits	38,334	157,511	143,133
	<u>Ps. 18,483,391</u>	<u>Ps. 15,730,597</u>	<u>Ps. 13,990,833</u>

21. Other Expense, Net

Other expense (income) for the years ended December 31, 2015, 2014 and 2013 is analyzed as follows:

	<u>2015</u>	<u>2014</u>	<u>2013</u>
(Gain) loss on disposition of investment (1)	Ps. (65,599)	Ps. 4,168,468	Ps. —
Donations (see Note 19)	148,159	130,846	136,225
Financial advisory and professional services (2)	485,594	265,124	167,888
Loss on disposition of property and equipment	366,545	281,795	92,873
Impairment adjustments (3)	131,065	253,279	59,648
Other income from Univision (4)	(1,038,314)	—	(370,218)
Deferred compensation (see Note 19)	164,028	—	—
Dismissal severance expense	342,382	58,824	48,573
Other, net	(205,383)	123,354	(51,839)
	<u>Ps. 328,477</u>	<u>Ps. 5,281,690</u>	<u>Ps. 83,150</u>

- (1) In 2014 included a loss on disposition of the Group's 50% joint interest in GSF (see Notes 3 and 10).
- (2) Includes financial advisory services in connection with contemplated dispositions and strategic planning projects and professional services in connection with certain litigation and other matters (see Notes 3 and 19).
- (3) In 2015, 2014 and 2013 the Group recognized impairment adjustments in connection with goodwill and trademarks in its Publishing business (see Note 12).
- (4) In 2015 this income was related to cash received from Univision in the amount of U.S.\$67.6 million (Ps.1,038,314), as a result of the early termination of a technical assistance agreement with Univision. In 2013 this income was related to the release of certain rights with DirecTV held by the Group in the United States.

22. Finance (Expense) Income, Net

Finance (expense) income, net, for the years ended December 31, 2015, 2014 and 2013, included:

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Interest expense	Ps. (6,239,387)	Ps. (5,551,461)	Ps. (4,803,151)
Foreign exchange loss, net	(2,426,011)	(1,391,169)	(283,821)
Finance expense	(8,665,398)	(6,942,630)	(5,086,972)
Interest income (1)	1,027,758	1,327,691	1,129,955
Other finance income, net (2)	7,514,784	1,286,014	4,841,734
Finance income	8,542,542	2,613,705	5,971,689
Finance (expense) income, net	<u>Ps. (122,856)</u>	<u>Ps. (4,328,925)</u>	<u>Ps. 884,717</u>

- (1) In 2015 included interest income from the Group's investment in Convertible Debentures issued by UHI in the amount of Ps.142,010. In 2014 and 2013, included interest income from the Group's investments in financial instruments issued by UHI and Ares in the aggregate amount of Ps.450,270 and Ps.358,927, respectively. In 2015, 2014 and 2013, also included gains from instruments held for trading (see Notes 3, 9, 10 and 14).
- (2) In 2015, 2014 and 2013 other finance income, net, included changes in fair value from an embedded derivative in a host contract related to the Group's former investment in Convertible Debentures issued by UHI in the amount of Ps.409,196, Ps.1,477,103 and Ps.4,988,479, respectively, as well as gain or loss from derivative financial instruments. In 2015 also included reclassifications in the aggregate amount of Ps.5,262,577 from accumulated other comprehensive income in consolidated equity in connection with cumulative gains related to changes in fair value of the Group's former available-for-sale investments in Convertible Debentures (Ps.4,718,175) and Imagina (Ps.544,402); and a cash amount of U.S.\$135.1 million (Ps.2,194,981) received for the exchange of Convertible Debentures issued by UHI for Warrants that are exercisable for UHI's common stock. In 2014 also included a Ps.770,941 reclassification from accumulated other comprehensive income in consolidated equity in connection with the acquisition of Cablecom in 2014, which was offset by fair value adjustments of the embedded derivative in convertible debt issued by Ares (see Notes 3, 9, 10 and 14).

23. Income Taxes

The income tax provision for the years ended December 31, 2015, 2014 and 2013 was comprised of:

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Income taxes, current (1)	Ps. 7,380,430	Ps. 5,043,053	Ps. 6,496,684
Deconsolidation income taxes — 2014 Tax Reform (2)	—	—	7,360,403
Income taxes, deferred	(1,048,212)	(2,062,170)	(10,128,125)
	<u>Ps. 6,332,218</u>	<u>Ps. 2,980,883</u>	<u>Ps. 3,728,962</u>

- (1) In 2013, this line item includes income taxes computed by the Company on a tax consolidated basis for the year ended December 31, 2013, IETU (flat tax) for the year ended December 31, 2013, and amounts resulting from income taxes related to prior years, including the tax payment made in connection with the matter discussed in Note 26.
- (2) In 2013, this line item reflects the effects of the elimination of the tax consolidation regime resulting from the 2014 Tax Reform, which includes the recognition of an additional income tax liability in the aggregate amount of Ps.6,813,595.

The Mexican corporate income tax rate was 30% in 2015, 2014 and 2013. In accordance with the 2014 Tax Reform, the corporate income tax rate will be 30% in 2016 and thereafter.

2014 Tax Reform

In the last quarter of 2013, the Mexican Congress approved a new Tax Reform (the "2014 Tax Reform"), which became effective as of January 1, 2014. Among the tax reforms approved by the Mexican Congress, one of the most relevant changes was the elimination of the tax consolidation regime allowed for Mexican controlling companies through December 31, 2013.

As a result of this change, beginning on January 1, 2014, the Company is no longer allowed to consolidate income or loss of its Mexican subsidiaries for income tax purposes and (i) accounted for an additional income tax liability for the elimination of the tax consolidation regime in the aggregate amount of Ps.6,813,595 as of December 31, 2013, of which Ps.6,629,865 was classified as non-current liabilities as of that date; (ii) recognized a benefit from tax loss carryforwards of Mexican companies in the Group in the aggregate amount of Ps.7,936,044 as of December 31, 2013; and (iii) adjusted the

carrying amount of deferred income taxes from temporary differences by recognizing such effects on a separate company basis by using the enacted corporate income tax rate as of December 31, 2013.

The effects of income tax payable as of December 31, 2015 and 2014, in connection with the 2014 Mexican Tax Reform, are as follows:

	<u>2015</u>	<u>2014</u>
Tax losses of subsidiaries, net	Ps. 6,679,444	Ps. 6,900,765
Dividends distributed among the Group's entities	6,227	6,122
	<u>6,685,671</u>	<u>6,906,887</u>
Less: Current portion (a)	372,752	358,117
Non-current portion (b)	<u>Ps. 6,312,919</u>	<u>Ps. 6,548,770</u>

- (a) Income tax provision accounted for as income taxes payable in the consolidated statement of financial position as of December 31, 2015 and 2014.
(b) Income tax provision accounted for as long-term income taxes payable in the consolidated statement of financial position as of December 31, 2015 and 2014.

2010 Tax Reform

In December 2009, the Mexican government enacted certain amendments and changes to the Mexican Income Tax Law that became effective as of January 1, 2010 (the "2010 Mexican Tax Reform"). These amendments and changes included, among other, the following provisions: (i) under certain circumstances, the deferred income tax benefit derived from tax consolidation of a parent company and its subsidiaries is limited to a period of five years; therefore, the resulting deferred income tax has to be paid starting in the sixth year following the fiscal year in which the deferred income tax benefit was received; and (ii) the payment of this tax has to be made in installments of 25% in the first and second year, 20% in the third year and 15% in the fourth and fifth year.

The effects of income tax payable as of December 31, 2015 and 2014, in connection with the 2010 Mexican Tax Reform, are as follows:

	<u>2015</u>	<u>2014</u>
Tax losses of subsidiaries, net	Ps. 73,617	Ps. 177,918
Dividends distributed among the Group's entities	—	—
	<u>73,617</u>	<u>177,918</u>
Less: Current portion (a)	48,458	98,563
Non-current portion (b)	<u>Ps. 25,159</u>	<u>Ps. 79,355</u>

- (a) Income tax provision accounted for as income taxes payable in the consolidated statement of financial position as of December 31, 2015 and 2014.
(b) Income tax provision accounted for as long-term income taxes payable in the consolidated statement of financial position as of December 31, 2015 and 2014.

Maturities of income tax payable, in connection with the 2014 and 2010 Mexican Tax Reforms, are as follows:

2016	Ps. 421,210
2017	815,486
2018	1,482,886
2019	1,429,058
2020	1,082,192
Thereafter	1,528,456
	<u>Ps. 6,759,288</u>

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

[Table of Contents](#)

	%	%	%
	2015	2014	2013
Statutory income tax rate	30	30	30
Differences in inflation adjustments for tax and book purposes	4	3	2
Non-controlling interest	—	—	(1)
Asset tax	—	3	1
Intangible assets and transmission rights	—	—	(13)
Tax loss carryforwards	(10)	(2)	(59)
2014 Tax Reform	1	3	53
Income tax effect from prior years	—	4	12
Foreign operations	(2)	1	—
Disposition of investment	10	(11)	—
Share of loss in joint ventures and associates, net	—	—	1
Change in income tax rate	—	—	1
Exchange of Convertible Debentures for Warrants of UHI	1	—	—
Effective income tax rate	<u>34</u>	<u>31</u>	<u>27</u>

The Group has recognized the benefits from tax loss carryforwards of Mexican companies in the Group as of December 31, 2015 and 2014. The years of expiration of tax loss carryforwards as of December 31, 2015 are as follows:

Year of Expiration	Tax Loss Carryforwards For Which Deferred Taxes Were Recognized
2016	Ps. 301,129
2017	227,681
2018	2,266,548
2019	1,808,434
2020	373,418
Thereafter	29,011,056
	<u>Ps. 33,988,266</u>

As of December 31, 2015, tax loss carryforwards of Mexican companies for which deferred tax assets were not recognized amounted to Ps.1,398,307, and will expire between 2018 and 2025.

During 2015 and 2014, certain Mexican subsidiaries utilized operating tax loss carryforwards in the amounts of Ps.2,931,218 and Ps.4,618,251, respectively. During 2013, certain Mexican subsidiaries utilized unconsolidated tax loss carryforwards in the amount of Ps.581,564, which included the operating tax loss carryforwards related to the non-controlling interest of Sky.

As of December 31, 2015, tax loss carryforwards of subsidiaries in South America, the United States, and Europe amounted to Ps.1,869,582, and will expire between 2016 and 2035.

The deferred income taxes as of December 31, 2015 and 2014, were principally derived from the following:

	2015	2014
Assets:		
Accrued liabilities	Ps. 2,656,354	Ps. 1,284,458
Allowance for doubtful accounts	1,187,427	917,269
Customer advances	2,598,037	2,186,836
Prepaid expenses and other items	—	297,836
Tax loss carryforwards	10,196,480	6,754,354
Liabilities:		
Investments	(3,504,137)	(443,538)
Property, plant and equipment, net	(954,678)	(202,002)

	2015	2014
Derivative financial instruments	(1,801)	(152,491)
Intangible assets and transmission rights	(3,922,230)	(2,961,129)
Prepaid expenses and other items	(1,188,642)	—
Deferred income taxes of Mexican companies	7,066,810	7,681,593
Deferred income tax assets of foreign subsidiaries	195,348	200,410
Asset tax	402,880	435,265
Deferred income tax assets, net	<u>Ps. 7,665,038</u>	<u>Ps. 8,317,268</u>

The deferred tax assets are in tax jurisdictions in which the Group considers that based on financial projections of its cash flows, results of operations and synergies between subsidiaries, will generate taxable income in subsequent periods.

The gross movement on the deferred income tax account is as follows:

	2015	2014
At January 1	Ps. 8,317,268	Ps. 10,608,778
Income statement charge	1,048,212	2,062,170
Tax change relating to components of other comprehensive income	386,817	(850,090)
Tax recognized as part of business combinations	(2,087,259)	(3,503,590)
At December 31	<u>Ps. 7,665,038</u>	<u>Ps. 8,317,268</u>

The movement in deferred income tax assets and liabilities during the year 2015 is as follows:

	At January 1, 2015	Charged (Credited) to Income	Charged (Credit) to Other Comprehensive Income	Business Combinations	At December 31, 2015
Assets:					
Accrued liabilities	Ps. 1,284,458	Ps. 1,328,869	Ps. —	Ps. 43,027	Ps. 2,656,354
Allowance for doubtful accounts	917,269	234,277	—	35,881	1,187,427
Customer advances	2,186,836	386,827	—	24,374	2,598,037
Prepaid expenses and other items	297,836	(297,836)	—	—	—
Tax loss carryforwards	6,754,354	3,442,126	—	—	10,196,480
Liabilities:					
Investments	(443,538)	(3,455,167)	394,568	—	(3,504,137)
Property, plant and equipment, net	(202,002)	(323,705)	—	(428,971)	(954,678)
Derivative financial instruments	(152,491)	150,690	—	—	(1,801)
Intangible assets and transmission rights	(2,961,129)	791,643	—	(1,752,744)	(3,922,230)
Prepaid expenses and other items	—	(1,172,065)	(7,751)	(8,826)	(1,188,642)
Deferred income tax assets of foreign subsidiaries	200,410	(5,062)	—	—	195,348
Asset tax	435,265	(32,385)	—	—	402,880
Deferred income tax assets, net	<u>Ps. 8,317,268</u>	<u>Ps. 1,048,212</u>	<u>Ps. 386,817</u>	<u>Ps. (2,087,259)</u>	<u>Ps. 7,665,038</u>

The movement in deferred income tax assets and liabilities during the year 2014 is as follows:

	At January 1, 2014	Charged (Credited) to Income	Charged (Credit) to Other Comprehensive Income	Business Combinations	At December 31, 2014
Assets:					
Accrued liabilities	Ps. 1,455,444	Ps. (201,580)	Ps. —	Ps. 30,594	Ps. 1,284,458
Allowance for doubtful accounts	753,090	162,306	—	1,873	917,269
Customer advances	2,480,552	(318,046)	—	24,330	2,186,836
Intangible assets and transmission rights	755,985	(690,612)	—	(65,373)	—
Prepaid expenses and other items	—	269,523	13,032	15,281	297,836
Tax loss carryforwards	7,936,044	(1,185,529)	—	3,839	6,754,354
Liabilities:					
Investments	(1,147,683)	1,567,267	(863,122)	—	(443,538)
Property, plant and equipment, net	(1,727,736)	1,678,303	—	(152,569)	(202,002)
Derivative financial instruments	(366,225)	213,734	—	—	(152,491)
Intangible assets and transmission rights	—	400,436	—	(3,361,565)	(2,961,129)

[Table of Contents](#)

	At January 1, 2014	Charged (Credited) to Income	Charged (Credit) to Other Comprehensive Income	Business Combinations	At December 31, 2014
Prepaid expenses and other items	(542,435)	542,435	—	—	—
Deferred income tax assets of foreign subsidiaries	165,832	34,578	—	—	200,410
Asset tax	845,910	(410,645)	—	—	435,265
Deferred income tax assets, net	<u>Ps. 10,608,778</u>	<u>Ps. 2,062,170</u>	<u>Ps. (850,090)</u>	<u>Ps. (3,503,590)</u>	<u>Ps. 8,317,268</u>

The analysis of deferred tax assets and liabilities is as follows:

	2015	2014
Deferred tax assets:		
Deferred tax assets to be recovered after more than 12 months	Ps. 14,258,185	Ps. 10,000,572
Deferred tax assets to be recovered within 12 months	5,104,715	3,906,937
Deferred tax liabilities:		
Deferred tax liabilities to be paid after more than 12 months	(10,767,190)	(5,485,297)
Deferred tax liabilities to be paid within 12 months	(930,672)	(104,944)
Deferred tax assets, net	<u>Ps. 7,665,038</u>	<u>Ps. 8,317,268</u>

The tax (charge) credit relating to components of other comprehensive income is as follows:

	2015		
	Before tax	Tax (charge) credit	After tax
Remeasurement of post-employment benefit obligations	Ps. (166,044)	Ps. —	Ps. (166,044)
Exchange differences on translating foreign operations	498,954	206,520	705,474
Equity instruments	405,132	(121,541)	283,591
Cumulative gain in fair value from equity instruments reclassified to other finance income	(544,402)	163,321	(381,081)
Derivative financial instruments cash flow hedges	25,838	(7,751)	18,087
Convertible Debentures due 2025 issued by UHI	319,307	(95,821)	223,486
Cumulative gain in fair value from Convertible Debentures issued by UHI reclassified to other finance income	(4,718,175)	1,415,453	(3,302,722)
Warrants exercisable for common stock of UHI	3,303,182	(990,955)	2,312,227
Available-for-sale investments	(80,371)	24,111	(56,260)
Share of income of associates and joint ventures	19,705	—	19,705
Other comprehensive income	<u>Ps. (936,874)</u>	<u>Ps. 593,337</u>	<u>Ps. (343,537)</u>
Current tax		Ps. 206,520	
Deferred tax		386,817	
		<u>Ps. 593,337</u>	
	2014		
	Before tax	Tax (charge) credit	After tax
Remeasurement of post-employment benefit obligations	Ps. (27,811)	Ps. —	Ps. (27,811)
Exchange differences on translating foreign operations	221,260	119,646	340,906
Equity instruments	(328,340)	98,502	(229,838)
Derivative financial instruments cash flow hedges	(43,439)	13,032	(30,407)
Convertible Debentures due 2025 issued by UHI	2,058,432	(617,530)	1,440,902
Convertible debt instruments issued by Ares	670,375	(201,112)	469,263
Long-term debt financial instrument issued by Ares	54,417	(16,325)	38,092
Reclassification to other finance income	(770,941)	231,282	(539,659)
Available-for-sale investments	1,193,130	(357,939)	835,191
Share of income of associates and joint ventures	25,664	—	25,664
Other comprehensive income	<u>Ps. 3,052,747</u>	<u>Ps. (730,444)</u>	<u>Ps. 2,322,303</u>
Current tax		Ps. 119,646	
Deferred tax		(850,090)	
		<u>Ps. (730,444)</u>	

	2013		
	Before tax	Tax (charge) credit	After tax
Remeasurement of post-employment benefit obligations	Ps. 133,863	Ps. —	Ps. 133,863
Exchange differences on translating foreign operations	64,591	15,119	79,710
Equity instruments	254,662	(80,657)	174,005
Derivative financial instruments cash flow hedges	17,025	(717)	16,308
Convertible Debentures due 2025 issued by UHI	592,810	(212,804)	380,006
Convertible debt instruments issued by Ares	100,333	(30,100)	70,233
Long-term debt financial instrument issued by Ares	(54,184)	16,255	(37,929)
Available-for-sale investments	987,671	(309,780)	677,891
Share of income of associates and joint ventures	105,259	—	105,259
Other comprehensive income	<u>Ps. 2,202,030</u>	<u>Ps. (602,684)</u>	<u>Ps. 1,599,346</u>
Current tax		Ps. 15,119	
Deferred tax		(617,803)	
		<u>Ps. (602,684)</u>	

The Group does not recognize deferred income tax liabilities related to its investments in associates and joint ventures, as the Group is able to control the timing of the reversal of temporary differences arising from these investments. As of December 31, 2015 and 2014, the deferred tax liabilities in connection with the Group's investments in associates and joint ventures amounted to an aggregate of Ps.520,946 and Ps.189,624, respectively.

IETU

Through December 31, 2013, Mexican companies were subject to paying the greater of the Flat Rate Business Tax (“Impuesto Empresarial a Tasa Única” or “IETU”) or the income tax. As part of the 2014 Tax Reform, the IETU was eliminated for Mexican companies beginning on January 1, 2014. The IETU was calculated by applying a tax rate of 17.5%. Although the IETU was defined as a minimum tax, it had a wider taxable base as some of the tax deductions allowed for income tax purposes were not allowed for the IETU. Through December 31, 2013, the Company paid primarily regular income tax on a tax consolidated basis.

24. Earnings per CPO/Share

At December 31, 2015 and 2014, 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):

	2015	2014
Total Shares	338,290,942	337,550,941
CPOs	2,423,881	2,420,674
Shares not in the form of CPO units:		
Series “A” Shares	54,662,750	54,331,451
Series “B” Shares	187	187
Series “D” Shares	239	239
Series “L” Shares	239	239

[Table of Contents](#)

Basic earnings per CPO and per each Series “A”, Series “B”, Series “D” and Series “L” Share (not in the form of a CPO unit) for the years ended December 31, 2015, 2014 and 2013, are presented as follows:

	2015		2014		2013	
	Per CPO	Per Each Series “A”, “B”, “D” and “L” share	Per CPO	Per Each Series “A”, “B”, “D” and “L” share	Per CPO	Per Each Series “A”, “B”, “D” and “L” share
Net income attributable to stockholders of the Company	Ps. 3.77	Ps. 0.03	Ps. 1.87	Ps. 0.02	Ps. 2.71	Ps. 0.02

Diluted earnings per CPO and per Share attributable to stockholders of the Company:

	2015	2014
Total Shares	362,429,887	362,429,887
CPOs	2,573,894	2,573,894
Shares not in the form of CPO units:		
Series “A” Shares	58,926,613	58,926,613
Series “B” Shares	2,357,208	2,357,208
Series “D” Shares	239	239
Series “L” Shares	239	239

Diluted earnings per CPO and per each Series “A”, Series “B”, Series “D” and Series “L” Share (not in the form of a CPO unit) for the years ended December 31, 2015, 2014 and 2013, are presented as follows:

	2015		2014		2013	
	Per CPO	Per Each Series “A”, “B”, “D” and “L” Share	Per CPO	Per Each Series “A”, “B”, “D” and “L” Share	Per CPO	Per Each Series “A”, “B”, “D” and “L” Share
Net income attributable to stockholders of the Company	Ps. 3.52	Ps. 0.03	Ps. 1.74	Ps. 0.01	Ps. 2.50	Ps. 0.02

25. Segment Information

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

The Group is organized on the basis of services and products. The Group’s segments are strategic business units that offer different entertainment services and products. The Group’s reportable segments are as follows:

Content

The Content segment categorizes the Group’s sources of content revenue as follows: (a) Advertising; (b) Network Subscription Revenue; and (c) Licensing and Syndication. Given the cost structure of the Group’s Content business, operating segment income is reported as a single line item.

The Advertising revenue is derived primarily from the sale of advertising time on the Group’s television broadcast operations, which include the production of television programming and broadcasting of Channels 2, 4, 5 and 9 (“television networks”), as well as the sale of advertising time on programs provided to pay television companies in Mexico and advertising revenue in the Group’s Internet business 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.

The Network Subscription revenue is derived from domestic and international programming services provided to independent cable television systems in Mexico and the Group's direct-to-home ("DTH") satellite and cable television businesses. These programming services for cable and pay-per-view television companies are provided 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.

The Licensing and Syndication revenue is derived from international program licensing and syndication fees. The Group's television programming is licensed and syndicated to customers abroad, including Univision.

Sky

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

Cable

The Cable segment includes the operation of a cable multiple system in the Mexico City metropolitan area (Cablevisión); the operation of telecommunication facilities through a fiber-optic network that covers the most important cities and economic regions of Mexico and the cities of San Antonio and San Diego in the United States (Bestel); the operation of a cable multiple system covering 60 cities of Mexico (Cablemás); the operation of a cable multiple system covering Monterrey and suburban areas (Cablevisión); the operation of a cable multiple system covering 79 cities of Mexico (Cablecom); and the operation of a cable multiple system covering 67 cities of Mexico (Telecable). The cable businesses derive revenues from cable subscribers, principally from basic and premium television services subscription, pay-per-view fees, installation fees, Internet services subscription and telephone services subscription as well as from local and national advertising sales.

Also, the telecommunication facilities business derives revenues from providing data and long-distance services solutions to carriers and other telecommunications service providers through its fiber-optic network.

Other Businesses

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

The table below presents information by segment and a reconciliation to consolidated total for the years ended December 31, 2015, 2014 and 2013:

	<u>Total Revenues</u>		<u>Intersegment Revenues</u>		<u>Consolidated Revenues</u>		<u>Segment Income</u>	
2015:								
Content	Ps.	34,332,572	Ps.	1,462,004	Ps.	32,870,568	Ps.	14,564,225
Sky		19,253,526		107,197		19,146,329		8,972,258
Cable (3)		28,488,313		148,887		28,339,426		11,405,556
Other Businesses		8,124,337		428,831		7,695,506		753,340
Segment totals		<u>90,198,748</u>		<u>2,146,919</u>		<u>88,051,829</u>		<u>35,695,379</u>
Reconciliation to consolidated amounts:								
Eliminations and corporate expenses		(2,146,919)		(2,146,919)		—		(1,960,848)
Depreciation and amortization expense		—		—		—		(14,660,929)
Consolidated net sales and income before other expense		88,051,829		—		88,051,829		19,073,602(1)
Other expense, net		—		—		—		(328,477)
Consolidated net sales and operating income	Ps.	<u>88,051,829</u>	Ps.	<u>—</u>	Ps.	<u>88,051,829</u>	Ps.	<u>18,745,125(2)</u>
	<u>Total Revenues</u>		<u>Intersegment Revenues</u>		<u>Consolidated Revenues</u>		<u>Segment Income</u>	
2014:								
Content	Ps.	34,868,080	Ps.	1,039,950	Ps.	33,828,130	Ps.	15,534,269
Sky		17,498,586		13,982		17,484,604		8,211,269
Cable (4)		20,937,250		116,258		20,820,992		7,882,911
Other Businesses		8,204,060		219,434		7,984,626		651,267
Segment totals		<u>81,507,976</u>		<u>1,389,624</u>		<u>80,118,352</u>		<u>32,279,716</u>
Reconciliation to consolidated amounts:								
Eliminations and corporate expenses		(1,389,624)		(1,389,624)		—		(1,478,534)
Depreciation and amortization expense		—		—		—		(11,563,085)
Consolidated net sales and income before other expense		80,118,352		—		80,118,352		19,238,097(1)
Other expense, net		—		—		—		(5,281,690)
Consolidated net sales and operating income	Ps.	<u>80,118,352</u>	Ps.	<u>—</u>	Ps.	<u>80,118,352</u>	Ps.	<u>13,956,407(2)</u>
	<u>Total Revenues</u>		<u>Intersegment Revenues</u>		<u>Consolidated Revenues</u>		<u>Segment Income</u>	
2013:								
Content	Ps.	33,817,614	Ps.	822,694	Ps.	32,994,920	Ps.	15,565,959
Sky		16,098,262		24,143		16,074,119		7,340,525
Cable		17,138,795		106,271		17,032,524		6,131,773
Other Businesses		8,073,364		384,216		7,689,148		822,047
Segment totals		<u>75,128,035</u>		<u>1,337,324</u>		<u>73,790,711</u>		<u>29,860,304</u>
Reconciliation to consolidated amounts:								
Eliminations and corporate expenses		(1,337,324)		(1,337,324)		—		(1,192,453)
Depreciation and amortization expense		—		—		—		(9,846,366)
Consolidated net sales and income before other expense		73,790,711		—		73,790,711		18,821,485(1)
Other expense, net		—		—		—		(83,150)
Consolidated net sales and operating income	Ps.	<u>73,790,711</u>	Ps.	<u>—</u>	Ps.	<u>73,790,711</u>	Ps.	<u>18,738,335(2)</u>

- (1) This amount represents income before other expense.
(2) This amount represents consolidated operating income.

- (3) In 2015, Telecable contributed total revenues and segment income to the Group's Cable segment for the year ended December 31, 2015, in the amount of Ps.2,106,706 and Ps.1,022,994, respectively, as the Group began to consolidate the Telecable results of operations beginning in January 2015 (see Note 3).
- (4) In 2014, Cablecom contributed total revenues and segment income to the Group's Cable segment for the four months ended December 31, 2014, in the amount of Ps.1,369,753 and Ps.638,196, respectively, as the Group began to consolidate the Cablecom results of operations beginning in September 2014 (see Note 3). Had Cablecom been consolidated from January 1, 2014, total revenues and segment income of the Group's Cable segment for the year ended December 31, 2014 would have increased in Ps.2,593,323 and Ps.1,223,277, respectively.

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 2). 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 Corporate Expenses

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

The table below presents segment information about assets, liabilities, and additions to property, plant and equipment as of and for the years ended December 31, 2015, 2014 and 2013:

	<u>Segment Assets at Year-End</u>	<u>Segment Liabilities at Year-End</u>	<u>Additions to Property, Plant and Equipment</u>
2015:			
Continuing operations:			
Content	Ps. 113,461,639	Ps. 43,668,182	Ps. 2,641,189
Sky	25,199,299	9,190,384	5,561,502
Cable	66,971,510	18,222,294	17,166,959
Other Businesses	11,375,305	3,169,793	333,419
Total	<u>Ps. 217,007,753</u>	<u>Ps. 74,250,653</u>	<u>Ps. 25,703,069</u>
2014:			
Continuing operations:			
Content	Ps. 89,251,814	Ps. 42,386,661	Ps. 2,319,616
Sky	23,016,509	12,012,642	5,154,341
Cable	64,397,382	14,166,918	9,487,903
Other Businesses	9,821,144	3,173,595	160,456
Total	<u>Ps. 186,486,849</u>	<u>Ps. 71,739,816</u>	<u>Ps. 17,122,316</u>
2013:			
Continuing operations:			
Content	Ps. 70,710,221	Ps. 38,646,427	Ps. 1,897,619
Sky	21,099,963	11,377,840	5,095,984
Cable	34,127,143	8,031,719	7,633,784
Other Businesses	9,282,897	2,530,508	243,285

	Segment Assets at Year-End	Segment Liabilities at Year-End	Additions to Property, Plant and Equipment
Total	Ps. 135,220,224	Ps. 60,586,494	Ps. 14,870,672

Segment assets reconcile to total assets as of December 31, 2015 and 2014, as follows:

	2015	2014
Segment assets	Ps. 217,007,753	Ps. 186,486,849
Investments attributable to:		
Content (1)	49,778,624	39,146,647
Cable	574,751	595,672
Goodwill attributable to:		
Content	318,942	644,046
Cable	13,793,684	8,583,249
Other Businesses	—	95,478
Total assets	Ps. 281,473,754	Ps. 235,551,941

(1) Includes goodwill attributable to equity investments of Ps.359,613 in 2015 and 2014 (see Note 10).

Equity method gain recognized in income for the years ended December 31, 2015, 2014 and 2013 attributable to equity investments in Content, was Ps.50,498, Ps.238,684 and Ps.184,564, respectively.

Equity method loss recognized in income for the years ended December 31, 2015, 2014 and 2013 attributable to equity investments in Cable, was Ps.15,099, Ps.225,511 and Ps.5,840,571, respectively.

Segment liabilities reconcile to total liabilities as of December 31, 2015 and 2014, as follows:

	2015	2014
Segment liabilities	Ps. 74,250,653	Ps. 71,739,816
Debt not allocated to segments	107,701,324	75,897,044
Total liabilities	Ps. 181,951,977	Ps. 147,636,860

Geographical segment information:

	Total Net Sales	Segment Assets at Year-End	Additions to Property, Plant and Equipment
2015:			
Mexico	Ps. 75,926,603	Ps. 208,022,938	Ps. 25,290,033
Other countries	12,125,226	8,984,815	413,036
	Ps. 88,051,829	Ps. 217,007,753	Ps. 25,703,069
2014:			
Mexico	Ps. 69,163,347	Ps. 178,704,058	Ps. 16,578,044
Other countries	10,955,005	7,782,791	544,272
	Ps. 80,118,352	Ps. 186,486,849	Ps. 17,122,316
2013:			
Mexico	Ps. 63,747,899	Ps. 129,048,024	Ps. 14,537,604
Other countries	10,042,812	6,172,200	333,068
	Ps. 73,790,711	Ps. 135,220,224	Ps. 14,870,672

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

Net sales from external customers for the years ended December 31, 2015, 2014 and 2013 are presented by sale source, as follows:

	2015		2014		2013	
Services	Ps.	67,452,100	Ps.	61,764,168	Ps.	57,255,507
Royalties		7,097,435		6,058,932		5,321,561
Goods		2,415,371		2,204,680		2,163,696
Leases (1)		11,086,923		10,090,572		9,049,947
Total	Ps.	88,051,829	Ps.	80,118,352	Ps.	73,790,711

- (1) This line includes primarily revenue from leasing set-top equipment to subscribers in the Sky and Cable segments, which is recognized when services are rendered to such subscribers. Set-top equipment is part of the Group's property and equipment and is leased to subscribers through operating lease contracts.

26. Commitments and Contingencies

Commitments

As of December 31, 2015, the Group had commitments for programming and transmission rights, mainly related to special events, in the aggregate amount of U.S.\$55 million (Ps.947,465) and U.S.\$897.8 million (Ps.15,455,836), respectively, with various payment commitments between 2016 and 2030.

At December 31, 2015, the Group had commitments in an aggregate amount of Ps.449,671, of which Ps.60,991 were commitments related to gaming operations, Ps.37,798 were commitments to acquire television technical equipment, Ps.96,219 were commitments for the acquisition of software and related services, and Ps.254,663 were construction commitments for building improvements and technical facilities.

In connection with a long-term credit facility, the Group will provide financing to GTAC in 2016 in the principal amount of Ps.60,000 (see Note 10).

At December 31, 2015, the Group had the following aggregate minimum annual commitments for the use of satellite transponders:

	Thousands of U.S. Dollars	
2016	U.S.\$	9,904
2017		9,842
2018		4,009
2019		642
2020 and thereafter		—
	U.S.\$	24,397

The Group leases facilities, primarily for its Gaming business, under operating leases expiring through 2047.

As of December 31, 2015, non-cancellable annual lease commitments (undiscounted) are as follows:

2016	Ps.	638,756
2017		542,200
2018		509,960
2019		416,963
2020		424,113
Thereafter		596,503
	Ps.	3,128,495

On March 6, 2014, the IFT issued a decision whereby it determined that the Company, together with certain subsidiaries with concessions to provide broadcast television, are preponderant economic agents in the broadcasting sector in Mexico (together, the “Preponderant Economic Agent”). The Preponderance Decision imposes on the Preponderant Economic Agent various measures, terms, conditions and restrictive obligations, some of which may adversely affect the activities and businesses of the Group’s broadcasting businesses, as well as their results of operations and financial condition. Among these measures, terms, conditions and restrictive obligations are included the following:

Infrastructure sharing — The Preponderant Economic Agent must make its passive broadcasting infrastructure (as defined) available to third-party concessionaries of broadcast television (as defined) for commercial purposes in a non-discriminatory and non-exclusive manner.

Advertising sales — The preponderant Economic Agent must deliver to IFT and publish the terms and conditions of certain broadcast advertising services and fee structures, including commercials, packages, discount plans and any other commercial offerings.

Prohibition on acquiring certain exclusive content — The Preponderant Economic Agent may not acquire transmission rights, on an exclusive basis, for any location within Mexico with respect to certain relevant content, determined by IFT.

Over-the-air channels — When the Preponderant Economic Agent offers any of its over-the-air channels, or channels that have at least 50% of the programming that is broadcast daily in certain time on such channels, to its affiliates, subsidiaries, related parties and third parties, for distribution through a different technological platform than over-the-air-broadcast television, the Preponderant Economic Agent must offer these channels to any other person that asks for distribution over the same platform as the Preponderant Economic Agent has offered, on the same terms and conditions.

Prohibition on participating in “buyers’ clubs” or syndicates to acquire audiovisual content, without IFT’s prior approval — The Preponderant Economic Agent may not enter into or remain a member of any “buyers’ club” or syndicates of audiovisual content unless it has received the prior approval of IFT.

There are currently no judgments or orders that would require the Group to divest any of the assets as a result of being declared a Preponderant Economic Agent in the broadcasting sector.

Contingencies

In 2011, the Administrative Tax System, or SAT, of the Mexican Ministry of Finance, determined a tax assessment against Televisa for alleged wrongful deductions of losses in the payment of its income tax for the year 2005. In April 2013, the claim filed by Televisa contending such assessment was ultimately resolved with a payment by Televisa to the SAT in the amount of Ps.343,254 (see Note 23).

In March 2015, the investigative authority of the IFT issued a preliminary opinion that presumed the probable existence of substantial power in the market of restricted television and audio services in Mexico, with respect to the Company and certain of its subsidiaries. On September 30, 2015, the Governing Board of the IFT determined that the Group does not have substantial power in such market (“IFT Resolution”). Although this resolution is final at the administrative level, certain third parties have filed *amparo* proceedings challenging the constitutionality of the IFT Resolution; those challenges are still under review by the relevant courts and the Company’s managements is unable to predict the outcome of those challenges.

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

27. Events after the Reporting Period

In February 2016, the Company’s Board of Directors approved a proposal for a dividend of Ps. 0.35 per CPO payable in the second quarter of 2016, subject to the approval of the Company’s stockholders.

In March 2016, the Group announced the acquisition of the remaining 50% equity interest of TVI in the aggregate amount of Ps.6,750,000, including the assumption of long-term liabilities in the aggregate amount of Ps.4,750,000 with maturities between 2017 and 2020, and a cash payment of Ps.2,000,000. Until such acquisition is completed in the second half of 2016, a non-controlling interest will participate as a shareholder of CVQ, a direct subsidiary of the Company. This transaction

[Table of Contents](#)

also provides for the acquisition of the non-controlling interest in CVQ in the amount of Ps.1,258,000, which is included in the total amount of the transaction. This transaction complies with the guidelines and timetable established in the authorization by the IFT. With the ownership of the 100% of the equity interest of TVI, the Group will be better positioned to exploit efficiencies and economies of scale among all its cable operations throughout Mexico and continue expanding its offer of video, voice and data services. The effect of this transaction in the equity attributable to stockholders of the Company as of March 31, 2016, is estimated as follows:

	Acquisition of a Non-controlling Interest	
Carrying value of the non-controlling interest in TVI	Ps.	768,703
Consideration for the 50% equity interest of TVI		(5,492,000)
Decrease in retained earnings attributable to stockholders of the Company	Ps.	(4,723,297)

In March 2016, (i) Sky entered into long-term debt agreements with two Mexican banks in the aggregate principal amount of Ps.5,500,000, with maturities between 2021 and 2023 and interest payable on a monthly basis at an annual rate in the range of 7.0% and 7.13%, and prepaid an intercompany long-term loan in the principal amount of Ps.3,500,000; and (ii) the Company prepaid a portion of its Mexican peso outstanding long-term loans with original maturities between 2016 and 2017 in the aggregate principal amount of Ps.3,532,000.

EXECUTION VERSION

**SECOND AMENDED AND RESTATED
2011 PROGRAM LICENSE AGREEMENT**

by and between

TELEVISA, S.A. DE C.V.

and

UNIVISION COMMUNICATIONS INC.

TABLE OF CONTENTS

	<u>Page</u>
1. License of Programming	3
1.1 Grant of Rights	3
1.2 Certain Specific Rights Included in Licensed Rights	7
1.3 Rights of Licensee and Licensor with Respect to Certain Excluded Content	9
1.4 Televisa Spoiler Content	11
1.5 Sports Clips	11
1.6 Clip Exchange Arrangements	12
2. Novelas, Co-Productions and Acquired Programs, Etc.	12
2.1 Novelas	12
2.2 Acquired Completed Novelas	12
2.3 Co-Produced Content (Non Novelas)	13
2.4 Grupo Televisa Talent	13
2.5 Acquired Completed Content	14
2.6 Scripts; Formats	14
2.7 Local Novelas	16
2.8 Reporting, Informational Meetings and Compliance	17
2.9 Audiovisual Content Acquired Pursuant to the Mexico License Agreement	18
3. General Terms and Conditions Relating to Audiovisual Content	18
3.1 Good Faith Efforts	18
3.2 Spanish Language Platforms	18
3.3 Sale of Broadcast Rights	19
3.4 Telemundo Content	19
3.5 Pantelion Movies	19
3.6 Live Event Streaming	22
3.7 Territorial Integrity; Anti-Piracy	23
3.8 Offensive or Politically Insensitive Platforms	26
4. Sublicensing; Third Party Arrangements	27
4.1 Licensee Right to Sublicense; General Requirements	27
4.2 Licensor Approval	29

TABLE OF CONTENTS
(continued)

	<u>Page</u>	
4.3	Licensor Approval Procedures	30
4.4	Exceptions to Licensor Approval	32
4.5	Interactive Functionality; Technological Enhancements	33
5.	Downloads	33
5.1	Download to Own (DTO)	33
5.2	Download to Rent (DTR)	35
6.	Additional Spanish Language Platforms; Grupo Televisa First Negotiation	36
6.1	Additional Spanish Language Platforms	36
6.2	Grupo Televisa Rights of First Negotiation for Services	36
6.3	No Impact on Licensee Rights	36
7.	Notification and Acceptance of Programming; Scheduling Cooperation	36
7.1	Timing of Availability	36
7.2	Availability Notices; Requests for Delivery	37
7.3	Cooperation	38
8.	Delivery, Expenses and Use of Licensed Content	38
8.1	Delivery Procedure; Clean Versions	38
8.2	Inspection of Delivered Programs	39
8.3	Destruction or Erasure of Delivered Programs	39
8.4	Ownership; Risk of Loss	40
8.5	Restrictions on Duplication	40
8.6	Name and Likeness Rights; Promotions	40
8.7	Credits	41
8.8	Editing	41
8.9	Product Placement	44
8.10	Licensor Withdrawal of Programs	46
8.11	Digitization; Technological Enhancements	46
8.12	Ancillary Content	47
8.13	Digital Distribution Clearances	48
9.	Royalty	49
9.1	Calculation of the Royalty and Royalty Base	49

TABLE OF CONTENTS
(continued)

	<u>Page</u>	
9.2	Payment Schedule	55
9.3	Royalty Calculation	56
9.4	Audit Rights	56
9.5	Additional Certificates and Services	57
9.6	Packaged Sales	58
9.7	Taxes	58
9.8	Withholding	59
9.9	Venevision PLA	59
9.10	Late Payments	59
9.11	Right of Offset Against Late Telefutura Payments	59
10.	Mexican Soccer	59
10.1	Owned Teams	59
10.2	Non-Owned Teams	63
10.3	General Terms and Conditions	65
11.	Unsold Advertising Time	67
11.1	Grupo Televisa Rights to Unsold Advertising Time	67
11.2	Guaranteed Advertising	68
11.3	Timing For Use of Unsold Advertising	68
11.4	Location of Unsold Advertising	68
11.5	Pricing	69
11.6	Coordination	70
11.7	Non-Preemptable Advertising	70
11.8	Purchase of Additional Advertising	71
11.9	Quality Standards	71
11.10	Use of Unsold Advertising for Televisa Third Party Promotion	71
11.11	Unsold Advertising Limited to Networks and Stations	71
11.12	Licensee Right to Reduce Televisa Advertising	71
12.	Representations and Warranties	72
12.1	Licensor Representations and Warranties	72
12.2	Licensee Representations and Warranties	75

TABLE OF CONTENTS
(continued)

	<u>Page</u>
12.3 Insurance	75
13. Indemnification	75
13.1 Licensor Indemnification	75
13.2 Licensee Indemnification	76
13.3 Indemnification Procedures	76
14. Term	77
15. Dispute Resolution; Remedies	77
15.1 Expedited Arbitration	77
15.2 Dispute Resolution	82
15.3 Cure Rights; Determination of Material Breaches Leading to Right to Terminate; No Right of Appeal	83
15.4 Satisfaction of Indemnification Obligations Cures Inaccuracy of Licensor Representations and Warranties	84
15.5 Governing Law	84
15.6 Jurisdiction; Venue; Service of Process	84
15.7 Specific Performance; Injunctive Relief	85
15.8 Certain Limitations	85
16. First Opportunity Rights	85
16.1 Proposed New Businesses	85
16.2 Stand Alone Business	87
16.3 Carve Out Business	88
17. Sale of Licensee Assets	90
17.1 Sale of Networks / Stations	90
17.2 Sale of BMPI	91
17.3 Transfer of Program Rights	92
18. Committees	92
18.1 Programming, Sales and Production Committee	92
18.2 Platforms Committee	92
18.3 Proposed New Business Committee	92
18.4 Grupo Televisa Representation	92
19. Monetization of Territory Audiences	92

TABLE OF CONTENTS
(continued)

	<u>Page</u>
20. Miscellaneous	92
20.1 Effect of Prior Agreements	92
20.2 Force Majeure	93
20.3 Modification	93
20.4 Waiver of Breach	93
20.5 Notices	93
20.6 Assignments	94
20.7 Further Assurances	94
20.8 Information Sharing	94
20.9 Counterparts	94
20.10 Severability	94
20.11 Language Rules of Construction	94
20.12 Headings	95
20.13 Entire Agreement	95
21. [Intentionally Omitted]	95
Annex A	1
SCHEDULE 1 TELEVISA CHANNEL TRADEMARK LICENSE	S-1
SCHEDULE 2 NOVELAS PRIOR TO OCTOBER 4, 2010	S-3
SCHEDULE 3 SPECIAL PANTELION MOVIES	S-4
SCHEDULE 4 APPROVED THIRD PARTY ARRANGEMENTS	S-5
SCHEDULE 5 UIN BRANDED EXPERIENCE NOTICE	S-6
SCHEDULE 6A ROYALTY BASE EXAMPLE	S-8
SCHEDULE 7 FORM OF ACCOUNTING FIRM CERTIFICATE	S-9
SCHEDULE 8 FORM OF CHIEF FINANCIAL OFFICER CERTIFICATE	S-10
SCHEDULE 9 FORM OF SALES OFFICER CERTIFICATE	S-11
SCHEDULE 10 NOTICES	S-12
SCHEDULE 11 NOVELA EXAMPLES	S-14
SCHEDULE 12 CORPORATE OPPORTUNITY EXAMPLE	S-15
SCHEDULE 13 RESTRICTED MOVIES	S-16

SECOND AMENDED AND RESTATED 2011 PROGRAM LICENSE AGREEMENT

This SECOND AMENDED AND RESTATED 2011 PROGRAM LICENSE AGREEMENT (this “Agreement”) is entered into as of July 1, 2015 by and between Televisa, S.A. de C.V., a Mexican corporation (hereinafter “Licensor”) and Univision Communications Inc., a Delaware corporation (“Licensee”), shall be, excluding only clause (a) of Section 14 hereof, effective as of January 1, 2015 (the “Effective Date”), and except as expressly stated herein, (i) amends and restates that certain Amended and Restated 2011 Program License Agreement made as of the 28th day of February 2011 by and between Licensor and Licensee (the “First Amended and Restated Agreement”) that, effective as of January 1, 2011 (the “Prior Effective Date”), amended and restated that certain 2011 Program License Agreement made as of the 20th day of December, 2010 by and between Licensor and Licensee (it being understood and agreed that clause (a) of Section 14 of the First Amended and Restated Agreement shall continue in effect following the Effective Date unless and until the date of a Qualified Public Offering (as defined in the Stockholders Agreement) occurring on or prior to July 1, 2019 (if any, the “Term Effective Date”)); and (ii) replaces and supersedes that certain Third Amended and Restated Program License Agreement made as of the 22nd day of January, 2009 by and between Licensor and Licensee (the “Third Amended and Restated Program License Agreement”). Capitalized terms used but not defined herein shall have the meanings set forth on Annex A attached hereto. Unless the context otherwise clearly requires, the phrase “as of the date hereof” and other phrases of similar import refer to December 20, 2010 and not July 1, 2015.

WHEREAS, Licensor has or will have rights in the United States of America, including all territories and possessions thereof including Puerto Rico (the “Territory”), to license certain Audiovisual Content originally produced in the Spanish language or with Spanish subtitles produced by Licensor and other entities controlled by Grupo Televisa, S.A.B. (“GT”) (GT and all of the companies it controls, including Licensor, being hereinafter referred to collectively as “Grupo Televisa”).

WHEREAS, Licensor has or will have rights in the Territory to license certain Audiovisual Content originally produced in the Spanish language or with Spanish subtitles acquired or co-produced by Grupo Televisa.

WHEREAS, Licensee operates the Networks, the Stations and other Spanish Language Platforms, and may operate additional Spanish Language Platforms in the future.

WHEREAS, Licensee desires to acquire certain rights to Broadcast in the Territory certain Audiovisual Content originally produced in the Spanish language or with Spanish subtitles, and Licensor is willing to grant such a license to such rights upon the terms, provisions and conditions herein set forth.

WHEREAS, Venevision International Corporation (“Venevision”) previously entered into a Second Amended and Restated Program License Agreement, dated as of December 19, 2001 (as the same may have been, and may hereafter be, amended, including pursuant to that certain Binding Term Sheet regarding Amendment of PLA and Other Matters dated December 29, 2014 between Venevision International Enterprises LLC (f/k/a Venevision International Corporation), certain related persons, and Licensor and the related Letter Agreement between

Megavision, Inc. and Licensor dated the same date, the “Venevision PLA”), with the Licensee to license certain television programming for television broadcast in the Territory, and previously entered into that certain agreement between Licensee and Venevision regarding U.S.-Based Productions, Mutual General Releases and Other Matters (each as defined therein), dated as of May 18, 2010 (together with the Venevision PLA, the “Venevision Agreements”), and nothing herein is intended to, or does, alter or limit any rights or obligations of Venevision or Licensee (as between Venevision and Licensee only) under either the Venevision Agreements or that certain Participation Agreement, dated October 2, 1996, by and among Licensee, A. Jerrold Perenchio, GT, Gustavo A. Cisneros, Ricardo J. Cisneros and Corporacion Venezolana de Television (Venevision) C.A. (to the extent still in effect) (the “Participation Agreement”).

WHEREAS, Grupo Televisa acknowledges that Licensee agreed to provide certain benefits in the Third Amended and Restated Program License Agreement in consideration for the releases provided in the Mutual Release and Settlement Agreement, dated as of January 22, 2009, by and among Licensee, Licensor, GT and Telefuturo Network, which benefits are preserved hereunder.

WHEREAS, each of the parties, on December 20, 2010, delivered to the other party a duly executed release and stipulation of discontinuance with prejudice of any and all of such party’s actions, suits and proceedings pending or threatened, claims, damages and causes of action against the other party relating to certain agreements specified in such release and stipulation (collectively, the “Mutual Release”), on the terms and conditions set forth therein.

WHEREAS, Licensee and GT, on December 20, 2010, entered into that certain Amendment to the International Program Rights Agreement, pursuant to which Licensee and GT grant certain rights and eliminate certain obligations as between Licensee and GT only (the “IPRA Amendment”).

WHEREAS, Licensee and Licensor, on December 20, 2010, entered into that certain 2011 International Sales Agency Agreement, pursuant to which Licensee engages Licensor as its exclusive sales agent for the sale or license to third parties of certain rights in and to certain Audiovisual Content originally produced in the Spanish language or with Spanish subtitles (the “Sales Agency Agreement”).

WHEREAS, Videoserpel LTD (an Affiliate of Licensor) and Licensee, on December 20, 2010, entered into that certain 2011 Mexico License Agreement and that certain Amended and Restated 2011 Mexico License Agreement, dated February 28, 2011, pursuant to which Licensee grants to Grupo Televisa certain rights to Broadcast in Mexico certain Audiovisual Content originally produced in the Spanish language or with Spanish subtitles produced or acquired by Licensee, on terms, provisions and conditions similar to those set forth herein (the “Amended and Restated 2011 Mexico License Agreement”), which Amended and Restated 2011 Mexico License Agreement is being amended as of July 1, 2015 (the “2015 MLA Amendment”).

WHEREAS, Broadcasting Media Partners, Inc., (“BMPI”), BMP Services II, LLC, Licensee, GT, and Televisa Pay-TV Venture, Inc., on December 20, 2010, entered into that certain Investment Agreement as amended on February 28, 2011, pursuant to which, among other things, GT made, directly or indirectly, an investment in BMPI and BMP Services II, LLC

and acquired certain rights with respect thereto (such agreement, together with all other related agreements and instruments as may be required in connection therewith, the “Investment Agreement”).

WHEREAS, each of the parties, on July 1, 2015, delivered to the other party a duly executed release of certain of such party’s claims, damages and causes of action against the other party as specified in such release (collectively, the “2015 Mutual Release”), on the terms and conditions set forth therein.

WHEREAS, Licensor and Licensee entered into that certain letter agreement dated May 28, 2014 (the “Pantelion Letter Agreement”) pursuant to which the parties agreed to certain amendments to the First Amended and Restated Agreement relating to Pantelion Movies, which amendments can be rescinded in accordance with the Pantelion Letter Agreement (the “Pantelion Amendments”).

WHEREAS, Licensor and Licensee entered into that certain letter agreement dated December 13, 2013 (the “English Language Mexico Soccer Agreement”) pursuant to which the parties agreed to certain provisions to permit sublicensing of English language rights to certain Soccer Rights to Licensed Mexican Soccer Games and to amend the royalty provisions to include certain revenue related to such arrangements.

WHEREAS, Licensor and Licensee on July 21, 2014 (effective as of July 15, 2013) entered into that certain letter agreement (the “Tigres Letter Agreement”) modifying the terms of the First Amended and Restated Agreement with respect to the Non-Owned Team known as “Tigres” de la Universidad Autonoma de Nuevo Leon for the Tigres Modification Period.

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained, the parties hereto agree as follows:

1. **License of Programming**.

1.1 **Grant of Rights**.

(a) **Licensed Rights**. Pursuant to the terms and conditions and subject to the exceptions and exclusions contained herein, Licensor hereby licenses to Licensee, on an exclusive basis, throughout the Territory during the Term, to the full extent of rights owned or controlled by Grupo Televisa now or in the future, with respect to Licensed Content originally produced in the Spanish language or with Spanish subtitles, the following rights (collectively, the “Licensed Rights”):

- (i) *Programs*. The right to Broadcast Programs by means of all Licensed Media;
- (ii) *Movies*. The right to Broadcast Movies (other than Restricted Movies) by means of all Licensed Media;
- (iii) *Pantelion Movies*. The right to Broadcast Pantelion Movies by means of Free Television. For the avoidance of doubt, the parties’ respective rights and

obligations with respect to Pantelion Movies are subject to the terms, conditions, exceptions and exclusions of Section 3.5;

(iv) *Licensed Soccer Rights* . The Licensed Soccer Rights, in accordance with and pursuant to the terms and conditions and subject to the exceptions and exclusions of Section 10;

(v) *Televisa Publications Content* . The right to Broadcast Televisa Publications Content by means of Linear Television Channels. Licensee shall only Broadcast Televisa Publications Content on the Specified Channels and, once Broadcast on the Specified Channels (or concurrent with such Broadcast), through MVPDs pursuant to MVPD Arrangements then in effect or entered into by Licensee with respect to the Specified Channels. The parties' respective rights and obligations with respect to Excluded Content (including Televisa Publications Content) shall be subject to the terms, conditions, exceptions and exclusions of Section 1.3;

(vi) *Ancillary Content*. The right to Broadcast Ancillary Content by means of all Licensed Media. Ancillary Content shall be provided or produced by Grupo Televisa and delivered by Licensor pursuant to Section 8.12;

(vii) *Clips*. The right to Broadcast, by means of all Licensed Media, (A) Televisa Produced Clips, subject to the rights of Grupo Televisa set forth in Section 1.3(a)(i), and the terms, conditions, exceptions and exclusions thereon set forth in Section 1.3; and (B) Licensee Produced Clips, in each of cases (A) and (B), subject to Section 1.6. Televisa Produced Clips shall be delivered to Licensee as and when produced by Grupo Televisa. Licensee Produced Clips shall be produced by Licensee pursuant to Section 8.8(e)(ix) or Section 10.3(e); and

(viii) *Other Rights* . Any other Broadcast rights not granted in clauses (i) through (vii) with respect to Audiovisual Content originally produced in the Spanish language or with Spanish subtitles in the Licensed Media on Spanish Language Platforms, in all cases subject to the exceptions, exclusions and limitations herein, including with respect to Excluded Content.

(b) Reserved Rights. Notwithstanding any other provisions of this Agreement, without limiting the generality of any other exclusion from or limitation of the rights licensed hereunder, the following rights in the Territory during the Term do not constitute Licensed Rights and are expressly reserved by Licensor (on behalf of Grupo Televisa):

(i) *Theatrical Exhibition of Movies* . The right to, and to permit others to, Broadcast all Movies by means of Theatrical Exhibition, whether on a "first-run" or "re-release" basis; it being understood and agreed that Grupo Televisa shall not, and shall not permit others to, Broadcast Licensed Content other than Movies by means of Theatrical Exhibition in the Territory during the Term;

(ii) *Pantelion Movies* . The right to permit Pantelion to Broadcast Pantelion Movies in all Licensed Media (other than Free Television) and by means of Theatrical Exhibition, pursuant to the terms and conditions and subject to the exceptions and exclusions of Section 3.5;

(iii) *Videogames* . The right to, and to permit others to, Broadcast Videogames; provided, that such Videogames (other than the “Lucha Libre Heroes of the Ring” Videogame existing as of the date hereof) shall not incorporate any clip, segment, or portion of Licensed Content, other than (x) in any sports-themed and branded Videogame, up to ninety (90) seconds individually and five (5) minutes (in the aggregate) of non-interactive Ancillary Content or clips, vignettes, video recaps, highlight reels or other similar short-form Audiovisual Content composed of excerpts from sports Programs or Licensed Mexican Soccer Games (provided, that no such clips, vignettes, video recaps, highlight reels or other similar short-form Audiovisual Content shall be included in any Videogame until six (6) months after the applicable or underlying Licensed Content has been made available to Licensee hereunder), and (y) in any other Videogame, up to ninety (90) seconds individually and five (5) minutes (in the aggregate) of non-interactive Ancillary Content.

(iv) *Hard Good Home Videograms* . The right to, and to permit others to, distribute or sell or otherwise exploit Hard Good Home Videograms, including those embodying Licensed Content;

(v) *Radio* . The right to, and to permit others to, transmit, re-transmit, distribute or otherwise disseminate or exploit any audio-only content, including audio-only tracks of the Licensed Content (other than Novelas) by means of Radio;

(vi) *Televisa Publications Content* . Pursuant to the terms and conditions and subject to the exceptions and exclusions set forth herein (including in Section 1.3) and without limiting Licensee’s rights with respect to Televisa Publications Content, the right to, and to permit others to, Broadcast Televisa Publications Content only on Grupo Televisa’s proprietary sites and platforms and third party sites and platforms (other than on any Linear Television Channel in the Territory, which shall not be permitted in any instance); provided, that if Grupo Televisa elects to Broadcast any Televisa Publications Content on a third party site or platform in any Licensed Media during the Term in the Territory on an exclusive basis, Licensor shall provide to Licensee an exclusive Right of First Negotiation / First Refusal to license such Televisa Publications Content on an exclusive basis for Broadcast by means of such Licensed Media;

(vii) *Short Form Commercial Advertising* . The right to, and to permit others to, Broadcast Short Form Commercial Advertising (A) for third party goods and services; provided, that such advertising content shall not incorporate any clip, segment, or portion of Licensed Content and/or (B) promoting any Grupo Televisa business, including its magazines, Theatrical Exhibition of its movies, its consumer products, its Videogames and its Hard Good Home Videograms;

(viii) *Televisa Training Content* . The right to, and to permit others to, Broadcast Televisa Training Content to its employees or consultants or for general corporate purposes;

(ix) *Televisa New Business Content* . Pursuant to the terms and conditions and subject to the exceptions and exclusions set forth herein (including in Section

1.3), the right to, and to permit others to, Broadcast Televisa New Business Content only on Grupo Televisa's proprietary sites and platforms and third party sites and platforms;

(x) *Non-Spanish Language Audiovisual Content*. All rights, including rights to, and to permit others to, Broadcast, any Audiovisual Content that is (A) originally produced in a language other than the Spanish language, and (B) without Spanish subtitles; provided, that Grupo Televisa shall not, and shall not permit others to, Broadcast any Licensed Content dubbed, subtitled or otherwise converted into a language other than Spanish in the Territory during the Term; and

(xi) *Non-Audiovisual Content*. All rights that are not rights to Broadcast Audiovisual Content, except to the extent expressly provided herein or necessary for the Broadcast of Licensed Content.

(c) Availability. Licensed Content shall become available for Broadcast by Licensee in accordance with Section 7.1.

(d) Spanish Closed Captions. Notwithstanding any reference herein to Spanish subtitles, if Spanish-language closed captions (or a similar text feature) are added to any Audiovisual Content that is originally produced in a language other than Spanish and such closed captions are added (i) by a third party distributor that primarily Broadcasts or distributes Audiovisual Content in a language other than Spanish and was not involved in the production of such Audiovisual Content; and (ii) by means of a generally available closed captioning or similar system applicable to Audiovisual Content Broadcast on the platform in question, then such Audiovisual Content shall not be deemed to be subtitled in Spanish solely by reason of such closed captions (or similar text feature). By way of example, if DirecTV makes a Spanish language closed captioning feature available with respect to channels and platforms on its service, such Spanish language closed captioning services shall not, in and of itself, cause programming produced in a language other than Spanish and Broadcast on DirecTV to be deemed "subtitled in Spanish" for purposes of this Agreement.

(e) Non-Licensed Content. For the avoidance of doubt, this Agreement relates solely to the Broadcast and exploitation of the Licensed Rights in and to the Licensed Content in the Territory and during the Term, and is not intended to, and shall not, limit or impair any of Licensee's or its Affiliates' rights with respect to any other Audiovisual Content, audio-only content or other content.

(f) Rights Restrictions. Licensee acknowledges and agrees that there may exist Rights Restrictions with respect to items of Licensed Content. Licensee and its controlled Affiliates, and other persons to whom Licensee sublicenses or otherwise transfers rights to the Licensed Content shall, in connection with the exercise of the Licensed Rights, comply with any Rights Restrictions with respect to each item of Licensed Content, in each case, as notified by Licensor to Licensee in an Availability Notice in accordance with Section 7.2(a).

1.2 **Certain Specific Rights Included in Licensed Rights** . Without limiting the generality of Section 1.1(a) :

(a) **Affiliates** .

(i) ***Controlled Affiliates*** . The Licensed Rights include the right to permit controlled Affiliates of Licensee to exercise the Licensed Rights (and all other rights and entitlements hereunder attendant and appurtenant thereto) to the same extent, and subject to the same terms, conditions, exceptions, exclusions and obligations as Licensee (and such permitted use shall not be deemed a sublicense for purposes of this Agreement); provided, that if a person ceases to be a controlled Affiliate of Licensee during the Term, the right of such person to exercise the Licensed Rights under this Section 1.2(a)(i) shall automatically cease and such person shall thereafter be deemed a sublicensee, subject to Section 4 .

(ii) ***Network Affiliates*** . The Licensed Rights include the right to permit Network Affiliates to exercise the Licensed Rights (and all other rights and entitlements hereunder attendant and appurtenant thereto) as part of the Broadcast by means of Free Television, pursuant to and in accordance with Network Affiliation Agreements entered into by and among Licensee and its controlled Affiliates, and the Network Affiliates (and such permitted use shall not be deemed a sublicense for purposes of this Agreement); provided, that if a person ceases to be a Network Affiliate of Licensee during the Term, the right of such person to exercise the Licensed Rights under this Section 1.2(a)(ii) shall automatically cease and such person shall thereafter be deemed a sublicensee, subject to Section 4 (including Licensor's approval rights set forth thereunder, if applicable).

(b) **Closed-Captioning; SAP** . The Licensed Rights include, to the full extent of rights owned or controlled by Grupo Televisa now or in the future (i) the right to subtitle Licensed Content into English or Spanish for closed-caption (or similar text feature) versions for Broadcast in Licensed Media on Spanish Language Platforms, and to dub Licensed Content into English for SAP (secondary audio programming) or into Spanish for audio description for the visually impaired, in each case of Spanish Language Platforms, in each case, subject to the approval of the Televisa Editing and Dubbing Appointee (such approval not to be unreasonably withheld, conditioned or delayed); and (ii) the exclusive right to Broadcast such English or Spanish closed-caption (or similar text feature), English SAP or Spanish audio description of Licensed Content in Licensed Media on Spanish Language Platforms, in each case, in the Territory during the Term. For the avoidance of doubt, Licensee shall also have the right to offer closed captions or SAP (or similar functionality) to the extent required by applicable Law. The dubbed and/or subtitled version of each item of Licensed Content will be delivered to, and be the property of, Licensor promptly after such dubbed or subtitled version has been produced, subject, during the Term, to the exclusive license hereunder in accordance with the terms hereof. Upon Licensee's request, and as promptly as practicable following the delivery of the applicable Licensed Content pursuant to Section 8.1, Licensor will deliver to Licensee any available scripts, transcripts or other documents (whether in Spanish and/or English) that would assist Licensee in preparing such English subtitled or English dubbed versions of Licensed Content. Licensee shall not, and shall not permit others to, dub or subtitle any Licensed Content, or Broadcast any version of Licensed Content dubbed or subtitled, in a language other than Spanish or English.

(c) Sublicensees . Licensee's rights to sublicense the Licensed Rights are set forth in Section 4 .

(d) Grupo Televisa Channels .

(i) *Rights to Televisa Channels* . The Licensed Rights include the exclusive right to Broadcast, by means of all Licensed Media in the Territory during the Term, on the terms, conditions, exceptions and exclusions contained herein, the Televisa Channels, to the extent that such Televisa Channels are comprised of Licensed Content. Licensee shall also have the right to (A) complement or replace Audiovisual Content on the Televisa Channels with other Audiovisual Content owned or controlled by Licensee (e.g., by inserting local or licensed programming (including other Licensed Content)), including to replace Audiovisual Content to which Licensor does not own or control the relevant Broadcast rights in the Territory; (B) commercialize and sell its own advertising on the Televisa Channels as Broadcast by Licensee; and (C) customize / reconfigure existing programming offerings on such Televisa Channels (e.g., by changing the order of programming (including Licensed Content)). Any edits, additions or deletions to any Licensed Content contained on any Televisa Channel or any Licensed Content used to replace any Audiovisual Content on any Televisa Channel shall be subject (to the extent applicable) to the editing terms and conditions set forth in Section 8.8 (it being understood and agreed that any such complements, replacements, customizations or reconfigurations by Licensee with respect to the sequence, composition, presentation and/or delivery of the Audiovisual Content Broadcast that do not change the internal content of any Licensed Content on any such Televisa Channel (including the replacement of such Audiovisual Content with alternative Audiovisual Content) shall not be considered an edit, addition, deletion, change or modification by Licensee and no such actions shall be subject to Section 8.8). Upon Licensee's request, Licensor shall, subject to the parties' mutually agreeing on a budget, carry out such complements, replacements, customizations or reconfigurations and other similar modifications to the Televisa Channels pursuant to this Section 1.2(d)(i) ; it being understood that such budget (I) shall be no greater than the sum of the actual, out-of-pocket costs paid by Grupo Televisa in order to complete such complements, replacements, customizations, reconfigurations and other similar modifications, plus a reasonable internal overhead cost allocation (consistent with Grupo Televisa's standard practices for pricing such services for use among its internal departments and divisions); and (II) shall be no greater than the market price (i.e., on an arms length basis) for the services in question.

(ii) *Rights to Televisa Packaged Programming Offerings* . Licensee shall have rights, on the terms, conditions, exceptions and exclusions contained herein, to Grupo Televisa's existing and future linear and, to the extent the delivery and exercise of such rights is commercially feasible, non-linear packaged and branded programming offerings (e.g., a specially branded Grupo Televisa video-on-demand classic Novela "channel" containing Novelas selected and packaged by Grupo Televisa) that Grupo Televisa Broadcasts outside the Territory, to the extent such packaged programming offerings are comprised of Licensed Content, to the same extent of, *mutatis mutandis* , Licensee's rights with respect to Televisa Channels contained in Section 1.2(d)(i) .

(iii) *Televisa Channel Marks* . In accordance with its exercise of the rights to Televisa Channels and other packaged and branded programming offerings, Licensee

shall have the right, but not the obligation to use the Televisa Channel Marks in accordance with the trademark license set forth on Schedule 1 attached hereto; provided, that Licensee shall have the obligation to use such Televisa Channel Marks with respect to any Televisa Channel or other packaged and branded programming offering that Licensee uses without modification (other than insertion, deletion or substitution of advertising as permitted hereunder); provided, further, that in the event that Licensee's customizations or reconfigurations of a Televisa Channel or packaged programming offering change the genre or integrity of such Televisa Channel or packaged programming offering, then Licensee shall, upon Licensor's reasonable request, cease, as soon as reasonably practicable, the use of the Televisa Channel Marks relating to such customized or reconfigured Televisa Channel or packaged programming offering.

(iv) *No Impact on Other Licensee Rights*. Nothing contained in this Section 1.2(d) shall impair or restrict Licensee's right to Broadcast in any Licensed Media during the Term, in the Territory (whether on channels, networks, programming services or on a stand-alone basis) any individual item of Licensed Content (whether or not Broadcast by Grupo Televisa on any Televisa Channel or other packaged programming offering outside the Territory).

(e) Charitable/Religious Content.

(i) *Licensee Rights to Charitable/Religious Content*. The Licensed Content includes all Charitable/Religious Content and the Licensed Rights include (i) the exclusive right to Broadcast Charitable/Religious Content in all Licensed Media other than by means of the Internet; and (b) the non-exclusive right (subject only to Licensor's rights set forth in Section 1.2(e)(ii)) to Broadcast Charitable/Religious Content by means of the Internet, in each case, in the Territory during the Term.

(ii) *Grupo Televisa Non-Exclusive Right to Charitable/Religious Content*. Grupo Televisa shall have the non-exclusive right to Broadcast Charitable/Religious Content in the Territory during the Term only by means of the Internet. Notwithstanding the foregoing, Grupo Televisa shall not be permitted to Broadcast, license or otherwise make available for Broadcast any Charitable/Religious Content during the Term in the Territory on a Linear Television Channel, or on a continuous streamed basis as to constitute, or take on the characteristics of, a Linear Television Channel. Grupo Televisa shall not license or otherwise make available any Charitable/Religious Content to any third party in the Territory during the Term.

1.3 Rights of Licensee and Licensor with Respect to Certain Excluded Content.

(a) Terms and Conditions Regarding Grupo Televisa's Rights to Broadcast Excluded Content. Notwithstanding any other provisions of this Agreement, Grupo Televisa's rights to Broadcast Excluded Content in the Territory during the Term shall be subject to the following terms, conditions, exceptions and exclusions:

(i) *Limitations on Televisa Produced Clips* . Grupo Televisa's Broadcast of the Televisa Produced Clips shall be only by means of Internet. In addition, with respect to any Televisa Produced Clips of sports events, (A) Grupo Televisa shall Broadcast such Televisa Produced Clips only with at least a five (5) minute delay from the applicable live sports event; and (B) subject to any Clip Exchange Arrangements, Grupo Televisa shall not sublicense or otherwise make available any such Televisa Produced Clips to *****.

(ii) *No Linear Channels* . Grupo Televisa will not be permitted to Broadcast, sublicense or otherwise make available for Broadcast any Televisa Publications Content, Televisa Training Content, Televisa Produced Clips or Televisa New Business Content during the Term in the Territory on a Linear Television Channel, or on a continuous streamed basis as to constitute, or take on the characteristics of, a Linear Television Channel (other than the Broadcast of Televisa Carve Out Business Content on the Linear Television Channel acquired by Televisa as a Carve Out Business in accordance with the terms and conditions of Section 16.3).

(iii) *Limitation on Sports Related Televisa Publications Content* . During the Term, Televisa Publications Content relating to a specific live sports event (or the participants therein) shall not be Broadcast within the thirty (30) minutes before or after the live Broadcast of the relevant sports event (or during such an event) by Licensee; provided, that such restriction shall not apply if such sports event is not Broadcast live by Licensee, its controlled Affiliates or its permitted sublicensees (or, in the case of permitted sublicensees, if Licensor is not notified of such Broadcast at least three days prior to such Broadcast).

(b) Terms and Conditions Regarding Licensee's Rights to Broadcast Excluded Content . Notwithstanding any other provisions of this Agreement, Licensee's rights to Broadcast Excluded Content in the Territory shall be subject to the following terms, conditions, exceptions and exclusions:

(i) *Televisa Publications Content*.

(A) All Broadcasts by Licensee of any Televisa Publications Content on the Specified Channels (and pursuant to MVPD Arrangements with respect to the Specified Channels) shall retain all promotional materials that Grupo Televisa embeds in such Televisa Publications Content; provided, that such promotional materials shall only be required

***** **CONFIDENTIAL TREATMENT: GRUPO TELEVISA, S.A.B. HAS REQUESTED THAT THE OMITTED PORTIONS OF THIS DOCUMENT, WHICH ARE INDICATED BY *****, BE AFFORDED CONFIDENTIAL TREATMENT. GRUPO TELEVISA, S.A.B. HAS SEPARATELY FILED THE OMITTED PORTIONS OF THE DOCUMENT WITH THE SECURITIES AND EXCHANGE COMMISSION .**

to be retained to the extent that they promote the applicable Televisa Publication and/or its website (and shall not promote any other website or platform owned or controlled by Grupo Televisa, including Esmas.com) and are limited to one or more of (1) a fixed brand bug of a size consistent with customary industry practice; (2) up to a lower third graphical brand or URL (uniform resource locator) presence for up to twenty percent (20%) of the duration of the applicable Televisa Publications Content; and (3) a brand or URL presence on the starts and finishes of the applicable Televisa Publications Content. Licensee shall have the right to remove any promotional materials to the extent they are not required to be retained by Licensee pursuant to this Section 1.3(b)(i)(A).

(B) Licensee shall not be permitted to sublicense the Televisa Publications Content to any third party. For the avoidance of doubt, the foregoing shall not prohibit the Broadcast of such Televisa Publications Content by any MVPD in accordance with Section 1.1(a)(v).

(ii) *No Right to Other Excluded Content*. Subject to Licensee's Right of First Negotiation / First Refusal under Section 1.1(b)(vi), Licensee shall have no right to Broadcast, sublicense, exploit or otherwise make available any Excluded Content other than the Televisa Publications Content and Televisa Produced Clips (pursuant to the terms and conditions and subject to the exceptions and exclusions herein).

1.4 **Televisa Spoiler Content**. Licensor shall use commercially reasonable efforts to ensure that Grupo Televisa does not Broadcast, publish, include or otherwise make available to the general public in the Territory, any Televisa Spoiler Content in any Territory-specific versions or editions of any of Grupo Televisa's Publications or by means of any Broadcast of Excluded Content; provided, that such obligation shall not be applicable before six (6) months prior to Licensee's Broadcast of the relevant Program and Licensee will give Licensor reasonable notice to enable Licensor to comply with this obligation. In the event that Licensee notifies Licensor in writing that any Televisa Spoiler Content is being so Broadcast, published, included or otherwise made available by Grupo Televisa (or any licensee in the Territory) to the general public in the Territory, Licensor will ensure that Grupo Televisa (and will use commercially reasonable efforts to cause such licensee in the Territory to) promptly (but in the case of Grupo Televisa, in no event later than forty-eight (48) hours following receipt by Licensor of such notice from Licensee), removes or takes down such Televisa Spoiler Content. The obligations of Licensor under this Section 1.4 shall not apply to Televisa Spoiler Content contained in Licensed Content made available for Broadcast by Licensee in the Territory, to which the provisions of Section 8.8(e)(i) shall apply.

1.5 **Sports Clips**. Subject to Clip Exchange Arrangements, Licensee shall not sublicense or otherwise make available any Televisa Produced Clips or Licensee Produced Clips of sports events to *****. For the avoidance of doubt, the foregoing restriction shall not apply, and shall in no way restrict Licensee's Broadcast, sublicense or other exploitation of clips of sporting events not licensed by Licensor to Licensee hereunder (e.g., clips of Licensee's Broadcast of the World Cup).

***** **CONFIDENTIAL TREATMENT: GRUPO TELEVISIA, S.A.B. HAS REQUESTED THAT THE OMITTED PORTIONS OF THIS DOCUMENT, WHICH ARE INDICATED BY ***** , BE AFFORDED CONFIDENTIAL TREATMENT. GRUPO TELEVISIA, S.A.B. HAS SEPARATELY FILED THE OMITTED PORTIONS OF THE DOCUMENT WITH THE SECURITIES AND EXCHANGE COMMISSION**

1.6 **Clip Exchange Arrangements**. Notwithstanding anything contained herein, each party acknowledges and agrees that the other party may continue to participate in customary Clip Exchange Arrangements and that neither party shall be in breach of this Agreement merely on the basis of participation therein. For the avoidance of doubt, such Clip Exchange Agreements (and the license of any Audiovisual Content thereunder) shall not be subject to approval under Section 4.2.

2. **Novelas, Co-Productions and Acquired Programs, Etc.** The following additional terms, conditions, exceptions and exclusions shall apply with respect to the following respective categories of Audiovisual Content, Formats or Scripts:

2.1 **Novelas**. Licensor will cause any and all Novelas (whether produced, co-produced or acquired by Licensor) that are (or are intended for) Broadcast by Grupo Televisa (or a licensee of Grupo Televisa of such Novela) in any media in Mexico to be Licensed Content, and the Broadcast rights in all Licensed Media in the Territory in and to such Novelas shall be exclusively licensed to Licensee hereunder in the Territory during the Term, except (a) Acquired Completed Novelas to which Grupo Televisa has not acquired any Broadcast rights in any Licensed Media in any part of the Territory; and (b) those Novelas acquired prior to October 4, 2010 to the extent to which Grupo Televisa does not have Broadcast rights in any Licensed Media in part or all of the Territory. Schedule 2 hereto contains, to the best of Licensor's knowledge, a full and complete list of all Novelas (other than Acquired Completed Novelas) that were acquired by Grupo Televisa between December 31, 2001 and the date hereof and with respect to which Licensor has not obtained and has not licensed to Licensee the Broadcast rights in any Licensed Media in the Territory.

2.2 **Acquired Completed Novelas**. Notwithstanding anything contained in Section 2.1:

(a) **Information; Facilitation of Negotiation**. If Grupo Televisa intends to acquire Broadcast rights outside the Territory to any Novela that Licensor believes would be an Acquired Completed Novela, Licensor shall promptly notify Licensee in writing (including a detailed description of such Acquired Completed Novela and the identity and contact information of the seller or third party licensor). Licensor shall also provide other information reasonably requested by Licensee (to the extent Grupo Televisa has such information and is not legally or contractually restricted from sharing it). Upon Licensee's request, Licensor shall put Licensee in contact with such seller or third party licensor and use commercially reasonable efforts to facilitate a negotiation between Licensee and such seller or third party licensor so that Licensee may attempt to acquire or license the Broadcast rights in the Territory to such Acquired Completed Novela.

(b) **Seller or Third Party Licensor Inability or Refusal to Negotiate**. In the event that the applicable seller or third party licensor of a potential Acquired Completed Novela

(i) is unable to negotiate with Licensee in connection with the acquisition or license of Broadcast rights in the Territory because such rights are subject to a bona fide, contractual commitment to a third party existing prior to Grupo Televisa having any discussions with such seller or third party licensor in respect of such Acquired Completed Novela; or (ii) refuses to negotiate with Licensee, then Grupo Televisa may, at any time after notice has been delivered to Licensee pursuant to Section 2.2(a), obtain any Broadcast rights in and to such Acquired Completed Novela (other than rights to Broadcast in the Licensed Media during the Term in the Territory) and such Acquired Completed Novela will not be Licensed Content.

(c) Ownership. Licensee shall own any rights in the Territory to an Acquired Completed Novela that it directly acquires or licenses from the seller or third party licensor, and for the avoidance of doubt, such rights in and to an Acquired Completed Novela shall not be included in the Licensed Rights hereunder or be subject to any of the terms, conditions, exceptions and exclusions contained in this Agreement (provided, that this sentence shall not be deemed to affect the calculation of the Royalty Base or the operation of Section 9).

(d) Grupo Televisa Ability to Acquire Rights. Notwithstanding the foregoing, the provisions of this Section 2.2 shall not restrict or impede the ability of Grupo Televisa to acquire rights (other than rights to Broadcast in Licensed Media during the Term in the Territory) in and to an Acquired Completed Novela at any time after notice to Licensee has been delivered pursuant to Section 2.2(a). If Grupo Televisa so acquires or licenses Broadcast rights outside the Territory to such an Acquired Completed Novela, then such Acquired Completed Novela shall not be Licensed Content.

2.3 Co-Produced Content (Non Novelas). If Grupo Televisa enters into any third party arrangement or agreement involving the production of Audiovisual Content that is not a Novela and that would be Co-Produced Content for which Grupo Televisa obtains any Broadcast rights in Mexico, then Licensor shall concurrently, at its cost, obtain all rights to Broadcast such Co-Produced Content in the Territory in the same Licensed Media, to the full extent to which Grupo Televisa obtains Broadcast rights in Mexico, for the same period, to the extent within the Term. All Co-Produced Content for which Licensor obtains Broadcast rights in Licensed Media in the Territory pursuant to the preceding sentence shall be licensed to Licensee as Licensed Content under this Agreement. Notwithstanding the foregoing, the provisions of this Section 2.3 shall not apply to Broadcast rights to Co-Produced Content in any Licensed Media in the Territory that either (i) have been licensed or sold by the applicable Co-Production Partner or third party producer to a third party pursuant to a bona fide, contractual agreement or (ii) were not acquired by the applicable Co-Production Partner or third party producer from the owner of the applicable underlying intellectual property rights as part of the bona fide, contractual agreement with such owner, in each case, prior to Grupo Televisa having any substantive discussions with such Co-Production Partner or third party producer (or otherwise having any substantive involvement) in respect of such Co-Produced Content.

2.4 Grupo Televisa Talent. Without limiting anything contained in Section 2.3 above, Grupo Televisa shall not take any action (or omit to take any action within its control) that would (or would be reasonably expected to) cause, allow, or permit any talent that is (i) exclusive or proprietary to Grupo Televisa and (ii) then under contract to Grupo Televisa to appear or participate in the production of any Audiovisual Content that is intended for Broadcast

by any third party Spanish language Television Broadcaster in the Territory, whether or not such Audiovisual Content constitutes Co-Produced Content; provided, that the foregoing shall not (A) require Grupo Televisa to pay or provide any particular or additional compensation or benefits to such talent beyond what it is contractually obligated to pay; (B) apply to the expiration or termination (for reasons unrelated to an appearance or participation addressed in clause (ii) above) of any such contract; (C) apply to any Audiovisual Content not initially produced for Broadcast by any third party Spanish language Television Broadcaster in the Territory for which such a Television Broadcaster subsequently (and without any involvement in the development, production or financing thereof) acquires Broadcast rights from a third party; or (D) make Grupo Televisa responsible for any breach of contract by such talent.

2.5 **Acquired Completed Content**. Nothing contained in this Agreement shall prevent Grupo Televisa from acquiring Broadcast rights outside the Territory to any Acquired Completed Content.

2.6 **Scripts; Formats**.

(a) **Sale of Scripts**. Grupo Televisa will be permitted to sell rights in any Script to a third party so long as, in connection with such sale, Grupo Televisa divests (subject to Section 2.6(c)) itself of all right, title and interest in and to such Script, including any Broadcast rights outside the Territory and any other interest (whether monetary or otherwise) in such Script (e.g., profit participations, revenue shares, options, reversion rights, credits (except to the extent such credits are required to be retained under applicable Law), etc.). Any Audiovisual Content produced from such sold Script will not be Licensed Content, Co-Produced Content, an Acquired Completed Novela, Televisa Produced Format Content or Third-Party Produced Format Content solely by reason of Grupo Televisa's former ownership of rights in such sold Script.

(b) **Exchange of Scripts**. Grupo Televisa will be permitted to trade or exchange any Script (the "Divested Script") with a third party for one or more other Scripts (the "Acquired Scripts") so long as, in connection with such trade or exchange, (i) Grupo Televisa divests (subject to Section 2.6(c)) itself of all right, title and interest in and to such Divested Script, including any Broadcast rights outside the Territory and any other interest (whether monetary or otherwise) in such Divested Script (e.g., profit participations, revenue shares, options, reversion rights, credits (except to the extent such credits are required to be retained under applicable Law), etc.); and (ii) Licensor licenses to Licensee hereunder the exclusive rights to Broadcast in the Licensed Media as part of, and to the full extent of, the Licensed Rights in the Territory during the Term, Audiovisual Content originally produced in the Spanish language or with Spanish subtitles produced based on such Acquired Scripts (and such Audiovisual Content originally produced in the Spanish language or with Spanish subtitles, once produced, will automatically and immediately be deemed Licensed Content hereunder to the extent it would otherwise constitute Licensed Content and the rights to Broadcast such Licensed Content in the Licensed Media will be exclusively licensed to Licensee as part of, and to the full extent of, the Licensed Rights in the Territory during the Term). Any Audiovisual Content produced from such Divested Script will not be Licensed Content, Co-Produced Content, an Acquired Completed Novela, Televisa Produced Format Content or Third-Party Produced Format Content solely by reason of Grupo Televisa's former ownership of rights in such Divested Script.

(c) Grupo Televisa Retention of Mexican Broadcast Rights. If, during the Term, in any sale, trade or exchange of a Script addressed in Section 2.6(a) or (b), Grupo Televisa retains any rights to Broadcast in Mexico in any Licensed Media any Audiovisual Content originally produced in the Spanish language or with Spanish subtitles produced from any such sold Script or Divested Script, Grupo Televisa will also retain the same rights to Broadcast such Audiovisual Content in such Licensed Media in the Territory for the same period, to the extent within the Term (and such Audiovisual Content originally produced in the Spanish language or with Spanish subtitles, to the extent of such rights, once produced, will automatically and immediately be deemed Licensed Content hereunder to the extent it would otherwise constitute Licensed Content and the rights to Broadcast such Licensed Content in the Licensed Media will be exclusively licensed to Licensee as part of, and to the full extent of, the Licensed Rights in the Territory during the Term).

(d) Scripts for Non-Spanish Language Productions. For the avoidance of doubt, Grupo Televisa will be permitted to sell or exchange in any manner (*i.e.* , the restrictions of paragraphs (a), (b) and (c) of this Section 2.6 do not apply) any Script that is not intended to be originally produced in the Spanish language or with Spanish subtitles; provided, that Grupo Televisa prohibits, in a binding agreement with the purchaser or transferee of any such Script, the production of any Audiovisual Content based on such Script that is originally produced in the Spanish language or with Spanish subtitles. For the avoidance of doubt, the aforementioned contractual prohibition shall apply to any successors, transferees, licensees or assigns of such purchaser or transferee.

(e) Televisa-Produced Format Content. If Grupo Televisa intends to produce Audiovisual Content originally produced in the Spanish language or with Spanish subtitles from a Third-Party Licensed Format (“ Televisa Produced Format Content”) for Broadcast in any Licensed Media in Mexico, Licensor shall, at its cost, use its best efforts to obtain from the owner of such Third-Party Licensed Format all rights to Broadcast such Televisa Produced Format Content in the Territory in the same Licensed Media, to the full extent to which Grupo Televisa obtains Broadcast rights in Mexico, for the same period, to the extent within the Term. All Televisa Produced Format Content for which Licensor obtains Broadcast rights in Licensed Media in the Territory pursuant to the preceding sentence shall be licensed to Licensee as Licensed Content under this Agreement. In the event that, despite using best efforts, Licensor is unable to so acquire such rights to the applicable Televisa Produced Format Content in the Territory, then Grupo Televisa may obtain Broadcast rights in and to such Televisa Produced Format Content if and only if the owner of the applicable Third-Party Licensed Format contractually agrees with Grupo Televisa not to undertake any sale, transfer, license or Broadcast of such Televisa Produced Format Content in any Licensed Media during the Term in the Territory, in which case (i) such Televisa Produced Format Content shall not be deemed to be Licensed Content hereunder, and (ii) Grupo Televisa shall be permitted to Broadcast, distribute and/or sublicense such Televisa Produced Format Content outside the Territory; provided, that Grupo Televisa will take all necessary actions to enforce such contractual obligations of the owner of the applicable Third-Party Licensed Format. For clarity, all Audiovisual Content produced or co-produced by Grupo Televisa in the Spanish language or with Spanish subtitles from a Format owned or controlled by Grupo Televisa (including any Third-Party Acquired Format), as opposed to from a Third-Party Licensed Format, shall be licensed to Licensee as Licensed Content under this Agreement.

(f) Third Party-Produced Format Content. Grupo Televisa shall be permitted to sell, trade, exchange, license, distribute or sublicense any Format (including Third-Party Acquired Formats and other Formats owned or controlled by Grupo Televisa, and any Third-Party Licensed Formats for which Grupo Televisa is engaged as a distributor or sales agent (provided, that Televisa Produced Format Content shall remain subject to the terms of Section 2.6(e) above at all times)) to a third party if and only if such third party contractually agrees with Grupo Televisa not to undertake any sale, transfer, license or Broadcast of any Audiovisual Content originally produced in the Spanish language or with Spanish subtitles from such Formats (“Third-Party Produced Format Content”) in any Licensed Media during the Term in the Territory; provided, that Grupo Televisa will take all necessary actions to enforce such contractual obligations of such third party; provided, further that if during the Term, in any transaction addressed in this Section 2.6(f), Grupo Televisa retains any rights to Broadcast in Mexico in any Licensed Media any Third-Party Produced Format Content produced from a Third-Party Acquired Format or other Format owned or controlled by Grupo Televisa, Grupo Televisa will also retain all rights to Broadcast such Third-Party Produced Format Content in the same Licensed Media in the Territory, to the full extent to which Grupo Televisa retains Broadcast rights in Mexico, for the same period, to the extent within the Term (and such Third-Party Produced Format Content, to the extent of such rights, once produced, will automatically and immediately be deemed Licensed Content hereunder to the extent it would otherwise constitute Licensed Content and the rights to Broadcast such Licensed Content in the Licensed Media will be exclusively licensed to Licensee as part of, and to the full extent of, the Licensed Rights in the Territory during the Term).

2.7 Local Novelas.

(a) Co-Produced Local Novelas. With respect to any Co-Produced Local Novela where Grupo Televisa participates in the co-production of the Co-Produced Local Novela in whole or in part in exchange for the right of Grupo Televisa to produce a Novela that is based on the Script or Format underlying the Co-Produced Local Novela (for the avoidance of doubt, which Novela shall be a new production of such Script or Format), Grupo Televisa shall have the right either (i) to contractually agree with the third-party co-producer not to undertake (and actually not undertake) any sale, transfer, license or Broadcast of such Co-Produced Local Novela in the Territory or in Mexico (in which case such Co-Produced Local Novela shall not be deemed to be Licensed Content or an Acquired Completed Novela hereunder unless and until Grupo Televisa Broadcasts such Co-Produced Local Novela in Mexico, and at such time, the Co-Produced Local Novela will automatically and immediately be deemed Licensed Content hereunder to the extent it would otherwise constitute Licensed Content and the rights to Broadcast such Co-Produced Local Novela in the Licensed Media will be exclusively licensed to Licensee as part of, and to the full extent of, the Licensed Rights in the Territory during the Term); or (ii) to acquire Broadcast rights to such Co-Produced Local Novela for Mexico and the Territory (such that the rights to Broadcast such Co-Produced Local Novela, in the Licensed Media during the Term (or such shorter period equivalent to the term of rights acquired by Grupo Televisa in Mexico) in the Territory, would be and are licensed exclusively to Licensee hereunder as part of, and to the full extent of, the Licensed Rights in the Territory during the Term). For the avoidance of doubt, any new Novela produced by Grupo Televisa based on a Script or Format underlying a Co-Produced Local Novela acquired by Grupo Televisa as

contemplated by this Section 2.7(a) shall be subject to Section 2.1 and shall constitute Licensed Content.

(b) Televisa Local Novelas. Notwithstanding anything to the contrary contained herein, with respect to any Televisa Local Novela, Grupo Televisa shall have the right either (i) to contractually agree with the third party producer not to undertake (and actually not undertake) any sale, transfer, license or Broadcast of such Televisa Local Novela in the Territory or in Mexico (in which case such Televisa Local Novela shall not be deemed to be Licensed Content or an Acquired Completed Novela hereunder unless and until Grupo Televisa Broadcasts such Televisa Local Novela in Mexico, and at such time, the Televisa Local Novela will automatically and immediately be deemed Licensed Content hereunder to the extent it would otherwise constitute Licensed Content and the rights to Broadcast such Televisa Local Novela in the Licensed Media will be exclusively licensed to Licensee as part of, and to the full extent of, the Licensed Rights in the Territory during the Term); or (ii) to acquire the Broadcast rights to such Televisa Local Novela for Mexico and the Territory (such that the rights to Broadcast, in Licensed Media during the Term (or such shorter period equivalent to the term of rights acquired by Grupo Televisa in Mexico) in the Territory, such Televisa Local Novela, would be and are licensed exclusively to Licensee hereunder as part of, and to the full extent of, the Licensed Rights in the Territory during the Term).

(c) Notice. Licensor shall inform Licensee at each Informational Meeting of any arrangements that Grupo Televisa has entered into for a Co-Produced Local Novela or Televisa Local Novela since the immediately preceding Informational Meeting (or if Informational Meetings have not yet taken place during the Term, since the Prior Effective Date).

2.8 Reporting, Informational Meetings and Compliance.

(a) Informational Meetings. A coordinator designated by Licensor shall meet with a coordinator designated by Licensee once each quarter (the "Informational Meetings") to discuss any planned Co-Produced Content, Acquired Completed Novelas, Televisa Produced Format Content, Third-Party Produced Format Content, Co-Produced Local Novelas and Televisa Local Novelas and any Script or Format exchanges, licenses or divestitures, in each case, if any, of which notice has not been previously given at prior Informational Meetings. At such meeting Licensor, subject to legal or third party contractual confidentiality restrictions, will provide information reasonably available to Grupo Televisa regarding such planned Co-Produced Content, Acquired Completed Novelas, Televisa Produced Format Content, Third-Party Produced Format Content, Co-Produced Local Novelas and Televisa Local Novelas or Script or Format exchanges, licenses or divestitures, including: (i) a reasonably detailed description of such Audiovisual Content or Script or Format; (ii) the identity of the third party producer, co-producer or owner (as applicable) with respect to such Audiovisual Content or Script or Format; and (iii) any other information required to be provided with respect to any such Audiovisual Content or Script or Format under this Section 2.

(b) Grupo Televisa Certification. Within sixty (60) days of the end of each fiscal year, the highest-ranking production officer of Grupo Televisa will deliver to Licensee a certificate attesting that, with respect to each item of Co-Produced Content, Acquired Completed

Novela, Televisa Produced Format Content, Third-Party Produced Format Content, Co-Produced Local Novela, Televisa Local Novela and any Script or Format exchanges, licenses or divestitures, in each case, if any, entered into by Grupo Televisa in the prior year, (i) Grupo Televisa used good faith efforts not to structure any such arrangements or agreements in a manner intended to cause the applicable Audiovisual Content not to be deemed to be Licensed Content hereunder; and (ii) such arrangement or agreement was negotiated and entered into by Grupo Televisa and the applicable third party on an arms-length basis.

(c) **Confidentiality**. Licensee acknowledges that any and all information provided by Licensor in accordance with this **Section 2** is intended solely for the purpose of permitting Licensee to determine whether to exercise its rights under this **Section 2** and to monitor compliance by Grupo Televisa with the provisions contained in this **Section 2** relating to Co-Produced Content, Acquired Completed Novelas, Televisa Produced Format Content, Third-Party Produced Format Content, Co-Produced Local Novelas, Televisa Local Novelas, Formats and Scripts; it being agreed that Licensee shall keep confidential such information (to the extent such information is not otherwise publicly available), shall not use such information for their own account and shall not contact or engage in discussions with any person (excluding its representatives and advisors) other than Grupo Televisa or the relevant seller, third party licensor or co-producer with respect to such agreement or arrangement.

(d) **Acquired Completed Content**. For the avoidance of doubt, Licensor will not be required to provide any information for or regarding Acquired Completed Content.

2.9 **Audiovisual Content Acquired Pursuant to the Mexico License Agreement**. For the avoidance of doubt, no Audiovisual Content acquired by Grupo Televisa from Licensee, its Affiliates or third parties pursuant to the provisions of Sections 1 and 2 of the Amended and Restated 2011 Mexico License Agreement shall be deemed to be Licensed Content, licensed hereunder, or subject to the provisions of this **Section 2**.

3. **General Terms and Conditions Relating to Audiovisual Content**. Notwithstanding any other provisions of this Agreement, the grant of rights hereunder, and the parties' respective rights and obligations with respect thereto, shall be subject to the following general terms, conditions, exceptions and exclusions.

3.1 **Good Faith Efforts**. Licensor agrees that it will use good faith efforts not to structure arrangements or agreements with respect to Audiovisual Content in a manner intended to cause such Audiovisual Content not to be Licensed Content.

3.2 **Spanish Language Platforms**. Licensee shall not Broadcast any Licensed Content or any portion thereof other than on a Spanish Language Platform; it being understood and agreed that the foregoing restriction shall not preclude the Broadcast of Licensed Content in the Licensed Media in the Territory during the Term (a) pursuant to (i) MVPD Arrangements, (ii) Sublicensing Arrangements approved by Licensor pursuant to **Section 4** or (iii) UIN Branded Experiences, in each case, involving the Broadcast of Licensed Content through a distributor or aggregator of multi-lingual Audiovisual Content (e.g., Comcast, YouTube, Apple / iTunes); or (b) pursuant to Clip Exchange Arrangements. For the avoidance of doubt, the restriction in this **Section 3.2** shall not preclude bona fide Short Form Commercial Advertising on any and all

platforms (including non-Spanish language platforms) intended to market, advertise or promote the availability of Licensed Content.

3.3 **Sale of Broadcast Rights**. Pursuant to the terms and conditions and subject to the exceptions and exclusions of Section 1 and Section 2, Licensor shall not, and shall cause Grupo Televisa not to, sell, license or otherwise alienate any Broadcast rights in any Licensed Media in the Territory to any Audiovisual Content to the extent such Broadcast rights would be reasonably expected (absent such sale, license or other alienation) to become Licensed Rights, and to vest with Licensee during the Term.

3.4 **Telemundo Content**. Audiovisual Content (a) produced or co-produced by or for Telemundo Communications Group Inc. (“Telemundo”), NBC Universal, Inc., or their respective subsidiaries or controlled Affiliates and licensed to Grupo Televisa for Broadcast outside the Territory pursuant to the license and relationship agreements entered into by Grupo Televisa, Telemundo and certain of their respective Affiliates as of March 14, 2008 and October 3, 2008, as amended; provided, that Grupo Televisa shall not agree to any amendment of such agreements that would adversely affect Licensee’s rights hereunder (it being understood that a mere renewal or extension of the term of such agreement shall not be deemed to adversely affect Licensee’s rights hereunder); and (b) that meets (or with respect to future content, will meet) the definition of Acquired Completed Content or Acquired Completed Novela (as applicable), shall not be included in the Licensed Content or Licensed Rights hereunder or subject to any of the terms and conditions of this Agreement. For the avoidance of doubt, nothing contained in this Section 3.4 shall in any way limit the parties respective rights and obligations under Section 2 (other than with respect to Acquired Completed Novelas and Acquired Completed Content).

3.5 **Pantelion Movies**. The following additional terms, conditions, exceptions and exclusions shall apply to Pantelion Movies:

(a) **Pantelion Venture**. Notwithstanding the provisions of that certain Limited Liability Company Agreement dated as of July 26, 2010 by and among Artisan Entertainment Inc. (together with any successors thereof, “Lionsgate”), Videocine, S.A. de C.V. (together with any successors thereof, “Videocine”), and Pantelion, LLC (the “Pantelion LLC Agreement”), the primary business purpose of Pantelion is distributing Pantelion Movies in the Territory. Licensor represents and warrants that Grupo Televisa has, and will have, no obligation to produce all, or any minimum number of, motion pictures through Pantelion (or with Lionsgate or its Affiliates) during the Term, and Grupo Televisa is not and will not be restricted by any agreement with Pantelion, Lionsgate or otherwise in connection with the Pantelion arrangement, from producing or acquiring motion pictures outside Pantelion (or with parties other than Lionsgate or its Affiliates) at any time during the Term. In connection with the foregoing, the parties acknowledge and agree that, subject to Licensee’s Rights of First Negotiation / First Refusal set forth in Section 3.5(d), and so long as Pantelion’s business activities remain generally consistent with the foregoing (and for the avoidance of doubt, Pantelion’s production and distribution activities do not expand to any Audiovisual Content originally produced in the Spanish language or with Spanish subtitles other than Pantelion Movies), the Broadcast, license or distribution by Pantelion of the Pantelion Movies in the Territory by means of any Licensed Media (other than Free Television) shall not constitute a breach of this Agreement by Licensor.

(b) Transactions between Grupo Televisa and Pantelion.

(i) Sale of Movies. Grupo Televisa (including Videocine) shall not sell or license any Broadcast rights to any movie in any Licensed Media in the Territory to Pantelion and/or Lionsgate or any of their respective Affiliates (collectively, the “Pantelion Parties”), without the express written consent of Licensee; provided, that the Movies set forth on Schedule 3 shall be deemed to have been consented to by Licensee and shall be deemed to be Pantelion Movies hereunder, and Licensee shall be licensed the Free Television Broadcast rights with respect to each such Pantelion Movie, as set forth in Section 3.5(c), and shall have a Right of First Negotiation / First Refusal to acquire Broadcast rights in all other Licensed Media to each such Pantelion Movie, as set forth in Section 3.5(d).

(ii) Acquisition of Movies. Grupo Televisa shall not acquire any Broadcast rights to any movie or Pantelion Movie in any Licensed Media in the Territory from any Pantelion Party.

(iii) Production of Movies. Any movies produced solely by Grupo Televisa (including Videocine) shall constitute Movies or Programs (as applicable) hereunder, and the Broadcast rights in the Licensed Media in the Territory in and to any such movies shall be licensed as a Movie or Program (as applicable) exclusively to Licensee hereunder as part of the Licensed Rights.

(iv) Co-Productions. No Grupo Televisa party (except only Videocine) shall co-produce any movie with a Pantelion Party. Videocine may co-produce movies anticipated to be Pantelion Movies with Pantelion Parties, or for the benefit of Pantelion, in each case, only pursuant to, and in accordance with, the following:

(A) any co-production must include Videocine and one or more Co-Production Partners (i.e., unaffiliated with all of Grupo Televisa, Lionsgate and the Pantelion Parties), which shall not preclude the participation of other co-producers affiliated with Lionsgate and/or Pantelion Parties;

(B) one or more of such Co-Production Partners must (1) provide a specific and significant contribution underlying such movie (examples of such specific and significant contributions include Scripts, the provision of multiple essential creative elements (e.g., several of key cast members, key artistic director, executive director and/or executive producer) having no affiliation with any of Grupo Televisa, Lionsgate or any Pantelion Parties, but shall not include financing or other contributions of a fungible nature; provided, that financing or other fungible contributions may be contributed in addition to such specific and significant contributions); and (2) meaningfully participate in, or exercise meaningful controls or approvals over, the development and production of such movie; provided, however, that in the case of a movie co-produced by and among Videocine, Lionsgate (or its Affiliates) and one or more other Co-Production Partners, the specific or significant contribution of the other Co-Production Partner(s) may consist of financing; and

(C) Videocine, the applicable Pantelion Party(ies) and the applicable Co-Production Partner(s) shall provide to Licensee information and facilitate with

Licensee a negotiation for Licensee to co-produce the applicable movie, on terms to be negotiated by the parties in good faith. If Licensee elects, in its sole discretion, not to co-produce the applicable movie, the applicable movie shall be deemed to be a Pantelion Movie hereunder and Licensee shall be licensed the Free Television Broadcast rights with respect to such Movie, as set forth in Section 3.5(c), and shall have a Right of First Opportunity / First Refusal to acquire Broadcast rights in other Licensed Media to such Pantelion Movie, as set forth in Section 3.5(d).

(c) Free Television Rights to Pantelion Movies. If necessary (or if reasonably requested by Licensee at any time), Licensors shall cause Pantelion to license all Free Television rights in and to Pantelion Movies directly to Licensee. Licensee shall not be obligated to make any payments or incur any costs (other than the Royalty) for such Free Television rights.

(d) Right of First Negotiation / First Refusal. Licensors shall provide, or shall cause Videocine or Pantelion to provide, to Licensee a Right of First Negotiation / First Refusal to acquire and/or license the exclusive right to Broadcast, on a Pantelion Movie-by-Pantelion Movie basis, each Pantelion Movie by means of each Licensed Media in the Territory (other than by means of Free Television, which is exclusively licensed to Licensee hereunder). Licensors shall cause Pantelion to enter into a direct agreement with Licensee (or its applicable Affiliate) evidencing such Rights of First Negotiation / First Refusal. Notwithstanding the foregoing, if Pantelion intends to exploit a package of Pantelion Movies, then Licensee's Right of First Negotiation / First Refusal with respect to such Pantelion Movies will be on a packaged basis (i.e., to license all of the Pantelion Movies in the package); provided, that none of Licensors, Videocine or Pantelion may offer any such packaged Pantelion Movies on an individual basis (or in any package that is different from the package offered to Licensee), without, in each case, first offering Licensee the right to negotiate for the license of applicable rights to such individual Pantelion Movie (or different package) pursuant to this Section 3.5(d). For the avoidance of doubt, the Right of First Negotiation / First Refusal granted to Licensee under this Section 3.5(d) shall not apply to the Broadcast of Pantelion Movies by means of Theatrical Exhibition or Hard Good Home Videograms (neither of which constitute Licensed Media).

(e) Classification of Pantelion Movies. For the avoidance of doubt, Pantelion Movies shall constitute Licensed Content only to the extent of the license of Free Television Broadcast rights to Licensee under Section 1.1(a)(iii). Further, it is understood and agreed that any rights licensed to, or acquired by, Licensee in connection with the exercise of its Right of First Negotiation / First Refusal set forth in Section 3.5(d) shall not constitute part of the Licensed Rights and will not be subject to the terms and conditions of this Agreement applicable to Licensed Content (provided, that this Section 3.5(e) shall not be deemed to affect the calculation of the Royalty, the Royalty Base or the operation of Section 9).

(f) Information Regarding Pantelion. Licensors has provided Licensee, under cover dated December 1, 2010, with a redacted form of the Pantelion LLC Agreement (the "Current Pantelion LLC Agreement"). If Licensors or Videocine amends the Current Pantelion LLC Agreement in a manner which directly or indirectly impacts adversely the rights granted to Licensee hereunder, or enters into any new, extended or renewed agreement with respect to Pantelion which directly or indirectly impacts adversely the rights granted to Licensee hereunder during the Term, Licensors shall, within fifteen (15) Business Days of execution thereof, provide

a true and correct copy of such agreement to Licensee; provided, that Licensor may redact such agreement solely so as not to disclose economic terms and other terms not directly or indirectly affecting Licensee's rights hereunder adversely. Notwithstanding anything to the contrary contained herein, in no event shall any new, extended or renewed agreement between or among any of Grupo Televisa, Lionsgate and/or Pantelion (and/or any of their respective Affiliates) during the Term limit, impair or otherwise affect any of the agreements, representations, warranties or covenants made by Licensor under this Section 3.5 and Section 12 below, including by expanding the "primary business purpose" of Pantelion beyond the scope described above in Section 3.5(a).

(g) Information Regarding Pantelion Movies and Availability. Upon Licensee's request, Licensor shall provide Licensee with information regarding Pantelion Movies including the distribution rights to which are contemplated to be acquired by Pantelion or Pantelion Movies that have been greenlit for production or co-production by Pantelion (including scheduled completion and delivery dates, anticipated production budgets and any other information reasonably requested by Licensee and available to Grupo Televisa) in order to help enable Licensee to fully and meaningfully exercise the Licensed Rights in and to the Pantelion Movies and Licensee's Right of First Negotiation / First Refusal. Promptly upon completion of each Pantelion Movie or acquisition of distribution rights to each Pantelion Movie, Licensor shall notify Licensee as to the anticipated availability date for Licensee's Free Television rights (and any other Licensed Media licensed to Licensee in accordance with Section 3.5(d)), and any applicable Rights Restrictions thereon.

(h) No Grupo Televisa Broadcast. In no event shall Pantelion Broadcast, or permit the Broadcast of, any Pantelion Movies on any Spanish Language Platform in the Territory owned or controlled by Grupo Televisa (other than directly through Pantelion).

(i) No Limitation on Licensee's Rights to Movies. For the avoidance of doubt, nothing set forth in this Section 3.5 shall affect in any way any of Licensee's rights hereunder to movies produced by, or distribution rights to which are acquired by, Licensor other than through Pantelion that constitute Licensed Content, regardless of whether such movies were produced or acquired before or after the establishment of Pantelion.

(j) Pantelion Amendments. From the Effective Date through the end of the Term (unless Licensee terminates the effect of the Pantelion Letter Agreement, in which case, through the Termination Date), the Pantelion Amendments shall modify the terms of this Agreement, including this Section 3.5, the inclusion of the provisions relating to Grandfathered Pantelion Movies in Sections 1.1(a)(iii) and 1.1(b)(ii), the replacement of references to Pantelion Movies with Grandfathered Pantelion Movies in Sections 7.2(c), 12.1(k)(ii) and 15.1(a)(xvii) and the addition of a new Schedule 14.

3.6 Live Event Streaming. To the extent the live Internet streaming Broadcast rights in the Territory to a specific non-sporting live event (e.g., a live musical concert) that constitutes Licensed Content (for which Licensed Rights would be granted to Licensee hereunder) are promoted or controlled by the Grupo Televisa live events business, the exercise of such live Internet streaming Broadcast rights by Licensee will be subject to the following additional terms, conditions, exceptions and exclusions:

(a) Licensors Notice. Licensors will inform Licensee in writing of the availability of the live Internet streaming Broadcast rights to each such live event to which Grupo Televisa owns or controls such rights in the Territory. If such streaming rights are subject to Promotional Obligations, then Licensors shall also inform Licensee of such Promotional Obligations and any other terms and conditions applicable to such live event (which shall not include the payment of additional consideration by Licensee). Licensors shall provide such notice to Licensee as soon as reasonably practicable following Grupo Televisa's acquisition of such rights, but in no event later than forty five (45) days before the applicable live event (or if Grupo Televisa acquires such rights within forty five (45) days of the applicable live event, within forty eight (48) hours of such acquisition (or if Grupo Televisa acquires such live event within forty eight (48) hours of such live event, as promptly as practicable following such acquisition)).

(b) Licensee Election. If Licensee wishes to stream such a live event to which Grupo Televisa owns or controls the live Internet streaming Broadcast rights in the Territory, it shall have the exclusive rights to do so in the Licensed Media during the Term to the full extent of rights owned or controlled by Grupo Televisa now or in the future, provided it agrees to comply with the Promotional Obligations (and such other terms and conditions) contained in the above notice. If Licensee does not wish to stream such live event, or does not agree to satisfy the Promotional Obligations or other terms and conditions, Grupo Televisa may Broadcast the live event by way of Internet streaming in the Territory, so long as Grupo Televisa satisfies the Promotional Obligations, and the other terms and conditions applicable to such live event (subject to de minimis differences) as provided in the above notice.

(c) No Impact on Live Sports Rights or Non-Streaming Rights. For the avoidance of doubt, nothing contained in this Section 3.6 shall in any way apply to, or otherwise affect Licensee's rights to exercise, (i) its rights hereunder to live sports events (including the Licensed Mexican Soccer Games), whether by means of live Internet streaming or any other Licensed Media; or (ii) any of its other rights hereunder with respect to live events (other than the live Internet streaming Broadcast rights described in this Section 3.6), in each case, under, and in accordance with, this Agreement.

3.7 Territorial Integrity: Anti-Piracy. The license herein granted to Licensee is an exclusive license to Broadcast the Licensed Content in the Licensed Media in the Territory during the Term in accordance with the terms, conditions, exceptions and exclusions contained in this Agreement. In connection therewith, and in furtherance of the foregoing, Licensee and Licensors each agree to use commercially reasonable efforts to employ copy protection and other security measures reasonably designed to effectively prevent piracy and limit, in accordance with and subject to the then prevailing commercial practices and standards of broadcasters or digital platform operators, access to the Licensed Content (or content licensed by Licensors) to persons located inside the Territory or outside the Territory, as applicable.

(a) Territorial Integrity.

(i) *Free Television Spillover*.

(A) Licensors acknowledges and agrees that Licensee's, its Affiliates' and its Network Affiliates' Broadcasts of Licensed

Content by means of Free

Television from within the Territory which are intended for reception in the Territory may be received outside of the Territory (such reception, the “Licensee Spillover”). Licensor agrees that the occurrence of Licensee Spillover shall not be considered a breach of this Agreement so long as (1) Licensee, its Affiliates and its Network Affiliates use their commercially reasonable efforts not to increase the predicted noise limited coverage contour of each of their respective stations outside the Territory beyond that authorized by the FCC as of November 1, 2010 (the “Licensee Permitted Spillover Contour”), provided, however, that with respect to any station acquired after November 1, 2010, the Licensee Permitted Spillover Contour shall be determined as of the closing date of the acquisition of such station; (2) such Licensee Spillover is incidental to their respective stations’ operations as authorized by the FCC; and (3) Licensee, its Affiliates and its Network Affiliates do not market advertising based on the availability of such Licensee Spillover to persons located outside the Territory. Notwithstanding the immediately preceding sentence, Licensor and Licensee acknowledge and agree that Licensee, its Affiliates and its Network Affiliates shall have the right and ability to (without being in breach of this Agreement) (x) consent to the re-transmission of a Free Television channel by any Cable Television System in Mexico more than half of the subscribers of which reside within thirty-five (35) miles from the geographic reference coordinates of the center of the community of license of the transmission facility of such Free Television channel (“Licensee Facility Location”); and (y) base the price of any local advertising time or space sold on such Free Television channels in the Territory on the ability of viewers outside the Territory to view such Free Television channels.

(B) Licensee acknowledges and agrees that Grupo Televisa’s Broadcasts of Licensed Content by means of Free Television from within Mexico which is intended for reception in Mexico may be received inside of the Territory (such reception, the “Televisa Spillover”). Licensee agrees that the occurrence of Televisa Spillover shall not be considered a breach of this Agreement so long as (1) Grupo Televisa uses its commercially reasonable efforts not to increase the predicted noise limited coverage contour of each of their respective licensed stations into the Territory beyond that authorized by the Comisión Federal de Telecomunicaciones and the Secretaria de Comunicaciones y Transportes as of November 1, 2010 (the “Licensor Permitted Spillover Contour”), provided, however, that with respect to any station acquired after November 1, 2010, the Licensor Permitted Spillover Contour shall be determined as of the closing date of the acquisition of such station; (2) such Televisa Spillover is incidental to Grupo Televisa’s stations’ operations as authorized by the Comisión Federal de Telecomunicaciones and the Secretaria de Comunicaciones y Transportes; and (3) Grupo Televisa does not market advertising based on the availability of such Televisa Spillover to persons located inside the Territory. Notwithstanding the immediately preceding sentence, Licensor and Licensee acknowledge and agree that Grupo Televisa shall have the right and ability to (without being in breach of this Agreement) (x) consent to re-transmission of a Free Television channel by any Cable Television System in the Territory more than half of the subscribers of which reside within thirty-five (35) miles from the geographic reference coordinates of the center of the community of license of the transmission facility of such Free Television channel (“Licensor Facility Location”); and (y) base the price of any local advertising time or space on such Free Television channels in Mexico on the ability of viewers in the Territory to view such Free Television channels.

(ii) *Satellite Encryption* . In accordance with then prevailing commercial practices of broadcasters of Audiovisual Content in the United States, Licensee (and

its Affiliates) and Grupo Televisa shall encrypt their respective satellite Broadcasts of Licensed Content in the Territory and outside the Territory respectively, on a conditional access basis (i.e., access to the Broadcast is dependent on the use of receiving equipment which decrypts the Broadcast if, and only if, the user of the equipment is individually and specifically authorized to access the Broadcast by the party permitted to Broadcast such Audiovisual Content). The reception of such an encrypted satellite Broadcast or the unauthorized decryption of such a satellite Broadcast shall not be considered a breach of this Agreement by Licensee (or its Affiliates) or Grupo Televisa, respectively, so long as (A) such parties' Broadcast is intended for reception only by authorized viewers inside the Territory or outside the Territory, respectively; (B) such unauthorized reception or decryption is unintentional and incidental; and (C) Licensee (and its Affiliates) or Grupo Televisa, as applicable, does not market the availability of such reception or decryption to persons located outside of its authorized territory.

(iii) *Internet / Mobile Geo-Filtering* . In accordance with the then prevailing commercial practices of Internet and mobile distributors of Audiovisual Content in the United States, as determined on a platform-by-platform basis, (A) Licensee shall use commercially reasonable efforts to use geo-filtering technology intended to prevent, and reasonably designed to effectively prevent, a person outside the Territory (including any Internet user, mobile device user, or authenticated video customer of an MVPD (e.g., via so-called "TV Everywhere")) from accessing Internet/mobile Broadcasts of Licensed Content from within the Territory; and (B) Grupo Televisa shall use commercially reasonable efforts to use geo-filtering technology intended to prevent, and reasonably designed to effectively prevent, a person in the Territory (including any Internet user, mobile device user, or authenticated video customer of an MVPD (e.g., via so-called "TV Everywhere")) from accessing Internet/mobile Broadcasts of Licensed Content from Mexico. For the avoidance of doubt, it shall be insufficient for Licensee or Licensor to use geo-filtering technology that permits Broadcasts of Licensed Content to be accessed by a person located outside or inside the Territory, respectively, who merely furnishes an address located, or the number of a credit card issued, outside or inside the Territory, respectively. From time to time, Licensor or Licensee may, if it uses a specific form of geo-filtering technology, request that the other party adopt such technology, and upon such request, such other party shall use its commercially reasonable efforts to adopt and implement such technology. In furtherance of the foregoing, Licensor and Licensee and their controlled Affiliates, shall use commercially reasonable efforts to cause each of its sublicensees to use such geo-filtering technology in accordance with this paragraph, as applicable.

(iv) *Intent* . Grupo Televisa and Licensee acknowledge and agree that this Section 3.7(a) is intended solely for purposes of ensuring the territorial integrity appurtenant to Licensor's and Licensee's rights in and to Licensed Content, and ensuring that neither Licensee nor Licensor will be in violation of this Agreement merely because transmissions or retransmissions from stations located inside or outside the Territory, respectively, or transmissions or retransmissions from satellite signals intended for television stations, cable systems or direct-to-home subscribers inside or outside the Territory, respectively, or over the Internet or mobile platforms (or by any other Licensed Media), may be unintentionally and incidentally viewed outside or inside the Territory, respectively, and is not intended to give Licensee or Licensor any right to Broadcast, or license others to Broadcast, Licensed Content intended for viewing, or which may be viewed, outside or inside the Territory, respectively, in each case except as provided in Section 3.7(a)(i).

(b) Copy Protection; Physical Security. Each of Licensor and Licensee and their controlled Affiliates agree to use commercially reasonable efforts to mutually agree within a reasonable timeframe (*i.e.*, at most twelve (12) months after execution of this Agreement) on a plan and schedule to implement (and thereafter to implement in accordance with such plan and schedule) appropriate copy protection technology or solutions, generally consistent with the then prevailing commercial practices of similarly situated broadcasters in the respective territory, as determined on a platform by platform basis. For the avoidance of doubt, such measures are intended to (i) protect the intellectual property rights in each of the parties' (and its controlled Affiliates') Broadcasts; and (ii) prevent and/or deter theft, unauthorized copying or unauthorized Broadcast, destruction of, or unauthorized access or injury to, the materials and intellectual property rights underlying such Broadcasts.

(c) Protective Action.

(i) Take-Down Notices. Licensee and Licensor shall each have the right, but not the obligation, either itself or through a third party reasonably acceptable to the other party (e.g., BayTSP), to issue "take-down" notices with respect to any unauthorized third party Broadcasts of Licensed Content in the Territory (and shall copy the other party on any such issuances).

(ii) Legal Action. In the event that any unauthorized third party Broadcast of Licensed Content continues for a period of seventy-two (72) hours following the issuance of a "take-down" notice by either party (or its third party designee), the party issuing the notice shall promptly notify the other party, and the parties shall reasonably cooperate to address such unauthorized third party Broadcast of Licensed Content; provided, that only Grupo Televisa shall have the right, if appropriate, to initiate and prosecute litigation against the applicable third party; provided, however, that Licensee may commence and prosecute such litigation (and shall in such case inform Licensor of its actions as promptly as practicable) in the event that (A) failure to do so immediately would result in irreparable harm to Licensee; or (B) Grupo Televisa unreasonably fails to commence or prosecute litigation after request by Licensee.

(iii) Costs and Recoveries. If the party initiating such litigation requests cooperation or assistance from the other party (in connection with Section 3.7(c)(ii)), the initiating party will be responsible for the reasonable costs (including attorneys fees) of such cooperation or assistance incurred by such other party. In the event of litigation (or similar action or threatened action) against the applicable third party, any monetary remedy, award, statutory damages, settlement or other recovery resulting from such litigation, action or threatened action shall be allocated as follows: (A) first, to the initiating party, to recoup any costs (including attorneys fees) incurred by the initiating party in pursuing such litigation (including such costs incurred by the other party and reimbursed by the initiating party); and (B) second, any remaining amounts to Licensee; provided, that Licensee shall include in the Royalty Base an amount equal to the sum of all such remaining amounts in the applicable Royalty period immediately following such allocation.

3.8 Offensive or Politically Insensitive Platforms. If at any time Licensor reasonably determines that the Broadcast of Licensed Content on (a) the Univision Interactive Network or other Spanish Language Platform owned or controlled by Licensee (other than

Linear Television Channels, for which Licensor's withdrawal rights shall be limited to those set forth in Section 8.10); or (b) pursuant to any Sublicensing Arrangements, would result in Licensed Content being available on a website or other platform that contains offensive or politically insensitive content that Licensor reasonably believes is likely to substantially and adversely affect Grupo Televisa, then (i) Licensor may promptly provide to Licensee written notice of such determination (including the basis therefor); and (ii) upon receipt of such notice, Licensee shall address, as soon as reasonably practicable, or in the case of clause (b) shall use commercially reasonable efforts to cause the owner / operator of the applicable website or other platform to address, Licensor's concern (including through the removal of Licensed Content from such offensive website or platform). In no event will Licensee cause Licensed Content to be Broadcast on an adult entertainment (as such term is commonly understood in the entertainment industry in the Territory) site or adult entertainment platform that is owned or controlled by Licensee.

4. **Sublicensing: Third Party Arrangements**.

4.1 **Licensee Right to Sublicense: General Requirements**.

(a) **Licensee Right to Sublicense**. Pursuant to the terms and conditions and subject to the exceptions and exclusions contained in this Agreement, the Licensed Rights include the right to sublicense to third parties the right to exercise the Licensed Rights (and all other rights and entitlements hereunder attendant and appurtenant thereto), subject, if applicable, to the approval of Licensor pursuant to Section 4.2.

(b) **General Requirements**. Notwithstanding anything to the contrary herein, any Sublicensing Arrangement or third party arrangement for a UIN Branded Experience on which any Licensed Content is Broadcast shall comply with the following requirements (the "**General Requirements**") unless expressly waived in writing by Licensor in its sole discretion on a case-by-case basis:

(i) **Term and Use Restrictions**. Licensee shall not enter into any Sublicensing Arrangement or third party arrangement for a UIN Branded Experience: (i) with a term that is longer than the remaining Term (or that does not allow for removal of the Licensed Content without cost or liability to Licensor and Licensee on or before the end of the Term); (ii) that provides for Broadcast of Licensed Content outside the Territory; (iii) that does not require geo-filtering outside the Territory (substantially consistent with Section 3.7(a)(iii)); or (iv) that would cause Licensed Content to be distributed on an adult entertainment site or platform.

(ii) **Linear Television Channel**. Licensee shall not enter into any Sublicensing Arrangement that involves the Broadcast of Licensed Content on any third party Linear Television Channel.

(iii) **Core Controls**. Any Sublicensing Arrangement must provide Licensee with the following core controls over the Licensed Content ("**Core Controls**") vis-à-vis the sublicensee, which Licensee shall exercise as may be necessary or appropriate to comply with the provisions hereof: (a) Licensee (and not the sublicensee) shall have editorial control of the Licensed Content and will not permit the sublicensee to edit or manipulate such Licensed

Content (e.g., mashups) without the prior written consent of Licensee, subject at all times to the editing restrictions contained in Section 8.8; (b) Licensee (and not the sublicensee) shall have the right to select, refresh and withdraw Licensed Content; (c) the sublicensee shall not be permitted to sublicense the Licensed Content; (d) the sublicensee shall not be permitted to authorize any third party to Broadcast the Licensed Content (except that the sublicensee can place its branded applications, embed its branded media player or employ similar branded and controlled functionality in a third party's sites, in each case, consistent with the then prevailing industry practices); and (e) Licensee will have remedies that are substantially no less favorable to Licensee, *mutatis mutandis*, than Grupo Televisa's remedies set forth in Section 15.

(iv) *Content Ratio Tests*. Licensee shall not enter into any Sublicensing Arrangement or third party arrangement for a UIN Branded Experience that makes available to the applicable third party a number of hours of Licensed Content which constitute more than ***** of the total number of hours of Audiovisual Content made available under such Sublicensing Arrangement or third party arrangement for a UIN Branded Experience or a number of hours of Audiovisual Content produced or owned by Licensee which constitute less than ***** of the total number of hours of Audiovisual Content made available under such Sublicensing Arrangement or third party arrangement for a UIN Branded Experience; provided, that the content ratio requirement set forth in this Section 4.1(b)(iv) shall not apply to (i) Sublicensing Arrangements or third party arrangements for UIN Branded Experiences with bona fide nationally recognized non-MVPD distributors in the Territory (e.g., Netflix) relating to (A) the Broadcast of all, or substantially all, of the feed of one or more of the Networks, the TuTv Networks and/or the Televisa Channels or (B) the Broadcast of individual items of Audiovisual Content that were Broadcast on the applicable Network, TuTv Network or Televisa Channels within the immediately preceding thirty (30) days, or (ii) Expedited Sublicensing Arrangements. For the avoidance of doubt, any such Sublicensing Arrangements with bona fide nationally recognized non-MVPD distributors in the Territory or Expedited Sublicensing Arrangements shall be subject to Licensor's reasonable approval under Section 4.2, and shall be subject to the other General Requirements.

(v) *Long-Term Arrangements*. Licensee shall not enter into any Sublicensing Arrangement or third party arrangement for a UIN Branded Experience that has a term (including any extensions or renewals) that is longer than *****.

(c) Certain Exceptions. Notwithstanding Section 4.1(b)(iii)(a), Licensee shall be entitled:

***** **CONFIDENTIAL TREATMENT: GRUPO TELEVISIA, S.A.B. HAS REQUESTED THAT THE OMITTED PORTIONS OF THIS DOCUMENT, WHICH ARE INDICATED BY ***** , BE AFFORDED CONFIDENTIAL TREATMENT. GRUPO TELEVISIA, S.A.B. HAS SEPARATELY FILED THE OMITTED PORTIONS OF THE DOCUMENT WITH THE SECURITIES AND EXCHANGE COMMISSION .**

(i) to create clips of Licensed Content of (I) up to three (3) minutes in length (and to authorize third-party sublicensees to do so), or (II) more than three (3) minutes and less than ten (10) minutes in length (and to authorize third parties to do so), subject to the prior review and consent of the Televisa Editing and Dubbing Appointee, provided, in each case, that if Licensor objects to the Broadcast of any such clip, Licensee shall promptly cease (and cause any such third-party sublicensees to cease) all Broadcast thereof; provided, further, that such clips will be the property of Licensor (subject, during the Term, to the exclusive license hereunder in accordance with the terms hereof) and Licensee will, and will include in any agreement for a Sublicense Arrangement an obligation of the sublicensee to, deliver to Licensor upon written request by Licensor, but no more frequently than once per quarter, the clips that it creates, and Licensee will take all necessary actions to enforce such provisions in Sublicense Arrangements; and

(ii) to create English language subtitles on digital Licensed Content solely for Broadcast pursuant to an Expedited Sublicensing Arrangement (and to authorize third-party sublicensees to do so), in each case at Licensee's (or an authorized third party's) expense; provided that such subtitled versions of Licensed Content will be the property of Licensor (subject, during the Term, to the exclusive license hereunder in accordance with the terms hereof) and Licensee will, and will include in any agreement for a Sublicense Arrangement an obligation of the sublicensee to, deliver to Licensor upon written request by Licensor, but no more frequently than once per quarter, the subtitled versions that it produces, and Licensee will take all necessary actions to enforce such provisions in Sublicense Arrangements.

4.2 Licensor Approval.

(a) Licensor Approval Required. Other than as provided in Section 4.4, all Sublicensing Arrangements will require the prior approval of Licensor (which approval shall not be unreasonably withheld, conditioned or delayed). Licensor may not condition its approval of any proposed Sublicensing Arrangement on the payment to Grupo Televisa of any monetary or other consideration, on any changes to the then-existing arrangements between Licensee and Grupo Televisa (including under this Agreement), or on the inclusion of any amounts in the Royalty Base, it being understood that in connection with all Sublicensing Arrangements to be approved by Licensor, Licensee shall be obligated to include in the Royalty Base the amounts required by Section 9.1; it being further understood that the anti-avoidance requirements of Section 9.1(d)(xii) apply equally with respect to Sublicensing Arrangements and third-party arrangements for UIN Branded Experiences. However, in determining whether to provide such approval, the Licensor may take into account the terms and circumstances of the proposed Sublicensing Arrangement, including the financial terms and conditions of the proposed Sublicensing Arrangement, commercial terms of the proposed Sublicensing Arrangement as compared to industry standards at such time, the scope and extent of the rights to be granted under the proposed Sublicensing Arrangement, and the identity of the proposed counterparty (together with the overall economic benefit of the Sublicensing Arrangement to Licensee). It shall be deemed to be unreasonable for Licensor to withhold any approval required under this Section 4.2(a) of any proposed Sublicensing Arrangement on the basis of the identity of the proposed counterparty or the proposed terms if Grupo Televisa has previously entered into a contractual arrangement (which is then in effect) with such proposed counterparty for the Broadcast of Excluded Content in the Territory or the Broadcast of Audiovisual Content in

Mexico (unless such arrangement is required by applicable Law), in each case, on terms consistent therewith.

(b) Approval in Licensor's Sole Discretion. Notwithstanding Section 4.2(a), Licensor may withhold its approval in its sole discretion of any Sublicensing Arrangement on a case-by-case basis that:

(i) Non-Spanish Language Arrangements. Permits the Broadcast of Licensed Content in any language other than Spanish (including via closed caption, SAP, or other subtitling or dubbing; provided, that no approval shall be required for English language subtitling to the extent permitted under Section 4.1(c)(ii)).

(ii) Previously Owned Platforms. Permits the Broadcast of Audiovisual Content directly or indirectly on any platform that was owned or controlled by Licensee or its controlled Affiliates within the immediately preceding twenty-four (24) months.

(c) Approval of Existing Sublicensing Arrangements. The parties acknowledge and agree that the Sublicensing Arrangements set forth on Schedule 4 hereto have been approved by Licensor as of the date hereof.

4.3 Licensor Approval Procedures.

(a) General Procedures. Licensor will appoint one or more contact persons to review proposed Sublicensing Arrangements and one of such contact persons to have the authority to provide approvals of Sublicensing Arrangements on behalf of Licensor, and one of such contact persons, in the case of consideration of any Sublicensing Arrangement for digital distribution, will be a senior business affairs executive with experience in digital distribution deals for Licensor. Licensee will appoint one or more contact persons who will provide all information necessary to make an informed decision about proposed Sublicensing Arrangements, whom Licensor is to contact with any questions and to whom Licensor is to give its determination as to whether it will approve any applicable Sublicensing Arrangement.

(b) Digital Distribution Approval Process. Without limiting anything contained in Section 4.3(a), the following additional procedures will apply to any Licensee request for approval of, and any Licensor determination as to whether it will approve, any Sublicensing Arrangement relating to digital distribution of the Licensed Content:

(i) Proposed Transaction Notice. If Licensee desires to enter into any Sublicensing Arrangement for digital distribution, Licensee shall provide a notice of the proposed Sublicensing Arrangement to the general counsel (or deputy general counsel) and the contact person of Licensor appointed pursuant to Section 4.3(a), which notice shall contain the identity of the counterparty and a summary of all other material relationships regarding Audiovisual Content with the sublicensee under such proposed Sublicensing Arrangement, and a confirmation that the Sublicensing Arrangement complies with all General Requirements and Core Controls. Licensee shall also provide only to the general counsel (or deputy general counsel) an unredacted copy of the draft agreement or term sheet governing such Sublicensing Arrangement and a copy of the draft agreement or term sheet redacted only so as not to disclose economic and other sensitive terms and conditions (such agreements and description together,

the “ Proposed Transaction Notice ”). Once a Proposed Transaction Notice for a given Sublicensing Arrangement has been approved, or deemed to have been approved, so long as the material terms (including any of the General Requirements, including the Core Controls) are not modified in any material respect in completing the definitive agreement, no further approval shall be required prior to Licensee entering into the definitive agreement for such Sublicensing Arrangement. In any event, to the extent Licensee is not contractually prohibited from doing so (which prohibitions Licensee will use commercially reasonable efforts to avoid), Licensee shall provide the general counsel (and deputy general counsel) and the contact person of Licensor appointed pursuant to Section 4.3(a) final definitive agreements in redacted and unredacted forms. The general counsel (or deputy general counsel) may make available the unredacted copy of the draft agreement or term sheet and the definitive agreements only to the general counsel or deputy general counsel, as applicable, and head counsel for the television department of Licensor and may make available the redacted copy of the draft agreement or term sheet only to such persons as necessary to permit Licensor to decide whether to approve or reject the proposed

Sublicensing Arrangement, provided that the general counsel (or deputy general counsel) shall immediately make the redacted copy of the draft agreement or term sheet available to the contact person of Licensor appointed pursuant to Section 4.3(a). The general counsel of Licensor shall ensure that no employee or consultant of Licensor involved in digital distribution operations (other than the contact person or persons appointed pursuant to Section 4.3(a)) obtains any unredacted copy of the draft agreement or term sheet or definitive agreement or any of the redacted information. If Licensee is prohibited from providing Licensor with a copy of the draft agreement or term sheet, then the parties will cooperate in good faith to determine an alternative means of providing Licensor with the requisite information necessary for Licensor to properly evaluate the proposed transaction, without violating any applicable contractual or other restrictions.

(ii) *Evaluation Period*. Licensor shall respond in writing to the Proposed Transaction Notice (either approving or rejecting the proposed arrangement, and setting forth the basis for any rejection) to Licensee within ten (10) Business Days of Licensee’s provision of any Proposed Transaction Notice fully complying with the requirements of Section 4.3(b)(i) (the “ Evaluation Period ”) or, if the term sheet or draft agreement has already been provided at least ten (10) Business Days prior to a subsequent submission with respect to the same proposed Sublicensing Arrangement on substantially the same terms and conditions, the Evaluation Period shall be three (3) Business Days; provided, that if the Sublicensing Arrangement has a term (including any extensions or renewals) longer than three (3) years but shorter than five (5) years, then the Evaluation Period for such approval shall be thirty (30) Business Days (instead of ten (10) Business Days) or, if the term sheet or draft agreement has already been provided at least thirty (30) Business Days prior to a subsequent submission with respect to the same proposed Sublicensing Arrangement on substantially the same terms and conditions, the Evaluation Period shall be ten (10) Business Days. If Licensor does not reject a

proposed Sublicensing Arrangement in accordance with the immediately preceding sentence during the Evaluation Period, such proposed transaction will be deemed to have been approved by Licensor on the terms contained in the applicable Proposed Transaction Notice.

(iii) *Expedited Evaluation Period.* Notwithstanding Section 4.3(b)(ii), if a proposed Sublicensing Arrangement *****, then, with respect to such Expedited Sublicensing Arrangement, the Evaluation Period shall be within three (3) Business Days of Licensee's provision of any Proposed Transaction Notice fully complying with the requirements of Section 4.3(b)(i).

(c) Renewals; Amendments. Any renewal of a Sublicensing Arrangement will require Licensor approval in accordance with this Section 4. For the avoidance of doubt, this Section 4.3(c) shall not apply to any third party arrangement for a UIN Branded Experience (as Licensor approval is not otherwise required for such arrangements). Amendments, modifications, extensions and/or waivers to any existing Sublicensing Arrangement that would cause such Sublicensing Arrangement to deviate in any material respect from the existing Sublicensing Arrangement, or affect the economics or scope of rights under such Sublicensing Arrangements, or violate any of the General Requirements, including the Core Controls, will require Licensor's approval in accordance with the provisions of this Section 4 applicable to such Sublicensing Arrangement, as amended (including, if such Sublicensing Arrangement is an Expedited Sublicensing Arrangement, the expedited Evaluation Period). Any other amendment, modification, extension and/or waivers to an approved Sublicensing Arrangement, including any such amendment, modification, extension and/or waiver only adding content to be covered under such Sublicensing Arrangement, shall not require Licensor's approval.

4.4 Exceptions to Licensor Approval. Notwithstanding anything contained in this Agreement:

(a) UIN Arrangements. UIN Arrangements will be permitted without Licensor approval, do not constitute Sublicensing Arrangements, and any existing or future UIN Arrangements shall not be subject to any of the terms and conditions of Section 4; provided, that in the case of third party arrangements for UIN Branded Experiences only, such arrangements shall comply with the General Requirements. Licensee shall provide Licensor with written notice (that contains the identity of the counterparty and a summary of all material terms) substantially in the form of Schedule 5 attached hereto as soon as reasonably practicable following its entering into any arrangements for a UIN Branded Experience that Licensee concludes with third parties for Broadcast of Licensed Content.

(b) MVPD Arrangements. Licensor and Licensee hereby acknowledge and agree that (i) Licensee is currently a party to MVPD Arrangements and will, from time to time, enter into additional MVPD Arrangements consistent with industry practice; (ii) existing and future MVPD Arrangements shall not require Licensor's approval; and (iii) MVPD Arrangements are not Sublicensing Arrangements and the terms and conditions set forth in this Section 4 do not apply to any existing or future MVPD Arrangements.

(c) Network Affiliation Arrangements. Network Affiliation Agreements will be permitted without Licensor approval, subject to the terms and conditions of Section 1.2(a)(ii).

***** **CONFIDENTIAL TREATMENT: GRUPO TELEVISIA, S.A.B. HAS REQUESTED THAT THE OMITTED PORTIONS OF THIS DOCUMENT, WHICH ARE INDICATED BY ***** , BE AFFORDED CONFIDENTIAL TREATMENT. GRUPO TELEVISIA, S.A.B. HAS SEPARATELY FILED THE OMITTED PORTIONS OF THE DOCUMENT WITH THE SECURITIES AND EXCHANGE COMMISSION .**

(d) Clip Exchange Arrangements. Clip Exchange Arrangements will be permitted without Licensor approval, subject to the terms and conditions of Section 1.6.

4.5 **Interactive Functionality; Technological Enhancements**.

(a) Rights for Interactive Functionality; Technological Enhancements. Licensee's permitted third party sublicensees (including any third parties permitted to Broadcast the Licensed Content in the Territory in accordance with this Section 4), MVPDs and Network Affiliates will be permitted to add enhanced interactivity (e.g., on-screen programming guides, menus, interactive voting systems, etc.), sharing capability, links to other community features, overlays, squeezebacks, automated translation technology and other similar interactive functionality to Licensed Content, and to undertake Technological Enhancements with respect to Licensed Content, in each case, consistent with the then prevailing industry custom and practice in the Territory.

(b) Notice of Technological Enhancements. Licensee shall, at the Informational Meetings, inform Licensor of any Technological Enhancements authorized or approved by Licensee to be undertaken by its permitted third party sublicensees which has not been previously notified to Licensor at prior Informational Meetings.

5. **Downloads**.

5.1 **Download to Own (DTO)**. Licensee's Licensed Rights exercised by means of DTO (but not any other commercial offering) during the Term in the Territory shall be subject to the following additional terms and conditions:

(a) Content Minimums.

(i) *Novelas*. Licensor shall provide a minimum of two (2) complete Novelas (including all chapters) to which the rights in the Territory are owned or controlled by Grupo Televisa and selected by Licensor to be available for Broadcast by Licensee in the Territory by means of DTO at all times during the Term. Without limiting the generality of the foregoing, Licensor shall make available a minimum of four (4) different complete Novelas (including all chapters) to which rights in the Territory are owned or controlled by Grupo Televisa reasonably provided over the course of each twelve (12) month period during the Term. Licensor may provide Novelas to which the rights in the Territory are owned or controlled by Grupo Televisa in excess of the minimum amounts in its sole discretion. For purposes of satisfying the aforementioned minimum, Licensor shall provide to Licensee Novelas to which the rights in the Territory are owned or controlled by Grupo Televisa, subject to any reduction in the minimum Novela production requirements under the Second Amended and Restated Guaranty, that have been initially Broadcast (on a Linear Television Channel or, as notified by Licensee, an alternative digital distribution platform) by Licensee within the immediately preceding eighteen (18) month period. Notwithstanding the foregoing, if Licensee has not so Broadcast at least four (4) Novelas to which the rights in the Territory are owned or controlled by Grupo Televisa during such period, Licensor shall provide to Licensee one (1) or more Novelas (as applicable) selected by Licensor from Grupo Televisa's library in order to satisfy the

annual Novela minimum (it being understood that Licensor shall provide no fewer than the number of Novelas necessary to satisfy such minimum).

(ii) Other Content. Licensor shall provide a minimum of seventy (70) hours of non-Novela Licensed Content selected by Licensor to be available for Broadcast by Licensee in the Territory by means of DTO at all times during the Term; provided, that Licensor shall replace (or add) then available non-Novela Licensed Content with a minimum of fourteen (14) hours of alternative non-Novela Licensed Content upon Licensee's request (which may be made no more frequently than once every two (2) months). Licensor may provide non-Novela Licensed Content in excess of the minimum amounts (and replace/refresh such content more frequently) in its sole discretion. For purposes of satisfying the aforementioned minimum, Licensor shall provide to Licensee non-Novela Licensed Content that has been initially Broadcast (on a Linear Television Channel or, as notified by Licensee, an alternative digital distribution platform) by Licensee within the immediately preceding eighteen (18) month period. Notwithstanding the foregoing, if Licensee has not so Broadcast at least seventy (70) hours of non-Novela Licensed Content during such prior eighteen (18) month period, Licensor shall provide to Licensee non-Novela Licensed Content selected by Licensor from Grupo Televisa's library in order to satisfy the annual non-Novela Licensed Content minimum.

(b) Limitation to Univision Interactive Network. Licensee shall have the exclusive right to Broadcast Licensed Content by means of DTO through the Univision Interactive Network (pursuant to the terms and conditions and subject to the exceptions and exclusions applicable to such Licensed Content hereunder) without Licensor's approval, pursuant to the terms and conditions and subject to the exceptions and exclusions of this Section 5.1. Any DTO arrangements with third parties outside of the Univision Interactive Network are subject to Licensor's approval as set forth in Section 4. All DTO arrangements shall comply with the geo-filtering provisions set forth in Section 3.7(a)(iii).

(c) Delivery Format. All Licensed Content provided by Licensor for Licensee's DTO Broadcast shall be delivered in a format then suitable for such DTO Broadcast in the Territory, as agreed by the parties from time to time.

(d) Selection and Removal of Licensed Content for DTO. Licensor shall have the full rights to select and remove Licensed Content for DTO in its discretion, subject to the selection limitations and minimum content requirements set forth in Section 5.1(a). Licensor shall provide to Licensee at least thirty (30) days' notice prior to any removal of Licensed Content being Broadcast by means of DTO. Notwithstanding the foregoing, Licensee may, from time to time, request that specific Licensed Content be made available for DTO Broadcast, and Licensor shall consider in good faith any such requests; provided, that Licensor's decision with respect thereto shall be in its sole discretion and shall be final and binding.

(e) Information; Audit. For rights and administrative control purposes with respect to the Broadcast of Licensed Content by means of DTO, Licensee shall provide to Licensor monthly online reports (detailing downloads, payments and pricing) regarding such Broadcast, and any other information which Licensor reasonably requests, in each case, to the extent such information is reasonably available to Licensee. Licensee shall deliver any such information to Licensor concurrently with its delivery of royalty calculation information for the

month immediately following the month in which such information was received in accordance with Section 9.3. Licensor shall have the right to audit Licensee in connection with Licensee's Broadcast by means of DTO, as part of Licensor's audit rights hereunder as more fully described in Section 9.5.

(f) Price. The retail price per item of Licensed Content for consumers to purchase Licensed Content by means of DTO shall be mutually agreed by the parties in writing in accordance with industry standards (such agreement not to be unreasonably withheld, conditioned or delayed). No free Licensed Content may be offered by means of DTO, other than in connection with bona fide promotions.

(g) Limitation to DTO. For the avoidance of doubt, this Section 5.1 shall only apply to Broadcast of Licensed Content by means of DTO, and shall not apply to any forms of rental, lease, on demand access (including any form of DTR or other download to rent) or other distribution of Licensed Content on a linear, streamed, temporal or otherwise non-permanent basis.

(h) Editing. Licensee's rights to edit the Licensed Content in connection with Broadcast by means of DTO shall be as set forth in Section 8.8.

(i) Clearances. Without limiting Licensor's obligations under Section 8.13, Licensor shall obtain all Clearances necessary for Licensee's Broadcast by means of DTO of all Licensed Content (including, for the avoidance of doubt, Novelas) provided by Licensor to Licensee under this Section 5.1.

(j) Clean Versions. Without limiting Licensor's obligations under Section 8.1(b), Licensor shall deliver to Licensee "clean" versions (e.g., removing graphic insertions of, voice-overs promoting and URLs of esmas.com and any other Grupo Televisa owned or operated businesses, but not removing any product placement, promotions or mentions in the content of the Licensed Content) of all Licensed Content provided by Licensor to Licensee for DTO Broadcast under this Section 5.1.

5.2 Download to Rent (DTR). Licensee's Licensed Rights exercised by means of DTR (but not any other commercial offering) during the Term in the Territory shall be subject to the following additional terms and conditions:

(a) Information. Licensee shall provide monthly online reports (including downloads, payments and pricing) regarding such Broadcasts solely for purposes of Grupo Televisa's obligations to account and provide information to applicable third parties with respect to the Broadcast of Licensed Content by means of DTR, and any other information which Licensor reasonably requests, in each case, to the extent such information is reasonably available to Licensee. Licensee shall deliver any such available information to Licensor concurrently with its delivery of royalty calculation information for the month immediately following the month in which such information was received in accordance with Section 9.3.

(b) No Free Content. No free Licensed Content may be offered by means of DTR, other than in connection with bona fide promotions.

6. **Additional Spanish Language Platforms; Grupo Televisa First Negotiation**

6.1 **Additional Spanish Language Platforms**. For the avoidance of doubt, Licensee shall have the right to create or acquire additional Spanish Language Platforms (including additional Spanish language Linear Television Channels) and to Broadcast Licensed Content thereon, pursuant to the terms and conditions and subject to the exceptions and exclusions contained in this Agreement, which Spanish Language Platforms will then be included for purposes of calculating the Royalty Base.

6.2 **Grupo Televisa Rights of First Negotiation for Services**. In the event that Licensee elects (in its sole discretion) to create additional Spanish language Linear Television Channels during the Term, Grupo Televisa shall be entitled to a Right of First Negotiation to provide general channel programming, advisory, production and/or technical services (which services, for the avoidance of doubt, shall not include the production of any individual Audiovisual Content), as negotiated between the parties; provided, that the aforementioned Right of First Negotiation shall not apply in the event that Licensee creates a new Spanish Language Linear Television Channel with a third party that provides a specific and significant contribution to the creation and programming arrangement or scheduling of such channel other than merely contributing financing thereto, and such third party provides the aforementioned services to such Linear Television Channel.

6.3 **No Impact on Licensee Rights**. The Right of First Negotiation set forth in Section 6.2 shall not permit Licensor to seek to enjoin or obtain an injunction prohibiting or delaying Licensee's creation of an additional Spanish Language Platform (including any additional Spanish language Linear Television Channels) and to Broadcast Licensed Content thereon.

7. **Notification and Acceptance of Programming; Scheduling Cooperation**

7.1 **Timing of Availability**. Each item of Licensed Content shall be made available by Licensor to Licensee for Broadcast pursuant to the terms of this Agreement (and the Licensed Rights with respect thereto shall vest):

(a) with respect to each item of Licensed Content not addressed in the following provisions of this Section 7.1, upon the first to occur of (i) the date when such Licensed Content is initially Broadcast by Grupo Televisa in any Licensed Media; or (ii) the date when such Licensed Content is first made available for Broadcast by any third party in any Licensed Media;

(b) with respect to each Movie, upon the conclusion of the then applicable "first-run" theatrical availability window (as is then commonly understood in the motion picture industry in the Territory); provided, that for the avoidance of doubt, (i) any theatrical "re-release" of a Movie shall not have any effect on the availability of the applicable Movie to Licensee; and (ii) with respect to any Movie not initially theatrically released (e.g., a "direct-to-video" Movie) the availability shall be in accordance, *mutatis mutandis*, with Section 7.1(a);

(c) with respect to each Pantelion Movie, upon the commencement of the then applicable Free Television availability window (as is then commonly understood in the motion

picture industry in the Territory); provided, that for the avoidance of doubt, any theatrical “re-release” of a Pantelion Movie shall not have any effect on the availability of the applicable Pantelion Movie to Licensee; and

(d) with respect to each item of Ancillary Content, upon the first to occur of (i) the date when such Ancillary Content is initially Broadcast by Grupo Televisa; (ii) the date when such Ancillary Content is first made available for Broadcast by any third party in Licensed Media; or (iii) the date when the applicable Licensed Content to which the Ancillary Content is related is actually first Broadcast by Licensee in the Territory.

For the avoidance of doubt, rights to Televisa Produced Clips or Licensee Produced Clips shall be available (and the Licensed Rights with respect thereto shall vest) upon the availability and vesting (in accordance with this Section 7.1) of the applicable item of Licensed Content from which such clips are excerpted.

7.2 Availability Notices; Requests for Delivery

(a) New Programs and Movies. At least as often as the first Business Day of each calendar quarter, Licensor will deliver a written notice (an “Availability Notice”) to Licensee specifying the Programs and Movies that (i) have become available to Licensee hereunder since the delivery of the preceding Availability Notice; or (ii) may no longer be available to Licensee hereunder (detailing the reason for such unavailability) (it being understood that the first Availability Notice delivered hereunder was only required to include those Programs and Movies that had become available to Licensee since the Prior Effective Date). Each Availability Notice shall specify, for each such Program or Movie, (A) the name, length, number of episodes (if readily available), genre and content type; (B) Rights Restrictions (if any); and (C) Clearances (if any) that have not been obtained that would prohibit, restrict or impair Licensee’s Licensed Rights to such Programs or Movies. For purposes of this Section 7.2(a), only, the term “Program” shall refer to Programs initially Broadcast, or intended for initial Broadcast, on a Linear Television Channel.

(b) Library Programs and Movies. Licensor has delivered to Licensee a list that contained, to the best of Licensor’s knowledge, all Programs and Movies available to Licensee hereunder as of the Prior Effective Date (a “Library Availability Notice”). The Library Availability Notice specified, for each such Program or Movie, the name, length, number of episodes (if readily available), genre and content type of such Program or Movie. For purposes of this Section 7.2(b), only, the term “Program” shall refer to Programs initially Broadcast, or intended for initial Broadcast, on a Linear Television Channel.

(c) Other Licensed Content. Licensor shall provide Licensee with adequate information regarding other Licensed Content available to Licensee hereunder in accordance with the process, format and timetable agreed by Licensor and Licensee from time to time, it being understood that until modified, the process, format, and timetable in effect as of the Effective Date will remain in place. Notwithstanding the foregoing, it is understood and agreed that this Section 7.2(c) shall not apply to (w) those Programs and Movies that are governed by Sections 7.2(a) and (b); (x) Pantelion Movies (which are governed by Section 3.5); (y) Licensed

Soccer Games (which are governed by Section 10); and (z) Ancillary Content (which is governed by Section 8.12).

(d) **Requests for Delivery**. Upon the request of Licensee, Licensor shall deliver to Licensee whatever materials are reasonably available with respect to any available Licensed Content, at Licensee's expense to the extent Licensee requests more than a pilot or representative episode or clip with respect to an available item of Licensed Content. If Licensee desires delivery of any available Licensed Content, it shall notify Licensor of its request for delivery, at any time, in a writing specifying the name of the desired available Licensed Content and such other information as may reasonably be requested by Licensor to complete delivery of the requested Licensed Content.

7.3 **Cooperation**. Until the Information Tail Date and subject to applicable Law, Licensor shall cooperate in good faith with Licensee, to the extent that such cooperation does not interfere with its businesses, in Licensee's efforts to schedule, market and promote Licensee's programming services and offerings, by attending the Informational Meetings (which may include separate meetings for television, motion picture and digital programming) and providing Licensee with brief descriptions of Programs, Movies, Pantelion Movies, and other material items of Televisa Publications Content anticipated to be licensed hereunder that are in production or have been "greenlit" or otherwise set for production, anticipated availability dates for such items of Licensed Content, and other information reasonably requested by Licensee when such information becomes available to Grupo Televisa; it being understood that any programming or production schedules so provided would be subject to modification and that no representation or warranty is being or would be made with respect thereto. Notwithstanding the foregoing, Licensor shall have no obligation to provide to Licensee any information under this Section 7.3 (a) regarding any such items of Licensed Content that are in production or have been "greenlit" or otherwise set for production that Licensor believes in good faith will not become available for Broadcast in the Territory until after the Term, (b) during the final year prior to the Information Tail Date, to the extent that Licensor believes in good faith that the disclosure of such information to Licensee would competitively disadvantage Grupo Televisa, or (c) that is subject to legal or third party contractual confidentiality restrictions. For the avoidance of doubt, the obligations of the parties under this section shall not in any way limit, restrain, expand or otherwise modify any of the independent obligations of the parties contained elsewhere in this Agreement.

8. **Delivery, Expenses and Use of Licensed Content**.

8.1 **Delivery Procedure; Clean Versions**.

(a) **Delivery of Licensed Content**. Following Licensee's sending a request for delivery of an item of Licensed Content pursuant to Section 7.2(d) of this Agreement, Licensor shall deliver to Licensee, at Licensee's expense, a visual and aural reproduction of each such item of Licensed Content either (at Licensee's election and subject to Licensor's reasonable ability to comply with such election) via satellite (at Licensee's risk of loss if delivery via satellite is requested less than forty-eight (48) hours in advance of scheduled Broadcast), electronic delivery of files or any other intangible means of delivery, or on such form of videotape, disc or other device as reasonably requested by Licensee, formatted and suitable for

Broadcast in the Territory in a digital or other format for each applicable Licensed Media, as reasonably requested by Licensee and as soon as reasonably available. Without limiting the generality of the foregoing, until further notice by Licensee to Licensor, Licensee requests access to a high definition feed (if available) for any live events. Licensed Content will be deemed delivered by Licensor when transmitted to the satellite or when delivered or made available digitally, or if shipped by courier, when actually received.

(b) **Delivery of “Clean” Versions**. Licensor shall deliver to Licensee “clean” versions (e.g., removing graphic insertions of, voice-overs promoting and URLs of esmas.com and any other Grupo Televisa owned or operated businesses) of all items of Licensed Content delivered to Licensee pursuant to this Agreement; **provided**, that Licensee shall not be required to remove any product placement, promotions or mentions in the content of any item of Licensed Content; **provided, further**, that this **Section 8.1(b)** shall not apply to (i) any Library Programs for which Grupo Televisa does not have, at the time of the delivery, such a “clean” version (“**Special Library Programs**”); and (ii) live Programs and other Programs Broadcast simultaneously by Grupo Televisa and Licensee (in the case of (ii), to the extent that production and delivery of such a “clean” version to Licensee would not be reasonably practicable, or would require Grupo Televisa to incur incremental costs). Licensor shall inform Licensee, prior to delivery of any item of Licensed Content requested by Licensee, if such item of Licensed Content falls under clause (i) or (ii) of this **Section 8.1(b)** such that Licensor will not deliver to Licensee a “clean” version of such Licensed Content. Licensee shall be permitted to produce, at its own expense and subject to the consent of the Televisa Editing and Dubbing Appointee in accordance with **Section 8.8(e)**, “clean” versions of any such Licensed Content. For the avoidance of doubt, if for any reason Licensor fails to deliver a “clean” version of any Licensed Content other than Special Library Programs or live Programs described above, Licensee shall have the right to produce such a “clean” version pursuant to **Section 8.8(b)(v)**, and Licensor shall reimburse Licensee for the costs associated therewith as set forth in **Section 8.8(f)**. Licensor’s obligation to deliver “clean” versions under this **Section 8.1(b)** will not apply to Televisa Publications Content, to which the provisions of **Section 1.3(b)(i)(A)** will apply.

8.2 **Inspection of Delivered Programs**. Licensee agrees that as soon as practicable following receipt of delivery of any Licensed Content through any medium, it will examine such delivery to determine whether it is physically suitable for Broadcast on all applicable Licensed Media and, if applicable, will notify Licensor immediately upon detecting any defect rendering such delivery unsuitable for such Broadcast. In such cases, Licensor shall promptly re-deliver such Licensed Content at its own expense through any medium (at Licensee’s reasonable election).

8.3 **Destruction or Erasure of Delivered Programs**. Licensee agrees to destroy any video tape, disc or other physical device and/or erase any electronic files embodying Licensed Content (and deliver to Licensor a certificate of destruction and/or erasure in connection therewith), in each case, as soon as practicable following the end of the Term (or as reasonably requested by Licensor in writing in connection with a withdrawal pursuant to **Section 8.10**). Licensee shall pay all costs of destroying such videotapes, discs or other physical devices or erasing such electronic files.

8.4 **Ownership; Risk of Loss**. Any videotapes, discs or other physical devices or intangible media (including electronic files) embodying Licensed Content shall at all times remain the property of Grupo Televisa, subject to Licensee's rights as herein provided. The risk of loss, damage, destruction or disappearance of any physical device, if any, shall be borne by Licensee from the time of delivery to Licensee. As to any video tape, disc or other physical device or part thereof lost, stolen, destroyed or damaged after delivery to Licensee, Licensee shall pay Licensor the cost of replacement thereof, which payment shall be limited to the cost of replacing the raw video tape, disc or other physical device.

8.5 **Restrictions on Duplication**. Except as provided herein, Licensee will not, and will not authorize others to copy or duplicate any Licensed Content unless necessary for the Broadcast by Licensee and any permitted third parties contemplated hereby (or the promotion of such Broadcasts). Licensee shall cause any permitted third party in possession of any duplicate or copy (whether in tangible form (e.g., discs, tapes) or intangible form (e.g., digital media files)) of any part of the Licensed Content (including trailers) to return such duplicate or copy at, or at a reasonable time prior to, the end of the Term (or as reasonably requested by Licensor in writing in connection with a withdrawal pursuant to Section 8.10), and Licensee shall destroy or erase (or cause to be destroyed or erased) such duplicate or copy (whether in tangible form (e.g., discs, tapes) or intangible form (e.g., digital media files)) of any part of the Licensed Content (including trailers), in accordance with Section 8.3. Upon receipt of written request from Licensor, an officer of Licensee shall certify in writing the destruction or erasure of all such copies.

8.6 **Name and Likeness Rights; Promotions**. Licensor will furnish to Licensee glossy prints and digital copies of still photos, synopses, cast lists and all other promotional material for the promotion of the Licensed Content, if available. Licensor grants to Licensee, without additional payment beyond the Royalty, the right and license to use and license others to use (a) Grupo Televisa's name and logos and the Televisa Channel Marks; and (b) unless Licensee is advised by Licensor that rights of Licensor and its Affiliates are limited (in which case, to the extent not limited), to use and license others to use the name and likeness of, and biographical material concerning, each star, featured performer, writer, director and producer in the Licensed Content and the titles and trademarks of each item of Licensed Content and fictitious persons and locales therein, for advertising and publicity of the Licensed Content, and any broadcaster or sponsor thereof, but not for direct endorsement of any product or service; provided, that any such use by the broadcaster or sponsor thereof will protect the copyrights of Grupo Televisa and shall not include any fee or royalty payable to Licensee or its Affiliates expressly and/or primarily for such use. To the extent available to Licensor (or any applicable Affiliate) after reasonable efforts, Licensor will furnish Licensee with music cue sheets for the Licensed Content and the information necessary for administration of rights payments and compliance with FCA Section 507. Subject to the foregoing, and subject to Licensor's approval (not to be unreasonably withheld, conditioned or delayed), which consent may be provided by the Televisa Editing and Dubbing Appointee, Licensee shall have the right to produce its own promotional material for or from the Licensed Content (including audio promotions for or from audio tracks of the Licensed Content). Grupo Televisa shall permit its proprietary artists to appear on behalf of or for Licensee for promotional or programming purposes at mutually agreeable times (which agreement shall not be unreasonably withheld), at Licensee's expense, it being agreed that Licensor may not be able to require an artist to appear, all requests to and

contacts with Grupo Televisa's proprietary artists shall be made through a representative designated by Licensor (provided that if the designated representative of Licensee for these purposes has requested in writing to the designated representative of Licensor for these purposes to be informed as to whether an artist is under contract with Grupo Televisa and such designated representative of Licensor has not responded to such designated representative of Licensee within seven days of receipt of such request, Licensee may try to contact such artist without going through Licensor or its designated representative), and such designated representative of Licensor shall not be required to approve any appearance which would interfere in any material respect with Licensor's operations or productions.

8.7 **Credits**. Except as provided in Section 8.8, Licensee agrees to include in its Broadcasts of Licensed Content all copyright notices and all credits made part of Licensed Content (including credits for stars, directors, producers and writers).

8.8 **Editing**.

(a) **Editing Restricted**. Licensee shall have no rights to edit or make changes or deletions to Licensed Content (other than Licensed Mexican Soccer Games, to which Section 10.3(e) shall apply) except as expressly set forth in this Section 8.8. Licensee may from time to time request by notice to the Televisa Editing and Dubbing Appointee that Licensor make any other edits (other than those set forth in Sections 8.8(b), 8.8(c) and 8.8(d), which shall not require the approval of Licensor), and Licensor may elect to make such requested edits or refuse the request in its sole discretion. The Televisa Editing and Dubbing Appointee shall be Licensee's primary contact with Licensor for the delivery of any editing request by Licensee, and for Licensor to deliver its decision and, if applicable, the edited Licensed Content to Licensee.

(b) **Editing by Licensee**. Licensee shall have the right to edit and make changes and deletions (and, with respect to only clause (ii) of this Section 8.8(b), additions of recaps) to Licensed Content, without any requirement of consent by or consultation with Licensor or the Televisa Editing and Dubbing Appointee, only in order to:

- (i) **Internal Credits**. Eliminate identical internal credits when episodes of any Licensed Content air back-to-back on any Linear Television Channel;
- (ii) **Program Length**. Adjust Licensed Content length to applicable standard U.S. format lengths (e.g., 30-60-90-120 minute lengths for Linear Television Channels, and such other standards (if any), now or in the future, that are applicable to other Licensed Media for Audiovisual Content produced for initial or primary Broadcast by means of such Licensed Media), by cutting or adding recaps to starts or finishes;
- (iii) **Commercials**. Insert commercials (during natural breaks to the extent applicable) in Licensed Content;
- (iv) **Irrelevant Material**. Eliminate any of the following specific material from Licensed Content only to the extent not relevant to U.S. Hispanic audiences: (A) phone numbers and addresses outside the Territory, (B) information regarding contests, sweepstakes and lotteries that are not available in the Territory, (C) advertisements for or promotions of goods and services that are illegal in the Territory, (D) promotional offers,

discounts and other offers related to goods or services for advertising purposes that have expired or are illegal in the Territory, and (E) information on dates and locations of specific events (e.g., concerts or live sports events) outside of the Territory that have already occurred; and

(v) *Clean Versions of Programs* . Correct any failure by Licensor to deliver a “clean” version of any Licensed Content (other than any Special Library Program) in accordance with Section 8.1(b).

(vi) *Non-Conforming Promotional Content* . Eliminate promotional materials in Televisa Publications Content to the extent permitted under Section 1.3(b)(i)(A).

(c) Edits for Timing . Licensee may, after reasonable consultation of the Televisa Editing and Dubbing Appointee, (i) edit episodes of Novelas Broadcast by means of a Linear Television Channel in order to end such Novela by creating recaps on a limited basis to cause the final episode to be Broadcast at strategically competitive times (e.g., Thursday and Friday) and (ii) reduce the length of credits of Licensed Content so that the opening credits are no longer than ninety (90) seconds in length and closing credits are no longer than thirty (30) seconds in length (or, for Licensed Content not being Broadcast by means of a Linear Television Channel, such credit lengths as are then appropriate).

(d) Edits for Regulations and Broadcast Standards . Licensee shall have the right to edit and make changes, additions (e.g. disclaimers and blurrings) and deletions to Licensed Content, after reasonable consultation with the Televisa Editing and Dubbing Appointee but without any requirement of consent by Licensor or the Televisa Editing and Dubbing Appointee (it being agreed that Licensee in any event will have the right to make such edit following a period of twenty-four (24) hours after giving notice to the Televisa Editing and Dubbing Appointee), only in order to:

(i) *Government Regulations* . Comply with applicable government rules and regulations, including FCC regulations; and

(ii) *Broadcast Standards and Practices* . Comply with Licensee’s (or its applicable controlled Affiliates’) generally applicable broadcast standards and practices from time to time in effect. Licensee shall provide Licensor with its broadcast standards and practices (and any modifications thereto) for any Licensed Media that is then regulated by the FCC or other governmental organization in the Territory. Licensee shall meaningfully consult with Licensor in connection with the establishment of its broadcast standards and practices for any Licensed Media that is then unregulated by the FCC or other governmental organization in the Territory (including by providing Licensor and the Televisa Editing and Dubbing Appointee with a copy of such proposed broadcast standards and practices at least thirty (30) days prior to Licensee’s adoption thereof (and shall provide any proposed updates to such broadcast standards and practices at least two (2) weeks prior to the effectiveness thereof). Licensee shall consider in good faith any comments provided by Licensor to Licensee in connection with such consultation on any non-regulated Licensed Media, and shall act reasonably in determining whether to accept any such comments. Licensee shall not use any broadcast standards and practices in a manner intended to circumvent the editing restrictions set forth in this Section 8.8 .

(e) Editing Authorized by Televisa Editing and Dubbing Appointee . Except as provided in Section 8.8(b), 8.8(c) and 8.8(d) , Licensee shall have the right to edit and make changes and deletions to Licensed Content only with the prior written consent of the Televisa Editing and Dubbing Appointee (which consent may be withheld if the Televisa Editing and Dubbing Appointee’s determines in its good faith discretion that the applicable edit would adversely impact the integrity or artistic quality of the applicable Licensed Content) in order to:

(i) *Televisa Spoiler Content* . Eliminate any Televisa Spoiler Content;

(ii) *Goods and Services* . Eliminate material regarding advertisements for or promotions of goods and services that are not available in the Territory (other than for the reason specified in Section 8.8(b)(iv)(C));

(iii) *Promotional Offers, Discounts and Other Offers* . Eliminate material regarding promotional offers, discounts and other offers that are not available in the Territory (other than for the reason specified in Section 8.8(b)(iv)(D));

(iv) *Eliminate / Consolidate Episodes* . Eliminate or consolidate episodes that contain more than fifteen (15) minutes of recap material;

(v) *Irrelevant Material* . Eliminate any material (other than the specific material set forth in Section 8.8(b)(iv).) to the extent not relevant to U.S. Hispanic audiences;

(vi) *Wind-Up of Licensed Content* . Facilitate wind-up of Licensed Content cancelled in accordance with this Agreement;

(vii) *Interactivity* . Add enhanced interactivity (e.g., on-screen programming guides, menus, interactive voting systems, etc.), sharing capability, links to other community features, overlays, and squeeze-backs to Licensed Content consistent with then-prevailing industry custom and practice (it being understood that this clause (vii) shall apply only to edits made by Licensee, and that such edits made by MVPDs and other third parties shall be governed by Section 4.5);

(viii) *Clean Versions of Special Library Programs* . Create a “clean” version of any Special Library Program, to the extent a “clean” version of such Special Library Program was not delivered by Licensor to Licensee in accordance with Section 8.1(b); and

(ix) *Licensee Produced Clips* . Create Licensee Produced Clips from Programs and Movies, but not from Licensed Mexican Soccer Games (to which this Section 8.8(e)(ix) shall not apply, and which shall be governed instead by Section 10.3(e)).

(f) Miscellaneous . The editing rights hereunder shall be subject to applicable Law and applicable contractual rights of unaffiliated third parties of which Licensor informs Licensee in writing at or prior to the time of delivery to Licensee of such Licensed Content (provided that Licensor agrees to use good faith efforts not to permit to exist any such contractual restrictions). Licensee will pay for editing requested by Licensee and performed by Licensor at Licensor’s incremental cost; provided, that Licensor will pay (and promptly

reimburse Licensee) for any editing costs related to Licensor's obligation to deliver a "clean" version of any Licensed Content to the extent required under Section 8.1(b) upon provision by Licensee of appropriate documentation evidencing such costs.

(g) Televisa Editing and Dubbing Appointee. The Televisa Editing and Dubbing Appointee will be primarily located at Licensee's principal facility, which is currently located in Miami, Florida (or such other location mutually agreed by the parties). Licensee shall provide the Televisa Editing and Dubbing Appointee with sufficient access to its personnel and facilities and sufficient notice of proposed edits in order to monitor the editing proposed to be undertaken by Licensee pursuant to this Section 8.8 and Licensee's compliance with the provisions of this Section 8.8 and to make determinations hereunder. The Televisa Editing and Dubbing Appointee will also have the right to recommend policies to prevent unauthorized editing. If such policies are acceptable to Licensee, acting reasonably, Licensee will implement and enforce such policies and the Televisa Editing and Dubbing Appointee will be provided with sufficient access to monitor compliance with such policies. All compensation and benefits provided to the Televisa Editing and Dubbing Appointee shall be paid by Licensor. All determinations by the Televisa Editing and Dubbing Appointee shall be documented in writing.

(h) Derivative Works. For the avoidance of doubt, to the extent that, as a result of Licensee's exercising any of its editing rights hereunder with respect to any Licensed Content, such edited Licensed Content constitutes a "derivative work" under the United States Copyright Act, such derivative work shall nevertheless remain the sole property of Licensor (subject to the rights granted to Licensee hereunder).

(i) Other Changes to the Programs. For the avoidance of doubt, and notwithstanding anything to the contrary contained in this Section 8.8, none of Licensee's actions with respect to the Licensed Content pursuant to, and in accordance with, Sections 1.2(b), 4.5, 8.9(c), or 8.11(c) or (d) shall be subject to the terms and conditions of this Section 8.8 (other than Section 8.8(h)).

(j) Not Applicable to Licensed Mexican Soccer Games. Notwithstanding anything contained in this Section 8.8, none of the restrictions on Licensee's rights to edit or make changes, deletions or additions under this Section 8.8 will apply to Licensed Mexican Soccer Games, to which the provisions of Section 10.3 will apply.

8.9 Product Placement.

(a) Cooperation. Licensor and Licensee intend to cooperate effectively in order to exploit reasonable opportunities for product placement and integration in Licensed Content to be Broadcast in the Territory.

(b) Points of Contact. Each of Licensor and Licensee shall appoint a single person to act as point of contact for such efforts. Such contact persons shall cooperate to make each party aware of commercial opportunities for product placement or integration in Licensed Content to be Broadcast in the Territory and, in any event, each such contact person will present such opportunities (not previously disclosed to the other) at the first Informational Meeting following such contact person's learning of such opportunities.

(c) Exchange of Products. The parties will work together so that, to the extent technologically feasible, Licensee, with prior approval of Licensor (on a good faith basis), may substitute products of advertisers to whom Licensee has sold product placement in exchange for products placed by Grupo Televisa in recorded Licensed Content, so long as such substituted placement does not adversely affect in any way, as determined by Licensor in good faith, the artistic quality and/or integrity of the Licensed Content. By way of example and not in limitation, Licensor may determine not to approve such substitutions in the relevant recorded Licensed Content if any person or entity, including any director, producer or actor in or of such recorded Licensed Content, in his, her or its sole and absolute discretion does not want the substitution, or if Licensor believes that proposing such substitution would harm its relationship with such director, producer or actor. For the avoidance of doubt, Licensee shall not substitute products in Licensed Content initially Broadcast simultaneously, by Grupo Televisa and Licensee; provided, that the contact persons will cooperate in order to pre-record segments that may be inserted by Licensee in the time segments designated by Licensee in such Licensed Content Broadcast simultaneously. An Affiliate of GT which is capable of effecting such substitution will have the Right of First Negotiation / First Refusal to perform such substitution. For the avoidance of doubt, revenues with respect to substitution as provided in this paragraph shall be included in the Royalty Base.

(d) Licensee Requests. Licensor will consider in good faith requests of Licensee, made from time to time, to effectuate product placement and/or integration by Licensee's advertisers in Licensed Content during their production and/or post-production stage and will use commercially reasonable efforts to keep Licensee informed of commercial opportunities during such stage. While Licensor shall have no obligation to effectuate such product placement and/or integration, Licensor shall make the determination as to whether to comply with such requests in good faith. By way of example and not in limitation, Licensor may determine not to comply with such requests if any person or entity participating during the production and/or post-production of the Licensed Content in question, including any director, producer or actor in or of such Licensed Content, in his, her, or its sole and absolute discretion does not want the product placement and/or integration, or if Licensor believes that proposing the product placement and/or integration would harm its relationship with such director, producer or actor. For the avoidance of doubt, revenues with respect to placement and/or integration as provided in this paragraph shall be included in the Royalty Base.

(e) Costs. In the event that Licensor or its Affiliates effectuate product placement and/or integration during production or post-production of any Licensed Content by Licensee's advertisers or otherwise at Licensee's written request, Licensee will pay the costs for such placement and/or integration (which such costs will need to be agreed between Licensee and Licensor prior to effectuation of the product placement and/or integration) upon provision by Licensor of appropriate documentation evidencing such costs.

(f) Notification of Refusal. Within five (5) Business Days of any determination by Licensor that it will not include product placement requested by Licensee, Licensor will inform Licensee of such determination and the reasons therefor.

(g) Licensor Policies. All product placement and integration requests shall be subject to the policies and rules of Grupo Televisa's sales department from time to time in effect

that Licensor has prior to such time provided to Licensee; provided, that such policies and rules shall not limit, expand or otherwise modify Licensor's obligations with respect to such requests as set forth under this Section 8.9.

(h) Not Applicable to Licensed Mexican Soccer Games. Notwithstanding the foregoing and for the avoidance of doubt, the terms and conditions relating to product placement in this Section 8.9 shall not apply to Licensed Mexican Soccer Games, to which the provisions of Section 10 shall apply.

8.10 **Licensor Withdrawal of Programs**. Subject to Section 12.1 and Licensee's remedies for a breach thereof, Licensor may, in its sole and absolute discretion, withdraw any Licensed Content and terminate any license with respect to such Licensed Content if Licensor reasonably determines that the Broadcast thereof is likely to: (a) infringe the rights of third parties; (b) violate any Law; or (c) otherwise subject Licensor to any material liability. In the event of any such withdrawal or termination, Licensor shall give Licensee as much notice as reasonably practicable, and the parties shall have no obligations to each other with regard to Licensed Content not produced, subject to Section 12.1 and Licensee's remedies for a breach thereof.

8.11 **Digitization: Technological Enhancements**.

(a) Requests. With respect to any particular item of Licensed Content (and without limiting Licensee's rights and obligations under Section 8.11(d) with respect to HD up-conversion and/or down-conversion), Licensee may request from Licensor reasonable information regarding whether such item of Licensed Content has been subject to digital conversion or Technological Enhancements, and Licensor shall promptly respond to such requests (including by providing Licensee with a brief description of such digital conversion or Technological Enhancements and any applicable technical specifications therefor); provided, that no inadvertent failure by Licensor to comply with the foregoing shall constitute a breach of this Agreement.

(b) Televisa Digitization and Technological Enhancements. If Licensee has requested delivery of Licensed Content in a digital or other format in accordance with Section 8.1(a) but Grupo Televisa does not then have such digital or other format of such Licensed Content, Licensee may request, by delivery of a Technology Services Request to Licensor, the conversion or Technological Enhancement of such Licensed Content to such digital or other format. If Licensor reasonably determines that such conversion or Technological Enhancement would not interfere with its digitization efforts or other businesses, then Licensor shall, at the sole cost and expense of Licensee, undertake such process in accordance with Licensee's requested Technical Specifications and a schedule mutually agreed between Licensor and Licensee (which schedule shall include a reasonable "cushion" period for unforeseen delays and contingencies); provided, however, that Licensor shall not have any obligation to undertake any such process until Licensor has prepared and delivered to Licensee a Technology Services Budget for such process, and Licensee has agreed to such budget. In the event that Licensor or an Affiliate thereof does undertake any such conversion or Technological Enhancement, Licensee will pay the costs and expenses for such conversion or Technological Enhancement (in

accordance with the agreed Technology Services Budget) upon provision by Licensor or an Affiliate thereof of appropriate documentation evidencing such costs and expenses.

(c) Licensee Digitization and Technological Enhancements. If, following Licensee's delivery of a Technology Services Request with respect to any requested Technological Enhancement, Licensor is unwilling or unable to undertake the requested process for any reason, then, so long as such Licensed Content has already been converted into, or was created in, a digital format, and subject to Licensor's approval over the Technical Specifications, Licensee shall be permitted to undertake or procure such Technological Enhancement at its own cost and expense.

(d) High Definition (HD) Conversion. Notwithstanding anything contained in this Section 8.11, the following terms and conditions shall apply to HD conversion: Licensee shall inform Licensor when it intends to undertake up-conversion of Licensed Content to HD or down-conversion of Licensed Content from HD, and will specify the HD format and up-conversion and/or down-conversion methods and standards that it intends to use. In the event Licensee uses as a basis for converting programs to HD format the standards determined, from time to time, by the National Television System Committee or Advanced Television System Committee (or one of their successors), Licensee shall not require approval from Licensor for the up-conversion or down-conversion described in this paragraph; otherwise, Licensee shall require approval from Licensor, which shall not be unreasonably withheld or delayed. Once format(s) and conversion method(s) have been established by the procedure set forth in the immediately preceding sentence, Licensee may continue to use such format(s) and conversion method(s) to up-convert or down-convert Licensed Content without Licensor's consent.

8.12 Ancillary Content.

(a) Ancillary Content Requests. With respect to any particular item of Licensed Content, Licensee may request from Licensor reasonable information regarding what Ancillary Content is currently (or anticipated by Licensor to be) available for Broadcast by Licensee in the Territory in connection with such Licensed Content, and Licensor shall promptly respond to such requests (including by providing Licensee with a brief description of any such Ancillary Content and any applicable content specifications (e.g., duration, resolution, etc.) with respect thereto); provided, that no inadvertent failure by Licensor to comply with the foregoing shall constitute a breach of this Agreement.

(b) Delivery of Ancillary Content. In connection with the delivery of Licensed Content to Licensee, Licensor shall deliver to Licensee any available, existing Ancillary Content with respect to such Licensed Content to the extent requested by Licensee.

(c) Ancillary Content Production Requests. From time to time, Licensee may deliver a notice to Licensor requesting the production of Spanish language Ancillary Content relating to an item of Licensed Content for use by Licensee, so long as Grupo Televisa has not already created such material or similar material. Any such notice shall specify the desired type and content of the material (including the applicable content specifications (e.g., duration, resolution, etc.) with respect thereto) and the desired schedule for production thereof in detail reasonably specific and sufficient to permit Licensor to evaluate the request. Licensor shall

consider in good faith each such request; provided, that Licensor shall have no obligation to consider requests submitted by Licensee after the Information Tail Date. In the event that Licensor in its sole discretion elects to undertake any such production, it shall do so in accordance with the specifications requested by Licensee and a schedule mutually agreed between Licensor and Licensee (which schedule shall include a reasonable “cushion” period for unforeseen delays and contingencies); provided, that Licensor shall not undertake such production until Licensor has prepared and delivered to Licensee an Ancillary Content Budget for such production, and Licensee has agreed to such budget. Licensee will pay the costs and expenses for such production (in accordance with the agreed Ancillary Content Budget) upon provision by Licensor of appropriate documentation evidencing such costs.

(d) Inclusion in License. For the avoidance of doubt, any Ancillary Content produced by Licensor with respect to any Licensed Content (including any audiovisual material produced pursuant to this Section 8.12) shall be included in the Licensed Content (and shall be licensed to Licensee hereunder).

8.13 Digital Distribution Clearances

(a) Responsibility for Obtaining and Paying for Digital Distribution Clearances. As between Licensee and Licensor, Licensor (or an Affiliate thereof) shall pay all costs associated with obtaining Clearances in connection with Licensee’s Broadcast of Licensed Content in Licensed Media by means of digital distribution throughout the Territory during the Term (subject only to the deduction from DTO revenue of incremental clearance fees necessary for Broadcast by means of DTO, as more fully described in the definition of “Net DTO Margin”), and shall obtain such digital distribution Clearances to the extent set forth in clauses (b) and (c) below. For the avoidance of doubt, this Section 8.13(a) shall not apply to payments for music public performance rights, which shall be governed by Section 12.1(e).

(b) Clearances for Digital Distribution of New Content. Licensor shall use commercially reasonable efforts (which may include paying industry standard fees and other costs that are customarily required for the Broadcast of similar content by similar means in the Territory) to obtain (by the availability date for each item of Licensed Content under Section 7.1), all Clearances necessary for the exercise of the Licensed Rights by means of digital distribution by Licensee in the Licensed Media during the Term in the Territory of each such item of Licensed Content. As more fully described in Section 7.2(a), each Availability Notice shall specify any applicable Clearances that have not been obtained with respect to the Licensed Content set forth therein, notwithstanding such efforts.

(c) Clearances for Digital Distribution of Library Programs. It is understood and agreed, subject to (and without limiting) Licensor’s representations and warranties set forth in Section 12.1, that Licensor may not presently have obtained all necessary Clearances for the digital distribution of all Library Programs in the Territory. Notwithstanding the foregoing, Licensor represents and warrants that Licensor has obtained all Clearances necessary for the exercise of the Licensed Rights by means of digital distribution by Licensee of Library Programs in the Licensed Media during the Term in the Territory (other than live programs, talk shows and / or live entertainment magazine shows) that were solely produced by Grupo Televisa following

January 1, 2002; it being understood and agreed that there may be a de minimis amount (e.g., less than approximately ten percent (10%)) of the total number of hours of such Library Programs with respect to which Grupo Televisa does not have all Clearances required for such digital distribution. Without limiting the foregoing, Licensee may from time to time request from Licensor, and Licensor shall provide within a reasonable time, information about whether any particular Library Programs are not fully cleared for Licensee's Broadcast by means of digital distribution in the Licensed Media throughout the Territory during the Term. Licensee may from time to time (but no more frequently than monthly) request in writing that Licensor or an Affiliate thereof obtain any Clearances necessary for the exercise of the Licensed Rights by means of digital distribution in the Licensed Media by Licensee during the Term in the Territory of one or more of such Library Programs, which request shall include Licensee's reasonably desired Broadcast schedule and the applicable Licensed Media for which Clearances are required with respect to such Library Programs. Upon receipt of such request, Licensor or an Affiliate thereof shall use commercially reasonable efforts (which may include paying industry standard fees and other costs that are customarily required for the Broadcast of similar content by similar means in the Territory) to obtain the requested Clearances in a timely fashion so as to permit Licensee to Broadcast such Library Programs in the applicable Licensed Media in accordance with the desired Broadcast schedule.

9. **Royalty**.

9.1 **Calculation of the Royalty and Royalty Base**.

(a) **Royalty**. For the period beginning upon the Effective Date and continuing until the expiration of the Term, Licensee shall pay Licensor a royalty (the "**Royalty**") in cash in an aggregate amount equal to the sum of:

(i) 11.91% of the Royalty Base, decreasing to 11.84% of the Royalty Base after December 31, 2014 (such decrease not to be applied retroactively to periods prior to and including December 31, 2014) and increasing to 16.13% of the Royalty Base after December 31, 2017 (such increase not to be applied retroactively to periods prior to and including December 31, 2017), **plus**

(ii) 2.0% of the excess, if any, of the Royalty Base over \$1,648,900,000 per calendar year, with such threshold increasing to \$1,663,000,000 commencing with calendar year 2015 (it being understood and agreed that for purposes of any Royalty calculation covering only a portion of a calendar year, such amount shall be prorated based on the number of days in such portion divided by 365), **plus**

(iii) 50% of Net DTO Margin.

(b) *****

(c) Adjusted Royalty Upon Sale or Demotion of Soccer Teams. Notwithstanding anything contained in Section 9.1(a) and (b), the Royalty percentages set forth in Sections 9.1(a) and (b) may be reduced pursuant to and in accordance with the express provisions of Section 10.

(d) Royalty Base. The following terms and conditions shall apply for purposes of defining and calculating the Royalty Base:

(i) *Definition of Royalty Base*. “Royalty Base” means all revenues (whether or not the sources of such revenue are now or hereafter in existence), billed or billable by Licensee or its controlled Affiliates to any third party (for this purpose, including Affiliates that are not controlled), derived or generated (A) from the exploitation or operation of those Spanish Language Platforms in the Territory during the Term on which (1) Licensee has been licensed by Licensor the right to Broadcast Licensed Content hereunder (and Licensor has provided any necessary consents or approvals requested by Licensee and required under this Agreement to permit the Broadcast of Licensed Content on such Spanish Language Platform(s)), whether or not Licensed Content is actually Broadcast on such Spanish Language Platform, or such revenues are or are not derived or generated from the Broadcast of Licensed Content on such Spanish Language Platforms; and (2) Audiovisual Content of any kind is then being, or has at any time after the date hereof been, Broadcast by Licensee or its controlled Affiliates (“Royalty Base Platforms”) or (B) from (1) any Sublicensing Arrangements (it being understood that all Sublicensing Arrangements are subject to approval by Licensor pursuant to Section 4), (2) any Network Affiliation Agreements through which Licensee is permitted hereunder to license to a Network Affiliate the right to Broadcast any Licensed Content; (3) any MVPD Arrangements through which Licensee is permitted hereunder to license to an MVPD the right to Broadcast any Licensed Content; and (4) any UIN Branded Experiences through which Licensee is permitted hereunder to license the right to Broadcast any Licensed Content, including in each of cases (A) and (B) to the extent applicable, (I) net advertising revenue (including revenue from time sales, product placements or integration, or sponsorships); (II) net subscriber fee revenue (whether such fee revenue is advertising-based, subscription-based or otherwise and by whatever name, categorization or characterization thereof); (III) net distribution revenues (including subscriber fees, retransmission consent payments, or license or use fees or royalties); (IV) net interactive media revenues (including from advertising, subscription or transactional); and (V) net transactional revenue (including per-use, lease or rental fees, purchase prices, or site-specific monetary accounts, but excluding any revenue from the sale of Audiovisual Content by means of DTO), subject, in each case, to the terms and conditions of this Section 9 (including the inclusions, deductions and exclusions set forth in this Section 9.1).

***** **CONFIDENTIAL TREATMENT: GRUPO TELEVISIA, S.A.B. HAS REQUESTED THAT THE OMITTED PORTIONS OF THIS DOCUMENT, WHICH ARE INDICATED BY ***** , BE AFFORDED CONFIDENTIAL TREATMENT. GRUPO TELEVISIA, S.A.B. HAS SEPARATELY FILED THE OMITTED PORTIONS OF THE DOCUMENT WITH THE SECURITIES AND EXCHANGE COMMISSION .**

For the avoidance of doubt, “Royalty Base” shall also include any National Representation Commissions and JSA Income and any other revenues (and reflect any inclusions, exclusions and deductions), if any, expressly designated as part of the Royalty Base in this Agreement. The provisions of clause (B) above in this [Section 9.1\(d\)\(i\)](#) shall not expand the grant of rights hereunder to allow Licensee, its controlled Affiliates, Network Affiliates, MVPDs or permitted sublicensees to Broadcast Licensed Content or any portion thereof other than on a Spanish Language Platform (except to the extent provided in [Section 3.2](#)). The provisions of clause (B) above shall also not result in the “Royalty Base” including revenues (by whatever name, categorization or characterization thereof) billed or billable by Licensee or its controlled Affiliates derived or generated from any agreement with a distributor or aggregator of multi-lingual Audiovisual Content (e.g., Comcast, YouTube, Apple / iTunes) for the distribution of a Licensee owned or controlled platform or program offering (e.g., an English language television network or other English language distribution platform, including channels, sites or applications) on which platform Licensee, its controlled Affiliates, Network Affiliates, MVPDs or permitted sublicensees are then not permitted to Broadcast Licensed Content hereunder.

(ii) *Deductions from Royalty Base*. For purposes of calculating the Royalty Base, and in order to ensure that, with respect to the matters described in clauses (A) through (E) below, Licensor is paid a Royalty only on the amounts Licensee and its controlled Affiliates actually receive and retain, the following deductions (by whatever name, categorization or characterization) shall apply (to the extent that the billed or billable amounts relating to such deductions were included in the Royalty Base):

(A) Advertising agency commissions, volume discounts and prompt pay discounts actually paid to or retained by third parties or incurred and deducted by third parties;

(B) Obligatory holdbacks and costs imposed by third parties (e.g., for third party reselling of online or mobile remnant inventory) and actually paid to or retained by third parties or incurred and deducted by third parties (i.e., the Royalty will only be payable on amounts billed or billable by Licensee and its controlled Affiliates, less amounts to which such third parties are entitled);

(C) Revenue shares and participations paid or payable to third parties (i.e., the Royalty will only be payable on amounts billed or billable by Licensee and its controlled Affiliates, less amounts to which such third parties are entitled) solely in connection with the exploitation of Licensed Content or content owned or controlled by Licensee or its controlled Affiliates through (i) Sublicensing Arrangements for which the revenue share or participation arrangement has been disclosed to Licensor in a Proposed Transaction Notice and Licensor has subsequently approved such Sublicensing Arrangement pursuant to [Section 4](#); and (ii) MVPD Arrangements if the terms and conditions of the revenue share or participation of the MVPD Arrangements are consistent with then applicable industry standards (or more favorable to Licensee and its controlled Affiliates);

(D) Revenue shares or participations paid or payable to third party counterparties to UIN Arrangements for UIN Branded Experiences (i.e., the Royalty will only be payable on amounts billed or billable by Licensee and its controlled Affiliates, less

amounts to which such third parties are entitled) with respect to an UIN Branded Experience, or on whose platform the UIN Branded Experience resides, if such revenue share or participation arrangement has previously been disclosed to Licensor in the notice provided to Licensor under Section 4, such revenue share or participation is solely with respect to the exploitation of Licensed Content or content owned or controlled by Licensee or its controlled Affiliates, and if the terms and conditions of such revenue share arrangement are consistent with then applicable industry standards (or more favorable to Licensee and its controlled Affiliates); and

(E) Advertising revenue derived or generated from any Licensee (or its controlled Affiliate's) media outlets other than the Royalty Base Platforms, up to an amount equal to US\$5,000,000 per calendar year.

(iii) *Inclusions in and Exclusions from Royalty Base* .

(A) *Inclusions* . Without limiting the inclusion of any other revenues in the Royalty Base, except as set forth in Section 9.1(d)(iii)(B) below, the Royalty Base shall include any revenues from any third party (whether or not the sources of such revenue are now or hereafter in existence) from any of the following (x) to the extent such revenues are derived from, connected with, related to, or generated in conjunction with the exploitation or operation of a Royalty Base Platform: (1) direct marketing by tangible mail, electronic mail (that does not include Audiovisual Content) or inserts, phone or in person; trade shows; physical point of sale promotions; hard coupons; premiums; event sponsorships and ticketing; reimbursement for costs incurred in connection with the production and delivery of advertisements for third parties; and activation fees paid by advertisers for the provision of non-audiovisual advertising including sponsorship mentions, logos and signage at live events (e.g., the Latin Grammy Awards); (2) services provided to third parties (including talent) such as website construction services, hosting services, translation services (e.g., CNET), production services, content management services, infrastructure integration management services, third party subscription management services, advertising sales representation services for third parties that are not Network Affiliates (e.g., Univision Partner Group), research services, traditional public relations services, loyalty program services and general advisory services; (3) merchandising, sale and/or distribution of goods (e.g., sale of t-shirts, Blu-Rays, ringtones, promotional goods) which, for the avoidance of doubt, may not incorporate any Licensed Content, by any and all means, whether now known or hereafter devised (including by means of the Internet); (4) brand extensions other than solely in the form of licensing trademarks (e.g. branded calling cards and pre-paid cards), it being understood that the use by Licensee of its advertising inventory to promote any business or co-branded product or service to the extent permitted by Section 11.1(b) alone will not be sufficient to cause any revenues related to such business or co-branded product or service to be derived from, connected with, related to or generated in conjunction with the exploitation or operation of a Royalty Base Platform; and (5) royalties received from ASCAP, BMI or SESAC (or any successor or similar entity in the United States); and (y) on the terms and conditions and subject to the limitations provided in the English Language Mexico Soccer Agreement, revenues derived or generated from any Soccer Arrangements.

(B) *Exclusions* . Notwithstanding anything to the contrary contained in Section 9.1(d)(iii)(A) above or elsewhere in this Agreement, the Royalty Base shall not include any revenues from any third party (whether or not the sources of such revenue are

now or hereafter in existence) from any of the following: (x) whether or not such revenues are derived from, connected with, related to, or generated in conjunction with the exploitation or operation of a Royalty Base Platform, (1) sale or lease of Broadcast spectrum; (2) exploitation of audio only content, whether by means of terrestrial, satellite or digital radio, audio streaming, audio downloads, internet radio, or otherwise; (3) licensing of trademarks (other than Grupo Televisa trademarks); (4) payments received from commercial arrangements with Grupo Televisa (including under the Amended and Restated 2011 Mexico License Agreement and that certain Representation Agreement dated November 1, 2011 between Affiliates of Licensor and Licensee); (5) DTO exploitation of Audiovisual Content; (6) the rental of property, plant or equipment, except to the extent that the use of such property, plant or equipment by the lessee is connected with or related to the Broadcast of Audiovisual Content on a Royalty Base Platform, in which case revenues from such rental will be included in the Royalty Base; and (7) revenues described in clauses (1)-(5) of Section 9.1(d)(iii)(A)(x), but solely to the extent that such revenues are not derived from, connected with, related to or generated in conjunction with the exploitation or operation of a Royalty Base Platform.

(iv) *Valuing Barter* . For purposes of the Royalty Base, (A) media for media barter shall be valued at one hundred percent (100%) of fair value determined by reference to the average unit price for advertising sold for cash to third parties in the Audiovisual Content in which the barter is Broadcast; and (B) all other barter transactions where Licensee and its controlled Affiliates are provided goods and/or services in lieu of cash, such barter transactions will be valued at one hundred percent (100%) of fair value of the non-cash goods or services received by any of Licensee and its controlled Affiliates in consideration of the advertising time or space. Notwithstanding the foregoing, and subject to the first sentence of Section 9.1(d)(v), if Licensee or its controlled Affiliate sells a business or assets to, or acquires a business or assets from, a third party (that is not a controlled Affiliate of Licensee) in which Royalty Base Platform advertising time or space is committed to such third party (in the case of a sale) or all or a portion of the consideration is Royalty Base Platform advertising time or space (in the case of an acquisition), Licensee will provide Licensor with its reasonable determination of the relative fair value (as such concept is described in Emerging Issues Task Force Issue 00-21 or any successor issue or standard) of such advertising time or space and the basis of such determination. If Licensor disagrees with Licensee's determination, Licensor may require Licensee to engage a nationally recognized appraisal firm to determine the relative fair value of such advertising time or space; provided, that Licensee will not be required to engage such an appraisal firm if its determination in the immediately preceding sentence had been based on an appraisal of such a nationally recognized appraisal firm. The value of such advertising time or space as calculated pursuant to the two preceding sentences shall be included in the calculation of the Royalty Base.

(v) *Unsold Inventory* . The use of unsold inventory by (a) Licensee or its controlled Affiliates or by Grupo Televisa, pursuant to and in accordance with Section 11 ; or (b) Venevision, in each case, shall not be considered advertising revenue for the purposes of, or be included in calculating, the Royalty Base (it being understood that such unsold inventory shall be valued at \$0 for purposes of calculating the Royalty Base). Notwithstanding the immediately preceding sentence, (A) audiovisual commercial advertising co-branded by Licensee or its controlled Affiliates and a third party with respect to which more than twenty percent (20%) of the duration of such commercial advertising content directly promotes the third party or third

party brands shall not be considered unsold inventory for purposes of the immediately preceding sentence and shall be included in the Royalty Base; and (B) for banners or other advertising co-branded by Licensee or its controlled Affiliates and a third party, only revenues from those banners or other advertising that predominantly promote the third party or third party brands will be considered advertising revenue (and any other banners or other advertising shall be considered unsold advertising for purposes of the immediately preceding sentence), the amount of which advertising revenue will be determined on an arm's-length basis for the purposes of, and included in calculating, the Royalty Base.

(vi) *Joint Ventures* . It is understood and agreed that if Licensee or any of its Affiliates enters into a joint venture, partnership or similar arrangement with a third party (which such joint venture, partnership or similar arrangement itself is not a controlled Affiliate of Licensee) with respect to a Spanish Language Platform on which, as a result of a consent by Licensor under Section 4, Licensee has rights to Broadcast Licensed Content, and revenues from such Spanish Language Platform would otherwise be included in the Royalty Base, only Licensee's and/or its Affiliates' share of revenues (and costs) from such arrangement will be included in the calculation of Royalty Base (and any deductions therefrom).

(vii) *Certain Third Party Arrangements* .

(A) *Network Affiliates*. For the avoidance of doubt, the Royalty Base shall not include (I) amounts billed or billable by Licensee or its controlled Affiliates, or paid to Licensee or its controlled Affiliates, that are actually paid to or retained by Network Affiliates and that would otherwise constitute revenue of the Network Affiliates; or (II) revenues billed or billable by any Network Affiliates that are not billed, billable or received by Licensee or its Affiliates.

(B) *Other Counterparties*. For the avoidance of doubt, the Royalty Base shall not include (I) amounts billed or billable by Licensee or its controlled Affiliates, or paid to Licensee or its controlled Affiliates, that are actually paid to or retained by counterparties to Sublicensing Arrangements, MVPD Arrangements and/or UIN Branded Experiences and, in each case, that would otherwise constitute revenue of the applicable counterparty; or (II) revenues billed or billable by counterparties to Sublicensing Arrangements, MVPD Arrangements and/or UIN Branded Experiences, in each case, that are not billed, billable or received by Licensee or its Affiliates.

(viii) *Sale of Assets* . For the avoidance of doubt, in the event that Licensee or any of its Affiliates enters into an outright sale or other transfer of any business or assets (e.g., Broadcast rights to one or more World Cup games, a station or other Spanish Language Platform), then, subject to Section 9.1(d)(iv) (if applicable), the revenues from such sale or other transfer shall not be included in the Royalty Base.

(ix) *No Double Counting* . For the avoidance of doubt, (A) in the event that any items of revenue or deduction are covered by more than one component of the Royalty Base, for the purposes of calculating the Royalty Base, any such items will be included or deducted, respectively, only once (i.e., there shall be no double counting of revenues or deductions), and (B) with respect to any items of revenue included in the Royalty Base (or

deductions therefrom), arising out of transactions by and between Licensee or any controlled Affiliate, on the one hand, and a third party (for these purposes including any Affiliates that are not controlled), on the other hand, there will be no double counting of revenues (or deductions therefrom) billed or paid solely among Licensee and its controlled Affiliates with respect to such revenues (or deductions) (i.e., there will be no double counting of revenues received from the third party (or deductions therefrom), and revenues internally billed by and among Licensee and its controlled Affiliates (and deductions therefrom).

(x) *Example Calculations* . Schedule 6(A) sets forth example calculations of the Royalty Base for 2014 as calculated pursuant to this Agreement as in effect as of the Effective Date. The parties acknowledge and agree that their understanding of the application of the provisions of this Section 9.1, as of the Effective Date, to the 2014 results is as set forth on Schedule 6(A). The example calculation in Schedule 6 is intentionally omitted.

(xi) *No Modification of License* . For the avoidance of doubt, nothing contained in this Section 9.1(d) is intended to or shall be deemed to modify Section 1.1 hereof or the license granted pursuant thereto.

(xii) *Anti-Avoidance* . Licensee agrees that it will, and will cause its Affiliates to, (i) use good faith efforts not to structure arrangements or agreements in a manner intended to cause revenues (by whatever name, categorization or characterization thereof) of transactions or series of related transactions that would otherwise be included in the Royalty Base not to be included in the Royalty Base (for illustrative purposes only, including by entering into a sublicensing arrangement that does not include Licensed Content within six (6) months of entering into a Sublicensing Arrangement with the same sublicensee that includes Licensed Content in order to avoid revenue from the former being included in the Royalty Base); (ii) ensure that each of the Packaged Sales Transaction Process and Allocations are made on an arm's-length basis and in good faith; and (iii) not enter into, effect or undertake any transaction, or structure any arrangement or agreement with an Affiliate that is not a controlled Affiliate, that would cause any revenues (by whatever name, categorization or characterization thereof) that would otherwise be included in the Royalty Base to be billed or billable by such non-controlled Affiliates, and thus excluded from the Royalty Base.

9.2 **Payment Schedule** . The Royalty shall be paid by Licensee to Licensor currently on a monthly basis on the twelfth (12th) Business Day after the end of each month in a single payment, based upon Licensee's good faith best estimate at such time of the amounts accrued. Appropriate adjustments (the "Adjustments") will be made to the Royalty on a quarterly basis within forty-five (45) days after the end of each quarter, the full amount of which shall be paid by Licensee or credited in Licensee's favor against future payments by Licensee, as the case may be, with the next monthly payment of the Royalty for any difference between the amounts so paid and those finally determined to have accrued. Notwithstanding anything to the contrary contained herein, Licensee will be deemed to have satisfied its obligation to make monthly payments of the Royalty for all periods through May 30, 2015 to the extent it paid an amount based on Licensee's good faith best estimate of the amount due pursuant to Section 9.1 of the First Amended and Restated Agreement as in effect prior to the Effective Date. For the quarterly adjustment due for the second (2nd) quarter of 2015 the Royalty payable for the period from the Effective Date to June 30, 2015 will be determined based on this Agreement, and the payment to

be made with respect to July 2015 will include the payment or credit of any Adjustment based on the amounts paid by Licensee for the period from the Effective Date to June 30, 2015. In all cases, the calculation of the Adjustments will be made by Licensee as promptly as practicable, but in any case in time to be delivered to Licensor with such payment.

9.3 **Royalty Calculation.** All payments made pursuant to this section shall be in cash in U.S. currency and shall be accompanied by a royalty calculation, calculated regardless of the amount of Licensed Content licensed hereunder or whether such Licensed Content are Broadcast, detailing by segment (as Licensee and its auditors believe in good faith would be required to be reported under the rules of the U.S. Securities and Exchange Commission (assuming it was a reporting party under such rules), or, if not so determined to be so required under such rules or such rules cease to exist, in its general reports to its primary corporate level senior lenders, or such other segments as may be agreed by the parties acting reasonably) each of the components of the Royalty Base and any deductions or exclusions therefrom, and setting forth the amount of royalty payable based on the monthly financial information prepared for Licensee's internal reporting purposes which are estimates and subject to the more formal closing procedures performed quarterly and annually, as well as any DTO or DTR information required to be delivered to Licensor in accordance with Sections 5.1(e) or 5.2(a), respectively. Within forty-five (45) days after each quarter end, Licensee will provide a royalty calculation including the same categories of information as the monthly royalty statements, showing the calculation of the Royalty Base as reported in its quarterly financial statements, and truing up the monthly financial information to the quarterly financial information. Prior to delivery to Licensor, all royalty calculations (whether monthly, quarterly, annual or otherwise) shall be reviewed and approved by the highest-ranking accounting officer of Licensee or the executive officer to whom such senior accounting officer reports. Each of Licensee and Licensor will appoint a contact person who is knowledgeable of the calculation of the Royalty Base to coordinate with each other, and Licensee's contact person will provide to Licensor all further relevant information and documentation in Licensee's possession as reasonably requested, which may include worksheets and workpapers used for or underlying such calculation. Starting with its 2011 financial statements, Licensee will include in the segment footnote to its audited financial statements (including those filed with the SEC, if any) a line item, which will be defined in such footnote, to include only the Royalty Base, except for a reconciling item to adjust barter revenues to fair value to the extent needed.

9.4 **Audit Rights.** The computation of the annual Royalty Base will be reviewed within ninety (90) days of the end of each fiscal year (commencing with fiscal year 2011) by Licensee's independent certified public accounting firm in connection with the audit of Licensee's consolidated financial statements. By the one hundred and eightieth (180th) day of each fiscal year, such accounting firm will deliver a certificate to Licensor in the form of Schedule 7 hereto (with such changes as may be required due to a change in accounting firm or due to a change in rules governing the issuance of such reports by independent certified public accounting firms) attesting to the accuracy of the Royalty Base computation, including any Allocations contained therein, and the amount of the royalty payable to Licensor, in all respects material to such Royalty Base; provided, however, that Licensee shall not be in breach of this obligation if a change in the rules governing such accounting firm's profession results in the issuance of the certificate being prohibited for reasons outside Licensee's control, in which case Licensee shall, to the extent practicable and as promptly as practicable, obtain such certificate

from an alternate accounting firm of national standing (it being understood that if as a result of the rule change, no accounting firm of national standing is able to provide such certificate, then for so long as such rule change remains in effect, Licensee shall have no further obligations regarding such certificate). Within the same time period, the chief financial officer of Licensee will deliver a certificate to Licensor in the form of Schedule 8 hereto attesting to the accuracy of the Royalty Base computation and the amount of the royalty payable to Grupo Televisa, in each case in all respects material to such Royalty Base, and the highest-ranking sales officer of Licensee will deliver a certificate to Licensor in the form of Schedule 9 hereto attesting that the Advertising Packaged Sales Transaction Process has been made at arm's-length and in good faith in all respects material to the Royalty Base. Licensee shall pay for the preparation of such certificates and their delivery to Licensor.

9.5 **Additional Certificates and Services.** In connection with the audit rights contained herein, including with respect to the Royalty Base, DTO information and DTR information, commencing January 1, 2016, Licensor may request additional certificates and services either from Licensee's accounting firm or from a firm of certified public accountants chosen by Licensor with respect to the Royalty Base computation for fiscal years 2015 or later. The fees and expenses of the certified public accountants providing such additional certificates and performing such additional services pursuant to this Section 9 shall be paid by Licensor, unless such verification results in an adjustment in Licensor's favor equal to or greater than five percent (5%) of the annual amount originally computed by Licensee, in which case such fees and expenses shall be paid by Licensee. Commencing January 1, 2016, for each fiscal year, at any time but no later than one hundred eighty (180) days following delivery of the last of the certificates described in Section 9.4 for such fiscal year, Licensor may, at its election, submit reasonable inquiries or requests for information relating to monthly royalty payments or to certificates relating to such fiscal year to Licensee's contact person as provided in Section 9.3, and Licensee will provide all relevant information in its possession as reasonably requested in response to such inquiries and requests. Licensor and Licensee will seek in good faith to resolve or clarify any matters raised by such inquiries or requests. If any such raised matters are not resolved, at any time prior to the last date of the calendar year following the year in which such last certificate delivery occurs, Licensor may initiate an audit by an independent auditor (which shall be a firm of certified public accountants) designated by Licensor of the computation of the Royalty Base, the Packaged Sales Transaction Process and/or Allocations for the fiscal year to which such unresolved matters pertain (fiscal years 2015 or later only) having been made on an arm's-length basis and in good faith; provided, that with respect to any such year, if any certificate is not provided within the time frame set forth in Section 9.4, or if Licensee fails to file its annual report by the time required under the rules of the SEC (assuming for these purposes that it is a publicly reporting company), Licensor may initiate an audit with respect to any time period for fiscal years 2015 or later that are still subject to review as provided in this Section 9.5 or Section 9.6 at any time and from time to time thereafter, until all certificates set forth in Section 9.4 are timely provided and (if required) Licensee's annual report is timely filed for a subsequent year; provided, that such provision and filing shall not terminate any audit then in progress. Licensee agrees to provide any such certified public accountants with access to all business, financial and accounting records of Licensee and its Affiliates that are relevant to determine whether the Royalty Base has been properly computed and/or whether Allocations and/or Packaged Sales Transaction Process have been made on an arm's-length basis and in good faith, and to provide reasonable access to relevant personnel of Licensee or any of its Affiliates.

If Licensor's accountants notify Licensor of a finding that Licensor believes is likely to constitute a breach of this Agreement, Licensor will notify Licensee within fifteen (15) days of such notification and will thereafter permit Licensee to meet at a reasonable time and place with such accountants to discuss such finding. The Royalty Base, Allocations and/or Packaged Sales Transaction Process for any fiscal year shall no longer be subject to the review and additional certificates and services contemplated by this [Section 9.5](#) if the audit is not initiated by the date required as provided in this [Section 9.5](#); provided, however, that there shall be no limitation on the initiation of an audit for any fiscal year under this [Section 9.5](#) if an audit for any subsequent fiscal year (2015 or later only) results in a finding that Licensor reasonably believes is likely to constitute a breach of this Agreement.

9.6 **Packaged Sales**. With respect to Packaged Sales, commencing July 1, 2015 Licensee shall, from time to time upon the written request of Licensor (but in any event no more frequently than two (2) times in any calendar year during the Term), meet with Licensor to discuss detailed information, which will be provided reasonably in advance of such meeting, as to the Packaged Sales made by the top fifty (50) revenue sources (by dollar amount) since the later of (a) the immediately preceding meeting and (b) for fiscal years following the first fiscal year closed to review pursuant to this [Section 9.6](#), if later than the date in clause (a), the first date of the fiscal year immediately following the last fiscal year closed to review pursuant to this [Section 9.6](#). Such information will include a schedule of such top fifty (50) revenue sources' involvement in Packaged Sales, including, for each such revenue source, the dollar amount sold and/or allocated by Licensee or its controlled Affiliates to each media platform or other revenue category or, if applicable, each portion of a media platform or other revenue category to the extent revenues of a media platform or revenue category (or portion of a media platform) may include revenue described in both clauses (a) and (b) of the definition of "Packaged Sales," and rates, discounts (if applicable), and terms of sales. For Packaged Sales involving Allocations, the information shall include the dollar amount allocated to each media platform and the allocation methodology used. For Packaged Sales not involving Allocations, the information shall include final price information for the amount sold in each media platform. Following each such meeting, Licensor will be entitled to reasonably request additional information of the same type with respect to up to five (5) additional revenue sources and their respective sales which are not among such top fifty revenue sources, and Licensee agrees to provide such information within forty-five (45) days after such request. Licensor will provide its requests no later than fifteen (15) Business Days after the conclusion of each such meeting. All fiscal years prior to 2015 shall be closed to review, and each subsequent year shall be closed to review if no request for a meeting or information covering any portion of such year has been made by one hundred eighty (180) days following the delivery of the last of the certificates described in [Section 9.4](#); provided, however, that there shall be no limitation on review for any fiscal year under this [Section 9.6](#) if an audit for any subsequent fiscal year (2015 or later only) results in a finding that Licensor reasonably believes is likely to constitute a breach of this Agreement.

9.7 **Taxes**. Licensee shall pay and shall be responsible for any and all sums payable on account of sales, use or other similar taxes arising out of or relating to the licensing or Broadcast by Licensee of the Licensed Content, or any other exploitation of the Licensed Rights by Licensee, and any personal property or other tax assessed or levied by any governmental unit arising out of or relating to the storage or possession of the Licensed Rights or Licensed Content by Licensee.

9.8 **Withholding**. Licensee may deduct and withhold from any payment to or for the account of Licensor pursuant to this Agreement, such amounts as it in good faith determines it is required to withhold with respect to such payment under applicable Territory federal and state tax laws, and shall promptly remit such amounts to the appropriate taxing authority. Within thirty (30) days of any such remittance, Licensee shall furnish to Licensor the original or certified copy of a receipt evidencing payment, or other evidence of payment reasonably requested by Licensor. Licensor shall deliver to Licensee a duly completed IRS Form W-8BEN (or successor form thereto) claiming complete exemption from, or a reduced rate of, United States withholding tax on payments made by or on behalf of Licensee pursuant to this Agreement, and shall update such form as required by Law or reasonably requested by Licensee. For so long as Licensor has complied with its obligation pursuant to the preceding sentence, any Territory withholding tax required to be made by Licensee with respect to payments made pursuant to this Agreement shall be made at a rate not exceeding the rate required by Law giving effect to the IRS Form W-8BEN (or successor form) delivered by Licensor to Licensee. Licensee shall cooperate in any reasonable manner requested by Licensor to minimize Licensor's withholding tax liability.

9.9 **Venevision PLA**. Grupo Televisa agrees not to provide any notice pursuant to Section 4.2 of the Venevision PLA in such a manner that will result in an increase of the "Program Royalty" (as defined in the Venevision PLA) payable to Venevision under the Venevision PLA.

9.10 **Late Payments**. If Licensee is more than thirty (30) days late in paying any amount due to Licensor under this Section 9, such late amounts shall thereafter bear interest at a rate equal to twenty-five percent (25%) per annum plus any applicable withholding.

9.11 **Right of Offset Against Late Telefuturo Payments**. Notwithstanding anything to the contrary herein, Licensee shall be entitled to offset against any amounts payable by Licensee under this Section 9 any Telefuturo Payment (or portion thereof) that is then more than thirty (30) days late under the applicable terms of the Amended and Restated 2011 Mexico License Agreement.

10. **Mexican Soccer**.

10.1 **Owned Teams**.

(a) **Grant of Rights**. Licensor hereby licenses to Licensee, on an exclusive basis, (i) the Soccer Rights to Owned Teams and Additional Owned Teams; and (ii) other Broadcast-related rights (e.g., including with respect to use of marks, Broadcast advertising rights, and venue access rights, but excluding non-Broadcast related rights such as merchandising or in-venue advertising rights) then being licensed to Grupo Televisa under Mexican Soccer League License Agreements for comparable Non-Owned Teams (the "Owned Team Soccer Rights").

(b) **Soccer Rights**. The "Soccer Rights" will include, with respect to Home Games of any Mexican Soccer League team, the following rights, on an exclusive basis,

throughout the Territory during the Term, to the full extent of the rights owned or controlled by Grupo Televisa now or in the future:

- (i) the right to Broadcast in all Licensed Media in all languages all such games (and excerpts and clips thereto);
- (ii) the right to sublicense (in accordance with Section 4) the rights herein granted to such games; and
- (iii) the right to use marks, names and likenesses of persons and entities involved in such games in the Broadcasts of such games and promotions of such Broadcasts.

(c) Royalty; No Mexican Soccer Fee.

(i) *Royalty* . For purposes of calculating the Royalty payable by Licensee to Licensor under Section 9.1 (and subject to any applicable reductions pursuant to this Section 10), revenues with respect to the Owned Team Soccer Rights shall be included in the Royalty Base to the extent they would be included subject to, and in accordance with, the terms and conditions of, Section 9.1 (including any applicable deductions and exclusions).

(ii) *No Mexican Soccer Fees* . There shall be no Mexican Soccer Fees, payments or other amounts payable to Licensor with respect to the Owned Team Soccer Rights (other than the inclusion of revenues in the Royalty Base as described in Section 10.1(c)(i)).

(d) Sale of Owned Teams .

(i) *América* . If Grupo Televisa sells *América* during the Term, Licensor shall cause such sale to be conditioned on Licensee continuing to be licensed the Owned Team Soccer Rights for *América* until the earlier of (A) seven (7) years following such sale; or (B) the expiration of the Term. If Licensor does not continue to license to Licensee the Owned Team Soccer Rights for *América* following such seven (7) year period after any such sale (but prior to the expiration of the Term), then the Royalty percentages set forth in Sections 9.1(a)(i) and 9.1(b)(i)(A) shall be reduced by 0.616% and 0.628%, respectively, on a prospective basis for the remainder of the Term (or for such period of time as Licensee is not licensed the Owned Team Soccer Rights for *América*).

(ii) *Other Owned Teams* . If Grupo Televisa sells an Owned Team (other than *América*) during the Term (and does not continue to license to Licensee the Owned Team Soccer Rights to such Owned Team for the remainder of the Term under the terms of Section 10.1(a) and (c)), Licensor shall, at its election, either:

(A) reduce the Royalty percentages set forth in Sections 9.1(a)(i) and 9.1(b)(i)(A) by 0.154% and 0.157%, respectively, on a prospective basis for the remainder of the Term; provided, that if Grupo Televisa acquires an Additional Owned Team subsequent to any such Royalty reduction and licenses to Licensee the Owned Team Soccer Rights for such Additional Owned Team, the Royalty percentages will be re-adjusted to their pre-reduction levels starting in the month in which Home Games of such Additional Owned

Team are first Broadcast by Licensee and the Additional Owned Team will thereafter be treated as an Owned Team; or

(B) license to Licensee the Soccer Rights for (1) a Non-Owned Team that is generally comparable or superior to such sold Owned Team; provided, that selecting a Non-Owned Team for purposes of this clause (B) that is then being licensed to Licensee pursuant to Section 10.2 shall require the prior written approval of Licensee in its sole discretion; or (2) an Additional Owned Team. No Mexican Soccer Fee under Section 10.2(b)(ii) or other consideration for the Soccer Rights to any such Non-Owned Team other than the Royalty as contemplated by Section 10.1(c) shall be paid by Licensee. For purposes of demotion, such Non-Owned Team shall be governed by Section 10.1(e). Any such Additional Owned Team so licensed to Licensee will thereafter be treated as an Owned Team.

(iii) *Continuation of Rights*. Licensors agree to cause any sale under Section 10.1(d)(ii) to be conditioned on Licensee continuing to be licensed the Owned Team Soccer Rights for the applicable sold Owned Team (excluding *América*) at least until the June 30 immediately following such sale (and in no event shall such license terminate earlier than six (6) months following such sale or during any season in progress).

(iv) *Status of Sold Team*. Any sold Owned Team for which Licensors does not continue to license to Licensee the Owned Team Soccer Rights for the remainder of the Term shall cease to be an Owned Team for purposes of this Section 10.

(e) Demotion of Owned Teams.

(i) *América*. In the event that *América* is demoted from the First Division for any season (or part of a season) during the Term (the period of a demotion being a “Non First Division Period”), Licensors shall either, at its option:

(A) reduce the Royalty percentages set forth in Sections 9.1(a)(i) and 9.1(b)(i)(A) by 0.616% or 0.628%, respectively, during such Non First Division Period; or

(B) negotiate in good faith with Licensee regarding the continued license of Owned Team Soccer Rights for *América* during such Non First Division Period and an appropriate reduction to the Royalty percentages set forth in Sections 9.1(a)(i) and 9.1(b)(i)(A) during such Non First Division Period; or

(C) license Soccer Rights consistent with the Owned Team Soccer Rights for another team from the First Division that is generally comparable or superior to *América*.

If Licensors elects to proceed under either clause (A) or clause (C) above, all Owned Team Soccer Rights to *América* licensed to Licensee hereunder with respect to *América* shall immediately be suspended for the duration of the Non First Division Period. If *América* rises back to the First Division during the Term, all Owned Team Soccer Rights for *América* shall again be effective and shall automatically and immediately be licensed to Licensee, and any reduction in the Royalty under clauses (A) or (B) or license to replacement games under clause

(C) of this Section 10.1(e)(i), as applicable, shall automatically and concurrently be terminated. Notwithstanding Licensor's rights to make an election under this Section 10.1(e)(i), Licensee shall have the right to require Licensor to choose to proceed under clause (B); provided, that if Licensor and Licensee shall fail to agree on an appropriate Royalty reduction within a reasonable period of time (notwithstanding their attempts to negotiate in good faith with respect thereto), then Licensor shall be free to select an option under clauses (A) or (C) in its discretion.

(ii) *Other Owned Teams* . In the event that an Owned Team (other than *América*) or a replacement thereof under a previous exercise of Section 10.1(e)(ii)(A) is demoted from the First Division for any Non First Division Period, Licensor shall either, at its option:

(A) license to Licensee the Soccer Rights for a Non-Owned Team or Additional Owned Team that is generally comparable or superior to such demoted team (which team may be a team for which Licensor is then licensing Soccer Rights to Licensee pursuant to Section 10.2, in which case such team shall continue to be a Non-Owned Team or Additional Owned Team but Licensee shall pay only the Royalty rather than the Mexican Soccer Fee under Section 10.2(b)(ii), and this Section 10.1(e) shall thereafter apply to such replacement team); or

(B) reduce the Royalty percentages set forth in Sections 9.1(a)(i) and 9.1(b)(i)(A) by 0.154% and 0.157%, respectively, for the duration of the Non First Division Period.

In either case, all rights to Home Games played by the demoted team licensed to Licensee hereunder shall immediately be suspended for the duration of the Non First Division Period. If the demoted team rises back to the First Division during the Term, all Owned Team Soccer Rights for the demoted team shall again be effective and shall automatically and immediately be licensed to Licensee, and any reduction in royalty under clause (B) or license to replacement games under clause (A) of this Section 10.1(e)(ii) shall automatically and concurrently be terminated (and if the replacement team was a team for which Licensor was licensing Soccer Rights to Licensee pursuant to Section 10.2 prior to such demotion, Licensor shall again license to Licensee the Soccer Rights to such team pursuant to Section 10.2).

(f) *Necaxa* . Licensor shall license to Licensee Owned Team Soccer Rights to *Necaxa* ; provided, that if Licensor is unable to license to Licensee such rights to *Necaxa* , Licensor shall license to Licensee the Soccer Rights to another First Division team (which may be *Querétaro*) as a replacement therefor, until such time as the Owned Team Soccer Rights to *Necaxa* are licensed to Licensee hereunder. If such replacement team, if any, is a Non-Owned Team, for purposes of determining applicable consideration, such team shall be governed by Section 10.1(c) rather than by Section 10.2(b); and (B) for purposes of demotion, it shall be governed by Section 10.1(e). If such replacement team, if any, is an Additional Owned Team, such team shall thereafter be treated as an Owned Team.

10.2 **Non-Owned Teams** .

(a) **Grant of Rights** .

(i) *Soccer Rights* . Licensor hereby licenses to Licensee, on an exclusive basis, the Soccer Rights, to the full extent of the rights owned or controlled by Grupo Televisa now or in the future, in each case, with respect to all Home Games of any Non-Owned Teams with respect to which Grupo Televisa is a party to a Mexican Soccer License Agreement.

(ii) *Additional Rights* . In addition to the Soccer Rights licensed under Section 10.2(a)(i), Licensor hereby licenses to Licensee any other Broadcast-related rights in Licensed Media in the Territory during the Term with respect to Non-Owned Teams that Grupo Televisa owns or controls pursuant to the applicable Mexican Soccer License Agreement.

The Soccer Rights and additional rights licensed under this Section 10.2(a) with respect to each Non-Owned Team are referred to herein as the “Non-Owned Team Soccer Rights”.

(b) **Royalty; Mexican Soccer Fee** .

(i) *Royalty* . For purposes of calculating the Royalty payable by Licensee to Licensor under Section 9.1 (and subject to any applicable reductions pursuant to this Section 10), revenues with respect to the Non-Owned Team Soccer Rights shall be included in the Royalty Base to the extent they would be included subject to, and in accordance with, the terms and conditions of Section 9.1 (including any applicable deductions and exclusions).

(ii) *Mexican Soccer Fee* . Subject to Section 10.2(d)(iii), Licensee shall pay Licensor a fee equal to (A) until June 30, 2015, forty-five percent (45%) of the license fees required to be paid by Licensor to license all Non-Owned Team Soccer Rights and corresponding Mexican rights as specified in the applicable Mexican Soccer License Agreement, and (B) from and after July 1, 2015, fifty percent (50%) of the license fees required to be paid by Licensor to license all Non-Owned Team Soccer Rights and corresponding Mexican rights as specified in the applicable Mexican Soccer License Agreement (the fees payable by Licensee under clauses (A) and (B), as applicable, the “Mexican Soccer Fee”). For the avoidance of doubt, for purpose of the immediately preceding sentence, license fees shall not include any amounts payable with respect to any rights not licensed to Licensee hereunder (e.g., Radio, merchandising, etc.). Licensee shall pay to Licensor the Mexican Soccer Fee with respect to each applicable Mexican Soccer League team no later than five (5) Business Days prior to the time that Licensor is obligated to pay to the applicable third party the underlying license fees for such team pursuant to the applicable Mexican Soccer License Agreement.

(iii) *Demotion* . The parties acknowledge and agree that in the event that a Non-Owned Team is demoted from the First Division, the provisions of the underlying Mexican Soccer License Agreement shall control any rights and remedies with respect to the demoted Non-Owned Team, and Licensee shall share, in proportion to its percentage share of the license fees under the applicable Mexican Soccer License Agreement pursuant to Section 10.2(b)(ii), in any benefit, payment suspension or payment reduction obtained by Licensor pursuant to such rights and remedies.

(c) Acquisition of Teams.

(i) *Acquired Team Mexican Soccer Fee*. In the event that Grupo Televisa acquires a Mexican Soccer League team in the First Division (or an Affiliate acquires a Mexican Soccer League team in the First Division such that Grupo Televisa owns or controls the Soccer Rights to games played by such team) (an “Additional Owned Team”) and such Additional Owned Team does not become treated as an Owned Team pursuant to Section 10.1(d)(ii), then (A) if Licensee was being licensed Non-Owned Soccer Rights for such Additional Owned Team in the Territory immediately prior to any such acquisition, then (1) Licensor shall continue to license to Licensee the Non-Owned Team Soccer Rights for such Additional Owned Team and Licensee shall continue to pay to Licensor the Mexican Soccer Fee (in addition to the Royalty) in effect based on the applicable Mexican Soccer License Agreement immediately prior to such acquisition until the expiration of the license term under such Mexican Soccer License Agreement; and (2) following expiration of such license term, Licensor shall license to Licensee the Owned Team Soccer Rights to such team and Licensee shall pay to Licensor a fee (in addition to the Royalty) for such Additional Owned Team based on amounts payable under licenses for Mexican Soccer League teams that are generally comparable to such acquired team at such time (which fee shall be treated as a Mexican Soccer Fee); and (B) otherwise, Licensor shall license to Licensee the Owned Team Soccer Rights for such newly acquired team and Licensee shall pay to Licensor a fee (in addition to the Royalty) for such Additional Owned Team based on amounts payable under licenses for Mexican Soccer League teams that are generally comparable to such acquired team at such time (which fee shall be treated as a Mexican Soccer Fee).

(ii) *Rising Team License Fee*. The provisions of this Section 10.2(c) shall equally apply, *mutatis mutandis*, to any Mexican Soccer League team owned by Grupo Televisa (other than an Owned Team) that rises into the First Division during the Term, and any such team shall be treated as an Additional Owned Team (unless such team becomes treated as an Owned Team pursuant to Section 10.1(d)(ii)). In the event that any Mexican Soccer League team owned by Grupo Televisa (other than an Owned Team) rises into the First Division during the Term, then Licensor shall license to Licensee the Owned Team Soccer Rights for such Additional Owned Team and Licensee shall pay to Licensor, in addition to the Royalty, a Mexican Soccer Fee for such Additional Owned Team based on amounts payable under licenses for Mexican Soccer League teams that are generally comparable to such Additional Owned Team at such time.

(d) Licensing of Teams.

(i) *Facilitation Obligations*. As each Mexican Soccer License Agreement with respect to any Non-Owned Team expires, and whenever Grupo Televisa seeks to obtain Mexican Broadcast rights to such games, Licensor will use commercially reasonable efforts to cause Grupo Televisa to obtain rights consistent with the Soccer Rights (and in the case of a renewal of an existing Mexican Soccer License Agreement, any other rights owned or controlled by Grupo Televisa in the Territory relating to the applicable team); provided, that such obligation will not impede or restrict Grupo Televisa’s ability to obtain Mexican Broadcast rights to such games. Licensor shall keep Licensee apprised at all times of progress and major developments in regards to Grupo Televisa’s efforts to obtain rights to any such games.

(ii) *Provision of License Agreements* . If Grupo Televisa enters into any new, extended or renewed license agreement including Licensed Soccer Rights during the Term, Licensor shall, within fifteen (15) Business Days of execution thereof, provide a true and correct copy of such license to Licensee; provided, that Licensor may redact such copy solely to the extent necessary to avoid a violation of any agreement to which Licensor or its Affiliates is a party or a loss of privilege or trade secret protection to Licensor or its Affiliates or as required by Law.

(iii) *Arbitration of Allocation of License Fees* . If, following January 1, 2013, either Licensor or Licensee determines that (A) its share of the license fees under any applicable Mexican Soccer License Agreement is disproportionately high or low compared to the relative value of rights inside and outside of the Territory or (B) the Non-Owned Team Soccer Rights are more or less restrictive than the corresponding Mexican rights under any specific Mexican Soccer License Agreement and the parties are unable to negotiate in good faith an alternative allocation of license fees thereunder within thirty (30) days of such determination, Licensor or Licensee, as applicable, may obtain an independent and binding allocation of fees from the Umpire in accordance with Section 15.1 .

(e) *Atlante* . Licensor represents and warrants, as of the date hereof, that Caribevision's Linear Television Channel Broadcast rights to *Atlante* in the Territory for the 2011 and 2012 Torneo Clausura and Torneo Apertura seasons are non-transferable (other than to Affiliates of Caribevision), non-exclusive and limited to the cities of New York and Miami and the territory of Puerto Rico, and Licensee is being granted the right to exercise the Soccer Rights in such areas concurrently therewith. For the avoidance of doubt, Licensee's payment of the Mexican Soccer Fee for *Atlante* with no reduction for the 2011 and 2012 Torneo Clausura and Torneo Apertura seasons shall in no way affect the parties' respective rights under Section 10.2(d)(iii) with respect to future payments of Mexican Soccer Fees (with respect to *Atlante* or otherwise).

(f) *Tigres* . For the Tigres Modification Period, the terms in this Section 10 with respect to the Non-Owned Team known as "Tigres" de la Universidad Autonoma de Nuevo Leon shall be modified to the extent provided in the Tigres Letter Agreement.

10.3 **General Terms and Conditions** .

(a) Access to / Transmission of Feeds . Licensor will deliver to Licensee in respect of all Mexican Soccer League games (including for both Owned Teams and Non-Owned Teams) (i) access to a clean feed with video, natural stadium sound and, to the extent consistent with past practice (which, for the avoidance of doubt, is understood to mean during replays only), the Televisa or Televisa Deportes logo, in standard definition and, if produced by Grupo Televisa, in high definition (it being understood that Grupo Televisa shall have no obligation to produce any high definition feed); (ii) a commentary audio track; and (iii) a dirty feed as Broadcast by means of Free Television by Grupo Televisa in Mexico. Licensee may Broadcast any of the clean feed, the clean feed combined with the commentary track or the dirty feed. Licensee will pay the cost and expense of transmission of such feeds from either the stadium in which the relevant Mexican Soccer League game is played or from Grupo Televisa's Mexico City Broadcast center. At the reasonable request of Licensee and to the extent Grupo Televisa

has authorization therefor, Licensor will allow Licensee to have personnel and supplemental Broadcast equipment present at the site of Mexican Soccer League games in order to augment Licensee's Broadcasts (if any) of the clean feeds.

(b) Scheduling of Soccer Games. Licensor will use its best efforts to assist Licensee in its efforts to (i) schedule a First Division match in both the Sunday 12:00 Mexican local time (1:00pm EST) and 16:00 Mexican local time (5:00pm EST) kickoff windows; and (ii) arrange for the actual kickoffs for an agreed upon number of Mexican Soccer League games, as requested by Licensee, to occur at two minutes past the scheduled hour's start time (provided that such "best efforts" do not require Grupo Televisa to pay any additional consideration as a result).

(c) Commercial Insertions. Licensee shall be permitted to insert into its Broadcast of Mexican Soccer League games (except in the case of Non-Owned Teams, to the extent prohibited or restricted under the applicable Mexican Soccer License Agreement) the following items (and, for the avoidance of doubt, any revenues received with respect thereto will be included in the Royalty Base to the extent they otherwise meet the definition thereof in accordance with Section 9.1):

(i) *Squeeze-backs, Wipes and Crawls*. Squeeze-backs with sponsored frames, sponsored replay wipes, and lower-third "crawls" with advertiser messages or promotional material;

(ii) *Commercials and Graphics*. 30-second commercial units, opening, middle and closing program billboards, corporate logos of sponsors adjacent to the clock/scoreboard graphic during play, sponsored in-frame graphics such as starting line-ups, statistical summaries, scores of other games, game MVPs (i.e., most valuable players), and sponsored in-game phone polls and trivia questions;

(iii) *Virtual Advertising*. Virtual advertising that does not cover in-stadium advertising and, if technologically feasible, virtual advertising that covers in-stadium advertising in stadiums owned by Grupo Televisa (so long as the relevant advertiser is not a direct competitor of the replaced advertiser, the major advertiser on the uniform of either team or the named sponsor of the stadium); and

(iv) *Other Enhancements*. Any other form of commercial or technological enhancement that is both (A) permitted under the applicable license by and between Grupo Televisa and the applicable rights holder; and (B) utilized or implemented by Grupo Televisa in connection with its Broadcast of the applicable games in Mexico.

(d) Right of First Negotiation / First Refusal for Virtual Technical Advertising Services. Licensee will provide Licensor with a Right of First Negotiation / First Refusal to provide virtual technical advertising services for any virtual advertising if and to the extent that Licensee engages a third party for such services.

(e) Clip Rights. Pursuant to the Licensed Soccer Rights, Licensee shall have the right to create clips, vignettes, highlight reels or other similar short-form Audiovisual Content from the Licensed Mexican Soccer Games, which shall be in addition to any clips

produced by Licensor as Televisa Produced Clips. Any clips so created hereunder shall be deemed Licensee Produced Clips. Licensee's creation of clips from any Mexican Soccer Games shall not be subject to Section 8.8.

(f) Comparable Teams. For purposes of determining whether a Mexican Soccer League team is comparable or superior to another Mexican Soccer League team under this Section 10, a team that rises from the Liga de Ascenso to the First Division will be deemed comparable to the lowest-ranked First Division team (i.e., the team that concurrently descends from the First Division to the Liga de Ascenso); otherwise, any disputes regarding the comparability of teams shall be subject to Section 15.1.

(g) Controlling Terms and Conditions. In the event of any inconsistency between the terms, conditions, exceptions and exclusions of this Section 10 (with respect to the subject matter hereof) and any of the other terms, conditions, exceptions and exclusions of this Agreement, the terms, conditions, exceptions and exclusions of this Section 10 shall control.

11. Unsold Advertising Time.

11.1 Grupo Televisa Rights to Unsold Advertising Time.

(a) Licensee Sale or Use of Advertising Time. Advertising time on the Networks and Stations shall first be (i) sold (including by any type of barter, including as part of a transfer of assets or otherwise) to third party advertisers or (ii) used to make good on audience deficiency units.

(b) Licensee Right to Unsold Advertising. Subject to Section 11.2, advertising time that remains unsold may be utilized by Licensee at no cost for its own use (including for public service announcements or for obtaining carriage of the Networks and/or Stations), and for use (i) by its divisions and controlled Affiliates no matter the nature of their business; and (ii) as part of the consideration to acquire or make an investment in an unaffiliated third party in a strategic transaction in which Licensee or a controlled Affiliate acquires an equity interest of twenty percent (20%) or more of such third party, if such transaction (including the consideration) is approved by the board of directors of BMPI and the unsold advertising time does not exceed a reasonable amount as determined by the board of directors of BMPI on a transaction by transaction basis; provided, that if any such advertising time is used by Licensee for use by or promotion of any television network and/or television station the revenues related to which are not encompassed in the Royalty Base, then Licensor shall be entitled to twice the number of spots on such network and/or station in the same daypart.

(c) Licensor Right to Unsold Advertising Time. Subject to Section 11.8, after giving effect to Sections 11.1(a), 11.1(b) and 11.2, half of any remaining unsold inventory shall be provided to Licensor for use by Licensor or its Affiliates at no cost for promotion of any of their businesses; provided, that Licensor and its Affiliates may not use such unsold inventory for promotion of (i) any Linear Television Channel in the Territory; or (ii) the availability of Pantelion Movies on any Linear Television Channel or video-on-demand service that competes with any Linear Television Channel or video-on-demand service owned or controlled by Licensee (it being understood and agreed that use of such inventory by Licensor for any purposes

other than those restricted by this proviso shall be permitted, including promotion of any other businesses that may be competitive with businesses of Licensee).

11.2 **Guaranteed Advertising.** Notwithstanding Section 11.1, and subject to Section 11.3, Licensee guarantees that it will provide to Licensor an amount of advertising on the Networks and Stations for each calendar year commencing with 2011 (the "Televisa Advertising") with a gross value of not less than \$62,112,200, subject to adjustment as set forth below (with respect to each calendar year, the "Guaranteed Base Advertising Amount"), and an additional amount of Televisa Advertising on the Networks and Stations with a gross value of not less than \$7,500,000 (with respect to each calendar year, the "Guaranteed Additional Advertising Amount") and, together with the Guaranteed Base Advertising Amount, the "Guaranteed Advertising Amount", for use by Licensor or its Affiliates at no cost for promotion of any of their businesses; provided, that Licensor and its Affiliates may not use such unsold inventory for promotion of (a) any Linear Television Channel in the Territory; or (b) the availability of Pantelion Movies on any Linear Television Channel or video-on-demand service that competes with any Linear Television Channel or video-on-demand service owned or controlled by Licensee (it being understood and agreed that use of such inventory by Licensor or its Affiliates for any purposes other than those restricted by this proviso shall be permitted, including promotion of any other businesses that may be competitive with businesses of Licensee). Starting on January 1, 2012, the Guaranteed Base Advertising Amount will be adjusted on the first day of each fiscal year in the Term based on the percentage increase from the prior fiscal year in the consumer price index published by the U.S. Bureau of Labor Statistics. For example, if such index increases by three percent (3%) during fiscal year 2011 and by another three percent (3%) during fiscal year 2012, then the Guaranteed Base Advertising Amount shall be \$63,975,566 for 2012 and \$65,894,833 for 2013. Licensee may be required to satisfy this Guaranteed Advertising Amount by allowing Licensor to use commercial time that Licensee or its controlled Affiliates would otherwise be entitled to use for its own purposes or to sell to third parties under Sections 11.1(a) and (b). The parties acknowledge and agree that the portion of the Televisa Advertising that Licensee agreed to provide to Licensor pursuant to the Third Amended and Restated Program License Agreement took into account the settlement provided for in the Mutual Release and Settlement Agreement, dated as of January 22, 2009, by and among Licensor, GT, Licensee, and Telefutera Network.

11.3 **Timing For Use of Unsold Advertising.** No later than ten (10) Business Days before the beginning of a quarter, Licensor will inform Licensee of the advertising campaigns that it wants to run during the following quarter. In any quarter, Licensee shall air no less than twenty percent (20%) of the Guaranteed Advertising Amount nor more than thirty percent (30%) of the Guaranteed Advertising Amount. In any annual period (including fiscal year 2011 but excluding the last annual period of the Term), Licensee shall air no less than ninety-five percent (95%) of the Guaranteed Advertising Amount (excluding any make-up amount) and, in the event that it airs less than one hundred percent (100%) of the Guaranteed Advertising Amount, shall make up for any such shortfall in the first (1st) calendar quarter of the next annual period. In the last annual period of the Term, Licensee shall air no less than one hundred percent (100%) of the Guaranteed Advertising Amount (excluding any make-up amount) and all make-up amounts.

11.4 **Location of Unsold Advertising.** Of the Guaranteed Advertising Amount, no less than sixty percent (60%) will be made available on the Networks and, subject to availability,

the TuTv Networks, and the remainder on the Stations; provided, that, subject to Licensee's written consent (which may be withheld in its sole discretion), the Guaranteed Advertising Amount may also be made available on any other Linear Television Channel. Licensor may request, and Licensee will use best efforts to honor (and to cause the Stations and its controlled Affiliates to honor) such requests, a diverse Station mix; provided, that Licensee shall have no obligation to honor any specific request for any Station that is in excess of three percent (3%) of the value of the local gross advertising revenue for such Station during the prior calendar year. Licensee shall provide Licensor with an annual report within ninety (90) days of the end of each fiscal year setting forth all gross advertising revenue from local advertising; provided, that in the event of any shortfall under Section 11.3, Licensee shall also provide Licensor with an estimated amount of such shortfall, as adjusted pursuant to the last sentence of Section 11.3, as soon as reasonably practicable (and in any event, within thirty (30) days following the end of the annual period in which the shortfall occurred).

11.5 **Pricing.**

(a) Initial Pricing. Each year prior to the start of the U.S. television broadcast season (October 1 to September 30), but in no event later than June 30 of such year, Licensee will provide Licensor with a rate card with rates equal to the average cost per thousand impressions ("CPM") paid by Licensee's national advertisers from the most recently completed upfront season on a timeslot-by-timeslot basis (the "Estimated CPM"). All full clearance network upfront advertisers who obtain a guarantee on audience delivery shall be included within the calculation of Estimated CPM. The following shall be excluded from the calculation of Estimated CPM: (a) all advertisers who do not commit to buy inventory in the upfront sales cycle, (b) all advertisers who do not buy full clearance units, thereby running solely on the Licensee sub-network, (c) all advertisers whose units do not have a guarantee on audience delivery and are therefore preemptable at Licensee's discretion; and (d) the impact of any audience deficiency units granted to Licensee's national advertisers. For the purpose of calculating the amount of Televisa Advertising to be furnished to Licensor at no cost in order to satisfy the Guaranteed Advertising Amount, all advertising on the Networks will initially be priced at the Estimated CPM for such time slot, and all advertising on the Stations will be priced based on the monthly average rate for all advertising for such Station for the month of airing on a station by station and daypart by daypart basis, not including direct response and zero dollar spots.

(b) True-Up. Within 45 days after the completion of each calendar quarter, for purposes of truing up the pricing for the Televisa Advertising on the Networks, Licensee will provide Licensor a detailed schedule comparing, on a timeslot-by-timeslot basis, the Estimated CPM to the actual CPMs achieved in the current upfront advertising buys on such Network during the current television broadcast season (the "Actual CPM"). Actual CPM will be calculated based on the same methodology as used to calculate Estimated CPM, including the inclusions and exclusions described above. The true-up of the pricing for the Televisa Advertising on the Networks for each calendar quarter shall be calculated and applied as follows: (i) for each timeslot in which Estimated CPM for such calendar quarter is higher than Actual CPM, a positive adjustment will apply in an amount equal to the difference between the Estimated CPM and the Actual CPM multiplied by the number of advertising impressions delivered with respect to Televisa Advertising for such timeslot in such calendar quarter; (ii) for

each timeslot in which Estimated CPM for a calendar quarter is less than Actual CPM, a negative adjustment will apply in an amount equal to the difference between the Estimated CPM and the Actual CPM multiplied by the number of advertising impressions delivered with respect to Televisa Advertising for such timeslot in such calendar quarter; (iii) the positive and negative adjustments referenced in clauses (i)-(ii) shall be aggregated across all timeslots to determine a single net adjustment amount for such calendar quarter; and (iv) such net adjustment amount shall be applied to increase (in the case of a positive adjustment) or decrease (in the case of a negative adjustment) the aggregate portion of the Guaranteed Advertising Amount for the immediately following calendar year available to be aired by Televisa in the corresponding calendar quarter in such immediately following fiscal year. Licensee and Licensor will appoint a single point person to coordinate this true up process; and Licensee's contact person will provide Licensor all further information, documentation and records in Licensee's possession as reasonably requested to assist Licensor in verifying the calculation of Estimated CPM and Actual CPM, which may include worksheets and workpapers used for or underlying such calculation.

(c) **Legacy Pricing.** For the purpose of calculating the amount of Televisa Advertising to be furnished to Licensor at no cost to satisfy the Guaranteed Advertising Amount, for the period from January 1, 2015 to September 30, 2015 only, all advertising on the Networks will be priced at eighty percent (80%) of the amount set forth on the internal upfront rate card for such period provided by Licensee in connection with the PLA Amendment.

11.6 **Coordination.** Airing of the Televisa Advertising will be closely coordinated between Licensee and Licensor with the intention that Televisa's advertising will be provided a reasonable advertising schedule, but recognizing that third party paid advertising will take precedence, subject to the penultimate sentence of Section 11.2. Licensee's obligation to provide Licensor with the advertising hereunder is based on availability on the terms described in this Section 11, but in any event any Televisa Advertising would not air before 6:00 a.m. or after 1:00 a.m. within the applicable market. Four (4) days before the beginning of each week, Licensee will confirm to Licensor which network advertising will air during the following week, and to the extent Licensee is unable to confirm such week, it would attempt to confirm another week within the same quarter. Licensee shall provide Licensor with pre-logs showing the planned advertising schedule at least one (1) day in advance of the airing of any Televisa Advertising, and shall not permit any tampering with the tracking codes of any Televisa Advertising. Within ninety (90) days of the end of each calendar year, an officer of Licensee will provide to Licensor a report setting forth in reasonable detail the schedule and value of the Televisa Advertising provided during such year. Licensee and Licensor shall each appoint a single contact person for the coordination, orders and confirmations described in this Section 11, which person (or his or her duly named substitute) shall be knowledgeable of these requirements and, in the case of Licensee, the availability of time on the Networks and Stations, and is able to provide further information if needed.

11.7 **Non-Preemptable Advertising.** Notwithstanding anything to the contrary contained herein and in addition to any other obligations of Licensee contained herein, at least two-thirds of the Guaranteed Additional Advertising Amount shall be on a non-preemptable basis as would apply to a non-preemptable upfront advertiser.

11.8 **Purchase of Additional Advertising**. Licensor and its Affiliates shall be permitted to purchase additional advertising time on the Networks and, subject to availability, the TuTv Networks, which cannot be preempted by Licensee or its Affiliates, which time shall be sold for the lowest spot rate then being offered for a non-preemptable spot in the program during which such time is sold.

11.9 **Quality Standards**. All material provided for Broadcast by Licensor and its Affiliates shall comply with the quality standards for unaffiliated advertisers established by Licensee from time to time. A copy of such standards will be provided to Licensor at least one week prior to Licensor's material becoming subject thereto. The then-current standards may not be changed in such a way as to intentionally and adversely impact the use by Licensor and its Affiliates of advertising time under this Section 11.

11.10 **Use of Unsold Advertising for Televisa Third Party Promotion**. Licensor may not directly or indirectly make the advertising made available under this Section 11 available to persons other than its Affiliates. Notwithstanding the preceding sentence, in connection with Licensor and its Affiliates' use of unsold advertising inventory under this Section 11 and the purchase of additional advertising under this Section 11.8, Licensor and its Affiliates may include in any of their commercial advertisements incidental references to, or images of, a third party that relate to the primary subject matter of such Licensor (or its Affiliate's) advertisement (e.g., a Grupo Televisa hard good "available at Wal-Mart" or a Grupo Televisa payment card affiliated with Mastercard) ("Tie-Ins") (a) with a duration not in excess of the customary industry practice (it being understood that the customary industry practice as of the date hereof is approximately five (5) seconds in any commercial); (b) if the reference is graphical, of a size substantially consistent with customary industry practice; and (c) with respect to which Licensor and its Affiliates do not receive any revenues, directly or indirectly, from the third party in exchange for the Tie-In. Licensor agrees that it will, and will cause its Affiliates to, use good faith efforts not to structure arrangements or agreements with third parties in a manner intended to use Licensor's access to the advertising under this Section 11 as a material part of an investment in, or inducement to, an arrangement in which Licensor or one of its Affiliates obtains control of an entity such that the entity would become an Affiliate entitled to advertising under this Section 11.

11.11 **Unsold Advertising Limited to Networks and Stations**. For the avoidance of doubt, Licensor and its Affiliates' rights to unsold advertising under this Section 11 shall only apply to unsold advertising on the Networks and Stations (subject to Section 11.4).

11.12 **Licensee Right to Reduce Televisa Advertising**. From time to time, upon ninety (90) days prior written notice, Licensee shall have the right to reduce the Guaranteed Advertising Amount in any year up to 20% of the amount of the Guaranteed Advertising Amount for such year that remains unused at the time of the written notice for use by Licensee so long as Licensee intends at the time of delivering such notice to use such advertising as permitted by Section 11.1(a)(i) or in order to fulfill its commitments to third parties, in each case on Royalty Base Platforms and in each case in light of inventory difficulties Licensee has experienced or in good faith expects to experience on such Royalty Base Platforms at the time of notice. Any such reduction shall permanently reduce the Guaranteed Advertising Amount due to Licensor for such year and shall be applied proportionately to the Guaranteed Additional

Advertising Amount and the Guaranteed Base Advertising Amount. If Licensee in its sole discretion determines at any time following the delivery of a notice pursuant to the first sentence of this Section 11.12 and prior to the end of the applicable year that all or part of such Guaranteed Advertising Amount is no longer needed, it shall give notice to Licensor of such determination and allow Licensor to use such unneeded amount as Televisa Advertising. For all purposes herein, any advertising taken back by Licensee in accordance with this Section 11.12 will be treated as advertising available to Licensee as opposed to Licensor under Section 11.1 (subject to the preceding sentence). Licensee will not be required to pay Licensor for any such advertising, other than any amounts payable by Licensee as royalty under Section 9 with respect to amounts billed or billable by Licensee in connection with its sale of such advertising to third party advertisers.

12. **Representations and Warranties.**

12.1 **Licensor Representations and Warranties.** Licensor hereby agrees, represents and warrants for the duration of the Term as follows:

(a) **Capacity.** Licensor is free to enter into and fully perform this Agreement;

(b) **Licensed Rights.** Licensor has or will have the right to grant to Licensee the Licensed Rights to the Licensed Content in the Territory set forth in this Agreement, including the necessary literary, artistic, technological and intellectual property rights;

(c) **Clearances.** Subject only to Section 8.13 with respect to the digital distribution of the Licensed Content, Licensor has secured or will secure all necessary Clearances (subject to the provisos in Section 12.1(e)), for the exercise of the Licensed Rights to the Licensed Content in the Territory set forth in this Agreement;

(d) **No Encumbrances.** There are no and will not be any pending liens, charges, restrictions or encumbrances on the Licensed Content that conflict with the Licensed Rights;

(e) **Residuals.** Licensor has paid or will pay all compensation, residuals, reuse fees, synchronization royalties, and other payments which must be made in connection with the exploitation of the Licensed Rights herein granted to Licensee to any third parties including musicians, directors, writers, producers, announcers, publishers, composers, on-camera and off-camera performers and other persons who participated in production of such Licensed Content, and to any applicable unions, guilds or other labor organizations; provided, however, that Licensor has not acquired performing rights for performance in the Territory of the music contained in such Licensed Content, which rights shall be obtained by Licensee; provided, further, however, that Licensor warrants and represents that all music is available for licensing through ASCAP, BMI or SESAC (or any successor or similar entity in the United States) or is in the public domain or is owned or controlled by Licensor or its Affiliates to the extent necessary to permit Broadcasts hereunder in the Territory and no additional clearance or payment is required for such Broadcast;

(f) **Credit Obligations.** The main and end titles of the Licensed Content and all publicity, promotion, advertising and packaging information and materials supplied by

Licensors will contain all necessary and proper credits for the actors, directors, writers and all other persons appearing in or connected with the production of such Licensed Content who are entitled to receive credit and comply with all applicable contractual, guild, union and statutory requirements and agreements;

(g) Intellectual Property. Subject only to any Clearance limitations relating to the digital distribution of the Licensed Content of which Licensors has notified Licensee in writing as required pursuant to Section 8.13, the exercise of the Licensed Rights to the Licensed Content in the Territory will not infringe on any rights of any third party, including copyright, patent, trademark, unfair competition, contract, property, defamation, privacy, publicity or “moral rights” (to the extent such moral rights are recognized by U.S. Law);

(h) Exclusivity. Except to the extent expressly permitted by this Agreement, Grupo Televisa has not and will not grant or license to others, and will not itself exercise, any rights to Broadcast any Licensed Content in any Licensed Media during the Term in the Territory, including by way of any Broadcast over the Radio of any audio portion of any Novela in the Territory (other than spill-over from Grupo Televisa’s border Radio stations in Mexico).

(i) FCA Section 507. To the extent FCA Section 507 is applicable, no Licensed Content includes or will include any matter for which any money, service or other valuable consideration is directly or indirectly paid or promised to Licensors or its Affiliates by a third party, or accepted from or charged to a third party by Licensors or its Affiliates, unless such is disclosed in accordance with FCA Section 507. Licensors and its Affiliates shall exercise reasonable diligence to inform its employees, and other persons with whom it deals directly in connection with such programs, of the requirements of FCA Section 507; provided, however, that no act of any such employee or of any independent contractor connected with any of the Licensed Content, in contravention of the provisions of FCA Section 507, shall constitute a breach of the provisions of this paragraph unless Licensors or its Affiliates have actual notice thereof and fail promptly to disclose such act to Licensee. As used in this paragraph, the term “service or other valuable consideration” shall not include any service or property furnished without charge or at a nominal charge for use in, or in connection with, any of the programs “unless it is so furnished in consideration for an identification in a broadcast of any person, product, service, trademark or brand name beyond an identification which is reasonably related to the use of such service or property on the broadcast,” as such terms are used in FCA Section 507. No inadvertent failure by Licensors or its Affiliates to comply with this paragraph shall be deemed a breach of this Agreement.

(j) Soccer.

(i) *Soccer Residuals and Clearances*. Licensors has paid or will pay all compensation, residuals, reuse fees, synchronization royalties, and other payments which must be made, in connection with Licensed Soccer Rights and in connection with exploitation of such rights, to any third parties including musicians, directors, writers, producers, announcers, publishers, composers, on-camera and off-camera performers, players and other persons who participated in production of the games with respect to such rights, and to any applicable unions, guilds or other labor organizations; provided, however, that Licensors has not acquired performing rights for performance in the Territory of the music contained in such Licensed

Soccer Rights, which rights shall be obtained by Licensee; provided, further, however, that Licensor warrants and represents that all music is available for licensing through ASCAP, BMI or SESAC (or any successor or similar entity in the United States) or is in the public domain or is owned or controlled by Licensor to the extent necessary to permit Broadcasts hereunder in the Territory and no additional clearance or payment is required for such Broadcast; provided that nothing in this representation shall be deemed to affect Licensee's obligations to pay Royalty and Mexican Soccer Fees pursuant to this Agreement;

(ii) *Soccer Intellectual Property*. Licensor represents and warrants that exercise of the Licensed Soccer Rights licensed to Licensee hereunder will not infringe on any rights of any third party, including copyright, patent, trademark, unfair competition, contract, property, defamation, privacy, publicity or "moral rights" (to the extent such moral rights are recognized by U.S. Law);

(iii) *Soccer Exclusivity*. Except to the extent expressly permitted hereunder, Licensor has not and will not grant or license to others, and will not itself exercise, any Licensed Soccer Rights in the Territory; and

(iv) *Ownership of Soccer Rights*. Licensor represents and warrants that Grupo Televisa owns, as of the date hereof, each Owned Team.

(k) Pantelion.

(i) *Venture*. Licensor's controlled affiliate Videocine has entered into an arrangement with Lionsgate, as memorialized in the Pantelion LLC Agreement, pursuant to which Videocine and Lionsgate jointly own, and Videocine controls, Pantelion.

(ii) *Free Television Rights to Pantelion Movies*. (A) Grupo Televisa owns or controls (or shall own or control), and will continue throughout the Term to own or control, the exclusive Free Television rights in the Territory in and to each Pantelion Movie and has the right, and will continue to have the right throughout the Term, to exclusively license all such rights to Licensee in accordance with Section 1.1(a)(iii); (B) there are (and shall be) no additional consents needed with respect to the granting of such Free Television rights to Licensee; and (C) there are (and shall be) no additional limitations, restrictions or conditions imposed upon Licensee's exercise of such Free Television rights by Pantelion or Lionsgate or any of their respective Affiliates, other than those contained in this Agreement.

(iii) *Right of First Negotiation / First Refusal for Pantelion Movies*. (A) Licensor has the right to, and will continue to have the right throughout the Term to, or to cause Videocine or Pantelion to, provide to Licensee the Right of First Negotiation / First Refusal for each Pantelion Movie; (B) there are (and shall be) no additional consents needed with respect to the granting to Licensee of such right of First Negotiation / First Refusal for each Pantelion Movie; and (C) the Broadcast rights in each Licensed Media in the Territory to each Pantelion Movie are not subject to, and will not be subject to, any rights, entitlements or arrangements (e.g., Pantelion proprietary Linear Television Channels or option or output arrangements) that would in any way limit, impair or restrict Licensee's Right of First Negotiation / First Refusal.

(iv) *Information Regarding Pantelion* . (A) The Current Pantelion LLC Agreement is a true and correct copy of the only agreement as of the date hereof between or among any of Grupo Televisa, Lionsgate and/or Pantelion (and/or any of their respective Affiliates) relating to Pantelion that affects Licensee's rights hereunder; and (B) the Current Pantelion LLC Agreement has been redacted solely so as not to disclose economic terms and other terms not directly or indirectly affecting Licensee's rights hereunder adversely.

12.2 **Licensee Representations and Warranties** . Licensee hereby agrees, warrants and represents for the duration of the Term as follows:

- (a) **Capacity** . Licensee is free to enter into and fully perform this Agreement.
- (b) **[Intentionally Omitted]** .

12.3 **Insurance** . Licensor further agrees that, while it has no obligation to do so, if Grupo Televisa secures a producer's (Errors and Omissions) liability policy covering the Licensed Content, or any part thereof, it will cause Licensee and its Affiliates to be named as additional insureds on such policy and will cause a certificate of insurance to be promptly furnished to Licensee, **provided, however,** that the inclusion of Licensee and its Affiliates as additional insureds does not result in any additional cost or expense to Grupo Televisa. Licensor will notify Licensee when such insurance is obtained and, after obtained, if cancelled. Any such insurance as to which Licensee and its Affiliates are additional insureds shall be primary as to Licensee and its Affiliates and not in excess of or contributory to any other insurance provided for the benefit of or by Licensee and its Affiliates.

13. **Indemnification** .

13.1 **Licensor Indemnification** . Licensor agrees to indemnify Licensee, its Affiliates, subsidiaries, partners, the partners of any partnership that is a partner of Licensee, its direct and indirect shareholders (other than Grupo Televisa) and all officers, directors, employees and agents of any of the foregoing (collectively the "**Licensee Indemnitees**") against and hold the Licensee Indemnitees harmless from (subject to **Section 15.8.**) any and all claims, deficiencies, assessments, liabilities, losses, damages, expenses (including reasonable fees and expenses of counsel) (collectively, "**Losses**") incurred or suffered by any Licensee Indemnitee arising out of, relating to, or by reason of, Grupo Televisa's breach of, or non-compliance with, any covenant, agreement or provision herein contained or the inaccuracy of any representation or warranty made by Licensor. Such Losses shall be reduced by: (a) the amount of any net tax benefit ultimately accruing to Licensee on account of Licensee's payment of such claim; (b) insurance proceeds which such Licensee Indemnitee has or will receive in connection with such Losses; and (c) any recovery from third parties in connection with such Losses; **provided, however,** that Licensor shall not delay payment of its indemnification obligations hereunder pending resolution of any tax benefit or insurance or third party claim if the Licensee Indemnitee provides Licensor with an undertaking to reimburse Licensor for the amount of any such benefit or claim ultimately received; and **provided, further,** that the Licensee Indemnitee shall have no obligation to obtain any such insurance proceeds or recovery from third parties if and to the extent Licensor is subrogated (in form and substance satisfactory to Licensor) to such Licensee Indemnitee's claims in respect of such insurance or third parties.

13.2 **Licensee Indemnification**. Licensee agrees to indemnify Licensor, its Affiliates, subsidiaries (other than Licensee and its Affiliates), partners, the partners of any partnership that is a partner of Licensee, its direct and indirect shareholders and all officers, directors, employees and agents of any of the foregoing (the “Licensor Indemnitees”) against and hold the Licensor Indemnitees harmless from (subject to Section 15.8) any and all Losses incurred or suffered by any Licensor Indemnitee arising out of, relating to, or by reason of, (a) Licensee’s or its controlled Affiliates’ or permitted sublicensees’ breach of, or non-compliance with, any covenant, agreement or provision herein contained or the inaccuracy of any representation or warranty made by Licensee); or (b) any program or commercial material (apart from the Licensed Content) furnished by Licensee. Such Losses shall be reduced by: (i) the amount of any net tax benefit ultimately accruing to Grupo Televisa on account of ‘Grupo Televisa’s payment of such claim; (ii) insurance proceeds which Grupo Televisa has or will receive in connection with such Losses; and (iii) any recovery from third parties in connection with such Losses; provided, however, that Licensee shall not delay payment of its indemnification obligations hereunder pending resolution of any tax benefit or insurance or third party claim if the Licensor Indemnitee provides Licensee with an undertaking to reimburse Licensee for the amount of any such claim ultimately received; and provided, further, that the Licensor Indemnitee shall have no obligation to obtain any such insurance proceeds or recovery from third parties if and to the extent Licensee is subrogated (in form and substance satisfactory to Licensee) to such Licensor Indemnitee’s claims in respect of such insurance or third parties.

13.3 **Indemnification Procedures**. The following procedures shall govern all claims for indemnification made under any provision of this Agreement. A written notice (an “Indemnification Notice”) with respect to any claim for indemnification shall be given by the party seeking indemnification (the “Indemnitee”) to the party from which indemnification is sought (the “Indemnitor”) within thirty (30) days of the discovery by the Indemnitee of such claim, which Indemnification Notice shall set forth the facts relating to such claim then known to the Indemnitee (provided that failure to give such Indemnification Notice as aforesaid shall not release the Indemnitor from its indemnification obligations hereunder unless and to the extent the Indemnitor has been prejudiced thereby). The party receiving an Indemnification Notice shall send a written response to the party seeking indemnification stating whether it agrees with or rejects such claim in whole or in part. Failure to give such response within ninety (90) days after receipt of the Indemnification Notice shall be conclusively deemed to constitute acknowledgment of validity of such claim. If any such claim shall arise by reason of any claim made by third parties, the Indemnitor shall have the right, upon written notice to Indemnitee within ninety (90) days after receipt of the Indemnification Notice, to assume the defense of the matter giving rise to the claim for indemnification through counsel of its selection reasonably acceptable to Indemnitee, at Indemnitor’s expense, and the Indemnitee shall have the right, at its own expense, to employ counsel to represent it; provided, however, that if any action shall include both the Indemnitor and the Indemnitee and there is a conflict of interest because of the availability of different or additional defenses to the Indemnitee, the Indemnitee shall have the right to select one separate counsel to participate in the defense of such action on its behalf, at the Indemnitor’s expense. The Indemnitee shall cooperate fully to make available to the Indemnitor all pertinent information under the Indemnitee’s control as to the claim and shall make appropriate personnel available for any discovery, trial or appeal. If the Indemnitor does not elect to undertake the defense as set forth above, the Indemnitee shall have the right to assume the defense of such matter on behalf of and for the account of the Indemnitor; provided,

however, the Indemnitee shall not settle or compromise any claim without the consent of the Indemnitor, which consent shall not be unreasonably withheld. The Indemnitor may settle any claim at any time at its expense, so long as such settlement includes as an unconditional term thereof the giving by the claimant of a release of the Indemnitee from all liability with respect to such claim.

14. **Term.** The term of this Agreement (the “Term”) commenced on the Prior Effective Date and shall continue through and include the later of (a) December 31, 2030 (or December 31, 2025, if at any time any person or group (as defined in Regulation 13D promulgated under the Securities Exchange Act of 1934) other than the current stockholders of BMPI beneficially owns, directly or indirectly, securities of Licensee or any parent company of Licensee with a majority of the voting power of such entity, or that have the right to elect a majority of the board of directors or similar governing body of such entity); and (b) the date that is ninety (90) months following a Televisa Sell-Down. This Agreement may be terminated by either party only pursuant to, and in accordance with, the terms and conditions set forth in Section 15; or in the event that the other party asserts Force Majeure under Section 20.2 as a relief from substantially all of its obligations hereunder for a period in excess of one (1) year. Notwithstanding anything to the contrary herein, the foregoing clause (a) of this Section 14 shall become effective, and amend and restate the entirety of clause (a) of Section 14 of the First Amended and Restated Agreement, only on the Term Effective Date (if any).

15. **Dispute Resolution; Remedies.** Each of Licensor and Licensee intends to use its good faith efforts to establish a constructive working relationship which will continue throughout the Term. In order to facilitate maintenance of that relationship, each desires to set forth remedy provisions by which any disagreements can be resolved.

15.1 **Expedited Arbitration.**

(a) **Matters Subject to Arbitration.** In order to promote the efficient resolution of disputes that may arise between the parties, the parties hereby agree that all disputes arising out of or relating to the following matters (“Arbitrable Matters”) shall be exclusively subject to the Arbitration Procedures set forth below in this section:

(i) *Characterization of Audiovisual Content* . Any disputes relating to whether content is a Program, Licensed Content, Co-Produced Content, an Acquired Completed Novela, Televisa Produced Format Content, Third-Party Produced Format Content, Acquired Completed Content, a Co-Produced Local Novela, a Televisa Local Novela or if the procedures of Section 2 relating thereto have been followed;

(ii) *Editing* . Any disputes over editing of Licensed Content, including whether such Licensed Content constitutes “Televisa Spoiler Content”;

(iii) *Unsold Advertising* . Any disputes relating to the use, placement and/or pricing of unsold advertising;

(iv) *Packaged Sales* . Any disputes relating solely to the procedures applicable to the review, evaluation and reporting of Packaged Sales and not to the allocation or attribution of Packaged Sales;

- (v) *Mexican Soccer Fees* . Any disputes regarding the allocation of Mexican Soccer Fees under Section 10.2(d)(iii) ;
- (vi) *Replacement Team* . Any disputes with respect to whether any Mexican Soccer League team is generally comparable or superior to an applicable sold, demoted or acquired team for purposes of the team replacement provisions set forth in Section 10 .
- (vii) *Corporate Opportunities* . Any disputes in connection with the procedures for the corporate opportunities matters set forth in Section 16 ;
- (viii) *Excluded Content* . Any disputes as to whether any Audiovisual Content constitutes “Excluded Content” or “Televisa Publications Content”;
- (ix) *Audit Information and Procedures* . Any disputes solely regarding Licensor’s contractual entitlements to information, documents and access to personnel under the audit rights provisions set forth in Sections 9.3, 9.4, 9.5 or 11.6 , and not the findings or results of any audit;
- (x) *Approval of Third Party Arrangements* . Any disputes relating to Licensor’s approval rights relating to Licensee’s arrangements with third parties for the Broadcast of Licensed Content, as set forth in Section 4 ;
- (xi) *Technical Specifications* . Any disputes relating to Licensor’s approval rights relating to the Technical Specifications for Licensee’s carrying out Technological Enhancements, as set forth in Section 8.11 ;
- (xii) *Offensive / Politically Insensitive Content* . Any disputes relating to Licensee’s obligation to use commercially reasonable efforts to address Licensor’s concerns regarding offensive or politically insensitive content on third party platforms, as set forth in Section 3.8 ;
- (xiii) *Clearances* . Any disputes relating to Licensor’s obligation to use commercially reasonable efforts to obtain Clearances requested by Licensee, as set forth in Section 8.13 ;
- (xiv) *Televisa Spoiler Content* . Any disputes relating to Licensor’s obligation to use commercially reasonable efforts to prevent the Broadcast or publishing of Televisa Spoiler Content pursuant to Section 1.4 ;
- (xv) ***** .

***** **CONFIDENTIAL TREATMENT: GRUPO TELEVISIA, S.A.B. HAS REQUESTED THAT THE OMITTED PORTIONS OF THIS DOCUMENT, WHICH ARE INDICATED BY *****, BE AFFORDED CONFIDENTIAL TREATMENT. GRUPO TELEVISIA, S.A.B. HAS SEPARATELY FILED THE OMITTED PORTIONS OF THE DOCUMENT WITH THE SECURITIES AND EXCHANGE COMMISSION .**

(xvi) *[Intentionally Omitted .]*;

(xvii) *Windows* . Any disputes with respect to what constitutes the customary theatrical availability window for Movies or the customary Free Television availability window for Pantelion Movies in the Territory as of the date in question;

(xviii) *Monetization of Territory Audiences* . Any disputes with respect to Licensee's or Grupo Televisa's compliance with the terms and conditions of Section 19;

(xix) *Industry Practice* . Any disputes regarding what constitutes "industry practice" or how any terms are "commonly understood in the entertainment industry", or other disputes regarding similar standards;

(xx) *Promotions in Televisa Publications Content* . Any disputes regarding whether promotional materials contained in any Televisa Publications Content complies with the limitations in the proviso set forth in Section 1.3(b)(i)(A); and

(xxi) *Other Matters* . Any other matters expressly identified in this Agreement as subject to binding arbitration under this Section 15.1 .

(b) Selection of Umpire .

(i) *Initial Umpire* . All Arbitrable Matters shall be resolved by a single umpire sitting in New York (the "Umpire"). The parties hereby agree that the first Umpire shall be the Honorable Albert M. Rosenblatt, subject to his consent and provision of an affidavit that certifies that the Umpire, the Umpire's employer or any of his/her Affiliates, and the Umpire's spouse, children, parents or siblings have not been employed or engaged by any party or his/her Affiliate within the proceeding ten years, that there are no grounds for disqualification under 28 U.S.C. §455, and that the Umpire knows of no other reason that he or she cannot be completely independent in resolving any dispute (the "Umpire's Certificate"). The Umpire shall submit an updated Umpire's Certificate annually upon the anniversary of the Umpire's selection.

(ii) *Replacement Umpire* . If the Umpire is removed, resigns or is unable or refuses to serve for any reason, or if Albert Rosenblatt does not consent or is unable to provide the Umpire's Certificate, then the parties shall mutually select a replacement within thirty (30) days. If the parties cannot mutually select a replacement, then any party may seek the selection of a replacement under the procedural rules set forth by JAMS from its Business/Commercial, Entertainment/Sports and/or Federal Judge neutrals list.

(iii) *Umpire Term* . Any Umpire named herein, unless having been removed, having resigned, or being unable or refusing to serve, shall serve for a period of one year. At the end of that one (1) year period or any succeeding one (1) year period, the parties may mutually agree to have the then named Umpire continue for an additional year. In the event that the parties do not so agree, a successor Umpire shall be selected pursuant to the procedures in Section 15.1(b)(ii) and under no circumstances shall there be any disclosure to the sitting Umpire of which party may have declined to agree to the sitting Umpire's continued service. If an Arbitrable Matter is currently pending before the sitting Umpire at the time of the one (1) year anniversary of the Umpire's selection, that Umpire shall not be removed from that Arbitrable

Matter, even if the parties no longer agree to continue to use that Umpire for the succeeding one (1) year on other Arbitrable Matters. An Umpire shall resign if the Umpire learns of information at any time that would prevent that Umpire from issuing an Umpire's Certificate, including if an Arbitrable Matter happens to be pending before that Umpire, unless the parties consent to the Umpire's completing the resolution of that Arbitrable Matter or otherwise remaining in his or her position.

(c) Conduct of Umpire. Once selected, the Umpire shall be given a copy of this Agreement. The Umpire may not have ex parte communications with either party or its representatives, including counsel. At the commencement of any Arbitration Procedure, the Umpire shall reissue the Umpire's Certificate as of the date thereof; the mere failure to so reissue shall not be the basis for challenging the Umpire's decision provided the Umpire could have reissued the Umpire's Certificate.

(d) Proceedings.

(i) *Initiation of Arbitration Procedure*. Any party may initiate an Arbitration Procedure to resolve an Arbitrable Matter by sending a statement of no more than three (3) pages to the other party setting forth the dispute giving rise to the Arbitrable Matter and the party's basis for contending that the matter is subject to Arbitration (the "Dispute Notice"). The other party may submit within five (5) days a responsive statement of no more than five (5) pages contending that the dispute is not subject to this Arbitration Procedure or raising such other disputes it wishes to be determined in that Arbitration Procedure, which questions shall be promptly determined by the Umpire.

(ii) *Arbitration Procedure*. The "Arbitration Procedure" shall be the following:

(A) Within five (5) days of delivery of the Dispute Notice, and prior to any proceedings before the Umpire, senior representatives with responsibility for the matter in dispute (or a senior representative to whom such responsible senior representative reports) or counsel of each party who have the authority to bind that party, shall meet and engage in good faith negotiations to attempt to resolve the dispute.

(B) Within twenty (20) days of delivery of the Dispute Notice, the parties shall submit memoranda of no more than twenty-five (25) pages setting forth their positions and attaching the evidence, affidavits, reports, appraisals or other information relating thereto as the submitting party deems appropriate. The parties may submit within five (5) days thereafter responsive memoranda of no more than ten (10) pages setting forth their positions and attaching the evidence, affidavits, reports, appraisals or other information relating thereto as the submitting party deems appropriate. After the submission of any such memoranda and supporting materials, a party may not make any additions to or deletions from, or otherwise change, such submission unless otherwise permitted by the Umpire. Subject to Section 15.1(d)(iii), if a party fails to deliver its submission within the required time period, such party shall be deemed to have irrevocably waived its rights to make such submission and the Umpire shall resolve the matter based on timely submissions received.

(C) The Umpire shall not conduct evidentiary hearings unless the Umpire deems it necessary for resolution of the dispute or upon a showing of good cause by either party. Discovery shall not be allowed except upon a showing of good cause by either party. Evidentiary hearings shall be conducted consistent with JAMS rules for arbitration hearings. Upon request of either party, the Umpire shall provide opportunity for oral presentations and argument. The Umpire may also, upon request of either party, allow post argument briefing. Upon the latter of the receipt of the submissions, oral presentations or evidentiary hearings, the Umpire shall resolve the dispute within ten (10) days. The Umpire shall render his or her decision in a signed and acknowledged written instrument. Such writing shall include the reasons for the Umpire's decision.

(iii) *Time Periods / Page Limits* . Upon application of either party, the Umpire may shorten or extend the time for the Arbitration Procedures or shorten or extend the page limits of any submission if necessary under the circumstances and for good cause shown. It shall be presumed that good cause can be shown for shortening time frames in any Arbitration Procedure if necessary to preserve a Broadcast schedule in the case of disputes described in Sections 15.1(a)(ii), 15.1(a)(xiii), 15.1(a)(xiv) or 15.1(a)(xvii) or to preserve a business opportunity in the case of disputes described in Sections 15.1(a)(i), 15.1(a)(vii) or 15.1(a)(x) in which case the time periods for the Arbitration Procedures shall be set in order to preserve such Broadcast schedule or business opportunity.

(iv) *Interim Relief* . The Umpire shall be empowered to order interim relief. The parties may also seek provisional remedies in aid of jurisdiction from the courts set forth in Section 15.1(d)(vi).

(v) *Remedial Power* . The Umpire shall have plenary power to resolve any and all Arbitration Matters, in such manner as the Umpire in his or her discretion deems appropriate consistent with the applicable substantive Law. In exercising such powers, the Umpire may, without limitation, determine what actions any party must take in order to effectuate the intent and purposes of this Agreement.

(vi) *Enforcement* . Any decision by the Umpire shall constitute an award by the Umpire and enforcement or other proceedings, with respect to the Arbitration shall be brought exclusively in either the United States District Court for the Southern District of New York or the Supreme Court of the State of New York, County of New York and the parties consent to in personam jurisdiction therein. A ruling by the Umpire shall be deemed final and not subject to appeal unless vacated on the ground that the Umpire was biased, engaged in improper conduct or the ruling concerned a Non-Arbitrable Matter.

(vii) *Location* . The place of Arbitration shall be New York, New York and the Arbitration and enforcement thereof shall be governed by New York procedural Law governing arbitrations.

(viii) *Miscellaneous* . Each party shall pay its own fees and expenses relating to the Arbitration Procedures. The parties shall share equally the fees and expenses of the Umpire. All submissions or other communications under the Arbitration Procedures shall be sent by electronic mail and overnight courier. All submissions or other communications or

proceedings under the Arbitration Procedures shall be in English. The Arbitration Procedures shall be confidential except to the extent necessary to enforce an award of the Umpire or as otherwise required by Law.

(e) Non Arbitrable Matters. All disputes other than those set forth in Section 15.1(a) are not subject to the Arbitration Procedures unless the parties mutually agree in writing to submit them to the Arbitration Procedures.

15.2 Dispute Resolution. In the event that either party claims that the other party has breached its obligations hereunder with respect to a matter that is not an Arbitrable Matter as set forth in Section 15.1(a), or its obligations under the International Program Rights Agreement (as amended by the IPRA Amendment) or the Sales Agency Agreement or the Amended and Restated 2011 Mexico License Agreement with respect to a matter that is not an arbitrable matter thereunder:

(a) Royalty Breaches. In the case of a breach with respect to payment of the Royalty, the dispute shall be submitted for determination pursuant to California Code of Civil Procedure Section 638 private judge under the rules of JAMS and the amount of any decision shall include actual attorneys' fees of the prevailing party and if a dollar amount is awarded, such determination shall provide for pre-judgment interest at the rate of twenty-five percent (25%) per annum on any unpaid amount determined to have been due from the date thirty (30) days after payment should have been made and post-judgment interest at the rate of twenty-five percent (25%) per annum.

(b) Non-Royalty Breaches. In the case of a breach other than with respect to payment of the Royalty (whether non-monetary or by way of a claim for damages), except as provided in Section 15.1, the dispute shall be submitted to the private judge as above, with at least a demand for injunctive relief (including thereby specific performance); the prevailing party shall be awarded its actual attorneys' fees and, in the event that damages are awarded (whether or not the demanded injunctive relief is granted), such interest as may be determined to be appropriate by the private judge; and

(c) Other Claims. In the case of any other action relating to or arising out of this Agreement, including any action for declaratory judgment or any demand for injunctive relief against a threatened breach, except as provided in Section 15.1, the dispute shall be submitted to the private judge as provided in Section 15.2(a), and the prevailing party shall be awarded its actual attorneys' fees.

(d) Interim Relief. In the event of a dispute in which injunctive relief is sought and that is otherwise subject to jurisdiction of the private judge hereunder, if the private judge has not yet been assigned, a party may seek a temporary restraining order or similar order in any court specified in Section 15.6 until the assignment of a private judge and such private judge's determination of whether to grant injunctive relief, and the private judge shall not be precluded from granting any other relief, including damages, as permitted by this Section 15.2.

15.3 **Cure Rights; Determination of Material Breaches Leading to Right to Terminate; No Right of Appeal.**

(a) **Opportunity to Cure.** In the case of a breach with respect to payment of the Royalty, the breaching party shall have sixty (60) days after notice of non-payment to cure such breach by making full payment along with twenty-five percent (25%) per annum interest accruing from the thirtieth (30th) day after the date payment should have been made; **provided, however,** that if the payment is not made unconditionally, such payment shall not affect the commencement or continued running of such interest.

(b) **Repeated Failures.** Notwithstanding the foregoing or any other provision hereof, (i) repeated failure to make payment when required, even if subsequently cured; and/or (ii) repeated failure to provide the attested royalty statements, reports and/or certificates or to comply with other audit and information rights set forth under **Section 9**, may, in the case of (i) and/or (ii) be a basis for a proceeding before the private judge and, if determined by the private judge to have been cumulatively material and evincing an intent to avoid, or reckless disregard for, compliance with such obligations, shall be determined by the private judge to constitute a material breach giving rise to a right of termination in the non-breaching party. In the event of any such breach, the party asserting the breach shall advise the other party in writing of such claimed breach reasonably promptly after discovering such breach.

(c) **Materiality Threshold.** Notwithstanding any other provision of this Agreement, in any proceeding for breach of this Agreement—or, following the eighteen (18) month anniversary of the date hereof, the International Program Rights Agreement (as amended by the IPRA Amendment), the Sales Agency Agreement or the Amended and Restated 2011 Mexico License Agreement (it being understood that any breach of the International Program Rights Agreement (as amended by the IPRA Amendment), the Sales Agency Agreement or the Amended and Restated 2011 Mexico License Agreement prior to the eighteen (18) month anniversary of the date hereof shall in no event be deemed to be material or give rise to a right of termination by the non-breaching party)—whether with respect to payment of the Royalty or otherwise, a finding of breach by the private judge shall not be deemed material and shall not give rise to a right of termination by the non-breaching party unless: (i) in the case of a breach with respect to payment of Royalty, the party against whom the determination of breach has been made by the private judge fails to pay the amount awarded by the private judge with interest in full within ten (10) Business Days of the decision by the private judge; or (ii) in the case of a breach other than with respect to payment of Royalty, the party against whom relief (preliminary or final) has been ordered or adjudged by the private judge or Umpire fails to comply with such order or judgment; or (iii) the party determined to be guilty of breach by the private judge or Umpire has twice previously been determined to be guilty of a breach (whether with respect to payment of the Royalty or otherwise) by the private judge or Umpire, such second breach having occurred subsequent to the determination by the private judge or Umpire of initial breach and such third breach having occurred subsequent to the determination by the private judge or Umpire of second breach, and each such breach is determined by the private judge to either (A) in the case of breaches with respect to payment of the Royalty, be a breach or a series of breaches committed within the same fiscal year which individually or in the aggregate are for amounts equal to or greater than ten percent (10%) of the Royalty due for the fiscal year immediately preceding the fiscal year in which the claimed breach or breaches occur, or if the

series of breaches was not committed within the same fiscal year, which in the aggregate are for amounts equal to or greater than ten percent (10%) of the aggregate of the Royalty due for each fiscal year immediately preceding each of the fiscal years in which such claimed breaches occur, or (B) in the case of all other determined breaches, evince an intent to avoid, or reckless disregard for, compliance with the obligations that are the basis of the breach; or (iv) pursuant to Section 15.3(b). For the avoidance of doubt, any determination by the Umpire shall be conclusive as to whether there was a breach, and only the issue of whether the breach or breaches evince an intent to avoid or reckless disregard for compliance with the obligations that are the basis of the breach shall be determined by the private judge.

(d) Right to Terminate Following Material Breach. If a determination has been made that any breaches (whether with respect to payment of the Royalty or otherwise) are individually or cumulatively material consistent with the foregoing, then the non-breaching party shall have the right to elect to terminate this Agreement, which election shall be made not later than sixty (60) days after the determination of the existence of such material breach. This Agreement shall terminate sixty (60) days after written notice of such election to terminate.

(e) No Right to Appeal. Decisions of the private judge as to the foregoing shall be final and the parties waive any right to appeal.

15.4 Satisfaction of Indemnification Obligations Cures Inaccuracy of Licensor Representations and Warranties. Notwithstanding the foregoing, the inaccuracy of any of Licensor's representations and warranties contained in Section 12 hereof shall not be deemed to be a breach of its obligations for purposes of Sections 15.3(b) and 15.3(c) to the extent that Licensor satisfies its indemnification obligations with respect to such inaccuracy.

15.5 Governing Law. This Agreement and the legal relations among the parties shall be governed by and construed in accordance with the laws of the State of California applicable to contracts between California parties made and performed in that State, without regard to conflict of laws principles; except that the procedural laws of the State of New York shall apply to the Arbitration Procedures (as set forth in Section 15.1) and the enforcement thereof.

15.6 Jurisdiction; Venue; Service of Process. Except to the extent provided in Sections 15.1 and with respect to the provisions of Section 15.2, each of the parties irrevocably submits to the jurisdiction of any California State or United States Federal court sitting in Los Angeles County in any action or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby, and irrevocably agrees that any such action or proceeding may be heard and determined only in such California State or Federal court. Each of the parties irrevocably waives, to the fullest extent it may effectively do so, the defense of an inconvenient forum to the maintenance of any such action or proceeding. Each of the parties irrevocably appoints CT Corporation System (the "Process Agent"), with an office on the date hereof at 818 West 7th Street, Los Angeles, CA, 90017 as his or its agent to receive on behalf of him or it and his or its property service of copies of the summons and complaint and any other process which may be served in any such action or proceeding. Such service may be made by delivering a copy of such process to any of the parties in care of the Process Agent at the Process Agent's above address, and each of the parties irrevocably authorizes and directs the Process Agent to accept such service on its behalf. As an alternate method of service, each of the parties consents to the

service of copies of the summons and complaint and any other process which may be served in any such action or proceeding by the mailing or delivery of a copy of such process to such party at its address specified in or pursuant to Section 20.5. Each of the parties agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law.

15.7 **Specific Performance; Injunctive Relief**. The parties hereto agree that irreparable damage may occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties may be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof, this being in addition to any other remedy to which they are entitled at law or in equity.

15.8 **Certain Limitations**. Notwithstanding anything to the contrary contained in this Agreement, no party hereto shall be liable to any other party under this Agreement for any special, consequential, punitive or exemplary damages (including lost or anticipated revenues or profits relating to the same) arising from any claim under this Agreement, whether such claim is based on warranty, contract, tort (including negligence or strict liability) or otherwise; provided, however, that this limitation shall not preclude Licensee from seeking any such damages if, prior to a private judge determining pursuant to Section 15.3 that Licensor is entitled to terminate this Agreement, Licensor (or any of its affiliates) takes any action to intentionally suspend access to, withdraw, refuse to furnish, or otherwise directly or indirectly make unavailable Licensed Content; provided, that for the avoidance of doubt, no such damages shall be available if such action on the part of Licensor arises out of a specific dispute (a) as to Licensor's withdrawal of a specific item or series of items of Licensed Content pursuant to Section 8.10, (b) as to Licensor's cancellation of production of any Licensed Content, or (c) of a type contemplated by Section 15(a)(i) or 15(a)(viii).

16. **First Opportunity Rights**.

16.1 **Proposed New Businesses**.

(a) **Notice and Information**. If Grupo Televisa intends to enter into a Proposed New Business during the Term and (i) Licensee or one of its controlled Affiliates is not in good faith actively pursuing for itself the Proposed New Business, or (ii) the Proposed New Business is significantly and meaningfully different from any current business Licensee and its controlled Affiliates are actively pursuing for themselves (regardless of whether such Proposed New Business is in the same genre, field, market or space as any business Licensee and its controlled Affiliates are currently engaged in, but in no event shall a Proposed New Business include a Linear Television Channel), Licensor will notify Licensee in writing and, on a timely basis, provide Licensee with information, if any, that Grupo Televisa has used (as of the time of such provision) to evaluate the opportunity that is reasonably necessary and appropriate for Licensee's consideration of such Proposed New Business (but not information which includes information regarding other businesses of Grupo Televisa).

(b) **Licensee Election**. Within thirty (30) days of being so notified, Licensee may notify Licensor that it elects in good faith to enter into the Proposed New Business and, in

that case, if Licensee or one of its controlled Affiliates enters into and reasonably develops that Proposed New Business within a reasonable time period, then Grupo Televisa will not pursue such Proposed New Business and the revenues relating to the Proposed New Business will become part of the Royalty Base to the same extent as revenues would have been included (subject to applicable deductions or exclusions, if any) in the Royalty Base if the Proposed New Business had been initially developed by Licensee. If Licensee elects to enter the Proposed New Business, Licensee (i) will consult with Licensor in good faith on the initial business and financial objectives for the Proposed New Business and the initial business plan; (ii) will provide to Licensor the final version of such business plan; and (iii) will provide BMPI's board of directors (or an appropriate committee thereof which includes a Grupo Televisa representative) with quarterly updates on the performance of the Proposed New Business. In the event that Licensee does not notify Licensor within the 30-day period that it elects to enter the Proposed New Business or Licensee or one of its controlled Affiliates does not thereafter reasonably and actively develop the Proposed New Business within a reasonable time period, then Grupo Televisa will be permitted to, within a reasonable time period, enter into the Proposed New Business and any Audiovisual Content that is related to the Proposed New Business will be "Televisa Proposed New Business Content" (and shall be subject to the limitations set forth in the definition of "Televisa Publications Content", other than clause (b) of such definition (as such Audiovisual Content must instead relate to, or complement, the Proposed New Business and not a Televisa Publication)).

(c) Good Faith Requirement. Licensee shall exercise its rights under this Section 16.1 only in good faith to permit Licensee to engage in a Proposed New Business in the Territory and not to block Grupo Televisa's ability to engage in the Proposed New Business. Similarly, Grupo Televisa shall only propose Proposed New Business opportunities that Grupo Televisa, in good faith, intends to pursue in the Territory.

(d) Televisa Option to Participate Following Sell-Down. Notwithstanding the foregoing, if during the Term, at a time when a Televisa Sell-Down has occurred, Licensee or one of its controlled Affiliates wishes to enter a Proposed New Business proposed by Grupo Televisa hereunder, then Grupo Televisa may participate in the Proposed New Business such that Grupo Televisa, on the one hand, and Licensee and its controlled Affiliates, on the other hand, will each have a 50% economic and voting interest in the Proposed New Business (or such other allocation of economic and voting interests as agreed by Licensee and Licensor in good faith). Licensee and Licensor will agree in good faith on the business and financial objectives and business plan and the management of the Proposed New Business. In such event, the parties shall mutually agree on the appropriate treatment and allocation of revenues derived or generated from, and costs paid or incurred with respect to, the Proposed New Business (which treatment and allocation, for the avoidance of doubt, may involve the exclusion of all or a portion of any revenues from the Royalty Base).

(e) No Televisa Linear Television Channels. It is understood and agreed that, notwithstanding anything to the contrary contained herein, Grupo Televisa shall not pursue a Proposed New Business that consists primarily of the ownership and/or operation of a Spanish language Linear Television Channel in the Territory during the Term.

16.2 **Stand Alone Business .**

(a) **Notice and Information.** If Grupo Televisa proposes to acquire (whether by merger, acquisition of stock or assets, partnership, joint venture or otherwise) a Stand Alone Business during the Term, Licensor will offer Licensee and its controlled Affiliates, by written notice in a timely manner, the opportunity to elect, within thirty (30) days (or shorter period if necessary so as not to lose the opportunity (e.g. if the bid deadline does not permit a thirty (30)-day election period)) of receipt of such notice, to seek to acquire the Stand Alone Business; provided, that Licensor will use good faith efforts not to delay notice so as to jeopardize Licensee's ability to acquire such Stand Alone Business. Concurrently with the delivery of the aforementioned notice, Licensor will provide Licensee with information, if any, that Grupo Televisa has used (as of the time of such delivery) to evaluate the opportunity that is reasonably necessary and appropriate for Licensee's consideration of such Stand Alone Business (but not information which includes information regarding other businesses of Grupo Televisa), subject to any legal or third party contractual confidentiality restriction

(b) **Licensee Election.** In the event that Licensee or one of its controlled Affiliates accepts the opportunity to attempt to acquire the Stand Alone Business, then Licensee will negotiate the proposed acquisition in good faith with the seller of the Stand Alone Business and pay all costs relating to the acquisition. If Licensee or one of its controlled Affiliates acquires the Stand Alone Business, and Licensee elects (by written notice to Licensor) and is permitted hereunder to Broadcast any Licensed Content on such Stand Alone Business, the revenues relating to such Stand Alone Business will become part of the Royalty Base to the same extent as revenues would have been included (subject to applicable deductions or exclusions, if any) in the Royalty Base if the Stand Alone Business had been initially engaged in by Licensee. If Licensee and its controlled Affiliates do not accept the opportunity to acquire the Stand Alone Business within thirty (30) days (or shorter period if necessary so as not to lose the opportunity (e.g. if the bid deadline does not permit a thirty (30)-day period)) of Grupo Televisa's offer or Licensee and its controlled Affiliates do not acquire the Stand Alone Business, are not actively pursuing negotiations in good faith with the seller, Grupo Televisa may, within a reasonable period of time, seek to acquire and acquire the Stand Alone Business and any Audiovisual Content that is related to the Stand Alone Business will be "Televisa Stand Alone Business Content".

(c) **Televisa Option to Participate Following Sell-Down.** Notwithstanding the foregoing, if during the Term, at a time when a Televisa Sell-Down has occurred, Licensee or one of its controlled Affiliates wishes to enter the Stand Alone Business, then Grupo Televisa may acquire fifty percent (50%) of the Stand Alone Business with Licensee or one of its controlled Affiliates acquiring fifty percent (50%) (or such other allocation of ownership as agreed by Licensee and Licensor in good faith), and Licensee and Licensor will agree in good faith on the business and financial objectives and business plan and the management of the Stand Alone Business. In such event, the parties shall mutually agree on the appropriate treatment and allocation of revenues derived or generated from, and costs paid or incurred with respect to, the Stand Alone Business (which treatment and allocation, for the avoidance of doubt, may involve the exclusion of all or a portion of any revenues from the Royalty Base).

(d) No Televisa Linear Television Channels. It is understood and agreed that, notwithstanding anything to the contrary contained herein, Grupo Televisa shall not pursue a Stand Alone Business that consists primarily of the ownership and/or operation of a Spanish language Linear Television Channel in the Territory during the Term.

16.3 Carve Out Business.

(a) Notice and Information. If Grupo Televisa proposes to acquire (whether by merger, acquisition of stock or assets, partnership, joint venture or otherwise) a Carve Out Business during the Term, Grupo Televisa may undertake and consummate an acquisition of the larger business of which the Carve Out Business is a part at any time. However, without restricting or impeding the ability of Grupo Televisa to undertake and consummate such acquisition, Licensor will use its commercially reasonable efforts to offer (including after Grupo Televisa has completed the acquisition of the larger business) Licensee and its controlled Affiliates, by written notice in a timely manner, the opportunity to elect, within sixty (60) days of receipt of such notice, to seek to acquire the Carve Out Business. Concurrently with the delivery of the aforementioned notice, Licensor will provide Licensee with information that Grupo Televisa has used (as of the time of such delivery) to evaluate the opportunity that is reasonably necessary and appropriate for Licensee's consideration of such Carve Out Business (but not information which includes information regarding other businesses of Grupo Televisa), subject to any legal or third party contractual confidentiality restrictions.

(b) Licensee Election. In the event that Licensee or one of its controlled Affiliates accepts the opportunity to acquire the Carve Out Business, Licensor will, at its election, either (i) permit Licensee to negotiate the acquisition of the Carve Out Business with the seller of the Carve Out Business and pay all costs relating to such acquisition (and in any event Grupo Televisa can pursue the acquisition of the larger business other than the Carve Out Business); or (ii) require Licensee, as promptly as reasonably practicable (in the context of the circumstances of the particular acquisition) following the closing of Grupo Televisa's acquisition of the larger business, to purchase the Carve Out Business in exchange for a cash payment to Grupo Televisa equal to the agreed fair market value of the Carve Out Business (based upon the value that would reasonably be expected to be obtained in a sale of the entire Carve Out Business as a going concern with no discount as a result of illiquidity or otherwise) and Grupo Televisa and Licensee will negotiate in good faith the carve out of the Carve Out Business as a separate business from the larger acquisition (including, if applicable, one-time and/or ongoing arms-length payment(s) for content and/or any other rights, assets or services from the larger business). If the fair market value of the Carve Out Business cannot be agreed by Grupo Televisa and Licensee after thirty (30) days, the fair market value shall be determined by the Independent Appraiser Process. If Licensee or one of its controlled Affiliates acquires the Carve Out Business and elects (by written notice to Licensor) to and is permitted hereunder to Broadcast any Licensed Content on the Carve Out Business, the revenues relating to such Carve Out Business will become part of the Royalty Base to the same extent as revenues would have been included (subject to applicable deductions or exclusions, if any) in the Royalty Base if the Carve Out Business had been initially developed by Licensee. If Licensee does not accept the opportunity to acquire the Carve Out Business within the sixty (60) day period, or does so but does not acquire the Carve Out Business, is not pursuing negotiations in good faith with the seller, or it would not be commercially feasible to carve out the Carve Out Business despite

Licensor's use of its commercially reasonable efforts, Grupo Televisa may acquire or retain the Carve Out Business, as part of the larger acquisition, and any Audiovisual Content that is related to the Carve Out Business will be "Televisa Carve Out Business Content".

(c) Televisa Option to Participate Following Sell-Down. Notwithstanding the foregoing, if during the Term, at a time when a Televisa Sell-Down has occurred, Licensee or one of its controlled Affiliates wishes to acquire the Carve Out Business proposed by Licensor hereunder, then Grupo Televisa may acquire or retain fifty percent (50%) of the Carve Out Business with Licensee or one of its controlled Affiliates acquiring fifty percent (50%) (or such other allocation of ownership as agreed by Licensee and Licensor in good faith) and Licensee and Licensor will agree in good faith on the business and financial objectives and business plan and the management of the Carve Out Business. In such event, the parties shall mutually agree on the appropriate treatment and allocation of revenues derived or generated from, and costs paid or incurred with respect to, the Carve Out Business (which treatment and allocation, for the avoidance of doubt, may involve the exclusion of all or a portion of any revenues from the Royalty Base). In no event shall this Section 16.3(c) restrict or impede the ability of Grupo Televisa to undertake and consummate an acquisition of the larger business.

(d) Fair Market Value. The "Independent Appraiser Process" shall mean the process set forth in this Section 16.3(d). Each of Licensor and Licensee shall be entitled to select and engage an investment banker of recognized standing in North America (the "Initial Appraisers"). The Initial Appraisers shall be entitled to consult with each other with respect to their reports, and Licensor and Licensee shall provide them with the information to which Licensee is entitled pursuant to Section 16.3(a) and other information that is customary and reasonably requested by the Initial Appraisers regarding the applicable Spanish language Linear Television Channel. Each of the Initial Appraisers shall have thirty (30) days to determine a preliminary fair market value and provide Licensor and Licensee with a preliminary report thereon (the "Appraiser Report"). If the higher of the preliminary fair market values is not more than one hundred ten percent (110%) of the lower of such fair market values, then the fair market value shall equal the average of the preliminary fair market values. If the higher of the preliminary fair market values is more than one hundred ten percent (110%) of the lower of such fair market values, then not more than ten (10) days after the delivery of both Appraiser Reports to Licensor and Licensee, the Initial Appraisers will together designate another investment banker of recognized standing in North America who is not affiliated with Grupo Televisa or the Company (as defined in the Investment Agreement) (the "Third Appraiser"), who shall be informed of the preliminary fair market values determined by the Initial Appraisers and provided with copies of their Appraiser Reports and the information provided to the Initial Appraisers. The Third Appraiser will have thirty (30) days to determine a preliminary fair market value and provide Licensor and Licensee with a report thereon. If the Third Appraiser's preliminary fair market value is within the middle one-third of the range of values between the preliminary fair market values of the Initial Appraisers (the "Mid-Range"), then the fair market value shall be equal to the preliminary fair market value of the Third Appraiser. If the Third Appraiser's preliminary fair market value does not fall within the mid-range, then the fair market value will be the average of (x) the Third Appraiser's preliminary fair market value; and (y) either the high or low preliminary fair market value of the Initial Appraisers, whichever is closest to the Third Appraiser's preliminary fair market value; provided, that the fair market value shall not be less

than the lower of the preliminary fair market values determined by the Initial Appraisers or greater than the higher of the preliminary fair market values determined by the Initial Appraisers.

(e) Linear Television Channels. Notwithstanding anything contained in Sections 16.3(a), (b) and (c), if the Carve Out Business in question consists of the ownership and/or operation of a Spanish language Linear Television Channel, the following shall apply:

(i) *Free Television Channel*. If, as part of such larger acquisition, Grupo Televisa acquires a Spanish language Free Television channel in the Territory, Licensor shall offer to Licensee the right to acquire the Free Television channel as a Carve Out Business (pursuant to the terms and conditions of this Section 16.3); provided, that if Licensee does not acquire such Spanish language Free Television channel, for any reason, Grupo Televisa shall, as promptly as reasonably practicable, entirely divest itself of such Spanish language Free Television channel.

(ii) *Channel Other Than Free Television Channel*. If, as part of such larger acquisition, Grupo Televisa acquires any Spanish language Linear Television Channel other than a Free Television channel, Licensor shall offer to Licensee the right to acquire such Spanish language Linear Television Channel as a Carve Out Business (pursuant to the terms and conditions of this Section 16.3). If Licensee elects not to acquire the Linear Television Channel at such market value, or elects not to acquire the Linear Television Channel for any other reason, Grupo Televisa shall be permitted to retain or sell such Spanish language Linear Television Channel.

17. Sale of Licensee Assets.

17.1 Sale of Networks / Stations. Except as expressly consented to in writing by Licensor (which consent may be withheld in Licensor's sole and absolute discretion), Licensee shall not directly or indirectly, including through its respective subsidiaries or any other controlled Affiliates, enter into or consummate any arrangement to sell, transfer or otherwise dispose of (including by way of spin-off or other similar transaction) any interest in any Network (excluding, for purposes of this Section 17.1, WLII, WSUR and WSTE in Puerto Rico). Except as expressly consented to in writing by Licensor (which consent may be withheld in Licensor's sole and absolute discretion), Licensee shall not directly or indirectly, including through its respective subsidiaries or any other controlled Affiliates, enter into or consummate any arrangement to sell, transfer or otherwise dispose of (including by way of spin-off or other similar transaction) any interest in, transfer operational responsibility for or disaffiliate from the Networks any of the Specified Stations, except that Licensee shall be permitted to:

(a) Replacement Station. Sell or dispose of a Specified Station so long as (i) one or more other station(s) owned and operated by Licensee and within the same market as such Specified Station and affiliated with the same Network or Networks as such Specified Station (a "Replacement Station") can replace the operations of the transferred station through the operation of the Replacement Station which is reasonably comparable to the Specified Station (including substantially comparable or better coverage), (ii) the total revenues of the Replacement Station are greater than or equal to the total revenues of such Specified Station as of the date of the sale or disposition, and (iii) the Replacement Station shall be a Station for

purposes of the Royalty Base, with the national and local revenues of the Replacement Station included in the Royalty Base;

(b) Affiliated Stations. Sell or dispose of a Specified Station if (i) such Specified Station continues to be affiliated with the Network(s) with which it was affiliated prior to such sale or disposition for the Term, (ii) such Specified Station shall continue to be a Station for purposes of the Royalty Base, with the national and local revenues of such Specified Station included in the Royalty Base, and (iii) the acquirer of such Specified Station agrees, in a writing to which Licensor is a party or a beneficiary, to provide revenue information for the station to Licensee and to be bound (and to require any successor acquirer to be bound) by the provisions of this Section 17.1 as though it were a party hereto and such Specified Station continued to be a Specified Station hereunder;

(c) Transfer of Operational Responsibility. Transfer operational responsibility for a Specified Station if (i) such Specified Station continues to be affiliated with the Network(s) with which it was affiliated prior to such sale or disposition for the Term, (ii) such Specified Station shall continue to be a Station for purposes of the Royalty Base, with the national and local revenues of such Specified Station included in the Royalty Base, and (iii) the person assuming operational control of such Specified Station agrees, in a writing to which Licensor is a party or a beneficiary, to provide revenue information for the station to Licensee and to be bound (and to require any successor operator to be bound) by the provisions of this Section 17.1 as though it were a party hereto and such Specified Station continued to be a Specified Station hereunder;

(d) Disaffiliation. Disaffiliate a Specified Station from a Network if (i) such Specified Station continues to be owned by Licensee and (ii) the average of the portion of the Royalty Base attributable to such Specified Station for each of the preceding two (2) years continues to be included in the Royalty Base for the Term;

(e) WFTY-TV. Sell, transfer, disaffiliate or otherwise dispose of WFTY-TV currently licensed to Smithtown, NY;

(f) Compliance with Law. Sell, transfer or otherwise dispose of a Station, if a Law (provided that any order or decision must be final and non-appealable) requires Licensee to sell such Station (or to lose the license for such Station in twelve (12) or fewer months if such sale does not occur); provided, that Licensee shall use commercially reasonable efforts to replace such Station with a reasonably comparable station as promptly as reasonably practical; and

(g) Joint Marketing and Sales Agreements. Maintain and/or extend the term of its joint marketing and sales agreements existing on the date hereof on materially the same or better terms for Licensee as of the Prior Effective Date.

17.2 Sale of BMPI. Nothing contained in this Agreement (including Section 17.1) shall restrict a sale of all or substantially all of the assets of BMPI in one or a series of related transactions, the sale of shares of BMPI, or a merger of BMPI with another person; provided, that this Section 17.2 shall not be used by Licensee or its Affiliates or their respective shareholders in a manner intended to circumvent the provisions of Section 17.1.

17.3 **Transfer of Program Rights**. Licensee may not transfer to any third party any rights whatsoever with respect to Licensed Content or any other Audiovisual Content of Grupo Televisa to which Licensee has been licensed rights hereunder, in connection with the transfer of any Spanish Language Platform or other platform or assets of Licensee or its Affiliates (other than in connection with any transactions contemplated under Sections 17.2 and/or 20.6 or a Sublicensing Arrangement permitted under Section 4 of this Agreement).

18. **Committees**.

18.1 **Programming, Sales and Production Committee**. Licensee shall create and maintain an advisory, non-board level Programming, Sales and Production Committee which shall provide non-binding advice and guidance to Licensee and its controlled Affiliates with respect to Licensee's programming, sales and production efforts for its Linear Television Channels. Members of the advisory Programming, Sales and Production Committee will be provided with information relating to such efforts, consistent with Licensor's cooperation obligations as set forth in Section 7.3.

18.2 **Platforms Committee**. Licensee shall create and maintain an advisory non-board level Platforms Committee which shall provide non-binding advice and guidance to Licensee and its controlled Affiliates with respect to the acquisition and/or management of new and existing platforms on which Licensee places Audiovisual Content.

18.3 **Proposed New Business Committee**. Licensee shall create and maintain a non-board level New Business Committee which shall consist of the Chairman of the Board of Directors of BMPI, the chief executive officer, chief financial officer and highest ranking officer in charge of business development of BMPI, and one of the GT nominated directors of BMPI. In the event that Licensor notifies Licensee of a Proposed New Business opportunity pursuant to Section 16.1(a) or Grupo Televisa offers an opportunity to seek to acquire a Stand Alone Business pursuant to Section 16.2(a), this New Business Committee shall promptly consider such opportunity and advise the Board of Directors of BMPI as to whether to pursue the opportunity.

18.4 **Grupo Televisa Representation**. Grupo Televisa shall be entitled to appoint at least one (1) representative on each of the Programming, Sales and Production Committee and the Platforms Committee to serve until the Information Tail Date.

19. **Monetization of Territory Audiences**. Licensor will not, directly or indirectly, sell, base or determine the price of any advertising time or space, product placements or sponsorships in any Licensed Media on the ability of viewers in the Territory to receive Licensed Content (but expressly excluding Excluded Content and Charitable/Religious Content), subject only to the third sentence of Section 3.7(a)(i)(B).

20. **Miscellaneous**.

20.1 **Effect of Prior Agreements**.

(a) **First Amended and Restated Agreement**. Except as expressly provided herein, the First Amended and Restated Agreement is hereby terminated and superseded by this Agreement, and shall be of no further force and effect.

(b) Participation Agreement. Licensee and GT will, following the Prior Effective Date, cease to assert, pursue or enforce any of their respective rights against the other and shall cease to perform any of their respective obligations to the other under the Participation Agreement.

(c) Galavision Trademark License Agreement. The License Agreement, dated as of July 1, 1996, between The Univision Network Limited Partnership and Univsa, Inc. (the “Galavision Trademark License Agreement”) was terminated of no further force and effect (it being understood that the Galavision marks formerly included under the Galavision Trademark License Agreement are included in the Televisa Channel Marks hereunder as more fully described in Schedule 1).

20.2 **Force Majeure**. Neither party hereto shall be liable for or suffer any penalty or termination of rights hereunder by reason of any failure or delay in performing any of its obligations hereunder if such failure or delay is occasioned by compliance with governmental regulation or order, or by circumstances beyond the reasonable control of the party so failing or delaying, including acts of God, war, insurrection, fire, flood, accident, strike or other labor disturbance, interruption of or delay in transportation (a “Force Majeure Event”). Each party shall promptly notify the other in writing of any such event of force majeure, the expected duration thereof, and its anticipated effect on the party affected and make reasonable efforts to remedy any such event, except that neither party shall be under any obligation to settle a labor dispute. In the event that Licensor is prevented by a Force Majeure Event from delivering any Licensed Content to Licensee, if such Force Majeure Event prevents Licensor from delivering any substitute Licensed Content to Licensee, then Licensee’s obligations to pay the Royalty under Section 9.1 hereof shall be reduced (but not below zero) for the time period or periods so affected to the extent necessary to compensate Licensee for the cost of obtaining substitute programming.

20.3 **Modification**. This Agreement shall not be modified or waived in whole or in part except in writing signed by an officer of the party to be bound by such modification or waiver. In the event that Licensee’s fiscal year is changed so that it is not on a calendar year, the parties shall make such modifications to this Agreement as are necessary to reflect such change but as do not substantively impact any of the parties’ rights or obligations hereunder.

20.4 **Waiver of Breach**. A waiver by either party of any breach or default by the other party shall not be construed as a waiver of any other breach or default whether or not similar and whether or not occurring before or after the subject breach.

20.5 **Notices**. All notices and other communications required or permitted hereunder shall be in writing, shall be deemed duly given upon actual receipt, and shall be delivered (a) in person, (b) by a generally recognized overnight courier service which provides written acknowledgment by the addressee of receipt, or (c) by both (i) facsimile and (ii) email or other generally accepted means of electronic transmission, addressed as set forth in Schedule 10 or to such other addresses as may be specified by like notice to the other parties. Notwithstanding the foregoing, any notices or other communications required or permitted under Section 8.8 may be delivered by email alone (without any accompanying facsimile notice or communication).

20.6 **Assignments**. Either of the parties may assign its rights hereunder and delegate its duties hereunder, in whole or in part, to an Affiliate capable of performing the assignor's obligations hereunder, and either of the parties may assign its rights hereunder and delegate its duties hereunder to any person or entity to which all or substantially all of such party's businesses and assets are pledged or transferred (provided that in the case of a pledge, any such assignment shall be made only as part of a granting of collateral to support bona fide indebtedness of Licensee or its Affiliates to a third party; provided, further, that the foregoing shall not prohibit a pledge to one or more of the investors or investor groups in BMPI to support bona fide indebtedness of Licensee or any Affiliate to any such investor or investor group). No such assignment or delegation shall relieve any party of its obligations hereunder. Any such assignment or delegation authorized pursuant to this Section 20.6 shall be pursuant to a written agreement in form and substance reasonably satisfactory to the parties. Except as otherwise expressly provided in this Agreement, neither this Agreement nor any rights, duties or obligations hereunder may be assigned or delegated by any of the parties, in whole or in part, whether voluntarily, by operation of Law or otherwise; provided, however, that Grupo Televisa may assign, grant a security interest in or otherwise transfer its rights to payment hereunder in connection with one or more financings. Any attempted assignment or delegation in violation of this prohibition shall be null and void. Subject to the foregoing, all of the terms and provisions hereof shall be binding upon, and inure to the benefit of, the successors and assigns of the parties. Nothing contained herein, express or implied, is intended to confer on any person other than the parties or their respective successors and permitted assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

20.7 **Further Assurances**. Each party hereto agrees to execute any and all additional documents and do all things and perform all acts necessary or proper to further effectuate or evidence this Agreement including any required filings with the U.S. Copyright Office.

20.8 **Information Sharing**. To the extent that either party is required to provide information to the other party under this Agreement, such party shall (and shall cause its Affiliates to) use good faith efforts to limit contractual confidentiality restrictions with respect to agreements entered into after the Prior Effective Date, in order to permit the sharing of information expressly provided in this Agreement.

20.9 **Counterparts**. This Agreement may be executed in counterparts, each of which shall be an original instrument and all of which, when taken together, shall constitute one and the same agreement.

20.10 **Severability**. If any provision of this Agreement, or the application thereof, shall for any reason or to any extent be invalid or unenforceable, then the remainder of this Agreement and application of such provision to other persons or circumstances shall continue in full force and effect and in no way be affected, impaired or invalidated; provided, that the aggregate of all such provisions found to be invalid or unenforceable does not materially affect the benefits and obligations of the parties of the Agreement taken as a whole.

20.11 **Language Rules of Construction**. Unless the context otherwise clearly requires: (a) the term "third party" shall be deemed to mean "unaffiliated third party"; (b) any pronoun shall include the corresponding masculine, feminine and neuter forms; (c) the term "include,"

“includes” and “including” shall be deemed to be followed by the words “but not limited to”; (d) the term “will” shall be construed to have the same meaning and effect as the word “shall”; (e) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on, or requirements with respect to, such amendments, supplements or modification set forth herein or therein); (f) any reference herein to any person, or to any person in a specified capacity, shall be construed to include such person’s successors and assigns or such person’s successors in such capacity, as the case may be; (g) the words “herein,” “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular section, clause or other subdivision; and (h) any of the defined terms may be used in the singular or the plural, depending on the reference. Licensor and Licensee acknowledge and agree that references in this Agreement to Licensee’s “controlled Affiliates” are sometimes used for purposes of clarity, and that no such references (or failure to include such references) shall operate, or be deemed to operate, to limit or impair the rights afforded to Licensee with respect to its controlled Affiliates under Section 1.2(a).

20.12 **Headings**. The subject headings of the sections and sub-sections of this Agreement are included for purposes of convenience only, and shall not affect the construction or interpretation of any of its provisions.

20.13 **Entire Agreement**. This Agreement, together with Annex A and the Schedules hereto, the Second Amended and Restated Guaranty, the Amended and Restated 2011 Mexico License Agreement, the 2015 MLA Amendment, the IPRA Amendment and the Sales Agency Agreement, the 2015 Mutual Release, the Pantelion Letter Agreement, the English Language Mexico Soccer Agreement, the Tigres Letter Agreement, any written waivers and similar understandings with respect to the First Amended and Restated Agreement to the extent they apply to the terms contained in this Agreement, and, until the Term Effective Date (if any), clause (a) of Section 14 of the First Amended and Restated Agreement, contain a final and complete integration of all prior expressions by the parties hereto with respect to the subject matter hereof and shall constitute the entire agreement among the parties hereto with respect to the subject matter hereof, superseding all previous oral statements and other writings.

21. **Intentionally Omitted**.

[*Signature page follows*]

IN WITNESS WHEREOF, the parties have set their hands as of the day and year first above written.

TELEVISA, S.A. DE C.V.

By: /s/ Salvi Rafael Folch Viadero

Name: Salvi Rafael Folch Viadero

Title: Attorney-in-Fact

By: /s/ Jorge Agustín Lutteroth Echegoyen

Name: Jorge Agustín Lutteroth Echegoyen

Title: Attorney-in-Fact

UNIVISION COMMUNICATIONS INC.

By: /s/ Jonathan Schwartz

Name: Jonathan Schwartz

Title: General Counsel and EVP

[*Signature Page to Amended and Restated 2011 Program License Agreement*]

Annex A

The following terms shall have the following meanings:

“2015 Mutual Release” has the meaning set forth in the Recitals.

“Acquired Completed Content” means (i) Audiovisual Content (other than a Novela or Excluded Content), the Broadcast rights to which are or have been acquired by Grupo Televisa from a third party and with respect to which Grupo Televisa had no involvement or arrangement of any kind or nature (including no approvals or controls) relating to the development, production or financing of such Audiovisual Content at any time, or (ii) Major Event Content.

“Acquired Completed Novela” means a Novela, the Broadcast rights to which are or have been acquired by Grupo Televisa from a third party and with respect to which Grupo Televisa had no involvement or arrangement of any kind or nature (including no approvals or controls) relating to the development, production or financing of such Novela at any time.

“Acquired Scripts” has the meaning set forth in Section 2.6(b).

“Actual CPM” has the meaning set forth in Section 11.5(b).

“Additional Owned Team” has the meaning set forth in Section 10.2(c)(i).

“Adjustments” has the meaning set forth in Section 9.2.

“Advertising Packaged Sales Transaction Process” means a Packaged Sales Transaction Process relating to sales to an advertiser.

“Affiliate” of a person means any person that directly or indirectly controls, is controlled by, or is under common control with the person in question. For the purposes of this Agreement, “control”, when used with respect to any person, means the power to direct the management and policies of such person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise. Affiliate shall not mean, with respect to Licensee, (a) a Network Affiliate, (b) any one of the investor groups, including Grupo Televisa, that owns equity interests in BMPI or any person that controls any one of such investor groups (or any person acquiring, whether by merger, sale or otherwise, all or any portion of such equity interests or the equity interests of any such investor group, or any person that controls such acquiring person), or (c) any person controlled by any of such investor groups (or such acquiring person) other than (i) BMPI, Broadcast Media Partners Holdings, Inc. or Licensee, (ii) any subsidiary of, or other person directly or indirectly controlled by, BMPI, Broadcast Media Partners Holdings, Inc. or Licensee or (iii) any person formed by such investor groups (or such acquiring person) to own a direct or indirect interest in Licensee. Affiliate shall not mean, with respect to any of Licensor, Grupo Televisa or GT, (x) any person that controls GT, (y) any person under common control with, but not directly or indirectly controlled by, GT, or (z) Licensee or any of Licensee’s Affiliates.

“Agreement” has the meaning set forth in the Preamble.

“Allocations” means allocations made by Licensee or its Affiliates of revenues from transactions, or series of related transactions, that are both (a) excluded in part from the definition of the Royalty Base; and (b) included in part in the definition of the Royalty Base.

“Amended and Restated 2011 Mexico License Agreement” has the meaning set forth in the Recitals.

“Ancillary Content” means, with respect to Licensed Content, “best of” compilations, deleted scenes, bloopers, B-roll footage, webisodes, mobisodes, behind-the-scenes material, alternate endings, cast interviews, Short-Form Commercial Advertising promoting Licensed Content (e.g. a commercial for a Novela) and other similar short-form Audiovisual Content, in each case, that is related to, based on, or supplementary to such Licensed Content; provided, that neither Televisa Produced Clips nor Licensee Produced Clips shall constitute Ancillary Content.

“Ancillary Content Budget” means the budget for any applicable production of Ancillary Content, which budget shall be delivered by Licensor promptly following Licensee’s delivery of a notice requesting such production.

“Appraiser Report” has the meaning set forth in Section 16.3(d).

“Arbitrable Matters” has the meaning set forth in Section 15.1(a).

“Arbitration Procedure” has the meaning set forth in Section 15.1(d)(ii).

“Audiovisual Content” shall mean all forms of moving images with accompanying sound, including novelas, musicals, variety shows, situation comedies, game shows, children’s shows, news shows, cultural and educational programs, sports programs, sporting events, reality shows, movies, political conventions, election coverage, parades, pageants, fashion shows, “how-to” and other informational programs, interviews, animation and demonstrative content. For the avoidance of doubt, references herein to “Audiovisual Content” shall not include (a) Videogames; or (b) Short Form Commercial Advertising for third party goods and services.

“Availability Notice” has the meaning set forth in Section 7.2(a).

“BMPI” has the meaning set forth in the Recitals.

“Broadcast” means to transmit, re-transmit, distribute, display, project, perform or otherwise disseminate Audiovisual Content to, or for, reception by any form of viewing, display or other reception device, whether now known or hereafter developed in the future.

“Business Day” means any day that is not a Saturday, a Sunday or other day on which banks are required or authorized by Law to be closed in the City of New York or Mexico City.

“Cable Television System” shall have the same meaning as that set forth for a “cable system” in 47 U.S.C. § 522(7).

“Carve Out Business” means a business (other than Publications and websites directly related thereto) acquired as part of a larger acquisition, a significant aspect of which in terms of

prospects and either (a) operations or (b) results of operations, consists of Broadcast of Spanish language Audiovisual Content in the Territory . Notwithstanding the foregoing, in the case of a Carve Out Business that is a Start-Up Business, the standard for determining whether a significant aspect of such business consists of Broadcast of Spanish language Audiovisual Content in the Territory shall be based on either the prospects or proposed results or operations of such business. For the avoidance of doubt, a “Carve Out Business” would not include any Videogame business or opportunities.

“ Charitable/Religious Content ” means any Audiovisual Content consisting exclusively of (a) a religious service, or (b) charitable and non-commercial specials (e.g. telethons, presidential speeches).

“ Clearances ” shall mean (a) all consents, permissions and approvals for incorporation into Licensed Content of the names, trademarks, likenesses and or biographies of all persons, firms, products, companies and organizations depicted or displayed in such Licensed Content, (b) all consents, permissions and approvals for incorporation into Licensed Content of any preexisting film or video footage produced by third parties, and (c) all licenses, use and reuse rights, synchronization licenses, digital rights, and other rights to use content incorporated into such Licensed Content, including musical compositions.

“ Clip Exchange Arrangements ” means bona fide clip and highlight reel exchange agreements involving no or de minimis cash consideration, entered into from time to time between Licensor or Licensee, on the one hand, and unaffiliated Television Broadcasters or other third parties engaged in the Broadcast of Linear Television Channels, on the other hand, in the ordinary course and consistent with industry custom and practice (including regarding clip duration) in the Territory.

“ Co-Produced Content ” means any Audiovisual Content (other than a Novela, Acquired Completed Novela, Acquired Completed Content, Televisa Produced Format Content, Third-Party Produced Format Content, Co-Produced Local Novela or Excluded Content) that is (a) originally produced for Broadcast in the Spanish language or with Spanish subtitles, (b) with respect to which Grupo Televisa is involved in any manner in the development, production and/or financing, and (c) that is not wholly produced and wholly financed by Grupo Televisa. For clarity, Co-Produced Content includes both (i) Audiovisual Content that is produced and financed by Grupo Televisa together with any one or more unaffiliated third parties (collectively, the “ Co-Production Partners ”) who are involved in the production or financing (other than any co-production directly or indirectly between Grupo Televisa and any Television Broadcaster in the Territory, which will not be permitted under any circumstances), including involvement by the applicable Co-Production Partner(s) by means of (A) providing a Script, (B) providing other creative element(s) (e.g., key cast member, key artistic director, executive director and/or executive producer), (C) providing a portion of the production financing, or (D) meaningfully participating in, or exercising meaningful controls or approvals over, the development and production of such Audiovisual Content, and (ii) Audiovisual Content that is produced by an unaffiliated third party (other than with any Television Broadcaster in the Territory, which will not be permitted under any circumstances), and with respect to which Grupo Televisa has any involvement in the production or financing, including by means of (A) providing a portion of the production financing, (B) providing equipment to such third party for use in the production of

such Audiovisual Content, or (C) permitting talent that is exclusive or proprietary to and under contract to Grupo Televisa to appear or participate in the production of such Audiovisual Content by such third party.

“Co-Produced Local Novela” means a Novela (other than an Acquired Completed Novela) to be Broadcast initially in a Spanish-speaking country (outside the Territory and Mexico), that is originally produced for Broadcast in the Spanish language or with Spanish subtitles in such Spanish-speaking country (outside of Mexico and the Territory) and is co-produced by Grupo Televisa with a third party (other than pursuant to a co-production agreement directly or indirectly between Grupo Televisa and any Television Broadcaster in the Territory, which will not be permitted under any circumstances), in each case, pursuant to a co-production agreement between Grupo Televisa and such third party.

“Co-Production Partners” has the meaning set forth in the definition of Co-Produced Content.

“CPM” has the meaning set forth in Section 11.5(a).

“Core Controls” has the meaning set forth in Section 4.1(b)(iii).

“Current Pantelion LLC Agreement” has the meaning set forth in Section 3.5(f).

“Dispute Notice” has the meaning set forth in Section 15.1(d)(i).

“Divested Script” has the meaning set forth in Section 2.6(b).

“DTO” means the “a la carte” sale or other similar transaction through Licensed Media involving the sale of a permanent copy of Audiovisual Content embodied in any form other than Hard Good Home Videograms, which transaction is consummated by means of Broadcast to any device whether now known or hereafter devised (e.g., a set-top box, computer, cellular phone, mp3 player, PDA or other storage device) from an outside source for subsequent unlimited viewing in perpetuity, as determined by the applicable buyer or assignee.

“DTR” means the “a la carte” rental, lease or other similar transaction, or a subscription based transaction, through Licensed Media, regarding a non-permanent copy of Audiovisual Content embodied in any form other than Hard Good Home Videograms, (a) which transaction is consummated by means of Broadcast to any device whether now known or hereafter devised (e.g., a set-top box, computer, cellular phone, mp3 player, PDA or other storage device) from an outside source for subsequent viewing during a limited time period, as determined by the applicable lessor; and (b) with respect to which the applicable lessee pays a subscription, per-episode or per-program fee for a temporary copy of such Audiovisual Content.

“Effective Date” has the meaning set forth in the preamble.

“Estimated CPM” has the meaning set forth in Section 11.5(a).

“Evaluation Period” has the meaning set forth in Section 4.3(b)(ii).

“Excluded Content” means:

- (a) Televisa Publications Content;
- (b) Televisa Produced Clips (provided, that Audiovisual Content underlying Televisa Produced Clips shall not be considered Excluded Content);
- (c) Short Form Commercial Advertising promoting any Grupo Televisa business;
- (d) Televisa Training Content;
- (e) clips obtained, licensed or acquired by Grupo Televisa pursuant to Clip Exchange Arrangements with respect to the Territory, which clips shall only be Broadcast by Grupo Televisa in the ordinary course in accordance with such Clip Exchange Arrangements; or
- (f) Televisa New Business Content.

“Expedited Sublicensing Arrangement” has the meaning set forth in Section 4.3(b)(iii).

“FCA Section 507” means Section 507 of the Federal Communications Act of 1934, as amended and as applied and enforced pursuant to rulings issues by the FCC.

“FCC” means the Federal Communications Commission.

“First Division” means the Primera División of the Mexican Soccer League.

“Force Majeure Event” has the meaning set forth in Section 20.2.

“Format” means any format or similar written intellectual property that sets forth the concept, characters, situations, aesthetic qualities, and/or branding of multi-episode (a) game shows, (b) reality shows or (c) other Audiovisual Content; provided, that in no event shall a Format include any substantial plotlines, dialogue or shots.

“Free Television” means a Linear Television Channel that is Broadcast “over-the-air” (whether in digital or analog format, standard definition or high definition, or otherwise) and which originates in or through government-licensed or authorized broadcast stations (either as part of a television network, as an affiliated station, as an individual station or otherwise) without a charge being made to the viewer for the privilege of viewing the Audiovisual Content contained in such over-the-air Broadcast (other than any tax, levy or fee imposed by any governmental, administrative or other public authority in the Territory). For the avoidance of doubt, “Free Television” shall also include any simultaneous (taking into account customary delays) re-transmission or simulcasts in the Territory of such “over-the-air” Broadcast (or additional national feeds to accommodate time zones) by means of any other Licensed Media (including pursuant to MVPD Arrangements and permitted Sublicensing Arrangements).

“GAAP” means generally accepted accounting principles in the United States of America in effect from time to time consistently applied.

“Galavision Network” means the Galavision Spanish language television network of affiliated cable television systems and other affiliated Broadcast outlets Broadcasting the Galavision Network in the Territory.

“Galavision Trademark License Agreement” has the meaning set forth in Section 20.1(c).

“General Requirements” has the meaning set forth in Section 4.1(b).

“Grandfathered Pantelion Movies” has the meaning set forth in the Pantelion Letter Agreement.

“Grupo Televisa” has the meaning set forth in the Recitals.

“GT” has the meaning set forth in the Recitals.

“Guaranteed Additional Advertising Amount” has the meaning set forth in Section 11.2.

“Guaranteed Advertising Amount” has the meaning set forth in Section 11.2.

“Guaranteed Base Advertising Amount” has the meaning set forth in Section 11.2.

“Hard Good Home Videogram” means a physical videocassette, cartridge, videodisc (including any laser disk), tape, CD (in any format), Blu-ray, DVD (in any format), or other similar physical format or storage device now known or hereafter devised (a) that is designed to be used in conjunction with a reproduction apparatus which causes an audiovisual program to be visible on the screen of a viewing device (it being understood that the Hard Good Home Videogram cannot itself be the reproduction apparatus or the viewing device); (b) on which a single item of Audiovisual Content or a reasonable (determined based on then prevailing industry standards) collection of Audiovisual Content has been pre-loaded by the applicable manufacturer or distributor; (c) that is encrypted or otherwise secured for copy protection to prevent duplication and/or retransmission by consumers in a manner consistent with then prevailing industry standards; and (d) that is delivered to the consumer by physical means (as opposed to a non-physical form of delivery (e.g., a download or stream)). For the avoidance of doubt, Broadcast by means of a “Hard Good Home Videogram” shall not include video-on-demand, DTO, DTR or any form of digital distribution or other similar form of Broadcast now known or hereafter devised.

“Home Games” means, with respect to a Mexican Soccer League team, (a) games in which such team plays as the “home” team; and (b) any other games in which such team plays (such as neutral site games) for which Grupo Televisa owns or controls any rights to Broadcast in any Licensed Media in the Territory during the Term.

“Indebtedness” has the meaning set forth in the Investment Agreement.

“Indemnification Notice” has the meaning set forth in Section 13.3.

“Indemnitee” has the meaning set forth in Section 13.3.

“Indemnitor” has the meaning set forth in Section 13.3.

“Independent Appraiser Process” has the meaning set forth in Section 16.3(d).

“Information Tail Date” means the date that is the earlier of the termination of this Agreement or the third (3rd) anniversary of a Televisa Sell-Down.

“Informational Meetings” has the meaning set forth in Section 2.8(a).

“Initial Appraisers” has the meaning set forth in Section 16.3(d).

“International Program Rights Agreement” means that certain Amended and Restated International Program Rights Agreement dated December 19, 2001, among Licensee, GT and Venevision International Inc.

“Internet” means the internet or similar systems, now existing or hereafter developed.

“Investment Agreement” has the meaning set forth in the Recitals.

“IPRA Amendment” has the meaning set forth in the Recitals.

“JSA Income” means income received by any of Licensee and its controlled Affiliates under joint marketing and sales agreements for stations owned, but not operated, by Licensee or any of its subsidiaries, and affiliated with one of the Networks.

“Law” means any statute, law, ordinance, regulation, rule, code, injunction, judgment, decree, order or any other judicially enforceable legal requirement (including common law) of any United States (federal, state or local) or foreign government, or governmental, regulatory, judicial or administrative authority, agency, commission or court (including the FCC and applicable stock exchange(s)).

“Library Availability Notice” has the meaning set forth in Section 7.2(b).

“Library Programs” means Licensed Content produced or acquired by Grupo Televisa prior to October 4, 2010.

“Licensed Content” means, without duplication, all (a) Programs, (b) Movies, (c) Televisa Publications Content, (d) Ancillary Content; (e) Televisa Produced Clips; (f) Licensee Produced Clips; (g) Licensed Mexican Soccer Games, (h) Pantelion Movies, and (i) other Audiovisual Content licensed hereunder.

“Licensed Media” means any and all means and media for the Broadcast of Audiovisual Content, whether now known or hereafter devised, excluding (a) Radio; (b) Theatrical Exhibition; (c) Hard Good Home Videograms; and (d) Videogames. For the avoidance of doubt, the exclusions from “Licensed Media” under clauses (a)-(d) of the immediately preceding sentence are intended to provide that Licensee will not have the right hereunder (i) with respect to Radio, to transmit, re-transmit, distribute, perform or otherwise disseminate the audio portion of any Licensed Content on Radio (other than as audio promotions to the extent permitted

hereunder); (ii) with respect to Theatrical Exhibition, to Broadcast any Licensed Content by means of Theatrical Exhibition; (iii) with respect to Hard Good Home Videograms, to create, produce, distribute, sell or otherwise exploit Hard Good Home Videograms embodying Licensed Content; and (iv) with respect to Videogames, to develop, create, produce, distribute, sell or otherwise exploit Videogames based on Licensed Content (e.g., to create Videogames based on the characters and plotlines contained in Licensed Content).

“ Licensed Mexican Soccer Games ” means all Mexican Soccer League games for which Licensee has been licensed Soccer Rights.

“ Licensed Rights ” has the meaning set forth in Section 1.1(a).

“ Licensed Soccer Rights ” means, collectively, all Owned Team Soccer Rights and Non-Owned Team Soccer Rights.

“ Licensee ” has the meaning set forth in the Preamble.

“ Licensee Facility Location ” has the meaning set forth in Section 3.7(a)(i)(A).

“ Licensee Indemnitees ” has the meaning set forth in Section 13.1.

“ Licensee Permitted Spillover Contour ” has the meaning set forth in Section 3.7(a)(i)(A).

“ Licensee Produced Clips ” means clips, vignettes, video recaps, highlight reels or other similar short-form Audiovisual Content produced by Licensee that are composed of excerpts from Programs, Movies, Pantelion Movies and Licensed Mexican Soccer Games, in each case, licensed by Licensor to Licensee hereunder.

“ Licensee Spillover ” has the meaning set forth in Section 3.7(a)(i)(A).

“ Licensor ” has the meaning set forth in the Preamble.

“ Licensor Facility Location ” has the meaning set forth in Section 3.7(a)(i)(B).

“ Licensor Indemnitees ” has the meaning set forth in Section 13.2.

“ Licensor Permitted Spillover Contour ” has the meaning set forth in Section 3.7(a)(i)(B).

“ Lionsgate ” has the meaning set forth in Section 3.5(a).

“ Linear Television Channel ” means a channel, network or programming service that Broadcasts Audiovisual Content in a manner that is linear-streamed, programmed and transmitted to viewers in a continuous and sequential manner, scheduled by the channel, network or programming service (and not by the viewer) during a significant majority of each consecutive twenty-four hour period.

“ Losses ” has the meaning set forth in Section 13.1.

“ Major Event Content ” means Audiovisual Content comprised of (i) live sports events

(e.g., Olympics, FIFA World Cup, MLS Soccer) or entertainment special events (e.g., Latin Grammy Awards, Miss Universe), and (ii) customary programming related to the events described in the foregoing clause (i) that are produced or acquired under license from the underlying rights holder (e.g., halftime shows, “red carpet” shows); it being understood that Licensed Soccer Rights are addressed in accordance with and pursuant to the terms and conditions, and subject to the exceptions and inclusions, in Section 10.

“Mexican Soccer Fee” has the meaning set forth in Section 10.2(b)(ii).

“Mexican Soccer League” means the group of Mexican professional soccer clubs (and divisions of teams) governed by the Federación Mexicana de Fútbol Asociación, along with any of its present or future Affiliates, subsidiaries, assigns and/or successors.

“Mexican Soccer License Agreement” means a written license agreement between Grupo Televisa and a third party, pursuant to which Grupo Televisa licenses rights from such third party to Broadcast games of a team that is, at the time that such license agreement is entered into, a Non-Owned Team, in one or more Licensed Media in the Territory at any time during the Term.

“Mexico” means the United Mexican States, including all territories and possessions thereof.

“Mid-Range” has the meaning set forth in Section 16.3(d).

“Movies” means feature length motion pictures originally produced in the Spanish language or with Spanish subtitles that are intended for initial Broadcast to the public by means of Theatrical Exhibition or Hard Good Home Videograms. Notwithstanding the foregoing, Movies do not include Pantelion Movies.

“Musical Concert” shall mean Audiovisual Content comprised exclusively of the musical performances of one or more music performing artists (which for the avoidance of doubt shall not include award shows or other variety shows or other live events that may contain musical performances).

“Mutual Release” has the meaning set forth in the Recitals.

“MVPD” means a multichannel video programming distributor of Audiovisual Content, as commonly understood in the media industry in the Territory (e.g., cable, SMATV, MDS, MMDS, OVS, satellite or telecommunications distributor), or other entity that markets, offers and provides video programming to its paying subscribers or paying customers (regardless of the technology used).

“MVPD Arrangement” means a distribution, retransmission consent, or other carriage agreement (and any amendments extensions and renewals thereof) between Licensee and/or its controlled Affiliate(s) and any MVPD, in each case pursuant to which, among other things, such distributor or other entity is authorized or required to retransmit, distribute, exhibit or otherwise make available to its subscribers or customers, on a linear basis, a Linear Television Channel provided by Licensee and/or its controlled Affiliate(s), on terms consistent with industry practice. For the avoidance of doubt, a MVPD Arrangement may, consistent with industry

practice, also include arrangements with respect to non-linear Audiovisual Content offerings (e.g., on-demand) and interactive features (e.g., iTV) of the relevant MVPD, which arrangements may be complementary or supplementary to the Linear Television Channel being provided by Licensee and/or its controlled Affiliate(s) thereunder.

“National Representation Commissions” means fees charged by any of Licensee and its controlled Affiliates to their Network Affiliates for acting as a national television advertising sales representative.

“Net DTO Margin” means the gross revenues actually collected by Licensee or its controlled Affiliates from the DTO exploitation of Licensed Content in the Territory during the Term, minus all actual, direct, out-of-pocket, third party costs and expenses, including incremental costs of obtaining third party rights clearances for DTO exploitation (e.g., synchronization, artists, musicians, writers, publishers, producers, American Society of Composers, Society of European Stage Authors, composers, and public performance rights, etc.) and collection costs (credit card, paypal, prepaid). For the avoidance of doubt, Net DTO Margin shall not include any revenue or costs derived from the DTO exploitation of any Audiovisual Content that is not licensed by Licensor hereunder.

“Network Affiliates” means any third party television station, cable operator, satellite operator or any other third party, in each case, that is party to a Network Affiliation Agreement.

“Network Affiliation Agreement” means a bona fide contractual agreement or arrangement between Licensee and a third party with respect to the right to Broadcast by means of Free Television all or six (6) hours or more per day of any Free Television channel.

“Networks” means the Univision Network, the Galavision Network, the Telefutura Network, and any Spanish language television network of affiliated television Broadcast stations, cable systems and other affiliated Broadcast outlets Broadcasting over the Stations in Puerto Rico described in clause (b) of the definition of “Stations” (in each case, for so long as it is owned by Licensee or any of its subsidiaries).

“Non-Owned Teams” means First Division teams other than the Owned Teams.

“Non-Owned Team Soccer Rights” has the meaning set forth in Section 10.2(a).

“Novela” means Audiovisual Content originally produced in the Spanish language or with Spanish subtitles that is customarily understood by producers and distributors of Audiovisual Content for Spanish-speaking audiences in the Territory to be a novela, consistent with the examples of novelas set forth on Schedule 11 hereto.

CONFIDENTIAL TREATMENT: GRUPO TELEVISIA, S.A.B. HAS REQUESTED THAT THE OMITTED PORTIONS OF THIS DOCUMENT, WHICH ARE INDICATED BY *** , BE AFFORDED CONFIDENTIAL TREATMENT. GRUPO TELEVISIA, S.A.B. HAS SEPARATELY FILED THE OMITTED PORTIONS OF THE DOCUMENT WITH THE SECURITIES AND EXCHANGE COMMISSION .**

“Non First Division Period” has the meaning set forth in Section 10.1(e).

“Owned Teams” means, initially, the following Mexican Soccer League teams: *América*, *San Luis* and *Necaxa*, and after the date hereof, shall exclude any team that is sold by Grupo Televisa and shall include any team that becomes treated as an Owned Team pursuant to Section 10.1(d)(ii).

“Owned Team Soccer Rights” has the meaning set forth in Section 10.1(a).

“Packaged Sales” means sales in a single transaction or a series of related transactions that generate both (a) revenues, including advertising, (by whatever name, categorization or characterization thereof) that are included in the Royalty Base; and (b) revenues, including advertising, (by whatever name, categorization or characterization thereof) that are excluded from the Royalty Base. By way of example only and not in limitation of the generality of the preceding sentence, a series of related transactions would include (i) negotiations which occur simultaneously or concurrently across multiple platforms based on the revenue source’s expressed spending commitment by platform during those negotiations; or (ii) a revenue source, after making a network television-only upfront purchase specifically requesting to reduce that commitment to network and direct the reduced amount to another platform either locally or nationally. By way of further example and not in limitation of the generality of the second preceding sentence, an unrelated series of transactions would include discrete transactions resulting from multiple negotiations which take place throughout the year across different platforms as directed by the revenue source and/or its agent.

“Packaged Sales Transaction Process” means the full sales and negotiations process and final result of each transaction, including the original proposed pricing and final pricing, of Packaged Sales.

“Pantelion” has the meaning set forth in Section 3.5(a).

“Pantelion Amendments” has the meaning set forth in the Recitals.

“Pantelion Letter Agreement” has the meaning set forth in the Recitals.

“Pantelion LLC Agreement” has the meaning set forth in Section 3.5(a).

“Pantelion Movies” means feature length motion pictures that are (a) originally produced in the Spanish language or with Spanish subtitles; (b) acquired by Pantelion or produced or co-produced by Pantelion; and (c) intended for initial Broadcast to the public by means of Theatrical Exhibition or Hard Good Home Videograms. For the avoidance of doubt, any co-productions

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with any member or any of its Affiliates must include one or more third party(ies) such that the applicable co-production would constitute Co-Produced Content.

“Pantelion Parties” has the meaning set forth in Section 3.5(b)(i).

“Participation Agreement” has the meaning set forth in the Recitals.

“Prior Effective Date” has the meaning set forth in the Recitals.

“Process Agent” has the meaning set forth in Section 15.6.

“Programs” means all Audiovisual Content originally produced in the Spanish language or with Spanish subtitles, whether live (i.e. contemporaneously Broadcast), filmed, taped or otherwise recorded or available for Broadcast, to which Grupo Televisa owns or controls Broadcast rights in the Licensed Media during the Term in the Territory (whether produced by or for Grupo Televisa, co-produced by Grupo Televisa or acquired or licensed by Grupo Televisa), other than (a) Excluded Content (it being understood that any Excluded Content that, at any time, ceases to qualify under the definition thereof for any reason, and would otherwise satisfy the definition of “Programs”, shall thereafter immediately and automatically constitute Programs); (b) Licensed Mexican Soccer Games; (c) Movies; (d) Pantelion Movies; (e) Ancillary Content; or (f) any of Acquired Completed Novelas, Televisa Produced Format Content, Third-Party Produced Format Content, Acquired Completed Content, Co-Produced Local Novelas, Televisa Local Novelas or Co-Produced Content, in each case, with respect to the items described in clause (f), only to the extent that Grupo Televisa does not own or control the right to Broadcast such Audiovisual Content in the Territory after complying with the provisions of Section 2. For the avoidance of doubt, to the extent Grupo Televisa owns or controls rights to Broadcast any of the Audiovisual Content described in clause (f) in any Licensed Media in the Territory, whether now or in the future, such Audiovisual Content shall constitute Programs to the extent it would otherwise satisfy the definition of “Programs” and such rights shall be licensed by Licensor to Licensee hereunder to the full extent of Grupo Televisa’s rights.

“Promotional Obligations” means bona fide promotional obligations that Grupo Televisa’s live event business has to one or more third parties (which may include venues or artists), and that are required to be satisfied in connection with the exercise of live Internet streaming Broadcast rights in the Territory to a live event (other than a live sporting event) owned or controlled by Grupo Televisa’s live event business.

“Proposed New Business” means a proposed new business (other than Publications and websites directly related thereto) in a line of business involving the Broadcast of Spanish language Audiovisual Content in the Territory that would be new for Licensee (Grupo Televisa shall not pursue any new business in a then existing line of business for Licensee), a significant aspect of which in terms of the Proposed New Business’ proposed operations, results of operations or prospects consists of Broadcast of Spanish language Audiovisual Content in the Territory (which, for example and not in limitation, would include a proposed goods and services or informational website(s) with complementary Audiovisual Content offerings that are a significant aspect of the business, such as the example set forth on Schedule 12-1, but would not include a proposed business such as the example set forth on Schedule 12-2 that utilizes

Audiovisual Content primarily for advertising or promotional purposes only and/or for which Audiovisual Content does not constitute a significant part of the business). For the avoidance of doubt, a “Proposed New Business” would (i) include a proposed expansion of an existing non-Spanish language business into a Spanish language business, provided that the other criteria of the definition of Proposed New Business are satisfied; and (ii) not include any Videogame businesses or opportunities.

“Proposed Transaction Notice” has the meaning set forth in Section 4.3(b)(i).

“Publication” means a bona fide general circulation print and/or digital magazine, journal or periodical that (a) is published on a regularly scheduled interval (subject to “refreshing” of content from time to time); (b) contains a significant amount of text-based stories, articles or other editorial content and/or photographic still images; (c) may contain audio content, video content and/or Audiovisual Content that is related or complementary to the textual stories, articles or other editorial content; and (d) is available to consumers either on a paid subscription, access or per-issue basis, or on an advertiser supported basis.

“Quality Standards” has the meaning set forth in Schedule L.

“Radio” means audio programming, unaccompanied by any moving images, transmitted, re-transmitted, distributed, performed or otherwise disseminated to, or for, reception by any form of listening or other reception device, including by way of satellite or the Internet in a digital format.

“Replacement Station” has the meaning set forth in Section 17.1(a).

“Restricted Movies” means those Movies set forth on Schedule 13; provided that if at any time Grupo Televisa (i) solely owns or controls any Broadcast rights in any Licensed Media to any Restricted Movie, such Movie shall cease to be a Restricted Movie hereunder and shall become Licensed Content to the full extent of such rights owned or controlled by Grupo Televisa, or (ii) jointly owns or controls such rights with any third party, Licensor shall put Licensee in contact with such third party and use commercially reasonable efforts to facilitate a negotiation between Licensee and such third party so that Licensee may attempt to acquire or license such rights (it being understood that Licensee shall not have to make any payment in respect of the portion of such rights owned or controlled by Grupo Televisa); provided, further, that Grupo Televisa shall have no obligation to obtain or seek to obtain such rights.

“Right of First Negotiation” means that, with respect to the applicable arrangement, the parties shall negotiate in good faith and on a commercially reasonable basis for a period of thirty (30) days; provided, that if no agreement has been reached during such period, the party bearing the obligation to provide the Right of First Negotiation shall have no further obligation to negotiate with the other party and shall be free to negotiate with third parties with respect to the applicable arrangement. The initial thirty (30) day negotiation period shall commence on a date reasonably designated in writing by the party bearing the obligation to provide the Right of First Negotiation after good faith consultation with the other party.

“Right of First Negotiation / First Refusal” means that, with respect to the applicable arrangement, the parties shall negotiate in good faith and on a commercially reasonable basis for

a period of thirty (30) days; provided, that if no agreement has been reached during such period, the party bearing the obligation to provide the Right of First Negotiation / First Refusal shall have no further obligation to negotiate with the other party and shall be free to negotiate with third parties with respect to the applicable arrangement; provided, further, that the party bearing the obligation to provide the Right of First Negotiation / First Refusal shall not conclude any arrangement with any third party on the same terms or terms that, taken together, are less favorable to it (all things considered) than those terms that have been offered to the other party, without providing the other party five (5) Business Days to either accept or reject the applicable arrangement on such new terms. The initial thirty (30) day negotiation period shall commence on a date reasonably designated in writing by the party bearing the obligation to provide the Right of First Negotiation / First Refusal after good faith consultation with the other party.

“Rights Restrictions” means, with respect to any rights, any bona fide third party reservation, holdback, limitation, or condition (a) binding under applicable Law or contractually or unilaterally imposed by a third party (including any owner, holder, creator or performer of such rights) upon Licensor as a licensee, purchaser or authorized user of intellectual property rights from a third party; and (b) relating to the manner in which such rights may be exploited. As illustrative examples, Rights Restrictions may include a restriction on the media, territory, times, frequency, platforms, or languages in which such intellectual property rights or premises may be exploited.

“Royalty” has the meaning set forth in Section 9.1(a).

“Royalty Base” has the meaning set forth in Section 9.1(d)(i).

“Royalty Base Platforms” has the meaning set forth in Section 9.1(d)(i).

“Sales Agency Agreement” has the meaning set forth in the Recitals.

“Script” means a script, production bible or other written similar intellectual property which may be used as a primary source for production of any Audiovisual Content; provided, that no Format shall be a Script.

“Second Amended and Restated Guaranty” means the Second Amended and Restated 2011 PLA Guaranty entered into by Grupo Televisa (as Guarantor) in favor of Licensee as of the date hereof, with effect as of the Effective Date.

“SEC” means the Securities and Exchange Commission.

“Short Form Commercial Advertising” means advertising spots and commercials, banner advertising, pop up advertising and any similar forms of display advertising, audio advertising, text advertising or additional video advertising or audiovisual advertising or a combination of any of the above, in each case, limited to a maximum duration of two (2) minutes.

“Soccer Arrangements” has the meaning set forth in the English Language Mexico Soccer Agreement.

“Soccer Rights” has the meaning set forth in Section 10.1(b).

“Spanish Language Platform” means an audiovisual platform (e.g., a Linear Television Channel or network, linear programming service, non-linear programming service, website, mobile platform, video-on-demand service or other similar platform whether now known or hereafter devised) on which (a) any Audiovisual Content is then being Broadcast or, if such platform is owned by Licensee, has previously been Broadcast during the time that Licensee owned such platform, or if such platform is not owned by Licensee, has previously been Broadcast at any time; and (b) more than a majority of the content thereon is comprised of Spanish language text (excluding closed captioning, translation and other similar functionality), Spanish language audio (excluding any secondary audio program (SAP) or other similar functionality), and/or Spanish language Audiovisual Content.

“Spanish-Speaking Country” means Mexico and any other country that has, or is then generally recognized to have, Spanish as one of its official languages or primary languages. For purposes of this Agreement, the United States shall not be deemed to be a Spanish-Speaking Country.

“Special Library Programs” has the meaning set forth in Section 8.1(b).

“Specified Channels” means (a) the Univision Network, the Galavision Network and the Telefutura Network; (b) the TuTv Networks; and (c) any additional existing or new Spanish language Linear Television Channels owned or operated by Licensee (including any Grupo Televisa Spanish language Linear Television Channels licensed to Licensee hereunder) that are distributed, transmitted and retransmitted in a manner consistent with the then current distribution or transmission of the Networks and/or the TuTv Networks.

“Specified Stations” means Stations which Broadcast primarily in the Spanish language in any of the top fifteen (15) Hispanic markets in the United States, as measured by the annual Nielson Universal Estimates (or such other ratings estimate from a then leading ratings agency as is then an acceptable industry standard as agreed by the parties) for ages 18+ or any successor standard (or any Replacement Station thereof).

“Stand Alone Business” means an existing stand alone business (other than Publications and websites directly related thereto), a significant aspect of which in terms of prospects and either (a) operations; or (b) results of operations, consists of Broadcast of Spanish language Audiovisual Content in the Territory (which, for example, would include goods and services websites with complementary Audiovisual Content offerings that are a significant aspect of the business, such as the example set forth on Schedule 12-1, but would not include companies such as the example set forth on Schedule 12-2 that utilize Audiovisual Content primarily for advertising or promotional purposes only and/or for which Audiovisual Content does not constitute a significant part of the business). Notwithstanding the foregoing, in the case of a Stand Alone Business that is a Start-Up Business, the standard for determining whether a significant aspect of such business consists of Broadcast of Spanish language Audiovisual Content in the Territory shall be based on either the prospects or the proposed operations or proposed results of operations of such business. For the avoidance of doubt, a “Stand Alone Business” would not include any Videogame businesses or opportunities.

“Start-Up Business” means a business that has been in operation for less than three (3)

years.

“Stations” means, without duplication, (a) those Free Television Broadcast stations, cable television systems and other television Broadcast outlets affiliated with the Networks that are now or hereafter (i) directly or indirectly majority owned by Licensee or a direct or indirect subsidiary of Licensee or with respect to which Licensee or a direct or indirect subsidiary of Licensee has the right to designate a majority of the board or similar governing body; and (ii) operated by Licensee, in each case with respect to clauses (i) and (ii), which Broadcast primarily in the Spanish language format; and (b) WLII and WSUR in Puerto Rico.

“Stockholders Agreement” means that certain Amended and Restated Stockholders Agreement by and among BMPI, Broadcast Media Partners Holdings, Inc., Licensee and certain stockholders of BMPI dated as of December 20, 2010, as amended from time to time.

“Sublicensing Arrangement” means any sublicense or contractual arrangement to sublicense or otherwise exploit by Licensee or a controlled Affiliate of Licensee to any person that is not a controlled Affiliate of Licensee any of the Licensed Rights in and to Licensed Content, but excluding (a) Network Affiliation Agreements; (b) MVPD Arrangements; (c) UIN Arrangements (including any arrangements for UIN Branded Experiences); and (d) Clip Exchange Arrangements (i.e., none of the arrangements referenced in (a)-(d) shall be considered Sublicensing Arrangements).

“Technical Specifications” means the technical specifications for a Technological Enhancement that are provided by Licensee.

“Technological Enhancement” means, with respect to an item of Licensed Content, any conversion, enhancement optimization, reformatting, coding, provisioning or other similar process used to create such Licensed Content in, or convert or adapt such Licensed Content into, any format that can be used for the Broadcast of Audiovisual Content. Notwithstanding the foregoing, the term “Technological Enhancement” shall not include conversion from analog to digital formats.

“Technology Services Budget” means the budget for any applicable conversion or Technological Enhancement of an item of Licensed Content, which budget shall be (a) no greater than the sum of the actual, out-of-pocket costs paid by Grupo Televisa in order to complete such digitization or Technological Enhancement, plus a reasonable internal overhead cost allocation (consistent with Grupo Televisa’s standard practices for pricing such services for use among its internal departments and divisions); and (b) delivered by Licensor promptly following Licensee’s delivery of a Technology Services Request. The amounts charged to Licensee shall be no greater than the market price (i.e., on an arms length basis) for the services in question.

“Technology Services Request” means a written notice requesting that a given item of Licensed Content be converted into, or created in, a particular format by means of a digital conversion or Technological Enhancement process, which notice shall include (a) any applicable Technical Specifications; and (b) the desired schedule for the completion of such conversion or Technological Enhancement, in each case, in detail reasonably specific and sufficient to permit Licensor to evaluate Licensee’s request.

“Telefutura Network” means the Telefutura Spanish language television network of affiliated television Broadcast stations, cable systems and other affiliated Broadcast outlets Broadcasting the Telefutura Network in the Territory.

“Telefutura Payment” has the meaning set forth in the Amended and Restated 2011 Mexico License Agreement.

“Telemundo” has the meaning set forth in Section 3.4(a).

“Televisa Advertising” has the meaning set forth in Section 11.2.

“Televisa Carve Out Business Content” has the meaning set forth in Section 16.3(b).

“Televisa Channel” means any Linear Television Channel owned or controlled by Grupo Televisa and Broadcast by Grupo Televisa in any Licensed Media, in each case, whether existing on the date hereof or created hereafter.

“Televisa Channel Marks” has the meaning set forth in Schedule 1.

“Televisa Closing” has the meaning set forth in the Stockholders Agreement.

“Televisa Editing and Dubbing Appointee” means a Licensor employee who is capable of making editorial and dubbing decisions with respect to Televisa Audiovisual Content based on the knowledge he or she has of Grupo Televisa’s production and editing processes, and guidelines to maintaining the integrity of the Licensed Content.

“Televisa Local Novela” means a Novela (other than an Acquired Completed Novela) to be Broadcast initially in a Spanish-speaking country (outside the Territory and Mexico), originally produced by a third party (other than directly or indirectly by any Television Broadcaster in the Territory) for Broadcast in the Spanish language or with Spanish subtitles in such Spanish-speaking country outside of Mexico and the Territory based on a Script owned or controlled by Grupo Televisa.

“Televisa New Business Content” means Televisa Proposed New Business Content, Televisa Stand Alone Business Content and Televisa Carve Out Business Content.

“Televisa Proposed New Business Content” has the meaning set forth in Section 16.1(b).

“Televisa Produced Clips” means clips, vignettes, video recaps, highlight reels or other similar short-form Audiovisual Content produced by Grupo Televisa that are composed of excerpts from Programs, Movies and Licensed Mexican Soccer Games licensed by Licensor to Licensee hereunder, and that are (a) in the case of Novelas, excerpts from any episode of a Novela no greater than thirty (30) seconds in the aggregate in duration from any one episode; (b) in the case of sports events, excerpts from any such event limited to highlights of such event of not more than two (2) minutes per highlight clip and ten (10) minutes in the aggregate from such event; and (c) in the case of Programs (other than Novelas and sports events) and Movies, excerpts from any episode or item (as applicable) of such content, in each case, no greater than sixty (60) seconds in the aggregate in duration from any one episode or item (as applicable) of

such content.

“Televisa Produced Format Content” has the meaning set forth in Section 2.6(e).

“Televisa Publication” means a Publication owned, controlled or licensed by Grupo Televisa, including bona fide publications Grupo Televisa may own, control or license in the future (and extensions and complements of such Publications).

“Televisa Publications Content” means any Audiovisual Content originally produced in the Spanish language or with Spanish subtitles, not including Novelas, live sports, or regularly scheduled national news television Broadcasts (or any excerpt, portion or clip of any Novela, live sports or regularly scheduled national news television Broadcast), that satisfies each of the following criteria:

(a) has an aggregate duration of up to twelve (12) minutes (including commercials);

(b) is related or complementary to a Televisa Publication;

(c) has not been Broadcast by Grupo Televisa (or any other party with the permission, authorization or consent of Grupo Televisa) on any Linear Television Channel in a Spanish-Speaking Country;

(d) either (i) is sports-related Audiovisual Content (e.g. interviews, profiles, press conferences) that is not live and is not a clip or highlight of a sports event; or (ii) is not similar to traditional long form television programs such as sitcoms (e.g., “Everybody Loves Raymond” or “Familia Peluche”), dramas or series (e.g., “24”, “Law and Order” or “Hermanos y Detectives”), long-form television documentaries (e.g., “Planet Earth” or “El Alma de Mexico”), reality shows (e.g., “Big Brother”, “Real Housewives” or “Dia de Perros”), talent competition shows (e.g., “American Idol” or “Bailando Por Un Sueno”) or long form, linear, sequential television music programming comprised of a combination of music video, concert and/or long-form music programming (e.g., MTV or Palladia) and is more akin to sale of goods or services, social media user generated content, or how-to, informational, interview or demonstrative content, in each case, relating to travel, gaming, cooking, dating, nature, wilderness, fashion, beauty, health and/or fitness, diet, history, biography, vehicles, astrology, science, research, social sciences, economics, politics, interior design, architecture, education, teens’ and childrens’ interest, lifestyle, technology or gadgets, business, celebrity gossip, parenting and music; and

(e) without limiting anything contained in clauses (a)-(d) above, if the Audiovisual Content relates to or is based on a comic book or similar publication, such Audiovisual Content shall not have a narrative storyline or plot.

It is understood and agreed that if, at any time, Audiovisual Content that otherwise satisfies the definition of “Televisa Publications Content” is Broadcast by Grupo Televisa (or any other party with the permission, authorization or consent of Grupo Televisa) on any Linear Television Channel in a Spanish-Speaking Country, then such Audiovisual Content shall thereafter immediately and automatically (A) constitute Licensed Content (to the extent it otherwise meets the definition of “Licensed Content”) and (B) cease to be Televisa Publications

Content.

“Televisa Sell-Down” has the meaning set forth in the Stockholders Agreement.

“Televisa Spillover” has the meaning set forth in Section 3.7(a)(i)(B).

“Televisa Spoiler Content” means, with respect to a Program, any program or other content, whether audio, visual, audiovisual, print publication or otherwise, that contains information regarding (a) the last five (5) chapters of such Program (if such Program has chapters), or (b) a pivotal scene (that reveals the final resolution of any major plot or conflict, such as the death of a major character), in each case, to the extent that (x) the relevant portions of such Program have not been Broadcast or otherwise made available by Licensee or its Affiliates or permitted sublicensees in the Territory; and (y) the applicable information has not previously been Broadcast or otherwise made available in the Territory by Licensee or any third party authorized by Licensee (provided, that the foregoing shall not be deemed to be a grant to Licensee of any right or authority to make or permit a third party to make such information available).

“Televisa Stand Alone Business Content” has the meaning set forth in Section 16.2(b).

“Televisa Training Content” means Grupo Televisa company training, personnel or similar Audiovisual Content.

“Television Broadcaster” means any person that engages in the Broadcast of Audiovisual Content by means of Free Television channels (or a Linear Television Channel that has previously been a Free Television channel) as one of its primary business platforms.

“Term” has the meaning set forth in Section 14.

“Termination Date” has the meaning set forth in the Pantelion Letter Agreement.

“Territory” has the meaning set forth in the Recitals.

“Theatrical Exhibition” means, with respect to any feature length motion picture, the commercial Broadcast of such motion picture by means of exhibition in theaters open to the general public on a regularly scheduled basis where a fee is charged for admission to view such motion picture.

“Third Amended and Restated Program License Agreement” has the meaning set forth in the Preamble.

“Third Appraiser” has the meaning set forth in Section 16.3(d).

“Third-Party Acquired Format” means any Format to which Licensor has acquired, or from time to time may acquire, substantially all production and Broadcast rights from a third party that is not an Affiliate of Licensor.

“Third-Party Produced Format Content” has the meaning set forth in Section 2.6(f).

“Third-Party Licensed Format” means any Format to which Licensor has licensed or otherwise acquired, or from time to time may license or otherwise acquire, any production or Broadcast rights in Mexico from a third party that is not an Affiliate of Licensor, but which is not a Third-Party Acquired Format.

“Tie-Ins” has the meaning set forth in Section 11.10.

“Tigres Letter Agreement” has the meaning set forth in the Preamble.

“Tigres Modification Period” has the meaning set forth in the Tigres Letter Agreement.

“TuTv Networks” means the following Spanish language Linear Television Channels being Broadcast (or for which the Broadcast rights have been previously granted by Grupo Televisa to TuTv LLC), in the Territory immediately prior to the date hereof, pursuant to the Channel License Agreement, dated as of April 28, 2003, by and between Visat, S.A. de C.V. (of which Licensor is the successor in interest) and Spanish Subscription Television LLC (n.k.a. TuTv LLC), as amended: (a) De Película, (b) De Película Clásico, (c) Telehit, (d) Ritmoson Latino, (e) Bandamax, and (f) Clásico TV.

“UIN Arrangements” means digital distribution arrangements for the Broadcast of Licensed Content on the Univision Interactive Network.

“UIN Branded Experience” means a Licensee branded “consumer experience” third party site, platform, RSS feed or application (e.g., branded widget, applet, etc.) delivered by means of digital distribution that (a) prominently features one or more Licensee logos or trademarks; (b) satisfies all General Requirements (including Licensee’s retention of all Core Controls); (c) is operated solely or controlled solely by Licensee (or under Licensee’s express and sole direction); (d) has a layout and “look and feel” controlled solely by Licensee (subject to any general restrictions or required templates provided by the third party); (e) is commercialized solely by Licensee or by Licensee and the third party; (f) is either a Spanish Language Platform or a component of a non-Spanish Language Platform (that would be a Spanish Language Platform if separated therefrom), and (g) does not involve any express assignment or express license of Broadcast rights by Licensee to the third party (it being understood that Licensee shall use good faith efforts not to structure arrangements so as to frustrate the purposes of this clause (g)). For the avoidance of doubt, “UIN Branded Experiences” shall not include (i) third party sites, platforms or applications that feature Licensee logos or trademarks but do not have the operational and creative controls described in this definition and (ii) MVPD Arrangements.

“Umpire” has the meaning in Section 15.1(b)(i).

“Umpire’s Certificate” has the meaning set forth in Section 15.1(b)(i).

“Univision Interactive Network” shall mean (a) Univision.com and other Licensee owned or controlled sites and platforms; and (b) UIN Branded Experiences.

“Univision Network” means the Univision Spanish language television network of affiliated television Broadcast stations, cable systems and other affiliated Broadcast outlets Broadcasting the Univision Network in the Territory.

“Venevision” has the meaning set forth in the Recitals.

“Venevision Agreements” has the meaning set forth in the Recitals.

“Venevision PLA” has the meaning set forth in the Recitals.

“Videocine” has the meaning set forth in Section 3.5(a).

“Videogames” means games which include computer generated images and/or sound, electronic games and any other interactive games (including massive multi-player virtual universe online games or other multi-player or online games, whether subscription based or otherwise) created for any existing or future platforms, where the user(s) or viewer(s) is (are) given interactive control over the images displayed on-screen or any other types of games that may now exist or hereafter be devised which include computer generated images and/or sound.

“World Cup” means the final round of competition (as distinct from the preliminary competition) of the FIFA World Cup soccer tournaments of male players, which as of the date hereof occurs every four years (e.g., Germany FIFA World Cup 2006, South Africa FIFA World Cup 2010, Brazil FIFA World Cup 2014) or any successor tournament with the same competition characteristics that may replace FIFA World Cup soccer tournaments in the future.

SCHEDULE 1

TELEVISA CHANNEL TRADEMARK LICENSE

(a) Grupo Televisa is the owner in the Territory, directly or indirectly, or authorized user of numerous trademarks used, and/or associated, with the Televisa Channels and other packaged programming offerings including, without limitation, *Televisa*, *Televisa Design*, *Televisa Composite*, *Galavision*, *Ritmoson Latino*, *Bandamax*, *De Pelicula & Design*, *Telehit*, *Telehit & Design* (collectively, and together with all other registered and common Law trademarks owned by Licensor or its Affiliates in the Territory and used in connection with the Televisa Channels and other packaged programming offerings, and any stylized version thereof, together with all rights and goodwill in the foregoing now owned, licensed or that may be acquired by Grupo Televisa, the “Televisa Channel Marks”).

(b) Pursuant to the terms and conditions and subject to the exceptions and exclusions of this Agreement, Licensor grants to Licensee, and Licensee accepts, a nonexclusive, royalty free license to use the Televisa Channel Marks throughout the Territory during the Term solely in connection with Licensee’s exercise of the Licensed Rights (and all other rights and entitlements hereunder attendant and appurtenant thereto).

(c) Licensee acknowledges that Grupo Televisa is the sole and exclusive owner of all rights in and to the Televisa Channel Marks, and that Grupo Televisa shall be responsible for prosecuting and maintaining any trademark applications and/or registrations for the Televisa Channel Marks, and Licensee shall not contest, challenge, or attack Grupo Televisa’s rights in and to the Televisa Channel Marks. Licensee shall not use and/or apply to register any mark that is identical or confusingly similar to the Televisa Channel Marks, or obtain an Internet domain name comprised of or containing the Televisa Channel Marks or any confusingly similar variation of the Televisa Channel Marks. All use of the Televisa Channel Marks by Licensee shall inure to the benefit of Grupo Televisa. Licensee, by this Second Amended and Restated 2011 Program License Agreement, this Schedule 1 thereto or by use of the Televisa Channel Marks, shall acquire no right, title, or interest in or to the Televisa Channel Marks or the goodwill associated with the Televisa Channel Marks.

(d) Licensee agrees to use the Televisa Channel Marks only as expressly permitted herein, only in a manner and form reasonably satisfactory to Licensor, and Licensee further agrees not to use the Televisa Channel Marks in any way that would intentionally damage the goodwill, reputation or name of Licensor or its Affiliates, or confuse or mislead the public with regard to the separate and distinct identities of Licensee and Licensor.

(e) Licensee acknowledges that it is familiar with the high quality of the services rendered by Grupo Televisa in connection with the Televisa Channel Marks, and agrees that the use of the Televisa Channel Marks by Licensee in connection with this Agreement will conform to such high quality standards (the “Quality Standards”). To ensure that the Televisa Channel Marks are used, and adhere at all times to, the Quality Standards, Licensee agrees to cooperate with Licensor to facilitate Licensor’s control of the nature and quality of Licensee’s use of the Televisa Channel Marks, and, in connection therewith, shall provide Licensor with specimens showing its use of the Televisa Channel Marks, in the form of audio/video tapes, advertising and promotional or other material, as reasonably requested by Licensor from time to time (which shall be no more frequent than quarterly).

(f) If Licensor disapproves of any such specimens submitted by Licensee, Licensor shall give notice thereof in writing to Licensee within seven (7) business days after receipt thereof, and Licensee agrees to revise such materials to Licensor's specifications. The parties agree that, if Licensee receives no notice of Licensor's disapproval within ten (10) business days after Licensor's receipt of any such specimens, approval shall be considered to have been granted.

(g) Licensee agrees to notify Licensor as soon as reasonably practicable in the event it determines that any one of the Televisa Channel Marks is being infringed or adversely affected by unlicensed third parties in the Territory. In the event that either party determines that any one of the Televisa Channel Marks is being infringed or adversely affected by unlicensed third parties, Licensee agrees that Licensor shall have the sole and exclusive right to abate such infringement or adverse use and to retain any and all damages received therefrom. At Licensor's request, Licensee shall provide reasonable assistance to Licensor in the event of any such infringement or adverse use of the Televisa Channel Marks. Licensee shall have no claim against Licensor for damages if Licensor determines, in its sole discretion, that it is not in the best interest of Licensor to initiate legal proceedings or otherwise take action to abate such infringement or adverse use by third parties.

(h) Upon termination or expiration of this Amended and Restated 2011 Program License Agreement, (i) all rights granted to Licensee hereunder shall terminate and automatically revert to Licensor, and (ii) Licensee agrees to immediately (1) discontinue all use of the Televisa Channel Marks and any mark confusingly similar thereto, including but not limited to use of the Televisa Channel Marks as part of a domain name, and (2) destroy all advertising, packaging, promotional and other written material bearing the Televisa Channel Marks.

(i) Licensor hereby represents and warrants that it owns or has a license to use all rights in and to the Televisa Channel Marks and to grant all rights herein granted to Licensee with respect to such Televisa Channel Marks.

SCHEDULE 2

NOVELAS PRIOR TO OCTOBER 4, 2010

LOS EXITOSOS PÉREZ
PATITO FEO (VERSION ARGENTINA)
GATA SALVAJE
ÁNGEL REBELDE
ZORRO, LA ESPADA Y LA ROSA

SCHEDULE 3

SPECIAL PANTELION MOVIES

AAA, La Película
Cañitas, Presencia
Corazón de Melón
Déficit
Desnudos
Días de Gracia
Don de Dios
Hasta el Viento tiene Miedo
Labios Rojos
La Leyenda de la Llorona
Manos Libres
Parejas
Rock Mari
Zapata
Te Presento a Laura
El Tesoro de Doroteo
La Última Muerte.

SCHEDULE 4

APPROVED THIRD PARTY ARRANGEMENTS

Licensing Agreement — WAP, dated as of April 30, 2008, by and between Univision Online, Inc. and MetroPCS Wireless, Inc.

V Cast Agreement, dated as of March 1, 2010, by and between Verizon Corporate Service Group Inc., for the benefit of itself and its affiliates, including Celco Partnership d/b/a Verizon Wireless, and Univision Interactive Media, Inc.

Arrangement with Cricket Wireless, on the terms previously described to Licensor by Licensee.

SCHEDULE 5

UIN BRANDED EXPERIENCE NOTICE

- 1 Identity of the counterparty**
- 2 Describe the platform and/or site where the Licensed Content will be distributed**
- 3 What is the term of the UIN Arrangement?**
- 4 Describe all of the significant economic terms of the UIN Arrangement**
- 5 Describe any other significant Audiovisual Content-related relationships between Licensee and the proposed third party and related parties**
- 6 If the third party has geographical limitations with the Territory, specify the territory for distribution of the Licensed Content under the UIN Arrangement**
- 7 Indicate whether geo-filtering technology will be used under the terms of the proposed UIN Arrangement**
- 8 Describe the provisions regarding advertising, promotion and/or sponsorship included in the UIN Arrangement (including those directly related to Licensed Content)**

9 In the case of DTO and/or DTR, specify at what cost per unit, Licensed Content will be offered in the platform and/or site

**SCHEDULE 6A
ROYALTY BASE EXAMPLE**

Royalty Base	2014
TOTAL CONSOLIDATED NET REVENUE (as per Audited Financial Statements)	\$ 2,911.39
Adjustments:	
(-) RADIO NET REVENUE (as per Audited Financial Statements)	(301.99)
(-) NON-SPANISH REVENUES ADJUSTMENTS	
Non-Spanish Revenue	
KUVI	(0.71)
Flama	(0.60)
(-) OTHER ADJUSTMENTS	
Televisa Unsold Advertising Time	(60.01)
Retransmission related ad revenue from non-Licensed Media	8.37
Retransmission related ad revenue credit	(5.00)
(-) OTHER INCOME DERIVED FROM NON-ROYALTY BASE REVENUE	
Management and Service Fees and Other Revenue from Non-Royalty Base Platform Joint Ventures	(9.94)
Other third party licensing arrangements for which Univision does not have the right to include Televisa content	(2.44)
Payments Received From Commercial Arrangements with Grupo Televisa	(0.75)
International Distribution	(0.65)
Revenue Share for Business Loan Referrals	(0.02)
Sale of IRD's and other equipment	(0.01)
Clip License (non-Licensed Content)	(0.01)
Puerto Rico Vending Machine Income	(0.00)
DTO	(0.00)
TOTAL	(13.83)
(-) OTHER EXCLUDED INCOME	
Sale/lease of broadcast spectrum	(7.54)
Rental property, plant or equipment(1)	(2.74)
Exploitation of audio only content	(7.57)
Licensing of Trademarks	(0.01)
TOTAL	(17.85)
ROYALTY BASE	\$ 2,519.77

(1) To the extent that use of such property, plant or equipment by the lessee is not connected with or related to Broadcast of Audiovisual Content on a Royalty Base Platform

SCHEDULE 7

FORM OF ACCOUNTING FIRM CERTIFICATE

Independent Auditor's Report

The Board of Directors
Univision Communications Inc.

We have audited the accompanying schedule of the Televisa Royalty Calculation for the year ended December 31, [*insert year*] (“[*insert year*] Royalty Base computation”) of Univision Communications Inc. (the “Company”) as licensee for the year ended December 31, [*insert year*], and the amount of the royalty paid to Televisa S.A. de C.V. (“Televisa”) as licensor for the year ended December 31, [*insert year*], under the terms of Section 9.1 of the Second Amended and Restated 2011 Program License Agreement (“PLA”) dated July 1, 2015, between Televisa and the Company. This schedule is the responsibility of the Company’s management. Our responsibility is to express an opinion on this schedule based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the schedule of the [*insert year*] Royalty Base computation is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the schedule of the [*insert year*] Royalty Base computation. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall schedule presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the schedule of the [*insert year*] Royalty Base computation referred to above presents fairly, in all material respects, the Royalty Base generated by the Company during the year ended December 31, [*insert year*], and the amount of royalties paid for the year ended December 31, [*insert year*], which have been calculated as described above in accordance with Section 9.1 of the PLA.

Our audit was conducted for the purpose of forming an opinion on the [*insert year*] Royalty Base computation. The attached schedules are presented for purposes of additional analysis. Such information has been subjected to the auditing procedures applied in our audit of the [*insert year*] Royalty Base computation and, in our opinion, is fairly stated in all material respects in relation to the [*insert year*] Royalty Base computation.

This report is intended solely for the information and use of the boards of directors and managements of the Company and Televisa and is not intended to be and should not be used by anyone other than these specified parties.

[*insert date*]

SCHEDULE 8

FORM OF CHIEF FINANCIAL OFFICER CERTIFICATE

In accordance with Section 9.4 of the Second Amended and Restated 2011 Program License Agreement dated July 1, 2015 (the “PLA”), I certify that the Royalty Base of \$[] and the Royalty payments of \$[] for the year ended December 31, [*insert year*], presents fairly in all respects material to such Royalty Base, the Royalty Base and royalty payments for the year-ended December 31, [*insert year*]. Capitalized terms used but not defined herein shall have the meanings given to such terms in the PLA.

Dated: []

By:

Its:

S- 10

SCHEDULE 9

FORM OF SALES OFFICER CERTIFICATE

In accordance with Section 9.4 of the Second Amended and Restated 2011 Program License Agreement dated July 1, 2015 (the “PLA”), I certify that the Advertising Packaged Sales Transaction Process has been made at arm’s-length and in good faith in all respects material to the Royalty Base during the year ended December 31, [*insert year*]. Capitalized terms used but not defined herein shall have the meanings given to such terms in the PLA.

Dated: []

By:

Its:

S- 11

SCHEDULE 10

NOTICES

If to Grupo Televisa:

Televisa, S.A. de C.V.
Av. Vasco de Quiroga, 2000
Edificio A, Piso 4
Col. Zedec Santa Fe
01210 Mexico, Distrito Federal
Attn: Joaquín Balcárcel
Email: jbalcarcel@televisa.com.mx
Facsimile No.: (52) 55.261.25.46

With a copy to:

Wachtell, Lipton, Rosen & Katz
51 West 52nd Street
New York, New York 10018
United States of America
Attn: Herbert M. Wachtell, Esq.
Joshua R. Cammaker, Esq.
Email: hmwachtell@wlrk.com
jrcammaker@wlrk.com
Facsimile No.: (212) 403-2000

If to Licensee:

Univision Communications Inc.
605 Third Avenue, 12th Floor
New York, NY 10158
Attn: General Counsel
Email: jschwartz@univision.net
Facsimile No.: (646) 964-6681

With a copy to:

O'Melveny & Myers LLP
1999 Avenue of the Stars, Suite 700
Los Angeles, CA 90067-6035
Attn: Steven L. Grossman
Email: slgrossman@omm.com
Facsimile No.: (310) 246-6779

Latham & Watkins LLP
10250 Constellation Blvd

Los Angeles, CA 90067
Attn: Christopher M. Brearton
Email: Chris.Brearton@lw.com
Facsimile No.: (424) 653-5501

SCHEDULE 11

NOVELA EXAMPLES

ZACATILLO...UN LUGAR EN TU CORAZON
NIÑA DE MI CORAZON
SOY TU DUEÑA
LLENA DE AMOR
CUANDO ME ENAMORO
PARA VOLVER A AMAR
TERESA
VERANO DE AMOR
SORTILEGIO
MI PECADO
ATREVETE A SOÑAR
HASTA QUE EL DINERO NOS SEPARE
CAMALEONES
CORAZON SALVAJE
MAR DE AMOR
LAS TONTAS NO VAN AL CIELO
ALMA DE HIERRO
QUERIDA ENEMIGA
CUIDADO CON EL ANGEL
JURO QUE TE AMO
UN GANCHO AL CORAZON
EN EL NOMBRE DEL AMOR
MAÑANA ES PARA SIEMPRE
LOLA... ERASE UNA VEZ
BAJO LAS RIENDAS DEL AMOR
MUCHACHITAS COMO TU
PASION
AMOR SIN MAQUILLAJE
AL DIABLO CON LOS GUAPOS
TORMENTA EN EL PARAISO
FUEGO EN LA SANGRE
HERIDAS DE AMOR
DUELO DE PASIONES
CODIGO POSTAL
MUNDO DE FIERAS
LAS DOS CARAS DE ANA
AMAR SIN LIMITES
DESTILANDO AMOR
YO AMO A JUAN QUERENDON
LA MADRASTRA
LA ESPOSA VIRGEN
PABLO Y ANDREA
EL AMOR NO TIENE PRECIO
BARRERA DE AMOR
ALBORADA
PEREGRINA

LA FEA MAS BELLA
CORAZONES AL LIMITE... UN RETO DE
JUVENTUD
MUJER DE MADERA
RUBI
MISION S.O.S. AVENTURA Y AMOR
REBELDE
APUESTA POR UN AMOR
INOCENTE DE TI
SUEÑOS Y CAMELOS
CONTRA VIENTO Y MAREA
BAJO LA MISMA PIEL
DE POCAS, POCAS PULGAS
VELO DE NOVIA
AMOR REAL
ALEGRIJES Y REBUJOS
TU HISTORIA DE AMOR
MARIANA DE LA NOCHE
CLAP, EL LUGAR DE TUS SUEÑOS
AMARTE ES MI PECADO
AMY LA NIÑA DE LA MOCHILA AZUL
PIEL DE OTOÑO
COMPLICES AL RESCATE
NIÑA AMADA MIA
QUE VIVAN LOS NIÑOS
LAS VIAS DEL AMOR
LA OTRA
ASI SON ELLAS
ENTRE EL AMOR Y EL ODIO
ATREVETE A OLVIDARME
AMIGAS Y RIVALES
EL NOVENO MANDAMIENTO
EL DERECHO DE NACER
AVENTURAS EN EL TIEMPO
MUJER BONITA
SIN PECADO CONCEBIDO
MARIA BELEN
EL MANANTIAL
EL JUEGO DE LA VIDA
NAVIDAD SIN FIN
SALOME
LA INTRUSA
CLASE 406
LA ANTORCHA ENCENDIDA
EL VUELO DEL AGUILA
CUNA DE LOBOS

SCHEDULE 12

CORPORATE OPPORTUNITY EXAMPLE

SCHEDULE 12-1

WebMD

SCHEDULE 12-2

General Motors

SCHEDULE 13

RESTRICTED MOVIES

La Segunda Noche
Serafin, La Película
Piedras Verdes
El Gavilán De La Sierra
Una De Dos
Escrito En El Cuerpo De La Noche
De Qué Lado Estás
El Misterio De La Trinidad
La Habitación Azul
Vivir Mata
Amar Te Duele
Dame Tu Cuerpo
El Tigre De Santa Julia
Ladies' Night
Nicotina
Puños Rosas
Un Día Sin Mexicanos
Cero Y Van Cuatro
La Última Noche
Efectos Secundarios
Una Película De Huevos
Divina Confusión
Amor Letra Por Letra
Cabeza De Buda
Sin Memoria
La Suerte Está Echada (Tentatively Entitled)

SECOND AMENDED AND RESTATED 2011 PLA GUARANTY

For and in consideration of the execution by UNIVISION COMMUNICATIONS INC. (“Licensee”) of that certain Second Amended and Restated 2011 Program License Agreement (the “License Agreement”; terms not defined herein shall have the meaning given to them in the License Agreement), between Licensee and TELEVISA, S.A. de C.V. (“Licensor”), of even date herewith, GRUPO TELEVISA, S.A.B. (“Guarantor”) hereby agrees as follows:

1. Guarantor confirms and joins in the representations and warranties made by Licensor in Section 12.1 of the License Agreement;
2. Guarantor agrees that for the Term it and its Affiliates will produce each year for Licensee’s use at least 8,531 hours of Programs which Programs will be representative of the quality of Programs produced by Licensor and its Affiliates during calendar year 2010. Of such 8,531 hours, Guarantor agrees that it or its Affiliates will produce on an annual basis Novelas sufficient for the lower of (a) five hours per day, five days per week or (b) five times the sum of (x) the average number of hours per day in the preceding year during which Novelas are Broadcast on the Univision Network during prime time hours plus (y) one hour. Any co-produced Novela, Co-Produced Local Novela or Televisa Local Novela that is (I) Broadcast on weekdays in “prime time” (as such term is then commonly understood in the Mexican television industry) on Grupo Televisa’s then most popular Linear Television Channel in Mexico (which is currently Channel 2); and (II) Broadcast by Licensee on weekdays in “prime time” (as such term is then commonly understood in the U.S. Hispanic television industry) on Licensee’s then most popular Linear Television Channel in the Territory (which is currently the Univision Network), shall be deemed to be a Program meeting the quality standard described in the first sentence of this paragraph and shall be deemed to be a Novela produced by Guarantor for purposes of the second sentence of this paragraph. If the popularity of Novelas in Mexico materially decreases, Guarantor may request that the minimum novela production requirements be lowered with the addition of a mutually agreeable corresponding production requirement in a different genre, and Licensee will negotiate such proposals with Guarantor in good faith, based on the popularity of Novelas and the different genre in the United States. Except with respect to the hours of Novelas described above, nothing herein shall require Guarantor to produce any particular type or mix of programs. The provision of this Section 2 shall be subject to force majeure as provided in Section 20.2 of the License Agreement.
3. Guarantor guarantees the full performance by Licensor of all of its obligations under the License Agreement and further agrees to be bound, and cause its Affiliates to be bound, by the provisions of the License Agreement applicable to Licensor, Guarantor or the entities comprising Grupo Televisa, and guarantees the full performance by the entities comprising Grupo Televisa of all such obligations under the License Agreement.
4. Guarantor irrevocably submits to the jurisdiction of any California State or United States Federal court sitting in Los Angeles County in any action or proceeding arising out of or relating to this Guaranty or the transactions contemplated hereby, and irrevocably agrees that any such action or proceeding may be heard and determined only in such

California State or Federal court, except with respect to matters subject to Section 15.1 of the License Agreement, in which case, Guarantor irrevocably submits to binding arbitration by a single Umpire sitting in New York. Guarantor irrevocably waives, to the fullest extent it may effectively do so, the defense of an inconvenient forum to the maintenance of any such action or proceeding. Guarantor irrevocably appoints CT Corporation System (the “Process Agent”), with an office on the Prior Effective Date at 818 West 7th Street, Los Angeles, CA 90017 as its agent to receive on behalf of it and its property service of copies of the summons and complaint and any other process which may be served in any such action or proceeding. Such service may be made by delivering a copy of such process to Guarantor in care of the Process Agent at the Process Agent’s above address, and Guarantor irrevocably authorizes and directs the Process Agent to accept such service on its behalf. As an alternate method of service, Guarantor consents to the service of copies of the summons and complaint and any other process which may be served in any such action or proceeding by the mailing or delivering of a copy of such process to Licensor at its address specified in or pursuant to Section 19 of the License Agreement. Guarantor agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law.

5. This Guaranty and the legal relations among the parties shall be governed by and construed in accordance with the laws of the State of California applicable to contracts between California parties made and performed in that State, without regard to conflict of laws principles; except that the procedural Laws of the State of New York shall apply to the Arbitration Procedures (as set forth in Section 15.1 of the License Agreement).

6. Guarantor agrees that its obligations hereunder (the “Obligations”) are irrevocable, absolute, independent, unconditional and continuing, and shall not be subject to any limitation, impairment or discharge for any reason, including any circumstance which constitutes a legal or equitable discharge of a guarantor or surety other than indefeasible performance in full of the Obligations. Guarantor hereby waives notice of acceptance of this guaranty, presentments, notices of default, nonpayment, partial payments and protest, all other notices or formalities, any right to require prosecution of collection or remedies against Licensor or any other person or entity or to pursue any other remedy in Licensee’s power. Without limiting the generality of any other waiver or provision set forth herein, Guarantor hereby waives, to the maximum extent such waiver is permitted by Law, any and all defenses arising directly or indirectly under any one or more of California Civil Code §§ 2808, 2809, 2815, 2819, 2839, 2849, 2850, 2899 and 3433. Guarantor agrees that one or more, and successive and/or concurrent, actions may be brought against it, either in the same action in which Licensor or any other person is sued on in separate actions and that the cessation of the liability of Licensor for any reason, other than full payment and performance of the obligations, shall not in any way affect the liability of the undersigned hereunder.

The rights, powers and remedies given to Licensee by this Guaranty are cumulative and shall be in addition to and independent of all rights, powers and remedies given to Licensee by virtue of any statute or rule of law or in the License Agreement. Any forbearance or failure to exercise, or any delay by Licensee in

exercising, any right, power or remedy hereunder shall not impair any such right, power or remedy or be construed to be a waiver thereof, nor shall it preclude the further exercise of any such right, power or remedy.

In case any provision in or Obligation under this Guaranty shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or Obligations, or of such provision or Obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

This Guaranty is a continuing guaranty and shall be binding upon Guarantor and its successors and assigns. This Guaranty shall inure to the benefit of Licensee and its successors and assigns.

To the extent Guarantor is guaranteeing payment obligations of Licensor under the terms of the License Agreement (“Payment Obligations”), this guaranty is a guaranty of payment when due and not of collectability. Licensee may from time to time, without notice or demand and without affecting the validity or enforceability of this Guaranty or giving rise to any limitation, impairment or discharge of Guarantor’s liability hereunder, (i) settle, compromise, release or discharge, or accept or refuse any offer of performance with respect to, or substitutions for, the obligations of Licensor or any agreement relating thereto; (ii) have stayed or enjoined, by order of court, by operation of law or otherwise, the exercise or enforcement of, any claim or demand or any right, power or remedy with respect to the obligations of Licensor or any agreement relating thereto; (iii) waive, amend or modify, or consent to departure from, any of the terms or provisions of the License Agreement; and (iv) omit or delay in doing any act or thing, which may or might in any manner or to any extent vary the risk of Guarantor as an obligor in respect of the obligations’.

Guarantor hereby waives, for the benefit of the Licensee: (i) any defense arising by reason of the incapacity or lack of authority of Licensor; (ii) any defense based upon any statute or rule of law which provides that the obligation of a surety must be neither larger in amount nor in other respects more burdensome than that of the principal; and (iii) any principles or provisions of law, statutory or otherwise, which are or might be in conflict with the terms of this Guaranty and any legal or equitable discharge of Guarantor’s obligations hereunder.

Until any Payment Obligations shall have been paid in full, Guarantor shall withhold exercise of any right of subrogation. Guarantor further agrees that, to the extent the withholding of its rights of subrogation as set forth herein is found by a court of competent jurisdiction to be void or voidable for any reason, any rights of subrogation Guarantor may have against Licensor shall be junior and subordinate to any rights Licensee may have against Licensor.

In the event that all or any portion of any Payment Obligations are paid by Licensor, the obligations of Guarantor hereunder shall continue and remain in full force and effect or be reinstated, as the case may be, in the event that all or any

part of such payment(s) are rescinded or recovered directly or indirectly from Licensee as a preference, fraudulent transfer or otherwise, and any such payments which are so rescinded or recovered shall constitute Payment Obligations for all purposes under this Guaranty.

7. Guarantor shall not be liable for or suffer any penalty or termination of rights hereunder by reason of any failure or delay in performing any of its obligations hereunder if such failure or delay is occasioned by compliance with governmental regulation or order, or by circumstances beyond the reasonable control of Guarantor, including but not limited to acts of God, war, insurrection, fire, flood, accident, strike or other labor disturbance, interruption of or delay in transportation. Guarantor shall promptly notify Licensee in writing of any such event of force majeure, the expected duration thereof, and its anticipated effect on Licensee and make reasonable efforts to remedy any such event, except Guarantor shall be under no obligation to settle a labor dispute.

8. That certain Guaranty made as of January 22, 2009 by and between Guarantor and Licensee is hereby terminated and shall have no further force or effect.

9. This Guaranty amends and restates that certain Amended and Restated 2011 Guaranty made as of February 28, 2011 by and between Guarantor and Licensee.

DATED: July 1, 2015, with effect as of January 1, 2015

GRUPO TELEVISA, S.A.B.

By: /s/ Salvi Rafael Folch Viadero
Name: Salvi Rafael Folch Viadero
Title: Attorney-in-Fact

By: /s/ Jorge Agustín Lutteroth Echegoyen
Name: Jorge Agustín Lutteroth Echegoyen
Title: Attorney-in-Fact

Accepted and Agreed:

UNIVISION COMMUNICATIONS INC.

By: /s/ Jonathan Schwartz
Name: Jonathan Schwartz
Title: General Counsel and EVP

[*Signature Page to Amended and Restated 2011 PLA Guaranty*]

EXECUTION VERSION

Univision Communications Inc.
605 Third Avenue, 12th Floor
New York, NY 10158

July 1, 2015

Mountrigi Management Group Limited (f/k/a Videoserpel, Ltd.)
c/o Grupo Televisa, S.A.B.
Avenida Vasco de Quiroga, 2000
Edificio A, Piso 4
Colonia Zedec Santa Fe
01210 Mexico, Distrito Federal
Attn: Joaquín Balcárcel

Amendment to MLA

Dear Sir:

Reference is made to that certain Amended and Restated 2011 Mexico License Agreement (the “MLA”), effective as of January 1, 2011, by and between Univision Communications Inc. and Mountrigi Management Group Limited (f/k/a Videoserpel, Ltd.). Capitalized terms used but not defined herein shall have the meanings set forth in the MLA. The Section numbers and Schedules referenced herein correspond to the Section numbers and Schedules in the MLA.

Televisa, S.A. de C.V., an affiliate of Licensee, and Licensor are concurrently entering into that certain Second Amended and Restated 2011 Program License Agreement, effective as of January 1, 2015 (the “Amended and Restated PLA”). In connection with the entry into the Amended and Restated PLA by the parties thereto, Licensor and Licensee hereby agree as follows:

1. The MLA is hereby amended to replace all references to the “Amended and Restated 2011 Program License Agreement” with references to the “Second Amended and Restated 2011 Program License Agreement”.
2. The fifth recital of the MLA is hereby amended to replace the parenthetical in the third line with the following:

(as the same may have been, and may hereafter be, amended, including pursuant to that certain Binding Term Sheet regarding Amendment of PLA and Other Matters dated December 29, 2014 between Venevision International Enterprises LLC (f/k/a Venevision International Corporation), certain related persons, and Licensor and the related Letter Agreement between Megavision, Inc. and Licensor dated the same date, the “Venevision PLA”)

3. Annex A to the MLA is hereby amended as follows:

a. The following defined term in Annex A is deleted from Annex A (and all uses of such defined term in the MLA are likewise deleted):

“ Acquired Other Content ”.

b. The following defined terms in Annex A are replaced with the following:

“ Acquired Completed Content ” means (i) Audiovisual Content (other than a Novela or Excluded Content), the Broadcast rights to which are or have been acquired by Univision Group from a third party and with respect to which Univision Group had no involvement or arrangement of any kind or nature (including no approvals or controls) relating to the development, production or financing of such Audiovisual Content at any time, or (ii) Major Event Content.

“ Co-Produced Content ” means any Audiovisual Content (other than a Novela, Acquired Completed Novela, Acquired Completed Content, Univision Produced Format Content, Third-Party Produced Format Content, Co-Produced Local Novela, Mexican Soccer Game or Excluded Content) that is (a) originally produced for Broadcast in the Spanish language or with Spanish subtitles, (b) with respect to which Univision Group is involved in any manner in the development, production and/or financing, and (c) that is not wholly produced and wholly financed by Univision Group. For clarity, Co-Produced Content includes both (i) Audiovisual Content that is produced and financed by Univision Group together with any one or more unaffiliated third parties (collectively, the “ Co-Production Partners ”) who are involved in the production or financing (other than any co-production directly or indirectly between Univision Group and any Television Broadcaster in the Territory, which will not be permitted under any circumstances), including involvement by the applicable Co-Production Partner(s) by means of (A) providing a Script, (B) providing other creative element(s) (e.g., key cast member, key artistic director, executive director and/or executive producer), (C) providing a portion of the production financing, or (D) meaningfully participating in, or exercising meaningful controls or approvals over, the development and production of such Audiovisual Content, and (ii) Audiovisual Content that is produced by an unaffiliated third party (other than with any Television Broadcaster in the Territory, which will not be permitted under any circumstances), and with respect to which Univision Group has any involvement in the production or financing, including by means of (A) providing a portion of the production financing, (B) providing equipment to such third party for use in the production of such Audiovisual Content, or (C) permitting talent that is exclusive or proprietary to and under contract to Univision Group to appear or participate in the production of such Audiovisual Content by such third party.

“ Programs ” means all Audiovisual Content originally produced in the Spanish language or with Spanish subtitles, whether live (i.e. contemporaneously Broadcast), filmed, taped or otherwise recorded or available for Broadcast, to

which Univision Group owns or controls Broadcast rights in the Licensed Media during the Term in the Territory (whether produced by or for Univision Group, co-produced by Univision Group or acquired or licensed by Univision Group), other than (a) Excluded Content (it being understood that any Excluded Content that, at any time, ceases to qualify under the definition thereof for any reason, and would otherwise satisfy the definition of “Programs”, shall thereafter immediately and automatically constitute Programs); (b) Movies; (c) Ancillary Content; or (d) any of Acquired Completed Novelas, Univision Produced Format Content, Third-Party Produced Format Content, Acquired Completed Content, Co-Produced Local Novelas, Univision Local Novelas or Co-Produced Content, in each case, with respect to the items described in clause (d), only to the extent that Univision Group does not own or control the right to Broadcast such Audiovisual Content in the Territory after complying with the provisions of Section 2. For the avoidance of doubt, to the extent Univision Group owns or controls rights to Broadcast any of the Audiovisual Content described in clause (d) in any Licensed Media in the Territory, whether now or in the future, such Audiovisual Content shall constitute Programs to the extent it would otherwise satisfy the definition of “Programs” and such rights shall be licensed by Licensor to Licensee hereunder to the full extent of Univision Group’s rights.

“Script” means a script, production bible or other written similar intellectual property which may be used as a primary source for production of any Audiovisual Content; provided, that no Format shall be a Script.

“Second Amended and Restated 2011 Program License Agreement” means the Second Amended and Restated 2011 Program License Agreement dated July 1, 2015 by and between Televisa, S.A. de C.V. and Licensor.

- c. The following new defined terms are added in Annex A, in each case where appropriate to maintain Annex A in alphabetical order:

“Expedited Sublicensing Arrangement” has the meaning set forth in Section 4.3(b)(iii).

“Format” means any format or similar written intellectual property that sets forth the concept, characters, situations, aesthetic qualities, and/or branding of multi-episode (a) game shows, (b) reality shows or (c) other Audiovisual Content; provided, that in no event shall a Format include any substantial plotlines, dialogue or shots.

“Major Event Content” means Audiovisual Content comprised of (i) live sports events (e.g., Olympics, FIFA World Cup, MLS Soccer) or entertainment special events (e.g., Latin Grammy Awards, Miss Universe), and (ii) customary programming related to the events described in the foregoing clause (i) that are produced or acquired under license from the underlying rights holder (e.g., halftime shows, “red carpet” shows).

“Third-Party Acquired Format” means any Format to which Licensor has acquired, or from time to time may acquire, substantially all production and Broadcast rights from a third party that is not an Affiliate of Licensor.

“Third-Party Licensed Format” means any Format to which Licensor has licensed or otherwise acquired, or from time to time may license or otherwise acquire, any production or Broadcast rights in the United States from a third party that is not an Affiliate of Licensor, but which is not a Third-Party Acquired Format.

“Third-Party Produced Format Content” has the meaning set forth in Section 2.6(f).

“Univision Produced Format Content” has the meaning set forth in Section 2.6(e).

4. The preamble to Section 2 of the MLA is hereby replaced in its entirety with the following:

The following additional terms, conditions, exceptions and exclusions shall apply with respect to the following respective categories of Audiovisual Content, Formats or Scripts:

5. Sections 2.3 through 2.8 of the MLA are hereby replaced in their entirety with the following:

2.3 **Co-Produced Content (Non Novelas)**. If Univision Group enters into any third party arrangement or agreement involving the production of Audiovisual Content that is not a Novela and that would be Co-Produced Content for which Univision Group obtains any Broadcast rights in the United States, then Licensor shall concurrently, at its cost, obtain all rights to Broadcast such Co-Produced Content in the Territory in the same Licensed Media, to the full extent to which Univision Group obtains Broadcast rights in the United States, for the same period, to the extent within the Term. All Co-Produced Content for which Licensor obtains Broadcast rights in Licensed Media in the Territory pursuant to the preceding sentence shall be licensed to Licensee as Licensed Content under this Agreement. Notwithstanding the foregoing, the provisions of this Section 2.3 shall not apply to Broadcast rights to Co-Produced Content in any Licensed Media in the Territory that either (i) have been licensed or sold by the applicable Co-Production Partner or third party producer to a third party pursuant to a bona fide, contractual agreement or (ii) were not acquired by the applicable Co-Production Partner or third party producer from the owner of the applicable underlying intellectual property rights as part of the bona fide, contractual agreement with such owner, in each case, prior to Univision Group having any substantive discussions with such Co-Production Partner or third party producer (or otherwise having any substantive involvement) in respect of such Co-Produced Content.

2.4 **Univision Group Talent**. Without limiting anything contained in Section 2.3 above, Univision Group shall not take any action (or omit to take any action within its control) that would (or would be reasonably expected to) cause, allow, or

permit any talent that is (i) exclusive or proprietary to Univision Group and (ii) then under contract to Univision Group to appear or participate in the production of any Audiovisual Content that is intended for Broadcast by any third party Spanish language Television Broadcaster in the Territory, whether or not such Audiovisual Content constitutes Co-Produced Content; provided, that the foregoing shall not (A) require Univision Group to pay or provide any particular or additional compensation or benefits to such talent beyond what it is contractually obligated to pay; (B) apply to the expiration or termination (for reasons unrelated to an appearance or participation addressed in clause (ii) above) of any such contract; (C) apply to any Audiovisual Content not initially produced for Broadcast by any third party Spanish language Television Broadcaster in the Territory for which such a Television Broadcaster subsequently (and without any involvement in the development, production or financing thereof) acquires Broadcast rights from a third party; or (D) make Univision Group responsible for any breach of contract by such talent.

2.5 **Acquired Completed Content; Mexican Soccer Games**. Nothing contained in this Agreement shall prevent Univision Group from acquiring Broadcast rights outside the Territory to any (a) Acquired Completed Content; or (b) Mexican Soccer Games.

2.6 **Scripts; Formats**

(a) **Sale of Scripts**. Univision Group will be permitted to sell rights in any Script to a third party so long as, in connection with such sale, Univision Group divests (subject to Section 2.6(c)) itself of all right, title and interest in and to such Script, including any Broadcast rights outside the Territory and any other interest (whether monetary or otherwise) in such Script (e.g., profit participations, revenue shares, options, reversion rights, credits (except to the extent such credits are required to be retained under applicable Law), etc.). Any Audiovisual Content produced from such sold Script will not be Licensed Content, Co-Produced Content, an Acquired Completed Novela, Univision Produced Format Content or Third-Party Produced Format Content solely by reason of Univision Group's former ownership of rights in such sold Script.

(b) **Exchange of Scripts**. Univision Group will be permitted to trade or exchange any Script (the "**Divested Script**") with a third party for one or more other Scripts (the "**Acquired Scripts**") so long as, in connection with such trade or exchange, (i) Univision Group divests (subject to Section 2.6(c)) itself of all right, title and interest in and to such Divested Script, including any Broadcast rights outside the Territory and any other interest (whether monetary or otherwise) in such Divested Script (e.g., profit participations, revenue shares, options, reversion rights, credits (except to the extent such credits are required to be retained under applicable Law), etc.); and (ii) Licensor licenses to Licensee hereunder the exclusive rights to Broadcast in the Licensed Media as part of, and to the full extent of, the Licensed Rights in the Territory during the Term, Audiovisual Content originally produced in the Spanish language or with Spanish subtitles produced based on such Acquired Scripts (and such Audiovisual Content originally produced in the Spanish language or

with Spanish subtitles, once produced, will automatically and immediately be deemed Licensed Content hereunder to the extent it would otherwise constitute Licensed Content and the rights to Broadcast such Licensed Content in the Licensed Media will be exclusively licensed to Licensee as part of, and to the full extent of, the Licensed Rights in the Territory during the Term). Any Audiovisual Content produced from such Divested Script will not be Licensed Content, Co-Produced Content, an Acquired Completed Novela, Univision Produced Format Content or Third-Party Produced Format Content solely by reason of Univision Group's former ownership of rights in such Divested Script.

(c) Univision Group Retention of United States Broadcast Rights. If, during the Term, in any sale, trade or exchange of a Script addressed in Section 2.6(a) or (b), Univision Group retains any rights to Broadcast in the United States in any Licensed Media any Audiovisual Content originally produced in the Spanish language or with Spanish subtitles produced from any such sold Script or Divested Script, Univision Group will also retain the same rights to Broadcast such Audiovisual Content in such Licensed Media in the Territory for the same period, to the extent within the Term (and such Audiovisual Content originally produced in the Spanish language or with Spanish subtitles, to the extent of such rights, once produced, will automatically and immediately be deemed Licensed Content hereunder to the extent it would otherwise constitute Licensed Content and the rights to Broadcast such Licensed Content in the Licensed Media will be exclusively licensed to Licensee as part of, and to the full extent of, the Licensed Rights in the Territory during the Term).

(d) Scripts for Non-Spanish Language Productions. For the avoidance of doubt, Univision Group will be permitted to sell or exchange in any manner (*i.e.*, the restrictions of paragraphs (a), (b) and (c) of this Section 2.6 do not apply) any Script that is not intended to be originally produced in the Spanish language or with Spanish subtitles; provided, that Univision Group prohibits, in a binding agreement with the purchaser or transferee of any such Script, the production of any Audiovisual Content based on such Script that is originally produced in the Spanish language or with Spanish subtitles. For the avoidance of doubt, the aforementioned contractual prohibition shall apply to any successors, transferees, licensees or assigns of such purchaser or transferee.

(e) Univision-Produced Format Content. If Univision Group intends to produce Audiovisual Content originally produced in the Spanish language, or with Spanish subtitles, from a Third-Party Licensed Format ("Univision Produced Format Content") for Broadcast in any Licensed Media in the United States, Licensor shall, at its cost, use its best efforts to obtain from the owner of such Third-Party Licensed Format all rights to Broadcast such Univision Produced Format Content in the Territory in the same Licensed Media, to the full extent to which Univision Group obtains Broadcast rights in the United States, for the same period, to the extent within the Term. All Univision Produced Format Content for which Licensor obtains Broadcast rights in Licensed Media in the Territory pursuant to the preceding sentence shall be licensed to Licensee as Licensed Content under this Agreement. In

the event that, despite using best efforts, Licensor is unable to so acquire such rights to the applicable Univision Produced Format Content in the Territory, then Univision Group may obtain Broadcast rights in and to such Univision Produced Format Content if and only if the owner of the applicable Third-Party Licensed Format contractually agrees with Univision Group not to undertake any sale, transfer, license or Broadcast of such Univision Produced Format Content in any Licensed Media during the Term in the Territory, in which case (i) such Univision Produced Format Content shall not be deemed to be Licensed Content hereunder, and (ii) Univision Group shall be permitted to Broadcast, distribute and/or sublicense such Univision Produced Format Content outside the Territory; provided, that Univision Group will take all necessary actions to enforce such contractual obligations of the owner of the applicable Third-Party Licensed Format. For clarity, all Audiovisual Content produced or co-produced by Univision Group in the Spanish language or with Spanish subtitles from a Format owned or controlled by Univision Group (including any Third-Party Acquired Format), as opposed to from a Third-Party Licensed Format, shall be licensed to Licensee as Licensed Content under this Agreement.

(f) Third Party-Produced Format Content. Univision Group shall be permitted to sell, trade, exchange, license, distribute or sublicense any Format (including Third-Party Acquired Formats and other Formats owned or controlled by Univision Group, and any Third-Party Licensed Formats for which Univision Group is engaged as a distributor or sales agent (provided, that Univision Produced Format Content shall remain subject to the terms of Section 2.6(e) above at all times)) to a third party if and only if such third party contractually agrees with Univision Group not to undertake any sale, transfer, license or Broadcast of any Audiovisual Content originally produced in the Spanish language or with Spanish subtitles from such Formats (“Third-Party Produced Format Content”) in any Licensed Media during the Term in the Territory; provided, that Univision Group will take all necessary actions to enforce such contractual obligations of such third party; provided, further that if during the Term, in any transaction addressed in this Section 2.6(f), Univision Group retains any rights to Broadcast in the United States in any Licensed Media any Third-Party Produced Format Content produced from a Third-Party Acquired Format or other Format owned or controlled by Univision Group, Univision Group will also retain all rights to Broadcast such Third-Party Produced Format Content in the same Licensed Media in the Territory, to the full extent to which Univision Group retains Broadcast rights in the United States, for the same period, to the extent within the Term (and such Third-Party Produced Format Content, to the extent of such rights, once produced, will automatically and immediately be deemed Licensed Content hereunder to the extent it would otherwise constitute Licensed Content and the rights to Broadcast such Licensed Content in the Licensed Media will be exclusively licensed to Licensee as part of, and to the full extent of, the Licensed Rights in the Territory during the Term).

2.7 Local Novelas.

(a) Co-Produced Local Novelas. With respect to any Co-Produced Local Novela where Univision Group participates in the co-production of

the Co-Produced Local Novela in whole or in part in exchange for the right of Univision Group to produce a Novela that is based on the Script or Format underlying the Co-Produced Local Novela (for the avoidance of doubt, which Novela shall be a new production of such Script or Format), Univision Group shall have the right either (i) to contractually agree with the third-party co-producer not to undertake (and actually not undertake) any sale, transfer, license or Broadcast of such Co-Produced Local Novela in the Territory or in the United States (in which case such Co-Produced Local Novela shall not be deemed to be Licensed Content or an Acquired Completed Novela hereunder unless and until Univision Group Broadcasts such Co-Produced Local Novela in the United States, and at such time, the Co-Produced Local Novela will automatically and immediately be deemed Licensed Content hereunder to the extent it would otherwise constitute Licensed Content and the rights to Broadcast such Co-Produced Local Novela in the Licensed Media will be exclusively licensed to Licensee as part of, and to the full extent of, the Licensed Rights in the Territory during the Term); or (ii) to acquire Broadcast rights to such Co-Produced Local Novela for the United States and the Territory (such that the rights to Broadcast such Co-Produced Local Novela, in the Licensed Media during the Term (or such shorter period equivalent to the term of rights acquired by Univision Group in the United States) in the Territory, would be and are licensed exclusively to Licensee hereunder as part of, and to the full extent of, the Licensed Rights in the Territory during the Term). For the avoidance of doubt, any new Novela produced by Univision Group based on a Script or Format underlying a Co-Produced Local Novela acquired by Univision Group as contemplated by this Section 2.7(a) shall be subject to Section 2.1 and shall constitute Licensed Content.

(b) Univision Local Novelas. Notwithstanding anything to the contrary contained herein, with respect to any Univision Local Novela, Univision Group shall have the right either (i) to contractually agree with the third party producer not to undertake (and actually not undertake) any sale, transfer, license or Broadcast of such Univision Local Novela in the Territory or in the United States (in which case such Univision Local Novela shall not be deemed to be Licensed Content or an Acquired Completed Novela hereunder unless and until Univision Group Broadcasts such Univision Local Novela in the United States, and at such time, the Univision Local Novela will automatically and immediately be deemed Licensed Content hereunder to the extent it would otherwise constitute Licensed Content and the rights to Broadcast such Univision Local Novela in the Licensed Media will be exclusively licensed to Licensee as part of, and to the full extent of, the Licensed Rights in the Territory during the Term); or (ii) to acquire the Broadcast rights to such Univision Local Novela for the United States and the Territory (such that the rights to Broadcast, in Licensed Media during the Term (or such shorter period equivalent to the term of rights acquired by Univision Group in the United States) in the Territory, such Univision Local Novela, would be and are licensed exclusively to Licensee hereunder as part of, and to the full extent of, the Licensed Rights in the Territory during the Term).

(c) Notice. Licensor shall inform Licensee at each Informational Meeting of any arrangements that Univision Group has entered into for

a Co-Produced Local Novela or Univision Local Novela since the immediately preceding Informational Meeting (or if Informational Meetings have not yet taken place during the Term, since the Effective Date).

2.8 **Reporting, Informational Meetings and Compliance.**

(a) **Informational Meetings.** A coordinator designated by Licensor shall meet with a coordinator designated by Licensee once each quarter (the “Informational Meetings.”) to discuss any planned Co-Produced Content, Acquired Completed Novelas, Univision Produced Format Content, Third-Party Produced Format Content, Co-Produced Local Novelas and Univision Local Novelas and any Script or Format exchanges, licenses or divestitures, in each case, if any, of which notice has not been previously given at prior Informational Meetings. At such meeting Licensor, subject to legal or third party contractual confidentiality restrictions, will provide information reasonably available to Univision Group regarding such planned Co-Produced Content, Acquired Completed Novelas, Univision Produced Format Content, Third-Party Produced Format Content, Co-Produced Local Novelas and Univision Local Novelas or Script or Format exchanges, licenses or divestitures, including: (i) a reasonably detailed description of such Audiovisual Content or Script or Format; (ii) the identity of the third party producer, co-producer or owner (as applicable) with respect to such Audiovisual Content or Script or Format; and (iii) any other information required to be provided with respect to any such Audiovisual Content or Script or Format under this Section 2.

(b) **Univision Group Certification.** Within sixty (60) days of the end of each fiscal year, the highest-ranking production officer of Univision Group will deliver to Licensee a certificate attesting that, with respect to each item of Co-Produced Content, Acquired Completed Novela, Univision Produced Format Content, Third-Party Produced Format Content, Co-Produced Local Novela, Univision Local Novela and any Script or Format exchanges, licenses or divestitures, in each case, if any, entered into by Univision Group in the prior year, (i) Univision Group used good faith efforts not to structure any such arrangements or agreements in a manner intended to cause the applicable Audiovisual Content not to be deemed to be Licensed Content hereunder; and (ii) such arrangement or agreement was negotiated and entered into by Univision Group and the applicable third party on an arms-length basis.

(c) **Confidentiality.** Licensee acknowledges that any and all information provided by Licensor in accordance with this Section 2 is intended solely for the purpose of permitting Licensee to determine whether to exercise its rights under this Section 2 and to monitor compliance by Univision Group with the provisions contained in this Section 2 relating to Co-Produced Content, Acquired Completed Novelas, Univision Produced Format Content, Third-Party Produced Format Content, Co-Produced Local Novelas, Univision Local Novelas, Formats and Scripts; it being agreed that Licensee shall keep confidential such information (to the extent such information is not otherwise publicly available), shall not use such information for their own account and shall not contact or engage in discussions with

any person (excluding its representatives and advisors) other than Univision Group or the relevant seller, third party licensor or co-producer with respect to such agreement or arrangement.

(d) Acquired Completed Content. For the avoidance of doubt, Licensor will not be required to provide any information for or regarding Acquired Completed Content or Mexican Soccer Games.

6. Sections 4.1 through 4.3 of the MLA are hereby replaced in their entirety with the following:

4.1 **Licensee Right to Sublicense; General Requirements**.

(a) Licensee Right to Sublicense. Pursuant to the terms and conditions and subject to the exceptions and exclusions contained in this Agreement, the Licensed Rights include the right to sublicense to third parties the right to exercise the Licensed Rights (and all other rights and entitlements hereunder attendant and appurtenant thereto), subject, if applicable, to the approval of Licensor pursuant to Section 4.2.

(b) General Requirements. Notwithstanding anything to the contrary herein, any Sublicensing Arrangement or third party arrangement for a TIN Branded Experience on which any Licensed Content is Broadcast shall comply with the following requirements (the "General Requirements") unless expressly waived in writing by Licensor in its sole discretion on a case-by-case basis:

(i) Term and Use Restrictions. Licensee shall not enter into any Sublicensing Arrangement or third party arrangement for a TIN Branded Experience: (i) with a term that is longer than the remaining Term (or that does not allow for removal of the Licensed Content without cost or liability to Licensor and Licensee on or before the end of the Term); (ii) that provides for Broadcast of Licensed Content outside the Territory; (iii) that does not require geo-filtering outside the Territory (substantially consistent with Section 3.7(a)(iii)); or (iv) that would cause Licensed Content to be distributed on an adult entertainment site or platform.

(ii) Linear Television Channel. Licensee shall not enter into any Sublicensing Arrangement that involves the Broadcast of Licensed Content on any third party Linear Television Channel.

(iii) Core Controls. Any Sublicensing Arrangement must provide Licensee with the following core controls over the Licensed Content ("Core Controls") vis-à-vis the sublicensee, which Licensee shall exercise as may be necessary or appropriate to comply with the provisions hereof: (a) Licensee (and not the sublicensee) shall have editorial control of the Licensed Content and will not permit the sublicensee to edit or manipulate such Licensed Content (e.g., mashups) without the prior written consent of Licensee; (b) Licensee (and not the sublicensee) shall have the right to select, refresh and withdraw Licensed Content; (c) the

sublicensee shall not be permitted to sublicense the Licensed Content; (d) the sublicensee shall not be permitted to authorize any third party to Broadcast the Licensed Content (except that the sublicensee can place its branded applications, embed its branded media player or employ similar branded and controlled functionality in a third party's sites, in each case, consistent with the then prevailing industry practices); and (e) Licensee will have remedies that are substantially no less favorable to Licensee, *mutatis mutandis*, than Univision Group's remedies set forth in Section 15.

(iv) *Content Ratio Tests*. Licensee shall not enter into any Sublicensing Arrangement or third party arrangement for a TIN Branded Experience that makes available to the applicable third party a number of hours of Licensed Content which constitute more than ***** of the total number of hours of Audiovisual Content made available under such Sublicensing Arrangement or third party arrangement for a TIN Branded Experience or a number of hours of Audiovisual Content produced or owned by Licensee which constitute less than ***** of the total number of hours of Audiovisual Content made available under such Sublicensing Arrangement or third party arrangement for a TIN Branded Experience; provided, that the content ratio requirement set forth in this Section 4.1(b)(iv) shall not apply to (i) Sublicensing Arrangements or third party arrangements for TIN Branded Experiences with bona fide nationally recognized non-MVPD distributors in the Territory (e.g., Netflix) relating to (A) the Broadcast of all, or substantially all, of the feed of one or more of the Univision Channels and/or the Televisa Channels or (B) the Broadcast of individual items of Audiovisual Content that were Broadcast on the applicable Univision Channel or Televisa Channel within the immediately preceding thirty (30) days, or (ii) Expedited Sublicensing Arrangements. For the avoidance of doubt, any such Sublicensing Arrangements with bona fide nationally recognized non-MVPD distributors in the Territory or Expedited Sublicensing Arrangements shall be subject to Licensor's reasonable approval under Section 4.2, and shall be subject to the other General Requirements.

(v) *Long-Term Arrangements*. Licensee shall not enter into any Sublicensing Arrangement or third party arrangement for a TIN Branded Experience that has a term (including any extensions or renewals) that is longer than *****.

(c) Exception. Notwithstanding Section 4.1(b)(iii)(a), Licensee shall be entitled to create English language subtitles on digital Licensed Content solely for Broadcast pursuant to an Expedited Sublicensing Arrangement (and to authorize third-party sublicensees to do so), in each case at Licensee's (or an

***** **CONFIDENTIAL TREATMENT: GRUPO TELEvisa, S.A.B. HAS REQUESTED THAT THE OMITTED PORTIONS OF THIS DOCUMENT, WHICH ARE INDICATED BY *****, BE AFFORDED CONFIDENTIAL TREATMENT. GRUPO TELEvisa, S.A.B. HAS SEPARATELY FILED THE OMITTED PORTIONS OF THE DOCUMENT WITH THE SECURITIES AND EXCHANGE COMMISSION.**

authorized third party's) expense; provided that such subtitled versions of Licensed Content will be the property of Licensor (subject, during the Term, to the exclusive license hereunder in accordance with the terms hereof) and Licensee will, and will include in any agreement for a Sublicense Arrangement an obligation of the sublicensee to, deliver to Licensor upon written request by Licensor, but no more frequently than once per quarter, the subtitled versions that it produces, and Licensee will take all necessary actions to enforce such provisions in Sublicense Arrangements.

4.2 **Licensor Approval.**

(a) **Licensor Approval Required.** Other than as provided in Section 4.4, all Sublicensing Arrangements will require the prior approval of Licensor (which approval shall not be unreasonably withheld, conditioned or delayed). Licensor may not condition its approval of any proposed Sublicensing Arrangement on the payment to Univision Group of any monetary or other consideration, on any changes to the then-existing arrangements between Licensee and Univision Group (including under this Agreement). However, in determining whether to provide such approval, the Licensor may take into account the terms and circumstances of the proposed Sublicensing Arrangement, including the financial terms and conditions of the proposed Sublicensing Arrangement, commercial terms of the proposed Sublicensing Arrangement as compared to industry standards at such time, the scope and extent of the rights to be granted under the proposed Sublicensing Arrangement, and the identity of the proposed counterparty (together with the overall economic benefit of the Sublicensing Arrangement to Licensee). It shall be deemed to be unreasonable for Licensor to withhold any approval required under this Section 4.2(a) of any proposed Sublicensing Arrangement on the basis of the identity of the proposed counterparty or the proposed terms if Univision Group has previously entered into a contractual arrangement (which is then in effect) with such proposed counterparty for the Broadcast of Excluded Content in the Territory or the Broadcast of Audiovisual Content in the United States (unless such arrangement is required by applicable Law), in each case, on terms consistent therewith.

(b) **Approval in Licensor's Sole Discretion.** Notwithstanding Section 4.2(a), Licensor may withhold its approval in its sole discretion of any Sublicensing Arrangement on a case-by-case basis that:

(i) **Non-Spanish Language Arrangements.** Permits the Broadcast of Licensed Content in any language other than Spanish (including via closed caption, SAP, or other subtitling or dubbing; provided, that no approval shall be required for English language subtitling to the extent permitted under Section 4.1(c)).

(ii) **Previously Owned Platforms.** Permits the Broadcast of Audiovisual Content directly or indirectly on any platform that was owned or controlled by Licensee or its controlled Affiliates within the immediately preceding twenty-four (24) months.

4.3 Licensor Approval Procedures

(a) General Procedures. Licensor will appoint one or more contact persons to review proposed Sublicensing Arrangements and one of such contact persons to have the authority to provide approvals of Sublicensing Arrangements on behalf of Licensor, and one of such contact persons, in the case of consideration of any Sublicensing Arrangement for digital distribution, will be a senior business affairs executive with experience in digital distribution deals for Licensor. Licensee will appoint one or more contact persons who will provide all information necessary to make an informed decision about proposed Sublicensing Arrangements, whom Licensor is to contact with any questions and to whom Licensor is to give its determination as to whether it will approve any applicable Sublicensing Arrangement.

(b) Digital Distribution Approval Process. Without limiting anything contained in Section 4.3(a), the following additional procedures will apply to any Licensee request for approval of, and any Licensor determination as to whether it will approve, any Sublicensing Arrangement relating to digital distribution of the Licensed Content:

(i) Proposed Transaction Notice. If Licensee desires to enter into any Sublicensing Arrangement for digital distribution, Licensee shall provide a notice of the proposed Sublicensing Arrangement to the general counsel (or deputy general counsel) and the contact person of Licensor appointed pursuant to Section 4.3(a), which notice shall contain the identity of the counterparty and a summary of all other material relationships regarding Audiovisual Content with the sublicensee under such proposed Sublicensing Arrangement, and a confirmation that the Sublicensing Arrangement complies with all General Requirements and Core Controls. Licensee shall also provide only to the general counsel (or deputy general counsel) an unredacted copy of the draft agreement or term sheet governing such Sublicensing Arrangement and a copy of the draft agreement or term sheet redacted only so as not to disclose economic and other sensitive terms and conditions (such agreements and description together, the “Proposed Transaction Notice”). Once a Proposed Transaction Notice for a given Sublicensing Arrangement has been approved, or deemed to have been approved, so long as the material terms (including any of the General Requirements, including the Core Controls) are not modified in any material respect in completing the definitive agreement, no further approval shall be required prior to Licensee entering into the definitive agreement for such Sublicensing Arrangement. In any event, to the extent Licensee is not contractually prohibited from doing so (which prohibitions Licensee will use commercially reasonable efforts to avoid), Licensee shall provide the general counsel (and deputy general counsel) and the contact person of Licensor appointed pursuant to Section 4.3(a) final definitive agreements in redacted and unredacted forms. The general counsel (or deputy general counsel) may make available the unredacted copy of the draft agreement or term sheet and the definitive agreements only to the general counsel or deputy general counsel, as applicable, and head counsel for the television department of Licensor and may make available the redacted copy of the draft

agreement or term sheet only to such persons as necessary to permit Licensor to decide whether to approve or reject the proposed Sublicensing Arrangement,

provided that the general counsel (or deputy general counsel) shall immediately make the redacted copy of the draft agreement or term sheet available to the contact person of Licensor appointed pursuant to Section 4.3(a). The general counsel of Licensor shall ensure that no employee or consultant of Licensor involved in digital distribution operations (other than the contact person or persons appointed pursuant to Section 4.3(a)) obtains any unredacted copy of the draft agreement or term sheet or definitive agreement or any of the redacted information. If Licensee is prohibited from providing Licensor with a copy of the draft agreement or term sheet, then the parties will cooperate in good faith to determine an alternative means of providing Licensor with the requisite information necessary for Licensor to properly evaluate the proposed transaction, without violating any applicable contractual or other restrictions.

(ii) *Evaluation Period*. Licensor shall respond in writing to the Proposed Transaction Notice (either approving or rejecting the proposed arrangement, and setting forth the basis for any rejection) to Licensee within ten (10) Business Days of Licensee's provision of any Proposed Transaction Notice fully complying with the requirements of Section 4.3(b)(i) (the "Evaluation Period") or, if the term sheet or draft agreement has already been provided at least ten (10) Business Days prior to a subsequent submission with respect to the same proposed Sublicensing Arrangement on substantially the same terms and conditions, the Evaluation Period shall be three (3) Business Days; provided, that if the Sublicensing Arrangement has a term (including any extensions or renewals) longer than three (3) years but shorter than five (5) years, then the Evaluation Period for such approval shall be thirty (30) Business Days (instead of ten (10) Business Days) or, if the term sheet or draft agreement has already been provided at least thirty (30) Business Days prior to a subsequent submission with respect to the same proposed Sublicensing Arrangement on substantially the same terms and conditions, the Evaluation Period shall be ten (10) Business Days. If Licensor does not reject a proposed Sublicensing Arrangement in accordance with the immediately preceding sentence during the Evaluation Period, such proposed transaction will be deemed to have been approved by Licensor on the terms contained in the applicable Proposed Transaction Notice.

(iii) *Expedited Evaluation Period*. Notwithstanding Section 4.3(b)(ii), if a proposed Sublicensing Arrangement *****, then, with respect to such Expedited Sublicensing Arrangement, the Evaluation Period shall be within three (3) Business Days of Licensee's provision of any Proposed Transaction Notice fully complying with the requirements of Section 4.3(b)(i).

***** **CONFIDENTIAL TREATMENT: GRUPO TELEVISA, S.A.B. HAS REQUESTED THAT THE OMITTED PORTIONS OF THIS DOCUMENT, WHICH ARE INDICATED BY *****, BE AFFORDED CONFIDENTIAL TREATMENT. GRUPO TELEVISA, S.A.B. HAS SEPARATELY FILED THE OMITTED PORTIONS OF THE DOCUMENT WITH THE SECURITIES AND EXCHANGE COMMISSION .**

(c) Renewals; Amendments. Any renewal of a Sublicensing Arrangement will require Licensor approval in accordance with this Section 4. For the avoidance of doubt, this Section 4.3(c) shall not apply to any third party arrangement for a TIN Branded Experience (as Licensor approval is not otherwise required for such arrangements). Amendments, modifications, extensions and/or waivers to any existing Sublicensing Arrangement that would cause such Sublicensing Arrangement to deviate in any material respect from the existing Sublicensing Arrangement, or affect the economics or scope of rights under such Sublicensing Arrangements, or violate any of the General Requirements, including the Core Controls, will require Licensor's approval in accordance with the provisions of this Section 4 applicable to such Sublicensing Arrangement, as amended (including, if such Sublicensing Arrangement is an Expedited Sublicensing Arrangement, the expedited Evaluation Period). Any other amendment, modification, extension and/or waivers to an approved Sublicensing Arrangement, including any such amendment, modification, extension and/or waiver only adding content to be covered under such Sublicensing Arrangement, shall not require Licensor's approval.

7. Subclause (a)(i) of Section 15 of the MLA is hereby replaced in its entirety with the following:

(i) *Characterization of Audiovisual Content*. Any disputes relating to whether content is a Program, Licensed Content, Co-Produced Content, an Acquired Completed Novela, Univision Produced Format Content, Third-Party Produced Format Content, Acquired Completed Content, a Co-Produced Local Novela, a Univision Local Novela or if the procedures of Section 2 relating thereto have been followed;

8. Subclause (a)(xvi) of Section 15 of the MLA is hereby deleted in its entirety and replaced with the following:

[Intentionally Omitted].

9. The address for Licensor set forth on Schedule 10 to the MLA is hereby replaced in its entirety with the following:

Univision Communications Inc.
605 Third Avenue, 12th Floor
New York, NY 10158
Attn: General Counsel
Email: jschwartz@univision.net
Facsimile No.: (646) 964-6681

With a copy to:

O'Melveny & Myers LLP
1999 Avenue of the Stars, Suite 700
Los Angeles, CA 90067-6035
Attn: Steven L. Grossman
Email: slgrossman@omm.com
Facsimile No.: (310) 246-6779

Latham & Watkins LLP
10250 Constellation Blvd
Los Angeles, CA 90067
Attn: Christopher M. Brearton
Email: Chris.Brearton@lw.com
Facsimile No.: (424) 653-5501

Except as expressly provided herein, nothing contained in this letter agreement is intended to, or will be deemed to, modify, impair or otherwise affect the rights, obligations or remedies of Licensor or Licensee under the MLA. This letter agreement shall terminate automatically upon the termination of the MLA.

This Agreement and the negotiation, execution, performance or nonperformance, interpretation, termination, construction and all matters based upon, arising out of or related to this Agreement, whether arising in law or in equity, shall be subject to the provisions of Section 15 of the MLA.

Any notices to be delivered to Licensor or Licensee under this letter agreement shall be delivered in accordance with Section 20.5 of the MLA.

This letter agreement may not be amended or modified except in a writing executed by each party hereto. No provision of this letter agreement may be waived except in a writing executed by the party or parties against whom such waiver is to be enforced. This letter agreement may not be assigned or delegated by either party without the consent of the other party, except that Licensor or Licensee may assign its rights and delegate its duties under this letter agreement to a third party to the extent that such person assigns its rights or delegates its duties to such third party under the MLA as permitted by the terms of the MLA.

[Signatures on following page]

If you are in agreement with the foregoing, please countersign as provided for below. This letter agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one instrument. Signatures delivered by email or telecopy shall have the same effect as the manual original signatures.

Sincerely,

UNIVISION COMMUNICATIONS INC.

By: /s/ Jonathan Schwartz

Name: Jonathan Schwartz

Title: General Counsel and EVP

Agreed to and accepted as of
the date first written above:

MOUNTRIGI MANAGEMENT GROUP LIMITED (F/K/A
VIDEOSERPEL, LTD.)

By: /s/ Willi Dietschi

Name: Willi Dietschi

Title: Chairman of the Board of Directors

[*Signature Page to MLA Amendment*]

Summary in English of the TVI Merger Agreement

Corporativo Vasco de Quiroga, S.A. de C.V. (“CVQ”), a wholly owned subsidiary of Grupo Televisa, S.A.B., entered into a merger agreement with Grupo TVI Telecom, S.A. de C.V. (“GTVI”), owner of 38.77% of the equity interest of Televisión Internacional, S.A. de C.V. (“TVI”) (the “Merger Agreement”), notarized pursuant to public deed number 56,102 dated March 4, 2016, granted before Patricio Garza Bandala, notary public number 18 of Mexico City.

A. Merger

Upon effectiveness of the merger, GTVI merged into CVQ and ceased to exist; CVQ assumed all the assets, liabilities and equity of GTVI, including any and all rights and obligations of GTVI. The merger was approved based on the financial statements of both CVQ and GTVI as of January 31, 2016, which were approved by the shareholders of both companies.

B. Effectiveness of the merger

Given that CVQ agreed to pay any liability by any of the creditors of GTVI, pursuant to article 225 of the General Companies Law the merger is fully effective (i) between CVQ and GTVI and for any fiscal, accounting and financial matter, on the date of the Merger Agreement, and (ii) with respect to third-parties, once the merger is registered in the Public Registry of Commerce of Monterrey and Mexico City, respectively.

C. Liabilities of Merged Companies

CVQ assumed all liabilities of GTVI at the time of the merger. Such liabilities will be paid by CVQ pursuant to their original terms.

D. Effects of the Merger

As a result of the merger:

- a) GTVI ceased to exist and all of its assets, including 38.77% of the equity interest of TVI, are now owned by CVQ.
- b) CVQ acknowledged all agreements, of any nature, executed by GTVI, and has assumed all the obligations therewith.
- c) Each of the shareholders of GTVI became minority shareholders of CVQ. The shareholders of GTVI received Series “B” shares of the capital stock of CVQ.

After the merger, the shareholders of TVI are CVQ and Cable TV Internacional, S.A. de C.V.

Grupo Televisa, S.A.B.
Subsidiaries, Associates and Joint Ventures
as of December 31, 2015

Name of Company	Country of Incorporation
Alektis Consultores, S. de R.L. de C.V.	Mexico
TVU Enterprises, Inc.	United States of America
Bay City Television, Inc.	United States of America
ET Publishing International, LLC	United States of America
Sunny Isle, LLC	United States of America
Saral Publications, Inc.	United States of America
Televisa Internacional, LLC	United States of America
Televisa International Marketing Group, Inc.	United States of America
Televisa USA Development, LLC	United States of America
Borealis Comunicación, S.A. de C.V.	Mexico
Atlántico Global, S.A. de C.V. (1)	Mexico
Qubitic, S.A. de C.V.	Mexico
Trivento CC, S.A. de C.V. (1)	Mexico
Corporativo Vasco de Quiroga, S.A. de C.V.	Mexico
Administradora de Sistemas de Comunicación, S.A. de C.V.	Mexico
Alvafig, S.A. de C.V.	Mexico
Aryadeba, S.A. de C.V.	Mexico
Cable y Comunicación de Morelia, S.A. de C.V.	Mexico
Cablemás Telecomunicaciones, S.A. de C.V.	Mexico
Cablemás International Telecomm, LLC (1)	United States of America
Equipos e Insumos de Telecomunicaciones, S.A. de C.V.	Mexico
Grupo Mapsani, S.A. de C.V.	Mexico
Sumant, S.A. de C.V.	Mexico
TV Transmisiones de Chihuahua, S.A. de C.V.	Mexico
Apoyo Telefónico Cablemás, S.A. de C.V.	Mexico
Construcciones Megapo de Acapulco, S.A. de C.V.	Mexico
Cuernamú, S.A. de C.V.	Mexico
Mega Com-M Servicios, S.A. de C.V.	Mexico
Arretis, S.A.P.I. de C.V.	Mexico
Tenedora Ares, S.A.P.I. de C.V.	Mexico
Grupo Cable TV, S.A. de C.V.	Mexico
Cable Administradora, S.A. de C.V.	Mexico
Grupo Cable Asesores, S.A. de C.V.	Mexico
Consorcio TL de Pachuca, S.A. de C.V.	Mexico
Cable Servicios Corporativos, S.A. de C.V.	Mexico
TV Cable de Provincia, S.A. de C.V.	Mexico
Grupo Cable TV de San Luis Potosí, S.A. de C.V.	Mexico
México Red de Telecomunicaciones, S. de R.L. de C.V.	Mexico
Corp MR II, S. de R.L. de C.V.	Mexico
Metrored Telecom Services, Inc.	United States of America
Tele Azteca, S.A. de C.V.	Mexico
Tele Cable de Apizaco, S.A. de C.V.	Mexico
Tele Cable de La Barca, S.A. de C.V.	Mexico
Tele Cable del Estado de México, S.A. de C.V.	Mexico
Telecable del Centro, S.A. de C.V.	Mexico
Telecable Regional, S.A. de C.V.	Mexico
Televisión por Cable de Tabasco, S.A. de C.V.	Mexico
TIN, S.A. de C.V.	Mexico
Tlaxcable, S.A. de C.V.	Mexico
TV Cable de Oriente, S.A. de C.V.	Mexico
TVI del Centro, S.A. de C.V.	Mexico
TVI Nacional, S.A. de C.V.	Mexico
Cable TV Internacional, S.A. de C.V.	Mexico
Televisión Internacional, S.A. de C.V.	Mexico

Name of Company	Country of Incorporation
CV Comunicaciones, S.A. de C.V.	Mexico
CV Telecomunicaciones del Norte, S.A. de C.V.	Mexico
Grupo Servicomunicación, S.A. de C.V.	Mexico
Multibip, S.A. de C.V. (1)	Mexico
R.H. Servicios Administrativos, S.A. de C.V.	Mexico
R.H. Servicios Ejecutivos, S.A. de C.V.	Mexico
Servicios Telum, S.A. de C.V.	Mexico
Sintonia Fina, S.A. de C.V. (1)	Mexico
Técnica Avanzada en Cableados, S.A. de C.V.	Mexico
Telum, S.A. de C.V.	Mexico
Cable Sistema de Victoria, S.A. de C.V.	Mexico
Comunicable de Valle Hermoso, S.A. de C.V. (1)	Mexico
Comunicable, S.A. de C.V.	Mexico
Telecable de Matehuala, S.A. de C.V.	Mexico
Detema, S.A. de C.V. (*) (1)	Mexico
Cable y Comunicación de Campeche, S.A. de C.V.	Mexico
Cablemás Holdings, S.A. de C.V.	Mexico
Cablevisión Red, S.A. de C.V.	Mexico
CCC Tecno Equipos, S.A. de C.V.	Mexico
CM Equipos y Soportes, S.A. de C.V.	Mexico
Constructora Cablemás, S.A. de C.V.	Mexico
Contenido Plus, S.A. de C.V.	Mexico
Desarrollo OTT, S.A. de C.V.	Mexico
OTT Pacifico, S.A.	Panama
Plataforma OTT, S.A. de C.V.	Mexico
OTT Latino, S.A. de C.V.	Mexico
Digital TV, S.A. de C.V. (1) (2)	Mexico
Empresas Cablevisión, S.A.B. de C.V.	Mexico
Milar, S.A. de C.V.	Mexico
Cablebox, S.A. de C.V.	Mexico
Cablestar, S.A. de C.V.	Mexico
Bestel USA, Inc.	United States of America
Letobes, S.A. de C.V.	Mexico
Letseb, S.A. de C.V.	Mexico
Bestphone, S.A. de C.V.	Mexico
Operbes, S.A. de C.V.	Mexico
Servicios Letseb, S.A. de C.V.	Mexico
Servicios Operbes, S.A. de C.V.	Mexico
Cablevisión, S.A. de C.V.	Mexico
Tercera Mirada, S.A. de C.V.	Mexico
Estudio Sevilla 613, S.A. de C.V.	Mexico
Grupo Mexicano de Cable, S.A. de C.V.	Mexico
Integravisión de Occidente, S.A. de C.V.	Mexico
Servicios Cablevisión, S.A. de C.V.	Mexico
Servicios Técnicos Cablevisión, S.A. de C.V.	Mexico
Tecnicable, S.A. de C.V.	Mexico
Blecanicet, S.A. de C.V.	Mexico
Telestar del Pacifico, S.A. de C.V.	Mexico
Grupo de Telecomunicaciones de Alta Capacidad, S.A.P.I. de C.V. and subsidiary (*)	Mexico
Inmobiliaria Cablemás, S.A. de C.V.	Mexico
Tedicom, S.A. de C.V.	Mexico
Bekyc Apoyo y Servicios de Ventas, S.A. de C.V.	Mexico
Delft Prestadora de Servicios Técnicos, S.A. de C.V.	Mexico
Servicios Administrativos Kybeca, S.A. de C.V.	Mexico
Operadora de Redes, S.A. de C.V. (*) (1)	Mexico
Profesionales en Ventas y Mercadeo, S.A. de C.V.	Mexico
San Ángel Telecom, S.A. de C.V.	Mexico
Servicios Administrativos Cablemás, S.A. de C.V.	Mexico
Servicios Integrales para Sistemas de Cable, S.A. de C.V.	Mexico
Tele Cable de Michoacán, S.A. de C.V.	Mexico
Unisat Mexicana, S.A. de C.V.	Mexico

Name of Company	Country of Incorporation
DTH Europa, S.A.	Spain
DTH México, S.A. de C.V. (1)	Mexico
Editorial Televisa, S.A. de C.V.	Mexico
Auto Rent Acuario, S. de R.L. de C.V.	Mexico
Editorial Atlántida, S.A.	Argentina
Atlántida Chile, S.A. (1)	Chile
Atlántida Digital, S.A.	Argentina
Desarrollos del Atlántico, S.A.	Argentina
Dewal, S.A.	Uruguay
Ediciones Paparazzi, S.A.	Argentina
Editorial Atlántida Uruguay, S.R.L.	Uruguay
Feria Puro Diseño, S.A.	Argentina
Editorial Gente Televisa, S.A. de C.V.	Mexico
Editorial GyJ Televisa, S.A. de C.V.	Mexico
Editorial Motorpress Televisa, S.A. de C.V.	Mexico
Editorial Televisa Argentina, S.A.	Argentina
Editorial Televisa Chile, S.A.	Chile
Editorial Televisa Colombia, S.A.	Colombia
Editorial Televisa Colombia Cultural, S.A.	Colombia
Distribuidoras Unidas, S.A.	Colombia
Editorial C&P S.A.S. (2)	Colombia
Editorial Televisa International, S.A.	Mexico
Editorial Televisa Perú, S.A.	Peru
Editorial Televisa Puerto Rico, Inc. (1)	Puerto Rico
Editorial Televisa Venezuela, S.A. (2)	Venezuela
VeneTel Servicios Publicitarios, S.A. (1)	Venezuela
Factum Más, S.A. de C.V.	Mexico
Factum Más Telecom, S.A. de C.V.	Mexico
Sky DTH, S.A. de C.V.	Mexico
Innova Holdings, S. de R.L. de C.V.	Mexico
Innova, S. de R.L. de C.V.	Mexico
Corporación Novaimagen, S. de R.L. de C.V.	Mexico
Corporación Novavisión, S. de R.L. de C.V.	Mexico
Novavision Group, Inc.	United States of America
Novavisión Honduras, S.A. de C.V.	Honduras
Novavisión Panamá, S.A.	Panama
Media Visión de Panamá, S.A.	Panama
Ridge Manor, S. de R.L.	Spain
Galaxy Nicaragua, S.A.	Nicaragua
Servicios Directos de Satélite, S.A.	Costa Rica
Sky El Salvador, S.A. de C.V.	El Salvador
Televisión Novavisión de Guatemala, S.A.	Guatemala
Corporación de Radio y Televisión del Norte de México, S. de R.L. de C.V.	Mexico
Corporación Satelital Novavisión Dominicana, S.A.	Dominican Republic
Innovación Sistemática y Comercial, S. de R.L. de C.V.	Mexico
Apoyo y Asesoría Cabeke, S.A. de C.V.	Mexico
Novabox, 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

Name of Company	Country of Incorporation
Grupo Distribuidoras Intermex, S.A. de C.V.	Mexico
Distribuidora Alfa, S.A.	Chile
Distribuidora Bolivariana, S.A.	Peru
Distribuidora de Revistas Bertrán, S.A.C. (1)	Argentina
Intercontinental Media, S.A. (1)	Argentina
Distribuidora Intermex, S.A. de C.V.	Mexico
Distribuidora Panamex, S.A.	Panama
Gonarmex, S.A. de C.V.	Mexico
Samra, S.A. (1)	Ecuador
Distribuidora Los Andes, S.A. (1)	Ecuador
Vanipubli Ecuatoriana, S.A. (1)	Ecuador
Grupo Legaris, S.A. de C.V.	Mexico
Comercial Televisa Más, S.A. de C.V.	Mexico
Grupo Telesistema, S.A. de C.V.	Mexico
Altavista Sur Inmobiliaria, S.A. de C.V.	Mexico
Argos Comunicación, S.A. de C.V. and subsidiaries (*)	Mexico
Audiomaster 3000, S.A. de C.V. (1)	Mexico
Autofun, S.A. de C.V.	Mexico
Corporativo TD Sports, S.A. de C.V.	Mexico
Servicios Administrativos Coapa, S.A. de C.V.	Mexico
En Vivo Espectáculos, S. de R.L. de C.V. (1)	Mexico
Encuentro Independiente, S.A. de C.V. (1)	Mexico
G. Televisa-D, S.A. de C.V.	Mexico
Grupo Bissagio, S.A. de C.V. (4)	Mexico
Multimedia Telecom, S.A. de C.V.	Mexico
Comunicaciones Tieren, S.A. de C.V.	Mexico
Univision Holdings, Inc. and subsidiaries (including Univision Communications Inc.)(*)	United States of America
Villacezán, S.A. de C.V.	Mexico
Aquitania Consultores Industriales, S.A. de C.V.	Mexico
Coisa, Consultores Industriales, S.A. de C.V.	Mexico
Corporativo Bosque de Acacias, S.A. de C.V.	Mexico
Corporativo Lazaretto, S.A. de C.V.	Mexico
CVQ Espectáculos, S.A. de C.V.	Mexico
Cairos Markets, S.A. de C.V.	Mexico
Club de Fútbol América, S.A. de C.V.	Mexico
Teatro de los Insurgentes, S.A. de C.V.	Mexico
Televisa en Vivo, S.A. de C.V.	Mexico
Torali, S.A. de C.V. (1)	Mexico
Videocine, S.A. de C.V.	Mexico
Coyoacán Films, S.A. de C.V. (*)	Mexico
Pantelion, LLC	United States of America

Name of Company	Country of Incorporation
CVQ Series, S.A. de C.V. (1)	Mexico
Editorial Clío, Libros y Videos, S.A. de C.V. and subsidiary (*)	Mexico
Fútbol del Distrito Federal, S.A. de C.V.	Mexico
Grupo Comunicación y Esfuerzo Comercial, S.A. de C.V. (1)	Mexico
Lomas Consultores Administrativos, S.A. de C.V.	Mexico
Marcas y Desarrollos, S.A. de C.V. (*) (1)	Mexico
Mednet, S.A. de C.V. (*) (2)	Mexico
Productora Contadero, S.A. de C.V. (*) (1)	Mexico
Promo-Certamen, S.A. de C.V.	Mexico
Raspafácil, S.A. de C.V.	Mexico
Servicios Administrativos Profesionales Bosques, S.A. de C.V.	Mexico
Corporación Kante, S.A. de C.V.	Mexico
Corporativo Bosque de Canelos, S.A. de C.V.	Mexico
Truxillos Publicidad, S.A. de C.V.	Mexico
Gyali, S.A. de C.V.	Mexico
Inmobiliaria Amber, S.A. de C.V.	Mexico
Medios y Estrategias Promocionales, S.A. de C.V.	Mexico
Mexvisa, Ltd.	Switzerland
Mountrigi Management Group, Ltd.	Switzerland
Multimedios Santa Fe, S.A. de C.V.	Mexico
Iniciativa México, S.C.	Mexico
Ollin VFX, S.A.P.I. de C.V. and subsidiary (*)	Mexico
Ollin VFX Servicios, S.A. de C.V. (*)	Mexico
Operadora Dos Mil, S.A. de C.V. (1)	Mexico
OTT Contenidos, S.A. de C.V.	Mexico
Publicidad Virtual, S.A. de C.V.	Mexico
Tele Tips Digital, S.A. de C.V.	Mexico
Cedecom, S.A. de C.V. (*)	Mexico
Televisa CJ Grand, S.A. de C.V. (*)	Mexico
Teleinmobiliaria, S. de R.L. de C.V.	Mexico
Televisa, S.A. de C.V.	Mexico
Centros de Conocimiento Tecnológico, S.A. de C.V. and subsidiary (3)	Mexico
Endemol México, S.A. de C.V. (*)	Mexico
Espacio de Vinculación, A.C.	Mexico
Televisa Music Publishing, S.A. de C.V.	Mexico
Televisa Transmedia, S.A. de C.V.	Mexico
Televisión Independiente de México, S.A. de C.V.	Mexico
Baluartes Bienes Raíces, S.A. de C.V.	Mexico
Canal XXI, S.A. de C.V.	Mexico
Canales de Televisión Populares, S.A. de C.V.	Mexico
Desarrollo Milaz, S.A. de C.V.	Mexico
Radio Televisión, S.A. de C.V.	Mexico
Radiotelevisora de México Norte, S.A. de C.V.	Mexico
T.V. de los Mochis, S.A. de C.V.	Mexico
Teleimagen del Noroeste, S.A. de C.V.	Mexico
Telemercado Alameda, S. de R.L. de C.V. (*) (1)	Mexico
Televimex, S.A. de C.V.	Mexico
Televisión de Puebla, 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 Yaqui, S.A. de C.V. (*)	Mexico
Televisora Peninsular, S.A. de C.V.	Mexico
Terma, S.A. de C.V.	Mexico

Name of Company	Country of Incorporation
Imagina Media Audiovisual, S.L. and subsidiaries (*)	Spain
Kapa Capital, S.A. de C.V.	Mexico
Kasitum, S.A. de C.V.	Mexico
Grupo Nueva Comercial TB, S.A. de C.V.	Mexico
Metrópolis VIP, S.A. de C.V. (1)	Mexico
Miracle TV Corporation (*) (1)	United States of America
Multimedia CTI, S.A. de C.V.	Mexico
Promo-Industrias Metropolitanas, S.A. de C.V.	Mexico
Comunicaciones Kapa, S.A. de C.V.	Mexico
Telestar de Occidente, S.A. de C.V.	Mexico
Sistema Radiópolis, S.A. de C.V.	Mexico
Cadena Radiodifusora Mexicana, S.A. de C.V.	Mexico
Radio Melodía, S.A. de C.V.	Mexico
Radio Tapatía, S.A. de C.V.	Mexico
XEZZ, S.A. de C.V.	Mexico
Servicios XEZZ, S.A. de C.V.	Mexico
Radio Comerciales, S.A. de C.V.	Mexico
Radiotelevisora de Mexicali, S.A. de C.V.	Mexico
Servicios Radiópolis, S.A. de C.V.	Mexico
Teleparábolas, S.L.	Spain
Telesistema Mexicano, S.A. de C.V. (2)	Mexico
Imagen y Talento Internacional, S.A. de C.V.	Mexico
Televisa Argentina, S.A. (2)	Argentina
Televisa Entretenimiento, S.A. de C.V.	Mexico
Ocesa Entretenimiento, S.A. de C.V. and subsidiaries (*)	Mexico
Televisa Juegos, S.A. de C.V.	Mexico
Apuestas Internacionales, S.A. de C.V.	Mexico
Magical Entertainment, S. de R.L. de C.V.	Mexico

Name of Company	Country of Incorporation
Ulvik, S.A. de C.V.	Mexico
Cadena de las Américas, S.A. de C.V.	Mexico
Comunicaciones Sevitel, S.A. de C.V.	Mexico
Corporación Más, S.A. de C.V.	Mexico
Corporatel, S.A. de C.V.	Mexico
Desarrollo Vista Hermosa, S.A. de C.V.	Mexico
ECO Producciones, S.A. de C.V.	Mexico
Empresas Baluarte, S.A. de C.V.	Mexico
Grupo Administrativo Tijuana, S.A. de C.V.	Mexico
Intellectus Comunicación, S.C.	Mexico
Intellectus Creativo, S.C.	Mexico
Intellectus Producción, S.C.	Mexico
Intellectus RH, S.C.	Mexico
Intellectus Técnico, S.C.	Mexico
Jana Talento, S.A. de C.V. (1)	Mexico
Plataforma Digital, S.A. de C.V. (1)	Mexico
Sattora, S.A. de C.V.	Mexico
Servicios Deportivos Amec, S.A. de C.V.	Mexico
Servicios Deportivos Luportas, S.A. de C.V.	Mexico
Servicios Deportivos Nexa, S.A. de C.V.	Mexico
Servicios Deportivos Salu, S.A. de C.V.	Mexico
Servicios Sateve, S.A. de C.V.	Mexico
Televisa Corporación, S.A. de C.V.	Mexico
Televisa Producciones, S.A. de C.V.	Mexico
Televisa Talento, S.A. de C.V.	Mexico
Televisat, S.A. de C.V.	Mexico
Transmisiones Nacionales de Televisión, S.A. de C.V.	Mexico
TV Conceptos, S.A. de C.V.	Mexico

(*) Associate or Joint Venture.

(1) Without current operations.

(2) In process of liquidation.

(3) Equity financial instrument.

(4) In November 2015, Grupo Bissagio, S.A. de C.V. was incorporated in Mexico. Before that date this indirect subsidiary of the Company was incorporated in Switzerland and its name was Grupo Xquenda, Ltd.

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Emilio Azcárraga Jean, certify that:

1. I have reviewed this annual report on Form 20-F of Grupo Televisa, S.A.B.;
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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) 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
 - d) 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.

Date: April 29, 2016

By: /s/ Emilio Azcárraga Jean

Name: Emilio Azcárraga Jean
 Title: Chairman of the Board, President and
 Chief Executive Officer

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.B.;
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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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) Designed such internal controls over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) 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
 - d) 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.

Date: April 29, 2016

By: /s/ Salvi Rafael Folch Viadero
Name: Salvi Rafael Folch Viadero
Title: Chief Financial Officer

GRUPO TELEVISA, S.A.B.
SECTION 906 CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Emilio Azcárraga Jean, Chairman of the Board, President and Chief Executive Officer of Grupo Televisa, S.A.B. (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, 2015, 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: April 29, 2016

By: /s/ Emilio Azcárraga Jean
Name: Emilio Azcárraga Jean
Title: Chairman of the Board, President
and Chief Executive Officer

GRUPO TELEVISA, S.A.B.
SECTION 906 CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Salvi Rafael Folch Viadero, the Chief Financial Officer of Grupo Televisa, S.A.B. (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, 2015, 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: April 29, 2016

By: /s/ Salvi Rafael Folch Viadero
Name: Salvi Rafael Folch Viadero
Title: Chief Financial Officer

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statement on Form S-8 (No. 333-126827) of Grupo Televisa, S.A.B. of our report dated April 28, 2016 relating to the financial statements and the effectiveness of internal control over financial reporting, which appears in this Form 20-F.

PricewaterhouseCoopers, S.C.

/s/ José Miguel Arrieta Méndez

C.P.C. José Miguel Arrieta Méndez

Audit Partner

México, D.F.

April 28, 2016
