



ANALYSIS OF THE BROADCASTING MARKET FOR 2012

Table of contents:

Introduction	3
Summary	5
TELEVISION INDUSTRY	9
Key findings.....	10
1.1. Macedonian television	11
1.2. Television stations at state level.....	16
1.3. Satellite televisions	32
1.4. Regional televisions	40
1.5. Television stations at local level.....	48
RADIO INDUSTRY	56
Key findings.....	57
2.1. Macedonian radio	58
2.2. Radio stations at state level	62
2.3. Radio stations at regional level	68
2.4. Radio stations at local level.....	74
DATA ON AUDIENCE MEASUREMENTS	
3.1. Data on television audience measurements	80
3.2. Data on radio audience measurements	89

Introduction

The need for accurate and comprehensive information on the situation in the broadcasting industry from the economic point of view stems from the basic role of the Council, which is laid down in Article 21, paragraph 3 of the Law on Broadcasting and in accordance with that Law "the Broadcasting Council in the exercising of its powers, defined by this Law, ensures that... there is economic and technological development of the respective activity ...".

The analysis of the situation of the broadcasting market is of multiple significance: for the Broadcasting Council as a regulator and its strategic and tactical decisions in the field of short-term and medium-term development of traditional and new media, for the radio and television stations at a time when the convergence of technologies and the emergence of new media faces the previously mentioned entities with new existential and development challenges, and advertisers as entities that reach consumers of their products and services through the media.

In 2007 the Council prepared the first analysis of the broadcasting market and it had processed data for the previous three years (2004, 2005 and 2006). Since then, the Council has produced regular annual analyses in which it presents data on the economic performance of broadcasters in the previous year.

This analysis concerns the economic performance of broadcasters in 2012. The data was submitted by the broadcasters themselves, on a separate form prescribed by the Broadcasting Council for Broadcasting and their validity was juxtaposed with data from the annual accounts of the broadcasters.

In the first part of the analysis, data on the television industry are presented, separately for the public service - Macedonian Television, the television broadcasting programme at the state level (via terrestrial transmitters and satellite), regional and local TV stations. Within each of these segments of the television industry data are shown regarding the revenues, broadcasters shares in total revenues, revenues structure, the total expenditures, shares in total expenditures and expenditures structure, operation results and the average number of employees with regular labour relation in 2012.

The second part of the analysis refers to these economic indicators, but in the radio industry.

Given that this is already the sixth Analysis of the broadcasting market and the Council has data on the previous years, we had the possibility to show the movement of certain economic indicators during the last five years in this analysis.

The third part of the analysis presents data from measurements of the radio and television audience in the analysed year.

The Council is grateful to all broadcasters that timely submitted their data, the research agency Nielsen Audience Measurement from Skopje that provided the data from the electronic measurement of television audience and the data and advertisements broadcasted on television in 2012, the research agency Ipsos Strategic Puls from Skopje, which provided data about radio ratings or radio reach, as well as all other entities that have shown willingness to cooperate in the preparation of this analysis.

Television industry

- At the beginning of 2012, a total of 75 entities had a permission to broadcast television programme. During the respective year, six satellite televisions (BM TV, Jungle TV, TV Perspective - Skynet Plus, Pink 15, A2 TV and AB Kanal TV), one regional television (Pink Mak TV) and two local television (TV Novatel-Plus from Prilep and Medi TV from Bitola) lost the right to perform a broadcasting activity.

Throughout the whole year, despite the public service broadcasting in three programming channels (MTV 1, MTV 2 and Assembly Channel) broadcasting activity was conducted by a total of 66 television stations.

- In 2012, the total revenues of the Macedonian Television amounted to 1,069.08 million denars. This is the highest revenue that the public broadcaster has achieved in the period from 2008 onwards. The revenues obtained from the broadcasting fee (67.76%), have a dominant share in the revenue structure, which is due to the manner of displaying these funds in accounting terms (the invoiced value is recorded as revenue, and not the actually collected funds from the broadcasting fee). Only 5.08% of the total revenues were generated from the sale of advertising time, and the remaining 1.02% were from sponsoring shows and parts of programmes.

The total cost of the Macedonian Television totaled 923.92 million. During the last five years, this is the highest amount of expenses of the public service. Most of the direct costs of creating the programme were spent on purchasing programme (55.67%) and salaries and other benefits to persons directly connected with the programme production (23.37%).

The realised result from the operation was profit in the amount of 118.35 million denars, and the total number of employees with a regular labour relation was 597 people.

- In the analysed year, four television stations - TV Sitel, Kanal 5 TV, Alsat-M TV and Telma TV broadcasted programme throughout the whole state. The total revenues of these four entities amounted to 1210.15 million denars. Most of these funds (almost 90%) were from the sale of advertising time. Revenues from the sale of advertising time are dominant in the revenue structure of each television station separately.

The total cost incurred by these four entities amounted to 1041.63 million denars. More than half of the costs (63.14%) were direct costs of creating programme, and most of them were intended for the purchase of broadcasting rights.

All four television stations achieved positive financial results.

The average number of employees with regular labour relation in this segment of the television industry was 402 people.

- At the beginning of the year, 12 entities had permission to broadcast television programmes via satellite. In the course of the year half of them lost the right to perform a broadcast activity, and throughout the year programme was aired only by six satellite televisions.

In 2012, the total revenues gained by these six television stations totaled 184.99 million denars. More than half of these funds (51.50%) were revenues of Alfa TV (95,27 million denars). The most important source of revenue for the satellite televisions was the selling of time for advertising and teleshopping, generating them 97.95% of the total funds.

The six satellite televisions jointly spent a total of 222.34 million denars. Most of these funds were used for salaries and other benefits to persons directly connected with the programme production (36.30%), and the costs of purchasing programme have a significant share in the total costs.

Only two broadcasters have made profits, whereas the remaining four worked with a loss.

The average number of employees with a regular labour relation of the satellite televisions was 241 persons, half of which were employed in Alfa TV.

- In 2012, the television programme at regional level was broadcasted by a total of 10 television stations, of which one only in the first half of the year.

The nine regional televisions, which performed a broadcasting activity throughout the year, achieved total revenues amounting to 57.54 million denars. The greatest share, i.e. 35% of the total funds were generated by ERA TV. More than a half (55.41%) of the total revenues of the regional televisions were generated by advertising.

The total costs of the regional televisions amounted to 87.37 million denars, which is the smallest amount in the last five years. The direct costs of creating the programme accounted for only 26.38% of the total costs of the regional televisions.

Five of the nine regional televisions, achieved positive financial results. The average number of employees with regular labour relation in this segment of the television industry was 49 people.

- From the 49 local TV stations that were licensed to perform a broadcasting activity at the beginning of the year, two televisions in the analysed year were deprived of the right to broadcast programme.

The total revenues on the local television market totaled 145.7 million denars. The most important source of revenue for the local TV stations was the selling of advertising time.

Local television stations jointly spent 126.41 million denars. Most of the costs were incurred for salaries and other benefits to persons directly connected with the programme production (25.01% of the total costs).

The jointly accomplished result from the operation on the local television market was profit of 18.98 million denars. Only six local television stations achieved a negative financial result.

The average number of employees with a regular labour relation in the local TV stations was 212 people.

Radio industry

- In 2012, a total of 82 radio stations had permission to broadcast radio programme, of which 79 commercial and 3 non-profit radio stations. One local radio station aired programme only in a part of the year.
- In the period from 2008 to 2012, the Macedonian Radio realized the highest total revenues in the last year (339.16 million denars). The broadcasting fee has dominant participation in the total revenue of the Macedonian Radio (71.19%).

The total costs in 2012 incurred by the Macedonian Radio totaled 304.17 million denars. Almost half of the spent funds (49.24%) were for costs directly associated with the production of the programme.

The financial result of the operation was a profit of 28.05 million denars.

A total of 276 people were engaged on a permanent basis.

- The three commercial radio stations that broadcasted programme on a national level (Antenna 5 Radio, Kanal 77 Radio and Metropolis Radio) jointly achieved total revenues amounting to 56.02 million denars. More than half (53%) of these funds were the total revenues of Antenna 5 Radio. The most important source of revenue was the sale of advertising time (83.64%).

The total costs amounted to 47.69 million denars and 53.93% of those funds were direct costs of creating the programme.

All three radio stations achieved positive financial results, and the average number of employees with a regular labour relation was 20 employees.

- In 2012, a total of 17 commercial radio stations and one non-profit broadcasting institution broadcasted programme on a regional level.

The total revenue generated on the regional radio market amounted to 55,83 million denars. The highest revenues were achieved by Buba Mara Radio (20% of the total

revenues in this segment of the radio industry). The greatest share of the revenues (88.03%) was generated from advertisements.

Regional radio stations jointly spent 52.34 million denars, of which 59.46% were direct costs for creating the programme.

Positive financial result were achieved by a total of 10 radio stations.

The average number of employees in regional radio stations was 63 people.

- The total revenues in the analysed year jointly accomplished by the local radio stations amounted to 34.95 million. The greatest of the revenues (91.15%) were realised from the sale of advertising time. Nearly half of the funds generated from advertising were achieved only by 11 radio stations.

During the last five years, most considerable funds were spent by the local radio stations in 2012 (32.88 million denars). 75.74% of these funds were direct costs for programme creation.

The financial result of the operation of all local radio stations was a profit of 2.06 million denars. Positive financial results were achieved by 34 radio stations.

In this segment of the radio industry, the average number of employees with a regular labour relation was 86 people.

Data on audience measurements

- The Macedonian audience approximately watched 274 minutes of television on a daily basis.
- Sitel TV (28.98%) and Kanal 5 TV (16.71%) have the greatest share of the total ratings.
- Most watched programme content in 2012, was an episode of the Turkish series Love and Punishment (ASK VE CEZA) aired on Sitel TV on February 6th, with a rating of 32.23%.
- Antenna 5 was the radio station with the highest rating in 2012.

TELEVISION INDUSTRY

Key findings

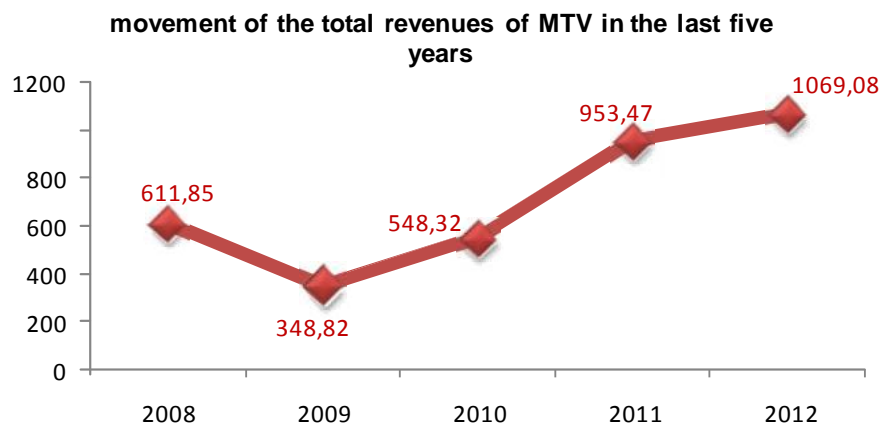
	Share in the total ratings	Total revenues	Advertising revenues	Total expenditures	In million denars	
					Operation results	Headcount
MTV (MTV1, MTV2 and Assembly channel)	8.37	1069.08	54.29	923.92	118.35	597
Sitel	28.98	587.16	586.61	449.42	137.74	130
Kanal 5	16.71	361.42	276.78	332.67	25.81	97
Telma	3.19	113.17	77.1	112.72	0.18	80
Alsat M	5.97	148.4	144.87	146.81	1.29	95
satellite TVs		184.99	181.2	222.34	-37.76	241
regional TVs	14.3	57.54	31.88	87.37	-29.98	49
local TVs		145.7	125.29	126.41	18.98	212
TOTAL	77.52	2667.46	1478.02	2401.66	234.61	1501

- Sitel TV, with a share of 28,98% of the total ratings, was the most watched television in 2012.
- The total revenues gained by all entities of the television industry were 2,667.46 million denars. 40% of that amount are revenues of the Macedonian Television (Makedonska televizija).
- All television stations gained a total of 1,478.02 million denars of the sale of advertising space. The greatest share of these amounts was shown by the television stations broadcasting at state level (89.37%). Regional televisions gained 2,16%, and local televisions 8.48% of the total advertising revenues of the television industry.
- In 2012 the total expenditures were in the amount of 2,401.66 million denars. The expenditures of the Macedonian Television (923,92 million denars) represent the greatest share of these amounts.
- The result gained from the operation of all entities of the television industry, including the public service, was profit in the amount of 234.61 million denars.
- The average headcount with regular labour relations of all television stations was 1.501 employees, out of which 597 of the Macedonian Television.

1.1. Macedonian television

In 2012, the total revenues of the Macedonian Television¹ amounted to 1,069.08 million denars. These are the highest revenues generated by the public broadcasting service in the period from 2008 onwards.

The rising rate of revenues achieved by the Macedonian Television regarding 2008 was 74.73%, regarding 2009 even 206.48%, regarding 2010 -94.97%, and with reference to 2011 12.13%.



In 2012, the public broadcasting service gained funds from four sources: broadcasting fee, sale of advertising time, sponsorship and revenues falling within the category "remaining undistributed revenues".

Broadcasting fee revenues (67,76%) have the greatest share in the revenues structure.

However, the displayed amount of 724.36 million actually represents the value of sent bills for collection of the broadcasting fee, or invoiced value. In accordance with the recommendations of the National Audit Office from 2011 onwards, the Macedonian Radio Television is obliged to present the invoiced value as revenue, and not as it was one until then, the real collected funds from the fee. According to the data additionally submitted to the Council by the Macedonian Radio Television, the collected amount of the broadcasting fee in 2012 was 265.93 million denars, or only 36.75% of the invoiced amount.

The second position is for "undistributed other revenues" accounting to 26.15% of the total revenue.

¹ The public broadcasting service does not keep separate books for the television and radio programme services. It was only for the purpose of this analysis, that it provided separate data. Their validity was checked by juxtaposing the data stated in the final account of the public service for 2012.

Only 5.08% of the total revenues were generated from the sale of advertising time, and the remaining 1.02% were from sponsoring of shows and parts of programmes.

Revenue structure of the Macedonian Television	2012	participation
Broadcasting fees	724.36 ²	67.76%
Advertisements	54.29	5.08%
Sponsorships	10.89	1.02%
Revenue from other programmes	0.00	0.00%
Donations and grants	0.00	0.00%
Sale of programmes	0.00	0.00%
Other undistributed revenues	279.54	26.15%
Revenue from the main activity	1069.08	100.00%
Revenue from other activities	0.00	0.00%
Extraordinary revenues	0.00	0.00%
Total revenues	1069.08	100.00%

The broadcasting fee revenues in the period from 2008 to 2012 show continuous growth.

In this period several amendments were made to the Law on Broadcasting, in the segment that regulates this issue. In August 2008, amendments were made to Article 148 of the Law on Broadcasting³, thus cancelling the principle of calculation of the amount of the broadcasting fee as a percentage (2.5%) of the average monthly net salary per employee in the last three months, according to the data from the State Statistical Office and the amount of the broadcasting fee was determined at 130.00 denars.

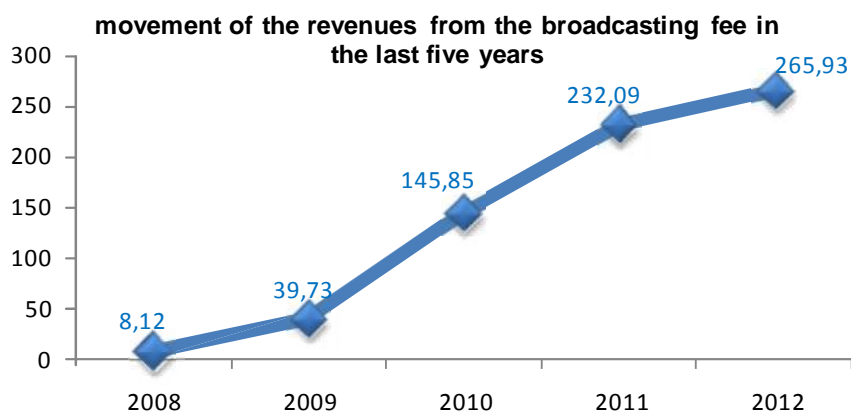
In November 2010, provisions of the Law on Broadcasting⁴ were again amended, so that the obligations of calculation, determination and collection of the broadcasting fee were taken over by the Public Revenue Office.

In January 2012, the amount of the broadcasting fee from 130.00 denars was increased to 190.00 denars⁵.

² This amount represents the invoiced amount of the revenues from the broadcasting fee. In accordance with the data submitted by the Macedonian Radio Television the actually collected amount is 265.93 million denars.

³ Decree for promulgation of the Law amending the Law on Broadcasting (Official Gazette of the Republic of Macedonia No.103 dated 19 August 2008)

⁴ Decree for promulgation of the Law amending the Law on Broadcasting (Official Gazette of the Republic of Macedonia No.145 dated 5 November 2011)



The revenues that the Macedonian Radio Television generated from the broadcasting fee during the period from 2008 to 2012, increased year after year have, reaching 265.93 million denars in 2012.

Despite the tendency of increasing the funds from the broadcasting fee in that period, these funds are still far from sufficient to ensure adequate funding of the public broadcasting service, which will allow it to meet all its functions of public interest.

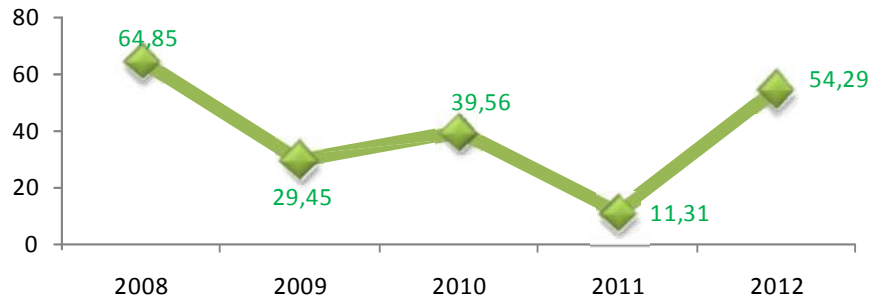
In fact, in 2012, when it collected a total of 265.93 million denars from the broadcasting fee, the total costs of the Macedonian Television totaled 923.92 million denars (of which only for salaries and allowances of staff salaries amounts totaling 220.25 million denars were paid). More specifically, the revenues from the broadcasting fee in 2012, represented only 28.78% of the total costs.

In the last five years, advertising revenues generated by the public broadcasting service had variable values. Most revenues from the sale of advertising time were realised in 2008 (64.85 million denars) and the least in 2011 (only 11.31 million denars).

In the analysed year advertising revenues totaled 54.29 million denars, which is 16.28% less than in 2008. The rate of growth of these revenues compared to 2009 was 84.35% compared to 37.23% in 2010, while in the previous year 380.02%.

⁵ Decree for promulgation of the Law amending the Law on Broadcasting (Official Gazette of the Republic of Macedonia No.13 dated 27 January 2012).

movement of the revenues from advertising in the last five years



The increase in advertising revenue in 2012, may largely be due to two reasons: modifications to the Law on Broadcasting in order to increase the time in which the public broadcasting service may broadcast advertisements and the exclusive rights to major sports events broadcasted in this year on the Macedonian Television.

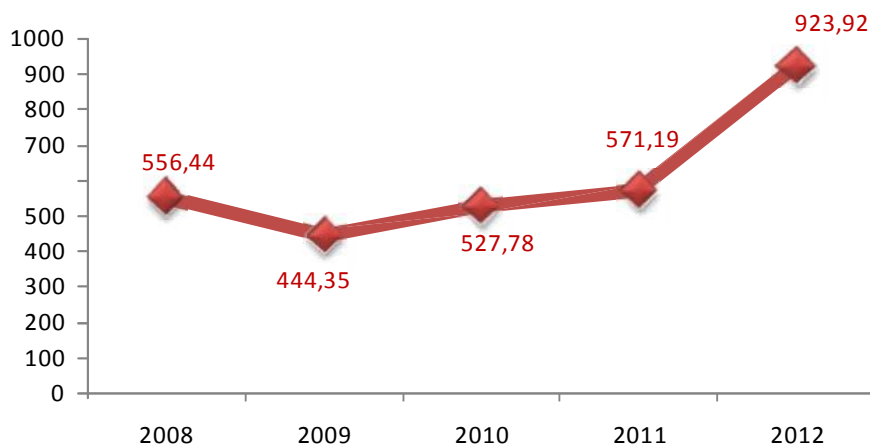
In fact, in January 2012, amendments were made to the Law on Broadcasting⁶ which provided that the increasing of the allowed time for broadcasting commercials from 4 minutes and 12 seconds to 8 minutes of the broadcasting in one real hour, that is, from 7 % to 13.33% of the broadcasting time during one day.

In the analysed year, the Macedonian Television had bought the rights to transmit the matches of the European Football Championship, which was held in June 2012 and the rights to broadcast sports events of the Summer Olympic Games in London, held in August 2012. It is a fact that advertising revenues have always been higher in years when the Macedonian Television had exclusive rights to major sports events (in 2008 - the European Football Championship and in 2010 - Football World Cup).

In 2012, the total expenditures of the Macedonian Television totaled 923.92 million denars. During the last five years, this is the highest amount of expenses of the public service. The rate of growth of total costs compared to 2008 was 66.04%, compared to 2009 -107.93%, compared to 75.06% in 2010, while in the previous year 61.75%.

⁶ With a Decree for promulgation of the Law amending the Law on Broadcasting (Official Gazette of the Republic of Macedonia No.13 dated 27 January 2012)

movement of the total expenditures of MTV in the last five



Almost half of the total direct expenditures were expenditures for creating programme (49,87%).

In each of the previous three years, the share of direct costs of creating the programme was significantly higher (80.64% in 2009, 83.24% in 2010 and 84.89% in 2011), although the absolute value of the amount of direct costs of creating the programme does not have significant differences (in 2009 it amounted to 358.33 million denars, in 2010, 439.35 million denars and in 2011 - 484.86 million denars). The reduction of the participation of this type of costs in the total costs is mainly due to the increase in total costs.

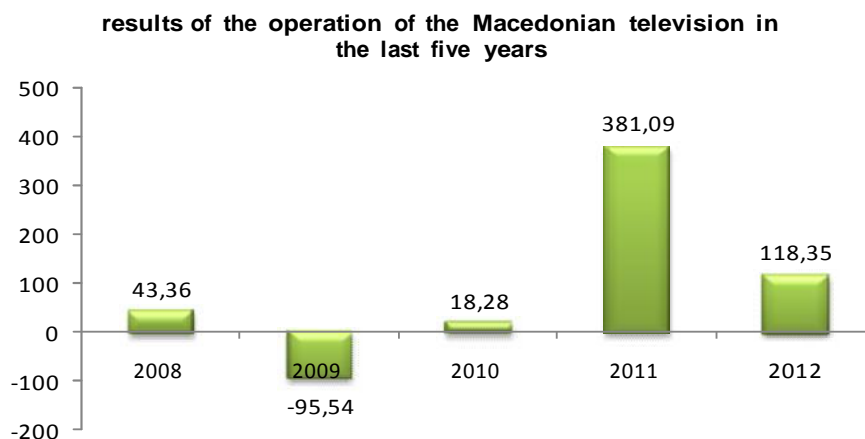
Most of these funds were spent on purchasing programme (55.67%) and salaries and other benefits to persons directly connected with the programme production (23.37%).

In the period from 2009 to 2012, the Macedonian Television spent the greatest amount of funds for purchasing programme in the last year (256.51 million denars). These costs in 2009 amounted to 23.35 million denars in 2010, 106.37 million denars and in 2011 - 49.97 million denars.

Cost structure of the Macedonian Television		
	2012	share
Tangible costs	42.29	4.58%
Costs for procurement of programme	256.51	27.76%
Intangible costs (services)	54.28	5.88%
Salaries and other benefits to persons directly connected with the programme production	107.66	11.65%

Direct costs for creating programme	460.75	49.87%
Salaries and other benefits to persons who are not directly connected with the programme production	112.59	12.19%
Depreciation of equipment	17.95	1.94%
Suspension of rights and licenses	0.00	0.00%
Rent and other bill-related costs	0.00	0.00%
All other not covered operation expenses	332.63	36.00%
Total operation costs	923.92	100.00%
Expenses from other activities	0.00	0.00%
Extraordinary expenses	0.00	0.00%
Total operation costs	923.92	100.00%

In 2012, the realised result from the operation was profit amounting to 118.35 million denars.



In the last five years, only in 2009 the Macedonian Television generated a loss, whereas in the remaining four years it had a positive financial result.

The total number of employees with regular labour relation was 597 people.

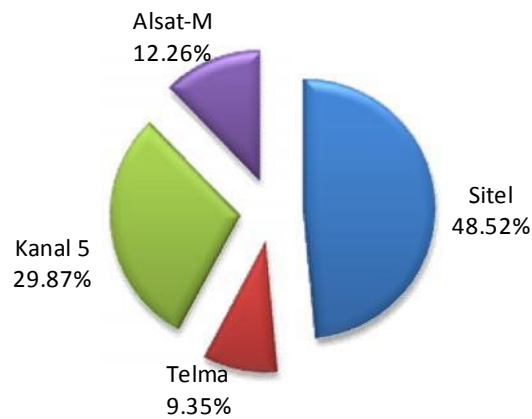
1.2. Television stations at state level

In 2012, on the whole territory of the state, programme was aired by four television stations - Sitel TV, Kanal 5 TV, Alsat-M TV and Telma TV.

The total revenues that these four entities generated in the analysed years are in the amount of 1210.15 million denars, which is an increase of 0.7%, compared to the total revenues generated in the previous year.

Almost half of the total revenues were generated by Sitel TV (48.52%), whereas a major part of the revenues was also generated by Kanal 5 TV (29.87%).

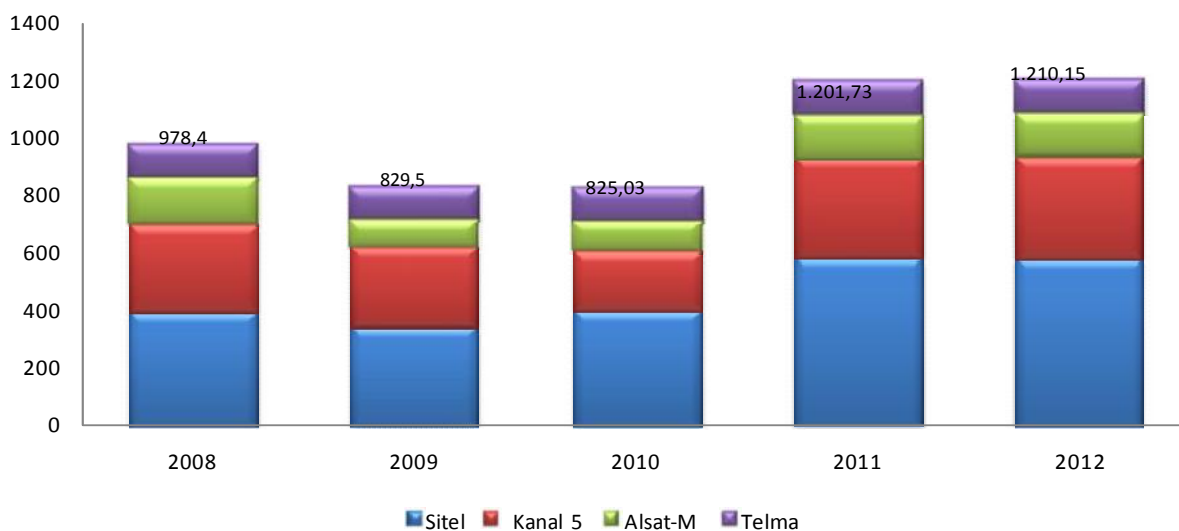
share in the total revenues generated by the four TV stations at state level



Alsat-M TV and Telma TV jointly achieved 21.61% of the total revenues of this segment of the television industry.

During the last five years, these four entities jointly achieved the highest total revenue precisely in the last year, as far as 23.69% more than in 2008, and 45.89% more than in 2009, 46.68% more than in 2010 and 0.7% more than in 2011.

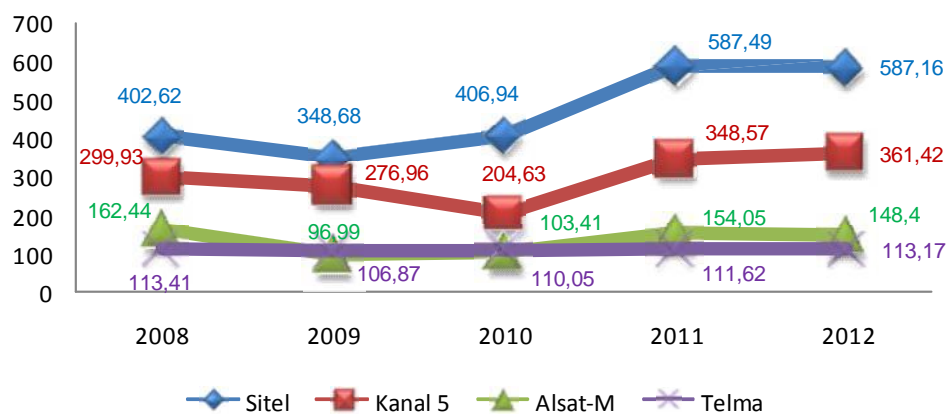
total revenues of the terrestrial TV stations at state level in the last five years



The increase in joint total revenues (0.7%) is mainly due to the increase of revenues of Kanal 5 TV (3.69% i.e. 12.85 million denars). Another television station achieved more revenue than in the previous year - Telma TV (1.39% i.e. 1.55 million denars).

Sitel TV and Alsat-M TV achieved less revenue than in 2011, as follows Sitel TV by 0.06% or 0.33 million denars, and Alsat-M TV by 3.67% , i.e. 5.65 million denars.

movement of the total revenues of the TV stations at state level in the last five years



If you look at the movement of the total revenues in the last five years of each of these four television stations separately, it can be seen that apart from Kanal 5 TV, which had the

lowest revenue in 2010 (204.63 million denars), 2009 was the most unfavourable for the remaining three television stations.

Out of 1210.15 million denars which in 2012 were generated by these four entities, nearly 90% were from the sale of advertising time (89.69% or 1.085 million denars).

Structure of revenues for terrestrial televisions at state level	2012	participation
Advertising and teleshopping	1085.35	89.69%
Sponsorships	27.05	2.24%
Revenues from other programmes	0.00	0.00%
Donations and grants	0.00	0.00%
Sale of programmes	0.00	0.00%
Other undistributed revenues	85.53	7.07%
Revenues from the main activity	1197.94	98.99%
Revenues from other activities	11.67	0.96%
Extraordinary revenues	0.54	0.04%
Total revenues	1210.15	100.00%

More than half of these funds were generated by Sitel TV (54.05% or 586.61 million denars). Kanal 5 TV showed a total of 276.78 million denars revenue from advertising, which represents 25.5% of the revenue generated by all four televisions.

Alsatsat-M, with a total of 144.87 million denars of revenue achieved from advertising, participates with 13.35% of the common revenue from advertising, whereas the smallest share of revenue from the sale of advertising time was achieved by Telma TV (77.1 million denars, or only 7.1 % of the joint revenue).

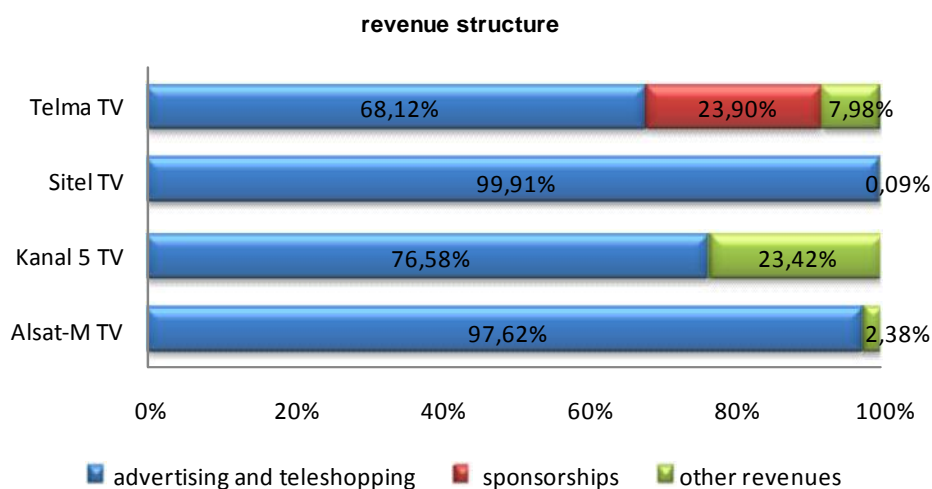
On the other hand, only Telma TV received revenue from sponsorships (27.05 million denars).

In 2012 (this was also observed in the previous years) none of these televisions generated revenues from sale of own production, from donations and grants, or revenues from other programmes (eg. shows and music sections with SMS messages, interactive games through a telephone line, telephone services with special charges, broadcasting of greetings and congratulations shows, etc.).

Significant share (7.07%) in the structure of generated revenues, have the revenues that these entities have achieved on other grounds, that are not included in the aforementioned categories, but in the category "other undistributed revenues". This is due to the relatively high

amount shown by Kanal 5 TV (84.61 million denars, or 99% of the total revenue shown in this category).

Revenues from other activities were shown by all four entities, but the highest share of revenues was achieved by Telma TV (8.55 million denars) and Alsat-M TV (2.96 million denars). In the revenue structure of each station separately, revenues from the sale of advertising time are dominant.



This share is the highest in the total revenue of Sitel TV (99.91%) and lowest for Telma TV (68.12%).

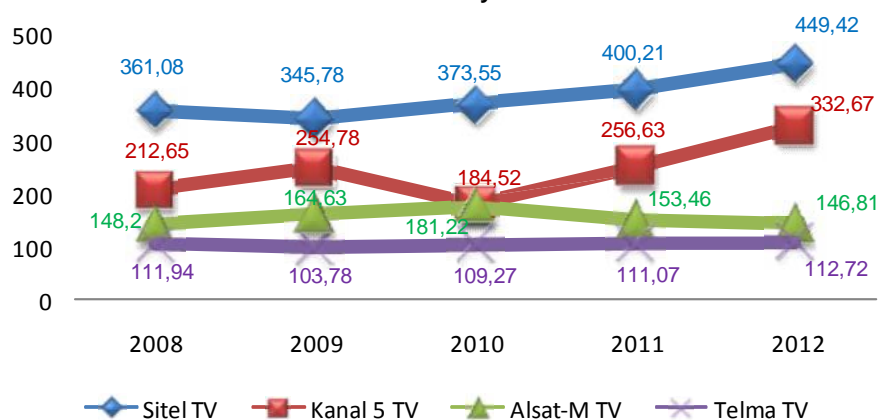
In 2012, the total costs incurred by these four entities amounted to 1041.63 million denars, i.e. 13.05% more than in the previous year.

Individual amounts of total cost for each TV station vary considerably. Most funds were spent by Sitel TV (449.42 million denars) and Kanal 5 TV (332.67 million denars).

In each of the last five years Sitel TV had significantly higher costs than the other three televisions. If these data are compared with data on total revenues generated in the period from 2008 to 2012, you will notice that Sitel TV in each of these years had significantly higher revenues.

In 2012, only Alsat-M TV reduced the costs compared to the previous year (by 4.33 percent). The remaining three televisions spent more funds than in 2011, as follows Kanal 5 TV by 29.63%, TV Sitel by 12.3% and Telma TV by 1.48%.

movement of the total costs of the TV stations at state level in the last five years



More than half of the cost (63.14%) were direct costs for creating programme.

Most of the funds were used to purchase the rights for broadcasting programme. Kanal 5 TV paid 143.75 million denars for purchasing programme, Sitel TV 125.83 million denars, Telma TV 43.67 million denars, and Alsat-M - 3,019 million denars spent the smallest amount of funds for purchasing programme.

Cost structure of terrestrial televisions at state level	2012	share
Tangible costs	60.45	5.80%
Costs for programme procurement	343.43	32.97%
Intangible costs (services)	82.31	7.90%
Salaries and other benefits to persons directly connected with the programme production	171.46	16.46%
Direct costs of creating programme	657.65	63.14%
Salaries and other benefits to persons who are not directly connected with the programme production	20.50	1.97%
Depreciation of equipment	138.33	13.28%
Suspension of rights and licenses	1.73	0.17%
Rent and other bill-related costs	19.62	1.88%
All other not covered operation costs	199.78	19.18%
Total operation costs	1037.61	99.61%
Expenses from other activities	4.02	0.39%
Extraordinary expenses	0.00	0.00%
Total operation costs	1041.63	100.00%

The costs of salaries and other allowances to persons directly connected with the programme production (16.46%) also have a significant share in the total costs. Most funds for this item were spent by Sitel TV (54.31 million denars), which is expected given that this station had the highest headcount (130). On the other hand, only Sitel TV did not show costs for salaries and other benefits to persons who are not directly associated with the production of programme.

More than half (57.77%) of the amount of the depreciation of the equipment was shown by Sitel TV (79.92 million denars).

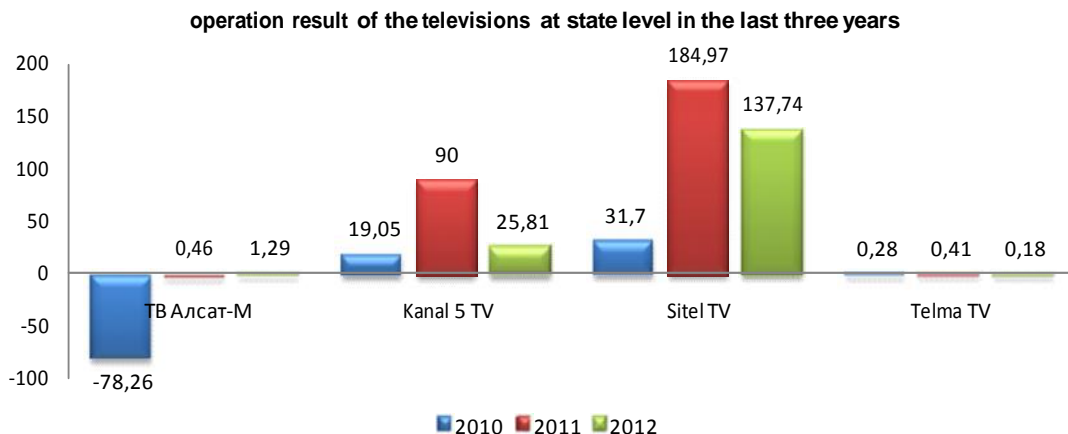
The cost falling under the category of "all other not covered operation costs" also have significant share in the total costs (19.18%).

In the analysed year all four television stations gained profit.

TV Sitel - profit of 137.74 million denars, had the best result of the operation. The profit of Kanal 5 TV totaled 25.81 million denars, of Alsat-M TV 1.29 million denars, and of Telma TV 0.18 million denars.

Results of operation of terrestrial televisions at state level	2012
Revenues from the main activities	1,197.94
Total operation costs	1,025.47
Profit (loss) from the main activity	172.47
Revenues from other activities	11.67
Expenses from other activities	15.93
Profit (loss) from other activities	-4.26
Extraordinary revenues	0.54
Extraordinary expenses	0.23
Profit (loss) before tax	168.52
Profit (loss) after tax (net profit / loss)	165.02

In the period from 2010 to 2012, Alsat-M achieved a negative financial result - a loss of 78.26 million denars only in the first year. The remaining three televisions continuously gained profit.



A total of 402 employees were engaged in these four television stations with regular labour relation. Most of them were employed at Sitel TV (130 persons).

Kanal 5 TV engaged only two persons more than Alsat-M TV, whereas Telma TV (80 persons) had the smallest number of employees.

number of employees with regular labour relation in the last five years					
TV station	2008	2009	2010	2011	2012
Sitel TV	103	113	124	119	130
Kanal 5 TV	92	88	94	95	97
Alsat – M TV	117	119	115	105	95
Telma TV	69	69	73	74	80
total	381	389	406	393	402

Only in 2010 more people were hired (a total of 406, i.e. 4 people more). During the remaining three years the total number of employees was lower, as follows: in 2008 for 21 people, in 2009 – 13 and in 2011 for 9 people.

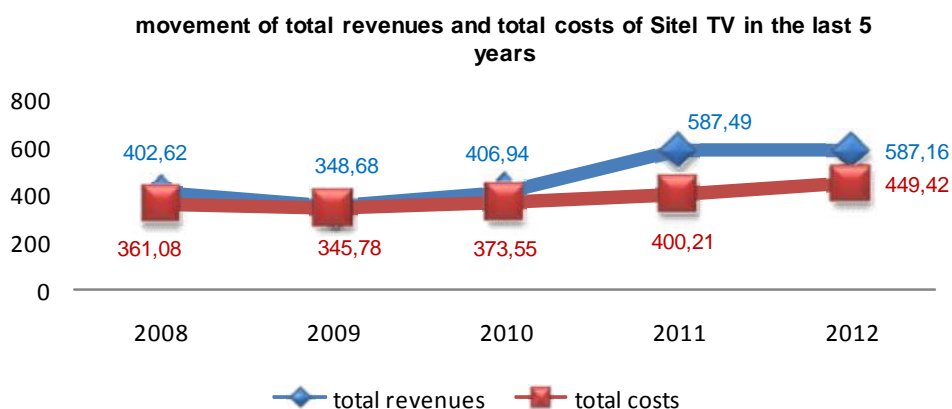
Compared with the previous year, the number of employees was increased by three televisions: Sitel TV for 11 people, Telma TV for 6 persons and Kanal 5 TV for 2 people.

In 2012, the average number of employees in Alsat-M TV was lower than in the previous year for 10 people.

Sitel TV

During the last 5 years, Sitel TV achieved the highest revenues in 2011 (587.49 million denars) and lowest revenues in 2009 (348.68 million denars).

In 2012, the total revenues realised by this television station were 45.83% higher than the total revenues in 2008, 68.40% higher than in 2009 and 44.29% higher than in 2010. Compared with 2011, the total revenues of Sitel TV were lower by 0.06%.



Most funds were spent by this television station in 2012 (449.42 million denars). In 2008, 24.47% less funds were spent, in 2009 by 29.97%, in 2010 by 20.31% and in 2011 by 12.30%.

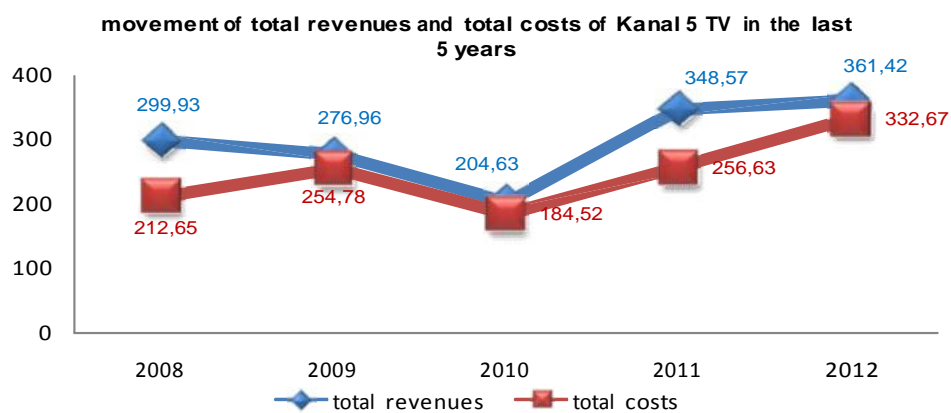
In each of the past five years, the realised result from the operation was profit.

In 2012, 130 people with a regular labour relation were engaged.

Kanal 5 TV

In the period from 2008 to 2012, the last year was the most favourable for Kanal 5 TV, when it achieved the highest revenues in the amount of 361.42 million denars.

This achievement represents an increase of 20.50% compared to the total revenues in 2008, by 30,50% in comparison with 2009, even 76.62% compared to the total revenues in 2010 and 3.69% compared to 2011.



In the last year the highest total costs were also incurred (332.67 million denars, which is 56.44% more than in 2008, and 30.57% more than in 2009, 80,29% more than in 2010 and 29.63% more than in 2011).

In the last five years, Kanal 5 TV continuously gained profit.

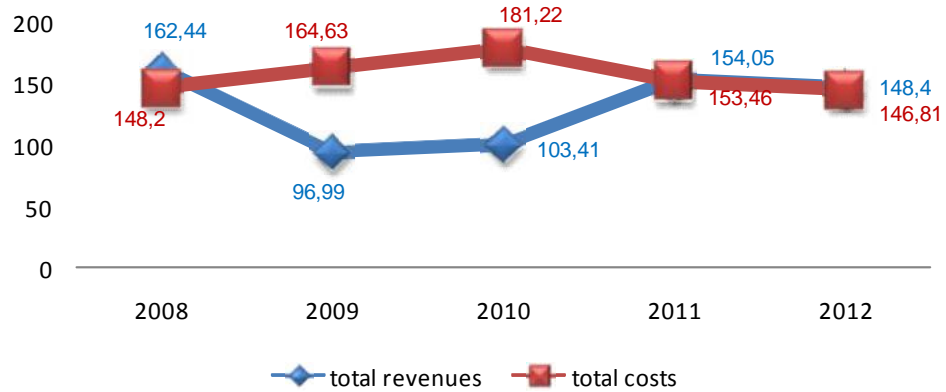
The average number of employees in this TV was the highest in 2012 (97 people).

Alsat-M TV

Alsat-M managed to achieve the highest total revenues in 2008 (162.44 million denas). In 2009, the total revenue was significantly reduced by even 40.29%, to be increased in the following two years, and in 2012 they again declined slightly.

Total revenues gained in the analysed year by this television are higher than the revenues generated in 2009 and 2010, by 53.01% i.e. 43.51% and lower than the revenues which were generated in 2008 (by 8.64%) and in 2011 (by 3.67%).

movement of total revenues and total costs of Alsat-M TV in the last 5 years



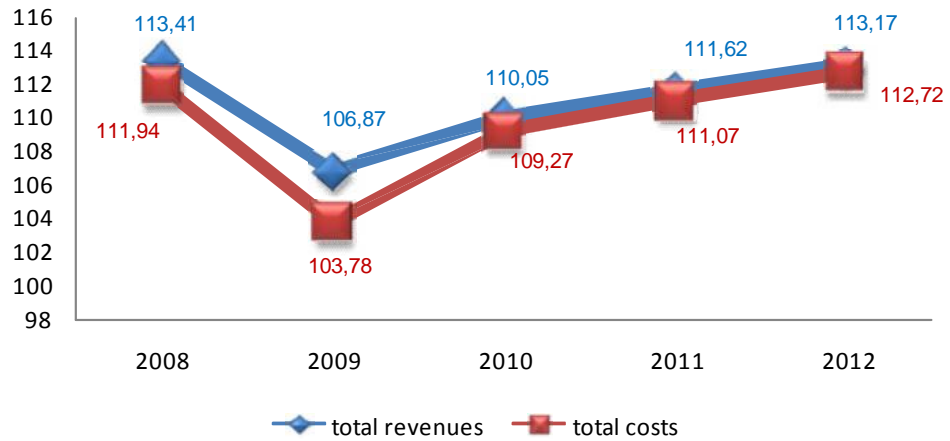
The highest total Costs of Alsat-M TV were incurred in 2010 (181.22 million denars) and they were the lowest in 2012 (146.81 million denars). In the analysed year, this television spent 0.94% less than in 2008, by 10.82% less than in 2009, 18.99% less than in 2010 and 4.33% less than in 2011.

In 2009 and 2010, the financial results of the operation of Alsat-M was negative - loss, and in the remaining three years profit was realised.

Telma TV

Telma TV in 2012 achieved total revenues amounting to 113.17 million denars. In the last five years, only in 2008 it had higher revenues by 0.21%. Compared with 2012, the total revenues generated in 2009 were lower by 5.90%, in 2010 by 2.84% and in 2011 by 1.39%.

movement of total revenues and total costs of Telma TV in the last five years



The highest total costs were incurred by Telma TV in 2012, i.e. by 0.7% more than in 2008, by 8.61% more than in 2009, 3.16% more than in 2010 and 1.49% more than in 2011.

In each of the last five years, this television exerted positive financial result of the operation.

From 2008 onwards, the average number of employees continuously increased, reaching 80 people in 2012.

Advertisers of commercial TV stations at state level

Data for major advertisers of commercial television stations are provided by the agency "Nielsen Audience Measurement" from Skopje. To calculate the amounts, the agency uses the advertisement prices listed in the official price lists of the television stations, multiplied by the duration of the commercials.

Below are presented data on the share of the value of the advertising clips of certain advertisers calculated in this manner in the total calculated value of broadcasted videos of all advertisers during the analysed year.

Ordinal number	advertiser	share	Ordinal number	advertiser	share
1	Government of RM	4.03%	26	Unilever	0.96%
2	Procter & Gamble	3.73%	27	Makedonski Telekom	0.95%
3	One	3.16%	28	Neptune Shop (Euro Media)	0.94%
4	Coca-Cola	2.95%	29	Droga Kolinska	0.93%
5	Alternativa Medika Pivara Skopje (Skopje)	2.44%	30	Kozuvchanka	0.93%
6	Brewery	2.40%	31	Zdravje Radovo	0.82%
7	Magroni	2.35%	32	Vivaks	0.78%
8	VIP	2.28%	33	Pascalín	0.75%
9	T-Mobile	2.02%	34	Wrigley	0.75%
10	S.C. Johnson & Wax	1.80%	35	Euroimpex	0.74%
11	VMRO-DPMNE	1.75%	36	Nestle	0.72%
12	Tinex	1.71%	37	TCC Plaza	0.71%
13	Montenegro	1.52%	38	EVN	0.70%
14	BS	1.51%	39	Prilep Brewery	0.69%
15	Maestro Dairy	1.49%	40	Studio Moderna	0.68%
16	Herbal +	1.38%	41	Kia Motors	0.64%
17	Henkel	1.36%	42	MAKPETROL	0.63%
18	La danza	1.32%	43	Ministry of Finance	0.62%
19	Fikosota	1.31%	44	Sileks	0.62%
20	Beohemija	1.28%	45	Office plus	0.61%
21	Alkaloid	1.23%	46	Nikob	0.59%
22	Beiesdorf	1.22%	47	Stopanska Banka	0.57%
23	Automotive Group	1.21%	48	General Motors	0.57%
24	Chipita	1.05%	49	Total TV	0.57%
25	Dalia	1.02%	50	Vltaminka	0.56%

Source: Nielsen Audience Measurement

Advertising industries in the TV sector

In 2012, most of the broadcasted advertising clips (19.27%) were commissioned by the food industry and the soft drinks industry.

Advertising industries	share
Food products and soft drinks	19.27%
Political advertising and charity activities	8.47%
Telecommunications	8.43%
Cosmetic products	7.63%
Medical and sanitary articles	7.52%
Services	7.52%
Home Chemistry and domestic needs	6.52%
Transportation	5.86%
Tea and coffee	5.48%
Trade	4.22%
Accessories for residential and office premises	3.88%
Banks, insurance companies, exchange offices	3.35%
Industry, agriculture, energy	2.72%
Media	2.28%
Hobbies and leisure time	1.78%
Kids equipment and diet	1.63%
Electrical household appliances	1.08%
Clothing, footwear and fashion accessories	0.65%
Computers	0.61%
Office supplies	0.52%
Education	0.35%
Audio and video equipment	0.19%
Other and unknown	0.02%

Source: Nielsen Audience Measurement

The second position was for the political advertisements and humanitarian activities, the participation of which in advertising was only 0.04% more than of the telecommunications industry.

The fourth position was for advertising clips commissioned by the producers of cosmetics and equal participation of 7.52% was observed with the advertising clips for medical and sanitary articles and various types of services.

In each of the last three years, most of the advertising clips were commissioned by the food industry and the soft drinks industry (the share in 2012 was the highest - 19.27%).

The biggest advertising industries in the last three years

2012		2011		2010	
Food and soft drinks	19.27%	Food and soft drinks	17,75%	Food and soft drinks	17,60%
Political Advertising and charity activities	8.47%	transport	10.37%	transport	10.70%
telecommunications	8.43%	political advertising	9,37%	telecommunications	8,33%
cosmetic products	7.63%	telecommunications	7,62%	media	7,25%
medical and sanitary articles	7.52%	cosmetic products	6,35%	services	6,60%
other	48.68%	other	48.54%	other	49.52%

The telecommunications industry was among the five most important industries in all three years, and political advertising and charity activities , as well as the cosmetics industry only in the last two years.

For the first time in 2012, the medical industry and the industry for sanitary articles was among the five most important industries.

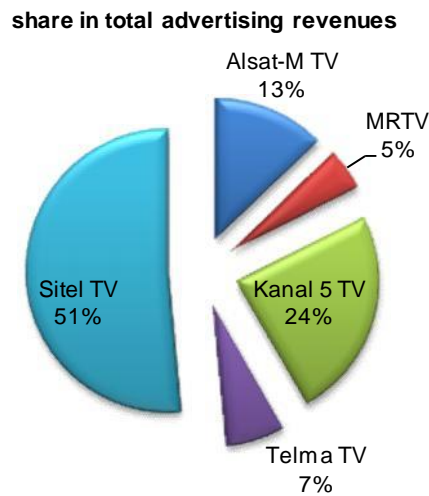
The transportation industry, which in the previous two years was on the second position, was eighth in 2012.

In 2010, the media were on the fourth place, in the following year on the twelfth, and in 2012 on the fourteenth place.

Shares of advertising revenues of televisions at state level

In 2012, the terrestrial television stations, which broadcasted programme at the state level (the two programme channels of the public broadcasting service - MTV 1 and MTV2, Sitel TV, Kanal 5 TV, Alsat-M TV, Telma TV) obtained a total of 1,139 64 million denars from the sale of advertising time.

Most of these funds were obtained by Sitel TV (586.61 million denars) or 51% of the total advertising revenues in this segment of the television industry.



Kanal 5 TV is second, with a total of 276.78 million denars obtained from advertising, and with a share of 24% of the total revenue.

Alsat-M showed revenues from the sale of advertising time in the amount of 144.87 million denars and Telma TV in the amount of 77.1 million denars.

The lowest advertising revenue was achieved by the Macedonian Television (54.29 million denars), or only 5% of the advertising pie.

1.3. Satellite televisions

At the beginning of the year, a total of 12 entities - Sonce TV, AB Kanal TV, BM TV, Nasha TV, Sitel 3 TV, 24 Vesti TV, Jungle TV, Alfa TV, Kanal 5 Plus TV, A2 TV, Pink 15 TV and Perspektiva TV (Skynet Plus TV) had a licence to broadcast television programmes via satellite.

Half of them lost the right to perform a broadcasting activity throughout the year (BM TV⁷, Jungle TV⁸, Perspektiva TV (Skynet Plus TV⁹), Pink 15 TV¹⁰, A2 TV¹¹ and AB Kanal TV¹²).

Throughout the whole year programme was broadcasted only by six satellite television (Sonce TV, Nasha TV, Sitel 3 TV, 24 Vesti TV, Alfa TV and Kanal 5 Plus TV).

In accordance with the broadcasting licenses these entities broadcast programme at state level, i.e. throughout the whole territory of the country. The Macedonian audience receives these channels only through a subscription agreement with some of the operators of public communication networks.

According to the "Survey of the Public Opinion", which was conducted in August 2012 by the Institute for Democracy for the needs of the Broadcasting Council, 81% of respondents said that they use the services of the operators of public communication networks. This includes subscribers of Max TV, which uses the Internet protocol technology (10%), Boom TV subscribers which performs digital retransmission (9%) and subscribers of about 64 active cable operators (62%).

Hence, the maximum range of these TV stations is 81% of the audience, if they are registered in the programme package of all operators of public communication networks.

The programme packages of almost all operators of public communication networks, except the few with less subscribers, include Nasha TV, Sitel 3 TV, Kanal 5 Plus TV and Alfa TV.

⁷ Due to failure to start performing its activity within the deadline stipulated in the licence (Decision No.07/91 dated 2 April 2012)

⁸ Due to failure of the programme service to start broadcasting by satellite and due to failure to pay the licence fee in the deadline stipulated therein (Decision No.07-100 dated 10 April 2012)

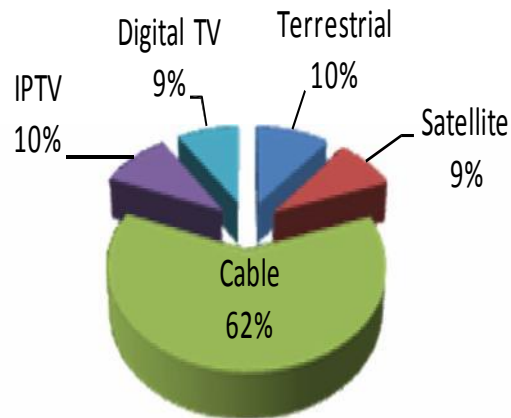
⁹ Due to failure of the programme service to start broadcasting by satellite and due to failure to pay the licence fee in the deadline stipulated therein (Decision No.07-101 dated 10 April 2012).

¹⁰ Due to failure to pay the licence fee in the deadline stipulated therein (Decision No.07-152 dated 11 May 2012)

¹¹ Due to non-compliance with the terms for performance of broadcasting activity, that is, due to non-compliance with the format for which the licence was issued (Decision No.07-192 dated 13 June 2012)

¹² Due to failure to pay the licence fee in the deadline stipulated therein (Decision No.07-325 dated 26 September 2012)

What type of connection does the main TV receiver in your household use?



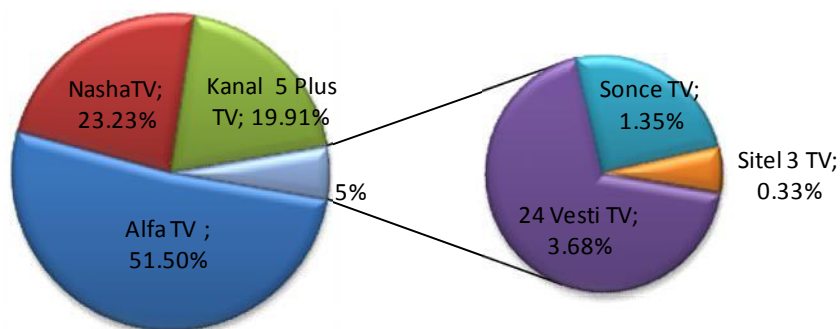
In 2012, the programme of Sonce TV was not re-transmitted by over 28 operators, including BOOM TV (the subscribers of which, according to the "Survey of the Public Opinion", constitute about 9% of the total number of households in Macedonia), and the programme of 24 Vesti TV was not retransmitted by 30 operators of public communication networks, including BOOM TV and Blizoo (Blizoo is one of the operators with the highest number of subscribers). Hence, the access of these two televisions to the public is less than 81%.

In 2012, the total revenues realised by these six television stations totaled 184.99 million denars.

More than half of these funds (51.50%) were revenues of Alfa TV (95,27 million denars). More significant participation was also observed regarding the revenue of Nasha TV (23.23% or 42.97 million denars) and Kanal 5 Plus TV (19.91% or 36.82 million denars). These three televisions achieved 94.64% of the revenues of this segment of the television market.

The remaining three satellite televisions achieved noticeably lower revenue: 24 Vesti TV - 6.82 million denars, Sonce TV - 2.49 million denars and Sitel 3 TV - 0.62 million denars.

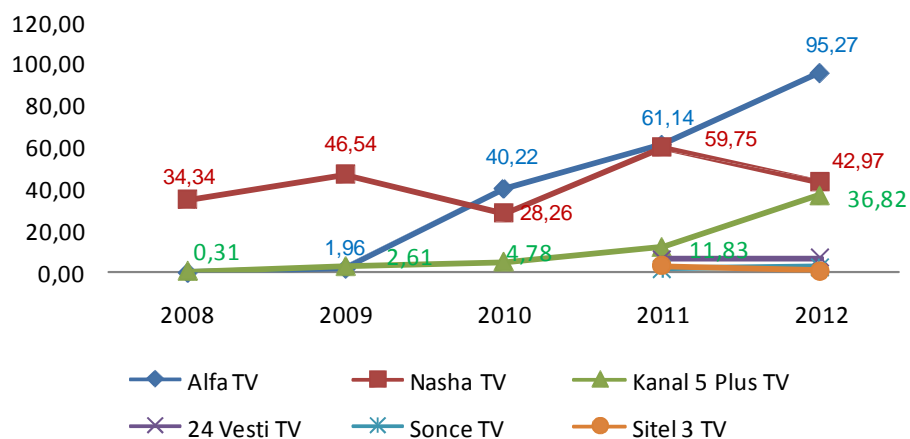
share in total revenues of satellite televisions



In the period from 2008 to 2012, the total revenues realised by these six televisions have variable values. Compared with the previous year, they were higher by 2.12%.

Only two televisions (Nasha TV and Kanal 5 Plus TV) gained profit in all six years. Kanal 5 Plus TV gradually increased its total revenues, in contrast to Nasha TV, where the growth rate has a positive value in some years (in 2009 and 2011) and negative value in other years (2010 and 2012).

movement of the total revenues of the 6 satellite televisions in the last five years



Alfa TV has been gaining revenues since 2009, and the growth rate has continuously had positive values. In 2012 the revenues of this station were by 55.83% higher than the revenues in 2011.

24 Vesti TV, Sonce TV and Sitel 3 TV gained revenues only in 2011 and in 2012, as follows: 24 Vesti TV - 6.08 million denars, that is, 6.82 million denars, Sonce TV - 1.77 million denars, that is, 2.49 million denars and Sitel 3 TV - 3.08 million denars, that is, 0.62 million denars.

In 2012, the most important source of revenue for satellite televisions were revenues from the sale of advertising time and teleshopping. The share of advertising revenue in the total revenue of each television separately, ranges from 96.46% for Alfa TV to 100% of Kanal 5 Plus TV.

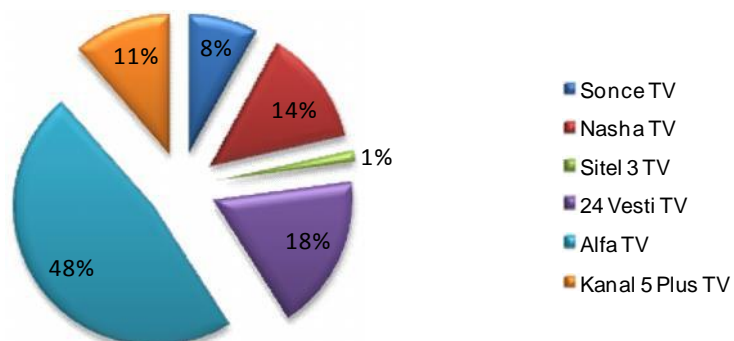
Revenue structure of satellite televisions	2012	share
Advertising and teleshopping	181.20	97.95%
Sponsorships	0.00	0.00%
Revenues from other programmes	0.00	0.00%
Donations and grants	0.00	0.00%
Sale of programmes	0.00	0.00%
Other undistributed revenues	2.67	1.44%
Revenue from the main activity	183.87	99.39%
Revenue from other activities	0.41	0.22%
Extraordinary revenues	0.71	0.38%
Total revenues	184.99	100.00%

Most advertising revenues were gained by: Alfa TV (91.9 million denars), Nasha TV (42.58 million denars) and Kanal 5 Plus TV (36.82 million denars).

Considerably less advertising revenues were gained by 24 Vesti TV (6.79 million denars), Sonce TV (2.5 million denars) and TV Sitel 3 (0.62 million denars).

In 2012, the six satellite televisions jointly spent a total of 222.34 million denars. Almost half of these funds were the total costs of Alfa TV (105.77 million denars).

share in total costs of satellite televisions



The total cost of the other five televisions amount to: 24 Vesti TV - 40.3 million denars, Nasha TV - 29.99 million denars, Kanal 5 Plus TV- 25.4 million denars, Sonce TV - 17.8 million denars and Sitel 3 TV - 3.1 million denars.

The total cost of these six entities, in the last three years increased. In 2011, the total costs were by 27.55% higher than the costs in 2010, and in 2012 by 1.08% higher than the cost in 2011. This is mostly due to the rise of the costs of 24 Vesti TV, which in 2010 amounted to 3.97 million denars, in 2011 33.43 million denars and in 2012 40.3 million denars.

TV station	Total costs		
	2010	2011	2012
Alfa TV	116.45	111.69	105.77
24 Vesti TV	3.97	33.43	40.3
Nasha TV	24.88	27.95	29.99
Kanal 5 Plus TV	15.97	25.76	25.4
Sone TV	11.97	18.15	17.8
Sitel 3 TV	0.00	3.98	3.1
TOTAL	173.24	220.96	222.34

Most of the funds were intended for salaries and other benefits to persons directly connected with the programme production (36.30%). For this kind of expense Alfa TV separated more resources (50.20 million denars) than the other five television together (30.51 million

denars). In the analysed year, Sitel 3 TV did not show such costs (in 2012 on this television there were no employees with a regular labour relation).

The costs of purchasing programme represent a significant share in the total costs. Only three televisions allocated funds for the purchase of programme: Nasha TV (24.01 million denars), Alfa TV (17,35 million denars) and Kanal 5 Plus TV (0.13 million denars).

Cost structure of satellite televisions	2012	share
Tangible costs	19.65	8.84%
Costs for programme procurement	41.49	18.66%
Intangible costs (services)	6.01	2.70%
Salaries and other benefits to persons directly connected with the programme production	80.71	36.30%
Direct costs of creating programme	147.86	66.50%
Salaries and other benefits to persons who are not directly connected with the programme production	2.55	1.15%
Depreciation of equipment	6.90	3.10%
Suspension of rights and licenses	0.00	0.00%
Rent and other bill-related costs	17.26	7.76%
All other not covered operation costs	43.79	19.69%
Total operation costs	218.37	98.21%
Expenses from other activities	3.98	1.79%
Extraordinary expenses	0.00	0.00%
Total operation costs	222.34	100.00%

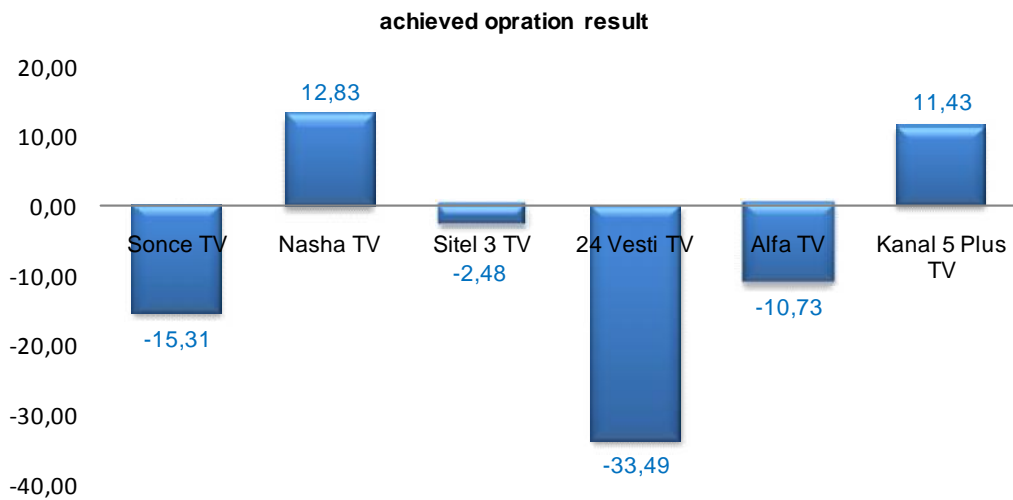
Most funds for rent and other bill-related costs were spent by Alfa TV (14.88 million denars). The high share of "all other costs not covered by the operation" is due to the high amounts shown by Alfa TV (18.00 million denars) and Kanal 5 Plus TV (18.63 million denars).

The financial result of the operation of this segment of the television industry was a loss in the amount of 37.76 million denars.

Only two televisions realised profit: Nasha TV (12.83 million denars) and Kanal 5 Plus TV (11.43 million denars).

Revenues from the main activities	184.60
Total operation costs	218.51
Profit (loss) from the main activity	-33.92
Revenues from other activities	0.39
Expenses from other activities	3.83
Profit (loss) from other activities	-3.44
Extraordinary revenues	0.00
Extraordinary expenses	0.00
Profit (loss) before tax	-37.36
Profit (loss) after tax (net profit / loss)	-37.76

24 Vesti TV had the worst financial result (loss of 33.49 million denars) and loss was also generated by Sonce TV (15.31 million denars), Alfa TV (10.73 million denars) and Sitel 3 TV (2.48 million denars).



The total number of employees with regular labour relation at the satellite televisions was 241 persons, half of whom were employed in Alfa TV. In Sitel 3 TV there were no employees with regular labour relation.

number of employees with regular labour relation in the last four years				
TV station	2009	2010	2011	2012
Alfa TV	72	127	121	120
24 Vesti TV	0	25	59	64

Kanal 5 Plus TV	37	32	28	24
Sonce TV	7	12	12	19
Nasha TV	35	35	16	14
Sitel 3 TV	0	0	0	0
TOTAL	151	231	236	241

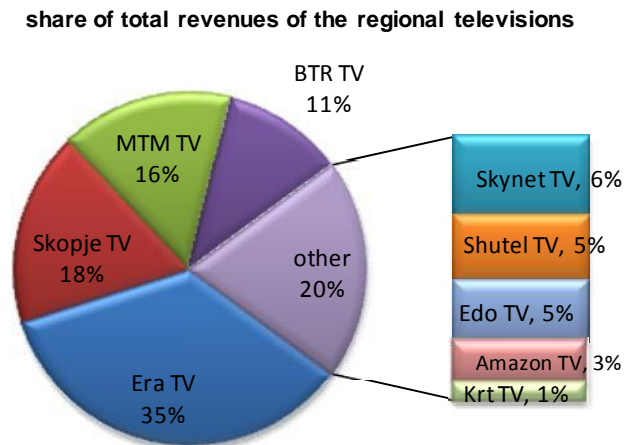
Compared to the previous year, the number of employees increased by 5 people. Two televisions increased the number of employees: Sonce TV (by 7 persons) and 24 Vesti TV (by five people), and three decreased their headcount: Alfa TV (by one person), Kanal 5 Plus TV (by 4 people) and Nasha TV (by 2 people).

1.4. Regional televisions

In 2012, television programme at regional level was broadcasted by a total of 10 television stations. One of them - Pink Mak TV broadcasted programme only in the first half of the year¹³ and given that in the period of data collection it had already lost its permission to perform broadcasting activity, the data on the economic performance of this entity in 2012 are not included in the analysis¹⁴.

Nine television stations performing a broadcasting activity throughout the year, achieved total revenues amounting to 57.54 million denars.

The greatest share, i.e. 35% of the funds were generated by Era TV. This television, with only three televisions (Skopje TV, MTM TV and BTR TV) generated almost 80% of the total revenue of the regional television market.

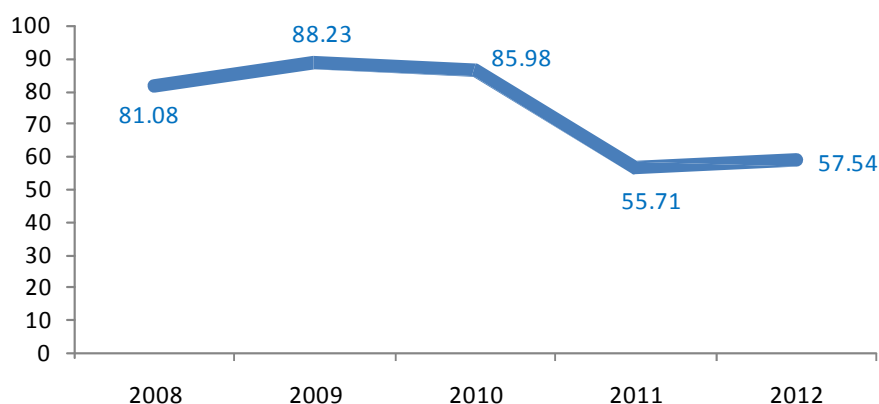


Compared to the previous year revenues showed a slight increase (by 3.82%). However they are noticeably smaller than the revenues generated in the first three years, by 28.66% than the amount collected in 2008, by 34.44% than the revenues in 2009 and 32.73% than the revenues in 2010.

¹³ Due to failure to pay the broadcasting fee within the deadline stipulated therein by the Decision of the Council No. 07-249 dated 11 June 2012 this broadcaster lost the right to perform a broadcasting activity .

¹⁴ In 2011 the total revenues of Pink Mak TV amounted to 1,667.00 denars.

movement of total revenues of regional TV stations in the last five years



The significant decline in total revenues in 2011, compared to 2010, is largely due to the decline of the revenues of Era TV (by 62.82% i.e. 29.86 million denars).

In 2012, of the nine television stations, six achieved more revenue than in the previous year: Shutel TV (by 11.69%), Skopje TV (by 0.29%), Amazon TV (by 60.19%), Era TV (by 14.09%), Krt TV (by 144.44%) and Skynet TV (by 24, 56%).

The remaining three televisions had less revenues than in the previous year, as follows BTR TV (by 22.85%), EDO TV (by 18.10%) and MTM TV (by 3.60%).

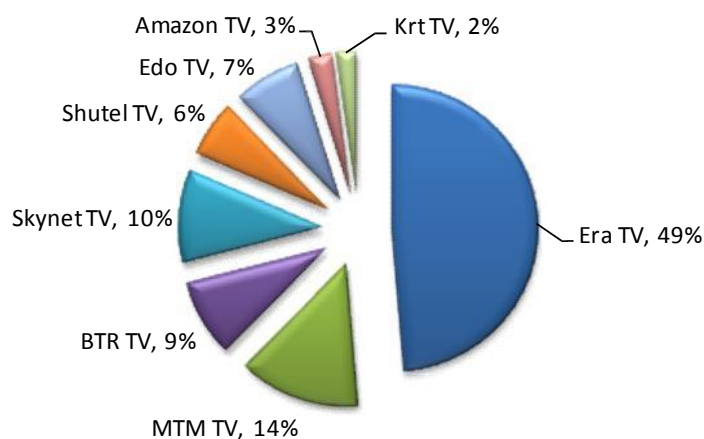
total revenues in the last four years							
TV station	2009	growth rate	2010	growth rate	2011	growth rate	2012
Shutel TV	2.01	-17.91%	1.65	50.30%	2.48	11.69%	2.77
Skopje TV	35.05	-63.25%	12.88	-20.57%	10.23	0.29%	10.26
Amazon TV	1.86	-29.03%	1.32	-18.18%	1.08	60.19%	1.73
BTR TV	3.26	32.52%	4.32	91.44%	8.27	-22.85%	6.38
Edo TV	0.46	530.43%	2.9	16.21%	3.37	-18.10%	2.76
Era TV	27.85	70.66%	47.53	-62.82%	17.67	14.09%	20.16
Pink Mak TV	1.64	37.20%	2.25	-100.00%	-	-	-
Krt TV	0.74	-33.78%	0.49	-26.53%	0.36	144.44%	0.88
MTM TV	7.5	3.87%	7.79	21.18%	9.44	-3.60%	9.1
Skynet TV	7.85	-39.62%	4.74	-40.72%	2.81	24.56%	3.5

Unlike televisions at the state level, which in the analysed year generated revenue only by means of advertising and sponsorship, regional televisions also show participation of revenues from the sale of programmes, donations and grants, and revenue from other programmes. However, it is important to note that the overall amount of revenue from other programmes was shown by only one television - Shutel TV, donations and grants were only shown by BTR TV, and revenue from the sale of TV programmes only by MTM TV.

Revenue structure of regional televisions	2012	учетво
Advertising and teleshopping	31.88	55.41%
Sponsorships	0.29	0.50%
Revenues from other programmes	0.18	0.32%
Donations and grants	2.19	3.80%
Sale of programmes	1.29	2.24%
Other undistributed revenues	10.41	18.10%
Revenue from the main activity	46.24	80.36%
Revenue from other activities	10.61	18.45%
Extraordinary revenues	0.69	1.19%
Total revenues	57.54	100.00%

The sale of advertising time, was the most important source of revenue for regional televisions, as well, but with a smaller participation in the total revenues than by terrestrial televisions at the state level (89.69%) and satellite televisions (97.95%). Regional television achieved 55.41% of the total advertising revenues.

share in total advertising revenues of the regional television market



Most attractive to advertisers was Era TV, which managed to achieve almost half (48.68%) of the revenues of the regional television market, i.e. 15.52 million denars. Significant revenues were realised by MTM TV (4.33 million denars) and Skynet TV (3.31 million denars).

The total revenue of Skopje TV (10.26 million denars) was generated from other activities. According to the information provided by this broadcaster, it is income from renting of equipment and renting of a facility, used for storage of transmitters.

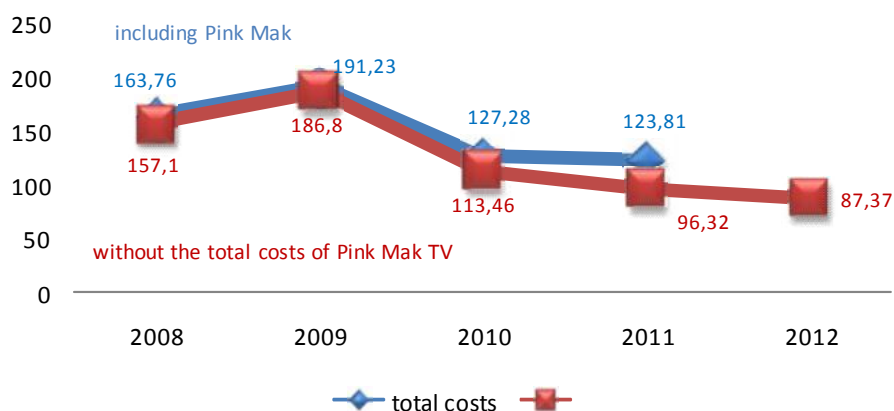
In 2012, the nine regional television jointly spent a total of 87.37 million denars, which is the lowest amount in the period of the last five years.

Given that Pink Mak TV in the period of the collection of data on the economic performance of broadcasters had already lost its licenses to perform broadcasting activity, the chart below presents data for the costs of regional televisions as a total amount, which includes the total costs of Pink Mak TV (in the period from 2008 to 2011) and as an amount in which the total costs only of the nine televisions were calculated for the operation of which the Council has data¹⁵.

The total cost of these nine entities in 2012 are by 44.39% lower than the costs in 2008 by 53.23% lower than the costs in 2009, 22.99% than in 2010 and 9.29% lower than the costs that were incurred in 2011.

¹⁵ The total costs of Pink Mak TV in 2008 amounted to 6.66 million denars, in 2009 - 4.43 million denars, in 2010 -13.82 million denars and in 2011 -27.49 million denars.

movement of total costs of regional televisions in the last five years



Most of the funds were spent by the regional televisions in 2009, due to the high costs shown for this year by Skopje TV (116.83 million denars) and Era TV (42.44 million denars).

The reduction in total cost compared with the previous year (by 9.29%), is due to the reduction of the total costs of Skopje TV (by 16.33% i.e. 7.72 million denars), of Era TV (by 15.86 % i.e. 3.78 million denars) and MTM TV (by 3.43% , i.e. 0.32 million denars).

The other six televisions spent more funds than in the previous year.

TV station	Total costs		Growth rate
	2012	2011	
Shutel TV	2.54	2.25	13.23%
Skopje TV	39.53	47.24	-16.33%
Amazon TV	1.68	1.05	60.44%
BTR TV	5.46	5.21	4.92%
Edo TV	3.06	3.02	1.48%
Era TV	20.07	23.85	-15.86%
Krt TV	1.01	0.69	45.50%
MTM TV	8.98	9.30	-3.43%
Skynet TV	5.03	3.71	35.58%
Total	87.37	96.32	-9.29%

The direct costs for creating programme accounted for only 26.38% of the total costs of regional televisions.

The largest share in the total costs constitute the costs for depreciation of equipment (33.35%), due to the high amount of this type of expense that Skopje TV showed (24.52 million denars).

Only four television showed costs for purchasing programme: Shutel TV (0.12 million denars), Amazon TV (0.62 million denars), BTR TV (1.59 million denars) and MTM TV (0.36 million denars).

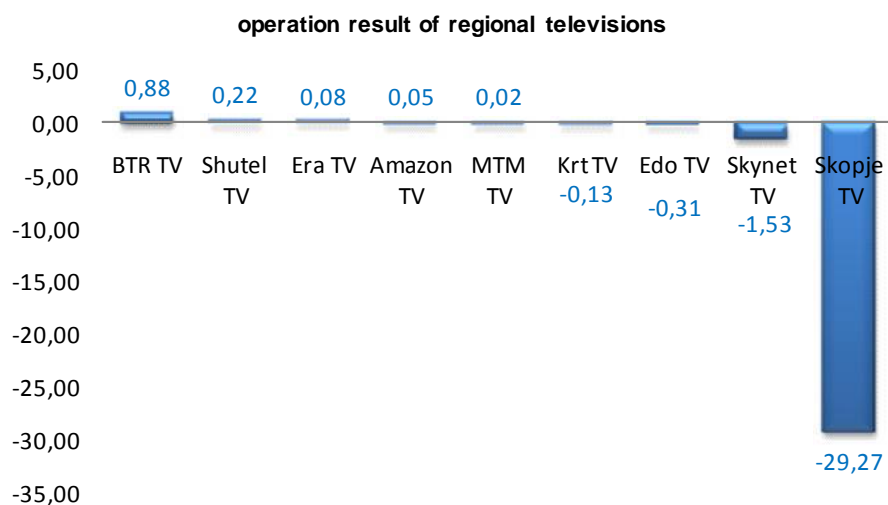
Era TV showed almost 79% of the cost for salaries and other allowances to persons directly connected with the production of TV programme (3.94 million denars) and MTM TV (3.88 million denars).

Skopje TV showed the highest costs for salaries and other allowances of persons not directly connected with the production of TV programme (5.2 million denars).

Cost structure of regional televisions	2012	share
Tangible costs	3.98	4.56%
Costs for programme procurement	2.69	3.08%
Intangible costs (services)	6.47	7.40%
Salaries and other benefits to persons directly connected with the programme production	9.91	11.34%
Direct costs of creating programme	23.05	26.38%
Salaries and other benefits to persons who are not directly connected with the programme production	7.70	8.81%
Depreciation of equipment	29.14	33.35%
Suspension of rights and licenses	0.00	0.00%
Rent and other bill-related costs	3.00	3.43%
All other not covered operation costs	23.51	26.91%
Total operation costs	86.40	98.89%
Expenses from other activities	0.86	0.99%
Extraordinary expenses	0.11	0.12%
Total operation costs	87.37	100.00%

Five of the nine regional television stations realised profit (BTR TV, Shutel TV, ERA TV, Amazon TV and MTM TV). BTR TV gained the highest profit (0.88 million denars).

Skopje TV had the worst financial results of the operations - loss amounting to 29.27 million denars. KRT TV, EDO TV and Skynet TV also worked with a loss.



The nine regional television, had a total of 49 employees with a regular labour relation. Most of them were employed at Era TV (16), MTM TV (14) TV and at Skopje TV (10).

Headcount with a regular labour relation				
TV station	2009	2010	2011	2012
Era TV	22	22	16	16
MTM TV	16	15	17	14
Skopje TV	141	11	11	10
Edo TV	3	3	3	3
Amazon TV	2	2	2	2
Shutel TV	2	2	2	1
BTR TV	1	1	1	1
Krt tV	1	1	1	1
Skynet TV	1	1	1	1
PINK MAK TV	8	6	0	-
Total	197	64	54	49

In four regional televisions (Shutel TV, BTR TV, Krt TV and Skynet TV) only one person with a regular labour relation was employed.

With reference to the previous year, the number of employees has dropped at three televisions: MTM TV (by 3 people) and Skopje TV and Shutel TV by one person.

The remaining six entities, preserved the same average number of employees with regular labour relation.

1.5. Television stations at local level

In 2012, 49 entities in the Republic of Macedonia had a licence for performing a broadcasting activity as a television station at local level.

Most local televisions broadcasted programme in Tetovo (five) and in Kumanovo (four).

Inhabited area	Population number ¹⁶	Number of local TV stations	Language in which the programme is broadcasted	Inhabited area	Population number ¹⁷	Number of local TV stations	Language in which the programme is broadcasted
Tetovo	90,140	5	3 in Albanian and 2 in Macedonian language	Berovo	13,337	1	Macedonian
Kumanovo	107,632	4	2 in Albanian and 2 in Macedonian language	Valandovo	11,944	1	Macedonian
Kichevo	30,269	3	2 in Albanian and one in Macedonian language	Gevgelia	22,934	1	Macedonian
Ohrid	54,269	3	all three in Macedonian language	Debar	20,371	1	Albanian
Struga	64,657	3	one Albanian, one in Macedonian and one in Albanian and Macedonian	Delchevo	16,848	1	Macedonian
Bitola	93,380	2	Macedonian language	Dolneni	13,817	1	Bosniak, Macedonian and Albanian
Veles	55,057	2	Macedonian language	Kratovo	9,784	1	Macedonian
Gostivar	82,725	2	One in Albanian and one in Albanian, Turkish and Macedonian	Kriva Palanka	20,377	1	Macedonian
Kavadarci	39,011	2	Macedonian	Plasnica	4,774	1	Macedonian
Kochani	38,155	2	Macedonian	Prilep	76,236	1	Macedonian
Radovish	28,748	2	Macedonian	Probishtip	15,590	1	Macedonian
Strumica	56,280	2	Macedonian	Sveti Nikole	18,060	1	Macedonian
Stip	48,598	2	Macedonian	Centar Zhupa	6,921	1	Macedonian, Turkish and Albanian

¹⁶ Population estimates on 30 June 2011 and 31 December .2011 by sex and age, by municipalities and by statistical regions (NUTS 3 - 2007 period) ", State Statistical Office, available at <http://www.stat.gov.mk/Publikacii/2.4.12.08.pdf>

¹⁷ „ Population estimates on 30 June 2011 and 31 December .2011 by sex and age, by municipalities and by statistical regions (NUTS 3 - 2007 period) ", State Statistical Office, available at <http://www.stat.gov.mk/Publikacii/2.4.12.08.pdf>

The number of local television stations, regardless of the number of population is higher in those towns where the population is of different ethnic backgrounds, in order to provide media that will broadcast programme in the languages spoken / understood by the audience in that area.

Of the 49 local TV stations, 47 broadcasted programme throughout the year, and two of them (Novatel - Plus TV¹⁸ from Prilep and Medi TV¹⁹ from Bitola) lost their license for performing a broadcasting activity during the analysed year.

The analysis presented data on the economic performance of 45 local TV stations²⁰.

The total revenues, which in 2012 were achieved by these 45 televisions, totaled 145.7 million denars.

Ordinal number	Inhabited area	Total revenues	Number of local TV stations	Inhabited area	Total revenues	Number of local TV stations
1	Bitola	24.34	2	14 Kriva Palanka	3.65	1
2	Tetovo	21.28	5	15 Sveti Nikole	2.65	1
3	Ohrid	11.15 ²¹	3	16 Probishtip	2.61	1
4	Stip	10.74	2	17 Gevgelia	2.42	1
5	Kumanovo	9.80	4	18 Delchevo	2.26	1
6	Strumica	9.07	2	19 Gostivar	2.20	2
7	Kavadarci	6.35	2	20 Centar Zhupa	2.08	1
8	Veles	6.35	2	21 Valandovo	1.98	1
9	Kichevo	5.91	3	22 Debar	0.77	1
10	Radovish	5.65	2	23 Makedonski Brod	0.51	1
11	Kochani	5.42	2	24 Dolneni	0.13	1
12	Struga	4.22	3	25 Kratovo	0.00	1
13	Prilep	4.16	1	26 Berovo	ND.	1
Total					145.7	47

ND - no data

¹⁸ Due to failure to start performing a broadcasting activity, by a Decision No. 07-404 dated 24 November 2012

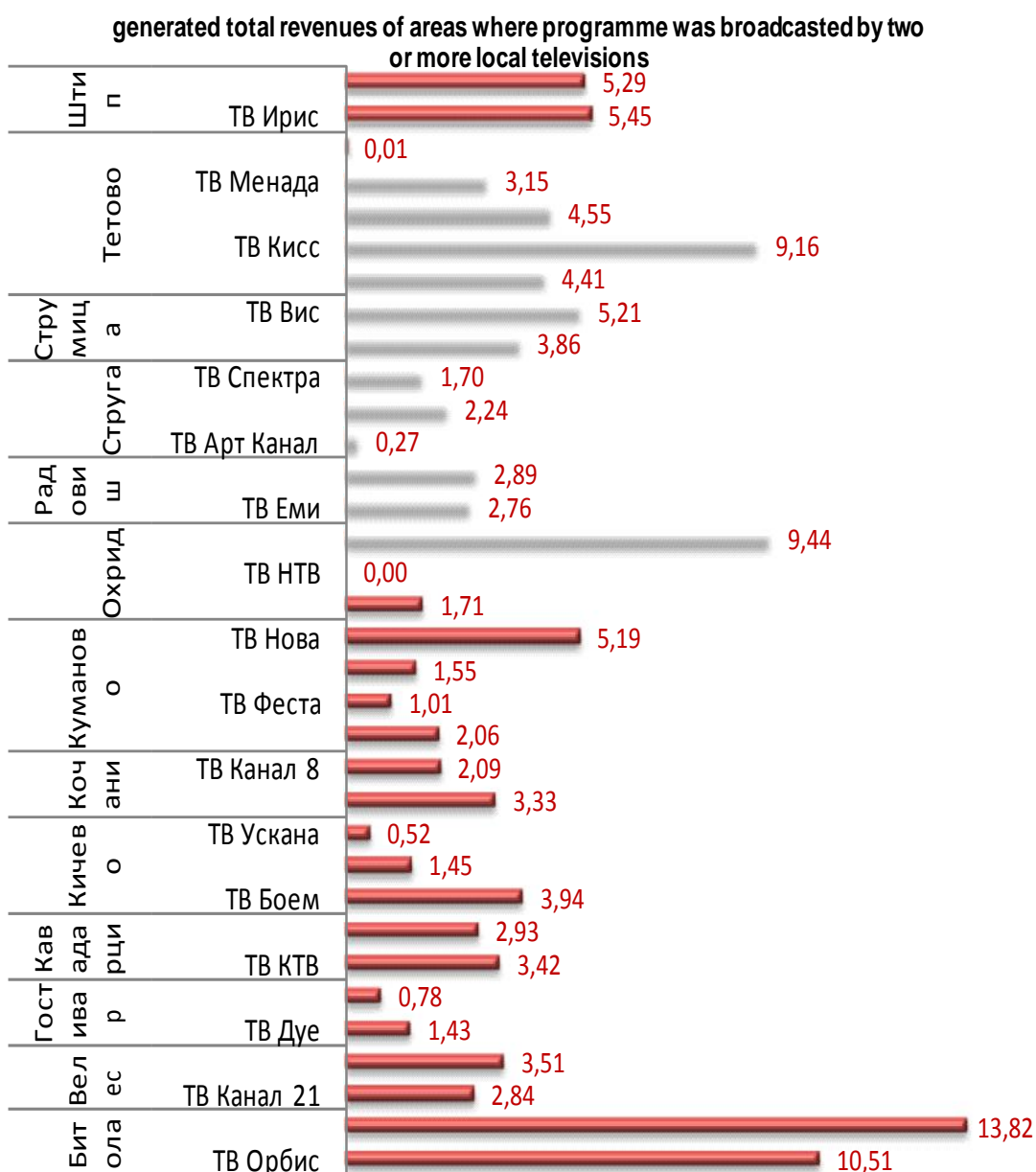
¹⁹ Due to failure to pay the broadcasting licence fee defined therein, by a Decision No. 07-159 dated 31 May 2012

²⁰ TOP TV from Berovo, in the period when the analysis was being prepared had already lost its broadcasting licence (by a Decision No. 07-170 dated 23 May 2013), and NTV TV from Ohrid did not submit the data, so that the Council in accordance with its competences pronounced a measure to this television station.

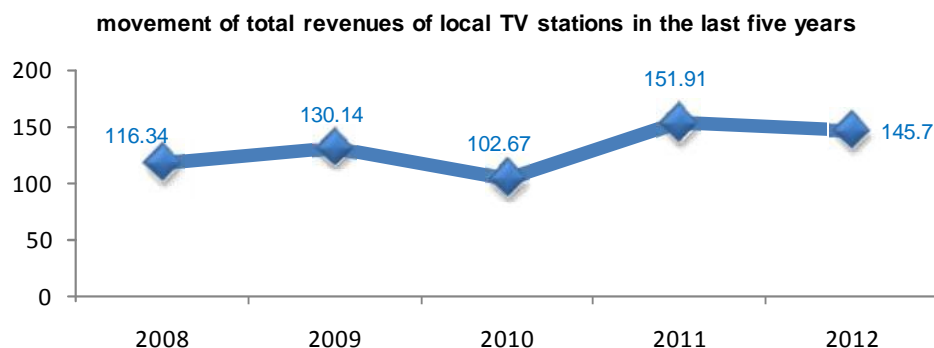
In 2011, the total revenues of TOP TV from Berovo amounted to 0.24 million denars, and of NTV TV from Ohrid 2.54 million denars.

²¹ This amount includes the revenues of only two televisions - TVM and Moris TV, given that NTV TV did not submit data.

The revenues which were generated in the region of Bitola and Tetovo represent 31.32% of the total revenue of the local television market. The two televisions that broadcasted programme in the region of Bitola achieved 16.71%, and the five televisions that broadcasted programme in the region of Tetovo achieved 14,61% of the revenue of all local television stations.



During the last five years, only in 2011, more revenues were generated in the local television market than in the analysed year (by 4.09%).



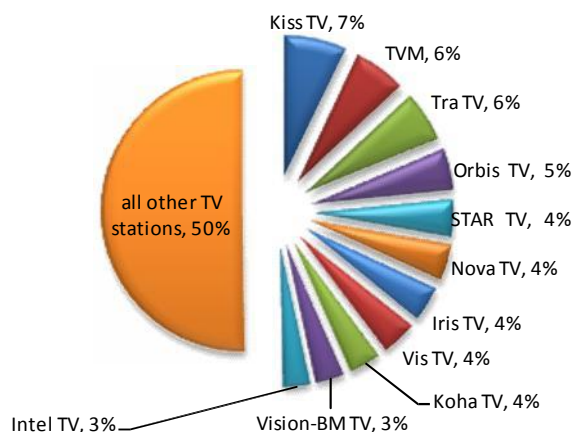
The rate of growth, in terms of revenues, which were generated in the remaining three years, has positive values, as follows: for 2008 it is 25.24%, for 2009 it is 11.96% and for 2010 it is 41.91%.

The most important source of revenue for local TV stations was the selling of advertising time.

Revenue structure of local televisions	2012	share
Advertising and teleshopping	125.29	85.99%
Sponsorships	0.73	0.50%
Revenues from other programmes	0.08	0.05%
Donations and grants	0.00	0.00%
Sale of programmes	3.95	2.71%
Other undistributed revenues	3.39	2.33%
Revenue from the main activity	133.44	91.59%
Revenue from other activities	6.32	4.34%
Extraordinary revenues	5.93	4.07%
Total revenues	145.70	100.00%

Kiss TV from Tetovo managed to achieve the highest revenue from advertising (8.79 million denars) and more significant revenues were also realised by TVM from Ohrid (7.54 million denars) and Tera TV from Bitola (7.27 million denars).

share in total advertising revenues of the local television market



Revenues from sponsorship were shown only by four local televisions: Tera TV from Bitola, Chegrani Media TV from Gostivar, Emi TV from Radovish and Dibra TV from Debar.

The overall amount of revenue from other programmes was achieved by Chegrani Media TV from Gostivar and the revenue from the sale of TV programmes –Tera TV from Bitola.

The share of revenues from other activities of 4.34% of the total revenue generated in the local television market is due to the high amounts shown by Tera TV from Bitola (2.59 million denars) and Boem TV from Kichevo (1.97 million denars). Almost 80% of the extraordinary revenues were generated by Orbis TV from Bitola (4.7 million denars).

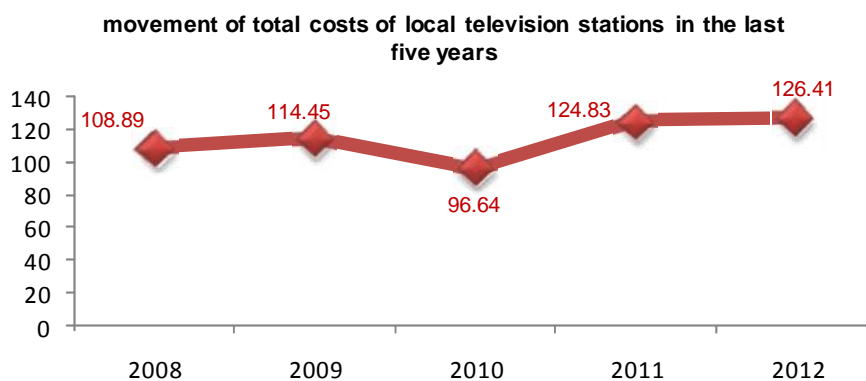
In 2012, local television stations jointly spent 126.41 million denars.

Tera TV from Bitola showed the highest costs (13.72 million denars), Kiss TV from Tetovo (9.02 million denars), Orbis TV from Bitola (8.75 million denars) and TVM from Ohrid (7.55 million denars). The costs of these four entities represent 30% of the total costs of all local TV stations.

Most of the costs were incurred for salaries and other benefits to persons directly connected with the production of programme (25.01% of the total costs). Most funds for this type of costs were allocated by: TVM from Ohrid (2.42 million denars), Iris TV from Stip (2.27 million denars) and Tera TV from Bitola (1.96 million denars).

Cost structure of local televisions	2012	share
Tangible costs	24.54	19.42%
Costs for programme procurement	9.97	7.89%
Intangible costs (services)	15.04	11.90%
Salaries and other benefits to persons directly connected with the programme production	31.61	25.01%
Direct costs of creating programme	81.16	64.21%
Salaries and other benefits to persons who are not directly connected with the programme production	5.14	4.07%
Depreciation of equipment	11.92	9.43%
Suspension of rights and licenses	0.09	0.07%
Rent and other bill-related costs	2.55	2.02%
All other not covered operation costs	22.21	17.57%
Total operation costs	123.08	97.37%
Expenses from other activities	3.12	2.47%
Extraordinary expenses	0.21	0.17%
Total operation costs	126.41	100.00%

11 local TV stations showed costs for purchasing programme, the most of which by Tera TV from Bitola (7.23 million denars or 73% of the total cost for purchasing programme of the local TV stations).



In the period from 2008 to 2012, local TV stations had the lowest level of funds in 2010 (96.64 million denars), and the highest level in the last year (126.41 million denars).

The total costs that local televisions made in 2012 are by 16.09% higher than the costs in 2008, by 10,45% higher than the costs in 2009, by 30,81% than in 2010 and by 1.27% higher than the costs in the previous year.

The common realised result from the operation on the local television market was profit of 18.98 million denars.

Operation results of televisions at local level	2012
Revenues from the main activities	136.61
Total operation costs	126.03
Profit (loss) from the main activity	10.58
Revenues from other activities	3.63
Expenses from other activities	0.26
Profit (loss) from other activities	3.37
Extraordinary revenues	5.45
Extraordinary expenses	0.11
Profit (loss) before tax	19.29
Profit (loss) after tax (net profit / loss)	18.98

The best financial result was achieved by: Zlaten Kanal TV from Kriva Palanka (profit of 2.00 million denars), TVM from Ohrid (1.89 million denars), Orbis TV from Bitola (1.76 million denars) and Moris TV from Ohrid (1.70 million denars). Besides these four, another 35 local television stations finished the year with a positive result.

In 2012, only six local television worked with a loss (Sitel 2 TV from Kratovo), Lazani TV from Lazani, Iris TV from Stip, Super Sky TV from Tetovo, Art Kanal TV from Struga and Festa TV from Kumanovo).

The average number of employees with regular labour relation in the local TV stations was 212 employees, or 29 employees more than the previous year.

A total of 16 televisions increased the number of employees: Kanal 8 TV from Kochani and Tikveshija TV from Kavadarci by five employees, Nova TV from Kumanovo by four employees, Koha TV from Tetovo, Orbis TV from Bitola, Zlaten Kanal TV from Kriva Palanka and Intel TV from Strumica by three employees, TVM from Ohrid and Iris TV from Stip by two employees and Tera TV from Bitola, Spektra TV from Struga, Art TV from Tetovo, Dibra TV from Debar, Chegrani Media TV from Gostivar, Boem TV from Kicevo and Due TV from Gostivar by one person.

The number of employees was decreased only by four television stations: Kiss TV from Tetovo and Kochani LD TV from Kocani by two employees and Protel TV from Probishtip and Uskana TV from Kicevo by one person

TV station	2008	2009	2010	2011	2012	TV station	2008	2009	2010	2011	2012
Tera TV, Bitola	8	13	8	12	13	D1 TV, Delchevo	0	3	3	3	3
TVM, Ohrid	12	13	12	11	13	Kobra TV, Radovish	3	3	2	3	3
Kiss TV, Tetovo	17	15	15	13	11	Gurra TV, Kichevo	1	1	2	3	3
KTV-41 TV, Kavadarci	5	5	12	11	11	Uskana TV, Kichevo	nd	nd	2	3	2
Iris TV, Stip	nd	10	10	9	11	Kaltrina TV, Struga	3	3	2	2	2
Star TV, Stip	7	4	8	10	10	Nova TV, Gevgelia	3	2	2	2	2
Nova TV, Kumanovo	5	5	5	5	9	Zdravkin TV, Veles	2	2	2	2	2
Koha TV, Tetovo	4	4	4	5	8	Svet TV, Sveti Nikole	2	2	2	2	2
Kanal 8 TV, Kochani	0	0	2	3	8	Festa TV Kumanovo	nd	2	2	2	2
Emi TV, Radovish	7	8	7	7	7	Chegrani Media TV	0	2	2	1	2
Vis TV, Strumica	7	7	7	7	7	Boem TV, Kichevo	2	1	2	1	2
Orbis TV, Bitola	5	4	5	4	7	Due TV, Gostivar	2	2	1	1	2
Vision BM-TV (TV kanal Vizija), Prilep	1	1	2	7	7	Hana TV, Kumanovo	1	1	3	1	1
Tikveshija TV, Kavadarci	0	6	4	2	7	Moris TV, Ohrid	1	1	1	1	1
Kanal 3 TV, Centar Zupa	2	2	3	6	6	Lazani TV, Lazani	1	1	1	1	1
Zlaten Kanal TV, Kriva Palanka	0	4	3	3	6	VTV TV, Valandovo	2	nd	nd	1	1
Kanal 21 TV, Veles	3	3	4	5	5	Art Kanal TV, Struga	2	2	nd	1	1
Spektra TV, Struga	3	3	4	4	5	Dalga KRT TV, Kumanovo	1	1	nd	1	1
Art TV, Tetovo	5	3	3	4	5	Anisa TV, Plasnica	1	1	1	1	1
Intel TV, Strumica	4	2	2	2	5	Super Sky TV, Tetovo	0	0	1	1	1
TV Kochani-LD, Kochani	0	4	5	6	4	Sitel 2 TV, Kratovo	0	0	0	0	0
Protel TV, Probishtip	2	2	3	5	4	NTV TV, Ohrid	np	1	1	1	nd
Menada TV, Tetovo	7	7	2	4	4	Top TV, Berovo	0	1	1	1	nd
Dibra TV, Debar	-	-	-	3	4						
TOTAL							131	157	163	183	212

ND – No data

RADIO INDUSTRY

Key findings

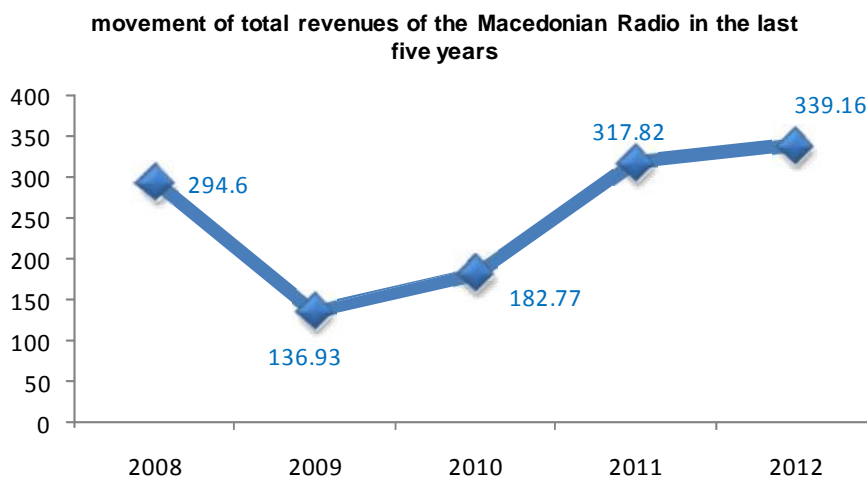
	Total revenues	Advertising revenues	Total costs	Operation result	Headcount
Macedonian Radio	339.16	1.04	304.17	28.05	276
Antenna 5	29.93	29.23	29.23	0.12	14
Kanal 77	24.09	15.63	16.65	7.4	6
Metropolis	2.00	2.01	1.81	0.19	0
regional radio stations	55.83	49.15	52.34	3.27	63
local radio stations	34.95	31.85	32.88	2.06	86
TOTAL	485.96	128.91	437.08	41.09	445

- In 2012, total revenues amounting to 485.96 million denars were generated in the radio industry. 70% of this amount was revenue of the Macedonian Radio.
- Revenues from advertising that were jointly generated by all radio stations amounted to 128.91 million denars. Three commercial radio stations at the state level achieved 36% of these funds, the regional radio stations 38%, the local 25% and Macedonian Radio only 1%.
- Expenses incurred by all radio stations, including the public service, totaled 437.08 million denars. The costs of Macedonian Radio constitute 70% of this amount.
- In all segments of the radio industry positive operation result was achieved.
- 445 employees had a regular labour relation, 62% of which in the public sector and 38% in the private sector.

2.1. Macedonian Radio (Makedonsko radio)

The total revenues in 2012 generated by the Macedonian Radio totaled 339.16 million denars²².

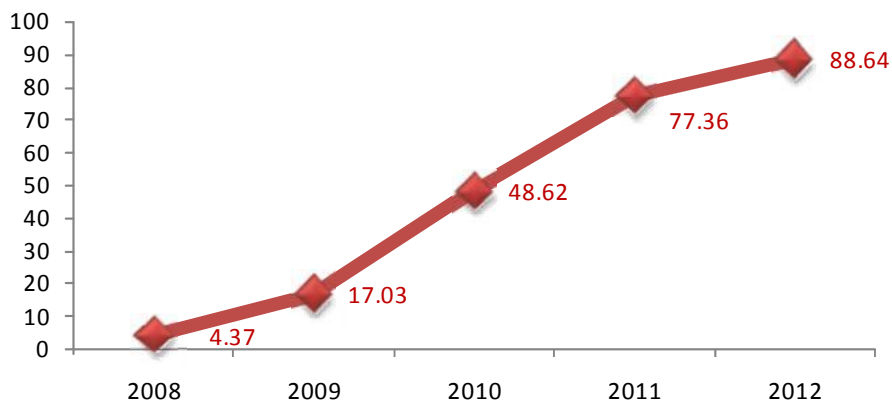
In the period from 2008 onwards, this is the highest total revenue of the Macedonian Radio, as follows: 15,13% higher than the revenue in 2008, 147.69% higher than in 2009, 85.57% higher than in 2010 and 6.71% higher than the revenues that were generated in the previous year.



Dominant in the total revenue of the Macedonian Radio is the broadcasting fee (71.19%). The high share of the broadcasting fee is due to the way in which this revenue is recorded in terms of accounting, or more precisely the invoiced amount of the fee, and not the collected amount is shown. The Council asked the Macedonian Radio and Television additionally to provide information about the amount of the broadcasting fee funds, which were collected this year. According to those data, in 2012 only 36.71% of the invoiced amount were collected, i.e. 88.64 million denars.

²² The Macedonian Radio and Television does not keep separate books for the television and the radio programme services. It made separation of such data only for the purposes of this analysis.

movement of broadcasting fee revenues in the last five years



In 2012, from the sale of advertising time the Macedonian Radio realised 1.04 million denars, and 3.63 million denars from sponsorship.

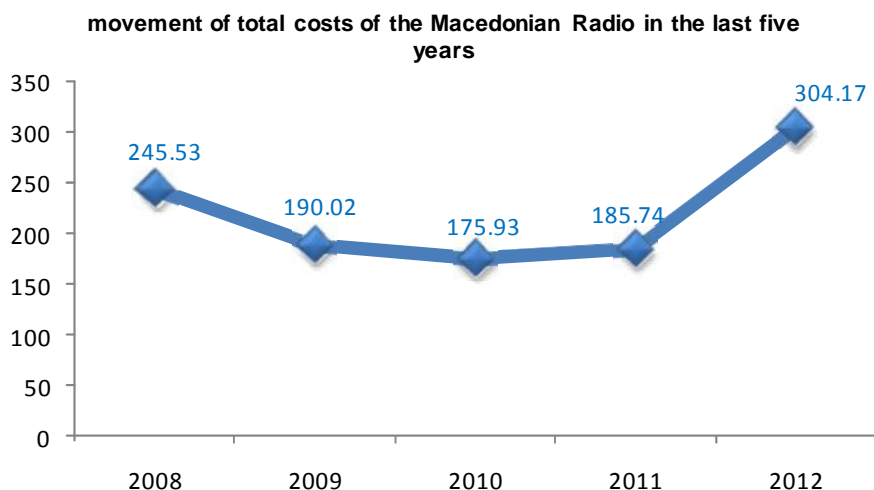
The remaining funds were derived from "other undistributed revenues".

Revenue structure of the Macedonian Radio	2012	share
Broadcasting fees	241.45 ²³	71.19%
Advertising and teleshopping	1.04	0.31%
Sponsorships	3.63	1.07%
Revenue from other programmes	0.00	0.00%
Donations and grants	0.00	0.00%
Sale of programmes	0.00	0.00%
Other undistributed revenues	93.04	27.43%
Revenue from the main activity	339.16	100.00%
Revenue from other activities	0.00	0.00%
Extraordinary revenues	0.00	0.00%
Total revenues	339.16	100.00%

The total costs made in 2012 by the Macedonian Radio totaled 304.17 million denars.

²³ This amount represents the invoiced amount of the broadcasting fee. The collected amount is 88.64 million denars.

These costs are significantly higher than the costs that were incurred in the previous four years.



Almost half of the funds spent (49,24%) were for costs directly associated with the production of the programme.

Most of these funds were allocated for salaries and other benefits to persons directly connected with the programme production (67.04 million denars).

Cost structure of the Macedonian Radio	2012	share
Tangible costs	14.10	4.64%
Costs for procurement of programme	50.55	16.62%
Intangible costs (services)	18.09	5.95%
Salaries and other benefits to persons directly connected with the programme production	67.04	22.04%
Direct costs for creating programme	149.78	49.24%
Salaries and other benefits to persons who are not directly connected with the programme production	37.53	12.34%
Depreciation of equipment	5.98	1.97%
Suspension of rights and licenses	0.00	0.00%
Rent and other bill-related costs	0.00	0.00%
All other not covered operation expenses	110.88	36.45%
Total operation costs	304.17	100.00%
Expenses from other activities	0.00	0.00%
Extraordinary expenses	0.00	0.00%
Total operation costs	304.17	100.00%

The costs for salaries and other benefits to persons who are not directly associated with the programme production amounted to 37.53 million denars.

The costs falling under the category "All other not covered operation expenses" have a significant participation in the cost structure, the share of which in the total costs was 36.45%.

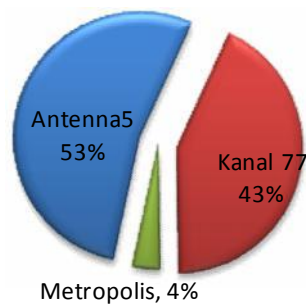
The financial result of the operation was a profit of 28.05 million denars.

In 2012, the Macedonian Radio had a total of 276 employees with a regular labour relation, or 23 employees less than in the previous year.

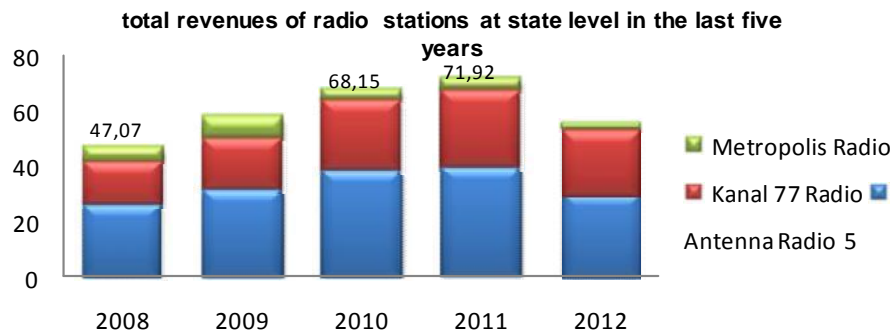
2.2. Radio stations at state level

In 2012, the three commercial radio stations that broadcasted programme at the state level (Antenna 5 Radio, Kanal 77 Radio and Metropolis Radio) jointly achieved total revenues amounting to 56.02 million denars.

share in total revenues of radio stations at state level

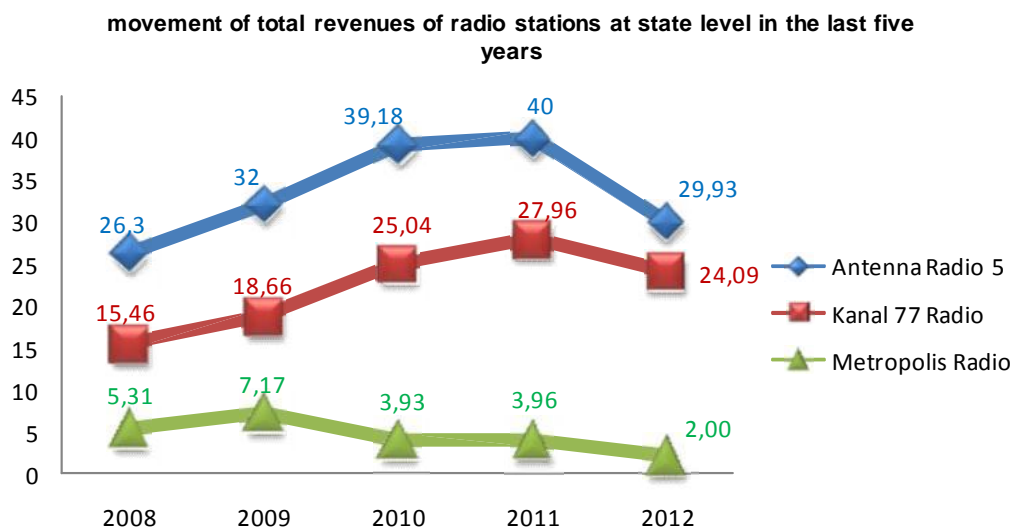


More than half of these funds were revenues of Antenna 5 Radio (29.93 million denars, or 53% of the total revenue in this segment of the radio industry). The radio station Kanal 77 showed 43% of the total revenue of these three entities, i.e. 24.09 million denars. The lowest revenue was achieved by the radio station Metropolis (2.00 million denars, or only 4% of the total revenues).



The total revenues of these three entities were highest in 2011. In the last five years, only in 2008 the three radio stations jointly achieved less total revenue than in 2012 (by 19.01%). In the remaining three years the revenues were higher, as follows, in 2009 by 3.13% in 2010 by 17.8% and in 2011 by 22.11%.

In 2012 all three radio stations achieved less revenue than in the previous year, as follows: Antenna 5 Radio by 25.18% Kanal 77 Radio by 13.84%, and Metropolis Radio by 49.49%



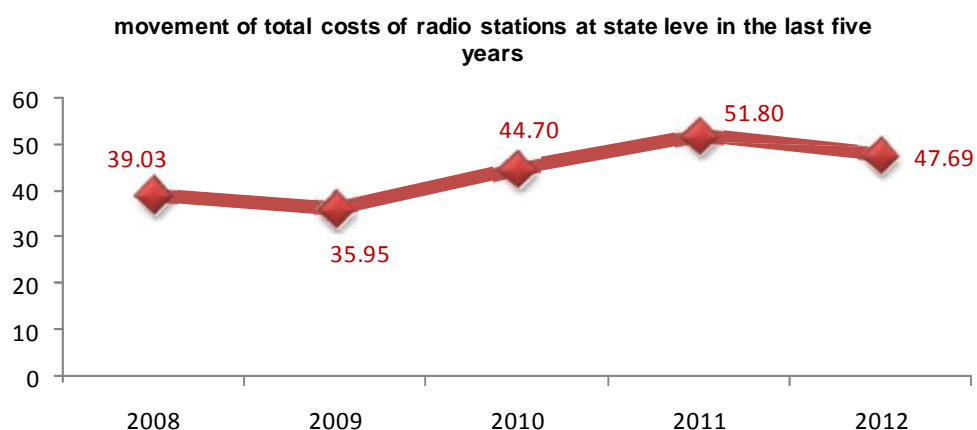
The share of revenue from the sale of advertising time in total revenues in 2012 is 83.64%.

Revenue structure of radio stations at state level	2012	share
Advertising and teleshopping	46.86	83.64%
Sponsorships	0.00	0.00%
Revenues from other programmes	8.44	15.06%
Donations and grants	0.00	0.00%
Sale of programmes	0.00	0.00%
Other undistributed revenues	0.05	0.10%
Revenues from the main activity	55.35	98.79%
Revenues from other activities	0.68	1.21%
Extraordinary revenues	0.00	0.00%
Total revenues	56.02	100.00%

For all three radio stations, advertising was the most important source of revenues. Advertising revenues represent 97.64% of the total revenues of Antenna 5, 64.87% of the total revenues of Kanal 77 and 100% of the total revenue of Metropolis.

Revenues from other programmes (this item includes revenues from broadcasting of greetings and congratulations shows, programmes and music blocks with SMS messages, interactive games via telephone line, telephone services with special charges etc.) participated with 15.06% of the total revenue. Only the radio station Kanal 77 showed such revenues.

The total costs of these three entities made in 2012 amounted to 47.69 million denars.



Compared with the previous years, the total costs were higher by 22.19% than the costs in 2008, by 32.66% than the cost in 2009 and by 6.69% than the costs in 2010. Costs in the analysed year were by 7.93% lower than the costs in the previous year.

More than half of the costs (53.93%) were direct costs for creating programme.

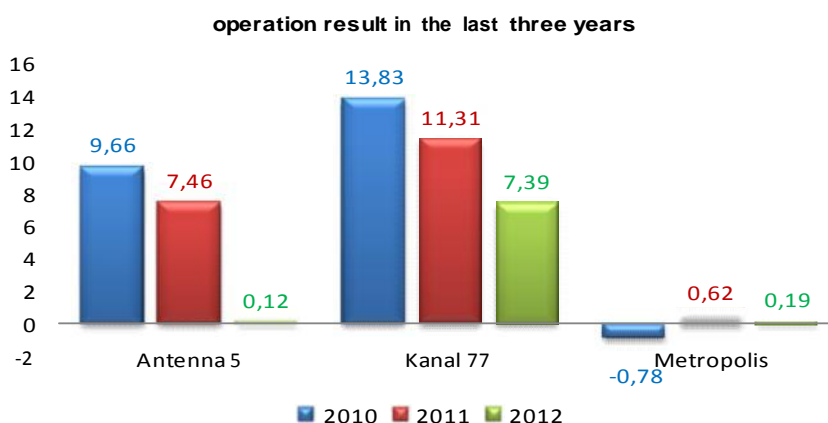
Only the radio station Antenna 5 showed costs for purchasing programme.

The highest costs for salaries and other benefits to persons directly connected with the programme production were shown by Antenna 5 (4.2 million denars). Only this radio station had costs for salaries and other benefits to persons who are not directly associated with the programme production.

The radio station Metropolis showed no costs for salaries and other benefits for persons engaged (this entity did not have any employees with a regular labour relation engaged).

Cost structure of radio stations at state level	2012	share
Tangible costs	7.79	16.34%
Costs for procurement of programme	3.42	7.17%
Intangible costs (services)	9.13	19.15%
Salaries and other benefits to persons directly connected with the programme production	5.37	11.27%
Direct costs for creating programme	25.72	53.93%
Salaries and other benefits to persons who are not directly connected with the programme production	1.99	4.17%
Depreciation of equipment	7.30	15.30%
Suspension of rights and licenses	0.00	0.00%
Rent and other bill-related costs	4.30	9.01%
All other not covered operation expenses	8.38	17.58%
Total operation costs	47.69	99.99%
Expenses from other activities	0.01	0.01%
Extraordinary expenses	0.00	0.00%
Total operation costs	47.69	100.00%

The financial result of the work of these three radio stations in 2012 was a profit of 7.71 million denars.



All three radio stations achieved positive financial results, as follows, Antenna 5 Radio profit of 0.12 million denars, Kanal 77 Radio profit of 7.39 million denars and Metropolis Radio - profit of 0.19 million denars.

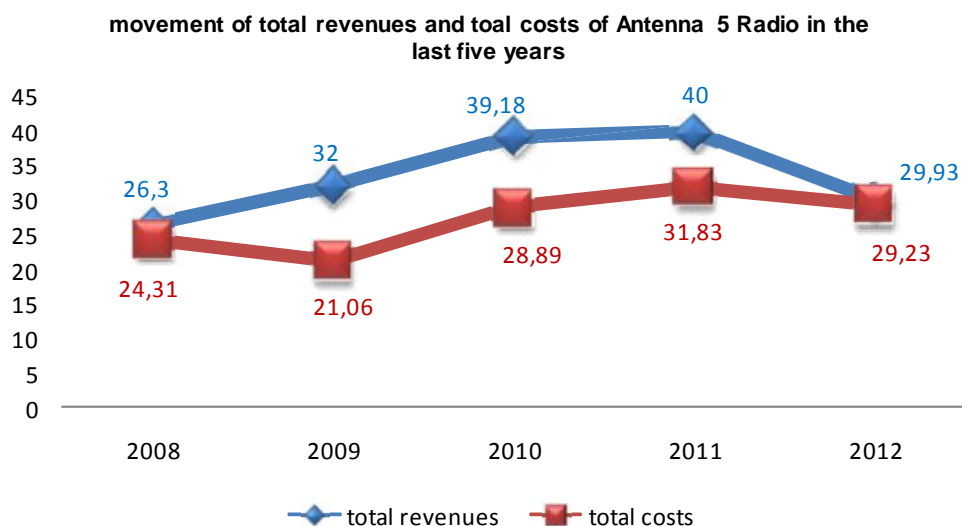
Radio station	Average headcount with regular labour relation				
	2008	2009	2010	2011	2012
Antenna 5	13	13	14	14	14
Kanal 77	5	4	5	6	6
Metropolis	1	0	0	0	0
total	19	17	19	20	20

In 2012, the average number of employees with regular labour relation was 20 employees, 14 of whom in Antenna 5 and 6 in Kanal 77.

In the last four years the radio station Metropolis had no employees with regular labour relation.

RA Antenna 5

In the period from 2008 to 2011, the total revenue of the radio station Antenna 5 gradually increased, reaching 40.00 million denars in 2011. In 2012, the revenues decreased by 25.18% in terms of the revenues generated in the previous year.



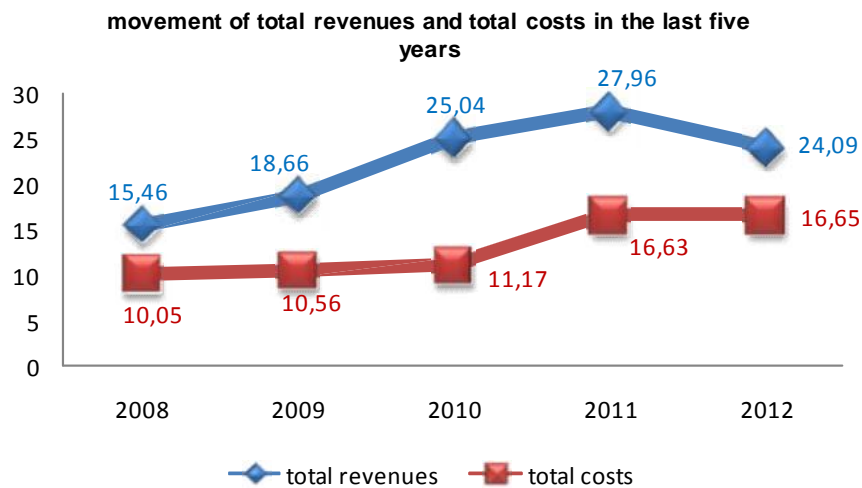
This radio spent the lowest amount in 2009 (21.06 million denars). The costs made in the analysed year were by 8.17% lower than in the previous year.

This broadcaster gained profit In each of the last five years.

In 2008 and in 2009 the average number of employees with regular labour relation was 13 employees and in the following three years 14 employees.

Kanal 77 Radio

The total revenues of the radio station Kanal 77 from 2008 to 2011 showed continuous growth. The analysed year was less favorable than the previous years, that is, the revenues are by 13.84% lower than the revenues in 2011 and by 3.79% lower than the revenues in 2010.



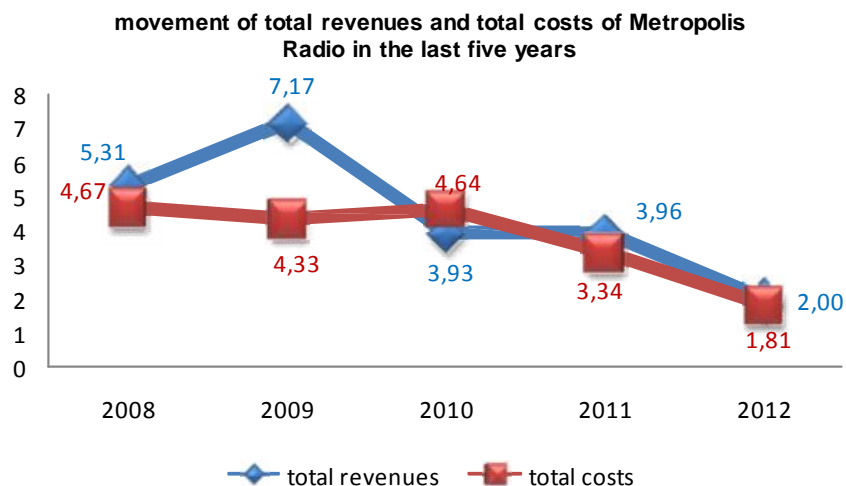
In each of the last five years, this radio station increased its costs. In the analysed year the funds spent were by 0.12% higher than in 2011.

The financial result of the operation was positive every year.

The average number of employees in 2012 and 2011 was 6 employees, in 2008 and 2010 -5 employees, and in 2009 -4 employees.

Metropolis Radio

In the period from 2008 onwards, the total revenue of the radio station Metropolis had variable values. The lowest revenues were generated in 2012 (2.00 million denars) and highest in 2009 (7.17 million denars). The revenues in 2012 were nearly 50% lower than the revenues in the previous year and only 72.11% lower than the revenues in the most successful 2009.



The total costs incurred in 2012 were the lowest during the last five years. In comparison with the costs incurred in the previous year, the costs were lower by 45.81%.

Metropolis Radio station achieved a negative financial result only in 2010. In the remaining four years it worked with a profit.

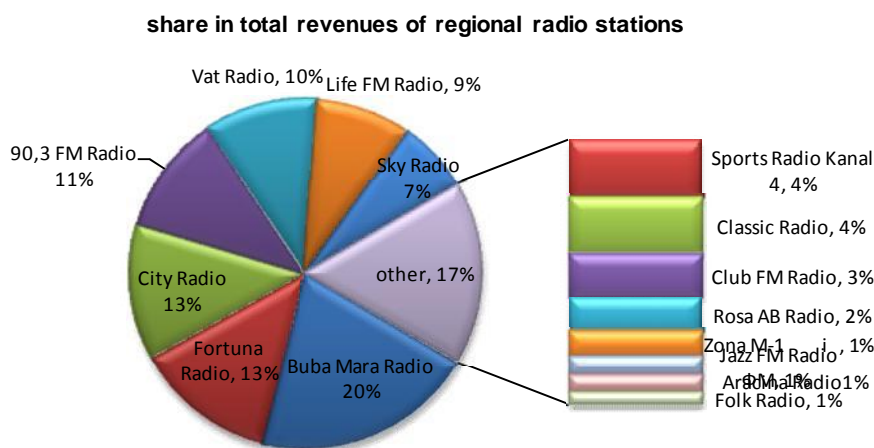
From 2009 onwards, it did not engage any employees with regular labour relation.

In 2012, programme at regional level (in the area of the City of Skopje) was aired by a total of 17 commercial radio stations and one non-profit broadcasting institution.

The analysis covered data for 16 radio stations, given that in the period when it was prepared, one radio station – Ravel Radio had already lost its licence to perform a broadcasting activity²⁴.

The total revenues which in the analysed year were generated on the regional radio market amounted to 55,83 million denars.

Most of these funds were revenues shown by the radio station Buba Mara (11,43 million denars, or 20 percent of the revenue of all regional radio stations).



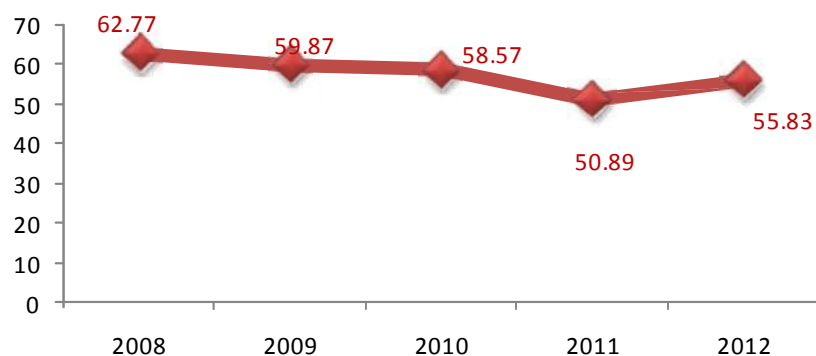
The revenues of the radio stations Fortuna (7.26 million denars), City Radio (7.05 million denars) and Sports Radio 90.3 FM (6.15 million denars) also have a more significant participation.

Although the revenues that were generated in the analysed year were higher than the ones in the previous year (by 9.71%), they are still lower than the revenues which were generated in 2008 (by 11.06%), in 2009 (by 6.75 %) and in 2010 (by 4.68%).

²⁴ On 26 December 2012, TRC RADIO RAVEL submitted a statement to the Council that it will not broadcast programme any longer. In accordance with Article 62 of the Law on Broadcasting, the Council adopted the Resolution No.07-156/1 dated 10 January 2013 on termination of the validity of the licence for performing a broadcasting activity.

In 2011 the total revenues of this radio station amounted to 0.12 million denars and participated with 0.2% in the total revenues of the general radio market.

movement of total revenues of regional radio stations in the last five years



The increase in total revenues compared to the previous year is due to the rising revenues of eight radio stations: Buba Mara, 90.3 FM Radio, Life FM, Fortuna, Vat, Sky Radio, Aracina and Jazz FM.

Total revenues in million denars						
TRC	2008	2009	2010	2011	2012	Growth rate 2012/2011
Buba Mara	8.32	9.53	9.00	8.49	11.43	34.63%
City	9.92	6.47	9.23	7.64	7.05	-7.72%
Fortuna	8.12	8.84	8.63	6.55	7.26	10.84%
Vat	8.31	10.09	6.47	5.44	5.84	7.35%
90.3 FM Radio	5.02	5.29	5.46	5.25	6.15	17.14%
Life FM	1.35	2.76	4.17	4.11	4.93	19.95%
Sky Radio	5.66	4.95	5.27	3.52	3.69	4.83%
Sport Radio Kanal 4	3.00	2.42	2.94	2.81	2.04	-27.40%
Club FM	1.24	0.78	0.76	2.10	1.61	-23.33%
Rosa AB	2.89	2.59	1.94	1.78	1.23	-30.90%
Zona M-1	1.27	1.42	1.36	1.16	0.87	-25.00%
Folk	1.24	0.82	0.87	0.77	0.46	-40.26%
Jazz FM	0.86	0.68	0.77	0.63	0.66	4.76%
Aracina	0.95	0.94	1.09	0.52	0.61	17.31%
RFM	-	-	-	-	0,00	-
Ravel	3.27	1.81	0.61	0.12	nd	-
Classic	1.35	0.48	nd	nd	2.00	-
TOTAL	62.77	59.87	58.57	50.89	55.83	9.71%

nd – no data

In the revenue structure of regional radio stations, it is noticeable that in the analysed year they did not generate revenue only from donations and grants and sale of programmes.

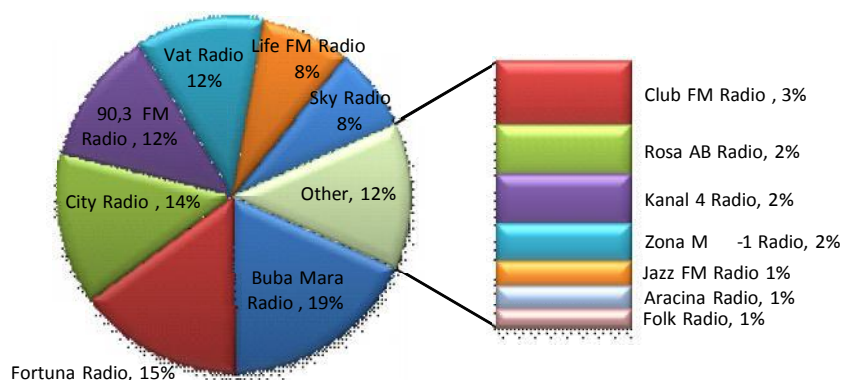
Revenue structure of radio stations at regional level	2012	share
Advertising and teleshopping	49.15	88.03%
Sponsorships	1.91	3.42%
Revenues from other programmes	0.23	0.41%
Donations and grants	0.00	0.00%
Sale of programmes	0.00	0.00%
Other undistributed revenues	1.60	2.86%
Revenues from the main activity	52.88	94.72%
Revenues from other activities	2.00	3.59%
Extraordinary revenues	0.94	1.69%
Total revenues	55.83	100.00%

Most revenues (88.03%) were generated from advertisements.

The most attractive for advertisers was the radio station Buba Mara, which managed to achieve 19% of the advertising revenues of regional television stations.

The radio station Fortuna generated 15%, City Radio 14%, and 12% of the total advertising revenues of the regional radio market were generated by 90.3 FM and Vat Radio.

share in advertising revenues of regional radio stations

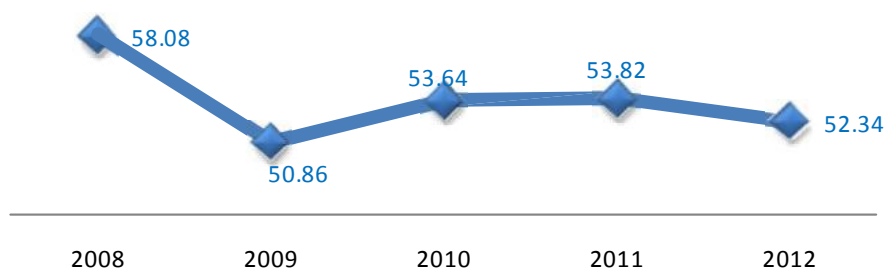


The radio stations RFM and Classic FM showed no revenue from the sale of advertising time.

Revenues from sponsorship were only shown by Buba Mara Radio and 90.3 FM Radio, and the total amount of revenue from other programmes was shown by Buba Mara Radio.

During the last five years, only in 2009 the regional radio stations spent less funds than in 2012 (by 2.91%). Compared with the previous year the costs in the analysed year were by 2.75% lower.

movement of total costs of the regional radio stations in the last five years



Direct costs for creating the programme participated with 59.46% in the total costs of regional radio stations. The intangible costs (services) had the most significant share of 21.29% in the total costs

Cost structure of radio stations at regional level	2012	share
Tangible costs	5.31	10.14%
Costs for procurement of programme	4.60	8.78%
Intangible costs (services)	11.14	21.29%
Salaries and other benefits to persons directly connected with the programme production	10.07	19.25%
Direct costs for creating programme	31.12	59.46%
Salaries and other benefits to persons who are not directly connected with the programme production	4.18	7.98%
Depreciation of equipment	5.02	9.58%
Suspension of rights and licenses	0.46	0.89%
Rent and other bill-related costs	2.78	5.31%
All other not covered operation expenses	7.85	15.00%
Total operation costs	51.40	98.22%
Expenses from other activities	0.20	0.39%
Extraordinary expenses	0.73	1.39%
Total operation costs	52.34	100.00%

Only five radio stations: Aracina, Fortuna, Club FM, City Radio and Zone M-1 showed costs for purchasing programme.

The highest costs for salaries and other benefits for employees who are directly associated with the production of the programme were shown by the radio station City Radio (1.87 million denars), and for those who are not directly associated with the production of programme - the radio station Buba Mara (1.82 million denars).

The achieved result from the operation of regional radio stations was profit in the amount of 3.27 million denars.

Positive financial result was achieved by a total of 10 radio stations: City, Buba Mara, Life FM, 90.3 FM, Club FM, Fortuna, Sky Radio, Aracina, Classic FM and Folk Radio. Highest profit was generated by City Radio (2.26 million denars) and Buba Mara (1.75 million denars).

The remaining six entities had a negative financial result.

In 2012, the average number of employees at the regional radio stations was 63 people, two persons less than in 2011.

Radio station	2008	2009	2010	2011	2012	Radio station	2008	2009	2010	2011	2012
Fortuna Radio	7	7	7	9	9	Life Radio	2	2	2	4	4
City Radio	6	8	8	9	8	Club FM Radio	3	2	2	3	3
Vat Radio	11	10	10	8	8	Jazz FM Radio	2	2	2	2	2
Sports Radio Kanal 4	5	4	7	6	6	Folk Radio	1	2	3	2	1
Sky Radio	4	5	5	5	6	Zone M-1 Radio	3	1	2	2	1
FM 90.3 Radio	6	6	5	5	5	Aracina Radio	1	1	1	1	1
Buba Mara Radio	4	4	5	4	5	Ravel Radio	9	4	1	1	nd
Rosa AB Radio	4	4	4	4	4	Classic FM Radio	1	0	nd	nd	0
						TOTAL	69	62	64	65	63

nd – no data

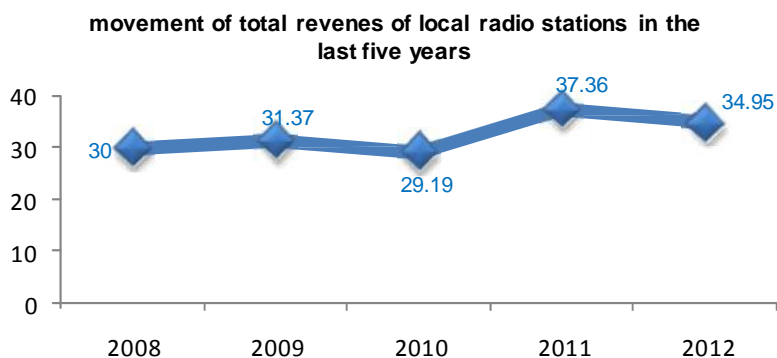
Compared to the previous year, the number of employees was higher in Buba Mara Radio and Sky Radio (by one person). Three radio stations (City Radio, Folk and Zone M-1) reduced their staff by one person.

2.3. Radio stations at local level

At the beginning of 2012, a total of 60 entities had permission to broadcast radio programme at local level. During the year, the local radio station TRC Rosa Radio from Kochani lost the right to perform a broadcasting activity²⁵.

Below are the processed data on the economic performance of the 53 local radio stations (TRC Monaco - Radio City FM LLC Kumanovo²⁶ during the preparation of the analysis had already lost its license to perform a broadcasting activity and five radio stations²⁷ did not provide data on their economic performance in 2012, as a result of which the Council pronounced measures to them in accordance with the Law on Broadcasting. Data on the economic performance of these five radio stations were not provided for the preparation of the analysis of the broadcasting market in 2011, as well.

The total revenues in the analysed year jointly generated by the local radio stations amounted to 34.95 million denars. This result represents an increase of the total revenue in 16.50% compared to the total revenue in 2008, by 11.41% in comparison with 2009 and by 19.73% in comparison with the total revenue in 2010.



Only in 2011 higher total revenues than in the analysed year were generated (by 6.45%). This is largely due to the decline in revenues of only one local radio station - Kiss Radio from Tetovo, which in 2011 achieved total revenues in the amount of 4.96 million denars, while

²⁵ Decision on cancellation of the licence No.07-188 dated 6 June 2012, due to failure to pay the licence fee within the deadline stipulated therein.

²⁶ Decision on cancellation of the licence No.07-04 dated 10 January 2013, due to failure to pay the licence fee within the deadline stipulated therein.

²⁷ Makedonska Kamenica Radio from Makedonska Kamenica, DJ Radio from Struga, Focus Radio from Tetovo, Energy Radio from Struga and Besa Radio from Prilep.

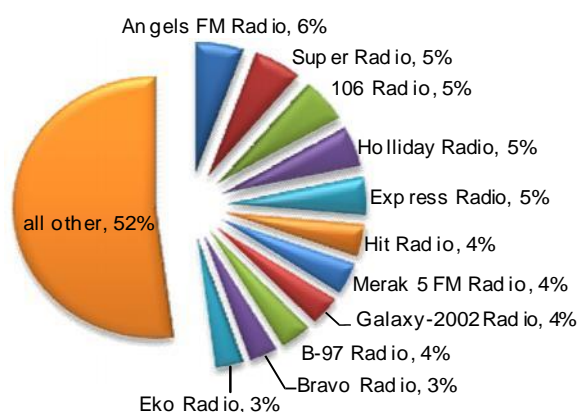
in 2012 only 0.82 million denars. The total revenues of no other radio station show such significant variations as compared to the previous year.

Revenue structure of radio stations at local level	2012	share
Advertising and teleshopping	31.85	91.15%
Sponsorships	0.92	2.63%
Revenues from other programmes	0.26	0.74%
Donations and grants	0.13	0.37%
Sale of programmes	0.00	0.00%
Other undistributed revenues	1.52	4.34%
Revenues from the main activity	34.68	99.23%
Revenues from other activities	0.02	0.07%
Extraordinary revenues	0.24	0.70%
Total revenues	34.95	100.00%

Local radio stations realised the greatest share of the revenues (91.15%), from the sale of advertising time.

Almost half of the revenue generated by advertising (48%) was achieved only by 11 radio stations: Angels Radio from Stip, Super Radio from Ohrid, 106 Radio and B-97 Radio from Bitola, Holliday Radio from Prilep, Express Radio and Hit Radio from Strumica, Merak 5 FM Radio from Veles, Galaxy Radio from Kavadarci, Bravo Radio from Kumanovo and Eko Radio from Probishtip.

share in total advertising revenues of local radio stations

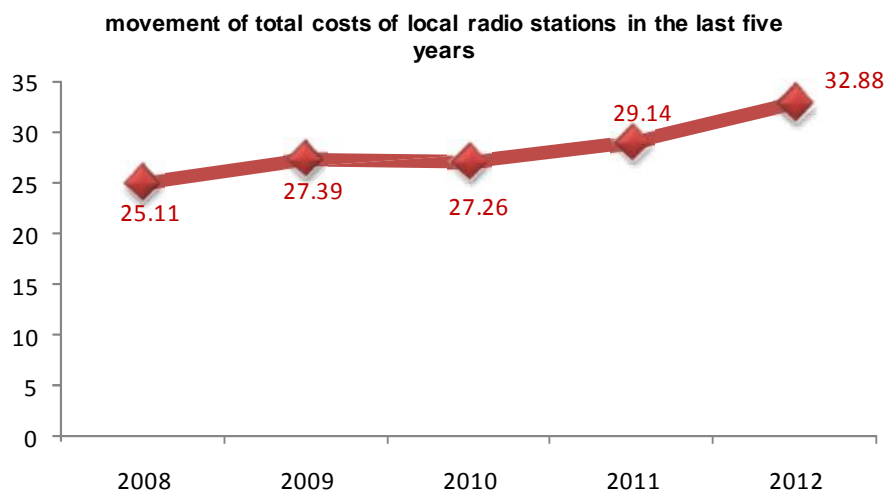


Revenues from sponsorship were shown only by three radio stations: Bleta Radio from Tetovo, Bravo Radio from Kumanovo and Kometa Radio from Gostivar.

Revenues from other programmes (this item includes revenues from broadcasting of greetings and congratulations shows, programmes and music blocks with SMS messages, interactive games via telephone line, telephone services with special charges etc.) were only shown by Time Radio from Gevgelija and Rapi Radio from Struga.

Only Ohrid Radio from Ohrid and Merlin Radio from Debar showed donations and grants.

In the period from 2008 onwards, the local radio stations jointly spent most funds in 2012 (the total cost amounted to 32.88 million denars).



The highest costs were shown by: Angels Radio from Stip (1.75 million denars), Super Radio from Ohrid (1.6 million denars) and Express Radio from Strumica (1.51 million denars), and the lowest ones by: Moris Plus Radio from Makedonski Brod (0,07 million denars), Pro-FM Radio from Gostivar (0.08 million denars) and Merlin Radio from Debar (0.1 million denars).

The greatest share (75.74%) of the total costs of the local radio stations were direct costs for creation of programme.

The greatest share of these funds was spent on salaries and other benefits to persons directly connected with the production of programme (13.93 million denars or 42.37% of the total costs). Most funding for this type of expense was used by the radio station Bravo Radio from Kumanovo (0.61 million denars).

Cost structure of radio stations at local level	2012	share
Tangible costs	6.21	18.89%
Costs for procurement of programme	0.86	2.61%
Intangible costs (services)	3.90	11.87%
Salaries and other benefits to persons directly connected with the programme production	13.93	42.37%
Direct costs for creating programme	24.90	75.74%
Salaries and other benefits to persons who are not directly connected with the programme production	0.62	1.89%
Depreciation of equipment	1.58	4.80%
Suspension of rights and licenses	0.02	0.06%
Rent and other bill-related costs	0.56	1.70%
All other not covered operation expenses	4.95	15.05%
Total operation costs	32.64	99.26%
Expenses from other activities	0.24	0.73%
Extraordinary expenses	0.00	0.01%
Total operation costs	32.88	100.00%

In 2012, the financial result of the operation of all local radio stations was a profit of 2.06 million denars.

Positive financial results were achieved by 34 radio stations. The best financial result was achieved by B-97 Radio from Bitola (profit of 0.69 million denars) and Bleta Radio from Tetovo (profit of 0.68 million denars).

The remaining local radio stations had a negative financial result, and the worst was the result of the operation of Ohrid Radio from Ohrid (loss of 0.57 million denars) and MX Radio, also from Ohrid (0.34 million denars).

The average number of employees engaged in the course of 2012 with a regular labour relation at the local radio stations was 86 employees.

Most employees (five) were employed at Express Radio from Strumica.

Four people were employed at Time Radio from Gevgelija, Galaxy Radio from Kavadarci, Bravo Radio from Kumanovo and Angels Radio from Stip.

As many as 21 local radio stations hired just one person with a regular labour relation.

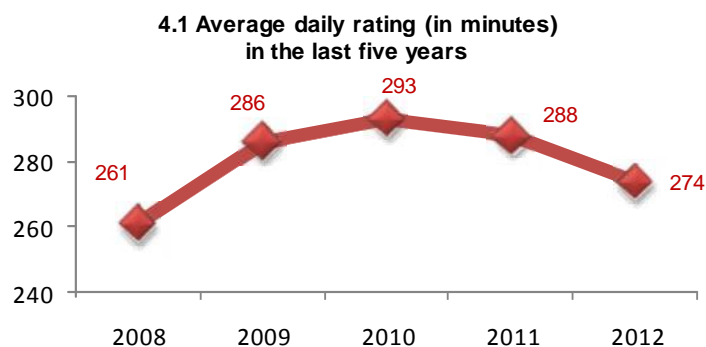
area	TRC	Headcount with regular labour relation	area	TRC	Headcount with regular labour relation
Strumica	Express Radio	5	Gostivar	Pro-FM Radio	1
Gevgelija	Time Radio	4	Kichevo	A.Maked. Radio	1
Kavadarci	Galaxy-2002 Radio	4	Kichevo	Akord Radio	1
Kumanovo	Bravo Radio	4	Kochani	Kochani FM Radio	1
Stip	Angels FM Radio	4	Kumanovo	KMR Radio	1
Bitola	106 Radio	3	Kumanovo	Aljbana Radio	1
Veles	Merak 5 FM Radio Radio Production- LGN	3	M. Brod	Moris Plus Radio	1
Negotino	Holliday Radio	3	Plasnica	Mis 2008 Radio	1
Prilep	Hit Radio	3	Prilep	Meff Radio	1
Strumica	Kiss Radio	3	Prilep	Ternipe Radio	1
Tetovo	CD Radio	2	Sveti Nikole	Modea Radio	1
Veles	Zora Radio	2	Struga	Kiki Radio	1
Delchevo	Jehona Radio	2	Struga	Mi-Ni Radio	1
Kumanovo	Super Radio	2	Tetovo	Bleta Radio	1
Ohrid	Ohrid Radio	2	Kichevo	Medison Radio	1
Ohrid	Choki 5 Radio	2	Pehchevo	Pehchevo Radio	1
Prilep	Sveti Nikole Radio	2	Zirovnica	Emi Radio	0
Sveti Nikole	Rap Radio	2	Bitola	B-97 Radio	0
Struga	Fama Radio	2	Veles	Goldie Radio	0
Tetovo	Valandovo Radio	2	Debar	Merlin Radio	0
Valandovo	Eko Radio	2	Ohrid	Lav Radio	0
Probistip	Kavadarci Radio	2	Kichevo	Uskana-Plus Radio	0
Kavadarci	Plus Radio	2	Ohrid	MX Radio	0
Negotino	Sky Radio	1	M. Kamenica	M. Kamenica Radio	nd
Berovo	Aktuel Radio	1	Struga	DJ Radio	nd
Bitola	Delfin Radio	1	Tetovo	Plus Forte Radio	nd
Bitola	La Costa Radio	1	Tetovo	Focus Radio	nd
Vinica	Kometa Radio	1	Struga	Energy Radio	nd
Gostivar			Prilep	Besa Radio	nd
TOTAL					86

nd – no data

DATA ON AUDIENCE MEASUREMENT

3.1. Data on television audience measurement

In each of the last five years, the average time that Macedonian viewers spent watching television was more than 4 hours



In 2012, the Macedonian audience approximately watched TV for 274 minutes (4 hours and 34 minutes) on a daily basis.

From the data chart 4.1 it can be seen that only in 2008 that time was shorter, for 13 minutes. In the remaining three years, the audience spent longer periods watching television, as follows in 2009, 12 more minutes, in 2010 - 19 minutes, and in 2011 -14 minutes.

The data on the average time in the day that citizens of a total of 38 states spent watching television is provided by the publication TV Key Facts²⁸, which is prepared and published by IP International Marketing Committee (CMI), headquartered in Germany.

Macedonia is ranked on the third position, according to the time that Macedonian citizens spent watching TV on a daily basis in 2011. Republic of Serbia is first, the citizens of which daily watched television 20 minutes more than Macedonian citizens), and second are the United States of America, with only two minutes more than us.

²⁸ When this document was being drawn up, the publication with data for 2012 had not yet been released, so that data of the latest publication, relating to 2011, were used.

4.2. Average daily time of watching television in 2011 (in minutes)²⁹

Ordinal number	State	ATV	Ordinal number	State	ATV
1	Serbia	308	21	Latvia	209
2	USA	290	22	Slovakia	207
3	Macedonia	288	23	Ireland	205
4	Ukraine	286	24	Lithuania	204
5	Greece	268	25	Japan	200
6	Croatia	267	26	Denmark	198
7	Romania	257	27	The Czech Republic	197
8	Italy	246	28	Netherlands	191
9	Poland	242	29	Belgium (Northern)	187
10	Great Britain	242	30	Slovenia	186
11	Spain	239	31	Belarus	178
12	Estonia	229	32	Cyprus	174
13	Turkey	228	33	Finland	172
14	France	227	34	Switzerland (Italian speaking area)	172
15	Bulgaria	225	35	Norway	168
16	Germany	225	36	Sweden	162
17	Belgium (Southern)	224	37	Austria	158
18	Russia	220	38	Switzerland (French speaking area)	154
19	Portugal	219	39	Luxemburg	151
20	Ukraine	211	40	Switzerland (German speaking area)	137

The average time spent watching TV during one day in 2011, for the 38 states totaled 214 minutes (3 hours and 34 minutes). The Macedonian television audience spent 288 minutes (4 hours and 48 minutes), or 1 hour and 14 minutes more than the average in front of the TV set.

The data on the demographic characteristics of the television audience in Macedonia in 2012 are shown in the table below.

²⁹ <http://www.ip-network.com/studies-publications/international-tv-key-facts/> (accessed on 25 January 2013)

4.3. Demographic characteristics of the audience

Classification criterion	Categories	AMR	ADH %
Gender	Male	168,740	46.36%
	Female	194,418	53.64%
Age	4-9	26,688	7.35%
	10-14	25,324	6.97%
	15-19	20,701	5.71%
	20-24	17,987	4.94%
	25-29	20,034	5.54%
	30-34	26,933	7.45%
	35-39	26,524	7.29%
	40-44	26,927	7.35%
	45-49	31,871	8.77%
	50-54	30,094	8.29%
	55-59	23,982	6.59%
	60-64	27,712	7.62%
	65+	58,382	16.12%
Region	Skopje	100,661	27.70%
	Northwest Macedonia	90,232	24.86%
	Southwest Macedonia	72,468	19.96%
	Eastern Macedonia	99,797	27.48%
Employment status	Employed 15+	105,290	28.99%
	Unemployed 15+	205,856	56.68%
	Children 4-14	52,012	14.33%
Education	Elementary or no education	111,263	30.41%
	High school education	144,854	39.93%
	Higher and university education	55,029	15.33%
	Children 4-14	52,012	14.33%
Number of household members	1-2	76,013	21.03%
	3-4	167,461	46.17%
	5+	119,684	32.80%
In charge of family supplies	Yes	137,639	37.96%
	No	225,519	62.04%
Income	Below average	125,184	34.34%
	Average	165,621	45.71%
	Above average	72,353	19.95%
Nationality	Macedonians and other	286,739	79.03%
	Albanians	76,419	20.97%

Source: Nielsen Audience Measurement

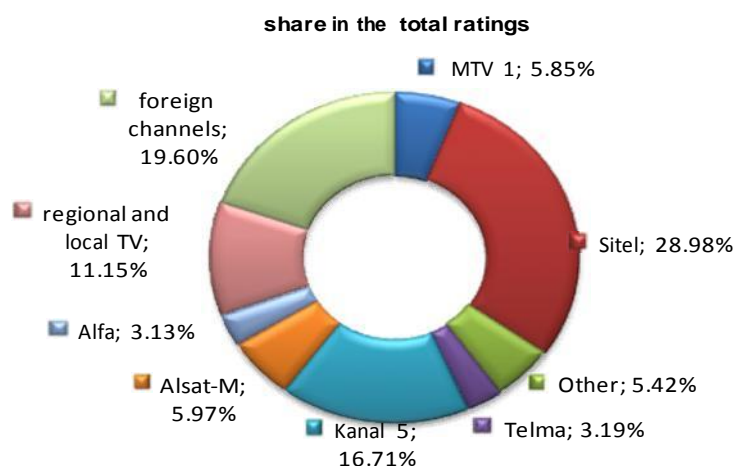
The average number of persons who in 2012 watched TV, was 363,158, or 19.06% of the total population in the Republic of Macedonia older than the age of 4 years.

Most viewers came from Skopje (27.70%) and the eastern region of the country (27.48%).

Most of the viewers were women (about 7.28% more than men). According to the age structure of the population, the most of the audience were people over the age of 65 years (16.12% of the audience).

More than half of the viewers (56.68%) were unemployed, nearly 40% of people with secondary education and 62.04% of persons who are responsible for procurement in the family. According to the monthly income, most of the audience were people who had average monthly income.

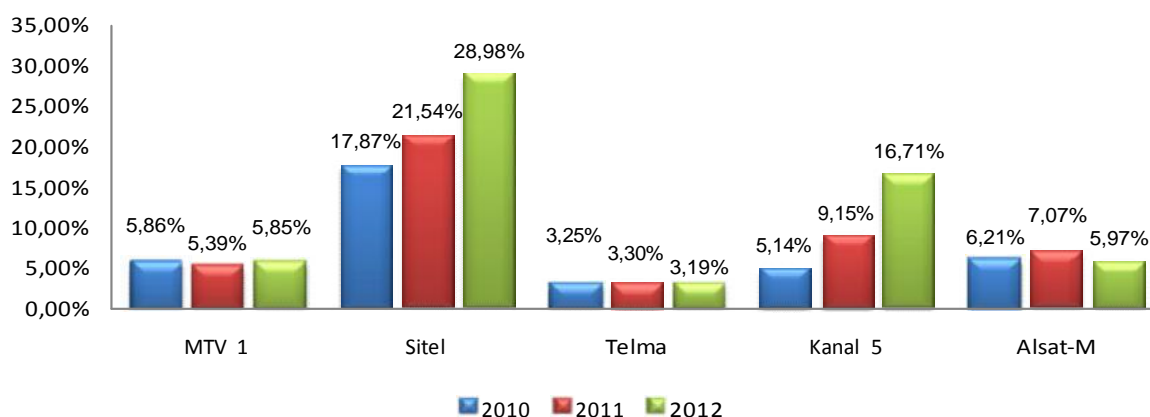
In 2012, TV Sitel (28,98%) and Kanal 5 (16,71%) had the largest share in the total audience. Third is Alsat-M TV with a share of 5,97%, and the first channel of the Macedonian Television (MTV 1) is on the fourth place with a share of 5,85%. Telma TV (3,19%) and Alfa TV (3,13%) almost had an equal share of the total audience.



The joint share of regional and local television stations totaled 11.15% of the total audience.

This year, as well, foreign channels received by the audience through the public communication networks had a significant share of the total ratings (19.60%).

share in the total ratings in the last three years



In the analysed year, Sitel TV, Kanal 5 and the first channel of the Macedonian Television (MTV 1) had a greater share of the total audience than in the previous ratings, as follows, Sitel TV by 7.44%, Kanal 5 TV by 7.56% and MTV 1 by 0.46%. Alsat-M (by 1.10%) and Telma TV (by 0.11%) had a smaller share of the total audience.

Share in the total ratings by months

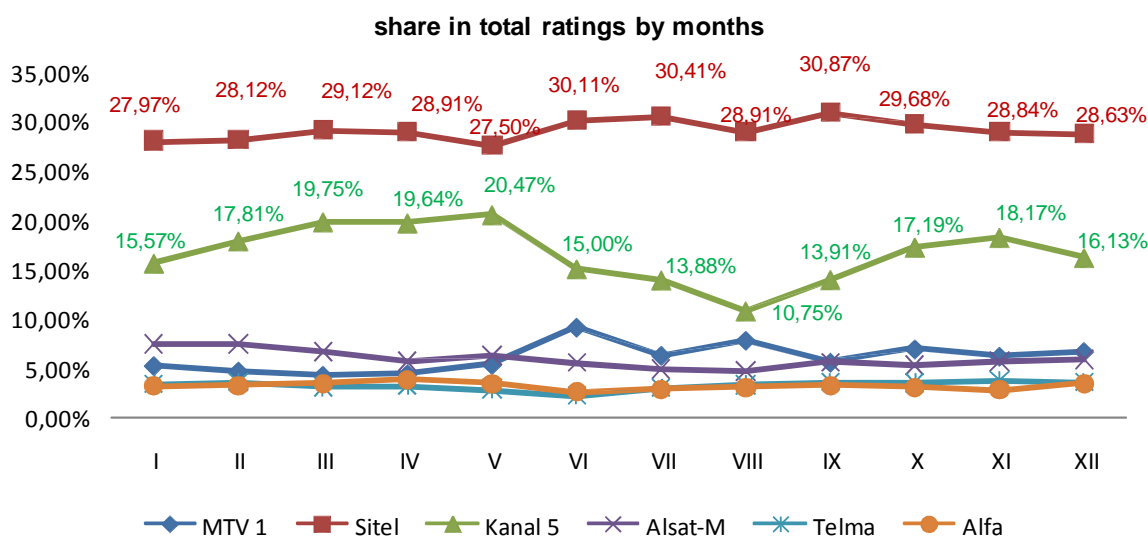
month	MTV 1	Sitel	Kanal 5	Alsat-M	Telma	Alfa
I	5.16%	27.97%	15.57%	7.31%	3.32%	3.10%
II	4.61%	28.12%	17.81%	7.37%	3.45%	3.17%
III	4.17%	29.12%	19.75%	6.61%	3.00%	3.41%
IV	4.32%	28.91%	19.64%	5.64%	3.03%	3.76%
V	5.28%	27.50%	20.47%	6.16%	2.79%	3.34%
VI	9.10%	30.11%	15.00%	5.50%	2.13%	2.53%
VII	6.21%	30.41%	13.88%	4.81%	2.86%	2.81%
VIII	7.75%	28.91%	10.75%	4.64%	3.22%	3.01%
IX	5.50%	30.87%	13.91%	5.56%	3.51%	3.23%
X	6.86%	29.68%	17.19%	5.29%	3.39%	2.99%
XI	6.11%	28.84%	18.17%	5.57%	3.67%	2.69%
XII	6.60%	28.63%	16.13%	5.86%	3.52%	3.35%

During the last three years, only the shares of Sitel TV and Kanal 5 TV have continued to increase in terms of the overall ratings.

In each month of the year, Sitel TV had a dominant share in the total audience. This television had the largest share in September (30.87%) and the smallest in May (27.50%)

According to the share in the total audience Kanal 5 TV was in second place every month. The share of this television station noticeable declined during June, July and August, and increased again in the last four months.

The first channel of the Macedonian Television (MTV 1) had the largest share of the total audience in June (9.10%), due to the broadcast of the matches of the European Football Championship and in August (7.75%), due to broadcasts from sports events of the summer Olympics in London.



The shares of Telma TV, Alsat-M TV and Alfa TV in the total audience in each month separately, have no significant deviations from the average annual ratings.

Most watched programme content in 2012

Most watched programme content in 2012, was the episode of the Turkish series Love and Punishment (ASK VE CEZA), broadcasted on 6 February, with a rating of 32.23%. Among the top ten most popular programmes are seven episodes of this series.

Top 10	TV station	day	rating
Love and Punishment / ASK VE CEZA	Sitel	06.02.2012	32.23%
Love and Punishment / ASK VE CEZA	Sitel	17.01.2012	32.06%
Love and Punishment / ASK VE CEZA	Sitel	18.01.2012	31.06%
Love and Punishment / ASK VE CEZA	Sitel	12.03.2012	30.92%
Breaking News	Sitel	25.01.2012	30.63%
Love and Punishment / ASK VE CEZA	Sitel	13.02.2012	30.47%
Love and Punishment / ASK VE CEZA	Sitel	27.01.2012	30.33%
Ezel / EZEL	Sitel	06.02.2012	29.52%
Love and Punishment / ASK VE CEZA	Sitel	30.01.2012	29.40%
Love and Punishment / ASK VE CEZA	Sitel	23.01.2012	29.29%

The first fifteen most popular programmes of the film programme genre were broadcasted on Sitel TV. Of these, ten were soap operas and five were films. Only the series "The Sin of Her Mother" (ninth place), originated from the Republic of Serbia, and the other nine were produced in Turkey.

SERIES PROGRAMME (top 10)	TV station	Number of episodes	rating
Love and Punishment / ASK VE CEZA	Sitel	71	24.93%
Mother / BAHAR DALLARI	Sitel	35	19.73%
Pledge / YEMIN	Sitel	43	18.53%
Valley of the Wolves Ambush / KURTLAR VADISI PUSU	Sitel	20	18.04%
Ezel / EZEL	Sitel	142	17.57%
Son- in-law / YABACI DAMAT	Sitel	112	17.56%
Tears of the Autumn / SON BAHAR	Sitel	29	17.50%
Turbulent Times / OYLE BIR GEGER ZAMANKI	Sitel	145	17.13%
The Sin of Her Mother / GREH NJENE MAJKE	Sitel	12	16.71%
Abraham (part 1)	Sitel	1	15.14%

The series Love and Punishment (ASK VE CEZA) had the highest rating. 71 episodes were shown, the average rating of which was approximately 24.93%.

The sixteenth place was for the Turkish series "Honourable" broadcasted on Kanal 5 TV. The average rating of the 138 episodes of this series was 12.04%.

SPORTS PROGRAMME (top 10)	TV Station	ratings
EC HANDBALL MEN 2012: Denmark-Macedonia	Sitel	28.77%
EC HANDBALL MEN 2012: Serbia - Macedonia	Sitel	27.62%
EC HANDBALL MEN 2012: Sweden- Macedonia	Sitel	27.25%
EC HANDBALL MEN 2012: Czech Republic-Macedonia	Sitel	25.82%
EC HANDBALL MEN 2012: Serbia - Croatia	Sitel	25.21%
EC HANDBALL MEN 2012: Poland-Macedonia	Sitel	25.10%
EC HANDBALL MEN 2012: Macedonia-Slovenia	Sitel	25.08%
EC HANDBALL MEN 2012: Macedonia-Germany	Sitel	23.75%
EC HANDBALL MEN 2012: Serbia - Denmark	Sitel	19.98%
Champions League: REAL MADRID - BAYERN M.	Kanal 5	17.01%

Regarding the sports programme, the first nine positions are reserved for the direct broadcasts of matches of the Macedonian national team at the European Handball Championship in January 2012, broadcasted by Sitel TV, and the tenth place was reserved for the football match of the Champions League between Real Madrid and Bayern Munich, played on 25 April 2012.

The most watched informative content in 2012 was the extraordinary news broadcasted on Sitel TV on 25 January at 21:43, in duration of 10 minutes, with rating of 30.63%. It was a direct transmission of the celebration at the Macedonia Square to mark the victory of the Macedonian national team over the national team of Serbia at the European Handball Championship.

Regarding the news and information programme, Sitel TV news broadcasted at 16.00 had the largest audience. The average rating of the 365 news programmes was 9.64% and the edition broadcasted on 27 January 2012, with 22.12 percent rating was the most watched.

Among the ten most watched programmes are the two addresses of the Prime Minister of the Republic of Macedonia: Address on the celebration of the Day of the Macedonian Revolutionary Struggle, broadcasted on Sitel TV on 25 October, with rating of 8.25% and the address on the occasion of the events in the Assembly of the Republic of Macedonia, on 24 December 2012, broadcasted on Kanal 5 TV.

NEWS AND INFORMATION PROGRAMME (top 10)	TV stations	broadcasts	ratings
News 16:00	Sitel	365	9.64%
Central News 1	Sitel	365	9.43%
Sitel business news 19:30	Sitel	206	9.29%
Address by the Prime Minister Nikola Gruevski	Sitel	1	8.25%
News 18:25	Kanal 5	183	8.10%
Address by the Prime Minister Nikola Gruevski	Kanal 5	1	7.87%
Central News 2	Sitel	364	7.24%
Opening Ceremony for the Gate of Macedonia	Sitel	1	6.93%
Visit of the Prime Minister Nikola Gruevski to Qatar	Sitel	1	6.80%
Code	Kanal 5	33	6.54%

The eighth position is for the transmission of the opening ceremony of the Gate of Macedonia on 9 January 2012 and the ninth position of the notice of the visit of the Prime Minister Nikola Gruevski to Qatar, broadcasted on 8 April 2012 on Sitel TV.

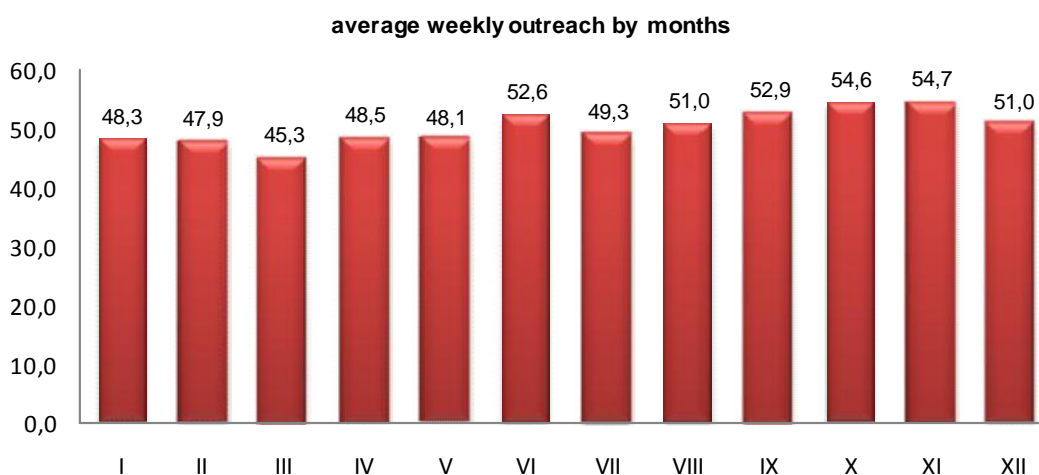
Among the ten most watched news programmes, there is only one current information show with documentary approach - Code, which was broadcasted on Kanal 5 TV.

3.2. Data on radio audience measurement

Average weekly outreach

In 2012, the average weekly outreach of radio stations was 50.3%, i.e., the question of "were you listening to the radio during the last week?" was answered affirmatively by 50.3% respondents.

Compared to 2011 the average weekly reach of radio stations increased by 0.7% (then 49.6% of respondents answered yes to this question).

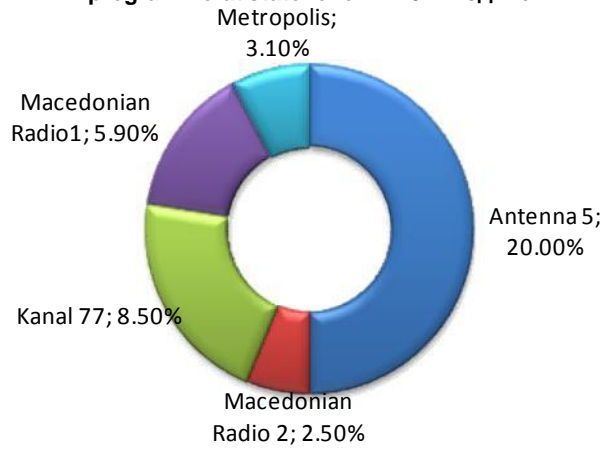


The highest value of this indicator is in October (54.6%) and the lowest in March (45.3%).

Most popular radio station in 2012, was Antenna 5. Namely, 20% of the respondents who were listening to the radio, answered the question "Which radio station were you listening to last week?," with Antenna 5.

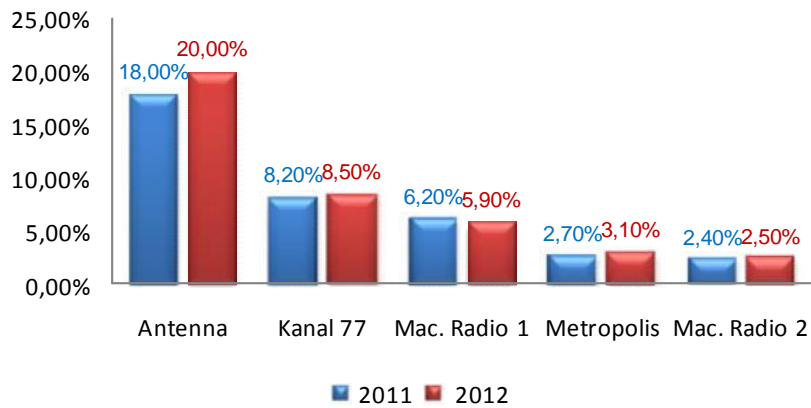
The radio station Kanal 77 is second and it was listened to by 8.5% of the Macedonian audience, while 5.9% of the respondents said that they listened to Macedonian Radio 1. The radio station Metropolis was the choice of 3.10% of the respondents, and the smallest number of respondents listened to Macedonian Radio 2 (2.50%).

average annual outreach of radio stations broadcasting programme at state level in 2012 година

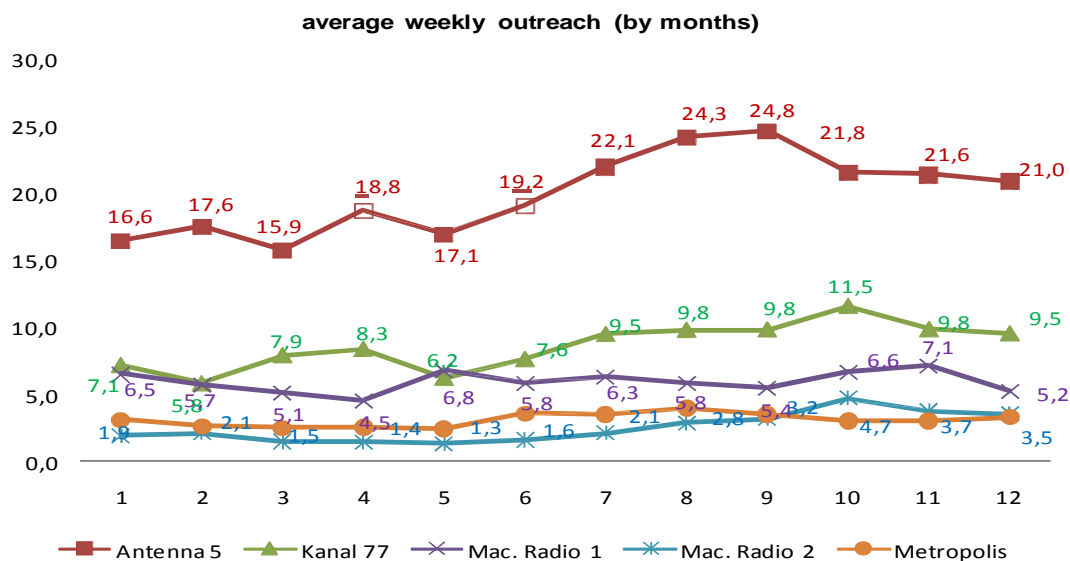


Only the Macedonian Radio 1 had less outreach in 2012 than in the previous year (by 0.3%).

average annual outreach of radio stations broadcasting programme at state level in 2011 and 2012



Significant increase was observed regarding Antenna 5 (2% more than in the previous year). The outreach of other radio stations slightly increased, for Kanal 77 by 0.3%, for Metropolis by 0.4% and Macedonian Radio 2 by 0.1%.



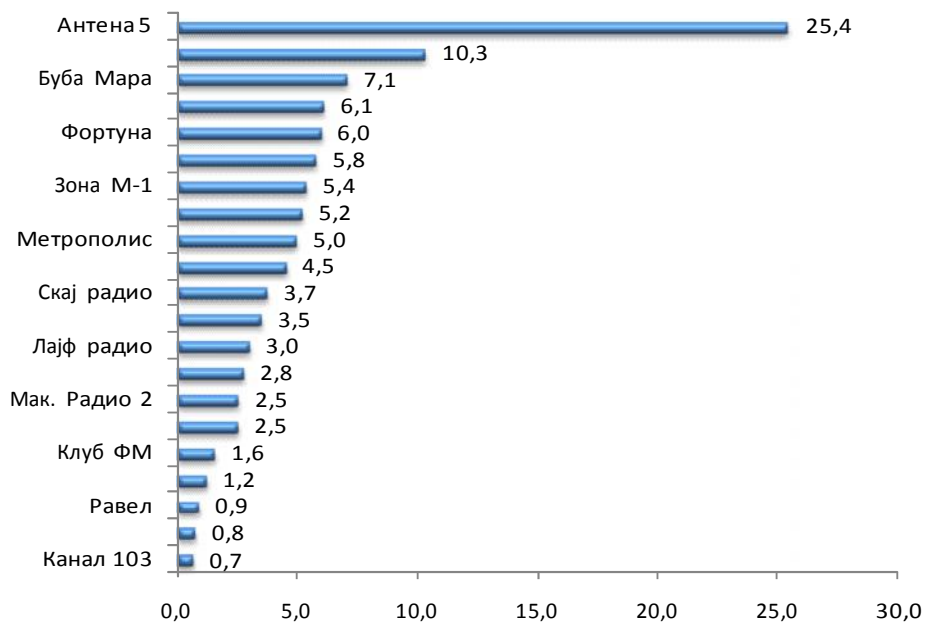
In each month of the year, most of the audience listened to the radio station Antena 5. The greatest rating of this radio station was in September, when 21.8% of respondents said that during the previous week they listened to that radio station, and the lowest in March (only 15.9%).

Only in May, the first programme service of the Macedonian Radio (MR 1) was more popular than Kanal 77. During the remaining eleven months Kanal 77 is in second place, after Antenna 5.

	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
Antenna 5	16.6	17.6	15.9	18.8	17.1	19.2	22.1	24.3	24.8	21.8	21.6	21.0
Kanal 77	7.1	5.8	7.9	8.3	6.2	7.6	9.5	9.8	9.8	11.5	9.8	9.5
Mac. Radio 1	6.5	5.7	5.1	4.5	6.8	5.8	6.3	5.8	5.4	6.6	7.1	5.2
Metropolis	3.1	2.6	2.5	2.5	2.4	3.6	3.5	4.0	3.5	3.0	3.0	3.3
Mac. Radio 2	1.9	2.1	1.5	1.4	1.3	1.6	2.1	2.8	3.2	4.7	3.7	3.5

Antena 5 radio station was the most frequent choice of the Skopje audience, as well (25.4% of the respondents from Skopje said that they listened to that station in the previous week).

average weekly outreach of radio stations in the area of Skopje



The second, according to its outreach in 2012, is City Radio (10.3%), and the third is Buba Mara (7.1%).

The outreach of the radio station Metropolis within the area of Skopje (5%) was greater than the outreach of this radio station for the whole territory of the country (3.1%).

Publisher: BROADCASTING
COUNCIL OF THE REPUBLIC OF
MACEDONIA

Bld. "VMRO" No. 3, 1000 Skopje
tel. 3103-400
fax. 3103-401
<http://www.srd.org.mk>
e-mail: sovet@srd.org.mk

Released for:
PhD Zoran Trajchevski, President of the Council

Prepared by:
Magdalena D. Dovleva
Katerina Mitre

Skopje, 2013