



RAMIRO SÁNCHEZ DE LERÍN GARCÍA-OVIES

*General Secretary and
Secretary of the Board of Directors*
TELEFÓNICA, S.A

Please find enclosed the press release spread by ENDEMOL, N.V. regarding its Initial Public Offering and its listing on Euronext Amsterdam.

Not for release, publication or distribution in the United States of America, Australia, Canada or Japan



Press release

Hilversum, November 10, 2005

Endemol N.V. seeks Initial Public Offering (“IPO”) and listing on Euronext Amsterdam

- The IPO will increase visibility of Endemol’s business through public valuation
- The IPO will increase ability to align management objectives with company strategy and will provide key staff with appropriate incentives to deliver shareholder value
- The IPO comprises a global offering of a minority part of the existing ordinary shares to be sold by Endemol Investment B.V. (no issue of new shares) to institutional investors
- The offer price is expected to be in the range of EUR 8.80 – EUR 12.80 per share
- The subscription period for the offering (which is open to institutional investors only) has opened on 10 November 2005; Trading is expected to commence on or about 22 November 2005

Endemol N.V. (“Endemol” or the “Company”), a global leader in television and other audiovisual entertainment, announced today that application has been made for all 125,000,000 existing ordinary shares of Endemol N.V. to be listed on Euronext Amsterdam. The global offering to institutional investors will be made at an offer price to be expected in the range of EUR 8.80 – EUR 12.80 per ordinary share.

A minority part of the existing ordinary shares will be offered only to institutional investors during a subscription period that has opened on 10 November 2005 and will close on or about 21 November 2005. Trading of the shares on Eurolist by Euronext Amsterdam N.V. (“Eurolist by Euronext”) is expected to commence on or about 22 November 2005. A prospectus will be available to the public in due course. The subscription period and therefore the expected timetable for the offering are subject to acceleration or extension at the Company’s discretion.

The proceeds of the sale of the shares will fully accrue to the selling shareholder, Endemol Investment B.V., 99.7% indirectly owned by Telefónica S.A. The exact number of existing ordinary shares offered by the selling shareholder will be determined by the end of the book-building process which is expected to be on or about 21 November 2005 and will be announced in a press release and in an advertisement in the daily official list of Euronext Amsterdam and in a national newspaper. After the listing and share offering, Telefónica will maintain indirect control over Endemol.

Not for release, publication or distribution in the United States of America, Australia, Canada or Japan

Joaquim Agut Bonfills, CEO of Endemol:

"We are very pleased with the anticipated listing, which constitutes an important step for Endemol as a global entertainment company. This is the result of hard work by our employees worldwide. The anticipated listing will increase the visibility of our business and enhance the ability to align management objectives with company strategy."

Company overview, products, strategy and objectives.

Endemol is a global leader, developer and producer of television and other audiovisual entertainment formats. It creates premium entertainment ideas and sells them to the world's leading broadcasters. The Company produces shows based on such ideas to high standards, creating hits with strong brand value. Subsequently, it exploits the value of its brands across other media and communication platforms, including, for example, mobile phones and the Internet.

Among Endemol's most successful formats are Big Brother, Fear factor and Deal or No Deal. Big Brother, first aired six years ago, has been produced in 36 countries and has been constantly rejuvenated, providing an important base for exploitation on other platforms. Fear factor, developed by Endemol USA from an existing Dutch Endemol format, has become a very successful prime-time network reality show in the United States. Deal or No Deal has emerged as one of the most popular game shows in the world and has been produced in 26 countries. Other well known Endemol produced formats include Extreme Makeover: Home Edition, Operación Triunfo, Call TV (with all of its local variants), Changing Rooms, Ready Steady Cook, Domino Day, 1 vs. 100, Vivere and Cento Vetrine.

Endemol is active in three business areas: non-scripted television, which accounted for 78.7% of its turnover in 2004; scripted television, which accounted for 12.3% of its turnover in 2004; and digital media, which accounted for 9.0% of its turnover in 2004.

Endemol leverages on its key competitive strengths to sustain and improve its leadership position: creativity and intellectual property; production expertise; global network and presence; entrepreneurial management supported by strong internal structures and processes; strong market relationships across a variety of countries and platforms; and a solid track record and market leadership.

As a consequence of the corporate reorganisation that took place prior to the offering, the French Endemol business has been separated from the rest of the Company and will not be part of the listed Endemol N.V. However, the existing operational and creative relationships between the French Endemol business and Endemol N.V. will remain in place.

Endemol Key Figures

(EUR in millions)	Year ended 31 December				Nine months ended 30 September	
	2002	2003	2004	2004	2004*	2005
	(Dutch GAAP)	(Dutch GAAP)	(Dutch GAAP)	(IFRS)	(IFRS)	(IFRS)
Net Turnover	708.4	739.7	850.9	850.9	585.8	615.8
EBITDA	89.7	127.2	139.1	132.4	102.1	111.3
Operating Result	67.7	107.7	116.5	117.2	92.8	99.8
Net Income Attributable to Shareholders	36.0	63.1	61.9	64.5	52.0	59.8
Net Financial Debt / (Cash)	129.0	63.9	8.7	11.8	(14.3)	83.8
Capital Expenditure	14.8	12.0	15.2	15.2	10.7	7.1

* Unaudited

Not for release, publication or distribution in the United States of America, Australia, Canada or Japan

Management

The Management Board of Endemol is headed by Joaquim Agut Bonsfills (Chairman and Chief Executive Officer), who has joined the Endemol Group in February 2004. The other members of the Management Board are Peter Bazalgette (Chief Creative Officer) and Tom Barnicoat (Chief Operating Officer).

The Supervisory Board comprises Santiago Fernández Valbuena, Luis Badia Almirall and Gert Smit.

Listing and global offering details

Application has been made for all existing 125,000,000 ordinary shares of Endemol, with a nominal value each of EUR 0.10, to be listed on Eurolist by Euronext.

A minority part of the existing ordinary shares (including over-allotment option) will only be offered to institutional investors outside the United States, Canada, Japan and Australia in reliance on Regulation S and to qualified institutional buyers within the United States in reliance on Rule 144A. Endemol is a 99.7% indirect subsidiary of Telefónica S.A. ("Telefónica"), through Endemol Holding N.V. and Endemol Investment B.V., the selling shareholder.

In accordance with market practice, the Company and the selling shareholder have entered into a lock-up agreement for the 180 day period following the completion of the offering.

In connection with the offering, the selling shareholder will grant to the managers in the offering, an over-allotment option to purchase additional shares representing 12% of the number of shares to be offered exercisable in whole or in part(s) within 30 days of the date of commencement of trading.

The subscription period for the shares has opened on 10 November 2005 and will close on or about 21 November 2005 as of 5.00 p.m. CET. The offer price will be determined on the basis of the book-building process. The offer price and the exact number of shares offered will be announced in a press release and in an advertisement in the daily official list of Euronext Amsterdam and in a national newspaper following the termination of the subscription period which is expected to be on or about 21 November 2005. The first day of trading is expected to be on or about 22 November 2005 (Eurolist by Euronext symbol: EML). The subscription period and therefore the expected timetable for the offering are subject to acceleration or extension at the Company's discretion.

Endemol N.V. will not receive any of the proceeds from the sale of the shares.

A prospectus prepared pursuant to the prospectus directive will be made available in due course, which, when made available, can be obtained in hard copy at the following offices:

Endemol N.V.

Bergweg 70
1217 SC Hilversum
The Netherlands
Facsimile: +31 35 5399960
E-mail:
prospectus@endemol.com

Merrill Lynch International

Merrill Lynch Financial Centre
Equity Capital Markets
2 King Edward Street
London EC1A 1HQ
United Kingdom
Facsimile: +44 20 7995 2516

ABN AMRO Bank N.V.

Service Desk MF 7020
Kemelstede 2
4817 ST Breda
The Netherlands
Facsimile: +31 76 579 96 43
E-mail:
so.servicedesk.c&cc@nl.abnamro.com

An electronic version of the prospectus will be made available in due course to residents of the Netherlands only at: www.euronext.com. The availability of the prospectus will be announced in a press release and in an advertisement in the daily official list of Euronext Amsterdam and in a national newspaper.

Not for release, publication or distribution in the United States of America, Australia, Canada or Japan

As this is a share offering to institutional investors, please note that retail investors will not be able to subscribe for the offered existing ordinary shares, but will be able to buy shares as of the first day of trading on Eurolist by Euronext Amsterdam, which is expected to be on or about 22 November 2005.

Merrill Lynch International will be the Global Coordinator and Lead Bookrunner of the offering. The Company has also appointed ABN AMRO Rothschild and Credit Suisse First Boston (Europe) Limited as Joint Bookrunners of the offering. Banco Bilbao Vizcaya Argentaria, S.A., ING Bank N.V., Lehman Brothers International (Europe) and Mediobanca – Banca di Credito Finanziario S.p.A. (“Mediobanca”) are the Co-Lead Managers in connection with the offering.

For more information:

Endemol Holding, Jeroen van Waardenberg, tel. +31 (0)35 53 994 16.

ABOUT ENDEMOL

Endemol is a global leader in television and other audiovisual entertainment. The Company creates premium entertainment ideas and sells them to the world's leading broadcasters. Endemol then produces shows based on such ideas to high standards, creating hits with strong brand value. Subsequently, the Company exploits the value of its brands across other media and communications platforms, including, for example, mobile phones and the Internet.

Endemol, with its head office in Hilversum, the Netherlands, now has subsidiaries and joint ventures in 22 countries, including the United Kingdom, the United States, Spain, Italy, Germany and the Netherlands, as well as in Latin America, South Africa and Australia.

Since the summer of 2000 Endemol has been part of the Telefónica group. Telefónica is one of the largest telecommunication operators in the world in terms of market capitalisation. Its activities are centered mainly on the fixed and mobile telephony businesses with broadband as the key tool for the development of both of these. Telefónica has a significant presence in 17 countries and a customer base that amounts to more than 145 million accesses.

THE INFORMATION CONTAINED HEREIN SHALL NOT CONSTITUTE OR FORM ANY PART OF ANY OFFER OR INVITATION TO SUBSCRIBE FOR, UNDERWRITE OR OTHERWISE ACQUIRE, OR ANY SOLICITATION OF ANY OFFER TO PURCHASE OR SUBSCRIBE FOR, SECURITIES INCLUDING IN THE UNITED STATES OF AMERICA, AUSTRALIA, CANADA, OR JAPAN.

THE INFORMATION CONTAINED HEREIN IS NOT FOR PUBLICATION OR DISTRIBUTION INTO THE UNITED STATES, AUSTRALIA, CANADA, OR JAPAN. NEITHER THIS ANNOUNCEMENT NOR ANY COPY OF IT MAY BE TAKEN OR DISTRIBUTED OR PUBLISHED, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES OF AMERICA, AUSTRALIA, CANADA, OR JAPAN.

THE MATERIAL SET FORTH HEREIN IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT INTENDED, AND SHOULD NOT BE CONSTRUED, AS AN OFFER OF SECURITIES FOR SALE INTO THE UNITED STATES OR ANY OTHER JURISDICTION. SECURITIES MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES ABSENT REGISTRATION UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”) OR AN EXEMPTION FROM REGISTRATION. THE SECURITIES OF THE COMPANY DESCRIBED HEREIN HAVE NOT BEEN AND WILL NOT BE SO REGISTERED. THERE WILL BE NO PUBLIC OFFER OF SECURITIES IN THE UNITED STATES, AUSTRALIA, CANADA, OR JAPAN.

THIS PRESS RELEASE IS ONLY DIRECTED, AND ANY OFFERING WILL ONLY BE DIRECTED, TO INSTITUTIONAL INVESTORS.

Not for release, publication or distribution in the United States of America, Australia, Canada or Japan

THIS PRESS RELEASE MAY CONTAIN CERTAIN "FORWARD-LOOKING STATEMENTS" WHICH INCLUDES ALL STATEMENTS THAT DO NOT RELATE SOLELY TO HISTORICAL OR CURRENT FACTS. ALL "FORWARD-LOOKING STATEMENTS" RELY ON A NUMBER OF ASSUMPTIONS CONCERNING FUTURE EVENTS AND ARE SUBJECT TO A NUMBER OF UNCERTAINTIES AND OTHER FACTORS, MANY OF WHICH ARE OUTSIDE OUR CONTROL THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM SUCH STATEMENTS. WE UNDERTAKE NO OBLIGATION TO PUBLICLY UPDATE OR REVISE ANY FORWARD-LOOKING STATEMENTS, WHETHER AS A RESULT OF NEW INFORMATION, FUTURE EVENTS OR OTHERWISE. THIS PRESS RELEASE MAY NOT BE DISTRIBUTED, PUBLISHED OR REPRODUCED IN WHOLE OR IN PART TO UNITED STATES PERSONS OR INTO THE UNITED STATES OF AMERICA, CANADA, JAPAN OR AUSTRALIA.

THIS DOCUMENT IS AN ADVERTISEMENT AND IS NOT A PROSPECTUS FOR THE PURPOSES OF APPLICABLE MEASURES IMPLEMENTING DIRECTIVE 2003/71/EC (THE "PROSPECTUS DIRECTIVE"). A PROSPECTUS PREPARED PURSUANT TO THE PROSPECTUS DIRECTIVE WILL BE MADE AVAILABLE IN DUE COURSE, WHICH, WHEN MADE AVAILABLE, CAN BE OBTAINED IN HARD COPY AT THE OFFICES OF THE COMPANY [ENDEMOL N.V., BERGWEG 70, 1217 SC HILVERSUM, THE NETHERLANDS, FACSIMILE: +31 35 5399960, E-mail: prospectus@endemol.com], AT MERRILL LYNCH [MERRILL LYNCH FINANCIAL CENTRE, EQUITY CAPITAL MARKETS, 2 KING EDWARD STREET, LONDON EC1A1HQ, UNITED KINGDOM, FACSIMILE: +44 20 7995 2516] AND AT ABN AMRO BANK N.V. [SERVICE DESK MF 7020, KEMELSTEDE 2, 4817 ST BRED, THE NETHERLANDS, FACSIMILE: +31 76 579 96 43, E-mail: so.servicedesk.c&cc@nl.abnamro.com]. THE PROSPECTUS WILL BE MADE AVAILABLE TO DUTCH RESIDENTS ONLY ON THE WEBSITE OF EURONEXT (WWW.EURONEXT.COM).