

ANALYSIS
OF THE BROADCASTING ACTIVITY MARKET FOR 2011

Content:

INTRODUCTION

1. RESUME OF THE ANALYSIS

2. TELEVISION MARKET

2.1. Key findings

2.2. Macedonian Television

2.3. Television stations on national level

2.3.1. Main advertising industries in the television sector

2.3.2. Main advertising companies in the television sector

2.4. Regional television stations

2.5. Local television stations

3. RADIO MARKET

3.1. Key findings

3.2. Macedonian Radio

3.3. Commercial radio stations on national level

3.4. Regional radio stations

3.5. Local radio stations

4. INFORMATION ON THE RATING AND THE RANGE

4.1. Shares of the television stations in the total rating

4.2. Most viewed program content

4.3. Range of the radio stations

5. OWNERSHIP STRUCTURE

5.1. Anti concentration measures of the Broadcasting Council

5.2. The broadcasters' ownership structure

5.3. Changes in the ownership structure

INTRODUCTION

The Broadcasting Council developed the first analysis of the broadcasting activity market in 2007 and it contained the information on the broadcasters' economic performance in the period between 2004 and 2006. Since then, the Council prepares annual analyses of the broadcasting activity market every year.

In this document, the economic aspects of the public broadcasting service and the commercial broadcasters' working for 2011 are analyzed.

The economic performance of the entities in the television industry is separately analyzed (Chapter 1), and the entities of the radio industry as well (Chapter 2), according to the definition of the relevant media market from the aspect of the product (that is comprised of products and services that from their featuring aspects, prices or manner of usage are considered as replaceable for the consumer).

Within the frames of these two chapters the conditions of the diverse segments of the market are analyzed that according to the level of coverage, i.e. the entities that broadcast program on national, regional and local level, in accordance with the definition of the relevant media market from the aspect of the geographical area (which represents an area where the offer and the demand of the products and services from the aspect of the competence are quite homogenous and are different in the surrounding areas).

In the last section, the information on the broadcasters' owners is presented as well as the changes in the ownership structure in the analyzed year.

SUMMARY

Television industry

- In 2011, license to broadcast television program had 77 commercial television stations in total. Five of them were issued a license to broadcast program through a terrestrial transmitter¹ on national level, 13 through a satellite transmitter², 10 regional and 49 local television stations.
- The total incomes that in the analyzed year were made by the Macedonian Television were 953,47 millions of MKD³ (73,89% more than the previous year). This increase is mainly due to the changed manner of accounting listing of the incomes coming from the broadcasting fee (as an income for this year the invoiced amount of the broadcasting fee is displayed, and not the really paid, as in the previous years).
- The bulk of the Macedonian Television expenses were made for the tangible expenses (34,44%) and for salaries and other recompenses for persons directly involved in the process of program production (34,31%).
- The total incomes made by the commercial television stations that broadcast program on national level (through a terrestrial or through a satellite transmitter)⁴ were 1.367.27 millions of MKD. The highest incomes were reported by Sitel TV (587,49 millions of MKD) and Kanal 5 TV (348,57 millions of MKD). From the sale of the advertising time 95,46% from the total incomes were made.
- The total expenses of the commercial television stations that broadcast program on the entire territory of the Republic of Macedonia were 1.209,10 millions of MKD. More than the half of this amount was the expense made by Sitel TV (400,21 millions of MKD) and Kanal 5 TV (256,63 millions of MKD).

¹ A1 TV broadcasted program until 07/31/2011. Because of insolvency, i.e. because of the entity's impossibility to settle the obligations towards the creditors, for this legal entity a bankruptcy procedure was initiated, and at the moment of creation of this document, the liquidation procedure is taking place.

² After ALB TV notified the Council that it will end the broadcasting of the program on 30th November 2011, the Council passed a Resolution (No. 07-348) for terminating the validity of the license. BM TV had license for performing broadcasting activity since 2008 but it never commenced to broadcast program.

³ Given the fact that the public service keeps a unique accounting record for the television and for the program services, only for the needs of this Analysis they have separated the information on the Macedonian Television and on the Macedonian radio.

⁴ In this amount the incomes made by six television stations that in the period of the data collection had already lost their license for performing broadcasting activity, are not included.

- Only five entities (Sitel TV, Kanal 5 TV, Telma TV, Alsat-M TV and Nasha TV) made a positive financial result. The remaining worked with a loss.
- The regional television stations made joint incomes in the amount of 55,71 millions of MKD which is the lowest amount in the last four years. This is due mainly on the decrease of the total incomes of Era TV (in 2011 the incomes of this television are for 30 millions of MKD lower than in 2010). More than the half of the total incomes was made through the sale of the advertising time (58,65%), and more significant incomes were made from donations and grants (8,53%) and from program sale (8,50%).
- The ten regional televisions spent 123,81 millions of MKD in total (2,73% less than in 2010). Less than the half of the total expenses were direct expenses for program production (46,81%).
- Five of the regional televisions made a positive financial result and the same number of televisions made a negative financial result.
- The total incomes of the 49 local televisions were 151,91 millions of MKD. In the period of the last four years, 2011 was most favorable for the entities in this segment of the television industry. From commercials, 86,22% of the total incomes were made.
- The local televisions jointly spent 124,83 millions of MKD in total. The bulk of it (22,53%) was spent on salaries and recompenses for the persons directly involved in the program production.

Radio industry

- In 2011, license to broadcast radio program had 77 commercial radio stations in total. Three of them were issued a license to broadcast program on the territory of the Republic of Macedonia, and 16 on regional level and 58 for local level.
- The Macedonian Radio reported total incomes in the amount of 317,92 millions of MKD. Almost an equal share have the incomes from the broadcasting fee (49,76%) and the incomes from the category "remaining non deployed incomes" (49,05%). Only 1,19% were the advertising incomes.
- The total expenses of the Macedonian Radio were 185,74 millions of denars, from which 84,77% were direct expenses for program production.

- The three commercial radio stations that broadcast program on national level jointly reported the total incomes in the amount of 71,82 millions of MKD. More than the half (56%) were the incomes made by the radio stations Antenna 5. The bulk of the incomes (around 70%) of these entities were made by the sale of the advertising time.
- The total expenses of these three entities were 51,80 millions of MKD.
- All three radio stations made a positive financial result.
- The regional radio stations presented total incomes in the amount of 50,89 millions of MKD which is the lowest amount in the last four years. Only one radio station (Club FM) made more incomes than in the previous year. The incomes of the other 15 entities decreased.
- The total expenses of these 16 radio stations were 53,82 millions of denars.
- Eight regional radio stations finished the year with a profit.
- The local radio stations made total incomes of 37,36 millions of MKD which is the highest amount in the last four years. 93,14% of these funds were made by the sale of the advertising time.
- The joint expenses of these entities were 29,14 millions of MKD and 70,54% of them were direct expenses for program production.
- In the analyzed year, 36 local radio stations in total made a positive financial result.

TELEVISION INDUSTRY

KEY FINDINGS

| | Share of the total rating | Total incomes | Incomes from advertising | Total expenses | In millions of MKD | |
|---|---------------------------|----------------|--------------------------|----------------|--------------------|---------------------|
| | | | | | Financial result | Number of employees |
| MTV (MTV 1, MTV 2 and the Parliamentary Channel) | 8,20 | 953,47 | 11,31 | 571,18 | 381,09 | 579 |
| Sitel | 22,00 | 587,49 | 572,01 | 400,21 | 184,97 | 119 |
| Kanal 5 | 9,00 | 348,57 | 343,41 | 256,63 | 90,00 | 95 |
| Telma | 3,00 | 111,62 | 86,69 | 111,07 | 0,41 | 74 |
| Alsat M | 7,00 | 154,05 | 139,39 | 153,46 | 0,46 | 105 |
| A1⁵ | 15,00 | No information | No information | No information | No information | No information |
| Satellite TV | | 165,54 | 163,73 | 287,74 | - 122,54 | 266 |
| Regional TV | 13,99 | 55,71 | 32,67 | 123,81 | - 67,57 | 54 |
| Local TV | | 151,91 | 130,97 | 124,83 | 26,12 | 183 |
| TOTAL | 78,19 | 2.528,36 | 1.480,18 | 2.028,93 | 492,94 | 1.475 |

- In 2011 the biggest share of the total audience rating had Sitel TV (22%).
- The total incomes were 2.528,36 millions of MKD⁶ and the bulk of this amount (37,77%) represent the incomes of the public service.
- Sitel TV and Kanal 5 TV, each of them individually, spent more funds than all the regional and local televisions together.
- Uniquely the satellite and the regional televisions entirely made a negative financial result.
- The average number of employees in the television industry in general was 1.475 persons, 39,25% of them are employed in the public service and 60,75% in the commercial televisions.

⁵ A1 Television broadcasted program until 07/31/2011 including. In the moment of preparation of this document, the liquidation procedure of this entity was already initiated therefore there is no information on the incomes made in the analyzed year.

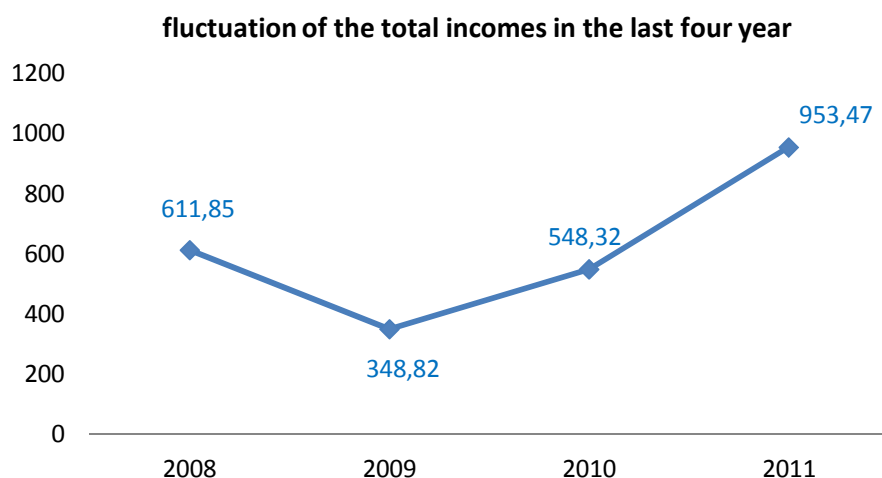
⁶ In this amount the incomes made by the television stations that in the period of the collection of information on the economic working of the broadcasters that have already lost their license are not included (A1 TV, Jungle TV, Perspektiva TV and A2 TV).

MACEDONIAN TELEVISION

The data presented in this text, were submitted by the Macedonian Television on a special form prepared by the Broadcasting Council and their validity was verified through the comparison with the data contained in the Annual report on the financial working of the Public Enterprise Macedonian Radio Television in 2011, adopted by the Parliament of the Republic of Macedonia.

Given the fact that the public broadcasting service does not keep separate accounting records for the Macedonian Television and for the Macedonian Radio, uniquely for the needs of this Analysis made a separation of the data on the financial working of the television and of the radio services.

In 2011, the total incomes of the Macedonian Television were 953,47 millions of MKD. In the period of the last four years, the incomes of the Macedonian Television were the highest in 2011 (55,83% higher than the incomes in 2008, 173,34% higher than in 2009 and for 73,89% higher than the incomes in 2010).

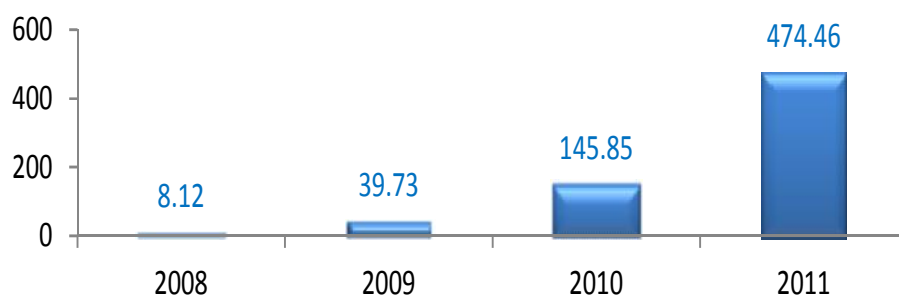


From the incomes' structure it can be noticed that the public service in the analyzed year made incomes only on three bases: from the broadcasting fee, from the sale of the advertising time and from incomes comprising the category "remaining non deployed incomes".

| Incomes' structure of the Macedonian Television in 2011 | In millions of MKD | Share |
|---|--------------------|-------------|
| Broadcasting fee | 474,46 | 49,76% |
| Advertising and teleshopping | 11,31 | 1,19% |
| Sponsorship | 0,00 | 0,00% |
| Incomes from other programs | 0,00 | 0,00% |
| Donations and grants | 0,00 | 0,00% |
| Sale of programs | 0,00 | 0,00% |
| Remaining non deployed incomes | 467,70 | 49,05% |
| Main activity incomes | 953,47 | 100% |
| Incomes from other activities | 0,00 | 0,00% |
| Exceptional incomes | 0,00 | 0,00% |
| Total incomes | 953,47 | 100% |

The most significant share of the incomes' structure of the Macedonian Television belongs to the broadcasting fee (49,76%).⁷

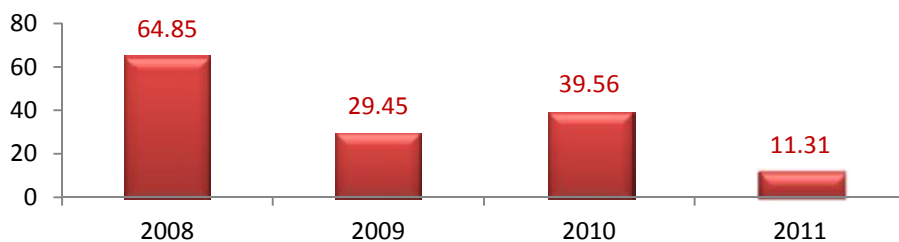
Incomes made by the broadcasting fee in the last four years



In 2011, the Macedonian Television made incomes from the sale of the advertising time in the amount of 11,31 millions of MKD which represents a 1,19% of the total incomes. In the period of the last four years, in the analyzed year these are the lowest incomes from advertising. In comparison with 2008 the incomes decreased by 82,56%, and in comparison with the ones from 2009, by 61,6%, and in comparison with the incomes from advertising made in 2010, they decreased by 71,41%.

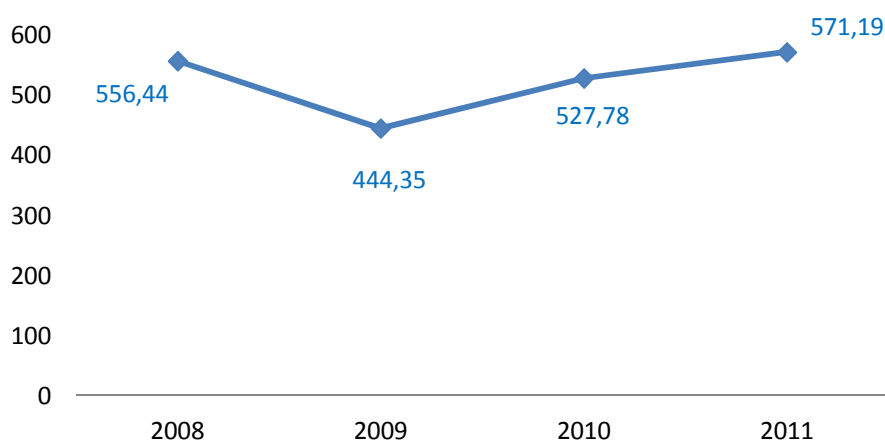
⁷ On a session of the Parliament of the Republic of Macedonia where the financial report of the public service was discussed by the president of the Board of Directors of the Macedonian Radio Television was the explanation that in 2011, in accordance with the recommendations of the State Audit Office, the amount presented as an income from the broadcasting fee is the invoiced amount (the value of the sent accounts for payment of the broadcasting fee), and not the really paid amount. This is the reason why in 2011 the amount of the incomes made from the broadcasting fee is significantly higher than in the previous years.

Incomes from advertising and teleshopping in the last four years



A significant share of 49,05% of the total incomes have the “remaining non deployed incomes” that envisage the incomes that the public service made on several bases: leases, interests incomes, exchange rate differences, written off offerings, incomes from previous years and budget funds from the Government of the Republic of Macedonia for the financial support. The total amount of this type of incomes was 467,7 millions of MKD.

flutuation of the total expenses in the last four years



The total expenses of the Macedonian Television were 571,19 millions of MKD - 8,23% higher than in 2010. The bulk of these funds were spent on salaries and other recompenses for the persons directly involved in the program production (34,31%) and for the tangible expenses (33,44%).

Almost an equal share have the expenses for program procurement (8,75%), the intangible expenses – services (8,39%) and the expenses for salaries and other recompenses for the person not directly involved in the program production (8,58%).

| Expenses structure of the Macedonian Television | | In millions of MKD | |
|---|--|--------------------|----------------|
| | | 2011 | Share |
| 1 | Tangible expenses | 191,00 | 33,44% |
| 2 | Expenses made for program procurement | 49,97 | 8,75% |
| 3 | Intangible expenses (services) | 47,93 | 8,39% |
| 4 | Salaries and other recompenses for persons directly involved in the program production | 195,96 | 34,31% |
| 5 | Direct expenses for program production (1+2+3+4) | 484,86 | 84,89% |
| 6 | Salaries and other recompenses for persons not directly involved in the program production | 48,99 | 8,58% |
| 7 | Equipment amortization | 14,19 | 2,48% |
| 8 | Amortization of rights and licenses | 0,00 | 0,00% |
| 9 | Rents and other overhead costs | 1,47 | 0,26% |
| 10 | All remaining non envisaged working expenses | 21,67 | 3,79% |
| 11 | Total working expenses (5+6+7+8+9+10) | 571,18 | 100,00% |
| 12 | Expenditures from other activities | 0,00 | 0,00% |
| 13 | Exceptional expenditures | 0,00 | 0,00% |
| Total expenses (11+12+13) | | 571,18 | 100,00% |

The financial result was a profit in the amount of 381,09 millions of MKD.

In 2011, a regular employment had 579 persons in total, i.e. three persons more than in the previous year.

Based on the information from *Nielsen Media Research*, in the analyzed year, the broadcasted advertising spots at the public television service comprise only 1,14% of the total rating of the broadcasted advertising spots of all the television stations.

Share of the advertising incomes of the Macedonian Television in the total advertising incomes of the televisions on national level, according to the accounting values is 0,87%.

Based on this information we can conclude that the commercial televisions do not have a serious competitor in the public service in the segment related to the making of incomes based on advertising.

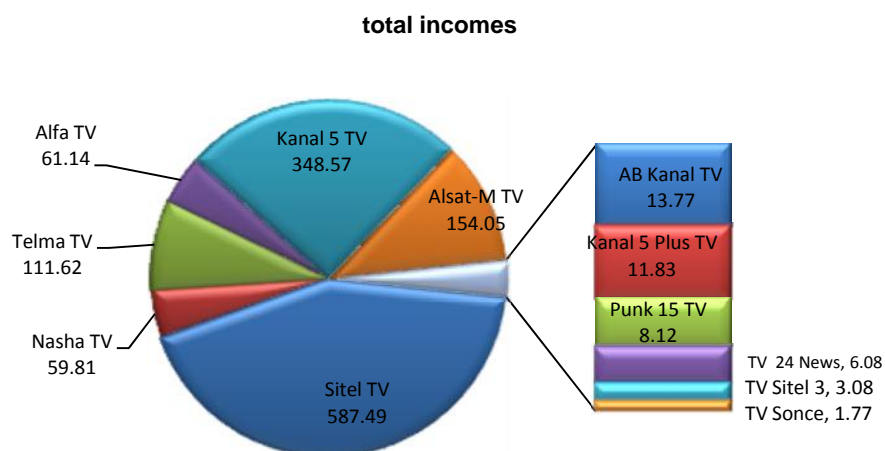
COMMERCIAL TELEVISION STATIONS ON NATIONAL LEVEL

In 2011, license to broadcast program on national level had 18 television stations in total. During the entire year, 15 entities in total performed broadcasting activity. Two television stations (A1 TV⁸ and ALB TV⁹) broadcasted program only partially that year, and BM TV to whom a license for performing broadcasting activity was granted in 2008, never started to broadcast program.

During 2011, the licenses of two entities (A1 TV, ALB TV) were revoked. That is why the Council does not dispose of data related to their economic performance¹⁰. Four entities (Jungle TV, Perspektiva TV i.e. Sky Net Plus, A2 TV and BM TV) whose licenses were revoked in 2012 did not submit information on their working in 2011.

Therefore, there is no possibility to calculate the individual shares of the television stations in the total incomes made in this segment of the television industry.

The twelve televisions that have submitted the data to the Council made joint incomes in the amount of 1.367,27 millions of MKD.



⁸ A1 TV stopped broadcasting program on 31st July 2011 and in the moment of preparation of this document the liquidation procedure for this legal entity was already initiated.

⁹ After the submission of ALB TV to the Council a written notification that it terminates the broadcasting of its program, the Council, on 30th November 2011 passed a Resolution (No. 07-348) for revoking of the validity of the license.

¹⁰

Approximately 88% of this amount is comprised of the incomes made by four televisions that broadcasted program through a terrestrial transmitter (Sitel TV, Telma TV, Alsat-M TV and Kanal 5 TV). The eight satellite televisions jointly made only 12% of the total incomes of this segment of the television industry.

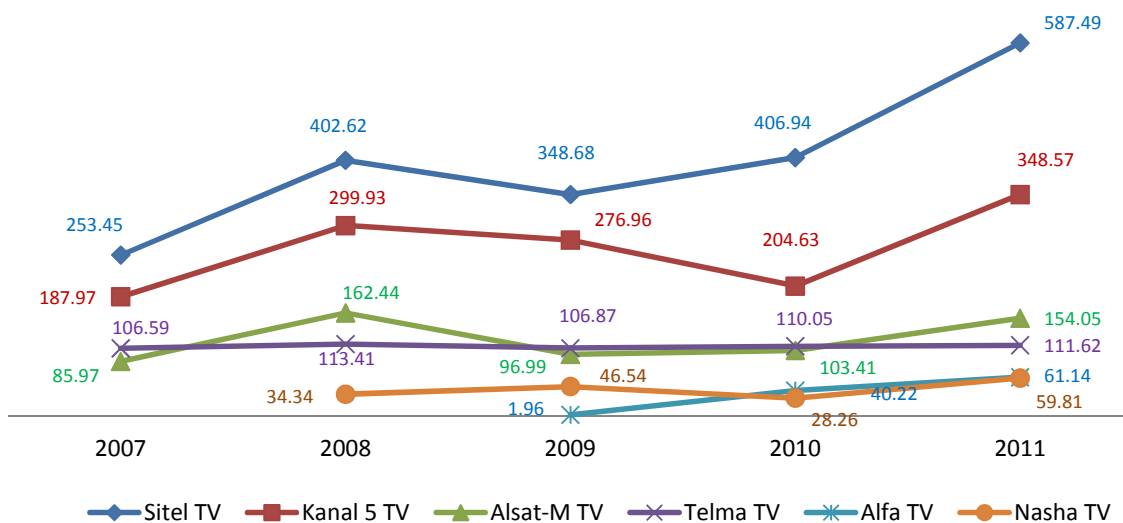
A dominant source of incomes of the televisions on national level was the commercials – (95,46%). Without exception, all twelve entities reported incomes from the sale of the advertising time. Nevertheless, significant differences in the reported amounts are evident. Namely, the advertisers chose to employ 97% of the advertising budgets of the national televisions, to only six televisions (Sitel TV, Kanal 5 TV, Alsat-M TV, Telma TV, Alfa TV and Nasha TV). The other six televisions managed to attract only 3% of the advertising funds.

| Incomes structure of the commercial televisions on national level in 2011 | In millions of MKD | Share |
|--|---------------------------|----------------|
| Advertising and teleshopping | 1.305,23 | 95,46% |
| Sponsorship | 0,00 | 0,00% |
| Incomes from other programs | 0,00 | 0,00% |
| Donations and grants | 0,00 | 0,00% |
| Sale of programs | 0,00 | 0,00% |
| Public interest projects | 0,00 | 0,00% |
| Remaining non deployed incomes | 36,15 | 2,64% |
| Main activity incomes | 1.341,38 | 98,11% |
| Incomes from other activities | 22,24 | 1,63% |
| Exceptional incomes | 3,71 | 0,27% |
| Total incomes | 1.367,27 | 100,00% |

The incomes from the category “remaining non deployed incomes” in the total incomes participate with 2,64%, and the remaining 1,9% were incomes from other activities or exceptional incomes.

None of television stations reported incomes from sponsorship, donations or grants, or incomes from the sale of programs.

Fluctuation of the total incomes of the televisions on national level in the last five years



All the television stations in the analyzed year earned more than in 2010 except Pink 15 TV, whose total incomes decreased by 46,68%.

| TV station | Total incomes 2009 | Growth rate 2010/2009 | In millions of MKD | | |
|-----------------|--------------------|-----------------------|--------------------|-----------------------|--------------------|
| | | | Total incomes 2010 | Growth rate 2011/2010 | Total incomes 2011 |
| Sitel TV | 348,68 | 16,71% | 406,94 | 44,37% | 587,49 |
| Kanal 5 TV | 276,96 | -26,12% | 204,63 | 70,34% | 348,57 |
| Alsat-M TV | 96,99 | 6,62% | 103,41 | 48,97% | 154,05 |
| Telma TV | 106,87 | 2,98% | 110,05 | 1,43% | 111,62 |
| Alfa TV | 1,96 | 1952,04% | 40,22 | 52,01% | 61,14 |
| NASHA TV | 46,54 | -39,28% | 28,26 | 111,64% | 59,75 |
| AB Kanal TV | 3,64 | -35,16% | 2,36 | 483,47% | 13,77 |
| Kanal 5 Plus TV | 2,61 | 83,14% | 4,78 | 147,49% | 11,83 |
| Pink 15 TV | 0,00 | - | 15,23 | -46,68% | 8,12 |
| 24 News TV | 0,00 | - | 0,00 | - | 6,08 |
| Sitel 3 TV | 0,00 | - | 0,00 | - | 3,08 |
| Sonce TV | 0,00 | - | 0,00 | - | 1,77 |

In 2011 the total expenses of the commercial television stations on national level were 1.209,10 millions of MKD. More than the half (55%) are the expenses reported by Sitel TV (400,21 millions of MKD) and Kanal 5 TV (256,63 millions of MKD).

| | Expenses structure of the commercial televisions on national level | In millions of MKD | |
|----|--|--------------------|----------------|
| | | 2011 | Share |
| 1 | Tangible expenses | 88,74 | 7,34% |
| 2 | Expenses made for program procurement | 313,15 | 25,90% |
| 3 | Intangible expenses (services) | 105,47 | 8,72% |
| 4 | Salaries and other recompenses for persons directly involved into the program production | 259,67 | 21,48% |
| 5 | Direct expenses for program production (1+2+3+4) | 767,03 | 63,44% |
| 6 | Salaries and other recompenses for persons not directly involved into the program production | 100,34 | 8,30% |
| 7 | Equipment amortization | 125,45 | 10,38% |
| 8 | Amortization of rights and licenses | 1,62 | 0,13% |
| 9 | Rents and other overhead costs | 44,00 | 3,64% |
| 10 | All remaining non envisaged working expenses | 159,41 | 13,18% |
| 11 | Total working expenses (5+6+7+8+9+10) | 1197,85 | 99,07% |
| 12 | Expenditures from other activities | 10,59 | 0,88% |
| 13 | Exceptional expenditures | 0,66 | 0,05% |
| | Total expenses (11+12+13) | 1209,10 | 100,00% |

In the expenses structure the most significant share belongs to the expenses made for program procurement (25,90% of the spent funds were for the purchasing of the rights to broadcast program content). Sitel TV spent the most funds on program procurement (124,34 millions of MKD), followed by Kanal 5 TV (85,63 millions of MKD).

Another significant share is the expenses made for salaries and other recompenses for persons directly involved into the program production (21,48%).

| TV station | Realized financial result (in millions of MKD) |
|-------------------|---|
| Sitel TV | 184,97 |
| Kanal 5 TV | 90,00 |
| NASHA TV | 31,72 |
| Alsat-M TV | 0,46 |
| Telma TV | 0,41 |
| Sitel 3 TV | -0,91 |
| Kanal 5 Plus TV | -13,93 |
| Sonce TV | -16,38 |
| Pink 15 TV | -22,33 |
| AB Kanal TV | -22,58 |
| 24 News TV | -27,42 |
| ALFA TV | -50,71 |

Only five television stations made a positive financial result: Sitel TV (184,97 millions of MKD), Kanal 5 TV (90 millions of MKD), Nasha TV (31,72 millions of MKD), Alsat-M TV (0,46 millions of MKD) and Telma TV (0,41 millions of MKD).

The other television stations made a negative financial result, and the biggest loss was reported by Alfa TV (50,71 millions of MKD).

The total number of employees in the commercial televisions on national level was 659. Alfa TV had the highest number of employees (121), followed by Sitel TV (119) and Alsat-M TV (105).

In comparison with the previous year, the total number of employees was decreased by 23 persons. Only three televisions increased the number of their employees in 2011: 24 News TV (for 34 persons) and Kanal 5 TV and Telma TV for one person each. The number of employees was decreased the most in Nasha TV (19 persons) and AB Kanal TV (15 persons). The number of employees in Sonce TV remained the same.

| TV STATION | Average number of regularly employed persons | | |
|--------------|--|------|------|
| | 2009 | 2010 | 2011 |
| ALFA TV | 72 | 127 | 121 |
| SITEL TV | 113 | 124 | 119 |
| ALSAT-M TV | 119 | 115 | 105 |
| KANAL 5 TV | 88 | 94 | 95 |
| TELMA TV | 69 | 73 | 74 |
| 24 NEWS TV | 0 | 25 | 59 |
| AB KANAL TV | 50 | 45 | 30 |
| KANAL 5 PLUS | 37 | 32 | 28 |
| NASHA TV | 35 | 35 | 16 |
| SONCE TV | 7 | 12 | 12 |
| SITEL 3 TV | 0 | 0 | 0 |

MAIN ADVERTISING COMPANIES AT THE COMMERCIAL TELEVISIONS ON NATIONAL LEVEL

In 2011, according to the data received from the research agency Nielsen Media Research, the most significant advertiser for the television industry entirely was the Coca-Cola Company. The value of the broadcasted advertising spots of Coca-Cola presented 3,44% from the total calculated value of the broadcasted spots of all the advertisers during this year.

On the second place comes the enterprise Euroimpex (authorized for sale of Peugeot vehicles). The company "One" that in 2010 was on the first place, came to the third in 2011. In 2011, on the list of the biggest advertisers are the two biggest political parties – "SDSM" on the eleventh place and "VMRO-DPMNE" on the twenty-third place.

| No. | Advertiser | Share | No. | Advertiser | Share |
|-----|---|----------|-----|---------------------------|----------|
| 1 | Coca-Cola | 3,4362% | 26 | WRIGLEY | 0,9732% |
| 2 | EUROIMPEX | 2,9842% | 27 | Vreme | 0,9236% |
| 3 | One | 2,5797% | 28 | Fikosota | 0,8986% |
| 4 | Government of the Republic of Macedonia | 2,5605% | 29 | Bank Stopanska | 0,8408% |
| 5 | "Procter & Gamble" | 2,5385% | 30 | Macedonian Telekom | 0,8074% |
| 6 | Skopje Brewery | 2,1668% | 31 | Automobile SK | 0,7963% |
| 7 | VIP | 2,1031% | 32 | Office Plus | 0,7771% |
| 8 | Makpetrol | 1,7259% | 33 | EVN | 0,7548% |
| 9 | Alternative Medika | 1,5934% | 34 | Vivaks | 0,7486% |
| 10 | Magroni | 1,5232% | 35 | Zito Lux | 0,7175% |
| 11 | SDSM | 1,5183% | 36 | Montenegro | 0, 7037% |
| 12 | T – Mobile | 1, 4474% | 37 | Neptune Shop (EURO MEDIA) | 0, 7004% |
| 13 | Tinex | 1, 4233% | 38 | Skopje fair ERA | 0, 6906% |
| 14 | LA DANZA | 1, 3954% | 39 | Paskalin | 0, 6816% |
| 15 | S. C JOHNSON & WAX | 1, 3542% | 40 | Kia Motors | 0, 6792% |
| 16 | Studio Moderna | 1, 2434% | 41 | HERBAL + | 0, 6728% |
| 17 | Kozuvchanka | 1, 2202% | 42 | Cable Tel | 0, 6372% |
| 18 | Unilever | 1, 1962% | 43 | Droga Kolinska | 0, 6281% |
| 19 | Autonova | 1, 1586% | 44 | Automotive group | 0, 5981% |
| 20 | HENKEL | 1, 1498% | 45 | RECKITT BENCKISER | 0, 5833% |
| 21 | Beohemija | 1, 0583% | 46 | Korea Auto trade | 0, 5709% |
| 22 | Alkaloid | 1, 0448% | 47 | DAHLIA | 0, 5622% |
| 23 | VMRO-DPMNE | 1, 0308% | 48 | SCHWARZKOPF | 0, 5613% |
| 24 | BEIERSDORF | 1, 0108% | 49 | Vitaminka | 0, 5477% |
| 25 | NESTLE | 0, 9732% | 50 | FINE | 0,5377% |

Source: Nielsen Media Research

MAIN ADVERTISING INDUSTRIES IN THE TV SECTOR

In 2011, the most advertised industries were the food industry and the soft drink industry (the advertising spots for the products of these two industries comprise 17,75% of the total value of the broadcasted advertising spots). On the second place comes the transportation industry with 10,37% of the total value. Given that in the analyzed year early elections for deputies in the Parliament of the Republic of Macedonia were held, as it was expected, on the third place come the political advertisements.

| Advertising industries | Share |
|---|--------|
| Food products and soft drinks | 17,75% |
| Transportation | 10,37% |
| Political advertisements | 9,37% |
| Telecommunications | 7,62% |
| Cosmetic products | 6,35% |
| Services | 5,92% |
| Domestic chemistry and domestic needs | 5,62% |
| Medical and sanitary articles | 5,50% |
| Tea and coffee | 5,32% |
| Trade | 4,79% |
| Hobbies and leisure | 4,08% |
| Media | 3,67% |
| Banks, Insurance Companies and Exchange Offices | 3,27% |
| Industry, Agriculture, Energy | 2,91% |
| Equipment for residential and office space | 2,57% |
| Children equipment and nutrition | 1,28% |
| Domestic electrical appliances | 0,70% |
| Computers | 0,68% |
| Education | 0,61% |
| Office material | 0,61% |
| Clothes, Shoes and Fashion Accessories | 0,53% |
| Audio and video equipment | 0,34% |
| Remaining and unknown | 0,14% |

Source: Nielsen Media Research

If we consider the data on the five most significant advertising industries in the television sector, in the period of the last four years, it is noticeable that the food industry and the soft drink industry are on the first place in continuity, but in the last two years the share of the total amount is decreasing.

The telecommunication industry in 2008 was on the second place, in 2009 and 2010 on the third, and in the last year it came at the fourth place.

| 2008 | | 2009 | | 2010 | | 2011 | |
|-----------------------|-----|-----------------------|-----|----------------------|--------|-----------------------|--------|
| Food and soft drinks | 21% | Food and soft drinks | 23% | Food and soft drinks | 17.60% | Food and soft drinks | 17.75% |
| Telecommunications | 12% | Transportation | 11% | Transportation | 10.0% | Transportation | 10.37% |
| Transportation | 12% | Telecommunications | 9% | Telecommunications | 8.33% | Political advertising | 9.37% |
| Political advertising | 9% | Political advertising | 7% | Media | 7.25% | Telecommunications | 7.62% |
| Detergents | 5% | Hobbies and leisure | 7% | Services | 6.60% | Cosmetic products | 6.35% |
| Others | 41% | Others | 43% | Others | 49.52% | Others | 48.54% |

Source: Nielsen Media Research

Although the share of the broadcasted advertisements on the services of the transportation industry in the total value of the broadcasted advertisements in continuity is decreasing, uniquely in 2008 it came on the third place, and in the last three years is one place higher.

Uniquely in 2010 among the five most significant advertising sectors the political advertising does not appear. In fact, this year was the only one where no elections were organized.

THE ADVERTISING MARKET DURING THE PARLIAMENTARY ELECTIONS IN 2011

The advertising market during the parliamentary elections in 2011 comprises 2,99% of the total advertising market in 2011.

The shares of the advertising parties that had paid political program during the elections are given in the chart that follows

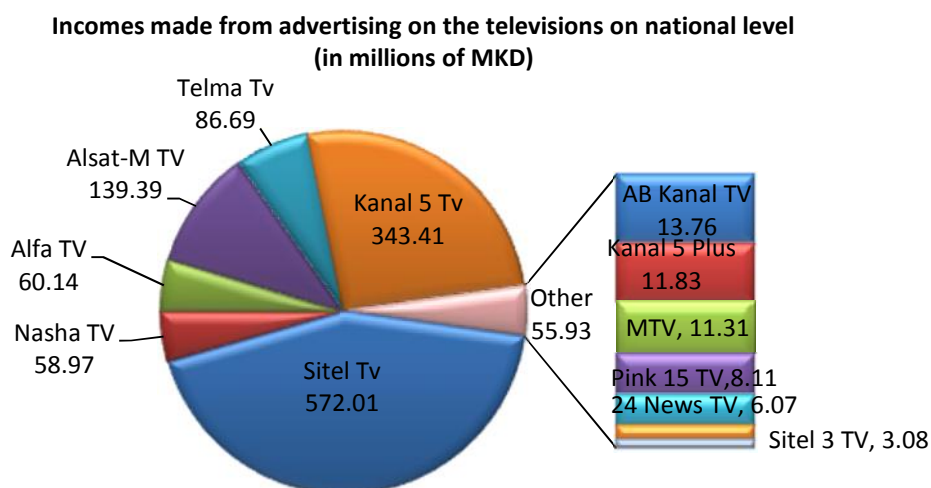
| Advertiser | Share |
|---------------------------|--------------|
| SDSM | 43,985% |
| VMRO-DPMNE | 25,965% |
| VMRO-NP | 8,732% |
| United for Macedonia | 7,045% |
| New Democracy | 5,454% |
| LDP | 2,717% |
| Democratic Right | 2,608% |
| Dignity | 1,408% |
| State Election Commission | 1,384% |
| DUI | 0,550% |
| NDP | 0,105% |
| DUA | 0,043% |
| Social democratic Union | 0, 005% |

Source: Nielsen Media Research

Main share of the paid political advertising during the elections had the largest parties in the Republic of Macedonia, SDSM and VMRO-DPMNE with approximately 70% - the share of SDSM was 44% and the one of VMRO-DPMNE was approximately 26%.

Shares in the incomes made from advertising in the TV market

It is impossible to calculate the shares of each television station that broadcasts program on national level, in the total advertising incomes made in 2011 in this segment of the television market, given the fact that six entities in total (A1 TV, ALB TV, Jungle TV, Perspektiva TV, i.e. Sky Net Plus, A2 TV and BM TV) have already had their license to perform broadcasting activity revoked, because of what we do not dispose of information on the economic performance of these broadcasters.

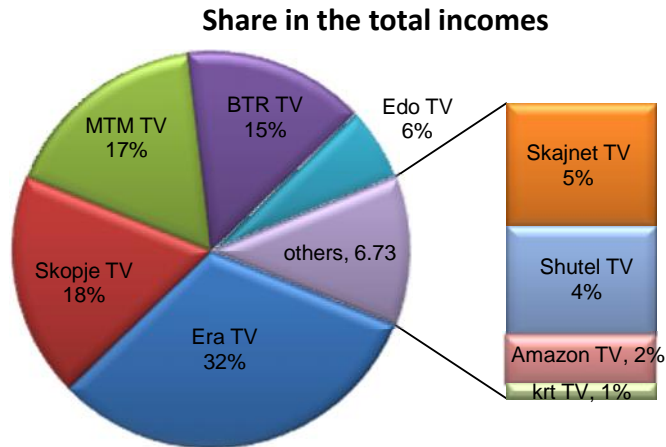


In 2011 the advertising incomes made from the twelve television stations that submitted the data were 1.305,23 millions of MKD.

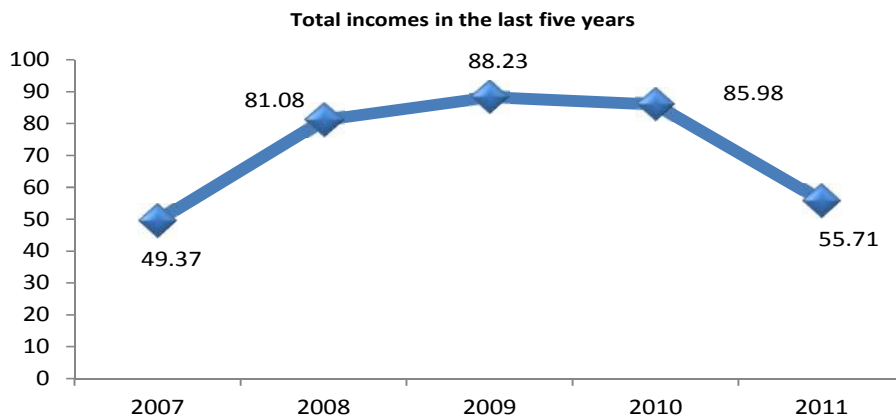
According to the data that the broadcasters submitted to the Broadcasting Council, 12,91% of this amount was the incomes made from paid political advertising during the early elections for deputies in the Parliament of the Republic of Macedonia.

TELEVISION STATIONS ON REGIONAL LEVEL

In the analyzed year, program on regional level was broadcasted by 10 entities in total. Their joint incomes were in the amount of 55,71 millions of MKD.



From the chart above it is obvious that 82% of this amount is the incomes of the four entities (Era TV, Skopje TV, MTM TV and BTR TV). The remaining six television stations made only 18% of the total incomes of the regional television market.

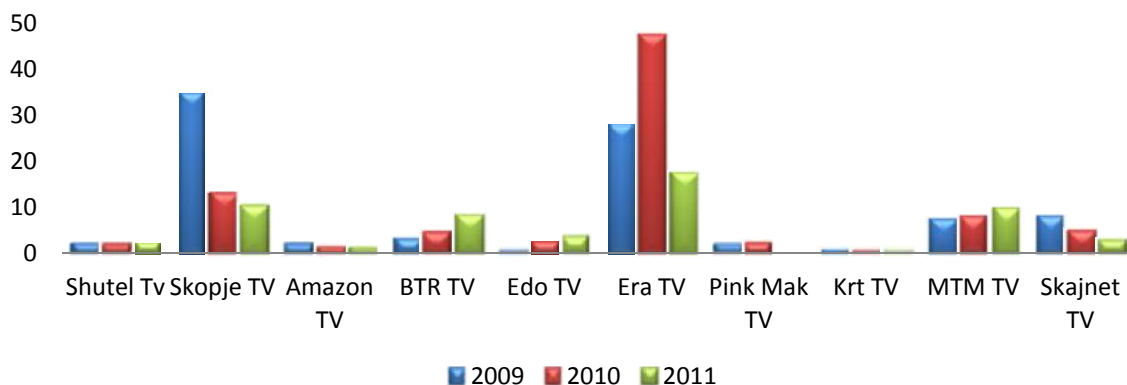


In the period of the last five years most favorable for the regional televisions was 2009 when the total incomes were 88,23 millions of MKD.

In 2008 as well as in 2010, the total incomes were lower then in 2009, although not as distinguishable as in 2007 and 2011. The incomes that these ten televisions jointly made in the analyzed year (in the total amount of 55,71 millions of MKD) are higher, uniquely

compared to 2007 (for 12,84%). The growth rate in relation to the incomes made in the other three years is negative: compared to 2008 the incomes are lower for 31,29%, to 2009 for 36,85% and in comparison with 2010, for 35,21%.

Fluctuation of the total incomes of the regional televisions in the last 3 years



In every of the last five years, the most significant share of the total incomes had Era TV, Skopje TV and MTM TV.

| Television station | In millions of MKD | | | Growth rate 2011/2009 | Growth rate 2011/2010 |
|--------------------|--------------------|-------|-----------------|-----------------------|-----------------------|
| | 2009 | 2010 | 2011 | | |
| Shutel | 2,01 | 1,65 | 2,48 | 23,38% | 50,30% |
| Skopje | 35,05 | 12,88 | 10,23 | -70,81% | -20,57% |
| Amazon | 1,86 | 1,32 | 1,08 | -41,94% | -18,18% |
| BTR | 3,26 | 4,32 | 8,27 | 153,68% | 91,44% |
| Edo | 0,46 | 2,9 | 3,37 | 632,61% | 16,21% |
| Era | 27,85 | 47,53 | 17,67 | -36,55% | -62,82% |
| Pink Mak | 1,64 | 2,25 | 0 ¹¹ | -100,00% | -100,00% |
| Krt | 0,74 | 0,49 | 0,36 | -51,35% | -26,53% |
| MTM | 7,5 | 7,79 | 9,44 | 25,87% | 21,18% |
| Sky net | 7,85 | 4,74 | 2,81 | -64,20% | -40,72% |
| Total | 88,22 | 85,87 | 55,71 | -36,85% | -35,12% |

In 2011, only four regional televisions made more incomes than in the previous year (BTR TV, Shutel TV, MTM TV and EDO TV) and the remaining six have decreased their incomes. The negative growth rate of the joint incomes of the ten televisions is largely due to the decrease of the incomes of ERA TV (for 62,82% or in the absolute amount of 29,86 millions of MKD).

¹¹ Pink Mak TV in 2011 had made the total incomes in the amount of 1.667,00 MKD

| Incomes structure of the televisions on regional level | 2011 | Share |
|--|--------------|----------------|
| Advertising and teleshopping | 32,67 | 58,65% |
| Sponsorship | 0,00 | 0,00% |
| Incomes from other programs | 0,50 | 0,90% |
| Donations and grants | 4,75 | 8,53% |
| Sale of programs | 4,73 | 8,50% |
| Public interest projects | 0,00 | 0,00% |
| Remaining non deployed incomes | 12,65 | 22,71% |
| Main activity incomes | 55,31 | 99,28% |
| Incomes from other activities | 0,40 | 0,72% |
| Exceptional incomes | 0,00 | 0,00% |
| Total incomes | 55,71 | 100,00% |

The most significant income source of the regional television stations was the sale of the advertising time - more than the half (58,65%).

Another significant share (22,71%) have the incomes belonging to the category "remaining non deployed incomes" which is due to the high amount reported by Skopje TV (10,23 millions of MKD).

Approximately equal shares have the incomes from donations and grants (8,53%) and the incomes made from the sale of programs (8,50%). The total amount of donations and grants was reported by BTR TV and incomes from the sale of programs were reported only by two televisions - MTM TV (2,32 millions of MKD) and Sky Net TV (2,42 millions of MKD).

The total expenses that in 2011 were made by the regional televisions were 123,81 millions of MKD. Almost 80% of these funds are the expenses made only by three televisions (Skopje TV – 47,24 millions of MKD, Pink Mak TV – 27,49 millions of MKD and Era TV – 23,85 millions of MKD).

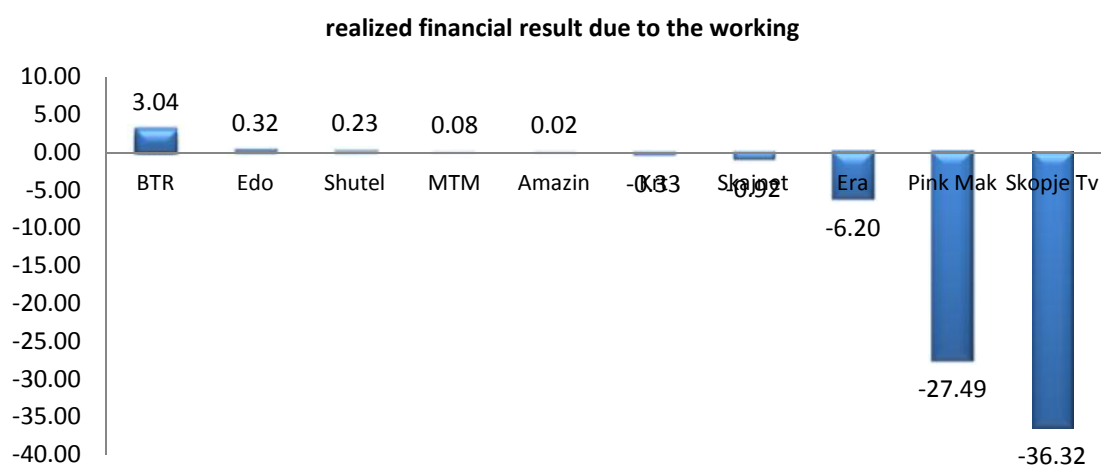
In 2011, the regional televisions spent 2,73% less funds than in the previous year.

Less than the half (46,81%) of the total expenses comprise the category "direct expenses for program production". Four televisions in total (Shutel TV, BTR TV, Era TV and Pink Mak TV) did not report expenses for the program procurement. The television Pink Mak did not even report expenses for salaries and recompenses for persons directly engaged during the year.

| Expenses structure of the regional televisions | In millions of MKD | Share |
|--|--------------------|----------------|
| Tangible expenses | 12.37 | 9.99% |
| Expenses made for program procurement | 4.40 | 3.55% |
| Intangible expenses (services) | 24.81 | 20.04% |
| Salaries and other recompenses for persons directly involved into the program production | 16.38 | 13.23% |
| Direct expenses for program production | 57.96 | 46.81% |
| Salaries and other recompenses for persons not directly involved into the program production | 0.77 | 0.62% |
| Equipment amortization | 35.71 | 28.84% |
| Amortization of rights and licenses | 0.00 | 0.00% |
| Rents and other overhead costs | 2.04 | 1.65% |
| All remaining non envisaged working expenses | 20.10 | 16.24% |
| Total working expenses | 116.58 | 94.16% |
| Expenditures from other activities | 6.95 | 5.61% |
| Exceptional expenditures | 0.28 | 0.22% |
| Total expenses | 123.81 | 100.00% |

The high share of the expenses for equipment amortization is due to the high amount reported by Skopje TV (24,96 millions of MKD).

Only five televisions made a positive financial result. The best financial result was made by BTR TV (a profit in the amount of 3,04 millions of MKD) and the worst by Skopje TV (a loss in the amount of 36,32 millions of MKD).



In 2011, the average number of regularly employed persons was 54 individuals.

| TV station | Average number of regularly employed persons | | |
|-------------|--|------|------|
| | 2009 | 2010 | 2011 |
| Shutel TV | 2 | 2 | 2 |
| Skopje TV | 141 | 11 | 11 |
| Amazon TV | 2 | 2 | 2 |
| BTR TV | 1 | 1 | 1 |
| Edo TV | 3 | 3 | 3 |
| Era TV | 22 | 22 | 16 |
| Pink Mak TV | 8 | 6 | 0 |
| Krt TV | 1 | 1 | 1 |
| MTM TV | 16 | 15 | 17 |
| Sky Net TV | 1 | 1 | 1 |
| Total | 197 | 64 | 54 |

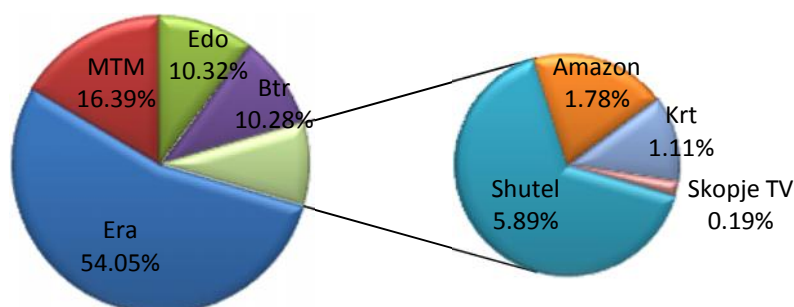
In comparison with the previous year uniquely MTM TV increased the number of employees by two persons. Era TV and Pink Mak TV decreased the average number of employees for six persons, and the other entities kept the same number of employees.

The total advertising incomes on the regional television market were 32,67 millions of MKD.

More than the half of this amount was the incomes of Era TV (17,66 millions of MKD). Other significant incomes from the sale of the advertising time were reported by MTM TV (5,35 millions of MKD), Edo TV (3,37 millions of MKD) and BTR TV (3,36 millions of MKD).

Two regional televisions (Sky Net and Pink Mak) did not report advertising incomes at all.

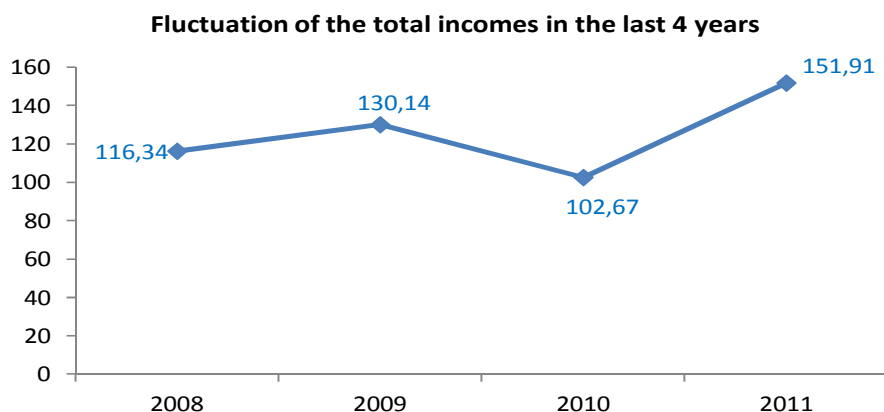
share in the total incomes made from advertising on the regional TV market



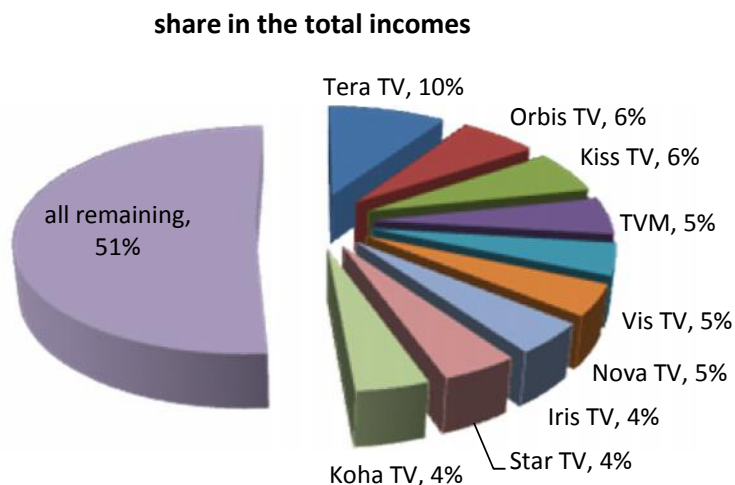
The incomes made from paid political advertising in the regional televisions were 3.76 millions of MKD, i.e. 11, 5% of the advertising incomes.

TELEVISION STATIONS ON LOCAL LEVEL

In 2011 the total incomes made by the 49 local television stations were 151,91 millions of MKD.



In the last four years, 2011 was most favorable for the entities of this segment of the television market. The incomes made in 2011 were higher for 30,57% than the incomes made in 2008, 16,73% higher than 2009, and 47,95% higher than 2010.



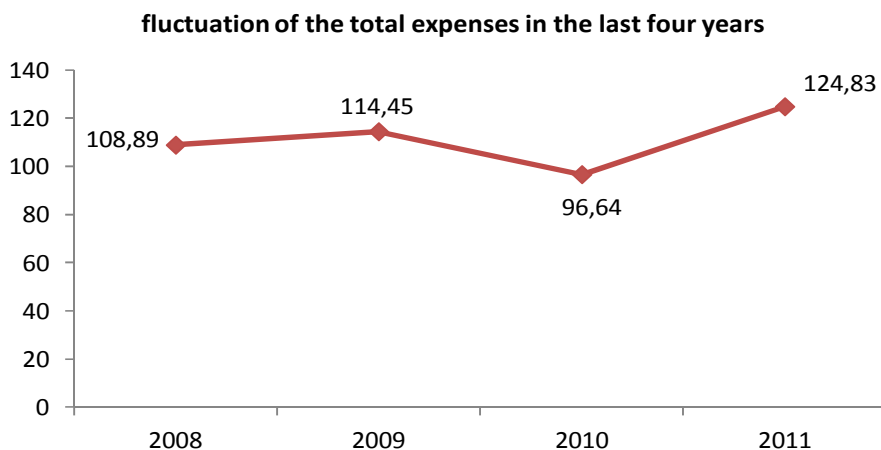
It is noticeable that only nine television stations (Tera TV and Orbis TV from Bitola, Kiss TV and Coha TV from Tetovo, M TV from Ohrid, Vis TV from Strumica, Iris TV and Star TV from Shtip, and Nova TV from Kumanovo) made 49% of the total incomes.

In the incomes structure the most significant share belong to the incomes from the sale of the advertising time (86.22%).

Almost the entire amount of the incomes made from other programs was reported by Tera TV from Bitola (6,47 millions of MKD).

| Incomes structure of the televisions on regional level | 2011 | Share |
|--|---------------|----------------|
| Advertising and teleshopping | 130.97 | 86.22% |
| Sponsorship | 0.36 | 0.24% |
| Incomes from other programs | 6.55 | 4.31% |
| Donations and grants | 0.28 | 0.19% |
| Sale of programs | 2.59 | 1.70% |
| Public interest projects | 0.65 | 0.43% |
| Remaining non deployed incomes | 0.68 | 0.45% |
| Main activity incomes | 142.08 | 93.53% |
| Incomes from other activities | 6.67 | 4.39% |
| Exceptional incomes | 3.15 | 2.08% |
| Total incomes | 151.91 | 100.00% |

Incomes from sponsorship were reported only by four entities (Chegrani Media TV from Chegrane, Cobra TV from Radovish, Spectra TV from Labunishta and Intel TV from Strumica). Incomes from donations were reported by TVM from Ohrid and Menada TV from Tetovo.



The total expenses of the local televisions were 124,83 millions of MKD, 14,64% higher than in 2008, 9,07% higher than in 2009 and 29,17% higher than the previous year.

| Expenses structure of the local televisions | In millions of MKD | Share |
|--|--------------------|----------------|
| Tangible expenses | 25.88 | 20.74% |
| Expenses made for program procurement | 8.13 | 6.51% |
| Intangible expenses (services) | 24.01 | 19.24% |
| Salaries and other recompenses for persons directly involved into the program production | 28.12 | 22.53% |
| Direct expenses for program production | 86.15 | 69.01% |
| Salaries and other recompenses for persons not directly involved into the program production | 7.79 | 6.24% |
| Equipment amortization | 12.41 | 9.94% |
| Amortization of rights and licenses | 0.19 | 0.15% |
| Rents and other overhead costs | 2.40 | 1.92% |
| All remaining non envisaged working expenses | 15.44 | 12.37% |
| Total working expenses | 124.38 | 99.64% |
| Expenditures from other activities | 0.33 | 0.27% |
| Exceptional expenditures | 0.12 | 0.10% |
| Total expenses | 124.83 | 100.00% |

Almost 70% of the total funds were direct expenses for program production.

The highest share of the total expenses belong to the expenses for salaries and other recompenses for the persons directly involved into the program production (22,53%) and the tangible expenses (20,74%).

At the end of the year, a positive financial result was realized by 35 local television stations. The highest profit was reported by Boem TV from Kichevo (4,13 millions of MKD), Coha TV from Tetovo (2,86 millions of MKD), Orbis TV from Bitola (2,24 millions of MKD) and Intel TV from Strumica (2,11 millions of MKD).

The other televisions worked with a loss, and the worst financial result was reported by Tikveshija TV from Kavadarci (a loss of 0,95 millions of MKD) and Super Sky TV from Tetovo (a loss of 0,41 millions of MKD).

In 2011 the average number of employees at the local television stations was 183 persons. In comparison with the previous year it represents an increase for 20 persons.

14 television stations in total had higher average number of employees than in the previous year (Kanal Vision from Prilep – 5 persons, Tera TV from Bitola – 4 persons, Kanal 3 from Center Zupa –3 persons, Star TV from Shtip, Protel TV from Probishtip and Menada TV from Tetovo - 2 persons each, and Kochani LD TV from Kochani, Coha TV from Tetovo, Kanal 21 TV from Veles, Art TV from Tetovo, Cobra TV from Radovish, Gurra TV and Uskana TV from Kichevo and Kanal 8 TV from Kochani –one person each).

Nine local televisions employed less persons than in 2010: M TV from Ohrid, KTV-41 from Kavadarci, Orbis TV from Bitola, Iris TV from Shtip, Chegrani Media TV from village Chegrane and Boem TV from Kichevo – one person less each; Kiss TV from Tetovo, Tikveshija TV from Kavadarci and Hana TV from Kumanovo – two persons less each.

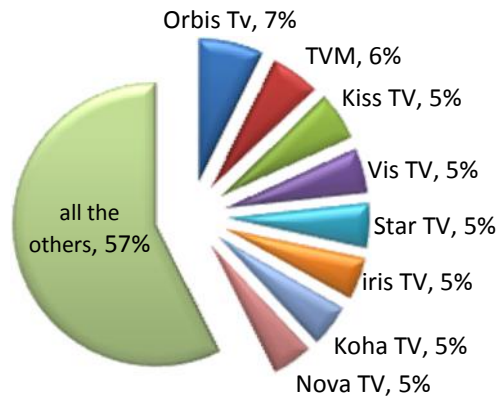
| TV station | 2008 | 2009 | 2010 | 2011 | TV station | 2008 | 2009 | 2010 | 2011 |
|--|-------|-------|------|------|--------------------------|------------|------------|------------|------------|
| Kiss TV, Tetovo | 17 | 15 | 15 | 13 | Kanal 8 TV, Kochani | 0 | 0 | 2 | 3 |
| Tera TV, Bitola | 8 | 13 | 8 | 12 | Dibra TV, Debar | - | - | - | 3 |
| M TV, Ohrid | 12 | 13 | 12 | 11 | Tikveshija TV, Kavadarci | 0 | 6 | 4 | 2 |
| KTV-41, Kavadarci | 5 | 5 | 12 | 11 | Kaltrina TV, Struga | 3 | 3 | 2 | 2 |
| Star TV, Shtip | 7 | 4 | 8 | 10 | Intel TV, Strumica | 4 | 2 | 2 | 2 |
| Iris TV, Shtip | N. I. | 10 | 10 | 9 | Nova TV, Gevgelija | 3 | 2 | 2 | 2 |
| Emi TV, Radovish | 7 | 8 | 7 | 7 | Zdravkin TV, Veles | 2 | 2 | 2 | 2 |
| Vis TV, Strumica | 7 | 7 | 7 | 7 | Svet TV, Sveti Nikole | 2 | 2 | 2 | 2 |
| Orbis TV, Bitola | 5 | 4 | 5 | 4 | Festa TV, Kumanovo | N. I. | 2 | 2 | 2 |
| Vision – BM TV (Kanal Vision TV), Prilep | 1 | 1 | 2 | 7 | Hana TV, Kumanovo | 1 | 1 | 3 | 1 |
| Kochani TV – LD, Kochani | 0 | 4 | 5 | 6 | Chegrani Media TV | 0 | 2 | 2 | 1 |
| Kanal 3 TV, Center Zupa | 2 | 2 | 3 | 6 | Boem TV, Kichevo | 2 | 1 | 2 | 1 |
| Nova TV, Kumanovo | 5 | 5 | 5 | 5 | Moris TV, Ohrid | 1 | 1 | 1 | 1 |
| Coha TV, Tetovo | 4 | 4 | 4 | 5 | Anisa TV, Plasnica | 1 | 1 | 1 | 1 |
| Kanal 21 TV, Veles | 3 | 3 | 4 | 5 | Due TV, Gostivar | 2 | 2 | 1 | 1 |
| Protel TV, Probishtip | 2 | 2 | 3 | 5 | NTV, Ohrid | N. I. | 1 | 1 | 1 |
| Spectra TV, Struga | 3 | 3 | 4 | 4 | Lazani TV, Lazani | 1 | 1 | 1 | 1 |
| Art TV, Tetovo | 5 | 3 | 3 | 4 | Top TV, Berovo | 0 | 1 | 1 | 1 |
| Menada TV, Tetovo | 7 | 7 | 2 | 4 | Super Sky TV, Tetovo | 0 | 0 | 1 | 1 |
| Zlaten Kanal TV, Kriva Palanka | 0 | 4 | 3 | 3 | VTV, Valandovo | 2 | N. I. | N. I. | 1 |
| D1 TV, Delchevo | 0 | 3 | 3 | 3 | Art Kanal TV, Struga | 2 | 2 | N. I. | 1 |
| Cobra TV, Radovish | 3 | 3 | 2 | 3 | Dalga KRT TV, Kumanovo | 1 | 1 | N. I. | 1 |
| Gurra TV, Kichevo | 1 | 1 | 2 | 3 | Sitel 2 TV, Kratovo | 0 | 0 | 0 | 0 |
| Uskana TV, Kichevo | N. I. | N. I. | 2 | 3 | Medi TV, Bitola | 1 | 1 | N. I. | N. I. |
| | | | | | Novatel Plus TV, Prilep | - | - | - | N. I. |
| | | | | | Total | 132 | 158 | 163 | 183 |

*N. I. – No information

*-did not work in that year

The television stations on local level earned the total of 130,97 millions of MKD from the sale of the advertising time.

Share in the total incomes from advertising of the local TV market



Only eight televisions made almost the half of these funds (Orbis TV from Bitola, M TV from Ohrid, Kiss TV and Coha TV from Tetovo, Star TV and Iris TV from Shtip, Vis TV from Strumica and Nova TV from Kumanovo).

The total of 28,22 millions of MKD, i.e. 21,55% of the advertising incomes were made from political advertising during the media campaign.

RADIO INDUSTRY

KEY FINDINGS

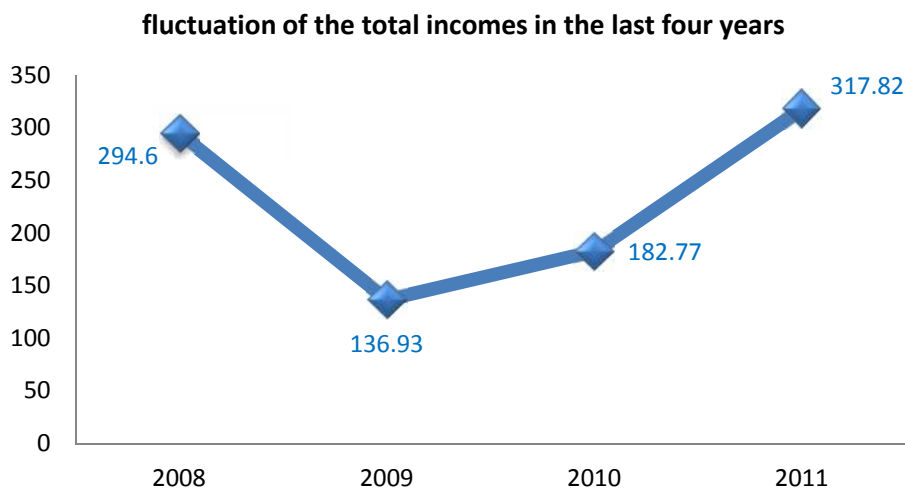
| | Total incomes | Advertising incomes | Total expenses | Financial result | Number of employees |
|--------------------------------|---------------|---------------------|----------------|------------------|---------------------|
| Macedonian Radio | 317,82 | 3,77 | 185,74 | 131,82 | 299 |
| Antenna 5 | 40,00 | 36,54 | 31,83 | 7,46 | 14 |
| Kanal 77 | 27,97 | 10,56 | 16,63 | 11,31 | 6 |
| Metropolis | 3,96 | 2,08 | 3,34 | 0,62 | 0 |
| Regional radio stations | 50,89 | 45,71 | 53,64 | -3,14 | 65 |
| Local radio stations | 37,36 | 34,79 | 29,14 | 3,27 | 83 |
| TOTAL | 478,00 | 133,45 | 320,32 | 151,34 | 467 |

- The total incomes made by all the entities in the radio industry in the analyzed year were 478,00 millions of MKD. The incomes made by the Macedonian Radio represent 66,5% of this amount.
- The radio stations Antenna 5 and Kanal 77 made 35,3% of the incomes in the radio industry by the sale of the advertising time.
- The total expenses were 320,32 millions of MKD. The radio station Antenna 5 spent more funds than all the local radio stations together.
- Uniquely, the regional radio stations as a whole made a negative financial result. All the other segments of the radio market worked with a profit.
- The average number of employees in the Macedonian Radio was 299 persons and in the commercial radio stations - 168 persons.

MACEDONIAN RADIO

The data on the economic performance of the Macedonian Radio was submitted by the public broadcasting service, on a special form prepared by the Broadcasting Council and its validity was verified through a comparison of the data contained in the Annual Report on the financial performance of the Public Enterprise Macedonian Radio Television in 2011, adopted by the Parliament of the Republic of Macedonia. The Macedonian Radio Television keeps a unique accounting record on the television and on the radio services, however for the needs of this Analysis it made a separate data on the financial performance of the television and of the radio service.

The total incomes of the Macedonian Radio were in the amount of 317,82 millions of MKD which is the highest amount in the last four years. The incomes are higher for 7,88% than 2008, 132,10% higher than in 2009 and 73,89% higher compared to 2010.



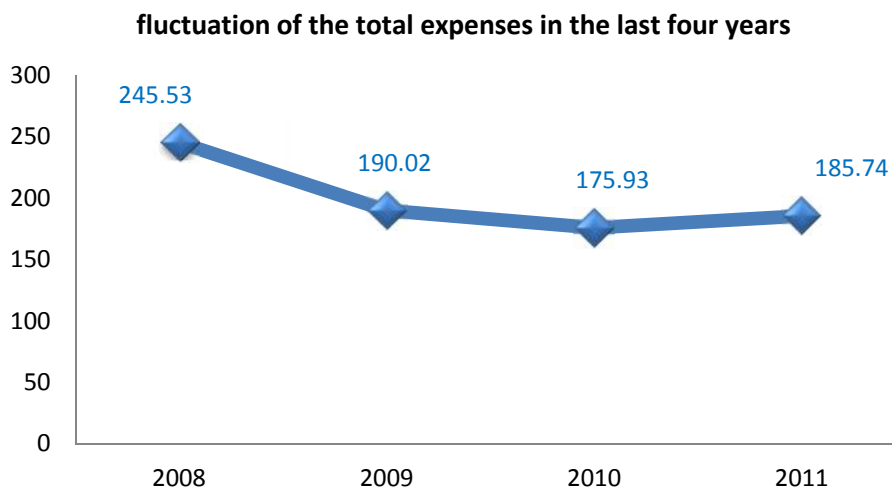
In the incomes structure the most significant share belongs to the incomes made from the broadcasting fee (49,76%) and the incomes comprising the category "remaining non deployed incomes" (49,05%). Only 1,19% of the incomes were made by the sale of the advertising time.

The high share of the broadcasting fee (the previous year it was 26,60%) is due to the manner on which the record keeping listed this income. Namely, on the recommendation on the State Statistical Office, the presented amount of the broadcasting fee income comprises all the sent bills for payment, unlike the previous year when only the paid amount was reported.

| Total incomes of the Macedonian Radio | In millions of MKD | Share |
|---------------------------------------|--------------------|--------|
| Broadcasting fee | 158.15 | 49,76% |
| Advertising incomes | 3.77 | 1,19% |
| Remaining non deployed incomes | 155.9 | 49,05% |
| | 317.82 | 100% |

In the remaining non deployed incomes the following revenues are envisaged: leases, incomes from interests, currency differences, and written-off gifts, incomes from previous years and budget funds from the Government of the Republic of Macedonia as financial support.

In 2011, 185,74 millions of MKD were spent in total.



In the period between 2008 and 2011 most funds were spent in 2008 and the least, in 2010.

In the expenses structure the most significant share belongs to the expenses for salaries and recompenses for persons directly involved into the program production (35,17%) and the tangible expenses (34,28%).

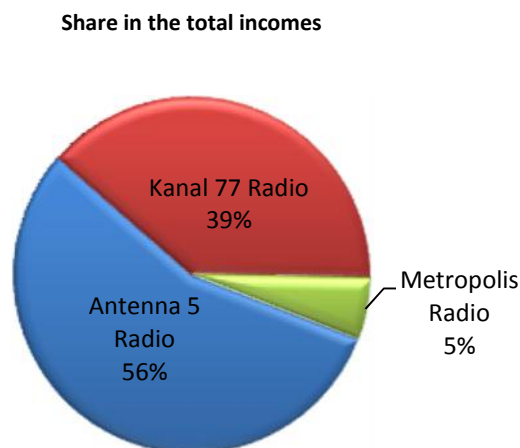
| Expenses structure of the Macedonian Radio | 2011 | Share |
|--|---------------|----------------|
| Tangible expenses | 63,67 | 34,28% |
| Expenses made for program procurement | 12,49 | 6,72% |
| Intangible expenses (services) | 15,98 | 8,60% |
| Salaries and other recompenses for persons directly involved into the program production | 65,32 | 35,17% |
| Direct expenses for program production | 157,46 | 84,77% |
| Salaries and other recompenses for persons not directly involved into the program production | 16,33 | 8,79% |
| Equipment amortization | 4,73 | 2,55% |
| Amortization of rights and licenses | 0 | 0,00% |
| Rents and other overhead costs | 0 | 0,00% |
| All remaining non envisaged working expenses | 7,22 | 3,89% |
| Total working expenses | 185,74 | 100,00% |
| Expenditures from other activities | 0 | 0,00% |
| Exceptional expenditures | 0 | 0,00% |
| Total expenses | 185,74 | 100,00% |

In the analyzed year the Macedonian Radio made a profit in the amount of 131,82 millions of MKD.

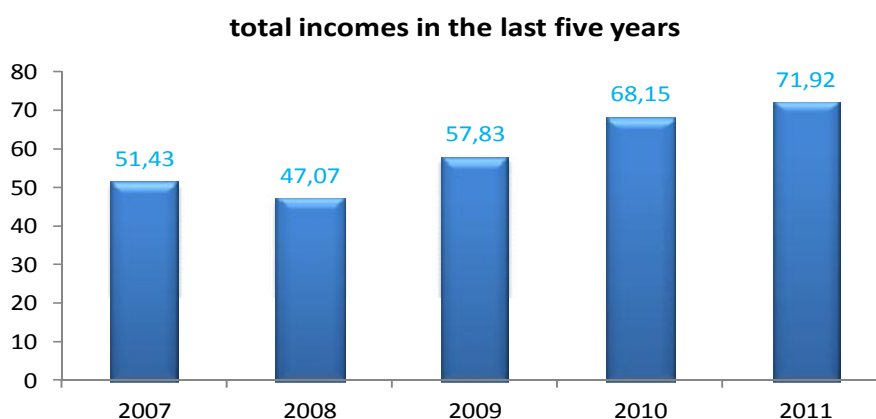
The total number of employees was 299 persons, all of them regularly employed.

COMMERCIAL RADIO STATIONS ON NATIONAL LEVEL

In 2011, three commercial radio stations broadcasted program on national level: Antenna 5 Radio, Kanal 77 Radio and Metropolis Radio. The total joint incomes were 71,92 millions of MKD.

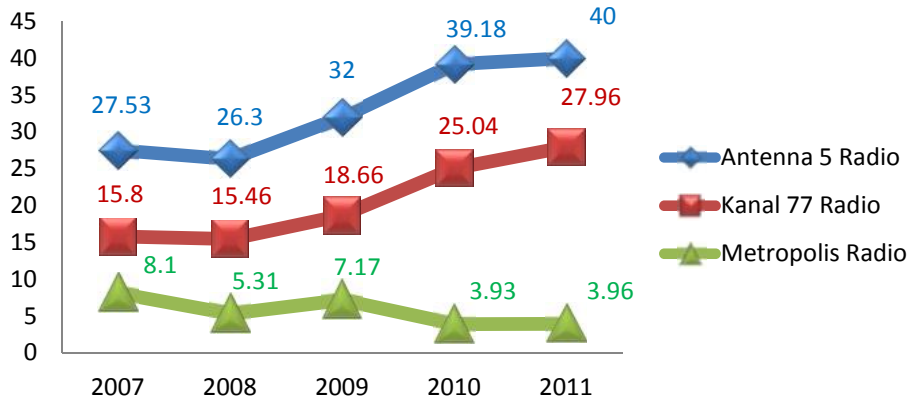


Antenna 5 Radio earned the bulk of these funds (40 millions of MKD or 56% of the total incomes). The radio station Kanal 77 earned the total of 27,97 millions of MKD, i.e. 39% of the incomes of the three radio stations. Only 5% of the total incomes were reported by the radio station Metropolis or in the absolute amount of 3,96 millions of MKD.



In the period between 2007 and 2011 the last year was most favorable for these three entities. Except 2008, when a slight decrease of incomes can be noticed compared to 2007, in the following three years the total incomes were increasing in continuity.

fluctuation of the total incomes in the last five years



The most significant source of incomes in this segment of the market was the advertising incomes, from which 68,37% of the total funds were realized. The advertisers employed 75% of their advertising budgets of this segment of the market, to advertise on Antenna 5 Radio; approximately 21% for Kanal 77 and only 4% for advertisements at Metropolis radio.

| Incomes structure of the commercial radio stations on national level | In millions of MKD | Share |
|--|--------------------|----------------|
| Advertising | 49.18 | 68.37% |
| Sponsorship | 0.00 | 0.00% |
| Incomes from other programs | 0.00 | 0.00% |
| Donations and grants | 13.24 | 18.41% |
| Sale of programs | 0.00 | 0.00% |
| Public interest projects | 0.00 | 0.00% |
| Remaining non deployed incomes | 3.30 | 4.59% |
| Main activity incomes | 65.72 | 91.38% |
| Incomes from other activities | 5.04 | 7.01% |
| Exceptional incomes | 1.16 | 1.61% |
| Total incomes | 71.92 | 100.00% |

Uniquely Kanal 77 radio made incomes from donations and grants (13,24 millions of MKD in total).

The total amount of the category "remaining non deployed incomes" was reported by the radio station Antenna 5.

In 2011, these three radio stations jointly spent 51,80 millions of MKD in total - 61% by Antenna 5, 32% by Kanal 77 and 7% by Metropolis.

Metropolis Radio station did not report expenses for program procurement, nor for salaries and other recompenses for the persons engaged.

| Expenses structure of the commercial radio stations on national level | In millions of MKD | Share |
|--|---------------------------|----------------|
| Tangible expenses | 5.99 | 11.57% |
| Expenses made for program procurement | 7.37 | 14.24% |
| Intangible expenses (services) | 8.99 | 17.36% |
| Salaries and other recompenses for persons directly involved into the program production | 5.37 | 10.36% |
| Direct expenses for program production | 27.73 | 53.53% |
| Salaries and other recompenses for persons not directly involved into the program production | 1.69 | 3.27% |
| Equipment amortization | 7.20 | 13.90% |
| Amortization of rights and licenses | 0.00 | 0.00% |
| Rents and other overhead costs | 2.40 | 4.64% |
| All remaining non envisaged working expenses | 10.18 | 19.66% |
| Total working expenses | 49.21 | 94.99% |
| Expenditures from other activities | 0.94 | 1.82% |
| Exceptional expenditures | 1.65 | 3.19% |
| Total expenses | 51.80 | 100.00% |

The total amount of the exceptional expenses was reported by the radio station Kanal 77.

All three radio stations made a positive financial result. The highest profit was made by the radio station Kanal 77 (11,31 millions of MKD), than follows Antenna 5 (7,46 millions of MKD) and the lowest by Metropolis Radio (0,62 millions of MKD).

| Radio station | Average number of regularly employed persons | | |
|----------------------|---|-------------|-------------|
| | 2009 | 2010 | 2011 |
| Antenna 5 | 13 | 14 | 14 |
| Kanal 77 | 4 | 5 | 6 |
| Metropolis | 0 | 0 | 0 |
| Total | 17 | 19 | 20 |

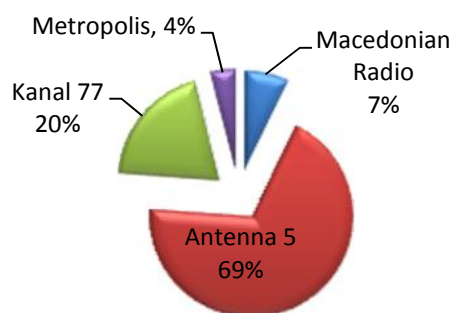
In 2011 the average number of regularly employed persons in the three radio stations was 20 (14 were engaged in Antenna 5, and six in Kanal 77). The radio station Metropolis does not have regularly employed persons, it submitted authorship contracts to the Council for eight persons.

Shares of the incomes from advertising on the radio market

The total incomes made from advertising on the radio market on national level were 52,95 millions of MKD.

Antenna 5 radio station was the most attractive for the advertisers (almost 70% of the advertising budgets of this segment of the radio market were employed on this radio station). The lowest share of the advertising incomes was reported by Metropolis radio station (4%).

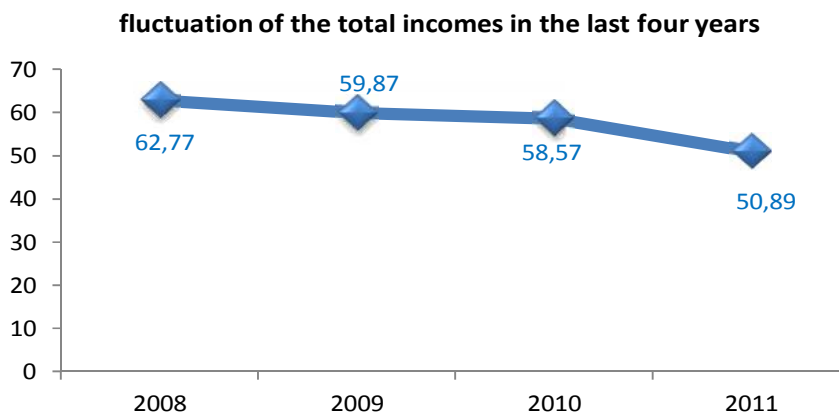
Share in the advertising incomes of the radio stations on national level



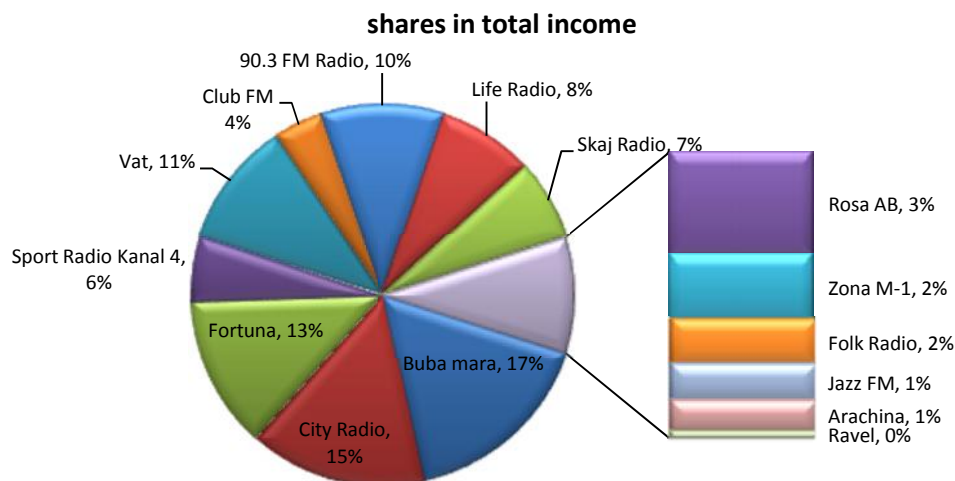
The three commercial radio stations on national level made the total of 1,17 millions of MKD or 2,38% of the advertising incomes from paid political advertising during the early parliamentary elections for deputies in the Parliament of the Republic of Macedonia.

RADIO STATIONS ON REGIONAL LEVEL

In 2011 on the area of the city of Skopje (on regional level) 16 commercial radio stations broadcasted program. The total incomes that they have jointly made were 50,89 millions of MKD.



In the period between 2008 and 2011 the last year was most favorable for this segment of the radio industry. In comparison with the incomes in 2008 they decreased by 18,93%; in comparison with 2009 by 15%, and in comparison with 2010, by 13,11%.



Five radio stations (Buba Mara Radio, City Radio, Fortuna Radio, Vat Radio and Sport Radio 90, 3 FM) made 65,57% of the total incomes on the regional radio market. The other ten entities made 34,43% of the total incomes.

Uniquely the radio station Club Fm made higher incomes than the previous year. All the other radio stations decreased their incomes.

| Trade Broadcasting Entity | Total incomes in millions of MKD | | | | Growth rate 2011/2010 |
|---------------------------|----------------------------------|--------------|----------------|----------------|-----------------------|
| | 2008 | 2009 | 2010 | 2011 | |
| Buba Mara | 8.32 | 9.53 | 9.00 | 8.49 | -5.67% |
| City | 9.92 | 6.47 | 9.23 | 7.64 | -17.21% |
| Fortuna | 8.12 | 8.84 | 8.63 | 6.55 | -24.05% |
| Vat | 8.31 | 10.09 | 6.47 | 5.44 | -15.92% |
| RA 90, 3 FM | 5.02 | 5.29 | 5.46 | 5.25 | -3.92% |
| Life FM | 1.35 | 2.76 | 4.17 | 4.11 | -1.37% |
| Sky Radio | 5.66 | 4.95 | 5.27 | 3.52 | -33.18% |
| Sport Radio Channel 4 | 3.00 | 2.42 | 2.94 | 2.81 | -4.29% |
| Club FM | 1.24 | 0.78 | 0.76 | 2.10 | 175.79% |
| Rosa AB | 2.89 | 2.59 | 1.94 | 1.78 | -8.10% |
| Zona M-1 | 1.27 | 1.42 | 1.36 | 1.16 | -14.77% |
| Folk | 1.24 | 0.82 | 0.87 | 0.77 | -11.99% |
| Jazz FM | 0.86 | 0.68 | 0.77 | 0.63 | -18.62% |
| Arachina | 0.95 | 0.94 | 1.09 | 0.52 | -52.27% |
| Ravel | 3.27 | 1.81 | 0.61 | 0.12 | -80.09% |
| Classic | 1.35 | 0.48 | No information | No information | No information |
| TOTAL | 62.77 | 59.87 | 58.57 | 50.89 | -13.11% |

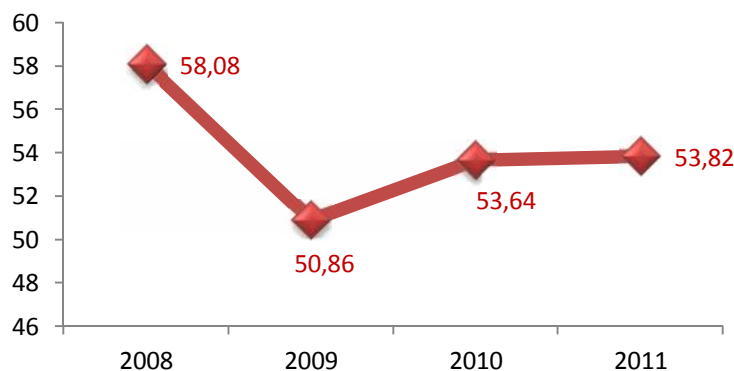
In the incomes structure the most significant share belongs to the advertising incomes (89.82%). Most attractive for the advertisers were City Radio (that made 7,3 millions of MKD from advertisements), Buba Mara Radio (7,26 millions of MKD) and Fortuna Radio (6,54 millions of MKD).

| Incomes structure of the commercial radio stations on regional level | In millions of MKD | Share |
|--|--------------------|----------------|
| Advertising | 45.71 | 89.82% |
| Sponsorship | 1.82 | 3.58% |
| Incomes made from other programs | 0.10 | 0.19% |
| Donations and grants | 0.00 | 0.00% |
| Sale of programs | 0.00 | 0.00% |
| Public interest projects | 0.00 | 0.00% |
| Remaining non deployed incomes | 1.40 | 2.74% |
| Main activity incomes | 49.03 | 96.34% |
| Incomes from other activities | 0.76 | 1.49% |
| Exceptional incomes | 1.11 | 2.17% |
| Total incomes | 50.89 | 100.00% |

Incomes made from sponsorship were reported only by Buba Mara Radio (1,23 millions of MKD) and Sport Radio 90,3 FM (0,59 millions of MKD).

In 2011 the regional radio stations spent the total of 53,82 millions of MKD, only 0,34% higher than the previous year.

fluctuation of the total expenses in the last four years



The highest expenses were made by Vat Radio (8,32 millions of MKD), than by Buba Mara Radio (8,18 millions of MKD), City Radio (6,79 millions of MKD) and Fortuna Radio (6,53 millions of MKD), which represents 55, 41% of the total expenses in the regional radio market.

The bulk of funds were spent on intangible services (24,26%). This is due to the reported high amounts in this category by the radio stations Buba Mara (4,86 millions of MKD) and Fortuna (3,09 millions of MKD).

| Expenses structure of the commercial radio stations on regional level | In millions of MKD | Share |
|--|---------------------------|----------------|
| Tangible expenses | 8.21 | 15.26% |
| Expenses made for program procurement | 1.04 | 1.93% |
| Intangible expenses (services) | 13.06 | 24.26% |
| Salaries and other recompenses for persons directly involved into the program production | 10.89 | 20.23% |
| Direct expenses for program production | 33.19 | 61.68% |
| Salaries and other recompenses for persons not directly involved into the program production | 3.48 | 6.46% |
| Equipment amortization | 5.19 | 9.63% |
| Amortization of rights and licenses | 0.00 | 0.00% |
| Rents and remaining overhead costs | 2.50 | 4.64% |
| All remaining non envisaged working expenses | 7.90 | 14.68% |
| Total working expenses | 52.25 | 97.09% |
| Expenditures from other activities | 1.30 | 2.42% |
| Exceptional expenditures | 0.26 | 0.49% |
| Total expenses | 53.82 | 100.00% |

More significant amounts were employed for salaries and other recompenses for the persons directly involved into the program production (20,23%).

Eight radio stations made a positive financial result: City Radio, Sport Radio 90, 3 FM, Buba Mara Radio, Folk Radio, Sky Radio, Fortuna Radio, Rosa AB Radio and Life FM Radio). The other radio stations reported a loss.

| Radio station | 2008 | 2009 | 2010 | 2011 | Radio station | 2008 | 2009 | 2010 | 2011 |
|------------------------|-------------|-------------|-------------|-------------|----------------------|-------------|-------------|-------------|-------------|
| City Radio | 6 | 8 | 8 | 9 | Life radio | 2 | 2 | 2 | 4 |
| Fortuna Radio | 7 | 7 | 7 | 9 | Club FM Radio | 3 | 2 | 2 | 3 |
| Vat Radio | 11 | 10 | 10 | 8 | Folk Radio | 1 | 2 | 3 | 2 |
| Sport Radio | 5 | 4 | 7 | 6 | Jazz FM Radio | 2 | 2 | 2 | 2 |
| Kanal 4 FM 90, 3 Radio | 6 | 6 | 5 | 5 | Zona M1 Radio | 3 | 1 | 2 | 2 |
| Sky Radio | 4 | 5 | 5 | 5 | Ravel Radio | 9 | 4 | 1 | 1 |
| Buba Mara Radio | 4 | 4 | 5 | 4 | Arachina Radio | 1 | 1 | 1 | 1 |
| Rosa AB Radio | 4 | 4 | 4 | 4 | Classic FM Radio | 1 | 0 | Nd | Nd |
| | | | | | TOTAL | 69 | 62 | 64 | 65 |

The average number of employees in the regional radio stations was 65 persons.

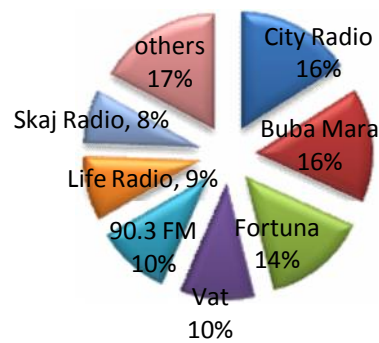
During the analyzed year, four radio stations increased the average number of employees: City Radio and Club FM Radio for one person, Fortuna Radio and Life Radio by two persons.

The average number of employees was smaller at Vat Radio (for two persons) and at Sport Radio Chanel 4, Buba Mara Radio and Folk Radio (by one person).

The regional radio stations made the total of 45,72 millions of MKD from the sale of the advertising time. Only four entities (Buba Mara Radio, City Radio, Fortuna Radio and 90,3 FM Sport Radio) made 56% of this amount.

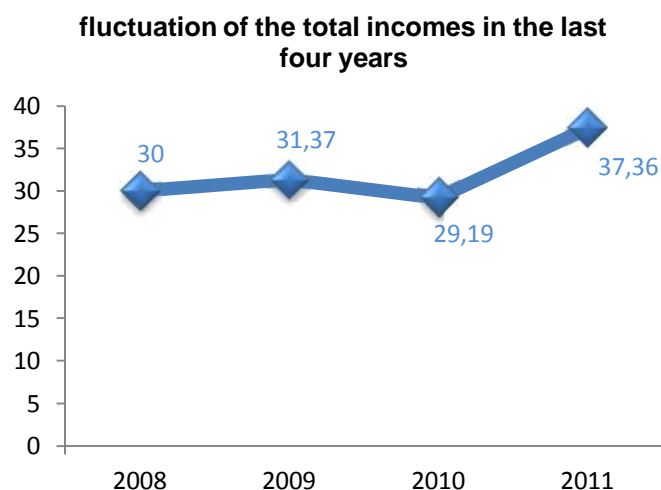
The total of 1,12 millions of MKD were made by paid political advertising, i.e. 2,45% of the total advertising incomes.

share of the total advertising incomes on the regional radio market



RADIO STATIONS ON LOCAL LEVEL

The total incomes that the local radio stations made in 2011 were 37,36 millions of MKD, which is the highest amount in the last four years. In 2011 the total incomes of this segment of the radio industry were 24,53% higher than those made in 2008, 19,09% higher than 2009 and 27,99% higher than the incomes in 2010.



A dominant source of incomes in the analyzed year was the sale of the advertising time, where 93,12% of the total incomes were realized (34,79 millions of MKD). Highest incomes of this type were made by Kiss Radio from Tetovo (3,94 millions of MKD) and Super Radio from Ohrid (2,21 millions of MKD).

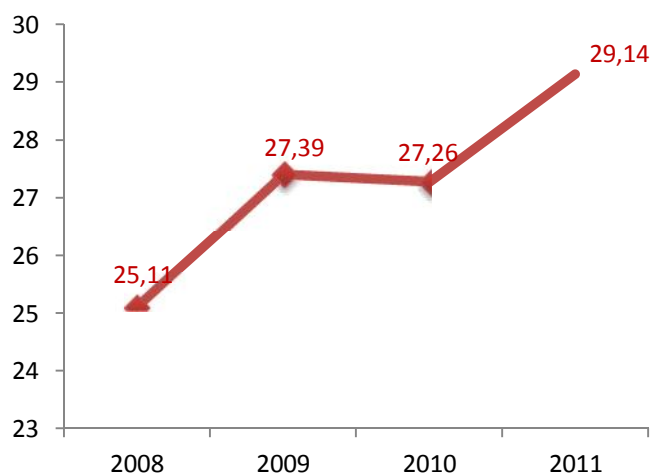
More significant amounts were reported by the radio stations Angels Radio (1,85 millions of MKD), Express Radio (1,71 millions of MKD), Holiday Radio (1,64 millions of MKD), 106 Radio (1,61 million of MKD), B-97 Radio (1,46 million of MKD), Merak 5 FM Radio (1,45 million of MKD), Hit Radio (1,26 millions of MKD) and Bravo Radio (1,16 million of MKD).

Only three radio stations made incomes from sponsorship (Kometa Radio, Jehona Radio and Ohrid Radio) and the same number of radio stations reported incomes from other programs (Time Radio, Ohrid Radio and Rapi Radio).

| Incomes structure of the radio stations on local level | In millions of MKD | Share |
|--|--------------------|----------------|
| Advertising and teleshopping | 34.79 | 93.14% |
| Sponsorship | 0.26 | 0.70% |
| Incomes from other programs | 0.14 | 0.36% |
| Donations and grants | 0.00 | 0.00% |
| Sale of programs | 0.00 | 0.00% |
| Public interest projects | 0.00 | 0.00% |
| Remaining non deployed incomes | 0.45 | 1.22% |
| Main activity incomes | 35.64 | 95.42% |
| Incomes from other activities | 1.44 | 3.87% |
| Exceptional incomes | 0.27 | 0.72% |
| Total incomes | 37.36 | 100.00% |

In 2011, the entities on the local radio market jointly spent the total of 29,14 millions of MKD. The growth rate compared to 2008 is 16,05%, compared to 2009 is 6,39% and compared to 2010, 6,90%.

fluctuation of the total expenses in the last four years



The bulk of these funds were direct expenses for program production (70,54%).

For salaries and recompenses for the employees the total of 11,69 millions of MKD were spent or 40,12% of the total expenses. The highest amount of an expense of this category was reported by Express Radio (1,07 millions of MKD).

| Expenses structure of the radio stations on local level | In millions of MKD | Share |
|--|---------------------------|----------------|
| Tangible expenses | 4,15 | 14,23% |
| Expenses made for program procurement | 2,44 | 8,36% |
| Intangible expenses (services) | 2,28 | 7,82% |
| Salaries and other recompenses for the persons directly involved into the program production | 11,69 | 40,12% |
| Direct expenses for program production | 20,56 | 70,54% |
| Salaries and other recompenses for persons not directly involved into the program production | 0,99 | 3,39% |
| Equipment amortization | 1,23 | 4,23% |
| Amortization of rights and licenses | 0,08 | 0,29% |
| Rents and other overhead costs | 0,39 | 1,35% |
| All remaining non envisaged working expenses | 5,72 | 19,62% |
| Total working expenses | 28,97 | 99,43% |
| Expenditures from other activities | 0,07 | 0,22% |
| Exceptional expenditures | 0,10 | 0,35% |
| Total expenses | 29,14 | 100,00% |

Only three radio station reported expenses for equipment amortization: Merak 5 FM Radio, Alexander of Macedonia Radio and Sky Radio.

In the analyzed year, the total result from the radio stations' performance was a profit in the amount of 3,27 millions of MKD.

In 2011, 36 entities in total worked with a profit, and the best financial result was made by the radio station B-97 from Bitola (0,87 millions of MKD).

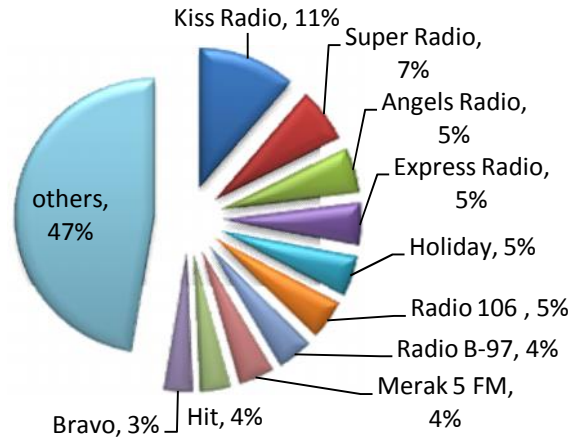
In comparison with the previous year, the number of regularly employed persons in the radio industry in 2011 was increased by 17 persons, therefore the average number of regularly employed in this segment was 83 persons. Forty-one persons were hired part-time.

In the analyzed year, the number of employees was increased in nine radio stations in total, three of them hired two persons each (Galaxy 2000 Radio from Kavadarci, Merak 5 FM Radio from Veles and Hit Radio from Strumica), the remaining six had one new person employed (Time Radio from Gevgelija, Bravo Radio from Kumanovo, Production LGN Radio from Negotino, Rapi Radio from Struga, Choki 5 Radio from Prilep and Miss 2008 Radio from Plasnica).

Only four radio stations decreased the number of employees (Holiday Radio from Prilep, Plus Forte Radio from Tetovo, B-97 Radio from Bitola and Lav Radio from Ohrid).

On the local radio market, the total of 34,97 millions of MKD were made from the sale of the advertising time. The bulk of these funds were reported by the radio stations Kiss from Tetovo (11%) and Super Radio from Ohrid (7%).

share of the total advertising incomes on the local radio market

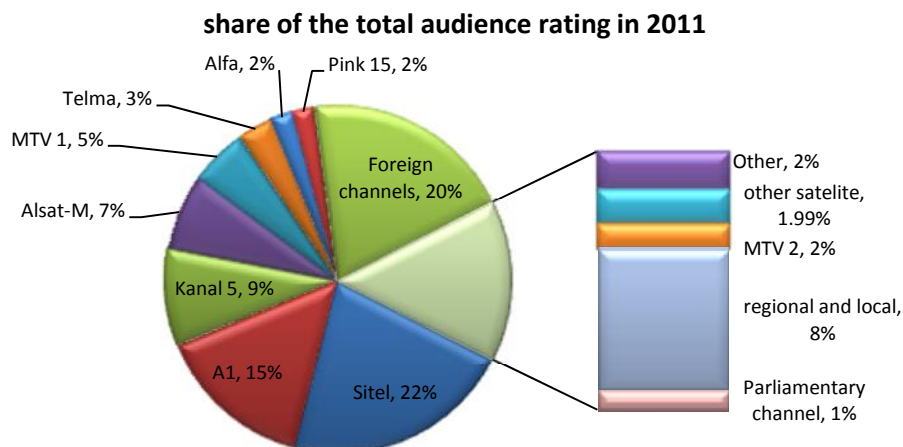


The local radio stations made the total of 1,68 millions of MKD from the broadcasted advertising spots of the political parties during the media campaign for the early parliamentary elections, which represents 4,83% of the total advertising incomes in this segment of the radio industry.

INFORMATION ON AUDIENCE RATING AND RANGE

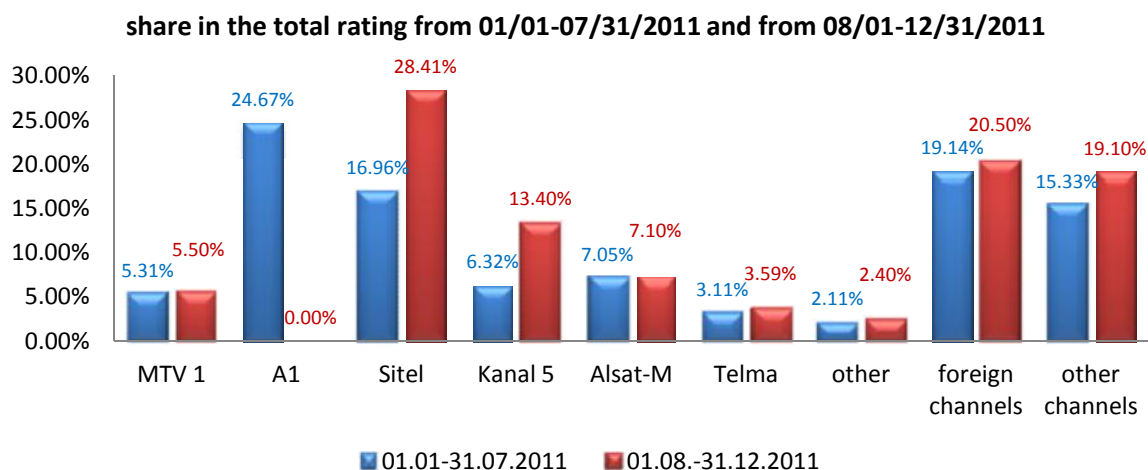
Shares of the total audience rating

In 2011 the biggest share of the total audience rating belonged to Sitel TV (22%). On the second place, with a share of 20% are the joint shares of the foreign channels, and on the third place comes A1 TV¹² with 15% share of the total audience rating.



Source: Nielsen Media Research

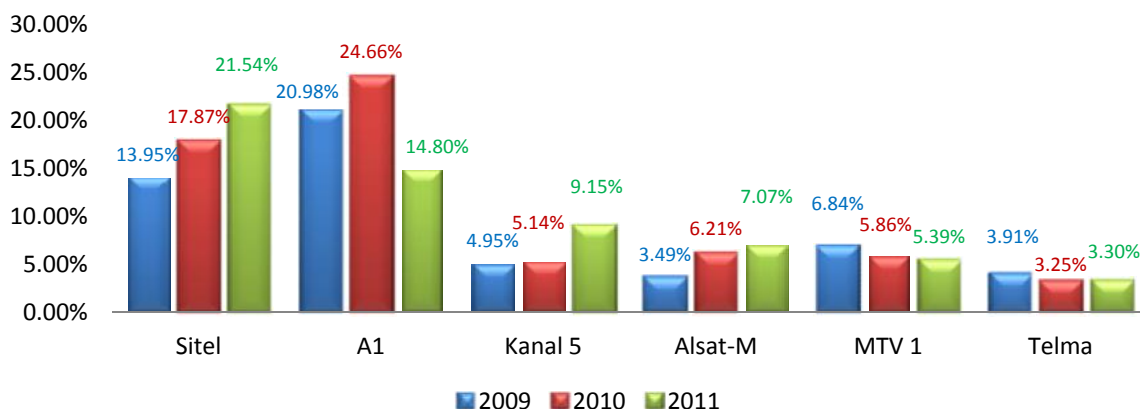
The share of each channel in the total audience rating has different values in the first seven months of the year and in the last five, which is due to the fact that A1 TV stopped broadcasting program on 31st July 2011.



¹² This television broadcasted program until 31st July 2011.

In this period, the share of Sitel TV was the most increased (by 11,45%) and of Kanal 5 TV (by 7,08%), as well as the joint share of the foreign channels (by 1,36%). In 2011, the joint share of the terrestrial television stations on national level, including the public services, in the total audience rating was 61,25%.

share in the total rating in the last three years



Source: Nielsen Media Research

In the last three years the shares of Sitel TV, Kanal 5 TV and Alsat-M TV were increasing in continuity. Only the share of the public service was decreasing from a year to year, and the share of Telma TV was variable with insignificant deviations (in 2010 it decreased by 0,66% and in 2011 it increased by 0,05%).

Share of the total audience rating according to months

| Month | MTV1 | A1 | Sitel | Kanal 5 | Alsat-M | Telma |
|-------|-------|--------|--------|---------|---------|-------|
| I | 5.02% | 25.81% | 15.56% | 5.70% | 7.61% | 3.28% |
| II | 4.75% | 25.60% | 16.89% | 6.29% | 8.28% | 3.27% |
| III | 4.68% | 25.80% | 17.74% | 6.04% | 7.70% | 3.16% |
| IV | 5.00% | 24.66% | 16.56% | 6.83% | 7.56% | 3.03% |
| V | 5.41% | 26.53% | 15.91% | 6.96% | 6.32% | 2.80% |
| VI | 5.70% | 25.30% | 17.18% | 6.11% | 6.23% | 3.00% |
| VII | 7.33% | 16.98% | 19.68% | 6.64% | 4.57% | 3.13% |
| VIII | 6.72% | | 25.19% | 8.82% | 5.78% | 3.43% |
| IX | 6.09% | | 30.09% | 11.53% | 6.26% | 3.59% |
| X | 5.31% | | 27.64% | 13.40% | 7.02% | 3.95% |
| XI | 5.19% | | 29.21% | 15.00% | 7.81% | 3.54% |
| XII | 4.75% | | 29.30% | 16.18% | 7.95% | 3.45% |

Source: Nielsen Media Research

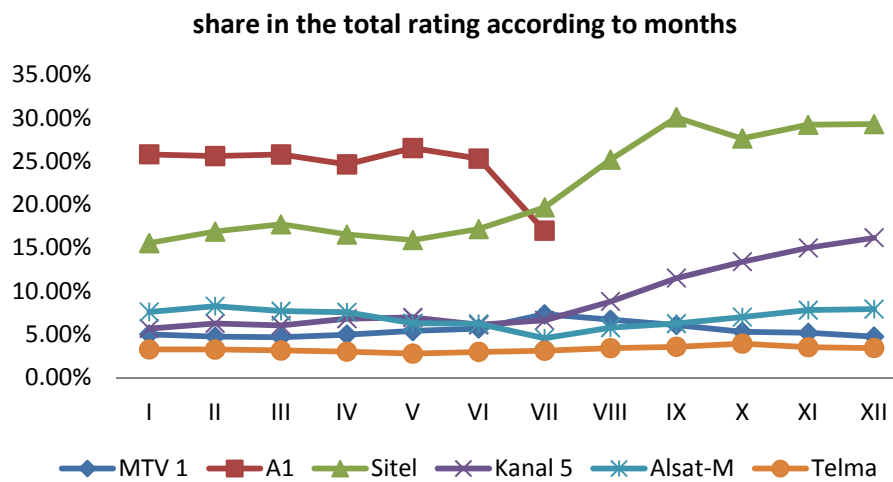
The Macedonian Television had the highest share of the total audience rating in July (7,33%) and the lowest in December (4,75%).

The share of Sitel TV was the highest in September (30,09%) and the lowest in January (15,56%).

Kanal 5 TV realized the highest share of the total audience rating in December (15%) and the lowest in January (5,70%).

The share of Alsat-M TV in the total audience rating in the month of February was the highest (8,28%) and the lowest in the month of July (4,57%).

As to the share of Telma TV, it is noticeable that in every month of the year there were no significant deviations from the average annual share of the total rating (3%).



Source: Nielsen Media Research

MOST VIEWED PROGRAM CONTENT IN 2011

The program content that most of the audience was watching, was the featured series "Love and Punishment" broadcasted on Sitel TV. Fifty-two episodes in total were broadcasted and their average audience rating was 25,59%.

From the ten most viewed programs content, four were direct transmissions of basketball games from the European Championship in Lithuania, all of them broadcasted on Sitel TV.

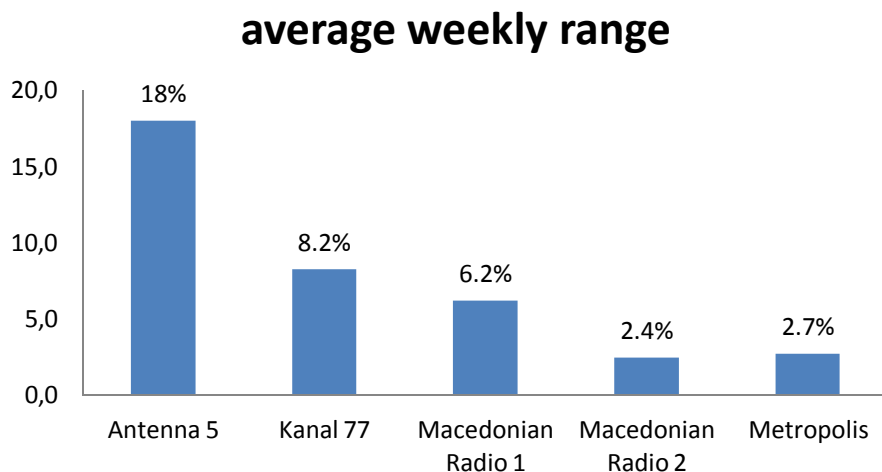
| Number | Program content | TV station | Number of episodes | AMR% |
|--------|--------------------------------------|------------|--------------------|--------|
| 1 | Series: "Love and Punishment" | Sitel | 52 | 25,59% |
| 2 | Series: "When the Leaves Fall" | A1 | 123 | 25,23% |
| 3 | Basketball EC: Macedonia-Russia | Sitel | 1 | 24,97% |
| 4 | Series: "The Property of the Lady" | A1 | 31 | 24,81% |
| 5 | Series: "When the Leaves Fall" | Sitel | 31 | 23,81% |
| 6 | 18 years A1 | A1 | 1 | 22,97% |
| 7 | Featured film: "101 Dalmatians" | A1 | 1 | 22,40% |
| 8 | Macedonian idol – small concert | A1 | 3 | 21,50% |
| 9 | Basketball EC: Macedonia – Lithuania | Sitel | 1 | 20,96% |
| 10 | Basketball EC: Spain – Macedonia | Sitel | 1 | 20,71% |
| 11 | Basketball EC: Russia – Macedonia | Sitel | 1 | 20,25% |

Source: Nielsen Audience Research

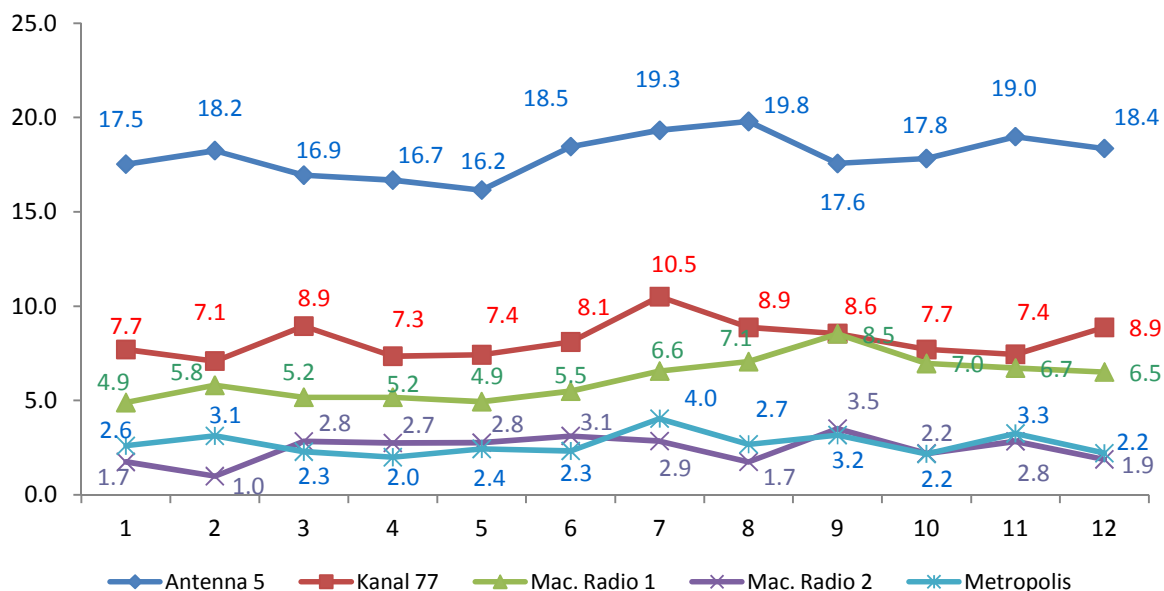
Three of the programs were soap operas whose country of origin is Turkey, synchronized on Macedonian language: "Love and Punishment" on Sitel TV; "When the Leaves Fall" (from which 123 episodes were broadcasted on A1 TV, and after it stopped broadcasting program, the broadcasting rights were bought off by Sitel TV and until the end of the year this television broadcasted 31 episodes more) and the "Property of the Lady" broadcasted on A1 TV.

INFORMATION ON THE RADIO STATIONS' RANGE

In 2011, the highest average weekly range had the radio stations Antenna 5 (18%) and Kanal 77 (8,2%). The Macedonian Radio – first program was heard by an average of 6,2% of the listeners and Metropolis Radio, by 2,7%.



The average weekly range according to every month of the year is shown on the chart below.



THE BROADCASTERS' OWNERSHIP STRUCTURE

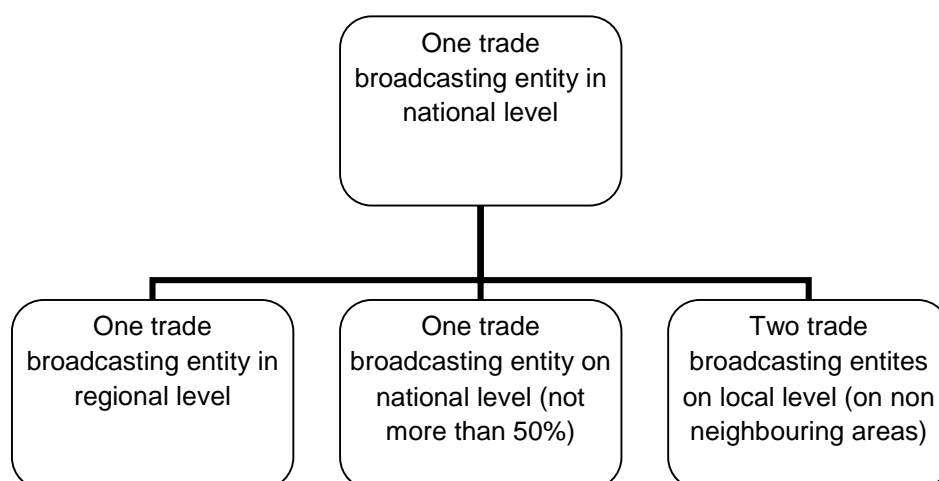
Anticoncentration measures in the Broadcasting Law

Chapter III of the Broadcasting Activity Law contains incorporated measures that determine the illicit media concentration. Having in mind the different forms of capital integration in the broadcasting and in other sectors, these measures are related to the control of the share of the broadcasters' ownership and of other trade entities, as well as the so called limits of the broadcasters' shares in the advertising incomes ("the advertising cake"), the share of the audience ratings and the degree of population coverage of the Republic of Macedonia.

The Broadcasting Activity Law allows horizontal integration, but it also prescribes limitations regarding the shares of the founding capital, as well as

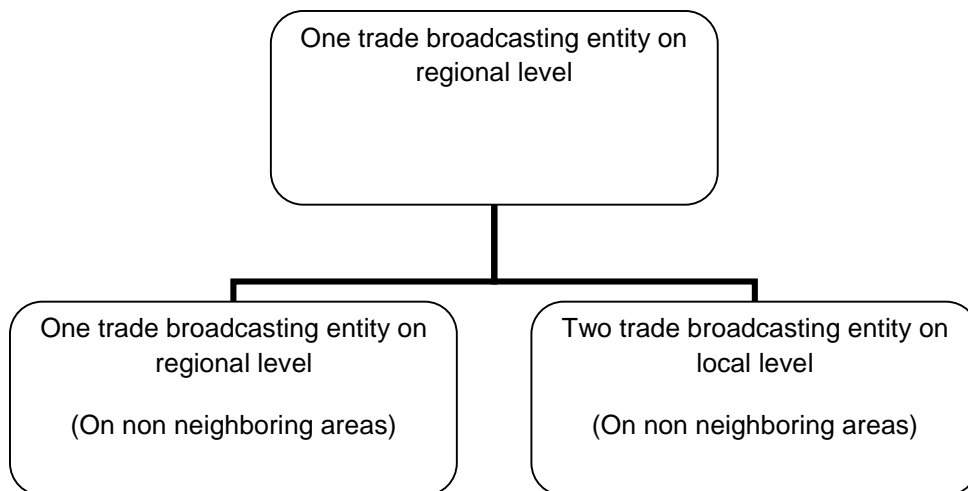
the number of broadcasters that one individual or legal entity can own. Namely, in accordance with paragraphs 1 and 2 of article 14 from the BAL, one individual or legal entity, at the same time, can participate in the ownership of five trade broadcasting entities the most. The following:

Horizontal integration in accordance with article 14 paragraphs 1 and 2 from the Broadcasting Activity Law



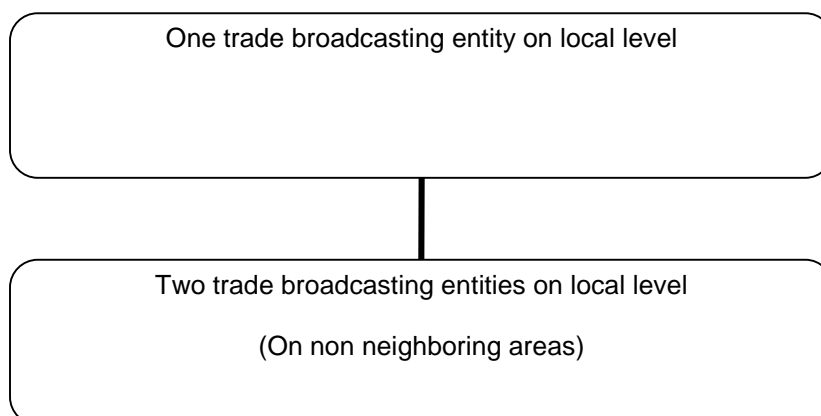
The paragraph 3 from article 14 from the Law is related to the horizontal integration of broadcasters that broadcast program on regional and on local level. The limitation of the share of the ownership structure is not prescribed, rather the number of broadcasters that one individual or legal entity can own.

Horizontal integration in accordance with article 14 paragraph 3 from the Broadcasting Activity Law



In accordance with paragraph 4 from article 14 from the Law, one individual or legal entity, at the same time, can appear as a founder of three broadcasters the most that broadcast program on local level, but only on non neighboring areas.

Horizontal integration in accordance with article 14 paragraph 4 from the Broadcasting Activity Law

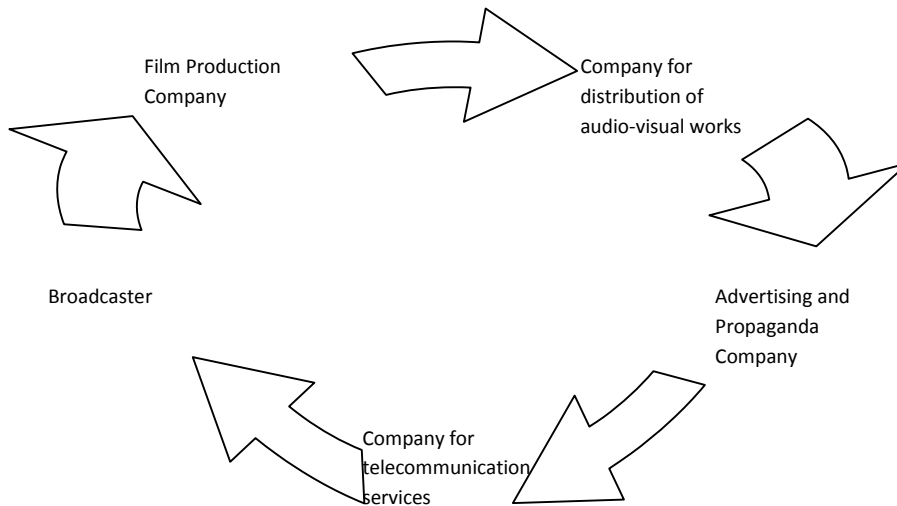


In article 17 from the Law, the so called broadcasters' limits in the advertising incomes are prescribed, the shares of the total audience rating, as well as the shares of the population coverage, above which a certain concrete merger will be considered as illicit media concentration. More concretely, the illicit media concentration is considered to exist even when the broadcasters - the object of merger, acquire dominant position, when: the merger of the capital brings the broadcasters in a dominant position on the advertising market, i.e. with the merger their share of the sale of the total advertising time is above 30% of the capital merger; when it brings the broadcasters in a dominant positions in the creation of the public opinion, i.e. more precisely the share of the audience rating is above 40%; with

the merger of the capital the broadcasters on regional and on local level reach a coverage of maximum 50% of the population of the Republic of Macedonia.

The vertical integration presupposes share of the ownership or integration of a broadcaster's capital and trade entities of related activities.

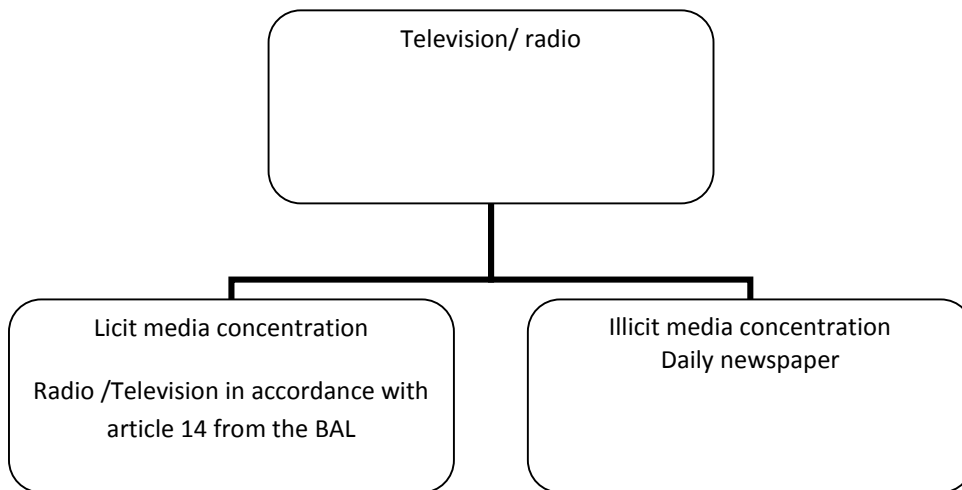
Illicit vertical integration in accordance with articles 13 and 14 from the Broadcasting Activity Law



In article 13 of the Broadcasting Activity Law, as related activities, i.e. activities whose connection would create illicit media concentration in terms of the vertical integration, are determined as: advertisements and propaganda, film production, distribution of audio-visual works and telecommunication services. Neither broadcaster, nor a founder of a broadcaster can participate in the equity of entities registered for these activities.

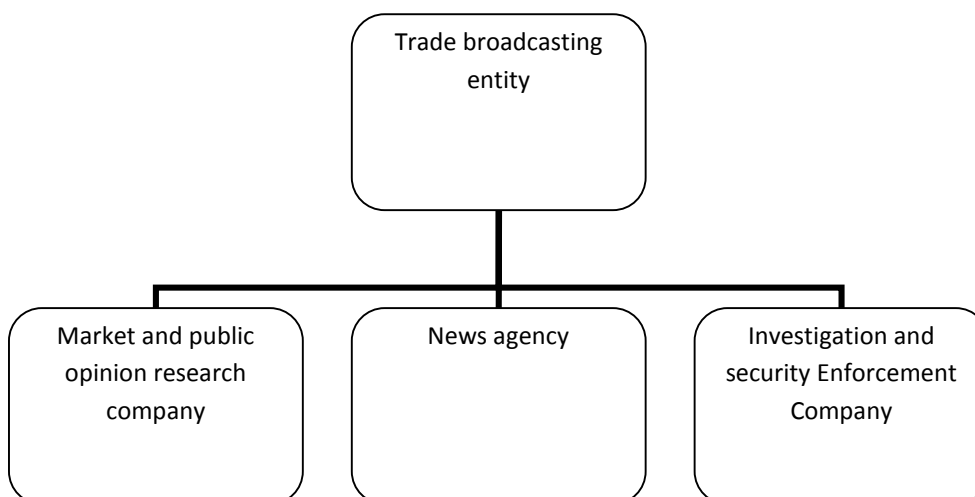
Diagonal integration presupposes shares of the ownership or integration of the capital among legal entities that do not belong to the same market, for instance broadcasters that broadcast television program, radio stations and printed media.

Illicit diagonal integration in accordance with articles 13 and 14 from the Broadcasting Activity Law



In terms of the broadcasters' integration with printed media, the limitation is related only to daily newspapers, more precisely neither a broadcaster, nor its founder can participate in the ownership of an entity belonging to the area of the press that publishes a daily newspaper. As to the diagonal integration among the television and the radio sector, the same limitations are valid as at the horizontal integration, determined in article 14 from the Law.

Illicit integration with other activities in accordance with articles 13 and 14 from the Broadcasting Activity Law



The law determines other activities that are incompatible with performing of broadcasting activity. Namely, in the sense of this Law, it is considered that illicit media concentration exists when a broadcaster or a founder of a broadcaster participates in the founding capital of a Market and Public Opinion Research Company, Investigation and Security Enforcement Company, as well as a News Agency.

Changes in the ownership structure

During 2011 seven ordered and complete demands were submitted to the Council for approval of a change in the ownership structure, three of them were of radio stations and four of television stations.

The Trade Broadcasting Entity La Costa DOOEL from Vinica submitted a demand to the Broadcasting Council for approval of a change in the ownership structure. The approval was demanded for the dissociation of the broadcaster's sole founder, the individual Petre Kostadinov from Vinica and for the association of the individual Dafinka Kostadinova from Vinica.

The Trade Broadcasting Entity MNC TV DOOEL from Skopje, demanded approval for the dissociation of the legal entity Trade, Production and Services Company MNC MEDIA LLC from Skopje and the association of the legal entity Cable 24 LTD from Linz, Austria in the ownership of the individual Jurgen Meihner and the legal entity JM – DATA LTD from Austria in the ownership of the individual Jurgen Meihner. According to the information from the Internet Distributive System of the Central Register of the Republic of Macedonia it was concluded that the legal entity cable 24 LTD and the individual Jurgen Meihner do not appear as founders of trade entities in the Republic of Macedonia.

The Trade Broadcasting Entity B-97 DOOEL from Bitola demanded approval for a change in the ownership structure, i.e. for the dissociation of the individual Marija Mladenovska Dimitrovska from Bitola and the association of the individual Petar Robe from Bitola. During the verification of the information from the Internet Distributive System of the Central Register of the Republic of Macedonia it was concluded that the individual Petar Robe does not appear as founder of trade entities.

The Trade Broadcasting Entity Merak 5 FM Radio Ljupcho and Vladimir DOO from Veles submitted a demand to the Broadcasting Council for approval of the change in the ownership structure. The approval was demanded for the dissociation of the individual Ljupcho Nestorov from Veles and the association of the individual Katerina Nestorova from Veles. According to the information of the Internet Distributive System of the Central Register of the Republic of Macedonia, it was concluded that the individual Katerina Nestorova does not appear as a founder of trade entities.

The Trade Broadcasting Entity Svet TV DOO from Sveti Nikole submitted to the Broadcasting Council a demand for approval of the change in the ownership structure. The approval was demanded for the dissociation of the individual Dimitar Dechkov from Sveti

Nikole, with shares of 49% in the main capital and the association of the individual Gjorgji Dechkov from Sveti Nikole, with shares of 49% in the entity's main capital.

During the month of May 2011, the Trade Broadcasting Entity Kanal 8 Television DOOEL from Kochani submitted to the Broadcasting Council a demand for approval of a change in the ownership structure. The approval was demanded for the dissociation of the broadcaster's sole founder, the individual Angel Petrov from Kochani and the association of the individual Blagoj Sitnovski from Kochani.

The Trade Broadcasting Entity KRT TELEVISION DOO from Skopje demanded approval from the Council for the dissociation of one of the founders, the individual Blagoj Mehandziski from Skopje. With the planned change the individual Biljana Zafirovska from Skopje that had a share of 49% in the broadcaster's founding capital would become the sole founder.

After having concluded that with the planned changes illicit media concentration will not be created, i.e. that the provisions from the Broadcasting Activity Law will not be violated, the Council gave its approval to these seven demands.

Ownership structure of the broadcasters

Ownership structure of the televisions on national level

| Trade Broadcasting Entity | Full name of the trade entity | Information on the founder and the percentage of the share of the capital |
|---------------------------|---|---|
| Alsatsat –M TV | Trade Broadcasting Entity ALSAT M LTD Skopje | Ferik Velija 1%; Mira Meksi (Republic of Albania) 8% and International Energy Engineering & Petroleum Consulting 46% and Company for production, engineering, consulting, trade and services BEBE GROUP LLC 45% |
| Kanal 5 TV | Trade Broadcasting Entity Kanal 5 LTD | Emil Stojmenov 100% |
| Sitel TV | Trade Broadcasting Entity SITEL Television LLC Skopje | MONTEKO 100% |
| Telma TV | Trade Broadcasting Entity MAKPETROL TELEVISION LLC Skopje | Makpetrol Joint Stock Company 100% |
| A1 TV ¹³ | Trade Broadcasting Entity A1 TELEVISION LLC | Velija Ramkovski 100% |

¹³ This entity lost the license to perform broadcasting activity in 2011

Ownership structure of the satellite televisions on national level

| Trade Broadcasting Entity | Full name of the trade entity | Information on the founder and percentage of the shares in the capital |
|------------------------------|--|--|
| Sonce TV | Broadcasting Trade Entity SONCE TELEVISION LLC, Prilep | Gjorgjija Atanasovski 100% |
| AB Kanal TV | Trade Broadcasting Entity AB KANAL LLC, Skopje | Bojo Andreski 100% |
| BM TV ¹⁴ | Trade Broadcasting Entity BM TELEVISION LLC Skopje | Nikolina Spasova 100% |
| NASHA TV | Broadcasting Entity NASHA TV LTD Skopje | Metodi Majnov, Vesna Blazeska, Bogoja Blazeski, Consulting and Information Engineering Company NET-BIT LTD Skopje, SEE INVEST FUND managed by MAK ASSETS MANAGEMENT LTD Skopje, Turnover and services company NASH CONCEPT LTD Skopje and Broker House MOJ BROKER Joint Stock Company Skopje |
| Sitel 3 TV | Trade broadcasting Entity SITEL 3 Television LLC Skopje | Company for production, trade and services LUKO TRADE LTD Skopje 100% |
| 24 News TV | Trade Broadcasting Entity 24 News Skopje | Cable 24, Austria 100% |
| Jungle TV ¹⁵ | Trade Broadcasting Entity JUNGLE MEDIA LLC Skopje | Mile Gjoshevski 100% |
| ALFA TV | Trade Broadcasting Entity ALFA TV LLC Skopje | ALFA SKOP LTD export-import Skopje 100% |
| Kanal 5 Plus TV | Trade Broadcasting Entity KANAL 5 PLUS LTD Skopje | Trade entity for public relation and information KALISTRAT LLC Skopje 100% |
| A2 TV ¹⁶ | Trade Broadcasting Entity A2 TELEVISION LTD Skopje | Zaklina Gjorgjievaska 100% |
| PINK 15 TV ¹⁷ | Trade Broadcasting Entity Pink 15 MINUS LLC Skopje | K-15 TELEVISION LLC Skopje 100% |
| Perspektiva TV ¹⁸ | Trade Broadcasting Entity PERSPEKTIVA TV LLC Skopje | Trade and services company PRODUKCIJA PERSPEKTIVA LLC Skopje 100% |
| ALB TV | Telecommunication and broadcasting entity ALB TV 2010 Skopje LLC | Arbtrim Kira 100% |

¹⁴ BM TV lost the license to perform broadcasting activity in 2012

¹⁵ Jungle TV lost the license to perform broadcasting activity in 2012

¹⁶ A2 TV lost the license to perform broadcasting activity in 2012

¹⁷ Pink 15 TV lost the license to perform broadcasting activity in 2012

¹⁸ Perspektiva TV lost the license to perform broadcasting activity in 2012

Ownership structure of the radio stations on national level

| Trade Broadcasting Entity | Full name of the trade entity | Information on the founder and the percentage of the shares in the capital |
|---------------------------|--|--|
| Antenna 5 Radio | Trade Broadcasting Entity ANTENNA 5 RADIO Petrov, Janevski and Gushev LTD Skopje | Zoran Petrov 33,3%, Marijan Gushev 33,3% and Kosta Janevski 33,3% |
| Ros Metropolis Radio | Broadcasting Trade Entity Metropolis Radio LTD Skopje | Darko Gelev 49,9%, Mile Goshevski 49,9% and Dejan Bileski 0,01% |
| Kanal 77 Radio | TRADE BROADCASTING ENTITY KANAL 77 LLC SHTIP | GBC Communication LLC 100% |

Ownership structure of the regional televisions

| Trade Broadcasting Entity | Full name of the trade entity | Information on the founder and shares in the capital |
|---------------------------|---|---|
| Shutel TV | TRADE BROADCASTING ENTITY SHUTEL Kamil LLC Skopje | Kamil Mustafa 100% |
| Amazon TV | TRADE BROADCASTING ENTITY AMAZON LLC Skopje | Dragan Gorgievski 100% |
| Krt TV | TRADE BROADCASTING ENTITY KRT TELEVISION LLC Skopje | Biljana Zafirovska 100% |
| Edo TV | TRADE BROADCASTING ENTITY EDO TV, village Ljubin, Saraj | Enes Babachikj 100% |
| BTR TV | TRADE BROADCASTING ENTITY BTR NATIONAL Zoran LLC Skopje | Zoran Dimov 100% |
| Sky Net TV | Broadcasting Entity Sky Net – Manchev – LTD Skopje | Todorche Kocev 95% Manchev Mitko 5% |
| K-15 TV | TRADE BROADCASTING ENTITY K-15 TELEVISION LLC Skopje | Information and Marketing Enterprise Pink International Company Serbia 100% |
| MTM TV | TRADE BROADCASTING ENTITY MTM TV DASTO LLC Skopje | DASTO LLC 100% |
| Skopje TV | TRADE BROADCASTING ENTITY SKOPJE TV LLC Skopje | Alfa-Skop LLC export-import Skopje 96,2% and Ljubomir Nikolovski 3,8% |
| Era TV | TRADE BROADCASTING ENTITY Era TV Skopje | Arlinda Memetaj 60% and Avdula Memtah 40% |

Ownership structure of the regional radio stations

| Trade Broadcasting Entity | Full name of the trade entity | Information on the founder and the shares in the capital |
|---------------------------|--|--|
| Zona M-1 Radio | TRADE BROADCASTING ENTITY ZONA M-1 RADIO Svetlana LLC Skopje | Svetlana Tasevska 100% |
| Folk Radio | TRADE BROADCASTING ENTITY FOLK-RADIO LLC Skopje | Pero Ristoski 100% |
| City Radio | TRADE BROADCASTING ENTITY CITY RADIO LLC Skopje | Darko Gelev 100% |
| Sky Radio | TRADE BROADCASTING ENTITY SKY RADIO Teodor LLC Skopje | Teodor Maneski 100% |
| Rosa AB Radio | TRADE BROADCASTING ENTITY RADIO ROSA-AB LTD Skopje | Aleksandar Dimitrov 100% |
| Jazz FM Radio | TRADE BROADCASTING ENTITY JAZZ FM Ljupcho LLC Skopje | Ljupcho Hadzi-Stefanov 100% |
| Life FM Radio | TRADE BROADCASTING ENTITY LIFE RADIO LLC export-import Skopje | Kreshnik Ajdini 100% |
| Sport Radio Kanal 4 | TRADE BROADCASTING ENTITY SPORT RADIO KANAL 4 LLC Skopje | Borche Lukanovski 100% |
| 90.3 FM Radio | F-M 90.3 – SPORT RADIO LLC export-import Skopje | Toni Mitev 100% |
| Fortuna Radio | TRADE BROADCASTING ENTITY FORTUNA RADIO Violeta LLC | Violeta Bozinoska 100% |
| Club FM Radio | TRADE BROADCASTING ENTITY CLUB FM LTD | Gjorgji Savev 34% and Ljupcho Petreski 64% |
| Ravel Radio | TRADE BROADCASTING ENTITY RADIO RAVEL LLC Skopje | Vlatko Milev 100% |
| Arachina Radio | TRADE BROADCASTING ENTITY Dzavid LLC, village Arachinovo, Arachinovo | Dzavit Sulejmani 100% |
| Classic Radio | TRADE BROADCASTING ENTITY GAUDEAMUS RADIO CLASSIC FM Martin LLC Skopje | Martin Treneski 100% |
| Vat Radio | TRADE BROADCASTING ENTITY VAT, Vat-Inos LTD Skopje | Rahim Kadri 50% and Ekrem Kadri 50% |
| Buba Mara Radio | TRADE BROADCASTING ENTITY BUBA MARA Ranko LLC Skopje | Ranko Petrovikj 100% |

Ownership structure of the television stations on local level

| Town | Trade Broadcasting Entity | Full name of the trade entity | Information on the founder and the shares in the main capital |
|-----------|---------------------------|---|---|
| Bitola | Tera TV | TRADE BROADCASTING ENTITY STUDIO TERA Mangovski Zoran Bitola | Zoran Mangovski 100% |
| Bitola | Orbis TV | TRADE BROADCASTING ENTITY ORBIS Bitola LLC | Tomislav Novakovikj 100% |
| Bitola | Medi TV | TRADE BROADCASTING ENTITY MEDI TV Bitola LLC | Kircho Krstevski 100% |
| Berovo | Top TV | TRADE BROADCASTING ENTITY TOP TV LLC Berovo | Dragan Krzovski 100% |
| Valandovo | VTV TV | TRADE BROADCASTING ENTITY VTV Toni LTD Valandovo | Toni Donev 71,54% and Dimche Balevski 28,46% |
| Veles | Zdravkin TV | TRADE BROADCASTING ENTITY ZDRAVKIN Angelche Zdravkin, LLC, Veles | Angelche Zdravkin 100% |
| Veles | Kanal 21 TV | TRADE BROADCASTING ENTITY KANAL 21 LLC Veles | Zoran Stavrev 100% |
| Gevgelija | Nova TV | TRADE BROADCASTING ENTITY NOVA TV LTD | Valentine Dzundova 33%, Jovan Jovanov 67% |
| Gostivar | Due TV | TRADE BROADCASTING ENTITY DUE TV Nazmi LLC Gostivar | Nazmi Elezi 100% |
| Gostivar | Chegrani Media TV | TRADE BROADCASTING ENTITY CHEGRANI MEDIA LLC, village CHEGRANE – Gostivar | Emrula Chegrani 100% |
| Delchevo | D1 TV | TRADE BROADCASTING ENTITY for television activities D1 TELEVISION LLC, Delchevo | Slobodan Damjanov 100% |
| Dolneni | Lazani TV | TRADE BROADCASTING ENTITY LAZANI TV LLC, village Lazani , Dolneni | Ruzdija Hasanovikj 100% |
| Kavadarci | KTV – 41 TV | TRADE BROADCASTING ENTITY KTV TV 41, Delta-m electronic LLC Kavadarci | Marjan Todorov 100% |
| Kavadarci | Tikveshija TV | TRADE BROADCASTING ENTITY TIKVESHIIJA TELEVISION LLC Kavadarci | Vane Volchev 100% |
| Kichevo | Uskana TV | TRADE BROADCASTING ENTITY USKANA TELEVISION Munir Mehdiu Kichevo LLC | Munir Mehdiu 100% |
| Kichevo | Boem TV | TRADE BROADCASTING ENTITY BOEM TV Slobodan Menoski Kichevo LLC | Slobodan Menoski 100% |
| Kichevo | Gurra TV | TRADE BROADCASTING ENTITY GURRA TV LTD Kichevo | Nedzat Mustafi 100% |

| | | | |
|-----------------|-----------------|--|---|
| Kochani | Kochani – LD TV | TRADE BROADCASTING ENTITY KOCHANI – LD TELEVISION Kochani | VISION – LD Kochani 100% |
| Kochani | Kanal 8 TV | TRADE BROADCASTING ENTITY KANAL 8 TELEVISION LLC Kochani | Blagoj Sitnovski 100% |
| Kratovo | Sitel 2 TV | TRADE BROADCASTING ENTITY SITEL 2 Television LLC, Skopje | Trade broadcasting entity SITEL Television LLC, Skopje 100% |
| Kumanovo | Festa TV | TRADE BROADCASTING ENTITY KANAL FESTA TV Nedzati LLC, Kumanovo | Nedzati Akjifi 100% |
| Kumanovo | Dalga –Krt TV | TRADE BROADCASTING ENTITY DALGA KRT Gordana LLC Kumanovo | Gordana Milkovska 100% |
| Kumanovo | Nova TV | TRADE BROADCASTING ENTITY NOVA LLC Kumanovo | Production, trade and services company ITZ Center LLC export-import Skopje 100% |
| Kumanovo | Hana TV | TRADE BROADCASTING ENTITY HANA TV Mevljan LLC Kumanovo | Mevljan Ljatifi 100% |
| Kriva Palanka | Zlaten kanal TV | TRADE BROADCASTING ENTITY ZLATEN KANAL LLC export-import Skopje | Consulting and mediation company NVSP LLC 100% |
| Makedonski Brod | Anisa TV | TRADE BROADCASTING ENTITY ANISA TV LLC village Plasnica – Plasnica | Gjulnaza Jaoska 100% |
| Ohrid | Moris TV | TRADE BROADCASTING ENTITY Jovan Trpeski MORIS TV LLC Ohrid | Jovan Trpeski 100% |
| Ohrid | M TV | TRADE BROADCASTING ENTITY M TV Arnaudov Mihajlo LLC Ohrid | Mihajlo Arnaudov 100% |
| Ohrid | NTV | TRADE BROADCASTING ENTITY Zoran Stefanovski NEZAVISNA TV Ohrid LLC | Zoran Stefanovski 100% |
| Prilep | Vision-BM TV | TRADE BROADCASTING ENTITY VISION-BM LLC Prilep | Brankcia Mavcheva 100% |
| Probishtip | Protel TV | TRADE BROADCASTING ENTITY PROTEL LLC Probishtip | Chedo Petrov 100% |
| Radovish | Ko – Bra TV | TRADE BROADCASTING ENTITY KOBRA television LLC Radovish | Branko Litajkovski 100% |
| Radovish | Emi TV | TRADE BROADCASTING ENTITY EMI TV LLC Radovish | Emi Petrol LTD Radovish 100% |
| Struga | Kaltrina TV | TRADE BROADCASTING ENTITY KALTRINA TV Mazar Tateshi Struga LLC | Mazar Tateshi 100% |
| Struga | Art Kanal TV | TRADE BROADCASTING ENTITY ART KANAL TV Struga LLC | Uran Tuda 100% |
| Struga | Spectra TV | TRADE BROADCASTING ENTITY SPECTRA, municipality Labunishta, LLC | Demish Karimanovski 100% |

| | | | |
|--------------|--------------|--|--|
| Strumica | Intel TV | TRADE BROADCASTING ENTITY INTEL LTD Strumica | Anche Zaprova 50%, Georgje Zaprov 50% |
| Strumica | Vis TV | TRADE BROADCASTING ENTITY KANAL VIS TV LTD Strumica | Janko Micev 100% |
| Sveti Nikole | Svet TV | TRADE BROADCASTING ENTITY SVET TV LTD Sveti Nikole | Gjorgji Dechkov 50% and Dragan Dechkov 50% |
| Tetovo | Coha TV | TRADE BROADCASTING ENTITY Coha Mevail TV LLC Tetovo | Mevail Abdiu 100% |
| Tetovo | Kiss TV | TRADE BROADCASTING ENTITY KISS TV, Zlate LLC Tetovo | Zlate Todorovski 100% |
| Tetovo | Art TV | TRADE BROADCASTING ENTITY ART TV Artan LLC Tetovo | Artan Skenderi 100% |
| Tetovo | Menada TV | TRADE BROADCASTING ENTITY Menada Tetovo LTD Tetovo | Tosho Markovski 99% and Darko Ristoski 1% |
| Tetovo | Super Sky TV | TRADE BROADCASTING ENTITY SUPER SKY TELEVISION, Muslim, LLC, village Mala Rechica Tetovo | Muslim Aziri 100% |
| Zupa Center | Zupa TV | TRADE BROADCASTING ENTITY ZUPA TV Elezovski Elez LLC, village Mal Papradnik Zupa Center | Elez Elezovski 100% |
| Shtip | Star TV | TRADE BROADCASTING ENTITY TV-STAR LTD Shtip | Simjoncho Marijanov 90% and Rozetka Monevska 10% |
| Shtip | Iris TV | TRADE BROADCASTING ENTITY LTD Shtip | Bargala Joint Stock Company 97,57% and Vladimir Milanovikj 2,43% |

Ownership structure of the radio stations on local level

| Town | Trade Broadcasting Entity | Full name of the trade entity | Information on the founder and the shares in the capital |
|--------|---------------------------|--|--|
| Berovo | Sky Radio, Berovo | TRADE BROADCASTING ENTITY RADIO PLUS LLC, Berovo | Veselka Radinska 100% |
| Bitola | 106 RADIO | TRADE BROADCASTING ENTITY 106 RADIO Bitola LLC | Kire Hristovski 100% |
| Bitola | B-97 RADIO | TRADE BROADCASTING ENTITY B-97 RADIO LLC Bitola | Petar Robe 100% |
| Bitola | Aktuel RADIO | TRADE BROADCASTING | Vladimir Nikoloski 100% |

| | | | |
|-----------|-----------------------------|--|--|
| | | ENTITY AKTUEL RADIO LLC Bitola | |
| Bitola | Delfin RADIO | TRADE BROADCASTING ENTITY BI-KI-AL LLC Bitola | Biljana Taleva 100% |
| Veles | C-D RADIO | TRADE BROADCASTING ENTITY C D radio Valentina Mihajlovska LLC Veles | Valentina Mihajlovska 100% |
| Veles | Merak 5 FM RADIO | TRADE BROADCASTING ENTITY MERAK 5 FM RADIO, Ljupcho and Vladimir LTD Veles | Vladimir Tevchev 50% and Katerina Nestorova 50% |
| Veles | Goldi RADIO | TRADE BROADCASTING ENTITY GOLDI Ilija Chadiev LLC Veles | Maja Chadieva 100% |
| Vinica | La Costa RADIO | TRADE BROADCASTING ENTITY LA COSTA RADIO Petre LLC Vinica | Dafinka Kostadionova 100% |
| Gevgelija | Time RADIO | TRADE BROADCASTING ENTITY TIME RADIO Pavle LLC Gevgelija | Pavle Jovanovski 100% |
| Gostivar | Kometa RADIO | TRADE BROADCASTING ENTITY KOMETA 2000 Rade LLC Gostivar | Rade Isajloski 100% |
| Debar | Merlin RADIO | TRADE BROADCASTING ENTITY MERLIN RADIO, Fatmir, LLC, Debar | Fatmir Karameti 100% |
| Delchevo | Zora RADIO | TRADE BROADCASTING ENTITY for radio activities ZORA RADIO LLC, Delchevo | Stojancho Antovski 100% |
| Kavadarci | Galaxy 2002 RADIO | TRADE BROADCASTING ENTITY GALAXY-2002 LLC Kavadarci | Nada Angelova 100% |
| Kichevo | Aleksandar Makedonski RADIO | TRADE BROADCASTING ENTITY ALEKSANDAR MAKEDONSKI Ilija Tanevski Kichevo LLC | Ilija Tanevski 100% |
| Kochani | Rosa RADIO | TRADE BROADCASTING ENTITY ROSA RADIO LLC Kochani | Aleksandar Bozinov 100% |
| Kumanovo | KMR RADIO | TRADE BROADCASTING ENTITY MUSIC RADIO KMR Ljubisha and Boban LTD Kumanovo | Jovanovski Ljubisha 50% and Jovanovski Boban 50% |
| Kumanovo | Bravo RADIO | TRADE BROADCASTING ENTITY BRAVO LLC Kumanovo | Toni Jakimovski 100% |
| Kumanovo | Jehona RADIO | TRADE BROADCASTING ENTITY JEHONA 2003 LLC, | Besim Shabani 100% |

| | | | |
|---------------------|---------------------------|---|--|
| | | village Matejche, Lipkovo | |
| Makedonski Brod | Moris Plus RADIO | TRADE BROADCASTING ENTITY MORIS PLUS LLC Makedonski Brod | Peco Simjanoski 100% |
| Makedonska Kamenica | Makedonska Kamenica RADIO | BROADCASTING ENTITY MAKEDONSKA KAMENICA RADIO LLC, Makedonska Kamenica | Miran Mitrevski 100% |
| Negotino | Mix RADIO | TRADE BROADCASTING ENTITY RADIO TELEVISION MIX Julija LLC Negotino | Julija Dubrovska Maneva 100% |
| Negotino | Produkcija – LGN RADIO | TRADE BROADCASTING ENTITY PRODUKCIJA – LGN export-import LTD | Goran Arsovski 50% and Ljupcho Cvetkov 50% |
| Ohrid | MH RADIO | TRADE BROADCASTING ENTITY Zoran Zdravkovikj MH – RADIO Ohrid LLC | Zoran Zdravkovikj 100% |
| Ohrid | Super RADIO | Limited Liability Company for broadcasting Mitanoski Vele SUPER RADIO Ohrid LLC | Sasho Mitanoski 100% |
| Ohrid | Lav RADIO | TRADE BROADCASTING ENTITY Ivancho Pashoski LAV RADIO LLC Ohrid | Ivancho Pashoski 100% |
| Pehchevo | Pehchevo RADIO | TRADE BROADCASTING ENTITY PEHCHEVO RADIO Vancho LLC Pehchevo | Vancho Jovanovski 100% |
| Plasnica | Miss 2008 RADIO | TRADE BROADCASTING ENTITY MISS RADIO 2008 LLC, village Preglovo, Plasnica | Ermin Salifoski 100% |
| Prilep | Choki 5 RADIO | TRADE BROADCASTING ENTITY CHOKI 5 RADIO LLC PRILEP | Ilija Boshkoski 100% |
| Prilep | Besa RADIO | TRADE BROADCASTING ENTITY BESA Radio LLC, village Crnilishte | Safet Mejdinovski 100% |
| Prilep | Rinia 2000 RADIO | TRADE BROADCASTING ENTITY RINIA-2000 RADIO LLC, village Crnilishte, municipality of Dolneni | Sevgania Ibrahimski 100% |
| Prilep | Ternipe RADIO | TRADE BROADCASTING ENTITY Kjani Isailoski TERNIPE RADIO (Mladost) LLC Prilep | Kjani Ismailoski 100% |
| Prilep | Meff RADIO | TRADE BROADCASTING ENTITY Jovevski Petko Dimitar MAPEDITO-RADIO MEFF LLC Prilep | Biljana Joveska 100% |

| | | | |
|--------------|--------------------|---|---|
| Prilep | Holiday RADIO | TRADE BROADCASTING ENTITY HOLIDAY Prilep LLC | Dime Andonoski 100% |
| Radovish | Alfa RADIO | TRADE BROADCASTING ENTITY ALFA LLC Radovish | Suzana Nasteva 100% |
| Zirovnica | Emi RADIO | TRADE BROADCASTING ENTITY for production and broadcast EMI-Dzevdet LLC, village Zirovnica Rostushe | Dzevdet Mehmedi 100% |
| Sveti Nikole | Modea RADIO | TRADE BROADCASTING ENTITY MODEA LLC Sveti Nikole | Boban Efremov 100% |
| Sveti Nikole | Sveti Nikole RADIO | TRADE BROADCASTING ENTITY SVETI NIKOLE LTD Sveti Nikole | Valentine Arsova 15%, Riste Panov 15%, Pension and Disability Insurance Skopje 15% and International Slavic Institute Moscow LLC Sveti Nikole 55% |
| Struga | DJ RADIO | Broadcasting Entity DJ Slave LLC Struga | Cane Kenchevski 100% |
| Struga | Rapi RADIO | Entity for performing broadcasting activity radio on local level RAPI RADIO Municipality of Veleshta, LLC | Fisnik Bekteshi 100% |
| Struga | Kiki RADIO | TRADE BROADCASTING ENTITY KIKI Ilija, LLC Struga | Ilija Totovski 100% |
| Strumica | Hit RADIO | TRADE BROADCASTING ENTITY HIT RADIO LLC Strumica | Blaze Masalkovski 100% |
| Strumica | Express RADIO | TRADE BROADCASTING ENTITY EXPRESS-RADIO LLC Strumica | Gorgji Pojrazovski 100% |
| Tetovo | Plus Forte RADIO | TRADE BROADCASTING ENTITY PLUS FORTE LLC Tetovo | Nebojsa Karapejovski 100% |
| Tetovo | Kiss RADIO | TRADE BROADCASTING ENTITY KISS RADIO LLC Tetovo | Gabriela Gurchinoska 100% |
| Tetovo | Fama RADIO | TRADE BROADCASTING ENTITY FAMA RADIO LTD Tetovo | Ajet Demiri 50% and Muhamer Asani 50% |
| Tetovo | Bleta RADIO | TRADE BROADCASTING ENTITY BLETA LLC Tetovo | Afrim Ramadani 100% |
| Shtip | Angels RADIO | TRADE BROADCASTING ENTITY Angels LLC Shtip | Ile Mitov 100% |

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