

ANTEVENIO, S.A. AND SUBSIDIARIES

CONSOLIDATED DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2010

BUSINESS SITUATION AND RESULTS FOR THE ANTEVENIO GROUP DURING THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

1. GROUP'S CONSOLIDATED TURNOVER AND RESULTS FOR THE FINANCIAL YEAR 2010

The following are the companies included within the consolidation perimeter for the financial year 2010:

Centrocom Cyber, S.L., consolidated using the full integration method.

Europemission, S.L., consolidated using the proportional integration method.

Marketing Manager Servicios de Marketing de Servicios, S.L., consolidated using the full integration method.

Antevenio, S.R.L., consolidated using the full integration method.

Antevenio Mobile, S.R.L., consolidated using the full integration method.

Antevenio France S.R.L. is consolidated under the full integration method and was incorporated into the consolidation scope on 1 January 2010, the date on which the company started trading.

Código Barras Networks, S.L. is consolidated under the full integration method and was included in the consolidation scope on 1 January 2010. The acquisition of Código Barras Networks took place in December 2009 but as the definitive purchase price had not been closed it was not consolidated at that year.

Antevenio Limited is consolidated under the full integration method and was included in the scope of consolidation in the first half of 2010 at the time of its incorporation.

Antevenio Argentina, S.R.L., consolidated using the full integration method and incorporated into the consolidation scope in 2010.

The consolidated turnover for the financial year 2010 was 21.3 euros, a 24.6 % increase over the consolidated turnover for the financial year 2009, which amounted to 17.1 euros.

Net turnover after deduction of rebate discounts amounted to 20.2 million euros in 2010.

Sales rebates increased to a lesser extent than did consolidated turnover as revenues increased in business lines and countries in which this extra premium does not exist.

The Results/Performance Marketing activity represented 39 % of total activity, that of

Antevenio Rich&Reach 28%, that of Antevenio Direct some 13% and that of Diálogo (called *Communities* in 2009) 30 % of total consolidated turnover.

Operating costs, including costs of sales and excluding depreciation/amortisation and provision charges, increased by 33% in percentage terms, above the rate of increase in turnover. This is due to the primacy given to investments made at the international level with the launch of offers from Antevenio in Argentina, France and the United Kingdom. Along with this were the technological investments made mainly in Códigos Barras Networks and in Centrocom Cyber, S.L. These investments, which a temporary effect on the net result for the financial year 2010, should contribute to an acceleration in the Antevenio Group's growth in 2011.

The consolidated result for the year amounts to 1.2 million euros compared with the 1.6 million euros for the financial year 2009, with the Consolidated Result before Tax of 1.9 million euros.

The consolidated accounts for the Antevenio Group are presented under the IFRS international accounting standards.

2. TURNOVER AND RESULT FOR THE YEAR FOR THE GROUP'S SUBSIDIARIES DURING 2010

In thousand euros

Turnover

Centrocom Cyber, S.L.	
7.453	
Europermision, S.L. (i)	0
Antevenio S.R.L.	4.821
Marketing Manager de Servicios de Marketing, S.L.	355
Antevenio Mobile, S.L.	103
Código Barras Networks, S.L.	1.719
Antevenio Argentina S.R.L.	303
Antevenio France, S.R.L.	220
Antevenio Limited	106

Result for the year

Centrocom Cyber, S.L.	1
Europemission, S.L. (i)	0
Antevenio S.R.L.	1.056
Marketing Manager de Servicios de Marketing, S.L.	6
Antevenio Mobile, S.L.	(179)
Código Barras Networks, S.L.	339
Antevenio Argentina S.R.L.	(32)
Antevenio France, S.R.L.	(205)
Antevenio Limited	(30)

(i) consolidated using the proportional integration method.

There was no sale of any subsidiary company.

3. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR 2010

During 2010 not merely did the Antevenio Group recover from the downward trend that it had suffered in 2009 but achieved its highest turnover level in its history.

This was a year of investments and launches of new activities, these having a temporary effect on the result for the year but serving to consolidate Antevenio's leadership in the markets in which it operates.

On 16 November 2009 an agreement was reached with the company DirectLatam for commencing Antevenio's activity in Latin America. Since 2010 Antevenio has a 60% holding in the company Antevenio Argentina. In 2013 Antevenio is to acquire the remaining 40%, with this holding to be valued at 5 times the EBITDA generated in 2102 with a maximum of 2 million euros.

On 28 December 2009 Antevenio announced the acquisition of 100% of the share participations of the company Código Barras Network, S.L. (Shopall.es), a pioneer company in the promotion of products and services through its wide network of shopping centres and contextual publicity spaces on the Internet. The operation strengthens Antevenio's position in the online shopping sector, specifically in the growing segment for advertising linked with the promotion of products and services over the Internet.

This company joined the consolidation scope as from 1 January 2010.

In January 2010 Antevenio incorporated the company Antevenio France, S.L. with its registered office in Paris. This company is 100% owned by Antevenio, S.A.

The company Antevenio Limited was incorporated in the first half of 2010 with its registered office in London. Antevenio, S.A, holds 51% of the company's shareholdings.

Antevenio distributed dividends for the first time in its history in December 2010. The dividend was equivalent to 15% of the net profits generated in 2007, 2008 and 2009. This is a demonstration of the Management's trust in Antevenio's position with a view to the future and is a reward to our shareholders for the trust they have placed in us since our stock exchange listing.

4. OUTLOOK

Antevenio has all the resources, both financial and with its products, it needs in order to face up to 2010, a year in which Europe is facing an escape from an economic crisis that has affected it over the last two years. Uncertainty as to the strength of the recovery in the markets in which Antevenio operates, Spain, Italy, United Kingdom, Argentina and France, make us feel that the Internet advertising market will not yet return to the growths recorded prior to 2009, although the market already showed signs of recovery in 2010. The financial strength we have and the diversity of our products, along with the investments made in 2010, lead us to expect our leadership to be reinforced and to be able to continue winning market share.

5. FIXED ASSETS ADDITIONS

Additions to property, plant and equipment and in intangible fixed asset additions for the Antevenio Group during 2010 correspond to:

Additions to property, plant and equipment for an amount of 505 thousand euros in 2010, being 191 thousand additions, and 314 thousand additions to the consolidation scope. These corresponding mainly to data processing equipment.

Additions to other intangible fixed assets in 2010 amount to 1,406 thousand, being 1,352 thousand additions and 54 thousand additions to the consolidation scope and correspond mainly to computer applications, among which are the development of a Spiderweb Shopall in Código de Barras Networks, SL and the new platform Centrocom affiliation, both applications are developing their own means.

6. RISKS

The following are the main risks and uncertainties to which the Antevenio Group might be subject

Competition Risk

In a market that is in constant evolution and with high rates of growth we can not exclude the possibility of new actors entering the Spanish and Italian markets, the main ones in which Antevenio operates.

However, given the more than ten years experience in this market, along with Antevenio's position and fame and the quality of our services, we consider that we will continue to occupy a leading position.

Customers and Suppliers Dependency Risk

The risk of dependency on customers and suppliers is limited, as none of these entities has a significant weighting within the turnover of Antevenio, S.A

Included among customers are media agencies that work at the same time with numerous advertisers, diluting the risk of customer dependency even further

As for technology suppliers the risk is small, as the services offered by these companies are also offered by other actors in competition with them and so the latter can offer Antevenio the same services.

Key Person Risk

We consider that one Antevenio's main assets are having been able to bring together a team of key persons and managers in the company's strategic positions.

Risks associated with the processing of data of a personal nature

The Antevenio Group performs processing of data of a personal nature in order to provide direct marketing services for its customers-

It is, therefore, subject to the following legislation:

- 34/2002 of 11 July 2002 on Information Society Services and Electronic.
- Article 4 of Law 56/2007 of 28 December, Measures to Promote the Information Society, which modifies Law 34/2002 of July 11, Services Information Society and Electronic Commerce.
- The Organic Law 15/1999 of 13 December 1999 on the protection of data of a personal nature.
- Law 2 / 2011 of March 4, Sustainable Economy. Modification of the Data Protection Act. Fifty-sixth disposal.
- Royal Decree 1720/2007 of 21 December, approving the Regulation implementing Law 15/1999 of 13 December on the protection of personal data.
- First Final Provision of Law 32/2003 of November 3, General Telecommunications Law 34/2002 amending. General Telecommunications Law 32/2003.
- Law 47/2002 of December 19, amending the Law 7 / 1996 of 15 January the retail trade for the transposition into Spanish law of Directive 97/7/EC, on contracts distance, and the adaptation of various EU Directives Act.
- Law 7 / 1998 of 13 April, General Conditions of Employment.
- Law 7 / 1996 of 15 January, the Retail Trade.
- Law 29/2009, of December 30, by amending the legal regime of unfair competition and advertising to improve consumer protection and users.
- Law 44/2006 of December 29, improving the protection of consumers and users.
- Law 34/1988, of November 11, General Publicity.
- Law 26/1984 of July 19, general for the Protection of Consumers and Users.
- Royal Decree 424/2005 of 15 April, approving the Regulation on conditions for the provision of electronic communications services, universal service and consumer protection.

- Directive 2000/31/EC of the European Parliament and the Council of 8 June on certain legal aspects of the services of the information society, in particular electronic commerce in the Internal Market (Directive on electronic commerce).
- Directive 2002/58/EC of the European Parliament and Council of 12 July concerning the processing of personal data and the protection of privacy in the electronic communications sector (Directive on privacy and electronic communications) .

Processing data of a personal nature in order to provide direct marketing services is an activity that is not exempt from risk and so Antevenio has a contract with the company INT55 supplies permanent monitoring of developments in the legislation and their application by Antevenio.

7. PERSONNEL

The average number of Group employees in 2010 was 143, having been 98 in 2009.

8. SHAREHOLDINGS

The following are the companies with a direct or indirect holding equal to or more than 5% of the share capital at 31 December 2010:

	No. of Shares	% Holding
Alba Participaciones, S.A.	864,012	20.54
Aliada Investment B.V.	848,976	20.18
Joshua David Novick	500,166	11.89
E-Ventures Capital Internet, S.A.	432,006	10.27
Others		
Nextstage		

9. TREASURY SHARES

The company has a contract with the firm Gilbert Dupont to favour, without intervening in normal market operations and with strict compliance of stock exchange regulations, liquidity in share transactions, stable list prices and the prevention of variations other than those due to the market's own trend.

Antevenio, which has its shares listed on the Alternex market, has complied with the regulations for this market with regard to the transactions carried out in the framework of this contract.

At 31 December 2010 the balance of shares acquired by virtue of the aforementioned liquidity contract was 2,684 shares, which represent 0.06% of the share capital.

Information on the authorisation for the acquisition of own shares

The Shareholders' General Meeting held on 23 June 2010 authorised the Board of Directors to allow the Company, directly or through any of its subsidiaries, to be able to acquire, at any moment and for as many times as it considers appropriate, own or

treasury shares under the following conditions:

1. Maximum number of shares to be acquired: 10% of the share capital.
2. Minimum and maximum acquisition price: 3 euros and 15 euros respectively.
3. Duration of the authorisation: eighteen (18) months
4. to be carried out under any mode provided that this complies with the applicable legislative and regulatory framework.

The purpose of the acquisition is, inter alia, (i) the purchase of shares for these to be handed over directly to the company's employees and/or as the consequence of exercising the employees' option rights if these hold some right by virtue of remuneration plans previously approved by the Board of Directors and the Shareholders in General Meeting, when so required by legislation, as well as (ii) ensuring the share's liquidity through the intermediation of an investment service provider through a Liquidity Contract.

Employees' / Directors' plans for Antevenio, S.A. shares

ANTEVENIO, S.A. considers that its human resources constitute a main asset for the entity and, within its general human resources policy, it has drawn up a share option plan for promoting and guaranteeing the permanence of the Strategic Directives and the members of the General and Strategic Management Committees, as the Company considers these to be key to the company's management.

On 19 April the Extraordinary General Meeting of Shareholders approve the Remuneration Plans for the Antevenio, S.A.'s employees or directors, The following are the two remuneration systems:

- 1) Allocation of free shares:

The Shareholders in General Meeting agreed to allocate 50,000 shares (1.19% of the capital) to members of the Senior Management Committee, including, inter alia, Mr. Pablo Pérez García-Villosalado, a member of the Board of Directors.

These actions are based on results delivered.

The allotment of shares will take place after the period of two (2) years and one (1) day from the concession.

- 2) Share option plan:

The Shareholders in General Meeting agrees a Stock Option Plan, granting 150,000 stock options of the Company (3.56% of capital).

Each Option will entitle the holder to acquire a share.

The granting of the options for each of the beneficiaries will occur automatically on the date on which the Plan is effective.

The validity period for the exercise of the options is 3 years.

The price of the option will be the result of the discount of around 5% over the average price in the quarter preceding the date of the Annual General Meeting of 19 April.

At the time of the year, the determination of the payment, in shares or cash, will entitle the Bidder, on the terms contained in the Plan.

The proposed distribution consists of 70,000 options to members of Senior Management Committee (which will be distributed proportionally) and 80,000 options granted to members. General Management Committee and Strategic Management, among which is Pablo Pérez García Villoslada, member of the Board of Directors.