



Grupo Clarín



**ANNUAL
REPORT 2013**

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The Annual Report and certain boxes and charts that include highlighted information for illustrative purposes throughout this publication, include financial information as of and for the fiscal years ended December 31, 2013 and 2012, which was extracted from the Consolidated and the Parent Only Financial Statements as of December 31, 2013, presented on a comparative basis, and their related notes. The Annual Report and the Highlights should be read in conjunction with such financial statements and related notes, the report of Grupo Clarín's independent accountants, Price Waterhouse & Co. S.R.L., Buenos Aires, Argentina (a member firm of PriceWaterhouseCoopers) relating to such financial statements, and the report of Grupo Clarín's Supervisory Committee.

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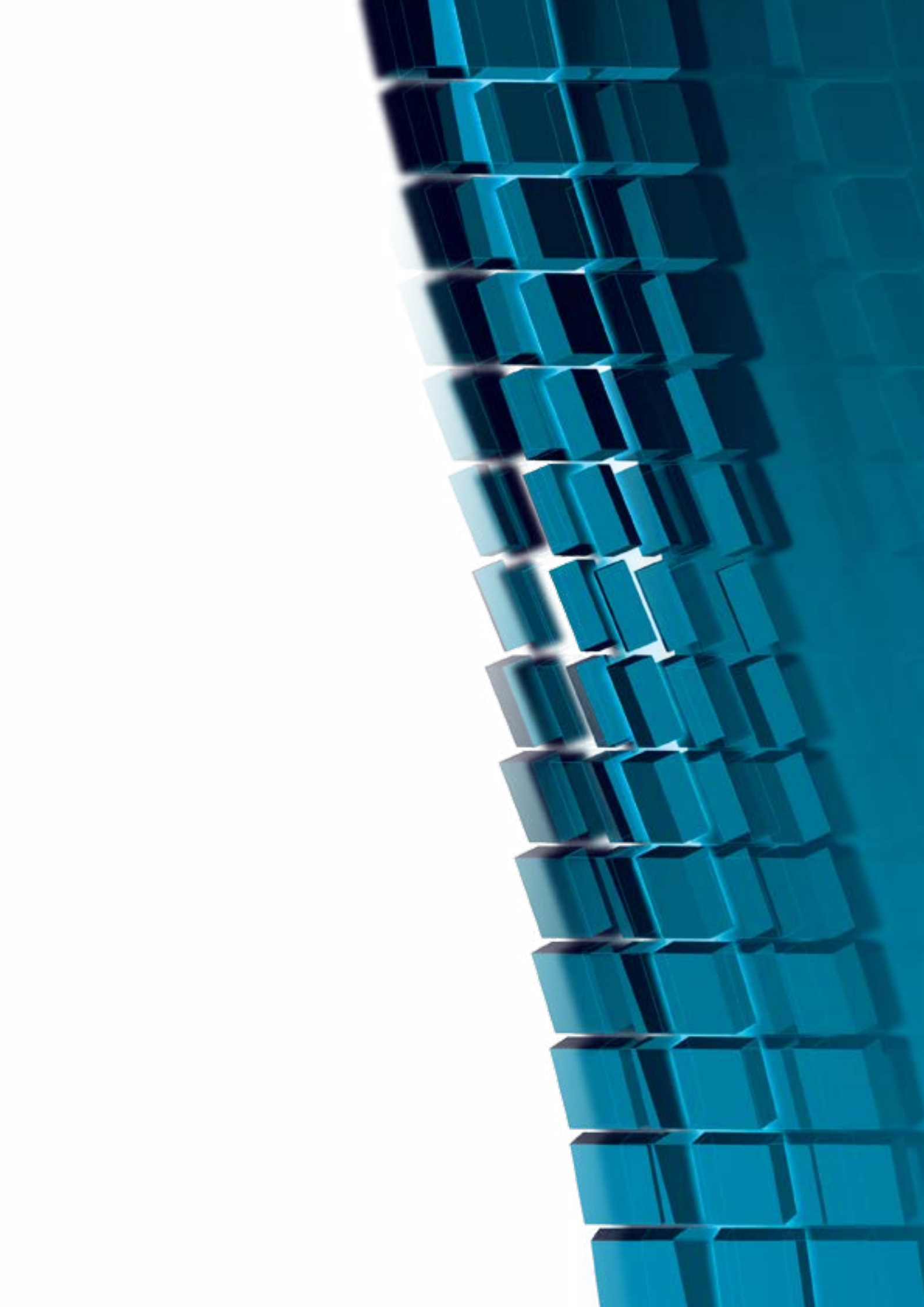
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FINANCIAL HIGHLIGHTS

(In millions of Ps.)

	2013	2012	YoY
Net Sales	14,184.3	11,318.9	25.3%
Adjusted EBITDA ⁽¹⁾	3,274.0	2,772.7	18.1%
Adjusted EBITDA Margin ⁽²⁾	23.1%	24.5%	(5.8%)
Net Income ⁽³⁾	800.7	972.3	(17.7%)

(1) We define Adjusted EBITDA as net sales minus cost of sales (excluding depreciation and amortization) and selling and administrative expenses (excluding depreciation and amortization). We believe that Adjusted EBITDA is a meaningful measure of our performance. It is commonly used to analyze and compare media companies on the basis of operating performance, leverage and liquidity. Nonetheless, Adjusted EBITDA is not a measure of net income or cash flow from operations and should not be considered as an alternative to net income, an indication of our financial performance, an alternative to cash flow from operating activities or a measure of liquidity. Other companies may compute Adjusted EBITDA in a different manner; therefore, Adjusted EBITDA as reported by other companies may not be comparable to Adjusted EBITDA as we report it.

(2) We define Adjusted EBITDA Margin as Adjusted EBITDA over Net Sales.

(3) We define Net Income as Income for the period.

OPERATING RESULTS

	2013	2012	YoY
Total Consolidated Subscribers ⁽¹⁾⁽³⁾	3,492.5	3,404.7	2.6%
Total Internet Subscribers ⁽¹⁾⁽³⁾	1,711.6	1,504.4	13.8%
Circulation ⁽¹⁾	296.7	311.7	(4.8%)
Audience Share % ⁽²⁾			
Prime Time	35.4%	35.9%	(1.4%)
Total Time	28.0%	29.4%	(4.6%)

(1) Figures in thousands.

(2) Share of broadcast TV audience according to IBOPE for AMBA. PrimeTime is defined as Monday through Friday from 8 pm to 12 am. Total Time is defined as Monday through Sunday from 12 pm to 12 am.

(3) Total subscribers consolidated following the same consolidation methods used in the financial statements as of each year end.

ADJUSTED EBITDA

(In millions of Ps.)

	2013	2012	YoY
Cable TV and Internet Access	2,850.7	2,406.9	18.4%
Printing and Publishing	76.2	229.9	(66.9%)
Broadcasting and Programming	334.1	136.1	145.6%
Digital Content and Others	13.1	(0.2)	6,645.5%
Subtotal	3,274.0	2,772.7	18.1%
Eliminations	-	-	NA
Total	3,274.0	2,772.7	18.1%

2013 MACROECONOMIC ENVIRONMENT

In spite of the slow dynamics that developed countries continued to experience in 2013, emerging economies continued to grow in 2013 at a slightly slower pace than in previous years, but still well above average global growth.

The world has continued to register economic growth at two different structural paces, reflecting the operation of the new global accumulation mechanism, centered on emerging economies.

In this global framework, the performance of the Argentine economy in 2013 showed certain pronounced differences with respect to previous years. One major difference is the gradual advance in the correction of a significant portion of the main relative prices that occurred in the last months of 2013.

The upturn in economic activity, which showed an increased growth rate compared to 2012 in spite of the stagnation of the last quarter, is one of the highlights amidst the few assets of 2013.

Among the several liabilities, the accelerated deterioration of some of the fundamental macroeconomic variables over the last months of the year clearly stands out. This circumstance underscored the urgent need to start correcting imbalances that had been brewing in previous years and led to the replacement of the Minister of Economy and the President of the Central Bank after the October congressional elections.

In that regard, we note the extent of the decrease in Central Bank reserves (which fell by USD 12.7 billion, from USD 43.3 million to USD 30.6 billion). The seriousness of this decrease, which paradoxically took place under a scheme of strict exchange controls, reflects the material deterioration of the economy's external front.

The magnitude of the decrease in reserves eliminated the possibility to continue to extend in time, both the anchors (exchange rate and utility tariffs) that had been used in previous years to

take pressure off the price index, and the negative interest rate for local currency savings in regard to inflation.

Hence, and in line with most currencies of other countries in the region, the Argentine peso depreciated with respect to the US dollar during 2013 (by almost 33% in nominal terms, or by 5.6% in real terms, taking into account the inflation rate differential between Argentina and the United States). The cost of utilities and the basic fares for buses and trains in the metropolitan area of the City of Buenos Aires suffered adjustments ranging from 33% to 42%. The BADLAR (average interest rate for 30 to 35 day term deposits of more than Ps.1 million in Buenos Aires) in Argentine pesos paid by private banks to depositors stood at 20% by the end of the year, i.e. five percentage points above the level of the previous year.

The inflationary context in which the peso experienced its depreciation contrasted with the circumstances in other economies in the region. Another of the relevant liabilities of 2013 on the economic front was the acceleration of the price index, which according to private estimates closed at 27-28% at year end; 2.5 percentage points higher than in 2012. The increase in the price index was the highest since 2002, and contrasts with the single-digit levels registered by all other countries in the region, except for Venezuela.

A material portion of these imbalances is attributable to fiscal and monetary issues. The national public accounts have been deteriorating uninterruptedly since 2005 (when the primary fiscal surplus reached its record high, accounting for 3.9% of GDP). The national primary fiscal imbalance worsened significantly throughout 2013





and was increasingly financed with the printing of currency. Without counting remittances from the Central Bank and ANSES, the national primary deficit rose to Ps.81.7 billion (approximately 2.7% of nominal GDP) during the year, more than doubling the figure for 2012. The financial deficit (i.e. deficit after honoring public debt interest) climbed to Ps.123.7 billion (approximately 4.1% of GDP) in 2013.

Both figures are record highs since 2003, both in absolute and in relative terms. Such fiscal deterioration took place in spite of the increasing tax pressure of the last decade (a current record high for the three governmental levels on a consolidated basis).

Due to the reform of the Central Bank Charter, the fiscal imbalance described above was financed to a large extent with the printing of currency. In 2013, the monetary authority issued approximately Ps.90.0 billion in order to aid the National Treasury, doubling the figures for 2012. However, the year-on-year growth of the monetary base (approximately 24%) was lower than in 2012, both in absolute values and as a percentage increase, because unlike previous years, in 2013 the external sector contributed to shrinking the monetary base.



PERSPECTIVES FOR THE UPCOMING YEAR

The changes introduced to U.S. monetary policy, along with the pace at which such changes will be finally implemented, and their gradual impact on that country's growth and employment rates, will be a determining factor in the development of the world economy in the upcoming year. The global environment of the emerging countries in the upcoming years will be probably characterized by less liquidity, a stronger U.S. dollar and lower commodity prices.

Under the current scheme, the short-term and medium-term performance of the Argentine economy depend mostly on the country's ability to generate sufficient foreign currency to honor interest payments on its foreign debt and to finance the necessary imports to sustain the production process. All other things being equal, this circumstance will depend on the evolution of the price and volume of exports and/or the use of the Central Bank's reserves.

Therefore, the likely stagnation of export values is a conditioning factor for the Argentine economy's performance in 2014. This scenario is attributable to the expected inflow of U.S. dollars injected to the economy by the agricultural sector (which will be similar to 2013, to the extent that the expected increase in the harvest volume is offset by an expected fall in the price of the main agricultural commodities), coupled with the potentially lower dynamism of industrial exports due to the poor growth expected for Brazil, among other reasons.

Consequently, this scenario will test the capacity of the economy to sustain the increase in imports required to preserve production growth without compromising the current levels of foreign currency reserves.

At a strictly local level, the key question for 2014 is the extent to which the significant nominal depreciation of the official Argentine Peso exchange rate that occurred in January, will be reflected on the prices of the economy as a whole and on the prices of food, in particular. Even though the

adjustments to the price of public utilities that have already been implemented and those that are likely to be implemented in the future help to stop fiscal deterioration, they are also an additional factor that exerts pressure on an already high inflation rate.

Hence, if the inflation rate continues to accelerate, it will put pressure on the next rounds of wage negotiations, and will have a negative impact on the purchasing power of salaries and pensions that are not adjusted periodically, thus compromising improvement in social indicators and the distribution of income among the people of Argentina.

In summary, the external constraint that compromises the normal operation of the Argentine economy and the other imbalances created in, and carried over from, previous years, jeopardize the country's ability to make progress with pending matters as well as the accomplishments achieved so far.

All the circumstances described in this report reveal that the degree of freedom in making short and mid-term economic policy will be more limited than in previous years. The transition of the Argentine economy from a position of abundance of U.S. dollars to one of scarcity, gives rise to budgetary constraints to which economic policy makers are little accustomed, but that will necessarily have to be taken into account in their decisions during their remaining years in office.

THE YEAR 2013 AND THE MEDIA SECTOR IN ARGENTINA

At the close of 2013, the global media industry recorded an average growth rate of approximately 5%, similar to that of previous years, thus consolidating the recovery phase that was noticeable in the aftermath of the 2008-2009 crisis. The strong growth of digital revenues (of approximately 15% compared to 2012, according to the Global Entertainment and Media Outlook 2013-2017 issued by PWC) is a highlight of that phase, as such revenues increase at a rate significantly above the average. However, digital revenues still account for less than 10% of the total revenues generated by the industry (this percentage rises to 25% considering advertising revenues only).

The sustained growth of emerging economies and its resulting direct impact on the industry, fundamentally explains the performance of the industry that was described above. By way of example, in the course of the last few years the Latin-American media industry -in contrast to that of Argentina- has been experiencing growth rates at a global level slightly above those recorded by its Asian counterparts.

The healthy growth rate achieved by the economies of these countries takes some pressure off the most critical source of concern for this industry, which is always facing new challenges arising from the recurring emergence of new technologies and the changes in the media consumption patterns of new generations and of the population as a whole.

The accelerated migration of audiences, content and advertisers towards the digital ecosystem is still the cornerstone of the media industry's worldwide performance during 2013. The flexibility and user-friendliness of the new digital products, as well as the emerging opportunities for access and connectivity, are the key drivers of this change.

Hence, the acceleration of the current migration process towards digitalization in general, and to mobile platforms in particular, is giving rise to a veritable cultural revolution on a global basis, beyond the boundaries of our industry. The gradual shift to new available technologies is transforming the way in which we carry out our day-to-day activities and is leading to an unprecedented transformation of essential aspects of our societies, such as interpersonal relationships and access to the media for information and entertainment purposes. Digital

natives and nomads are definitely the key drivers of this huge cultural change.

Over the last years, the choices available for media consumers have increased exponentially. That increase is mostly attributable to new technologies and platforms. Hence, the new "always-on consumer" is able to take significant control of when, where and how to access the desired content. As a consequence of this, companies are being permanently tested on how fast they can adapt and respond to these new demands.

All of the above, coupled with this new generation of consumers whose habits and preferences differ remarkably from those of prior generations, still poses a great challenge and at the same time represents an opportunity for each of the different segments of the media industry. The worldwide growth experienced by social media and new video and audio streaming platforms is of particular note.

For the local economy and media industry, the year 2013 was characterized by slow dynamics in direct contrast to the regional trend. In fact, as mentioned above, the moderate growth coupled with high inflation that characterized the economy throughout the year was an additional source of stress for this industry.

In addition to the macroeconomic trends analyzed above, at a micro level, the government escalated its attacks against the press with the clear purpose of colonizing the media and weakening independent media in general, and Grupo Clarín in particular. The regulatory tools devised to increase governmental intervention and affect private media sustainability, the discrediting campaigns and attacks against journalists and directors from media that are critical of the current administration, the arbitrary allocation of official advertising, the unprecedented restrictions imposed by the government on private advertising in newspapers and their related dramatic impact on the media economy, the use of publicly-owned media as promotional tools for the government, and the expansion of pro-government media (sustained only by the official advertising allocated to them) are good examples of such escalation.

In this complex environment, the results of the main sources of revenue of the industry were generally meager. In fact, advertising investment (including investment in digital products)

increased by approximately 20% in nominal terms, slightly above the level of the previous year. This rise was mostly driven by government advertising expenditure, directed to continue to finance a matrix with a growing share of publicly-owned media. In terms of consumer prices, the increase in the consolidated advertising pie of the several industry segments fell again well below the inflation rate (of approximately 27% according to private estimates). This reveals that although advertising increased in nominal terms, the rate of increase was substantially lower than the inflation rate and the economy as a whole, thus reducing its relative weight in the same.

Unlike the trend of previous years and in line with most countries of the region, the broadcast television segment outperformed the newspaper segment in terms of attracting the largest share of advertising in the local market. This circumstance is mainly attributable to the decrease in private advertising derived from the restrictions imposed by the government on the main local newspapers.

The paid television and Internet segments continued to expand in 2013, even though Argentina's penetration rates are among the highest in the region. On-line advertising has continued to increase its share in total revenues year after year. During 2013, these revenues accounted for almost 17% of the total advertising pie, moving closer to the newspaper segment which accounts for 25%.

The number of pay television subscribers increased at a faster pace during 2013, leveraged by the growing penetration of additional services (incorporation of high-definition signals to the grid and new technologies, such as, on-demand services, due to intensive investments in the expansion of network capacity).

Broadband demand continued to be dynamic, although it showed signs of a slight slowdown. In fact, by year-end, residential fixed broadband Internet access reached a new record high in a fiercely competitive environment noted for the promotional offers of its main market players. At the same time, the mobile broadband segment dynamics, driven by the high penetration of smartphones and the implementation of combined voice and data subscriptions by cell phone companies, evidenced the complementarity that this technology provides to the market.

In this regard, an increasingly relevant phenomenon on a global basis is the users' ongoing demand for higher speed, mostly as a result of the predominance of video traffic over other traffic and, to a lesser extent, as a result of the increasing number of devices connected to the Internet at home. Naturally, this increased demand for bandwidth per client compels providers to add new capabilities to their networks on an ongoing basis, building pressure on the current business models.

Lastly, newspaper circulation has continued to show its downward structural trend, similar to that of the rest of the world. Average newspaper circulation in the metropolitan area (City of Buenos Aires and its surroundings) (source: Newspaper and Magazine Circulation Verification Institute, IVC, adjusted by the Company to account for newspapers in the City of Buenos Aires for which circulation is not verified) fell by 6.4% (Mondays through Sundays) compared to the previous year. In contrast, it is worth noting the exponential, sustained increase in the number of visits to social networks and websites that create content, mainly news sites, with newspapers at the top of the rankings.

As a logical consequence, the increased number of readers of digital newspapers reveals that the demand for content (but not the preference for paper) remains strong, although it is spread across a broader variety of technological platforms. Hence, the way in which content is consumed, rather than content itself, is what represents a dramatic change in this specific segment of the industry.

Within the framework of this new ecosystem, deriving profitability from digital newspapers by generating revenues in line with their growing number of readers is still the main challenge faced by newspaper publishers from an economic-financial standpoint.



Regulatory framework and conditions for the journalistic and media activity during 2013

In addition to the above, during 2013 private media in general and Grupo Clarín in particular continued to face an escalating level of harassment. Such harassment was executed through official and para-official structures, with the clear intention of damaging the media's reputation and directly and indirectly limiting its journalistic activities.

In this framework, the government continued with the discriminatory allocation of official advertising used to create and sustain pro-government media, and to retaliate against critical media, as a tool to condition the press.

In this regard, the Supreme Court of Justice confirmed, in a decision that since 2009 there has been a discriminatory allocation of official advertising in connection with Arte Radiotelevisivo Argentino S.A., which was allocated practically no official advertising in early 2012. The court confirmed the decision rendered by Chamber No. 4 of the National Court of Appeals on Federal Administrative Matters in re "Arte Radiotelevisivo Argentino S.A. vs. EN-JGM-SMC" on Claim for the protection of constitutional rights ("acción de amparo", Law 16,986) and ordered the national government to allocate official advertising among América TV S.A., Telearte S.A. (Canal 9), Teledifusora Federal (Canal 11), Arte Radiotelevisivo Argentino (Canal 13) and SNMP S.E. y RTA S.E.

(Canal 7) on an equal and proportional basis, and that allocation mechanisms be implemented with a reasonable jurisdictional equilibrium that allows for an adequate judicial control of any illegality or unreasonableness in governmental action or failure to act with respect to the allocation of public funds to official advertising.

Thus, the Supreme Court of Justice confirmed the existence of discriminatory conduct in the allocation of official advertising towards one of the companies of Grupo Clarín. Such discriminatory conduct was also extended to the other companies of the Group, in particular Arte Gráfico Editorial Argentino S.A. and Radio Mitre S.A. The ARTEAR case is based on the precedents of Editorial Perfil and Editorial Río Negro, and the court held that because it had already rendered judgment about the matter of allocation of official advertising in those cases, it could not now disregard its own doctrine.

The government also continued to use public funds and media on a discretionary basis to generate content and shows devoted to political propaganda and to the stigmatization of dissenting opinions; placing a number of obstacles and discriminating against non-partisan media in the access to public information and escalating government attacks against such media to compromise their economic sustainability and credibility.





Other tools to exert editorial pressure consisted of abuse of bureaucratic controls or controls by public agencies that took the form of administrative persecutions, groundless resolutions, disproportionate tax controls and recurring audits. In this scenario, certain unusual administrative actions took place against Grupo Clarín through entities such as the National Antitrust Commission, AFSCA, the Argentine Securities Commission and the Financial Information Unit.

In addition to the discretionary allocation of official advertising as an indirect censorship tool, the Secretary of Domestic Trade put unprecedented pressure on advertisers of several industries and threatened them with fines if they advertised their products or services on certain media. In February 2013, it was publicly announced that the Secretariat of Domestic Trade had issued an unwritten order that is observed without exception by the entire market, whereby supermarkets and home appliance stores were arbitrarily banned from advertising in any media from the City of Buenos Aires and its surroundings. This virtual boycott of private advertising, paired with the arbitrary exclusion of official advertising from non-partisan media, affected directly the economic sustainability of independent media.

In the audiovisual sector, this offensive against the media was expressed through the enactment of the Audiovisual Communication Services Law No. 26,522 (LSCA) and its controversial implementing regulations, which clearly exceed the legal framework by granting powers to the enforcement agency that are not vested in that agency by the law. Some examples of this are: i) the power to intervene in the affairs of audiovisual broadcasting services on a discretionary basis: whether by revoking licenses or through simple summary proceedings, ii) the oversight of the organization and mandatory content of the programming grid of subscription cable TV services, particularly targeted at Cablevisión, or iii) the mandatory registration of direct advertisers with the AFSCA.

With respect to AFSCA, the persecution against Clarín reached its utmost expression during 2013 with the alleged attempt -which was later suspended- to kick off an ex-officio forced divestiture process to conform the Company and some of its subsidiaries to the provisions of the LSCA after the Supreme Court ruled that the controversial Section 161 of the LSCA was constitutional, thus confirming all red flags pointing at the risk of arbitrary enforcement by a non-independent authority.

On October 29, 2013 the Company was served with a decision rendered by the Supreme Court of Argentina which ordered (i) to revoke the decision issued by the Federal Court of Appeals on Civil and Commercial Matters on April 17, 2013 to the extent that it declared the unconstitutionality of Section 45, part 1, subsection "c" and final paragraph; part 2, subsections "c" and "d" and final paragraph; part 3 in its entirety; and part 1, subsection "b", with respect to the limitation to holding registered title to a single content signal, and Section 48, second paragraph, of the LSCA and (ii) to confirm the Decision to the extent it rejected the claim for damages as brought under the case file.

Both Grupo Clarín and its subsidiaries believe that the challenged sections -as held by the three dissenting opinions- not only contradict the principles of the Argentine National Constitution, but also those of the American Convention on Human Rights (Pact of San José de Costa Rica), as well as recent precedents in the Inter-American Commission on Human Rights, the Inter-American Court of Human Rights and the Special Rapporteurship for Freedom of Expression of the Organization of American States (OAS). Therefore, the claimant companies will analyze bringing an appeal before international courts to challenge those sections that entail an indirect act of censorship, that silence and discriminate against critical media, and violate acquired rights.

In addition, as provided in the Court's decision, the

Company will continue to litigate in local courts all the aspects related to the discretionary and selective application of the law by the national government.

On October 31, 2013, even before the due date of the term for enforcing the decision rendered by the Supreme Court of Argentina in re "Grupo Clarín S.A. and Others vs. National Executive Branch and other re: Merely Declarative Action" (File 119/10) within the framework of File No. 1395-AFSCA/2012, the Company was served with AFSCA Resolution No. 2276/2012 issued by the president of AFSCA on December 17, 2012. The Resolution provides for an ex-officio proceeding to conform the Company and some of its subsidiaries to the provisions of the LSCA.

Faced with the de-facto proceedings that sought to dispossess the Company of its licenses and assets through an ex-officio procedure, on November 4, 2013 the Company submitted to AFSCA and to the Supreme Court of Argentina a voluntary proposal to conform to the LSCA pursuant to section 161 of the LSCA, approved by Grupo Clarín's Board of Directors on November 3, 2013, in an attempt to avoid the forced divestiture of its assets by AFSCA.

The filing of the proposal resulted in the enactment of AFSCA Resolution No. 1471/AFSCA/2013 whereby the ex-officio divestiture procedure initiated pursuant to Resolution No. 2276/AFSCA/2012 was suspended and the AFSCA stated its intention to refrain from pursuing any administrative proceeding thereunder.

The voluntary proposal -which does not interrupt any of the judicial actions brought by the Company and its subsidiaries, among others, to defend their rights- was submitted together with a request that the decision rendered by the Supreme Court of Argentina be complied with in full. That is, requesting the involvement of an independent, unbiased enforcement authority with technical expertise, which may ensure a transparent and egalitarian treatment in the enforcement of the law.

The proposal involves a division of Grupo Clarín's current structure into six independent corporate units, whose respective owners will be defined as the implementation process progresses. This way, each unit will conform individually to the provisions of Sections 45 and 46 of the LSCA and its implementing regulations, and will be divided according to the following detail:

• **UNIT I:** composed by (a) ARTEAR, owner of the signal of Canal 13 of Buenos Aires and the news signal TN (Todo Noticias). ARTEAR will also maintain its interest in (i) Telecor, holder of the license of Canal 12 of Córdoba and (ii) Bariloche TV, holder of the license of Canal 6 of Bariloche. (b) Radio Mitre, which will maintain the frequencies AM 790 and FM 100 in Buenos Aires, AM 810 and FM 102.9 in Córdoba, and FM 100.3 in Mendoza; and (c) certain assets, liabilities, rights and obligations to be spun off from Cablevisión ("Cablevisión Spinoff 1"), which will include 24 local licenses for physical link subscription television services, in cities where there is no incompatibility with broadcast TV.

• **UNIT II:** composed by the surviving Cablevisión, which will continue to carry out the business activities and operations of Cablevisión with all the assets, liabilities, rights and obligations that are not spun off from Cablevisión. It will include 24 licenses for physical link subscription television services.

• **UNIT III:** composed by Cablevisión Spinoff 2, which will include assets, rights and obligations to be spun off from Cablevisión, including 18 licenses for physical link subscription television services and 1 license for radio-electric link subscription television services.

• **UNIT IV:** (a) composed by IESA, owner of the signals TyC Sports and TyC Max; (b) the signals El 13 Satelital, Magazine, Volver, Quiero Música en mi Idioma, Canal Rural and Metro -the latter involves only the registration for its commercialization-.

• **UNIT V:** held by an individual or legal entity that will not maintain a corporate relationship with Radio Mitre, its controlling companies, subsidiaries and/or controlled companies, and which shall hold: (a) one sound frequency modulation broadcasting service for the City of San Miguel de Tucumán-FM 99.5, (b) one sound frequency modulation broadcasting service for the City of San Carlos de Bariloche-FM 92.1, (c) one sound frequency modulation broadcasting service for the City of Santa Fe-FM 99.3, and (d) one sound frequency modulation broadcasting service for the City of Bahía Blanca-FM 96.5.

• **UNIT VI:** held by an individual or legal entity that will not maintain a corporate relationship with ARTEAR, its controlling companies, subsidiaries and/or controlled companies, and which shall hold one broadcast television license for the City of Bahía Blanca, Province of Buenos Aires-LU81 TV Canal 7-and an equity interest in Cuyo Televisión S.A., holder of one broadcast television license in Mendoza-LV83 TV Canal 9 Mendoza-.

Said proposal contemplates that the Company will continue to own, directly or indirectly, only one of the audiovisual communication service Units (among those defined as Unit I and Unit II) of the six that were described above.

The proposal submitted by the Company requires the approval of AFSCA, the intervention of other governmental and oversight agencies and the approval of the shareholders at the respective Shareholders' Meetings in order to carry out the restructuring and the transfer of licenses, assets, liabilities and operations to third parties. On February 18, 2014, the AFSCA declared the admissibility of said proposal and granted the Company a term of 180 calendar days for its implementation. On February 18, 2014, the Company's Board of Directors decided to call an Extraordinary Shareholders' Meeting to be held on March 20, 2014, in order to consider AFSCA Resolution No. 193/2014 and to instruct the Board of Directors to begin implementation of the proposal.

During 2013, the Company and its subsidiaries were also subject to other administrative attacks and maneuvers. The effects of Resolution No. 50 of the Secretariat of Domestic Trade and subsequent resolutions issued in connection thereto, which arbitrarily and discriminatorily sought to fix Cablevisión S.A.'s monthly basic subscription price, were suspended by the Federal Court of the City of Mar del Plata in response to a claim filed by the Argentine Cable Television Association. Additionally, in connection with an administrative resolution issued by SECOM in 2010, whereby Fibertel's license was revoked, there are preliminary injunctions that suspend the application of the resolution and challenge its legality that are still effective.

At the same time, the attack against independent media affected again the distribution of newspapers and magazines by means of blockades to printing facilities, and included continued actions by several official agencies to seek control of newsprint, the basic input for newspaper production.

The government's attempt to gain control of the paper industry has intensified, through several measures that sought to hinder the management of Papel Prensa (Papel Prensa supplies approximately 95% of the Argentine newspapers and the Company indirectly holds a 49% equity interest in that company). The government has tried to interfere with Papel

Prensa's business practices and bring legal and administrative actions against it. For example, the government filed several claims with the CNV to have Papel Prensa's resolutions declared void for administrative purposes. Several summary proceedings against the Company, its directors, members of the supervisory committee and statutory auditors are currently pending before the CNV. Another example is Resolution No. 17,102/13, issued within the framework of Case No. 1032/2010, whereby the CNV imposed a fine against the Company and the members of its corporate bodies. On the legislative front, in 2011 Congress enacted Law No. 26,736, whereby the production and sale of newsprint was declared a matter of public interest. Said law is still effective and so are the limits on production and import of newsprint and the price per newsprint ton.

Additionally, under the Capital Markets Law, which was regulated by the Executive in 2013, the Argentine Securities Exchange Commission was vested with additional, discretionary powers to intervene in the governance of publicly traded companies. The CNV moved forward with certain administrative proceedings concerning the companies of Grupo Clarín that may lead to the application of the most controversial aspects of the Capital Markets Law. In fact, in July 2013, the CNV issued Resolution No. 17,131, whereby the General Ordinary Shareholders' Meeting of Grupo Clarín S.A. held on April 25, 2013 was declared null and void. The effects of this decision were suspended pursuant to a decision rendered by Chamber V of the National Court on Federal Administrative Matters in re "GRUPO CLARIN S.A. vs. CNV RESOL. 17,131/13 (FILE 737/13)" File No. 29,563/13. Grupo Clarín S.A. was also served notice of an injunction issued on August 12, 2013 by Chamber A of the Federal Court of Appeals on Commercial Matters in re "SZWARC RUBEN MARIO vs. NATIONAL GOVERNMENT AND OTHERS on Injunction", a claim brought by one of the Company's minority shareholders. The injunction provided for the suspension of the effects of Section 20 of Law No. 26,831 in connection with Grupo Clarín S.A.



THE COMPANY. ORIGIN, EVOLUTION AND PROFILE

Grupo Clarín is Argentina's most prominent and diversified media group and one of the most important in the Spanish-speaking world. The Company is organized and operates in Argentina and its controlling shareholders and management are Argentine. Grupo Clarín is present in the Argentine printed media, radio, broadcast and cable television, audiovisual production, the printing industry and Internet access. Its leadership in the different media is a competitive advantage that enables Grupo Clarín to generate significant synergies and expand into new markets. Substantially all of Grupo Clarín's assets, operations and clients are located in Argentina, where it generates most of its revenues. The Company also carries out operations at a regional level.

The companies that comprise Grupo Clarín employ around 16,000 people and, as of year-end, reported annual net sales of Ps.14.184 billion.

Grupo Clarín's history dates back to 1945, the year in which Roberto Noble founded the newspaper Clarín of Buenos Aires ("Diario Clarín"), with the goal of becoming a mass-distribution and quality newspaper, privileging information and committing to the comprehensive development of the country. Since 1969, Diario Clarín has been led by his wife, Ernestina Herrera de Noble. It became the flagship national newspaper and has consolidated its position throughout the years thanks to the work of its journalists and the loyalty of its readers. Diario Clarín is now one of the Spanish-language newspapers with the highest circulation in the world. Grupo Clarín has been one of the main actors in the changes undergone

by the media worldwide. It has incorporated new and varied printing activities and decided to embrace technological developments, investing to reach its audiences through new platforms and channels and through new audiovisual and digital languages.

In this way, Grupo Clarín entered the radio and television sectors. Today, it is the owner of one of the two leading broadcast television channels in Argentina (ARTEAR/El Trece) and of AM/FM broadcast radio stations. Along with the newspaper, these media are recognized as the most credible and considered leaders of Argentine journalism in one of the most diverse media markets in the world. For example, in Buenos Aires, the Company's media compete in a market that has 5 broadcast television stations, 550 radios, and 12 national newspapers.

Grupo Clarín also publishes Olé, the first and only sports newspaper in Argentina; the free newspaper La Razón and the magazines Ñ, Genios, Jardín de Genios, Pymes and Elle, among other publications. Through CIMECO, the Company holds equity interests in the newspapers La Voz del Interior, Día a Día and Los Andes, in a market of approximately 200 regional and local newspapers. The Company also holds an equity interest in a national news agency (DyN). In the audiovisual arena, the Company also produces one of the 5 cable news signals (Todo Noticias), and the cable television signals Volver and Magazine, among others, sports channels and events (TyC Sports), television series and motion pictures (through Pol-Ka, Ideas del Sur and Patagonik Film Group).

Another strength lies in its strategic stake in the content distribution sector, through cable television and Internet access. Since the beginning of Multicanal's operations in 1992 and after the recent acquisition of a majority interest in Cablevisión, Grupo Clarín has created one of the largest cable television systems in Latin America in terms of subscribers. Cablevisión is the first cable operator in Argentina among 700 operators and always competes with other cable or satellite options. Through Fibertel, it also provides high-speed Internet services and has one of the largest subscriber bases in a highly competitive market. In line with the global trend, Grupo Clarín has committed itself to expanding digital content production. Grupo Clarín's Internet portals and sites receive more than half of the visits to Argentine websites.

In 1999 Grupo Clarín was incorporated as an Argentine sociedad anónima, a corporation with limited liability. It gradually opened its capital to other participants and, since October 2007, it is listed on the Buenos Aires Stock Exchange and on the London Stock Exchange. It takes pride in having grown in Argentina, in being a source of influence on a local level in an increasingly transnational market with a size that enables it to compete without losing strength among large international players.

Grupo Clarín's investments in Argentina in the last 20 years have been very significant, always with the same central focus: Journalism and the media. Its activities have contributed to the creation of an important Argentine cultural industry and generate qualified and genuine employment. Its vision and business model focus on investing, producing, informing and entertaining, preserving Argentine values and identity, and preserving business independence in order to ensure journalistic independence.

In relation to its mission and values, since its foundation, Grupo Clarín has undertaken intense community activities. Grupo Clarín, together with the Noble Foundation, which was established in 1966, organizes and sponsors several programs and activities, particularly focused on education, culture and citizen participation. Furthermore, as an indication of its social responsibility throughout its history, Grupo Clarín focuses on the ongoing improvement of its processes, develops initiatives that arise from discussions with different stakeholders, and works for sustainability.



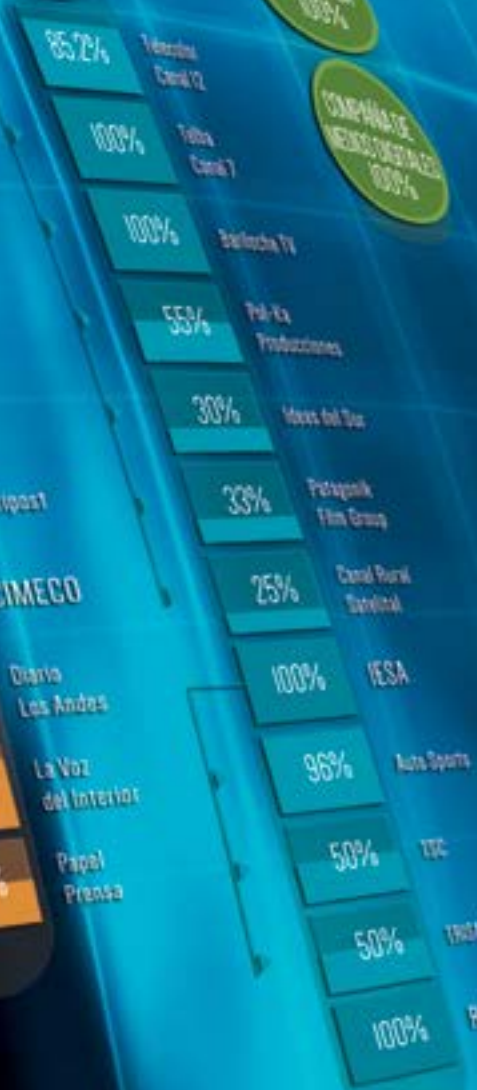
1
CABLE &
INTERNET ACCESS



2
PRINTING
& PUBLISHING



3
BROADCASTING
& PROGRAMING



4
DIGITAL CONTENT
& SERVICES



THIS CHART ILLUSTRATES COMPANIES IN WHICH GRUPO CLARÍN PARTICIPATES DIRECTLY OR INDIRECTLY, ORGANIZED BY BUSINESS SEGMENT

Because Argentine Corporate Law No. 19,550 (as amended, the "Argentine Corporate Law") requires that companies have at least two shareholders, a small percentage of the capital stock of certain of our subsidiaries is held by GC Minor S.A., a company owned by Grupo Clarín (95.3%) and GC Dominio S.A. (4.7%). This chart does not include certain intermediate holding vehicles and certain subsidiaries that do not have significant assets or business.

GRUPO CLARÍN AND ITS BUSINESS SEGMENTS IN 2013

In terms of results, Grupo Clarín and its business segments grew again in 2013 in a highly challenging context. During this year the Company consolidated the positive performance trends of the previous years in terms of revenues.

NET CONSOLIDATED SALES increased by 25.3%, from Ps.11.319 billion to Ps.14.184 billion. The growth in cable modem Internet access subscribers played a key role in the performance of subscription revenues. Sales of the remainder of the Company's products and services also increased.

By the end of 2013, Grupo Clarín's gross consolidated financial indebtedness (including sellers financing, accrued interest and fair value adjustments) was approximately Ps.4.142 billion, while net consolidated indebtedness was approximately Ps.2.535,5 billion, accounting for an increase of 29.9% and 31.0%, respectively. This was mostly due to the fact that approximately 91% of the Company's indebtedness as of December 31, 2013 is denominated in US dollars and that the Argentine Peso depreciated by 32.5% in 2013, from Ps.4.92 = USD 1 as of December 31, 2012 to Ps.6.52 = USD 1 as of December 31, 2013.

COST OF SALES (EXCLUDING DEPRECIATION AND AMORTIZATION) reached Ps.7,163.3 million, an increase of 25.4% from Ps.5,713.0 million reported for 2012 due to higher costs in our business segments, mainly in Cable TV and Internet access and in Printing and Publishing.

SELLING AND ADMINISTRATIVE EXPENSES (EXCLUDING DEPRECIATION AND AMORTIZATION) reached Ps.3,747.0 million, an increase of 32.3% from Ps.2,833.2 million in 2012. This increase was mainly due to higher costs in the Cable TV and Internet access and Printing and Publishing segments.

SALES BREAKDOWN BY SOURCE OF REVENUE - DECEMBER 2013 VS. DECEMBER 2012

(In millions of Ps.)	CABLE TV & INTERNET ACCESS		PRINTING & PUBLISHING		BROADCASTING & PROGRAMMING		DIGITAL CONTENT & OTHERS		ELIMINATIONS		TOTAL		%	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Advertising	80.3	49.7	1,235.9	1,251.8	1,398.0	1,069.6	55.4	51.2	(128.2)	(126.5)	2,641.4	2,295.7	18.6%	20.3%
Circulation	-	-	1,091.0	879.5	-	-	-	-	(4.0)	-	1,086.9	879.5	7.7%	7.8%
Printing	-	-	218.5	169.0	-	-	-	-	(49.2)	(43.5)	169.4	125.6	1.2%	1.1%
Video Subs	7,398.3	5,704.8	-	-	-	-	-	-	-	-	7,398.3	5,704.8	52.2%	50.4%
Internet Subs	1,909.7	1,595.2	-	-	-	-	-	-	(8.2)	(6.8)	1,901.6	1,588.4	13.4%	14.0%
Programming	-	-	-	-	329.5	244.9	-	-	(85.5)	(70.4)	244.1	174.5	1.7%	1.5%
Other Sales	360.8	251.9	107.4	85.4	144.2	134.5	440.8	312.6	(310.4)	(234.0)	742.7	550.5	5.2%	4.9%
Total Sales	9,749.1	7,601.6	2,652.8	2,385.7	1,871.7	1,449.0	496.1	363.8	(585.5)	(481.2)	14,184.3	11,318.9	100.0%	100.0%

ADJUSTED EBITDA

(In millions of Ps.)

	2013	2012	YoY
Cable TV and Internet Access	2,850.7	2,406.9	18.4%
Printing and Publishing	76.2	229.9	(66.9%)
Broadcasting and Programming	334.1	136.1	145.6%
Digital Content and Others	13.1	(0.2)	6,645.5%
Subtotal	3,274.0	2,772.7	18.1%
Eliminations	-	-	NA
Total	3,274.0	2,772.7	18.1%

ADJUSTED EBITDA reached Ps.3,274.0 million, an increase of 18.1% from Ps.2,772.7 million reported for 2012, driven by higher sales in the Cable TV and Internet access and Broadcasting and Programming segments, and mainly due to margin expansion in Broadcasting and Programming segment; although was partially offset by a lower EBITDA in the Printing and Publishing segment.

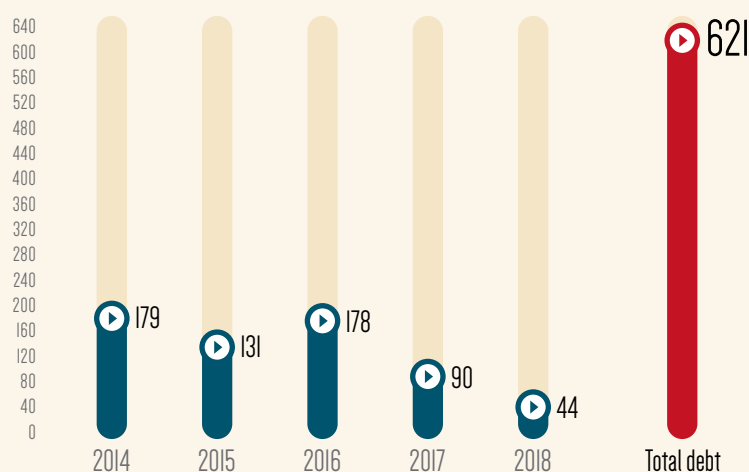
DEBT AND LIQUIDITY

(In millions of Ps.)

	FY13	FY12	% Change
Short-Term and Long-Term Debt			
Current Financial Debt	1,295.9	501.3	158.5%
Financial Loans	49.5	130.6	(62.1%)
Negotiable Obligations	924.6	165.2	459.7%
Accrued Interest	120.1	95.0	26.3%
Acquisition of Equipment	90.3	70.1	28.9%
Sellers Financing Capital	3.5	1.1	215.7%
Sellers Financing Accrued Interest	-	-	NA
Related Parties Capital	9.9	13.2	(25.3%)
Related Parties Accrued Interest	1.1	0.1	796.6%
Bank Overdraft	97.0	25.9	273.8%
Non-Current Financial Debt	2,890.1	2,738.3	5.5%
Financial Loans	247.1	24.5	907.3%
Negotiable Obligations	2,531.9	2,576.7	(1.7%)
Accrued Interest	-	-	NA
Acquisition of Equipment	104.7	131.0	(20.1%)
Sellers Financing Capital	-	0.3	(100.0%)
Sellers Financing Accrued Interest	-	-	NA
Related Parties Capital	4.2	4.2	-
Related Parties Accrued Interest	2.2	1.5	41.1%
Bank Overdraft	-	-	NA
Total Financial Debt^(A)	4,186.0	3,239.7	29.2%
Measurement at Fair Value	(43.1)	(50.9)	15.2%
Total Short-Term and Long-Term Debt	4,142.8	3,188.8	29.9%
Cash and Cash Equivalents ^(B)	1,650.5	1,304.7	26.5%
Net Debt ^{(A)-(B)}	2,535.5	1,934.9	31.0%
Net Debt/Adjusted EBITDA ⁽¹⁾	0.77x	0.70x	11.0%
% USD Debt	90.6%	96.6%	(6.2%)
% Ar. Ps. Debt	9.4%	3.4%	174.5%

DEBT PROFILE AS OF DECEMBER 31TH, 2013*

(US\$ MM, Balance Sheet)



*Exchange Rate: 6.52 ARS/ USD.

FINANCIAL RESULTS NET totaled Ps.(1,475.8) million compared to Ps.(916.2) million for 2012. The increase was mainly due to higher interest expenses and peso depreciation during 2013, which went from Ps.4.92 per dollar at the end of December 2012, to Ps.6.52 per dollar as of December 31st, 2013.

EQUITY IN EARNINGS FROM UNCONSOLIDATED AFFILIATES in 2013 totaled Ps.140.0 million, compared to Ps.13.7 million for 2012.

OTHER INCOME (EXPENSES), NET reached Ps.85.4 million, compared to Ps.0.6 million in 2012.

INCOME TAX as of December 2013 reached Ps.(92.7) million, from Ps.(524.9) million in December 2012.

INCOME FROM DISCONTINUED OPERATIONS, reached Ps.498.7 million in 2012.

NET INCOME totaled Ps.800.7 million, a decrease of 17.7% from Ps.972.3 million reported for 2012. This was mainly a consequence of higher EBITDA in the Cable TV and Internet access and Broadcasting and Programming segments, and was partially offset by a lower EBITDA in the Printing and Publishing segment and the peso depreciation. The Equity Shareholders Net Income amounted to Ps.479.8 million, a decrease of 0.5% compared with December 2012.

CASH USED IN ACQUISITIONS OF PROPERTY, PLANT AND EQUIPMENT (CAPEX) totaled Ps.1,859.3 million in 2013, an increase of 34.4% from Ps.1,383.0 million reported for 2012. Out of the total CAPEX in 2013, 95.5% was allocated to the Cable TV and Internet access segment, 1.9% to the Digital Content and Others segment remaining 2.6% to other activities. Capex in the Cable TV and Internet Access segment pertains to subscriber growth, network upgrades and digitalization.

DEBT PROFILE⁽¹⁾: Debt coverage ratio for the period ended December 31th, 2013 was 1.28x and the Net Debt at the end of this period totaled Ps.2,535.5 million.

(1) Debt Coverage Ratio is defined as Total Financial Debt divided by Adjusted EBITDA (Last Twelve Months). Total Financial debt is defined as financial loans and debt for acquisitions, including accrued interest.

SUPPLEMENTARY FINANCIAL INFORMATION

SET-UP OF RESERVES

Pursuant to the Argentine Corporate Law and CNV resolutions, Grupo Clarín is required to set up a legal reserve of no less than 5% of each year's retained earnings until such reserve reaches 20% of its outstanding capital stock plus the corresponding adjustment. The legal reserve is not available for distribution to shareholders.

DIVIDEND POLICY

Grupo Clarín does not have a formal dividend policy governing the amount and payment of dividends or other distributions. According to its By-laws and the Argentine Corporate Law, Grupo Clarín may lawfully pay and make declarations of dividends only out of the retained earnings stated in the Company's annual Financial Statements prepared in accordance with Argentine GAAP and CNV regulations and approved at the Shareholders' Meeting. In such case, dividends must be paid on a pro rata basis to all holders of shares of common stock as of the relevant record date.

FINANCIAL POSITION AND RESULTS OF ITS OPERATIONS

During this year, the main changes in the Company's financial position and results of its operations were the following:

Working capital (current assets minus current liabilities) at year-end increased by Ps.234 million compared to the previous year, from (negative) Ps.68.6 million to (positive) Ps.165.4 million. This increase is basically evidenced in the increase in Company funds (the items Cash and Banks and Other Current Investments) in the amount of Ps.144.3 million, paired with an increase in the net balance of receivables and liabilities between related parties.

With respect to non-current items, the most significant variation was recorded under Investments, due to the results obtained by Grupo Clarín's subsidiaries, mainly Cablevisión S.A. (indirectly), Arte Gráfico Editorial Argentino S.A. and Arte Radiotelevisivo Argentino S.A.

The Statement of Operations as of December 31, 2013 recorded a net income of Ps.479.8 million. Such income is basically derived from earnings of Ps 505.7 million resulting from equity investments in affiliates and subsidiaries.

Grupo Clarín S.A. is still controlled by GC Dominio S.A., which holds 64.2% of its voting rights.

PROPOSAL OF THE BOARD OF DIRECTORS

Net income for the year ended
on December 31, 2013

Ps.479,831,556

In light of the situation outlined in this Annual Report in connection with the proposal to conform to the LSCA, the financial position of certain subsidiaries, the dividend distribution proposal presented by the Boards of Directors of each of Grupo Clarín's subsidiaries, and the expected future cash flows from operating and financing activities, the Board of Directors considers that a dividend distribution proposal in excess of Ps.240,000,000 would not be prudent. Hence, the Board of Directors proposes to the Annual Ordinary Shareholders' Meeting that such income be distributed as follows:

To the Legal Reserve

Ps.6,750,470

Dividend distribution in cash

Ps.240,000,000

To the Optional Reserve to give
financial aid to its subsidiaries
and the LSCA

Ps.233,081,086

Below is a summary of the main criteria on which the above allocation proposed by the Board of Directors is based:

- Legal reserve: the legal reserve was calculated pursuant to Section 70 of Law No. 19,550 and CNV resolutions, considering 5% of the net income for the year, until it reaches 20% of the capital stock, plus the balance of the Capital Stock Adjustment account.

- Optional Reserve to give financial aid to subsidiaries and the Broadcasting Law: as mentioned above in this Annual Report and as exhaustively described in the Company's financial statements, the circumstances that gave rise to the setting up of this reserve are still prevailing. Additionally, the Board of Directors proposes to the Shareholders that the remaining net income for the year be appropriated to this optional reserve, because from the perspective of a prudent and reasonable management policy, one should expect, in light of the upcoming completion of the process to conform to the LSCA and the uncertainties relating to the implementation of the proposal, the Company could require, among other things, significant resources.

CORPORATE GOVERNANCE, ORGANIZATION AND INTERNAL CONTROL SYSTEM

Grupo Clarín's Board of Directors is responsible for the Company's management and approves its policies and overall strategies. Pursuant to the By-laws, the Board of Directors is comprised by ten permanent directors and ten alternate directors who are elected at the Ordinary Shareholders' Meeting on an annual basis. Four of them (two permanent and two alternate members) are required to be independent directors, appointed in accordance with the requirements provided under the CNV rules.

MEMBERS OF THE BOARD OF DIRECTORS

Grupo Clarín's Board of Directors is comprised by the following members, appointed at the Annual Ordinary Shareholders' Meeting and Special Meeting per Class of Shares, held on April 25, 2013:

Héctor Horacio Magnetto*1	Chairman
José Antonio Aranda*1	Vice Chairman
Lucio Rafael Pagliaro*1	Director
Alejandro Alberto Urricelqui*2	Director
Jorge Carlos Rendo*2	Director
Pablo César Casey	Director
Ralph Booth II*1	Director
Luis María Blaquier	Director
Lorenzo Calcagno	Independent Director
Alberto César José Menzani	Independent Director

Héctor Mario Aranda*1	Alternate Director
Saturnino Lorenzo Herrero Mitjans*1	Alternate Director
Ignacio R. Driollet *1	Alternate Director
Lucio Andrés Pagliaro	Alternate Director
José María Sáenz Valiente (h)	Alternate Director
Ignacio José María Sáenz Valiente	Alternate Director
Carlos Rebay	Alternate Director
Luis Germán Fernández	Alternate Director
Sebastián Bardengo*1	Alternate Director
Martín Gonzalo Etchevers	Alternate Director

EXECUTIVE MANAGEMENT COMMITTEE

Day-to-day business decisions of Grupo Clarín are made by an Executive Management Committee formed by three members of the Board of Directors: Héctor Horacio Magnetto; José Antonio Aranda; Lucio Rafael Pagliaro.

Grupo Clarín also has a Supervisory Committee comprised of 3 permanent members and 3 alternate members, who are also appointed on an annual basis at the Ordinary Shareholders' Meeting. The Board of Directors, through an Audit Committee, is in charge of the ongoing oversight of all matters related to control information systems and risk management, and issues an annual report on these topics. The members of the Company's Audit Committee may be nominated by any member of the Board of Directors and a majority of its members must meet the independence requirement provided under CNV rules.

SUPERVISORY COMMITTEE

Grupo Clarín's Supervisory Committee is comprised by the following members, appointed at the Annual Ordinary Shareholders' Meeting and Special Meeting per Class of Shares, held on April 25, 2013:

Raúl Antonio Morán	Permanent Member
Carlos A. P. Di Candia	Permanent Member
Pablo San Martín	Permanent Member
Hugo Ernesto López	Alternate Member
Rubén Suárez	Alternate Member
Miguel Ángel Mazzei	Alternate Member

AUDIT COMMITTEE

The Audit Committee is comprised as follows:

Alberto César José Menzani	Chairman
Lorenzo Calcagno	Vice Chairman
Alejandro Alberto Urricelqui	Permanent Member
Pablo César Casey	Alternate Member
Carlos Rebay	Alternate Member
Luis Germán Fernández	Alternate Member

*1. Permanent Directors Héctor Horacio Magnetto, José Antonio Aranda, Lucio Rafael Pagliaro and Ralph Booth II requested a leave of absence from their respective offices as from February 28, 2014 until the next Annual Shareholders' Meeting, at which time the Company's authorities will be renewed. They were replaced by the following Directors: Héctor Mario Aranda, Saturnino Lorenzo Herrero Mitjans, Ignacio R. Driollet and Sebastián Bardengo.

*2. Effective as from the date stated above, the Board of Directors appointed Mr. Jorge Carlos Rendo as Chairman and Mr. Alejandro Alberto Urricelqui as Vice Chairman of the Company.

To assist the Executive Committee in their daily duties, Grupo Clarín organizes its activities under an executive structure comprising: External Relations Department; Corporate Finance Department; Corporate Control Department; Corporate Strategy Department; Audiovisual Content Department; Corporate Human Resources Department; Corporate Affairs Department; Digital Content Department.

The overall criteria used to appoint managers are based on the background and experience in the position and the industry, companies they have worked for, age, professional and moral aptitude, among other factors.

In order to identify opportunities and streamline structures and systems with the aim of improving processes and making informed decisions, Grupo Clarín sets forth several procedures and policies for controlling the Company's operations. The areas responsible for the Company's internal controls, both at the Company level and at the level of its subsidiaries and affiliates, contribute

to the safeguarding of shareholders' equity, the reliability of financial information and the compliance with laws and regulations.

Compensation of the members of the Board of Directors and senior management

Compensation of the members of the Board of Directors is decided at the Shareholders' Meeting after the close of each fiscal year, considering the cap established by Section 261 of Law No. 19,550 and related regulations of the CNV.

All of Grupo Clarín's subsidiaries have compensation arrangements with all of their officers in executive and managerial positions, which contemplate a fixed and variable remuneration scheme. Fixed compensation is tied to the level of responsibility attached to each position, prevailing market salaries and performance. The annual variable component is tied to performance during the fiscal year based on the objectives set at the beginning of the year.

Grupo Clarín does not have any stock option plans in place for its personnel.

As mentioned in Note 20 to the Parent Only Financial Statements, on January 1, 2008 Grupo Clarín began to implement a long-term savings plan for certain executives of Grupo Clarín and its subsidiaries. Executives who adhere to such plan will contribute regularly a limited portion of their salary to a fund that will allow them to increase their income at the retirement age. Furthermore, each company matches the sum contributed by such executives. This matching contribution will be added to the fund raised by the employees. Under certain conditions, employees may access such fund upon retirement or upon termination of their jobs with Grupo Clarín. This long-term benefit has a strong withholding component and is considered as an integral part of the employee's total compensation for comparative purposes with prevailing market salaries. During 2013, certain changes were made to the savings system, although its operation mechanism and the main characteristics with regard to the obligations

STOCK INFORMATION AND SHAREHOLDER STRUCTURE

Grupo Clarín is listed in the Buenos Aires Stock Exchange where it trades its shares, and in the London Stock Exchanges, where it trades its shares in the form of GDS.

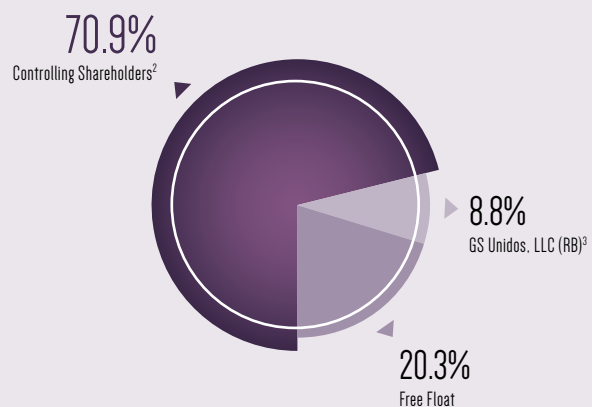
London Stock Exchange (LSE) - Ticker:	GCLA
Bolsa de Comercio de Buenos Aires (BCBA) - Ticker:	GCLA

GCLA (BCBA) Price per share, December 31, 2013	PS. 23.0
GCLA (LSE) Price per GDS, December 31, 2013	US\$ 6.0

Total Shares	287,418,584
Total GDS	143,709,292

EQUITY PARTICIPATION AT IPO¹

(%)



undertaken by the company were essentially maintained.

The parameters used in fixing compensations are in line with customary market practices followed by companies of the scale of Grupo Clarín. To this end, the Company assesses the relative weight of the several positions within the company, as well as the performance of the employee that holds the position. In order to assess positions and compare salaries in different markets, the Company uses the services and reports of prestigious HR companies at the national and international level.

Code of Corporate Governance

In addition to the aforementioned and in conformity with the CNV's decisions concerning the filing of the report about compliance with the Code of Corporate Governance (Resolution No. 606/12), Grupo Clarín prepared the report for the year under analysis, which is attached as an exhibit to this annual report.

SHAREHOLDER STRUCTURE

Number of Shares⁴

● Controlling Shareholders	204,030,227
● GS Unidos, LLC (RB)	25,156,869
● Free Float	58,231,488
- International	27,380,848 (47%)
- Local	30,850,640 (53%)
TOTAL	287,418,584

¹ Since the IPO, our shareholders and management acquired approximately 7.8 MM shares (13.7% of the free float)

² Controlling Shareholders: Ernestina H. de Noble, Héctor H. Magnetto, José Antonio Aranda and Lucio Rafael Pagliaro

³ GS Unidos, LLC, a company under the indirect control of Mr. Ralph Booth (Director)

⁴ As of March 10th, 2014



CABLE TELEVISION & INTERNET ACCESS

Grupo Clarín operates, through Cablevisión, one of the main regional cable television and broadband systems. This segment's revenues mainly derive from monthly subscriptions to cable television service and high-speed Internet access. Its revenues also derive from connection and advertising charges, sales of premium and pay-per-view programming, digital packages, DVR, high definition (HD) signal packages, VOD (Video On Demand) services and the magazine.

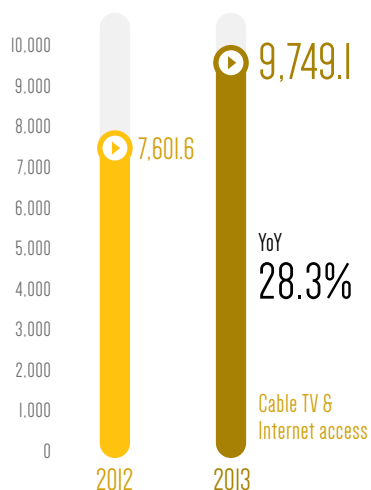
Out of Grupo Clarín's total sales in 2013 the Cable TV and Internet access segment was the Company's main revenue driver, with sales of Ps.9.782 billion, considering intersegment sales.

Includes Recognition of revenues from cable TV and Internet installation services and transactions including separate items and the nonconsolidation of structured entities

In terms of geographic availability of Grupo Clarín's services, by the end of 2013, its network reached approximately 7.4 million Argentine households. Grupo Clarín provides services in the City of Buenos Aires and suburban areas, as well as in the cities of Buenos Aires, Santa Fe, Entre Ríos, Córdoba, Corrientes, Formosa, Misiones, Salta, Chaco, Neuquén and Río Negro. Regionally, Grupo Clarín also operates in Uruguay.

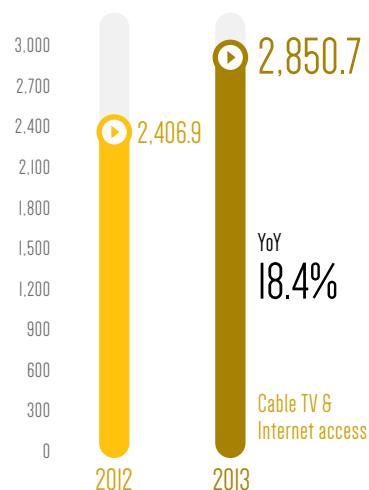
NET SALES

(In millions of Ps.)



ADJUSTED EBITDA

(In millions of Ps.)





OPERATING STATISTICS - CABLE TV AND INTERNET ACCESS

	2013	2012	YoY
Homes Passed⁽¹⁾	7,509.5	7,455.9	0.7%
Bidirectional Homes Passed	66.5%	63.9%	4.1%
CABLE TV			
Total Consolidated Subscribers ⁽¹⁾⁽³⁾	3,492.5	3,404.7	2.6%
Subscribers - Argentina	3,367.5	3,288.8	2.4%
Subscribers - International	125.0	115.9	7.9%
Uruguay	125.0	115.9	7.9%
% over Homes Passed	46.5%	45.7%	1.8%
Total Equity Subscribers⁽⁴⁾	3,618.8	3,523.2	2.7%
Churn Rate %	15.3%	15.0%	2.1%
DIGITAL VIDEO			
Digital Ready Pay TV Subs	2,769.7	2,689.3	3.0%
Total Digital Decoders	1,260.0	1,107.2	13.8%
Argentina	1,117.2	990.0	12.9%
International	142.8	117.2	21.8%
Penetration over Digital Ready TV Subs	45.5%	41.2%	10.5%
INTERNET SUBSCRIBERS			
Total Internet Subscribers⁽¹⁾	1,711.6	1,504.4	13.8%
Cablemodem ⁽¹⁾	1,699.4	1,489.4	14.1%
ADSL ⁽¹⁾	5.83	8.4	(30.6%)
Dial Up ⁽¹⁾	6.4	6.6	(3.1%)
% over Bidirectional Homes Passed	34.3%	31.6%	8.5%
Total ARPU⁽²⁾	235.6	186.9	26.1%

(1) Figures in thousands

(2) Net Sales / Average Pay TV Subscribers (does not include subscribers from discontinued operations in Paraguay).

(3) Total subscribers consolidated following the same consolidation methods used in the financial statements as of each year end.

(4) Total subscribers considering the equity share in each subsidiary.



As of December 31, 2013, it had approximately 3,367,500 paid TV subscribers in Argentina, 125,000 in Uruguay and 1,711,600 Internet subscribers in Argentina.

By the end of 2013, most of the homes in Cablevisión's network were passed by its 750Mhz bi-directional broadband. Cablevisión's 750MHz networks enable it to offer services and products that generate additional revenues, such as access to Internet, digital services and premium channels.

Programming, Cable Television and Internet Services

Cablevisión offers subscribers a basic service plan that includes the main programming signals, depending on the capacity of local networks. It offers basic and premium programming from more than 25 providers and broadcast television stations of the City of Buenos Aires.

Cablevisión's subscribers may purchase premium packages in addition to the basic service for an additional fee. These packages or services have a number of signals additional to those offered in the basic package, with a unique content differentiated by film genre, adult programming, sports or a combination of these options.

Cablevisión is also offering digital services to its subscribers that include a basic digital package, as well as Premium and High Definition (HD) services and Video On Demand ("VOD") programming. The digital service reaches the City of Buenos Aires and its surrounding areas (the "AMBA Region"), the city of La Plata and the major markets of the provinces (for instance, Córdoba, Rosario, Santa Fe, etc.). This service enables to broaden the signal offering and features an on-screen programming guide.

Cablevisión offers a high definition signal package (Cablevisión Digital HD) as well as the Cablevisión Max HD product in locations with the necessary technology to broadcast under this format. During 2013 and through the HD

platform, Cablevisión broadcast events in 3D for customers subscribed to the Premium HD service who have the suitable equipment for such technology.

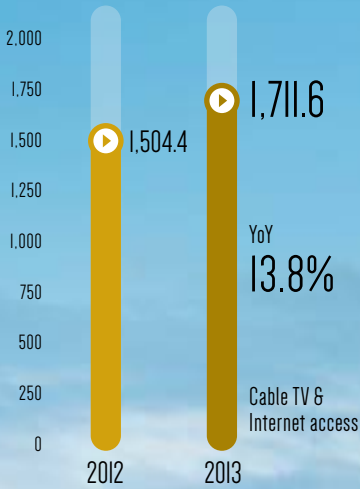
In order to increase its brand value, move forward with innovation and content production to meet client demands and continue with the development of the digital products launched in 2007, during the last quarter of 2012, Cablevisión launched the VOD (Video On Demand) platform that allows subscribers to buy programs or event packages on demand through a programming library and that features video functions (pause, fast-forward, rewind). The VOD content has signals, such as, Wobi TV, HBO, Discovery, ARTEAR, among others.

Cablevisión also offers Cablevisión Flex, an optional social service of digital paid television with a reduced subscription, to approximately 500,000 neighbors of low-income areas. This service, which seeks to enhance "digital inclusion", includes the installation of digital set-top units and allows clients to buy a service with fewer signals for half the price and gradually buy additional signal packages until completing a full basic product.



TOTAL INTERNET SUBSCRIBERS

(In millions of Ps.)



As to Internet access services, Cablevisión has been offering high-speed cable modem Internet access through its networks under the Fibertel brand since September 1997. Cablevisión's Internet access products are specially customized to the needs of each residential or corporate user, providing specific solutions, such as, virtual private network or "VPN" services, traditional Internet Protocol ("IP") connections and corporate products that include additional services.

Cablevisión provides high-speed Internet services in the AMBA region, the cities of La Plata, Córdoba, Rosario, Campana, Río Cuarto, Posadas, Salta, Olavarría, Pergamino, Mar del Plata, Bahía Blanca, Santa Fe, and other cities of the provinces.

Fibertel is undoubtedly the broadband service that offers the best variety of speeds in the market, widely and at competitive prices. Since 2011, it has offered the Fibertel Evolution product, becoming the first Internet provider in the country in incorporating the new "Wideband" technology to its product portfolio. During 2013, Fibertel launched the 12-mega product extending its product offering to all of its subscribers, and continued to provide the 30-mega product, thanks to the enlarged capacity of its network.

As of December 31, 2013, Cablevisión provided Internet access in Argentina to 1,711,600 subscribers through its own networks.





Commercialization and Customer Service

Cablevisión uses several market positioning mechanisms, including promotions, customer service center locations, newsletters about the company, institutional information and programming through its websites. It advertises its services in the printed media and over its own broadcasting signals. Cablevisión also publishes a free monthly guide distributed to most of its cable television service subscribers and a monthly magazine called "Miradas", which is sold to a portion of its subscriber base.

Customer service is provided through an integrated service center that offers round-the-clock support, with the aim of optimizing customer relations. In this regard, it launched "Sucursal Virtual", a website that enables its subscribers to interact with the company to follow procedures that were previously carried out through a telephone call or even in person.

Even though most interactions take place over the phone, subscribers may also contact the customer service by e-mail, fax, chat, the web site and the social networks, mainly Facebook and Twitter. In April 2013, Cablevisión was certified under the model of the COPC (Customer Operations Performance Center) standards, which foster improvements in the processing of customer's inquiries. Not only was this achieved by making changes in the procedures, but also by delivering results that boost customer's satisfaction. This

high-performance management model is used by the world's leading service companies. In addition, Cablevisión included a solution called "Interaction Analytics" that provided further information to spot opportunities for improvement in customer service.

Video subscriber turnover rate for the year ended December 31, 2013 was 15.3%, compared to 15.0% recorded in the previous year.

Competition

Cablevisión competes in the cable television segment against other cable television operators and providers of other television services, including direct, satellite and broadcast services. Given the fact that licenses are granted on a non-exclusive basis, Cablevisión's systems are frequently subject to overlapping of one or multiple competing cable networks; in addition to the satellite service that is available throughout the company's entire coverage area. Free broadcasting services are currently available to the Argentine population; in the AMBA region, these services primarily include four private television signals (one of them is controlled by Grupo Clarín) and their local affiliates, and a national state-owned television signal. Additionally, under a project aimed at implementing the Argentine Terrestrial Digital TV System, the National Government handed

out digital set-top units among certain sectors of the population that allow free access to certain signals.

The Argentine cable television industry has more than 700 operators. The most significant competitors are Telecentro S.A. located in the AMBA region and DIRECTV (DTH technology), and Internet video streaming systems (Netflix, Arnet play, Speedy) that compete against Cablevisión nationwide.

The Company can effectively compete against other cable television providers on the basis of a competitive price, a higher number of quality programs and services, and the customer service it renders through its call-center.

Two other major competitors (Arnet and Speedy) are identified in the high-speed Internet access segment; each of them related to one of the country's two fixed-telephony providers. These companies also render 3G services through their brands Personal and Movistar, respectively. Claro - which had already been selling 3G technology, started to offer high-speed Internet services through fiber optics.

Therefore, the Internet access segment faces fierce competition from several providers in an ever-growing market.



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de partidos para la...

REVISTA VIVA
La moda envuel...
Inspirada en la social
se impone para...

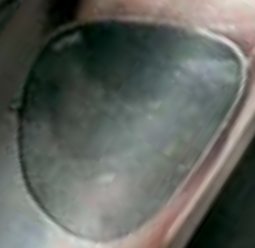
SABADO 31 DE MARZO
SP

Los negocios
de la TV
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tuación judicial del vicepresidente

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Grupo Clarín, through Arte Gráfico Editorial Argentino S.A. ("AGEA"), is the main newspaper publisher in Argentina and one of the most prominent editorial content producers in Latin America.

Out of Grupo Clarín's total sales in 2013, the Printing and Publishing segment accounted for Ps.2.653 billion, considering intersegment sales. This segment derives revenues primarily from the sale of advertising, newspaper copies and magazines and optional products.

Arte Gráfico Editorial Argentino

AGEA publishes Clarín, the flagship Argentine newspaper and one of the most important in terms of circulation in the Spanish-speaking world; Olé, founded in 1996, the first and only sports newspaper of its kind in the Argentine market;

Diario La Razón, a pioneer in the free newspaper segment; Diario Muy; and regional supplements. It also publishes Genios, a magazine with a high penetration rate in the schoolchildren's segment; Jardín de Genios, aimed at children between 2 and 5 years of age that comes with a supplement for parents; Ñ, a cultural magazine that reflects all cultural news and trends; Revista Pymes, aimed at small- and medium-sized businesses; and Diario de Arquitectura, aimed at the construction world, architects, designers and building contractors, among other products.

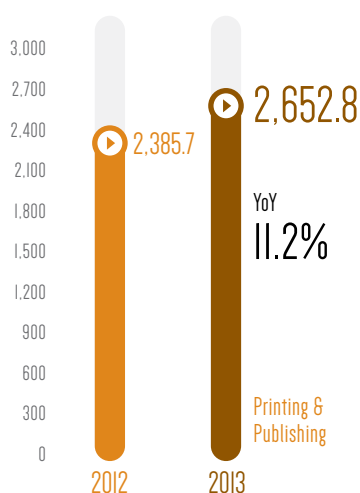
AGEA has a strong presence in the on-line classified ads segment through vertical sites, including Autos, Inmuebles y Empleos and in the Internet content market through its websites Clarin.com, ole.com.ar, entremujeres.com and biencasero.com.

PRINTING & PUBLISHING

2

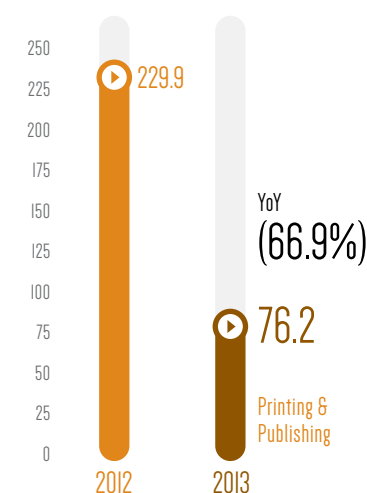
NET SALES

(In millions of Ps.)



ADJUSTED EBITDA

(In millions of Ps.)





DIARIO CLARÍN

With a long-standing journalistic and commercial leadership consolidated in its 67-year track record, Clarín is the most prominent Argentine newspaper in terms of outreach, circulation and advertising.

The success of its prestigious editorial line lies in its identification with the needs and emotions of its audience through a plural and independent journalistic style that includes the most diverse opinions. Clarín's approach to reality is in tune with its audience, supporting this bond with the

OPERATING STATISTICS - PRINTING AND PUBLISHING

	2013	2012	YoY
Circulation ⁽¹⁾	296.7	311.7	(4.8%)
Circulation share % ⁽²⁾	38.4%	38.7%	(0.7%)
Advertising share % ⁽³⁾	51.7%	50.3%	2.8%

(1) Average number of copies according to IVC (including Diario Clarín and Olé).

(2) Share in Buenos Aires and Greater Buenos Aires Area (AMBA) Diario Clarín. Source: AGEA and IVC.

(3) Share in Buenos Aires and Greater Buenos Aires Area (AMBA) Diario Clarín. Source: Monitor de Medios Publicitarios S.A.



responsibility and credibility that characterizes its journalists. Its extensive and thorough investigations, approaches and analyses are conveyed in clear and direct language, providing its readers with easy access to the different sections and issues.

During the year, AGEA has received several recognitions which serve as encouragement to continue with its excellent work, such as the Citi Journalistic Excellence Award granted to Ezequiel Burgo and the 2nd Honorable Mention from the University of Buenos Aires received by Alfredo Dillon and Pablo Riggio for their article entitled "Schools for Adults: The dream of studying" published in the supplement of Diario Clarín.

With an average daily circulation of 251,000 copies, Clarín's circulation is 1.6 times higher than its closest competitor, while Sunday's sales exceed 562,000 daily copies, which places it among the major Sunday newspapers of the world. Clarín has a 38.4% share of the newspaper market in the City of Buenos Aires and a 9.6% in the provinces. At a national level, it has a 23.3% market share.

Clarín 365, designed to build loyalty among readers and to reinforce its close bond with them, as well as to retain circulation, offers its over 260,000 subscribers a discount, promotion and benefit program they can use in over 1,600 brands and 5,000 stores nationwide. The 365 site (www.365.com.ar) had more than 4 million accumulated annual visits as of December 31, 2013.

AGEA leads the print media market with over Ps.668 million in sales in 2013, ranking first in terms of advertising revenues and sold advertising space. AGEA also leads all advertising categories (display, special section and classified ads). On-line advertising sales rose by 40% to Ps.124 million, compared to the previous year.

The Zepita facility, where Diario Clarín is printed, has a surface area of 35,000 m² and capacity to store 12,000 tons of newsprint. It has five Goss Metrocolor rotary offset printing presses that enable it to print 300,000 copies of 80 full-color pages per hour. The entire production process is developed in accordance with leading industrial criteria -such as the "computer to plate" (CTP)- and environment preservation standards, such as, ISO 14001. Ongoing audits are conducted by companies that are engaged for that purpose.

For the last few years, Clarín has been engaged in a significant business transformation process. It started with the production of a single product -Diario Clarín- that reached its readers through the newsstands under a reading contract that was renewed every 24 hours. It had a direct relationship with advertisers or through agencies. In the last few years the Company has maintained those standards and undertaken the challenge of adjusting its business model to an increasingly complex environment for traditional media. Thanks to the proliferation of web sites, Clarín now maintains a direct link with millions of readers, where information is updated by the second, rather than every 24 hours.



Products

The basic offer of the newspaper is comprised by the main body and its supplements: Entertainment, Sports and Classified ads. Weekly supplements, such as, Rural, Countries, iEco, Autos, Mujer, Sí, Viajes, New York Times, Educación and Ollas, make Diario Clarín one of the most comprehensive newspapers in the market.

The Company continued to offer 12 regional newspapers that maintain the concept of proximity and symmetry with readers. The product yielded considerable profitability for the fourth consecutive year and was a good support to the Thursday edition of Diario Clarín, with coverage in the following locations: Vicente López, San Isidro, Morón - Ituzaingó and Hurlingham, Lomas de Zamora, Avellaneda - Lanús, San Martín - Tres de Febrero, La Matanza, Tigre - San Fernando, San Miguel - Malvinas Argentinas - José C. Paz and Quilmes - Berazategui - Florencio Varela. The monthly supplements published for Pilar, Escobar, Zárate and Campana, and Moreno, Rodríguez and Luján are also part of the offering.

Like every year, the Sports Supplement of Diario Clarín covered the most prominent sports events through its usual and its special editions, such as the Rally Dakar and the Davis Cup editions. As usual, soccer had its preferential spot. Special supplements were published covering the Clausura and Apertura tournaments. The Sports Supplement held its usual annual award ceremony Premios Clarín Deporte in 2013, broadcast by TyC Sports and Clarin.com.

iEco is the economic supplement of Diario Clarín, and offers readers an in-depth economic review, the secrets of leading companies, personal finance, marketing and the labor market. The Rural supplement is a management tool for the production sector, embracing all the solutions and technologies for agricultural businesses. It is published on a weekly basis. Diario de Arquitectura is published every Tuesday and offers professionals a benchmark editorial product. It develops optional products, which are highly regarded by the industry.

In order to continue to provide services and add value to its readers, Diario Clarín constantly keeps up to date and offers a wide range of editorial products together with the core product, addressing the need to satisfy an increasing segmentation among the diverse demographic groups. The following are among the most prominent collectible products for the period: El cuerpo humano en Acción, Todo Clemente, DC Súper Amigos, Los secretos del Gran Asador 2013, Grandes Ideas Grandes Negocios, Los mejores cuentos de siempre, Cuentos con Moraleja, El Gran Libro del Tejido 2013, El Gran Libro de las Tortas, Tartas y Budines, Angry Birds, Un Padre Nuestro, Ver y aprender, Historia del Siglo XX Time, Los autos que enamoran a los Argentinos, El Gran Libro de Clarín del Crochet 2013, Historia Ilustrada de la Biblia, El gran libro del sushi y la cocina oriental, La Historia de los Papas, Biblioteca de Intriga y suspenso, El Mundo de los Dinosaurios y Otros Animales Prehistóricos, Libros del viajero National Geographic, Crecer con Mozart, Monster High.





Internet

Clarín.com is a news and opinion portal with updates in real time and free access on a 365/24/7 basis, which has been on-line since 1996. In addition to the full version of the printed newspaper and its archive, Clarín.com features ongoing updates of news produced and published by its own journalists, high-definition audiovisual content production, Android and iOS applications, and a growing footprint in social networks, such as, Facebook and Twitter. During 2013, Clarín.com embarked in an inclusion initiative and launched a system that can be accessed by people with disabilities. Clarín.com continues to be the news site with the highest market share in the Argentine digital market, with 16 million unique visitors and around 200 million page views per month.

With its sites “Deautos”, “Argenprop” and “Empleos Clarín”; the company maintains its strong presence in the on-line classified ads for cars, real estate and jobs.

The most outstanding sites in the AGEA network are Vía Restó, Clarín’s on-line restaurant guide; Biencasero.com, a site with practical solutions to enjoy the cooking experience; Entremujeres.com, which continued to grow in terms of unique visitors and consolidated itself as one of the most visited sites, with over 4 million unique visitors; and Espectaculos.com, a site that keeps readers updated with the best information on movies, theater plays, TV shows, music and celebrities from Argentina and the rest of the world.

El Gran DT is another alternative among on-line products. Argentina’s most popular game managed to engage more than 4 million participants since its launch at the Apertura Tournament. The latest on-line editions of Gran DT engaged more than 1.8 million participants who had the chance to build their fantasy teams and win outstanding prizes.





Magazines

AGEA also continued to build upon the achievements attained by the cultural magazine Ñ, reaching average sales of 32,000 copies per issue. The 500th issue of magazine Ñ was published during the year. Several initiatives were carried out, aimed at engaging readers through the launching of collectible products and special editions, and the creation and sponsorship of forums comprising different cultural issues and involvement in and sponsorship of major cultural events, such as the Feria del Libro de Buenos Aires (Buenos Aires' Book Fair).

Revista ELLE is a high-end magazine for women mostly focused on fashion, beauty and news. In 2013, its circulation exceeded a monthly average of 30,000 copies. Revista Pymes continued to consolidate its position with a special offering that reflects the voice of entrepreneurs and the keys to their strategies.

In 2013, the Company continued to publish the magazines Genios and Jardín de Genios. With children and school in mind, these magazines were created with the aim of integrating content for children, parents, school and society, combining education with entertainment. In 2013,

the monthly issue of Genios magazine, along with its classical collectible product "Gran Enciclopedia Escolar Ilustrada", an encyclopedia with full-color illustrations covering school topics, exceeded the previous year's circulation with over 61,000 copies sold; while the monthly issue of Jardín de Genios retained its leading position in the children's magazine segment, with over 78,000 copies sold. During 2013, "Tiki Tiki", a magazine aimed at children aged 7 through 14, continued to strengthen its position.

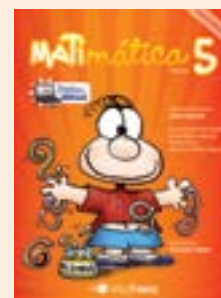
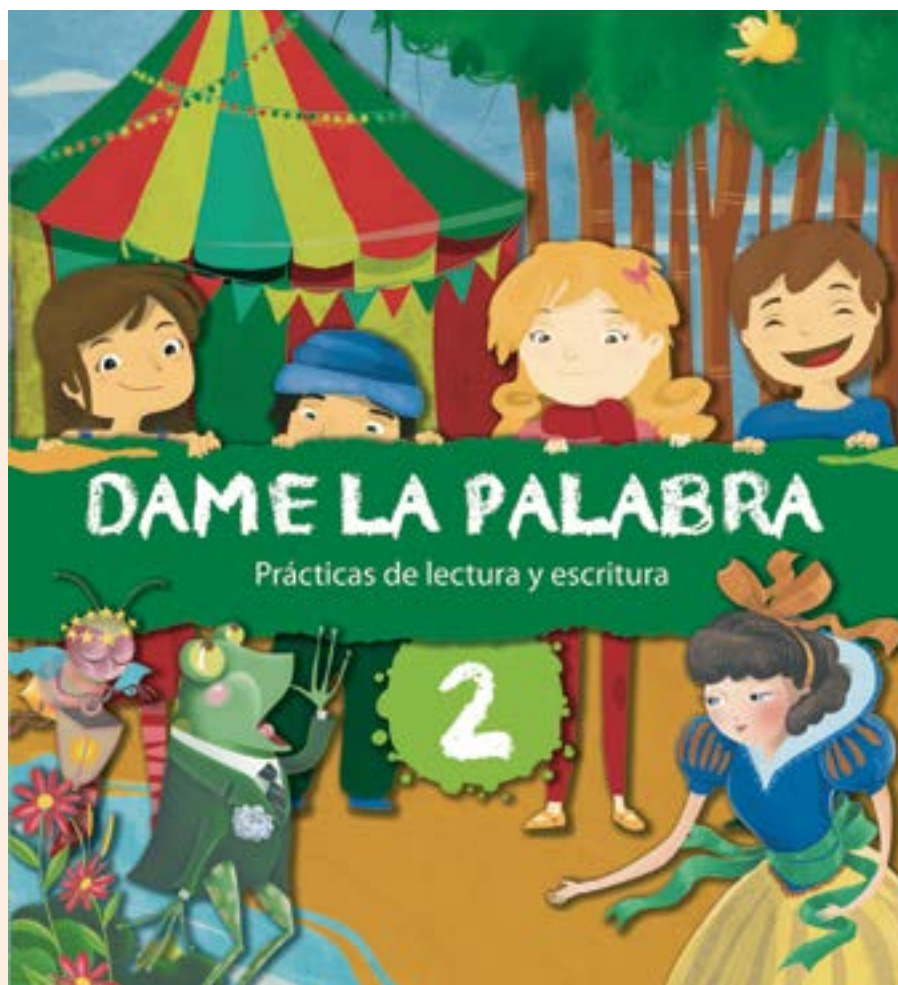
Also in 2013 the company continued to publish the monthly magazine-catalogue, Shop & Co, which includes discount coupons on important brands.

Other Newspapers

La Razón, which joined Grupo Clarín in late 2000, is the first-ever free distribution newspaper. It is mainly distributed in the public transportation network of the City of Buenos Aires, including trains, subways and highways. La Razón is also distributed at certain bars and among a group of opinion leaders through an exclusive mailing program.

Diario Olé is the first and only sports newspaper in Argentina. Since 1996 and with an average annual historical circulation of 40,000 copies per day, Olé continues to lead the sports editorial market, and is one of the highest circulation newspapers in the city of Buenos Aires, including general interest newspapers. Among its editorial offering, it has the broadest and most comprehensive soccer and multi-sport coverage. Since its inception, it has drastically changed reading habits and managed to engage a new generation of young readers, avid for information and critical opinions. The editorial profile is fresh and complicit, with an agile and informal style focused on photography, illustrations and infographics as communication tools, with a good design and modern and effective production technology.

In 2011, Clarín launched MUY, a dynamic, visually designed and entertaining newspaper, which features news in addition to regional pages and sports and show business sections. With a "TV-format" design, the newspaper summarizes the most resounding police cases and breaking news on soccer clubs and celebrities. During 2013, the newspaper MUY has continued to offer promotions, optional books and free collectibles.



Tinta Fresca

Founded in 2004, Tinta Fresca is an Argentine publishing company focused on textbook publishing for all stages of the Argentine education system. Tinta Fresca seeks to place books at the heart of the teaching and learning processes and have teachers and students use them as an effective and updated learning tool. The company has been growing in many aspects over these years. In the editorial area, the company has learned from experience, and has managed to expand its exclusive and original focus on textbooks to a considerably diverse editorial offering.

With more than 300 titles, in addition to several textbook series for all school stages, including elementary and secondary education, its editorial offering is currently comprised by a variety of activity books for all levels. Said offering has been enriched with sourcebooks and an interesting catalogue of children and youth literature.

In 2013, it strengthened its editorial offering through the launch of the series “Dame la Palabra 1, 2 y 3”; “Abracadabra 1, 2 y 3”; “Aprendo Matemática 1, 2 y 3” and “Descubro las ciencias

3” for the elementary school. For high-school, Tinta Fresca published “Práctica del lenguaje 1, 2 y 3” and launched a series of 10 mathematics booklets that develop the education program per topic. It continued to produce “El Plan Lector”, a set of book series that provides teachers a plan to implement reading in the classroom, and launched the series “Efemérides” and “Enseñar matemática”. For 2014, Tinta Fresca produced “Aprendo Matemática 4, 5 y 6” and “Dame la Palabra 4, 5 y 6”, thus completing the series launched during the year. It developed the areas of natural and social sciences by publishing the books “Econaturaleza” and “Socialmente”.

As a result of the production of collectible materials, newsstands have again been intensively used as sales channel. During 2013, Tinta Fresca continued to sell dictionaries and literature in supermarkets, an action that substantially contributes to product and content access.

The company also made headway in the Digital Development project that focuses on the several ways in which ICT will be introduced in the education system. The Company has made available at Clarin.com a digital and free version

of “Diccionario integral del español de la Argentina” since 2011.

In 2013, and in spite of the good selection of Tinta Fresca’s products, the company was not awarded any contract for the procurement of material by the National Government, while it did receive contracts from the city of Salta and the city of Buenos Aires.

Also during the period, the company continued to explore foreign markets, such as Paraguay, Chile and Uruguay. In 2013, the Mexican-based operation, Rios de Tinta, renewed the content addressed to third-year students of high-school as a consequence of a change in the education program, and reinforced local promotions.

Artes Gráficas Rioplantense

AGR meets certain special printing needs of Clarín and Olé (magazines, optional and collectible products, among others), and also publishes large volumes of graphic material for third parties. It is the leading printing services company in Argentina.

In 2013, AGR retained its leading position in the sector with net sales of Ps.233.8 million.

In addition to the progress made in improvement and control management of its production processes, AGR has continued to integrate several processes, from the design and composition of its products, to paper printing, up to digital applications in tablets, mobile phones and Internet, thus being able to offer its customers complete communication solutions. AGR purchased a sheet printer and a digital printer in order to take care efficiently of minor print runs, mostly books and magazines, and the market segmentation with state-of-the-art equipment, which will also help to reduce costs.

AGR successfully completed the implementation of the FSC standard and ISO 14000, an internationally accepted standard that sets forth how to establish an effective Environmental Management System (EMS) to achieve a balance between maintaining profitability and reducing the environmental impact. On the other hand, AGR focused on ongoing improvements to reduce waste.

In May 2000, AGR entered into an agreement with the Techint Group, acquiring 50% of Impropost Tecnologías S.A. Impropost is mainly engaged in the overall production and printing of invoices, advertising brochures, forms, labels and cards. It also provides envelope-stuffing services for mass mailing.

During 2013, AGR continued to focus on training and internal development policies. Occupational health actions were consolidated in order

to improve environmental conditions as part of the workplace culture; the Safety, Health and Environment Committee was reinstated, and improvements were introduced through in-house developments in computing mechanisms to prevent and follow up on accidents and diseases. AGR maintained personal health programs and conducted awareness and prevention campaigns.

In 2011, the Company acquired an interest in the capital stock of Cúspide Libros S.A. through AGR. After this acquisition, it launched Librocity.com, the on-line bookstore of Grupo Clarín, in partnership with the retail bookstore chain Cúspide. In 2013, Cúspide celebrated its 50th anniversary in the country, renewed its image and centralized the operations of its administrative and warehousing divisions in a new office located in the city of Buenos Aires. As a consequence of this, it managed to integrate operational processes with the software for monitoring warehouses, orders and distribution, streamlining the company's logistics. During the period, Cúspide opened a new branch in Martínez, Province of Buenos Aires, which sells new products. Cúspide also added a new sales channel through the distribution of traditional books and the offering of its products at newsstands located in several locations throughout the country.

UNIR S.A. is a company engaged in wholesale mail reception, classification, transportation, distribution and delivery services. As from August 25, 2008, AGEA holds a 93.41% direct controlling interest in Unir. During 2013, Unir's total sales increased by 26.2%. Such increase is attributable to readjustments in rates since the sales volume remained at a similar level to the previous year. UNIR is focusing its development on warehousing and logistics services, areas in which it expects significant growth. Unir has certified its Quality Management System under ISO 9001.



CIMECO

CIMECO was organized in 1997 with the aim of acquiring equity interests in Argentine and foreign newspapers, seeking to preserve the regional journalism industry, blending experience, synergy and economies of scale, without altering its editorial principles. CIMECO holds a majority interest in two of the three largest regional newspapers in Argentina: La Voz del Interior (Córdoba) and Los Andes (Mendoza).

Los Andes newspaper has been reporting Mendoza's news since 1882. In that year, the Calle family founded one of the oldest journalistic companies in the country. Los Andes is a benchmark brand in the market. In 2012, Los Andes was actively involved in all major provincial events and put special emphasis on driving the growth of the on-line version, positioning its loyalty program Los Andes Pass and subscriptions, and boosting the sale of optional products. Following the innovation trend in on-line products and footprint in networks, the audience of Los Andes digital version was similar to 2012, reaching 26 million page views and 2.9 million visitors in its best month. During the year, the newspaper's share in the provincial advertising market was 39%, despite the fact that it was not allocated any official advertising.

La Voz del Interior S.A. has again maintained its leadership position in the printed press and its position as an information and entertainment digital benchmark in the central region of the country. Its two printed newspapers, La Voz del Interior and Día a Día, have continued to maintain a significant market share in the province of



Córdoba. In addition to this, the sectional directories and the sustained growth in the distribution of third party and in-house editorial products have contributed to an increase contracts with clients. Its web sites position the newspaper as a leader in unique visits and page views in the provinces of Argentina, with a 60% year-on-year increase in advertising in this segment. During the year, the operation of its multi-platform newsroom was consolidated and the web site, www.lavoz.com.ar, was redesigned.

During 2013, Comercializadora de Medios del Interior S.A. (CMI) consolidated as the major advertising selling network in the provinces. The company focused on key network development. Rumbos magazine, which celebrated its 10th anniversary in the market, is one of its remarkable products, and consolidated as the leading Sunday magazine in the provinces in terms of the volume and quality of units sold. In 2013, the magazine was distributed through 22 channels, reaching a record high since its launch. In addition to the digital network, a new optional business unit was incorporated to achieve scale synergies.

Papel Prensa

Papel Prensa is the first producer of newsprint that is wholly owned by Argentine capital. It started its operations in 1978 and is currently Argentina's major producer. As of December 31, 2013, the shareholders of Papel Prensa were AGEA (37%), CIMECO (12%), S.A. La Nación

(22.5%), the Argentine federal government (27.5%), and other minor investors (1%).

Ferias y Exposiciones Argentinas

Since 2007, Ferias y Exposiciones Argentinas has been mainly engaged in the organization of Caminos y Sabores, an exhibition intended to foster Argentina's gastronomy and handicrafts and to promote the region's major tourist destinations. Subsequently, Ferias y Exposiciones Argentinas also started to organize Admite, an exclusive training platform for users and owners of agricultural machinery.

Throughout its nine editions, Caminos y Sabores has consolidated itself as one of the fastest growing fairs and has boosted the development of all of its key participants: food producers, craftsmen and representatives of tourist destinations.

Admite is held in 4 editions - Arroz (Rice), Gestión (Management), Agrícola (Agriculture) and Forrajero (Fodder) - and is one of the most innovative proposals demanded by the agro-industrial sector due to its prestigious team of instructors, which includes technicians from the INTA, and professionals from the participating companies and private consultants. With a learning methodology that includes theoretical and hands-on training using the machinery and actual data, Admite is one of the most productive training offerings of the sector. In this edition,

Admite Arroz was held in Mercedes, province of Corrientes; Admite Forrajero, in Concepción del Uruguay, province of Entre Ríos, and Admite Gestión and Agrícola were held in Venado Tuerto, Santa Fe, where the event was declared a matter of municipal interest.

With respect to other companies, in 2007 FEASA executed an agreement with S.A. La Nación in order to create a joint venture in which AGEA has a 50% interest. The joint venture will be devoted mainly to the joint organization, development and operation of exhibitions and events. The decision to create the joint venture was made in order to organize jointly Expoagro, improving the results that had been obtained until then by Feriagro, and achieving a record-high number of exhibitors. The seventh edition of Expoagro was organized in 2013. Expoagro is an annual outdoor agro-industrial fair that gathers producers from Latin America. It is an outstanding event in which participants may engage in discussions and training, and learn about innovation and businesses in the agricultural sector. The fair is held in different agricultural areas with production potential. This mega-event closed its doors consolidating itself as Argentina's most important agricultural exhibition, delivering satisfactory financial results, and with a commitment to search for innovative technologies and business opportunities among exhibitors.



3 BROADCASTING & PROGRAMMING

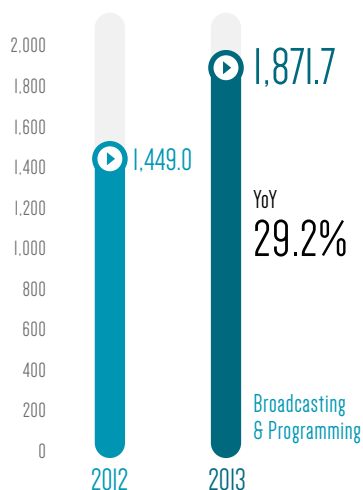
Grupo Clarín is also the leading company in the audiovisual broadcasting and programming segment. Through ARTEAR, it holds the license (LS85 TV Canal 13 Buenos Aires) to broadcast El Trece, one of the two largest broadcast television channels in Argentina, and segment leader in terms of advertising share and prime-time audience share. It also has a presence in broadcast television stations in Córdoba (Telecor), Bahía Blanca (Telba), Bariloche (Bariloche TV), and Río Negro (Radio Televisión Río Negro). Grupo Clarín also produces and sells some of the most popular cable television signals.

Its audiovisual broadcasting and programming array includes agreements and equity interests in the main television and film producers, such as Pol-Ka Producciones, Ideas del Sur and Patagonik Film Group. Grupo Clarín also owns prominent radio stations, such as Mitre AM 790, La 100 (FM 99.9), both in Buenos Aires, and Mitre AM 810 in the province of Córdoba. Grupo Clarín also has a strong stake in sports commercialization and broadcasting rights, directly and through joint ventures.

Out of Grupo Clarín's total sales in 2013, the Broadcasting and Programming segment accounted for Ps.1,872 billion, taking into account intersegment sales.

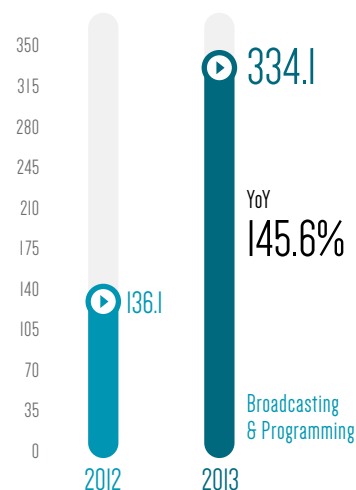
NET SALES

(In millions of Ps.)



ADJUSTED EBITDA

(In millions of Ps.)







ARTEAR

In a scenario marked by industry challenges and strong competition, ARTEAR was able to achieve its goals in 2013. Its share of the traditional advertising market of broadcast television reached 33.4%. Its professionalism, artistic quality, innovative proposals and technological developments continue to distinguish it as one of the most prominent signals in the market.

Even though El Trece ranked second in the broadcast TV audience rating with 7.9 points from 12 pm to 12 am, Mondays through Sundays, the difference with Telefé was 0.6 points only, thus reducing the gap recorded in 2012. The fall in audience ratings with respect to 2012 was mostly attributable to the fact that ShowMatch was not on the screen this year. Notwithstanding this, El Trece led this segment. El Trece led the Prime Time and beat its main competitor by 11.6 rating points, or by 12%.

In terms of programming, El Trece combined fiction, news and entertainment embracing a varied offering. "Solamente Vos", "Farsantes" and "A todo o nada" led audience ratings. "Periodismo para Todos" -a program hosted by Jorge Lanata- is a highlight in terms of journalistic and news programs. Furthermore, "Arriba Argentinos"

continued to consolidate its morning audience rating. El Trece's news programs - "Noticiero Trece", "Telenoche" and "En Síntesis"- further validated their already existing recognition and credibility with audience ratings that led their respective time slots.

With respect to cable television channels, TN achieved the highest audience share throughout the year across all time slots, with a 10% increase compared to 2012. "El Juego Limpio", "Palabras más, Palabras menos", "Código Político", "Desde el Llano", "Argentina para Armar", "Otro tema", "A Dos Voces" and "TN Central" are particularly remarkable programs.

ARTEAR further strengthened its TV slots, seeking to offer diverse options in terms of information and entertainment. The Spanish language music channel "Quiero Música en mi Idioma" was quick to lead audience ratings in the music genre. "Volver" continued to offer the best of classic and vintage Argentine films and television shows and reaffirmed its role as a 100% national channel that preserves our history with the highest technology. Magazine continued to develop its in-house programs and products with broadcast TV format and technology. It was the signal with the highest audience in the variety category.

OPERATING STATISTICS - BROADCASTING AND PROGRAMMING

	2013	2012	YoY
Advertising Share % ⁽¹⁾	33.2%	36.6%	(9.2%)
Audience Share % ⁽²⁾			
Prime Time	35.4%	35.9%	(1.4%)
Total Time	28.0%	29.4%	(4.6%)

(1) Company estimate, over ad spend in Ps. In broadcast TV for AMBA region.

(2) Share of broadcast TV audience according to IBOPE for AMBA. PrimeTime is defined as Monday through Friday from 8pm to 12am. Total Time is defined as Monday through Sunday from 12 pm to 12 am.

¿ALGUNA VEZ TUVISTE UN AMOR TAN GRANDE?



Additionally in the production section, the most prominent show business and general interest events were broadcast, such as, the concerts of Steve Vai, Sara Brightman, Cat Stevens, Ringo Starr, Bon Jovi, Black Sabbath, Herbie Hancock, Ricardo Montaner, Ismael Serrano, Los Nocheros, Tan Biónica, Eros Ramazzotti, Vicentico and Alejandro Sanz, among others; as well as major events, such as, Quilmes Rock, Personal Fest, Fuerza Bruta, Piñon en Familia, Experiencia Art Attack, Madagascar Live and Panam y Circo. ARTEAR also held a new edition of “Un Sol para los chicos” the traditional UNICEF fund-raising event at the Luna Park stadium and broadcast the ceremony of the “Abanderados de la Argentina Solidaria 2013” awards.

During 2013, ARTEAR sought to strengthen its position as technological market leader, after the successful launch of the signals El Trece HD and TN HD in 2011, when it became the first broadcast signal to produce all of its content in high definition. This success is the result of intensive investment in equipment and professional training. El Trece was the first signal to test a high-definition system on September 25, 1998 and has continued to use it uninterruptedly from 2000 through mid-2009.

During the period, certain investments were made to continue on this path of innovation and technological leadership. Cable signals were transferred from the old satellite system to the new, fully updated system. This operation enabled ARTEAR to make better use of satellite capacity due to the improvements embedded in newer compression systems. These investments also

enabled the refurbishing of Mobile Satellite Unit 3 and the technical controls of the studios allocated to the Magazine signal. In the News segment, ARTEAR enlarged again its storage capacity for the edition of news articles and programs, due to the larger size of high-definition materials and the increased volume of material produced by the area. In the Programming segment, new investments were made to expand the centralized storage system for the edition of programs broadcast by El Trece and other signals. ARTEAR continued to produce fictional content for TV series and motion pictures through Pol-Ka, Ideas del Sur and Patagonik Film Group.

Pol-Ka continued to produce “Solamente vos”, a program starred by Natalia Oreiro and Adrián Suar that led El Trece’s audience during the Prime Time. At the beginning of the year, Pol-Ka decided to change the format of “Farsantes” from a fiction show broadcast once a week to a daily series. The program had a distinctive quality and high audience ratings during the prime time. It was starred by Julio Chávez, Benjamín Vicuña, Alfredo Casero, Griselda Siciliani and Facundo Arana.

In addition, during 2013 Pol-Ka continued with the production of the second season of “Violetta”. The show was a success among children and youth on a global basis. The show has become very popular among children and teens, with high audience levels both in cable and broadcast TV in Argentina and abroad.

At the beginning of 2013, Ideas del Sur failed to renew its agreement with ARTEAR for the production and broadcasting of ShowMatch. The show was not produced in 2013 because no

agreement was reached with other signals. The same happened with the weekend shows and the high-season daily magazine. Consequently, programming decreased to 351 hours in 2013 from 1,749 hours in 2012. All of this resulted in a decrease in revenues and results for Ideas del Sur. Ideas del Sur only managed to cut variable and indirect costs related to programs that were not produced. Therefore, its Board of Directors started to negotiate the sale of the majority equity interest in the company owned by Marcelo Tinelli and ARTEAR. By the end of 2013, most shares had been transferred to Grupo Indalo.

During the year and as part of the strategy to produce motion pictures, several productions were launched through the Patagonik Film Group: “Roa”, an Argentine-Colombian coproduction; “Vino para robar”, another coproduction written by Adrián Garelik and directed by Ariel Winograd, which participated in several international contests; “Corazón de León”, a film directed by Marcos Carnevale and starred by Guillermo Francella and Julieta Diaz, which was broadly welcomed by audiences; and “Un paraíso para los malditos”, another coproduction written and directed by Alejandro Montiel and starred by Joaquín Furriel, Maricel Alvarez and Alejandro Urdapilleta.

The Company also made significant efforts towards developing activities related to the commercialization, organization and broadcast of sports events through TyC sports and Autosports, mainly football and motor racing. During 2013, the Company worked on the restructuring and profitability of its sports businesses and the exploration of new local and regional businesses.





RADIO MITRE

In 2013, AM Mitre 790 reaffirmed its track record and consolidated its leading position in the ranking of audience share during the entire year, reaching an audience share of 42 points. The gap with respect to its main competitor reached 23 points.

The morning radio talk show "Cada Mañana", hosted by Marcelo Longobardi and his team, stood out among Radio Mitre's programming, with unprecedented peaks in audience share of 55 points. "Lanata sin Filtro", the program hosted by Jorge Lanata and a team of journalists from 10 am to 13 pm, also surpassed the 50 point mark. The show can also be watched in high-definition at mitrehd.com.ar.

In the afternoon slot (from 2 pm to 5 pm), "Encendidos en la tarde", hosted by María Isabel Sánchez, Rolo Villar and Tato Young, is a fun afternoon show that combines information, humor and interviews. The show also led its time slot. Pepe Eliashev continued with his traditional show "Esto que pasa", with engaged editorials and an in-depth news review. The show is broadcast from 5 pm to 8 pm.

La 100 maintained the highest average audience share of the FM market with 13.26 points, with an audience of over one million listeners in the city of Buenos Aires and its surroundings. La 100 consolidates its leadership in the FM radio segment, with an entertaining, smart and innovative proposal based on shows led by famous artists and good music. In 2013, the shows "El Show de la Noticia", hosted by Roberto Pettinato in his tenth season, and "Lalo por hecho", hosted

by Lalo Mir and Maju Lozano, stood out once again. In the afternoon slot, La 100 managed to consolidate its position with "Sarasa", hosted by Ronnie Arias, and "Atardecer de Un Día Agitado", hosted by Sergio Lapegüe and Rife Varela. During the weekends, "Ranking Yenny" hosted by Guillermo López led the audience segment. Mariano Peluffo joined the Sunday grid with one of the preferred shows in its time slot.

To further deepen its bond with listeners, La 100 continued to organize acoustic concerts with the most renowned musicians and live broadcasts from its mobile studio.

Finally, of remarkable note is the growth experienced by Cienradios.com.ar, a site that was conceived as an extension of the Radio Mitre brands to the web, and that managed to consolidate itself as the most prominent on-line radio site in Latin America. With over 470 options, users may choose among a wide offering of broadcast radio stations and other stations, specially designed for the Internet with segmentations of singers, bands, music from different decades, music genres and assorted topics. Mitre AM 810 consolidated itself in the province of Córdoba as the radio with the second highest audience share. With a permanent staff in the city and its own news service, Mitre AM 810 developed comprehensive coverage of news comprising Córdoba, Argentina and the world. Its programming includes prestigious hosts, such as, Jorge "Petete" Martínez, Rebeca Bortoletto, Juan Alberto Mateyko and Federico Tolchinsky, among others.





FLIP

AHORA

AHORA

- Más leídas
- Blogs
- Opinión
- Deportes
- Política
- Policiados
- Internacional
- Sociedad
- Famosos
- La Vida
- Tecnología



Más leídas



Histórico escándalo en la Noche de Muerte: Beso Castro hizo llorar a Yareina Latorre



Generosidad de Kiley record se suma para su plebiscito de sufragio



La salada de la cara como soporte de noticias



EL NEGOCIO DE MAJAR



Tarea de la ONU



El gobierno de la ONU se enfrenta a la crisis



El yugoslavo termina su vida en la guerra



El gobierno de la ONU se enfrenta a la crisis

Opinión



Ellos benefician de los tiempos de crisis



El riesgo de ser un número 1: el fútbol cuestionamiento a Lionel Messi



Los cambios de Marco Lora, un mensaje para Noel López



El caso medio: La Presidencia busca apoyo para pensar sobre la justicia y los medios



¿Qué tipo? ¿Qué tipo de política de Lora?



El caso medio: La Presidencia busca apoyo para pensar sobre la justicia y los medios

Deportes



El riesgo de ser un número 1: el fútbol cuestionamiento a Lionel Messi



Los cambios de Marco Lora, un mensaje para Noel López



El caso medio: La Presidencia busca apoyo para pensar sobre la justicia y los medios



¿Qué tipo? ¿Qué tipo de política de Lora?



El caso medio: La Presidencia busca apoyo para pensar sobre la justicia y los medios



El caso medio: La Presidencia busca apoyo para pensar sobre la justicia y los medios

Política



El riesgo de ser un número 1: el fútbol cuestionamiento a Lionel Messi



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El caso medio: La Presidencia busca apoyo para pensar sobre la justicia y los medios



El caso medio: La Presidencia busca apoyo para pensar sobre la justicia y los medios

4 DIGITAL CONTENT & OTHERS

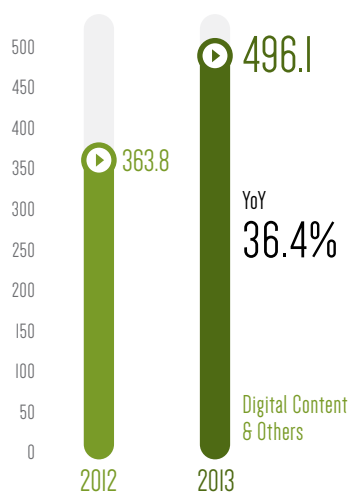
Revenues in this segment are derived from the sale of advertising on some Internet web sites and portals and the provision of administrative and corporate services by Grupo Clarín and its subsidiary GC Gestión Compartida S.A. ("GCGC") to third parties and other subsidiaries. They

also include digital content production through Compañía de Medios Digitales S.A. ("CMD").

Out of Grupo Clarín's total sales in 2013, this segment accounted for Ps.496 million, considering intersegment sales.

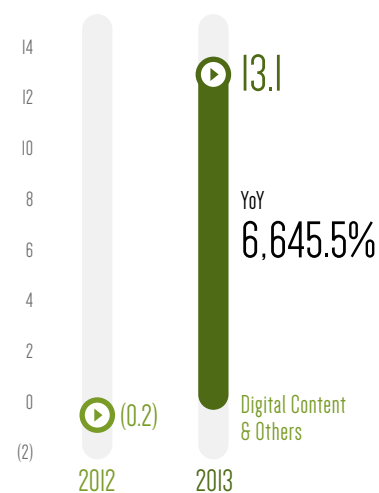
NET SALES

(In millions of Ps.)



ADJUSTED EBITDA

(In millions of Ps.)



DIGITAL CONTENT

Grupo Clarín is the leading producer of digital content. Through CMD, the Company developed the broadest network of portals and digital content in Argentina, covering news, entertainment, sports, classified advertisements, direct marketing, e-commerce, digital photography, video, blogs, chat rooms, music, mobile content (ringtones, SMS and games) and a browser. This network seeks to replicate on the Internet the presence and relevance of Grupo Clarín's several offline media.

Given the fact that, in line with the corporate strategy, the exploitation of Clarín, Olé and Club

Cupón websites that were previously operated by Grupo Clarín was transferred to another company of the same economic group, goals have been redefined in order to strengthen the positioning of other sites, such as, Todo Noticias, Cienradios, Ciudad and EltreceTV in terms of traffic and revenues.

In addition, the Company continued to sell contextual advertising under the brand iAvisos and completed the second year of operation in the Adnetwork business. The presence of CMD in the direct marketing segment through its brand Mr.

Sale was consolidated, achieving sustained growth in product variety and completed sales.

The website of Todo Noticias developed by CMD registered amazing audience share growth at year-end. Ciudad.com remained the most visited show-business web site in Argentina.



OPERATING STATISTICS - DIGITAL CONTENT AND OTHERS

	2013	2012	YoY
Page Views ⁽¹⁾	719.4	625.3	15.1%
Unique Visitors ⁽¹⁾	38.0	27.9	36.2%

(1) In millions. Average. Source IAB and Company Estimates.

ArgenProp
Buscainmueble
Canal 13
Clasificados
Clarín.com
Cienradios
Ciudad

Clarín Blogs
Clubcupón
Confronte
De Autos
De Motos
Entremujeres
Espectáculos

Genios
Guía de la Industria
Grupo Clarín
iEco
Imagena
Interpatagonia
La Razón

Más Oportunidades
Mundo Gaturro
Nimbuzz
Mublet
Olé
Quieromimúsica
Revista Ñ

Shop1
Tangocity
Tipete
TN
TN y la Gente
Toda Pasión
T&C Sports

Ubbi
Via Restó
Yuisy
VXV
Welcome Argentina



EN VIVO

Llévate TN en Blackberry

TODA PASIÓN

LA VIOLA

FAMOSOS

TN Y LA GENTE

TN VIDEOS

MÁS

281 Compartidas 0 Comentarios

El misterio del vuelo MH370 al avión de Malasia con submarino

Promo más que listo!

¡¡¡¡¡

Ciudad.com

Angel de Brito

Portfollo

Rating

Qué look

Te cuento algo

Cludad TV Cartelero

Espectáculos

Jorge Rial

Loly Antoniale

Nazarena Vélez

Fablián Rodriguez

Diego Maradona

Rocío Oliva

Ver más

CLUB CUPÓN

Ofertas nacionales

Turismo

Productos

Belleza

Gastronomía

¿Qué estás buscando?



FIJATE SI GA CLICK ACÁ

Parrillada completa para dos personas
 Siga La Vaca Express: 1 Provo
 chorizos + 2 cortes de carne a
 guarnición + bebida.

Imperdible por \$159.

\$159

¡Comprar!

Descuento 44%

Valor Real \$282

Este cupón termina en:

13:44:25
Horas Min. Seg.

Cupón Activo!

Compartir



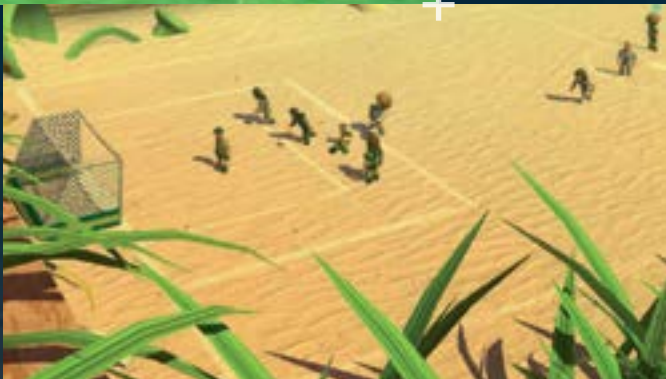
el trece

PROGRAMAS

- Guapas
- Periodismo Para Todos
- Mis amigos de siempre
- Showmatch
- Los 8 escalones
- Almorzando con Mirha Legrand
- Telenoche
- La noche de Mirha
- A todo o nada
- El diario de Mariana
- Este es el show
- CCC
- Cuestión de peso
- Plato del mundo

ORANGE IS BLACK





CMD S.A. held its 80% equity interest in Interwa S.A., a company dedicated to tourism web sites. In addition, through its 51% interest in Clawi S.A., it develops Mundo Gaturro, a successful on-line game, and has continued with its expansion process to other countries. As far as the Spanish-speaking market is concerned, traffic in Chile, Peru, Mexico, Colombia and Spain has continued to grow. In addition, CMD consolidated the second year of operations of Tecdía S.A., a company engaged in e-business development and in which CMD owns a 95% equity interest.

CMD also owns a 95% equity interest in QB9 S.A., a company engaged in the development of on-line games for different platforms, with a local and international sales strategy. During the period, CMD launched three new interactive games,

“Amigos de fierro”, “Potreros” and “A pura garra”, one of them for PC and the other two, for mobile platforms. The games are based on the characters of the film Metegol and were created by a group of 30 professionals who worked in a project that, together with the film, made a remarkable difference in the local entertainment industry. Through its brand Yuisy, CMD launched League of Legend, a game with over 32 million followers per month worldwide.

OTHER SERVICES

Through GCGC, Grupo Clarín renders specialized-process outsourcing services to medium and large companies. The services rendered, which include payroll management and processing and

implementation of related processes, as well as human resources management, are oriented to optimize quality and provide innovative management tools.

During 2013, total sales increased by 34.5% compared to the previous year. Business growth was basically sustained by the Payroll Management and Processing service. The company continues to enhance the services offered, increasingly focusing on a customer-driven approach, as well as on strengthening improvement processes.

During the period, several facilities were moved to the new corporate building located at the Technological District of the City of Buenos Aires.





5 CORPORATE RESPONSIBILITY AND SUSTAINABILITY

OUR COMMITMENT

Since its foundation, Grupo Clarín has been aware of its social responsibility as a company and as a member of the media, and has strived to assume such responsibility abiding by the laws, honoring its active and sustained social and community involvement and, especially, fulfilling its duty to inform with honesty and accuracy.

Commitment to society is an inherent and essential part of Grupo Clarín's vision and mission statement. Grupo Clarín attaches special importance to the relationship with different audiences that acknowledge and validate its activities every day and, over the years, has established multiple communication and interaction channels with its stakeholders.

From the standpoint of its audiences, readers and society in general, Grupo Clarín's media and journalists work day after day towards fulfilling and consolidating the citizens' right to information, combining high credibility with a comprehensive journalistic and entertainment offering, based on a deep knowledge of the audience.

Transparency, standards and guidelines

Grupo Clarín seeks to intensify the values and principles that guide its daily work, especially insofar as labor, sustainable development, and human rights are concerned.

Grupo Clarín's adherence to these principles is also outlined in the Company's Code of Ethics and in the Guía para la Acción, a document that proposes models for management, organization and roles, and outlines Grupo Clarín's policies and procedures concerning labor, the environment and human rights.

During 2013, the Company put in place the main pillars of its Social Corporate Responsibility

and Sustainability Policy in order to extend best practices and set common goals within the organization and its subsidiaries. The policy also embraces and fosters the adoption of related industry specific standards by its subsidiaries.

Since 2004, the Company has adhered to the United Nations Global Compact in order to systematically address the 10 guiding principles to sustainable management.

Grupo Clarín is also involved in several groups and organizations that gather global, Latin American and Argentine media players and stakeholders in order to share experiences, identify best practices and foster cooperation in specific issues addressed by the media, as part of their social responsibility strategies. During 2013, through its support to the Noble Foundation, the Company renewed its presence in the "Grupo de Fundaciones y Empresas", a space to share strategic social investment knowledge and standards.

Since 2009, Grupo Clarín contributed to the development of the Global Reporting Initiative (GRI)'s Media Sector Supplement, together with multiple stakeholders worldwide. The GRI's global guidelines for the media, published in May 2012, serve as benchmark for a comprehensive process that is currently underway that seeks to further reinforce, identify and report relevant information on social and environmental performance, as well as to set new goals with the aim of strengthening the Company's sustainability initiatives and strategies. Additionally, since January 2014, the Company has been engaged in the global identification and validation process of materiality standards for the cable TV and media industry, organized by the SASB (Sustainability Accounting Standards Board), an entity that gives advice to the SEC (Securities and Exchange Commission) on transparency standards.





Freedom of speech and transparency are key values for the Company and its professionals. Both principles are particularly relevant in areas related to news services. At Grupo Clarín, each company undertakes a commitment to information and content quality, accuracy and transparency. The coverage of news and the news programs reflect the development of journalistic criteria inherent to each specific outlet and the professionals' commitment to reporting facts and events in a balanced fashion, while allowing the necessary time and space for experts, leaders and the parties involved to express their opinions.

Style guides, ethics manuals and news coverage guidelines, including internal rules and commitments to journalistic quality and journalist responsibility, are the guiding principles of the several activities developed by news and entertainment companies. In everyday practice, this does not mean that each issue is addressed as expected by audiences or in line with the stated goals. Hence, Grupo Clarín's media companies permanently work on the design of new tools and channels that enable interaction with readers and audiences in order to understand expectations, while fostering full adherence to its principles and values with the aim of reaching the highest standards of the industry.

As was the case with previous years, 2013 was particularly challenging for the press and freedom of speech in Argentina. The Company carried out several initiatives to raise awareness on the matter and showed its firm commitment to defending and fostering such essential right.

Independence and Transparency

Independence is a value. It is the strong foundation of the work done by journalists and the media that allows them to search for the truth without any conditioning factor.

Independence is at the core of Grupo Clarín as a guarantee of the freedom to exercise the journalistic role of its media in the Argentine democracy.

Independence is also an assumed responsibility, a way of exercising and guaranteeing rights, a view of sustainability from the Company's standpoint, a daily commitment.

Independence requires transparency. Hence, the information about Grupo Clarín and its subsidiaries, media, shareholders, activities, revenues and investments is public and is available at its web site, at the web site of the Argentine Securities Commission, and at multiple and diverse communication channels with the public, audiences and readers. In this regard, the Company stands out as a pioneer in an environment where most Argentine media companies fail to publicly disclose their financial statements and sources of their revenues and, often times, fail to reveal the identity of their respective owners.

Advertising is one of the sources of revenues of the media. Governments are major advertisers and often seek to influence media content through the allocation of official advertising. This circumstance has become commonplace in Argentina, where more than 80% of the country's audiovisual media directly or indirectly depend on the government or its advertising funds, which are managed on a discretionary basis and with little transparency. During 2013, Grupo Clarín received virtually no funds for official advertising and very little from provincial governments. Historically, due to the scale and diversity of Grupo Clarín's revenues, the significance of such funds has always been very limited so as to guarantee its media and journalists the freedom to report news without any conditioning factor.

Grupo Clarín also has business policies in place concerning its advertisers that foster the existence of diverse and multiple sources of advertising investment as another way of guaranteeing the free and independent exercise of journalism.

Media independence also requires responsible relationships between journalism and the Company's own business interests. Business and editorial functions are clearly separated at Grupo

Clarín's media. Special emphasis is placed on the fact that journalists are completely detached from the sale of advertising so as to allow for the free exercise of journalism, free of any risk or conditioning factor. In addition, Grupo Clarín's media specifically focus on the distinction between advertising and editorial space.

As mentioned above, the Company has a Code of Ethics in place applicable to its subsidiaries and employees. The code sets forth standards of conduct and procedures that govern and prevent circumstances that may affect the free exercise of their functions and the transparency of their activities.

Information on Sustainability

In line with its Social Corporate Responsibility and Sustainability Policy, Grupo Clarín identifies the material aspects of its activities following international social responsibility standards applicable to the media, particularly, the GRI's guidelines, and in accordance with the expectations of its multiple stakeholders. Grupo Clarín's materiality analysis serves as a starting point to define its corporate sustainability goals and strategy, as well as the daily management of its performance.

During 2012, the Company started to prepare its financial statements in accordance with the International Financial Reporting Standards (IFRS), thus changing the manner in which figures are presented. The deconsolidation of some of its minority interests was also reflected in the way of reporting information on sustainability, which made it difficult to perform a comparative analysis as it did before between some of the figures included in this section and the figures eventually reported in previous years through different communication channels.

As to the scope of the information provided in this section, labor indicators include all of Grupo Clarín's subsidiaries, pursuant to the criteria indicated above. Environmental performance refers to production or scale operations in which disclosing this kind of information is material. Similarly, some content-related indicators are exclusively applied to subsidiaries engaged in journalistic or entertainment broadcasting and programming activities. As to other indicators, for instance, those related to certain community engagement programs of Grupo Clarín or its subsidiaries that require comprehensive and detailed impact assessments, the information provided is related to the core of the activities inherent to the Metropolitan Area of Buenos Aires, due to the complexity and extension of the processes involved in reviewing and verifying journalistic information

THE VOICE OF THE PEOPLE

Media sustainability depends, to a large extent, on readers and audiences that are aware of their rights and are determined to demand quality journalistic and entertainment content, and on media that are willing to listen to them.

Grupo Clarín's media foster the interaction with its public and audiences, creating listening and discussion channels and tools. Opinion, criticism, tastes, suggestions and comments are expressed through multiple open spaces for content created by the people and for the free expression of the entire diverse and plural society. At a corporate level, within the framework of a complex environment marked by the escalating attacks against independent media, Grupo Clarín also offered multiple communication and interaction channels to discuss specific institutional issues, such as spaces on the Internet and social networks, in order to share the latest updates with accuracy and transparency.

The proliferation of new media and technologies has drastically changed journalism and the way in which the public has access to and produces news and other content. These conditions require an open and rigorous look to determine how to face the challenges imposed by the digital era, adjusting the Company's business model to meet readers' and audiences' demands, while guaranteeing the

sustainability of its activities, without relegating its leadership position.

Grupo Clarín's media companies have assumed a long-standing commitment to audiences and readers. Grupo Clarín's sustained leadership and its privileged position as the people's preferred choice are attributable to its ability to anticipate trends and its vast knowledge of media consumers, paired with its capacity to understand their needs and meet their requirements.

Some segments of Diario Clarín, such as the traditional section entitled "Letters to the Country" and the readership surveys, are supplemented with new initiatives to satisfy the people's need to participate in the process of casting news, such as, the inclusion of readers' comments and other strategies based on the social networks in virtual news platforms.

Over the last years, the Company has launched an increasing number of new blogs and applications and fostered people's interaction with journalists, as well as the interaction among users. Interaction allows readers, listeners and Internet users to provide information. 'TN y la gente', an initiative from the news signal TN, is a good example of this, since it allows the audience to send photos or videos captured with personal cameras or mobile devices as an additional way to foster the citizens' involvement in journalism and increase the end-user participation in Grupo Clarín's several media.

Grupo Clarín is also focused on giving a voice to small communities and on fostering the development of local content at a regional level. Through the signal program Somos, Cablevisión and ARTEAR have been working together in order to gradually renew TV signals and local news programs in several cities of Argentina. The program is based on the concepts of access to information and cultural proximity with the people, and introduces state-of-the-art technology and training to develop local talents.

Audiovisuales en la Escuela is a similar program developed by Cablevisión to facilitate audiovisual tools to public schools with the aim of building content related to the local cultural identity. Since its inception, over 5,000 students, parents and teachers from 34 schools participated in the program and produced 34 audiovisual pieces, which together with other special programs, were broadcast by Cablevisión's local signals. After the end of the school year, participants may apply for educational practices at their local signals.

In addition, for more than 30 years now and through its support to the Noble Foundation, Grupo Clarín offers free media literacy tools to thousands of children and teachers in order to foster critical thinking on journalism, while empowering people in their roles as consumers and content generators.

RANKING: LAS MAS LEÍDAS

 <p>1 Temporal en Puerto Madryn con barco pesqueros arrastrados a la playa 5133 visitas</p>	 <p>2 DESPIDO MASIVO EN RIO TERCERO - CORDOBA 682 visitas</p>	 <p>3 Mucha agua en Coronel Pringles 554 visitas</p>	 <p>4 Desesperado pedido de ayuda para rescatar a un perro al que su dueño cuelga de una soga y le 520 visitas</p>	 <p>5 San Rafael y General Añear: "unidos por un mismo sueño" 279 visitas</p>	 <p>6 ROMA: ¡Dos años a puro Rock! 146 visitas</p>
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Figuras e mundo

TEMAS

combate voluntario de Uribitúa
Protestas Ciudadanas de San Martín
Servicio Comercial de la Corona
Servicio Nacional de Salud del Reino Unido
class H.S.S.
Saltar Dynamics

PERSONAJES

Pedro José Moreno
los cachetes de moment
Spinster
Jesús Juan Vazquez
Liga de Yoga
Fracción
Ariel Dávila
Penna

SECCIONES

Toda
Política
Fútbol
Deportes
Internacional
Sociedad
Show
Tecnología
Opinión

PROGRAMAS

A diez voces
Argentina para amar
Otro Tema
Palabras + Palabras +
En el Camino
TN Techo
La Viola
TN Ciencia
TN Ecología

Buscar

TV en tu bolsillo

Twitter Facebook Google YouTube

TN móvil App Flipboard RSS

Social and Sustainability Coverage

In order to better assess the potential influence of the media on different audiences, Grupo Clarín sets goals to guarantee the quality and diversity of its content. Grupo Clarín's newspapers and news programs have a long-standing and respected reputation for journalistic research and offer comprehensive coverage of news and relevant social and environmental issues. The ability to reflect social diversity - both through the coverage of news and entertainment content - is one of the pillars of its commitment towards the audiences and readers.

Special supplements, experts' and scholars' opinions, on-site news coverage, journalistic talent and the quality of the images and infographics complete the broad variety of issues addressed by Grupo Clarín, including but not limited to health, consumption and development, science, education and preservation. Weekly TV programs, such as, 'TN Ecología' and 'TN Ciencia' broadcast by Todo Noticias, have become leaders and benchmarks in their respective fields.

During 2013, the Company's media continued to develop content related to climate change and the environment.

Radio Mitre, Grupo Clarín's main radio station, combined the 24-hour coverage of these issues with "Planeta Mitre, Compromiso Verde", a series of daily brief radio programs hosted by a journalist specialized in the environment aimed at raising awareness on environmental issues, recycling and what each of us can do to make the world a better place.

Also during this period, Grupo Clarín renewed its commitment to the supplement Gestión Sustentable (Sustainable Management), published together with Diario La Razón, to make readers think about the most prominent issues of the sustainable development global agenda and to report on social and environmental responsibility actions carried out by companies and organizations of the civil society. The supplement received the prestigious award Gota en el Mar, in the category Environment and Sustainability.

The Company continued to support and promote blogs that raise awareness on social issues from its web site, Clarin.com. For example, "El Otro, el Mismo" is a blog aimed at the inclusion of people with disabilities, developed in association with the Universidad Católica Argentina and social organizations.

In this regard, the Calendario del Compromiso con la Comunidad (Calendar of Commitment to the Community) was published for the eighth consecutive year in Revista Viva, a weekly section sponsored by Clarín, the Noble Foundation and Red Solidaria that provides an overview of the social challenges Argentina currently faces, with an emphasis on the potential positive effect that contributions made by individuals and the organizations of the civil society may have in addressing such challenges.

Acknowledging the importance of reflecting diversity, fostering social justice, protecting the youth, encouraging minority recognition and avoiding discrimination on the basis of race and gender are key actions to create content in the media in a responsible fashion. Over the last years, there has been a gradual but sustained increase in the coverage of social issues by Grupo Clarín's media as recorded by several monitoring actions carried out by third parties, particularly, independent observatories of media companies and universities.

In 2011, the NGO Periodismo Social and Universidad Austral started to prepare reports on the coverage of children-related news on television in Argentina. In that first year, Telenoche, Grupo Clarín's main news program that leads audience ratings, was identified as one of the news programs that spent more time broadcasting news and giving information on children and young people, accounting for 32.4% of total coverage. In addition, the report stated that more than 54% of the information sources were children and their families.

In 2012, the second edition of the report revealed



that the percentage of children as sources of information increased by 60% and that the topic of violence decreased remarkably (16%) since 2011 to 29% of the total coverage. Consequently, the news program was awarded the best score among private signals. The report also pointed out that 41% of children-related coverage was specifically addressed to girls, while the other 47% was equally addressed to boys and girls, strengthening the news program's commitment to reflecting gender-related issues. As of the date of this annual report, the abovementioned organizations have not made available data on the year 2013.

The emphasis placed on these monitoring processes fits within the framework of an initiative launched by the Company in 2009 that included an internal review of specialized third party analysis, combined with an ambitious training program oriented to audiovisual journalists, focused on achieving journalistic excellence and raising awareness of the particular features of the main social topics in order to give them responsible treatment in the news.

In its early stages, the project included training for journalists that work on news programs broadcast by provincial signals. In a second stage, Grupo Clarín, together with experts in communications and scholars from said organizations, offered in-house workshops for journalists, editors, cameramen and journalistic producers that work at all news programs produced by ARTEAR (TN and Canal Trece), in order to provide them with content development tools and to discuss the main challenges imposed by the several aspects of the coverage of social issues on TV and the editorial values that guide day-to-day decisions. This program was the first of its kind to be implemented in an Argentine signal.



Promoting Involvement

Nevertheless, when it comes to responsibility and content quality, there is always much to be done in order to identify the potential positive effects that the media may have on a society. In this regard, Grupo Clarín seeks permanently to improve its role in the promotion of the public debate by fostering individual involvement and further describing the social, economic and environmental challenges faced by society with diversity of opinion.

The several media companies that comprise Grupo Clarín also endorse several initiatives that encourage citizens' involvement in democracy and responsible citizen controls on the acts and decisions of their representatives.

Aware of the need to advocate for further respect for republican principles and fundamental human and civil rights, during 2013 the Company continued to foster and raise awareness on the importance of every citizen's right to information and freedom of speech.

The Company also sought to foster values, such as solidarity and community commitment.

Through ARTEAR, in 2013 the Company launched a new edition of "Abanderados de la Argentina Solidaria", an award that recognizes the work -that would otherwise go unnoticed- done by social entrepreneurs and community leaders, by communicating valuable initiatives, that foster social transformation and may be replicated. The initiative is supported by Ashoka and a panel of

outstanding people from the social, academic and cultural sectors. In this edition, the prize was granted to Mario Raimondi, founder and director of El Desafío, a foundation that fights against poverty and structural exclusion in Rosario. The winner received Ps.150,000 in cash to continue with his work. Jorge De All, a physician that travels around the province of Chaco to diagnose, prevent and cure diseases of people in basic need received Ps.75,000 in cash and the Jury's Special Award.

During the period, Clarín renewed its partnership with Missing Children and Red Solidaria to publish photographs of missing children in La Razón newspaper and raise awareness about the role of the community in dealing with this problem. The Company also helped to broadcast the events held to commemorate and raise awareness on the anniversary of the AMIA and the Israel Embassy bombings.

In order to promote other campaigns and fund-raising events and raise awareness about Argentina's main social issues, Grupo Clarín donated advertising space to several NGOs. Among the most notable efforts in this regard were the Colecta Más por Menos, the annual Caritas collection organized by the Argentine Episcopal Conference and the annual collection of the Food Bank Network, among others.

Grupo Clarín also renewed its support for the traditional campaign "Un sol para los chicos", together with ARTEAR and UNICEF. In 2013 the

campaign celebrated its 22nd anniversary and raised Ps.17,531,826 for educational and social programs oriented to children and young people. The campaign is one of UNICEF's main sources of revenues in the country and also seeks to boost individual donations in Argentina, which still remain at significantly low levels compared to the US and Europe, on a relative basis.

In order to deal with this issue strategically, and to bolster the impact and scale of its investments in public welfare campaigns on its media, Grupo Clarín, in partnership with AEDROS, a specialized entity engaged in fundraising, and with the support of Rapp Argentina, designed a campaign to foster civic involvement through a sustained and ongoing economic commitment with organizations of the civil society. In its second edition, the campaign Donar Ayuda was largely promoted in audiovisual and electronic media, as well as in newspapers and magazines throughout 2013 and early 2014. Individual contributions to NGOs that take their missions seriously are regarded as one of the most effective ways to make a drastic and sustained difference in the lives of many people in need. In addition to conveying this individual commitment message, the campaign also seeks to make a significant contribution to the organizations of the civil society as a whole, which face increasing challenges to their sustainability and independence.





Community Engagement and Social Advertising

Grupo Clarín's impact on and relationship with communities and individuals goes beyond the boundaries of its editorial coverage. The support to vulnerable communities, the coordination of educational projects, and the organization of campaigns to address social issues or to help areas that were hit by natural disasters, paired with Grupo Clarín's sustained commitment evidenced by several types of donations and knowledge transfer, are just some examples of the numerous initiatives organized and fostered by Grupo Clarín's media companies, either jointly or individually.

In response to the growing communication needs and demands from the organizations of the civil society, Grupo Clarín has a multiple approach program in place that combines raising and spreading active awareness of public and social

interest topics, through advertising, design and communication services for the NGOs.

With respect to social advertising, during 2013, Grupo Clarín, through the Noble Foundation and several of its media companies, donated a significant amount of advertising time and space to foster causes related to social, civic and environmental issues, through its own social investment programs or within the framework of strategic alliances with prestigious organizations of the civil society.

Among these programs, the Company continued to launch Segundos para Todos, a program organized by Cablevisión, in order to donate free advertising seconds to organizations of the civil society. In 2013, this initiative donated 113,000 advertising seconds to broadcast public welfare messages.

Grupo Clarín has also undertaken a sustained and strategic commitment to breaching the digital gap and promoting the responsible use of the Internet. During 2013, Cablevisión continued to provide free services to 20,241 schools, hospitals and social organizations. This commitment differentiates the Company from others, such as telephone companies, which have policies that do not include donating communication services, in spite of their reach and scale. Cablevisión's service contribution accounts for an annual in-kind contribution equivalent to Ps.43 million, and is supplemented by specific programs, such as Cablevisión Flex which offers reduced subscriptions to low income neighborhoods. The program Puente Digital is one of the main pillars of the work done in order to breach the digital gap. The program offers free Internet access to public schools, combined with the integration of new technologies to school teaching. Through this program, the Company seeks to create a multimedia and interactive platform built upon convergence, where TV content will be a tool to supplement the use of Internet at school. This service is also provided to hospitals, health centers and organizations of the civil society. The initiative also embraces the donation of computers through Fundación Equidad when there is an upgrade in the Company's equipment, which also favors the reutilization of these resources.

The impact of donated advertising space and free Internet access services may be added to the Noble Foundation's Ps.3.5 million budget for 2013, and to the amount set aside for other social investment programs in several subsidiaries, which reached Ps.2.6 million in 2013. Hence, the amounts of cash and in kind contributions allocated to social and community investment programs for the period account for an aggregate Ps.94.3 million. This estimated figure does not include all programs developed by smaller subsidiaries, since some internal information gathering systems related to the business units' community actions are under development.

In addition to providing financing, resources, capacity and experience in the promotion of socially valuable initiatives, Grupo Clarín also relies upon third parties to secure regular sponsorships and donations within the framework of strategic alliances related to the sponsored initiatives.

ADVERTISING SPACE DONATED IN 2013 ON GRUPO CLARÍN'S MEDIA

● Radio and Broadcast and Cable TV	539,900 seconds
● Pages in Newspapers and Magazines	123 pages

The estimated impact of these in-kind contributions allocated to public welfare messages accounts for the equivalent to a social investment of approximately Ps.45.2 million.

Fostering Education and Culture

As part of its initiatives in support of education, Grupo Clarín used its cross-segment position and its ability to communicate with society to raise awareness of the importance of education as a right and as a critical element in Argentina's future social development. In this sense, it tried to foster equal opportunities in education through its publishing company Tinta Fresca with the generation of updated, affordable and quality educational materials for students, teachers and schools throughout the country.

For the twelfth consecutive year the Company organized "Digamos Presente", an initiative focused on equal access to education and rural education, in partnership with APAER and the Cimientos Foundation, and with the support of Telecom.

The Company has also renewed its support for the 5th Educational Quality Forum, under the motto "Improving education is a top priority". The forum is a massive event organized by Educar 2050, an entity that combines the fieldwork related to the instruction of principals of schools attended by low-income children with extensive public policy advocacy activities.

Among the main alliances to foster education, the Company developed specific initiatives, such as the program Potenciar Comunidades Rurales, with the support of several companies to provide support to local development projects in certain communities under the leadership of Emprendimientos Rurales Los Grobo.

One of the most prominent initiatives resulting from a collective effort is the award "Premio Clarín-Zúrich a la Educación". In its fifth edition, this award recognized the best practices in the use of ICT in high schools. The first prize was Ps.160,000 for the winning school to be able to develop the project. Other two schools were distinguished with a recognition and received Ps.45,000 each. The next edition of the award in 2014 will choose the best education project for sustainable development at the elementary school level, in order to underscore the importance and interest of this issue and recognize the capacity to introduce critical thinking and a problem-solving approach to education.

During this period, through the Noble Foundation, the Company continued to donate bibliographical material, and renewed its long-standing support of Escuelas Roberto Noble, named after the founder of Diario Clarín, Roberto Noble.

Again this year, the Company sponsored the annual Maratón de Lectura (Reading Marathon) initiative, organized by Fundación Leer with the participation of over 4.2 million children from 13,700 educational institutions. The event received the donation of books published by Clarín and the initiative was promoted through a broad advertising campaign.

Grupo Clarín and its subsidiaries have also renewed their commitment to culture through several sponsorships to important events and entities, such as, Feria del Libro (Book Fair), PROA Foundation, Faena Art Center, Teatro Colón, and Usuahia's Classical Music Festival. The Company also sponsored several plays during the season at the Teatro Maipo and the films "Vino para robar", directed by Ariel Winograd, written by Adrián Garelik and starred by Daniel Hendler and Valeria Bertuccelli; "Séptimo" starred by Ricardo Darín

and Belén Rueda and "Tesis de un homicidio", a thriller directed by Hernán Goldfrid and starred by Ricardo Darín, Alberto Ammann, Calu Rivero and Arturo Puig. In 2013, Clarín held the traditional annual ceremony of the "Premio Clarín de Novela" awards. This year the award went to Fernando Monacelli for his novel "Sobrevivientes". The novel was published by Clarín-Alfaguara and the author won Ps.150,000. Grupo Clarín also sponsored a series of concerts organized by Buenos Aires Lírica Foundation.

Through its cable and broadcast TV signals, Grupo Clarín's companies make significant efforts to promote the most relevant cultural, motion picture and sports events and such efforts are an increasing contribution to cultural diversity and local identity. Of particular note are initiatives such as "Volver", the cable TV signal that keeps Argentina's most complete programming archive.



NOBLE FOUNDATION'S DONATIONS OF EDUCATIONAL MATERIAL

	2013	2012	2011
● Books	44,219	48,900	53,406
● Magazines	6,140	6,660	6,625
● Manuals	561	500	260

Media literacy and protection of young audiences

The media play an increasingly important role in society, particularly, in the lives of young people. Through several programs, the Company encourages them to develop media access tools through critical thinking and to leverage the opportunities provided by the media and technology to explore their identity, creatively express their ideas and opinions and make their voices heard.

Media literacy is generally defined as the ability to access to, analyze, respond with critical thinking and benefit from, the media. Grupo Clarín's main tool to foster media literacy is "Los medios de comunicación y la educación" (Education and the Media Program), a pioneer program widely recognized abroad, that has been developed and permanently updated for almost 30 years. In 2013, the Noble Foundation was mostly engaged in renewing the program that consists of classroom workshops and special educational content for teachers and students oriented to foster a critical approach to the media and their use as resources that supplement formal education.

This program is supplemented through other initiatives related to the promotion of responsible content consumption. Through the Noble Foundation, Grupo Clarín renewed its presence and coordination of the media space in the "Museo de los Niños" (Children's Museum) and continued to offer visits to printing facilities. During 2013, 13,628 people (mostly students) and 262 institutions had the chance of experiencing first-hand the processes involved in news production and newspaper printing.

Within the Cable Television and Internet Access segment, the Company helps to protect vulnerable audiences by providing parents with the tools to make decisions about the content their children are allowed to access.

This includes several parental control options. For cable TV services, the on-screen guide allows parents to easily block content that is not suitable for children by introducing a PIN. The Video On Demand platform includes the identification of adults-only services with access control systems that may be enabled by the subscribers. In terms of

protection of audiences in Internet, the Company developed Fibertel Security. With this tool, users may filter the access to certain web sites deemed inappropriate and customize the protection level for each family member, among other things. In addition, adults may restrict the use of Internet by setting specific days and times. Adult users have a password that enables them to turn the control off and freely access the Internet, as well as to change all of the software configuration settings. Every time the operating system is rebooted, the service returns to its "enabled" status to prevent potential accidents.

These tools are provided with information and criteria on how to use Internet. Cablevisión launched the program "Compás para el uso de Internet" in partnership with Unicef and Chicos.net. This project, specifically addressed to families and teachers, is intended to provide proposals to teach children and teens about the proactive, responsible and safe use of technology. The topics discussed in this program include digital citizenship, on-line security, data protection, content diversity, respect for information sources and awareness on cyber-bullying and discrimination. The initiative includes the development of an information portal (www.programacompas.com.ar), tools for journalists, relationship with elementary schools, publication of citizenship awareness information through the media and awareness actions by way of 84 workshops attended by 1,776 participants.

The Company also addresses responsibly children's artistic participation in the television and film industry; a category that was embraced by the ILO as a valid form of participation in labor activities by children in these age categories. To such end, special emphasis is placed on compliance with the applicable standards in force, while adhering to internal guidelines that set limited activity schedules, protection and promotion of school education and active involvement of parents and tutors.

Excellence in Journalism

In order to reaffirm the commitment to journalistic excellence, Grupo Clarín also carried out activities aimed at consolidating the training and excellence of current and future communicators.

In this sense, the Company provided support to the Masters Degree in Journalism, an international graduate course with the highest academic level, organized by Grupo Clarín and the University of San Andrés, with the participation of the School of Journalism at Columbia University and the University of Bologna, and led by renowned national and international journalists and academics. Year after year, this renowned training program gathers professionals from Argentina and other Latin American countries, and also offers scholarships linked to outstanding performance.

The Company also sponsored the achievements of the Graduate Course in Scientific, Medical and Environmental Communication. This specialized course is particularly relevant from the perspective of the media responsibility in dealing with issues that have a direct impact on people's lives. Therefore, the Company renewed its support to this program, which is organized by the University Pompeu Fabra in Barcelona, together with the Leloir Institute and the cable signal Todo Noticias (TN). The support was renewed at the institutional level, as well as at the level of journalistic content, which continued to be focused on increasing the involvement of specialists in the coverage of news related to these specific issues.

During 2011 and in this same regard, the Company helped to promote and support the Graduate Program in Digital Journalism organized by the University Pompeu Fabra and TN.com.ar. With the second edition of this state-of-the-art program underway, the Company reinforced its commitment to enhancing the quality of professionals in the 2.0 world.

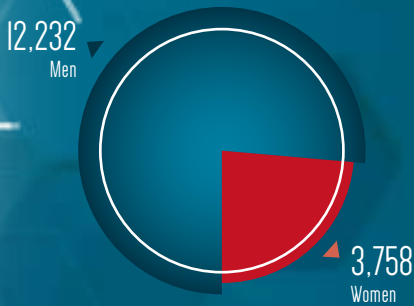
"EDUCATION AND THE MEDIA" PROGRAM

	2013	2012	2011
● Workshops for teachers	120	125	100
● Workshops for students	441	534	525

OUR PEOPLE

Grupo Clarín's success and leadership are mostly the result of the efforts, talent, professionalism and creativity of its employees. Grupo Clarín's media companies are among the preferred workplaces of most communication professionals. The Company strives to offer better opportunities, incentives and tools to sustain and strengthen the firm commitment of the professionals that believe in the project of Grupo Clarín.

EMPLOYEES BROKEN DOWN BY GENDER 2013



EMPLOYEES BROKEN DOWN BY AGE GROUPS 2013

• <30	3,695
• 31-50	10,249
• >51	2,046

EMPLOYEE TURNOVER RATIO 2013

(1.9%)

EMPLOYEE DISTRIBUTION BY CATEGORY 2013

• Directors and Managers	244
• Middle management	2,262
• Analysts and administrative staff	5,848
• Technical staff	7,070
• Other	566





The Company has its own structure in terms of the age and gender diversity of its employees. As to gender, the higher proportion of male employees is mostly attributable to the high number of qualified employees required in technical areas pertaining to printing facilities and the cable TV and Internet access segment. In Argentina these specializations are mostly chosen by men. The gender structure in other companies of Grupo Clarín is well-balanced, particularly in content-related activities, such as journalism and audiovisual production where the workforce is more diverse.

In any case, the Company seeks to foster diversity and the hiring of first-time job seekers and people in the upper age group. The Professional Development Program, the Young Professionals Program, the guided visits to the Zepita facility and Cablevisión and the Audiovisuales en la Escuela Program are good examples of these initiatives that seek to foster the articulation between formal education and the workforce, by encouraging young people to complete their high-school studies as a necessary condition to get a job. On the other hand, Gestión Compartida, a company which, among other things, provides employee recruitment, selection and training services to the companies of Grupo Clarín and third parties, is engaged in promoting and developing

job opportunities for people older than 45 both in its daily work as well as through partnerships with social organizations that share the same focus.

In terms of employee turnover, the Company and its subsidiaries maintain market ratios, particularly in connection with permanent employees. However, the consolidated media turnover ratio usually reflects certain particular features of the industry, which is influenced by factors such as seasonality and involvement of specific technical or artistic employees during certain periods. These employees do not terminate their relationship with the company; instead, they have temporary employment agreements related to special products inherent to the programming activity.

The Company fosters an open dialogue with union representatives facilitating mutual understanding and conflict resolution. Employees freely exercise their right to unionize and are currently represented by several unions related to each of the activities developed by Grupo Clarín and its subsidiaries. Out of Grupo Clarín's total employees 75% are covered by collective bargaining agreements.

Taking care of the work environment and conditions, health and job safety and employee

training to enhance their professional skills are some of the actions aimed at consolidating the sense of integration and achievement of organizational goals.

The work environment survey is one of the key tools employed to gather opinions on the Company's performance in this regard. The survey is conducted every two years at Grupo Clarín's subsidiaries on a global basis and as a cross-section of the group's companies. This process serves to identify sensitive issues and opportunities for internal improvement. Based on the results of the survey, the Company designs action plans, communication channels and training programs in order to set new goals for the coming year. In 2012, the survey was conducted among all of the Company's subsidiaries achieving a record level of responses (92%), compared to 88% achieved in 2010 and 81% in 2008. Within a complex environment for the Company and its employees, the figures achieved in the work environment category remained strong and the figures achieved in the commitment category were above 70% on average. Leadership indicators also maintained high scores. The work environment survey is expected to be conducted during 2014.



In 2013, Grupo Clarín continued to develop its Corporate Volunteer Program, which was launched in 2011 with global actions and other actions inherent to each subsidiary. Named “Vos también”, the program seeks to develop and consolidate in an inclusive fashion valuable initiatives for employees’ solidarity actions that have a positive impact on the community while contributing to the Company’s organizational environment. During 2013, the program was implemented in 10 business units, including the corporate areas, and its impact was extended to 12 provinces. According to its main indicators, volunteers devoted 6,180 hours of work (4,670 during working hours), with a global engagement rate of 10.2%. All program actions were carried out in partnership with social organizations to shift the benefits derived from the experience to the civil society. During 2013, the program partnered with 100 NGOs and reached 9,813 people.

Through these initiatives, volunteers had the chance to collaborate with several programs and topics. The main projects carried out during the year were the following: Donación de Sangre, a project that seeks to foster solidarity in the area of health; Vos también Jugás, a project oriented to infants; Socios por un día, a project carried out in partnership with Junior Achievement that seeks to foster entrepreneurship among young people; Plantación de Árboles por el Medioambiente in partnership with Plantarse, and a program to support community centers that involved games in school playgrounds and a child day care center. On the other hand, two cross-cutting actions were proposed to all of Grupo Clarín’s business units: the initiative Concurso de Iniciativas Vos También that rewards employee’s innovation in social

projects by providing the financing to execute employee projects and Fin de año en Familia, a family support program that consists of delivering Christmas gift boxes to low income families. For the third consecutive year, overall satisfaction with the program Vos También was extremely high: 99.60% of the participants found it rewarding or very rewarding and a similar percentage stated that they would participate again.

“VOS TAMBIÉN” VOLUNTEER PROGRAM IN 2013

● Volunteers	1.420
● Participating social organizations	118
● Direct beneficiaries	9.813
● Working hours	4.670
● Non-working hours	1.510
● Employee’s engagement	10.2%

Grupo Clarín also put special emphasis on multiple internal communication tools, such as the magazine Nuestro Medio, the Corporate Intranet with participation spaces and forums, the digital newsletter named Nuestro Resumen and the Corporate Training Program and the Company Climate Management newsletters, as well as internal communication spaces and notice boards. Year after year, Grupo Clarín increases its efforts to implement and streamline the information channels on benefit programs, policies and relevant organizational changes, and news concerning the daily development of activities.





Benefits and Career Development

Despite the fact that most benefits are common throughout the Company, each Business Unit grants additional benefits, which may differ based on their respective activities. During the last quarter of 2007, the Company, together with its subsidiaries, began to implement a long-term savings plan for directors and managers, which became effective in January 2008.

During 2013, the corporate HR department and the business units continued to implement several programs to identify internal talents for professional development. In addition, Cablevisión and AGEA renewed their Young Professionals program creating opportunities for professionals who are taking their first steps in their careers.

In order to build new skills and reinforce existing strengths, employees need motivation and support. During 2013, the Company made further efforts to increase the scope and improve the performance review program of employees in several job categories.

Grupo Clarín's employees and professionals may update and build upon their knowledge and skills through several training programs, ranging from

seminars and courses to graduate degrees and MBAs. One of the main initiatives in this respect is the 'Corporate Training Program', which includes a broad variety of courses. Training management is currently focused on planning new tools and technological developments in order to train their employees on how to face the challenges imposed by the changes in the media industry.

In addition, the Company has developed two specific and cross-cutting programs addressed to managers. In partnership with the Universidad Argentina de la Empresa, the Company designed the Management Development Program oriented to second and third tier managers. The program helps to build knowledge on, and skills in strategy, finance, management tools such as leadership, motivation, teamwork, etc. The Senior Management Development Program is addressed to top tier managers and was developed together with the Barcelona School of Business, ESADE. The program deals with issues such as innovation, global strategies and entrepreneurship.

Moreover, seminars and programs on health and disease prevention and other relevant topics were delivered in all business units supplementing the special health and medical check campaigns, with special emphasis on the prevention of seasonal diseases. Grupo Clarín also develops several activities to prevent work-related accidents.

Relationship with the value chain

Grupo Clarín's Social Responsibility management is embedded in the relationship with its value chain. During 2013, the Company continued to explore alternatives of interaction or joint approach to common-interest issues at the various levels of relationship with its suppliers.

Grupo Clarín focused on the implementation of systems and procedures aimed at the application of best practices for purchases, employee hiring, and contracting with suppliers within a framework of supervision and transparency.

During the year and through Gestión Compartida, a subsidiary engaged in managing the relationship with most of the suppliers, the Company initiated a tool redefining process, which, among other things, seeks to require that new suppliers undertake a commitment to the sustainability of their operations. Through this process, the Company expects to develop internal training sessions, introduce and develop its own record of sustainable suppliers and foster sustainability as management strategy oriented to related third parties.

ENVIRONMENT

During 2013, the Company continued to implement measures to identify, plan for and improve production processes in order to optimize results and react to potential impacts.

Progress was made in achieving the period's goals by introducing sustainable methods to obtain and use resources, developing equipment investment policies, raising active awareness on the appropriate use of supplies and technologies and promoting the adoption and certification of environmental standards.

Since 2004, Grupo Clarín has adhered to the United Nations Global Compact that sets forth several environmental protection standards. The Compact requires that companies:

(PRINCIPLE 7)

- Adopt a preventive approach to environmental challenges;

(PRINCIPLE 8)

- Take initiatives to foster increased environmental responsibility; and

(PRINCIPLE 9)

- Foster the development and promotion of environmentally friendly technologies.

In addition, Grupo Clarín's Social Corporate Responsibility and Sustainability Policy serves as a management guideline and drives the definition of goals for its subsidiaries.

Among the period's highlights, AGEA -the subsidiary engaged in publishing Grupo Clarín's main newspapers and managing the largest printing facility- focused on implementing the main guidelines of its Environmental Policy defined in 2012 and made investments to put in place an Environmental Management System that enabled it to have its production processes certified under ISO 14001 in July 2013. This is in addition to AGR's recent certification of its paper handling process under FSC during 2010.



Consumption. Newsprint and Energy

Within the framework of an environmental management policy oriented to eco-efficiency, the Company and its subsidiaries mainly use energy, newsprint, cable and other technology-related elements.

USE OF MATERIALS IN 2013

	▼
● Newsprint	81,077 Tons
● Ink	1,868 Tons
● Aluminum plates	197,6 Tons
● Residential connection cables	3,042 Tons
● CPE (Set-top units and customer's equipment)	971 Tons

At the printing plants, the Company followed established guidelines to ensure the provision of materials at quality levels compatible with international standards for newsprint, inks and other specific inputs.

Papel Prensa, a subsidiary in which Grupo Clarín owns an indirect minority interest, supplies most of the newsprint used in newspaper printing.

As disclosed in its web site, Papel Prensa has put in place production policies based on the procurement of strategic inputs without depleting natural resources. To this end, the paper mill recovers raw materials from the recycling of returned newspapers in order to produce more newsprint and reduce the use of virgin fiber. The type of fiber source (aspens and willows) depends on the availability of materials and economic considerations concerning freight distance minimization, a key economic and environmental issue. However, it should be noted that fresh fiber comes from sustainable plantations. This means that native forests are not endangered. In addition, ongoing research studies are conducted concerning genetic enhancement of tree species and environmental and forestry aspects. Such research is conducted through agreements with universities, research centers and specialists in order to boost productivity, cut costs and guarantee ecosystem sustainability.

Papel Prensa's forestry department conducts its activities with a sustainability strategy in mind to protect biodiversity. Birdlife has experienced a sustained increase as a result of forestry protection actions and a ban on hunting. These conditions encourage the design of several research and development programs, also in conjunction with universities, including the introduction, production

and reproduction of certain endangered deer species for their adequate and safe development.

As to the types of inks used at the printing facilities, the diverse variety of printed products requires a varied approach from the perspective of resources. For instance, the use of vegetable-based coldset ink at the Company's main printing facility, accounts for almost 60% of total use of the input. This type of ink is environmentally friendlier due to its vegetable components and its efficiency in terms of the amount of ink required to print, which may be 10%-15% lower than other inks. As another way to reduce the environmental impact, the Company streamlines its resources through the selection of printing techniques. For instance, since 2008 AGR has successfully introduced stochastic printing at its premises, significantly reducing the number of inks required for the printing process.

The Company also has specialized and qualified professional teams that work towards the goal of reducing material consumption, identifying and adopting increasingly efficient processes related to the environment. The newspaper size adjustments introduced in previous years continue to reduce the use of newsprint and other materials.

The Cable Television and Internet Access segment is engaged in service activities, which essentially do not require the use of raw materials, as opposed to the industrial processes run by other segments. Nevertheless, given the scale of operations, Grupo Clarín's companies use certain materials produced by their respective value chains, such as the cable for residential services installed during the period, top-set units delivered under loan for use and poles used as part of the distribution network.

Power is the main additional resource used by Grupo Clarín and its subsidiaries. Grupo Clarín uses power from direct and indirect sources. Even though the Company has alternative power generators in place for offices and industrial facilities that require fuel, the main indirect consumption is the electricity provided by the power supply network.

DIRECT AND INDIRECT USE OF POWER BY PRIMARY SOURCE IN 2013:

	▼
● Electricity	121,080 MWh
● Natural gas	167,105 GJ
● Gasoline	1,198 GJ
● Gasoil	6,916 GJ
● LP gas	0 GJ



The subsidiaries engaged in printing activities are the heaviest users of power, followed by the business units that use technology in their operations, such as the cable TV and Internet access distribution services and audiovisual programming services. In this area, ARTEAR has policies in place for the ongoing development of innovation resources to reduce the use of electricity at its premises. The main initiatives in this regard include the introduction of cold lighting systems in all new and remodeled TV studios, which allowed a fivefold reduction in the power ARTEAR normally used for lighting.

In addition, since 2011 the Company has been working to replace the vehicles of ARTEAR's mobile units by low consumption vehicles. This goal was achieved in 2012. The Company also renovated its buildings in order to make better use of natural light and installed energy-efficient linings. During the period, ARTEAR continued to work on a multiple-stage arrangement that includes the replacement of other lighting material. In line with its goal of staying at the forefront of new technology, ARTEAR also introduced new technologies in the technical control areas and continued to invest in equipment manufactured under environmentally friendly standards, in order to meet the need for High-Definition programming and distribution.

At Cablevisión, energy from indirect sources is mainly used for temperature adjustment, workroom ventilation and lighting and for the operation of data transfer networks and equipment. Hence, Cablevisión introduced technologies in its main building to reduce the amount of energy used in lighting (through efficient electrical devices and motion sensors at meeting rooms) air conditioning and smart elevators.

Waste and Emissions

Grupo Clarín's subsidiaries develop most of their activities in urban areas that are not in contact with natural areas and that meet effective urban planning standards.

As to emissions, printing facilities have the most significant impact on the carbon footprint. Therefore, the Company is permanently exploring alternatives to improve processes and efficiency in these areas and to further deepen the analysis and inventory of CO₂ emissions generated by the activities developed by the several subsidiaries. The main strategies available to reduce greenhouse gas emissions entail cutting

consumption or changing power resources, for instance, by making more intensive use of renewable fuel and bio-energy.

TOTAL GREENHOUSE GAS EMISSIONS BY WEIGHT IN 2013

● Direct emissions	8,577.6 Tons
● Indirect emissions	60,268.9 Tons

Each subsidiary of Grupo Clarín identifies and manages waste production and disposal.

As part of the treatment of industrial waste from printing processes, the Company's subsidiaries collect and separate certain waste materials, such as ink, oil, grease and solvents, that are sent to third party facilities for their recycling, reuse or safe final disposal. Hazardous waste is subject to a rigorous treatment handled by licensed waste management companies. At the same time, the Company continues to develop strategies to reduce hazardous waste and has made significant progress. Fully reusable aluminum plates are used in the printing process.

TOTAL WASTE WEIGHT BY TYPE IN 2013

● Urban or non-hazardous waste	4,794.04 Tons
● Hazardous waste	301.10 Tons

In the Cable TV and Internet access segment, waste is separated at origin in order to add social or environmental value, where practicable. During 2013, the Company developed an Internet portal to keep track of waste production. With respect to recycling, the Company keeps strict control of the recovery of equipment delivered to subscribers under loans for use, such as top-set units and remote controls, for their reuse or safe final disposal. In this area, the Company's waste management substantially differs from that of other technology companies that are not involved in the final disposal of electronic waste related to equipment delivered to customers.

Special care is given to effluents resulting from the printing facilities' development processes, which are subject to rigorous treatments and measurements before disposal. A water re-usage system was put in place at the Zepita facility. Hence, the facility managed to reach the goal of

almost zero effluents throughout the year under its Environmental Management System. At La Voz del Interior's printing facilities, waste water is subject to treatment and is then reused for irrigation or as part of the production process. The water discharge figures disclosed below are mostly attributable to processed water that can be safely used for irrigation. The Company's office buildings and other facilities only discharge domestic waste water.

TOTAL WASTE WATER DISCHARGE

● At printing facilities in 2013	8,454 m ³
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Also in terms of recycling, Grupo Clarín continued to reaffirm its contribution to Fundación Garrahan through an office-paper recycling program. Such arrangement was combined with other programs to reduce the use of paper at the Company's offices, while seeking to streamline printing techniques; in addition to the Company's renewed efforts to raise sustainability awareness among employees.

Additionally, the Company continued to support projects related to the care and protection of green areas by sponsoring and contributing to the preservation of the parks Plazoleta Dr. Roberto Noble in the city of Buenos Aires and Parque de la Ribera located in San Isidro. Through preservation works in both parks, the Company also sought to promote responsibility in the care of public areas by the community and constructively contribute to the defense of the environment.





RISK FACTORS

As an Argentine multimedia company, Grupo Clarín is exposed to a wide range of risks, related to the country and also to its operations. Nevertheless, one of the Company's strengths lies in its strategic asset diversification to help spread possible risks.

The Company relies on a strong internal control system. The identification of risk and its assessment is part of each unit's business plans, and is also addressed by a corporate based control department and by the Board on a regular basis.

Argentina's economic environment

Substantially all of our operations are conducted in Argentina, and are therefore affected by changes in Argentina's economic environment.

The Argentine economy has experienced significant volatility in recent decades, with periods of low or negative growth, high inflation and currency devaluation. After six years of sustained economic growth, the Argentine economy slowed down in the second half of 2008 and throughout 2009, affected by the international crisis as well as internal political developments. The trend was later reversed, with real GDP growth reaching 9.2% in 2010 and 8.9% in 2011. In 2012, however, real GDP growth declined to 1.9% (this statistical data is derived from information published by the National Institute of Statistics and Census -INDEC-. In 2013, the Monthly Indicator for Economic Activity -IMAE- grew by 4.9%.

Sustainable economic growth depends on a variety of factors, including international demand for Argentine export commodities and their prevailing prices, stability and competitiveness of the Peso against foreign currencies, confidence of consumers and local and foreign investors and a low rate of inflation.

The Argentine economy might be adversely affected by the following factors:

- Increase in current inflation affecting competitiveness and economic growth;
- Insufficient levels of investment;
- Exchange rate volatility and depletion of Central Bank international reserves;
- Poor development of the Argentine credit market and limited ability to obtain financing from international markets;
- A reduction of the payment capacity of the Argentine public sector and the possibilities of procuring international financing;
- Increase in current public expenditure affecting fiscal accounts;
- Possible reduction or reversal in the trade balance due to significant decrease in agricultural prices in general and soy in particular or adverse climatic conditions affecting the production of agricultural commodities;
- Recession, low economic growth or economic uncertainties affecting Argentina's main trading partners;
- Government imposed restrictions on imports or exports;
- Wage and price controls;
- Political and social tensions;
- Continued instability of the financial systems of the main developed economies;
- Abrupt changes in the monetary and fiscal policies of the main economies worldwide; and
- Reversal of capital flows due to domestic and international uncertainty.

A downturn in economic activity is likely to result in increased subscriber churn and bad debt, subscriber losses as well as decreased advertising revenues. We seek to address the cycles affecting the Argentine economy by diversifying the scope of our business and managing our foreign currency liabilities.

Political and Economic Uncertainties

Our financial condition and results of operations depend to a significant extent on macroeconomic and political conditions prevailing in Argentina. Measures adopted by the Argentine government that impact upon the economy, including those measures related to monetary policy, inflation, interest rates, price controls, exchange controls and taxes, have affected and could continue to affect Argentine companies like ours.

a. Inflation: Argentina has confronted inflationary pressures since 2007, evidenced by significantly higher fuel, energy and food prices, among other indicators. According to inflation data published by the INDEC, from 2009 to 2013, the Argentine consumer price index increased 7.7%, 10.9%, 9.2%, 9.5% and 10.9%, respectively; and the wholesale price index increased 10.0%, 14.8%, 12.7% and 13.1% and 14.7%, respectively. However, since 2007, the INDEC has experienced a process of institutional and methodological reforms that have given rise to controversy with respect to the reliability of the information that it produces. Reports published by the International Monetary Fund ("IMF") state that their staff uses alternative measures of inflation for macroeconomic surveillance, including data produced by private sources, which have shown inflation rates considerably higher than those published by the INDEC since 2007. The IMF has also issued a declaration of censure against Argentina in connection with its breach of its related obligations under the Articles of Agreement for failing to make sufficient progress in adopting remedial measures to address the quality of official data, including inflation and GDP data. According to figures published by members of Congress from opposition parties, the average private inflation estimate was 25.6% for 2012 and 28.4% for 2013.

During the first quarter of 2011, a team from the IMF started to work in conjunction with the INDEC. Notwithstanding the foregoing, reports published by the IMF state that the IMF staff has called on Argentina to adopt remedial measures to address the quality of official data. In a meeting held on February 1, 2013, the Executive Board of the IMF

found that Argentina's progress in implementing remedial measures was not sufficient and, as a result, the IMF issued a declaration of censure against Argentina and called on Argentina to adopt remedial measures to address the inaccuracy of inflation and GDP data without further delay, and in any event, no later than September 29, 2013.

In December 2013 the Argentine Government announced the implementation of a new methodology for the calculation of price indexes, designed in cooperation with IMF experts. The new methodology will apply to the calculation of price indexes starting in January 2014. On February 13, 2014, INDEC published the first measurement of the consumer price index under the new methodology, covering the month of January 2014. According to INDEC, the Argentine consumer price index increased by 3.7% in the month of January 2014 alone, with respect to price levels as of December 31, 2013.

Since 2007, inflation in Argentina has contributed to a material increase in our operating costs, in particular labor costs, and negatively impacted our results of operations and financial condition. There can be no assurance that inflation rates will not escalate in the future, or of what effects the measures adopted or that may be adopted in the future by the Government to control inflation may have.

In the past, inflation has materially undermined the Argentine economy and Argentina's ability to create conditions that would permit growth. High inflation may also (i) undermine the competitiveness of Argentina's manufacturing and service industries producing, inter alia, an increase in unemployment levels and (ii) negatively impact the country's long-term credit markets. There can be no assurance that inflation rates will not continue to escalate in the future or that the measures adopted or that may be adopted by the Argentine government to control inflation will be effective or successful. Inflation remains a challenge for Argentina. Significant inflation could have a material adverse effect on Argentina's economy and in turn could increase our costs of

operation, in particular labor costs and access to financing, and may negatively impact our financial condition and results of operations.

b. Foreign Exchange Controls, Devaluation and Central Bank Depletion: During the second half of 2011 and in 2012, the Argentine government increased controls on the incurrence of foreign currency-denominated indebtedness, and the sale and acquisition of foreign currency by local residents. New regulations issued in 2012 subject foreign exchange transactions to prior approval by Argentine tax authorities. Formal and informal foreign exchange controls continued throughout 2013 and remain in place. Since the enhancement of exchange controls in November 2011, and the introduction of measures that have practically closed the foreign exchange market to retail transactions, it is widely reported that the peso/U.S. dollar exchange rate in the unofficial market and in neighboring markets where the peso is traded differs substantially from the official foreign exchange.

During 2013, the Argentine peso devalued from Ps.4.92 per U.S. dollar as of December 31, 2012 to Ps.6.52 per U.S. dollar as of December 31, 2013. In 2014 devaluation of the Argentine peso accelerated. In the week of January 20 to January 24, the official peso/U.S. dollar exchange rate went from Ps.6.83 per U.S. dollar to Ps.8.00.

Government intervention in the foreign currency market to sustain the value of the Argentine peso, increased energy imports and the decline in the international price of gold have resulted in a progressive depletion of Central Bank reserves. In 2013, Central Bank reserves decreased by approximately 29.3% from US\$43,290 million as of December 31, 2012 to US\$30,599 million as of December 31, 2012. In January 2014, Central Bank reserves fell an additional 9.37% to US\$27,742 million as of January 31, 2014.

Additional exchange controls could have a negative effect on the economy and on private sector companies, including our business. Furthermore, in such event, the imposition of

future restrictions on the transfers of funds abroad may impede the transfer of foreign currency on account of dividends to GDS holders.

c. International Trade Restrictions: In 2012, the Argentine government introduced a procedure pursuant to which local authorities must pre-approve the import of products and services to Argentina as a pre-condition to permit such import and the consequent access to the foreign exchange market for the payment of the imported products or services. Repeated complaints from various countries against import restrictions implemented by Argentina, suspension of export preferences or retaliations by trading partners may have an adverse effect on Argentine exports, affect the trade balance and, consequently, adversely impact Argentina's economy.

Additionally, increased government control over foreign trade has resulted in a shortage of inputs and spare parts and in production disruptions. The continuation of these shortages may affect the growth of the economy and, consequently, could affect our business, financial condition and results of operations.

d. Other forms of government intervention: Expropriations, interventions and other direct involvement by the Argentine government in the economy have had an adverse impact on the level of foreign investment in Argentina, the access of Argentine companies to the international capital markets and Argentina's commercial and diplomatic relations with other countries. The level of government intervention in the economy may continue or increase, which may adversely affect Argentina's economy in the medium and long-term and, in turn, our business, results of operations and financial condition.

e. Sovereign litigation: Litigation, as well as claims filed Argentine sovereign debt bondholders and foreign investors with the International Centre for Settlement of Investment Disputes (ICSID) and United Nations Commission on International Trade Law (UNCITRAL) against the Argentine government, have resulted in material judgments and may result in new material judgments against the government, and could result in attachments of or injunctions relating to assets of Argentina that the government intended for other uses. As a result, the Argentine government may not have all the necessary financial resources to honor its obligations, implement reforms and foster growth. The lack of access to financial markets could have a material adverse effect on the country's economy, and consequently, our business, financial condition and results of operations.



f. Government expenditure: During the last few years, the Argentine government has substantially increased public expenditure. The Argentine government has sourced part of its funding requirements from the Central Bank and the ANSES. For 2012, the government reported the first fiscal deficit since 2009. That trend continued in 2013, with the country's primary deficit more than doubling to approximately Ps.81.7 billion (approximately 2.7% of nominal GDP), without taking into account transfers from ANSES and the Central Bank. The financial deficit (i.e. deficit after payment of interest on debt) was of Ps.123.7 billion (approximately 4.1% of nominal GDP). We cannot assure you that the government will not seek to finance its deficit by gaining access to the liquidity available in the local financial institutions.

On March 22, 2012, the Argentine Congress passed Law No. 26,739, which amended the charter of the Central Bank and Law No. 23,298. Law No. 26,739 amends the objectives of the Central Bank (established in its charter) and removes certain provisions previously in force. As amended, the Central Bank Charter provides that reserves may be made available to the government for the repayment of debt or to finance public expenses. This use of Central Bank reserves for expanded purposes may render Argentina more vulnerable to external shocks, affecting the country's capacity to overcome the effects of an external crisis, and fuel inflation as the amount of pesos in circulation increases while reserves decrease. In addition, Law No. 26,739 amends the criteria for compliance with the minimum cash requirement for banks. This amendment could affect financial institutions by forcing them to increase liquidity, with a potential adverse impact on credit supply, and therefore on the growth of the Argentine economy and on our business.



Legislation and Regulation of the Media Industry

In Argentina, the legal system, including the Constitution, protects the independence of the free press. As a media company, we are vigilant as to the menaces that might arise in this respect and widely cooperate with journalistic associations and other NGOs that advocate for the protection of fundamental constitutional rights such as freedom of speech and freedom of the press. Moreover, since 2009 the government has conducted an overt policy designed to restrict the activities of the free press.

During 2013 private media in general and Grupo Clarín in particular continued to face an escalating level of harassment, executed using official and para-official means and resources with the clear intention of damaging the media's reputation and directly and indirectly limiting its journalistic activities.

a. Audiovisual Communication Services Law: In October 2009, the Argentine Congress passed a new Audiovisual Communication Services Law ("LSCA") to replace the general legal framework under which the audiovisual media industry operated in Argentina for approximately three decades. We and others challenged the new LSCA on several grounds, including its encroachment upon constitutional rights, the broad and discretionary powers over media and content granted to the Executive Branch, for favoring state-owned and sponsored media and affecting the sustainability of privately-owned media, promoting the elimination of independent signals and enabling a pervasive and questionable censorship system anchored upon the discretionary power to grant licenses and the application of penalties, among other controversial aspects.

On October 29, 2013, the Argentine Supreme Court, in a split decision, upheld the constitutionality of the LSCA in re "Grupo Clarín S.A. and others v. National Executive Branch and others re/ Merely declarative Action". The Company believes that the Sections of the LSCA it had challenged in that litigation not only contradict principles of the Argentine National Constitution, but also those of the American Convention on Human Rights (Pact of San José de Costa Rica), as well as recent precedents of the Inter-American Commission on Human Rights, the Inter-American Court of Human Rights and the Special Rapporteurship for Freedom of Expression of the Organization of American States. The Company will analyze bringing an appeal before international courts to challenge those sections that entail an indirect act of censorship, silence and discriminate critical media, and violate acquired rights. In addition, as provided in the Court's ruling, the Company will continue to litigate in local courts all the aspects related to the arbitrary and selective application of the law by the national government.

On October 31, 2013 the Company and some of its subsidiaries were served with Resolution No. 2276/2012 of the LSCA Federal Enforcement Authority ("AFSCA"), providing for an ex-officio proceeding force compliance by the Company and some of its subsidiaries with the requirements and limitations of the LSCA by dispossessing the Company of certain licenses, among other measures.

Faced with the de-facto proceedings that sought to dispossess the Company of its licenses and assets through an ex-officio procedure, on November 4, 2013 the Company submitted to AFSCA and the

Supreme Court of Argentina a proposal pursuant to section 161 of the LSCA, which was approved by Grupo Clarín's Board of Directors on November 3, 2013, in an attempt to avoid the forced divestiture of its assets by AFSCA. Shortly after receipt of the proposal, AFSCA issued Resolution No. 1471/2013, whereby it suspended the ex-officio transfer procedure.

The proposal includes the necessary reservations to safeguard the rights of the Company, including the reservation to bring a claim for economic damages caused to the Company and its subsidiaries as a consequence of their adjustment to conform to the LSCA; the reservation of its right to challenge the conformity of Sections 41, 45, 48 and 161 of the LSCA to international conventions before the Inter-American Commission on Human Rights, the Inter-American Court of Human Rights and other competent International Courts; the reservation to challenge judicially the current composition of AFSCA for not conforming to the provisions of the LSCA and for not being a technical and independent agency protected against undue interferences from the State.

The proposal submitted by the Company requires the approval of AFSCA, the intervention of other governmental and oversight agencies and the approval of the shareholders at the respective Shareholders' Meetings in order to carry out the restructuring and the transfer of licenses, assets, liabilities and operations to third parties. On February 18, 2014, the AFSCA declared the admissibility of said proposal and granted the Company a term of 180 calendar days for its implementation. On February 18, 2014, the Company's Board of Directors decided to call an Extraordinary Shareholders' Meeting to be held on March 20, 2014, in order to consider AFSCA Resolution No. 193/2014 and to instruct the Board of Directors with to begin implementation of the proposal.

Implementation of the proposal will entail significant changes in the Company's structure, generating an uncertain scenario about the future development of the business.

Implementation of this proposal may entail a strong reduction of its operating income and its profitability in the Cable Television and Internet Access segment and/or a strong reduction of its operating income and profitability of the Broadcasting and Programming segment, depending on the choices made by the Company. The above-mentioned considerations and the limits to the growth of Grupo Clarín imposed by this law, against world trends and against

legitimately acquired rights, will have an impact on the equity value of Grupo Clarín. The proposal's implementation process and the related results will depend on a series of approvals and decisions from regulatory agencies, the Company and the subsidiaries involved (including the respective third party shareholders) and all those involved in this process.

Potential changes in the implementation of the proposal, additional limitations to those contemplated thereunder and/or a forced divestiture process may give rise to different results and, eventually, adverse consequences. As of the date of these financial statements and given the current uncertainties regarding the effective evolution of the process of conforming the Company and its subsidiaries to the LSCA, the existing restrictions imposed by the regulatory framework and the conditions in which these processes will be effectively carried out, the Company cannot provide assurance about the results of that process.

The decision rendered by the Supreme Court of Argentina on October 29, 2013 expressly states the claimant companies' right to claim economic damages caused to the Company and its subsidiaries as a consequence of the adjustment to conform to the LSCA. Accordingly, in the voluntary conforming proposal submitted to AFSCA on November 4, 2013 the Company expressly reserved its right to bring judicial actions to claim for those damages.

This situation described above generates uncertainties about the business of the Company and its subsidiaries that could materially affect the recoverability of the Company's relevant assets, its business, results of operations and financial condition.

b. Other government action relating to the Company and the media industry: In addition to the government's drive to implement the LSCA, the Argentine government has also sought to revoke the authorization granted unanimously by the National Antitrust Commission in 2007 to the transaction whereby the Company indirectly acquired 60% of Cablevisión and Cablevisión acquired all or part of the equity interests of certain of our subsidiaries.

The Argentine government has also taken measures to revoke the license under which Cablevisión renders internet services and to set the price of its pay-television service according to a pricing formula. Such measures, which we have challenged in court, if upheld would materially adversely affect our business. We have obtained

preliminary injunctions that have enjoined the government's action, and will continue to make every effort to defend ourselves by taking all actions necessary to safeguard our rights. However, we cannot assure that such efforts ultimately will prove successful.

Other government of para-official actions against the Company and media in general include:

- An exponential increase and discriminatory allocation of official advertising used to create and sustain pro-government media, as well as the use of such advertising to condition the press;
- The use of public funds and media on a discretionary basis to generate content and shows that display political propaganda, while creating hurdles and discriminating against certain media in the access to public information; - an aggressive campaign to destroy non-partisan media by compromising their economic sustainability and credibility;
- Abuse of bureaucratic controls or controls by public agencies in the form of administrative persecutions, groundless arbitrary resolutions, disproportionate tax controls and recurring audits;
- Banning private companies from including their advertising slots in independent media;
- Blockades to printing facilities to prevent the distribution of certain newspapers and magazines;
- Government interference and regulation of the newsprint industry, including a series of temporary clauses, specifically and exclusively addressed to our affiliate Papel Prensa, whereby Papel Prensa is forced to make investments to meet the total national newsprint demand -excluding from this requirement the other existing company that operates in the country with installed capacity to produce newsprint;

We cannot assure that government action against independent media and against the Company in particular will not continue or intensify. Increased government action against the Company could materially affect our business, results of operations and financial condition.

Capital Markets Regulations

On November 29, 2012 Congress passed Capital Markets Law No. 26,831 (the "Capital Markets Law"), which was enacted by the Executive on December 27, 2012, published on December 28, 2012 and became effective on January 28, 2013. The Capital Markets Law provides for a comprehensive amendment of the public offering regime, previously governed by Law No. 17,811 and, among other things, enhances the National Government's oversight powers over publicly traded companies.

On July 29, 2013, the National Government issued Decree No. 1023/2013 to regulate partially the Capital Markets Law. Among other provisions, the Decree regulates Section 20 of said Law, pursuant to which the CNV may appoint an overseer with veto rights over the decisions made by the boards of directors of entities subject to the public offering regime, or otherwise remove the boards from such entities for up to 180 days until all deficiencies found by the CNV are solved, without prior judicial authorization or control. The Decree also vests with the CNV the power to appoint the administrators or co-administrators that will hold office after a board of directors of an issuer is removed. The Company is of the view that the Decree amends the Law it seeks to regulate and, therefore, is not a valid implementing regulation.

On July 12, 2013, a few days prior to the issuance of the Decree, the Company was served notice of Resolution No. 17,131, dated July 11, 2013, whereby the CNV declared that the administrative effects of the decisions adopted at the Annual Ordinary General Shareholders' Meeting held on April 25, 2013 were irregular and ineffective. The CNV's Resolution was based on allegations that were absolutely false and irrelevant. These allegations, as well as the conduct of the representatives of ANSES (a shareholder of the Company) and of the CNV at the meeting, prompted certain directors of the Company -and later the Board itself- to press criminal charges against ANSES and CNV representatives (Messrs. Reposo, Kicillof, Moreno, Vanoli, Fardi and Helman) for making false statements and arguments with the sole intent of discrediting the Board of Directors and caricature its management, with the ultimate purpose of creating pretexts to permit an intervention of the Company without judicial control pursuant to the new powers vested on the CNV by the Capital Markets Law.

The Company gave the CNV written notice that what had happened at the Shareholders'

Meeting could not be considered in any way as an acknowledgment of the legitimacy of the powers vested on the CNV by the Capital Markets Law, and included reservations to file the pertinent legal actions to challenge the constitutionality of that law.

On August 20, 2013, at the request of Mr. Rubén Mario Szwarc, a shareholder of the Company, the Company was served notice of the decision rendered by Chamber A of the National Court of Appeals on Commercial Matters, whereby that Chamber decided, among other things, to enjoin the enforcement of Section 20, subsection a), second part, paragraphs I and II (or 1 and 2) of the Capital Markets Law and of all laws, rules or administrative acts issued or that may be issued pursuant to such legal provisions, with respect to Grupo Clarín S.A., until the courts decide on the merits of Mr. Szwarc's claim.

On October 11, 2013 Chamber 5 of the National Court of Appeals on Federal Administrative Matters issued an injunction in re "Grupo Clarín S.A. v. CNV - Resol No. 17,131/13 (File 737/13)" File No. 29,563/2013, suspending the effects of Resolution No. 17,131/2013 until the courts reach a decision on the merits.

In spite of these judicial measures that have afforded the Company temporary protection against arbitrary and discriminatory action taken by the Government against us as part of its long-standing campaign, we cannot assure that these injunctions will remain in place, that the courts will not uphold the constitutionality of Section 20 of the Capital Markets Law, or that the CNV will not attempt to apply that provision against the Company, effectively removing the Board of Directors for up to 180 days and replacing it with CNV-appointed administrators or co-administrators.

Direct CNV intervention could materially affect our business, results of operations and financial condition.

Sector Development and Competition

The Company devotes significant resources to analyzing emerging trends and has vast experience and a solid track record in reading consumer demands and successfully developing new products and services, adapting its business model in time.

However, the media industry and certain maturing markets to which our services are catered, are dynamic and constantly undergo significant developments at a pace that may differ from our current expectations affecting our growth. Increased competition through new technological developments may adversely affect our business if our analysis of industry trends is not accurate or if we are not able to adapt readily our operations.

Programming and Personnel

We may not be able to renew our rights to certain programming and our results of operations may be adversely affected by the loss of key personnel. In addition, under the new LSCA and pursuant to our proposal to conform to it, we may divest or cease to broadcast certain signals.

The production of content is part of our strategy and we dedicate significant resources to the identification of market trends and new figures and matters of public interest, to preserve the position of leadership we have acquired in the market.

Liquidity and Funding

We have financial debt outstanding, a significant portion of which is denominated in foreign currency. Financial markets remain practically closed for Argentine companies, and we must rely primarily on our cash flow generation to service our debt.

We have engaged in an active liability management policy, and improved our debt to free cashflow ratio to limit our need to access the market as a means of repayment of our financial obligations. However, the implementation of our proposal to conform our operations to the LSCA may require prepayment of certain of our indebtedness. We cannot assure that we will be able successfully to access the market in order to prepay such indebtedness under terms that will not affect our financial condition adversely.

Certain of our costs, including a significant portion of our financial expenses, are dollar denominated. Currency fluctuations, such as a considerable devaluation of the Peso against the U.S. dollar are likely to affect adversely the Argentine economy and will impact negatively on our financial condition.



BUSINESS PROJECTIONS AND PLANNING

As mentioned above and in light of the decision rendered by the Supreme Court of Justice, on November 3, 2013 the Board of Directors approved a voluntary proposal to conform to the LSCA that was filed with AFSCA on November 4, 2013. The voluntary proposal -which does not interrupt any of the judicial actions brought by the Company and its subsidiaries to defend its rights- was submitted together with a request that the decision rendered by the Supreme Court of Argentina be complied with in full. That is, requesting the involvement of an independent, unbiased enforcement authority with technical expertise, which may ensure a transparent and egalitarian treatment in the enforcement of the law.

Pursuant to the proposal submitted by the Company and what was described above, the Company's assets and its group of companies governed by Law No. 26,522 will be divided into six units of audiovisual communication services. The proposal submitted by the Company requires the approval of AFSCA, the intervention of other governmental and oversight agencies and the approval of the shareholders at the respective Shareholders' Meetings in order to carry out the restructuring and the transfer of licenses, assets, liabilities and operations to third parties. On February 18, 2014, the AFSCA declared the admissibility of said proposal and granted the Company a term of 180 calendar days for its implementation. On February 18, 2014, the Company's Board of Directors decided to call an Extraordinary Shareholders' Meeting to be held on March 20, 2014, in order to consider AFSCA Resolution No. 193/2014 and

to instruct the Board of Directors with to begin implementation of the proposal.

Implementation of the proposal will entail significant changes in the Company's structure, generating an uncertain scenario about the future development of the business.

Implementation of this proposal may entail a strong reduction of its operating income and its profitability in the Cable Television and Internet Access segment and/or a strong reduction of its operating income and profitability of the Broadcasting and Programming segment, depending on the choices made by the Company. The above-mentioned considerations and the limits to the growth of Grupo Clarín imposed by this law, against world trends and against legitimately acquired rights, will surely have an impact on the potential value of Grupo Clarín. The proposal's implementation process and the results that may eventually occur will depend on a series of approvals and decisions from regulatory agencies, the Company and the subsidiaries involved (including the respective shareholders) and from all the parties involved in this process, which has just began.

Potential changes in the implementation of the proposal, additional limitations to those contemplated thereunder and/or a forced divestiture process may give rise to different results and, eventually, adverse consequences. As of the date of these financial statements and given the current uncertainties regarding the

effective evolution of the process of conforming the Company and its subsidiaries to the LSCA, the existing restrictions imposed by the regulatory framework and the conditions in which these processes will be effectively carried out, the Company cannot provide assurance about the results of that process.

In this sense, it should be noted that the decision rendered by the Supreme Court of Argentina on October 29, 2013 expressly states the claimant companies' right to claim economic damages caused to the Company and its subsidiaries as a consequence of the adjustment to conform to the law. Accordingly, under the proposal submitted to AFSCA on November 4, 2013 the Company expressly reserved its right to bring judicial actions to claim for those damages.

However, the Company seeks to reinforce and enhance its products and services through the activities developed by Grupo Clarín and its business units, preserving their quality and fostering ongoing innovation. Grupo Clarín intends to continue to focus on optimizing the productivity and efficiency levels in all of its operating areas, seeking to develop and to apply the best practices related to each of these processes. At a corporate level, activities will be focused on the main processes that allow sustainable, healthy and efficient growth from different perspectives: financial structure, management control, business strategy, human resources, innovation and corporate social responsibility.

Grupo Clarín renews its sustained commitment to regulatory compliance, while reinforcing once again its commitment towards its readers, audiences and the country. In its daily work, Grupo Clarín seeks to assume with strength and responsibility the role that the media are called to play through independent journalism and through the defense and promotion of universal and fundamental rights, such as freedom of speech, because these are pillars that extol the quality of democracy and the welfare of Argentine society as a whole.





11,318,906,093

(6,500,000,000)

4,818,906,093

(1,387,819,339)

(1,500,000,000)

329,370

(772,950,211)

(143,100,327)

1,000,000,000

998,400,943

(524,876,069)

(92,706,698)

800,665,774

80

6

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Glossary of Selected Terms

Consolidated Financial Statements as of December 31, 2013 Presented on a comparative basis

AFA Asociación del Fútbol Argentino (Argentine Football Association)	GDS Global Depository Shares
AFIP Administración Federal de Ingresos Públicos (Argentine Federal Revenue Service)	Grupo Carburando Carburando S.A.P.I.C.A.F.I., Mundo Show S.A. and Mundo Show TV S.A.
AFSCA Autoridad Federal de Servicios de Comunicación Audiovisual (Audiovisual Communication Services Law Federal Enforcement Authority)	Grupo Clarín , or the Company Grupo Clarín S.A.
AGEA Arte Gráfico Editorial Argentino S.A.	Grupo Radio Noticias Grupo Radio Noticias S.R.L.
AGR Artes Gráficas Rioplatense S.A.	Holding Teledigital Holding Teledigital Cable S.A.
ANA Administración Nacional de Aduanas (National Customs Administration)	IASB International Accounting Standards Board
APE Acuerdo preventivo extrajudicial (pre-packaged insolvency plan)	Ideas del Sur Ideas del Sur S.A.
ARTEAR Arte Radiotelevisivo Argentino S.A.	IESA Inversora de Eventos S.A.
Auto Sports Auto Sports S.A.	IFRIC International Financial Reporting Interpretations Committee
Bariloche TV Bariloche TV S.A.	IFRS International Financial Reporting Standards
BCBA Bolsa de Comercio de Buenos Aires (Buenos Aires Stock Exchange)	IGJ Inspección General de Justicia (Argentine Superintendency of Legal Entities)
Cablevisión Cablevisión S.A.	Impripost Impripost Tecnologías S.A.
Canal Rural Canal Rural Satelital S.A.	VAT Value Added Tax
CER Coeficiente de Estabilización de Referencia (Reference Stabilization Coefficient, a consumer price inflation coefficient)	La Razón Editorial La Razón S.A.
CIMECO Compañía Inversora en Medios de Comunicación (CIMECO) S.A.	La Capital Cable La Capital Cable S.A.
Clarín Global Clarín Global S.A.	Antitrust Law Law No. 25,156, as amended
CLC Compañía Latinoamericana de Cable S.A.	Broadcasting Law Law No. 22,285 and its regulations
CMD Compañía de Medios Digitales S.A. (former PRIMA Internacional)	Audiovisual Communication Services Law Law No. 26,522 and its regulations
CMI Comercializadora de Medios del Interior S.A.	LSE London Stock Exchange
CNDC Comisión Nacional de Defensa de la Competencia (National Antitrust Commission)	Multicanal Multicanal S.A.
CNV Comisión Nacional de Valores (Argentine Securities Commission)	IAS International Accounting Standards
CPCECABA Consejo Profesional de Ciencias Económicas de la Ciudad Autónoma de Buenos Aires (Professional Council in Economic Sciences of the City of Buenos Aires)	NCP ARG Argentine Professional Accounting Standards, except for Technical Resolutions No. 26 and 29 which adopt IFRS.
COMFER Comité Federal de Radiodifusión (Federal Broadcasting Committee)	OSA Oportunidades S.A.
CSJN Supreme Court of Argentina	Papel Prensa Papel Prensa S.A.I.C.F. y de M.
CUSPIDE Cúspide Libros S.A.	Patagonik Patagonik Film Group S.A.
CVB CV B Holding S.A.	Pol-Ka Pol-Ka Producciones S.A.
Dinero Mail Dinero Mail LLC	PRIMA Primera Red Interactiva de Medios Argentinos (PRIMA) S.A.
Adjusted EBITDA Revenues less cost of sales and selling and administrative expenses (excluding depreciation and amortization)	PRIMA Internacional Primera Red Interactiva de Medios Americanos (PRIMA) Internacional S.A. (now CMD)
Editorial Atlántida Editorial Atlántida S.A.	Radio Mitre Radio Mitre S.A.
FACPCE Federación Argentina de Consejos Profesionales de Ciencias Económicas (Argentine Federation of Professional Councils in Economic Sciences)	SCI Secretaría de Comercio Interior (Secretariat of Domestic Trade)
FADRA Fundación de Automovilismo Deportivo de la República Argentina (Argentine Motor Racing Foundation)	SECOM Secretaría de Comunicaciones (Argentine Secretariat of Communications)
Fintech Fintech Advisory, Inc. together with its affiliates	SHOSA Southtel Holdings S.A.
GCGC GC Gestión Compartida S.A.	SMC Secretaría de Medios de Comunicación (Media Secretariat)
GCSA Investments GCSA Investments, LLC	Supercanal Supercanal Holding S.A.
GC Minor GC Minor S.A.	TATC Tres Arroyos Televisora Color S.A.
GC Services Grupo Clarín Services, LLC	TCM TC Marketing S.A.
	Telba Teledifusora Bahiense S.A.
	Telecor Telecor S.A.C.I.
	Teledigital Teledigital Cable S.A.
	TFN Tribunal Fiscal de la Nación (National Tax Court)
	Tinta Fresca Tinta Fresca Ediciones S.A.
	TPO Televisora Privada del Oeste S.A.
	TRISA Tele Red Imagen S.A.
	TSC Televisión Satelital Codificada S.A.
	TSMA Teledifusora San Miguel Arcángel S.A.
	UNIR Unir S.A.
	Vistone Vistone S.A.
	VLG VLG Argentina, LLC

Grupo Clarín S.A.

Consolidated Financial Statements
as of December 31, 2013
Presented on a comparative basis

In Argentine Pesos (Ps.) - Notes 2.1 and 2.12
to the consolidated financial statements and
Notes 2.1 and 2.8 to the parent company only
financial statements.

Registered office:
Piedras 1743,
Buenos Aires, Argentina

Main corporate business:
Investing and financing

Date of incorporation:
July 16, 1999

Date of registration with the
Public Registry of Commerce:
- Of the by-laws: August 30, 1999
- Of the latest amendment: October 10, 2007

Registration number with the IGJ:
1,669,733

Expiration of articles of incorporation:
August 29, 2098

Information on Parent company:
Name: GC Dominio S.A.
Registered office: Piedras 1743,
Buenos Aires, Argentina

Information on the subsidiaries in Note 2.4
to the consolidated financial statements
and Note 4.3 to the parent company only
financial statements.

Capital structure

Type	Number of votes per share	Subscribed, registered and paid-in capital
Class "A" Common shares, Ps.1 par value	5	75,980,304
Class "B" Common shares, Ps.1 par value	1	186,281,411
Class "C" Common shares, Ps.1 par value	1	25,156,869
Total as of December 31, 2013		287,418,584
Total as of December 31, 2012		287,418,584

Signed for identification purposes
with the report dated March 10, 2014

Carlos Alberto Pedro Di Candia
Chairman of the Supervisory Committee

See our report dated March 10, 2014
Price Waterhouse & Co. S.R.L.
C.P.C.E.C.A.B.A. VOL. 1 - FOL. 17

Dr. Carlos A. Pace (Partner)
Certified Public Accountant (U.B.A.)
C.P.C.E.C.A.B.A. VOL. 150 - FOL. 106

Jorge Carlos Rendo
Director and Acting Chairman

Consolidated Statement of Comprehensive Income

For the years ended
December 31, 2013 and 2012
In Argentine Pesos (Ps.)

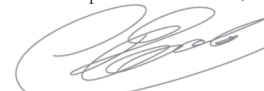
	Notes	December 31, 2013	December 31, 2012
Continuing Operations			
Revenues	6.1	14,184,278,492	11,318,906,093
Cost of Sales ⁽¹⁾	6.2	(8,200,699,987)	(6,508,186,503)
Subtotal - Gross Profit		5,983,578,505	4,810,719,590
Selling Expenses ⁽¹⁾	6.3	(1,874,136,657)	(1,387,819,339)
Administrative Expenses ⁽¹⁾	6.3	(1,965,701,020)	(1,522,578,855)
Other Income and Expense, net	6.6	85,425,019	639,370
Financial Costs	6.4	(1,305,195,614)	(772,960,211)
Other Financial Results, net	6.5	(170,634,736)	(143,193,327)
Equity in Earnings from Affiliates and Subsidiaries	5.4	140,036,975	13,682,715
Income before Income Tax and Tax on Assets		893,372,472	998,489,943
Income Tax and Tax on Assets	7	(92,706,698)	(524,876,069)
Income for the Year from Continuing Operations		800,665,774	473,613,874
Discontinued Operations			
Income from Discontinued Operations ⁽²⁾		-	498,717,214
Net Income for the Year		800,665,774	972,331,088
Other Comprehensive Income			
Items which may be reclassified to net income			
Variation in Translation Differences of Foreign Operations from Continuing Operations		312,065,021	182,068,772
Variation in Translation Differences of Foreign Operations from Discontinued Operations		-	(1,899,698)
Other Comprehensive Income for the Year		312,065,021	180,169,074
Total Comprehensive Income for the year		1,112,730,795	1,152,500,162
Profit Attributable to:			
Shareholders of the Parent Company		479,831,556	482,310,720
Non-Controlling Interests		320,834,218	490,020,368
Total Comprehensive Income Attributable to:			
Shareholders of the Parent Company		639,878,193	567,296,198
Non-Controlling Interests		472,852,602	585,203,964
Basic and Diluted Earnings per Share from			
Continuing Operations		1.67	0.96
Basic and Diluted Earnings per Share from			
Discontinued Operations		-	0.72
Basic and Diluted Earnings per Share - Total		1.67	1.68

(1) Includes amortization of intangible assets and film library, and depreciation of property, plant and equipment in the amount of Ps. 1,130,295,990 and Ps. 872,356,212 for the years ended December 31, 2013 and 2012, respectively.

(2) As of December 31, 2013, it includes approximately Ps. 444 million in connection with the sale of the interests described in Note 12.g.

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

Signed for identification purposes
with the report dated March 10, 2014



Carlos Alberto Pedro Di Candia
Chairman of the Supervisory Committee

See our report dated March 10, 2014
Price Waterhouse & Co. S.R.L.
C.R.C.E.C.A.B.A. VOL. 1 - FOL. 17



Dr. Carlos A. Pace (Partner)
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C.R.C.E.C.A.B.A. VOL. 150 - FOL. 106



Jorge Carlos Rendo
Director and Acting Chairman

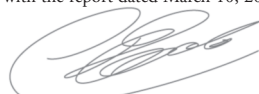
Consolidated Balance Sheet

As of December 31, 2013
and 2012
In Argentine Pesos (Ps.)

	Notes	December 31, 2013	December 31, 2012
Assets			
Non-Current Assets			
Property, Plant and Equipment	5.1	5,087,330,686	4,137,741,603
Intangible Assets	5.2	455,181,212	554,781,161
Goodwill	5.3	2,876,255,652	2,797,020,692
Deferred Tax Assets	7	140,001,740	55,403,579
Investment in Affiliates and Subsidiaries	5.4	418,620,000	389,212,589
Other Investments	5.5	143,313,288	99,597,125
Inventories	5.6	28,181,042	13,929,652
Other Assets	5.7	1,791,901	1,896,642
Other Receivables	5.8	232,328,526	128,770,432
Trade Receivables	5.9	129,021,518	125,285,473
Total Non-Current Assets		9,512,025,565	8,303,638,948
Current Assets			
Inventories	5.6	269,203,901	342,773,949
Other Assets	5.7	4,990,825	7,362,757
Other Receivables	5.8	534,989,603	402,265,693
Trade Receivables	5.9	2,096,136,611	1,638,550,031
Other Investments	5.5	634,453,975	685,632,591
Cash and Banks	5.10	1,332,983,003	623,395,314
Total Current Assets		4,872,757,918	3,699,980,335
Total Assets		14,384,783,483	12,003,619,283
Equity (as per the corresponding statement)			
Attributable to Shareholders of the Parent Company			
Shareholders' Contributions		2,010,638,503	2,010,638,503
Other items		288,232,326	128,185,689
Retained Earnings		2,431,037,476	1,951,205,920
Total Attributable to Shareholders of the Parent Company		4,729,908,305	4,090,030,112
Attributable to Non-Controlling Interests			
		1,748,885,854	1,374,568,933
Total Shareholders' Equity		6,478,794,159	5,464,599,045
Liabilities			
Non-Current Liabilities			
Provisions and Other	5.11	282,932,957	254,838,954
Long-Term Debt	5.12	2,844,810,110	2,683,294,222
Sellers Financing	5.13	-	325,330
Deferred Tax Liabilities	7	87,867,286	261,847,892
Taxes Payable	5.14	108,608,440	74,910,041
Other Liabilities	5.15	121,900,186	97,588,589
Trade Payables and Other	5.16	5,344,594	5,888,626
Total Non-Current Liabilities		3,451,463,573	3,378,693,654
Current Liabilities			
Debt	5.12	1,294,528,866	504,084,669
Sellers Financing	5.13	3,484,674	1,103,888
Taxes Payable	5.14	395,187,379	411,769,236
Other Liabilities	5.15	247,916,402	214,245,125
Trade Payables and Other	5.16	2,513,408,430	2,029,123,666
Total Current Liabilities		4,454,525,751	3,160,326,584
Total Liabilities		7,905,989,324	6,539,020,238
Total Equity and Liabilities		14,384,783,483	12,003,619,283

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

Signed for identification purposes
with the report dated March 10, 2014



Carlos Alberto Pedro Di Candia
Chairman of the Supervisory Committee

See our report dated March 10, 2014
Price Waterhouse & Co. S.R.L.
C.P.C.E.C.A.B.A. VOL. 1 - FOL. 17



Dr. Carlos A. Pace (Partner)
Certified Public Accountant (U.B.A.)
C.P.C.E.C.A.B.A. VOL. 150 - FOL. 106



Jorge Carlos Rendo
Director and Acting Chairman

Consolidated Statement of Changes in Equity

For the years ended
December 31, 2013 and 2012
In Argentine Pesos (Ps.)

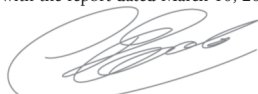
	Shareholders' Contributions			
	Capital Stock	Inflation Adjustment on Capital Stock	Additional Paid-in Capital	Subtotal
Balances as of January 1, 2012	287,418,584	309,885,253	1,413,334,666	2,010,638,503
Set-up of reserves	-	-	-	-
Dividend Distribution	-	-	-	-
Dividends and Other Movements of Non-Controlling Interest	-	-	-	-
Changes in Reserves for Acquisition of Minority Interests	-	-	-	-
Net Income for the Year	-	-	-	-
Other Comprehensive Income: Variation in Translation Differences of Foreign Operations	-	-	-	-
Balances as of December 31, 2012	287,418,584	309,885,253	1,413,334,666	2,010,638,503
Set-up of Reserves (Note 14)	-	-	-	-
Dividends and Other Movements of Non-Controlling Interest	-	-	-	-
Net Income for the Year	-	-	-	-
Other Comprehensive Income: Variation in Translation Differences of Foreign Operations	-	-	-	-
Balances as of December 31, 2013	287,418,584	309,885,253	1,413,334,666	2,010,638,503

(1) Broken down as follows: (i) Optional reserve for future dividends of Ps. 300,000,000; (ii) Judicial reserve for future dividend distribution of Ps. 387,028,756, (iii) Optional reserve for illiquidity of results of Ps. 694,371,899 and (iv) Optional reserve to provide financial aid to subsidiaries and in connection with the Audiovisual Communication Services Law of Ps. 457,094,968.

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

Equity attributable to Shareholders of the Parent Company								
Translation of Foreign Operations	Other items	Retained Earnings			Total Equity of Controlling Interests	Equity Attributable to Non-Controlling Interests		Total Equity
	Other Reserves	Legal Reserve	Optional reserves ⁽¹⁾	Accumulated Results				
37,992,937	(18,384,533)	64,740,233	-	1,539,154,967	3,634,142,107	1,063,645,779	4,697,787,886	
-	-	23,912,434	1,381,400,655	(1,405,313,089)	-	-	-	
-	-	-	-	(135,000,000)	(135,000,000)	-	(135,000,000)	
-	-	-	-	-	-	(290,063,721)	(290,063,721)	
-	23,591,807	-	-	-	23,591,807	15,782,911	39,374,718	
-	-	-	-	482,310,720	482,310,720	490,020,368	972,331,088	
84,985,478	-	-	-	-	84,985,478	95,183,596	180,169,074	
122,978,415	5,207,274	88,652,667	1,381,400,655	481,152,598	4,090,030,112	1,374,568,933	5,464,599,045	
-	-	24,057,630	457,094,968	(481,152,598)	-	-	-	
-	-	-	-	-	-	(98,535,681)	(98,535,681)	
-	-	-	-	479,831,556	479,831,556	320,834,218	800,665,774	
160,046,637	-	-	-	-	160,046,637	152,018,384	312,065,021	
283,025,052	5,207,274	112,710,297	1,838,495,623	479,831,556	4,729,908,305	1,748,885,854	6,478,794,159	

Signed for identification purposes
with the report dated March 10, 2014



Carlos Alberto Pedro Di Candia
Chairman of the Supervisory Committee

See our report dated March 10, 2014
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Dr. Carlos A. Pace (Partner)
Certified Public Accountant (U.B.A.)
C.P.C.E.C.A.B.A. VOL. 150 - FOL. 106



Jorge Carlos Rendo
Director and Acting Chairman

Consolidated Statement of Cash Flows

For the years ended
December 31, 2013 and 2012
In Argentine Pesos (Ps.)

	December 31, 2013	December 31, 2012
Cash provided by operating activities		
Net Income for the Year	800,665,774	972,331,088
Income Tax and Tax on Assets	92,706,698	524,876,069
Accrued Interest, net	295,497,933	265,004,506
Adjustments to reconcile net income for the year to cash provided by operating activities:		
- Depreciation of Property, Plant and Equipment	963,340,450	726,074,731
- Amortization of Intangible Assets and Film Library	166,955,540	146,281,481
- Net of allowances	226,040,815	108,858,093
- Financial Income, except interest	902,450,122	462,345,935
- Equity in Earnings from Affiliates and Subsidiaries	(140,036,975)	(13,682,715)
- Other Income and Expense	(75,260,674)	(3,063,467)
- Income/Loss from Discontinued Operations	-	(399,258,357)
Changes in Assets and Liabilities:		
- Trade Receivables	(607,536,008)	(475,493,666)
- Other Receivables	(132,447,738)	138,937,891
- Inventories	59,694,755	27,062,977
- Other Assets	2,338,777	2,376,684
- Trade Payables and Other	457,050,294	278,599,757
- Taxes Payable	56,794,037	(125,281,919)
- Other Liabilities	36,393,075	46,750,050
- Provisions	(73,520,259)	(30,747,737)
Income Tax and Tax on Assets Payments	(422,779,473)	(360,027,710)
Net Cash Flows Provided by Operating Activities	2,608,347,143	2,291,943,691

See our report dated March 10, 2014
Price Waterhouse & Co. S.R.L.
C.P.C.E.C.A.B.A. VOL. 1 - FOL. 17

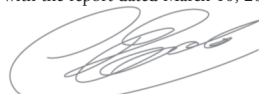


Dr. Carlos A. Pace (Partner)
Certified Public Accountant (U.B.A.)
C.P.C.E.C.A.B.A. VOL. 150 - FOL. 106

	December 31, 2013	December 31, 2012
Cash provided by Investment Activities		
- Acquisition of Property, Plant and Equipment, net	(1,859,321,132)	(1,382,972,222)
- Acquisition of Intangible Assets	(59,045,040)	(73,781,197)
- Acquisition of Subsidiaries, Net of Cash Acquired	(2,543,283)	(15,829,527)
- Proceeds from Sale of Property, Plant and Equipment	5,966,286	4,049,536
- Dividends collected	99,063,267	3,415,980
- Collections from sale of Long-Term Investments / Permanent Establishment of Foreign Companies	71,244,000	738,299,692
- Certificates of Deposit	(367,178,141)	(108,489,054)
- Loans granted	(7,416,658)	-
- Collections of Interest	12,399,593	-
- Collections of Certificates of Deposit	68,527,243	15,419,781
Net Cash Flows used in Investment Activities	(2,038,303,865)	(819,887,011)
Cash provided by Financing Activities		
- Loans	378,266,001	158,849,820
- Repayment of Loans and Holding Expenses	(422,677,466)	(388,699,658)
- Payment of Interest	(306,870,173)	(293,133,497)
- Acquisition of investment for the purchase of Notes from Subsidiaries	-	(195,525,800)
- Partial prepayment of investments for the purchase of Notes from Subsidiaries	67,182,254	-
- Settlement on Derivatives	(4,680,000)	(6,177,500)
- Payment of Sellers Financing	(1,607,441)	(6,642,392)
- Dividends Paid	-	(135,000,000)
- Setup of Reserve Account / Escrow Funds	(16,523,702)	(13,409,252)
- Payments to Non-Controlling Interests, net	(105,952,368)	(230,279,010)
Net Cash Flows used in Financing Activities	(412,862,895)	(1,110,017,289)
Financing results generated by cash and cash equivalents	188,547,121	77,116,220
Net Increase in Cash Flow	345,727,504	439,155,611
Cash and Cash Equivalents at the Beginning of the Year	1,304,735,665	865,580,054
Cash and Cash Equivalents at Year-end	1,650,463,169	1,304,735,665

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

Signed for identification purposes
with the report dated March 10, 2014



Carlos Alberto Pedro Di Candia
Chairman of the Supervisory Committee

See our report dated March 10, 2014
Price Waterhouse & Co. S.R.L.
C.P.C.E.C.A.B.A. VOL. 1 - FOL. 17



Dr. Carlos A. Pace (Partner)
Certified Public Accountant (U.B.A.)
C.P.C.E.C.A.B.A. VOL. 150 - FOL. 106



Jorge Carlos Rendo
Director and Acting Chairman

Notes to the Consolidated Financial Statements

For the year ended December 31, 2013
Presented on a comparative basis.
In Argentine Pesos (Ps.)

Note 1

General Information

Grupo Clarín is a holding company that operates in the Media industry. Its operating income and cash flows derive from the operations of its subsidiaries in which it participates directly or indirectly.

Its operations include cable television and Internet access services, newspaper and other printing, publishing and advertising activities, broadcast television, radio operations and television content production, on-line and new media services, and other media related activities. A substantial portion of its revenues is generated in Argentina. Through its subsidiaries, it is engaged primarily in the following business segments:

- Cable Television and Internet Access, consisting of the largest cable network in Latin America in terms of subscribers, operated by its subsidiary Cablevisión (surviving company after its merger with Multicanal and Teledigital), with operations in Argentina and neighboring countries. This company also provides high-speed Internet access under the brands Fibertel and Flash.

- Printing and Publishing, consisting of national and regional newspapers, a sports daily, magazine publishing, editing and distribution, and commercial printing. Diario Clarín, the flagship national newspaper, is the newspaper with the second largest circulation in the Spanish-speaking world. The sports daily Olé is the only newspaper of its kind in the Argentine market. The newspaper La Razón is the first ever free newspaper in Argentina. The children's magazine Genios is the children's magazine with the highest circulation in Argentina. AGR is its printing company.

- Broadcasting and Programming, consisting of Canal 13, one of the two broadcast television stations with the highest audience share in Argentina, AM (Amplitude Modulation) /FM (Frequency Modulation) radio broadcast stations (Radio Mitre and La 100), and the production of television, film and radio programming content, including cable television

signals and organization and broadcasting of sporting events; and

- Digital Content and Other, consisting mainly of digital and Internet content, on-line classified ads and horizontal portals as well as its subsidiary GCGC, its shared service center.

Note 2

Basis for the preparation and presentation of the consolidated financial statements

2.1 Basis for the preparation and transition to IFRS

Pursuant to General Resolution No. 562 issued on December 29, 2009, entitled "Adoption of International Financial Reporting Standards" and General Resolution No. 576/10, the CNV provided for the application of Technical Resolutions No. 26 and 29 issued by the Argentine Federation of Professional Councils of Economic Sciences (FACPCE, for its Spanish acronym). Since the Company is subject to the public offering regime governed by Law No. 26,831, it is required to apply such standards as from the year beginning January 1, 2012. The FACPCE issues Adoption Communications for the enforcement of IASB resolutions in Argentina.

These consolidated financial statements of Grupo Clarín for the year ended December 31, 2013, presented on a comparative basis, have been prepared in accordance with IFRS. Some additional matters were included as required by the Argentine Business Associations Law and/or CNV regulations, including the supplementary information provided under the last paragraph of Section 1, Chapter III, Title IV of General Resolution No. 622/13. That information is included in the Notes to these consolidated financial statements, as provided under IFRS and CNV rules.

These consolidated financial statements have been prepared based on historical cost except for the valuation of financial instruments (see Note 2.21). In general, the historical cost is based on the fair value of the consideration granted in exchange for the assets.

Certain figures reported in the financial statements presented on a comparative basis were reclassified in order to maintain the consistency in the disclosure of the figures corresponding to this period.

The attached consolidated information, approved by the Board of Directors in the meeting held on March 10, 2014, is presented in Argentine Pesos (Ps.), the Argentine legal tender, and arises from accounting records kept by Grupo Clarín S.A. and its subsidiaries.

2.2 Standards and Interpretations issued but not adopted to date

The Company has not adopted IFRS or revisions of IFRS issued as per the detail below, since their application is not required for the year ended December 31, 2013:

- IFRS 9 Financial Instruments: Issued in November 2009 and amended in October 2010, IFRS 9 introduces new requirements for the classification and measurement of financial assets and liabilities and for their derecognition. IFRS 9 is applicable to the years beginning on or after January 1, 2015, and allows for its early application. The changes are not likely to have a material effect on the amounts disclosed in connection with the Company's financial assets and liabilities.

- IFRIC 21 Levies: The interpretation establishes how to account for liabilities to pay levies when those liabilities are within the scope of IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" and when they do not arise from income taxes (IAS 12) or from fines or other penalties imposed for breach of tax legislation. The interpretation clarifies what is the obligating event that triggers the obligation to pay the levy and when an entity should recognize that obligation. This standard is applicable to financial years beginning January 1, 2014. The changes will probably not significantly affect the amounts disclosed in connection with the Company's tax liabilities.

2.3. Standards and Interpretations issued and adopted to date

- IAS 1 Presentation of financial statements: The amendment to IAS 1 requires that items

of other comprehensive income be grouped into those that may and may not be subsequently reclassified to profit or loss. The amendments to IAS 1 do not specify which items are to be disclosed in other comprehensive income.

This amendment is effective for annual periods beginning as from July 1, 2012. The impact of this standard is disclosed in the Consolidated Statement of Comprehensive Income.

- IAS 19 Employee Benefits: Since to date the Company has not established defined benefit plans for its employees and officers, this standard did not have an impact on the Company's financial statements.

- IFRS 10 Consolidated Financial Statements: Defines the principles of control and establishes control as the basis for determining which entities are to be consolidated in the consolidated financial statements. This standard did not have an impact on the Company's financial statements.

- IFRS 11 Joint Arrangements: Classifies joint arrangements either as joint operations (combining the existing concepts of assets under common control and operations under common control) or as joint ventures (similar to the existing concepts of entities under common control). IFRS 11 requires the use of the equity method for joint ventures and also eliminates the proportional consolidation method for this type of businesses. This standard did not have an impact on the Company's consolidated financial statements.

- IFRS 12 Disclosure of Interests in Other Entities: The interpretation establishes the disclosure requirements for all forms of interests in other entities, including subsidiaries, joint arrangements, associates and unconsolidated structured entities. The impact of this standard is disclosed in notes to these consolidated financial statements.

- IFRS 13 Fair Value Measurement: Sets up a single framework for measuring fair value when required by other standards and the disclosure requirements for fair value measurement. This IFRS is applicable to both financial and non-financial items measured at fair value.

The impact of this standard is disclosed in notes to these consolidated financial statements.

2.4 Basis for Consolidation

These consolidated financial statements incorporate the financial statements of the Company and of the subsidiaries and joint ventures (“Interests in Joint Operations”, Note 2.7) controlled by the Company. Control is presumed to exist when the Company has a right to variable returns from its interest in a subsidiary and has the ability to affect those returns through its power over the subsidiary. This power is presumed to exist when evidenced by the votes, be it that the Company has the majority of voting rights or potential rights currently exercised. The subsidiaries are consolidated from the date on which the

Company assumes control over them and are excluded from consolidation on the date control ceases. Additionally, these consolidated financial statements incorporate the companies mentioned in 2.4.1.

For consolidation purposes, the intercompany transactions and the balances between the Company and the consolidated companies have been eliminated. Unrealized income has also been eliminated.

Below is a detail of the most relevant consolidated subsidiaries, together with the interest percentages held directly or indirectly in each subsidiary’s capital stock and votes, as of each date indicated below:

Companies	Direct or Indirect Interest in the Capital Stock and Votes (%)	
	December 31, 2013	December 31, 2012
Cablevisión ⁽¹⁾	59.9%	59.9%
PRIMA	59.9%	59.9%
AGEA	100.0%	100.0%
AGR	100.0%	100.0%
CIMECO	100.0%	100.0%
ARTEAR ⁽²⁾	99.2%	99.2%
Pol-Ka	54.6%	54.6%
IESA	100.0%	100.0%
Radio Mitre	100.0%	100.0%
GCGC	100.0%	100.0%
CMD	100.0%	100.0%
GC Services	100.0%	100.0%
GCSA Investments	100.0%	100.0%

(1) Includes Multicanal and Teledigital, which were merged into Cablevisión effective as of October 1, 2008.

(2) Interest in votes amounts to 99.7%.

The subsidiaries’ financial statements used for consolidation purposes bear the same closing date as these consolidated financial statements, comprise the same periods and have been prepared under exactly the same accounting policies as those used by the Company, which are described in the notes to the consolidated financial statements or, as the case may be, adjusted as applicable.

2.4.1 Consolidation of Structured Entities

The Company, through one of its subsidiaries, has executed certain agreements with other companies, for the purposes of rendering on behalf of and by order of such companies certain selling and installation services, collections, administration of subscribers, marketing and technical assistance, financial and general business advising, with respect to cable television and Internet access services in Uruguay. In accordance with IFRS 10

“Consolidated Financial Statements”, these consolidated financial statements include the assets, liabilities and results of these companies. Since the Company does not hold an interest in these companies, the offsetting entry of the net effect of the consolidation of the assets, liabilities and results of these companies is disclosed in the items “Equity attributable to non-controlling interests” and “Net Income attributable to non-controlling interests”, as required by IFRS.

2.4.2 Changes in the Company’s Interests in Existing Subsidiaries

The changes in the Company’s interests in subsidiaries that do not generate a loss of control are recorded under equity. The book value of the Company’s interests and non-controlling interests is adjusted to reflect the changes in the relative interest in the subsidiary. Any difference between the amount for which non-controlling interests were adjusted and the fair value of the consideration paid or received is directly recognized in equity and attributed to the shareholders of the parent company.

In case of loss of control, any residual interest in the issuing company is measured at its fair value at the date on which control was lost, allocating the change in the recorded value with an impact on net income. The fair value is the initial amount recognized for such investments for the purposes of its subsequent valuation for the interest retained as associate, joint operation or financial instrument. Additionally any amount previously recognized in Other Comprehensive Income regarding such investments is recognized as if Grupo Clarín had disposed of the related assets and liabilities. Consequently, the amounts previously recognized in Other Comprehensive Income may be reclassified to net income.

2.5 Business Combinations

The Company applies the acquisition method to account for business combinations. The consideration for each acquisition is measured at fair value (on the date of exchange) of the assets acquired, the liabilities incurred or assumed and the equity instruments issued by the Company in exchange for the control of the company acquired. The costs related to the acquisition are expensed as incurred.

The consideration for the acquisition, if any, includes any asset or liability arising from a contingent consideration arrangement, measured at fair value at the acquisition date. Subsequent changes to such fair value, verified within the measurement period, are adjusted against the acquisition cost.

The measurement period is the actual period that begins on the acquisition date and ends as soon as the Company receives all the information it was seeking about facts and circumstances that existed as of the acquisition date. The measurement period cannot exceed one year from the acquisition date. All other changes in the fair value of the contingent consideration classified as assets or liabilities, outside the measurement period, are recognized in net income. Changes in the fair value of the contingent consideration classified as equity are not recognized.

In the case of business combinations achieved in stages, the Company’s equity interest in the company acquired is remeasured at fair value at the acquisition date (i.e., the date on which the Company acquired control) and the resulting gain or loss, if any, is recognized as income/expense or in other comprehensive income, depending on the origin of the variation. In the periods preceding the reporting periods, the Company may have recognized in other comprehensive income the changes in the value of the interest in the capital stock of the acquired company. In that case, the amount recognized in other comprehensive income is recognized on the same basis that would have been required if the Company had directly disposed of the previously-held equity interest.

The identifiable assets, liabilities and contingent liabilities of the acquired company that meet the conditions for recognition under IFRS 3 (2008) are recognized at fair value at the acquisition date, except for certain particular cases provided by such standard.

Any excess of the acquisition cost (including the interest previously held, if any, and the non-controlling interest) over the net fair value of the subsidiary’s or associate’s identifiable assets, liabilities and contingent liabilities measured at the acquisition date is recognized as goodwill.

Any excess of the net fair value of the identifiable assets, liabilities and contingent liabilities over the acquisition cost is immediately recognized in net income.

The acquisition cost comprises the consideration transferred, the amount of any non-controlling interest and the acquisition-date fair value of the acquirer's previously-held equity interest in the acquiree, if any.

The Company initially recognizes any non-controlling interest as per its share in the amounts recognized for the net identifiable assets of the acquiree.

2.6 Investment in Associates

An associate is an entity over which the Company has significant influence, without exerting control, generally accompanied by equity holdings of between 20% and 50% of voting rights.

The associates' net income and the assets and liabilities are disclosed in the consolidated financial statements using the equity method, except when the investment is classified as held for sale, in which case it is accounted for under IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations". Under the equity method, the investment in an associate is to be initially recorded at cost and the book value will be increased or decreased to recognize the investor's share in the comprehensive income for the year or in other comprehensive income obtained by the associate, after the acquisition date. The distributions received from the associate will reduce the book value of the investment.

Any excess of the acquisition cost over the Company's share in the net fair value of the associate's identifiable assets, liabilities and contingent liabilities measured at the acquisition date is recognized as goodwill. Goodwill is included in the book value of the investment and tested for impairment as part of the investment. Any excess of the Company's share in the net fair value of the identifiable assets, liabilities and contingent liabilities over the acquisition cost, after its measurement at fair value, is immediately recognized in net income.

Unrealized gains or losses on transactions between the Company (and subsidiaries) and the associates are eliminated considering the Company's interest in the associates.

Adjustments were made, where necessary, to the associates' financial statements so that their accounting policies are in line with those used by the Company.

Investments in companies in which the company does not have control or significant influence have been valued at cost, as established by IAS 39.

In the cases where non-controlling shareholders hold put options whereby they may force the Company to acquire shares of subsidiaries, and the Company reasonably estimates that such put options will be duly exercised, the Company discloses the present value of the corresponding future payments under Other Liabilities.

2.7 Interests in Joint Operations

A joint operation is a contractual arrangement whereby the Company and other parties undertake an economic activity that is subject to joint control, i.e., when the financial strategy and the operating decisions related to the company's activities require the unanimous consent of the parties sharing control.

Joint venture arrangements that entail the establishment of an independent entity in which each company holds an interest are called jointly controlled entities. The Company, in accordance with IFRS 11 "Joint Arrangements", has applied the equity method to measure its holding in the jointly controlled entity and discloses its holdings in such entities under Investment in unconsolidated affiliates.

In the cases of joint business arrangements executed through Uniones Transitorias de Empresas ("UTE"), considered joint operations under IFRS 11, the Company recognizes in its financial statements on a line-by-line basis the assets, liabilities and net income subject to joint control in proportion to its share in such arrangements.

These consolidated financial statements include the balances of the UTEs, among them,

Ertach S.A. - Prima S.A. Unión Transitoria de Empresas, FEASA - S.A. La Nación Unión Transitoria de Empresas and AGEA S.A. - S.A. La Nación - UTE, in which the Company and/or its subsidiaries hold an interest.

2.8 Goodwill

Goodwill arises from the acquisition of subsidiaries and refers to the excess of the cost of acquisition over the net fair value at the date of acquisition of the identifiable assets acquired and liabilities assumed. The Company initially recognizes any non-controlling interest as per its interest percentage in the amounts recognized for the net identifiable assets of the acquired company.

If, upon measurement at fair value, the Company's share in the fair value of net identifiable assets of the acquired company exceeds the amount of the consideration transferred, the amount of any non-controlling interest in such company and the fair value of the acquirer's previously held non-controlling interest in the acquiree (if any), such excess is immediately recognized in the statement of comprehensive income as a gain arising from a very advantageous acquisition.

Goodwill is not amortized, but tested for impairment on an annual basis. For the purposes of impairment testing, goodwill is allocated to each of the Company's cash-generating units expected to render benefits from the synergies of the respective business combination. Those cash-generating units to which goodwill is allocated are tested for impairment on an annual basis, or more frequently, when there is any indication of impairment. If the recoverable value of the cash-generating unit, i.e. the higher of the value in use or the fair value net of selling expenses, is lower than the value of the net assets allocated to that unit, including goodwill, the impairment loss is first allocated to reduce the goodwill allocated to the unit and then to the other assets of the unit, on a pro rata basis, based on the valuation of each asset in the unit. The impairment loss recognized against the valuation of goodwill is not reversed under any circumstance.

In case of a loss of control in the subsidiary, the amount attributable to goodwill is included

in the calculation of the corresponding gain or loss.

As mentioned in Note 9, the recoverability of certain goodwill could be affected by the final outcome of the circumstances described in such note.

2.9 Revenue Recognition

Revenues are recognized when the amount of revenues may be reliably estimated, when future economic benefits are likely to be obtained by the Company, and when specific criteria are met for each of Grupo Clarín's activities, as described below.

Revenues for each of the main business segments identified by the Company are recognized when the following conditions are met:

- Cable Television and Internet Access

Sales of cable or Internet services subscriptions are recognized as revenues for the period in which the services are rendered. Revenues from the installation of these services are accrued over the average term during which clients maintain their subscription to the service.

Advertising sales revenues are recognized in the period in which advertising is published or broadcast.

Revenues from transactions that include more than one item have been recognized separately to the extent they have commercial substance on their own. The amount of revenues allocated to each item is based on its fair value, which is assessed or estimated at market value.

Revenues from the sale of assets are recognized only when the risks and benefits arising from the use of the disposed assets have been transferred, the amount of revenues may be fairly estimated, and the Company is likely to obtain economic benefits (see Note 19).

Installment sales are recognized at the value of future income discounted at a market rate assessed at the beginning of the transaction.

- Printing and Publishing

Advertising sales are determined by the prices achieved per single column centimeter and

the number of advertising centimeters sold in the relevant period. Circulation sales include the price received from the sale of newspapers, magazines and other publications. Printing services sales consist mainly of fees received from the printing of magazines, books, brochures and related products.

Advertising sales from newspapers and magazines are recognized when advertising is published. Revenues from the sale of newspaper and magazines are recognized upon passing control to the buyers. The Company records the estimated impact of returns, calculated based on historical trends, as a deduction from revenues. Revenues from printing services are recognized upon completion of the services, delivery of the related products and customer acceptance.

- Broadcasting and Programming

TV and radio advertising sales revenues are recognized when advertising is broadcast. Revenues from programming and distribution of television content are recognized when the programming services are provided.

2.10 Barter Transactions

The Company, through its subsidiaries, sells a small portion of its advertising spaces in exchange for goods or services received. Revenues are recorded when the advertisement is made, valued at the fair value of the goods or services received, in the case of goods and other services advertising barter transactions, or delivered, in the case of advertising-for-advertising barter transactions. Goods or services are recorded at the time goods are received or services are rendered. The goods or services to be received in consideration for the advertisements made are recorded as Trade Receivables. The advertisements to be made in exchange for the goods and services received are recorded as Trade Payables and Other.

2.11 Leases

Leases are classified as financial leases when the terms of the lease transfer to the lessee substantially all the risks and benefits inherent to the property. All other leases are classified as operating leases.

The assets held under financial leases are recognized at the lower of the fair value of the Company's leased assets at the beginning of the lease term, or the present value of the minimum lease payments. The liability held with the lessor is included in the balance sheet as an obligation under financial leases recorded under Debt.

Lease payments are apportioned between the finance charge and the reduction of the liabilities under the lease so as to achieve a constant interest rate on the outstanding balance. The finance charge is expensed over the lease term.

The assets held under financial leases are depreciated over the shorter of the useful life of the assets or the lease term.

Rentals under operating leases are charged to income on a straight line basis over the corresponding lease term.

2.12 Foreign Currency and Functional Currency

The financial statements of each of the entities consolidated by the Company are prepared in the currency of the primary economic environment in which the entity operates (its functional currency). For the purposes of the consolidated financial statements, the net income and the financial position of each entity are stated in Argentine Pesos (Argentina's legal tender for all companies domiciled in Argentina), which is the Company's functional currency, and the reporting currency of the consolidated financial statements. The functional currency of the indirectly controlled Uruguayan and Paraguayan companies, are the Uruguayan Peso and the Guarani, respectively.

In preparing the financial statements of the individual entities, the transactions in currencies other than the entity's functional currency (foreign currency) are recorded at the exchange rates prevailing on the dates on which transactions are carried out. At the end of each reporting year, the monetary items denominated in foreign currency are retranslated at the exchange rates prevailing on such date.

Exchange differences are charged to net income as incurred.

In preparing the Company's consolidated financial statements, the assets and liabilities balances of the entities which functional currencies is not the Argentine Peso, stated in their own functional currency (Uruguayan Peso and Guarani) are translated to Argentine pesos at the exchange rate prevailing at the end of the year, while the net income is translated at the exchange rate prevailing on the transaction date. Translation differences are recognized in other comprehensive income as "Variation in Translation Differences of Foreign Operations".

2.13 Financial Costs

Financial costs directly attributable to the acquisition, construction or production of assets that require a substantial period of time to prepare for their intended use or sale ("qualifying assets"), are capitalized as part of the cost of these assets until they are ready for their intended use or sale, according to IAS 23 ("Borrowing Costs").

The income, if any, on the temporary investment of the specific borrowings incurred to finance qualifying assets is deducted from the financial costs to be capitalized.

All other financial costs are charged to net income as incurred.

2.14 Taxes

The income tax charge reflects the sum of current income tax and deferred income tax.

2.14.1 Current and Deferred Income Tax for the year

Current and deferred taxes are recognized as expense or income for the year, except when they are related to entries debited or credited to other comprehensive income or equity, in which cases taxes are also recognized in other comprehensive income or directly in equity, respectively. In the case of a business combination, the tax effect is taken into consideration in the calculation of goodwill or in the determination of the excess of acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the business combination.

2.14.2 Current Tax

Current tax payable is based on the taxable

income recorded during the year. Taxable income and net income reported in the consolidated statement of comprehensive income differ due to revenue or expense items that are taxable or deductible in other fiscal years and items that are never taxable or deductible. The current tax liability is calculated using the tax rate in effect as of the date of these consolidated financial statements. Current tax charge is calculated based on the tax rules effective in the countries in which the consolidated entities operate.

2.14.3 Deferred Tax

Deferred tax is recognized on temporary differences between the book value of the assets and liabilities included in these financial statements and the corresponding tax basis used to determine taxable income. Deferred tax liabilities are generally recognized for all temporary fiscal differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is likely that future taxable income will be available against which those deductible temporary differences can be charged. These assets and liabilities are not recognized if the temporary differences arise from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable income nor the accounting income.

The book value of a deferred tax asset is reviewed at each reporting year and reduced to the extent that it is no longer likely that sufficient taxable income will be available in the future to allow for the recovery of all or part of the asset.

Deferred tax is recognized on temporary differences arising from investments in foreign subsidiaries.

Deferred tax assets and liabilities are measured at the tax rates that are expected to be applicable in the year in which the asset is realized or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the entity expects,

at the end of the reporting year, to recover or settle the book value of its assets and liabilities.

Deferred tax assets are offset against deferred tax liabilities if effective regulations allow to offset, before the tax authorities, the amounts recognized in those items; and if the deferred tax assets and liabilities arise from income taxes levied by the same tax authority and the Company intends to settle its assets and liabilities on a net basis.

Under the IFRS, deferred tax assets and liabilities are classified as non-current assets and liabilities, respectively.

2.14.4 Tax on Assets

In Argentina, the tax on assets (impuesto a la ganancia mínima presunta) is supplementary to income tax. The Company assesses this tax at the effective rate of 1% on the taxable assets at year-end. The Company's tax liability for each year will be equal to the higher of the tax on assets assessment or the income tax liability assessed at the legally effective rate on the estimated taxable income for the year. However, if the tax on assets exceeds the income tax liability in any given fiscal year, the excess may be creditable against any excess of income tax liability over the tax on assets in any of the following ten fiscal years.

The tax on assets balance has been capitalized in these consolidated financial statements for the amount estimated to be recoverable within the statute of limitations, based on the subsidiaries' current business plans.

2.15 Property, Plant and Equipment

Property, plant and equipment held for use in the production or supply of goods and services, or for administrative purposes, are recorded at cost less accumulated depreciation and any accumulated impairment loss.

Depreciation of property, plant and equipment in use is recognized on a straight-line basis over its estimated useful life.

The estimated useful life, residual value and depreciation method are reviewed at each year-end, with the effect of any changes in estimates accounted for on a prospective basis. Land is not depreciated.

Works in process are recorded at cost less any

recognized impairment loss. The cost includes professional fees and, in the case of qualifying assets, capitalized financial costs in accordance with the Company's accounting policy (Note 2.13). Depreciation of these assets, as well as in the case of other property, plant and equipment, begins when the assets are ready for their use.

Assets held under financial leases are depreciated over the shorter of their estimated useful life, which is equal to the rest of the other similar assets, or over the lease term.

Repair and maintenance expenses are expensed as incurred.

The gain or loss arising from the retirement or disposal of an item of property, plant and equipment is calculated as the difference between income from the sale of the asset and the asset's book value, and recognized under "Other Income and Expense, net" in the statement of comprehensive income.

The residual value of an asset is written down to its recoverable value, if the asset's residual value exceeds its estimated recoverable value (see Note 2.17).

2.16 Intangible Assets

Intangible assets include trademarks and patents, exclusivity agreements, licenses, software and other rights, the purchase value of the subscriber portfolio, projects in-progress (mainly related to software development) and other intangible assets. The accounting policies regarding the recognition and measurement of such intangible assets are described below.

2.16.1 Intangible Assets Acquired Separately

Intangible assets acquired separately are valued at cost, net of the corresponding accumulated amortization and impairment losses. Amortization is calculated on a straight line basis over the estimated useful life of the intangible assets. The Company reviews the useful lives applied, the residual value and the amortization method at each year-end, and accounts the effect of any changes in estimates on a prospective basis.

Assets held under financial leases are depreciated over the shorter of their estimated useful life,

which is equal to the rest of the other similar assets, or over the lease term.

2.16.2 Intangible Assets Acquired in a Business Combination

Intangible assets acquired in a business combination are identified and recognized separately regarding goodwill when they meet the definition of intangible assets and their fair value can be measured reliably. Such intangible assets are recognized at fair value at acquisition date.

After the initial recognition, intangible assets acquired in a business combination are valued at cost net of accumulated amortization and impairment losses, with the same basis as intangible assets acquired separately.

2.16.3 Internally Generated Intangible Assets

Internally generated intangible assets arising from the development phase of an internal project are recognized if certain conditions are met, among them, technical feasibility to complete the development of the intangible asset and the intent to complete such development.

The amount initially recognized for internally generated intangible assets comprises all the expenses incurred as from the moment all the intangible assets meet the above-mentioned recognition criteria. Where it is not possible to recognize an internally generated intangible asset, the development expenses are recognized in the statement of comprehensive income in the year in which they are incurred.

After the initial recognition, internally developed intangible assets are valued at cost net of accumulated amortization and impairment losses, with the same basis as intangible assets acquired separately.

Such assets are included under software and projects in-progress.

2.17 Impairment of Non-Financial Assets, Except Goodwill

At the end of each financial statement, the Company reviews the book value of its non-financial assets with definite useful life to determine the existence of any evidence

indicating that these assets could be impaired. If there is any indication of impairment, the recoverable value of these assets is estimated for the purposes of determining the amount of the impairment loss (in case the recoverable value is lower than the book value). Where it is not possible to estimate the recoverable value of an individual asset, the Company estimates the recoverable value of the cash-generating unit ("CGU") to which such asset belongs. Where a consistent and reasonable allocation base can be identified, corporate assets are also allocated to an individual cash-generating unit or, otherwise, to the smallest group of cash-generating units for which a consistent allocation base can be identified.

The recoverable value of an asset is the higher of the fair value less selling expenses or its value in use. In measuring value in use, estimated future cash flows are discounted at their present value using a pre-tax discount rate, which reflects the current market assessments of the time value of money and, if any, the risks specific to the asset for which estimated future cash flows have not been adjusted.

Assets with an indefinite useful life (for example, non-financial assets unavailable for use) are not amortized, but are tested for impairment on an annual basis.

Non-financial assets, except for goodwill, for which an impairment loss was recorded, are reviewed at each closing date for a possible reversal of the impairment loss.

2.18 Inventories

Inventories are valued at the lower of acquisition cost and/or production cost or the net realizable value. The cost is determined under the weighted average price method.

The production cost is determined under the cost absorption method, which comprises raw materials, labor and other costs directly related to the production of goods. The net realizable value represents the estimated selling price in the ordinary course of business less the estimated costs necessary to make such sale.

The criterion followed to expense each of these inventory items is as follows:

- Film Rights (series, soap operas and films) and programs purchased:

The cost of series, soap operas and programs purchased to be shown on broadcast television is mainly expensed against the cost of sales on the exhibition date or upon expiration of exhibition rights. Rights related to these programs acquired in perpetuity, if any, are amortized over their estimated useful life (eight years, with a grace period of three years and are subsequently amortized on a straight-line basis over the next five years).

Films are expensed against the cost of sales on a decreasing basis, based on the number of showings granted by the respective rights or upon expiration of exhibition rights.

Film rights acquired in perpetuity for broadcasting by the Volver channel are amortized over their estimated useful life (seven years, with a grace period of four years). They are subsequently amortized on a decreasing basis over the next three years).

- In-house production programs and co-productions:

The cost of in-house production programs and co-productions is mainly expensed against the cost of sales after broadcasting of the chapter or program. Rights related to in-house production programs and co-productions acquired in perpetuity, if any, are amortized over their estimated useful life (eight years, with a grace period of three years and are subsequently amortized on a straight-line basis over the next five years).

- Events:

The cost of events is fully expensed against the cost of sales at the time of broadcasting.

The allowance for impairment is calculated based on the recoverability analysis conducted at the closing of each year. The values thus obtained do not exceed their respective recoverable values estimated at the closing of each year.

2.19 Other Assets

The assets included in this item have been valued at acquisition cost.

Investments denominated in foreign currency subject to restrictions on disposition under financial covenants have been valued at face value plus interest accrued as of each year-end.

2.20 Provisions and other

Provisions for Lawsuits and Contingencies and the accrual for asset retirement are recognized when the Company has a present obligation (be it legal or constructive) as a result of a past event, when it is likely that an outflow of resources will be required to settle the obligation and when the amount of the obligation can be reliably estimated.

The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting year, taking into consideration the corresponding risks and uncertainties. Where a provision is measured using the estimated cash flow to settle the present obligation, its book value represents the present value of such cash flow.

In estimating its obligations, the Company has taken into consideration the opinion of its legal advisors, if any.

2.21 Financial Instruments

2.21.1 Financial Assets

Purchases and sales of financial assets are recognized at the transaction date when the Company undertakes to purchase or sell the asset, and is initially measured at fair value, plus transaction costs, except for those financial assets classified at fair value with changes in the statement of income, which are initially measured at fair value.

2.21.1.1 Classification of Financial Assets

Financial assets are classified within the following specific categories: "financial assets at fair value with changes in net income", "held-to-maturity investments" and "loans and receivables". The classification depends on the nature and purpose of the financial assets and is determined on initial recognition.

2.21.1.2 Recognition and Measurement of Financial Assets

2.21.1.2.1 Financial Assets at Fair Value with Changes in Net Income

Financial assets at fair value with changes in net income are recorded at fair value, recognizing any gain or loss arising from the measurement in the consolidated statement of comprehensive income. The net gain or loss recognized in net income includes any gain or loss generated by the financial asset and is included in the item financial income and cost in the consolidated statement of comprehensive income.

The assets designated in this category are classified as current assets if they are expected to be traded within 12 months; otherwise, they are classified as non-current assets.

The fair value of these assets is calculated based on the current quoted market price of these instruments.

2.21.1.2.2 Held-to-maturity Investments

Held-to-maturity investments are measured at amortized cost using the effective interest rate method less any impairment, if any.

The effective interest rate method calculates the amortized cost of a financial asset or liability and the allocation of financial income or cost over the whole corresponding period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts over the expected life of the financial instrument to the net book value of the financial asset or liability on its initial recognition.

Balances in foreign currency were translated at the exchange rate prevailing at the closing of year for the settlement of these transactions. Foreign exchange differences were charged to net income for each year.

2.21.1.2.3 Loans and Receivables

Loans and trade receivables with fixed or determinable payments not traded in an active market are classified as “trade receivables and other”. Trade receivables and other are initially measured at fair value, and subsequently measured at amortized cost using the effective interest rate method, less any impairment, if any. Interest income is recognized using the effective interest rate method, except for short-term balances for which the recognition of interest is not significant.

Loans and receivables are classified as current assets, except for the maturities exceeding 12 months from the closing date.

Loans in foreign currency have been valued as mentioned above, at the exchange rates prevailing as of each year-end. Foreign exchange differences were charged to net income for each year.

2.21.1.3 Impairment of Financial Assets

The Company tests financial assets or a group of assets for impairment at each closing date to assess if there is any objective evidence of impairment. The value of a financial asset or a group of assets is impaired, and an impairment loss is recognized, where there is objective evidence of the 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 have an impact on the estimated future cash flows of the financial asset or a group of assets, which may be reliably measured.

The objective evidence of impairment may include, among others, significant financial difficulties of the issuer or obligor; or breach of contractual terms, such as default or delinquency in interest or principal payments.

For certain categories of financial assets, such as accounts receivable and other receivables, the assets that are not impaired on an individual basis are tested for impairment on a collective basis. The objective evidence of impairment of a receivables portfolio includes the Company’s past collection experience, an increase in the number of delinquent payments in the receivables portfolio, as well as observable changes in the local economic situation affecting the recoverability of receivables.

Where there is objective evidence of an impairment loss in the value of loans granted, receivables or held-to-maturity investments recorded at amortized cost, the loss amount is measured as the difference between the book value and the present value of estimated future cash flows (without including future non-incurred losses), discounted at the original effective interest rate of the financial asset.

The asset's book value is written down under a contra asset account. The loss amount is recognized in net income for the year.

If, in subsequent periods, the impairment loss amount decreases and such decrease can be objectively related to an event occurring after the impairment has been recognized (such as an improvement in the debtor's credit rating), the previously recognized impairment loss is reversed. A loss reversal can only be recorded to the extent the financial asset's book value does not exceed the amortized cost that would have been determined if the impairment loss had not been recorded at the reversal date. The reversal amount is recognized in net income for the year.

2.21.1.4 Derecognition of Financial Assets

The Company derecognizes a financial asset when the contractual rights to the cash flows of such assets expire or when it transfers the financial asset and, therefore, all the risks and benefits inherent to the ownership of the financial asset are transferred to another entity. If the Company retains substantially all the risks and benefits inherent to the ownership of the transferred asset, it will continue to recognize it and will recognize a liability for the amounts received.

2.21.2 Financial Liabilities

Financial liabilities, except for derivatives, are valued at amortized cost using the effective interest rate method.

2.21.2.1 Debt

Debt is initially valued at fair value net of the transaction costs incurred, and subsequently valued at amortized cost using the effective interest rate method. Any difference between the initial value net of the transaction costs and the settlement value is recognized in the income statement over the term of the loan using the effective interest rate method. Interest expense has been allocated to "Financial Costs" in the consolidated statement of comprehensive income, except for the portion allocated to the cost of works under construction recorded under "Property, Plant and Equipment".

Debt maturing within the 12 months preceding the closing date is classified as current and

those maturing within the 12 months following the closing date are classified as non-current.

Loans in foreign currency have been valued as mentioned above, at the exchange rates prevailing as of each year-end. Foreign exchange differences were charged to net income for each year.

2.21.2.2 Trade Payables and Other

Trade payables with fixed or determinable payments not traded in an active market are classified as "Trade Payables and Other". Trade Payables and Other are initially measured at fair value, and subsequently measured at amortized cost using the effective interest rate method. Interest expense is recognized using the effective interest rate method, except for short-term balances for which the recognition of interest is not significant.

Trade Payables and Other are classified as current, except for the maturities exceeding 12 months from the closing date.

Trade payables in foreign currency have been valued as mentioned above, at the exchange rates prevailing as of each year end. Foreign exchange differences were charged to net income for each year.

2.21.2.3 Derecognition of Financial Liabilities

An entity shall derecognize a financial liability (or part of it) when it has been extinguished, i.e., when the obligation specified in the corresponding agreement is discharged, cancelled or expires.

2.21.3 Derivatives and Hedge Accounting

The Company executes certain financial instruments to manage its exposure to interest rate and exchange risks, including foreign currency hedges, interest rate swaps and currency swaps.

Derivatives are initially recognized at fair value at the date of execution of the related contract and subsequently measured at fair value at the end of the reporting year. The resulting gain or loss is immediately recognized in net income unless the derivative is designated as a hedging instrument, in which case the timing for its recognition will depend on the nature of

the hedging relationship. The Company uses certain derivatives to hedge the fair value of its recognized liabilities (fair value hedge).

The Company documents at the beginning of the transaction the existing relationship between the hedging instruments and the hedged items, as well as its objectives to manage risk and the strategy to carry out hedge transactions. The Company also documents its assessment, both at the beginning and on an ongoing basis, of the high effectiveness of its hedging transactions to offset the changes in the fair value of the hedged items.

The fair value of hedging derivatives is fully classified as a non-current asset or liability if the hedged item matures in more than 12 months, and as a current asset or liability if the hedged item matures within 12 months.

Fair Value Hedge

Changes in the fair value of derivatives designated and classified as fair value hedges are charged to net income, together with any change in the fair value of a hedged liability attributable to the hedged risk. The Company only applies fair value hedge accounting to cover the exchange rate fluctuations of the liabilities it holds in foreign currency. The gain or loss relating to the effective portion of foreign currency forward contracts is charged to net income under Financial Costs. The loss or gain related to the ineffective portion, if any, is charged to net income under Other Income and Expense, net. Changes in the fair value of the Company's hedged liabilities denominated in foreign currency, attributable to the risk detailed above, are charged to net income under Financial Costs.

2.21.4 Refinancing of Indebtedness

Liabilities arising from the restructuring of financial debts have been initially valued at fair value and will be subsequently measured at amortized cost using the effective interest rate method.

2.22 Other Liabilities

Advances from customers involving obligations to deliver assets that have not yet been produced have been valued at the higher of the amounts received or the share in the estimated value of the related assets.

The other liabilities have been valued at nominal value.

2.23 Assets and liabilities held for sale

Non-current assets and liabilities (or disposal groups) are classified as assets and liabilities held for sale where their value will be mostly recovered through the sale thereof, to the extent such sale is highly likely to occur. These assets and liabilities are valued at the lower of book value and fair value less cost of sales.

2.24 Consolidated Statement of Cash Flows

For the purposes of preparing the consolidated statement of cash flows, the item "Cash and Cash Equivalents" includes cash and bank balances, certain high liquidity short-term investments (with original maturities shorter than 90 days). Bank overdrafts payable on demand, if any, are deducted to the extent they are part of the Company's cash management.

Bank overdrafts are classified as "Debt" in the consolidated balance sheet.

Cash and cash equivalents at each year-end, as disclosed in the consolidated statement of cash flows, may be reconciled against the items related to the balance sheet as follows:

	December 31, 2013	December 31, 2012
Cash and Banks	1,332,983,003	623,395,314
Current Investments:		
- Financial Instruments	188,311,397	291,086,164
- Securities	-	80,951
- Mutual Funds	129,168,769	390,173,236
Cash and Cash Equivalents	1,650,463,169	1,304,735,665

In the years ended December 31, 2013 and 2012, the following significant transactions were carried out, which did not have an impact on cash and cash equivalents:

	December 31, 2013	December 31, 2012
Dividends collected through debt settlement	10,117,429	14,473,092
Debt Settlement through Real Property	4,069,868	-
Interest settlement through reserve account	16,684,105	13,255,633

2.25 Distribution of Dividends

The distribution of dividends to the Company's shareholders is recognized as a liability in the financial statements for the year in which the distribution of dividends is approved by the Shareholders' Meeting.

of the value in use requires the determination by the entity of the future cash flows that should arise from the cash generating units and an appropriate discount rate to calculate the present value.

During this year, no impairment losses have been recorded for goodwill.

Note 3

Accounting estimates and judgments

In applying the accounting policies described in Note 2, the Company has to make judgments and prepare accounting estimates of the value of the assets and liabilities which may not be otherwise obtained. The estimates and related assumptions are based on historical experience and other pertinent factors. Actual results may differ from these estimates.

The underlying estimates and assumptions are continually reviewed. The effects of the reviews of accounting estimates are recognized for the year in which estimates are reviewed.

These estimates basically refer to:

Allowance for Bad Debts

The Company calculates the allowance for bad debts for debt instruments that are not valued at fair value, taking into account the uncollectibility history, the opinion of its legal advisors, if any, and other circumstances known at the time of calculation.

Impairment of Goodwill

The Company assesses goodwill for impairment on an annual basis. In determining if there is impairment of goodwill, the Company calculates the value in use of the cash generating units to which it has been allocated. The calculation

Recognition and Measurement of Deferred Tax Items

Deferred tax assets are only recognized for temporary differences to the extent that it is likely that each entity, on an individual basis, will have enough future taxable income against which the deferred tax assets can be used. Tax loss carryforwards from prior years are only recognized when it is likely that each entity will have enough future taxable income against which they can be used.

Pursuant to effective regulations, the use of the subsidiaries' tax credits is based on a projection analysis of future income.

The Company examines the recoverable value of deferred tax assets based on its business plans and books a valuation allowance, if appropriate, so that the net position of the deferred tax asset will reflect the probable recoverable value.

Provisions for Lawsuits and Contingencies

The elements taken into consideration for the calculation of the Provision for Lawsuits and Contingencies are determined based on the present value of the estimated costs arising from the lawsuits brought against the Company, taking into consideration the opinion of its legal advisors, if any.

Determination of the Useful Lives of Property, Plant and Equipment and Intangible Assets

The Company reviews the estimated useful

life of property, plant and equipment and intangible assets at each year-end.

Measurement of the fair value of certain financial instruments

The fair value of a financial instrument is the amount at which the instrument could be purchased or sold between knowledgeable, willing parties in an arm's length transaction. If there is a quoted market price available for an instrument in an active market, the fair value is calculated based on that price.

If there is no quoted market price available for a financial instrument, its fair value is estimated based on the price established in recent transactions involving the same or similar instruments and, otherwise, based on valuation techniques regularly used in financial markets. The Company uses its judgment to select a variety of methods and makes assumptions based on market conditions at closing.

Impairment losses of certain assets other than accounts receivable (including property, plant and equipment and intangible assets)

Certain assets, including property, plant and equipment and intangible assets are subject to impairment testing. The Company records impairment losses when it estimates that there is objective evidence of such losses or when the cost of such losses will not be recovered through future cash flows. The evaluation of what constitutes impairment is a matter of significant judgment. The impairment of non-financial assets is dealt with in more depth in Note 2.17.

Additionally, as mentioned in Note 9, these estimates could be affected by the final outcome of the circumstances described in such note.

Note 4

Segment information

The Company is mainly engaged in media and entertainment activities, which are carried out through the companies in which it holds a participating interest. Based on the nature, clients, and risks involved, the following business segments have been identified, which are directly related to the way in which the Company assesses its business performance:

- Cable Television & Internet Access: mainly comprises the operations of its subsidiary Cablevisión and its subsidiaries, notably PRIMA.

- Printing & Publishing: mainly comprises the operations of its subsidiary AGEA and its subsidiaries AGR, Cúspide, Tinta Fresca, CIMECO and their respective subsidiaries.

- Broadcasting and Programming: mainly comprises the operations of its subsidiaries ARTEAR, IESA and Radio Mitre, and their respective subsidiaries, including Telecor, Telba, Pol-Ka, Auto Sports, Grupo Carburando.

- Digital Content and Other: mainly comprises the operations of its controlled companies CMD and subsidiaries, OSA and AGEA S.A. - S.A. La Nación - UTE. Additionally, this segment includes the Company's own operations (typical of a holding company) and those carried out by its controlled company GCGC.

The Company has adopted IFRS 8 - Segment Information, which defines operating segments as those identified based on internal reports with respect to the components of the company regularly reviewed by the Board of Directors, the main operating decisions maker, to allocate resources and assess their performance. The Company uses adjusted EBITDA to measure its performance. The Company believes that adjusted EBITDA is a significant performance measure of its businesses, since it is commonly used in the industry to analyze and compare media companies based on operating performance, indebtedness and liquidity. However, adjusted EBITDA does not measure net income or cash flows generated by operations and should not be considered as an alternative to net income, an indication of the Company's financial performance, an alternative to cash flows generated by operating activities or a measure of liquidity. Since adjusted EBITDA is not defined by IFRS, it is possible that other companies may calculate it differently. Therefore, the adjusted EBITDA reported by other companies may not be comparable to the Company's reported adjusted EBITDA.

The following tables include the information as of December 31, 2013 and 2012, prepared on the basis of IFRS, for the business segments identified by the Company. Note 1 to these consolidated financial statements includes additional information about the Company's businesses.

	Cable Television and Internet Access	Printing and Publishing	Broadcasting and Programming	Digital Content and Other	⁽¹⁾ Deletions	⁽²⁾ Adjustments	Consolidated
Information arising from consolidated income statements as of December 31, 2013							
Net Sales to Third Parties ⁽³⁾	9,763,448,669	2,438,284,992	1,744,263,153	271,505,461	-	(33,223,783)	14,184,278,492
Intersegment Sales	18,885,289	214,523,276	127,428,451	224,642,359	(585,479,375)	-	-
Net Sales	9,782,333,958	2,652,808,268	1,871,691,604	496,147,820	(585,479,375)	(33,223,783)	14,184,278,492
Cost of sales (excluding depreciation and amortization)	(4,229,419,227)	(1,640,056,203)	(1,135,659,633)	(243,911,226)	224,887,639	(139,117,330)	(7,163,275,980)
Subtotal	5,552,914,731	1,012,752,065	736,031,971	252,236,594	(360,591,736)	(172,341,113)	7,021,002,512
Expenses - excluding depreciation and amortization							
- Selling Expenses	(1,264,819,273)	(477,751,530)	(134,800,605)	(87,029,454)	147,048,188	-	(1,817,352,674)
- Administrative Expenses	(1,265,103,452)	(458,793,259)	(267,148,949)	(152,110,908)	213,543,548	-	(1,929,613,020)
Adjusted EBITDA	3,022,992,006	76,207,276	334,082,417	13,096,232	-	(172,341,113)	3,274,036,818
Depreciation of Property, Plant and Equipment							(963,340,450)
Amortization of Intangible Assets and Film Library ⁽⁴⁾							(166,955,540)
Financial Costs							(1,305,195,614)
Other Financial Results, net							(170,634,736)
Equity in Earnings from Affiliates and Subsidiaries							140,036,975
Other Income and Expense, net							85,425,019
Income Tax and Tax on Assets							(92,706,698)
Income for the Year from Continuing Operations							800,665,774
Income/Loss from Discontinued Operations							-
Net Income for the Year							800,665,774
Additional consolidated information as of December 31, 2013							
Acquisition of Property, Plant and Equipment	1,775,741,862	28,943,873	19,126,363	35,509,034	-	-	1,859,321,132
Acquisition of Intangible Assets	24,429,110	21,320,588	2,187,242	11,108,100	-	-	59,045,040
Ordinary Income from Foreign Operations	437,085,127	-	-	-	-	-	437,085,127
Non-Current Assets Held Abroad	511,637,306	7,245,419	22,819	-	-	-	518,905,544

(1) Deletions are related to Grupo Clarín's intercompany balances and operations.

(2) Recognition of revenues from cable TV and Internet installation services and transactions including separate items and the non- consolidation of structured entities.

(3) Includes also sales to unconsolidated companies.

(4) Amortization of film rights acquired in perpetuity, mentioned in Note 2.18.

	Cable Television and Internet Access	Printing and Publishing	Broadcasting and Programming	Digital Content and Other	⁽¹⁾ Deletions	⁽²⁾ Adjustments	Consolidated
Information arising from consolidated income statements as of December 31, 2012							
Net Sales to Third Parties ⁽³⁾	7,751,364,335	2,228,647,910	1,332,201,543	172,579,277	-	(165,886,972)	11,318,906,093
Intersegment Sales	16,136,265	157,022,771	116,801,283	191,220,223	(481,180,542)	-	-
Net Sales	7,767,500,600	2,385,670,681	1,449,002,826	363,799,500	(481,180,542)	(165,886,972)	11,318,906,093
Cost of sales (excluding depreciation and amortization)	(3,175,358,106)	(1,383,507,738)	(1,025,066,804)	(166,204,284)	172,800,786	(135,662,805)	(5,712,998,951)
Subtotal	4,592,142,494	1,002,162,943	423,936,022	197,595,216	(308,379,756)	(301,549,777)	5,605,907,142
Expenses - excluding depreciation and amortization							
- Selling Expenses	(931,203,580)	(401,925,540)	(93,812,427)	(65,031,750)	135,755,285	16,059,292	(1,340,158,720)
- Administrative Expenses	(1,018,161,169)	(370,327,233)	(194,071,863)	(132,763,546)	172,624,471	49,628,526	(1,493,070,814)
Adjusted EBITDA	2,642,777,745	229,910,170	136,051,732	(200,080)	-	(235,861,959)	2,772,677,608
Depreciation of Property, Plant and Equipment							(726,074,731)
Amortization of Intangible Assets and Film Library ⁽⁴⁾							(146,281,481)
Financial Costs							(772,960,211)
Other Financial Results, net							(143,193,327)
Equity in Earnings from Affiliates and Subsidiaries							13,682,715
Other Income and Expense, net							639,370
Income Tax and Tax on Assets							(524,876,069)
Income for the Year from Continuing Operations							473,613,874
Income/Loss from Discontinued Operations							498,717,214
Net Income for the Year							972,331,088
Additional consolidated information as of December 31, 2012							
Acquisition of Property, Plant and Equipment	1,292,701,983	24,615,910	51,840,730	13,813,599	-	-	1,382,972,222
Acquisition of Intangible Assets	46,866,931	18,132,143	388,595	8,393,528	-	-	73,781,197
Ordinary Income from Foreign Operations	513,881,902	-	-	-	-	(234,015,395)	279,866,507
Non-Current Assets Held Abroad	479,054,769	4,193,587	22,819	-	-	-	483,271,175

(1) Deletions are related to Grupo Clarin's intercompany balances and operations.

(2) Recognition of revenues from cable TV and Internet installation services and transactions including separate items and the non-consolidation of structured entities and income/loss from discontinued operations.

(3) Includes also sales to unconsolidated companies.

(4) Amortization of film rights acquired in perpetuity, mentioned in Note 2.18.

Note 5

Breakdown of the main items of the Balance Sheet

5.1. Property, Plant and Equipment

Main Account	Balance at the Beginning	Cumulative Translation Adjustment	Additions	Acquisitions of Businesses	Retirements	Transfers	Historical value
							Balances as of December 31, 2013
Real Property	560,544,485	1,864,604	1,019,419	20,622,121	(5,342,204)	68,325,595	647,034,020
Furniture and Fixtures	101,202,214	5,702,510	4,113,015	-	(20,553)	827,326	111,824,512
Telecommunication, Audio and Video Equipment	222,836,608	-	7,341,896	-	(1,207,756)	499,571	229,470,319
External Network and Broadcasting Equipment	3,783,789,084	134,586,421	685,436,740	-	(566,680,003)	721,215,201	4,758,347,443
Computer Equipment	495,125,231	3,290,934	34,695,733	-	(158,097)	15,780,971	548,734,772
Technical Equipment	104,483,287	-	2,521,443	-	(658,451)	4,201,691	110,547,970
Workshop Machinery	581,994,082	-	2,588,307	-	(879,305)	-	583,703,084
Tools	67,434,572	773,331	274,420	-	-	17,912,406	86,394,729
Spare Parts	44,242,643	-	7,431,729	-	(35,495)	-	51,638,877
Installations	439,480,905	-	10,001,039	187,663	(96,997)	11,110,353	460,682,963
Vehicles	178,828,193	2,399,678	22,249,145	-	(2,878,039)	(38,827)	200,560,150
Plots	16,777,024	-	442,794	-	-	-	17,219,818
Materials in Warehouse	579,754,696	5,736,322	1,002,342,206	-	(171,243,730)	(659,757,118)	756,832,376
Works-In-Progress	433,729,041	5,870,461	238,967,723	-	(248,149)	(188,195,845)	490,123,231
Leasehold Improvements	36,764,316	-	1,210,538	-	(2,542,719)	8,118,676	43,550,811
Allowance for Impairment of Property, Plant and Equipment and Obsolescence of Materials	(17,122,150)	(392,421)	-	-	-	-	(17,514,571)
Total as of December 31, 2013	7,629,864,231	159,831,840	2,020,636,147	20,809,784	(751,991,498)	-	9,079,150,504

Main Account	Balance at the Beginning	Acquisitions of Businesses	Cumulative Translation Adjustment	Retirements	Accumulated Depreciation		Net Book Value as of December 31, 2013
					For the year	Balances as of December 31, 2013	
Real Property	238,011,622	852,381	1,146,777	(267,603)	11,357,356	251,100,533	395,933,487
Furniture and Fixtures	80,973,505	-	4,137,294	(14,684)	5,012,446	90,108,561	21,715,951
Telecommunication, Audio and Video Equipment	184,337,307	-	-	(1,267,440)	11,654,363	194,724,230	34,746,089
External Network and Broadcasting Equipment	1,353,485,566	-	100,163,263	(567,402,520)	811,418,897	1,697,665,206	3,060,682,237
Computer Equipment	422,484,494	-	3,053,895	(112,377)	42,749,263	468,175,275	80,559,497
Technical Equipment	65,535,490	-	-	(357,349)	6,523,283	71,701,424	38,846,546
Workshop Machinery	528,198,996	-	-	(879,305)	8,033,930	535,353,621	48,349,463
Tools	52,796,511	-	459,984	-	14,857,349	68,113,844	18,280,885
Spare Parts	34,945,019	-	-	(35,495)	4,907,423	39,816,947	11,821,930
Installations	354,643,843	161,601	-	(88,248)	20,420,090	375,137,286	85,545,677
Vehicles	129,264,489	-	2,017,860	(2,804,639)	20,128,318	148,606,028	51,954,122
Plots	15,472,459	-	-	-	723,561	16,196,020	1,023,798
Materials in Warehouse	1,938,793	-	-	-	-	1,938,793	754,893,583
Works-In-Progress	114,383	-	-	-	-	114,383	490,008,848
Leasehold Improvements	30,177,663	-	-	(2,406,655)	5,554,171	33,325,179	10,225,632
Allowance for Impairment of Property, Plant and Equipment and Obsolescence of Materials	(257,512)	-	-	-	-	(257,512)	(17,257,059)
Total as of December 31, 2013	3,492,122,628	1,013,982	110,979,073	(575,636,315)	963,340,450	3,991,819,818	5,087,330,686

Main Account	Balance at the Beginning	Cumulative Translation Adjustment	Additions	Acquisitions of Businesses	Retirements	Transfers	Historical value
							Balances as of December 31, 2012
Real Property	560,661,368	2,237,767	7,454,055	-	(16,176,711)	6,368,006	560,544,485
Furniture and Fixtures	94,576,763	5,686,293	6,066,393	-	(5,586,803)	459,568	101,202,214
Telecommunication, Audio and Video Equipment	207,702,279	(1,257,467)	9,543,257	-	(10,089)	6,858,628	222,836,608
External Network and Broadcasting Equipment	3,124,430,025	94,355,326	481,903,365	-	(571,419,736)	654,520,104	3,783,789,084
Computer Equipment	448,586,820	(20,629,023)	58,504,139	-	(3,574,677)	12,237,972	495,125,231
Technical Equipment	82,231,104	10,750	14,954,738	-	-	7,286,695	104,483,287
Workshop Machinery	576,501,207	(19,321,179)	24,820,439	-	(6,385)	-	581,994,082
Tools	51,691,676	1,187,979	1,262,875	-	(1,159,121)	14,451,163	67,434,572
Spare Parts	38,294,224	(140,016)	6,088,435	-	-	-	44,242,643
Installations	410,056,024	24,264,007	6,690,610	-	(19,202)	(1,510,534)	439,480,905
Vehicles	169,813,640	2,857,943	11,967,892	2,028,250	(7,868,292)	28,760	178,828,193
Plots	17,308,504	(1,091,139)	559,659	-	-	-	16,777,024
Materials in Warehouse	475,181,484	(220,489)	716,503,557	-	(159,616,414)	(452,093,442)	579,754,696
Works-In-Progress	492,241,898	7,277,047	194,879,040	-	(7,168,856)	(253,500,088)	433,729,041
Leasehold Improvements	30,683,673	1,136,462	64,928	-	(13,915)	4,893,168	36,764,316
Allowance for Impairment of Property, Plant and Equipment and Obsolescence of Materials	(15,889,991)	(1,232,159)	-	-	-	-	(17,122,150)
Total as of December 31, 2012	6,764,070,698	95,122,102	1,541,263,382	2,028,250	(772,620,201)	-	7,629,864,231

Main Account	Balance at the Beginning	Acquisitions of Businesses	Cumulative Translation Adjustment	Retirements	For the year ⁽¹⁾	Accumulated Depreciation	
						Balances as of December 31, 2012	Net Book Value as of December 31, 2012
Real Property	233,026,534	-	443,947	(6,584,161)	11,125,302	238,011,622	322,532,863
Furniture and Fixtures	76,655,149	-	3,622,745	(3,669,919)	4,365,530	80,973,505	20,228,709
Telecommunication, Audio and Video Equipment	172,175,870	-	(238,810)	(3,084)	12,403,331	184,337,307	38,499,301
External Network and Broadcasting Equipment	1,133,612,422	-	92,287,026	(463,950,539)	591,536,657	1,353,485,566	2,430,303,518
Computer Equipment	370,075,023	-	3,757,738	(2,192,342)	50,844,075	422,484,494	72,640,737
Technical Equipment	56,207,633	-	1,518,561	-	7,809,296	65,535,490	38,947,797
Workshop Machinery	515,981,059	-	3,144,055	-	9,073,882	528,198,996	53,795,086
Tools	39,001,843	-	1,099,549	(795,759)	13,490,878	52,796,511	14,638,061
Spare Parts	31,276,424	-	(27,187)	-	3,695,782	34,945,019	9,297,624
Installations	315,853,110	-	17,651,871	(20,533)	21,159,395	354,643,843	84,837,062
Vehicles	114,297,624	-	2,509,886	(6,237,189)	18,694,168	129,264,489	49,563,704
Plots	14,370,726	-	823,450	-	278,283	15,472,459	1,304,565
Materials in Warehouse	3,756,661	-	(1,817,868)	-	-	1,938,793	577,815,903
Works-In-Progress	-	-	114,383	-	-	114,383	433,614,658
Leasehold Improvements	22,762,084	-	1,205,208	-	6,210,371	30,177,663	6,586,653
Allowance for Impairment of Property, Plant and Equipment and Obsolescence of Materials	(257,512)	-	-	-	-	(257,512)	(16,864,638)
Total as of December 31, 2012	3,098,794,650	-	126,094,554	(483,453,526)	750,686,950	3,492,122,628	4,137,741,603

(1) Includes Ps. 24.6 million from discontinued operations.

The following table details the average years of useful life of the items comprising Property, Plant and Equipment:

Item	Average Useful Life (in years)
Real Property	50
Furniture and Fixtures	10
Telecommunication, Audio and Video Equipment	between 3 and 4
External Network and Broadcasting Equipment	between 3 and 20
Computer Equipment	3
Technical Equipment	between 4 and 10
Workshop Machinery	10
Tools	5
Spare Parts	5
Installations	between 3 and 10
Vehicles	5
Plots	5
Leasehold Improvements	between 3 and 10

5.2. Intangible Assets

Main Account	Balance at the Beginning	Cumulative Translation Adjustment	Additions	Acquisition of Businesses	Retirements	Transfers	Historical value
							Balances as of December 31, 2013
Exploitation Rights and Licenses	27,792,030	-	3,533,913	-	-	-	31,325,943
Exclusivity Agreements	17,091,041	-	-	-	-	-	17,091,041
Other Rights	15,456,255	-	112,495	-	-	(447,063)	15,121,687
Acquisition Value of Subscriber Portfolio	1,074,011,174	-	-	-	-	-	1,074,011,174
Software	163,149,270	-	28,130,259	-	-	18,477,383	209,756,912
Trademarks and Patents	5,678,065	-	453,149	-	(251,000)	-	5,880,214
Projects in-Progress	-	-	8,528,654	-	-	-	8,528,654
Deferred Charges and Other	103,444,972	54,146	24,331,660	-	-	(18,030,320)	109,800,458
Total as of December 31, 2013	1,406,622,807	54,146	65,090,130	-	(251,000)	-	1,471,516,083

Main Account	Balance at the Beginning	Cumulative Translation Adjustment	Retirements	Accumulated Amortization For the year	Balances as of December 31, 2013	Net Book Value as of December 31, 2013
						December 31, 2013
Exploitation Rights and Licenses	22,686,617	-	-	2,807,224	25,493,841	5,832,102
Exclusivity Agreements	9,051,010	-	-	1,039,238	10,090,248	7,000,793
Other Rights	11,905,487	-	-	767,455	12,672,942	2,448,745
Acquisition Value of Subscriber Portfolio	698,982,184	-	-	107,079,978	806,062,162	267,949,012
Software	36,626,819	-	-	45,493,774	82,120,593	127,636,319
Trademarks and Patents	3,962,239	-	-	965,732	4,927,971	952,243
Projects in-Progress	-	-	-	-	-	8,528,654
Other	68,627,290	131,458	-	6,208,366	74,967,114	34,833,344
Total as of December 31, 2013	851,841,646	131,458	-	164,361,767	1,016,334,871	455,181,212

Main Account	Balance at the Beginning	Cumulative Translation Adjustment	Additions	Acquisition of Businesses	Retirements	Transfers	Historical value
							Balances as of December 31, 2012
Exploitation Rights and Licenses	30,925,198	(5,321,989)	3,805,868	-	(1,617,047)	-	27,792,030
Exclusivity Agreements	15,091,041	-	-	2,000,000	-	-	17,091,041
Other Rights	10,232,330	4,733,893	490,032	-	-	-	15,456,255
Acquisition Value of Subscriber Portfolio	1,073,157,424	853,750	-	-	-	-	1,074,011,174
Software	44,386,515	1,357,349	11,549,930	-	-	105,855,476	163,149,270
Trademarks and Patents	4,708,704	39,440	926,074	-	-	3,847	5,678,065
Projects in-Progress	64,126,242	-	41,733,081	-	-	(105,859,323)	-
Other	92,282,003	(4,113,285)	15,276,254	-	-	-	103,444,972
Total as of December 31, 2012	1,334,909,457	(2,450,842)	73,781,239	2,000,000	(1,617,047)	-	1,406,622,807

Main Account	Balance at the Beginning	Cumulative Translation Adjustment	Retirements	For the year ⁽¹⁾	Accumulated Amortization	Net Book Value as of
					Balances as of December 31, 2012	December 31, 2012
Exploitation Rights and Licenses	25,174,499	(6,033,789)	(1,617,047)	5,162,954	22,686,617	5,105,413
Exclusivity Agreements	7,572,521	-	-	1,478,489	9,051,010	8,040,031
Other Rights	8,584,087	1,521,086	-	1,800,314	11,905,487	3,550,768
Acquisition Value of Subscriber Portfolio	589,349,285	725,688	-	108,907,211	698,982,184	375,028,990
Software	14,129,660	725,936	-	21,771,223	36,626,819	126,522,451
Trademarks and Patents	3,615,679	39,440	-	307,120	3,962,239	1,715,826
Projects in-Progress	-	-	-	-	-	-
Other	64,315,511	(1,083,429)	-	5,395,208	68,627,290	34,817,682
Total as of December 31, 2012	712,741,242	(4,105,068)	(1,617,047)	144,822,519	851,841,646	554,781,161

(1) Includes Ps. 2.1 million from discontinued operations.

The following is a detail of the average number of years over which intangible assets items are amortized:

Item	Amortization Period (in years)
Exploitation Rights and Licenses	between 2 and 20
Exclusivity Agreements	between 5 and 15
Other Rights	between 5 and 20
Acquisition Value of Subscriber Portfolio	10
Software	between 3 and 5
Trademarks and Patents	between 3 and 10

5.3 Goodwill

Company assesses the recoverability of goodwill considering each company for which it records goodwill as a different cash generating unit ("CGU").

The recoverable amount of each CGU has been determined as per its value in use, calculated based on operating cash flows estimated in the financial budgets approved by Management, which comprise a period ranging from one to three years. Cash flows not included in those periods are projected using a growth rate, assessed based on statistical data and historical indicators of Argentina, which does not exceed the long-term average growth of each business.

The gross margin used in each case for the calculation of the value in use allocated to each CGU arises from budgets prepared by each business for the period under consideration, which are in line with the historical data and the expectations regarding market development and evolution of the respective businesses.

The discount rate used in each case for the calculation of the value in use allocated to each CGU takes into account the risk-free rate, the country risk premium and the premium for risks specific to each business, and the indebtedness structure of each CGU. In particular, the annual discount rate applied to the projections of Cablevisión's cash flows is of approximately 12%.

Main Account	Net Book Value before Impairment	Allowance for Goodwill impairment	Net balances as of December 31, 2013	Net balances as of December 31, 2012
Cablevisión and subsidiaries ⁽¹⁾	3,189,481,048	(594,075,234)	2,595,405,814	2,518,988,668
PRIMA	2,272,319	-	2,272,319	2,272,319
CIMECO and related companies	235,982,248	(54,637,313)	181,344,935	181,344,935
Cúspide and subsidiaries	19,059,775	-	19,059,775	19,059,775
Telecor	39,173,062	-	39,173,062	39,173,062
Grupo Carburando	12,053,573	(12,053,573)	-	-
Pol-Ka	16,130,769	(6,850,727)	9,280,042	9,280,042
Telba	3,774,071	-	3,774,071	3,774,071
Bariloche TV	1,844,621	-	1,844,621	1,844,621
Other	24,634,143	(533,130)	24,101,013	21,283,199
Total	3,544,405,629	(668,149,977)	2,876,255,652	2,797,020,692

(1) Includes goodwill of Multicanal and Teledigital, merged into Cablevisión (see Note 8.1.d).

5.4 Investment in Unconsolidated Affiliates

				Value Recorded as of December 31, 2013	Value Recorded as of December 31, 2012
	Main business activity	Country	Interest (%) ⁽¹⁾		
Included in assets					
Interest in Associates					
Papel Prensa	Manufacturing of Newsprint	Argentina	49.00	177,926,621	186,458,231
Ver TV S.A.	Cable Television Station	Argentina	49.00	52,168,147	15,656,650
TPO	Closed-Circuit Television	Argentina	47.00	10,822,223	10,822,223
TATC	Cable Television Station	Argentina	49.99	6,227,066	6,797,511
La Capital Cable	Closed-Circuit Television	Argentina	49.00	11,517,871	10,972,032
TSMA	Cable Television Station	Argentina	49.10	20,417,145	10,060,515
Other Investments				6,131,683	17,034,100
Interests in Joint Operations					
TSC	Exploitation of events television broadcasting rights	Argentina	50.00	5,449,406	5,132,164
TRISA	Production and exploitation of sports events, advertising agency and financial and investing operations	Argentina	50.00	78,221,674	64,646,211
Impripost	Variable printing	Argentina	50.00	12,743,779	11,552,623
AGL	Printing	Argentina	50.00	12,808,904	12,893,886
Ríos de Tinta	Editorial activities	Mexico	50.00	7,245,419	4,193,587
Ideas del Sur	Radio and television production	Argentina	30.00	-	17,410,671
Patagonik	Film producer	Argentina	33.33	12,757,924	11,943,978
Canal Rural	Audiovisual production and sale of advertising	Argentina	24.99	4,182,138	3,638,207
				418,620,000	389,212,589
Included in liabilities					
Interests in Joint Operations					
VLG	Investing and financing	USA	50.00	6,148,845	6,269,973
				6,148,845	6,269,973

(1) Interest in capital stock and votes.

Equity in Earnings from Affiliates and Subsidiaries

	December 31, 2013	December 31, 2012
TRISA	41,523,872	8,186,642
Papel Prensa	(8,656,680)	(5,477,205)
La Capital Cable	10,380,459	10,255,856
AGL	(84,982)	466,521
Canal Rural	1,043,921	1,088,911
Ríos de Tinta	1,555,834	70,552
Impripost	1,191,156	2,401,324
VLG	(5,506,701)	(6,307,465)
Ver TV S.A.	82,391,089	-
TSMA	35,091,915	-
Other Companies	(18,892,908)	2,997,579
	140,036,975	13,682,715

The following is a detail of certain supplementary information required by IFRS about interests in associates (amounts stated in millions of Argentine pesos):

	December 31, 2013	December 31, 2012
Dividends received	81	14
Summarized financial information:		
Current assets	382	285
Non-current assets	530	543
Current liabilities	110	86
Non-current liabilities	224	187
Revenues	1,069	543
Income from Continuing Operations	25	(47)
Total Comprehensive Income	25	(47)

The following is a detail of certain supplementary information required by IFRS about interests in joint operations (amounts stated in millions of Argentine pesos):

	December 31, 2013	December 31, 2012
Dividends received	28	2
Summarized financial information:		
Assets		
Cash and Cash Equivalents	128	142
Other Current Assets	325	294
Current assets	454	436
Non-current assets	109	157
Liabilities		
Current Debt	20	22
Other Current Liabilities	277	275
Current liabilities	297	297
Non-Current Debt	4	44
Other Non-Current Liabilities	13	17
Non-current liabilities	17	61
Revenues	767	876
Depreciation and Amortization	(12)	(16)
Interest Income	4	3
Interest Expense	(7)	(9)
Income Tax and Tax on Assets	(50)	(20)
Income from Continuing Operations	84	24
Other Comprehensive Income	3	2
Total Comprehensive Income	87	26

5.5 Other Investments

	December 31, 2013	December 31, 2012
Non-Current		
Financial Instruments	143,313,288	99,597,125
	143,313,288	99,597,125
Current		
Financial Instruments	450,820,527	291,086,164
Securities	20,672,115	4,373,191
Mutual Funds	162,961,333	390,173,236
	634,453,975	685,632,591

5.6 Inventories

	December 31, 2013	December 31, 2012
Non-Current		
Film Products and Rights	28,181,042	13,929,652
	28,181,042	13,929,652
Current		
Raw Materials and Supplies	180,842,196	235,229,897
Products-in-Process	528,581	1,951,575
Finished Goods	47,702,122	28,553,958
Film Products and Rights	42,361,775	83,078,087
Other	900,956	71,801
Subtotal	272,335,630	348,885,318
Less: Allowance for Impairment of Inventories	(3,131,729)	(6,111,369)
	269,203,901	342,773,949

5.7 Other Assets

	December 31, 2013	December 31, 2012
Non-Current		
Works of Art	461,696	533,010
Other	1,330,205	1,363,632
	1,791,901	1,896,642
Current		
Other	4,990,825	7,362,757
	4,990,825	7,362,757

5.8 Other Receivables

	December 31, 2013	December 31, 2012
Non-Current		
Tax Credits	47,796,827	29,071,847
Guarantee Deposits	1,761,007	2,393,139
Prepaid Expenses	22,445,045	32,049,057
Advances	129,045,302	46,706,040
Related Parties (Note 16)	18,520,453	17,312,664
Other	15,984,632	2,529,687
Allowance for Other Bad Debts	(3,224,740)	(1,292,002)
	232,328,526	128,770,432
Current		
Tax Credits	220,537,625	98,979,763
Court-ordered and Guarantee Deposits	17,580,011	12,958,195
Prepaid Expenses	97,869,277	108,944,242
Advances	72,306,970	68,271,431
Related Parties (Note 16)	23,455,901	20,091,695
Sundry Receivables	15,037,655	20,997,255
Other	89,821,606	72,735,694
Allowance for Other Bad Debts	(1,619,442)	(712,582)
	534,989,603	402,265,693

5.9 Trade Receivables

	December 31, 2013	December 31, 2012
Non-Current		
Trade Receivables	129,021,518	125,285,473
	129,021,518	125,285,473
Current		
Trade Receivables	2,220,732,674	1,720,125,393
Related Parties (Note 16)	24,602,899	42,893,260
Allowance for Bad Debts	(149,198,962)	(124,468,622)
	2,096,136,611	1,638,550,031

5.10 Cash and Banks

	December 31, 2013	December 31, 2012
Cash and Imprest Funds	18,447,604	13,891,570
Cash at Banks	1,314,535,399	609,503,744
	1,332,983,003	623,395,314

5.11 Provisions and Other

	December 31, 2013	December 31, 2012
Non-Current		
Provisions for Lawsuits and Contingencies	272,194,321	244,711,114
Accrual for Asset Retirement	10,738,636	10,127,840
	282,932,957	254,838,954

5.12 Debt

	December 31, 2013	December 31, 2012
Non-Current		
Financial Loans	247,113,661	24,532,325
Notes	2,531,879,000	2,576,671,000
Acquisition of equipment	104,703,748	131,042,046
Related Parties (Note 16)	6,410,285	5,775,689
Measurement at Fair Value	(45,296,584)	(54,726,838)
	2,844,810,110	2,683,294,222
Current		
Bank Overdraft	96,951,925	25,938,501
Financial Loans	49,498,515	130,633,167
Notes	924,556,818	165,200,000
Acquisition of equipment	90,337,547	70,085,470
Related Parties (Note 16)	10,948,588	13,316,320
Interest and Restatement	120,076,738	95,037,331
Measurement at Fair Value	2,158,735	3,873,880
	1,294,528,866	504,084,669

The following table details the changes in loans and indebtedness for the year ended December 31, 2013 and the prior year:

	2013	2012
Balances as of January 1	3,187,378,891	3,191,741,464
New Loans and Indebtedness ⁽¹⁾	378,266,001	160,647,673
Accrued Interest	317,518,620	304,446,963
Exchange rate fluctuations and other financial effects	935,235,777	437,066,953
Early Collection of investment for the purchase of Notes	67,182,254	-
Acquisition of investment for the purchase of Notes from Subsidiaries (Note 23)	-	(195,525,800)
Payment of Interest	(313,730,483)	(304,037,904)
Payment of Principal	(432,512,084)	(402,949,658)
Repurchase / Financial Debt Refinancing Result ⁽²⁾	-	(4,010,800)
Balances as of December 31	4,139,338,976	3,187,378,891

(1) Mostly loans for the purchase of capital assets and inventories.

(2) As of December 31, 2012 it belongs to the repurchase of Notes, issued by Cablevisión, carried out on June 12, 2012 and September 21, 2012, charged to other financial income, net in the Consolidated Statement of Comprehensive Income.

The following table summarizes the maturities of consolidated loans (undiscounted values) at year-end:

Non-Current Debt	To fall due				Total Non-Current
	From 1 to 2 years	From 2 to 3 years	From 3 to 4 years	From 4 to 5 years	
Financial Loans	218,273,956	12,503,949	11,442,647	4,893,109	247,113,661
Notes	573,760,000	1,097,479,000	573,760,000	286,880,000	2,531,879,000
Acquisition of equipment	76,783,865	26,674,928	1,244,955	-	104,703,748
Related Parties	6,410,285	-	-	-	6,410,285
Total as of December 31, 2013	875,228,106	1,136,657,877	586,447,602	291,773,109	2,890,106,694

Current Debt	To fall due				Total Current
	Up to 3 months	From 3 to 6 months	From 6 to 9 months	From 9 months to 1 year	
Bank Overdraft	96,951,925	-	-	-	96,951,925
Financial Loans	3,415,278	3,074,009	2,577,097	40,432,131	49,498,515
Notes	504,984,409	132,692,409	286,880,000	-	924,556,818
Acquisition of equipment	21,985,858	19,176,568	19,926,568	29,248,553	90,337,547
Related Parties	-	5,173,751	5,774,837	-	10,948,588
Interest and Restatement	12,815,287	104,715,094	2,384,814	161,543	120,076,738
Total as of December 31, 2013	640,152,757	264,831,831	317,543,316	69,842,227	1,292,370,131

Consolidated loans mainly include the following:

5.12.1 Cablevisión

The most significant bank and financial loans borrowed by Cablevisión and its subsidiaries are the following:

Date Issued	Borrower	Principal Amount	Balances as of	Balances as of	Final Maturity	Annual Interest Rate
			December 31, 2013	December 31, 2012		
			In millions of USD			
February 2011	⁽¹⁾ Cablevisión	88.2	87.4	87.4	February 2018	⁽³⁾ 8.75%
February 2011	⁽¹⁾ Cablevisión	71.3	70.6	70.6	February 2018	⁽³⁾ 9.375%
February 2011	⁽¹⁾ Cablevisión	223.3	221.0	221.0	February 2018	⁽³⁾ 9.625%
February 2011	⁽²⁾ Cablevisión	17.2	17.1	17.1	February 2018	⁽³⁾ 9.375%
May 2011	⁽²⁾ Cablevisión	50.0	12.5	37.5	May 2014	Libor + 7.5%
May 2011	⁽²⁾ Prima	70.0	10.7	12.5	May 2014	Libor + 7.5%
December 2003	Multicanal	80.3	80.3	80.3	July 2016	⁽³⁾ 3.5% to 4.5%

(1) Use of funds: Refinancing of Notes.

(2) Use of funds: Acquisition of non-financial assets and financing of imports (Note 23).

(3) Fixed rate.

As a result of the Notes issued, Cablevisión has undertaken certain covenants, including: (i) limitation on the issuance of guarantees by subsidiaries; (ii) mergers, consolidations, and sale of assets under certain conditions, (iii) limitation on incurring debt above certain approved ratios, (iv) limitation on capital expenditure exceeding certain amount, (v) limitation on transactions with shareholders and affiliates under certain conditions, (vi) limitation on the issuance and sale of significant subsidiaries' shares with certain exceptions.

As a result of the issue of its variable-rate Notes, PRIMA has undertaken certain covenants, including the limitation to carry out transactions with shareholders and affiliates under certain conditions. Cablevisión is the guarantor of the issue and the obligor for the payment of PRIMA's Notes for up to USD 35,000,000.

5.12.2 AGEA and subsidiaries

On January 28, 2004, the subsidiary AGEA issued USD30.6 million aggregate principal amount Series C Notes due 2014, which accrue interest at an incremental fixed rate (2% from December 17, 2003 to January 28, 2008; 3% from January 29, 2008 to January 28, 2012; and 4% from January 29, 2012 to maturity), payable semiannually. Principal will be repaid in a lump sum on January 28, 2014 (See Note 25.a).

The Series C Notes due 2014 include certain covenants and restrictions that have been duly fulfilled by AGEA as of the date of these financial statements.

On July 15, 2011, AGEA executed a syndicated loan agreement in the amount of Ps. 45 million with Standard Bank Argentina S.A. and Banco Itaú Argentina S.A., which accrues interest at a fixed annual rate of 18.45% payable on a quarterly basis as from October 18, 2011. Principal will be repaid in five consecutive quarterly installments beginning on July 18, 2012. As of December 31, 2013 AGEA has repaid in full the total installments of principal plus accrued interest on each of the respective maturity dates.

As of December 31, 2013, AGEA had executed overdraft facility agreements with banks for a

maximum of Ps. 86 million for a maximum term of 30 days. Those overdraft facilities accrue interest at a fixed annual rate of approximately 27% - 34%.

As of December 31, 2013, AGR is the borrower under a loan with Banco Ciudad in the amount of Ps. 23 million that accrues interest at an annual fixed rate of 15.75%.

5.12.3 GCGC

As of December 31, 2013 GCGC was the borrower under a loan with Banco de la Ciudad de Buenos Aires executed to finance the repair, recycling and improvement of the building for a principal amount of up to Ps. 30 million. Such loan will be repaid in 60 months, as from October 2012, with a 24-month grace period, i.e. in 36 monthly consecutive installments, accruing interest at the average Badlar rate for Private Banks plus 100 basic points. The aggregate amount of the loan will be advanced to the company in several stages, after having obtained the required professional certifications. As of December 31, 2013 expenditures amount to approximately Ps. 28 million.

GCGC was the borrower under a loan agreement with Industrial and Commercial Bank of China (Argentina) S.A. for a principal amount of Ps. 7.5 million to finance the repair, recycling and improvement of the building. The loan will be repaid in 36 months, as from October 2012, with a 18-month grace period. The principal amount will be repaid in 7 quarterly decreasing installments as from the 18th month. Such loan accrues interest at a 15% fixed nominal annual rate.

5.12.4 GCSA Investments

In May 2013 GC Investments repaid in full the balance under the loan for USD 10 million principal amount held with JP Morgan Chase Bank.

5.12.5 ARTEAR

As of December 31, 2012 ARTEAR was the borrower under a commercial loan with a local bank for a principal amount of Ps. 15 million. Principal on the loan is payable in three equal installments due in January, April and July 2013. Interest accrues at a fixed rate and is payable on a quarterly basis, starting in October 2011 until the final maturity.

On December 6, 2013 ARTEAR and Banco Itaú Argentina S.A. executed an agreement whereby ARTEAR is the borrower under a bilateral loan, within the framework of Communication “A” 5449 issued by the BCRA relating to Productive Investment Credit Facilities, for a principal amount of Ps. 12.9 million, payable within a term of 36 months in equal consecutive monthly installments. The first installment is due on month 12, counted as from disbursement. The funds will be used to finance a project for the acquisition of capital assets and manpower to adapt the production and broadcasting of contents to the entertainment and news standards of the television industry. Principal accrues interest at an annual nominal fixed rate of 15.25% payable on a monthly basis as from disbursement.

On December 20, 2013 ARTEAR executed a syndicated loan with Banco Itaú Argentina S.A. and the Industrial and Commercial Bank of China (Argentina) S.A. for a principal amount of Ps. 200 million to be repaid in 2 years in the following installments: Ps. 35 million due 12 months after disbursement, Ps. 35 million due 18 months after disbursement and Ps. 130 million due 24 months after disbursement. Each of the banks has a 50% pro rata participation in the loan. The funds will be used to finance working capital, to make capital expenditures and/or to distribute dividends. Principal accrues

interest at a variable rate based on BADLAR for private banks, plus a 4.25% margin, payable on a monthly basis as from disbursement. As security of the loan, Itaú Unibanco S.A., New York Branch, has issued in favor of each of the two banks acting as lenders under this agreement an irrevocable independent guarantee, payable on first demand (“Stand By Letter of Credit” or “SBLC”) to secure all the obligations undertaken by ARTEAR until the repayment of the loans. These SBLCs were issued in US dollars for an amount which, converted into Argentine pesos, covers at least 100% of the principal amount owed by the borrower to each of the banks under the loan.

5.12.6 CMD

As of December 31, 2013 CMD was the borrower under a loan with Banco de la Ciudad de Buenos Aires for a balance of Ps. 6.3 million principal amount. Proceeds were used to finance partially the acquisition and renovation of the building. Such loan will be repaid in 60 months, with a 24-month grace period, i.e. in 36 monthly consecutive installments, accruing interest at the average Badlar rate for Private Banks plus 100 basic points. The first installment was due on June 27, 2010.

5.13 Sellers Financing

The following table summarizes the consolidated debt maturities in connection with the acquisition of companies:

Non-Current Sellers Financing	Total as of December 31, 2013	Total as of December 31, 2012
Principal	-	325,330

Current Sellers Financing	Without any established term	Up to 3 months	From 3 to 6 months	To fall due From 6 to 9 months	Total as of December 31, 2013	Total as of December 31, 2012
Principal	1,195,889	793,536	1,230,103	265,146	3,484,674	1,103,888

5.14 Taxes Payable

	December 31, 2013	December 31, 2012
Non-Current		
Taxes Payable on a National Level	108,608,440	74,910,041
	108,608,440	74,910,041
Current		
Taxes Payable on a National Level	362,330,129	386,657,664
Taxes Payable on a Provincial Level	6,733,650	6,548,977
Taxes Payable on a Municipal Level	26,123,600	18,562,595
	395,187,379	411,769,236

5.15 Other Liabilities

	December 31, 2013	December 31, 2012
Non-Current		
Guarantee Deposits	106,919	2,599
Unearned Revenue	90,639,758	81,047,345
Call Options (Note 10)	19,560,000	5,154,721
Investment in Affiliates and Subsidiaries	6,148,845	6,269,973
Other	5,444,664	5,113,951
	121,900,186	97,588,589
Current		
Advances from Customers	72,422,931	62,049,186
Dividends Payable	1,419,351	2,459,472
Related Parties (Note 16)	439,276	30,336
Call Options (Note 10)	5,154,721	14,760,000
Unearned Revenue	113,082,533	84,925,814
Derivatives (Note 22)	-	4,010,000
Other	55,397,590	46,010,317
	247,916,402	214,245,125

5.16 Trade Payables and Other

	December 31, 2013	December 31, 2012
Non-Current		
Suppliers and Trade Provisions	2,859,522	5,774,324
Employer's Contributions	2,485,072	114,302
	5,344,594	5,888,626
Current		
Suppliers and Trade Provisions	1,555,999,401	1,262,496,139
Related Parties (Note 16)	68,248,540	86,717,499
Employer's Contributions	889,160,489	679,910,028
	2,513,408,430	2,029,123,666

5.17 Changes in provisions and allowances

Items	Balance at the Beginning	Increases	Decreases	Balances as of December 31, 2013	Balances as of December 31, 2012
Deducted from Assets					
Allowance for Bad Debts	126,473,206	⁽¹⁾ 137,915,544	⁽¹⁾ (110,345,606)	154,043,144	126,473,206
Allowance for Impairment of Inventories	6,111,369	⁽²⁾ -	(2,979,640)	3,131,729	6,111,369
Allowance for Impairment of Property, Plant and Equipment and Obsolescence of Materials	16,864,638	⁽²⁾ 392,421	-	17,257,059	16,864,638
Allowance for Goodwill impairment	668,149,977	-	-	668,149,977	668,149,977
Valuation Allowance ⁽⁵⁾	78,850,619	⁽³⁾ 6,876,231	(7,109,897)	78,616,953	78,850,619
Total	896,449,809	145,184,196	(120,435,143)	921,198,862	896,449,809
Included in liabilities					
Provisions for Lawsuits and Contingencies	244,711,114	⁽⁴⁾ 116,906,239	⁽⁴⁾ (89,423,032)	272,194,321	244,711,114
Accrual for Asset Retirements	10,127,840	⁽⁴⁾ 610,796	⁽⁴⁾ -	10,738,636	10,127,840
Total	254,838,954	117,517,035	(89,423,032)	282,932,957	254,838,954

(1) Includes net increases of Ps. 134,647,036, which have been charged to Selling Expenses (see Note 6.3) and Ps. 258,158, which have been charged to Other Financial Income, Net.

(2) Charged to Impairment of Inventories and Obsolescence of Materials under Production and Services Expenses (see Note 6.3).

(3) Charged to Income Tax and Tax on Assets

(4) Includes net increases of Ps. 90,145,907, which have been charged to Contingencies (see Note 6.3) and Ps. 12,062,998, which have been charged to Other Financial Income, Net.

(5) Includes Valuation Allowance for Net Deferred Tax Assets and Valuation Allowance for tax on assets.

Note 6

Breakdown of the main items of the statement of comprehensive income

6.1 Revenues

	December 31, 2013	December 31, 2012
Sales of Cable TV Subscriptions	7,398,281,748	5,704,777,503
Advertising Sales	2,641,370,918	2,295,676,706
Sales of Internet Subscriptions	1,901,569,174	1,588,414,701
Circulation Sales	1,086,942,594	879,516,792
Printing Services Sales	169,362,149	125,569,566
TV Signals Sales	244,077,312	174,492,718
Other Sales	742,674,597	550,458,107
Total ⁽¹⁾	14,184,278,492	11,318,906,093

(1) Includes sales executed through barter transactions as of December 31, 2013 and 2012 for Ps. 129.8 million and Ps. 91.6 million, respectively.

6.2 Cost of Sales

	December 31, 2013	December 31, 2012
Inventories at the beginning of the year	362,814,970	387,495,288
Purchases for the year	710,968,036	734,628,930
Production and Services Expenses (Note 6.3)	7,427,433,653	5,748,877,255
Less: Inventories at year-end	(300,516,672)	(362,814,970)
Cost of Sales	8,200,699,987	6,508,186,503

6.3 Production and Services, Selling and Administrative Expenses

Item	Production and Services Expenses	Selling Expenses	Administrative Expenses	Total as of December 31, 2013	Total as of December 31, 2012
Fees for Services	230,982,000	75,910,088	493,312,275	800,204,363	672,233,848
Salaries, Social Security and Benefits to Personnel	2,955,075,680	557,095,994	786,167,906	4,298,339,580	3,320,598,330
Advertising and Promotion Expenses	-	388,327,958	625,425	388,953,383	341,693,040
Taxes, Duties and Contributions	226,159,811	431,222,059	31,755,162	689,137,032	496,720,248
Bad Debts	-	134,647,036	-	134,647,036	42,811,874
Travel Expenses	62,598,235	31,474,498	12,866,522	106,939,255	92,070,594
Maintenance Expenses	427,160,228	40,500,636	152,141,273	619,802,137	482,968,866
Distribution Expenses	37,449,005	56,100,530	-	93,549,535	70,033,250
Communication Expenses	8,512,485	2,688,056	8,038,708	19,239,249	15,476,286
Contingencies	31,182,988	-	58,962,919	90,145,907	59,708,247
Stationery and Office Supplies	4,094,198	3,023,400	23,821,390	30,938,988	27,705,902
Commissions	-	29,364,988	256,354,842	285,719,830	215,735,810
Productions and Co-Productions	189,005,010	-	-	189,005,010	165,757,963
Printing Expenses	162,228,640	-	-	162,228,640	114,962,902
Rights	1,447,781,092	-	-	1,447,781,092	1,049,888,005
Services and Satellites	227,176,237	745,619	20,267,017	248,188,873	209,047,249
Severance Payments	29,488,232	11,434,196	15,957,164	56,879,592	19,767,350
Non-Computable VAT	26,766,393	-	-	26,766,393	20,093,188
Rentals	178,388,812	9,869,243	31,955,791	220,213,846	180,156,150
Amortization of Intangible Assets	153,422,767	6,619,294	4,319,706	164,361,767	142,775,556
Amortization of Film Library	2,593,773	-	-	2,593,773	3,505,925
Depreciation of Property, Plant and Equipment	881,407,467	50,164,689	31,768,294	963,340,450	726,074,731
Impairment of Inventories and Obsolescence of Materials	1,247,872	-	-	1,247,872	6,337,972
Other Expenses	144,712,728	44,948,373	37,386,626	227,047,727	183,152,163
Total as of December 31, 2013	7,427,433,653	1,874,136,657	1,965,701,020	11,267,271,330	
Total as of December 31, 2012	5,748,877,255	1,387,819,339	1,522,578,855		8,659,275,449

6.4 Financial Costs

	December 31, 2013	December 31, 2012
Financial Discounts on Liabilities	(19,694,131)	(10,105,378)
Interest	(321,455,368)	(309,041,016)
Exchange Differences	(961,338,993)	(453,206,615)
Other Financial Costs	(2,707,122)	(607,202)
Total	(1,305,195,614)	(772,960,211)

6.5 Other Financial Results, net

	December 31, 2013	December 31, 2012
Exchange Differences	162,882,217	36,649,734
Interest	25,957,435	44,036,510
Financial Discounts on Assets and Liabilities	10,513,408	(17,466,759)
Other Taxes and Expenses	(205,497,670)	(185,761,914)
Results from transactions with securities and bonds	(161,437,074)	(17,598,836)
CER Restatement	(2,383,052)	(5,119,362)
Income from Changes in the Fair Value of Financial Instruments	(670,000)	(1,943,500)
Repurchase / Financial Debt Refinancing Result	-	4,010,800
Total	(170,634,736)	(143,193,327)

6.6 Other Income and Expense, net

	December 31, 2013	December 31, 2012
Income from Sale of Property, Plant and Equipment	4,448,084	3,213,458
Disposal of Unconsolidated Affiliates	71,518,844	-
Other	9,458,091	(2,574,088)
Total	85,425,019	639,370

Note 7

Income tax

The following table shows the reconciliation between the consolidated income tax charged to net income for the years ended December 31, 2013 and 2012 and the income tax liability that would result from applying the current tax rate on consolidated income before income tax and tax on assets and the income tax liability assessed for each year (amounts stated in thousands of Argentine Pesos):

	December 31, 2013	December 31, 2012
Income before Income Tax	893,372	998,490
Current Rate	35%	35%
Income Tax Assessed at the Current Tax Rate on Income before Income Tax	(312,680)	(349,472)
Permanent Differences:		
Equity in Earnings from Affiliates and Subsidiaries	49,013	4,789
Non-Taxable Income	137,860	(149,759)
Other	36,555	(10,207)
Subtotal	(89,252)	(504,649)
Valuation Allowance for Net Deferred Tax Assets Charged to Income	(3,331)	(14,524)
Total Income Tax	(92,583)	(519,173)
Deferred Tax	258,580	(58,580)
Current Tax	(351,163)	(460,593)
Income Tax Assessed for the Year	(92,583)	(519,173)
Tax on assets	(124)	(5,703)
Total	(92,707)	(524,876)

Breakdown of Consolidated Deferred Tax (in thousands of Argentine pesos):

	December 31, 2013	December 31, 2012	Changes Year 2013	Changes Year 2012
Deferred Assets				
Tax Loss Carryforwards	154,819	95,065	59,754	21,716
Specific Tax Loss Carryforward	934	1,008	(74)	531
Inventories	14,799	7,095	7,704	2,017
Other Investments	2,980	7,463	(4,483)	(183)
Provisions and Other	79,330	66,428	12,902	19,011
Other Liabilities	11,231	-	11,231	-
Trade Payables and Other	84,460	19,913	64,547	3,847
	348,553	196,972	151,581	46,939
Deferred Tax Liabilities				
Property, Plant and Equipment	(130,865)	(109,901)	(20,964)	(2,665)
Intangible Assets	(96,077)	(119,272)	23,195	17,350
Trade Receivables	(14,789)	(25,884)	11,095	(4,691)
Other Assets	(808)	(1,912)	1,104	2,739
Other Liabilities	-	(88,756)	88,756	(109,550)
Long-Term Debt	(15,098)	(17,799)	2,701	121
Subtotal	(257,637)	(363,524)	105,887	(96,696)
Valuation Allowance on				
Tax Loss Carryforwards	(38,780)	(39,892)	1,112	(8,823)
	(296,417)	(403,416)	106,999	(105,519)
Total Net Deferred Tax Assets / (Liabilities)	⁽¹⁾ 52,136	(206,444)	258,580	(58,580)

(1) Comprises Deferred Tax Assets in the amount of Ps. 140,001,740 and Deferred Tax Liabilities in the amount of Ps. 87,867,286 as of December 31, 2013, disclosed in the Consolidated Balance Sheet.

As of December 31, 2013, the Company's and its subsidiaries' accumulated consolidated tax loss carryforwards amounted to approximately Ps. 445,010 thousand, which calculated at the current tax rate, represent deferred tax assets in the amount of approximately Ps. 155,753 thousand. The following table shows the expiration date of the accumulated tax loss carryforwards pursuant to statutes of limitations (amounts stated in thousands of Argentine Pesos):

Expiration year	Amount of Tax Loss Carryforward
2014	30,533
2015	22,052
2016	121,299
2017	60,017
2018	211,109

The Company estimates that the tax loss carryforwards are recoverable for the net amounts disclosed.

Note 8

Provisions and other contingencies

8.1 Regulatory Framework

a. SCI Resolution No. 50/10 approved certain rules for the sale of pay television services. These rules provide that cable television operators must apply a formula to estimate their monthly subscription prices. The price arising from the application of the formula was to be informed to the Office of Business Loyalty (Dirección de Lealtad Comercial) between March 8 and March 22, 2010. Cable television operators must adjust such amount semi-annually and inform the result of such adjustment to said Office.

Even though as of the date of these financial statements the subsidiary Cablevisión cannot assure the actual impact of the application of this formula, given the vagueness of the variables provided by the Resolution to calculate the monthly subscription prices, Cablevisión believes that Resolution No. 50/10 is arbitrary and bluntly disregards its freedom to contract, which is part of the right to freedom of industry and trade. Therefore, it has filed the pertinent administrative claims and has brought the necessary legal actions requesting the suspension of the Resolution's effects and ultimately requesting its nullification.

Even though Cablevisión, like other companies in the industry, has strong constitutional arguments to support its position, it cannot be assured that the final outcome of this issue will be favorable. Therefore, Cablevisión may be forced to modify the price of its pay television subscription, a situation that could significantly affect the revenues of its core business. This creates a general framework of uncertainty over Cablevisión's business that could significantly affect the recoverability of its relevant assets reported in these consolidated financial statements and Grupo Clarín S.A.'s assets related to its investment in Cablevisión. Notwithstanding the foregoing, as of the date of these financial statements, in accordance with the decision rendered on August 1, 2011 in re "LA CAPITAL CABLE S.A. v/ Ministry of Economy-Secretary of Domestic Trade", the Federal Court of Appeals of the City of Mar del Plata has ordered the SCI to suspend the application of Resolution No. 50/10 with respect to all cable television licensees represented by the Argentine Cable Television

Association ("ATVC", for its Spanish acronym). Upon being served on the SCI and the Ministry of Economy on September 12, 2011, such decision became fully effective and may not be disregarded by the SCI.

On June 1, 2010, the SCI imposed a Ps. 5 million fine on Cablevisión alleging that it had failed to comply with the information regime set forth by Resolution No. 50/10, and invoking the Antitrust Law to impose such penalty. The fine was appealed and submitted to the National Court of Appeals on Federal Administrative Matters, Chamber 5, which decided to reduce the fine to Ps. 300,000. Cablevisión appealed this decision by filing an extraordinary appeal with the Supreme Court of Argentina.

On March 10, 2011 SCI Resolution No. 36/11 was published in the Official Gazette. This Resolution falls within the framework of SCI Resolution No. 50/10. Resolution No. 36/11 sets forth the parameters to be applied to the services rendered by Cablevisión to its subscribers from January through April 2011. These parameters are as follows: 1) the monthly basic subscription price shall be Ps. 109 for that period; 2) the price of other services rendered by Cablevisión should remain unchanged as of the date of publication of the resolution; and 3) the promotional benefits, existing rebates and/or discounts already granted as of that same date shall be maintained. The resolution also provides that Cablevisión shall reimburse users for any amount collected above the price set for that period.

Cablevisión believes that Resolution No. 36/10 is illegal and arbitrary, since it is grounded on Resolution No. 50/2010, which is absolutely null and void. Since the application of Resolution No. 50/10 has been suspended, the application of Resolution No. 36/2011, which falls within the framework of the former, is also suspended.

The claim filed by Cablevisión seeking the nullification of Resolution No. 50/2010 is currently pending before the Federal Administrative Court of First Instance No. 7 of the City of Buenos Aires.

Subsequently, the SCI issued Resolutions Nos. 65/11, 92/11, 123/11, 141/11, 10/11, 25/12, 97/12, 161/12, 29/13, 61/13 and 104/13 pursuant to which the SCI extended the

effectiveness of Resolution No. 36/11 up to and including December 2013, and adjusted the cable television subscription price to Ps.145. Cablevisión believes, however, that given the terms under which the Federal Court of the City of the City of Mar del Plata granted the preliminary injunction, that is, ordering the SCI to suspend the application of Resolution No. 50/97 with respect to all cable television licensees represented by ATVC (among them, Cablevisión and its subsidiaries), and also given the fact that Resolutions No. 36/11, 65/11, 92/11, 123/11, 141/11, 10/11, 25/12, 97/12, 161/12, 29/13, 61/13 and 104/13 merely extend the effectiveness of Resolution No. 50/10, Cablevisión continues to be protected by said preliminary injunction, and, therefore, the ordinary course of its business will not be affected. (See Note 25.b).

On January 13, 2012, the Secretariat of Domestic Trade issued Resolution No. 2/2012 granting Cablevisión 24 hours to resume service to those subscribers who had duly paid their subscription fee in the amount established by the National Government. In its sixth section, the Resolution provides that if the company does not comply with its obligations thereunder, penalties may be imposed as provided by Law 20,680. On February 10, 2012, Cablevisión received a fine of Ps. 1 million for alleged non-compliance with such Resolution. Such fine has been appealed but no decision has been rendered on the matter yet.

On April 23, 2013, Cablevisión was served notice of a decision rendered in re “Ombudsman of Buenos Aires v. Cablevisión S.A. on Complaint for the protection of constitutional rights Law 16,986 (Motion for Preliminary Injunction)” pending before Federal Court No. 2, Civil Clerk’s Office No. 4 of the City of La Plata in connection with the price of cable television subscriptions, whereby the court imposed a cumulative daily fine of Ps. 100,000 per day on Cablevisión.

Cablevisión appealed the fine on the grounds that Resolution No. 50/10 issued by Mr. Moreno, as well as its extensions and/or amendments were suspended, as mentioned above, by an injunction with respect to Cablevisión and its branches and subsidiaries prior to the imposition of the fine; pursuant to the collective injunction issued by the Federal Court of the City of Mar del Plata on

1 August, 2011 in re “La Capital Cable and Others v. National Government and Others on Preliminary Injunction”. That injunction suspended the application of all the criteria set by the Secretary of Domestic Trade under Mr. Guillermo Moreno.

The Federal Court of Appeals of the City of La Plata reduced the fine to Ps. 10,000 per day. Cablevisión filed an appeal in due time and form against that decision. On October 16, 2013, the Court of Appeals dismissed the appeal filed by Cablevisión. As of the date of these financial statements, that company had settled the fine in the amount of Ps. 1,260,000 and the compliance was recorded in the file.

On June 11, 2013, Cablevisión was served notice of a resolution rendered in the abovementioned case; whereby the court ordered the appointment of an expert overseer (perito interventor) specialized in economic sciences to: (i) verify whether or not the invoices corresponding to the basic cable television subscription issued by the Company to subscribers domiciled in the Province of Buenos Aires, are actually prepared at the headquarters located at Gral. Hornos 690, and/or at the Company’s branch offices, precisely detailing that process, (ii) identify the individuals responsible for that area, (iii) determine whether or not the administrative actions tending towards the effective compliance with the injunction issued on that case are underway, and (iv) identify the senior staff of the Company that must order the invoice issuance area to prepare the invoices as decided under that injunction.

The Company appealed the appointment of said expert on the same grounds stated above. The appeal was dismissed by the Federal Court of Appeals of the city of La Plata.

For the purposes of enforcing the injunction, the court issued letters rogatory to the competent judge of the City of Buenos Aires. Upon the initiation of that proceeding, both the Federal Court on Administrative Matters and the Federal Court on Civil and Commercial Matters declined jurisdiction to enforce the injunction ordered by the Federal Judge of La Plata. Cablevisión has appealed the decision in connection with the lack of jurisdiction in due time and form. Chamber 1 of the National Court of Appeals

on Federal Civil and Commercial Matters confirmed the appealed decision. Accordingly, Cablevisión will file an extraordinary appeal in due time and form to have the case decided by the Supreme Court of Argentina.

After the Federal Court of the City of Mar del Plata issued its injunction, several Municipal Offices of Consumer Information (“OMIC”, for its Spanish acronym) and several individuals filed claims requesting that Cablevisión comply with Resolution No. 50/10 and the subsequent resolutions that extended its effectiveness. In some cases, preliminary injunctions were granted. In every case, Cablevisión appealed such preliminary injunctions alleging that Resolution No. 50/10, as amended, and/or the subsequent resolutions that extended its effectiveness, had been suspended with respect to Cablevisión, its branches and subsidiaries prior to the issuance of such preliminary injunctions.

b. On August 19, 2010 the Media Secretariat issued Resolution No. 100/2010, whereby it revoked the license that had been granted to Fibertel. Cablevisión believes that this resolution is an absolutely null and void administrative act. Its language contradicts express provisions of the National Constitution, of Law No. 19,550 (Argentine Business Associations Law), Decrees Nos. 1,185/90 and 764/00 and Law No. 19,549 of Administrative Procedures, among others. The Resolution disregards the several filings made by Cablevisión with the Media Secretariat requesting such agency to issue an administrative act evidencing that Cablevisión, pursuant to section 82 of the Argentine Business Associations Law, is the successor of Fibertel and, therefore, the holder of the exclusive telecommunication service license and of the registrations that had been previously granted to Fibertel. More than eight years after that request, in spite of the existence of a draft of a favorable decision in the case file, with a completely arbitrary attitude that contradicts other precedents of the same agency and without prior notice that would have allowed Cablevisión to exercise its defense right, the SECOM ordered that the license be revoked and that the users migrate within 90 days of the resolution’s notification. On August 26, 2010 Cablevisión filed an appeal requesting the reversal of the resolutions, and if such appeal is rejected, a subsidiary appeal against that Resolution before the highest administrative

authority. The appeal was dismissed pursuant to SECOM Resolution No. 132/2010 dated October 7, 2010. However, since Cablevisión had filed a subsidiary appeal to have the case heard by the highest administrative authority, the file was submitted to the Ministry of Federal Planning, Public Investment and Utilities. As of the date of these financial statements, this appeal is pending resolution.

On February 24, 2011, Chamber No. 3 of the Federal Court of Appeals on Civil and Commercial Matters of the City of Buenos Aires, in re “ANTITRUST ASSOCIATION V. NATIONAL GOVERNMENT MEDIA SECRETARIAT ON COMPLAINT FOR THE PROTECTION OF CONSTITUTIONAL RIGHTS” confirmed the decision rendered in the first instance, stating that the National Government, Media Secretariat, shall refrain from disrupting or limiting in any way the Internet access services offered by Cablevisión. It also partially amended the above decision by broadening its effects, ordering the National Government to refrain from enforcing Resolution No. 100/10, thus allowing new customers to subscribe to the Internet access services offered by Cablevisión.

On December 16, 2011, Federal Civil and Commercial Court No. 3, Clerk’s Office No. 5 issued a related injunction in re “CABLEVISION S.A. v. NATIONAL GOVERNMENT ON COMPLAINT FOR THE PROTECTION OF CONSTITUTIONAL RIGHTS”, ordering the suspension of the effects of SECOM Resolution No. 100/10 and also guaranteeing new subscribers the possibility to subscribe to the Internet Access service offered by Cablevisión.

On December 20, 2011, at the request of Cablevisión, a new preliminary injunction was issued in re “CABLEVISION S.A. v. National Government - Argentine Secretariat of Communications on COMPLAINT FOR THE PROTECTION OF CONSTITUTIONAL RIGHTS”. On the basis of the above-mentioned precedent, and on the existing connection between the subject matters of both cases, as alleged by Cablevisión, the injunction ordered the suspension of the effects of SECOM Resolution No. 100/10. The National Government filed an appeal with Chamber No. 3 of the Federal Court of Appeals on Civil

and Commercial Matters which is still pending as of the date of these financial statements.

Due to the imminent possibility that the application of Law No. 26,522 will affect the assets used to provide Internet access services, within the framework of this same file Cablevisión requested the extension of the scope of the effective injunction, which was granted on December 6, 2012. Such extension entailed notifying AFSCA of the injunction that prevents it from affecting in any way the Internet access services offered by Cablevisión.

Based on the above-mentioned preliminary injunctions, Cablevisión is authorized to continue to render the telecommunication services granted to Fibertel.

Cablevisión will resort to all available administrative and judicial remedies in order to have SECOM Resolution No. 100/2010 declared null and void. Even though Cablevisión has strong grounds that support its position, it cannot be assured that the final outcome of this issue will be favorable.

On September 10, 2010, the National Administration of Domestic Trade notified Cablevisión that a Ps. 5 million fine had been imposed for promoting the Fibertel service without being the holder of the license (Section 7 of Law No. 24,240), for the impossibility of honoring the promotion offered to undetermined potential consumers (Section 7 of Law No. 24,240), for providing wrong information to the customers (Section 4 of Law No. 24,240), and for the impossibility of honoring promotions because Cablevisión was not the holder of the Fibertel license (Section 19 of Law No. 24,240). Cablevisión appealed such decision in due course, since it believes it has sufficient arguments in its favor. The file was assigned No. 1,276 and is pending before Chamber No. 2 of the Court of Appeals on Administrative Matters.

On April 17, 2012 the appeal was partially granted, reducing the fine to Ps. 380,000. Notwithstanding the foregoing, Cablevisión filed an appeal with the Supreme Court of Argentina in due time and form against such decision. On July 12, 2012, Chamber No. 2 of the National Court of Appeals on Federal Administrative Matters decided to dismiss the appeals filed by both parties.

Cablevisión filed an appeal against the above-mentioned dismissal since it believes it has sufficient grounds to have the fine revoked. However, Cablevisión cannot assure that the outcome of the appeal will be favorable.

Since the appeal does not have staying effects, on October 18, 2012 the National Administration of Domestic Trade ordered Cablevisión to pay within ten (10) business days the fine reduced by Chamber No. 2. On October 29, 2012 Cablevisión settled the fine in the amount of Ps. 380,000 and the compliance was recorded in the file.

c. Pursuant to the Antitrust Law and to Broadcasting Law No. 22,285, the transactions carried out on September 26, 2006 that resulted in an increase in the indirect interest the Company held in Cablevisión to 60%, Cablevisión's acquisition of 98.5% of Multicanal and 100% of Holding Teledigital, and Multicanal's acquisition of PRIMA (from PRIMA Internacional (now CMD)), required the authorization of the CNDC (validated by the SCI), and the COMFER. On October 4, 2006, the Company, Vistone, Fintech, VLG and Cablevisión, as purchasers, and AMI CV Holdings LLC, AMI Cable Holdings Ltd. and HMTF-LA Teledigital Cable Partners LP, as sellers, filed for the approval of the acquisition. After several requests for information, the SCI issued Resolution No. 257/07, with a prior opinion of the CNDC in favor of the approval of the above-mentioned transactions and after consulting the COMFER and the SECOM, which did not raise any objections. The Company was served notice in this respect on December 7, 2007. Such Resolution was appealed by five entities. As of the date of these financial statements, the CNDC has dismissed the five appeals filed against the above-mentioned resolution. Four of the entities filed direct appeals before the judicial branch. Three of those appeals were dismissed and one is still pending resolution.

Cablevisión believes that if the CNDC acts as it did in the case of the three dismissed direct appeals, the fourth appeal is unlikely to be admitted.

On June 11, 2008, Cablevisión was served with a decision of the National Court of Appeals on Federal Civil and Commercial Matters revoking a decision rendered by the CNDC

on September 13, 2007, whereby such agency had dismissed a claim filed by Gigacable S.A. prior to the December 7, 2007 decision referred to above. The Court of Appeals revoked CNDC's decision only with respect to matters relating to the conduct of Cablevisión and Multicanal prior to CNDC's authorization of the transactions on December 7, 2007, and ordered an investigation to determine whether a fine should be imposed on Cablevisión and Multicanal due to such conduct. As of the date of these financial statements, Cablevisión has filed its response, which is pending analysis by such agency.

d. On December 15, 2008, the shareholders of Cablevisión approved the merger of Multicanal, Delta Cable S.A., Holding Teledigital, Teledigital, Televisora La Plata Sociedad Anónima, Pampa TV S.A., Construed S.A. and Cablepost S.A. into Cablevisión, whereby, effective as of October 1, 2008, Cablevisión, as surviving company, became the universal successor to all of the assets, rights and obligations of the merged companies.

The merger commitment was executed on February 12, 2009 and was filed with the CNV pursuant to applicable regulations that require administrative approval. As of the date of these financial statements, such merger is pending administrative approval by the CNV and registration with the IGJ.

On September 3, 2009, the COMFER issued Resolution No. 577/09 whereby it withheld approval of Cablevisión's merger with Multicanal S.A.

On September 8, 2009, Multicanal was served with CNDC Resolution No. 106/09, dated September 4, 2009, whereby the CNDC ordered an audit to articulate and harmonize the several aspects of Resolution No. 577/09 issued by the COMFER with Resolution No. 257/07 issued by the Secretariat of Domestic Trade. Resolution No. 106/09 also sets forth that the notifying companies shall not, from the enactment thereof and until the end of the audit and / or resolution of the CNDC, be able to remove or replace physical or legal assets.

On September 17, 2009 Judge Dr. Esteban Furnari of the National Court on Federal

Administrative Matters No. 2, in re "Multicanal and Other v. Conadeco- Decree 527/05 and other on Proceeding leading to a declaratory judgment", ordered the suspension of the effects of COMFER Resolution No. 577/09, of CNDC Resolution No. 106/09, and any other act resulting therefrom, until a final decision was rendered in the case.

On October 23, 2009, the court decision that had suspended the effects of COMFER Resolution No. 577/09 and CNDC Resolution No. 106/09 was revoked by Chamber No. 3 of the National Court of Appeals on Federal Administrative Matters, in re "Multicanal and Other v. Conadeco- Decree 527/05 and other on Proceeding leading to a declaratory judgment". Therefore, the calculation of the suspended terms was automatically resumed. On that basis, on December 1, 2009, Cablevisión ratified the filing it had made with the COMFER at the time of the merger, and specified the licenses to which it had decided to maintain title. On December 16, 2009, the Chamber No. 3 of the National Court of Appeals on Federal Administrative Matters, in re "Multicanal and other v. CONADECO Decree 527/05 and other on Proceeding leading to a declaratory judgment" File No. 14,024/08, granted the extraordinary appeal filed by Multicanal and Grupo Clarín against the decision rendered by that same court on October 23, 2009. With the granting of that appeal, Cablevisión's preliminary injunction regained full force and effect. Accordingly, on January 8, 2010 Cablevisión notified such circumstance to the COMFER.

Subsequently, on March 9, 2011, the Supreme Court of Argentina in re "MULTICANAL and Other v./ CONADECO - Decree 527/05 and other on/Proceeding leading to a declaratory judgment", granted the appeal by right and the extraordinary appeal filed by the National Government and revoked the decision rendered by Chamber No. 3 of the National Court of Appeals on Federal Administrative Matters, which had confirmed the preliminary injunction requested by Cablevisión in the first instance. Notwithstanding the foregoing, Cablevisión believes that this matter does not have a material impact on the merits of the case.

Notwithstanding the required filings made by Cablevisión and its shareholders to prove that they were complying with the commitment

agreed with the CNDC on December 7, 2007 (date on which the SCI granted authorization), on September 23, 2009, the SCI issued Resolution No. 641, whereby it ordered the CNDC to verify compliance with the parties' proposed commitment by visiting the parties' premises, requesting reports, reviewing documents and information and carrying out hearings, among other things.

On December 11, 2009, Cablevisión notified the CNDC of the completion and corresponding verification of the fulfillment of the voluntary undertakings made by Cablevisión at the time of the enactment of SCI Resolution No. 257/07. On December 15, 2009, Chamber No. 2 of the National Court of Appeals on Federal Civil and Commercial Matters issued a preliminary injunction in re "Grupo Clarín S.A. v. Secretariat of Domestic Trade and other on preliminary injunctions" (case 10,506/09), partially acknowledging the preliminary injunction requested by Grupo Clarín, and instructing the CNDC and the SCI to notify Grupo Clarín whenever their own verification of Cablevisión's fulfillment of its undertakings had been concluded, regardless of the result. Should such agencies have any observations, they should notify Grupo Clarín within a term of 10 days. On the same date, the CNDC issued Resolution No. 1,011/09 whereby it deemed Cablevisión's voluntary undertakings unfulfilled and declared the rescission of the authorization granted under Resolution No. 257/07.

On December 17, 2009, the National Court of Appeals on Federal Commercial-Criminal Matters, Chamber A, decided to suspend the term to appeal Resolution No. 1,011/09 until the main case was transferred back to the CNDC, considering it had been in such court since December 16, 2009.

On December 17, 2009, the CNDC notified Cablevisión of the initiation of the motion for execution of Resolution No. 1,011/09. On December 18, 2009, Chamber No. 2 of the National Court of Appeals on Federal Civil and Commercial Matters issued an injunction in re "Grupo Clarín S.A. v. Secretariat of Domestic Trade and other on preliminary injunctions", which suspended the effects of Resolution No. 1,011/09 until the notice set forth in the injunction of December 15, 2009

was served. Accordingly, the CNDC served notice to Cablevisión by means of Resolution No. 1,101/09.

On December 30, 2009, Chamber No. 2 of the National Court of Appeals on Federal Civil and Commercial Matters issued a preliminary injunction in re "Grupo Clarín S.A. v. Secretariat of Domestic Trade and other on preliminary injunctions", partially acknowledging Grupo Clarín's request and suspending the term for Grupo Clarín to respond to Resolution No. 1,101/09 until Grupo Clarín is granted access to the administrative proceedings related to the charges brought by the CNDC in its Opinion No. 770/09 (on which Resolution No. 1,011/09 was based).

On February 19, 2010, Cablevisión requested the nullification of the notice, and as a default argument, submitted the response requested under Resolution No. 1,101/09. On February 26, 2010, the National Court of Appeals on Federal Commercial-Criminal Matters approved the recusation filed by Cablevisión and excluded the Secretary of Domestic Trade from the proceedings.

On March 3, 2010, the Argentine Ministry of Economy and Public Finance issued Resolution No. 113 (subscribed by the Minister of Economy, Dr Amado Boudou) rejecting the request for the nullification of Resolution No. 1,011/09, the requests for abstention and excusation of certain officials, and all the evidence produced in connection with such request for nullification. The voluntary undertakings made by Cablevisión under Resolution No. 257/07 were deemed unfulfilled, thus declaring the rescission of the authorization granted under such resolution. The parties involved were ordered to take all necessary actions to comply with such rescission within a term of six months, and to inform the CNDC about the progress made in that respect on a monthly basis. Such resolution was appealed in due time and form. The appeal was granted without staying the execution of judgment.

The appeal is currently pending before Chamber No. 2 of the National Court of Appeals on Federal Civil and Commercial Matters in re "AMI CABLE HOLDING and other on/ Appeal of the National Antitrust Commission Resolution" (File No. 2,054/2010).

That case is currently pending before the Supreme Court.

On March 3, 2010, the Company brought a claim seeking to nullify COMFER Resolution No. 577/09. Upon being served with this claim, the COMFER filed an exception, which was responded by Cablevisión. On September 4, 2012 the Judge decided to dismiss the exception filed by the COMFER, which shall bear the legal costs incurred. On December 13, 2012 the draft notice of such decision was submitted to the Court, which then issued the official notice on December 26, 2012. Together with the draft notice, a request was submitted to set the preliminary hearing (before the discovery proceedings). Such dismissal was appealed by the COMFER and confirmed by the Court of Appeals.

On April 20, 2010, Chamber 2 of the National Court of Appeals on Federal Civil and Commercial Matters granted the appeal filed by Grupo Clarín S.A. in re “Grupo Clarín on delay in the appeal of the proceedings”, and decided that the appeal granted by the CNDC to Grupo Clarín S.A. against Resolution No. 113/10 had the effect of staying such resolution.

The National Government filed an appeal asking that the Court of Appeals revoke its own decision with respect to the effect granted to the April 20 decision, and that it decline its jurisdiction. It also filed an extraordinary appeal. Both appeals were dismissed. Chamber No. 2 requested the administrative file and the Court’s decision is pending. Cablevisión considers that it has strong grounds to have the effects of the above Resolution suspended and therefore has brought the relevant legal actions. However, it cannot assure that the outcome will be favorable.

Decisions made on the basis of these financial statements should consider the eventual impact that the above-mentioned resolutions might have on Cablevisión and its subsidiaries, and these financial statements should be read in light of such uncertainty.

e. Under Proceeding File No. 21.788/08 dated November 17, 2008, Cablevisión informed the COMFER about the corporate business reorganization process effective as of October 1, 2008. In that same act, Cablevisión informed the COMFER about: i) all the licenses to

which it became universal successor under the corporate business reorganization process; ii) the exercise of an option for one of the licenses in each of the locations where it held multiple licenses, and iii) the relinquishment of original licenses and extensions so as to eliminate the multiple licenses accumulated in each of the locations where it held multiple licenses. As a result of such corporate business reorganization process, Cablevisión became the universal successor of 158 licenses to exploit Supplementary Services in several locations (pursuant to section 44, subsection b) of Law 22,285. To avoid having multiple licenses, Cablevisión informed the COMFER about its irrevocable intention to relinquish a total of 78 licenses (including original licenses and extensions) so as to eliminate all the supplementary service licenses that exceeded the limit set for supplementary services in each location (which was one license per designated area). Notwithstanding the foregoing, through Resolution No. 577/COMFER/09, the COMFER illegitimately decided to withhold approval of the merger requested by Cablevisión, requesting Cablevisión to submit a divestiture plan on the grounds that the license relinquishments spontaneously communicated by that company were not sufficient. (See Notes 8.1.d and 25.d).

f. On May 23, 2011, Supercanal S.A. filed a claim for the protection of constitutional rights (acción de amparo) before the Federal Court of Mendoza against Cablevisión, Grupo Clarín and other co-defendants, requesting that they refrain from exercising alleged anti-competitive practices and that the assets, liabilities and businesses that used to belong to Multicanal and that were subsequently merged into Cablevisión (see Note 8.1.d.) be separated from the other assets, liabilities and businesses of Cablevisión and transferred to third parties.

Together with the claim for the protection of constitutional rights, Supercanal S.A. requested a preliminary injunction (for the same purposes); which was granted on December 16, 2011. The injunction ordered the separation of the assets, liabilities and businesses that used to belong to Multicanal and that were subsequently merged into Cablevisión within a term of 60 days. The court also appointed a supervisor (interventor) and co-administrator for a term of twelve months, who shall

enforce the injunction, order the changes to such company's management required for the effective enforcement of the duties to be fulfilled by the Board of Directors, and also report on a monthly basis to the court about his/her performance. Such court-appointed supervisor (interventor) and co-administrator shall have the obligation to perform the necessary functions aimed at fulfilling the actions ordered pursuant to the injunction.

Cablevisión filed an appeal against such injunction and presented the grounds for its defense in due time and form. Cablevisión also requested the replacement of such injunction with another less burdensome one that could largely cover the risks alleged by Supercanal in its claim.

On April 26, 2012, the Federal Court of Appeals of Mendoza, Chamber A, dismissed the appeal filed by Cablevisión against the decision of December 16, 2011, but extended the term to divest the assets, liabilities and businesses of Multicanal that had been merged into Cablevisión to 120 days. The court also dismissed the request to replace the injunction.

On August 14, 2012, Cablevisión was served notice of a decision rendered by Chamber No. 2 of the National Court of Appeals on Federal Civil and Commercial Matters of the City of Buenos Aires ("the Court of Appeals") on August 13, 2012; whereby that court declared the existence of a connection between the case brought by Supercanal S.A. in the Province of Mendoza and the appeal of MECON Resolution No. 113/10 ("Ami Cable Holding LTD and other on/ Appeal of the National Antitrust Commission Resolution). The Court of Appeals stated that the hearing of the case in the Province of Mendoza gives rise to an atypical jurisdictional issue that affects the correct rendering of justice in the case and the powers of said Court of Appeals. The Court of Appeals therefore ordered Federal Court No. 2 of Mendoza to send the file so that the case could continue under the jurisdiction of the Federal Courts on Civil and Commercial Matters of the City of Buenos Aires. Federal Court No. 2 of Mendoza and the Federal Court of Appeals of Mendoza were served notice of said order on the same date and both of them rejected it, giving rise to a jurisdictional conflict between

Chamber No. 2 of the Court of Appeals and Federal Court No. 2 of Mendoza.

Pursuant to Section 24, subsection 7 of Decree/Law No. 1285/58, if a jurisdictional conflict arises between a federal judge of a given jurisdiction and a Federal Court of Appeals of a different jurisdiction, said conflict must be resolved by the Argentine Supreme Court.

After having been served notice of the decision of Chamber No. 2 of the Court of Appeals, on August 17, 2012, Judge Walter Bento of Federal Court N° 2 of Mendoza issued an order to notify Cablevisión of an extension of the scope of the injunction issued in re "Supercanal S.A. v. Cablevisión S.A. and other on Claim for the protection of constitutional rights (acción de amparo)". Under this injunction, the judge ordered the removal of the Board of Directors of Cablevisión and its replacement with a court-appointed administrator (interventor) whose role was to fulfill court orders. However, in response to the claim brought by Cablevisión on August 21, 2012 with the Argentine Supreme Court in connection with the abovementioned jurisdictional conflict, the Supreme Court ordered the immediate suspension of the proceedings until a decision is rendered on the jurisdictional conflict.

Notwithstanding this, Cablevisión and its legal advisors believe that the order issued on August 17 is irregular and that it may not be deemed a valid notice, because it should have been issued within the framework of the proceedings pending with the Federal Court on Civil and Commercial Matters of the City of Buenos Aires, rather than being served at a domicile established in the city of Mendoza.

All these proceedings were sent to the Argentine Supreme Court for it to render a decision on the jurisdictional conflict. See Note 25.f.

g. On October 21, 2010, the National Administration of Domestic Trade served notice to Cablevisión of (i) a fine of Ps. 5 million for failing to comply with the duty to inform (Section 4 of Law 24,240) concerning one of its promotions and (ii) a fine of Ps. 500,000 for infringing Section 2, subsection c) of Decree 1153/95 of the regulations to Section 10 of Law 22,802. Cablevisión appealed the fine

because it believes it has strong arguments in its favor. The file was assigned No. 1281 and is pending before Chamber No. 2 of the National Court of Appeals on Federal Administrative Matters. On October 4, 2011, the Court of Appeals partially affirmed Resolution 739/10 and reduced the fine to Ps. 2.2 million, imposing 75% of the legal costs on Cablevisión. On October 13, 2011 Cablevisión filed a Federal Ordinary appeal with the Supreme Court of Argentina and on October 20, 2011 it filed a federal extraordinary appeal with that same court in the event that the ordinary appeal may be dismissed.

On October 21, 2011, Chamber No. 2 of the National Court of Appeals on Federal Administrative Matters granted the ordinary appeal and the legal brief was submitted in due time and form.

On August 7, 2012 the Supreme Court of Argentina decided that the Ordinary Appeal had been wrongly granted.

On December 13, 2012 the Chamber dismissed the appeal filed by Cablevisión, which shall bear the costs incurred.

On December 20, 2012 Cablevisión filed an appeal against the above-mentioned dismissal since it believes it has sufficient grounds to have the fine revoked. However, Cablevisión cannot assure that the outcome of the appeal will be favorable.

On July 29, 2013, the fine was settled in the amount of Ps. 2.2 million and the compliance was recorded in the file.

h. On May 31, 2012, Cablevisión was served notice of Resolution No. 16,819 dated May 23, 2012 whereby the Argentine Securities Commission (CNV, for its Spanish acronym) ordered the initiation of summary proceedings against Cablevisión and its directors, members of the Supervisory Committee and the Head of Market Relations for an alleged failure to comply with the duty to inform. The CNV considers that Cablevisión failed to comply with its duty to inform because the investor community was deprived of its right to become fully aware of the grounds of a decision rendered by the Federal Court of Mendoza and the scope of the powers granted by

that court to the co-administrator appointed in re “Supercanal S.A. v. Cablevisión S.A. on protection of constitutional rights”, in addition to the fact that other self-regulated authorities were allegedly not notified of the information furnished by Cablevisión. On June 25, 2012, Cablevisión filed a response petitioning that its defenses be sustained and all charges dismissed. On February 6, 2014 Cablevisión submitted the legal brief for the purposes of discussing the evidence submitted under File No. 171/2012. Now the CNV’s Board of Directors has to render its decision. Cablevisión and its legal advisors believe that the company has strong arguments in its favor. Nevertheless, Cablevisión cannot assure that the outcome of the said summary proceedings will be favorable.

i. Pursuant to CNV Resolution No. 16,834 dated June 14, 2012 notified to the Company on June 27, 2012, the CNV ordered the initiation of summary proceedings against the Company and the members of its Board of Directors, Supervisory Committee and Audit Committee in office at the time of the occurrence of certain events under review (September 19, 2008) for alleged failure to comply with the duty to inform. Under said Resolution, the CNV argues that the Company allegedly failed to comply with the duty to disclose the filing of a claim against it entitled “Consumidores Financieros Asociación Civil para su defensa and other v. Grupo Clarín on/ Ordinary”, which the CNV considers relevant. On July 25, 2012, Cablevisión filed a response petitioning that its defenses be sustained and that all charges against it be dismissed. The Company and its legal advisors believe that the company has strong arguments in its favor. Nevertheless, Cablevisión cannot assure the outcome of said summary proceedings.

j. The Executive Branch of Uruguay issued Decree No. 73/012, published in the Official Gazette on March 16, 2012, whereby it expressly repealed Decree No. 231/011, which had revoked certain signals’ broadcast frequencies. However, the new decree ratified and repeated - virtually in identical terms - the decree that was being repealed, and added certain provisions that caused further detriment to the two affected companies with which a subsidiary of Cablevisión has contractual arrangements in place. Consequently, on March 23, 2012 the affected companies filed an appeal

requesting that Decree No. 73/012 be revoked. The appeal is still pending resolution.

In May 2012, the aforesaid companies brought a legal action with the Court in Administrative Litigation Matters requesting the nullification of the resolution and the suspension of its execution. This motion to suspend the execution of the challenged resolution was brought as a separate case, and progressed through the corresponding instances. The Attorney General for Administrative Litigation Matters, in its opinion No. 412/013 advised the Court on Administrative Litigation Matters to grant the motion to suspend the execution of the challenged resolution for formal reasons, but such Court dismissed the motion of suspension. Notwithstanding the foregoing, as of the date of these financial statements, the state authorities have not executed yet the decree.

As of the date of these financial statements, the action seeking the nullification of Decree No. 73/012 (main lawsuit) is still pending resolution. Notwithstanding the foregoing, said companies cannot assure the outcome of these actions.

In the preparation of these financial statements, the Company has considered the effects that could be derived, and that may be projected to date within a foreseeable period as a result of the effects, if any, from these regulatory changes.

k. On June 4, 2012, the Federal Court of Appeals of Rosario partially confirmed SCI Resolution No. 219/2010, whereby the Secretary of Domestic Trade found that Cablevisión and Multicanal had engaged in market sharing practices in connection with the paid-television service in the City of Santa Fe and reduced the fine imposed on each of the companies involved from Ps. 2.5 million to Ps. 2 million. However, this decision is not yet final, because Cablevisión and Multicanal and the Ministry of Economy filed appeals with the Argentine Supreme Court, which are still pending.

Notwithstanding the foregoing, Cablevisión cannot assure that the appeals will be resolved in its favor.

l. On March 1, 2011, the SCI served notice to Multicanal and Cablevisión of Resolution No.

19/11 whereby the Secretary of Domestic Trade found that both companies had engaged in market sharing practices in connection with the paid-television service in the City of Paraná and imposed a fine of Ps. 2.5 million on each of them. Cablevisión filed an appeal in due time and form. This appeal was dismissed by the Federal Court of Appeals of Paraná. Therefore, Cablevisión filed an appeal with the Argentine Supreme Court. On November 4, 2011, the appeal of SCI Resolution No. 19/11 filed by Cablevisión with the Supreme Court was partially granted by the Federal Court of Appeals of Paraná.

On August 30, 2012, the Argentine Supreme Court dismissed the appeal filed by Cablevisión; therefore, Resolution No. 19/11 became final. The case is currently pending with the Court of Appeals of Paraná, which shall order its referral to the SCI. The SCI, in turn, shall serve notice to the companies involved in order for them to pay the fine.

m. Cablevisión, by itself and as successor of Multicanal's operations after the merger, is a party to several administrative proceedings under the Antitrust Law, facing charges of anticompetitive conduct, including territorial division of markets, price discrimination, abuse of dominant position, refusal to deal and predatory pricing, as well as a proceeding filed by the Cámara de Cableoperadores Independientes (Chamber of Independent Cable Operators), challenging the transactions consummated on September 26, 2006. While Cablevisión believes that its conduct and that of Multicanal have always been within the bounds of the Argentine Antitrust Law and regulations and that their positions in each of these proceedings are reasonably grounded, it can give no assurance that any of these cases will be resolved in its favor.

n. On January 22, 2010, Cablevisión was served with CNDC Resolution No. 8/10 issued within the framework of file No. 0021390/2010 entitled "Official Investigation of Cable Television Subscriptions (C1321)". Pursuant to such Resolution, Cablevisión, among other companies, was ordered to refrain from conducting collusive practices and, particularly, from increasing the price of cable television subscriptions for a term of 60 days, counted as from the date all required notices are certified

as completed. According to said Resolution, companies which have already increased the price of the subscriptions shall return to the price applicable in November 2009 and maintain such price for the abovementioned term.

On February 2, 2010, by means of Resolution No. 13/10, the CNDC ordered Cablevisión to credit its subscribers the amount of any price increase made after the date of CNDC Resolution No. 8/10 on its March invoices.

Cablevisión appealed both resolutions in due time and form and their effects were suspended by an injunction issued by Chamber No. 2 of the National Court of Appeals on Federal Civil and Commercial Matters at the request of Cablevisión.

Finally, on October 4, 2011, the same Chamber granted the appeal, declaring that the claim based on CNDC Resolution No. 8/10 was moot and nullifying CNDC Resolution No. 13/10.

The National Government appealed such decision before the Supreme Court of Argentina, which shall grant or dismiss the appeal.

o. On August 5, 2010, Cablevisión was served with CNC Resolution No. 2,936/2010 within the framework of Administrative Proceeding File No. 2,940/2010, pursuant to which Cablevisión and/or any other individual or entity through which the services relating to the licenses and registrations granted to FIBERTEL S.A. ("Fibertel") may be rendered shall refrain from adding new subscribers and from altering the conditions under which the services are currently rendered.

To decide as it did, the Argentine Communications Commission disregarded the corporate reorganization that was completed and registered before the IGJ, whereby Fibertel merged into Cablevisión effective as of April 1, 2003. By virtue of that merger process, Cablevisión became the universal successor to all of the assets, rights and obligations of Fibertel as the merged company, among them, the Exclusive License awarded through SECOM Resolutions No. 100/96, 2375/97, 168/02 and 83/03. Therefore, Fibertel did not transfer or divest of its rights and obligations to third parties - among them, those derived from the above-mentioned Exclusive License. Fibertel

continued to carry out its activities through Cablevisión as surviving company. In order to implement the above-mentioned corporate business reorganization, on March 5, 2003, the Argentine Communications Commission and the SECOM were notified of the corporate business reorganization for its acknowledgement. The technical and legal areas of the Argentine Communications Commission issued a favorable resolution with respect to the compliance with the requirements of current regulations to register Fibertel's license under the name of Cablevisión. SECOM had a term of 60 days to decide on the corporate business reorganization. However, such agency failed to render a decision as required by the applicable regulations. Not until August 19, 2010 did SECOM issue Resolution No. 100/2010, revoking Fibertel's license.

Cablevisión believes that the Resolution is arbitrary and that it flagrantly violates due process and its defense right. Therefore, Cablevisión has appealed such resolution. No decision has been rendered on the matter yet.

p. On October 28, 2010, Cablevisión was served notice of the National Administration of Domestic Trade's resolutions imposing two fines of Ps. 5 million each, for allegedly failing to observe the typographic character requirements under applicable regulations (Resolution 906/98) when informing its subscribers of the increase in the price of their cable television subscriptions. Cablevisión appealed the fines on November 12, 2010 because it believes it has strong grounds in its favor. However, it cannot assure that the outcome will be favorable. One of the files was assigned No. 1280 and is pending before Chamber No. 1 of the Federal Administrative Court of Appeals, and the other one was assigned No. 1,278 and is pending before Chamber No. 5 of the Federal Administrative Court of Appeals.

q. The litigation brought before the Civil, Commercial, Mining and Labor Court of the City of Concarán, Province of San Luis, in early 2007 in re "Grupo Radio Noticias SRL v. Cablevisión and others", is still pending before the Federal Court in Administrative Litigation Matters No. 2.

The purpose of that claim was to challenge the share transfers mentioned in Note 8.1.c. and to request the revocation of Cablevisión's

broadcasting licenses. Cablevisión has responded to such claim and believes it is very unlikely that it will be admitted.

r. The Government of the City of Mar del Plata enacted Ordinance No. 9163, governing the installation of cable television networks. Such ordinance was amended and restated by Ordinance No. 15,981 dated February 26, 2004, giving cable companies until December 31, 2007 to adapt their cable networks to the new municipal requirements. The ordinance sets forth that in those areas where street lighting has underground wiring, cable television networks are to be placed underground. In this sense, the Executive Department of the Municipality of General Pueyrredón has submitted to the Municipal Council a proposed ordinance extending the term provided until December 31, 2015. Such ordinance is ready for discussion by legislators. Even though the ordinance provides for certain penalties that may be imposed, the City has not imposed such penalties to cable systems that are not in compliance with such ordinance.

s. On November 27, 2012 the National Administration of Domestic Trade served Cablevisión with Resolution No. 308/2012, whereby it imposed a Ps. 5 million fine on that company alleging that it had failed to comply with Section No. 4 of the Antitrust Law (increase in the subscription price of cable tv services/wrongful information provided by Customer Service, informed by mail that SCI Resolution No. 50/10 and the supplementing resolutions are suspended on grounds of unconstitutionality, when in fact they have been suspended by an injunction). On December 11, 2012 Cablevisión appealed Resolution No. 308/2012. The administrative file No. S01:0312056/2011 is currently pending before the National Administration of Domestic Trade and must be submitted to the National Court of Appeals on Federal Administrative Matters for it to determine, by lottery, the first instance court that will hear the case.

Cablevisión and its legal advisors believe that the company has strong arguments in its favor. Nevertheless, Cablevisión cannot assure that the revocation of the fine will be resolved in its favor.

t. The Quality Rules for Telecommunication Services were approved by SECOM Resolution

No. 5/2013; published in the Official Gazette on July 2, 2013. In November 2013, by means of CNC Resolution No. 3,797/2013, the CNC approved the “Manual of Audit Procedures and Technical Verification of the Quality Rules for Telecommunication Services”. In a first stage, the authorities required the submission of information related to observation points and complaint reception points. Cablevisión is currently working together with other providers on the drafting of a technical report of measurement systems.

u. On July 5, 2013, the National Administration of Domestic Trade served notice to Cablevisión of Resolution No. 134/2013, whereby it imposed a fine of Ps. 500,000 for breach of Section 2º of Resolution ex S.I.C. y M. No. 789/98, which regulates the Business Loyalty Law No. 22,802. Cablevisión appealed that resolution on July 16, 2013. The file is currently pending before the National Administration of Domestic Trade and must be submitted to the National Court of Appeals on Federal Administrative Matters for it to determine, by lottery, the first instance court that will hear the case.

Cablevisión and its legal advisors believe that Cablevisión has strong arguments in its favor. However, Cablevisión cannot assure that the revocation of the fine will be resolved in its favor.

v. On March 16, 2012, CNV issued Resolution No. 16,765 whereby it ordered the initiation of summary proceedings against Cablevisión, its directors and members of the Supervisory Committee for an alleged failure to comply with the duty to inform. The CNV considers that Cablevisión failed to comply with its duty to inform because the investor community was deprived of its right to become fully aware of the Decision rendered by the Supreme Court of Argentina in re “Application for judicial review brought by the National Government Ministry of Economy and Production of the case Multicanal S.A. and other v/CONADECO Decree No. 527/05” and other, and also considers that Cablevisión did not disclose certain issues related to the information required by the CNV in connection with its Class 1 and 2 Noteholders’ Special Meetings held on April 23, 2010. On April 04, 2012, that company filed a response requesting that its defenses be sustained and that all charges against it be dismissed. The proceeding is now

in the discovery stage. Cablevisión and its legal advisors believe that the company has strong arguments in its favor. Nevertheless, Cablevisión cannot assure the outcome of the said summary proceedings.

8.2 Claims and Disputes with Governmental Agencies

a. In connection with the decisions made at the Company's Annual Regular Shareholders' Meeting held on April 28, 2011, on September 1, 2011 the Company was served with a preliminary injunction in re "National Social Security Administration v. Grupo Clarín S.A. re ordinary proceeding" whereby the Company may not in any way dispose, in part or in whole, of the Ps. 387,028,756 currently recorded under the retained earnings account, other than to distribute dividends to the shareholders.

On the same date, the Company was served with a claim brought by Argentina's National Social Security Administration requesting the nullity of the decision made on point 7 (Appropriation of Retained Earnings) of the agenda of the Annual Regular Shareholders' Meeting held on April 22, 2010. As of the date of these financial statements, the Company has duly answered the complaint and the intervening judge has ordered discovery proceedings.

On November 1, 2011, the CNV issued Resolution No. 593, which provides that at shareholders' meetings in which financial statements are considered shareholders must expressly decide to, either distribute as dividends any retained earnings that are not subject to distribution restrictions and that may be disposed of pursuant to applicable law or to capitalize such retained earnings and issue shares, appropriate them to set up reserves other than legal reserves, or a combination of the above.

On July 12, 2013 the Company was served notice of Resolution No. 17,131; dated as of July 11, 2013 whereby the CNV declared that the administrative effects of the decisions adopted at the Annual Ordinary General Shareholders' Meeting held on April 25, 2013 were irregular and ineffective, based on allegations that are absolutely false and irrelevant. According to the Company and its legal advisors, Resolution No. 17,131 is, among other things, null and void, because it lacks

sufficient grounds and its enactment is a clear abuse of authority and a further step in the National Government's attempt to intervene in the Company. On October 11, 2013 Chamber 5 of the National Court of Appeals on Federal Administrative Matters issued a preliminary injunction in re "Grupo Clarín S.A. v. CNV - Resol No. 17.131/13 (File 737/13)" File No. 29,563/2013, whereby it suspended the effects of Resolution No. 17.131/2013 dated July 11, 2013 which had rendered irregular and with no effect for administrative purposes the Company's Annual Regular Shareholders' Meeting held on April 25, 2013. As of the date of these financial statements, the Resolution is still in effect.

In August 2013 the Company was served with a nullification claim brought by Argentina's National Social Security Administration relating to the Annual Regular Shareholders' Meeting held on April 28, 2011 whereby that agency requested the nullity of all the decisions made at such meeting and, as a default argument, it requested the nullity of the decisions made on points 2, 4 and 7 of that meeting's agenda, as well as the nullity of the decisions made at the Special Meetings of Class A, B and A and B Shareholders. As of the date of these financial statements, the Company has filed a response in due time and form.

In September 17, 2013 the Company was served with a nullification claim brought by Argentina's National Social Security Administration relating to the Annual Regular Shareholders' Meeting held on April 26, 2012 whereby it requested the nullity of all the decisions made at such meeting and, as a default argument, the nullity of the decisions made on points 8 and 4 of that meeting's agenda, as well as the nullity of the decisions made at the Special Meetings of Class A, B and A and B Shareholders. As of the date of these financial statements, the Company has filed a response in due time and form.

b. The Argentine Federal Revenue Service ("AFIP") served the subsidiary CIMECO with a notice challenging its income tax assessment for fiscal years 2000, 2001 and 2002. In such notice, the AFIP challenged mainly the deduction of interest and exchange differences in the tax returns filed for those years. If AFIP's position prevails, CIMECO's maximum

contingency as of December 31, 2013 would amount to approximately Ps. 12 million principal amount and Ps. 29.4 million interest.

CIMECO filed a response, which was dismissed by the tax authorities. The tax authorities issued their own official assessment and imposed penalties. CIMECO appealed the tax authorities' resolution before the National Tax Court on August 15, 2007.

During the year ended December 31, 2010, CIMECO received a pro forma income tax assessment from the AFIP for fiscal periods 2003 through 2007, as a consequence of AFIP's challenge to CIMECO's income tax assessments for the periods 2000 through 2002 mentioned above. CIMECO filed a response before AFIP, rejecting such assessment and requesting the suspension of administrative proceedings until the Federal Tax Court renders its decision on the merits.

During 2011, the AFIP served CIMECO with a notice stating the income tax charges assessed for years 2003 through 2007 and ordering the initiation of summary proceedings. The AFIP's assessment shows a difference in the Income Tax liability for the above indicated periods in its favor for an amount in excess of the amount that had been estimated originally, as a result of the method used to calculate certain deductions. CIMECO responded to the assessment rejecting all of the adjustments and requesting that the proceedings be rendered without effect and filed, with no further actions to be taken.

On April 26, 2012, the AFIP issued a new official assessment comprising the fiscal years 2003 through 2007, in which it applied the same method for the calculation as that used for the administrative settlement, claiming a total liability of Ps. 120 million. On May 21, 2012, an appeal was filed with the Federal Tax Court.

CIMECO and its legal and tax advisors believe CIMECO has strong grounds to defend the criteria adopted in their tax returns and that AFIP's challenges will not be admitted by the Federal Tax Court. Accordingly, CIMECO has not booked an allowance in connection with the effects such challenges may have.

c. Since 2005, the ANA has brought several claims against the holders of broadcasting and

cable TV licenses for the payment of customs duties applicable to the import of films documented between 2000 and 2005.

According to the ANA, holders of TV licenses are liable to pay customs duties, VAT and income tax not only on the customs value of the physical supports, but also on the reproduction rights agreed upon in the related contracts.

ARTEAR filed objections against these claims on the basis of international agreements, doctrine and case law on the subject. As a consequence of the criteria followed by ARTEAR, during the period covered by the claim, it paid other taxes that would not have been payable if ANA's interpretation had been applied. ARTEAR had to pay in full the differences claimed by ANA in a few isolated cases because the appeals filed with the Federal Court of Appeals against the National Tax Court's decisions did not have staying effects.

In the first unfavorable decision rendered by Chamber No. 4 of the Federal Court of Appeals, which was appealed by ARTEAR, the Argentine Supreme Court refrained from rendering judgment on the merits of the case. Subsequently, all other Chambers of the Federal Court of Appeals have rendered decisions against ARTEAR's position. Therefore, as of the date of these financial statements, that company has booked an allowance to account for the estimated losses that may result from such claims. On March 25, 2013 the AFIP published General Resolution No. 3451 in the Official Gazette.

Pursuant to such Resolution, AFIP established an installment plan for the payment of overdue taxes, customs duties and social security debts. With respect to customs duties, this special installment plan allows for the cancellation of fines imposed or supplementary charges brought by the Customs Administration up to and including February 28, 2013 in connection with import or export duties, as well as interest and restatements thereon, within a term of up to 120 months with a monthly rate of 1.35%. Given that all chambers of the National Tax Court and the Federal Court of Appeals have rendered judgments on the merits of the case against ARTEAR's position and the Supreme Court of Argentina refrained from rendering judgment, the Company decided to adhere to the installment plan for a large portion of the existing claims, leaving out only those claims in which AFIP has additionally made infringement allegations. On July 30, 2013, ARTEAR submitted an installment plan,

within the framework of General Resolution No. 3451, for the payment of a large portion of the tax component of these claims, notwithstanding the fact that ARTEAR still considers that its interpretation of the customs law is based on reasonable legal grounds.

d. On September 10, 2010, the AFIP served TRISA with a notice with objections to its income tax assessment, with respect to the application of the withholding regime set forth under the section following section 69 of the Income Tax law, for fiscal years 2004, 2005 and 2006. If AFIP's position prevails, TRISA's contingency would amount to approximately Ps. 28.9 million, out of which Ps. 9.3 million would correspond to taxes on dividend payments made during those years, Ps. 6.5 million to a 70% fine on the omitted tax, and Ps. 13.1 million to late-payment interest.

TRISA filed a response, which was dismissed by the tax authorities. On December 20, the tax authorities issued their own official assessment and imposed penalties. TRISA appealed the tax authorities' resolution before the National Tax Court on February 8, 2011.

TRISA and its legal and tax advisors believe that TRISA has strong grounds to defend its position and that AFIP's challenges will not be admitted by the Federal Tax Court. Accordingly, TRISA has not booked a provision in connection with the effects such challenges may have.

e. On August 13, 2012, the parent company GC Dominio S.A. was served notice of a claim brought by the Argentine Superintendency of Legal Entities (IGJ) whereby that agency seeks to annul the registration with the Public Registry of Commerce of the appointment of GC Dominio S.A.'s authorities, approved at the Shareholders' Meeting held on May 17, 2011. The claim is pending before the Federal Court of First Instance on Commercial Matters No. 25, Clerk's Office No. 49 ("Inspección General de Justicia v. Dominio S.A. on/Ordinary", File No. 58652). The claim brought by the IGJ seeks to annul the registration with IGJ of the appointment of GC Dominio S.A.'s authorities, approved at the Annual Ordinary General Shareholders' Meeting of GC Dominio held on May 17, 2011. The appointment was registered with the IGJ on April 23, 2012 under No. 7147, Book No. 59 of Share Companies.

According to the IGJ and as the case file is said to show, GC Dominio has allegedly failed to comply with certain regulations applicable to foreign shareholders upon registration of the appointment of authorities. Also within the framework of this claim, the Court issued an injunction in favor of the IGJ ordering that the existence of this claim be duly noted.

GC Dominio S.A.'s legal advisors have strong grounds to sustain that the resolution of IGJ's claim seeking the de-registration of the appointment of authorities has serious defects and infringes the guarantees of reasonableness and due process; a principle that derives from the constitutional guarantee of defense in court, which entails the right to be heard and to produce evidence to the contrary. GC Dominio S.A. has appealed such injunction because it considers that the IGJ has not shown that its legal arguments are, at least, plausible.

f. As a result of a report on suspicious activities reported by the Argentine Federal Revenue Service ("AFIP") concerning transactions carried out between the Company and some subsidiaries, the Financial Information Unit ("FIU") pressed criminal charges for alleged money laundering. The action is now pending before Federal Court No. 9, under Dr. Luis Rodriguez. The FIU has pressed charges against the Company and its directors for alleged money laundering activities related to the trading of shares between the Company and some of its subsidiaries. The Company has appointed defense attorneys and has requested a copy of the file to understand the details of the charges. The FIU is acting as plaintiff in this case. One of the Company's directors made a spontaneous appearance and filed a response and produced documentary evidence. Certain charges pressed by Representative Di Tullio were also added to the case. In addition, the Prosecutor requested that the charges be investigated and that certain evidentiary measures be taken which have not yet been fulfilled as of the date of these financial statements.

The Company and its legal advisors consider that there are strong arguments in the Company's favor, and have gathered evidence that supports the lack of involvement of anyone in any such maneuvers. However, they cannot assure that the outcome of this action will be favorable.

g. By means of Resolution 16,364/2010, dated and notified to AGEA as of July 15, 2010, the CNV's Board of Directors decided to initiate summary proceedings against AGEA and certain current and past members of its board of directors and supervisory commission, for alleged infringement of the Argentine Business Associations Law, Decree No. 677/01 and Law No. 22,315. AGEA, as well as the current and past members of the board of directors and supervisory commission who are subject to the summary proceedings, duly filed their respective responses.

h. The subsidiary AGEA received several inspections from the AFIP aimed at verifying compliance with the so-called competitiveness plans implemented by the National Executive Branch. After several reports issued by the AFIP and the corresponding Resolutions issued by the Ministry of Economy, such agencies allege that certain acts performed by AGEA during 2002 lead to the nullity of some of the benefits granted under said plans, including adjustments, for an estimated total amount of Ps. 53 million. In April 2013, AGEA was served with AFIP Resolution No. 03/13, whereby such agency decided to exclude AGEA from the Registry of Beneficiaries of the Competitiveness and Employment Generation Agreements under the Cultural Sector Agreement, as from March 4, 2002. The AFIP ordered the restatement of the tax returns and the remittance of the corresponding amounts. AGEA filed an appeal against such resolution. Notwithstanding the foregoing, in re "AEDBA and Other v. Ministry of Economy Resolution No. 58/10", the Federal Court on Administrative Matters No. 6 issued an injunction ordering AFIP to refrain from initiating and/or continuing with the administrative proceeding/s and/or any act that would entail the enforcement of the amounts payable under Resolution No. 3/13, until a final decision is rendered. Notwithstanding the foregoing, AGEA cannot assure that the appeal will be resolved in its favor.

i. On April 9, 2013, Cablevisión was served notice of AFIP Resolution No. 45/13 dated April 3, 2013, whereby such agency imposed penalties in a summary proceeding against that company with respect to compliance with General Resolution No. 3,260/12. Cablevisión

filed an appeal, which has staying effects on the execution of those penalties.

8.3 Other Claims and Disputes

a. On December 12, 2001, Supercanal filed a claim for damages against Multicanal as a result of the enforcement of a preliminary injunction brought by Multicanal against Supercanal. Multicanal responded to such claim denying any liability. Based on legal and factual precedents of the case, Cablevisión, as successor of Multicanal's operations, believes that the claim filed should be rejected in its entirety, and that the legal costs should be borne by the plaintiff. As of the date of these financial statements, the proceeding was at the discovery stage. The court of first instance dismissed Supercanal's request that it be allowed to sue without paying court fees or costs. This decision has been ratified by the Federal Court of Appeals.

b. On June 22, 2007 TRISA and TSC executed several documents with AFA, applicable from the 2007/2008 until the 2013/2014 soccer seasons, governing the broadcasting by TRISA of all of the National "B" soccer tournament matches and by TSC of ten of the Argentine soccer first division official tournament matches played each week. Out of those ten matches, TRISA broadcast five through TyC Sports.

Those agreements set the price to be paid by TRISA for these products and clearly stated its right to sell such products and, additionally, had AFA's express consent.

On August 12, 2009 AFA notified TSC of its decision to terminate unilaterally the above-mentioned agreement. TSC challenged AFA's unilateral termination of the agreement and, in order to safeguard its rights, on June 15, 2010 it brought a legal action against the AFA for contractual breach and damages.

On July 27, 2011, AFA unilaterally terminated the agreement that bound AFA and TRISA until the 2013/2014 soccer season for the broadcasting of all Argentine National "B" soccer tournament matches. AFA's decision was totally arbitrary and illegitimate, since TRISA has not breached any provision of the agreement, which does not expressly allow voluntary unilateral termination by either party. Therefore, TRISA has challenged AFA's unilateral termination of the agreement.

In light of the events and until the situation is remedied, TRISA will not be able to broadcast the five weekly matches of the first division tournament or any of the National “B” soccer tournament matches that it used to broadcast on its signal TyC Sports.

The broadcasting rights for the matches of Metropolitan First “B” category are not governed by the above-mentioned agreements, but by an agreement that is in full force and effect as of the date of these financial statements.

The situation described above had a significant impact on TRISA’s revenues and costs. Therefore, it had to adjust its signal to these new circumstances.

In light of the circumstances described in the above paragraphs, as from August 2009, TRISA has recorded a portion of its revenues based on the progress of negotiations with each client and the new content of the signal.

During the year ended December 31, 2012, TRISA completed those negotiations. As a result, no significant differences arose between the actual results and the original estimates.

c. On January 31, 2012, FADRA informed Grupo Carburando’s subsidiary Mundo Show S.A. of the unilateral rescission of the agreement executed in 2006 whereby FADRA assigned to that company the rights comprising image, sound and static advertising of motor racing at the road racing events Turismo Carretera and TC Pista until December 31, 2015. Mundo Show S.A. has challenged and rejected FADRA’s unilateral rescission of the agreement. In light of the events, Mundo Show S.A. will not be able to sell or export the audiovisual and static advertising rights of the above-mentioned motor racing events. Therefore, in 2012 an allowance was set up for impairment of goodwill and other assets related to such agreement of approximately Ps. 17 million. On July 17, 2013, some of the Company’s subsidiaries executed an agreement in order to settle the legal actions brought as a consequence of the termination of TV broadcasting rights and sponsorship agreements relating to the Turismo Carretera and TC Pista road racing events, whereby FADRA undertook to pay damages for an aggregate and final amount of Ps. 16.5 million

in 23 monthly and consecutive installments. In addition, it assigned all of its equity interest in TCM, which represents 20% of its capital stock and votes. The parties also settled the claims brought against FADRA in re “Mundo Show v. FADRA on pending cash collection, File No. 10041/2012”, whereby FADRA paid Ps. 1.5 million in exchange for the dismissal of the legal actions.

d. Pursuant to a notarial certificate issued on September 19, 2008, AGEA and the Company were served with a legal action brought by an entity representing consumers and alleged financial victims (and by six other individuals). Claimants are Multicanal noteholders who claim to be allegedly affected by Multicanal’s APE. The claim is grounded on a Consumer Defense Law which, in general terms, provides for an ambiguous procedure that is very strict against the defendant.

The Company, AGEA and certain directors and members of the supervisory committee and shareholders have been served with the claim. After rejecting certain preliminary defenses presented by the defendants, such as the application of statutes of limitation and the failure to comply with prior mediation procedures, the claim followed ordinary procedure and the above-mentioned persons duly filed their respective responses.

e. On September 16, 2010 the Company was served with a claim brought against it by Consumidores Financieros Asociación Civil para su Defensa. The plaintiff claims a reimbursement of the difference between the value of the shares of the Company purchased at their initial public offering and the value of the shares at the time a decision is rendered in the case. The Company has duly responded to the claim and the intervening Court has deemed the claim responded.

f. On April 25, 2013 Grupo Clarín S.A. held its Annual Regular Shareholders’ Meeting. As a result of the issues raised at this Meeting, some of the permanent directors informed the Company that they had pressed criminal charges against the representatives of the shareholder ANSES and of the CNV (Messrs. Reposo, Kicillof, Moreno, Vanoli, Fardi and Helman) for making statements and intellectual constructions which, under the appearance

of being included in the new regulations of the Argentine Capital Markets Law, only sought to discredit the Board of Directors and caricature its management, creating pretexts that may lead to an intervention of the Company without judicial control pursuant to the new powers vested on the CNV by Capital Markets Law No. 26,831. On April 26, 2013, the Board of Directors decided to press charges on the same grounds.

Consequently, the Company sent a letter to the CNV, in which it clearly stated that what happened at that Meeting could not be considered in any way as an acknowledgment of the legitimacy of the powers vested on the CNV by Law No. 26,831 and/or the regulations that may be issued in the future. The letter also stated that the Company reserved its right to file the pertinent legal actions at any time to request the declaration of the evident unconstitutionality of that law. It also requested the CNV to refrain from performing any act or issuing any resolution that would lead to the execution of the plan of which they had been accused before the courts.

g. On May 30, 2013, Pem S.A. was served notice of a claim in re “TELEVISORA PRIVADA DEL OESTE S.A. v. GRUPO CLARÍN S.A. AND OTHERS on ORDINARY” File No. 99078/2011, which is pending before the Federal Commercial Court No. 16 of First Instance, Clerk’s Office No. 32. The claim seeks damages resulting from certain decisions made with respect to Televisora Privada del Oeste S.A. Cablevisión and the Company, among others, are defendants in such lawsuit. Cablevisión was served with the claim and filed a response in due time and form. According to the Company’s legal advisors, the chances of success of the claim are low because the damages claimed are clearly overstated, the actual damage invoked does not exist and the claim is procedurally inappropriate, both on a factual and legal basis.

h. In March 2012, ARTEAR brought a summary action for the protection of constitutional rights against the National Government (Chief of the Cabinet of Ministers and Secretariat of Public Communication) and against Messrs. Juan Manuel Abal Medina and Alfredo Scoccimarro, in order to request that the National Government cease in the arbitrary

and discriminatory allocation of official advertising with respect to Arte Radiotelevisivo Argentino S.A. ARTEAR requested (i) that the court order the maintenance of the balanced allocation with respect to the amount of official advertising received in previous years, and in particular prior to 2008, and to the amount of official advertising allocated to other broadcasters of similar characteristics, and (ii) that the conduct of the above-mentioned officials be declared illegitimate, on account of their having abusively exercised their discretionary power to manage public funds destined to official advertising, discriminating against Canal 13, which is owned by ARTEAR. (See Note 25.c).

8.4 Matters concerning Papel Prensa:

I. Papel Prensa has several disputes pending before the Commercial Court of Appeals of the City of Buenos Aires as a consequence of CNV Resolution No. 16,222. Pursuant to said Resolution, the CNV declared that certain decisions of Papel Prensa’s Board of Directors were irregular and with no effect for administrative purposes. The Resolution challenged the Board’s fulfillment of the formalities required in the preparation, transcription and execution of meeting minutes on the relevant corporate books. On June 24, 2010, in File No. 75,479/09, the Commercial Court of Appeals of the City of Buenos Aires, Chamber C, decided to nullify CNV Resolution No. 16,222. On the basis of Resolution No. 16,222, the CNV has questioned subsequent decisions of Papel Prensa’s Board and of its Shareholders. In response, Papel Prensa has brought several administrative claims against the CNV, questioning its position. All of such claims were decided in Papel Prensa’s favor by the Commercial Court of Appeals of the City of Buenos Aires. Consequently, the CNV’s decisions were nullified. Furthermore, the Commercial Court of Appeals, Chamber C, dismissed the appeals filed by the CNV before the Supreme Court of Argentina against the Court of Appeals’ decisions. The CNV filed a direct appeal before the Supreme Court.

As a consequence of the above, Papel Prensa has continued with the criminal proceedings brought against certain public officials.

On February 1 and 4, 2010 the Secretary of Domestic Trade, Mario G. Moreno, and

the CNV, respectively, requested the judicial intervention of Papel Prensa before the commercial justice. Such claims were pending before the Federal Commercial Court of First Instance No. 2, Clerk's Office No. 4, temporarily under judge Dr. Eduardo Malde, who, on March 8, 2010, issued an injunction whereby he suspended certain decisions adopted at meetings of the Board of Directors and at Shareholders Meetings held on or after November 4, 2009. Judge Malde also appointed a co-administrator without removing the members of the previous corporate bodies. Papel Prensa filed an appeal, which the Commercial Court of Appeals, Chamber C, resolved in Papel Prensa's favor, by revoking the injunction on August 31, 2010. On December 7, 2010 the same Chamber C dismissed the appeals filed by the CNV and the National Government before the Supreme Court of Argentina against the Court of Appeals' decision. Both the CNV and the National Government filed direct appeals against such decision.

None of the claims mentioned in the above paragraphs had a material effect on AGEA's financial and economic condition as of December 31, 2012.

II. On January 6, 2010, the SCI issued Resolution 1/2010 whereby certain business practices were imposed on Papel Prensa. Papel Prensa brought a legal action against such resolution on grounds of unconstitutionality before the Federal Court on Administrative Matters and requested an injunction which was granted by the intervening judge. Pursuant to the injunction, the effects of such Resolution were suspended. On May 7, 2010, the Federal Court on Administrative Matters revoked the injunction. Papel Prensa appealed such decision, which was affirmed by the Federal Court of Appeals on Administrative Matters. Papel Prensa filed an appeal against the Court of Appeals' decision. The appeal was denied and Papel Prensa was served notice of that denial on September 1, 2010.

III. Papel Prensa suspended its operations with related parties between March 9 and April 21, 2010 pursuant to an injunction issued on March 8, 2010 by Judge Malde. In his ruling, Judge Malde decided to suspend the Board of Directors' resolution of December 23, 2009, which had approved the terms and conditions

of transactions with related parties for the year 2010. On April 21, 2010, the Board of Directors of Papel Prensa, following a proposal made by the court-appointed supervisor (interventor) and co-administrator, approved the resumption of such company's transactions with related parties under provisional conditions for as long as the decision rendered by the Board on December 23, 2009 remained suspended and/or until Papel Prensa's corporate bodies established a business practice to follow with related parties.

Such approval involved suspending the application of volume discounts in connection with purchases made by related parties, which could be recognized in their favor, subject to the court's decision on the appeal filed by Papel Prensa against Judge Malde's injunction of March 8, 2010. As from April 21, 2010, transactions with related parties were resumed under the provisional conditions approved by the Board on April 21, 2010.

At a meeting held on December 23, 2010, Papel Prensa's Board of Directors approved new conditions that must be fulfilled for the recognition and payment of volume discounts that may be applicable to related parties in connection with purchases of paper made as from April 21, 2010. These new conditions are as follows: (i) the lifting of the provisional suspension of the resolutions adopted by the Board meeting of December 23, 2009, as explained in the previous paragraph, and (ii) the resolution or end, by any means, of any state of uncertainty that may eventually exist about the conditions approved by Papel Prensa's Board in the first item of the agenda of the meeting held on April 21, 2010, as a consequence of the claim brought by the National Government in re "National Government - Secretariat of Domestic Trade - v./ Papel Prensa S.A.I.C.F. y de M. on/ Ordinary", File No. 97,564, currently pending before Federal Commercial Court of First Instance No. 26, Clerk's Office No. 52. Under this proceeding, the National Government seeks to obtain, among other things, a declaratory judgment of nullity of the provisional conditions for the resumption of transactions with related parties in connection with the purchase and sale of paper approved by Papel Prensa's Board in the first item of the agenda of the above mentioned meeting held on April 21, 2010.

Furthermore, at this meeting held on December 23, 2010, Papel Prensa's Board decided to maintain the originally approved sales policy, but to subject the accrual and enforceability, and, consequently, the recognition and payment to the clients, of the eventual volume discounts that may be applicable to them with respect to paper purchases made between January 1, 2011 and December 31, 2011, to a final favorable ruling in the claim brought by Papel Prensa against the constitutionality of SCI Resolution No. 1/2010, or to the final nullification of such Resolution No. 1/2010 in any other way or by any other legal means, whichever happens first. In connection with related parties, the Board approved the same policies and conditions as those approved for the other clients in general.

In a meeting held on December 27, 2011 Papel Prensa's Board of Directors decided to maintain for 2012 the same commercial policies that had been approved for 2011 -under the same terms and conditions mentioned in the previous paragraph- for all of its customers in general (including related parties).

The commercial policy approved by Papel Prensa was affected by Law 26,736 -effective as from January 5, 2012- which declared a matter of public interest the production, sale and distribution of wood pulp and newsprint and set forth the regulatory framework to be adopted by the producers, sellers, distributors and buyers of such inputs. Among other things, the Law set limits and established conditions applicable to Papel Prensa for the production, distribution and sale of newsprint (including a formula to determine the price of paper), and created the National Registry of Producers, Distributors and Sellers of Wood Pulp and Newsprint where all producers, sellers, distributors and buyers shall be registered as a mandatory requirement in order to produce, sell, distribute, and/or purchase newsprint and wood pulp as from the enactment of the Law. It also contains a series of temporary clauses, specifically and exclusively addressed to Papel Prensa, whereby Papel Prensa is forced to make investments to meet the total national demand for newsprint -excluding from this requirement the other existing company that operates in the country with installed capacity to produce this input. The Law also

provides for the capitalization of the funds eventually contributed by the National Government to finance these investments for the purposes of increasing the equity interest and the political rights of the National Government in Papel Prensa, contravening public order regulations contained in Law 19,550 and disregarding several constitutional rights and guarantees of Papel Prensa and its private shareholders.

On February 10, 2012 AGEA registered in the National Registry of Producers, Distributors and Sellers of Wood Pulp and Newsprint (Record No. 63 in File No. S01:0052528/12), clearly stating that the decision to register shall not be construed as an acknowledgment or conformity with the legitimacy of Law 26,736, Resolution No. 9/2012 issued by the Ministry of Economy and Public Finance and SCI Resolution No. 4/2012 issued in connection with such Law and/or any other issued in the future, since they seriously affect several rights and guarantees of AGEA which are recognized and protected by the Argentine National Constitution.

IV. On September 12, 2011, the CNV issued Resolution No. 16,647 whereby it rendered irregular and with no effect for administrative purposes the decisions made by Papel Prensa's Board of Directors at the meetings held on July 20, 2011 and August 5, 2011. At those meetings, the Board of Directors had called two shareholders' meetings, to be held on September 27, 2011 and September 15, 2011, respectively. Notwithstanding the fact that Resolution No. 16,647 was appealed by Papel Prensa and is therefore not final, on September 15, 2011, Commercial Court No. 5, Clerk's Office No. 9, issued an injunction with respect to the Board of Directors' decisions to call the two shareholders' meetings. The injunction had been requested by the shareholders Arte Gráfico Editorial Argentino S.A., Compañía Inversora en Medios de Comunicación (CIMECO) S.A., and S.A. La Nación. Given that the issuance of the injunction had validated Papel Prensa's decision to call the two shareholders' meetings, both were held as originally scheduled. Nevertheless, and based on the above Resolution No. 16,647, on October 13, 2011 the CNV issued Resolution No. 16,671 rendering irregular and with no effect for administrative purposes all of the decisions made at Papel

Prensa's Shareholders' Meetings held on September 15, 2011 and September 27, 2011. Papel Prensa filed an appeal against Resolution No. 16,671, which is, therefore, not final. Also based on Resolution No. 16,647, on November 16, 2011, the CNV issued Resolution No. 16,691 whereby the CNV rendered irregular and with no effect for administrative purposes the decisions made at the Board of Directors' Meeting held on October 3, 2011 and the call for the Board of Directors' meeting on November 17, 2011. Such Resolution is not to be deemed final since Papel Prensa filed an appeal and requested its nullification. In this sense, of particular note is that: (i) at the hearing held before Federal Commercial Court No. 26 of First Instance, Clerk's Office No. 52, the National Government, Papel Prensa, AGEA, Compañía Inversora en Medios de Comunicación (CIMECO) S.A. and S.A. La Nación, agreed, among other things, on the composition of the company's corporate bodies, and in particular on the recognition of the authorities appointed by the private shareholders at Papel Prensa's Shareholders' meeting held on September 27, 2011, as well as on the agenda to be addressed at the meeting of Papel Prensa's Board of Directors of October 3, 2011, which had been the subject matter of Resolution No. 16,691; and (ii) at the hearing held in April 2012 before the same Commercial Court the National Government, Papel Prensa, AGEA, Compañía Inversora en Medios de Comunicación (CIMECO) S.A. and S.A. La Nación, with the assistance of the Argentine Securities Commission, agreed to request the court to order a shareholders' meeting with an agenda substantially similar to that of Papel Prensa's Shareholders' Meeting held on September 27, 2011. The request was granted by the intervening judge and the meeting was scheduled for August 29, 2012. The meeting began on that date but, as a consequence of certain disturbances provoked by the representative of the National Government, the private shareholders that were present at the meeting decided to adjourn it for 48 hours without addressing the agenda. After that, and notwithstanding the resolution adopted at the meeting, on August 31, 2012 Judge O'Reilly decided to order that the adjourned meeting would resume on September 25, 2012. However, the meeting was not held because the Judge subsequently held that the appeals

filed against other points of her decision resulted in the suspension of every point of the decision she had rendered, including the new date scheduled for the meeting, even though all appellants had consented to that point. Therefore, the new date of the court-convened meeting that began on August 29, 2012 may not be set until the Supreme Court has rendered its decision about the appeals against Judge O'Reilly's decision of August 31, 2012. Once that occurs and the file is sent back to the original court, Judge O'Reilly shall set a new date to resume the meeting.

V. On June 6, 2013, the Board of Directors of the CNV issued CNV Resolution No. 17,102, within the framework of the Administrative File No. 1032/10, whereby it required that: (i) certain members of Papel Prensa's Supervisory Committee and statutory auditors be imposed a fine of Ps. 150,000 each; and (ii) Papel Prensa, certain members of its Board of Directors, one member of its Supervisory Committee and the members of its Oversight Board (all of them representatives of Papel Prensa's private shareholders) be imposed a joint and several fine of Ps. 800,000. Papel Prensa and its other current and former officers appealed the fine in due time and form. In the same appeal, they requested an injunction to change the effect of their appeal and suspend the application of the fine. On October 11, 2013, Chamber 5 of the Federal Court on Administrative Matters denied this request, which was considered unnecessary in the light of the settlement of the fine by the claimants, as informed below. Notwithstanding the above, on June 19, 2013, the Company asked the CNV to suspend the application of the fine until a decision was rendered by the Court of Appeals with respect to the injunction. The request was denied. On June 28, 2013, the fine was paid under protest in order to prevent its coercive enforcement by the CNV; given that, under the new Capital Markets Law No. 26,831, appeals may be admitted without suspension of judgment.

VI. AGEA has not recorded any impact in connection with the foregoing, since its effects shall depend on the final outcome. Such effects are not expected to be material to these financial statements.

Note 9

Regulatory framework for audiovisual communication services

Until the enactment of Audiovisual Communication Services Law No. 26,522, the installation, operation and acquisition of audiovisual communication services in Argentina were governed by Broadcasting Law No. 22,285. Cable TV activities were regulated and overseen mainly by the COMFER.

Under Law No. 22,285 broadcasting service companies in Argentina required a non-exclusive license from the COMFER in order to operate. Other approvals were also required, including the authorization from municipal agencies. Broadcasting licenses were granted for an initial period of 15 years, allowing for a one-time extension of 10 years. The extension of the license was subject to the approval of the COMFER, which would determine whether or not the licensee had met the terms and conditions under which the license had been granted. Both Cablevisión and its subsidiaries and other subsidiaries of Grupo Clarín that render broadcasting services, hold licenses granted by the COMFER under such Law. Some of Cablevisión's licenses, including its original license (with an extended term that originally expired on March 31, 2006), and the licenses of other subsidiaries, have already been extended for the above-mentioned 10-year term.

On May 24, 2005, Decree No. 527/05 provided for a 10-year-suspension of the terms then effective of broadcasting licenses or their extensions. Calculation of the terms shall be automatically resumed upon expiration of the suspension term, subject to certain conditions. The Decree required that companies seeking to benefit from the extension submit to the COMFER's approval, within two years from the date of the Decree, programming proposals that would contribute to the preservation of the national culture and the education of the population and a technology investment project to be implemented during the suspension term. COMFER Resolution No. 214/07 regulated the obligations established by Decree No. 527/05 in order to benefit from such suspension. The proposals then submitted were approved and, accordingly, the terms of the licenses originally awarded to Cablevisión, as well as the terms

of the licenses to which Cablevisión became the universal successor, and the licenses of other subsidiaries, are currently suspended for ten years.

COMFER Resolution No. 275/09 lifted a suspension of license grants that had been ordered by COMFER Resolution No. 726/00 and approved the Rules governing the licensing of Broadcasting and Supplementary Services by means of a physical link, and set a term to apply for licenses under an abbreviated procedure. Therefore, Cablevisión and certain subsidiaries purchased bidding forms to apply for new licenses through this option in such locations where they had not obtained the suspension of the term ordered by Decree No. 527/05, since the terms of those licenses had expired.

Cablevisión has requested the COMFER's approval of several transactions, including certain company reorganizations and share transfers. The request for approval of the merger of Cablevisión and its subsidiaries (see Note 8.1.d.) is still pending.

The Audiovisual Communication Services Law (Law No. 26,522) was passed and enacted on October 10, 2009, subject to strong concerns over its content and enactment procedure.

Even though the new Law became effective on October 19, 2009, not all of the implementing regulations provided by the law have been enacted. Therefore, Law No. 22,285 still applies with respect to those matters that to date have not been regulated, until all terms and procedures for the regulation of the new law are defined.

The law provides for the replacement of the COMFER with the Audiovisual Communication Services Law Federal Enforcement Authority (AFSCA, for its Spanish acronym) as a decentralized and autarchic agency under the jurisdiction of the Executive Branch, and vests the new agency with authority to enforce the law.

The new law, which governs the audiovisual communication service activities conducted by the Company through its subsidiaries, establishes, among other things:

- A license award and review scheme that grants wide discretion to the Executive Branch and to an Enforcement Authority with questionable

composition and powers,

- A 10-year limitation to the terms of licenses, with a one-time non-renewable extension,
- The non-transferability of authorizations and licenses,
- A regulatory framework and registration requirements for signals, production companies and advertising agencies,
- A multiple license scheme that: i) restricts to 10 the number of Audiovisual Communication Service licenses, plus a single broadcasting signal for radio, broadcast TV and subscription cable TV services that make use of the radio spectrum; ii) restricts the licensing of subscription broadcasting services rendered by means of a physical link (cable), limiting the number of licenses to 24; iii) sets forth a further restriction on these services, which may not be provided to more than 35% of all inhabitants or subscribers nationwide; iv) establishes that a broadcast TV signal and a cable TV signal may not be simultaneously exploited in the same location, and v) establishes that broadcast TV networks may only own one cable TV signal. The same applies to cable TV networks, which may only own the so-called “local channel”, which is mandatory for every license
- Mandatory quotas for certain types of content.

Also controversially, the law sets forth retroactive effects by requiring holders of current broadcasting licenses - which were legitimately acquired rights under Law No. 22,285 as amended - to conform to the new law within the term of one year counted as from the time certain mechanisms required for implementation are set in place.

The Executive Branch has regulated most sections of Law No. 26,522 by means of Decree No. 1,225/2010. The most notably arbitrary provision of this decree is the highly discretionary mandatory divestiture system created to implement Section 50 of the Audiovisual Communication Services Law (LSCA). This system has evident confiscatory effects.

It is publicly known that several concerns have been expressed about this law, since it has defects that render it unconstitutional; it seriously damages the development of the audiovisual industry and it restricts fundamental freedoms. Grupo Clarín and its main subsidiaries made court filings in this sense which gave rise to the provisional

suspension of section 161 of the Audiovisual Communication Services Law until a final decision was rendered.

On December 14, 2012 the Company was served with the decision rendered by the Court of First Instance on the merits of the case in re “Grupo Clarín S.A. and Other v. the Executive Branch on Declaratory Action” (File 119/10). The judge recognized the standing of the plaintiffs as license holders, but rejected the unconstitutionality claim with legal costs imposed on claimants. An appeal was filed in due time and form and is now pending before the Court of Appeals.

On April 17, 2013, Chamber 1 of the National Court of Appeals on Federal Civil and Commercial Matters rendered a decision on the merits of the case, whereby it:

i) Confirmed the dismissal of the exception of lack of standing brought in connection with Grupo Clarín and Teledigital.

ii) Dismissed the claim of unconstitutionality brought by the claimants against:

- a. Section 41 of the Audiovisual Communication Services Law, which provides that licenses are not transferable, with an exceptional procedure for the transfer of shares or quotas of licensees;
- b. Section 161 of the Audiovisual Communication Services Law, which requires existing licensees to conform to the new Law;
- c. Section 45, point 1, subsection a), which limits subscription television licenses on satellite support to one license per holder, nationwide;
- d. Section 45, point 1, subsection b), which limits audiovisual communication services licenses that make use of the radio spectrum to 10 licenses per holder, nationwide, except for the provision that limits content signals to one per holder, which was deemed unconstitutional;
- e. Section 45, point 2, subsection a), which limits AM broadcast radio licenses to one license per holder per locality; and
- f. Section 45, point 2, subsection b) which limits FM broadcast radio licenses to one license per holder per locality, except for localities with more than eight FM stations, where holders are entitled to two licenses.

The Court of Appeals also declared that claimant has a right to be compensated for

damages that may result from the mandatory divestment as a consequence of the limitations set forth under point ii. c), d), e) and f);

iii) Declared the unconstitutionality of the following provisions:

- a. Section 45, point 1, subsection c), which limits licenses for the exploitation of audiovisual communication services by subscription with physical link to 24 licenses per holder, nationwide;
- b. Section 45, final paragraph, which provides that services provided by one licensee may not reach more than 35% of the aggregate national population or nationwide subscribers;
- c. Section 45, point 2, subsections c) and d), which provides that holders of a broadcast television license may not simultaneously hold a subscription television service license in the same locality;
- d. Section 45, final paragraph, which limits licenses granted in the same primary service area or group of overlapping primary service areas to three licenses per holder; and
- e. Section 45, point 3, which provides that broadcast television licensees may only own one cable television signal and cable television service licensees may only own a single signal generated by such providers themselves.

The Court ordered the inapplicability of the provisions detailed under iii. a), b), c), d) and e), above, to the licenses exploited by claimant.

iv) Declared the unconstitutionality of section 48, second paragraph, which provides that the multiple license regime set forth under the Audiovisual Communication Services Law may not be alleged as an acquired right in light of any future amendments relating to deregulation, demonopolization or antitrust.

v) Rejected the claim for damages as claimed under this case-file.

vi) Revoked the decision rendered in the first instance regarding the repeal of the injunction granted in favor of the claimants until a final decision is rendered.

Both parties appealed the decision rendered by the National Court of Appeals on Federal Civil and Commercial Matters, and the case was subsequently submitted to the Supreme Court of Argentina.

On December 17, 2012, the Company was served notice of AFSCA Resolution No. 2276/2012 (File No. 1395-AFSCA/2012), whereby AFSCA decided to initiate the ex-officio transfer procedure, ordered the appraisal by Court of Appraisals of Argentina of the licenses and the essential assets related to the various broadcasting services and ordered the Company to respond, within the framework of that procedure, to a request for information about the licenses and/or services it owned directly or indirectly. The Company appeared before AFSCA and challenged its resolution because it violates the injunction granted and extended by Chamber No. 1 of the National Court of Appeals on Federal Civil and Commercial Matters. The Company also made a presentation in re “Grupo Clarín S.A. and Others on preliminary injunctions” to report these circumstances. Consequently, on June 27, 2013, Chamber No. 1 of the Court of Appeals ordered in re “Grupo Clarín S.A. and other v. National Executive Branch and others on failure to comply with injunction” (File No. 4777/2012) that AFSCA suspend its proceedings (File No. 1395-AFSCA/2012) and refrain from taking any action or initiating any similar or identical proceeding based on Section 161 and/or its regulations during the effectiveness of said injunction.

On October 29, 2013 the Company was served with a decision rendered by the Supreme Court of Argentina which ordered (i) to revoke the decision rendered by the National Court of Appeals on Federal Civil and Commercial Matters on April 17, 2013 (the “Decision”) to the extent that it declared the unconstitutionality of Section 45, part 1, subsection “c” and final paragraph; part 2, subsections “c” and “d” and final paragraph; part 3 in its entirety; and part 1, subsection “b”, with respect to the limitation to holding registered title to a single content signal, and Section 48, second paragraph, Law No. 26,522 and (ii) to confirm the Decision to the extent it rejected the claim for damages as brought under the case file.

The Company believes that the challenged Sections -as held by the three dissenting opinions- not only contradict the principles of the Argentine National Constitution, but also those of the American Convention on Human Rights (Pact of San José de Costa Rica), as well as recent precedents of the Inter-American Commission on Human Rights, the

Inter-American Court of Human Rights and the Special Rapporteurship for Freedom of Expression of the Organization of American States. The claimant companies will analyze bringing an appeal before international courts to challenge those sections that entail an indirect act of censorship that silence and discriminate against critical media, and violate acquired rights.

In addition, as provided in the Court's decision, the Company will continue to litigate in local courts all the aspects related to the discretionary and selective application of the law by the national government.

On October 31, 2013, even before the deadline to enforce the decision rendered by the Supreme Court of Argentina in re "Grupo Clarín S.A. and Others v. National Executive Branch and other re: Merely Declarative Action" (File 119/10), the Company and some of its subsidiaries were again served with AFSCA Resolution No. 2276/2012 issued by the president of that agency on December 17, 2012 within the framework of File No. 1395-AFSCA/2012. Resolution No. 2276/2012 provides for an ex-officio proceeding to conform the Company and some of its subsidiaries to the provisions of the Audiovisual Communication Services Law. The Company and its legal advisors believe that this resolution is absolutely null and void and have filed an appeal to have it revoked.

Faced with the de-facto proceedings that sought to dispossess the Company of its licenses and assets through an ex-officio procedure, on November 4, 2013 the Company submitted to AFSCA and to the Supreme Court of Argentina a voluntary proposal to conform to the Audiovisual Communication Services Law pursuant to section 161 of the LSCA, approved by Grupo Clarín's Board of Directors on November 3, 2013, in an attempt to avoid the forced divestiture of its assets by AFSCA. This is also the least desirable decision, because it contradicts Grupo Clarín's historical strategy of maintaining the necessary integration and strength. The voluntary proposal -which does not interrupt any of the judicial actions brought by the Company to defend its rights- was submitted together with a request that the decision rendered by the Supreme Court of Argentina be complied in full. That is, requesting the involvement of an independent, unbiased enforcement authority with technical expertise,

which may ensure a transparent and egalitarian treatment in the enforcement of the law.

Upon review of the voluntary proposal, AFSCA issued Resolution No. 1471/2013 whereby it suspended the Ex-Officio Transfer Procedure commenced through AFSCA Resolution No. 2276/2012 and stated that it would refrain from pursuing any administrative proceedings in that regard.

The voluntary proposal presented by the Company is summarized as follows: The assets of the Company and its group of companies governed by Law No. 26,522 will be divided into six units of audiovisual communication services. Each of the units of audiovisual communication services will have no corporate relationship with the others. This way, each will conform individually to the provisions of Sections 45 and 46 of the Audiovisual Communication Services Law and its regulations, and will be divided according to the following detail: (i) Unit I: composed by (a) ARTEAR, owner of the signal of Canal 13 of Buenos Aires and the news signal TN (Todo Noticias). ARTEAR will also maintain its interest in (i) Telecor, holder of the license of Canal 12 of Córdoba and (ii) Bariloche TV, holder of the license of Canal 6 of Bariloche. (b) Radio Mitre, which will maintain the frequencies AM 790 and FM 100 in Buenos Aires, AM 810 and FM 102.9 in Córdoba, and FM 100.3 in Mendoza; and (c) certain assets, liabilities, rights and obligations to be spun off from Cablevisión ("Cablevisión Spinoff 1"), which will include 24 local licenses for physical link subscription television services, in cities where there is no incompatibility with broadcast TV. (ii) Unit II: composed by the surviving Cablevisión which will continue to carry out the business activities and operations of Cablevisión with all the assets, liabilities, rights and obligations that are not spun off from Cablevisión. It will include 24 licenses for physical link subscription television services. (iii) Unit III: composed by Cablevisión Spinoff 2 which will include assets, rights and obligations to be spun off from Cablevisión, including 18 licenses for physical link subscription television services and 1 license for radio-electric link subscription television services. (iv) Unit IV: (a) composed by IESA, owner of the signals TyC Sports and TyC Max; (b) the signals El 13 Satelital, Magazine, Volver, Quiero Música en mi Idioma, Canal Rural and Metro-the latter involves only the

registration for its commercialization-. (v) Unit V: held by an individual or legal entity that will not maintain a corporate relationship with Radio Mitre, its controlling companies, subsidiaries and/or controlled companies, and which shall hold: (a) one sound frequency modulation broadcasting service for the City of San Miguel de Tucumán-FM 99.5, (b) one sound frequency modulation broadcasting service for the City of San Carlos de Bariloche-FM 92.1, (c) one sound frequency modulation broadcasting service for the City of Santa Fe-FM 99.3, and (d) one sound frequency modulation broadcasting service for the City of Bahía Blanca-FM 96.5. (vi) Unit VI: held by an individual or legal entity that will not maintain a corporate relationship with ARTEAR, its controlling companies, subsidiaries and/or controlled companies, and which shall hold one broadcast television license for the City of Bahía Blanca, Province of Buenos Aires-LU81 TV Canal 7-and an equity interest in Cuyo Televisión S.A., holder of one broadcast television license in Mendoza-LV83 TV Canal 9 Mendoza-. Said proposal contemplates that the Company will continue to own, directly or indirectly, only one of the audiovisual communication service Units (among those defined as Unit I and Unit II) of the six that were described above.

The proposal will contemplate the necessary reservations to safeguard the rights of the Company, among which we may mention the following: the reservation to bring the judicial actions that may correspond in connection with the claim for economic damages caused to the Company and its subsidiaries as a consequence of their adjustment to conform to the law; the reservation to challenge the conformity of Sections 41, 45, 48 and 161 of Law No. 26,522 to international conventions before the Inter-American Commission on Human Rights, the Inter-American Court of Human Rights and other competent International Courts; the reservation to challenge judicially the current composition of AFSCA for not conforming to the provisions of Law No. 26,522 and for not being a technical and independent agency protected against undue interferences from the State.

In order to consolidate the number of subscription television licenses for the purposes of conforming Cablevisión to the Audiovisual

Communication Services Law, the Company applied the coverage area extension mechanism provided under section 45 of Decree No. 1225/2010 in accordance with the criterion approved by AFSCA in the Minutes of its Board of Directors' Meeting No. 32/2012. The implementation of the proposal will necessarily involve a series of transactions that will require in some cases a statement of intention from the shareholders that are not related to Grupo Clarín.

It should be noted that the proposal provides that the three units that will result from the adjustment of Cablevisión (Surviving Cablevisión, Cablevisión Spinoff 1 and Cablevisión Spinoff 2) will each have a market share lower than the limit established by the law.

The proposal also includes other regulatory authorizations required for its implementation (CNV, IGJ, AFIP, SECOM, CNDC, among others) as well as the request to be excluded from the scope of the taxes applicable to the transactions required to implement the proposal.

The Company and its subsidiaries have always abided by the laws and respected the decisions of the judiciary: all of the judicial claims brought by the Company since the enactment of Law No. 26,522 had the purpose of preserving the assets of the Company and of its shareholders under the firm conviction that the current structure of Grupo Clarín is the most efficient, both from the operational and the economic perspective, for its shareholders, employees, customers, suppliers and the community as a whole. The Board understands that the Company has presented the alternative that most mitigates the damages caused by having to comply with the Supreme Court decision, taking into consideration what the Board believes to arise clearly from the multiple license regime and the admissibility conditions provided by Law No. 26,522.

Once it is declared formally admissible by AFSCA, which occurred on February 18, 2014, as mentioned under Note 25.d, the implementation of the proposal requires the intervention of other governmental and oversight agencies and the approval of the shareholders at the respective Shareholders' Meetings in order to carry out the restructuring

and the transfer of licenses, assets, liabilities and operations to third parties, which must then receive final approval from AFSCA by means of an act that declares that the process has been duly completed.

The implementation of this proposal, if approved without any changes as presented by the Company, which mainly consists in the transfer of assets, may entail a strong reduction of its operating income and its profitability in the Cable Television and Internet Access segment and/or a strong reduction of its operating income and profitability of the Broadcasting and Programming segment, depending on the choices made by the Company. The above-mentioned considerations and the limits to the growth of Grupo Clarín imposed by this law, against world trends and against legitimately acquired rights, will surely have an impact on the potential value of Grupo Clarín. The proposal's implementation process and the results that may eventually occur will depend on a series of approvals and decisions from regulatory agencies, the Company and the subsidiaries involved (including the respective shareholders) and from all the parties involved in this process, which has just begun.

A scenario different from the one considered by the Company and its subsidiaries, additional limitations to those contemplated in its voluntary conforming proposal and/or a forced divestiture process may give rise to different results and, eventually, adverse consequences. As of the date of these financial statements and given the current uncertainties regarding the effective evolution of the process of conforming the Company and its subsidiaries to the Audiovisual Communication Services Law, the existing restrictions imposed by the regulatory framework and the conditions in which these processes will be effectively carried out, the Company cannot provide assurance about the final value to be obtained as a result of the divestiture or about the results of that process.

In this sense, it should be noted that the decision rendered by the Supreme Court of Argentina on October 29, 2013 expressly states the claimant companies' right to claim economic damages caused to the Company and its subsidiaries as a consequence of the adjustment to conform to the law. Accordingly, under the proposal submitted to AFSCA

on November 4, 2013 the Company expressly reserved its right to bring judicial actions to claim for those damages.

Additionally, AFSCA issued Resolution No. 432/2011, whereby it approved new bidding terms and conditions for the granting of licenses for physical link television services.

Cablevisión complied with AFSCA Resolution No. 296/2010, which provides guidelines for the organization of the programming grid that must be followed by the owners of pay TV audiovisual services. This resolution regulates section 65, subsections a) and b) of Law No. 26,522. The Resolution supplements the provisions of the regulations to the same section of Decree No. 1,225/2010. Cablevisión believes that both the provisions of Decree No. 1,225/2010 and AFSCA Resolution No. 296/2010 are regulatory abuses and violate the right to freedom of the press, guaranteed by the National Constitution.

In spite of Cablevisión's efforts to organize its programming grids in accordance with the provisions of section 65 of Law No. 26,522, AFSCA has initiated multiple summary proceedings in connection with the cable television licenses of which Cablevisión is the lawful successor. AFSCA contends that Cablevisión failed to comply with the regulations set forth by AFSCA Resolution No. 296/2010. Cablevisión submitted the responses set forth under section 1, Exhibit II of AFSCA Resolution No. 224/2010 in connection with such accusations. A decision has been rendered on some of the summary proceedings and, as a result, a fine was imposed on Cablevisión. Cablevisión has appealed these decisions. Some of the appeals filed by Cablevisión have been decided against it and have again been appealed.

Insofar as Cablevisión is concerned, as of the date of these financial statements, an injunction issued in re "CABLEVISIÓN S.A. v. NATIONAL GOVERNMENT AND OTHERS ON COMPLAINT FOR THE PROTECTION OF CONSTITUTIONAL RIGHTS" by the Federal Court of Appeals of the City of Mar del Plata, whereby that Court revoked the decision rendered in the First Instance, remains in full force and effect. The decision rendered in the First Instance had ordered the dismissal of Cablevisión's request.

The Court of Appeals ordered AFSCA to suspend - until a final decision was rendered on the matter - the application of the penalties derived from the alleged non-compliance with section 65 of Law No. 26,522 and Decree No. 1,225/2010. It also suspended the application of section 6 of AFSCA Resolution No. 296/2010 on the grounds that Cablevisión's alleged serious non-compliance was not contemplated in the Law or in the Decree. The National Government filed an appeal with the Supreme Court against this decision. Such appeal is still pending resolution.

In re "AFSCA v. CABLEVISION SA Decree 1225/10 - RES. 296/10 on/ Proceeding leading to a declaratory judgment" currently pending before the Federal Court of First Instance on Administrative Matters No. 9, on May 16, 2012 the Court granted an injunction that had been requested by AFSCA, ordering Cablevisión and/or the pay television audiovisual services it exploits, to conform to Section 65, paragraph 3 b) of Decree No. 1225/2010 and Sections 1, 2, 3, 4 and 5 of AFSCA Resolution No. 296/2010, until a final judgment is rendered on the merits of the case. Cablevisión has appealed such injunction.

On August 6, 2012, Cablevisión was served notice of a decision rendered by the Federal Court of First Instance on Administrative Matters No. 9 of the City of Buenos Aires, whereby that court imposed a fine on Cablevisión of Ps. 20,000 per day for each day of delay in complying with the injunction that ordered Cablevisión to comply with Section 65 of Decree No. 1225/2010 and AFSCA Resolution No. 296/2010. Cablevisión filed an appeal against that decision in due time and form. However, the Court of Appeals ignored the strong grounds asserted by Cablevisión; partially confirmed the decision rendered in the first instance; and reduced the fine to Ps. 2,000 per day for each day of delay, to be calculated as from the date the decision is deemed final. That decision was appealed before the Supreme Court of Argentina and is still pending resolution. On October 21, 2013 Cablevisión was served with new charges brought for alleged non-compliance with AFSCA Resolution No. 0296/2010. These charges are in clear breach of the injunction. Accordingly, Cablevisión filed an appeal.

Between September and October 2011, AFSCA brought 46 charges of delegation of the exploitation of several licenses of which Cablevisión is currently the legal successor. The charges were brought within the framework of COMFER file No. 2,005/08, relating to the registration of the corporate reorganization whereby Multicanal and Teledigital, among other subsidiaries, merged into Cablevisión. Cablevisión has submitted the appropriate responses on behalf of the merged licensees charged as indicated above. To date, such responses have not been decided upon. Cablevisión believes it has strong grounds to reverse the charges brought by administrative and/or judicial means. As of the date of these financial statements, the responses submitted are still pending resolution.

On August 21, 2013, AFSCA issued Resolution No. 979/AFSCA/2013 whereby it partially regulated Section 67 of the Audiovisual Communication Services Law, ordering the licensees governed by such provision, including broadcast television signals and subscription television signals generated by service providers themselves, to report in the form of an affidavit the list of national feature films and telefilms for which they have acquired broadcasting rights, and ordering that these films be broadcast. For that purpose, AFSCA created a form of AFFIDAVIT that must be filed during the first quarter of each calendar year with respect to the preceding calendar year, so that the affidavits may be used to keep a record, together with an on-line record, of each company's compliance with that provision. The screening quota ordered pursuant to Section 67 of the Audiovisual Communication Services Law creates an obligation to broadcast as television premiers each year at least eight (8) national feature films, with the option to include among these up to three (3) national telefilms, in both cases produced mainly by national independent producers whose broadcasting rights have been purchased prior to shooting. Subscription television licensees and broadcast television service licensees that account for a coverage area of less than twenty percent (20%) of the country's population may choose to comply with the required screen quota by acquiring, prior to shooting, the broadcasting rights over national feature films and telefilms produced by national independent producers, for a value equal to zero point fifty

per cent (0.50%) of their annual gross revenues in the preceding year. The partial regulation of Section 67 under Decree No. 1225/2010 also provided that in order to facilitate the acquisition of broadcasting rights, the National Institute of Film and Audiovisual Arts-INCAA, for its Spanish acronym-would create a registry of national feature films and telefilms produced by national independent producers that may be acquired. That registry will be published on the INCAA website in real time. AFSCA Resolution No. 979/AFSCA/2013 provides that the licensees governed by Section 67 of Law No. 26,522 may acquire broadcasting rights from the registry created pursuant to INCAA Resolution No. 151-INCAA/13, which may be accessed through the website www.incaa.gov.ar. Resolution No. 979/AFSCA/2013 allows for the possibility to broadcast feature films that were not acquired prior to shooting, when such option is grounded on the impossibility to do so due to the time it takes to go from shooting to broadcasting. The insufficient and recent regulation of Section 67 of the Audiovisual Communication Services Law allows one to assume that in the first quarter of the coming year, licensees will only be under the obligation to inform the acquisition of broadcasting rights to be screened after the issuance of Resolution No. 979/AFSCA/2013, and that licensees will necessarily invoke the exception provided for the broadcast of feature films that have already been shot. Section 67 of the Audiovisual Communication Services Law, which sets screen quotas, may be deemed unreasonable and, therefore, unconstitutional.

Even though Grupo Clarín's subsidiaries have challenged the validity or constitutionality of some regulations imposed by the Enforcement Authority, they have fully complied with the required procedures only in the event that such requirements may be considered valid, for the purposes of safeguarding their rights.

The considerations mentioned in this note generate uncertainties about the business of the Company and its subsidiaries that could significantly affect the recoverability of the Company's relevant assets.

The decisions made on the basis of these financial statements should consider the eventual impact of the above-mentioned situations. The financial statements of the

Company and its subsidiaries should be read in the light of this uncertain environment.

Other Matters Related to the COMFER, now AFSCA.

Cablevisión

As from November 1, 2002 and until December 31, 2013, the COMFER and AFSCA initiated summary administrative proceedings against Cablevisión and Multicanal (merged into Cablevisión) for infringements of regulations regarding the content of programming. Accordingly, a provision has been set up in this regard.

ARTEAR

As of December 31, 2013, ARTEAR recorded a provision in the amount of approximately Ps. 8.6 million for fines imposed by the COMFER and AFSCA, some of which have been appealed and are pending resolution.

Note 10

Call options

ARTEAR

Pursuant to ARTEAR's acquisition of 85.2% of its subsidiary Telecor's capital stock in 2000, Telecor's sellers have an irrevocable put option of the remaining 755,565 common, registered, non-endorsable shares, representing 14.8% of the capital stock and votes of Telecor, for a 16-year term as from March 16, 2010 at a price of USD3 million and ARTEAR has an irrevocable call option for such shares for a term of 26 years as from March 16, 2000 at a price of approximately USD4.8 million, which will be adjusted at a 5% nominal annual rate as from April 16, 2016. Subsequently, under an addendum to the original agreements, the beginning of the effectiveness of the irrevocable put option was changed from March 16, 2010 to March 16, 2013. On March 15, 2013 an additional addendum to the agreement was signed whereby the beginning of the effectiveness of the irrevocable put option was changed once again from March 16, 2013 to March 16, 2016.

CMD

Pursuant to CMD's acquisition of 60.0% of Interpatagonia S.A.'s (now Interwa S.A.) capital stock in 2007, CMD and the sellers granted each other reciprocal call and put options on all of the shares owned by each of the parties, effective from August 1, 2011 to July 31, 2012.

Subsequently, in connection with the acquisition mentioned in Note 12.e., on August 17, 2011, CMD and the seller executed a new agreement whereby they granted each new reciprocal call and put options on all of the shares owned by each of the parties. The price of the shares varies depending on who exercises the option, which is effective from August 1, 2014 to December 31, 2014.

The balances arising from the put options mentioned above are disclosed in the item Other Current and Non-Current Liabilities of the Balance Sheet, with an offsetting entry in Other Reserves and Non-Controlling Interest under Equity.

	December 31, 2013	December 31, 2012
Loans ⁽ⁱ⁾	4,139	3,187
Less: Cash and Cash Equivalents		
Cash and Banks	(1,333)	(623)
Other Current Investments	(317)	(681)
Net Debt	2,489	1,883
Adjusted EBITDA	3,274	2,773
Debt-to-Equity Ratio	0.76	0.68

(i) Long-term and short-term loans, including derivatives and financial guarantee agreements.

The debt-to-equity ratio is reasonable compared to other industry players and considering the particular situation of Argentina and of the companies that make up Grupo Clarín.

Note 11

Financial instruments

11.1 - Financial Risks Management ^(*)

(*) The amounts included in this note are stated in millions of Argentine pesos.

Grupo Clarín is a party to transactions involving financial instruments, which entail exposure to market, currency and interest rate risks. The management of these risks is based on the particular analysis of each situation, taking into account its own estimates and those made by third parties of the evolution of the respective factors.

11.1.1 Capital Risk Management

Grupo Clarín manages its capital structure seeking to ensure its ability to continue as an ongoing concern, while maximizing the return to its shareholders through the optimization of debt and equity balances.

As part of this process, Grupo Clarín monitors its capital structure through the debt-to-equity ratio, which is equal to the quotient of its net debt (Debt less Cash and Cash Equivalents) divided by its adjusted EBITDA.

The debt-to-equity ratio for the reporting years is as follows:

11.1.2 Categories of Financial Instruments

	December 31, 2013	December 31, 2012
Financial Assets		
Loans and Receivables ⁽¹⁾		
- Cash and Banks	1,333	623
- Current Investments	463	235
- Receivables ⁽²⁾	2,829	2,171
At fair value with an impact on net income		
- Current Investments	312	550
Total Financial Assets	4,937	3,579
Financial Liabilities		
At amortized cost		
- Debt ⁽³⁾	4,139	3,187
- Accounts Payable and Other Liabilities ⁽⁴⁾	2,534	2,185
At fair value with an impact on net income		
- Derivatives	-	4
Total Financial Liabilities	6,673	5,376

(1) Net of the allowance for doubtful accounts of approximately Ps. 154 million and Ps. 126 million, respectively.

(2) Includes receivables with related parties of approximately Ps. 67 and Ps. 80 million, respectively.

(3) Includes loans with related parties of approximately Ps. 17 million and Ps. 19 million, respectively.

(4) Includes debts with related parties of approximately Ps. 69 million and Ps. 87 million, respectively.

11.1.3 Objectives of Financial Risk Management

Grupo Clarín monitors and manages the financial risks related to its operations; these risks include market risk (including exchange risk, interest rate risk and equity price risk), credit risk and liquidity risk.

Grupo Clarín does not enter into financial instruments for speculative purposes as common practice.

11.1.4 Exchange Risk Management

Grupo Clarín enters into certain foreign currency transactions; therefore, it is exposed to exchange rate fluctuations.

During the preceding year, certain subsidiaries of Grupo Clarín entered into foreign currency forward transactions.

The following table shows the monetary assets and liabilities denominated in US dollars, the main foreign currency involved in Grupo Clarín's transactions, at the closing of the years ended December 31, 2013 and 2012:

	USD (in millions) December 31, 2013	USD (in millions) December 31, 2012
Assets		
Other Receivables	14	11
Trade Receivables	64	26
Other Investments	83	77
Cash and Banks	125	61
Total Assets	286	175
Liabilities		
Long-Term Debt	571	620
Sellers financing	1	-
Other Liabilities	5	6
Trade Payables and Other	29	32
Total Liabilities	606	658

Bid/offered exchange rates as of December 31, 2013 and 2012 were of Ps. 6.48 and Ps. 4.88; and Ps. 6.52 and Ps. 4.92; respectively.

The Central Bank of Argentina and the Argentine Federal Revenue Service issued certain resolutions related to the exchange market, establishing regulations on the requirements for accessing such market. These financial statements have been prepared based on the assumption that the Company will be able to access such market in order to purchase the foreign currency needed to meet its obligations.

11.1.4.1 Foreign Exchange Sensitivity Analysis

Grupo Clarín is exposed to exchange risk, mainly with respect to the US dollar.

Taking into consideration the balances disclosed above, Grupo Clarín estimates that the impact of a 20% favorable/unfavorable fluctuation of the US dollar exchange rate would generate an income/loss before taxes of approximately Ps. 420 million and Ps. 477 million as of December 31, 2013 and 2012, respectively. While income from foreign exchange agreements in case of a 20% favorable/unfavorable fluctuation of the US dollar exchange rate would generate a gain/loss before taxes of approximately Ps. 10 million as of December 31, 2012.

The sensitivity analysis presented above is hypothetical since the quantified impact is not

necessarily an indicator of the actual impact, because exposure levels may vary over time.

Additionally, even though Grupo Clarín conducts its operations in Argentine pesos, an eventual devaluation of that currency may have an indirect impact on its operations, depending on the ability of the relevant suppliers to reflect that effect on their prices.

11.1.5 Interest Rate Risk Management

Grupo Clarín is exposed to interest rate risk basically through Cablevisión, certain of its subsidiaries and ARTEAR. This is due to the fact that these companies have taken loans at fixed and variable interest rates and have not entered into hedge agreements to mitigate these risks. If interest rates had eventually been 100 basic points higher and all the variables had remained constant, the additional estimated loss before taxes would have been of approximately Ps. 3.8 million and Ps. 6.2 million as of December 31, 2013 and 2012, respectively.

11.1.6 Equity Price Risk Management

Grupo Clarín is exposed to equity price risk in connection with its holdings of mutual funds, securities and bonds and foreign exchange agreements.

Its sensitivity to the variation in the price of these instruments is detailed below:

	December 31, 2013	December 31, 2012
Investments valued at quoted prices at closing (Level 1)	163	390
Other debt instruments valued at quoted prices at closing	-	4

The estimated impact of an eventual 10% favorable/unfavorable fluctuation of the quoted price of mutual funds, assuming that all the other variables remain constant, would generate an income/loss before taxes of approximately Ps. 16 million and Ps. 39 million as of December 31, 2013 and 2012, respectively. While income from foreign exchange agreements in case of a 10% favorable/unfavorable fluctuation of the US dollar exchange rate would generate a gain/loss before taxes of approximately Ps. 10 million as of December 31, 2012.

A potential 10% favorable/unfavorable fluctuation of the quoted price of investments valued as Level 2 would generate an income/loss before taxes of approximately Ps. 15 million as of December 31, 2013.

11.1.7 Credit Risk Management

Credit risk is defined as the risk that one of the parties may breach its contractual obligations, generating an eventual financial loss for Grupo Clarín.

Credits involving the Cable Television and Internet Access Segment

The credit risk affects cash and cash equivalents, deposits held at banks and financial institutions, as well as credit exposures with clients, including other remaining credits and transactions involved. The companies that operate in this segment actively monitor the credit worthiness of their treasury instruments and the counterparties related to derivatives in order to minimize credit risk. Upon expiration of invoices issued, if they are still outstanding, these companies file several claims for collection purposes.

Bank deposits are held in renowned institutions.

No significant credit risk concentration is observed concerning clients, due to the atomization of the subscriber base.

As of December 31, 2013 and 2012, non-impaired past due trade receivables amounted to approximately Ps. 238.6 million and Ps. 152.1 million, respectively. These trade receivables are mainly from Cablevisión and they are in most cases up to 3 months overdue. These receivables involve subscribers with no recent insolvency record.

As of the same dates, the allowance for bad debts amounted to Ps. 189.3 million and Ps. 79.2 million, respectively. This allowance for trade receivables is sufficient to cover the past due doubtful receivables.

Credits of the Printing and Publishing Segment

The companies that operate in this segment conduct an analysis of the clients' financial position at the beginning of the business relationship, through a credit risk report requested from several credit rating agencies. The credit amount granted to each client is monitored on a daily basis, with reports being submitted to the financial management.

The credit risk affects cash and cash equivalents, deposits held at banks and financial institutions, as well as credit granted to clients.

The maximum theoretical credit risk exposure of the companies operating in this segment is represented by the book value of net financial assets, disclosed in the consolidated balance sheet.

For the purposes of conducting an analysis of the suitability of the allowance for bad debts, these companies consider each client on a case by case basis, verifying, among other factors, if there is any record of delinquency, risk of bankruptcy, insolvency proceeding or other judicial proceeding. Trade receivables comprise a significant number of clients and are internally classified among the following categories: Advertising, Official, Distribution, Internet and Subscriptions, among others.

The companies that operate in this segment have recorded an allowance for doubtful accounts accounting for 5% and 4% of accounts receivable as of December 31, 2013 and 2012, respectively.

The companies that operate in this segment did not set up an allowance for bad debts for those amounts in which no significant change was recorded in the credit rating, considering such amounts as recoverable.

The companies that operate in this segment have a wide range of clients, including individuals, businesses - medium-and-large-sized companies - and governmental agencies.

Therefore, these companies' receivables are not subject to credit risk concentration.

Credits from the Broadcasting and Programming Segment

Credit risk represents for the companies that operate in this segment the risk of incurring in losses arising from possible breaches of the contractual obligations assumed by business or financial counterparties. This risk may be due to economic or financial factors, or to particular circumstances of the counterparty, or to other economic, commercial or administrative factors.

Credit risk affects cash and cash equivalents, deposits held at banks and financial institutions in a wide sense, and every form of credit granted to the companies that operate in this segment. The maximum exposure to credit risk is represented by the value of financial assets considered as a whole, recorded in the Consolidated Balance Sheet under Cash and Banks, Other Investments, Trade Receivables and Other Receivables.

Financial instruments are executed with creditworthy banks and financial institutions renowned in the market and for terms not longer than three months. In this sense, the companies that operate in this segment have a policy of diversifying their investments among different banks and financial institutions, thus reducing the concentration risk in only one counterparty.

As to the credit risk related to financial credit, the companies that operate in this segment evaluate the credit standing of the different counterparties to define their investment levels, based on their equity and credit rating. As to Trade Receivables, such companies have a wide range of clients, categorized depending on the type of business. These categories are:

Advertising, Signals, Programming and other. Within this classification, clients can also be classified as advertising agencies, direct advertisers, distributors of cable TV, broadcast TV stations and other, each of them of a different magnitude. Due to this diversity of clients, there is not a significant credit risk concentration in this respect.

The allowance for bad debts is set up upon conducting an analysis of the debtor portfolio, which is recorded as follows:

- In the case of individual risks identified (risks of bankruptcy, insolvency proceedings or judicial proceedings pending with the company), for its total value.
- The rest of the cases is decided based on the aging of the past due debt, the progress of the collection procedures, the solvency conditions and the variations observed in the clients' settlement periods.

11.1.8 Liquidity Risk Management

Liquidity risk is the risk that Grupo Clarín may not be able to fulfill its financial obligations at maturity. Grupo Clarín manages liquidity risk through the management of its capital structure and, if possible, the access to different capital markets. It also manages liquidity risk through a constant review of the estimated cash flows to ensure that it will have enough liquidity to fulfill its obligations.

11.1.8.1 Interest Rate Risk and Liquidity Risk Table

The following table shows the breakdown of financial liabilities by relevant groups of maturities based on the remaining period as from the date of the balance sheet through the contractual maturity date. The amounts disclosed in this table represent undiscounted cash flows (principal plus contractual interest).

Information as of December 31, 2013:

Maturities	Long-Term Debt	Other Debts
Matured	-	608
Without any established term	8	166
First Quarter 2014	859	1,414
Second Quarter 2014	252	180
Third Quarter 2014	468	20
Fourth Quarter 2014	112	22
More than 1 year	3,343	238
	5,042	2,648

Information as of December 31, 2012:

Maturities	Long-Term Debt	Other Debts
Matured	-	508
Without any established term	1	195
First Quarter 2013	274	1,202
Second Quarter 2013	127	225
Third Quarter 2013	201	12
Fourth Quarter 2013	94	10
More than 1 year	3,266	154
	3,963	2,306

11.1.9 Financial Instruments at Fair Value

The following table shows Grupo Clarín's financial assets and liabilities measured at fair value at the closing of the reporting year:

	December 31, 2013	Quoted Prices (Level 1)	Other Significant Observable Items (Level 2)
Assets			
Current Investments	312	163	149
	December 31, 2012	Quoted Prices (Level 1)	Other Significant Observable Items (Level 2)
Assets			
Current Investments	550	390	160
Liabilities			
Financial Instruments	4	-	4

Financial assets and liabilities are valued using quoted prices for identical assets and liabilities (Level 1), and the prices of similar instruments arising from sources of information available in the market (Level 2). At the closing of the reporting years, Grupo Clarín did not have any financial asset or liability for which a comparison had not been conducted against observable market data to determine their fair value (Level 3).

11.1.10 Fair Value of Financial Instruments

The book value of cash, accounts receivable and current liabilities is similar to their fair value, due to the short-term maturities of these instruments.

The fair value of non-current financial liabilities (Level 2) is measured based on the future cash flows of those liabilities, discounted at a representative market rate available to Grupo Clarín for liabilities with similar terms (currency and remaining term) prevailing at the time of measurement.

The following table shows the estimated fair value of non-current financial liabilities:

	December 31, 2013		December 31, 2012	
	Book Value	Fair Value	Book Value	Fair Value
Non-Current Debt	2,845	2,658	2,683	2,469

11.1.11 Considerations about the Economic Environment

The economic environment in which the Company operates has been recently affected, and especially after the closing date of these consolidated financial statements, by a devaluation of the Argentine peso with respect to the US Dollar of approximately 20%, by the acceleration in inflation levels and by a decrease in the Central Bank's international reserves.

Note 11.1.4.1 shows a sensitivity analysis in case of foreign exchange fluctuations, indicating the estimated impact of a devaluation similar to the one that took place (loss) on the foreign exchange position at year-end.

Note 12

Interests in subsidiaries and affiliates

a. During 2007, AGEA increased its interest in CIMECO from 33.3% to 50.0%, and executed call and put options on an additional interest in CIMECO's capital stock. During 2008, AGEA partially assigned the rights and obligations arising from such options to its subsidiary AGR and to the Company. Subsequently, in 2008, AGEA, AGR and the Company exercised such call option, increasing, directly and indirectly, the Company's equity interest in CIMECO and Papel Prensa to 100% and 49%, respectively.

On April 10, 2008, the Company and the parties to the above-mentioned transaction notified CNDC of such transaction and on May 12, 2008 filed form F-1. After such notice and as of the date of these financial statements, the Company submitted additional information requested by the CNDC. As of the date of these financial statements, the above transaction is subject to administrative approvals.

b. On January 11, 2008, IESA acquired the controlling interest of a group of companies mainly engaged in sports journalism, production and commercialization of shows, and the production of motor racing television broadcasting. The share purchase agreement sets forth certain objectives to be met by such group of companies. In case of breach of such provision, the sellers shall have to pay an indemnification. These transactions are subject to administrative approvals.

c. On September 2, 2008, ARTEAR increased its equity interest in Pol-Ka and SB Producciones S.A. to 55% of such companies' capital stock and votes, thus acquiring a controlling interest in both companies, in which it previously exercised common control. These transactions are subject to administrative approvals.

d. On February 10, 2011, CMD sold to a third party all of its shares of Dinero Mail, for

approximately USD 4.4 million in cash; part of the price was withheld as guarantee.

e. On August 17, 2011, CMD executed a stock purchase agreement, whereby it increased by 20% its interest in Interpatagonia S.A. (now Interwa S.A.), where it now holds 80% of the capital stock. CMD paid approximately Ps. 4.3 million in consideration for the shares.

f. On October 3, 2011 the Company's subsidiary AGR acquired 65.46% of the capital stock and votes of Cúspide Libros S.A. and 2.40% of the capital stock and votes of Librerías Fausto S.A.C.E.I. (controlled by Cúspide Libros S.A.). The transaction amounted to USD 2.8 million and Ps. 3.8 million.

g. On July 15, 2012, subject to the fulfillment of certain conditions precedent, each of Cablevisión's Paraguayan subsidiaries (Cable Visión Comunicaciones S.A., Televisión Dirigida S.A., Consorcio Multipunto Multicanal S.A. and Producciones Unicanal S.A.) entered into an agreement with a Paraguayan company, whereby they agreed to assign most of their assets and operations. Such conditions precedent were fulfilled on October 1, 2012 and the agreed-upon assignment was executed for a total consideration of USD 142.4 million. Out of that amount, USD 6.7 million was held in escrow. As a result of that operation, Cablevisión obtained a net consolidated gain after taxes of approximately Ps. 444 million, which, taking into consideration the Company's equity interest in Cablevisión, accounts for a gain of approximately Ps. 180 million after taxes. As of the date of these consolidated financial statements the deposits held in escrow amount to USD 3 million.

Cablevisión S.A. had a 70% interest in such subsidiaries and the remaining 30% was held by minority shareholders. On October 1, 2012 the minority shareholders transferred their equity interests to the majority group for an aggregate consideration of USD 31.5 million.

On October 1, 2012, Cablevisión sold its equity interest in Teledeportes Paraguay S.A. for approximately USD 6.8 million. Out of that

amount, USD 0.2 million was held in escrow. As of the date of these consolidated financial statements the deposits held in escrow amount to USD 0.1 million.

h. On November 14, 2013 ARTEAR assigned, sold and transferred to South Media Investments S.A. all of its equity interest in Ideas del Sur S.A. ("IDS"), accounting for 30% of the capital stock and votes of that company, together with all the political and economic rights inherent to the shares. The sale price was set at USD 12 million, which was collected in full at year-end. The assignment, sale and transfer of those shares was carried out under the then current economic, financial, equity, tax and legal conditions of the shares and IDS considered as a whole and in their entirety. Accordingly, ARTEAR was held harmless from any and all responsibility regarding the existence of any "certain", "contingent" or "hidden" liabilities (current or non-current) of IDS, whose cause or title goes back to a date which is earlier than the date of the closing of the transaction, regardless of whether those liabilities were or were not disclosed in IDS' financial statements. Based on the above, South Media Investments S.A. assumed the risk of the existence and/or emergence of liabilities in connection with IDS whose cause or title goes back to a date prior to the date of the closing of the transaction, regardless of whether such liabilities already existed or may become evident or enforceable in the future, and firmly and irrevocably waived its right to bring any claim to which it may be deemed entitled against ARTEAR in this respect, holding it harmless - also firmly and irrevocably- from any and all liability for such cause and in that respect.

Note 13

Discontinued operations

The results of operations of Cablevisión's Paraguayan subsidiaries (see Note 12.g) are disclosed under discontinued operations as of December 31, 2012:

	December 31, 2012
Revenues	234,015,395
Cost of Sales	(105,770,126)
Gross income	128,245,269
Administrative Expenses	(51,581,016)
Selling Expenses	(16,117,563)
Financial Income	3,943,864
Financial Costs	(4,140,628)
Other Income and Expense, net	519,586,568
Income before Income Tax	579,936,494
Income Tax	(57,630,783)
Income for the year from discontinued operations	522,305,711

For a better understanding of the Consolidated Statement of Cash Flows as of December 31, 2012, below is a detail of the total net balances from discontinued operations):

	December 31, 2012
Cash flows (used in) / generated by operating activities	(168,265,638)
Cash flows generated by (used in) investing activities	172,946,069
Cash flows generated by (used in) financing activities	68,719,855
Financial results generated by (used in) cash	4,024,959
Total Cash provided for the Year	77,425,245

Note 14

Reserves, retained earnings and dividends

	December 31, 2013	December 31, 2012
Balances at the beginning of the year:		
Legal Reserve	88,652,667	64,740,233
Accumulated Results	481,152,598	1,539,154,967
Other Reserves	5,207,274	(18,384,533)
Optional Reserves	1,381,400,655	-
Total	1,956,413,194	1,585,510,667
Net Income Attributable to the Parent Company	479,831,556	482,310,720
Dividend Distribution	-	(135,000,000)
Changes in Reserves for Acquisition of Minority Interests	-	23,591,807
Balance at the end of the year	2,436,244,750	1,956,413,194

a. Grupo Clarín
On April 25, 2013, at the Annual Regular Shareholders' Meeting of Grupo Clarín, the shareholders decided, among other things, to appropriate the net income for the year 2012, which amounted to Ps 482,310,720, as follows: (i) Ps. 24,057,630 to the legal reserve, (ii) Ps. 1,158,122 to absorb accumulated deficit and (iii) Ps. 457,094,968 to an optional reserve to provide financial aid to subsidiaries and in connection with the Audiovisual Communication Services Law.

b. Cablevisión
On April 23, 2013, at the Annual General Regular and Special Shareholders' Meeting of Cablevisión, its shareholders decided to

distribute cash dividends in the amount of Ps. 250 million, payable in two equal installments, as determined by the Board of Directors. Out of such amount, approximately Ps. 100 million corresponds to the non-controlling interest in that company. On May 6, 2013, the Board of Directors of Cablevisión decided to make available to shareholders as from May 9, 2013 the amount of Ps. 175 million corresponding to the first installment and a portion of the second installment of the approved dividends. In addition, on May 20, 2013 the Board of Directors of Cablevisión decided to make available to shareholders as from May 24, 2013 the amount of Ps. 75 million, thus settling the second installment of the approved dividends.

Note 15

Non-controlling interest

	December 31, 2013	December 31, 2012
Balances as of January 1	1,374,568,933	1,063,645,779
Equity in the Earnings of Other Companies for the year	320,834,218	490,020,368
Dividends and Other Movements of Non-Controlling Interest	(98,535,681)	(290,063,721)
Changes in Reserves for Acquisition of Minority Interests	-	15,782,911
Variation in Translation Differences of Foreign Operations	152,018,384	95,183,596
Balance at the end of the year	1,748,885,854	1,374,568,933

The following is a detail of certain supplementary information required by IFRS about the non-controlling interest in Cablevisión. The information corresponds to the subsidiary's identifiable assets and liabilities

on which the Company values its investment. The amounts are stated in millions of pesos and do not take into consideration intercompany deletions.

	December 31, 2013	December 31, 2012
Country	Argentina	Argentina
Non-controlling interest percentage	40.1%	40.1%
Comprehensive income for the year allocated to non-controlling interest	377	379
Accumulated non-controlling interest at year-end	1,492	1,215
Summarized financial information:		
Dividends distributed to Non-Controlling Interests	100	87
Current assets	2,095	1,686
Non-current assets	7,386	6,263
Current liabilities	2,639	1,828
Non-current liabilities	2,949	4,826
Revenues	9,749	7,602
Income from Continuing Operations	713	482
Income/Loss from Discontinued Operations	-	499
Other Comprehensive Income	309	181
Total Comprehensive Income	1,022	1,162
Cash and Cash Equivalents	1,013	919

Note 16

Balances and transactions with related parties

The following table contains the outstanding balances with related parties:

	December 31, 2013	December 31, 2012
Other Receivables		
Non-Current		
Under Joint Control	18,520,453	17,312,664
	18,520,453	17,312,664
Current		
Under Joint Control	2,953,528	3,946,590
Other Related Parties	20,502,373	16,145,105
	23,455,901	20,091,695
Trade Receivables		
Current		
Under Joint Control	22,442,531	41,450,950
Other Related Parties	2,160,368	1,442,310
	24,602,899	42,893,260
Trade Payables and Other		
Current		
Under Joint Control	56,726,060	67,957,504
Other Related Parties	11,522,480	18,759,995
	68,248,540	86,717,499
Long-Term Debt		
Non-Current		
Under Joint Control	6,410,285	5,775,689
	6,410,285	5,775,689
Current		
Other Related Parties	10,948,588	13,316,320
	10,948,588	13,316,320
Other Liabilities		
Current		
Other Related Parties	439,276	30,336
	439,276	30,336

The following table shows the operations with related parties for the years ended December 31, 2013 and 2012:

	Item	December 31, 2013	December 31, 2012
Under Joint Control	Advertising Sales	13,614,401	50,896,183
	Circulation Sales	1,800	10,987
	Printing Services Sales	583,231	1,172,411
	Sales of Internet Subscriptions	307,724	485,598
	TV Signals Sales	25,377,402	15,034,057
	Other Sales	5,477,879	8,245,768
	Interest Income	2,497,974	1,788,085
	Fees for Services	(1,652,055)	-
	Productions and Co-Productions	(4,376,780)	(29,103,994)
	Printing and Distribution Costs	(28,866,841)	(23,612,708)
	Rights	(176,570,270)	(109,539,691)
	Advertising and Promotion Expenses	(4,115,122)	(5,852,531)
	Interest Expense	(634,595)	(636,334)
Other Related Parties	Advertising Sales	687,202	495,571
	TV Signals Sales	4,457,943	3,386,741
	Other Sales	13,497,805	16,248,805
	Other Income	30,330	657,543
	Rentals	(422,943)	(159,121)
	Advertising and Promotion Expenses	-	(1,794,748)
	Interest Expense	(1,467,988)	(1,232,274)
	Other Purchases	(160,546,534)	(173,333,619)

The fees paid to the Board of Directors and the Upper Management of Grupo Clarín for the years ended December 31, 2013 and 2012 amounted to approximately Ps. 160 million and Ps. 120 million, respectively.

Note 17

Earnings per share

The following table shows the net income and the weighted average of the number of common shares used in the calculation of basic earnings per share:

	December 31, 2013	December 31, 2012
Net Income used in the Calculation of Basic Earnings per Share (gain):		
From Continuing Operations	479,831,556	276,210,672
From Discontinued Operations	-	206,100,048
	479,831,556	482,310,720
Weighted Average of the Number of Common Shares used in the Calculation of Basic Earnings per Share	287,418,584	287,418,584
Earnings per Share	1.67	1.68

The weighted average of the number of outstanding shares was 287,418,584. Since no debt securities convertible into shares were recorded, the same weighted average should be used for the calculation of diluted earnings per share.

	December 31, 2013	December 31, 2012
Basic and Diluted Earnings per Share		
From Continuing Operations	1.67	0.96
From Discontinued Operations	-	0.72
Total Earnings per Share	1.67	1.68

Dividends paid for the year 2012 amounted to Ps. 135,000,000 (Ps. 0.47 per share).

Note 18

Covenants, sureties and guarantees provided

a. Note 5.12 sets forth certain restrictions to which Cablevisión (by itself and as the surviving company and successor to Multicanal's operations after the merger), PRIMA and AGEA are subject under their respective financial obligations described in such note.

b. IESA is subject to contractual restrictions on the transfer of its equity interest in TRISA and Tele Net Image Corp.

c. During the year 2009, AGR purchased a binding machine on credit. To secure the transaction, AGR granted the supplier a pledge over the machine. AGR granted joint and several guarantees for the loans granted by Banco de Inversión y Comercio Exterior and Standard Bank Argentina S.A. to Artes Gráficas del Litoral S.A.

d. On May 27, 2010, CMD executed a mortgage agreement on a building of its property securing the payment of the obligations under the loan with Banco de la Ciudad de Buenos Aires mentioned in Note 5.12.6.

e. On September 25, 2012, GCGC executed a mortgage agreement on a building of its

property securing the payment of the obligations under the loan with Banco de la Ciudad de Buenos Aires mentioned in Note 5.12.3. Grupo Clarín acts as guarantor of said financing.

f. On October 12, 2012, the Company executed an agreement securing the payment of the obligations under a loan taken by GCGC with Standard Bank Argentina mentioned in Note 5.12.3.

g. In December 2013, SHOSA executed an agreement with Banco Itaú Argentina S.A. to secure the payment of financing transactions of Grupo Clarín's subsidiaries in the amount of approximately USD 8.9 million with a term deposit maturing in August 2014.

h. The Company executed agreements with a local bank to secure the payment of certain financing transactions of AGEA by pledging a term deposit of Ps. 6 million, which matures on January 20, 2014.

i. In December 2013, GCSA Investments, Vistone and SHOSA executed agreements with Itaú Unibanco S.A., New York branch, to secure a financing transaction of a subsidiary of the Group by creating a security interest on term deposits held in escrow at the above-mentioned bank in the aggregate amount of USD 31.6 million, which mature in July 2014.

Note 19

Award of the BID of the city of Buenos Aires

On June 7, 2011, the Government of the City of Buenos Aires issued Decree No. 316 whereby it approved a public bidding process to contract comprehensive digital services for educational purposes for elementary school students in the City of Buenos Aires. Such services include, but are not limited to, the delivery of one netbook per student and one notebook per teacher under a gratuitous bailment agreement, connectivity, first and second level support, content access control, replacement in case of theft or damage and new license, both with certain limitations. The bid was awarded to PRIMA for a five-year term, which will start after certain requirements have been met. As consideration, PRIMA would receive an amount per student, teacher and school.

As of December 31, 2011 the initial requirements had been met in order to bring the agreement into effect and to begin its billing. The agreement has been in effect during the year. No inconveniences have arisen and the Government of the City of Buenos Aires has been honoring the payments in accordance with the bidding terms.

Note 20

Long-term savings plan for employees

During the last quarter of 2007, the Company, together with its subsidiaries, began to implement a long-term savings plan for certain executives (directors and managers comprising the “executive payroll”), which became effective in January 2008. Executives who adhere to such plan undertake to contribute regularly a portion of their salary (variable within a certain range, at the employee’s option) to a fund that will allow them to strengthen their savings capacity. Each company of the Group where those executives render services will match the

sum contributed by such executives. This matching contribution will be added to the fund raised by the employees. Under certain conditions, the employees may access such funds upon termination of their participation in the long-term savings plan.

Said plan provides for certain special conditions for those managers who were in the “executive payroll” before January 1, 2007. Such conditions consist of supplementary contributions made by each company to the plan related to the executive’s years of service with the Group. As of December 31, 2013, such supplementary contributions made by the Company on a consolidated basis amount to approximately Ps. 43 million, and the charge to income is deferred until the retirement of each executive.

During 2013, and in view of the current environment, certain changes were made to the savings system, though maintaining in its essence the operation mechanism and the main characteristics with regard to the obligations undertaken by the company.

Pursuant to IAS No. 19, the above-mentioned savings plan qualifies as a Defined Contribution Plan, which means that the companies’ contributions shall be charged to income on a monthly basis as from the date the plan becomes effective.

Note 21

Operating Leases

Lease Agreements

As of December 31, 2013 and 2012, the Company is a party to non-cancellable operating leases, which are currently effective and have different terms and renewal rights. The total amount of minimum future payments for non-cancellable operating leases is the following (in millions of Ps.):

	December 31, 2013	December 31, 2012
1 year	120	96
Between 1 and 5 years	162	120
5 years or more	17	7
	299	223

Note 22

Derivatives

The following is a detail of the derivatives held by the Company (amounts stated in millions of Argentine pesos):

	December 31, 2013		December 31, 2012	
	Assets	Liabilities	Assets	Liabilities
Foreign Currency Forward Contracts - Fair Value Hedge	-	-	-	4.0
Total	-	-	-	4.0
Less non-current portion:				
Foreign Currency Forward Contracts - Fair Value Hedge	-	-	-	-
Total	-	-	-	-
Current portion	-	-	-	4.0

No ineffectiveness has been recorded in connection with fair value hedges.

Note 23

Cablevisión Comunicaciones S.A.'s investment

On December 19, 2012 Cable Visión Comunicaciones S.A. (a subsidiary of Cablevisión) executed a Total Return Swap for USD 40 million which provides for the collection, as from the execution of the agreement, of all principal and interest on the notes issued by Prima and the effective delivery of the notes at first request either in the form of permanent certificates, in book-entry form or as interest on the notes. During the year ended December 31, 2013, Cable Visión Comunicaciones S.A. received USD 35.06 million accounting for principal and interest thereon for the "Total Return Swap" executed on December 19, 2012. This transaction is disclosed net of the total notes in the consolidated financial statements (Note 5.12).

Note 24

Law No. 26,831 Capital markets

On December 28, 2012, Capital Markets Law No. 26,831 (the "Capital Markets Law"), passed on November 29, 2012 and enacted on December 27, 2012, was published in the Official Gazette. The Law provides for a comprehensive amendment of the public offering regime, previously governed by Law No. 17,811. The Capital Markets Law enhances, among other things, the National Government's oversight powers. It also changes the authorization, control and oversight mechanisms of all stages of the public offering process and the role of all the entities and individuals involved. The Law became effective on January 28, 2013.

On July 29, 2013, the National Government issued Decree No. 1023/2013 to regulate partially the Capital Markets Law that had been passed on November 29, 2012. Among other provisions, the Decree regulates Section 20 of said Law, pursuant to which the CNV may appoint an overseer with veto rights over the decisions made by the boards of directors of entities subject to the public offering regime,

or otherwise separate the boards from such entities for up to 180 days until all deficiencies found by the CNV are solved. Said Decree amends the Law it seeks to regulate and, therefore, constitutes a regulatory abuse. Thus, whereas the Law vests on the CNV the power to appoint an overseer or to separate the board of directors from the entity, the Decree allows the CNV to exercise that power if the shareholders and/or noteholders with a two (2%) interest in the company's capital stock or outstanding debt securities claim that they have suffered actual and certain damages or if they believe their rights may be seriously jeopardized in the future. The Decree also vests on the CNV the power to appoint the administrators or co-administrators that will hold office due to the separation of the boards of directors. Thus, the Decree amends the Law by granting the CNV powers that were not provided therein. By doing so, the Executive Branch is assuming strictly legislative functions in breach of constitutional provisions.

On September 5, 2013 within the framework of the Capital Markets Law and its Decree, the CNV issued Resolution No. 622/2013 (the "Rules"), whereby it approved the applicable Rules that repeal the Rules that had been effective until that date (as restated in 2001). The new Rules have introduced several changes in connection with CNV's powers over the companies under this agency's oversight, and also in connection with the information that these companies must disclose.

On August 20, 2013, at the request of Mr. Rubén Mario Szwarc, a minority shareholder of the Company, and by means of public deed number two hundred forty five, the Company was served notice of the decision rendered by Chamber A of the National Court of Appeals on Commercial Matters on August 12, 2013, in re "SZWARC, Rubén Mario v. National Government and Others on Preliminary Injunction" File No. 011419/2013. That Chamber decided, among other things, (i) to declare the unconstitutionality of Sections 2, 4, 5, 9, 10, 11, 13, 15 and 16 of Law No. 26,854, and (ii) to order the provisional, injunctive suspension of Section 20, subsection a), second part, paragraphs I and II (or 1 and 2) of Law No. 26,831 and of all laws, rules or administrative acts issued or that may

be issued pursuant to such legal provisions, with respect to Grupo Clarín S.A., until the judge that is finally declared competent to render a decision on the merits assumes full jurisdiction of the case and renders a final decision relating to the injunction.

Note 25

Subsequent events

- a. On January 28, 2014, AGEA repaid in full USD 30.6 million principal amount plus interest accrued thereon as of such date in connection with the Series C Notes issued by AGEA under the Global Program.
- b. On January 7, 2014, the SCI issued Resolution No. 1/14, extending the effectiveness of Resolution No. 36/11 and Resolution No. 104/13 for three months (January, February and March 2014).
- c. In connection with Note 8.3.h, on February 11, 2014, the Supreme Court of Argentina decided in re "Arte Radiotelevisivo Argentino S.A. v/ national Government - Chief of the Cabinet of Ministers and Media Secretariat o/ summary action for the protection of constitutional rights (acción de amparo) Law No. 16,980" to confirm the decision rendered in that respect by Chamber IV of the National Court of Appeals on Federal Administrative Matters whereby it admitted the summary action and ordered the National Government to provide for the drafting and submission to the first instance court, within a term of thirty days of that decision becoming final, of a scheme for the allocation of official advertising that included the broadcasters with characteristics analogous to those of ARTEAR, among which the Court of Appeals included América TV S.A. (Canal 2), Telearte S.A. (Canal 9), Televisión Federal S.A. (Canal 11), ARTEAR (Canal 13) and SNMP S.A. and RTA S.E. (Canal 7), and that conformed faithfully to the guidelines of proportionality and equity set forth in the ruling.
- d. On February 18, 2014, the Company was served with AFSCA Resolution No. 193/AFSCA/2014 whereby AFSCA's Board

of Directors declared that the proposal submitted by Grupo Clarín S.A., Arte Radiotelevisivo Argentino S.A., Radio Mitre S.A. and Cablevisión S.A. was formally admissible. Pursuant to the same Resolution, AFSCA provided that the term of one hundred eighty (180) calendar days set forth under section 8 of the Rules for the Management and Procedures Relating to Voluntary Proposals established by Resolution No. 2,205/AFSCA/12, would be counted as from the moment the parties were served notice of this Resolution. On that same date, the Company's Board of Directors took notice of AFSCA Resolution No. 193/AFSCA/2014.

In the recitals of AFSCA Resolution No. 193/AFSCA/2014, which declared the proposal submitted formally admissible, AFSCA stated that the withdrawal of claims made under File No. 21,788/08, as well as those made under the proposal submitted by Cablevisión, were now embedded in the process provided under Section 161 of Law No. 26,522. Accordingly, they are deemed to be approved within the framework of the proposal that was declared formally admissible.

On February 18, 2014 the Company's Board of Directors called a Special Shareholders' Meeting to be held on March 20, 2014 in order to consider the following points of the agenda: 1) Appointment of two (2) shareholders to draft and sign the meeting minutes; 2) Consider AFSCA Resolution No. 193/AFSCA/2014; 3) Instruction to the Board of Directors to begin with the implementation of the Proposal, including the proposal of those transactions and corporate reorganizations required to such end; 4) Approval of the work done by the Adjustment Task Force. Granting of attorney powers to act before Courts of Justice and the relevant oversight agencies; 5) Appointment of representatives of the Company to vote in favor of the proposal at the subsidiaries' Shareholders' Meetings.

e. On January 31, 2014, Cablevisión entered into a syndicated loan agreement with the Industrial and Commercial Bank of China (Argentina) S.A. ("ICBC") and Banco Itaú Argentina S.A. for Ps. 100 million for the purpose of paying part of the USD 59 million indebtedness with upcoming maturity, which was paid by the company in February 2014.


f. With reference to Note 8.1.f, on February 25, 2014, the Supreme Court of Argentina revoked all the decisions rendered by Judge Walter Bento of Federal Court No. 2 of Mendoza relating to the claim brought by Supercanal S.A. against Cablevisión for anti-competitive practices and in respect of which the judge had ordered, among other things, the appointment of a court-appointed supervisor (interventor) and co-administrator in that company and the separation of that company's assets. It should be noted that Cablevisión has still not been served with that decision.

Note 26

Approval of financial statements

Grupo Clarín's Board of Directors has approved the consolidated financial statements and authorized their issue for March 10, 2014.

Signed for identification purposes
with the report dated March 10, 2014



Carlos Alberto Pedro Di Candia
Chairman of the Supervisory Committee

See our report dated March 10, 2014
Price Waterhouse & Co. S.R.L.
C.P.C.E.C.A.B.A. VOL. 1 - FOL. 17



Dr. Carlos A. Pace (Partner)
Certified Public Accountant (U.B.A.)
C.P.C.E.C.A.B.A. VOL. 150 - FOL. 106



Jorge Carlos Rendo
Director and Acting Chairman



SUPPLEMENTARY FINANCIAL INFORMATION

Supplementary Financial Information

As of December 31, 2013

1. Company's activities

Grupo Clarín is the most prominent and diversified media group in Argentina and one of the most important in the Spanish-speaking world. It has presence in the printed media, radio, broadcast and cable television, audiovisual content production, the printing industry and Internet. Its leadership in the different media is a competitive advantage that enables Grupo Clarín to generate significant synergies and expand into new markets. Its activities are grouped into four main segments: Cable television and Internet access, Printing and publishing, Broadcasting and Programming, and Digital content and other.

The Company carried out its activities in the challenging context of constant harassment of the media in general and Grupo Clarín in particular. Among the main activities carried out during the year, the following were the most significant:

In the Printing and Publishing segment, during the year, the Company continued to publish its traditional newspapers and magazines, focusing on strengthening its editorial offering through the launch of new collectible and optional products. Advertising sales began to fall starting in February 2013, as a consequence of a substantial decrease in printed media advertising sales to supermarket and home appliance chains. This circumstance has a negative impact on the finances of news companies and, in particular, on this segment; which has also suffered from an ever decreasing allocation of government advertising.

In the Broadcasting and Programming Segment, El Trece maintained the highest audience share. This leading position is mostly attributable to the good performance of its programming grid both during the Prime Time and at other times. In the Prime Time, the most outstanding features were the fiction shows *Sos Mi Hombre* (which has already ended), *Solamente Vos* and *Farsantes*, along with the leading newscast in broadcast TV: *Telenoche*. *Noticiero Trece* and *A Todo o Nada* delivered good results in the afternoon programming. *Periodismo para Todos*, *Soñando por Cantar* and *A todo o Nada* had a good performance during the weekends.

In the Cable Television and Internet Access segment, the Company focused on subscriber loyalty initiatives, as well as on boosting penetration of its premium services, such as, *Cablevisión HD*, *Pay Per View (PPV)*, *Video On Demand (VoD)* and *Digital Video Recording (DVR)* and expanding its broadband Internet access subscriber base. Progress was also made in the optimization of the reach of digital and premium services to cities and towns in the provinces.

2. Consolidated financial structure

Note: the amounts are rounded and stated in thousands of Argentine Pesos. The figures under total amounts may not represent the exact arithmetic sum of the other figures in the table. Pursuant to CNV regulations, the following table shows the balances and results for the period, on a comparative basis with the prior periods, prepared under IFRS.

	December 31, 2013	December 31, 2012	December 31, 2011
Non-current assets	9,512,026	8,303,639	7,791,866
Current assets	4,872,758	3,699,980	2,855,978
Total Assets	14,384,783	12,003,619	10,647,844
Equity of the Parent Company	4,729,908	4,090,030	3,634,142
Equity of Non-Controlling Interests	1,748,886	1,374,569	1,063,646
Total Equity	6,478,794	5,464,599	4,697,788
Non-current liabilities	3,451,464	3,378,694	3,319,250
Current liabilities	4,454,526	3,160,327	2,630,806
Total Liabilities	7,905,989	6,539,020	5,950,056
Total Equity and Liabilities	14,384,783	12,003,619	10,647,844

3. Consolidated comprehensive income structure

Note: the amounts are rounded and stated in thousands of Argentine Pesos. The figures under total amounts may not represent the exact arithmetic sum of the other figures in the table. Pursuant to CNV regulations, the following table shows the balances and results for the period, on a comparative basis with the prior periods, prepared under IFRS.

	December 31, 2013	December 31, 2012	December 31, 2011
Operating income/loss from continuing operations ⁽¹⁾	2,143,741	1,900,321	1,710,140
Financial Results	(1,475,830)	(916,154)	(582,086)
Equity in Earnings from Affiliates and Subsidiaries	140,037	13,683	33,654
Other Income and Expense, net	85,425	639	1,507
Income/loss from continuing operations before income tax and tax on assets	893,373	998,490	1,163,215
Income tax and tax on assets	(92,707)	(524,876)	(425,032)
Income for the year from continuing operations	800,666	473,614	738,183
Net Income from Discontinued Operations	-	498,717	47,426
Net Income for the Year	800,666	972,331	785,610
Other Comprehensive Income for the Year	312,065	180,169	81,154
Total Comprehensive Income for the Year	1,112,731	1,152,500	866,764

(1) Defined as net sales less cost of sales and expenses.

4. Cash flow structure

Note: the amounts are rounded and stated in thousands of Argentine Pesos. The figures under total amounts may not represent the exact arithmetic sum of the other figures in the table. Pursuant to CNV regulations, the following table shows the balances and results for the period, on a comparative basis with the prior periods, prepared under IFRS.

	December 31, 2013	December 31, 2012	December 31, 2011
Cash provided by (used in) Operating Activities	2,608,347	2,291,944	1,577,219
Cash provided by (used in) Investment Activities	(2,038,304)	(819,887)	(1,527,311)
Cash provided by (used in) Financing Activities	(412,863)	(1,110,017)	187,633
Total Cash provided (used) for the Year	157,180	362,040	237,541
Financial Results Generated By Cash And Cash Equivalents	188,547	77,116	42,090
Total Changes in Cash	345,727	439,156	279,632

5. Statistical data

	December 31, 2013	December 31, 2012	December 31, 2011	December 31, 2010	December 31, 2009
Cable TV subscribers ^{(1) (5)}	3,492,531	3,404,698	3,490,320	3,357,853	3,192,950
Cable TV homes passed ^{(2) (5)}	7,509,525	7,455,898	7,586,506	7,485,595	7,457,043
Cable TV churn ratio	15,3	15,0	15,1	14,3	15,8
Internet access subscribers ⁽¹⁾	1,711,587	1,504,380	1,351,107	1,128,171	988,031
Newspaper circulation ⁽³⁾	296,704	311,699	331,238	360,816	394,796
Canal 13 audience share					
Prime Time ⁽⁴⁾	35.4	35.9	42.2	42.2	40.1
Total Time ⁽⁴⁾	28.0	29.4	33.0	31.0	29.7

(1) Includes companies controlled, directly and indirectly, by Cablevisión (Argentina, Uruguay and Paraguay).

(2) Contemplates the elimination of the overlapping of networks between Cablevisión and subsidiaries (including Multicanal and Teledigital).

(3) Average quantity of newspapers per day (Diario Clarín and Olé), pursuant to the Instituto Verificador de Circulaciones (this figure represents sales in Argentina and abroad).

(4) Share of prime time audience of broadcast television stations in the Metropolitan Area of Buenos Aires, as reported by IBOPE. Prime time is defined as 8:00 PM to 12:00 AM, Monday through Friday. Total time is defined as 12:00 PM to 12:00 AM, Monday through Sunday.

(5) As of December 31, 2013 and 2012 it does not include the data corresponding to Cablevisión's subsidiaries in Paraguay (see Note 12.g.).

6. Ratios

	December 31, 2013	December 31, 2012	December 31, 2011
Liquidity (current assets / current liabilities)	1.09	1.17	1.09
Solvency (equity / total liabilities)	0.82	0.84	0.79
Capital assets (non-current assets / total assets)	0.66	0.69	0.73
Return on equity (net income for the year / average shareholders' equity)	0.13	0.19	0.18

7. Outlook

As mentioned in the notes to the financial statements, on October 29, 2013 the Supreme Court of Argentina ruled that the Audiovisual Communication Service Law is constitutional, revoking the decision rendered by the Court of Appeals on April 17, 2013. In the light of AFSCA's intentions to force a sale of the Company's assets, the Company has decided to present a Voluntary Proposal to conform to the Audiovisual Communication Service Law, whereby the structure of Grupo Clarín, which falls within the scope of that law, will be split into six independent business units, and their respective holders will be defined as the implementation of the proposal unfolds. The Proposal contemplates the necessary reservations to safeguard the rights of the Company, among which we may mention the following: the reservation to bring the judicial actions that may correspond in connection with the claim for economic damages caused to the Company and its subsidiaries as a consequence of their adjustment to conform to the law; the reservation to challenge the conformity of Sections 41, 45, 48 and 161 of Law No. 26,522 to international conventions before the Inter-American Commission on Human Rights, the Inter-American Court of Human Rights and other competent International Courts; the reservation to challenge judicially the current composition of AFSCA for not conforming to the provisions of Law No. 26,522 and for not being a technical and independent agency protected against undue interferences from the State.

On February 18, 2014, the Company was served with AFSCA Resolution No. 193/AFSCA/2014 whereby AFSCA's Board of Directors declared that the Proposal was formally admissible. Pursuant to the same Resolution, AFSCA provided that the term

of one hundred eighty (180) calendar days set forth under section 8 of the Rules for the Management and Procedures Relating to Voluntary Proposals established by Resolution No. 2,205/12, would be counted as from the moment the parties were served notice of this Resolution. As mentioned in the note to the financial statements, on that same date the Company's Board of Directors took notice of Resolution No. 193-AFSCA/2014 and called a Special Shareholders' Meeting to be held on March 20, 2014 in order to consider, among other issues, Resolution No. 193/AFSCA/2014, to approve the work performed by the Adjustment Task Force and to instruct the Company's Board of Directors to begin with the implementation of the Proposal.

This implies significant changes in the Company's structure, generating an uncertain scenario about the future development of the business.

The Company remains committed to informing with independence, to reaching all sectors of society and to supporting the quality and credibility values of its media. It will assess the implications of the laws related to its activities; while bringing the pertinent legal actions to safeguard its rights and those of its readers, audiences and clients.

The Company will keep focusing on the core processes that allow for a sustainable and efficient growth from different perspectives: financial structure, management control, business strategy, human resources, innovation and corporate social responsibility.

Signed for identification purposes
with the report dated March 10, 2014



Carlos Alberto Pedro Di Candia
Chairman of the Supervisory Committee

See our report dated March 10, 2014
Price Waterhouse & Co. S.R.L.
C.P.C.E.C.A.B.A. VOL. 1 - FOL. 17



Dr. Carlos A. Pace (Partner)
Certified Public Accountant (U.B.A.)
C.P.C.E.C.A.B.A. VOL. 150 - FOL. 106



Jorge Carlos Rendo
Director and Acting Chairman

Report of Independent Accountants

Free translation from
the original
prepared in Spanish

**To the Shareholders, President
and Directors of Grupo Clarín S.A.
Legal domicile: Piedras 1743
Autonomous City of Buenos Aires
CUIT No 30-70700173-5**

1. We have audited the attached consolidated financial statements of Grupo Clarín S.A. and its controlled subsidiaries which comprise the consolidated balance sheet at December 31, 2013, the consolidated statements of comprehensive income, the consolidated statements of changes in equity and of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information. The balances and other information for the fiscal year 2012 are an integral part of the above-mentioned audited financial statements, so they are to be considered in the light of those financial statements.

2. The Board of Directors is responsible for the reasonable preparation and presentation of these consolidated financial statements in accordance with International Financial Reporting Standards adopted by the Argentine Federation of Professional Councils in Economic Sciences (FACPCE, for its Spanish acronym) as professional accounting standards and incorporated by the Argentine Securities Commission (CNV, for its Spanish acronym) to its regulations, as adopted by the International Accounting Standards Board (IASB). Further, the Board of Directors is responsible for the internal control it may deem necessary to enable preparing consolidated financial statements free of material misstatements caused by errors or irregularities. Our responsibility is to express an opinion on the consolidated financial statements based on the audit we performed with the scope detailed in paragraph 3.

3. We conducted our audit in accordance with auditing standards in effect in Argentina. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatements and to form an

opinion on the reasonableness of the relevant information contained in the consolidated financial statements. An audit includes examining, on a selective test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting standards used and significant estimates made by the Company, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

4. On October 10, 2009, Audiovisual Communication Services Law No. 26522 (the "Law") was enacted which repeals Broadcasting Law No. 22285 which regulates the principal activities of the Company and some subsidiaries.

As mentioned in Notes 9 and 25.d. to the consolidated financial statements, in light of the decision rendered on October 29, 2013 by the Supreme Court of Argentina (CSJN, for its Spanish acronym), on November 4, 2013, the Company and certain subsidiaries filed a voluntary conforming proposal with the Audiovisual Communication Services Law Federal Enforcement Authority (AFSCA, for its Spanish acronym) and the CSJN under the terms of section 161 of the mentioned law, which has been declared formally admissible by AFSCA on February 18, 2014 and requires, prior to its implementation, intervention of other governmental and oversight agencies and approvals of AFSCA, and the respective Shareholders' Meetings.

Accordingly, there is uncertainty as to the effects that the divestiture process to be finally implemented could have on the activities of the economic group and the recoverability

of the assets involved and, consequently, on these consolidated financial statements taken as a whole.

5. As mentioned in Notes 8.1.b., 8.1.c., 8.1.d., 8.1.e. and 25.d. to the consolidated financial statements, since September 2009, the Federal Broadcasting Committee, the National Antitrust Commission, the Secretariat of Domestic Trade ("SCI", for its Spanish acronym), Argentine Secretariat of Communications and the Ministry of Economy and Public Finance have issued several resolutions on matters related to: (i) several aspects related to the acquisition of Cablevisión S.A., Multicanal S.A. and other companies, and their subsequent merger, and (ii) the revocation of the license that had been originally granted to FIBERTEL S.A. As indicated in the above-mentioned Notes, the subsidiary Cablevisión has brought legal actions as it considered appropriate.

Accordingly, there is uncertainty regarding the effect that the final outcome of these situations could have on the activities of the subsidiary Cablevisión S.A. and, therefore, on the consolidated financial statements of the company taken as a whole.

6. As mentioned in Note 8.1.a. to the consolidated financial statements, on March 3, 2010 the Secretariat of Domestic Trade ("SCI") issued Resolution 50/10 establishing the formula for calculation of the monthly subscription price to be paid by the users of pay-television services. As indicated in Notes 8.1.a. and 25.b., on March 10, 2011 SCI Resolution No. 36/11 was published in the Official Gazette establishing the parameters to be applied to the services rendered by Cablevisión, having been extended on several occasions the effectiveness of Resolution No.

36/11 until March 2014. As indicated in those Notes, the subsidiary Cablevisión filed the corresponding administrative claims and will bring the necessary legal actions requesting a stay of its effects and ultimately its nullity.

Accordingly, there is uncertainty regarding the effect that the final outcome of the situation could have on the subsidiary Cablevisión and its subsidiaries' business and, therefore, on the recoverability of its assets.

7. In our opinion, subject to the possible effect on the consolidated financial statements of any potential adjustments and/or reclassifications, if applicable, that could be required as a result of the resolution of the uncertainties described in paragraphs 4, 5, and 6, the consolidated financial statements mentioned in paragraph 1 present fairly, in all material respects, the consolidated financial position of Grupo Clarín S.A. and its subsidiaries as of December 31, 2013 and their consolidated comprehensive income and consolidated cash flows for the fiscal year then ended, in accordance with International Financial Reporting Standards.

8. In accordance with current regulations in respect to Grupo Clarín S.A., we report that:

a) The consolidated financial statements of Grupo Clarín S.A. have been transcribed to the "Inventory and Balance Sheet" book and comply with the Corporations Law and pertinent resolutions of the Argentine Securities Commission, as regards those matters within our competence;

b) The parent company only financial statements of Grupo Clarín S.A. arise from accounting

records kept in all formal respects in conformity with legal provisions which maintain the security and integrity conditions based on which they were authorized by the Argentine Securities Commission;

c) We have read the supplementary financial information, on which, as regards those matters that are within our competence, we have no observations to make other than those already stated in paragraphs 4., 5. and 6.;

d) At December 31, 2013 the debt accrued in favor of the (Argentine) Integrated Social Security System according to the Company's accounting records and calculations amounted to \$1.648.542, none of which was claimable at that date;

e) In accordance with the requirements of Article 21°, Subsection e), Chapter III, Section VI, Title II of the regulations of the Argentine Securities Commission, we report that the total fees for audit services and related billed the Company in the year ended December 31, 2013 represent:

e.1) 98% on the total fees for services invoiced to the Company for all concepts in that year;

e.2) 17% on the total fees for audit and related services invoiced to the Company, its parent companies, subsidiaries and affiliates in that year;

e.3) 17% on the total fees for services invoiced to the Company, its parent companies, subsidiaries and affiliates for all concepts in that year.

f) We have applied the procedures on prevention of asset laundering and terrorism funding set forth in the relevant professional rules issued by the Professional Council for Economic Sciences of the Autonomous City of Buenos Aires.

Autonomous City of Buenos Aires,
March 10, 2014

Price Waterhouse & Co. S.R.L.



by **Carlos A. Pace** (Partner)

PARENT COMPANY ONLY FINANCIAL STATEMENTS

**Parent Company only
Statement of
Comprehensive
Income**

For the years ended
December 31, 2013 and 2012
In Argentine Pesos (Ps.)

	Notes	December 31, 2013	December 31, 2012
Equity in Earnings from Affiliates and Subsidiaries	4.3	505,662,834	511,048,778
Management fees		105,493,573	95,346,439
Administrative Expenses ⁽¹⁾	5.1	(125,073,655)	(106,242,489)
Other Income and Expense, net		(14,834,785)	(11,190,319)
Financial Costs	5.2	(4,166,484)	(7,879,150)
Other Financial Results, net	5.3	15,384,592	2,683,657
Income before Income Tax and Tax on Assets		482,466,075	483,766,916
Income Tax and Tax on Assets	6	(2,634,519)	(1,456,196)
Net Income for the Year		479,831,556	482,310,720
Other Comprehensive Income			
Variation in Translation Differences of Foreign Operations		160,046,637	84,985,478
Other Comprehensive Income for the year net of income tax		160,046,637	84,985,478
Comprehensive Income for the year		639,878,193	567,296,198

(1) Includes depreciation of property, plant and equipment and amortization of intangible assets in the amount of Ps. 647.164 and Ps. 544.064 for the years ended December 31, 2013 and 2012, respectively.

The notes are an integral part of these parent company only financial statements.

Signed for identification purposes
with the report dated March 10, 2014

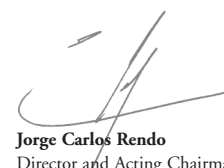


Carlos Alberto Pedro Di Candia
Chairman of the Supervisory Committee

See our report dated March 10, 2014
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C.P.C.E.C.A.B.A. VOL. 1 - FOL. 17



Dr. Carlos A. Pace (Partner)
Certified Public Accountant (U.B.A.)
C.P.C.E.C.A.B.A. VOL. 150 - FOL. 106



Jorge Carlos Rendo
Director and Acting Chairman

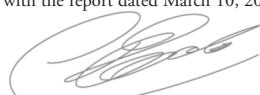
Parent Company only Balance Sheet

As of December 31, 2013,
and 2012
In Argentine Pesos (Ps.)

	Notes	December 31, 2013	December 31, 2012
Assets			
Non-Current Assets			
Property, Plant and Equipment	4.1	1,170,211	1,234,447
Intangible Assets	4.2	256,861	140,256
Deferred Tax Assets	6	12,073,066	11,162,847
Investment in Affiliates and Subsidiaries	4.3	4,616,128,529	4,174,676,650
Other Receivables	4.4	30,000	30,000
Total Non-Current Assets		4,629,658,667	4,187,244,200
Current Assets			
Other Receivables	4.4	69,104,459	25,198,828
Other Investments	4.5	149,294,148	7,742,929
Cash and Banks	4.6	7,959,791	5,251,306
Total Current Assets		226,358,398	38,193,063
Total Assets		4,856,017,065	4,225,437,263
Equity (as per the corresponding statement)			
Shareholders' Contributions		2,010,638,503	2,010,638,503
Other items		288,232,326	128,185,689
Retained Earnings		2,431,037,476	1,951,205,920
Total Equity		4,729,908,305	4,090,030,112
Liabilities			
Non-Current Liabilities			
Other Liabilities	4.3	65,188,295	28,624,787
Total Non-Current Liabilities		65,188,295	28,624,787
Current Liabilities			
Debt	4.7	691,884	62,084,479
Taxes Payable	4.8	5,219,357	1,623,568
Other Liabilities		17,915,000	14,437,674
Trade Payables and Other	4.9	37,094,224	28,636,643
Total Current Liabilities		60,920,465	106,782,364
Total Liabilities		126,108,760	135,407,151
Total Equity and Liabilities		4,856,017,065	4,225,437,263

The notes are an integral part of these parent company only financial statements.

Signed for identification purposes
with the report dated March 10, 2014



Carlos Alberto Pedro Di Candia
Chairman of the Supervisory Committee

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Dr. Carlos A. Pace (Partner)
Certified Public Accountant (U.B.A.)
C.P.C.E.C.A.B.A. VOL. 150 - FOL. 106



Jorge Carlos Rendo
Director and Acting Chairman

Parent Company only Statement of Changes in Equity

For the years ended
December 31, 2013 and 2012
In Argentine Pesos (Ps.)

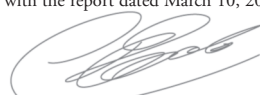
	Capital Stock	Adjustment on Capital Stock	Additional Paid-in Capital
Balances as of January 1, 2012	287,418,584	309,885,253	1,413,334,666
Set-up of reserves (Note 7.a.)	-	-	-
Dividend Distribution (Note 7.a.)	-	-	-
Changes in Reserves for Sellers Financing	-	-	-
Net Income for the Year			
Other Comprehensive Income:			
Variation in Translation Differences of Foreign Operations	-	-	-
Balances as of December 31, 2012	287,418,584	309,885,253	1,413,334,666
Set-up of reserves (Note 7.a.)	-	-	-
Net Income for the Year	-	-	-
Other Comprehensive Income:			
Variation in Translation Differences of Foreign Operations	-	-	-
Balances as of December 31, 2013	287,418,584	309,885,253	1,413,334,666

(1) Broken down as follows: (i) Optional reserve for future dividends of Ps. 300,000,000; (ii) Judicial reserve for future dividend distribution of Ps. 387,028,756, (iii) Optional reserve for illiquidity of results of Ps. 694,371,899 and (iv) Optional reserve to provide financial aid to subsidiaries and in connection with the Audiovisual Communication Services Law of Ps. 457,094,968.

The notes are an integral part of these parent company only financial statements.

Shareholders' Contributions	Other items				Retained Earnings		Total Equity
	Translation of Foreign Operations	Other Reserves	Legal Reserve	Optional reserves ⁽¹⁾	Accumulated Results		
Subtotal							
2,010,638,503	37,992,937	(18,384,533)	64,740,233	-	1,539,154,967	3,634,142,107	
-	-	-	23,912,434	1,381,400,655	(1,405,313,089)	-	
-	-	-	-	-	(135,000,000)	(135,000,000)	
-	-	23,591,807	-	-	-	23,591,807	
-	-	-	-	-	482,310,720	482,310,720	
-	84,985,478	-	-	-	-	84,985,478	
2,010,638,503	122,978,415	5,207,274	88,652,667	1,381,400,655	481,152,598	4,090,030,112	
-	-	-	24,057,630	457,094,968	(481,152,598)	-	
-	-	-	-	-	479,831,556	479,831,556	
-	160,046,637	-	-	-	-	160,046,637	
2,010,638,503	283,025,052	5,207,274	112,710,297	1,838,495,623	479,831,556	4,729,908,305	

Signed for identification purposes
with the report dated March 10, 2014



Carlos Alberto Pedro Di Candia
Chairman of the Supervisory Committee

See our report dated March 10, 2014
Price Waterhouse & Co. S.R.L.
C.P.C.E.C.A.B.A. VOL. 1 - FOL. 17



Dr. Carlos A. Pace (Partner)
Certified Public Accountant (U.B.A.)
C.P.C.E.C.A.B.A. VOL. 150 - FOL. 106



Jorge Carlos Rendo
Director and Acting Chairman

Parent Company only Statements of Cash Flows

For the years ended
December 31, 2013 and 2012
In Argentine Pesos (Ps.)

	December 31, 2013	December 31, 2012
Cash provided by Operating Activities		
Net Income for the Year	479,831,556	482,310,720
Income Tax and Tax on Assets	2,634,519	1,456,196
Accrued Interest, net	2,322,978	7,736,987
Adjustments to reconcile net income for the year to cash used in operating activities:		
- Depreciation of Property, Plant and Equipment and Amortization of Intangible Assets	647,164	544,064
- Exchange Difference and Other Financial Results	(16,433,639)	(5,745,051)
- Equity in Earnings from Affiliates and Subsidiaries	(505,662,834)	(511,048,778)
Changes in Assets and Liabilities:		
- Other Receivables	(41,579,729)	(4,310,406)
- Trade Payables and Other	8,456,719	8,273,433
- Taxes Payable	1,482,417	(2,815,415)
- Other Liabilities	3,477,326	882,463
Income Tax and Tax on Assets Payments	(795,850)	(1,226,707)
Net Cash Flows used in Operating Activities	(65,619,373)	(23,942,494)
Cash provided by Investment Activities		
Dividends collected	159,061,458	101,180,510
Capital contributions in subsidiaries	(9,000,000)	(11,042,000)
Acquisition of Property, Plant and Equipment, net	(519,673)	(825,716)
Acquisition of Intangible Assets	(179,860)	(173,632)
Loans and interest collected	5,000,000	-
Loans granted	(7,968,000)	-
Net Cash Flows provided by Investment Activities	146,393,925	89,139,162

See our report dated March 10, 2014
Price Waterhouse & Co. S.R.L.
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	December 31, 2013	December 31, 2012
Cash provided by Financing Activities		
Loans	45,400,000	45,771,275
Payment of Debts	(126,515)	(1,678,162)
Payment of Interest	(66,370)	-
Dividends Paid	-	(135,000,000)
Net Cash Flows provided by / (used in) Financing Activities	45,207,115	(90,906,887)
Financing results generated by Cash and Cash Equivalents	18,278,037	5,887,213
Net Increase / (decrease) in cash flow	144,259,704	(19,823,006)
Cash and Cash Equivalents at the Beginning of the Year	12,994,235	32,817,241
Cash and Cash Equivalents at Year-end	157,253,939	12,994,235

The notes are an integral part of these parent company only financial statements.

Signed for identification purposes
with the report dated March 10, 2014



Carlos Alberto Pedro Di Candia
Chairman of the Supervisory Committee

See our report dated March 10, 2014
Price Waterhouse & Co. S.R.L.
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Jorge Carlos Rendo
Director and Acting Chairman

Notes to the Parent Company only Financial Statements

For the year ended
December 31, 2013
Presented on a comparative basis
In Argentine Pesos (Ps.) -

Note 1

General Information

Grupo Clarín is a holding company that operates in the Media industry. Its operating income and cash flows derive from the operations of its subsidiaries in which it participates directly or indirectly.

The operations of its subsidiaries include cable television and Internet access services, newspaper and other printing, publishing and advertising activities, broadcast television, radio operations and television content production, on-line and new media services, and other media related activities. A substantial portion of its revenues is generated in Argentina.

Note 2

Basis for the Preparation and Presentation of the Parent Company only Financial Statements

2.1 Basis for the preparation and transition to IFRS

Pursuant to General Resolution No. 562 issued on December 29, 2009, entitled "Adoption of International Financial Reporting Standards" and General Resolution No. 576/10, the CNV provided for the application of Technical Resolutions No. 26 (TR 26) and 29 issued by the Argentine Federation of Professional Councils of Economic Sciences (FACPCE, for its Spanish acronym). Since the Company is subject to the public offering regime governed by Law No. 26,831, it is required to apply such standards as from the year beginning January 1, 2012. The FACPCE issues Adoption Communications for the enforcement of IASB resolutions in Argentina.

TR 26 establishes that parent company only financial statements must be prepared under IFRS approved to date in Argentina by the "FACPCE", except for the valuation of investments in subsidiaries, which are valued under the equity method.

In preparing these parent company only financial statements for the year ended December 31, 2013, presented on a comparative basis, the Company has followed the guidelines provided

by TR 26, and, therefore, these financial statements have been prepared in accordance with IFRS, except for the above-mentioned valuation of investments in subsidiaries. Some additional matters were included as required by the Argentine Business Associations Law and/or CNV regulations, including the supplementary information provided under the last paragraph of Section 1, Chapter III, Title IV of General Resolution No. 622/13. That information is included in the Notes to these parent company only financial statements, as provided under IFRS and CNV rules.

The interim condensed parent company only financial statements have been prepared based on historical cost, except for the measurement at fair value of certain non-current assets and financial instruments. In general, the historical cost is based on the fair value of the consideration granted in exchange for the assets.

Certain figures reported in the financial statements presented on a comparative basis were reclassified in order to maintain the consistency in the disclosure of the figures corresponding to this year.

The attached information, approved by the Board of Directors at the meeting held on March 10, 2014, is presented in Argentine Pesos (Ps.), the Argentine legal tender, and arises from accounting records kept by Grupo Clarín S.A.

2.2 Standards and Interpretations issued but not adopted to date

The Company has not adopted IFRS or revisions of IFRS issued as per the detail below, since their application is not required for the year ended December 31, 2013:

- IFRS 9 Financial Instruments: Issued in November 2009 and amended in October 2010, IFRS 9 introduces new requirements for the classification and measurement of financial assets and liabilities and for their derecognition. IFRS 9 is applicable to the years beginning on or after January 1, 2015, and allows for its early application. The changes are not likely to have a material effect on the amounts disclosed in connection with the Company's financial assets and liabilities.

- IFRIC 21 Levies: The interpretation establishes how to account for liabilities to pay levies when those liabilities are within the scope of IAS 37 “Provisions, Contingent Liabilities and Contingent Assets” and when they do not arise from income taxes (IAS 12) or from fines or other penalties imposed for breach of tax legislation. The interpretation clarifies what is the obligating event that triggers the obligation to pay the levy and when an entity should recognize that obligation. Said standard is applicable to years beginning January 1, 2014. The changes will probably not significantly affect the amounts disclosed in connection with the Company’s tax liabilities.

2.3. Standards and Interpretations issued and adopted to date

- IAS 1 Presentation of financial statements: The amendment to IAS 1 requires that items of other comprehensive income be grouped into those that may and may not be subsequently reclassified to profit or loss. The amendments to IAS 1 do not specify which items are to be disclosed in other comprehensive income. This amendment is effective for annual periods beginning as from July 1, 2012. The impact of this standard is disclosed in the Parent Company Only Statement of Comprehensive Income.

- IAS 19 Employee Benefits: Since to date the Company has not established defined benefit plans for its employees and officers, this standard did not have an impact on the Company’s financial statements.

- IFRS 10 Consolidated Financial Statements: Defines the principles of control and establishes control as the basis for determining which entities are to be consolidated in the consolidated financial statements. This standard did not have an impact on the Company’s financial statements.

- IFRS 11 Joint Arrangements: Classifies joint arrangements either as joint operations (combining the existing concepts of assets under common control and operations under common control) or as joint ventures (similar to the existing concepts of entities under common control). IFRS 11 requires the use of the equity method for joint ventures 7 and also eliminates the proportional

consolidation method for this type of businesses. This standard did not have an impact on the Company’s financial statements.

- IFRS 12 Disclosure of Interests in Other Entities: Establishes the disclosure requirements for all forms of interests in other entities, including subsidiaries, joint arrangements, associates and unconsolidated structured entities. The impact of this standard is disclosed in notes to these financial statements.

- IFRS 13 Fair Value Measurement: Sets up a single framework for measuring fair value when required by other standards and the disclosure requirements for fair value measurement. This IFRS is applicable to both financial and non-financial items measured at fair value. The impact of this standard is disclosed in notes to these parent company only financial statements.

2.4 Equity Interests

The Company records the interest in its subsidiaries and associates using the equity method, as established by TR 26.

A subsidiary is an entity over which the Company exercises control. Control is presumed to exist when the Company has a right to variable returns from its interest in a subsidiary and has the ability to affect those returns through its power over the subsidiary. This power is presumed to exist when evidenced by the votes, be it that the Company has the majority of voting rights or potential rights currently exercised.

An associate is an entity over which the Company has significant influence, without exerting control, generally accompanied by equity holdings of between 20% and 50% of voting rights.

The subsidiaries’ and associates’ net income and the assets and liabilities are disclosed in the financial statements using the equity method, except when the investment is classified as held for sale, in which case it is accounted for under IFRS 5 “Non-Current Assets Held for Sale and Discontinued Operations”. Under the equity method, the investment in a subsidiary or associate is to be initially recorded at cost and the book value will be

increased or decreased to recognize the investor's share in the comprehensive income for the year or in other comprehensive income obtained by the subsidiary or associate, after the acquisition date. The distributions received from the subsidiary or associate will reduce the book value of the investment.

The losses incurred by an associate in excess of the Company's interest in such company are recognized to the extent the Company has undertaken any legal or implicit obligation or has made payments on behalf of the associate.

Any excess of the acquisition cost over the Company's share in the net fair value of the subsidiary's or associate's identifiable assets, liabilities and contingent liabilities measured at the acquisition date is recognized as goodwill. Goodwill is included in the book value of the investment and tested for impairment as part of the investment. Any excess of the Company's share in the net fair value of the identifiable assets, liabilities and contingent liabilities over the acquisition cost, after its measurement at fair value, is immediately recognized in the statement of income.

Unrealized gains or losses on transactions between the Company and its subsidiaries and the associates are eliminated considering the Company's interest in those companies.

Adjustments were made, where necessary, to the subsidiaries' and associates' financial statements so that their accounting policies are in line with those used by the Company.

2.4.1 Changes in the Company's Interests in Existing Subsidiaries

The changes in the Company's interests in subsidiaries that do not generate a loss of control are recorded under equity. The book value of the Company's interests is adjusted to reflect the changes in the relative interest in the subsidiary. Any difference between the amount for which an additional investment is recorded and the fair value of the consideration paid or received is directly recognized in equity.

In case of loss of control and significant influence, any residual interest in the issuing company is measured at its fair value at such date, allocating the change in the recorded

value with an impact on net income. The fair value is the initial amount recognized for such investments for the purposes of its subsequent valuation for the interest retained as associate, joint operation or financial instrument. Additionally any amount previously recognized in Other Comprehensive Income regarding such investments is recognized as if the Company had disposed of the related assets and liabilities. Consequently, the amounts previously recognized in Other Comprehensive Income may be reclassified to net income.

2.5 Business Combinations

The Company applies the acquisition method to account for business combinations. The consideration for each acquisition is measured at fair value (on the date of exchange) of the assets acquired, the liabilities incurred or assumed and the equity instruments issued by the Company in exchange for the control of the company acquired. The costs related to the acquisition are expensed as incurred.

The consideration for the acquisition, if any, includes any asset or liability arising from a contingent consideration arrangement, measured at fair value at the acquisition date. Subsequent changes to such fair value, verified within the measurement period, are adjusted against the acquisition cost.

The measurement period is the actual period that begins on the acquisition date and ends as soon as the Company receives all the information it was seeking about facts and circumstances that existed as of the acquisition date. The measurement period cannot exceed one year from the acquisition date. All other changes in the fair value of the contingent consideration classified as assets or liabilities, outside the measurement period, are recognized in net income. Changes in the fair value of the contingent consideration classified as equity are not recognized.

In the case of business combinations achieved in stages, the Company's equity interest in the company acquired is remeasured at fair value at the acquisition date (i.e., the date on which the Company acquired control) and the resulting gain or loss, if any, is recognized as income/expense or in other comprehensive income, depending on the origin

of the variation. In the periods preceding the reporting periods, the Company may have recognized in other comprehensive income the changes in the value of the interest in the capital stock of the acquired company. In that case, the amount recognized in other comprehensive income is recognized on the same basis that would have been required if the Company had directly disposed of the previously-held equity interest.

The identifiable assets, liabilities and contingent liabilities of the acquired company that meet the conditions for recognition under IFRS 3 (2008) are recognized at fair value at the acquisition date, except for certain particular cases provided by such standard.

Any excess of the acquisition cost (including the interest previously held, if any, and the non-controlling interest) over the Company's share in the net fair value of the subsidiary's or associate's identifiable assets, liabilities and contingent liabilities measured at the acquisition date is recognized as goodwill. Any excess of the Company's share in the net fair value of the identifiable assets, liabilities and contingent liabilities over the acquisition cost, after its measurement at fair value, is immediately recognized in net income.

The acquisition cost comprises the consideration transferred and the acquisition-date fair value of the acquirer's previously-held equity interest in the acquiree, if any.

2.6 Goodwill

Goodwill arises from the acquisition of subsidiaries and associates and refers to the excess of the sum of the consideration transferred, the fair value of the acquirer's previously-held equity interest (if any) in the acquiree over the interest acquired in the net amount of the fair value at the date of acquisition of the identifiable assets acquired and liabilities assumed.

If, upon measurement at fair value, the Company's share in the fair value of net identifiable assets of the acquired company exceeds the amount of the consideration transferred, the amount of any non-controlling interest in such company and the fair value of the acquirer's previous equity interest in

the acquiree (if any), such excess is immediately recognized in the statement of comprehensive income as a gain arising from a very profitable acquisition.

Goodwill is not amortized, but tested for impairment on an annual basis. For the purposes of impairment testing, goodwill is allocated to each of the Company's cash-generating units expected to render benefits from the synergies of the respective business combination. Those cash-generating units to which goodwill is allocated are tested for impairment on an annual basis, or more frequently, when there is any indication of impairment. If the recoverable value of the cash-generating unit, i.e. the higher of the value in use or the fair value net of selling expenses, is lower than the value of the net assets allocated to that unit, including goodwill, the impairment loss is first allocated to reduce the goodwill allocated to the unit and then to the other assets of the unit, on a pro rata basis, based on the valuation of each asset in the unit. The impairment loss recognized against the valuation of goodwill is not reversed under any circumstance.

In case of a loss of control in the subsidiary, the amount attributable to goodwill is included in the calculation of the corresponding gain or loss.

As mentioned in Note 11, the recoverability of certain goodwill could be affected by the final outcome of the circumstances described in such note.

2.7 Revenue recognition

Management fees are recognized when such services are rendered at the fair value of the consideration received or to be received.

2.8 Foreign Currency and Functional Currency

The financial statements of each of the Company's subsidiaries or associates are prepared in the currency of the primary economic environment in which the entity operates (its functional currency). For the purposes of the Company's parent company only financial statements, the net income and the financial position of each entity are stated in Argentine Pesos (Argentina's legal tender for all companies domiciled in

Argentina), which is the Company's functional currency.

In preparing the financial statements of the individual entities, the transactions in currencies other than the entity's functional currency (foreign currency) are recorded at the exchange rates prevailing on the dates on which transactions are carried out. At the end of each reporting year, the monetary items denominated in foreign currency are retranslated at the exchange rates prevailing on such date.

Exchange differences are charged to net income as incurred.

In preparing the Company's parent company only financial statements, in order to measure, under the equity method, the Company's interest in the entities which functional currencies is different from the Argentine Peso, the assets and liabilities of such companies are translated to Argentine pesos at the exchange rate prevailing at the end of the year, while the net income is translated at the exchange rate prevailing on the transaction date. Translation differences are recognized in other comprehensive income as "Variation in Translation Differences of Foreign Operations".

2.9 Taxes

The income tax charge reflects the sum of current income tax and deferred income tax.

2.9.1 Current and Deferred Income Tax for the year

Current and deferred taxes are recognized as expense or income for the year, except when they are related to entries debited or credited to other comprehensive income or directly to equity, in which cases taxes are also recognized in other comprehensive income or directly in equity, respectively. In the case of a business combination, the tax effect is taken into consideration in the calculation of goodwill or in the determination of the excess of acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the business combination.

2.9.2 Current Tax

Current tax payable is based on the taxable

income recorded during the year. Taxable income and net income reported in the consolidated statement of comprehensive income differ due to revenue or expense items that are taxable or deductible in other fiscal years and items that are never taxable or deductible. The current tax liability is calculated using the tax rate in effect as of the date of these parent company only financial statements.

2.9.3 Deferred Tax

Deferred tax is recognized on temporary differences between the book value of the assets and liabilities included in these financial statements and the corresponding tax basis used to determine taxable income. Deferred tax liabilities are generally recognized for all temporary fiscal differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is likely that future taxable income will be available against which those deductible temporary differences can be charged. These assets and liabilities are not recognized if the temporary differences arise from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable income nor the accounting income.

The book value of a deferred tax asset is reviewed at each reporting year and reduced to the extent that it is no longer likely that sufficient taxable income will be available in the future to allow for the recovery of all or part of the asset.

Deferred tax assets and liabilities are measured at the tax rates that are expected to be applicable in the year in which the asset is realized or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the entity expects, at the end of the reporting year, to recover or settle the book value of its assets and liabilities.

Deferred tax assets are offset against deferred tax liabilities if effective regulations allow to offset, before the tax authorities, the amounts recognized in those items; and if the deferred

tax assets and liabilities arise from income taxes levied by the same tax authority and the Company intends to settle its assets and liabilities on a net basis.

Under the IFRS, deferred tax assets and liabilities are classified as non-current assets and liabilities, respectively.

2.9.4 Tax on Assets

In Argentina, the tax on assets (impuesto a la ganancia mínima presunta) is supplementary to income tax. The Company assesses this tax at the effective rate of 1% on the taxable assets at year-end. The Company's tax liability for each year will be equal to the higher of the tax on assets assessment or the income tax liability assessed at the legally effective rate on the estimated taxable income for the year. However, if the tax on assets exceeds the income tax liability in any given fiscal year, the excess may be creditable against any excess of income tax liability over the tax on assets in any of the following ten fiscal years.

The tax on assets balance has been capitalized in the parent company only financial statements, net of a valuation allowance, based on the Company's current business plans.

2.10 Property, Plant and Equipment and Intangible Assets

Property, plant and equipment held for use in the supply of services, or for administrative purposes, are recorded at cost less accumulated depreciation and any accumulated impairment loss.

Depreciation of property, plant and equipment is recognized on a straight-line basis over its estimated useful life.

The estimated useful life, residual value and depreciation method are reviewed at each year-end, with the effect of any changes in estimates accounted for on a prospective basis.

Repair and maintenance expenses are expensed as incurred.

The gain or loss arising from the retirement or disposal of an item of property, plant and equipment is calculated as the difference between income from the sale of the asset and

the asset's book value, and recognized under "Other Income and Expense, net" in the parent company only statement of comprehensive income.

The residual value of an asset is written down to its recoverable value, if the asset's residual value exceeds its estimated recoverable value (see Note 2.11).

Intangible assets comprise software and are valued at cost, net of the corresponding accumulated amortization and impairment losses. Amortization is calculated on a straight line basis over the estimated useful life of the intangible assets. The Company reviews the useful lives applied, the residual value and the amortization method at each year-end, and accounts the effect of any changes in estimates on a prospective basis.

2.11 Impairment of Non-Financial Assets, Except Goodwill

At the end of each financial statement, the Company reviews the book value of its non-financial assets with definite useful life to determine the existence of any evidence indicating that these assets could be impaired. If there is any indication of impairment, the recoverable value of these assets is estimated for the purposes of determining the amount of the impairment loss (in case the recoverable value is lower than the book value). Where it is not possible to estimate the recoverable value of an individual asset, the Company estimates the recoverable value of the cash-generating unit ("CGU") to which such asset belongs. Where a consistent and reasonable allocation base can be identified, corporate assets are also allocated to an individual cash-generating unit or, otherwise, to the smallest group of cash-generating units for which a consistent allocation base can be identified.

The recoverable value of an asset is the higher of the fair value less selling expenses or its value in use. In measuring value in use, estimated future cash flows are discounted at their present value using a pre-tax discount rate, which reflects the current market assessments of the time value of money and, if any, the risks specific to the asset for which estimated future cash flows have not been adjusted.

Assets with an indefinite useful life (for example, non-financial assets unavailable for use) are not amortized, but are tested for impairment on an annual basis.

During this year, no impairment losses have been recorded for these assets.

2.12 Financial Instruments

2.12.1 Financial Assets

Purchases and sales of financial assets are recognized at the transaction date when the Company undertakes to purchase or sell the asset, and is initially measured at fair value, plus transaction costs, except for those financial assets classified at fair value with changes in the statement of income, which are initially measured at fair value.

2.12.1.1 Classification of Financial Assets

Financial assets are classified within the following specific categories: “financial assets at fair value with changes in net income”, “held-to-maturity investments” and “loans and receivables”. The classification depends on the nature and purpose of the financial assets and is determined on initial recognition.

2.12.1.2 Recognition and Measurement of Financial Assets

2.12.1.2.1 Financial Assets at Fair Value with Changes in Net Income

Financial assets at fair value with changes in net income are recorded at fair value, recognizing any gain or loss arising from the measurement in the parent company only statement of comprehensive income. The net gain or loss recognized in net income includes any gain or loss generated by the financial asset and is included in the item financial income and cost in the parent company only statement of comprehensive income.

The assets designated in this category are classified as current assets if they are expected to be traded within 12 months; otherwise, they are classified as non-current assets.

The fair value of these assets is calculated based on the current quoted market price of these securities.

2.12.1.2.2 Held-to-maturity Investments

Held-to-maturity investments are measured at amortized cost using the effective interest rate

method less any impairment, if any.

The effective interest rate method calculates the amortized cost of a financial asset or liability and the allocation of financial income or cost over the whole corresponding period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts over the expected life of the financial instrument to the net book value of the financial asset or liability on its initial recognition.

Balances in foreign currency were translated at the exchange rate prevailing at the closing of year for the settlement of these transactions. Foreign exchange differences were charged to net income for each year.

2.12.1.2.3 Loans and Receivables

Loans and trade receivables with fixed or determinable payments not traded in an active market are classified as “trade receivables and other”. Trade receivables and other are initially measured at fair value, and subsequently measured at amortized cost using the effective interest rate method, less any impairment, if any. Interest income is recognized using the effective interest rate method, except for short-term balances for which the recognition of interest is not significant.

Loans and receivables are classified as current assets, except for the maturities exceeding 12 months from the closing date.

Loans in foreign currency have been valued as mentioned above, at the exchange rates prevailing as of each year-end. Foreign exchange differences were charged to net income for each year.

2.12.1.3 Impairment of Financial Assets

The Company tests financial assets or a group of assets for impairment at each closing date to assess if there is any objective evidence of impairment. The value of a financial asset or a group of assets is impaired, and an impairment loss is recognized, where there is objective evidence of the 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 have an impact on the estimated future cash flows of the financial asset or a group of assets, which may be reliably measured.

The objective evidence of impairment may include, among others, significant financial difficulties of the issuer or obligor; or breach of contractual terms, such as default or delinquency in interest or principal payments.

The Company tests for impairment financial assets disclosed under Other Receivables on a case by case basis.

Where there is objective evidence of an impairment loss in the value of loans granted, receivables or held-to-maturity investments recorded at amortized cost, the loss amount is measured as the difference between the book value and the present value of estimated future cash flows (without including future non-incurred losses), discounted at the original effective interest rate of the financial asset. The asset's book value is written down under a contra asset account. The loss amount is recognized in net income for the year.

If, in subsequent periods, the impairment loss amount decreases and such decrease can be objectively related to an event occurring after the impairment has been recognized (such as an improvement in the debtor's credit rating), the previously recognized impairment loss is reversed. A loss reversal can only be recorded to the extent the financial asset's book value does not exceed the amortized cost that would have been determined if the impairment loss had not been recorded at the reversal date. The reversal amount is recognized in net income for the year.

2.12.1.4 Derecognition of Financial Assets

The Company derecognizes a financial asset when the contractual rights to the cash flows of such assets expire or when it transfers the financial asset and, therefore, all the risks and benefits inherent to the ownership of the financial asset are transferred to another entity. If the Company retains substantially all the risks and benefits inherent to the ownership of the transferred asset, it will continue to recognize it and will recognize a liability for the amounts received.

2.12.2 Financial Liabilities

Financial liabilities are valued at amortized cost using the effective interest rate method.

2.12.2.1 Debts

Debt is initially valued at fair value net of the transaction costs incurred, and subsequently valued at amortized cost using the effective interest rate method. Any difference between the initial value net of the transaction costs and the settlement value is recognized in the income statement over the term of the loan using the effective interest rate method. Interest expense has been charged to the parent company only statement of comprehensive income under "Financial Costs".

2.12.2.2 Trade Payables and Other

Trade payables with fixed or determinable payments not traded in an active market are classified as "Trade Payables and Other". Trade Payables and Other are initially measured at fair value, and subsequently measured at amortized cost using the effective interest rate method. Interest expense is recognized using the effective interest rate method, except for short-term balances for which the recognition of interest is not significant.

Trade Payables and Other are classified as current, except for the maturities exceeding 12 months from the closing date.

Trade payables in foreign currency have been valued as mentioned above, at the exchange rates prevailing as of each year end. Foreign exchange differences were charged to net income for each year.

2.12.2.3 Derecognition of Financial Liabilities

An entity shall derecognize a financial liability (or part of it) when, and only when, it has been extinguished, i.e., when the obligation specified in the corresponding agreement is discharged, cancelled or expires.

2.13 Other Liabilities

The other liabilities have been valued at nominal value.

2.14 Parent Company Only Statement of Cash Flows

For the purposes of preparing the parent company only statement of cash flows, the item "Cash and Cash Equivalents" includes cash and bank balances, high liquidity short-term investments (with original maturities shorter than 90 days), and bank overdrafts payable

on demand, if any, are deducted to the extent they are part of the Company's cash management.

Bank overdrafts are classified as "Debt" in the parent company only balance sheet.

Cash and cash equivalents at each year-end, as disclosed in the parent company only statement of cash flows, may be reconciled against the items related to the parent company only balance sheet as follows:

	December 31, 2013	December 31, 2012
Cash and Banks	7,959,791	5,251,306
Short-Term Investments	149,294,148	7,742,929
Cash and Cash Equivalents	157,253,939	12,994,235

In the years ended December 31, 2013 and 2012, the following significant transactions were carried out, which did not have an impact on cash and cash equivalents:

	December 31, 2013	December 31, 2012
Dividends collected through debt settlement	110,748,330	132,640,431
Contributions to Subsidiaries	-	20,261,301

2.15 Distribution of Dividends

The distribution of dividends to the Company's shareholders is recognized as a liability in the financial statements for the year in which the distribution of dividends is approved by the Shareholders' Meeting.

Note 3

Accounting Estimates and Judgments

In applying the accounting policies described in Note 2, the Company has to make judgments and prepare accounting estimates of the value of the assets and liabilities which may not be otherwise obtained. The estimates and related assumptions are based on historical experience and other pertinent factors. Actual results may differ from these estimates.

The underlying estimates and assumptions are continually reviewed. The effects of the reviews of accounting estimates are recognized for the year in which estimates are reviewed.

These estimates basically refer to:

Impairment of Goodwill

The Company assesses goodwill for impairment on an annual basis. In determining if there is impairment of goodwill, the Company

calculates the value in use of the cash generating units to which it has been allocated. The calculation of the value in use requires the determination by the entity of the future cash flows that should arise from the cash generating units and an appropriate discount rate to calculate the present value.

During this year, no impairment losses have been recorded for goodwill.

Recognition and Measurement of Deferred Tax Items

As disclosed in Note 2.9, deferred tax assets are only recognized for temporary differences to the extent that it is likely that the entity will have enough future taxable income against which the deferred tax assets can be used. Tax loss carryforwards from prior years are only recognized when it is likely that the entity will have enough future taxable income against which they can be used.

The Company examines the recoverable value of deferred tax assets based on its business plans and books a valuation allowance, if appropriate, so that the net position of the deferred tax asset will reflect the probable recoverable value.

Determination of the Useful Lives of Property, Plant and Equipment

The Company reviews the reasonableness of the estimated useful life of property, plant and equipment at each year-end.

Measurement of the fair value of certain financial instruments

The fair value of a financial instrument is the amount at which the instrument could be purchased or sold between knowledgeable, willing parties in an arm's length transaction. If there is a quoted market price available for an instrument in an active market, the fair value is calculated based on that price.

If there is no quoted market price available for a financial instrument, its fair value is estimated based on the price established in recent transactions involving the same or similar instruments and, otherwise, based on valuation techniques regularly used in financial markets. The Company uses its judgment to select a variety of methods and makes assumptions based on market conditions at closing.

Note 4

Breakdown of the Main Items of the Parent Company only Balance Sheet

4.1 Property, Plant and Equipment

Main Account	Historical value Balance at the Beginning	Additions	Retirements	Balances as of December 31, 2013
Furniture and Fixtures	436,420	7,098	-	443,518
Audio and Video Equipment	122,179	-	-	122,179
Telecommunication Equipment	151,697	41,426	-	193,123
Computer Equipment	5,061,616	471,149	-	5,532,765
Total as of December 31, 2013	5,771,912	519,673	-	6,291,585

Main Account	Useful Life (in years)	Balance at the Beginning	Retirements	For the year	Depreciation	Net Book Value as of December 31, 2013
					Balances as of December 31, 2013	
Furniture and Fixtures	10	187,700	-	41,373	229,073	214,445
Audio and Video Equipment	5	96,161	-	9,817	105,978	16,201
Telecommunication Equipment	5	79,232	-	25,928	105,160	87,963
Computer Equipment	3	4,174,372	-	506,791	4,681,163	851,602
Total as of December 31, 2013		4,537,465	-	583,909	5,121,374	1,170,211

Main Account	Balance at the Beginning	Additions	Retirements	Historical value
				Balances as of December 31, 2012
Furniture and Fixtures	352,594	83,826	-	436,420
Audio and Video Equipment	122,179	-	-	122,179
Telecommunication Equipment	103,740	47,957	-	151,697
Computer Equipment	4,367,683	693,933	-	5,061,616
Total as of December 31, 2012	4,946,196	825,716	-	5,771,912

Main Account	Useful Life (in years)	Balance at the Beginning	Retirements	For the year	Depreciation	Net Book Value as of December 31, 2012
					Balances as of December 31, 2012	
Furniture and Fixtures	10	147,429	-	40,271	187,700	248,720
Audio and Video Equipment	5	81,889	-	14,272	96,161	26,018
Telecommunication Equipment	5	60,010	-	19,222	79,232	72,465
Computer Equipment	3	3,737,449	-	436,923	4,174,372	887,244
Total as of December 31, 2012		4,026,777	-	510,688	4,537,465	1,234,447

4.2 Intangible Assets

Main Account	Balance at the Beginning	Additions	Retirements	Historical value
				Balances as of December 31, 2013
Software	173,632	179,860	-	353,492
Total as of December 31, 2013	173,632	179,860	-	353,492

Main Account	Amortization Period (in years)	Balance at the Beginning	Retirements	For the year	Amortization	Net Book
					Balances as of December 31, 2013	Value as of December 31, 2013
Software	3	33,376	-	63,255	96,631	256,861
Total as of December 31, 2013		33,376	-	63,255	96,631	256,861

Main Account	Balance at the Beginning	Additions	Retirements	Historical value
				Balances as of December 31, 2012
Software	-	173,632	-	173,632
Total as of December 31, 2012	-	173,632	-	173,632

Main Account	Amortization Period (in years)	Balance at the Beginning	Retirements	For the year	Amortization	Net Book
					Balances as of December 31, 2012	Value as of December 31, 2012
Software	3	-	-	33,376	33,376	140,256
Total as of December 31, 2012		-	-	33,376	33,376	140,256

4.3. Investment in Unconsolidated Affiliates

	Class	Nominal Value	Quantity	Value recorded as of December 31, 2013 ⁽¹⁾
Non-Current Investments				
SHOSA ⁽³⁾	Common	\$ 1.00	123,341,081	1,098,425,497
- Goodwill				495,735,087
Vistone ⁽³⁾	Common	\$ 1.00	322,528,386	1,092,332,346
VLG ⁽³⁾	-	-	-	204,555,629
- Goodwill				100,503,301
CVB ⁽³⁾	Common	\$ 1.00	63,298,286	248,988,172
CLC ⁽³⁾	Common	\$ 1.00	19,188,422	65,534,396
Pem S.A.	Common	\$ 1.00	1	2
AGEA	Common	\$ 1.00	141,199,126	588,820,369
AGR	Common	\$ 1.00	1,254,128	1,361,825
CIMECO	Common	\$ 1.00	37,412,958	40,392,629
- Goodwill				58,837,707
CMI	Common	\$ 1.00	98	222,684
ARTEAR	Common	\$ 1.00	53,186,347	379,724,086
IESA	Common	\$ 1.00	12,454	147,693,817
Radio Mitre	Common	\$ 1.00	27,475,368	36,383,803
GC Services	-	-	-	14,845,174
GCGC	Common	\$ 1.00	15,605,979	9,173,206
CMD	Common	\$ 1.00	58,595,147	25,370,467
GC Minor	Common	\$ 1.00	3,022,008	7,228,332
Total				4,616,128,529
Other Non-Current Liabilities				
GCSA Investments	-	-	-	65,188,295
Total				65,188,295

(1) In certain cases, the equity value does not correspond to the related shareholders' equity due to: (i) the adjustment of the equity value to the Company's accounting policies, as required by professional accounting standards, (ii) the elimination of goodwill generated by transactions between companies under the Company's common control, (iii) the existence of irrevocable contributions, and (iv) adjustments to fair market value of net assets for acquisitions made by the Company.

(2) Interest in votes amounts to 98.8%.

(3) Companies through which an interest is held in Cablevisión S.A.

Value recorded as of December 31, 2012 ⁽¹⁾	Information about the issuer - Latest financial statements					
	Main business activity	Date	Capital Stock	Net Income	Shareholders' Equity	Interest (%)
889,863,588	Investing and financing	12.31.2013	127,153,997	291,617,724	1,521,083,628	97.0%
495,735,087						
935,907,491	Investing and financing	12.31.2013	339,365,203	210,579,431	1,079,772,328	95.0%
165,692,576	Investing and financing	12.31.2013	-	481,993,615	2,576,763,258	11.0%
100,503,301						
213,426,388	Investing and financing	12.31.2013	66,628,353	50,431,901	244,426,590	95.0%
58,904,881	Investing and financing	12.31.2013	19,189,422	11,417,945	60,983,889	99.9%
2	Investing	12.31.2013	22,614,490	8,156,215	39,430,142	0.1%
681,361,011	Publishing and Printing	12.31.2013	141,199,151	(96,239,749)	606,885,026	99.9%
1,440,978	Printing	12.31.2013	138,865,285	(11,003,579)	154,278,337	0.9%
35,321,311	Investing and financing	12.31.2013	180,479,453	50,119,719	325,537,300	20.7%
58,837,707						
176,242	Advertising	12.31.2013	12,000	5,686,699	27,267,521	0.8%
359,734,353	Broadcasting Services	12.31.2013	54,859,553	146,043,545	395,172,368	⁽²⁾ 97.0%
102,314,354	Investing and financing	12.31.2013	12,857	53,052,145	152,473,053	96.9%
27,119,367	Broadcasting Services	12.31.2013	56,613,136	525,231	37,618,185	94.7%
11,182,693	Investing and financing	12.31.2013	19,075,942	3,662,480	14,845,174	100%
8,030,273	Services	12.31.2013	16,006,285	1,221,666	9,408,505	97.5%
23,786,177	Investing and services	12.31.2013	69,295,301	1,846,281	77,269,632	84.6%
5,338,870	Investing and financing	12.31.2013	3,637,879	1,901,018	7,558,853	95.6%
4,174,676,650						
28,624,787	Investing and financing	12.31.2013	306	(38,162,044)	(71,668,924)	100%
28,624,787						

Equity in Earnings from Affiliates and Subsidiaries

	December 31, 2013	December 31, 2012
SHOSA	200,748,393	228,480,831
Vistone	146,255,081	164,088,477
VLG	36,949,104	43,964,793
CVB	35,310,149	39,559,876
CLC	8,215,809	9,378,433
AGEA	(95,582,561)	27,119,742
CIMECO	8,802,719	7,170,843
GCSA Investments	(36,563,508)	(13,610,201)
ARTEAR	141,662,007	34,000,893
IESA	51,385,125	(404,782)
Radio Mitre	264,436	(25,775,855)
GCGC	1,142,933	(1,707,198)
CMD	1,625,485	(1,653,734)
GC Services	3,662,481	1,342,074
Other	1,785,181	(905,414)
	505,662,834	511,048,778

4.4 Other Receivables

	December 31, 2013	December 31, 2012
Non-Current		
Guarantee Deposits	30,000	30,000
Tax on assets	28,860,490	27,993,242
Valuation Allowance for Tax on Assets	(28,860,490)	(27,993,242)
	30,000	30,000
Current		
Related Parties (Note 8)	66,619,406	22,994,617
Tax Credits	599,092	603,090
Advances	1,842,906	1,563,841
Dividend Receivable (Note 8)	11,311	-
Other	31,744	37,280
	69,104,459	25,198,828

4.5 Other Investments

	December 31, 2013	December 31, 2012
Financial Instruments	6,774,979	572,684
Money Market	129,949,690	7,170,245
Mutual Funds	12,569,479	-
	149,294,148	7,742,929

4.6 Cash and Banks

	December 31, 2013	December 31, 2012
Cash and Imprest Funds	145,927	145,927
Cash at Banks	7,813,864	5,105,379
	7,959,791	5,251,306

4.7 Debt

	December 31, 2013	(1) December 31, 2012
Current		
Related Parties (Note 8)	691,884	62,084,479
	691,884	62,084,479

(1) Accrues interest at an annual nominal average rate of 22%.

The following table details the changes in loans and indebtedness for the year ended December 31, 2013 and the prior year:

	2013	2012
Balances as of January 1	62,084,479	127,730,585
New Loans and Indebtedness	45,400,000	62,894,866
Accrued Interest	4,166,484	7,819,631
Settlement of principal and interest	(110,959,079)	(136,360,603)
Balances as of December 31	691,884	62,084,479

4.8 Taxes Payable

	December 31, 2013	December 31, 2012
Current		
Taxes Payable on a National Level	4,937,019	1,327,384
Taxes Payable on a Provincial Level	282,338	296,184
	5,219,357	1,623,568

4.9 Trade Payables and Other

	December 31, 2013	December 31, 2012
Current		
Suppliers and Trade Provisions	4,010,690	4,294,506
Related Parties (Note 8)	1,037,397	1,415,638
Employer's Contributions	32,046,137	22,926,499
	37,094,224	28,636,643

4.10 Assets and Liabilities in Foreign Currency

Items	December 31, 2013			December 31, 2012	
	Type and Amount of Foreign Currency	Prevailing Exchange Rate	Amount in Local Currency	Type and Amount of Foreign Currency	Amount in Local Currency
Assets					
Current Assets					
Other Investments	USD 20,167,320	6.48	130,684,231	USD 1,586,666	7,742,929
Cash and Banks	USD 61,169	6.48	396,376	USD 59,361	289,682
Total Current Assets			131,080,607		8,032,611
Total Assets			131,080,607		8,032,611

USD - US Dollars

4.11 Changes in Allowances

Items	Balance at the Beginning	Increases	Decreases	Balances as of December 31, 2013	Balances as of December 31, 2012
Deducted from Assets					
Valuation Allowance for Net Deferred Tax Assets	28,179,569	⁽¹⁾ 3,331,492	(4,087,366)	27,423,695	28,179,569
Valuation Allowance for Tax on Assets	27,993,242	⁽¹⁾ 3,544,739	(2,677,491)	28,860,490	27,993,242
Allowance for Goodwill Impairment	28,432,495	-	-	28,432,495	28,432,495
Total	84,605,306	6,876,231	(6,764,857)	84,716,680	84,605,306

(1) Charged to Income Tax and Tax on Assets

Note 5

Breakdown of the Main Items of the Parent Company only Statement of Comprehensive Income

5.1 Information Required under Section 64, Subsection b) of Law No. 19,550

Item	Administrative Expenses	
	December 31, 2013	December 31, 2012
Salaries, Social Security and Benefits to Personnel ⁽¹⁾	78,155,036	65,902,696
Supervisory Committee's fees	760,000	524,000
Fees for services ⁽²⁾	29,093,027	24,929,742
Taxes, Duties and Contributions	5,631,617	4,016,887
Other personnel expenses	1,151,324	918,901
General expenses	93,022	80,600
IT expenses	538,123	346,693
Maintenance Expenses	1,145,100	1,035,567
Communication expenses	679,605	489,712
Advertising expenses	625,425	986,987
Travel Expenses	2,836,292	2,810,603
Stationery and Office Supplies	161,027	83,154
Depreciation of Property, Plant and Equipment	583,909	510,688
Amortization of Intangible Assets	63,255	33,376
Other expenses	3,556,893	3,572,883
Total	125,073,655	106,242,489

(1) Includes fees for technical and administrative services to Directors in the amount of Ps. 10,640,165 as of December 31, 2013. Additionally, they include the effect of the long-term savings plan for employees mentioned in Note 13.

(2) Includes Directors' fees for they year 2013 in the amount Ps. 2,240,572.

5.2 Financial Costs

	December 31, 2013	December 31, 2012
Interest	(4,166,484)	(7,879,150)
	(4,166,484)	(7,879,150)

5.3 Other Financial Results, net

	December 31, 2013	December 31, 2012
Exchange Difference and Other Financial Results	15,656,080	5,793,333
Interest	1,843,506	142,163
Other Taxes and Expenses	(2,114,994)	(3,251,839)
	15,384,592	2,683,657

Note 6

Income tax

The following table shows the breakdown of net deferred tax assets (amounts stated in thousands of Argentine Pesos):

	December 31, 2013	December 31, 2012
Assets		
Tax Loss Carryforwards	27,424	28,180
Other Investments	7,280	7,463
Employer's Contributions	4,785	3,692
Other	8	8
Subtotal	39,497	39,343
Valuation Allowance for Deferred Tax Assets	(27,424)	(28,180)
Net Deferred Tax Assets	12,073	11,163

The following table shows the reconciliation between the income tax and tax on assets charged to net income for the years ended December 31, 2013 and 2012 and the income tax liability that would result from applying the current tax rate on income before income tax and tax on assets and the income tax liability assessed for each year (amounts stated in thousands of Argentine Pesos):

	December 31, 2013	December 31, 2012
Income Tax Assessed at the Current Tax Rate (35%) on Income before Income Tax	(168,863)	(169,318)
Permanent Differences:		
Gain/Loss on Investments in Subsidiaries	176,982	178,867
Non-Taxable Income	(5,574)	(4,529)
Other	1,696	832
Subtotal	4,241	5,852
Valuation Allowance for Net Deferred Tax Assets Charged to Income	(3,331)	(5,042)
Income Tax	910	810
Deferred Taxes for the Year	910	810
Income Tax	910	810
Tax on assets	(3,545)	(2,266)
Total	(2,635)	(1,456)

As of December 31, 2013, the Company's accumulated tax loss carryforwards amounted to approximately Ps. 78.4 million, which calculated at the current tax rate, represent deferred tax assets in the amount of approximately Ps. 27.4 million. The following table shows the expiration date of the accumulated tax loss carryforwards pursuant to statutes of limitations (amounts stated in thousands of Argentine Pesos):

Expiration year	Amount of Tax Loss Carryforward
2014	19,023
2015	15,345
2016	20,061
2017	14,250
2018	9,675
	78,354

Note 7

Reserves, Retained Earnings and Dividends

	December 31, 2013	December 31, 2012
Balances at the beginning of the year:		
Legal Reserve	88,652,667	64,740,233
Accumulated Results	481,152,598	1,539,154,967
Other Reserves	5,207,274	(18,384,533)
Optional Reserves	1,381,400,655	-
Total	1,956,413,194	1,585,510,667
Net Income Attributable to the Parent Company	479,831,556	482,310,720
Dividend Distribution	-	(135,000,000)
Changes in Reserves for Acquisition of Investments	-	23,591,807
Balance at the end of the year	2,436,244,750	1,956,413,194

a. Grupo Clarín

The Company's bylaws set forth that retained earnings shall be appropriated as follows:

(i) 5% to the Company's legal reserve until such reserve equals 20% of the Company's capital stock; and (ii) the balance, in whole or in part, to the payment of the fees of the members of the Board of Directors and the Supervisory Committee, to dividends on common shares, or reserve accounts, or as otherwise determined by the Shareholders, among other situations.

On April 26, 2012, Grupo Clarín's Annual Regular Shareholders' Meeting decided, among other things, to appropriate the accumulated results for the year 2011; which at that time amounted to Ps. 1,540,313,089 as follows:

(i) Ps. 23,912,434 to the legal reserve,
(ii) Ps. 135,000,000 to dividend distribution, which have already been paid,
(iii) Ps. 387,028,756 to the judicial reserve for future dividend distribution,
(iv) Ps. 300,000,000 to the optional reserve for future dividends and (v) Ps. 694,371,899 to the optional reserve for illiquidity of results.

On April 25, 2013, at the Annual Regular Shareholders' Meeting Grupo Clarín, the shareholders decided, among other things, to appropriate the net income for the year 2012,

which amounted to Ps. 482,310,720, as follows: (i) Ps. 24,057,630 to the legal reserve, (ii) Ps. 1,158,122 to absorb accumulated deficit and (iii) Ps. 457,094,968 to an optional reserve to provide financial aid to subsidiaries and in connection with the Audiovisual Communication Services Law.

b. Cablevisión

On April 23, 2013, at the Annual General Regular and Special Shareholders' Meeting of Cablevisión, its shareholders decided to distribute cash dividends in the amount of Ps. 250 million, payable in two equal installments, as determined by the Board of Directors. Out of such amount, approximately Ps. 100 million corresponds to the non-controlling interest in that company. On May 6, 2013, the Board of Directors of Cablevisión decided to make available to shareholders as from May 9, 2013 the amount of Ps. 175 million corresponding to the first installment and a portion of the second installment of the approved dividends. In addition, on May 20, 2013 the Board of Directors of Cablevisión decided to make available to shareholders as from May 24, 2013 the amount of Ps. 75 million, thus settling the second installment of the approved dividends.

Note 8

Balances and Transactions with Related Parties

The following table shows the breakdown of the Company's balances with its related parties:

Company	Item	December 31, 2013	December 31, 2012
Subsidiaries			
Vistone	Long-Term Debt	-	(30,327,556)
SHOSA	Long-Term Debt	-	(23,636,527)
CVB	Long-Term Debt	-	(3,147,155)
CLC	Long-Term Debt	(691,884)	(4,973,241)
	Dividends Receivable	11,311	-
AGEA	Other Receivables	54,372,094	18,912,095
	Trade Payables and Other	(44,167)	(27,906)
ARTEAR	Other Receivables	2,698,374	157,374
	Trade Payables and Other	(193,158)	(240,774)
IESA	Trade Payables and Other	(29,975)	(29,975)
Radio Mitre	Other Receivables	3,903,756	8,042
GCGC	Other Receivables	428,440	10,742
	Trade Payables and Other	(27,622)	(1,024,735)

Company	Item	December 31, 2013	December 31, 2012
Indirectly controlled			
Cablevisión	Trade Payables and Other	(33,758)	(6,682)
PRIMA	Trade Payables and Other	(498,681)	(29,537)
AGR	Other Receivables	4,356,000	3,334,710
	Trade Payables and Other	(2,425)	(56,029)
UNIR	Other Receivables	1,158	1,158
Impripost	Other Receivables	835,875	377,075
Ferías y			
Exposiciones S.A.	Other Receivables	128	128
Auto Sports	Other Receivables	23,291	193,293
TRISA	Trade Payables and Other	(205,238)	-
CIMECO	Other Receivables	290	-
Cúspide	Trade Payables and Other	(2,373)	-

The following table details the transactions carried out by the Company with related parties for the years ended December 31, 2013 and 2012:

Company	Item	December 31, 2013	December 31, 2012
Subsidiaries			
AGEA	Management fees	36,000,000	28,800,000
	Advertising	(13,438)	(18,581)
ARTEAR	Management fees	25,200,000	32,200,000
Vistone	Interest Expense	(1,468,675)	(3,650,625)
CLC	Interest Expense	(217,865)	(411,069)
SHOSA	Interest Expense	(2,099,630)	(3,390,119)
CVB	Interest Expense	(380,314)	(367,818)
Radio Mitre	Management fees	240,000	240,000
	Interest Income	535,801	35,671
GCGC	Management fees	-	5,000
	Services	(6,643,439)	(4,826,042)
	Interest Income	343,562	-
Indirectly controlled			
Cablevisión	Management fees	31,200,000	22,800,000
	Services	(64,184)	(40,209)
PRIMA	Services	(387,723)	(280,192)
AGR	Management fees	10,800,000	8,400,000
	Services	(5,025)	(49,254)
Imripost	Management fees	1,800,000	1,380,000
Auto Sports	Management fees	253,573	1,521,439
Cúspide	Other Expenses	(1,961)	-

The fees paid to the Board of Directors and the Upper Management of the Company for the years ended December 31, 2013 and 2012 amounted to approximately Ps. 50 million and Ps. 40 million, respectively.

Note 9

Terms and Interest Rates of Investments, Receivables and Liabilities

	December 31, 2013
Other Investments	
Without any established term ⁽¹⁾	143,253,710
To fall due	
Within three months ⁽⁴⁾	6,040,438
	149,294,148
Receivables	
Without any established term ⁽²⁾	63,996,448
To fall due	
Within three months ⁽⁵⁾	5,138,011
	69,134,459
Liabilities ^{(2) (3)}	
Without any established term	6,215,977
To fall due	
Within three months	33,873,571
More than three months and up to six months	20,139,033
	60,228,581
Debts ⁽²⁾	
Without any established term	691,884
	691,884

(1) Bearing interest at floating rate.

(2) Non-interest bearing.

(3) Do not include equity interests in the amount of Ps. 65,188,295 (see Note 4.3).

(4) Bearing interest at fixed rate.

(5) Includes Ps. 3 million which bears interest at a fixed rate, the remaining balance does not bear any interest.

Note 10

Provisions and Other Contingencies

10.1 Regulatory Framework

a. SCI Resolution No. 50/10 approved certain rules for the sale of pay television services. These rules provide that cable television operators must apply a formula to estimate their monthly subscription prices. The price arising from the application of the formula was to be informed to the Office of Business Loyalty (Dirección de Lealtad Comercial) between March 8 and March 22, 2010. Cable television operators must adjust such amount semi-annually and inform the result of such adjustment to said Office.

Even though as of the date of these financial statements the subsidiary Cablevisión cannot assure the actual impact of the application of this

formula, given the vagueness of the variables provided by the Resolution to calculate the monthly subscription prices, Cablevisión believes that Resolution No. 50/10 is arbitrary and bluntly disregards its freedom to contract, which is part of the right to freedom of industry and trade. Therefore, it has filed the pertinent administrative claims and has brought the necessary legal actions requesting the suspension of the Resolution's effects and ultimately requesting its nullification.

Even though Cablevisión, like other companies in the industry, has strong constitutional arguments to support its position, it cannot be assured that the final outcome of this issue will be favorable. Therefore, Cablevisión may be forced to modify the price of its pay television subscription, a situation that could significantly

affect the revenues of its core business. This creates a general framework of uncertainty over Cablevisión's business that could significantly affect the recoverability of its relevant assets reported in these financial statements and Grupo Clarín S.A.'s assets related to its investment in Cablevisión. Notwithstanding the foregoing, as of the date of these financial statements, in accordance with the decision rendered on August 1, 2011 in re "LA CAPITAL CABLE S.A. v/ Ministry of Economy-Secretary of Domestic Trade", the Federal Court of Appeals of the City of Mar del Plata has ordered the SCI to suspend the application of Resolution No. 50/10 with respect to all cable television licensees represented by the Argentine Cable Television Association ("ATVC", for its Spanish acronym). Upon being served on the SCI and the Ministry of Economy on September 12, 2011, such decision became fully effective and may not be disregarded by the SCI.

On June 1, 2010, the SCI imposed a Ps. 5 million fine on Cablevisión alleging that it had failed to comply with the information regime set forth by Resolution No. 50/10, and invoking the Antitrust Law to impose such penalty. The fine was appealed and submitted to the National Court of Appeals on Federal Administrative Matters, Chamber 5, which decided to reduce the fine to Ps. 300,000. Cablevisión appealed this decision by filing an extraordinary appeal with the Supreme Court of Argentina.

On March 10, 2011 SCI Resolution No. 36/11 was published in the Official Gazette. This Resolution falls within the framework of SCI Resolution No. 50/10. Resolution No. 36/11 sets forth the parameters to be applied to the services rendered by Cablevisión to its subscribers from January through April 2011. These parameters are as follows: 1) the monthly basic subscription price shall be Ps. 109 for that period; 2) the price of other services rendered by Cablevisión should remain unchanged as of the date of publication of the resolution; and 3) the promotional benefits, existing rebates and/or discounts already granted as of that same date shall be maintained. The resolution also provides that Cablevisión shall reimburse users for any amount collected above the price set for that period.

Cablevisión believes that Resolution No. 36/10 is illegal and arbitrary, since it is grounded on Resolution No. 50/2010, which is absolutely

null and void. Since the application of Resolution No. 50/10 has been suspended, the application of Resolution No. 36/2011, which falls within the framework of the former, is also suspended.

The claim filed by Cablevisión seeking the nullification of Resolution No. 50/2010 is currently pending before the Federal Administrative Court of First Instance No. 7 of the City of Buenos Aires.

Subsequently, the SCI issued Resolutions Nos. 65/11, 92/11, 123/11, 141/11, 10/11, 25/12, 97/12, 161/12, 29/13, 61/13 and 104/13 pursuant to which the SCI extended the effectiveness of Resolution No. 36/11 up to and including December 2013, and adjusted the cable television subscription price to Ps.145. Cablevisión believes, however, that given the terms under which the Federal Court of the City of the City of Mar del Plata granted the preliminary injunction, that is, ordering the SCI to suspend the application of Resolution No. 50/97 with respect to all cable television licensees represented by ATVC (among them, Cablevisión and its subsidiaries), and also given the fact that Resolutions No. 36/11, 65/11, 92/11, 123/11, 141/11, 10/11, 25/12, 97/12, 161/12, 29/13, 61/13 and 104/13 merely extend the effectiveness of Resolution No. 50/10, Cablevisión continues to be protected by said preliminary injunction, and, therefore, the ordinary course of its business will not be affected. (See Note 18.b).

On January 13, 2012, the Secretariat of Domestic Trade issued Resolution No. 2/2012 granting Cablevisión 24 hours to resume service to those subscribers who had duly paid their subscription fee in the amount established by the National Government. In its sixth section, the Resolution provides that if the company does not comply with its obligations thereunder, penalties may be imposed as provided by Law 20,680. On February 10, 2012, Cablevisión received a fine of Ps. 1 million for alleged non-compliance with such Resolution. Such fine has been appealed but no decision has been rendered on the matter yet.

On April 23, 2013, Cablevisión was served notice of a decision rendered in re "Ombudsman of Buenos Aires v. Cablevisión S.A. on Complaint for the protection of constitutional rights Law 16,986 (Motion for Preliminary

Injunction)” pending before Federal Court No. 2, Civil Clerk’s Office No. 4 of the City of La Plata in connection with the price of cable television subscriptions, whereby the court imposed a cumulative daily fine of Ps. 100,000 per day on Cablevisión.

Cablevisión appealed the fine on the grounds that Resolution No. 50/10 issued by Mr. Moreno, as well as its extensions and/or amendments were suspended, as mentioned above, by an injunction with respect to Cablevisión and its branches and subsidiaries prior to the imposition of the fine; pursuant to the collective injunction issued by the Federal Court of the City of Mar del Plata on 1 August, 2011 in re “La Capital Cable and Others v. National Government and Others on Preliminary Injunction”. That injunction suspended the application of all the criteria set by the Secretary of Domestic Trade under Mr. Guillermo Moreno.

The Federal Court of Appeals of the City of La Plata reduced the fine to Ps. 10,000 per day. Cablevisión filed an appeal in due time and form against that decision. On October 16, 2013, the Court of Appeals dismissed the appeal filed by Cablevisión. As of the date of these financial statements, that company had settled the fine in the amount of Ps. 1,260,000 and the compliance was recorded in the file.

On June 11, 2013, Cablevisión was served notice of a resolution rendered in the abovementioned case; whereby the court ordered the appointment of an expert overseer (perito interventor) specialized in economic sciences to: (i) verify whether or not the invoices corresponding to the basic cable television subscription issued by the Company to subscribers domiciled in the Province of Buenos Aires, are actually prepared at the headquarters located at Gral. Hornos 690, and/or at the Company’s branch offices, precisely detailing that process, (ii) identify the individuals responsible for that area, (iii) determine whether or not the administrative actions tending towards the effective compliance with the injunction issued on that case are underway, and (iv) identify the senior staff of the Company that must order the invoice issuance area to prepare the invoices as decided under that injunction.

The Company appealed the appointment of said expert on the same grounds stated above.

The appeal was dismissed by the Federal Court of Appeals of the city of La Plata.

For the purposes of enforcing the injunction, the court issued letters rogatory to the competent judge of the City of Buenos Aires. Upon the initiation of that proceeding, both the Federal Court on Administrative Matters and the Federal Court on Civil and Commercial Matters declined jurisdiction to enforce the injunction ordered by the Federal Judge of La Plata. Cablevisión has appealed the decision in connection with the lack of jurisdiction in due time and form. Chamber 1 of the National Court of Appeals on Federal Civil and Commercial Matters confirmed the appealed decision. Accordingly, Cablevisión will file an extraordinary appeal in due time and form to have the case decided by the Supreme Court of Argentina.

After the Federal Court of the City of Mar del Plata issued its injunction, several Municipal Offices of Consumer Information (“OMIC”, for its Spanish acronym) and several individuals filed claims requesting that Cablevisión comply with Resolution No. 50/10 and the subsequent resolutions that extended its effectiveness. In some cases, preliminary injunctions were granted. In every case, Cablevisión appealed such preliminary injunctions alleging that Resolution No. 50/10, as amended, and/or the subsequent resolutions that extended its effectiveness, had been suspended with respect to Cablevisión, its branches and subsidiaries prior to the issuance of such preliminary injunctions.

b. On August 19, 2010 the Media Secretariat issued Resolution No. 100/2010, whereby it revoked the license that had been granted to Fibertel. Cablevisión believes that this resolution is an absolutely null and void administrative act. Its language contradicts express provisions of the National Constitution, of Law No. 19,550 (Argentine Business Associations Law), Decrees Nos. 1,185/90 and 764/00 and Law No. 19,549 of Administrative Procedures, among others. The Resolution disregards the several filings made by Cablevisión with the Media Secretariat requesting such agency to issue an administrative act evidencing that Cablevisión, pursuant to section 82 of the Argentine Business Associations Law, is the successor of Fibertel and, therefore, the holder of the exclusive telecommunication service license and of the registrations that had been previously granted to Fibertel. More

than eight years after that request, in spite of the existence of a draft of a favorable decision in the case file, with a completely arbitrary attitude that contradicts other precedents of the same agency and without prior notice that would have allowed Cablevisión to exercise its defense right, the SECOM ordered that the license be revoked and that the users migrate within 90 days of the resolution's notification. On August 26, 2010 Cablevisión filed an appeal requesting the reversal of the resolutions, and if such appeal is rejected, a subsidiary appeal against that Resolution before the highest administrative authority. The appeal was dismissed pursuant to SECOM Resolution No. 132/2010 dated October 7, 2010. However, since Cablevisión had filed a subsidiary appeal to have the case heard by the highest administrative authority, the file was submitted to the Ministry of Federal Planning, Public Investment and Utilities. As of the date of these financial statements, this appeal is pending resolution.

On February 24, 2011, Chamber No. 3 of the Federal Court of Appeals on Civil and Commercial Matters of the City of Buenos Aires, in re "ANTITRUST ASSOCIATION V. NATIONAL GOVERNMENT MEDIA SECRETARIAT ON COMPLAINT FOR THE PROTECTION OF CONSTITUTIONAL RIGHTS" confirmed the decision rendered in the first instance, stating that the National Government, Media Secretariat, shall refrain from disrupting or limiting in any way the Internet access services offered by Cablevisión. It also partially amended the above decision by broadening its effects, ordering the National Government to refrain from enforcing Resolution No. 100/10, thus allowing new customers to subscribe to the Internet access services offered by Cablevisión.

On December 16, 2011, Federal Civil and Commercial Court No. 3, Clerk's Office No. 5 issued a related injunction in re "CABLEVISION S.A. v. NATIONAL GOVERNMENT ON COMPLAINT FOR THE PROTECTION OF CONSTITUTIONAL RIGHTS", ordering the suspension of the effects of SECOM Resolution No. 100/10 and also guaranteeing new subscribers the possibility to subscribe to the Internet Access service offered by Cablevisión.

On December 20, 2011, at the request of Cablevisión, a new preliminary injunction was issued in re "CABLEVISION S.A. v. National

Government - Argentine Secretariat of Communications on COMPLAINT FOR THE PROTECTION OF CONSTITUTIONAL RIGHTS". On the basis of the above-mentioned precedent, and on the existing connection between the subject matters of both cases, as alleged by Cablevisión, the injunction ordered the suspension of the effects of SECOM Resolution No. 100/10. The National Government filed an appeal with Chamber No. 3 of the Federal Court of Appeals on Civil and Commercial Matters which is still pending as of the date of these financial statements.

Due to the imminent possibility that the application of Law No. 26,522 will affect the assets used to provide Internet access services, within the framework of this same file Cablevisión requested the extension of the scope of the effective injunction, which was granted on December 6, 2012. Such extension entailed notifying AFSCA of the injunction that prevents it from affecting in any way the Internet access services offered by Cablevisión.

Based on the above-mentioned preliminary injunctions, Cablevisión is authorized to continue to render the telecommunication services granted to Fibertel.

Cablevisión will resort to all available administrative and judicial remedies in order to have SECOM Resolution No. 100/2010 declared null and void. Even though Cablevisión has strong grounds that support its position, it cannot be assured that the final outcome of this issue will be favorable.

On September 10, 2010, the National Administration of Domestic Trade notified Cablevisión that a Ps. 5 million fine had been imposed for promoting the Fibertel service without being the holder of the license (Section 7 of Law No. 24,240), for the impossibility of honoring the promotion offered to undetermined potential consumers (Section 7 of Law No. 24,240), for providing wrong information to the customers (Section 4 of Law No. 24,240), and for the impossibility of honoring promotions because Cablevisión was not the holder of the Fibertel license (Section 19 of Law No. 24,240). Cablevisión appealed such decision in due course, since it believes it has sufficient arguments in its favor. The file was assigned No. 1,276 and is pending before Chamber No. 2 of the Court of Appeals on Administrative Matters.

On April 17, 2012 the appeal was partially granted, reducing the fine to Ps. 380,000. Notwithstanding the foregoing, Cablevisión filed an appeal with the Supreme Court of Argentina in due time and form against such decision. On July 12, 2012, Chamber No. 2 of the National Court of Appeals on Federal Administrative Matters decided to dismiss the appeals filed by both parties.

Cablevisión filed an appeal against the above-mentioned dismissal since it believes it has sufficient grounds to have the fine revoked. However, Cablevisión cannot assure that the outcome of the appeal will be favorable.

Since the appeal does not have staying effects, on October 18, 2012 the National Administration of Domestic Trade ordered Cablevisión to pay within ten (10) business days the fine reduced by Chamber No. 2. On October 29, 2012 Cablevisión settled the fine in the amount of Ps. 380,000 and the compliance was recorded in the file.

c. Pursuant to the Antitrust Law and to Broadcasting Law No. 22,285, the transactions carried out on September 26, 2006 that resulted in an increase in the indirect interest the Company held in Cablevisión to 60%, Cablevisión's acquisition of 98.5% of Multicanal and 100% of Holding Teledigital, and Multicanal's acquisition of PRIMA (from PRIMA Internacional (now CMD)), required the authorization of the CNDC (validated by the SCI), and the COMFER. On October 4, 2006, the Company, Vistone, Fintech, VLG and Cablevisión, as purchasers, and AMI CV Holdings LLC, AMI Cable Holdings Ltd. and HMTF-LA Teledigital Cable Partners LP, as sellers, filed for the approval of the acquisition. After several requests for information, the SCI issued Resolution No. 257/07, with a prior opinion of the CNDC in favor of the approval of the above-mentioned transactions and after consulting the COMFER and the SECOM, which did not raise any objections. The Company was served notice in this respect on December 7, 2007. Such Resolution was appealed by five entities. As of the date of these financial statements, the CNDC has dismissed the five appeals filed against the above-mentioned resolution. Four of the entities filed direct appeals before the judicial branch. Three of those appeals were dismissed and one is still pending resolution.

Cablevisión believes that if the CNDC acts as it did in the case of the three dismissed direct appeals, the fourth appeal is unlikely to be admitted.

On June 11, 2008, Cablevisión was served with a decision of the National Court of Appeals on Federal Civil and Commercial Matters revoking a decision rendered by the CNDC on September 13, 2007, whereby such agency had dismissed a claim filed by Gigacable S.A. prior to the December 7, 2007 decision referred to above. The Court of Appeals revoked CNDC's decision only with respect to matters relating to the conduct of Cablevisión and Multicanal prior to CNDC's authorization of the transactions on December 7, 2007, and ordered an investigation to determine whether a fine should be imposed on Cablevisión and Multicanal due to such conduct. As of the date of these financial statements, Cablevisión has filed its response, which is pending analysis by such agency.

d. On December 15, 2008, the shareholders of Cablevisión approved the merger of Multicanal, Delta Cable S.A., Holding Teledigital, Teledigital, Televisora La Plata Sociedad Anónima, Pampa TV S.A., Construed S.A. and Cablepost S.A. into Cablevisión, whereby, effective as of October 1, 2008, Cablevisión, as surviving company, became the universal successor to all of the assets, rights and obligations of the merged companies.

The merger commitment was executed on February 12, 2009 and was filed with the CNV pursuant to applicable regulations that require administrative approval. As of the date of these financial statements, such merger is pending administrative approval by the CNV and registration with the IGJ.

On September 3, 2009, the COMFER issued Resolution No. 577/09 whereby it withheld approval of Cablevisión's merger with Multicanal S.A.

On September 8, 2009, Multicanal was served with CNDC Resolution No. 106/09, dated September 4, 2009, whereby the CNDC ordered an audit to articulate and harmonize the several aspects of Resolution No. 577/09 issued by the COMFER with Resolution No. 257/07 issued by the Secretariat of Domestic Trade. Resolution No. 106/09 also sets forth that the

notifying companies shall not, from the enactment thereof and until the end of the audit and / or resolution of the CNDC, be able to remove or replace physical or legal assets.

On September 17, 2009 Judge Dr. Esteban Furnari of the National Court on Federal Administrative Matters No. 2, in re “Multicanal and Other v. Conadeco- Decree 527/05 and other on Proceeding leading to a declaratory judgment”, ordered the suspension of the effects of COMFER Resolution No. 577/09, of CNDC Resolution No. 106/09, and any other act resulting therefrom, until a final decision was rendered in the case.

On October 23, 2009, the court decision that had suspended the effects of COMFER Resolution No. 577/09 and CNDC Resolution No. 106/09 was revoked by Chamber No. 3 of the National Court of Appeals on Federal Administrative Matters, in re “Multicanal and Other v. Conadeco- Decree 527/05 and other on Proceeding leading to a declaratory judgment”. Therefore, the calculation of the suspended terms was automatically resumed. On that basis, on December 1, 2009, Cablevisión ratified the filing it had made with the COMFER at the time of the merger, and specified the licenses to which it had decided to maintain title. On December 16, 2009, the Chamber No. 3 of the National Court of Appeals on Federal Administrative Matters, in re “Multicanal and other v. CONADECO Decree 527/05 and other on Proceeding leading to a declaratory judgment” File No. 14,024/08, granted the extraordinary appeal filed by Multicanal and Grupo Clarín against the decision rendered by that same court on October 23, 2009. With the granting of that appeal, Cablevisión’s preliminary injunction regained full force and effect. Accordingly, on January 8, 2010 Cablevisión notified such circumstance to the COMFER.

Subsequently, on March 9, 2011, the Supreme Court of Argentina in re “MULTICANAL and Other v./ CONADECO - Decree 527/05 and other on/Proceeding leading to a declaratory judgment”, granted the appeal by right and the extraordinary appeal filed by the National Government and revoked the decision rendered by Chamber No. 3 of the National Court of Appeals on Federal Administrative Matters, which had confirmed the preliminary injunction requested by Cablevisión in the first instance.

Notwithstanding the foregoing, Cablevisión believes that this matter does not have a material impact on the merits of the case.

Notwithstanding the required filings made by Cablevisión and its shareholders to prove that they were complying with the commitment agreed with the CNDC on December 7, 2007 (date on which the SCI granted authorization), on September 23, 2009, the SCI issued Resolution No. 641, whereby it ordered the CNDC to verify compliance with the parties’ proposed commitment by visiting the parties’ premises, requesting reports, reviewing documents and information and carrying out hearings, among other things.

On December 11, 2009, Cablevisión notified the CNDC of the completion and corresponding verification of the fulfillment of the voluntary undertakings made by Cablevisión at the time of the enactment of SCI Resolution No. 257/07. On December 15, 2009, Chamber No. 2 of the National Court of Appeals on Federal Civil and Commercial Matters issued a preliminary injunction in re “Grupo Clarín S.A. v. Secretariat of Domestic Trade and other on preliminary injunctions” (case 10,506/09), partially acknowledging the preliminary injunction requested by Grupo Clarín, and instructing the CNDC and the SCI to notify Grupo Clarín whenever their own verification of Cablevisión’s fulfillment of its undertakings had been concluded, regardless of the result. Should such agencies have any observations, they should notify Grupo Clarín within a term of 10 days. On the same date, the CNDC issued Resolution No. 1,011/09 whereby it deemed Cablevisión’s voluntary undertakings unfulfilled and declared the rescission of the authorization granted under Resolution No. 257/07.

On December 17, 2009, the National Court of Appeals on Federal Commercial-Criminal Matters, Chamber A, decided to suspend the term to appeal Resolution No. 1,011/09 until the main case was transferred back to the CNDC, considering it had been in such court since December 16, 2009.

On December 17, 2009, the CNDC notified Cablevisión of the initiation of the motion for execution of Resolution No. 1,011/09. On December 18, 2009, Chamber No. 2 of the National Court of Appeals on Federal Civil and

Commercial Matters issued an injunction in re “Grupo Clarín S.A. v. Secretariat of Domestic Trade and other on preliminary injunctions”, which suspended the effects of Resolution No. 1,011/09 until the notice set forth in the injunction of December 15, 2009 was served. Accordingly, the CNDC served notice to Cablevisión by means of Resolution No. 1,101/09.

On December 30, 2009, Chamber No. 2 of the National Court of Appeals on Federal Civil and Commercial Matters issued a preliminary injunction in re “Grupo Clarín S.A. v. Secretariat of Domestic Trade and other on preliminary injunctions”, partially acknowledging Grupo Clarín’s request and suspending the term for Grupo Clarín to respond to Resolution No. 1,101/09 until Grupo Clarín is granted access to the administrative proceedings related to the charges brought by the CNDC in its Opinion No. 770/09 (on which Resolution No. 1,011/09 was based).

On February 19, 2010, Cablevisión requested the nullification of the notice, and as a default argument, submitted the response requested under Resolution No. 1,101/09. On February 26, 2010, the National Court of Appeals on Federal Commercial-Criminal Matters approved the recusation filed by Cablevisión and excluded the Secretary of Domestic Trade from the proceedings.

On March 3, 2010, the Argentine Ministry of Economy and Public Finance issued Resolution No. 113 (subscribed by the Minister of Economy, Dr Amado Boudou) rejecting the request for the nullification of Resolution No. 1,011/09, the requests for abstention and excusation of certain officials, and all the evidence produced in connection with such request for nullification. The voluntary undertakings made by Cablevisión under Resolution No. 257/07 were deemed unfulfilled, thus declaring the rescission of the authorization granted under such resolution. The parties involved were ordered to take all necessary actions to comply with such rescission within a term of six months, and to inform the CNDC about the progress made in that respect on a monthly basis. Such resolution was appealed in due time and form. The appeal was granted without staying the execution of judgment.

The appeal is currently pending before Chamber No. 2 of the National Court of Appeals on Federal Civil and Commercial Matters in re “AMI CABLE HOLDING and other on/ Appeal of the National Antitrust Commission Resolution” (File No. 2,054/2010). That case is currently pending before the Supreme Court.

On March 3, 2010, the Company brought a claim seeking to nullify COMFER Resolution No. 577/09. Upon being served with this claim, the COMFER filed an exception, which was responded by Cablevisión. On September 4, 2012 the Judge decided to dismiss the exception filed by the COMFER, which shall bear the legal costs incurred. On December 13, 2012 the draft notice of such decision was submitted to the Court, which then issued the official notice on December 26, 2012. Together with the draft notice, a request was submitted to set the preliminary hearing (before the discovery proceedings). Such dismissal was appealed by the COMFER and confirmed by the Court of Appeals.

On April 20, 2010, Chamber 2 of the National Court of Appeals on Federal Civil and Commercial Matters granted the appeal filed by Grupo Clarín S.A. in re “Grupo Clarín on delay in the appeal of the proceedings”, and decided that the appeal granted by the CNDC to Grupo Clarín S.A. against Resolution No. 113/10 had the effect of staying such resolution.

The National Government filed an appeal asking that the Court of Appeals revoke its own decision with respect to the effect granted to the April 20 decision, and that it decline its jurisdiction. It also filed an extraordinary appeal. Both appeals were dismissed. Chamber No. 2 requested the administrative file and the Court’s decision is pending. Cablevisión considers that it has strong grounds to have the effects of the above Resolution suspended and therefore has brought the relevant legal actions. However, it cannot assure that the outcome will be favorable.

Decisions made on the basis of these financial statements should consider the eventual impact that the above-mentioned resolutions might have on Cablevisión and its subsidiaries, and these financial statements should be read in light of such uncertainty.

e. Under Proceeding File No. 21.788/08 dated November 17, 2008, Cablevisión informed the COMFER about the corporate business

reorganization process effective as of October 1, 2008. In that same act, Cablevisión informed the COMFER about: i) all the licenses to which it became universal successor under the corporate business reorganization process; ii) the exercise of an option for one of the licenses in each of the locations where it held multiple licenses, and iii) the relinquishment of original licenses and extensions so as to eliminate the multiple licenses accumulated in each of the locations where it held multiple licenses. As a result of such corporate business reorganization process, Cablevisión became the universal successor of 158 licenses to exploit Supplementary Services in several locations (pursuant to section 44, subsection b) of Law 22,285. To avoid having multiple licenses, Cablevisión informed the COMFER about its irrevocable intention to relinquish a total of 78 licenses (including original licenses and extensions) so as to eliminate all the supplementary service licenses that exceeded the limit set for supplementary services in each location (which was one license per designated area). Notwithstanding the foregoing, through Resolution No. 577/COMFER/09, the COMFER illegitimately decided to withhold approval of the merger requested by Cablevisión, requesting Cablevisión to submit a divestiture plan on the grounds that the license relinquishments spontaneously communicated by that company were not sufficient. (See Notes 10.1.d and 18.d).

f. On May 23, 2011, Supercanal S.A. filed a claim for the protection of constitutional rights (acción de amparo) before the Federal Court of Mendoza against Cablevisión, Grupo Clarín and other co-defendants, requesting that they refrain from exercising alleged anti-competitive practices and that the assets, liabilities and businesses that used to belong to Multicanal and that were subsequently merged into Cablevisión (see Note 10.1.d.) be separated from the other assets, liabilities and businesses of Cablevisión and transferred to third parties.

Together with the claim for the protection of constitutional rights, Supercanal S.A. requested a preliminary injunction (for the same purposes); which was granted on December 16, 2011. The injunction ordered the separation of the assets, liabilities and businesses that used to belong to Multicanal and that were subsequently merged into Cablevisión within a term of 60 days. The court also appointed a

supervisor (interventor) and co-administrator for a term of twelve months, who shall enforce the injunction, order the changes to such company's management required for the effective enforcement of the duties to be fulfilled by the Board of Directors, and also report on a monthly basis to the court about his/her performance. Such court-appointed supervisor (interventor) and co-administrator shall have the obligation to perform the necessary functions aimed at fulfilling the actions ordered pursuant to the injunction.

Cablevisión filed an appeal against such injunction and presented the grounds for its defense in due time and form. Cablevisión also requested the replacement of such injunction with another less burdensome one that could largely cover the risks alleged by Supercanal in its claim.

On April 26, 2012, the Federal Court of Appeals of Mendoza, Chamber A, dismissed the appeal filed by Cablevisión against the decision of December 16, 2011, but extended the term to divest the assets, liabilities and businesses of Multicanal that had been merged into Cablevisión to 120 days. The court also dismissed the request to replace the injunction.

On August 14, 2012, Cablevisión was served notice of a decision rendered by Chamber No. 2 of the National Court of Appeals on Federal Civil and Commercial Matters of the City of Buenos Aires ("the Court of Appeals") on August 13, 2012; whereby that court declared the existence of a connection between the case brought by Supercanal S.A. in the Province of Mendoza and the appeal of MECON Resolution No. 113/10 ("Ami Cable Holding LTD and other on/ Appeal of the National Antitrust Commission Resolution). The Court of Appeals stated that the hearing of the case in the Province of Mendoza gives rise to an atypical jurisdictional issue that affects the correct rendering of justice in the case and the powers of said Court of Appeals. The Court of Appeals therefore ordered Federal Court No. 2 of Mendoza to send the file so that the case could continue under the jurisdiction of the Federal Courts on Civil and Commercial Matters of the City of Buenos Aires. Federal Court No. 2 of Mendoza and the Federal Court of Appeals of Mendoza were served notice of said order on the same date and both of them rejected it, giving rise to a jurisdictional conflict between

Chamber No. 2 of the Court of Appeals and Federal Court No. 2 of Mendoza.

Pursuant to Section 24, subsection 7 of Decree/Law No. 1285/58, if a jurisdictional conflict arises between a federal judge of a given jurisdiction and a Federal Court of Appeals of a different jurisdiction, said conflict must be resolved by the Argentine Supreme Court.

After having been served notice of the decision of Chamber No. 2 of the Court of Appeals, on August 17, 2012, Judge Walter Bento of Federal Court N° 2 of Mendoza issued an order to notify Cablevisión of an extension of the scope of the injunction issued in re “Supercanal S.A. v. Cablevisión S.A. and other on Claim for the protection of constitutional rights (acción de amparo)”. Under this injunction, the judge ordered the removal of the Board of Directors of Cablevisión and its replacement with a court-appointed administrator (interventor) whose role was to fulfill court orders. However, in response to the claim brought by Cablevisión on August 21, 2012 with the Argentine Supreme Court in connection with the abovementioned jurisdictional conflict, the Supreme Court ordered the immediate suspension of the proceedings until a decision is rendered on the jurisdictional conflict.

Notwithstanding this, Cablevisión and its legal advisors believe that the order issued on August 17 is irregular and that it may not be deemed a valid notice, because it should have been issued within the framework of the proceedings pending with the Federal Court on Civil and Commercial Matters of the City of Buenos Aires, rather than being served at a domicile established in the city of Mendoza.

All these proceedings were sent to the Argentine Supreme Court for it to render a decision on the jurisdictional conflict. See Note 18.f.

g. On October 21, 2010, the National Administration of Domestic Trade served notice to Cablevisión of (i) a fine of Ps. 5 million for failing to comply with the duty to inform (Section 4 of Law 24,240) concerning one of its promotions and (ii) a fine of Ps. 500,000 for infringing Section 2, subsection c) of Decree 1153/95 of the regulations to Section 10 of Law 22,802. Cablevisión appealed the fine because it believes it has strong arguments in its favor. The file was assigned No. 1281 and is

pending before Chamber No. 2 of the Court of Appeals on Federal-Administrative Matters. On October 4, 2011, the Court of Appeals partially affirmed Resolution 739/10 and reduced the fine to Ps. 2.2 million, imposing 75% of the legal costs on Cablevisión. On October 13, 2011 Cablevisión filed a Federal Ordinary appeal with the Supreme Court of Argentina and on October 20, 2011 it filed a federal extraordinary appeal with that same court in the event that the ordinary appeal may be dismissed.

On October 21, 2011, Chamber No. 2 of the National Court of Appeals on Federal Administrative Matters granted the ordinary appeal and the legal brief was submitted in due time and form.

On August 7, 2012 the Supreme Court of Argentina decided that the Ordinary Appeal had been wrongly granted.

On December 13, 2012 the Chamber dismissed the appeal filed by Cablevisión, which shall bear the costs incurred.

On December 20, 2012 Cablevisión filed an appeal against the above-mentioned dismissal since it believes it has sufficient grounds to have the fine revoked. However, Cablevisión cannot assure that the outcome of the appeal will be favorable.

On July 29, 2013, the fine was settled in the amount of Ps. 2.2 million and the compliance was recorded in the file.

h. On May 31, 2012, Cablevisión was served notice of Resolution No. 16,819 dated May 23, 2012 whereby the Argentine Securities Commission (CNV, for its Spanish acronym) ordered the initiation of summary proceedings against Cablevisión and its directors, members of the Supervisory Committee and the Head of Market Relations for an alleged failure to comply with the duty to inform. The CNV considers that Cablevisión failed to comply with its duty to inform because the investor community was deprived of its right to become fully aware of the grounds of a decision rendered by the Federal Court of Mendoza and the scope of the powers granted by that court to the co-administrator appointed in re “Supercanal S.A. v. Cablevisión S.A. on protection of constitutional rights”, in addition to the fact that other self-regulated authorities

were allegedly not notified of the information furnished by Cablevisión. On June 25, 2012, Cablevisión filed a response petitioning that its defenses be sustained and all charges dismissed. On February 6, 2014 Cablevisión submitted the legal brief for the purposes of discussing the evidence submitted under File No. 171/2012. Now the CNV's Board of Directors has to render its decision. Cablevisión and its legal advisors believe that the company has strong arguments in its favor. Nevertheless, Cablevisión cannot assure that the outcome of the said summary proceedings will be favorable.

i. Pursuant to CNV Resolution No. 16,834 dated June 14, 2012 notified to the Company on June 27, 2012, the CNV ordered the initiation of summary proceedings against the Company and the members of its Board of Directors, Supervisory Committee and Audit Committee in office at the time of the occurrence of certain events under review (September 19, 2008) for alleged failure to comply with the duty to inform. Under said Resolution, the CNV argues that the Company allegedly failed to comply with the duty to disclose the filing of a claim against it entitled "Consumidores Financieros Asociación Civil para su defensa and other v. Grupo Clarín on/Ordinary", which the CNV considers relevant. On July 25, 2012, Cablevisión filed a response petitioning that its defenses be sustained and that all charges against it be dismissed. The Company and its legal advisors believe that the company has strong arguments in its favor. Nevertheless, Cablevisión cannot assure the outcome of said summary proceedings.

j. The Executive Branch of Uruguay issued Decree No. 73/012, published in the Official Gazette on March 16, 2012, whereby it expressly repealed Decree No. 231/011, which had revoked certain signals' broadcast frequencies. However, the new decree ratified and repeated - virtually in identical terms - the decree that was being repealed, and added certain provisions that caused further detriment to the two affected companies with which a subsidiary of Cablevisión has contractual arrangements in place. Consequently, on March 23, 2012 the affected companies filed an appeal requesting that Decree No. 73/012 be revoked. The appeal is still pending resolution.

In May 2012, the aforesaid companies brought a legal action with the Court in Administrative Litigation Matters requesting the nullification of the resolution and the suspension of its execution. This motion to suspend the execution of the challenged resolution was brought as a separate case, and progressed through the corresponding instances. The Attorney General for Administrative Litigation Matters, in its opinion No. 412/013 advised the Court on Administrative Litigation Matters to grant the motion to suspend the execution of the challenged resolution for formal reasons, but such Court dismissed the motion of suspension. Notwithstanding the foregoing, as of the date of these financial statements, the state authorities have not executed yet the decree.

As of the date of these financial statements, the action seeking the nullification of Decree No. 73/012 (main lawsuit) is still pending resolution. Notwithstanding the foregoing, said companies cannot assure the outcome of these actions.

In the preparation of these financial statements, the Company has considered the effects that could be derived, and that may be projected to date within a foreseeable period as a result of the effects, if any, from these regulatory changes.

k. On June 4, 2012, the Federal Court of Appeals of Rosario partially confirmed SCI Resolution No. 219/2010, whereby the Secretary of Domestic Trade found that Cablevisión and Multicanal had engaged in market sharing practices in connection with the paid-television service in the City of Santa Fe and reduced the fine imposed on each of the companies involved from Ps. 2.5 million to Ps. 2 million. However, this decision is not yet final, because Cablevisión and Multicanal and the Ministry of Economy filed appeals with the Argentine Supreme Court, which are still pending.

Notwithstanding the foregoing, Cablevisión cannot assure that the appeals will be resolved in its favor.

l. On March 1, 2011, the SCI served notice to Multicanal and Cablevisión of Resolution No. 19/11 whereby the Secretary of Domestic Trade found that both companies had engaged in market sharing practices in connection with the paid-television service in the City of Paraná and imposed a fine of Ps. 2.5 million on each of them. Cablevisión filed an appeal in

due time and form. This appeal was dismissed by the Federal Court of Appeals of Paraná. Therefore, Cablevisión filed an appeal with the Argentine Supreme Court. On November 4, 2011, the appeal of SCI Resolution No. 19/11 filed by Cablevisión with the Supreme Court was partially granted by the Federal Court of Appeals of Paraná.

On August 30, 2012, the Argentine Supreme Court dismissed the appeal filed by Cablevisión; therefore, Resolution No. 19/11 became final. The case is currently pending with the Court of Appeals of Paraná, which shall order its referral to the SCI. The SCI, in turn, shall serve notice to the companies involved in order for them to pay the fine.

m. Cablevisión, by itself and as successor of Multicanal's operations after the merger, is a party to several administrative proceedings under the Antitrust Law, facing charges of anticompetitive conduct, including territorial division of markets, price discrimination, abuse of dominant position, refusal to deal and predatory pricing, as well as a proceeding filed by the Cámara de Cableoperadores Independientes (Chamber of Independent Cable Operators), challenging the transactions consummated on September 26, 2006. While Cablevisión believes that its conduct and that of Multicanal have always been within the bounds of the Argentine Antitrust Law and regulations and that their positions in each of these proceedings are reasonably grounded, it can give no assurance that any of these cases will be resolved in its favor.

n. On January 22, 2010, Cablevisión was served with CNDC Resolution No. 8/10 issued within the framework of file No. 0021390/2010 entitled "Official Investigation of Cable Television Subscriptions (C1321)". Pursuant to such Resolution, Cablevisión, among other companies, was ordered to refrain from conducting collusive practices and, particularly, from increasing the price of cable television subscriptions for a term of 60 days, counted as from the date all required notices are certified as completed. According to said Resolution, companies which have already increased the price of the subscriptions shall return to the price applicable in November 2009 and maintain such price for the abovementioned term.

On February 2, 2010, by means of Resolution No. 13/10, the CNDC ordered Cablevisión to credit its subscribers the amount of any price increase made after the date of CNDC Resolution No. 8/10 on its March invoices.

Cablevisión appealed both resolutions in due time and form and their effects were suspended by an injunction issued by Chamber No. 2 of the National Court of Appeals on Federal Civil and Commercial Matters at the request of Cablevisión.

Finally, on October 4, 2011, the same Chamber granted the appeal, declaring that the claim based on CNDC Resolution No. 8/10 was moot and nullifying CNDC Resolution No. 13/10.

The National Government appealed such decision before the Supreme Court of Argentina, which shall grant or dismiss the appeal.

o. On August 5, 2010, Cablevisión was served with CNC Resolution No. 2,936/2010 within the framework of Administrative Proceeding File No. 2,940/2010, pursuant to which Cablevisión and/or any other individual or entity through which the services relating to the licenses and registrations granted to FIBERTEL S.A. ("Fibertel") may be rendered shall refrain from adding new subscribers and from altering the conditions under which the services are currently rendered.

To decide as it did, the Argentine Communications Commission disregarded the corporate reorganization that was completed and registered before the IGJ, whereby Fibertel merged into Cablevisión effective as of April 1, 2003. By virtue of that merger process, Cablevisión became the universal successor to all of the assets, rights and obligations of Fibertel as the merged company, among them, the Exclusive License awarded through SECOM Resolutions No. 100/96, 2375/97, 168/02 and 83/03. Therefore, Fibertel did not transfer or divest of its rights and obligations to third parties - among them, those derived from the above-mentioned Exclusive License. Fibertel continued to carry out its activities through Cablevisión as surviving company. In order to implement the above-mentioned corporate business reorganization, on March 5, 2003, the Argentine Communications Commission and the SECOM were notified of the corporate

business reorganization for its acknowledgement. The technical and legal areas of the Argentine Communications Commission issued a favorable resolution with respect to the compliance with the requirements of current regulations to register Fibertel's license under the name of Cablevisión. SECOM had a term of 60 days to decide on the corporate business reorganization. However, such agency failed to render a decision as required by the applicable regulations. Not until August 19, 2010 did SECOM issue Resolution No. 100/2010, revoking Fibertel's license.

Cablevisión believes that the Resolution is arbitrary and that it flagrantly violates due process and its defense right. Therefore, Cablevisión has appealed such resolution. No decision has been rendered on the matter yet.

p. On October 28, 2010, Cablevisión was served notice of the National Administration of Domestic Trade's resolutions imposing two fines of Ps. 5 million each, for allegedly failing to observe the typographic character requirements under applicable regulations (Resolution 906/98) when informing its subscribers of the increase in the price of their cable television subscriptions. Cablevisión appealed the fines on November 12, 2010 because it believes it has strong grounds in its favor. However, it cannot assure that the outcome will be favorable. One of the files was assigned No. 1280 and is pending before Chamber No. 1 of the Federal Administrative Court of Appeals, and the other one was assigned No. 1,278 and is pending before Chamber No. 5 of the Federal Administrative Court of Appeals.

q. The litigation brought before the Civil, Commercial, Mining and Labor Court of the City of Concarán, Province of San Luis, in early 2007 in re "Grupo Radio Noticias SRL v. Cablevisión and others", is still pending before the Federal Court in Administrative Matters No. 2.

The purpose of that claim was to challenge the share transfers mentioned in Note 10.1.c. and to request the revocation of Cablevisión's broadcasting licenses. Cablevisión has responded to such claim and believes it is very unlikely that it will be admitted.

r. The Government of the City of Mar del Plata enacted Ordinance No. 9163, governing

the installation of cable television networks. Such ordinance was amended and restated by Ordinance No. 15,981 dated February 26, 2004, giving cable companies until December 31, 2007 to adapt their cable networks to the new municipal requirements. The ordinance sets forth that in those areas where street lighting has underground wiring, cable television networks are to be placed underground. In this sense, the Executive Department of the Municipality of General Pueyrredón has submitted to the Municipal Council a proposed ordinance extending the term provided until December 31, 2015. Such ordinance is ready for discussion by legislators. Even though the ordinance provides for certain penalties that may be imposed, the City has not imposed such penalties to cable systems that are not in compliance with such ordinance.

s. On November 27, 2012 the National Administration of Domestic Trade served Cablevisión with Resolution No. 308/2012, whereby it imposed a Ps. 5 million fine on that company alleging that it had failed to comply with Section No. 4 of the Antitrust Law (increase in the subscription price of cable tv services/wrongful information provided by Customer Service, informed by mail that SCI Resolution No. 50/10 and the supplementing resolutions are suspended on grounds of unconstitutionality, when in fact they have been suspended by an injunction). On December 11, 2012 Cablevisión appealed Resolution No. 308/2012. The administrative file No. S01:0312056/2011 is currently pending before the National Administration of Domestic Trade and must be submitted to the National Court of Appeals on Federal Administrative Matters for it to determine, by lottery, the first instance court that will hear the case.

Cablevisión and its legal advisors believe that the company has strong arguments in its favor. Nevertheless, Cablevisión cannot assure that the revocation of the fine will be resolved in its favor.

t. The Quality Rules for Telecommunication Services were approved by SECOM Resolution No. 5/2013; published in the Official Gazette on July 2, 2013. In November 2013, by means of CNC Resolution No. 3,797/2013, the CNC approved the "Manual of Audit Procedures and Technical Verification of the

Quality Rules for Telecommunication Services”. In a first stage, the authorities required the submission of information related to observation points and complaint reception points. Cablevisión is currently working together with other providers on the drafting of a technical report of measurement systems.

u. On July 5, 2013, the National Administration of Domestic Trade served notice to Cablevisión of Resolution No. 134/2013, whereby it imposed a fine of Ps. 500,000 for breach of Section 2º of Resolution ex S.I.C. y M. No. 789/98, which regulates the Business Loyalty Law No. 22,802. Cablevisión appealed that resolution on July 16, 2013. The file is currently pending before the National Administration of Domestic Trade and must be submitted to the National Court of Appeals on Federal Administrative Matters for it to determine, by lottery, the first instance court that will hear the case.

Cablevisión and its legal advisors believe that Cablevisión has strong arguments in its favor. However, Cablevisión cannot assure that the revocation of the fine will be resolved in its favor.

v. On March 16, 2012, CNV issued Resolution No. 16,765 whereby it ordered the initiation of summary proceedings against Cablevisión, its directors and members of the Supervisory Committee for an alleged failure to comply with the duty to inform. The CNV considers that Cablevisión failed to comply with its duty to inform because the investor community was deprived of its right to become fully aware of the Decision rendered by the Supreme Court of Argentina in re “Application for judicial review brought by the National Government Ministry of Economy and Production of the case Multicanal S.A. and other v/CONADECO Decree No. 527/05” and other, and also considers that Cablevisión did not disclose certain issues related to the information required by the CNV in connection with its Class 1 and 2 Noteholders’ Special Meetings held on April 23, 2010. On April 04, 2012, that company filed a response requesting that its defenses be sustained and that all charges against it be dismissed. The proceeding is now in the discovery stage. Cablevisión and its legal advisors believe that the company has strong arguments in its favor. Nevertheless, Cablevisión cannot assure the outcome of the said summary proceedings.

10.2 Claims and Disputes with Governmental Agencies

a. In connection with the decisions made at the Company’s Annual Regular Shareholders’ Meeting held on April 28, 2011, on September 1, 2011 the Company was served with a preliminary injunction in re “National Social Security Administration v. Grupo Clarín S.A. re ordinary proceeding” whereby the Company may not in any way dispose, in part or in whole, of the Ps. 387,028,756 currently recorded under the retained earnings account, other than to distribute dividends to the shareholders.

On the same date, the Company was served with a claim brought by Argentina’s National Social Security Administration requesting the nullity of the decision made on point 7 (Appropriation of Retained Earnings) of the agenda of the Annual Regular Shareholders’ Meeting held on April 22, 2010. As of the date of these financial statements, the Company has duly answered the complaint and the intervening judge has ordered discovery proceedings.

On November 1, 2011, the CNV issued Resolution No. 593, which provides that at shareholders’ meetings in which financial statements are considered shareholders must expressly decide to, either distribute as dividends any retained earnings that are not subject to distribution restrictions and that may be disposed of pursuant to applicable law, or capitalize such retained earnings and issue shares, or appropriate them to set up reserves other than legal reserves, or a combination of the above.

On July 12, 2013 the Company was served notice of Resolution No. 17,131; dated as of July 11, 2013 whereby the CNV declared that the administrative effects of the decisions adopted at the Annual Ordinary General Shareholders’ Meeting held on April 25, 2013 were irregular and ineffective, based on allegations that are absolutely false and irrelevant. According to the Company and its legal advisors, Resolution No. 17,131 is, among other things, null and void, because it lacks sufficient grounds and its enactment is a clear abuse of authority and a further step in the National Government’s attempt to intervene in the Company. On October 11, 2013 Chamber 5 of the Federal Court of Appeals on Administrative Matters issued a preliminary injunction in re “Grupo Clarín S.A. v. CNV - Resol No. 17.131/13 (File 737/13)”

File No. 29,563/2013, whereby it suspended the effects of Resolution No. 17.131/2013 dated July 11, 2013 which had rendered irregular and with no effect for administrative purposes the Company's Annual Regular Shareholders' Meeting held on April 25, 2013. As of the date of these financial statements, the Resolution is still in effect.

In August 2013 the Company was served with a nullification claim brought by Argentina's National Social Security Administration relating to the Annual Regular Shareholders' Meeting held on April 28, 2011 whereby that agency requested the nullity of all the decisions made at such meeting and, as a default argument, it requested the nullity of the decisions made on points 2, 4 and 7 of that meeting's agenda, as well as the nullity of the decisions made at the Special Meetings of Class A, B and A and B Shareholders. As of the date of these financial statements, the Company has filed a response in due time and form.

In September 17, 2013 the Company was served with a nullification claim brought by Argentina's National Social Security Administration relating to the Annual Regular Shareholders' Meeting held on April 26, 2012 whereby it requested the nullity of all the decisions made at such meeting and, as a default argument, the nullity of the decisions made on points 8 and 4 of that meeting's agenda, as well as the nullity of the decisions made at the Special Meetings of Class A, B and A and B Shareholders. As of the date of these financial statements, the Company has filed a response in due time and form.

b. The Argentine Federal Revenue Service ("AFIP") served the subsidiary CIMECO with a notice challenging its income tax assessment for fiscal years 2000, 2001 and 2002. In such notice, the AFIP challenged mainly the deduction of interest and exchange differences in the tax returns filed for those years. If AFIP's position prevails, CIMECO's maximum contingency as of December 31, 2013 would amount to approximately Ps. 12 million principal amount and Ps. 29.4 million interest.

CIMECO filed a response, which was dismissed by the tax authorities. The tax authorities issued their own official assessment and imposed penalties. CIMECO appealed the tax authorities' resolution before the National Tax Court on August 15, 2007.

During the year ended December 31, 2010, CIMECO received a pro forma income tax assessment from the AFIP for fiscal periods 2003 through 2007, as a consequence of AFIP's challenge to CIMECO's income tax assessments for the periods 2000 through 2002 mentioned above. CIMECO filed a response before AFIP, rejecting such assessment and requesting the suspension of administrative proceedings until the Federal Tax Court renders its decision on the merits.

During 2011, the AFIP served CIMECO with a notice stating the income tax charges assessed for years 2003 through 2007 and ordering the initiation of summary proceedings. The AFIP's assessment shows a difference in the Income Tax liability for the above indicated periods in its favor for an amount in excess of the amount that had been estimated originally, as a result of the method used to calculate certain deductions. CIMECO responded to the assessment rejecting all of the adjustments and requesting that the proceedings be rendered without effect and filed, with no further actions to be taken.

On April 26, 2012, the AFIP issued a new official assessment comprising the fiscal years 2003 through 2007, in which it applied the same method for the calculation as that used for the administrative settlement, claiming a total liability of Ps. 120 million. On May 21, 2012, an appeal was filed with the Federal Tax Court.

CIMECO and its legal and tax advisors believe CIMECO has strong grounds to defend the criteria adopted in their tax returns and that AFIP's challenges will not be admitted by the Federal Tax Court. Accordingly, CIMECO has not booked an allowance in connection with the effects such challenges may have.

c. Since 2005, the ANA has brought several claims against the holders of broadcasting and cable TV licenses for the payment of customs duties applicable to the import of films documented between 2000 and 2005. According to the ANA, holders of TV licenses are liable to pay customs duties, VAT and income tax not only on the customs value of the physical supports, but also on the reproduction rights agreed upon in the related contracts. ARTEAR filed objections against these claims on the basis of international agreements, doctrine and case law on the subject. As a consequence

of the criteria followed by ARTEAR, during the period covered by the claim, it paid other taxes that would not have been payable if ANA's interpretation had been applied. ARTEAR had to pay in full the differences claimed by ANA in a few isolated cases because the appeals filed with the Federal Court of Appeals against the National Tax Court's decisions did not have staying effects.

In the first unfavorable decision rendered by Chamber No. 4 of the Federal Court of Appeals, which was appealed by ARTEAR, the Argentine Supreme Court refrained from rendering judgment on the merits of the case. Subsequently, all other Chambers of the Federal Court of Appeals have rendered decisions against ARTEAR's position. Therefore, as of the date of these financial statements, that company has booked an allowance to account for the estimated losses that may result from such claims. On March 25, 2013 the AFIP published General Resolution No. 3451 in the Official Gazette. Pursuant to such Resolution, AFIP established an installment plan for the payment of overdue taxes, customs duties and social security debts. With respect to customs duties, this special installment plan allows for the cancellation of fines imposed or supplementary charges brought by the Customs Administration up to and including February 28, 2013 in connection with import or export duties, as well as interest and restatements thereon, within a term of up to 120 months with a monthly rate of 1.35%. Given that all chambers of the National Tax Court and the Federal Court of Appeals have rendered judgments on the merits of the case against ARTEAR's position and the Supreme Court of Argentina refrained from rendering judgment, the Company decided to adhere to the installment plan for a large portion of the existing claims, leaving out only those claims in which AFIP has additionally made infringement allegations. On July 30, 2013, ARTEAR submitted an installment plan, within the framework of General Resolution No. 3451, for the payment of a large portion of the tax component of these claims, notwithstanding the fact that ARTEAR still considers that its interpretation of the customs law is based on reasonable legal grounds.

d. On September 10, 2010, the AFIP served TRISA with a notice with objections to its income tax assessment, with respect to the application of the withholding regime set forth under the section following section 69 of

the Income Tax law, for fiscal years 2004, 2005 and 2006. If AFIP's position prevails, TRISA's contingency would amount to approximately Ps. 28.9 million, out of which Ps. 9.3 million would correspond to taxes on dividend payments made during those years, Ps. 6.5 million to a 70% fine on the omitted tax, and Ps. 13.1 million to late-payment interest.

TRISA filed a response, which was dismissed by the tax authorities. On December 20, the tax authorities issued their own official assessment and imposed penalties. TRISA appealed the tax authorities' resolution before the National Tax Court on February 8, 2011.

TRISA and its legal and tax advisors believe that TRISA has strong grounds to defend its position and that AFIP's challenges will not be admitted by the Federal Tax Court. Accordingly, TRISA has not booked a provision in connection with the effects such challenges may have.

e. On August 13, 2012, the parent company GC Dominio S.A. was served notice of a claim brought by the Argentine Superintendency of Legal Entities (IGJ) whereby that agency seeks to annul the registration with the Public Registry of Commerce of the appointment of GC Dominio S.A.'s authorities, approved at the Shareholders' Meeting held on May 17, 2011. The claim is pending before the Federal Court of First Instance on Commercial Matters No. 25, Clerk's Office No. 49 ("Inspección General de Justicia v. Dominio S.A. on/Ordinary", File No. 58652). The claim brought by the IGJ seeks to annul the registration with IGJ of the appointment of GC Dominio S.A.'s authorities, approved at the Annual Ordinary General Shareholders' Meeting of GC Dominio held on May 17, 2011. The appointment was registered with the IGJ on April 23, 2012 under No. 7147, Book No. 59 of Share Companies. According to the IGJ and as the case file is said to show, GC Dominio has allegedly failed to comply with certain regulations applicable to foreign shareholders upon registration of the appointment of authorities. Also within the framework of this claim, the Court issued an injunction in favor of the IGJ ordering that the existence of this claim be duly noted.

GC Dominio S.A.'s legal advisors have strong grounds to sustain that the resolution of IGJ's claim seeking the de-registration of the appointment of authorities has serious defects

and infringes the guarantees of reasonableness and due process; a principle that derives from the constitutional guarantee of defense in court, which entails the right to be heard and to produce evidence to the contrary. GC Dominio S.A. has appealed such injunction because it considers that the IGJ has not shown that its legal arguments are, at least, plausible.

f. As a result of a report on suspicious activities reported by the Argentine Federal Revenue Service (“AFIP”) concerning transactions carried out between the Company and some subsidiaries, the Financial Information Unit (“FIU”) pressed criminal charges for alleged money laundering. The action is now pending before Federal Court No. 9, under Dr. Luis Rodriguez. The FIU has pressed charges against the Company and its directors for alleged money laundering activities related to the trading of shares between the Company and some of its subsidiaries. The Company has appointed defense attorneys and has requested a copy of the file to understand the details of the charges. The FIU is acting as plaintiff in this case. One of the Company’s directors made a spontaneous appearance and filed a response and produced documentary evidence. Certain charges pressed by Representative Di Tullio were also added to the case. In addition, the Prosecutor requested that the charges be investigated and that certain evidentiary measures be taken which have not yet been fulfilled as of the date of these financial statements.

The Company and its legal advisors consider that there are strong arguments in the Company’s favor, and have gathered evidence that supports the lack of involvement of anyone in any such maneuvers. However, they cannot assure that the outcome of this action will be favorable.

g. By means of Resolution 16,364/2010, dated and notified to AGEA as of July 15, 2010, the CNV’s Board of Directors decided to initiate summary proceedings against AGEA and certain current and past members of its board of directors and supervisory commission, for alleged infringement of the Argentine Business Associations Law, Decree No. 677/01 and Law No, 22,315. AGEA, as well as the current and past members of the board of directors and supervisory commission who are subject to the summary proceedings, duly filed their respective responses.

h. The subsidiary AGEA received several inspections from the AFIP aimed at verifying compliance with the so-called competitiveness plans implemented by the National Executive Branch. After several reports issued by the AFIP and the corresponding Resolutions issued by the Ministry of Economy, such agencies allege that certain acts performed by AGEA during 2002 lead to the nullity of some of the benefits granted under said plans, including adjustments, for an estimated total amount of Ps. 53 million. In April 2013, AGEA was served with AFIP Resolution No. 03/13, whereby such agency decided to exclude AGEA from the Registry of Beneficiaries of the Competitiveness and Employment Generation Agreements under the Cultural Sector Agreement, as from March 4, 2002. The AFIP ordered the restatement of the tax returns and the remittance of the corresponding amounts. AGEA filed an appeal against such resolution. Notwithstanding the foregoing, in re “AEDBA and Other v. Ministry of Economy Resolution No. 58/10”, the Federal Court on Administrative Matters No. 6 issued an injunction ordering AFIP to refrain from initiating and/or continuing with the administrative proceeding/s and/or any act that would entail the enforcement of the amounts payable under Resolution No. 3/13, until a final decision is rendered. Notwithstanding the foregoing, AGEA cannot assure that the appeal will be resolved in its favor.

i. On April 9, 2013, Cablevisión was served notice of AFIP Resolution No. 45/13 dated April 3, 2013, whereby such agency imposed penalties in a summary proceeding against that company with respect to compliance with General Resolution No. 3,260/12. Cablevisión filed an appeal, which has staying effects on the execution of those penalties.

10.3 Other Claims and Disputes

a. On December 12, 2001, Supercanal filed a claim for damages against Multicanal as a result of the enforcement of a preliminary injunction brought by Multicanal against Supercanal. Multicanal responded to such claim denying any liability. Based on legal and factual precedents of the case, Cablevisión, as successor of Multicanal’s operations, believes that the claim filed should be rejected in its entirety, and that the legal costs should be borne by the plaintiff. As of the date of these financial statements, the proceeding was at the discovery stage. The court of first instance dismissed

Supercanal's request that it be allowed to sue without paying court fees or costs. This decision has been ratified by the Federal Court of Appeals.

b. On June 22, 2007 TRISA and TSC executed several documents with AFA, applicable from the 2007/2008 until the 2013/2014 soccer seasons, governing the broadcasting by TRISA of all of the National "B" soccer tournament matches and by TSC of ten of the Argentine soccer first division official tournament matches played each week. Out of those ten matches, TRISA broadcast five through TyC Sports.

Those agreements set the price to be paid by TRISA for these products and clearly stated its right to sell such products and, additionally, had AFA's express consent.

On August 12, 2009 AFA notified TSC of its decision to terminate unilaterally the above-mentioned agreement. TSC challenged AFA's unilateral termination of the agreement and, in order to safeguard its rights, on June 15, 2010 it brought a legal action against the AFA for contractual breach and damages.

On July 27, 2011, AFA unilaterally terminated the agreement that bound AFA and TRISA until the 2013/2014 soccer season for the broadcasting of all Argentine National "B" soccer tournament matches. AFA's decision was totally arbitrary and illegitimate, since TRISA has not breached any provision of the agreement, which does not expressly allow voluntary unilateral termination by either party. Therefore, TRISA has challenged AFA's unilateral termination of the agreement.

In light of the events and until the situation is remedied, TRISA will not be able to broadcast the five weekly matches of the first division tournament or any of the National "B" soccer tournament matches that it used to broadcast on its signal TyC Sports.

The broadcasting rights for the matches of Metropolitan First "B" category are not governed by the above-mentioned agreements, but by an agreement that is in full force and effect as of the date of these financial statements.

The situation described above had a significant impact on TRISA's revenues and costs.

Therefore, it had to adjust its signal to these new circumstances.

In light of the circumstances described in the above paragraphs, as from August 2009, TRISA has recorded a portion of its revenues based on the progress of negotiations with each client and the new content of the signal.

During the year ended December 31, 2012, TRISA completed those negotiations. As a result, no significant differences arose between the actual results and the original estimates.

c. On January 31, 2012, FADRA informed Grupo Carburando's subsidiary Mundo Show S.A. of the unilateral rescission of the agreement executed in 2006 whereby FADRA assigned to that company the rights comprising image, sound and static advertising of motor racing at the road racing events Turismo Carretera and TC Pista until December 31, 2015. Mundo Show S.A. has challenged and rejected FADRA's unilateral rescission of the agreement. In light of the events, Mundo Show S.A. will not be able to sell or export the audiovisual and static advertising rights of the above-mentioned motor racing events. Therefore, in 2012 an allowance was set up for impairment of goodwill and other assets related to such agreement of approximately Ps. 17 million. On July 17, 2013, some of the Company's subsidiaries executed an agreement in order to settle the legal actions brought as a consequence of the termination of TV broadcasting rights and sponsorship agreements relating to the Turismo Carretera and TC Pista road racing events, whereby FADRA undertook to pay damages for an aggregate and final amount of Ps. 16.5 million in 23 monthly and consecutive installments. In addition, it assigned all of its equity interest in TCM, which represents 20% of its capital stock and votes. The parties also settled the claims brought against FADRA in re "Mundo Show v. FADRA on pending cash collection, File No. 10041/2012", whereby FADRA paid Ps. 1.5 million in exchange for the dismissal of the legal actions.

d. Pursuant to a notarial certificate issued on September 19, 2008, AGEA and the Company were served with a legal action brought by an entity representing consumers and alleged financial victims (and by six other individuals). Claimants are Multicanal noteholders who claim to be allegedly affected by Multicanal's APE. The claim is grounded on a Consumer Defense

Law which, in general terms, provides for an ambiguous procedure that is very strict against the defendant.

The Company, AGEA and certain directors and members of the supervisory committee and shareholders have been served with the claim. After rejecting certain preliminary defenses presented by the defendants, such as the application of statutes of limitation and the failure to comply with prior mediation procedures, the claim followed ordinary procedure and the above-mentioned persons duly filed their respective responses.

e. On September 16, 2010 the Company was served with a claim brought against it by Consumidores Financieros Asociación Civil para su Defensa. The plaintiff claims a reimbursement of the difference between the value of the shares of the Company purchased at their initial public offering and the value of the shares at the time a decision is rendered in the case. The Company has duly responded to the claim and the intervening Court has deemed the claim responded.

f. On April 25, 2013 Grupo Clarín S.A. held its Annual Regular Shareholders' Meeting. As a result of the issues raised at this Meeting, some of the permanent directors informed the Company that they had pressed criminal charges against the representatives of the shareholder ANSES and of the CNV (Messrs. Reposo, Kicillof, Moreno, Vanoli, Fardi and Helman) for making statements and intellectual constructions which, under the appearance of being included in the new regulations of the Argentine Capital Markets Law, only sought to discredit the Board of Directors and caricature its management, creating pretexts that may lead to an intervention of the Company without judicial control pursuant to the new powers vested on the CNV by Capital Markets Law No. 26,831. On April 26, 2013, the Board of Directors decided to press charges on the same grounds.

Consequently, the Company sent a letter to the CNV, in which it clearly stated that what happened at that Meeting could not be considered in any way as an acknowledgment of the legitimacy of the powers vested on the CNV by Law No. 26,831 and/or the regulations that may be issued in the future. The letter also stated that the Company reserved its right to file the pertinent legal actions at any

time to request the declaration of the evident unconstitutionality of that law. It also requested the CNV to refrain from performing any act or issuing any resolution that would lead to the execution of the plan of which they had been accused before the courts.

g. On May 30, 2013, Pem S.A. was served notice of a claim in re "TELEVISORA PRIVADA DEL OESTE S.A. v. GRUPO CLARÍN S.A. AND OTHERS on ORDINARY" File No. 99078/2011, which is pending before the Federal Commercial Court No. 16 of First Instance, Clerk's Office No. 32. The claim seeks damages resulting from certain decisions made with respect to Televisora Privada del Oeste S.A. Cablevisión and the Company, among others, are defendants in such lawsuit. Cablevisión was served with the claim and filed a response in due time and form. According to the Company's legal advisors, the chances of success of the claim are low because the damages claimed are clearly overstated, the actual damage invoked does not exist and the claim is procedurally inappropriate, both on a factual and legal basis.

h. In March 2012, ARTEAR brought a summary action for the protection of constitutional rights against the National Government (Chief of the Cabinet of Ministers and Secretariat of Public Communication) and against Messrs. Juan Manuel Abal Medina and Alfredo Scoccimarro, in order to request that the National Government cease in the arbitrary and discriminatory allocation of official advertising with respect to Arte Radiotelevisivo Argentino S.A. ARTEAR requested (i) that the court order the maintenance of the balanced allocation with respect to the amount of official advertising received in previous years, and in particular prior to 2008, and to the amount of official advertising allocated to other broadcasters of similar characteristics, and (ii) that the conduct of the above-mentioned officials be declared illegitimate, on account of their having abusively exercised their discretionary power to manage public funds destined to official advertising, discriminating against Canal 13, which is owned by ARTEAR. (See Note 18.c).

10.4 Matters concerning Papel Prensa:

I. Papel Prensa has several disputes pending before the Commercial Court of Appeals of the City of Buenos Aires as a consequence of CNV Resolution No. 16,222. Pursuant to

said Resolution, the CNV declared that certain decisions of Papel Prensa's Board of Directors were irregular and with no effect for administrative purposes. The Resolution challenged the Board's fulfillment of the formalities required in the preparation, transcription and execution of meeting minutes on the relevant corporate books. On June 24, 2010, in File No. 75,479/09, the Commercial Court of Appeals of the City of Buenos Aires, Chamber C, decided to nullify CNV Resolution No. 16,222. On the basis of Resolution No. 16,222, the CNV has questioned subsequent decisions of Papel Prensa's Board and of its Shareholders. In response, Papel Prensa has brought several administrative claims against the CNV, questioning its position. All of such claims were decided in Papel Prensa's favor by the Commercial Court of Appeals of the City of Buenos Aires. Consequently, the CNV's decisions were nullified. Furthermore, the Commercial Court of Appeals, Chamber C, dismissed the appeals filed by the CNV before the Supreme Court of Argentina against the Court of Appeals' decisions. The CNV filed a direct appeal before the Supreme Court.

As a consequence of the above, Papel Prensa has continued with the criminal proceedings brought against certain public officials.

On February 1 and 4, 2010 the Secretary of Domestic Trade, Mario G. Moreno, and the CNV, respectively, requested the judicial intervention of Papel Prensa before the commercial justice. Such claims were pending before the Federal Commercial Court of First Instance No. 2, Clerk's Office No. 4, temporarily under judge Dr. Eduardo Malde, who, on March 8, 2010, issued an injunction whereby he suspended certain decisions adopted at meetings of the Board of Directors and at Shareholders Meetings held on or after November 4, 2009. Judge Malde also appointed a co-administrator without removing the members of the previous corporate bodies. Papel Prensa filed an appeal, which the Commercial Court of Appeals, Chamber C, resolved in Papel Prensa's favor, by revoking the injunction on August 31, 2010. On December 7, 2010 the same Chamber C dismissed the appeals filed by the CNV and the National Government before the Supreme Court of Argentina against the Court of Appeals' decision. Both the CNV and the National Government filed direct appeals against such decision.

None of the claims mentioned in the above paragraphs had a material effect on AGEA's financial and economic condition as of December 31, 2012.

II. On January 6, 2010, the SCI issued Resolution 1/2010 whereby certain business practices were imposed on Papel Prensa. Papel Prensa brought a legal action against such resolution on grounds of unconstitutionality before the Federal Court on Administrative Matters and requested an injunction which was granted by the intervening judge. Pursuant to the injunction, the effects of such Resolution were suspended. On May 7, 2010, the Federal Court on Administrative Matters revoked the injunction. Papel Prensa appealed such decision, which was affirmed by the Federal Court of Appeals on Administrative Matters. Papel Prensa filed an appeal against the Court of Appeals' decision. The appeal was denied and Papel Prensa was served notice of that denial on September 1, 2010.

III. Papel Prensa suspended its operations with related parties between March 9 and April 21, 2010 pursuant to an injunction issued on March 8, 2010 by Judge Malde. In his ruling, Judge Malde decided to suspend the Board of Directors' resolution of December 23, 2009, which had approved the terms and conditions of transactions with related parties for the year 2010. On April 21, 2010, the Board of Directors of Papel Prensa, following a proposal made by the court-appointed supervisor (interventor) and co-administrator, approved the resumption of such company's transactions with related parties under provisional conditions for as long as the decision rendered by the Board on December 23, 2009 remained suspended and/or until Papel Prensa's corporate bodies established a business practice to follow with related parties.

Such approval involved suspending the application of volume discounts in connection with purchases made by related parties, which could be recognized in their favor, subject to the court's decision on the appeal filed by Papel Prensa against Judge Malde's injunction of March 8, 2010. As from April 21, 2010, transactions with related parties were resumed under the provisional conditions approved by the Board on April 21, 2010.

At a meeting held on December 23, 2010, Papel Prensa's Board of Directors approved new

conditions that must be fulfilled for the recognition and payment of volume discounts that may be applicable to related parties in connection with purchases of paper made as from April 21, 2010. These new conditions are as follows: (i) the lifting of the provisional suspension of the resolutions adopted by the Board meeting of December 23, 2009, as explained in the previous paragraph, and (ii) the resolution or end, by any means, of any state of uncertainty that may eventually exist about the conditions approved by Papel Prensa's Board in the first item of the agenda of the meeting held on April 21, 2010, as a consequence of the claim brought by the National Government in re "National Government - Secretariat of Domestic Trade - v./ Papel Prensa S.A.I.C.F. y de M. on/ Ordinary", File No. 97,564, currently pending before Federal Commercial Court of First Instance No. 26, Clerk's Office No. 52. Under this proceeding, the National Government seeks to obtain, among other things, a declaratory judgment of nullity of the provisional conditions for the resumption of transactions with related parties in connection with the purchase and sale of paper approved by Papel Prensa's Board in the first item of the agenda of the above mentioned meeting held on April 21, 2010.

Furthermore, at this meeting held on December 23, 2010, Papel Prensa's Board decided to maintain the originally approved sales policy, but to subject the accrual and enforceability, and, consequently, the recognition and payment to the clients, of the eventual volume discounts that may be applicable to them with respect to paper purchases made between January 1, 2011 and December 31, 2011, to a final favorable ruling in the claim brought by Papel Prensa against the constitutionality of SCI Resolution No. 1/2010, or to the final nullification of such Resolution No. 1/2010 in any other way or by any other legal means, whichever happens first. In connection with related parties, the Board approved the same policies and conditions as those approved for the other clients in general.

In a meeting held on December 27, 2011 Papel Prensa's Board of Directors decided to maintain for 2012 the same commercial policies that had been approved for 2011 - under the same terms and conditions mentioned in the previous paragraph - for all of its customers in general (including related parties).

The commercial policy approved by Papel Prensa was affected by Law 26,736 -effective as from January 5, 2012- which declared a matter of public interest the production, sale and distribution of wood pulp and newsprint and set forth the regulatory framework to be adopted by the producers, sellers, distributors and buyers of such inputs. Among other things, the Law set limits and established conditions applicable to Papel Prensa for the production, distribution and sale of newsprint (including a formula to determine the price of paper), and created the National Registry of Producers, Distributors and Sellers of Wood Pulp and Newsprint where all producers, sellers, distributors and buyers shall be registered as a mandatory requirement in order to produce, sell, distribute, and/or purchase newsprint and wood pulp as from the enactment of the Law. It also contains a series of temporary clauses, specifically and exclusively addressed to Papel Prensa, whereby Papel Prensa is forced to make investments to meet the total national demand for newsprint - excluding from this requirement the other existing company that operates in the country with installed capacity to produce this input. The Law also provides for the capitalization of the funds eventually contributed by the National Government to finance these investments for the purposes of increasing the equity interest and the political rights of the National Government in Papel Prensa, contravening public order regulations contained in Law 19,550 and disregarding several constitutional rights and guarantees of Papel Prensa and its private shareholders.

On February 10, 2012 AGEA registered in the National Registry of Producers, Distributors and Sellers of Wood Pulp and Newsprint (Record No. 63 in File No. S01:0052528/12), clearly stating that the decision to register shall not be construed as an acknowledgment or conformity with the legitimacy of Law 26,736, Resolution No. 9/2012 issued by the Ministry of Economy and Public Finance and SCI Resolution No. 4/2012 issued in connection with such Law and/or any other issued in the future, since they seriously affect several rights and guarantees of AGEA which are recognized and protected by the Argentine National Constitution.

IV. On September 12, 2011, the CNV issued Resolution No. 16,647 whereby it rendered irregular and with no effect for administrative purposes the decisions made by Papel Prensa's

Board of Directors at the meetings held on July 20, 2011 and August 5, 2011. At those meetings, the Board of Directors had called two shareholders' meetings, to be held on September 27, 2011 and September 15, 2011, respectively. Notwithstanding the fact that Resolution No. 16,647 was appealed by Papel Prensa and is therefore not final, on September 15, 2011, Commercial Court No. 5, Clerk's Office No. 9, issued an injunction with respect to the Board of Directors' decisions to call the two shareholders' meetings. The injunction had been requested by the shareholders Arte Gráfico Editorial Argentino S.A., Compañía Inversora en Medios de Comunicación (CIMECO) S.A., and S.A. La Nación. Given that the issuance of the injunction had validated Papel Prensa's decision to call the two shareholders' meetings, both were held as originally scheduled. Nevertheless, and based on the above Resolution No. 16,647, on October 13, 2011 the CNV issued Resolution No. 16,671 rendering irregular and with no effect for administrative purposes all of the decisions made at Papel Prensa's Shareholders' Meetings held on September 15, 2011 and September 27, 2011. Papel Prensa filed an appeal against Resolution No. 16,671, which is, therefore, not final. Also based on Resolution No. 16,647, on November 16, 2011, the CNV issued Resolution No. 16,691 whereby the CNV rendered irregular and with no effect for administrative purposes the decisions made at the Board of Directors' Meeting held on October 3, 2011 and the call for the Board of Directors' meeting on November 17, 2011. Such Resolution is not to be deemed final since Papel Prensa filed an appeal and requested its nullification. In this sense, of particular note is that: (i) at the hearing held before Federal Commercial Court No. 26 of First Instance, Clerk's Office No. 52, the National Government, Papel Prensa, AGEA, Compañía Inversora en Medios de Comunicación (CIMECO) S.A. and S.A. La Nación, agreed, among other things, on the composition of the company's corporate bodies, and in particular on the recognition of the authorities appointed by the private shareholders at Papel Prensa's Shareholders' meeting held on September 27, 2011, as well as on the agenda to be addressed at the meeting of Papel Prensa's Board of Directors of October 3, 2011, which had been the subject matter of Resolution No. 16,691; and (ii) at the hearing held in April 2012 before the same Commercial Court the National Government, Papel Prensa, AGEA, Compañía Inversora en Medios de

Comunicación (CIMECO) S.A. and S.A. La Nación, with the assistance of the Argentine Securities Commission, agreed to request the court to order a shareholders' meeting with an agenda substantially similar to that of Papel Prensa's Shareholders' Meeting held on September 27, 2011. The request was granted by the intervening judge and the meeting was scheduled for August 29, 2012. The meeting began on that date but, as a consequence of certain disturbances provoked by the representative of the National Government, the private shareholders that were present at the meeting decided to adjourn it for 48 hours without addressing the agenda. After that, and notwithstanding the resolution adopted at the meeting, on August 31, 2012 Judge O'Reilly decided to order that the adjourned meeting would resume on September 25, 2012. However, the meeting was not held because the Judge subsequently held that the appeals filed against other points of her decision resulted in the suspension of every point of the decision she had rendered, including the new date scheduled for the meeting, even though all appellants had consented to that point. Therefore, the new date of the court-convened meeting that began on August 29, 2012 may not be set until the Supreme Court has rendered its decision about the appeals against Judge O's decision of August 31, 2012. Once that occurs and the file is sent back to the original court, Judge O'Reilly shall set a new date to resume the meeting.

V. On June 6, 2013, the Board of Directors of the CNV issued CNV Resolution No. 17,102, within the framework of the Administrative File No. 1032/10, whereby it required that: (i) certain members of Papel Prensa's Supervisory Committee and statutory auditors be imposed a fine of Ps. 150,000 each; and (ii) Papel Prensa, certain members of its Board of Directors, one member of its Supervisory Committee and the members of its Oversight Board (all of them representatives of Papel Prensa's private shareholders) be imposed a joint and several fine of Ps. 800,000. Papel Prensa and its other current and former officers appealed the fine in due time and form. In the same appeal, they requested an injunction to change the effect of their appeal and suspend the application of the fine. On October 11, 2013, Chamber 5 of the Federal Court on Administrative Matters denied this request, which was considered unnecessary in the light of the settlement of the fine by the claimants, as informed below.

Notwithstanding the above, on June 19, 2013, the Company asked the CNV to suspend the application of the fine until a decision was rendered by the Court of Appeals with respect to the injunction. The request was denied. On June 28, 2013, the fine was paid under protest in order to prevent its coercive enforcement by the CNV; given that, under the new Capital Markets Law No. 26,831, appeals may be admitted without suspension of judgment.

VI. AGEA has not recorded any impact in connection with the foregoing, since its effects shall depend on the final outcome. Such effects are not expected to be material to these financial statements.

Note 11

Regulatory Framework for Audiovisual Communication Services

Until the enactment of Audiovisual Communication Services Law No. 26,522, the installation, operation and acquisition of audiovisual communication services in Argentina were governed by Broadcasting Law No. 22,285. Cable TV activities were regulated and overseen mainly by the COMFER.

Under Law No. 22,285 broadcasting service companies in Argentina required a non-exclusive license from the COMFER in order to operate. Other approvals were also required, including the authorization from municipal agencies. Broadcasting licenses were granted for an initial period of 15 years, allowing for a one-time extension of 10 years. The extension of the license was subject to the approval of the COMFER, which would determine whether or not the licensee had met the terms and conditions under which the license had been granted. Both Cablevisión and its subsidiaries and other subsidiaries of Grupo Clarín that render broadcasting services, hold licenses granted by the COMFER under such Law. Some of Cablevisión's licenses, including its original license (with an extended term that originally expired on March 31, 2006), and the licenses of other subsidiaries, have already been extended for the above-mentioned 10-year term.

On May 24, 2005, Decree No. 527/05 provided for a 10-year-suspension of the terms

then effective of broadcasting licenses or their extensions. Calculation of the terms shall be automatically resumed upon expiration of the suspension term, subject to certain conditions. The Decree required that companies seeking to benefit from the extension submit to the COMFER's approval, within two years from the date of the Decree, programming proposals that would contribute to the preservation of the national culture and the education of the population and a technology investment project to be implemented during the suspension term. COMFER Resolution No. 214/07 regulated the obligations established by Decree No. 527/05 in order to benefit from such suspension. The proposals then submitted were approved and, accordingly, the terms of the licenses originally awarded to Cablevisión, as well as the terms of the licenses to which Cablevisión became the universal successor, and the licenses of other subsidiaries, are currently suspended for ten years.

COMFER Resolution No. 275/09 lifted a suspension of license grants that had been ordered by COMFER Resolution No. 726/00 and approved the Rules governing the licensing of Broadcasting and Supplementary Services by means of a physical link, and set a term to apply for licenses under an abbreviated procedure. Therefore, Cablevisión and certain subsidiaries purchased bidding forms to apply for new licenses through this option in such locations where they had not obtained the suspension of the term ordered by Decree No. 527/05, since the terms of those licenses had expired.

Cablevisión has requested the COMFER's approval of several transactions, including certain company reorganizations and share transfers. The request for approval of the merger of Cablevisión and its subsidiaries (see Note 10.1.d.) is still pending.

The Audiovisual Communication Services Law (Law No. 26,522) was passed and enacted on October 10, 2009, subject to strong concerns over its content and enactment procedure.

Even though the new Law became effective on October 19, 2009, not all of the implementing regulations provided by the law have been enacted. Therefore, Law No. 22,285 still applies with respect to those matters that to date have not been regulated, until all terms and procedures for the regulation of the new law are defined.

The law provides for the replacement of the COMFER with the Audiovisual Communication Services Law Federal Enforcement Authority (AFSCA, for its Spanish acronym) as a decentralized and autarchic agency under the jurisdiction of the Executive Branch, and vests the new agency with authority to enforce the law.

The new law, which governs the audiovisual communication service activities conducted by the Company through its subsidiaries, establishes, among other things:

- A license award and review scheme that grants wide discretion to the Executive Branch and to an Enforcement Authority with questionable composition and powers,
- A 10-year limitation to the terms of licenses, with a one-time non-renewable extension,
- The non-transferability of authorizations and licenses,
- A regulatory framework and registration requirements for signals, production companies and advertising agencies,
- A multiple license scheme that: i) restricts to 10 the number of Audiovisual Communication Service licenses, plus a single broadcasting signal for radio, broadcast TV and subscription cable TV services that make use of the radio spectrum; ii) restricts the licensing of subscription broadcasting services rendered by means of a physical link (cable), limiting the number of licenses to 24; iii) sets forth a further restriction on these services, which may not be provided to more than 35% of all inhabitants or subscribers nationwide; iv) establishes that a broadcast TV signal and a cable TV signal may not be simultaneously exploited in the same location, and v) establishes that broadcast TV networks may only own one cable TV signal. The same applies to cable TV networks, which may only own the so-called “local channel”, which is mandatory for every license
- Mandatory quotas for certain types of content.

Also controversially, the law sets forth retroactive effects by requiring holders of current broadcasting licenses - which were legitimately acquired rights under Law No. 22,285 as amended - to conform to the new law within the term of one year counted as from the time certain mechanisms required for implementation are set in place.

The Executive Branch has regulated most sections of Law No. 26,522 by means of Decree No. 1,225/2010. The most notably arbitrary provision of this decree is the highly discretionary mandatory divestiture system created to implement Section 50 of the Audiovisual Communication Services Law (LSCA). This system has evident confiscatory effects.

It is publicly known that several concerns have been expressed about this law, since it has defects that render it unconstitutional; it seriously damages the development of the audiovisual industry and it restricts fundamental freedoms. Grupo Clarín and its main subsidiaries made court filings in this sense which gave rise to the provisional suspension of section 161 of the Audiovisual Communication Services Law until a final decision was rendered.

On December 14, 2012 the Company was served with the decision rendered by the Court of First Instance on the merits of the case in re “Grupo Clarín S.A. and Other v. the Executive Branch on Declaratory Action” (File 119/10). The judge recognized the standing of the plaintiffs as license holders, but rejected the unconstitutionality claim with legal costs imposed on claimants. An appeal was filed in due time and form and is now pending before the Court of Appeals.

On April 17, 2013, Chamber 1 of the National Court of Appeals on Federal Civil and Commercial Matters rendered a decision on the merits of the case, whereby it:

i) Confirmed the dismissal of the exception of lack of standing brought in connection with Grupo Clarín and Teledigital.

ii) Dismissed the claim of unconstitutionality brought by the claimants against:

- a. Section 41 of the Audiovisual Communication Services Law, which provides that licenses are not transferable, with an exceptional procedure for the transfer of shares or quotas of licensees;
- b. Section 161 of the Audiovisual Communication Services Law, which requires existing licensees to conform to the new Law;
- c. Section 45, point 1, subsection a), which limits subscription television licenses on satellite support to one license per holder, nationwide;
- d. Section 45, point 1, subsection b), which

limits audiovisual communication services licenses that make use of the radio spectrum to 10 licenses per holder, nationwide, except for the provision that limits content signals to one per holder, which was deemed unconstitutional; e. Section 45, point 2, subsection a), which limits AM broadcast radio licenses to one license per holder per locality; and f. Section 45, point 2, subsection b) which limits FM broadcast radio licenses to one license per holder per locality, except for localities with more than eight FM stations, where holders are entitled to two licenses.

The Court of Appeals also declared that claimant has a right to be compensated for damages that may result from the mandatory divestment as a consequence of the limitations set forth under point ii. c), d), e) and f);

iii) Declared the unconstitutionality of the following provisions:

- a. Section 45, point 1, subsection c), which limits licenses for the exploitation of audiovisual communication services by subscription with physical link to 24 licenses per holder, nationwide;
- b. Section 45, final paragraph, which provides that services provided by one licensee may not reach more than 35% of the aggregate national population or nationwide subscribers;
- c. Section 45, point 2, subsections c) and d), which provides that holders of a broadcast television license may not simultaneously hold a subscription television service license in the same locality;
- d. Section 45, final paragraph, which limits licenses granted in the same primary service area or group of overlapping primary service areas to three licenses per holder; and
- e. Section 45, point 3, which provides that broadcast television licensees may only own one cable television signal and cable television service licensees may only own a single signal generated by such providers themselves.

The Court ordered the inapplicability of the provisions detailed under iii. a), b), c), d) and e), above, to the licenses exploited by claimant.

iv) Declared the unconstitutionality of section 48, second paragraph, which provides that the multiple license regime set forth under the Audiovisual Communication Services Law may not be alleged as an acquired right in light of

any future amendments relating to deregulation, demonopolization or antitrust.

v) Rejected the claim for damages as claimed under this case-file.

vi) Revoked the decision rendered in the first instance regarding the repeal of the injunction granted in favor of the claimants until a final decision is rendered.

Both parties appealed the decision rendered by the National Court of Appeals on Federal Civil and Commercial Matters, and the case was submitted to the Supreme Court of Argentina.

On December 17, 2012, the Company was served notice of AFSCA Resolution No. 2276/2012 (File No. 1395-AFSCA/2012), whereby AFSCA decided to initiate the ex-officio transfer procedure, ordered the appraisal by Court of Appraisals of Argentina of the licenses and the essential assets related to the various broadcasting services and ordered the Company to respond, within the framework of that procedure, to a request for information about the licenses and/or services it owned directly or indirectly. The Company appeared before AFSCA and challenged its resolution because it violates the injunction granted and extended by Chamber No. 1 of the National Court of Appeals on Federal Civil and Commercial Matters. The Company also made a presentation in re “Grupo Clarín S.A. and Others on preliminary injunctions” to report these circumstances. Consequently, on June 27, 2013, Chamber No. 1 of the Court of Appeals ordered in re “Grupo Clarín S.A. and other v. National Executive Branch and others on failure to comply with injunction” (File No. 4777/2012) that AFSCA suspend its proceedings (File No. 1395-AFSCA/2012) and refrain from taking any action or initiating any similar or identical proceeding based on Section 161 and/or its regulations during the effectiveness of said injunction.

On October 29, 2013 the Company was served with a decision rendered by the Supreme Court of Argentina which ordered (i) to revoke the decision rendered by the National Court of Appeals on Federal Civil and Commercial Matters on April 17, 2013 (the “Decision”) to the extent that it declared the unconstitutionality of Section 45, part 1, subsection “c” and final paragraph; part 2,

subsections “c” and “d” and final paragraph; part 3 in its entirety; and part 1, subsection “b”, with respect to the limitation to holding registered title to a single content signal, and Section 48, second paragraph, Law No. 26,522 and (ii) to confirm the Decision to the extent it rejected the claim for damages as brought under the case file.

The Company believes that the challenged Sections -as held by the three dissenting opinions- not only contradict the principles of the Argentine National Constitution, but also those of the American Convention on Human Rights (Pact of San José de Costa Rica), as well as recent precedents of the Inter-American Commission on Human Rights, the Inter-American Court of Human Rights and the Special Rapporteurship for Freedom of Expression of the Organization of American States. The claimant companies will analyze bringing an appeal before international courts to challenge those sections that entail an indirect act of censorship, that silence and discriminate against critical media, and violate acquired rights.

In addition, as provided in the Court’s ruling, the Company will continue to litigate in local courts all the aspects related to the discretionary and selective application of the law by the national government.

On October 31, 2013, even before the deadline to enforce the decision rendered by the Supreme Court of Argentina in re “Grupo Clarín S.A. and Others v. National Executive Branch and other re: Merely Declarative Action” (File 119/10), the Company and some of its subsidiaries were again served with AFSCA Resolution No. 2276/2012 issued by the president of that agency on December 17, 2012 within the framework of File No. 1395-AFSCA/2012. Resolution No. 2276/2012 provides for an ex-officio proceeding to conform the Company and some of its subsidiaries to the provisions of the Audiovisual Communication Services Law. The Company and its legal advisors believe that this resolution is absolutely null and void and have filed an appeal to have it revoked.

Faced with the de-facto proceedings that sought to dispossess the Company of its licenses and assets through an ex-officio procedure, on November 4, 2013 the Company submitted to AFSCA and to the Supreme Court of Argentina

a voluntary proposal to conform to the Audiovisual Communication Services Law pursuant to section 161 of the LSCA, approved by Grupo Clarín’s Board of Directors on November 3, 2013, in an attempt to avoid the forced divestiture of its assets by AFSCA. This is also the least desirable decision, because it contradicts Grupo Clarín’s historical strategy of maintaining the necessary integration and strength. The voluntary proposal -which does not interrupt any of the judicial actions brought by the Company to defend its rights- was submitted together with a request that the decision rendered by the Supreme Court of Argentina be complied in full. That is, requesting the involvement of an independent unbiased enforcement authority with technical expertise, which may ensure a transparent and egalitarian treatment in the enforcement of the law.

Upon review of the voluntary proposal, AFSCA issued Resolution No. 1471/2013 whereby it suspended the Ex-Officio Transfer Procedure commenced through AFSCA Resolution No. 2276/2012 and stated that it would refrain from pursuing any administrative proceedings in that regard.

The voluntary proposal presented by the Company is summarized as follows: The assets of the Company and its group of companies governed by Law No. 26,522 will be divided into six units of audiovisual communication services. Each of the units of audiovisual communication services will have no corporate relationship with the others. This way, each will conform individually to the provisions of Sections 45 and 46 of the Audiovisual Communication Services Law and its regulations, and will be divided according to the following detail: (i) Unit I: composed by (a) ARTEAR, owner of the signal of Canal 13 of Buenos Aires and the news signal TN (Todo Noticias). ARTEAR will also maintain its interest in (i) Telecom, holder of the license of Canal 12 of Córdoba and (ii) Bariloche TV, holder of the license of Canal 6 of Bariloche. (b) Radio Mitre, which will maintain the frequencies AM 790 and FM 100 in Buenos Aires, AM 810 and FM 102.9 in Córdoba, and FM 100.3 in Mendoza; and (c) certain assets, liabilities, rights and obligations to be spun off from Cablevisión (“Cablevisión Spinoff 1”), which will include 24 local licenses for physical link subscription television services, in cities where there is no incompatibility with broadcast TV. (ii) Unit II:

composed by the surviving Cablevisión which will continue to carry out the business activities and operations of Cablevisión with all the assets, liabilities, rights and obligations that are not spun off from Cablevisión. It will include 24 licenses for physical link subscription television services. (iii) Unit III: composed by Cablevisión Spinoff 2 which will include assets, rights and obligations to be spun off from Cablevisión, including 18 licenses for physical link subscription television services and 1 license for radio-electric link subscription television services. (iv) Unit IV: (a) composed by IESA, owner of the signals TyC Sports and TyC Max; (b) the signals El 13 Satelital, Magazine, Volver, Quiero Música en mi Idioma, Canal Rural and Metro-the latter involves only the registration for its commercialization-. (v) Unit V: held by an individual or legal entity that will not maintain a corporate relationship with Radio Mitre, its controlling companies, subsidiaries and/or controlled companies, and which shall hold: (a) one sound frequency modulation broadcasting service for the City of San Miguel de Tucumán-FM 99.5, (b) one sound frequency modulation broadcasting service for the City of San Carlos de Bariloche-FM 92.1, (c) one sound frequency modulation broadcasting service for the City of Santa Fe-FM 99.3, and (d) one sound frequency modulation broadcasting service for the City of Bahía Blanca-FM 96.5. (vi) Unit VI: held by an individual or legal entity that will not maintain a corporate relationship with ARTEAR, its controlling companies, subsidiaries and/or controlled companies, and which shall hold one broadcast television license for the City of Bahía Blanca, Province of Buenos Aires-LU81 TV Canal 7-and an equity interest in Cuyo Televisión S.A., holder of one broadcast television license in Mendoza-LV83 TV Canal 9 Mendoza-. Said proposal contemplates that the Company will continue to own, directly or indirectly, only one of the audiovisual communication service Units (among those defined as Unit I and Unit II) of the six that were described above.

The proposal will contemplate the necessary reservations to safeguard the rights of the Company, among which we may mention the following: the reservation to bring the judicial actions that may correspond in connection with the claim for economic damages caused to the Company and its subsidiaries as a consequence of their adjustment to conform

to the law; the reservation to challenge the conformity of Sections 41, 45, 48 and 161 of Law No. 26,522 to international conventions before the Inter-American Commission on Human Rights, the Inter-American Court of Human Rights and other competent International Courts; the reservation to challenge judicially the current composition of AFSCA for not conforming to the provisions of Law No. 26,522 and for not being a technical and independent agency protected against undue interferences from the State.

In order to consolidate the number of subscription television licenses for the purposes of conforming Cablevisión to the Audiovisual Communication Services Law conforming plan, the Company applied the coverage area extension mechanism provided under section 45 of Decree No. 1225/2010 in accordance with the criterion approved by AFSCA in the Minutes of its Board of Directors' Meeting No. 32/2012. The implementation of the proposal will necessarily involve a series of transactions that will require in some cases a statement of intention from the shareholders that are not related to Grupo Clarín.

It should be noted that the proposal provides that the three units that will result from the adjustment of Cablevisión (Surviving Cablevisión, Cablevisión Spinoff 1 and Cablevisión Spinoff 2) will each have a market share lower than the limit established by the law.

The proposal also includes other regulatory authorizations required for its implementation (CNV, IGJ, AFIP, SECOM, CNDC, among others) as well as the request to be excluded from the scope of the taxes applicable to the transactions required to implement the proposal.

The Company and its subsidiaries have always abided by the laws and respected the decisions of the judiciary: all of the judicial claims brought by the Company since the enactment of Law No. 26,522 had the purpose of preserving the assets of the Company and of its shareholders under the firm conviction that the current structure of Grupo Clarín is the most efficient, both from the operational and the economic perspective, for its shareholders, employees, customers, suppliers and the community as a whole. The Board understands that the Company has presented the alternative that most mitigates the damages caused by having

to comply with the Supreme Court decision, taking into consideration what the Board believes to arise clearly from the multiple license regime and the admissibility conditions provided by Law No. 26,522.

Once it is declared formally admissible by AFSCA, which occurred on February 18, 2014, as mentioned under Note 25.d, the implementation of the proposal requires the intervention of other governmental and oversight agencies and the approval of the shareholders at the respective Shareholders' Meetings in order to carry out the restructuring and the transfer of licenses, assets, liabilities and operations to third parties, which must then receive final approval from AFSCA by means of an act that declares that the process has been duly completed.

The implementation of this proposal, if approved without any changes as presented by the Company, which mainly consists in the transfer of assets, may entail a strong reduction of its operating income and its profitability in the Cable Television and Internet Access segment and/or a strong reduction of its operating income and profitability of the Broadcasting and Programming segment, depending on the choices made by the Company. The above-mentioned considerations and the limits to the growth of Grupo Clarín imposed by this law, against world trends and against legitimately acquired rights, will surely have an impact on the potential value of Grupo Clarín. The proposal's implementation process and the results that may eventually occur will depend on a series of approvals and decisions from regulatory agencies, the Company and the subsidiaries involved (including the respective shareholders) and from all the parties involved in this process, which has just began.

A scenario different from the one considered by the Company and its subsidiaries, additional limitations to those contemplated in its voluntary conforming proposal and/or a forced divestiture process may give rise to different results and, eventually, adverse consequences. As of the date of these financial statements and given the current uncertainties regarding the effective evolution of the process of conforming the Company and its subsidiaries to the Audiovisual Communication Services Law, the existing restrictions imposed by the regulatory

framework and the conditions in which these processes will be effectively carried out, the Company cannot provide assurance about the final value to be obtained as a result of the divestiture or about the results of that process.

In this sense, it should be noted that the decision rendered by the Supreme Court of Argentina on October 29, 2013 expressly states the claimant companies' right to claim economic damages caused to the Company and its subsidiaries as a consequence of the adjustment to conform to the law. Accordingly, under the proposal submitted to AFSCA on November 4, 2013 the Company expressly reserved its right to bring judicial actions to claim for those damages.

Additionally, AFSCA issued Resolution No. 432/2011, whereby it approved new bidding terms and conditions for the granting of licenses for physical link television services.

Cablevisión complied with AFSCA Resolution No. 296/2010, which provides guidelines for the organization of the programming grid that must be followed by the owners of pay TV audiovisual services. This resolution regulates section 65, subsections a) and b) of Law No. 26,522. The Resolution supplements the provisions of the regulations to the same section of Decree No. 1,225/2010. Cablevisión believes that both the provisions of Decree No. 1,225/2010 and AFSCA Resolution No. 296/2010 are regulatory abuses and violate the right to freedom of the press, guaranteed by the National Constitution.

In spite of Cablevisión's efforts to organize its programming grids in accordance with the provisions of section 65 of Law No. 26,522, AFSCA has initiated multiple summary proceedings in connection with the cable television licenses of which Cablevisión is the lawful successor. AFSCA contends that Cablevisión failed to comply with the regulations set forth by AFSCA Resolution No. 296/2010. Cablevisión submitted the responses set forth under section 1, Exhibit II of AFSCA Resolution No. 224/2010 in connection with such accusations. A decision has been rendered on some of the summary proceedings and, as a result, a fine was imposed on Cablevisión. Cablevisión has appealed these decisions. Some of the appeals filed by Cablevisión have been decided against it and have again been appealed.

Insofar as Cablevisión is concerned, as of the date of these financial statements, an injunction issued in re “CABLEVISIÓN S.A. v. NATIONAL GOVERNMENT AND OTHERS ON COMPLAINT FOR THE PROTECTION OF CONSTITUTIONAL RIGHTS” by the Federal Court of Appeals of the City of Mar del Plata, whereby that Court revoked the decision rendered in the First Instance, remains in full force and effect. The decision rendered in the First Instance had ordered the dismissal of Cablevisión’s request. The Court of Appeals ordered AFSCA to suspend - until a final decision was rendered on the matter - the application of the penalties derived from the alleged non-compliance with section 65 of Law No. 26,522 and Decree No. 1,225/2010. It also suspended the application of section 6 of AFSCA Resolution No. 296/2010 on the grounds that Cablevisión’s alleged serious non-compliance was not contemplated in the Law or in the Decree. The National Government filed an appeal with the Supreme Court against this decision. Such appeal is still pending resolution.

In re “AFSCA v. CABLEVISION SA Decree 1225/10 - RES. 296/10 on/ Proceeding leading to a declaratory judgment” currently pending before the Federal Court of First Instance on Administrative Matters No. 9, on May 16, 2012 the Court granted an injunction that had been requested by AFSCA, ordering Cablevisión and/or the pay television audiovisual services it exploits, to conform to Section 65, paragraph 3 b) of Decree No. 1225/2010 and Sections 1, 2, 3, 4 and 5 of AFSCA Resolution No. 296/2010, until a final judgment is rendered on the merits of the case. Cablevisión has appealed such injunction.

On August 6, 2012, Cablevisión was served notice of a decision rendered by the Federal Court of First Instance on Administrative Matters No. 9 of the City of Buenos Aires, whereby that court imposed a fine on Cablevisión of Ps. 20,000 per day for each day of delay in complying with the injunction that ordered Cablevisión to comply with Section 65 of Decree No. 1225/2010 and AFSCA Resolution No. 296/2010. Cablevisión filed an appeal against that decision in due time and form. However, the Court of Appeals ignored the strong grounds asserted by Cablevisión; partially confirmed the decision rendered in the

first instance; and reduced the fine to Ps. 2,000 per day for each day of delay, to be calculated as from the date the decision is deemed final. That decision was appealed before the Supreme Court of Argentina and is still pending resolution. On October 21, 2013 Cablevisión was served with new charges brought for alleged noncompliance with AFSCA Resolution No. 0296/2010. These charges are in clear breach of the injunction. Accordingly, Cablevisión filed an appeal.

Between September and October 2011, AFSCA brought 46 charges of delegation of the exploitation of several licenses of which Cablevisión is currently the legal successor. The charges were brought within the framework of COMFER file No. 2,005/08, relating to the registration of the corporate reorganization whereby Multicanal and Teledigital, among other subsidiaries, merged into Cablevisión. Cablevisión has submitted the appropriate responses on behalf of the merged licensees charged as indicated above. To date such responses have not been decided upon. Cablevisión believes it has strong grounds to reverse the charges brought by administrative and/or judicial means. As of the date of these financial statements, the responses submitted are still pending resolution.

On August 21, 2013, AFSCA issued Resolution No. 979/AFSCA/2013 whereby it partially regulated Section 67 of the Audiovisual Communication Services Law, ordering the licensees governed by such provision, including broadcast television signals and subscription television signals generated by service providers themselves, to report in the form of an affidavit the list of national feature films and telefilms for which they have acquired broadcasting rights, and ordering that these films be broadcast. For that purpose, AFSCA created a form of AFFIDAVIT that must be filed during the first quarter of each calendar year with respect to the preceding calendar year, so that the affidavits may be used to keep a record, together with an on-line record, of each company’s compliance with that provision. The screening quota ordered pursuant to Section 67 of the Audiovisual Communication Services Law creates an obligation to broadcast as television premiers each year at least eight (8) national feature films, with the option to include among these up to three (3) national telefilms, in both cases produced mainly by national independent

producers whose broadcasting rights have been purchased prior to shooting. Subscription television licensees and broadcast television service licensees that account for a coverage area of less than twenty percent (20%) of the country's population may choose to comply with the required screen quota by acquiring, prior to shooting, the broadcasting rights over national feature films and telefilms produced by national independent producers, for a value equal to zero point fifty per cent (0.50%) of their annual gross revenues in the preceding year. The partial regulation of Section 67 under Decree No. 1225/2010 also provided that in order to facilitate the acquisition of broadcasting rights, the National Institute of Film and Audiovisual Arts -INCAA, for its Spanish acronym- would create a registry of national feature films and telefilms produced by national independent producers that may be acquired. That registry will be published on the INCAA website in real time. AFSCA Resolution No. 979/AFSCA/2013 provides that the licensees governed by Section 67 of Law No. 26,522 may acquire broadcasting rights from the registry created pursuant to INCAA Resolution No. 151-INCAA/13, which may be accessed through the website www.incaa.gob.ar. Resolution No. 979/AFSCA/2013 allows for the possibility to broadcast feature films that were not acquired prior to shooting, when such option is grounded on the impossibility to do so due to the time it takes to go from shooting to broadcasting. The insufficient and recent regulation of Section 67 of the Audiovisual Communication Services Law allows one to assume that in the first quarter of the coming year, licensees will only be under the obligation to inform the acquisition of broadcasting rights to be screened after the issuance of Resolution No. 979/AFSCA/2013, and that licensees will necessarily invoke the exception provided for the broadcast of feature films that have already been shot. Section 67 of the Audiovisual Communication Services Law, which sets screen quotas, may be deemed unreasonable and, therefore, unconstitutional.

Even though Grupo Clarín's subsidiaries have challenged the validity or constitutionality of some regulations imposed by the Enforcement Authority, they have fully complied with the required procedures only in the event that such

requirements may be considered valid, for the purposes of safeguarding their rights.

The considerations mentioned in this note generate uncertainties about the business of the Company and its subsidiaries that could significantly affect the recoverability of the Company's relevant assets.

The decisions made on the basis of these financial statements should consider the eventual impact of the above-mentioned situations. The financial statements of the Company and its subsidiaries should be read in the light of this uncertain environment.

Other Matters Related to the COMFER, now AFSCA.

Cablevisión

As from November 1, 2002 and until December 31, 2013, the COMFER and AFSCA initiated summary administrative proceedings against Cablevisión and Multicanal (merged into Cablevisión) for infringements of regulations regarding the content of programming. Accordingly, a provision has been set up in this regard.

ARTEAR

As of December 31, 2013, ARTEAR recorded a provision in the amount of approximately Ps. 8.6 million for fines imposed by the COMFER and AFSCA, some of which have been appealed and are pending resolution.

Note 12

Capital Stock Structure

Upon the Company's public offering during 2007, the capital stock amounted to Ps. 287,418,584, represented by:

75,980,304 Class A common, registered, non-endorsable shares, with nominal value of Ps. 1 each and entitled to 5 votes per share.

186,281,411 Class B book-entry common shares, with nominal value of Ps. 1 each and entitled to 1 vote per share.

25,156,869 Class C common, registered, non-endorable shares, with nominal value of Ps. 1 each and entitled to 1 vote per share.

On October 5 and 11, 2007, the CNV and BCBA, respectively, granted authorization for the Company's admission to the initial public offering of its capital stock. Said authorizations contemplated (i) the public offering of its Class B book-entry common shares, (ii) the listing of its Class B book-entry common shares, and (iii) the listing of its registered non-endorable Class C common shares, trading of which was suspended due to restrictions on transfers set forth by the Bylaws. Also in the last quarter of 2007, the Company was granted authorization for the listing of its GDSs in the LSE. Each GDS represents two of the Company's Class B common shares.

Note 13

Long-Term Savings Plan for Employees

During the last quarter of 2007, the Company, together with its subsidiaries, began to implement a long-term savings plan for certain executives (directors and managers comprising the "executive payroll"), which became effective in January 2008. Executives who adhere to such plan undertake to contribute regularly a portion of their salary (variable within a certain range, at the employee's option) to a fund that will allow them to strengthen their savings capacity. Each company of the Group where those executives render services will match the sum contributed by such executives. This matching contribution will be added to the fund raised by the employees. Under certain conditions, the employees may access such funds upon termination of their participation in the long-term savings plan.

Said plan provides for certain special conditions for those managers who were in the "executive payroll" before January 1, 2007. Such conditions consist of supplementary contributions made by each company to the plan related to the executive's years of service with the Group. As of December 31, 2013, such supplementary contributions made by

the Company on a parent company only basis amount to approximately Ps. 10 million, and the charge to income is deferred until the retirement of each executive.

During 2013, and in view of the current environment, certain changes were made to the savings system, though maintaining in its essence the operation mechanism and the main characteristics with regard to the obligations undertaken by the company.

Pursuant to IAS No. 19, the above-mentioned savings plan qualifies as a Defined Contribution Plan, which means that the companies' contributions shall be charged to income on a monthly basis as from the date the plan becomes effective.

Note 14

Financial Instruments

14.1 Financial Risks Management

Grupo Clarín is a party to transactions involving financial instruments, which entail exposure to market, currency and interest rate risks. The management of these risks is based on the particular analysis of each situation, taking into account its own estimates and those made by third parties of the evolution of the respective factors.

14.1.1 Capital Risk Management

Grupo Clarín manages its capital structure seeking to ensure its ability to continue as an ongoing concern, while maximizing the return to its shareholders through the optimization of debt and equity balances.

As part of this process, Grupo Clarín monitors its capital structure through the debt-to-equity ratio, which is equal to the quotient of its net debt (Debt less Cash and Cash Equivalents) divided by shareholders' equity.

The debt-to-equity ratio for the year ended December 31, 2013 and 2012 is as follows:

	December 31, 2013	December 31, 2012
Loans (i)	691,884	62,084,479
Less: Cash and Cash Equivalents		
- Cash and Banks	(7,959,791)	(5,251,306)
- Other Current Investments	(149,294,148)	(7,742,929)
Net Debt	(156,562,055)	49,090,244
Shareholders' Equity	4,729,908,305	4,090,030,112
Debt-to-Equity Ratio	(0.03)	0.01

(i) Long-term and short-term loans, including derivatives and financial guarantee agreements.

Since Grupo Clarín is a holding company, the measurement of this ratio on the Company's parent company only balances is not relevant.

14.1.2 Categories of Financial Instruments

	December 31, 2013	December 31, 2012
Financial Assets		
Loans and Receivables ^{(1) (2)}		
- Cash and Banks	7,959,791	5,251,306
- Current Investments	6,774,979	572,684
- Other Receivables	67,291,553	23,664,987
At fair value with an impact on net income		
- Current Investments	142,519,169	7,170,245
Total Financial Assets	224,545,492	36,659,222

	December 31, 2013	December 31, 2012
Financial Liabilities		
At amortized cost		
- Debt ⁽³⁾	691,884	62,084,479
- Accounts Payable and Other Liabilities ⁽⁴⁾	37,471,192	26,498,650
Total Financial Liabilities	38,163,076	88,583,129

(1) Net of the allowance for doubtful accounts of Ps. 28.9 million and Ps. 28.0 million, respectively.

(2) Includes receivables with related parties of Ps. 66.6 million and Ps. 23.0 million, respectively.

(3) Debts with related parties.

(4) Includes debts with related parties of Ps. 1.0 million and Ps. 1.4 million, respectively.

14.1.3 Objectives of Financial Risk Management

Grupo Clarín monitors and manages the financial risks related to its operations; these risks include market risk (including exchange risk, interest rate risk and equity price risk), credit risk and liquidity risk.

Grupo Clarín does not enter into financial instruments for speculative purposes as common practice. As of December 31, 2013 and 2012, the Company was not a party to agreements involving derivatives.

14.1.4 Exchange Risk Management

Grupo Clarín enters into foreign currency transactions; therefore, it is exposed to fluctuations of exchange rates.

The Company does not currently enter into foreign exchange hedging transactions to manage foreign currency fluctuation risk. In case the Company enters into such transactions, it cannot assure that those operations will protect its financial position from the eventual negative effect of exchange rate fluctuations.

The following table shows the monetary assets and liabilities denominated in foreign currency (US dollars) at the closing of the year ended December 31, 2013 and 2012:

	USD December 31, 2013	USD December 31, 2012
Assets		
Current Assets		
Cash and Banks	61,169	59,361
Other Investments	20,167,320	1,586,666
Total Current Assets	20,228,489	1,646,027
Total Assets	20,228,489	1,646,027

Bid/offered exchange rates as of December 31, 2013 and 2012 were of Ps. 6.48 and Ps. 4.88; and Ps. 6.52 and Ps. 4.92; respectively.

The Central Bank of Argentina and the Argentine Federal Revenue Service issued certain resolutions related to the exchange market, establishing regulations on the requirements for accessing such market. These financial statements have been prepared based on the assumption that the Company will be able to access such market in order to purchase the foreign currency needed to meet its obligations.

14.1.4.1 Foreign Exchange Sensitivity Analysis

Grupo Clarín is exposed to exchange risk, mainly with respect to the US dollar.

The following table shows the Company's sensitivity to an increase in the exchange rate of the US dollar. The sensitivity rate represents Management's assessment of the possible reasonable changes in exchange rates. The sensitivity analysis only includes the outstanding monetary items denominated in foreign currency and adjusts its translation at the end of the year with a 20% increase in the exchange rate, assuming that all the remaining variables remain constant.

	Effect in Ps. December 31, 2013	Effect in Ps. December 31, 2012
Net Income	26,216,121	1,606,522

The sensitivity analysis presented above is hypothetical since the quantified impact is not necessarily an indicator of the actual impact, because exposure levels may vary over time.

Additionally, even though Grupo Clarín conducts its operations in Argentine pesos, an eventual devaluation of that currency may have an indirect impact on its operations, depending on the ability of the relevant suppliers to reflect that effect on their prices.

14.1.5. Interest Rate Risk Management

At the closing of the year, the Company does not have any financial liabilities with variable interest rates. However, a substantial increase in interest rates may limit the Company's ability to access financing.

	December 31, 2013	December 31, 2012
Payable on Demand	151,213,501	12,994,235
Without any established term	64,039,382	23,376,815
To fall due		
- Up to three months	9,292,609	288,172
	224,545,492	36,659,222

14.1.7. Liquidity Risk Management

The Board of Directors is ultimately responsible for liquidity management. Accordingly, it has established an adequate framework to manage liquidity so that Management can meet short, medium and long-term financing requirements, as well as the Company's liquidity management. The Company manages liquidity risk maintaining an adequate level of reserves, financial facilities and loans, monitoring on an ongoing basis projected cash flows against actual cash flows and reconciling the maturity profiles of financial assets and liabilities.

	Long-Term Debt	Accounts Payable and Other Liabilities	Total as of December 31, 2013
Without any established term	691,884	6,215,977	6,907,861
To fall due			
Up to three months	-	11,116,182	11,116,182
- More than three months and up to six months	-	20,139,033	20,139,033
	691,884	37,471,192	38,163,076

14.1.6. Credit Risk Management

Credit risk is defined as the risk that one of the parties may breach its contractual obligations, generating an eventual financial loss for Grupo Clarín. The Company renders services solely to companies of the same economic group. The credit risk on liquid funds is limited due to the fact that the counterparties are banks with high credit ratings issued by credit rating agencies.

The following table details the maturities of the Company's financial assets as from the closing of the reporting year. The amounts disclosed in the table are the undiscounted contractual cash flows.

14.1.8. Interest Rate Risk and Liquidity Risk Table

The following table details the maturities of the Company's financial liabilities as from the closing of the reporting year. The amounts disclosed in the table are the undiscounted contractual cash flows.

14.1.9. Financial Instruments at Fair Value

The following table shows Grupo Clarín's financial assets and liabilities measured at fair value at the closing of the reporting year:

	December 31, 2013	Quoted Prices (Level 1)	Other Significant Observable Items (Level 2)
Assets			
Current Investments	142,519,165	12,569,479	129,949,690

	December 31, 2012	Quoted Prices (Level 1)	Other Significant Observable Items (Level 2)
Assets			
Current Investments	7,170,245	-	7,170,245

Financial assets are valued using quoted prices for identical assets and liabilities (Level 1), or the prices of similar instruments arising from sources of information available in the market (Level 2). As of December 31, 2013 and 2012, the Company did not have any asset or liability for which a comparison had not been conducted against observable market data to determine their fair value (Level 3).

14.1.10. Fair Value of Financial Instruments

The book value of cash and banks, accounts receivable and short-term liabilities is similar to the fair value since these are instruments with short-term maturities.

As of December 31, 2013 and 2012, the Company did not have long-term financial liabilities.

14.1.11 Considerations about the Economic Environment

The economic environment in which the Company operates has been recently affected, and especially after the closing date of these financial statements, by a devaluation of the Argentine peso with respect to the US Dollar of approximately 20%, by the acceleration in inflation levels and by a decrease in the Central Bank's international reserves.

Note 15

Covenants, Sureties and Guarantees provided

a. Note 5.12 to the consolidated financial statements sets forth certain restrictions to which Cablevisión (by itself and as the surviving company and successor to Multicanal's operations after the merger), PRIMA and AGEA are subject under their respective financial obligations described in such note.

b. IESA is subject to contractual restrictions on the transfer of its equity interest in TRISA and Tele Net Image Corp.

c. During the year 2009, AGR purchased a binding machine on credit. To secure the transaction, AGR granted the supplier a pledge over the machine. AGR granted joint and several guarantees for the loans granted by Banco de Inversión y Comercio Exterior and Standard Bank Argentina S.A. to Artes Gráficas del Litoral S.A.

d. On May 27, 2010, the subsidiary CMD executed a mortgage agreement on a building of its property securing the payment of the obligations under the loan with Banco de la Ciudad de Buenos Aires mentioned in Note 5.12.6 to the consolidated financial statements.

e. On September 25, 2012, GCGC executed a mortgage agreement on a building of its property securing the payment of the obligations under the loan with Banco de la Ciudad de Buenos Aires mentioned in Note 5.12.3 to the consolidated financial statements. Grupo Clarín acts as guarantor of said financing.

f. On October 12, 2012, the Company executed an agreement securing the payment of the obligations under a loan taken by GCGC with Standard Bank Argentina mentioned in Note 5.12.3 to the consolidated financial statements.

g. In December 2013, SHOSA executed an agreement with Banco Itaú Argentina S.A. securing the payment of financing transactions of Grupo Clarín's subsidiaries in the amount of approximately USD 8.9 million with a term deposit maturing in August 2014.

h. The Company executed agreements with a local bank to secure the payment of certain financing transactions of AGEA by pledging a term deposit of Ps. 6 million, which matures on January 20, 2014.

i. In December 2013, GCSA Investments, Vistone and SHOSA executed agreements with Itaú Unibanco S.A., New York branch, for the purpose of securing a financing transaction of a subsidiary of the Group with term deposits held in escrow at such bank in the aggregate amount of USD 31.6 million, which mature in July 2014.

Note 16

Changes in the Company's Interests

a. In April 2008, AGEA assigned to the Company 54.5% of its rights and obligations derived from the call option described in Note 16.b. On that date, the Company exercised such call option, acquiring shares that accounted for 27.3% of CIMECO's capital stock.

b. During 2007, AGEA increased its interest in CIMECO from 33.3% to 50.0%, and executed call and put options on an additional interest in CIMECO's capital stock. During 2008, AGEA partially assigned the rights and obligations

arising from such options to its subsidiary AGR and to the Company. Subsequently, in 2008, AGEA, AGR and the Company exercised such call option, increasing, directly and indirectly, the Company's equity interest in CIMECO and Papel Prensa to 100% and 49%, respectively.

On April 10, 2008, the Company and the parties to the above-mentioned transaction notified CNDC of such transaction and on May 12, 2008 filed form F-1. After such notice and as of the date of these financial statements, the Company submitted additional information requested by the CNDC. As of the date of these financial statements, the above transaction is subject to administrative approvals.

c. On January 11, 2008, IESA acquired the controlling interest of a group of companies mainly engaged in sports journalism, production and commercialization of shows, and the production of motor racing television broadcasting. The share purchase agreement sets forth certain objectives to be met by such group of companies. In case of breach of such provision, the sellers shall have to pay an indemnification. These transactions are subject to administrative approvals.

d. On September 2, 2008, ARTEAR increased its equity interest in Pol-Ka and SB Producciones S.A. to 55% of such companies' capital stock and votes, thus acquiring a controlling interest in both companies, in which it previously exercised common control. These transactions are subject to administrative approvals.

e. On February 10, 2011, CMD sold to a third party all of its shares of Dinero Mail, for approximately USD 4.4 million in cash; part of the price was withheld as guarantee.

f. On August 17, 2011, CMD executed a stock purchase agreement, whereby it increased by 20% its interest in Interpatagonia S.A. (now Interwa S.A.), where it now holds 80% of the capital stock. CMD paid approximately Ps. 4.3 million in consideration for the shares.

g. On October 3, 2011 the Company's subsidiary AGR acquired 65.46% of the capital stock and votes of Cúspide Libros S.A. and 2.40% of the capital stock and votes of Librerías Fausto S.A.C.E.I. (controlled by Cúspide

Libros S.A.). The transaction amounted to USD 2.8 million and Ps. 3.8 million.

i. On July 15, 2012, subject to the fulfillment of certain conditions precedent, each of Cablevisión's Paraguayan subsidiaries (Cable Visión Comunicaciones S.A., Televisión Dirigida S.A., Consorcio Multipunto Multicanal S.A. and Producciones Unicanal S.A.) entered into an agreement with a Paraguayan company, whereby they agreed to assign most of their assets and operations. Such conditions precedent were fulfilled on October 1, 2012 and the agreed-upon assignment was executed for a total consideration of USD 142.4 million. Out of that amount, USD 6.7 million was held in escrow. As a result of that operation, Cablevisión obtained a net consolidated gain after taxes of approximately Ps. 444 million, which, taking into consideration the Company's equity interest in Cablevisión, accounts for a gain of approximately Ps. 180 million after taxes. As of the date of these parent company only financial statements the deposits held in escrow amount to USD 3 million.

Cablevisión S.A. had a 70% interest in such subsidiaries and the remaining 30% was held by minority shareholders. On October 1, 2012 the minority shareholders transferred their equity interests to the majority group for a total consideration of USD 31.5 million.

On October 1, 2012, Cablevisión sold its equity interest in Teledeportes Paraguay S.A. for approximately USD 6.8 million. Out of that amount, USD 0.2 million was held in escrow. As of the date of these parent company only financial statements the deposits held in escrow amount to USD 0.1 million.

j. On November 14, 2013 ARTEAR assigned, sold and transferred to South Media Investments S.A. all of its equity interest in Ideas del Sur S.A. ("IDS"), accounting for 30% of the capital stock and votes of that company, together with all the political and economic rights inherent to the shares. The sale price was set at USD 12 million, which was collected in full at year-end. The assignment, sale and transfer of those shares was carried out under the then current economic, financial, equity, tax and legal conditions of the shares and IDS considered as a whole and in their entirety. Accordingly, ARTEAR was

held harmless from any and all responsibility regarding the existence of any "certain", "contingent" or "hidden" liabilities (current or non-current) of IDS, whose cause or title goes back to a date which is earlier than the date of the closing of the transaction, regardless of whether those liabilities were or were not disclosed in IDS' financial statements. Based on the above, South Media Investments S.A. assumed the risk of the existence and/or emergence of liabilities in connection with IDS whose cause or title goes back to a date prior to the date of the closing of the transaction, regardless of whether such liabilities already existed or may become evident or enforceable in the future, and firmly and irrevocably waived its right to bring any claim to which it may be deemed entitled against ARTEAR in this respect, holding it harmless -also firmly and irrevocably- from any and all liability for such cause and in that respect.

Note 17

Law No. 26,831 Capital Markets

On December 28, 2012, Capital Markets Law No. 26,831 (the "Capital Markets Law"), passed on November 29, 2012 and enacted on December 27, 2012, was published in the Official Gazette. The Law provides for a comprehensive amendment of the public offering regime, previously governed by Law No. 17,811. The Capital Markets Law enhances, among other things, the National Government's oversight powers. It also changes the authorization, control and oversight mechanisms of all stages of the public offering process and the role of all the entities and individuals involved. The Law became effective on January 28, 2013.

On July 29, 2013, the National Government issued Decree No. 1023/2013 to regulate partially the Capital Markets Law that had been passed on November 29, 2012. Among other provisions, the Decree regulates Section 20 of said Law, pursuant to which the CNV may appoint an overseer with veto rights over the decisions made by the boards of directors of entities subject to the public offering regime, or otherwise separate the boards from such

entities for up to 180 days until all deficiencies found by the CNV are solved. Said Decree amends the Law it seeks to regulate and, therefore, constitutes a regulatory abuse. Thus, whereas the Law vests on the CNV the power to appoint an overseer or to separate the board of directors from the entity, the Decree allows the CNV to exercise that power if the shareholders and/or noteholders with a two (2%) interest in the company's capital stock or outstanding debt securities claim that they have suffered actual and certain damages or if they believe their rights may be seriously jeopardized in the future. The Decree also vests on the CNV the power to appoint the administrators or co-administrators that will hold office due to the separation of the boards of directors. Thus, the Decree amends the Law by granting the CNV powers that were not provided therein. By doing so, the Executive Branch is assuming strictly legislative functions in breach of constitutional provisions.

On September 5, 2013 within the framework of the Capital Markets Law and its Decree, the CNV issued Resolution No. 622/2013 (the "Rules"), whereby it approved the applicable Rules that repeal the Rules that had been effective until that date (as restated in 2001). The new Rules have introduced several changes in connection with CNV's powers over the companies under this agency's oversight, and also in connection with the information that these companies must disclose.

On August 20, 2013, at the request of Mr. Rubén Mario Szwarc, a minority shareholder of the Company, and by means of public deed number two hundred forty five, the Company was served notice of the decision rendered by Chamber A of the National Court of Appeals on Commercial Matters on August 12, 2013, in re "SZWARC, Rubén Mario v. National Government and Others on Preliminary Injunction" File No. 011419/2013. That Chamber decided, among other things, (i) to declare the unconstitutionality of Sections 2, 4, 5, 9, 10, 11, 13, 15 and 16 of Law No. 26,854, and (ii) to order the provisional, injunctive suspension of Section 20, subsection a), second part, paragraphs I and II (or 1 and 2) of Law No. 26,831 and of all laws, rules or administrative acts issued or that may be issued pursuant to such legal provisions, with respect

to Grupo Clarín S.A., until the judge that is finally declared competent to render a decision on the merits assumes full jurisdiction of the case and renders a final decision relating to the injunction.

Note 18

Subsequent Events

a. On January 14, 2014, the Company and AGEA executed an Agreement Relating to Irrevocable Contributions on Account of Future Share Subscriptions whereby the Company undertakes to make a Ps. 225 million contribution in AGEA. Subsequently, on January 28, 2014 the Company's Board of Directors approved the contributions made in AGEA under the above-mentioned agreement.

b. On January 7, 2014, the SCI issued Resolution No. 1/14, extending the effectiveness of Resolution No. 36/11 and Resolution No. 104/13 for three months (January, February and March 2014).

c. In connection with Note 10.3.h, on February 11, 2014, the Supreme Court of Argentina decided in re "Arte Radiotelevisivo Argentino S.A. v/ national Government - Chief of the Cabinet of Ministers and Media Secretariat / summary action for the protection of constitutional rights (acción de amparo) Law No. 16,980" to confirm the decision rendered in that respect by Chamber IV of the National Court of Appeals on Federal Administrative Matters whereby it admitted the summary action and ordered the National Government to provide for the drafting and submission to the first instance court, within a term of thirty days of that decision becoming final, of a scheme for the allocation of official advertising that included the broadcasters with characteristics analogous to those of ARTEAR, among which the Court of Appeals included América TV S.A. (Canal 2), Telearte S.A. (Canal 9), Televisión Federal S.A. (Canal 11), ARTEAR (Canal 13) and SNMP S.A. and RTA S.E. (Canal 7), and that conformed faithfully to the guidelines of proportionality and equity set forth in the ruling.

d. On February 18, 2014, the Company was served with AFSCA Resolution No. 193/AFSCA/2014 whereby AFSCA's Board of Directors declared that the proposal submitted by Grupo Clarín S.A., Arte Radiotelevisivo Argentino S.A., Radio Mitre S.A. and Cablevisión S.A. was formally admissible. Pursuant to the same Resolution, AFSCA provided that the term of one hundred eighty (180) calendar days set forth under section 8 of the Rules for the Management and Procedures Relating to Voluntary Proposals established by Resolution No. 2,205/AFSCA/12 would be counted as from the moment the parties were served notice of this Resolution. On that same date, the Company's Board of Directors took notice of AFSCA Resolution No. 193/AFSCA/2014.

In the recitals of AFSCA Resolution No. 193/AFSCA/2014, which declared the proposal submitted formally admissible, AFSCA stated that the withdrawal of claims made under File No. 21,788/08, as well as those made under the proposal submitted by Cablevisión, were now embedded in the process provided under Section 161 of Law No. 26,522. Accordingly, they are deemed to be approved within the framework of the proposal that was declared formally admissible.

On February 18, 2014 the Company's Board of Directors called a Special Shareholders' Meeting to be held on March 20, 2014 in order to consider the following points of the agenda: 1) Appointment of two (2) shareholders to draft and sign the meeting minutes; 2) Consider AFSCA Resolution No. 193/AFSCA/2014; 3) Instruction to the Board of Directors to begin with the implementation of the Proposal, including the proposal of those transactions and corporate reorganizations required to such end; 4) Approval of the work done by the Adjustment Task Force. Granting of attorney powers to act before Courts of Justice and the relevant oversight agencies; 5) Appointment of

representatives of the Company to vote in favor of the proposal at the subsidiaries' Shareholders' Meetings.

e. On February 25, 2014, ARTEAR's Board of Directors approved the partial reversal of the optional reserve for up to Ps. 176 million for the subsequent payment of dividends to its shareholders. Subsequently, ARTEAR's Board of Directors approved on February 28, 2014 the payment of dividends approved for such amount, out of which approximately Ps. 171 million belong to the Company.

f. With reference to Note 10.1.f, on February 25, 2014, the Supreme Court of Argentina revoked all the decisions rendered by Judge Walter Bento of Federal Court No. 2 of Mendoza relating to the claim brought by Supercanal S.A. against Cablevisión for anti-competitive practices and in respect of which the judge had ordered, among other things, the appointment of a court-appointed supervisor (interventor) and co-administrator in that company and the separation of that company's assets. It should be noted that Cablevisión has still not been served with that decision.

Note 19

Approval of Parent Company Only Financial Statements

The Board of Directors has approved the parent company only financial statements and authorized their issue for March 10, 2014.

Signed for identification purposes
with the report dated March 10, 2014



Carlos Alberto Pedro Di Candia
Chairman of the Supervisory Committee

See our report dated March 10, 2014
Price Waterhouse & Co. S.R.L.
C.P.C.E.C.A.B.A. VOL. 1 - FOL. 17



Dr. Carlos A. Pace (Partner)
Certified Public Accountant (U.B.A.)
C.P.C.E.C.A.B.A. VOL. 150 - FOL. 106



Jorge Carlos Rendo
Director and Acting Chairman

Additional Information to the Notes to the Financial Statements - Section No. 68 of the Regulations issued by the Buenos Aires Stock Exchange and Section No. 12 Title IV Chapter III of General Resolution No. 622/13 of the Argentine Securities Commission

Balance Sheet as of December 31, 2013

1. There are no specific material regulatory regimes currently applicable to the Company that may entail the contingent loss or acquisition of legal benefits.

2. As mentioned in Note 16.a) to the parent company only financial statements, during 2008 the Company carried out transactions that resulted in the acquisition of an equity interest in CIMECO. See also the issues mentioned in Notes 11 and 18.d.

3. The classification of receivables and liabilities by maturity is detailed in Note 9 to the parent company only financial statements.

4. The classification of receivables and liabilities according to their related financial effects is detailed in Note 9 to the parent company only financial statements.

5. Equity interest under Section 33 of Law No. 19,550 is detailed in Note 4.3 of the parent company only financial statements. Accounts receivable from and payable to related parties are disclosed under Note 8 to the parent company only financial statements. The following table summarizes the breakdown of such accounts payable and receivable as per the above points 3) and 4).

	Receivables	Liabilities
Without any established term	(1) 63,608,472	1,729,281
To fall due		
- From three to six months	(2) 3,010,934	-
Total	66,619,406	(1) 1,729,281

(1) Balances are denominated in local currency and do not accrue any interest.

(2) The balances are denominated in local currency and accrue interest at a fixed rate.

6. There are no trade receivables or loans to directors, members of the Supervisory

Committee and their relatives up to, and including, the second degree of kinship and no such trade receivables or loans existed during the fiscal year.

7. The Company does not have any inventories.

8. The Company has used current values for the valuation of assets and liabilities acquired from Cablevisión, taking into account, mainly, the following criteria:

- Subscriber portfolio: valued based on, among other things, an analysis of the acquired subscriber portfolio's cash flow generation, considering the subscriber turnover of such portfolio, discounted at a market rate.

- Financial debt: since the acquired companies were not listed at the time of the acquisition, the financial debt was valued based on cash flow discounted at a market rate.

- Fixed assets: valued based on internal estimates made by the subsidiaries according to available information (kilometers and technical characteristics of the network, replacement value per kilometer and type of network based on business knowledge and purchase price of the resources needed, state of the network at the time of acquisition, real estate appraisals of the most significant real property, among others).

Similarly, the Company has recorded the net acquired assets of CIMECO at fair value.

9. The Company does not have any property, plant and equipment subject to appraisal write-up.

10. The Company does not have any obsolete property, plant and equipment.

11. The Company is not subject to the restrictions under section 31 of Law No. 19,550, since its main corporate purposes are investment and finance.

12. The Company assesses the recoverable value of its long-term investments each time it prepares its financial statements. In the case of investments for which the Company does not book goodwill with an indefinite useful life, it assesses their recoverable value when there is any indication of impairment. In the case of investments for which the Company books goodwill with an indefinite useful life, it assesses their recoverable value by comparing the book value with cash flows discounted at the corresponding discount rate, considering the weighted average capital cost, and taking into consideration the projected performance of the main operating variables of the respective companies.

13. As of December 31, 2013, the Company does not have any relevant tangible property, plant and equipment requiring efficient insurance coverage.

14. Booked provisions for contingencies do not exceed, either individually or as a whole, two percent (2%) of the Company's shareholders' equity.

15. As of the date of these financial statements, the Company does not have any contingent situations, the financial effects of which, if any, have not been booked (see Note 11 and 18.d. to the parent company only financial statements).

16. The Company does not have any irrevocable contributions on account of future share subscriptions.

17. The Company does not have any unpaid cumulative dividends on preferred shares

18. In Notes 7.a. and 10.2.a to the parent company only financial statements reference is made to the treatment given to retained earnings.

Signed for identification purposes with the report dated March 10, 2014

Carlos Alberto Pedro Di Candia
Chairman of the Supervisory Committee

See our report dated March 10, 2014
Price Waterhouse & Co. S.R.L.
C.P.C.E.C.A.B.A. VOL. 1 - FOL. 17

Dr. Carlos A. Pace (Partner)
Certified Public Accountant (U.B.A.)
C.P.C.E.C.A.B.A. VOL. 150 - FOL. 106

Jorge Carlos Rendo
Director and Acting Chairman

Report of Independent Accountants

Free translation from
the original
prepared in Spanish

**To the Shareholders, President
and Directors of Grupo Clarín S.A.
Legal domicile: Piedras 1743
Autonomous City of Buenos Aires
CUIT No 30-70700173-5**

1. We have audited the attached parent company only financial statements of Grupo Clarín S.A. which comprise the parent company only balance sheet at December 31, 2013, the parent company only statements of comprehensive income, the parent company only statements of changes in equity and of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information. The balances and other information for the fiscal year 2012 are an integral part of the above-mentioned audited financial statements, so they are to be considered in the light of those financial statements.

2. The Board of Directors is responsible for the reasonable preparation and presentation of these parent company only financial statements in accordance with Professional Accounting Standards of Technical Resolution No. 26 of the Argentine Federation of Professional Councils in Economic Sciences (FACPCE, for its Spanish acronym) incorporated by the Argentine Securities Commission (CNV, for its Spanish acronym) to its regulations. These rules differ from International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB) and used in the preparation of consolidated financial statements of Grupo Clarín S.A. with its controlled subsidiaries, in the aspects mentioned in Note 2.1 to the attached parent company only financial statements. Further, the Board of Directors is responsible for the internal control it may deem necessary to enable preparing parent company only financial statements free of material misstatements caused by errors or irregularities. Our responsibility is to express an opinion on the parent company only financial statements based on the audit we performed with the scope detailed in paragraph 3.

3. We conducted our audit in accordance with auditing standards in effect in Argentina. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the parent company only financial statements are free of material misstatements and to form an opinion on the reasonableness of the relevant information contained in the parent company only financial statements. An audit includes examining, on a selective test basis, evidence supporting the amounts and disclosures in the parent company only financial statements. An audit also includes assessing the accounting standards used and significant estimates

made by the Company, as well as evaluating the overall presentation of the parent company only financial statements. We believe that our audit provides a reasonable basis for our opinion.

4. On October 10, 2009, Audiovisual Communication Services Law No. 26522 (the "Law") was enacted which repeals Broadcasting Law No. 22285 which regulates the principal activities of the Company and some subsidiaries.

As mentioned in Notes 11 and 18.d. to the parent company only financial statements, in light of the decision rendered on October 29, 2013 by the Supreme Court of Argentina (CSJN, for its Spanish acronym), on November 4, 2013, the Company and certain subsidiaries filed a voluntary conforming proposal with the Audiovisual Communication Services Law Federal Enforcement Authority (AFSCA, for its Spanish acronym) and the CSJN under the terms of section 161 of the mentioned law, which has been declared formally admissible by AFSCA on February 18, 2014 and requires, prior to its implementation, intervention of other governmental and oversight agencies and the approvals of AFSCA, and the respective Shareholders' Meetings.

Accordingly, there is uncertainty as to the effects that the divestiture process to be finally implemented could have on the activities of the economic group and the recoverability of the assets involved and, consequently, on these parent company only financial statements taken as a whole.

5. As mentioned in Notes 10.1.b., 10.1.c., 10.1.d., 10.1.e. and 18.d. to the parent company only financial statements, since September 2009, the Federal Broadcasting Committee, the National Antitrust Commission, the Secretariat of Domestic Trade ("SCI", for its Spanish acronym), Argentine Secretariat of Communications and the Ministry of Economy and Public Finance have issued several resolutions on matters related to: (i) several aspects related to the acquisition of Cablevisión S.A., Multicanal S.A. and other companies, and their subsequent merger, and (ii) the revocation of the license that had been originally granted to FIBERTEL S.A. As indicated in the above-mentioned Notes, the subsidiary Cablevisión has brought legal actions as it considered appropriate.

Accordingly, there is uncertainty regarding the effect that the final outcome of these situations could have on the activities of Cablevisión S.A. and, therefore, on the recoverability of the investment that owns Grupo Clarín S.A. over that company through its subsidiaries Southtel Holdings S.A., Vistone S.A.,

VLG Argentina L.L.C., CV B Holding S.A. and Compañía Latinoamericana de Cable S.A.

6. As mentioned in Note 10.1.a. to the parent company only financial statements, on March 3, 2010 the Secretariat of Domestic Trade ("SCI") issued Resolution 50/10 establishing the formula for calculation of the monthly subscription price to be paid by the users of pay-television services. As indicated in Notes 10.1.a. and 18.b., on March 10, 2011 SCI Resolution No. 36/11 was published in the Official Gazette establishing the parameters to be applied to the services rendered by Cablevisión, having been extended on several occasions the effectiveness of Resolution No. 36/11 until March 2014. As indicated in those Notes, Cablevisión filed the corresponding administrative claims and will bring the necessary legal actions requesting a stay of its effects and ultimately its nullity.

Accordingly, there is uncertainty regarding the effect that the final outcome of the situation could have on the subsidiary Cablevisión and its subsidiaries' business and, therefore, on the recoverability of the investment that owns Grupo Clarín S.A. over that companies through its subsidiaries Southtel Holdings S.A., Vistone S.A., VLG Argentina L.L.C., CV B Holding S.A. and Compañía Latinoamericana de Cable S.A.

7. In our opinion, subject to the possible effect on the parent company only financial statements of any potential adjustments and/or reclassifications, if applicable, that may be required as a result of the resolution of the uncertainties described in paragraphs 4, 5, and 6, the parent company only financial statements mentioned in paragraph 1 present fairly, in all material respects, the parent company only financial position of Grupo Clarín S.A. as of December 31, 2013 and the parent company only comprehensive income and parent company only cash flows for the fiscal year then ended, in accordance with the rules of Technical Resolution No. 26 of the Argentine Federation of Professional Councils in Economic Sciences for the parent company only financial statements of a controlling entity.

8. In accordance with current regulations in respect to Grupo Clarín S.A., we report that:

a) The parent company only financial statements of Grupo Clarín S.A. have been transcribed to the "Inventory and Balance Sheet" book and comply with the Corporations Law and pertinent resolutions of the Argentine Securities Commission, as regards those matters within our competence;

b) The parent company only financial statements of Grupo Clarín S.A. arise from accounting records kept in all formal respects in conformity with legal provisions which maintain the security and integrity conditions based on which they were authorized by the Argentine Securities Commission;

c) We have read the additional information to the Notes to the parent company only financial statements required by section 68 of the listing regulations of the Buenos Aires Stock Exchange and Article 12°, Chapter III, Title IV of the regulations of the Argentine Securities Commission, on which, as regards those matters that are within our competence, we have no observations to make other than those already stated in paragraphs 4., 5. and 6.;

d) At December 31, 2013 the debt accrued in favor of the (Argentine) Integrated Social Security System according to the Company's accounting records and calculations amounted to \$1.648.542, none of which was claimable at that date;

e) In accordance with the requirements of Article 21°, Subsection e), Chapter III, Section VI, Title II of the regulations of the Argentine Securities Commission, we report that the total fees for audit services and related billed the Company in the year ended December 31, 2013 represent:

- e.1) 98% on the total fees for services invoiced to the Company for all concepts in that year;
- e.2) 17% on the total fees for audit and related services invoiced to the Company, its parent companies, subsidiaries and affiliates in that year;
- e.3) 17% on the total fees for services invoiced to the Company, its parent companies, subsidiaries and affiliates for all concepts in that year.

f) We have applied the procedures on prevention of asset laundering and terrorism funding set forth in the relevant professional rules issued by the Professional Council for Economic Sciences of the Autonomous City of Buenos Aires.

Autonomous City of Buenos Aires,
March 10, 2014

Price Waterhouse & Co. S.R.L.



by Carlos A. Pace (Partner)

Supervisory Committee's Report

English translation
of the Report originally
issued in Spanish

**To the Shareholders of:
Grupo Clarín S.A.
TAX ID No. 30-70700173-5
Registered office: Piedras 1743
City of Buenos Aires**

In our capacity as members of Grupo Clarín S.A.'s Supervisory Committee and pursuant to subsection 5, section 294, of the Argentine Business Associations Law No. 19,550, the regulations of the Argentine Securities Commission (CNV, for its Spanish acronym) and the Regulations issued by the Buenos Aires Stock Exchange, we have performed a review of the documents mentioned in Section I below, within the scope set forth in Section II below. The preparation and issuance of the documents referred to above are the responsibility of the Company's Board of Directors, in exercise of its exclusive duties. Our responsibility is to issue a report on such documents, based on the work performed within the scope set forth in Section II.

I. DOCUMENTS SUBJECT TO REVIEW

- a) Parent Company Only Balance Sheet as of December 31, 2013 disclosed in the Parent Company Only Financial Statements as of December 31, 2013.
- b) Parent Company Only Statement of Comprehensive Income disclosed in the Parent Company Only Financial Statements as of December 31, 2013.
- c) Parent Company Only Statement of Changes in Equity disclosed in the Parent Company Only Financial Statements as of December 31, 2013.
- d) Parent Company Only Statement of Cash Flows disclosed in the Parent Company Only Financial Statements as of December 31, 2013.
- e) Notes 1 to 19 disclosed in the Parent Company Only Financial Statements as of December 31, 2013.
- f) The Consolidated Financial Statements of Grupo Clarín S.A. and its subsidiaries comprising the Consolidated Balance Sheet as of December 31, 2013, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, together with the corresponding notes 1 through 26.

II. SCOPE OF THE REVIEW

We conducted our review in accordance with effective statutory auditing standards established by the Argentine Business Associations Law (Law No. 19,550), as amended, and by Technical

Resolution No. 15 issued by the Federación Argentina de Consejos Profesionales de Ciencias Económicas (Argentine Federation of Professional Councils of Economic Sciences, FACPCE, for its Spanish acronym). Said standards require that the review of the documents set forth in I. be conducted in accordance with effective auditing standards for the review of financial statements; that the documents be checked for consistency with the information on corporate decisions stated in minutes and that such decisions conform to the law and the by-laws, in all formal and documentary aspects.

In order to conduct our professional work on the documents detailed in Section I., we have reviewed the work performed by the external auditor Carlos A. Pace, a partner of Price Waterhouse & Co. S.R.L., who issued his reports on March 10, 2014, pursuant to the effective auditing standards for the audit of financial statements.

An audit requires that the auditors plan and perform their work for the purposes of obtaining reasonable assurance about whether the financial statements are free from material misstatement or significant errors. An audit comprises examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, as well as assessing the accounting principles used and significant estimates made by the Company's Management, as well as evaluating the overall presentation of the financial statements. Since the Supervisory Committee is not responsible for management control; the review did not extend to the business criteria and decisions from the Company's different areas as these matters are the exclusive responsibility of the Board of Directors.

The Company's Board of Directors is responsible for the preparation and fair presentation of:

- (i) the Parent Company Only Financial Statements in accordance with the professional accounting standards established by Technical Resolution No. 26 issued by the FACPCE incorporated by the CNV to its regulations. Such standards differ from the International Financial Reporting Standards (IFRS) approved by the International Accounting Standards Board (IASB) and used in the preparation of the consolidated financial statements of Grupo Clarín S.A. and its subsidiaries in the aspects mentioned in Note 2.1 to the Parent Company Only Financial Statements. Additionally, the Board of Directors is responsible for an adequate internal control as deemed necessary so that the parent company

only financial statements are free from material misstatements arising from errors or irregularities; (ii) the consolidated financial statements in accordance with IFRS adopted as professional accounting standards in Argentina by the FACPCE and incorporated by the CNV to its regulations, as approved by the IASB. The Board of Directors is also responsible for an adequate internal control as deemed necessary so that the consolidated financial statements are free from material misstatements arising from errors or irregularities.

Our responsibility is to express our opinion on the consolidated and parent company only financial statements, based on the scope mentioned in this section.

III. PRIOR COMMENTS

1. On October 10, 2009, Audiovisual Communication Services Law No. 26,522 (the “Law”) was enacted which repeals Broadcasting Law No. 22,285. The latter regulates the main activities carried out by the Company and some of its subsidiaries.

As mentioned in Notes 11, and 18.d. to the parent company only financial statements and in notes 9 and 25.d to the consolidated financial statements, in the light of the decision rendered on October 29, 2013 by the Supreme Court of Argentina on November 4, 2013 the Company, together with certain subsidiaries, filed a voluntary conforming proposal with the Audiovisual Communications Services Law Federal Enforcement Authority (“AFSCA”, for its Spanish acronym) and the Supreme Court of Argentina under the terms of section 161 of the above-mentioned law, which has been declared formally admissible by AFSCA on February 18, 2014 and requires the approval of other governmental, oversight agencies and AFSCA and the respective Shareholders’ Meetings before the implementation.

As a result, there is uncertainty as to the effect that the divestiture process to be finally implemented could have on the activities of the economic group and the recoverability of the assets involved and, consequently, on these parent company only and consolidated financial statements taken as a whole.

2. As mentioned in Notes 10.1.b., 10.1.c., 10.1.d., 10.1.e. and 18.d. to the parent company only financial statements and in Notes 8.1.b., 8.1.c., 8.1.d., 8.1.e. and 25.d. to the consolidated financial statements, since September 2009, the

Federal Broadcasting Committee, the National Antitrust Commission, the Secretariat of Domestic Trade (“SCI”, for its Spanish acronym), the Argentine Secretariat of Communications and the Ministry of Economy and Public Finance have issued several resolutions on matters related to: (i) several aspects related to the acquisition of Cablevisión S.A., Multicanal S.A. and other companies, and their subsequent merger, and (ii) the revocation of the License that had been originally granted to FIBERTEL S.A. As mentioned in the above-mentioned notes, the subsidiary Cablevisión has brought legal actions as it considered appropriate.

Accordingly, there is uncertainty as to the effect that the final outcome of these situations could have on the activities of: (i) Cablevisión and, therefore, on the recoverability of Grupo Clarín S.A.’s investment in such company through its subsidiaries Southtel Holdings S.A., Vistone S.A., VLG Argentina L.L.C., CV B Holding S.A. and Compañía Latinoamericana de Cable S.A. in the parent company only financial statements and (ii) the subsidiary Cablevisión and, therefore, on the consolidated financial statements taken as a whole.

3. As mentioned in Note 10.1.a. to the parent company only financial statements and in Note 8.1.a. to the consolidated financial statements, on March 3, 2010 the SCI issued Resolution No. 50/10 establishing a formula for the calculation of the monthly subscription price to be paid by the users of pay-television services. Subsequently, as mentioned in notes 10.1.a. and 18.b. to the parent company only financial statements and notes 8.1.a. and 25.b. to the consolidated financial statements, on March 10, 2011, SCI Resolution No. 36/11 was published in the Official Gazette establishing the parameters to be applied to the services rendered by Cablevisión, having been extended on several occasions the effectiveness of Resolution No. 36/11 until March 2014 inclusive. As indicated in those notes, the subsidiary Cablevisión has filed the pertinent administrative claims and will bring legal actions requesting a stay of its effects and ultimately its nullity.

Accordingly, there is uncertainty as to the effect that the final outcome of this situation could have on the activities of: (i) Cablevisión and its subsidiaries and, therefore, on the recoverability of Grupo Clarín S.A.’s investment in such companies through its subsidiaries Southtel Holdings S.A., Vistone S.A., VLG Argentina L.L.C., CV B Holding S.A. and Compañía Latinoamericana de

Cable S.A. in the parent company only financial statements and (ii) the subsidiary Cablevisión and its subsidiaries and, therefore, on the recoverability of their assets in the consolidated financial statements.

IV. SUPERVISORY COMMITTEE'S OPINION

In our opinion, based on our work, within the review scope described in Section II. of this report: (i) subject to the effect on the parent company only financial statements of eventual adjustments and/or reclassifications, if any, that may be required as a result of the resolution of the uncertainties described in paragraphs 1., 2. and 3. of Section III., the parent company only financial statements mentioned in Section I., present fairly, in all material respects, the parent company only financial position of Grupo Clarín S.A. as of December 31, 2013, and the results disclosed in the Parent Company Only Statements of Comprehensive Income and Cash Flows for the year then ended in accordance with the rules of Technical Resolution No. 26 of the FACPCE for parent company only financial statements of a controlling entity;

(ii) subject to the effect on the consolidated financial statements of eventual adjustments and/or reclassifications, if any, that may be required as a result of the resolution of the uncertainties described in paragraphs 1., 2. and 3. of Section III., present fairly, in all material respects, the consolidated financial position of Grupo Clarín S.A. and its subsidiaries as of December 31, 2013, and the results disclosed in the Consolidated Statements of Comprehensive Income and Cash Flows for the year then ended in accordance with the International Financial Reporting Standards;

V. IN COMPLIANCE WITH EFFECTIVE REGULATIONS, WE HEREBY REPORT THAT:

a) The financial statements mentioned in Section I., which comply with the pertinent provisions of the Argentine Business Associations Law (Law No. 19,550) and the regulations concerning accounting documentation issued by the CNV, have been recorded in the "Inventory and Balance Sheet" legal book and arise from the Company's accounting records kept, in all formal aspects, in accordance with effective legislation.

b) We have reviewed the Inventory and the Board of Directors' Annual Report for the year ended December 31, 2013. In this regard, within the

scope of our competence, we have no observations to make. The representations about future events included in the Annual Report are the Board of Directors' exclusive responsibility.

c) Furthermore, we report that in exercise of the legality control within our field of competence, during the year ended December 31, 2013 we have applied the procedures set forth in Section 294 of Argentine Business Associations Law No. 19,550, as deemed necessary based on the circumstances and we have no observations to make in that regard.

d) We have reviewed the information included in the Exhibit to the Annual Report about the degree of compliance with the Code of Corporate Governance required by CNV Regulations and we have no observations to make in that regard.

e) As required by CNV regulations, regarding the independence of the external auditors and the quality of the audit policies applied by them and the accounting policies applied by the Company, the above-mentioned external auditor's report includes the representation concerning the application of the auditing standards effective in Argentina which provide for independence requirements, and was issued without qualifications as to the application of such regulations or discrepancies as to the professional accounting standards.

f) We have applied the asset laundering and terrorist financing crimes prevention procedures provided under the professional standards issued by Consejo Profesional de Ciencias Económicas de la Ciudad Autónoma de Buenos Aires (Professional Council in Economic Sciences of the City of Buenos Aires).

City of Buenos Aires,
March 10, 2014

Supervisory Committee



Carlos Alberto Pedro Di Candia
Chairman

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