GRUPO TELEVISA, S.A.B.
Form 6-K
October 28, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 6-K

REPORT OF FOREIGN ISSUER PURSUANT TO RULES 13a-16 or 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of October, 2014

GRUPO TELEVISA, S.A.B.

(Translation of registrant's name into English)

Av. Vasco de Quiroga No. 2000, Colonia Santa Fe 01210 Mexico, D.F.
(Address of principal executive offices)

(Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.)

Form 20-F	x	Form 40-F

(Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1).)

Yes	No	x

(Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7).)

Yes	No	x

MEXICAN STOCK EXCHANGE
STOCK EXCHANGE CODE: TLEVISA QUARTER: 03 YEAR: 2014
GRUPO TELEVISA, S.A.B.

STATEMENT OF FINANCIAL POSITION
AS OF SEPTEMBER 30, 2014 AND DECEMBER 31, 2013
(THOUSANDS OF MEXICAN PESOS)
CONSOLIDATED

Final Printing

REF	ACCOUNT / SUBACCOUNT		CURRENT YEAR AMOUNT	END OF PREVIOUS YEAR AMOUNT
10000000	TOTAL ASSETS		207,524,807	194,108,920
11000000	CURRENT ASSETS		66,893,428	53,207,745
11010000	CASH AND CASH EQUIVALENTS		26,673,883	16,692,033
11020000	SHORT-TERM INVESTMENTS		4,468,064	3,722,976
11020010		FINANCIAL INSTRUMENTS AVAILABLE FOR SALE	0	0
11020020		FINANCIAL INSTRUMENTS FOR NEGOTIATION	0	0
11020030		FINANCIAL INSTRUMENTS HELD TO MATURITY	4,468,064	3,722,976
11030000	CUSTOMER (NET)		12,541,822	20,734,137
11030010		CUSTOMER	15,454,144	23,226,673
11030020		ALLOWANCE FOR DOUBTFUL ACCOUNTS	-2,912,322	-2,492,536
11040000	OTHER ACCOUNTS RECEIVABLE (NET)		3,002,687	3,759,512
11040010		OTHER ACCOUNTS RECEIVABLE	3,214,836	3,995,953
11040020		ALLOWANCE FOR DOUBTFUL ACCOUNTS	-212,149	-236,441
11050000	INVENTORIES		2,623,805	1,718,366
11051000	BIOLOGICAL ASSETS CURRENT		0	0
11060000	OTHER CURRENT ASSETS		17,583,167	6,580,721
11060010		ADVANCE PAYMENTS	1,841,744	1,469,241
11060020		DERIVATIVE FINANCIAL INSTRUMENTS	2,538	3,447
11060030		ASSETS AVAILABLE FOR SALE	9,623,216	0
11060050		RIGHTS AND LICENSING	0	0
11060060		OTHER	6,115,669	5,108,033
12000000	NON-CURRENT ASSETS		140,631,379	140,901,175
12010000	ACCOUNTS RECEIVABLE (NET)		8,000	0
12020000	INVESTMENTS		36,746,388	56,267,166
12020010		INVESTMENTS IN ASSOCIATES AND JOINT VENTURES	4,682,177	18,250,764
12020020		HELD-TO-MATURITY DEBT SECURITIES	510,459	631,964
12020030		OTHER AVAILABLE- FOR- SALE INVESTMENTS	31,518,788	37,359,819
12020040		OTHER	34,964	24,619

12030000	PROPERTY, PLANT AND EQUIPMENT (NET)	57,854,635	53,476,475
12030010	BUILDINGS	14,581,831	14,843,097
12030020	MACHINERY AND INDUSTRIAL EQUIPMENT	84,905,488	74,378,057
12030030	OTHER EQUIPMENT	8,583,977	8,073,547
12030040	ACCUMULATED DEPRECIATION	-58,075,600	-49,198,237
12030050	CONSTRUCTION IN PROGRESS	7,858,939	5,380,011
12040000	INVESTMENT PROPERTIES	0	0
12050000	NON-CURRENT BIOLOGICAL ASSETS	0	0
12060000	INTANGIBLE ASSETS (NET)	25,979,970	11,382,311
12060010	GOODWILL	5,815,270	2,621,530
12060020	TRADEMARKS	1,749,197	1,749,402
12060030	RIGHTS AND LICENSING	1,420,476	1,344,190
12060031	CONCESSIONS	3,655,985	3,655,985
12060040	OTHER	13,339,042	2,011,204
12070000	DEFERRED TAX ASSETS	11,159,651	10,608,778
12080000	OTHER NON-CURRENT ASSETS	8,882,735	9,166,445
12080001	ADVANCE PAYMENTS	0	0
12080010	DERIVATIVE FINANCIAL INSTRUMENTS	417	4,941
12080020	EMPLOYEE BENEFITS	0	0
12080021	ASSETS AVAILABLE FOR SALE	0	0
12080040	DEFERRED ASSETS (NET)	0	0
12080050	OTHER	8,882,318	9,161,504
20000000	TOTAL LIABILITIES	122,668,305	115,529,487
21000000	CURRENT LIABILITIES	31,314,950	40,283,067
21010000	BANK LOANS	335,748	312,715
21020000	STOCK MARKET LOANS	0	0
21030000	OTHER INTEREST BEARING LIABILITIES	418,806	424,698
21040000	SUPPLIERS	12,371,031	10,719,484
21050000	TAXES PAYABLE	1,201,663	1,692,415
21050010	INCOME TAXES PAYABLE	463,280	642,385
21050020	OTHER TAXES PAYABLE	738,383	1,050,030
21060000	OTHER CURRENT LIABILITIES	16,987,702	27,133,755
21060010	INTEREST PAYABLE	1,210,197	796,229
21060020	DERIVATIVE FINANCIAL INSTRUMENTS	0	0
21060030	DEFERRED INCOME	11,038,148	21,962,847
21060050	EMPLOYEE BENEFITS	1,078,699	857,903
21060060	PROVISIONS	226,920	174,678
21060061	LIABILITIES RELATED TO CURRENT AVAILABLE FOR SALE ASSETS	0	0
21060080	OTHER	3,433,738	3,342,098
22000000	NON-CURRENT LIABILITIES	91,353,355	75,246,420
22010000	BANK LOANS	10,717,863	13,385,879
22020000	STOCK MARKET LOANS	65,986,904	46,357,221
22030000	OTHER INTEREST BEARING LIABILITIES	4,443,683	4,494,549
22040000	DEFERRED TAX LIABILITIES	0	0
22050000	OTHER NON-CURRENT LIABILITIES	10,204,905	11,008,771
22050010	DERIVATIVE FINANCIAL INSTRUMENTS	338,499	335,336
22050020	DEFERRED INCOME	897,596	474,011

22050040	EMPLOYEE BENEFITS	240,518	79,810
22050050	PROVISIONS	53,702	59,614
22050051	LIABILITIES RELATED TO NON-CURRENT AVAILABLE FOR SALE ASSETS	0	0
22050070	OTHER	8,674,590	10,060,000
30000000	STOCKHOLDERS' EQUITY	84,856,502	78,579,433
30010000	CONTROLLING INTEREST	73,582,119	68,311,434
30030000	SOCIAL CAPITAL	4,978,126	4,978,126
30040000	SHARES REPURCHASED	-12,650,720	-12,848,448
30050000	PREMIUM ON ISSUANCE OF SHARES	15,889,819	15,889,819
30060000	CONTRIBUTIONS FOR FUTURE CAPITAL INCREASES	0	0
30070000	OTHER CAPITAL CONTRIBUTED	0	0
30080000	RETAINED EARNINGS (ACCUMULATED LOSSES)	60,183,781	56,897,886
30080010	LEGAL RESERVE	2,139,007	2,139,007
30080020	OTHER RESERVES	0	0
30080030	RETAINED EARNINGS	58,845,619	51,097,340
30080040	NET INCOME FOR THE YEAR	2,882,651	7,748,279
30080050	OTHER	-3,683,496	-4,086,740
30090000	OTHER ACCUMULATED COMPREHENSIVE RESULTS (NET OF TAX)	5,181,113	3,394,051
30090010	EARNINGS PER PROPERTY REASSESSMENT	0	0
30090020	ACTUARIAL EARNINGS (LOSS) FOR LABOR OBLIGATIONS	58,418	58,418
30090030	RESULT FOR FOREIGN CURRENCY CONVERSION	61,511	49,629
30090040	CHANGES IN THE VALUATION OF AVAILABLE FOR SALE FINANCIAL ASSETS	2,257,310	1,163,122
30090050	CHANGES IN THE VALUATION OF DERIVATIVE FINANCIAL INSTRUMENTS	-161,496	-140,944
30090060	CHANGES IN FAIR VALUE OF OTHER ASSETS	2,694,506	1,997,966
30090070	PARTICIPATION IN OTHER COMPREHENSIVE INCOME OF ASSOCIATES AND JOINT VENTURES	270,864	265,860
30090080	OTHER COMPREHENSIVE RESULT	0	0
30020000	NON-CONTROLLING INTEREST	11,274,383	10,267,999

DATA INFORMATION
AS OF SEPTEMBER 30, 2014 AND DECEMBER 31, 2013
(THOUSANDS OF MEXICAN PESOS)
CONSOLIDATED

Final Printing

REF	CONCEPTS	CURRENT YEAR AMOUNT	END OF PREVIOUS YEAR AMOUNT
91000010	FOREIGN CURRENCY LIABILITIES SHORT-TERM	6,533,906	6,772,104
91000020	FOREIGN CURRENCY LIABILITIES LONG-TERM	45,013,520	32,170,424
91000030	CAPITAL STOCK NOMINAL	2,494,410	2,494,410
91000040	RESTATEMENT OF CAPITAL STOCK	2,483,716	2,483,716
91000050	PENSIONS AND SENIORITY PREMIUMS	2,071,993	2,009,430
91000060	NUMBER OF EXECUTIVES (*)	72	72
91000070	NUMBER OF EMPLOYEES (*)	38,390	31,975
91000080	NUMBER OF WORKERS (*)	0	0
91000090	NUMBER OF OUTSTANDING SHARES (*)	338,373,267,960	335,501,022,792
91000100	NUMBER OF REPURCHASED SHARES (*)	24,056,619,171	26,928,864,339
91000110	RESTRICTED CASH (1)	0	0
91000120	DEBT OF NON-CONSOLIDATED COMPANIES GUARANTEED	0	0

(1) THIS CONCEPT MUST BE COMPLETED WHEN GUARANTEES HAVE BEEN PROVIDED AFFECTING CASH AND CASH EQUIVALENTS
(*) DATA IN UNITS

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE NINE AND THREE MONTHS ENDED SEPTEMBER 30, 2014 AND 2013
(THOUSANDS OF MEXICAN PESOS)
CONSOLIDATED

Final Printing

REF	ACCOUNT / SUBACCOUNT	CURRENT YEAR		PREVIOUS YEAR	
		CUMULATIVE	QUARTER	CUMULATIVE	QUARTER
40010000	NET INCOME	56,098,147	19,829,693	52,347,647	18,763,125
40010010	SERVICES	42,611,709	15,170,941	40,248,440	14,650,126
40010020	SALE OF GOODS	1,600,429	500,032	1,577,721	543,089
40010030	INTEREST	0	0	0	0
40010040	ROYALTIES	4,427,313	1,592,831	3,890,042	1,309,638
40010050	DIVIDENDS	0	0	0	0
40010060	LEASE	7,458,696	2,565,889	6,631,444	2,260,272
40010061	CONSTRUCTION	0	0	0	0
40010070	OTHER	0	0	0	0
40020000	COST OF SALES	30,245,578	10,357,163	28,115,183	9,697,179
40021000	GROSS PROFIT (LOSS)	25,852,569	9,472,530	24,232,464	9,065,946
40030000	GENERAL EXPENSES	12,683,043	4,367,281	10,974,077	3,890,549
40040000	INCOME (LOSS) BEFORE OTHER INCOME AND EXPENSES, NET	13,169,526	5,105,249	13,258,387	5,175,397
40050000	OTHER INCOME AND (EXPENSE), NET	-4,759,838	-4,546,637	160,826	-101,079
40060000	OPERATING INCOME (LOSS)	8,409,688	558,612	13,419,213	5,074,318
40070000	FINANCE INCOME	1,662,885	1,217,408	791,679	261,731
40070010	INTEREST INCOME	891,944	329,928	791,679	261,731
40070020	FOREIGN EXCHANGE GAIN, NET	0	0	0	0
40070030	DERIVATIVES GAIN, NET	0	116,539	0	0
40070040	EARNINGS FROM CHANGES IN FAIR VALUE OF FINANCIAL INSTRUMENTS	770,941	770,941	0	0
40070050	OTHER	0	0	0	0
40080000	FINANCE EXPENSE	4,455,069	1,654,635	3,965,693	1,423,780
40080010	INTEREST EXPENSE	4,056,896	1,421,427	3,503,812	1,233,961
40080020	FOREIGN EXCHANGE LOSS, NET	365,988	233,208	304,321	121,396
40080030	DERIVATIVES LOSS, NET	32,185	0	157,560	68,423
40080050	LOSS FROM CHANGES IN FAIR VALUE OF FINANCIAL INSTRUMENTS	0	0	0	0
40080060	OTHER	0	0	0	0
40090000		-2,792,184	-437,227	-3,174,014	-1,162,049

	FINANCE INCOME (EXPENSE) NET				
40100000	PARTICIPATION IN THE RESULTS OF ASSOCIATES AND JOINT VENTURES	47,539	116,387	-923,189	-199,814
40110000	INCOME (LOSS) BEFORE INCOME TAXES	5,665,043	237,772	9,322,010	3,712,455
40120000	INCOME TAXES	1,666,888	65,843	2,945,454	1,080,887
40120010	INCOME TAX, CURRENT	3,114,930	1,248,470	4,431,171	1,091,863
40120020	INCOME TAX, DEFERRED	-1,448,042	-1,182,627	-1,485,717	-10,976
40130000	INCOME (LOSS) FROM CONTINUING OPERATIONS	3,998,155	171,929	6,376,556	2,631,568
40140000	INCOME (LOSS) FROM DISCONTINUED OPERATIONS, NET	0	0	0	0
40150000	NET INCOME (LOSS)	3,998,155	171,929	6,376,556	2,631,568
40160000	NET INCOME (LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTEREST	1,115,504	354,730	1,092,107	242,316
40170000	NET INCOME (LOSS) ATTRIBUTABLE TO CONTROLLING INTEREST	2,882,651	-182,801	5,284,449	2,389,252
40180000	NET INCOME (LOSS) PER BASIC SHARE	1.00	-0.06	1.85	0.84
40190000	NET INCOME (LOSS) PER DILUTED SHARE	0.93	-0.06	1.71	0.77

STATEMENTS OF COMPREHENSIVE INCOME
OTHER COMPREHENSIVE INCOME (NET OF INCOME TAXES)
FOR THE NINE AND THREE MONTHS ENDED SEPTEMBER 30, 2014 AND 2013
(THOUSANDS OF MEXICAN PESOS)
CONSOLIDATED
Final Printing

REF	ACCOUNT / SUBACCOUNT	CURRENT YEAR		PREVIOUS YEAR	
		CUMULATIVE	QUARTER	CUMULATIVE	QUARTER
40200000	NET INCOME (LOSS)	3,998,155	171,929	6,376,556	2,631,568
	ITEMS NOT TO BE RECLASSIFIED INTO RESULTS				
40210000	EARNINGS PER PROPERTY REASSESSMENT	0	0	0	0
40220000	ACTUARIAL EARNINGS (LOSS) FOR LABOR OBLIGATIONS	0	0	0	0
40220100	PARTICIPATION IN RESULTS FOR REVALUATION OF PROPERTIES OF ASSOCIATES AND JOINT VENTURES	0	0	0	0
	ITEMS THAT MAY BE SUBSEQUENTLY RECLASSIFIED INTO RESULTS				
40230000	RESULT FOR FOREIGN CURRENCY CONVERSION	1,036	29,741	87,050	53,034
40240000	CHANGES IN THE VALUATION OF AVAILABLE FOR SALE FINANCIAL ASSETS	1,094,188	500,578	433,726	-151,525
40250000	CHANGES IN THE VALUATION OF DERIVATIVE FINANCIAL INSTRUMENTS	-20,552	74,214	-2,704	-26,289
40260000	CHANGES IN FAIR VALUE OF OTHER ASSETS	696,540	647,646	-218,620	9,665
40270000	PARTICIPATION IN OTHER COMPREHENSIVE INCOME OF ASSOCIATES AND JOINT VENTURES	5,004	7,721	110,726	75,599
40280000	OTHER COMPREHENSIVE INCOME	0	0	0	0
40290000	TOTAL OTHER COMPREHENSIVE INCOME	1,776,216	1,259,900	410,178	-39,516
40300000	COMPREHENSIVE INCOME (LOSS)	5,774,371	1,431,829	6,786,734	2,592,052
40320000	COMPREHENSIVE (LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTEREST	1,104,658	347,899	1,094,878	247,587
40310000	COMPREHENSIVE (LOSS) ATTRIBUTABLE TO CONTROLLING INTEREST	4,669,713	1,083,930	5,691,856	2,344,465

STATEMENTS OF COMPREHENSIVE INCOME
DATA INFORMATION
FOR THE NINE AND THREE MONTHS ENDED SEPTEMBER 30, 2014 AND 2013
(THOUSANDS OF MEXICAN PESOS)
CONSOLIDATED

Final Printing

REF	ACCOUNT / SUBACCOUNT	CURRENT YEAR		PREVIOUS YEAR	
		CUMULATIVE	QUARTER	CUMULATIVE	QUARTER
92000010	OPERATING DEPRECIATION AND AMORTIZATION	8,181,297	2,848,974	7,278,088	2,490,282

STATEMENTS OF COMPREHENSIVE INCOME
DATA INFORMATION (TWELVE MONTHS)
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2014 AND 2013
(THOUSANDS OF MEXICAN PESOS)
CONSOLIDATED

Final Printing

REF	ACCOUNT / SUBACCOUNT	YEAR CURRENT	YEAR PREVIOUS
92000030	NET INCOME (**)	77,541,211	72,140,103
92000040	OPERATING INCOME (LOSS) (**)	13,728,810	18,742,843
92000050	CONTROLLING INTEREST NET INCOME (LOSS) (**)	7,855,726	9,481,710
92000060	NET INCOME (LOSS) (**)	5,346,481	8,282,526
92000070	OPERATING DEPRECIATION AND AMORTIZATION (**)	10,749,575	9,577,702

(**) INFORMATION FOR THE LAST TWELVE MONTHS

STATEMENTS OF CASH FLOWS (INDIRECT METHOD)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014 AND 2013
(THOUSANDS OF MEXICAN PESOS)

CONSOLIDATED
Final Printing

REF	ACCOUNT / SUBACCOUNT	CURRENT YEAR AMOUNT	PREVIOUS YEAR AMOUNT
OPERATING ACTIVITIES			
50010000	INCOME (LOSS) BEFORE INCOME TAXES	5,665,043	9,322,010
50020000	+ (-) ITEMS NOT REQUIRING CASH	897,156	723,191
50020010	+ ESTIMATES FOR THE PERIOD	795,241	623,999
50020020	+ PROVISIONS FOR THE PERIOD	0	0
50020030	+ (-) OTHER UNREALIZED ITEMS	101,915	99,192
50030000	+ (-) ITEMS RELATED TO INVESTING ACTIVITIES	11,900,620	8,014,526
50030010	+ DEPRECIATION AND AMORTIZATION FOR THE PERIOD	8,181,297	7,278,088
50030020	(-) + GAIN OR LOSS ON SALE OF PROPERTY, PLANT AND EQUIPMENT	304,994	161,588
50030030	+ (-) LOSS (REVERSION) IMPAIRMENT	0	0
50030040	(-) + EQUITY IN RESULTS OF AFFILIATES AND JOINT VENTURES	(47,539)	923,189
50030050	(-) DIVIDENDS RECEIVED	0	0
50030060	(-) INTEREST INCOME	(255,629)	(30,825)
50030070	(-) FOREIGN EXCHANGE FLUCTUATION	(612,265)	(468,762)
50030080	(-) + OTHER ITEMS	4,329,762	151,248
50040000	+ (-) ITEMS RELATED TO FINANCING ACTIVITIES	5,428,758	4,749,028
50040010	(+) ACCRUED INTEREST	4,056,896	3,503,812
50040020	(+) FOREIGN EXCHANGE FLUCTUATION	1,258,396	650,211
50040030	(+) FINANCIAL OPERATIONS OF DERIVATIVES	(738,756)	157,560
50040040	+ (-) OTHER ITEMS	852,222	437,445
50050000	CASH FLOW BEFORE INCOME TAX	23,891,577	22,808,755
50060000	CASH FLOWS PROVIDED OR USED IN OPERATION	(7,601,960)	(10,534,151)
50060010	+ (-) DECREASE (INCREASE) IN CUSTOMERS	7,560,554	7,652,870
50060020	+ (-) DECREASE (INCREASE) IN INVENTORIES	(1,000,740)	(3,417,809)
50060030	+ (-) DECREASE (INCREASE) IN OTHER ACCOUNTS RECEIVABLES AND OTHER ASSETS	(1,317,493)	(2,440,346)
50060040	+ (-) INCREASE (DECREASE) IN SUPPLIERS	1,370,046	221,067
50060050	+ (-) INCREASE (DECREASE) IN OTHER LIABILITIES	(11,686,897)	(8,252,067)
50060060		(2,527,430)	(4,297,866)

	+ (-) INCOME TAXES PAID OR RETURNED		
50070000	NET CASH FLOWS FROM OPERATING ACTIVITIES	16,289,617	12,274,604
INVESTING ACTIVITIES			
50080000	NET CASH FLOWS FROM INVESTING ACTIVITIES	(15,804,526)	(17,978,269)
50080010	(-) PERMANENT INVESTMENTS IN SHARES	(9,361)	(1,352,968)
50080020	+ DISPOSITION OF PERMANENT INVESTMENT IN SHARES	0	0
50080030	(-) INVESTMENT IN PROPERTY, PLANT AND EQUIPMENT	(9,990,264)	(8,627,115)
50080040	+ SALE OF PROPERTY, PLANT AND EQUIPMENT	415,013	82,193
50080050	(-) TEMPORARY INVESTMENTS	(1,058,282)	(420,060)
50080060	+ DISPOSITION OF TEMPORARY INVESTMENTS	434,700	2,278,985
50080070	(-) INVESTMENT IN INTANGIBLE ASSETS	(151,146)	(446,419)
50080080	+ DISPOSITION OF INTANGIBLE ASSETS	0	0
50080090	(-) BUSINESS ACQUISITIONS	0	0
50080100	+ BUSINESS DISPOSITIONS	0	0
50080110	+ DIVIDEND RECEIVED	0	0
50080120	+ INTEREST RECEIVED	0	0
50080130	+ (-) DECREASE (INCREASE) IN ADVANCES AND LOANS TO THIRD PARTIES	0	0
50080140	+ (-) OTHER ITEMS	(5,445,186)	(9,492,885)
FINANCING ACTIVITIES			
50090000	NET CASH FLOWS FROM FINANCING ACTIVITIES	9,500,297	1,809,551
50090010	+ BANK FINANCING	2,079,933	342,984
50090020	+ STOCK MARKET FINANCING	18,394,625	6,442,598
50090030	+ OTHER FINANCING	0	0
50090040	(-) BANK FINANCING AMORTIZATION	(6,752,103)	(157,410)
50090050	(-) STOCK MARKET FINANCING AMORTIZATION	0	0
50090060	(-) OTHER FINANCING AMORTIZATION	(346,250)	(291,968)
50090070	+ (-) INCREASE (DECREASE) IN CAPITAL STOCK	0	0
50090080	(-) DIVIDENDS PAID	0	(1,084,192)
50090090	+ PREMIUM ON ISSUANCE OF SHARES	0	0
50090100	+ CONTRIBUTIONS FOR FUTURE CAPITAL INCREASES	0	0
50090110	(-) INTEREST EXPENSE	(3,585,362)	(3,232,136)
50090120	(-) REPURCHASE OF SHARES	0	0
50090130	+ (-) OTHER ITEMS	(290,546)	(210,325)
50100000	NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	9,985,388	(3,894,114)
50110000	CHANGES IN THE VALUE OF CASH AND CASH EQUIVALENTS	(3,538)	26,671
50120000		16,692,033	19,063,325

	CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		
50130000	CASH AND CASH EQUIVALENTS AT END OF PERIOD	26,673,883	15,195,882

STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(THOUSANDS OF MEXICAN PESOS)

CONSOLIDATED

Final Printing

CONCEPTS	CAPITAL STOCK	SHARES REPURCHASED	ADDITIONAL PAID-IN CAPITAL	CONTRIBUTIONS FOR FUTURE CAPITAL INCREASES	OTHER CAPITAL CONTRIBUTED	RETAINED EA ACCUMULATI RESERVES	RI EA (ACC I
BALANCE AT JANUARY 1, 2013	4,978,126	-13,103,223	15,889,819	0	0	2,139,007	
RETROSPECTIVE ADJUSTMENT	0	0	0	0	0	0	
APPLICATION OF OTHER COMPREHENSIVE INCOME TO RETAINED EARNINGS	0	0	0	0	0	0	
ESTABLISHMENT OF RESERVES	0	0	0	0	0	0	
DIVIDENDS DECLARED	0	0	0	0	0	0	
(DECREASE) INCREASE OF CAPITAL	0	0	0	0	0	0	
REPURCHASE OF SHARES	0	-843,989	0	0	0	0	
(DECREASE) INCREASE IN ADDITIONAL PAID-IN CAPITAL	0	0	0	0	0	0	
(DECREASE) INCREASE IN NON-CONTROLLING INTEREST	0	0	0	0	0	0	
OTHER	0	1,319,824	0	0	0	0	
	0	0	0	0	0	0	

COMPREHENSIVE INCOME						
BALANCE AT SEPTEMBER 30, 2013	4,978,126	-12,627,388	15,889,819	0	0	2,139,007
BALANCE AT JANUARY 1, 2014	4,978,126	-12,848,448	15,889,819	0	0	2,139,007
RETROSPECTIVE ADJUSTMENT	0	0	0	0	0	0
APPLICATION OF OTHER COMPREHENSIVE INCOME TO RETAINED EARNINGS	0	0	0	0	0	0
ESTABLISHMENT OF RESERVES	0	0	0	0	0	0
DIVIDENDS DECLARED	0	0	0	0	0	0
(DECREASE) INCREASE OF CAPITAL	0	0	0	0	0	0
REPURCHASE OF SHARES	0	-1,050,277	0	0	0	0
(DECREASE) INCREASE IN ADDITIONAL PAID-IN CAPITAL	0	0	0	0	0	0
(DECREASE) INCREASE IN NON-CONTROLLING INTEREST	0	0	0	0	0	0
OTHER	0	1,248,005	0	0	0	0
COMPREHENSIVE INCOME	0	0	0	0	0	0
BALANCE AT SEPTEMBER 30, 2014	4,978,126	-12,650,720	15,889,819	0	0	2,139,007

MEXICAN STOCK EXCHANGE
STOCK EXCHANGE CODE: TLEVISA QUARTER: 03 YEAR: 2014
GRUPO TELEVISA, S.A.B.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

CONSOLIDATED

Final Printing

MEXICO CITY, D.F., OCTOBER 23, 2014—GRUPO TELEVISA, S.A.B. (NYSE:TV; BMV: TLEVISA CPO; "TELEVISA" OR "THE COMPANY"), TODAY ANNOUNCED RESULTS FOR THIRD-QUARTER 2014. THE RESULTS HAVE BEEN PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS").

THE FOLLOWING INFORMATION SETS FORTH CONDENSED CONSOLIDATED STATEMENTS OF INCOME FOR THE QUARTERS ENDED SEPTEMBER 30, 2014 AND 2013, IN MILLIONS OF MEXICAN PESOS, AS WELL AS THE PERCENTAGE THAT EACH LINE REPRESENTS OF NET SALES AND THE PERCENTAGE CHANGE WHEN COMPARING 2014 WITH 2013:

NET SALES

NET SALES INCREASED BY 5.7% TO PS.19,829.7 MILLION IN THIRD-QUARTER 2014 COMPARED WITH PS.18,763.1 MILLION IN THIRD-QUARTER 2013. THIS INCREASE WAS ATTRIBUTABLE TO STRONG GROWTH IN OUR SKY AND TELECOMMUNICATIONS BUSINESSES. OPERATING SEGMENT INCOME INCREASED 4.4%, REACHING PS.8,312.1 MILLION WITH A MARGIN OF 41.1% IN THIRD-QUARTER 2014 COMPARED WITH PS.7,960.9 MILLION WITH A MARGIN OF 41.6% IN THIRD-QUARTER 2013.

NET (LOSS) INCOME ATTRIBUTABLE TO STOCKHOLDERS OF THE COMPANY

NET INCOME OR LOSS ATTRIBUTABLE TO STOCKHOLDERS OF THE COMPANY AMOUNTED TO A NET LOSS OF PS.182.8 MILLION IN THIRD-QUARTER 2014 COMPARED WITH A NET INCOME OF PS.2,389.3 MILLION IN THIRD-QUARTER 2013. THE NET CHANGE OF PS.2,572.1 MILLION REFLECTED (I) A PS.4,445.5 MILLION INCREASE IN OTHER EXPENSE, NET, AS A RESULT MAINLY OF A ONE-TIME NON-CASH LOSS FROM THE AGREEMENT TO SELL OUR 50% INVESTMENT IN GSF TELECOM HOLDINGS, S.A.P.I. DE C.V. ("GSF"), THE PARENT COMPANY OF IUSACELL; (II) A PS.112.4 MILLION INCREASE IN NET INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS; AND (III) A PS.70.2 MILLION DECREASE IN INCOME BEFORE OTHER EXPENSE, NET. THESE UNFAVORABLE VARIANCES WERE OFFSET BY (I) A PS.1,015.0 MILLION DECREASE IN INCOME TAXES; (II) A PS.724.8 MILLION DECREASE IN FINANCE EXPENSE, NET; AND (III) A PS.316.2 MILLION FAVORABLE CHANGE IN SHARE OF INCOME OR LOSS OF JOINT VENTURES AND ASSOCIATES, NET.

THIRD-QUARTER RESULTS BY BUSINESS SEGMENT

THE FOLLOWING INFORMATION PRESENTS THIRD-QUARTER CONSOLIDATED RESULTS ENDED SEPTEMBER 30, 2014 AND 2013, FOR EACH OF OUR BUSINESS SEGMENTS. CONSOLIDATED RESULTS FOR THE THIRD-QUARTER 2014 AND 2013 ARE PRESENTED IN MILLIONS OF MEXICAN PESOS:

CONTENT

THIRD-QUARTER SALES DECREASED BY 3.4% TO PS.8,491.8 MILLION COMPARED WITH PS.8,794.0 MILLION IN THIRD-QUARTER 2013.

ADVERTISING

ADVERTISING REVENUE DECREASED BY 6.4% TO PS.6,015.4 MILLION COMPARED WITH PS.6,426.7 MILLION IN THIRD-QUARTER 2013. THESE RESULTS REFLECT LOWER ADVERTISING REVENUES FROM OUR NATIONAL FREE TO AIR NETWORKS EXPLAINED PARTIALLY BY THE NEW REGULATION THAT RESTRICTS TELEVISION ADVERTISING DURING CERTAIN TIME SLOTS FOR HIGH-CALORIC FOODS AND BEVERAGES. IN ADDITION, OUR FREE TO AIR ADVERTISING REVENUES WERE AFFECTED BY THE SHIFT OF SOME ADVERTISING BUDGETS FROM THE THIRD-QUARTER TO THE SECOND QUARTER, WHEN THE MAJORITY OF THE MATCHES OF THE 2014 WORLD CUP TOOK PLACE, AND BY A WEAK ECONOMIC ENVIRONMENT. ADVERTISING IN PAY-TV NETWORKS INCREASED BY 18.1% AND REPRESENTED 5.8% OF OUR ADVERTISING REVENUES.

NETWORK SUBSCRIPTION REVENUE

THIRD-QUARTER NETWORK SUBSCRIPTION REVENUE DECREASED BY 17.6% TO PS.718.5 MILLION COMPARED WITH PS.872.3 MILLION IN THIRD-QUARTER 2013. THESE RESULTS REFLECT FORGONE REVENUE AS A RESULT OF COMPLIANCE WITH THE MUST-OFFER RULING THAT CAME INTO EFFECT WITH THE CONSTITUTIONAL REFORM IN MATTERS OF TELECOMMUNICATIONS. THE MUST-OFFER RULING REQUIRES US TO ALLOW THE RETRANSMISSION FREE OF CHARGE AND ON A NON-DISCRIMINATORY BASIS OF FREE-TO-AIR TELEVISION SIGNALS TO PAY-TV LICENSEES THAT OPERATE IN THE SAME AREA OF GEOGRAPHIC COVERAGE, SUBJECT TO CERTAIN CONDITIONS BEING MET.

LICENSING AND SYNDICATION

LICENSING AND SYNDICATION REVENUE INCREASED BY 17.6% TO PS.1,757.9 MILLION COMPARED WITH PS.1,495.0 MILLION IN THIRD-QUARTER 2013. THE GROWTH IS EXPLAINED MAINLY BY AN INCREASE OF 22.4% IN ROYALTIES FROM UNIVISION, FROM US$71.4 MILLION IN THIRD-QUARTER 2013 TO US$87.4 MILLION IN THIRD-QUARTER 2014. SALES TO LATIN AMERICA AND THE REST OF THE WORLD EXPERIENCED SOLID GROWTH. THESE POSITIVE EFFECTS WERE PARTIALLY COMPENSATED BY LOWER REVENUES FROM OUR COPRODUCTIONS OVERSEAS.

THIRD-QUARTER OPERATING SEGMENT INCOME DECREASED BY 8.5% TO PS.4,042.0 MILLION COMPARED WITH PS.4,415.1 MILLION IN THIRD-QUARTER 2013; THE MARGIN WAS 47.6%. THE DROP IN THE MARGIN OF 260 BASIS POINTS FROM SAME QUARTER LAST YEAR IS MAINLY EXPLAINED BY THE DROP ON FREE TO AIR ADVERTISING REVENUES, THE IMPLEMENTATION OF THE MUST-OFFER RULING, AND THE EXPENSES RELATED TO THE BROADCASTING OF THE 2014 WORLD CUP. THIS EFFECT WAS PARTIALLY COMPENSATED BY LOWER PRODUCTION EXPENSES.

SKY

THIRD-QUARTER SALES GREW BY 9.5% TO PS.4,476.8 MILLION COMPARED WITH PS.4,089.8 MILLION IN THIRD-QUARTER 2013. THE INCREASE WAS DRIVEN BY SOLID GROWTH IN THE SUBSCRIBER BASE IN MEXICO, WHICH IS EXPLAINED BY THE CONTINUED SUCCESS OF SKY'S LOW-COST OFFERINGS AND THE ATTRACTIVENESS OF SKY'S TRADITIONAL PAY-TV PACKAGES. THE NUMBER OF NET ACTIVE SUBSCRIBERS INCREASED BY 160,183 DURING THE QUARTER TO 6,517,735 AS OF SEPTEMBER 30, 2014, OF WHICH 194,646 ARE IN CENTRAL AMERICA AND THE DOMINICAN REPUBLIC, COMPARED WITH 5,878,925 AS OF SEPTEMBER 30, 2013.

THIRD-QUARTER OPERATING SEGMENT INCOME INCREASED BY 12.2% TO PS.2,136.9 MILLION COMPARED WITH PS.1,903.7 MILLION IN THIRD-QUARTER 2013, AND THE MARGIN WAS 47.7%, AN INCREASE OF 120 BASIS POINTS FROM SAME QUARTER LAST YEAR. SKY BENEFITED FROM HIGHER REVENUES AND LOWER PROGRAMMING COSTS RESULTING FROM THE MUST-OFFER RULING, WHICH WERE PARTIALLY COMPENSATED BY HIGHER PROGRAMMING EXPENSES RELATED MAINLY TO THE TRANSMISSION OF CERTAIN MATCHES OF THE 2014 WORLD CUP.

TELECOMMUNICATIONS

THIRD-QUARTER SALES INCREASED BY 21.3% TO PS.5,305.1 MILLION COMPARED WITH PS.4,374.5 MILLION IN THIRD-QUARTER 2013. THIS INCREASE INCLUDES THE CONSOLIDATION, STARTING SEPTEMBER 1ST, OF PS.329.7 MILLION OF REVENUES FROM CABLECOM. REVENUES FROM OUR THREE CABLE OPERATIONS CABLEVISIÓN, CABLEMÁS AND TVI, AND BESTEL EXPERIENCED SOLID GROWTH. INCLUDING THE ACQUISITION OF CABLECOM, VOICE AND DATA REVENUE GENERATING UNITS, OR RGUS, GREW 31.7% AND 38.2% COMPARED WITH THIRD-QUARTER 2013, RESPECTIVELY, WHILE VIDEO RGUS EXPANDED BY 36.8%.

YEAR-OVER-YEAR, CABLEVISIÓN, CABLEMÁS, TVI, AND BESTEL NET SALES INCREASED 14.3%, 9.7%, 19.9%, AND 15.0% RESPECTIVELY.

THE FOLLOWING INFORMATION SETS FORTH THE BREAKDOWN OF RGUS FOR EACH OF OUR FOUR CABLE SUBSIDIARIES AS OF SEPTEMBER 30, 2014:

THE SUBSCRIBER BASE OF CABLEVISIÓN OF VIDEO, BROADBAND AND VOICE AS OF SEPTEMBER 30, 2014 AMOUNTED TO 883,164, 739,065 AND 438,507 SUBSCRIBERS, RESPECTIVELY.

THE SUBSCRIBER BASE OF CABLEMÁS OF VIDEO, BROADBAND AND VOICE AS OF SEPTEMBER 30, 2014 AMOUNTED TO 1,204,486, 812,555 AND 403,066 SUBSCRIBERS, RESPECTIVELY.

THE SUBSCRIBER BASE OF TVI OF VIDEO, BROADBAND AND VOICE AS OF SEPTEMBER 30, 2014 AMOUNTED TO 478,786, 361,103 AND 172,868 SUBSCRIBERS, RESPECTIVELY.

THE SUBSCRIBER BASE OF CABLECOM OF VIDEO, BROADBAND AND VOICE AS OF SEPTEMBER 30, 2014 AMOUNTED TO 803,850, 252,918 AND 133,456 SUBSCRIBERS, RESPECTIVELY.

THE RGUS OF CABLEVISIÓN, CABLEMÁS , TVI AND CABLECOM AS OF SEPTEMBER 30, 2014 AMOUNTED TO 2,060,736, 2,420,107, 1,012,757 AND 1,190,224, RESPECTIVELY.

THIRD-QUARTER OPERATING SEGMENT INCOME INCREASED BY 34.0% TO PS.1,981.6 MILLION COMPARED WITH PS.1,479.1 MILLION IN THIRD-QUARTER 2013, AND THE MARGIN REACHED 37.4%, AN INCREASE OF 360 BASIS POINTS FROM SAME QUARTER LAST YEAR. THESE RESULTS INCLUDE THE CONSOLIDATION OF CABLECOM, WHICH CONTRIBUTED PS.157.3 MILLION TO OPERATING SEGMENT INCOME, AND THE BENEFIT FROM LOWER PROGRAMMING COSTS AS A RESULT OF THE MUST-OFFER RULING, WHICH WERE PARTIALLY OFFSET BY HIGHER PERSONNEL, MAINTENANCE, AND MARKETING COSTS AND EXPENSES.

THE FOLLOWING INFORMATION SETS FORTH THE BREAKDOWN OF REVENUES AND OPERATING SEGMENT INCOME, EXCLUDING CONSOLIDATION ADJUSTMENTS, FOR OUR TELECOMMUNICATIONS SUBSIDIARIES FOR THE QUARTER. IN THE CASE OF CABLECOM ONLY THE MONTH OF SEPTEMBER IS INCLUDED:

THE REVENUES FOR THE QUARTER OF CABLEVISIÓN, CABLEMÁS, TVI, CABLECOM AND BESTEL AMOUNTED TO PS.1,613.1 MILLION, PS.1,720.9 MILLION, PS.819.4 MILLION, PS.329.7 MILLION AND PS.943.1 MILLION, RESPECTIVELY.

THE OPERATING SEGMENT INCOME FOR THE QUARTER OF CABLEVISIÓN, CABLEMÁS, TVI, CABLECOM AND BESTEL AMOUNTED TO PS.664.3 MILLION, PS.630.8 MILLION, PS.323.3 MILLION, PS.157.3 MILLION AND PS.332.3 MILLION, RESPECTIVELY.

THESE RESULTS DO NOT INCLUDE CONSOLIDATION ADJUSTMENTS OF PS.121.1 MILLION IN REVENUES OR PS.126.4 MILLION IN OPERATING SEGMENT INCOME, WHICH ARE CONSIDERED IN THE CONSOLIDATED RESULTS OF TELECOMMUNICATIONS.

OTHER BUSINESSES

THIRD-QUARTER SALES INCREASED BY 3.5% TO PS.1,936.6 MILLION COMPARED WITH PS.1,870.8 MILLION IN THIRD-QUARTER 2013. THIS INCREASE IS EXPLAINED MAINLY BY I) AN INCREASE IN THE REVENUES OF OUR SOCCER BUSINESS; II) AN INCREASE IN THE REVENUES OF OUR GAMING BUSINESS, AS A RESULT OF AN INCREASE IN THE REVENUES FROM OUR ELECTRONIC GAMING MACHINES; III) AN INCREASE IN THE REVENUES OF OUR FEATURE-FILM DISTRIBUTION BUSINESS IN MEXICO AND THE UNITED STATES, DUE IN PART TO THE DISTRIBUTION OF THE FILM "MÁS NEGRO QUE LA NOCHE"; AND IV) AN INCREASE IN THE REVENUES OF OUR RADIO BUSINESS DUE TO HIGHER ADVERTISING SALES. THIS EFFECT WAS PARTIALLY COMPENSATED BY A DECREASE IN THE REVENUES OF OUR PUBLISHING BUSINESS.

THIRD-QUARTER OPERATING SEGMENT INCOME DECREASED BY 7.0% TO PS.151.6 MILLION COMPARED WITH PS.163.0 MILLION IN THIRD-QUARTER 2013, AND THE MARGIN REACHED 7.8%. THESE RESULTS REFLECT LOWER REVENUES FROM OUR PUBLISHING BUSINESS AS WELL AS HIGHER MARKETING COSTS AND EXPENSES IN OUR FEATURE-FILM DISTRIBUTION BUSINESS. THESE EFFECTS WERE PARTIALLY COMPENSATED BY THE INCREASE IN THE PROFITABILITY OF OUR SOCCER AND GAMING BUSINESSES.

INTERSEGMENT OPERATIONS

INTERSEGMENT OPERATIONS FOR THE THIRD-QUARTER 2014 AND 2013 AMOUNTED TO PS.380.6 MILLION AND PS.366.0 MILLION, RESPECTIVELY.

CORPORATE EXPENSES

CORPORATE EXPENSE INCREASED BY PS.62.7 MILLION, OR 21.2%, TO PS.357.9 MILLION IN THIRD-QUARTER 2014, FROM PS.295.2 MILLION IN THIRD-QUARTER 2013. THE INCREASE REFLECTED PRIMARILY A HIGHER SHARE-BASED COMPENSATION EXPENSE.

SHARE-BASED COMPENSATION EXPENSE IN THIRD-QUARTER 2014 AND 2013 AMOUNTED TO PS.224.4 MILLION AND PS.164.7 MILLION, RESPECTIVELY, AND WAS ACCOUNTED FOR AS CORPORATE EXPENSE. SHARE-BASED COMPENSATION EXPENSE IS MEASURED AT FAIR VALUE AT THE TIME THE EQUITY BENEFITS ARE CONDITIONALLY SOLD TO OFFICERS AND EMPLOYEES, AND IS RECOGNIZED OVER THE VESTING PERIOD. THE INCREASE OF PS.59.7 MILLION REFLECTED PRIMARILY A HIGHER NUMBER OF OUR CPOS CONDITIONALLY SOLD TO OFFICERS AND EMPLOYEES INVOLVED IN OUR TELECOMMUNICATIONS SEGMENT, AS WELL AS THE INCREASE IN THE MARKET PRICE OF OUR CPO FROM LAST YEAR.

OTHER EXPENSE, NET

OTHER EXPENSE, NET, INCREASED BY PS.4,445.5 MILLION TO PS.4,546.6 MILLION IN THIRD-QUARTER 2014, FROM PS.101.1 MILLION IN THIRD-QUARTER 2013. THIS INCREASE REFLECTED PRIMARILY A ONE-TIME NON-CASH LOSS FROM THE AGREEMENT TO SELL OUR INVESTMENT IN GSF, OUR 50% JOINT VENTURE IN THE IUSACELL TELECOM BUSINESS, IN CONNECTION WITH A TRANSACTION AGREEMENT WITH OUR PARTNER IN GSF IN SEPTEMBER 2014, AS DISCUSSED BELOW.

OTHER EXPENSE, NET, ALSO INCLUDED FINANCIAL ADVISORY AND PROFESSIONAL SERVICES, DONATIONS AND LOSS ON DISPOSITION OF PROPERTY AND EQUIPMENT FOR THE THIRD-QUARTER 2014.

NON-OPERATING RESULTS

FINANCE EXPENSE, NET

THE FOLLOWING INFORMATION SETS FORTH THE FINANCE EXPENSE OR INCOME, NET, STATED IN MILLIONS OF MEXICAN PESOS FOR THE QUARTERS ENDED SEPTEMBER 30, 2014 AND 2013:

FINANCE EXPENSE, NET, DECREASED BY PS.724.8 MILLION, OR 62.4%, TO PS.437.2 MILLION IN THIRD-QUARTER 2014 FROM PS.1,162.0 MILLION IN THIRD-QUARTER 2013. THIS DECREASE RESULTED PRIMARILY FROM (I) A INCREASE OF PS.955.9 MILLION IN OTHER FINANCE INCOME, NET, TO PS.887.4 MILLION IN THIRD-QUARTER 2014 COMPARED WITH PS.68.5 MILLION IN OTHER FINANCE EXPENSE, NET IN THIRD-QUARTER 2013, DUE TO A FAVORABLE CHANGE IN FAIR VALUE OF THE EMBEDDED DERIVATE RELATED TO OUR OPTION TO CONVERT OUR INVESTMENT IN DEBENTURES ISSUED BY BROADCASTING MEDIA PARTNERS (“BMP”), THE CONTROLLING COMPANY OF UNIVISION, INTO AN EQUITY STAKE OF BMP; AND (II) A PS.68.2 MILLION INCREASE IN INTEREST INCOME TO PS.330.0 MILLION IN THIRD-QUARTER 2014 COMPARED WITH PS.261.8 MILLION IN THIRD-QUARTER 2013, EXPLAINED PRIMARILY BY A HIGHER AVERAGE AMOUNT OF CASH EQUIVALENTS AND TEMPORARY INVESTMENTS IN THIRD-QUARTER 2014. THESE FAVORABLE VARIANCES WERE PARTIALLY OFFSET BY (I) A PS.187.5 MILLION INCREASE IN INTEREST EXPENSE TO PS.1,421.4 MILLION IN THIRD-QUARTER 2014 COMPARED WITH PS.1,233.9 MILLION IN THIRD-QUARTER 2013, DUE PRIMARILY TO A HIGHER AVERAGE PRINCIPAL AMOUNT OF DEBT AND FINANCE LEASE OBLIGATIONS IN THIRD-QUARTER 2014; AND (II) A PS.111.8 MILLION INCREASE IN FOREIGN EXCHANGE LOSS TO PS.233.2 MILLION IN THIRD-QUARTER 2014 COMPARED WITH PS.121.4 MILLION IN THIRD-QUARTER 2013, RESULTING PRIMARILY FROM THE EFFECT OF A 3.2% DEPRECIATION OF THE MEXICAN PESO AGAINST THE U.S. DOLLAR ON OUR AVERAGE NET UNHEDGED U.S. DOLLAR LIABILITY POSITION IN THIRD-QUARTER 2014 COMPARED WITH A 0.9% DEPRECIATION AND A LOWER U.S. DOLLAR LIABILITY POSITION IN THIRD-QUARTER 2013.

SHARE OF INCOME OR LOSS OF JOINT VENTURES AND ASSOCIATES, NET

SHARE OF INCOME OR LOSS OF JOINT VENTURES AND ASSOCIATES, NET, CHANGED BY PS.316.2 MILLION TO A NET INCOME OF PS.116.4 MILLION IN THIRD-QUARTER 2014 FROM A NET LOSS OF PS.199.8 MILLION IN THIRD-QUARTER 2013. THIS CHANGE REFLECTED MAINLY A REDUCTION IN LOSS OF GSF, OUR 50% JOINT VENTURE IN THE IUSACELL TELECOM BUSINESS, AS WELL AS A HIGHER INCOME OF BMP, THE CONTROLLING COMPANY OF UNIVISION.

INCOME TAXES

INCOME TAXES DECREASED BY PS.1,015.0 MILLION TO PS.65.9 MILLION IN THIRD-QUARTER 2014 COMPARED WITH PS.1,080.9 MILLION IN THIRD-QUARTER 2013. THIS DECREASE REFLECTED PRIMARILY A LOWER TAX BASE.

NET INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS

NET INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS INCREASED BY PS.112.4 MILLION, OR 46.4%, TO PS.354.7 MILLION IN THIRD-QUARTER 2014, COMPARED WITH PS.242.3 MILLION IN THIRD-QUARTER 2013. THIS INCREASE REFLECTED PRIMARILY A HIGHER PORTION OF NET INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS IN OUR TELECOMMUNICATIONS SEGMENT.

OTHER RELEVANT INFORMATION

CAPITAL EXPENDITURES AND INVESTMENTS

DURING THIRD-QUARTER 2014, WE INVESTED APPROXIMATELY US$332.6 MILLION IN PROPERTY, PLANT AND EQUIPMENT AS CAPITAL EXPENDITURES, INCLUDING APPROXIMATELY US$183.4 MILLION FOR OUR TELECOMMUNICATIONS SEGMENT, US$102.4 MILLION FOR OUR SKY SEGMENT, AND US$46.8 MILLION FOR OUR CONTENT SEGMENT AND OTHER BUSINESSES.

OUR INVESTMENT IN PROPERTY, PLANT AND EQUIPMENT IN OUR TELECOMMUNICATIONS SEGMENT DURING THIRD-QUARTER 2014 INCLUDED APPROXIMATELY US$41.1 MILLION FOR CABLEVISIÓN, US$81.5 MILLION FOR CABLEMÁS, US$39.9 MILLION FOR TVI, US$4.4 MILLION FOR CABLECOM, AND US$16.5 MILLION FOR BESTEL.

IN AUGUST 2014, WE ACQUIRED, PURSUANT TO APPLICABLE REGULATIONS, 100% OF THE EQUITY INTEREST OF GRUPO CABLE TV, S.A. DE C.V. ("CABLECOM") THROUGH THE CONVERSION OF CERTAIN DEBT INSTRUMENTS PREVIOUSLY SUBSCRIBED BY TENEDORA ARES, S.A.P.I. DE C.V. ("ARES"), THE CONTROLLING COMPANY OF CABLECOM, THE CAPITALIZATION OF A LONG-TERM LOAN PREVIOUSLY SUBSCRIBED BY ARES, AND CASH IN THE AMOUNT OF PS.5,908 MILLION. THE TOTAL FAIR VALUE CONSIDERATION FOR THE ACQUISITION OF CABLECOM AMOUNTED TO PS.15,847.7 AT THE ACQUISITION DATE. WE BEGAN TO CONSOLIDATE CABLECOM IN OUR CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF AUGUST 31, 2014, AND THEREFORE, OUR CONSOLIDATED STATEMENTS OF INCOME FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2014, INCLUDED THE RESULTS OF CABLECOM FOR THE MONTH ENDED ON THAT DATE.

IN SEPTEMBER 2014, OUR PARTNER IN GSF AGREED TO PURCHASE OUR 50% EQUITY PARTICIPATION IN THE IUSACELL TELECOM BUSINESS AT A CASH PURCHASE PRICE OF US$717 MILLION (PS.9,623.2 MILLION). AS A RESULT OF THIS TRANSACTION, WHICH IS SUBJECT TO CUSTOMARY CLOSING CONDITIONS AND REQUIRED REGULATORY APPROVALS, WE RECOGNIZED A ONE-TIME NON-CASH LOSS OF APPROXIMATELY US$316 MILLION (PS.4,168.5 MILLION) IN CONSOLIDATED OTHER EXPENSE FOR THIRD-QUARTER 2014.

DEBT AND FINANCE LEASE OBLIGATIONS

THE FOLLOWING INFORMATION SETS FORTH OUR TOTAL CONSOLIDATED DEBT AND FINANCE LEASE OBLIGATIONS AS OF SEPTEMBER 30, 2014 AND DECEMBER 31, 2013. AMOUNTS ARE STATED IN MILLIONS OF MEXICAN PESOS:

THE TOTAL CONSOLIDATED DEBT AMOUNTED TO PS.77,040.5 MILLION AND PS.60,055.8 MILLION AS OF SEPTEMBER 30, 2014 AND DECEMBER 31, 2013, RESPECTIVELY, WHICH INCLUDED A CURRENT PORTION OF LONG-TERM DEBT IN THE AMOUNT OF PS.335.7 MILLION AND PS.312.7 MILLION, RESPECTIVELY.

ADDITIONALLY, WE HAD FINANCE LEASE OBLIGATIONS IN THE AMOUNT OF PS.4,862.5 MILLION AND PS.4,919.2 MILLION AS OF SEPTEMBER 30, 2014 AND DECEMBER 31, 2013, RESPECTIVELY, WHICH INCLUDED A CURRENT PORTION OF PS.418.8 MILLION AND PS.424.7 MILLION, RESPECTIVELY.

AS OF SEPTEMBER 30, 2014, OUR CONSOLIDATED NET DEBT POSITION (TOTAL DEBT LESS CASH AND CASH EQUIVALENTS, TEMPORARY INVESTMENTS, AND NONCURRENT HELD-TO-MATURITY AND AVAILABLE-FOR-SALE INVESTMENTS) WAS PS.39,747.5 MILLION. THE AGGREGATE AMOUNT OF NONCURRENT HELD-TO-MATURITY AND AVAILABLE-FOR-SALE INVESTMENTS AS OF SEPTEMBER 30, 2014, AMOUNTED TO PS.6,151.1 MILLION.

IN SEPTEMBER 2014, WE PREPAID PESO-DENOMINATED LONG-TERM BANK LOANS IN THE PRINCIPAL AMOUNT OF PS.4,500.0 MILLION WHICH WERE ORIGINALLY DUE IN 2016. THE AGGREGATE AMOUNT PAID BY US AMOUNTED TO PS.4,775.9 MILLION WHICH INCLUDED RELATED ACCRUED INTEREST AND FEES.

SHARES OUTSTANDING

AS OF SEPTEMBER 30, 2014 AND DECEMBER 31, 2013, AND EXCLUDING THE OUTSTANDING CPO EQUIVALENTS HELD IN A TRUST FOR THE IMPLEMENTATION OF THE LONG-TERM RETENTION PLAN, OUR SHARES OUTSTANDING AMOUNTED TO 338,373.3 MILLION AND 335,501.0 MILLION SHARES, RESPECTIVELY, AND OUR CPO EQUIVALENTS OUTSTANDING AMOUNTED TO 2,892.1 MILLION AND 2,867.5 MILLION CPO EQUIVALENTS, RESPECTIVELY. NOT ALL OF OUR SHARES ARE IN THE FORM OF CPOS. THE NUMBER OF CPO EQUIVALENTS IS CALCULATED BY DIVIDING THE NUMBER OF SHARES OUTSTANDING BY 117.

AS OF SEPTEMBER 30, 2014 AND DECEMBER 31, 2013, THE GDS (GLOBAL DEPOSITARY SHARES) EQUIVALENTS OUTSTANDING AMOUNTED TO 578.4 MILLION AND 573.5 MILLION GDS EQUIVALENTS, RESPECTIVELY. THE NUMBER OF GDS EQUIVALENTS IS CALCULATED BY DIVIDING THE NUMBER OF CPO EQUIVALENTS BY FIVE.

ABOUT TELEVISA

TELEVISA IS THE LARGEST MEDIA COMPANY IN THE SPANISH-SPEAKING WORLD BASED ON ITS MARKET CAPITALIZATION AND A MAJOR PARTICIPANT IN THE INTERNATIONAL ENTERTAINMENT BUSINESS. IT OPERATES FOUR BROADCAST CHANNELS IN MEXICO CITY, PRODUCES AND DISTRIBUTES 24 PAY-TV BRANDS FOR DISTRIBUTION IN MEXICO AND THE REST OF THE WORLD, AND EXPORTS ITS PROGRAMS AND FORMATS TO THE U.S. THROUGH UNIVISION COMMUNICATIONS INC. (“UNIVISION”) AND TO OTHER TELEVISION NETWORKS IN OVER 50 COUNTRIES. TELEVISA IS ALSO AN ACTIVE PARTICIPANT IN MEXICO’S TELECOMMUNICATIONS INDUSTRY. IT HAS A MAJORITY INTEREST IN SKY, A LEADING DIRECT-TO-HOME SATELLITE TELEVISION SYSTEM OPERATING IN MEXICO, THE DOMINICAN REPUBLIC AND CENTRAL AMERICA AND IN FIVE CABLE AND TELECOMMUNICATIONS BUSINESSES: CABLEVISIÓN, CABLEMÁS, CABLECOM, TVI AND BESTEL. THROUGH ITS CABLE COMPANIES, TELEVISA OFFERS VIDEO, VOICE, AND BROADBAND SERVICES. TELEVISA ALSO HAS INTERESTS IN MAGAZINE PUBLISHING AND DISTRIBUTION, RADIO PRODUCTION AND BROADCASTING, PROFESSIONAL SPORTS AND LIVE

ENTERTAINMENT, FEATURE-FILM PRODUCTION AND DISTRIBUTION, THE OPERATION OF A HORIZONTAL INTERNET PORTAL, AND GAMING. IN ADDITION, TELEVISA HAS A 50% EQUITY STAKE IN GSF TELECOM HOLDINGS, S.A.P.I. DE C.V. ("GSF"), THE CONTROLLING COMPANY OF GRUPO IUSACELL, S.A. DE C.V. ("IUSACELL"), MEXICO'S THIRD LARGEST MOBILE TELECOM PROVIDER IN TERMS OF SUBSCRIBERS. IN THE UNITED STATES, TELEVISA HAS EQUITY AND DEBENTURES THAT, UPON CONVERSION AND SUBJECT TO ANY NECESSARY APPROVAL FROM THE FEDERAL COMMUNICATIONS COMMISSION ("FCC") IN THE UNITED STATES, WOULD REPRESENT APPROXIMATELY 38% ON A FULLY DILUTED, AS-CONVERTED BASIS OF THE EQUITY CAPITAL IN BROADCASTING MEDIA PARTNERS, INC. ("BMP"), THE CONTROLLING COMPANY OF UNIVISION, THE LEADING MEDIA COMPANY SERVING THE UNITED STATES HISPANIC MARKET.

DISCLAIMER

THIS ANNEX CONTAINS FORWARD-LOOKING STATEMENTS REGARDING THE COMPANY'S RESULTS AND PROSPECTS. ACTUAL RESULTS COULD DIFFER MATERIALLY FROM THESE STATEMENTS. THE FORWARD-LOOKING STATEMENTS IN THIS ANNEX SHOULD BE READ IN CONJUNCTION WITH THE FACTORS DESCRIBED IN "ITEM 3. KEY INFORMATION – FORWARD-LOOKING STATEMENTS" IN THE COMPANY'S ANNUAL REPORT ON FORM 20-F, WHICH, AMONG OTHERS, COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE CONTAINED IN FORWARD-LOOKING STATEMENTS MADE IN THIS ANNEX AND IN ORAL STATEMENTS MADE BY AUTHORIZED OFFICERS OF THE COMPANY. READERS ARE CAUTIONED NOT TO PLACE UNDUE RELIANCE ON THESE FORWARD-LOOKING STATEMENTS, WHICH SPEAK ONLY AS OF THEIR DATES. THE COMPANY UNDERTAKES NO OBLIGATION TO PUBLICLY UPDATE OR REVISE ANY FORWARD-LOOKING STATEMENTS, WHETHER AS A RESULT OF NEW INFORMATION, FUTURE EVENTS OR OTHERWISE.

THE FINANCIAL INSTITUTIONS THAT PERFORM FINANCIAL ANALYSIS ON THE SECURITIES OF GRUPO TELEVISA, S.A.B. ARE AS FOLLOWS:

INSTITUTION:

- BARCLAYS
- BBVA BANCOMER
- BTG PACTUAL
- CREDIT SUISSE
- GBM CASA DE BOLSA
- GOLDMAN SACHS
- HSBC
- INVEX
- ITAÚ SECURITIES
- JPMORGAN
- MAXIM GROUP
- MERRILL LYNCH
- MORGAN STANLEY
- NEW STREET
- SANTANDER
- SCOTIABANK
- UBS

MEXICAN STOCK EXCHANGE
STOCK EXCHANGE CODE: TLEVISA QUARTER: 03 YEAR: 2014
GRUPO TELEVISA, S.A.B.
FINANCIAL STATEMENT NOTES

CONSOLIDATED
Final Printing

GRUPO TELEVISA, S.A.B. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2014 AND DECEMBER 31, 2013 AND
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014 AND 2013
(IN THOUSANDS OF MEXICAN PESOS, EXCEPT PER CPO AND PER SHARE AMOUNTS)

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES:

THESE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF GRUPO TELEVISA, S.A.B. (THE "COMPANY") AND SUBSIDIARIES (COLLECTIVELY, THE "GROUP"), AS OF SEPTEMBER 30, 2014 AND DECEMBER 31, 2013, AND FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014 AND 2013, ARE UNAUDITED, AND HAVE BEEN PREPARED BY USING THE GUIDELINES PROVIDED BY THE INTERNATIONAL ACCOUNTING STANDARD 34, INTERIM FINANCIAL REPORTING. IN THE OPINION OF MANAGEMENT, ALL ADJUSTMENTS NECESSARY FOR A FAIR PRESENTATION OF THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS HAVE BEEN INCLUDED THEREIN.

THESE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS SHOULD BE READ IN CONJUNCTION WITH THE GROUP'S AUDITED CONSOLIDATED FINANCIAL STATEMENTS AND NOTES THERETO FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012, WHICH HAVE BEEN PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS AS ISSUED BY THE INTERNATIONAL ACCOUNTING STANDARDS BOARD, AND INCLUDE, AMONG OTHER DISCLOSURES, THE GROUP'S MOST SIGNIFICANT ACCOUNTING POLICIES, WHICH WERE APPLIED ON A CONSISTENT BASIS AS OF SEPTEMBER 30, 2014, EXCEPT FOR THE NEW SEGMENT PRESENTATION DISCUSSED IN NOTE 8.

THESE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS WERE AUTHORIZED FOR ISSUANCE ON OCTOBER 20, 2014, BY THE GROUP’S CHIEF FINANCIAL OFFICER.

2. PROPERTY, PLANT AND EQUIPMENT:

PROPERTY, PLANT AND EQUIPMENT AS OF SEPTEMBER 30, 2014 AND DECEMBER 31, 2013 CONSISTED OF:

	2014	2013
BUILDINGS	PS. 8,311,771	PS. 8,411,136
BUILDING IMPROVEMENTS	359,480	305,402
TECHNICAL EQUIPMENT	77,035,996	66,508,565
SATELLITE TRANSPONDERS	7,869,492	7,869,492
FURNITURE AND FIXTURES	893,175	825,284
TRANSPORTATION EQUIPMENT	2,084,711	1,907,209
COMPUTER EQUIPMENT	5,606,091	5,341,054
LEASEHOLD IMPROVEMENTS	1,572,460	1,528,911

	103,733,176	92,697,053
ACCUMULATED DEPRECIATION	(58,075,600)	(49,198,237)
	45,657,576	43,498,816
LAND	4,338,120	4,597,648
CONSTRUCTION AND PROJECTS IN PROGRESS	7,858,939	5,380,011
	PS.57,854,635	PS.53,476,475

DEPRECIATION CHARGED TO INCOME FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014 AND 2013 WAS PS.7,326,591 AND PS.6,568,396, RESPECTIVELY.

DURING THE NINE MONTHS ENDED SEPTEMBER 30, 2014, THE GROUP INVESTED PS.10,081,440 IN PROPERTY, PLANT AND EQUIPMENT AS CAPITAL EXPENDITURES.

3. DEBT AND FINANCE LEASE OBLIGATIONS:

DEBT AND FINANCE LEASE OBLIGATIONS OUTSTANDING AS OF SEPTEMBER 30, 2014 AND DECEMBER 31, 2013 WERE AS FOLLOWS:

	2014	2013
U.S. DOLLAR DEBT:		
6% SENIOR NOTES DUE 2018 (A)	PS.6,683,315	PS.6,507,849
6.625% SENIOR NOTES DUE 2025 (A)	7,650,855	7,414,019
8.50% SENIOR NOTES DUE 2032 (A)	3,995,541	3,890,267
6.625% SENIOR NOTES DUE 2040 (A)	7,895,223	7,679,931
5% SENIOR NOTES DUE 2045 (A)	12,902,825	-
TOTAL U.S. DOLLAR DEBT	39,127,759	25,492,066
MEXICAN PESO DEBT:		
7.38% NOTES DUE 2020 (B)	9,957,093	9,951,803
TIIE + 0.35% NOTES DUE 2021 (B)	5,986,380	-
8.49% SENIOR NOTES DUE 2037 (A)	4,483,566	4,483,022
7.25% SENIOR NOTES DUE 2043 (A)	6,432,106	6,430,330
BANK LOANS	5,874,242	8,589,233
BANK LOANS (SKY)	3,500,000	3,500,000
BANK LOANS (TVI)	1,679,369	1,609,361
TOTAL MEXICAN PESO DEBT	37,912,756	34,563,749
TOTAL DEBT (C)	77,040,515	60,055,815
LESS: SHORT-TERM DEBT AND CURRENT PORTION OF LONG-TERM DEBT	335,748	312,715
LONG-TERM DEBT, NET OF CURRENT PORTION	PS.76,704,767	PS.59,743,100
FINANCE LEASE OBLIGATIONS:		
SATELLITE TRANSPONDER LEASE OBLIGATION	PS.4,049,114	PS.4,077,561
OTHER	813,375	841,686
TOTAL FINANCE LEASE OBLIGATIONS	4,862,489	4,919,247
LESS: CURRENT PORTION	418,806	424,698
FINANCE LEASE OBLIGATIONS, NET OF CURRENT PORTION	PS.4,443,683	PS.4,494,549

(A) THESE SENIOR NOTES ARE UNSECURED OBLIGATIONS OF THE COMPANY, RANK EQUALLY IN RIGHT OF PAYMENT WITH ALL EXISTING AND FUTURE UNSECURED AND UNSUBORDINATED INDEBTEDNESS OF THE COMPANY, AND ARE JUNIOR IN RIGHT OF PAYMENT TO ALL OF THE

EXISTING AND FUTURE LIABILITIES OF THE COMPANY'S SUBSIDIARIES. INTEREST ON THE SENIOR NOTES DUE 2018, 2025, 2032, 2037, 2040, 2043 AND 2045, INCLUDING ADDITIONAL AMOUNTS PAYABLE IN RESPECT OF CERTAIN MEXICAN WITHHOLDING TAXES, IS 6.31%, 6.97%, 8.94%, 8.93%, 6.97%, 7.62% AND 5.26% PER ANNUM, RESPECTIVELY, AND IS PAYABLE SEMI-ANNUALLY. THESE SENIOR NOTES MAY NOT BE REDEEMED PRIOR TO MATURITY, EXCEPT (I) IN THE EVENT OF CERTAIN CHANGES IN LAW AFFECTING THE MEXICAN WITHHOLDING TAX TREATMENT OF CERTAIN PAYMENTS ON THE SECURITIES, IN WHICH CASE THE SECURITIES WILL BE REDEEMABLE, AS A WHOLE BUT NOT IN PART, AT THE OPTION OF THE COMPANY; AND (II) IN THE EVENT OF A CHANGE OF CONTROL, IN WHICH CASE THE COMPANY MAY BE REQUIRED TO REDEEM THE SECURITIES AT 101% OF THEIR PRINCIPAL AMOUNT. ALSO, THE COMPANY MAY, AT ITS OWN OPTION, REDEEM THE SENIOR NOTES DUE 2018, 2025, 2037, 2040 AND 2043, IN WHOLE OR IN PART, AT ANY TIME AT A REDEMPTION PRICE EQUAL TO THE GREATER OF THE PRINCIPAL AMOUNT OF THESE SENIOR NOTES OR THE PRESENT VALUE OF FUTURE CASH FLOWS, AT THE REDEMPTION DATE, OF PRINCIPAL AND INTEREST AMOUNTS OF THE SENIOR NOTES DISCOUNTED AT A FIXED RATE OF COMPARABLE U.S. OR MEXICAN SOVEREIGN BONDS. THE AGREEMENT OF THESE SENIOR NOTES CONTAINS COVENANTS THAT LIMIT THE ABILITY OF THE COMPANY AND CERTAIN RESTRICTED SUBSIDIARIES ENGAGED IN THE GROUP'S CONTENT SEGMENT, TO INCUR OR ASSUME LIENS, PERFORM SALE AND LEASEBACK TRANSACTIONS, AND CONSUMMATE CERTAIN MERGERS, CONSOLIDATIONS AND SIMILAR TRANSACTIONS. THE SENIOR NOTES DUE 2018, 2025, 2032, 2037, 2040 AND 2045 ARE REGISTERED WITH THE U.S. SECURITIES AND EXCHANGE COMMISSION ("SEC"). THE SENIOR NOTES DUE 2043 ARE REGISTERED WITH BOTH THE U.S. SEC AND THE MEXICAN BANKING AND SECURITIES COMMISSION ("COMISIÓN NACIONAL BANCARIA Y DE VALORES" OR "CNBV").

(B) INTEREST ON THESE NOTES ("CERTIFICADOS BURSÁTILES") IS PAYABLE SEMI-ANNUALLY FOR NOTES DUE 2020 AND EVERY 28 DAYS FOR NOTES DUE 2021. THE COMPANY MAY, AT ITS OWN OPTION, REDEEM THE NOTES DUE 2020, IN WHOLE OR IN PART, AT ANY SEMI-ANNUAL INTEREST PAYMENT DATE AT A REDEMPTION PRICE EQUAL TO THE GREATER OF THE PRINCIPAL AMOUNT OF THE OUTSTANDING NOTES AND THE PRESENT VALUE OF FUTURE CASH FLOWS, AT THE REDEMPTION DATE, OF PRINCIPAL AND INTEREST AMOUNTS OF THE NOTES DISCOUNTED AT A FIXED RATE OF COMPARABLE MEXICAN SOVEREIGN BONDS. THE COMPANY MAY, AT ITS OWN OPTION, REDEEM THE NOTES DUE 2021, IN WHOLE OR IN PART, AT ANY DATE AT A REDEMPTION PRICE EQUAL TO THE GREATER OF THE PRINCIPAL AMOUNT OF THE OUTSTANDING NOTES AND AN AVERAGE PRICE CALCULATED FROM PRICES TO BE PROVIDED AT THE REDEMPTION DATE BY TWO MEXICAN FINANCIAL PRICING COMPANIES. THE AGREEMENT OF THESE NOTES CONTAINS COVENANTS THAT LIMIT THE ABILITY OF THE COMPANY AND CERTAIN RESTRICTED SUBSIDIARIES APPOINTED BY THE COMPANY'S BOARD OF DIRECTORS, AND ENGAGED IN THE GROUP'S CONTENT SEGMENT, TO INCUR OR ASSUME LIENS, PERFORM SALE AND LEASEBACK TRANSACTIONS, AND CONSUMMATE CERTAIN MERGERS, CONSOLIDATIONS AND SIMILAR TRANSACTIONS.

(C) TOTAL DEBT IS PRESENTED NET OF UNAMORTIZED FINANCE COSTS AS OF SEPTEMBER 30, 2014 AND DECEMBER 31, 2013, IN THE AGGREGATE AMOUNT OF PS.1,290,532 AND PS.808,585, RESPECTIVELY.

IN APRIL 2014, THE COMPANY CONCLUDED AN OFFERING OF LOCAL BONDS ("CERTIFICADOS BURSÁTILES") DUE 2021 FOR A PRINCIPAL AMOUNT OF PS.6,000,000 WITH AN INTEREST RATE OF THE 28-DAY INTERBANK EQUILIBRIUM INTEREST RATE ("TASA DE INTERÉS INTERBANCARIA DE EQUILIBRIO" OR "TIIE") PLUS 0.35%, WHICH WAS REGISTERED WITH THE CNBV.

IN MAY 2014, THE COMPANY CONCLUDED AN OFFERING OF U.S.$1,000 MILLION (PS.12,922,300) AGGREGATE PRINCIPAL AMOUNT OF 5% SENIOR NOTES DUE 2045, WHICH WAS REGISTERED WITH THE U.S. SEC.

IN JUNE 2014, THE COMPANY DEPOSITED CASH INTO IRREVOCABLE TRUST ACCOUNTS FOR THE BENEFIT OF CERTAIN CREDITORS OF THE COMPANY'S PESO-DENOMINATED LONG-TERM BANK LOANS, THAT REPRESENTED A PRINCIPAL AMOUNT OF PS.4,500,000. IN SEPTEMBER 2014, THE COMPANY PREPAID PESO-DENOMINATED LONG-TERM BANK LOANS IN THE PRINCIPAL AMOUNT OF PS.4,500,000, WHICH WERE ORIGINALLY DUE IN 2016.

IN SEPTEMBER 2014, THE COMPANY PREPAID A PESO-DENOMINATED LONG-TERM BANK LOAN PREVIOUSLY SUBSCRIBED BY CABLECOM IN THE PRINCIPAL AMOUNT OF PS.1,771,000, WHICH WAS ORIGINALLY DUE IN 2018. THIS PREPAYMENT WAS FUNDED BY THE COMPANY WITH A LONG-TERM BANK LOAN IN THE PRINCIPAL AMOUNT OF PS.1,782,000, WITH A MATURITY IN 2016.

4. CONTINGENCIES:

THERE ARE SEVERAL LEGAL ACTIONS AND CLAIMS PENDING AGAINST THE GROUP WHICH ARE FILED IN THE ORDINARY COURSE OF BUSINESS. IN THE OPINION OF THE COMPANY'S MANAGEMENT, NONE OF THESE ACTIONS AND CLAIMS IS EXPECTED TO HAVE A MATERIAL ADVERSE EFFECT ON THE GROUP'S FINANCIAL STATEMENTS AS A WHOLE; HOWEVER, THE COMPANY´S MANAGEMENT IS UNABLE TO PREDICT THE OUTCOME OF ANY OF THESE LEGAL ACTIONS AND CLAIMS.

5. EQUITY:

THE EQUITY ATTRIBUTABLE TO STOCKHOLDERS OF THE COMPANY AS OF SEPTEMBER 30, 2014 AND DECEMBER 31, 2013, IS PRESENTED AS FOLLOWS:

	2014	2013
NOMINAL CAPITAL STOCK	PS. 2,494,410	PS. 2,494,410
CUMULATIVE INFLATION ADJUSTMENT (A)	2,483,716	2,483,716
TOTAL CAPITAL STOCK	PS. 4,978,126	PS. 4,978,126
ADDITIONAL PAID-IN CAPITAL	15,889,819	15,889,819
RETAINED EARNINGS	57,301,130	49,149,607
ACCUMULATED OTHER COMPREHENSIVE INCOME, NET	5,181,113	3,394,051
SHARES REPURCHASED	(12,650,720)	(12,848,448)
NET INCOME FOR THE PERIOD	2,882,651	7,748,279
EQUITY ATTRIBUTABLE TO STOCKHOLDERS OF THE COMPANY	PS. 73,582,119	PS. 68,311,434

(A) ADJUSTMENT TO RECOGNIZE THE EFFECTS OF INFLATION IN CAPITAL STOCK THROUGH DECEMBER 31, 1997, DETERMINED BY APPLYING THE CHANGE IN THE MEXICAN NATIONAL CONSUMER PRICE INDEX BETWEEN THE DATES CAPITAL STOCK WAS CONTRIBUTED AND DECEMBER 31, 1997, THE DATE THROUGH WHICH THE MEXICAN ECONOMY WAS CONSIDERED HYPERINFLATIONARY UNDER THE GUIDELINES OF THE IFRS.

ON APRIL 2, 2013, THE COMPANY'S STOCKHOLDERS APPROVED THE PAYMENT OF A DIVIDEND OF PS.0.35 PER CPO AND PS.0.002991452991 PER SHARE OF SERIES "A", "B", "D" AND "L" SHARES NOT IN THE FORM OF A CPO, WHICH WAS PAID IN CASH IN MAY 2013 IN THE AGGREGATE AMOUNT OF PS.1,084,192.

ON DECEMBER 9, 2013, THE COMPANY´S STOCKHOLDERS APPROVED THE PAYMENT OF A DIVIDEND OF PS.0.35 PER CPO AND PS.0.002991452991 PER SHARE OF SERIES “A”, “B”, “D” AND “L” SHARES NOT IN THE FORM OF A CPO, WHICH WAS PAID IN CASH IN DECEMBER 2013 IN THE AGGREGATE AMOUNT OF PS.1,084,192.

AS OF SEPTEMBER 30, 2014, THE NUMBER OF SHARES ISSUED, ACQUIRED BY A COMPANY’S TRUST AND OUTSTANDING IS PRESENTED AS FOLLOWS:

	ISSUED	ACQUIRED BY A COMPANY’S TRUST	OUTSTANDING
SERIES “A” SHARES	123,273,961,425	8,169,668,784	115,104,292,641
SERIES “B” SHARES	58,982,873,976	5,592,438,989	53,390,434,987
SERIES “D” SHARES	90,086,525,865	5,147,255,699	84,939,270,166
SERIES “L” SHARES	90,086,525,865	5,147,255,699	84,939,270,166
	362,429,887,131	24,056,619,171	338,373,267,960

AS OF SEPTEMBER 30, 2014, THE COMPANY’S SHARES REPURCHASED BY THE COMPANY AND THE COMPANY’S SHARES HELD BY A SPECIAL TRUST IN CONNECTION WITH THE COMPANY’S STOCK PURCHASE PLAN AND THE LONG-TERM RETENTION PLAN ARE PRESENTED AS A CHARGE TO THE EQUITY ATTRIBUTABLE TO STOCKHOLDERS OF THE COMPANY, AS FOLLOWS:

	SERIES “A”, “B”, “D”, AND “L” SHARES			
	IN THE FORM OF CPOS	NOT IN THE FORM OF CPOS	TOTAL	NET COST
REPURCHASE PROGRAM (1)	-	-	-	PS.-
HELD BY A COMPANY TRUST (2)	17,206,540,299	6,850,078,872	24,056,619,171	9,912,803
ADVANCES FOR ACQUISITION OF SHARES (3)	-	-	-	2,737,917
	17,206,540,299	6,850,078,872	24,056,619,171	PS. 12,650,720

(1) DURING THE NINE MONTHS ENDED SEPTEMBER 30, 2014 THE COMPANY DID NOT REPURCHASE ANY SHARES IN THE FORM OF CPOS.

(2) DURING THE NINE MONTHS ENDED SEPTEMBER 2014, THE TRUST FOR THE LONG-TERM RETENTION PLAN ACQUIRED 15,795,000 SHARES OF THE COMPANY, IN THE FORM OF 135,000 CPOS, IN THE AMOUNT OF PS.10,183, AND RELEASED 2,515,356,792 SHARES IN THE FORM OF 21,498,776 CPOS, AND 372,683,376 SERIES”A” SHARES, IN THE AGGREGATE AMOUNT OF PS.730,156 IN CONNECTION WITH THE LONG-TERM RETENTION PLAN.

(3) IN CONNECTION WITH THE LONG-TERM RETENTION PLAN.

THE GROUP ACCRUED IN EQUITY ATTRIBUTABLE TO STOCKHOLDERS OF THE COMPANY A SHARE-BASED COMPENSATION EXPENSE OF PS.600,972 AND PS.437,445 FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014 AND 2013, RESPECTIVELY, WHICH AMOUNT WAS REFLECTED IN

CONSOLIDATED INCOME AS ADMINISTRATIVE EXPENSE.

6. FINANCE EXPENSE, NET:

FINANCE (EXPENSE) INCOME FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014 AND 2013, INCLUDED:

	2014	2013
INTEREST EXPENSE	PS.(4,056,896)	PS.(3,503,812)
FOREIGN EXCHANGE LOSS, NET	(365,988)	(304,321)
OTHER FINANCE EXPENSE, NET (1)	-	(157,560)
FINANCE EXPENSE	(4,422,884)	(3,965,693)
INTEREST INCOME (2)	891,944	791,679
OTHER FINANCE INCOME, NET (3)	738,756	-
FINANCE INCOME	1,630,700	791,679
FINANCE EXPENSE, NET	PS.(2,792,184)	PS.(3,174,014)

(1) OTHER FINANCE EXPENSE, NET, INCLUDED A NET LOSS IN FAIR VALUE FROM DERIVATIVE FINANCIAL CONTRACTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2013. THIS LINE ITEM ALSO INCLUDED A LOSS IN FAIR VALUE FROM AN EMBEDDED DERIVATIVE IN A HOST CONTRACT RELATED TO THE GROUP'S INVESTMENTS IN CONVERTIBLE DEBENTURES ISSUED BY BMP IN THE AMOUNT OF PS.32,308 FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2013.

(2) THIS LINE ITEM INCLUDED INTEREST INCOME FROM THE GROUP'S INVESTMENT IN CONVERTIBLE DEBENTURES ISSUED BY BMP AND ARES IN THE AGGREGATE AMOUNT OF PS.387,977, FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014, AND BY BMP IN THE AMOUNT OF PS.160,694 FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2013.

(3) THIS LINE ITEM INCLUDED A GAIN IN FAIR VALUE FROM AN EMBEDDED DERIVATIVE IN A HOST CONTRACT RELATED TO THE GROUP'S INVESTMENTS IN CONVERTIBLE DEBENTURES ISSUED BY BMP IN THE AMOUNT OF PS.880,938 FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014.

7. INCOME TAXES:

IN THE LAST QUARTER OF 2013 THE MEXICAN CONGRESS ENACTED A NEW TAX REFORM (THE "2014 TAX REFORM"), WHICH BECAME EFFECTIVE AS OF JANUARY 1, 2014. AMONG THE TAX REFORMS APPROVED BY THE MEXICAN CONGRESS, ONE OF THE MOST RELEVANT CHANGES WAS THE ELIMINATION OF THE TAX CONSOLIDATION REGIME ALLOWED FOR MEXICAN CONTROLLING COMPANIES THROUGH DECEMBER 31, 2013.

THE INCOME TAX PAYABLE IN CONNECTION WITH THE ELIMINATION OF THE TAX CONSOLIDATION REGIME AMOUNTED TO AN AGGREGATE AMOUNT OF PS. 6,636,049 AND PS.6,813,595 AS OF SEPTEMBER 30, 2014 AND DECEMBER 31, 2013, RESPECTIVELY, OF WHICH PS.6,291,975 AND PS.6,629,865 WERE CLASSIFIED AS NON-CURRENT LIABILITIES AS OF THOSE DATES, RESPECTIVELY.

IN THE NINE MONTHS ENDED SEPTEMBER 30, 2013, CURRENT INCOME TAXES INCLUDED INCOME TAXES COMPUTED ON A TAX CONSOLIDATED BASIS, IETU (FLAT TAX), AND AMOUNTS RESULTING FROM INCOME TAXES RELATED TO PRIOR YEARS.

THE INCOME TAX PAYABLE AS OF SEPTEMBER 30, 2014 AND DECEMBER 31, 2013, IN CONNECTION WITH THE 2010 MEXICAN TAX REFORM, WAS AS FOLLOWS:

	2014	2013
TAX LOSSES OF SUBSIDIARIES, NET	PS. 170,942	PS. 350,197
DIVIDENDS DISTRIBUTED AMONG THE GROUP'S ENTITIES	-	81,029
	170,942	431,226
LESS: CURRENT PORTION	94,698	260,285
NON-CURRENT PORTION	PS. 76,244	PS. 170,941

THROUGH DECEMBER 31, 2013, CURRENT INCOME TAX ASSETS WERE OFFSET AGAINST CURRENT INCOME TAX LIABILITIES OF THE COMPANY'S MEXICAN SUBSIDIARIES THAT WERE ALLOWED TO CONSOLIDATE THEIR INCOME OR LOSS FOR INCOME TAX PURPOSES, AS THEY WERE RELATED TO INCOME TAXES LEVIED BY THE TAXATION AUTHORITY ON THE SAME TAXABLE ENTITY AND THE GROUP HAD THE LEGALLY ENFORCEABLE RIGHT TO SET OFF THOSE CURRENT INCOME TAX ASSETS AND LIABILITIES. BEGINNING ON JANUARY 1, 2014, AS A RESULT OF THE 2014 TAX REFORM, THE COMPANY IS NOT LONGER ALLOWED TO CONSOLIDATE INCOME OR LOSS OF ITS MEXICAN SUBSIDIARIES FOR INCOME TAX PURPOSES, AND CURRENT TAX ASSETS AND CURRENT TAX LIABILITIES OF COMPANIES IN THE GROUP RELATE TO INCOME TAXES LEVIED BY THE TAXATION AUTHORITY ON DIFFERENT TAXABLE ENTITIES.

AS OF SEPTEMBER 30, 2014 AND DECEMBER 31, 2013, CURRENT INCOME TAX ASSETS AND LIABILITIES AND DEFERRED INCOME TAX ASSETS AND LIABILITIES, AS REPORTED BY TAXABLE ENTITIES IN THE GROUP, ARE PRESENTED AS FOLLOWS:

	2014	2013
CURRENT INCOME TAXES:		
ASSETS	PS. 5,253,858	PS. 1,545,548
LIABILITIES	4,872,009	198,370
NET (1)	PS. 381,849	PS. 1,347,178
DEFERRED INCOME TAXES:		
ASSETS	PS. 15,118,259	PS. 10,608,778
LIABILITIES	3,958,608	-
NET	PS. 11,159,651	PS. 10,608,778

(1) THE NET AMOUNT OF CURRENT INCOME TAXES OF SEPTEMBER 30, 2014 IS REFLECTED AS OTHER ACCOUNTS RECEIVABLE (PS.406,357) AND OTHER TAXES PAYABLE (PS.24,508) IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF SEPTEMBER 30, 2014.

THE DEFERRED INCOME TAXES AS OF SEPTEMBER 30, 2014 AND DECEMBER 31, 2013, WERE PRINCIPALLY DERIVED FROM:

	2014	2013
ASSETS:		
ACCRUED LIABILITIES	PS. 1,404,984	PS. 1,455,444
ALLOWANCE FOR DOUBTFUL ACCOUNTS	733,431	753,090
CUSTOMER ADVANCES	2,122,716	2,480,552
INTANGIBLE ASSETS AND TRANSMISSION RIGHTS	501,895	755,985
LIABILITIES:		
INVESTMENTS	(207,877)	(1,147,683)
PROPERTY, PLANT AND EQUIPMENT, NET	(1,375,573)	(1,727,736)

DERIVATIVE FINANCIAL INSTRUMENTS	(401,694)	(366,225)
PREPAID EXPENSES AND OTHER ITEMS	(400,942)	(542,435)
DEFERRED INCOME TAXES OF MEXICAN COMPANIES	2,376,940	1,660,992
DEFERRED INCOME TAX OF FOREIGN SUBSIDIARIES	165,832	165,832
ASSET TAX	680,835	845,910
TAX LOSS CARRYFORWARDS	7,936,044	7,936,044
DEFERRED INCOME TAX ASSET, NET	PS. 11,159,651	PS. 10,608,778

8. SEGMENT INFORMATION AND SEASONALITY:

INFORMATION BY SEGMENTS FOR THE NINE MONTS ENDED SEPTEMBER 30, 2014 AND 2013, IS PRESENTED AS FOLLOWS:

	TOTAL REVENUES	INTERSEGMENT REVENUES	CONSOLIDATED REVENUES	SEGMENT PROFIT (LOSS)	
2014:					
CONTENT	PS. 23,739,191	PS. 785,520	PS. 22,953,671	PS. 10,399,716	
SKY	13,009,152	10,619	12,998,533	6,166,605	
TELECOMMUNICATIONS	14,709,448	88,342	14,621,106	5,387,029	
OTHER BUSINESSES	5,670,925	146,088	5,524,837	454,227	
SEGMENT TOTALS	57,128,716	1,030,569	56,098,147	22,407,577	
RECONCILIATION TO CONSOLIDATED AMOUNTS:					
ELIMINATIONS AND CORPORATE EXPENSES	(1,030,569)	(1,030,569)	-	(1,056,754)	
DEPRECIATION AND AMORTIZATION EXPENSE	-	-	-	(8,181,297)	
CONSOLIDATED TOTAL BEFORE OTHER EXPENSE	56,098,147	-	56,098,147	13,169,526	(1)
OTHER EXPENSE, NET	-	-	-	(4,759,838)	
CONSOLIDATED TOTAL	PS. 56,098,147	PS. -	PS. 56,,098,147	PS. 8,409,688	(2)
2013:					
CONTENT	PS. 23,383,784	PS. 661,219	PS. 22,722,565	PS. 10,860,541	
SKY	11,917,600	18,280	11,899,320	5,553,219	
TELECOMMUNICATIONS	12,539,367	58,446	12,480,921	4,475,572	
OTHER BUSINESSES	5,498,641	253,800	5,244,841	481,195	
SEGMENT TOTALS	53,339,392	991,745	52,347,647	21,370,527	
RECONCILIATION TO CONSOLIDATED AMOUNTS:					
ELIMINATIONS AND CORPORATE EXPENSES	(991,745)	(991,745)	-	(834,052)	
DEPRECIATION AND AMORTIZATION EXPENSE	-	-	-	(7,278,088)	
CONSOLIDATED TOTAL BEFORE OTHER INCOME	52,347,647	-	52,347,647	13,258,387	(1)
OTHER INCOME, NET	-	-	-	160,826	
CONSOLIDATED TOTAL	PS. 52,347,647	PS. -	PS. 52,347,647	PS 13,419,213	(2)

(1) CONSOLIDATED TOTALS REPRESENTS INCOME BEFORE OTHER INCOME (EXPENSE).

(2) CONSOLIDATED TOTALS REPRESENTS CONSOLIDATED OPERATING INCOME.

NEW SEGMENT PRESENTATION

BEGINNING IN THE FIRST QUARTER OF 2014, THE GROUP'S OTHER BUSINESSES SEGMENT INCLUDES THE PUBLISHING BUSINESS, WHICH WAS PREVIOUSLY PRESENTED AS A SEPARATE REPORTABLE SEGMENT. THE GROUP'S PUBLISHING BUSINESS WAS CLASSIFIED INTO THE OTHER BUSINESSES SEGMENT SINCE ITS OPERATIONS ARE NO LONGER SIGNIFICANT TO THE GROUP'S CONSOLIDATED FINANCIAL STATEMENTS TAKEN AS A WHOLE.

SEASONALITY

THE GROUP'S RESULTS OF OPERATIONS ARE SEASONAL. THE GROUP TYPICALLY RECOGNIZES A LARGE PERCENTAGE OF ITS CONSOLIDATED NET SALES (PRINCIPALLY ADVERTISING) IN THE FOURTH QUARTER IN CONNECTION WITH THE HOLIDAY SHOPPING SEASON. IN 2013 AND 2012, THE GROUP RECOGNIZED 29.1% AND 28.6%, RESPECTIVELY, OF ITS ANNUAL CONSOLIDATED NET SALES IN THE FOURTH QUARTER OF THE YEAR. THE GROUP'S COSTS, IN CONTRAST TO ITS REVENUES, ARE MORE EVENLY INCURRED THROUGHOUT THE YEAR AND GENERALLY DO NOT CORRELATE TO THE AMOUNT OF ADVERTISING SALES.

THE CONSOLIDATED NET INCOME ATTRIBUTABLE TO STOCKHOLDERS OF THE COMPANY FOR EACH OF THE FOUR QUARTERS IN THE PERIOD ENDED SEPTEMBER 30, 2014, IS PRESENTED AS FOLLOWS:

QUARTER	ACCUMULATED	QUARTER
4TH / 13	PS. 7,748,279	PS. 2,463,830
1ST / 14	853,868	853,868
2ND / 14	3,065,452	2,211,584
3RD / 14	2,882,651	(182,801)

9. CAPITAL CONTRIBUTIONS IN JOINT VENTURE:

DURING THE NINE MONTHS ENDED SEPTEMBER 30, 2013 AND THE YEAR ENDED DECEMBER 31, 2013, THE GROUP MADE CAPITAL CONTRIBUTIONS IN CONNECTION WITH ITS 50% JOINT INTEREST IN GSF, THE PARENT COMPANY OF IUSACELL, IN THE AGGREGATE AMOUNT OF PS.1,337,500 AND PS.1,587,500, RESPECTIVELY. DURING 2014, NO CAPITAL CONTRIBUTIONS WERE MADE BY THE GROUP IN CONNECTION WITH ITS 50% JOINT INTEREST IN GSF.

10. OTHER TRANSACTIONS:

IN AUGUST 2014, THE GROUP CONCLUDED THE ACQUISITION, PURSUANT TO APPLICABLE REGULATIONS, OF 100% OF THE EQUITY INTEREST OF CABLECOM THROUGH THE CONVERSION OF CERTAIN DEBT INSTRUMENTS PREVIOUSLY SUBSCRIBED BY ARES, THE CONTROLLING COMPANY OF CABLECOM, IN THE PRINCIPAL AMOUNT OF PS.7,000,000 AND RELATED ACCRUED INTEREST AT THE ACQUISITION DATE OF PS.297,292, AND AN ADDITIONAL CONSIDERATION OF PS.8,550,369, COMPRISED OF (I) THE CAPITALIZATION OF A LONG-TERM CREDIT PREVIOUSLY SUBSCRIBED BY ARES IN THE PRINCIPAL AMOUNT OF U.S.$195 MILLION (Ps.2,573,961) AND RELATED ACCRUED INTEREST AT THE ACQUISITION DATE OF U.S.$5.2 MILLION (PS.68,406); AND (II) CASH IN THE AMOUNT OF PS.5,908,002. THE TOTAL FAIR VALUE CONSIDERATION FOR THE ACQUISITION OF CABLECOM AMOUNTED TO PS.15,847,661 AT THE ACQUISITION DATE, AND THE GROUP RECOGNIZED AN EXCESS OF THE PURCHASE PRICE OVER THE CARRYING VALUE OF THE

ACQUIRED NET ASSETS IN THE AMOUNT OF Ps.11,524,046, BASED ON A PRELIMINARY VALUATION. THE GROUP EXPECTS TO COMPLETE A FINAL VALUATION AND PURCHASE PRICE ALLOCATION OF THIS TRANSACTION IN THE FIRST QUARTER OF 2015. THE GROUP BEGAN TO CONSOLIDATE CABLECOM IN ITS CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF AUGUST 31, 2014, AND THEREFORE, ITS CONSOLIDATED STATEMENTS OF INCOME FOR THE THREE MONTHS AND NINE MONTHS ENDED SEPTEMBER 30, 2014, INCLUDED THE RESULTS OF CABLECOM FOR THE MONTH ENDED ON THAT DATE.

AMOUNTS RECOGNIZED BY THE GROUP AS OF AUGUST 31, 2014 (THE ACQUISITION DATE) FOR MAJOR CLASS OF ASSETS ACQUIRED AND LIABILITIES ASSUMED OF CABLECOM, ARE SET FORTH AS FOLLOWS:

		AUGUST 31, 2014
ASSETS:		
CASH AND CASH EQUIVALENTS	PS.	. 371,353
OTHER CURRENT ASSETS		439,709
TOTAL CURRENT ASSETS		811,062
NON-CURRENT ASSETS		6,279,105
TOTAL ASSETS		7,090,167
LIABILITIES:		
SHORT-TERM DEBT AND FINANCE LEASE OBLIGATIONS		447,875
OTHER CURRENT LIABILITIES		622,487
TOTAL CURRENT LIABILITIES		1,070,362
LONG-TERM DEBT AND FINANCE LEASE OBLIGATIONS		1,411,047
OTHER NON-CURRENT LIABILITIES		285,144
TOTAL NON-CURRENT LIABILITIES		1,696,191
TOTAL LIABILITIES		2,766,553
TOTAL NET ASSETS	PS.	4,323,614

IN THE NINE MONTHS ENDED SEPTEMBER 30, 2014 AND 2013, ROYALTY REVENUE FROM UNIVISION AMOUNTED TO PS.3,105,373 AND PS.2,555,310, RESPECTIVELY.

- - - - - - - - - - - -

INVESTMENTS IN ASSOCIATES AND JOINT VENTURES
CONSOLIDATED

Final Printing

	COMPANY NAME	MAIN ACTIVITIES	NUMBER OF SHARES	%OWNERSHIP	TOTAL AMOUNT (Thousands of Mexican Pesos) ACQUISITION COST	BOOK VALUE
1	ARGOS COMUNICACION, S.A. DE C.V.	PRODUCTIONS OF T.V. PROGRAMS BROADCASTING OF T.V.	34,151,934	33.00	141,932	61,860
2	BROADCASTING MEDIA PARTNERS, INC	PROMOTION AND/OR DEVELOPMENT OF ENTERTAINMENT COMPANIES	842,850	7.81	2,584,818	3,181,286
3	EDITORIAL CLIO, LIBROS Y VIDEOS, S.A. DE C.V.	PUBLISHING AND PRINTING OF BOOKS AND MAGAZINES	3,227,050	30.00	32,270	5,780
4	ENDEMOL MEXICO, S.A. DE C.V.	PRODUCTION AND COMMERCIALIZATION OF TELEVISION PROGRAMMING	25,000	50.00	25	310
5	GRUPO DE TELECOMUNICACIONES DE ALTA CAPACIDAD, S.A.P.I. DE C.V.	TELECOM	54,666,667	33.33	54,667	542,630
6	OCESA ENTRETENIMIENTO, S.A. DE C.V.	LIVE ENTERTAINMENT IN MEXICO	14,100,000	40.00	1,062,811	876,666
7	OLLIN VFX, S.A. DE C.V.	TELEVISION AND CINEMA PRODUCTION	34	25.37	13,333	13,333
8	T&V S.A.S.	PRODUCTION AND COMMERCIALIZATION OF TELEVISION PROGRAMMING	1,849	49.97	312	312
TOTAL INVESTMENT IN ASSOCIATES					3,890,168	4,682,177

OBSERVATIONS:

CREDITS BREAKDOWN
(THOUSANDS OF MEXICAN PESOS)
CONSOLIDATED

Final Printing

					AMORTIZATION OF CREDITS DENOMIN TIME INTERVAL			
CREDIT TYPE / INSTITUTION	FOREIGN INSTITUTION (YES/NOT)	DATE OF CONTRACT	AMORTIZATION DATE	INTEREST RATE	CURRENT YEAR	UNTIL 1 YEAR	UNTIL 2 YEAR	UNTIL 3 YEAR
BANKS								
FOREIGN TRADE								
SECURED								
COMMERCIAL BANKS								
BANCO NACIONAL DE MÉXICO, S.A.	NO	4/20/2006	4/20/2016	8.74			2,100,000	
BANCO SANTANDER , S.A.	NO	4/21/2006	4/21/2016	TIIE+24			1,400,000	
BANCO MERCANTIL DEL NORTE, S.A.	NO	2/24/2011	2/21/2016	TIIE+1.90	66,365	199,095	610,328	
BANCO NACIONAL DE MÉXICO, S.A.	NO	3/25/2011	3/23/2021	9.40				
BANCO NACIONAL DE MÉXICO, S.A.	NO	3/25/2011	3/23/2021	9.06				319,48
BANCO NACIONAL DE MÉXICO, S.A.	NO	3/25/2011	3/23/2018	8.77				
HSBC MÉXICO, S.A.	NO	3/28/2011	3/30/2018	TIIE+117.5			624,190	1,248,38
AF BANREGIO, S.A. DE C.V.	NO	10/4/2012	10/2/2017	TIIE+2.50	1,500	4,500	9,600	18,40
HSBC MÉXICO, S.A.	NO	5/29/2013	5/29/2019	TIIE+1.70	16,072	48,216	64,774	64,77
HSBC MÉXICO, S.A.	NO	7/4/2014	7/4/2019	TIIE+1.40				
BANCO SANTANDER, S.A	NO	9/29/2014	9/29/2016	TIIE+.15			1,779,933	
OTHER								
TOTAL BANKS					83,937	251,811	6,588,825	1,651,03

STOCK MARKET LISTED STOCK EXCHANGE							
UNSECURED							
SENIOR NOTES	YES	5/9/2007	5/11/2037	8.93			
NOTES	NO	10/14/2010	10/1/2020	7.38			
SENIOR NOTES	YES	5/14/2013	5/14/2043	7.25			
NOTES	NO	4/7/2014	4/1/2021	TIIE+.35			
SENIOR NOTES	YES	5/6/2008	5/15/2018	6.31			
SENIOR NOTES	YES	3/18/2005	3/18/2025	6.97			
SENIOR NOTES	YES	3/11/2002	3/11/2032	8.94			
NOTES	YES	11/23/2009	1/15/2040	6.97			
NOTES	YES	5/13/2014	5/13/2045	5.26			
SECURED					0	0	0
PRIVATE PLACEMENTS							
UNSECURED							
SECURED							
TOTAL STOCK MARKET							
OTHER CURRENT AND NON-CURRENT LIABILITIES WITH COST							
CSI LEASING MÉXICO, S. DE R.L. DE C.V.	NO	12/1/2011	10/1/2015		7,563	2,272	249

Facility Construction & Design			
Total	$	23,761	5.8%

U.S. Corrections & Detention

U.S. Corrections & Detention depreciation and amortization expense increased by $1.9 million in Third Quarter 2012 compared to Third Quarter 2011 primarily as a result of the completion of construction projects in 2011 and 2012.

Table of Contents

GEO Care

GEO Care depreciation and amortization expense decreased by $0.1 million in Third Quarter 2012 compared to Third Quarter 2011. The decrease is primarily due to certain assets becoming fully depreciated in 2012. This decrease was partially offset by an increase in monitoring and other equipment at BI in 2012 related to certain contract wins.

International Services

Depreciation and amortization expense increased slightly in Third Quarter 2012 over Third Quarter 2011 primarily from increases in capital expenditures at our Australian subsidiary and also from fluctuations in foreign exchange rates. These increases were partially offset by a decrease in depreciation expense due to the termination of our Campsfield House management contract effective May 2011.

Other Unallocated Operating Expenses

	2012	% of Revenue	2011	% of Revenue	$ Change	% Change
			(Dollars in thousands)			
General and Administrative Expenses	$ 27,228	6.6%	$ 25,922	6.6%	$ 1,306	5.0%

General and administrative expenses comprise substantially all of our other unallocated operating expenses primarily including corporate management salaries and benefits, professional fees and other administrative expenses. The increase in general and administrative expenses in Third Quarter 2012 compared to Third Quarter 2011 was due to $1.7 million of nonrecurring start-up/transaction costs, including costs associated with the acquisition of MCF in Third Quarter 2012. These increases were offset by $0.4 million of nonrecurring start-up costs incurred in 2011 for our joint venture in the United Kingdom.

Non Operating Expenses

Interest Income and Interest Expense

	2012	% of Revenue	2011	% of Revenue	$ Change	% Change
			(Dollars in thousands)			
Interest Income	$ 1,651	0.4%	$ 1,767	0.4%	$ (116)	(6.6)%
Interest Expense	$ 20,606	5.0%	$ 19,327	4.9%	$ 1,279	6.6%

The majority of our interest income generated in Third Quarter 2012 and Third Quarter 2011 is from the cash balances at our foreign subsidiaries.

The increase in interest expense of $1.3 million is attributable to more indebtedness outstanding in Third Quarter 2012 compared to Third Quarter 2011. We incurred aggregate increases in interest expense of $2.1 million due to greater outstanding borrowings under our Senior Credit Facility and due to the issuance of non-recourse debt by our wholly owned subsidiary in December 2011 and reduced capitalized interest in Third Quarter 2012. These increases were partially offset by decreases in interest expense aggregating $0.8 million primarily due to lower outstanding borrowings on certain of our other non-recourse debt. Outstanding borrowings, net of discounts and swaps, at September 30, 2012 and October 2, 2011, excluding non-recourse debt and capital lease liabilities, were $1,353.5 million and $1,328.3 million, respectively.

Loss on Early Extinguishment of Debt

	2012	% of Revenue	2011	% of Revenue	$ Change	% Change
			(Dollars in thousands)			
Loss on Early Extinguishment of Debt	$ 8,462	2.1%	$		$ 8,462	100.0%

The loss on early extinguishment of debt in Third Quarter 2012 was the result of our early redemption of the MCF bonds and consisted of a make-whole premium of $14.9 million which includes $0.1 million of bond redemption costs, offset by the effect of the unamortized bond premium of $6.4 million.

Table of Contents

Provision for Income Taxes

	2012	Effective Rate	2011	Effective Rate	$ Change	% Change
			(Dollars in thousands)			
Income Taxes	$ 11,304	41.4%	$ 12,255	37.5%	$ (951)	(7.8)%

The effective tax rate for Third Quarter 2012 was 41.4% and includes certain non-recurring items that had an overall unfavorable impact on the effective tax rate. Without these one-time items our effective tax rate would have been 38.4%. The effective tax rate for the same period in the prior year was 37.5% which included certain favorable one-time items. Excluding these one-time items, the effective tax rate for the same period in the prior year would have been 39.0%. The expiration of the federal Work-Opportunity-Tax-Credit legislation at the end of 2011 has an unfavorable impact on our effective tax rate of approximately one-half percent in 2012. We estimate our annual effective tax rate for fiscal year 2012 to be in the range of 40% to 41% as a result of the unfavorable impact of non-recurring items in Third Quarter 2012.

Equity in Earnings of Affiliates, net of Income Tax Provision

	2012	% of Revenue	2011	% of Revenue	$ Change	% Change
			(Dollars in thousands)			
Equity in Earnings of Affiliates	$ 474	0.1%	$ 272	0.1%	$ 202	74.3%

Equity in earnings of affiliates, presented net of income taxes, represents the earnings (loss) of SACS and GEOAmey, respectively. Overall, we experienced an increase in equity in earnings of affiliates during Third Quarter 2012 compared to Third Quarter 2011, which is primarily due to a decreased loss of $0.1 from the operations of GEOAmey in Third Quarter 2012, which began operating in August 2011. Additionally, SACS had $0.1 million higher earnings in Third Quarter 2012 compared to Third Quarter 2011.

Comparison of Thirty-nine Weeks Ended September 30, 2012 and Thirty-nine Weeks Ended October 2, 2011

Revenues

	2012	% of Revenue	2011	% of Revenue	$ Change	% Change
			(Dollars in thousands)			
U.S. Corrections & Detention	$ 725,196	59.1%	$ 693,657	59.1%	$ 31,539	4.5%
GEO Care	330,199	27.0%	317,475	27.1%	12,724	4.0%
International Services	169,734	13.9%	161,580	13.8%	8,154	5.0%
Facility Construction & Design			119		(119)	(100.0)%
Total	$ 1,225,129	100.0%	$ 1,172,831	100.0%	$ 52,298	4.5%

U.S. Corrections & Detention

Revenues increased in Nine Months 2012 as compared to Nine Months 2011 primarily due to aggregate increases of $39.5 million due to the activation and intake of inmates at Adelanto East, Riverbend and Karnes. We also experienced aggregate increases in revenues of $25.9 million at certain of our facilities primarily due to net increases in population, transportation services and/or rates, including the expansion of New Castle in the first quarter of 2012. These increases were partially offset by an aggregate decrease of $33.9 million due to contract terminations and other decreases primarily related to lower populations at some facilities.

The number of compensated mandays in U.S. Corrections & Detention facilities was 12.4 million in Nine Months 2012 as compared to 12.1 million in Nine Months 2011. We experienced an aggregate net increase of approximately 300,000 mandays as a result of our new contracts discussed above and also as a result of population increases at certain facilities. These increases were partially offset by decreases resulting from contract terminations. We look at the average occupancy in our facilities to determine how we are managing our available beds. The average occupancy is calculated by taking compensated mandays as a percentage of capacity. The average occupancy in our U.S. Detention & Corrections facilities was 96.3% and 95.3% of capacity in Nine Months 2012 and Nine Months 2011 respectively, excluding idle facilities.

Table of Contents

GEO Care

The increase in revenues for GEO Care in Nine Months 2012 as compared to Nine Months 2011 is primarily attributable to a full nine months of revenues generated by BI in 2012 compared to approximately seven and a half months of revenues in 2011 which contributed to an increase of $16.0 million. We also experienced a net increase in revenues of $7.0 million at certain of our facilities primarily due to increases in population and/or rates. These increases were partially offset by a decrease in revenues of $10.3 million related to our terminated contracts.

International Services

Revenues for our International Services segment during Nine Months 2012 increased by $8.2 million over Nine Months 2011 primarily due to the following factors: (i) aggregate increases at our Australian and South African subsidiaries of $8.2 million related to population increases, contractual increases linked to the inflationary index and the provision of additional services under certain contracts; and (ii) an increase of $7.5 million due to the provision of additional services at Harmondsworth and the assumption of operations at Dungavel on September 25, 2011. These increases were partially offset by: (i) decreases of $3.5 million as a result of foreign exchange rate fluctuations; and (ii) a decrease in revenues of $4.0 million related to our terminated contract for the operation of Campsfield House effective in May 2011.

Operating Expenses

	2012	% of Segment Revenues	2011	% of Segment Revenues	$ Change	% Change
			(Dollars in thousands)			
U.S. Corrections & Detention	$ 512,760	70.7%	$ 492,937	71.1%	$ 19,823	4.0%
GEO Care	248,274	75.2%	243,901	76.8%	4,373	1.8%
International Services	158,093	93.1%	149,037	92.2%	9,056	6.1%
Facility Construction & Design			82	68.9%	(82)	(100.0)%
Total	$ 919,127	75.0%	$ 885,957	75.5%	$ 33,170	3.7%

Operating expenses consist of those expenses incurred in the operation and management of our correctional, detention and mental health and GEO Care facilities and expenses incurred in our Facility Construction & Design segment.

U.S. Corrections & Detention

The increase in operating expenses for U.S. Corrections & Detention reflects the following: (i) the activation and intake of inmates at Adelanto East, Riverbend and Karnes which contributed an aggregate increase to operating expenses of $34.8 million, and (ii) increases of $21.2 million at certain of our facilities primarily related to net population increases, higher levels of required staffing and additional medical costs. These increases were partially offset by aggregate decreases in operating expenses of $27.1 million due to contract terminations. In addition, operating expenses decreased by $9.1 million in Nine Months 2012 due to net operating tax refunds received, not related to income taxes, for certain previously disputed tax claims in various jurisdictions.

GEO Care

Operating expenses for GEO Care increased $4.4 million during Nine Months 2012 from Nine Months 2011 primarily due to BI which was operating for three full quarters during Nine Months 2012 compared to a partial three quarters during Nine Months 2011 as BI was acquired in February 2011. We also experienced an increase in operating expenses during Nine Months 2012 for the operation of Montgomery County which opened in March 2011. These increases were partially offset by a decrease in operating expenses for terminated contracts. During Nine Months 2012, we experienced a decrease in operating expenses as a percentage of revenue due to improved margins resulting from our acquisition of BI and also due to nonrecurring start-up costs incurred in Nine Months 2011 for the opening of Montgomery County.

International Services

Operating expenses for our International Services segment during the Nine Months 2012 increased $9.1 million over the prior year due to: (i) an increase in operating expenses at our Australian subsidiary of $6.5 million related to increases in population and additional services provided at certain of those facilities; and (ii) a net increase of $7.6 million in operating expenses in the United Kingdom primarily due to the opening of Dungavel on September 25, 2011, partially offset by the termination of our contract for the management of Campsfield House effective in May 2011. These net increases were partially offset by a decrease in operating expenses at our United Kingdom subsidiary of $1.6 million which is primarily related to non-recurring international bid costs incurred during Nine Months 2011, as well as a decrease of $3.4 million as a result of foreign exchange rate fluctuations.

Table of Contents

Depreciation and Amortization

	2012	% of Segment Revenue	2011	% of Segment Revenue	$ Change	% Change
			(Dollars in thousands)			
U.S. Corrections & Detention	$ 46,681	6.4%	$ 39,936	5.8%	$ 6,745	16.9%
GEO Care	22,153	6.7%	19,956	6.3%	2,197	11.0%
International Services	1,809	1.1%	1,604	1.0%	205	12.8%
Facility Construction & Design						
Total	$ 70,643	5.8%	$ 61,496	5.2%	$ 9,147	14.9%

U.S. Corrections & Detention

U.S. Corrections & Detention depreciation and amortization expense increased by $6.7 million in Nine Months 2012 compared to the Nine Months 2011 primarily as a result of the completion of construction projects in 2011 and 2012.

GEO Care

The increase in depreciation and amortization expense for GEO Care in Nine Months 2012 compared to Nine Months 2011 is primarily due to an increase in monitoring and other equipment at BI in 2012 related to certain contract wins and amortization of BI intangible assets. As BI was acquired in February 2011, Nine Months 2011 does not include a full nine months of depreciation and amortization for BI.

International Services

Depreciation and amortization expense increased slightly in Nine Months 2012 over Nine Months 2011 primarily due to increases in capital expenditures at our Australian subsidiary and also from fluctuations in foreign exchange rates. These increases were partially offset by a decrease in depreciation expense due to the termination of our Campsfield House management contract effective May 2011.

Other Unallocated Operating Expenses

	2012	% of Revenue	2011	% of Revenue	$ Change	% Change
			(Dollars in thousands)			
General and Administrative Expenses	$ 81,712	6.7%	$ 86,420	7.4%	$ (4,708)	(5.4)%

General and administrative expenses comprise substantially all of our other unallocated operating expenses including primarily corporate management salaries and benefits, professional fees and other administrative expenses. The decrease in general and administrative expenses in Nine Months 2012 compared to Nine Months 2011 was due to $6.4 million of nonrecurring acquisition related costs in 2011 in connection with the acquisitions of Cornell and BI and $0.8 million of nonrecurring start-up costs incurred in 2011 for our joint venture in the United Kingdom. This decrease was partially offset by $2.5 million of nonrecurring start-up/transaction costs including costs related to the acquisition of MCF in Nine Months 2012.

Non Operating Expenses

Interest Income and Interest Expense

	2012	% of Revenue	2011	% of Revenue	$ Change	% Change

	(Dollars in thousands)					
Interest Income	$ 5,219	0.4%	$ 4,965	0.4%	$ 254	5.1%
Interest Expense	$ 62,030	5.1%	$ 55,700	4.7%	$ 6,330	11.4%

The majority of our interest income generated in the Nine Months 2012 and the Nine Months 2011 is from the cash balances at our foreign subsidiaries.

The increase in interest expense of $6.3 million is attributable to more indebtedness outstanding in Nine Months 2012 compared to the Nine Months 2011. We incurred $2.1 million in additional interest expense during the Nine Months 2012 due

43

Table of Contents

to the issuance of our 6.625% Senior Notes in February 2011. We also incurred aggregate increases in interest expense of $5.8 million due to greater outstanding borrowings under our Senior Credit Facility and due to the issuance of non-recourse debt by our wholly owned subsidiary in December 2011. These increases were partially offset by decreases in interest expense aggregating $1.6 million primarily due to lower outstanding borrowings on certain of our other non-recourse debt. Outstanding borrowings, net of discounts and swaps, at September 30, 2012 and October 2, 2011, excluding non-recourse debt and capital lease liabilities, were $1,353.5 million and $1,328.3 million, respectively.

Loss on Early Extinguishment of Debt

	2012	% of Revenue	2011	% of Revenue	$ Change	% Change
			(Dollars in thousands)			
Loss on Early Extinguishment of Debt	$ 8,462	0.7%	$		$ 8,462	100.0%

The loss on early extinguishment of debt in Nine Months 2012 was the result of our early redemption of the MCF bonds and consisted of a make-whole premium of $14.9 million which includes $0.1 million of bond redemption costs, offset by the effect of the unamortized bond premium of $6.4 million.

Provision for Income Taxes

	2012	Effective Rate	2011	Effective Rate	$ Change	% Change
			(Dollars in thousands)			
Income Taxes	$ 35,512	40.2%	$ 33,929	38.5%	$ 1,583	4.7%

The effective tax rate for Nine Months 2012 was 40.2% and includes certain non-recurring items that had an overall unfavorable impact on the effective tax rate. Without these one-time items our effective tax rate would have been 39.3% The effective tax rate for the same period in the prior year was 38.5% which included certain favorable one-time items. Excluding these one-time items, the effective tax rate for the same period in the prior year would have been 39.3%. The expiration of the federal Work-Opportunity-Tax-Credit legislation at the end of 2011 has an unfavorable impact on our effective tax rate of approximately one-half percent in 2012. We estimate our annual effective tax rate for fiscal year 2012 to be in the range of 40% to 41% as a result of the unfavorable impact of non-recurring items in Nine Months 2012.

Equity in Earnings of Affiliates, net of Income Tax Provision

	2012	% of Revenue	2011	% of Revenue	$ Change	% Change
			(Dollars in thousands)			
Equity in Earnings of Affiliates	$ 1,652	0.1%	$ 2,352	0.2%	$ (700)	(29.8)%

Equity in earnings of affiliates, presented net of income taxes, represents the earnings (loss) of SACS and GEOAmey, respectively. Overall, we experienced a decrease in equity in earnings of affiliates due to an increased net loss of $1.2 million from the operations of GEOAmey, which began operating in August 2011. This loss was partially offset by an increase in net earnings from SACS of $0.5 million.

Financial Condition

Capital Requirements

Our current cash requirements consist of amounts needed for working capital, debt service, supply purchases, investments in joint ventures, and capital expenditures related to either the development of new correctional, detention, mental health, residential treatment and re-entry facilities, or the maintenance of existing facilities. In addition, some of our management contracts require us to make substantial initial expenditures of cash in connection with opening or renovating a facility. Generally, these initial expenditures are subsequently fully or partially recoverable as pass-through costs or are billable as a component of the per diem rates or monthly fixed fees to the contracting agency over the original term of the contract. In connection with GEOAmey, our newly formed joint venture in the United Kingdom, we and our joint venture partner have each provided a line of credit of £12.0 million, or $19.0 million, based on exchange rates, as of September 30, 2012, for GEOAmey s operations. As of

September 30, 2012, $19.8 million, including accrued interest of $0.4 million was owed to us by

Table of Contents

GEOAmey under the line of credit. On April 24, 2012, the Company signed a definitive agreement to purchase 100% of the partnership interests of MCF for a total net consideration of $35.2 million. The transaction closed on August 31, 2012. Concurrently with the acquisition, the indenture relating to the MCF bonds was satisfied and discharged as of August 31, 2012 and the $78 million principal was redeemed, with an effective date of September 4, 2012. GEO financed the acquisition of the partnership interests in MCF and the redemption of the MCF bonds with the new $100 million Series A-3 Term Loan. The new Series A-3 Term Loan bears interest at LIBOR plus 2.75% and matures August 4, 2015. Additional capital needs may also arise in the future with respect to possible acquisitions, other corporate transactions or other corporate purposes.

We are currently developing a number of projects using company financing. We estimate that these existing capital projects will cost approximately $60.7 million, of which $19.2 million was spent through the thirty-nine weeks ended September 30, 2012. We have future committed capital projects for which we estimate our remaining capital requirements to be approximately $41.5 million, which will be spent through 2014. Capital expenditures related to facility maintenance costs are expected to range between $30.0 million and $35.0 million for fiscal year 2012. In addition to these current estimated capital requirements for 2012, 2013 and 2014, we are currently in the process of bidding on, or evaluating potential bids for the design, construction and management of a number of new projects. In the event that we win bids for these projects and decide to self-finance their construction, our capital requirements could materially increase.

Liquidity and Capital Resources

As of September 30, 2012, the Senior Credit Facility, as amended, was comprised of: (i) a $150.0 million Term Loan A (Term Loan A), currently bearing interest at LIBOR plus 2.75% and maturing August 4, 2015, (ii) a $150.0 million Term Loan A-2 (Term Loan A-2), currently bearing interest at LIBOR plus 2.75% and maturing August 4, 2015, (iii) a $100.0 million Term Loan A-3 (Term Loan A-3), currently bearing interest at LIBOR plus 2.75% and maturing August 4, 2015, (iv) a $200.0 million Term Loan B (Term Loan B) currently bearing interest at LIBOR plus 2.75% with a LIBOR floor of 1.00% and maturing August 4, 2016 and (v) a $500.0 million Revolving Credit Facility (Revolver) currently bearing interest at LIBOR plus 2.75% and maturing August 4, 2015. As of September 30, 2012, we had $135.0 million outstanding under the Term Loan A, $138.8 million outstanding under the Term Loan A-2, $100.0 million outstanding under the Term Loan A-3, $196.0 million outstanding under the Term Loan B, net of the $1.3 million discount, and our $500.0 million Revolving Credit Facility had $230.0 million outstanding in loans, $56.4 million outstanding in letters of credit and $213.6 million available for borrowings. We also had the ability to borrow $250.0 million under the accordion feature of our Senior Credit Facility subject to lender demand and market conditions.

In October 2009, we completed an offering of $250.0 million in aggregate principal of our 7 $^{3}/_{4}$% Senior Notes due 2017, which we refer to as the 7 $^{3}/_{4}$% Senior Notes. Interest on the 7 $^{3}/_{4}$% Senior Notes accrues interest at the stated rate. We pay interest semi-annually in arrears on April 15 and October 15 of each year. On or after October 15, 2013, we may, at our option, redeem all or a part of the 7 $^{3}/_{4}$% Senior Notes at the redemption prices set forth in the indenture governing the 7 $^{3}/_{4}$% Senior Notes.

In connection with our acquisition of BI in February 2011, we completed an offering of $300.0 million in aggregate principal of our 6.625% Senior Notes due 2021, which we refer to as the 6.625% Senior Notes. Interest on the 6.625% Senior Notes accrues at the stated rate. We pay interest semi-annually in arrears on February 15 and August 15. On or after February 15, 2016, we may, at our option, redeem all or part of the 6.625% Senior Notes at the redemption prices set forth in the indenture governing the 6.625% Senior Notes.

In addition to the debt outstanding under the Senior Credit Facility, the 7 $^{3}/_{4}$% Senior Notes and the 6.625% Senior Notes discussed above, we also have significant debt obligations which, although these obligations are non-recourse to us, require cash expenditures for debt service. Our significant debt obligations could have material consequences. See Risk Factors - Risks Related to Our High Level of Indebtedness in Item 1A of our Form 10-K. We are exposed to various commitments and contingencies which may have a material adverse effect on our liquidity. See Part II - Item 1. Legal Proceedings. We also have guaranteed certain obligations for our South African joint venture and other of our international subsidiaries. These non-recourse obligations, commitments and contingencies and guarantees are further discussed in Notes 10, 11 and 12 of the notes to our unaudited consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q, and also are further described in the Company s 2011 Annual Report on Form 10-K.

We are also considering opportunities for future business and/or asset acquisitions. If we are successful in our pursuit of these new projects, our cash on hand, cash flows from operations and borrowings under the existing Senior Credit Facility may not provide sufficient liquidity to meet our capital needs through 2014 and we could be forced to seek additional financing or refinance our existing indebtedness. There can be no assurance that any such financing or refinancing would be available to us on terms equal to or more favorable than our current financing terms, or at all. In the future, our access to capital and ability to compete for future capital-intensive projects will also be dependent upon, among other things, our ability to meet certain

Table of Contents

financial covenants in the indenture governing the 7 $^{3}/_{4}$% Senior Notes, the indenture governing the 6.625% Senior Notes and our Senior Credit Facility. A substantial decline in our financial performance could limit our access to capital pursuant to these covenants and have a material adverse affect on our liquidity and capital resources and, as a result, on our financial condition and results of operations. In addition to these foregoing potential constraints on our capital, a number of state government agencies have been suffering from budget deficits and liquidity issues. While we expect to be in compliance with our debt covenants, if these constraints were to intensify, our liquidity could be materially adversely impacted as could our ability to remain in compliance with these debt covenants.

On July 14, 2011, our Board of Directors approved a stock repurchase program of up to $100.0 million of our common stock effective through December 31, 2012. During the fiscal year ended January 1, 2012, we repurchased 3.9 million shares of our common stock at a cost of $75.0 million primarily with proceeds from our Revolver. The remaining $25.0 million of repurchases that may be made under the stock repurchase program will be funded primarily with cash on hand, free cash flow, and/ or borrowings under our Revolver. The stock repurchase program is intended to be implemented through repurchases made from time to time in the open market or in privately negotiated transactions, in accordance with applicable securities and stock exchange requirements. The program may also include repurchases from time to time from executive officers or directors of vested restricted stock and/or vested stock options. The stock repurchase program does not obligate us to purchase any specific amount of our common stock and may be suspended or extended at any time at our discretion.

In February 2012, our Board adopted a dividend policy. In May 2012, our Board determined to accelerate the implementation of our dividend policy to the third quarter of 2012. Under the dividend policy, we paid a quarterly dividend in the third quarter of 2012 in the amount of $.20 per share for a total of $12.3 million. Also, we announced the declaration of a quarterly dividend to be paid in the fourth quarter of 2012 in the amount of $.20 per share to shareholders of record as of the close of business on November 16, 2012. We anticipate that we will continue to pay quarterly dividends subject to capital availability and periodic determinations by our Board that cash dividends are in the best interests of our shareholders and are in compliance with all laws and our agreements applicable to the declaration of cash dividends, including our indentures and Senior Credit Facility. Based on our current capitalization, we do not believe that making dividend payments will materially adversely impact our liquidity. We believe we have the ability to declare quarterly cash dividends, as well as continue to fund the stock repurchase program, our working capital, our debt service requirements, and our maintenance and growth capital expenditure requirements, while maintaining sufficient liquidity for other corporate purposes.

We plan to fund all of our capital needs, including our capital expenditures, from cash on hand, cash from operations, borrowings under our Senior Credit Facility and any other financings which our management and Board of Directors, in their discretion, may consummate. Currently, our primary source of liquidity to meet these requirements is cash flow from operations and borrowings under the $500.0 million Revolver. Our management believes that cash on hand, cash flows from operations and availability under our Senior Credit Facility will be adequate to support our capital requirements for 2012, 2013 and 2014 disclosed under Capital Requirements above.

Executive Retirement Agreement

We have a non-qualified deferred compensation agreement with our Chief Executive Officer, which we refer to as our CEO. The current agreement, as amended, provides for a lump sum payment upon retirement, no sooner than age 55. As of January 1, 2012, our CEO had reached age 55 and was eligible to receive the payment upon retirement. On August 22, 2012, the agreement was amended to eliminate the tax gross-up provision for taxes applicable to our CEO s lump sum retirement payment. In exchange for the elimination of the tax gross-up provision, the amount of the lump sum retirement payment our CEO is entitled to receive has been proportionately increased so that our CEO would receive substantially the same net benefit he would otherwise have received if the tax gross-up provision remained in place. If our CEO had retired as of September 30, 2012, the Company would have had to pay him $6.6 million. Based on our current capitalization, we do not believe that making this payment would materially adversely impact our liquidity.

Cash Flow

Cash and cash equivalents as of September 30, 2012 were $69.1 million, an increase of $24.3 million from January 1, 2012.

Cash provided by operating activities from continuing operations amounted to $225.3 million in Nine Months 2012 versus cash provided by operating activities from continuing operations of $161.4 million in Nine Months 2011. Cash provided by operating activities from continuing operations represents the fiscal year to date net income plus depreciation and amortization, stock-based compensation expense, loss on early extinguishment of debt and other non-cash charges and income. The cash flows from operations in Nine Months 2012 was also positively impacted by a decrease in accounts receivable, prepaid expenses and other current assets.

Cash used in investing activities amounted to $80.5 million in Nine Months 2012 compared to cash used in investing activities of $583.5 million in Nine Months 2011. Cash used in investing activities in Nine Months 2012 was primarily the result of

Table of Contents

capital expenditures of $92.4 million and the acquisition of the ownership interests in MCF of $35.2 million, offset by an decrease in restricted cash of $40.8 million. Cash used in investing activities in Nine Months 2011 primarily reflects our cash consideration for the purchase of BI for $409.6 million and capital expenditures of $177.7 million. Cash used in investing activities may be impacted during 2012 by capital expenditures and business and/or asset acquisitions.

Cash used in financing activities in Nine Months 2012 amounted to $121.6 million compared to cash provided by financing activities of $427.5 million in Nine Months 2011. Cash used in financing activities in the Nine Months 2012 reflects payments of $352.1 million on indebtedness offset by $263.0 million of borrowings under our Senior Credit Facility which includes proceeds of $100.0 million from our new Term Loan A-3. We also made a cash distribution of $5.8 million to the partners of MCF, paid a $12.3 million dividend to our shareholders and paid $14.9 million in fees, including a make-whole provision, related to the early extinguishment of debt in connection with the redemption of the MCF bonds. Cash provided by financing activities in Nine Months 2011 reflects proceeds from our Senior Credit Facility of $317.0 million, proceeds of $300.0 million from the issuance of our 6.625% Senior Notes offset by payments on our Senior Credit Facility of $102.9 million and payments on non-recourse debt of $24.6 million. We also made a cash distribution of $4.0 million to the partners of MCF and paid $11.2 million in debt issuance costs associated with the financing of the BI Acquisition. Cash used in financing activities may increase by up to $25.0 million if our management determines that the repurchase of our common stock is an appropriate use of capital resources. Further uses of cash in financing activities are expected to result from the payment of dividends in future fiscal quarters. Cash provided by financing activities will increase as a result of any financing related to the above mentioned investing and financing activities.

Outlook

The following discussion contains statements that are not historical statements and, therefore, constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Our forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those stated or implied in the forward-looking statements. Please refer to Part I - Item 1A. Risk Factors in our Annual Report on Form 10-K for the fiscal year ended January 1, 2012, the Forward-Looking Statements - Safe Harbor section in our Annual Report on Form 10-K, as well as the other disclosures contained in our Annual Report on Form 10-K, and the Forward-Looking Information section in this Form 10-Q for further discussion on forward-looking statements and the risks and other factors that could prevent us from achieving our goals and cause the assumptions underlying the forward-looking statements and the actual results to differ materially from those expressed in or implied by those forward-looking statements.

Revenue

Domestically, we continue to pursue a number of opportunities in the privatized corrections and detention industry. Overcrowding at corrections facilities in various states and increased demand for bed space at federal prisons and detention facilities are two of the factors that have contributed to the opportunities for privatization. In New Hampshire, we have responded to a state procurement for a new correctional facility totaling approximately 1,700 beds. At the federal level, we are responding to a procurement issued by the Federal Bureau of Prisons totaling up to 1,600 beds. We continue to be encouraged by opportunities as discussed above; however any positive trends may, to some extent, be adversely impacted by government budgetary constraints in the future. While state fiscal conditions continue to improve with forty-four states reporting year-over-year revenue growth in fiscal year 2012, state officials across the country continue to identify several challenges affecting their budgets for fiscal year 2013 according to the National Conference of State Legislatures. As a result of budgetary pressures, state correctional agencies may pursue a number of cost savings initiatives which may include the early release of inmates, changes to parole laws and sentencing guidelines, and reductions in per diem rates and/or the scope of services provided by private operators. These potential cost savings initiatives could have a material adverse impact on our current operations and/or our ability to pursue new business opportunities. Effective October 1, 2011, the State of California began implementing its Criminal Justice Realignment Plan, which has delegated tens of thousands of low level state offenders to local county jurisdictions in California. As a result of this decision, the California Department of Corrections and Rehabilitation cancelled our agreements for the housing of low level state offenders at three of our California community correctional facilities. In January 2012, we also received notice from the CDCR of its intention to terminate the contract at Golden State Modified Community Correctional Facility however, this termination was rescinded in April 2012 and most recently in October 2012, the State of California extended the contract for the Golden State Modified Community Correctional Facility through June 30, 2016. We plan to market the idle facilities to federal, state and local jurisdictions in California. Additionally, if state budgetary constraints, as discussed above, persist or intensify, our state customers ability to pay us may be impaired and/or we may be forced to renegotiate our management contracts on less favorable terms and our financial condition, results of operations or cash flows could be materially adversely impacted. We plan to actively bid on any new projects that fit our target profile for profitability and operational risk. Although we are pleased with the overall industry outlook, positive trends in the industry may be offset by several factors, including budgetary constraints, unanticipated contract terminations, contract non-renewals, and/or contract re-bids. Although we have historically had a relatively high contract renewal rate, there can be no assurance that we will be able to renew our expiring management contracts on favorable terms, or at all. Also, while we are pleased with our track record in re-bid situations, we cannot assure that we will prevail in any such future situations.

47

Table of Contents

Internationally, the government in the United Kingdom has an active procurement for the private management of nine existing prison facilities which total approximately 6,000 beds. We began competition for these opportunities in the fourth quarter of 2011 and submitted our initial proposal on April 24, 2012. Contract awards are expected to be announced before year-end 2012. Also in the United Kingdom, in April 2012, the Ministry of Justice issued an invitation to negotiate for an electronic monitoring project which is expected to be awarded in 2013. We believe there will be additional opportunities in the United Kingdom such as additional market testing of prisons, electronic monitoring of offenders and community corrections. We are exploring other opportunities in international markets and will continue to actively bid on any opportunities that fit our target profile for profitability and operational risk.

With respect to our mental health, residential treatment, youth services, electronic monitoring services, and re-entry services business conducted through our GEO Care business segment, we are currently pursuing a number of business development opportunities. In connection with our merger with Cornell in August 2010 and our acquisition of BI in February 2011, we have significantly expanded GEO Care s operations by adding 36 facilities, 7 nonresidential service centers, and 35 Day Reporting Centers. We also expanded the service offerings of GEO Care by adding electronic monitoring services, community re-entry and immigration related supervision services. Through both organic growth and acquisitions, and subsequent to our acquisition of BI in February 2011, we have been able to grow GEO Care s business to approximately 6,400 beds and approximately 70,000 offenders under community supervision. Several states including Texas, Georgia, Louisiana, South Carolina, North Carolina, Pennsylvania, Virginia and others have indicated a desire to privatize one or more state psychiatric hospitals. We are currently competing on formal procurements for state psychiatric hospitals and/or residential treatment facilities in the states of Texas, North Carolina, and Virginia. Relative to opportunities for community-based re-entry centers, we expect to compete for several formal solicitations from the Bureau of Prisons (the BOP) for re-entry centers across the country and are also working with our existing local and state correctional clients to leverage new opportunities for both residential facilities as well as non-residential day reporting centers. We continue to expend resources on informing state and local governments about the benefits of privatization and we anticipate that there will be new opportunities in the future as those efforts begin to yield results. We believe we are well positioned to capitalize on any suitable opportunities that become available in this area.

Operating Expenses

Operating expenses consist of those expenses incurred in the operation and management of our contracts to provide services to our governmental clients. Labor and related cost represented 61.0% of our operating expenses in Nine Months 2012. Additional significant operating expenses include food, utilities and inmate medical costs. In Nine Months 2012, operating expenses totaled 75.0% of our consolidated revenues. Our operating expenses as a percentage of revenue in 2012 will be impacted by the opening of any new or existing facilities as a result of the cost of transitioning and/or start-up operations related to a facility opening. During 2012, we will incur carrying costs for facilities that are currently vacant in 2012. The carrying costs associated with the approximately 6,000 beds we are currently marketing are expected to be $14.6 million, including depreciation of $7.5 million. We will also experience increases as a result of the amortization of intangible assets acquired in connection with our acquisition of BI. In addition to these factors, we expect to experience overall increases in operating expenses in 2012 as a result of a full year of BI s operations. As of September 30, 2012, our worldwide operations include the management and/or ownership of approximately 75,000 beds at 108 correctional, detention and residential treatment, youth services and community-based facilities including idle facilities and projects under development and also include the provision of monitoring of approximately 70,000 offenders in a community-based environment on behalf of approximately 900 federal, state and local correctional agencies located in all 50 states.

General and Administrative Expenses

General and administrative expenses consist primarily of corporate management salaries and benefits, professional fees and other administrative expenses. In Nine Months 2012, general and administrative expenses totaled 6.7% of our consolidated revenues. We expect general and administrative expenses as a percentage of revenue in 2012 to decrease as a result of cost savings initiatives and decreases in nonrecurring integration costs related to our acquisitions of Cornell and BI. During 2011, we incurred approximately $6.4 million in nonrecurring integration costs. We expect business development costs to remain consistent as we pursue additional business development opportunities in all of our business lines and build the corporate infrastructure necessary to support our mental health residential treatment services business. We also plan to continue expending resources from time to time on the evaluation of potential acquisition targets.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Interest Rate Risk

We are exposed to market risks related to changes in interest rates with respect to our Senior Credit Facility. Payments under the Senior Credit Facility are indexed to a variable interest rate. Based on borrowings outstanding under the Senior Credit

Table of Contents

Facility of $798.5 million and $56.4 million in outstanding letters of credit, as of September 30, 2012, for every one percent increase in the average interest rate applicable to the Senior Credit Facility, our total annual interest expense would increase by $8.0 million.

As of September 30, 2012, we had four interest rate swap agreements in the aggregate notional amount of $100.0 million. These interest rate swaps, which have payment, expiration dates and call provisions that mirror the terms of the 7 $^3/_4$% Senior Notes, effectively convert $100.0 million of the 7 $^3/_4$% Senior Notes into variable rate obligations. Under these interest rate swaps, we receive a fixed interest rate payment from the financial counterparties to the agreements equal to 7 $^3/_4$% per year calculated on the notional $100.0 million amount, while we make a variable interest rate payment to the same counterparties equal to the three-month LIBOR plus a fixed margin of between 4.16% and 4.29%, also calculated on the notional $100.0 million amount. For every one percent increase in the interest rate applicable to our aggregate notional $100.0 million of swap agreements relative to the 7 $^3/_4$% Senior Notes, our annual interest expense would increase by $1.0 million.

We have entered into certain interest rate swap arrangements for hedging purposes, fixing the interest rate on our Australian non-recourse debt to 9.7%. The difference between the floating rate and the swap rate on these instruments is recognized in interest expense within the respective entity. Because the interest rates with respect to these instruments are fixed, a hypothetical 100 basis point change in the current interest rate would not have a material impact on our financial condition or results of operations.

Additionally, we invest our cash in a variety of short-term financial instruments to provide a return. The majority of our cash is invested internationally. These instruments generally consist of highly liquid investments with original maturities at the date of purchase of three months or less. While these instruments are subject to interest rate risk, a hypothetical 100 basis point increase or decrease in market interest rates would not have a material impact on our financial condition or results of operations.

Foreign Currency Exchange Rate Risk

We are also exposed to market risks related to fluctuations in foreign currency exchange rates between the U.S. dollar, the Australian dollar, the Canadian dollar, the South African Rand and the British Pound currency exchange rates. Based upon our foreign currency exchange rate exposure at September 30, 2012, every 10 percent change in historical currency rates would have approximately a $6.1 million effect on our financial position and approximately a $0.9 million impact on our results of operations during Nine Months 2012.

ITEM 4. CONTROLS AND PROCEDURES.

(a) Evaluation of Disclosure Controls and Procedures.

Our management, with the participation of our Chief Executive Officer and our Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, referred to as the Exchange Act), as of the end of the period covered by this report. On the basis of this review, our management, including our Chief Executive Officer and our Chief Financial Officer, has concluded that as of the end of the period covered by this report, our disclosure controls and procedures were effective to give reasonable assurance that the information required to be disclosed in our reports filed with the SEC, under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC, and to ensure that the information required to be disclosed in the reports filed or submitted under the Exchange Act is accumulated and communicated to our management, including our Chief Executive Officer and our Chief Financial Officer, in a manner that allows timely decisions regarding required disclosure.

It should be noted that the effectiveness of our system of disclosure controls and procedures is subject to certain limitations inherent in any system of disclosure controls and procedures, including the exercise of judgment in designing, implementing and evaluating the controls and procedures, the assumptions used in identifying the likelihood of future events, and the inability to eliminate misconduct completely. Accordingly, there can be no assurance that our disclosure controls and procedures will detect all errors or fraud. As a result, by its nature, our system of disclosure controls and procedures can provide only reasonable assurance regarding management s control objectives.

(b) Changes in Internal Control Over Financial Reporting.

Our management is responsible to report any changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the period to which this report relates that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. Management believes that there have not been any changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the period to which this report relates that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Table of Contents

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

The information required herein is incorporated by reference from Note 12 - Commitments and Contingencies in the Notes to the Unaudited Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

ITEM 1A. RISK FACTORS.

Item 1A of Part I of our Annual Report on Form 10-K for the year ended January 1, 2012, includes a detailed discussion of the risk factors that could materially affect our business, financial condition or future prospects.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

Period	Total Number of Shares Purchased (1)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (2)	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs
July 2, 2012 - July 29, 2012				$ 25,017,638
July 30, 2012 - August 26, 2012				$ 25,017,638
August 27, 2012 - September 30, 2012	1,782	$ 26.84		$ 25,015,856

(1) These shares relate to the purchase of common stock tendered by employees to exercise share-based payment awards and satisfy the required minimum statutory withholding taxes related to share-based payment awards. All shares purchased to date pursuant to the Company s share repurchase program have been deposited into treasury and retained for future use.

(2) In July 2011, the Company s Board of Directors approved a stock repurchase program of up to $100.0 million of its common stock effective through December 31, 2012. The stock repurchase program is implemented through purchases made from time to time in the open market or in privately negotiated transactions, in accordance with applicable rules and requirements of the Securities and Exchange Commission. The program includes repurchases from time to time from executive officers or directors of vested restricted stock and/or vested stock options.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

Not applicable.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION.

Not Applicable

ITEM 6. EXHIBITS.

(A) Exhibits

50

Table of Contents

10.42	Third Amended and Restated Executive Employment Agreement, dated August 22, 2012, by and between The GEO Group, Inc. and George C. Zoley.(1)
10.43	Amended and Restated Executive Retirement Agreement, dated August 22, 2012, by and between The GEO Group, Inc. and George C. Zoley.(1)
10.44	Amendment No. 3, dated as of August 30, 2012, to the Credit Agreement dated as of August 4, 2010 among The GEO Group, Inc., as Borrower, certain of The GEO Group, Inc. s subsidiaries, as Guarantors and BNP Paribas, as Administrative Agent.(2)
10.45	Series A-3 Incremental Loan Agreement, dated as of August 30, 2012, among The GEO Group, Inc. as Borrower, the lenders signatory thereto and BNP Paribas, as Administrative Agent (portions of this exhibit have been omitted and filed separately with the Securities and Exchange Commission pursuant to a request for confidential treatment).(2)
31.1	SECTION 302 CEO Certification.
31.2	SECTION 302 CFO Certification.
32.1	SECTION 906 CEO Certification.
32.2	SECTION 906 CFO Certification.
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Calculation Linkbase
101.DEF	XBRL Taxonomy Extension Definition Linkbase
101.LAB	XBRL Taxonomy Extension Label Linkbase
101.PRE	XBRL Taxonomy Extension Presentation Linkbase

(1) Incorporated herein by reference from the Company s Form 8-K filed on August 28, 2012
(2) Incorporated herein by reference from the Company s Form 8-K filed on September 6, 2012

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

	THE GEO GROUP, INC.
Date: November 8, 2012	/s/ Brian R. Evans Brian R. Evans
	Senior Vice President & Chief Financial Officer (duly authorized officer and principal financial officer)