

The AzA Gazette



The Azteca America Monthly Newsletter for Clients, Friends and Associates

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Events & Features

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La Academia Surpasses TF and TM Network Impressions

On April 10, Azteca America registered 340,000 network impressions (18-49) with *La Academia*, compared to 297,000 for Telemundo's *Nuevas Voces de America* and 193,000 for Telefutura's *Objetivo Fama*.

We weren't first off the line, but our quality is showing through. In the Hispanic market reality race, Tele-futura's *Objetivo Fama* launched in early January with 300,000 network impressions and was up to 500,000 by week two. Telemundo's *Nuevas Voces de America* had almost 400,000 impressions with its launch in mid February.

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Dear Friends

The excitement builds as we prepare for our 2005 Upfront on May 16. Don't forget to mark your calendar. We're preparing a great show with big coverage gains and a promising programming lineup.

This month we have made some adjustments to our grid, most notably the launch of *Camino a la Fama* at 9:00 with excellent results. We have also added our interview, analysis and special report shows from Mexico at 12:30 am.

In terms of coverage, we are pleased to welcome Dish Latino subscribers to Azteca America

nationwide. Our agreement with Echostar marks a new relationship and the incorporation of their 1 million-strong subscriber base. We were barely able to mention it in last month's edition because of our publishing deadline, but it's certainly an important event for us.

Special congratulations to our friends at the Una Vez Mas station group who have started a sister newsletter of the AzA Gazette called News UVM. Among other exciting events, the publication details some of the recent UVM cable carriage agreements with Comcast and Time Warner.

Terry, Randy, Bob, Mark and Nora: you are always setting new standards for all of us; thanks for your dedication and enthusiasm. In reading the update, I learned that Wilson Ortiz was awarded Employee of 2004. Congratulations Wilson; it is dedication like yours that makes us strong.

Also launching a local Gazette is Denver. Many congratulations to our friends from McGraw-Hill and their successful format. This builds on The Central Valley's local Gazette, which has been published since August of last year.

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Dear Friends

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Among other interesting features, in this edition you will find a profile of the talented actor Luis Felipe Tovar, who plays the hilarious Tito Sánchez in our upcoming novela *Los Sánchez*. Our Station Spotlight focuses on San Antonio, where our affiliate began cable coverage last week on Time Warner's channel 9.

Finally, we have included a new section devoted to our recently-launched nonprofit organization: Fundación Azteca America.

Please enjoy,

Luis J. Echarte
President and CEO

Sister Gazettes Continue to Spring Up

Sister publications to the AzA Gazette continue to flourish. We would like to take a moment to congratulate the The AzA Gazette of Azteca America Colorado, as well as The AzA Gazette of the Central Valley in California and News UVM

Colorado is publishing their first edition this month, as is Una Vez Más. The two publications are added to AzA Central Valley's publications, which will have its first-year anniversary in August.

If you are an affiliate interested in our local edition graphics package, contact us. If you are a friend or client, check out these great publications.

Viewer Letter

The following letter was sent by a new viewer Azteca America this month. Minor changes have been made for editorial purposes.

The song in question was a commissioned work for Azteca.

Now who said second generation Mexicans don't watch Spanish-language TV?

Dear Azteca TV,
I am a fourth generation Mexican-American. While greatly entrenched in my American roots, I still make efforts not to lose sight of my Mexican heritage. Yesterday, I was extremely sad to hear of our Pope's passing. While American TV stations gave limited and very canned biographical coverage, I channel surfed and stumbled on this Spanish station (AzA) with continuous coverage of all that was happening in Rome, the many papal visits to Mexico, the emotionally moving sites and sounds of Mexico in mourning, so many pictures of Pope John Paul II in many international settings, and much more. Much of the time I found myself trying to translate what I was watching, but most impressive was that one did not need to know Spanish to see such excellent visual coverage. I soon found myself trying to find out what station was offering such amazing coverage. Was it Telemundo? Was it Univision? Who was it?

I called family members throughout California, asking each to find that same station. Soon, though geographically separated, we were

all mesmerized by the excellent coverage. My father even went so far as to say that he would keep this station a favorite long beyond the coverage on the Pope. Here are some of what we all agreed was outstanding:

Picture Quality: I am in Santa Barbara and do not subscribe to cable, instead use a small ineffective antenna. The picture quality of this station is excellent.

Pope Coverage: No other station has done what Azteca America has done with devoting so much time to showing the life and times of Pope John Paul II, most tend to spotlight their anchors. AzA uses their anchors as a footnote to the coverage and in that way seem to be remembered most. AzA lets the film coverage speak for itself instead of a constant voice over. Also, the file footage was excellent and something not shown on any other station. The three shot split screen was also excellent as it showed Rome, Mexico and the station.

As I write this note, I have just recently heard a very beautiful song on your station, written by Father Emilo Vargas. It is either called "Adíos Juan Pablo Segundo" or "Padre Milochio". Could you please give me more detail on it, the lyrics and where I can hear that song again, it is very touching. Also, yesterday, a young boy sang a song called "Amigo" in the streets of Mexico, accompanied by a guitar player. He sang with all his heart and soul. Could you please show him again?

Thank you for the new and excellent media option!
Julie Rodríguez
Santa Barbara

Station Spotlight: San Antonio Channel 31-KTDF

*Bob Hyland VP of Cable
Distribution UVM
Nora Crosby VP of
Operations UVM*



Bob Hyland

Activity is shifting into high gear at Una Vez Mas, and San Antonio is no exception.

A strong programming block and persistence by Bob Hyland can be credited for the premium Channel 9 position that San Antonio has secured as it began transmission through Time Warner Cable last week – two weeks ahead of schedule.

"Having Azteca America on Time Warner's channel 9 puts us in the middle of all of the big players," says Bob. "It gives us a front row seat with all the must-carry stations."

Being strong in San Antonio is important for Una Vez Mas. San

Antonio is the second largest market for the station group, behind only the group's headquarter city of Dallas. While Dallas is the number-six Hispanic market in the country, San Antonio closely follows as number seven.

The prime channel positioning is added to the similarly strategic Time Warner Cable positioning of Austin on Channel 14; Channel 21 on Comcast in Dallas; and an upcoming channel 13 on Comcast in Phoenix.

With cable carriage secured in San Antonio as well as 90% of UVM existing markets, the current focus is on promotion and sales. Following a very successful outdoor and radio campaign in Phoenix and Las Vegas last year, UVM will be launching a multi-pronged attack beginning this month in San Antonio. The initial focus will be on network branding, with about 200 impression sights including bus shelters, billboards and buses, as well as radio spots.

Once the network brand is soundly established, the focus will be programming specific, as the Phoenix and Las Vegas campaigns are currently targeted, specifically focusing on *Ventaneando*, *La Academia* and Mexican League Soccer, says Nora.

UVM will also be participating in joint *Cinco de Mayo* promotions in San Antonio and Austin. Both outdoor festivals feature top live concerts of Mexican talent and are the premier outdoor fairs in their communities. UVM will share booths with Time Warner in both events and distribute promotional material.

On the sales side, Nora is currently hiring UVM executives for both Austin and San Antonio. Also from Dallas, Terry Davis was recently hired to head up marketing for the Texas area.

Special thanks go out to Lynne Costantini, Jeff Henry and George Warmingham at Time Warner Cable for their support in bringing Azteca America programming to more homes in San Antonio and Austin.



Nora Crosby

Station Data

| | |
|--------------|-------------|
| Market | San Antonio |
| Call Letters | KTDF |
| Channels | 31 |

General Market

| | |
|-----------------------------|-------|
| Market Rank | 37 |
| Population 2002* | 2.070 |
| Households* | 725 |
| % Cable TV | |
| Penetration 2003 | 65% |
| Retail Sales (Million US\$) | 24.59 |
| % of Hispanic Origin | 52% |

Hispanic Market Info.

| | |
|----------------------------|-------|
| Hispanic TV HH Market Rank | 7 |
| Hispanic TV HH | |
| Market Coverage | 3.2% |
| Hispanic TV HH Market * | 335 |
| Hispanic P2 + Coverage | 2.8% |
| Hispanic P2 + * | 1.051 |

* In thousands

Programming Update: Camino a la Fama Strengthens Primetime Block

Following the conclusion of our novela *La Heredera*, we have moved in line with our Mexican sister network Azteca 13 by placing the weekday update of *La Academia*, *Camino a la Fama* on at 9 pm.

"The results haven't been good," comments COO Jorge Jaidar, "They've been great."

Based on Los Angeles overnights, during the first week ratings have increased tenfold and the show is becoming a strong anchor for the evening block.

Late night we have also done some shuffling. *Hechos Noche*, our network news from Mexico City with Javier Alatorre has moved back from 12 am to 11:30 pm. At midnight we have added *Los Protagonistas de la Noche*, an in-depth sports commentary show led by David Faitelson. At 12:30 we have also added our highly-respected special report, interview and analysis block, which includes: *Entre tres*, *Un Día Con*, *Entrevista con Sarmiento*, *Entre lo Público y lo Privado*, *Reporte 13* and *En Contexto*.



Strong novela success is anticipated with our May launch of *Los Sánchez*, a comic novela that combines award-winning actors in a story line that breaks the mold of traditional upper-class novela protagonists. Tito Sánchez, played by Luis Felipe Tovar, is a fruit vendor who stumbles onto an elderly woman trying to commit suicide during his subway commute. Once he convinces the woman that life is worth living, she converts him into a millionaire overnight. Now Tito, his entire family, and the old friends from the "barrio" are to take on their rivals and win over audience hearts.

La Academia Surpasses TF and TM Network Impressions

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It wasn't until February 27 that Azteca America launched its *La Academia* with under 100,000 impressions. But you can't keep a good thing down. While Azteca America has shown steady reality growth, the competition has been stagnant to negative. All figures are sourced from NHTI.

Total Network Impressions



(Persons 18-40) April 10, 2005 • SOURCE: NHTI Galaxy Explorer 20

All Eyes on the Post-Season "Liguilla"

As we enter the final month of the regular "Clausura" 2005 season of the Mexican Soccer League, it's time to see who's hot and who's not.

The undisputed leader is "la Máquina," Cruz Azul. With 30 points at the time of publishing, Cruz Azul is the first team in the league to qualify for the post-season "liguilla." With nine wins, three ties and only one loss, Cruz Azul leads the league as well as Group Two of the three league groups. Chivas, which is second place in Group Two, is a full 13 points behind the leader.

Azteca's own Monarcas Morelia leads Group One with 26 points. Nevertheless, Monarcas will have to keep up the steam throughout the season since Tecos and América are on their heels with 22 points a piece.

The leaders of Group Three are Monterrey and Santos, with 21 points each. Santos' trump card is the Argentine striker Matías Vuoso, who is currently leading the league with 10 goals this season.

The top two teams of each group as well as the two next best third places advance to the "liguilla" for the season championship.

On the other end of the stats are Pachuca, Jaguares, Veracruz and the

Dorados of Culiacán. The head coach of the Chiapas' Jaguares insists he still has a shot at the play-offs, despite a fourth place position in Group Three. The Dorados are no longer in danger of being sent back to the minors, thanks to four wins and a tie in the past five weeks, but remain in fourth place of Group One. They are seven points behind the group leader Monarcas, and three points behind the second-place Tecos.

April 2005 Final Games of the Regular Season

| Day | Local | vs | Visitors | Time |
|-----------|-----------|----|-------------|-------|
| 20-Apr-05 | Tecos | vs | Monarcas | 17:00 |
| 20-Apr-05 | Veracruz | vs | América | 19:00 |
| 20-Apr-05 | Cruz Azul | vs | Atlas | 21:00 |
| 23-Apr-05 | Jaguares | vs | Pachuca | 17:00 |
| 23-Apr-05 | Monarcas | vs | Guadalajara | 19:00 |
| 24-Apr-05 | Santos | vs | Veracruz | 16:00 |
| 30-Apr-05 | Cruz Azul | vs | América | 17:00 |
| 30-Apr-05 | Veracruz | vs | Puebla | 19:00 |
| 1-May-05 | Pachuca | vs | Monterrey | 14:00 |
| 1-May-05 | Tecos | vs | Guadalajara | 16:00 |
| 8-May | Santos | vs | Cruz Azul | 12:00 |
| 8-May | Monarcas | vs | Atlante | 14:00 |

Names & Faces

Luis Felipe Tovar Actor

His long list of accolades unfortunately does not fit in this space. However, the man that gives life to "Tito" in the upcoming hit novela *Los Sánchez* has won three Ariel Awards (The Mexican equivalent of the "Oscar") for acting in *Principio y Fin*, *El Callejón de los Milagros* (where he acted along Salma Hayek) and *Sin Remitente*.

Born in Puebla, he attended the Theatrical School of the Instituto Nacional de Bellas Artes and continued his studies in direction at the *Escuela Internacional de Cine y TV* in Cuba.

At Azteca he has participated in episodes of *Lo Que Callamos Las Mujeres* and *Tan Infinito Como el Desierto*, as well as the novelas *Cuando Seas Mía*, *Demasiado Corazón*, *Por Ti* and *Mirada de Mujer, el Regreso*.

He also has an acting school in Mexico City called *El Set*.

KEVIN BACON INDEX: 2



FUNDACION AZTECA AMERICA



Starting this month, we will include in the AzA Gazette a special section for our recently founded non-profit organization Fundación Azteca America (FAZA).

In this section, we will highlight the biggest challenges our community faces, and report on some of FAZA's initiatives. Fundación Azteca America is a non-profit project of Azteca America and the Grupo Salinas companies that aims to improve living standards for the Hispanic community. We will grow with the support and ideas of the community as we identify key areas of need of the Hispanic population in America. Welcome.

Identity, Security, Power and Future. Issues such as immigration policy, racism, and Mexico's political outlook were given fresh thinking with the series of panel discussions that were aired on our Azteca America network news program and will soon be televised in a four-part series.

Social Security Benefits from Immigrants

According to an April 5 article published by the New York Times, immigrants greatly contribute to the solvency of the nation's public retirement system. It is estimated that approximately 7 million immi-

Rather go jobless, many undocumented workers have been forced to buy fake ID's to be employed. This provides cover for employers, who, if asked, can plausibly assert that they believe all their workers are legal. Once registered on payrolls, these workers are paid by the book, with corresponding payroll tax reductions.

Since 1986, the Social Security Administration has received a flood of W-2 earnings reports with incorrect Social Security numbers. These documents go to the "earnings suspense file." In the current decade, the file is growing, on average, by more than US\$50 billion a year, generating US\$6 billion to US\$7 billion in Social Security tax revenue and about US\$1.5 billion in Medicare taxes. Officials do not know what fraction of the suspense file corresponds to the earnings of illegal immigrants, but they suspect that the portion is significant.

Without the flow of payroll taxes from wages in the suspense file, the system's long term funding hole over 75 years would be 10% larger. Most immigration helps Social Security's finance, because new immigrants tend to be of working age and contribute more than they take from the system. But illegal immigrants help even more because they will never collect benefits, according to the article.

Berkeley

University of California

Pensar México

On April 4 – 8, the Fundación and Grupo Salinas were at UC Berkeley with the first week-long *Pensar México* symposium. With a mix of US professors, Mexican politicians from all major parties, and other intellectual and cultural leaders, the debate centered on four themes:

grant workers in the US are providing Social Security a subsidy of US\$7 billion a year.

It is impossible to know how many illegal workers pay taxes, but according to specialists, most of them do. In 1986, the Immigration Reform and Control Act set penalties for employers who knowingly hire undocumented immigrants.

ADVERTISING OPPORTUNITIES

Product Integration Opportunities in Azteca America Novelas !!

Large Billboard featured in an Azteca America Novela



Don't miss out on exciting product placement opportunities with our upcoming hit novela *Los Sánchez*.

By presenting your brand or product in an organic way, product placement can make a strong complement to traditional advertising with the added benefit of being "zap-proof."

Give us a call to talk about how innovative solutions and concepts can highlight special characteristics of your brand or product. Creativity is unlimited.

As owners of our programming, Azteca America can:

1. Customize segments where the *Los Sánchez* cast can go shopping

to any of your retail stores, fast food restaurants or home decoration stores.

2. Use our Virtual Agency to create something totally different with cityscapes and interiors: outdoor banners, bags, products, bus stops, and more!

Let your brands be part of this unique adventure with Product Placement!



Spot the "K"

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American Museum of Natural History, NYC

Upfront 2005

Monday, May 16th, 2005

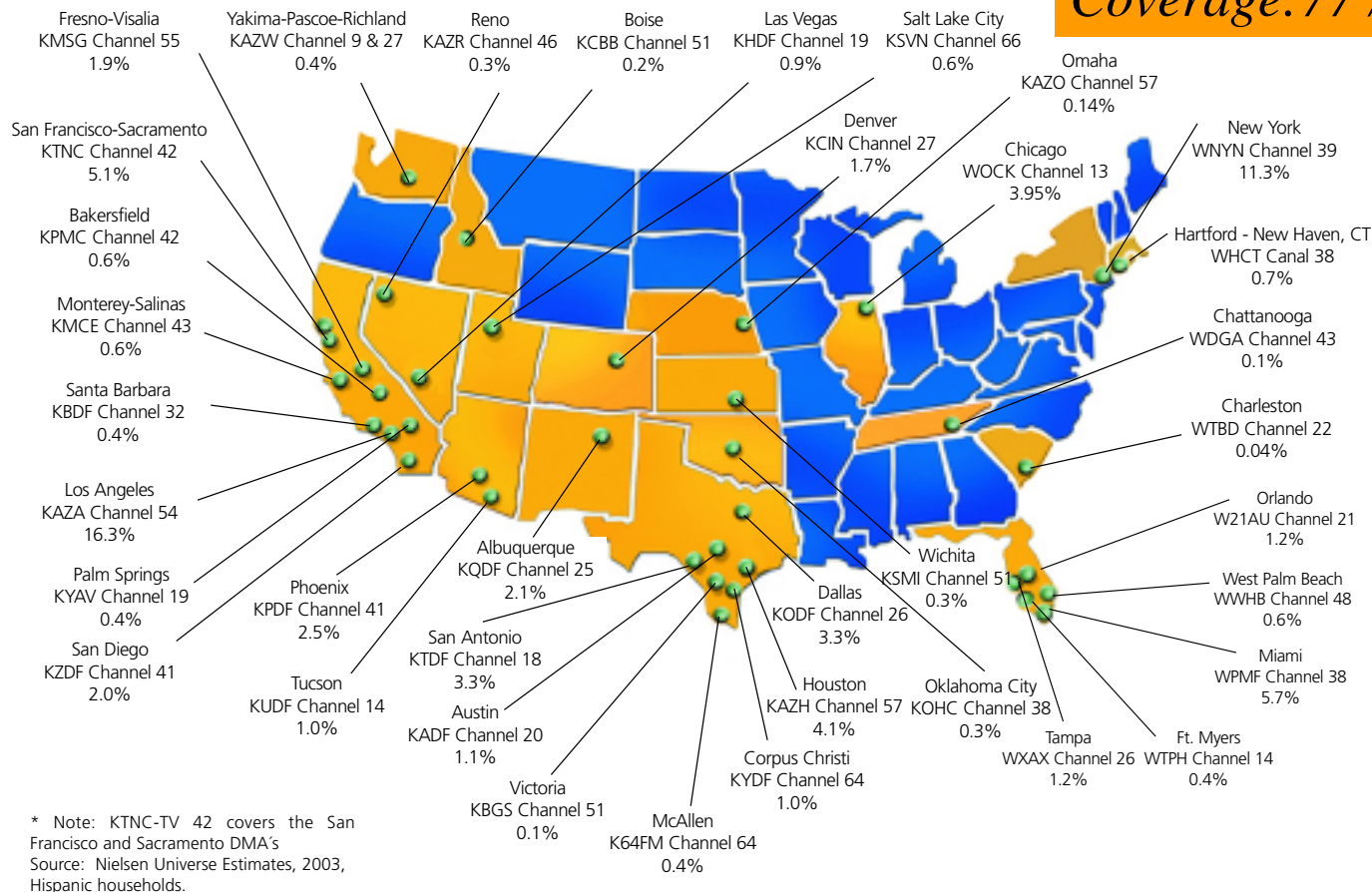


AZTECA AMERICA®

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About TV Azteca

TV Azteca, listed on the Mexican Bolsa, the New York Stock Exchange and Spain's Latibex, is the second largest producer of Spanish-language programming in the world, and one of two nationwide broadcasters in Mexico.

Today TV Azteca broadcasts four networks: the family-driven Azteca 13, with 278 signals in Mexico; the youth-focused Azteca 7, with 270 signals in Mexico; Azteca International for 13 countries in Central and South America; and Azteca America the fastest growing network in the U.S.

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