



Entravision
Communications
Corporation

2007 Annual Report

EVC | 2007

Entravision Communications Corporation is the largest publicly held, Spanish-language media company in the United States, with television and radio broadcast properties clustered in many of the fastest-growing and highest-density major U.S. Hispanic markets.

Entravision is the largest affiliate group of Univision Communications Inc. and owns and/or operates 51 primary television stations, 23 of which are Univision Network affiliates and 18 TeleFutura Network affiliates. In addition, Entravision owns 48 radio stations, 37 of which broadcast in Spanish and 11 in English, primarily to Hispanic audiences. These stations are located in 19 U.S. markets with large Hispanic populations, mainly in the Southwest.

Entravision's headquarters are located in Santa Monica, California. The company's stock trades on The New York Stock Exchange under the symbol "EVC."

Margaret Garcia

UN NUEVO MESTIZAJE SERIES | THE NEW MIX

16 WORKS, 1987-2001

Oil on canvas, 96" x 96" overall

ABOUT THE COVER

This Report features representative works of the "Chicano art movement," a broad, artistic expression of the quest for ethnic identity, memory preservation, and cultural reclamation in the quotidian lives of Mexican-Americans in the Southwestern United States.

Entravision
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A Nation of
Immigrants

Because Entravision's media serve as an important voice of the Hispanic community in our markets, we have chosen in this Annual Report to add our views to the debate on the role of immigrants and particularly Hispanic immigrants in our society.

**GIVE ME YOUR TIRED, YOUR POOR, YOUR HUDDLED MASSES
YEARNING TO BREATHE FREE**

There was no “Statue of Liberty” to welcome Mexican immigrants at Eagle Pass, Texas, Nogales, Arizona, or Columbus, New Mexico in 1907, but records in the National Archives list their names, along with Syrians, Turks and Japanese who entered at the same places and times. They are among the tens of millions of immigrants from every part of the globe who have entered the United States through such points during America's more than two centuries of nationhood, part of the greatest migration of people in the history of the world. These immigrants have built the strongest and most prosperous nation the world has ever known.

Roughly 40% of Americans today can trace their ancestry through Ellis Island. That iconic bit of land in New York Harbor served as the nation's premier federal immigration station from 1892 to 1954, processing more than 12 million immigrants, mainly European. However, 60% of the ancestors of today's Americans trace their family's entry to other places—Black slaves through ports like Savannah and Charleston, Chinese laborers through immigration stations such as Angel Island, California, and Hispanic political refugees and economic migrants through countless points along our southern border.



Rich with the imagery of family, religion and education—an altar on the wall with an icon of a dark-skinned “Virgin of Guadalupe,” a cross and photographs of ancestors above the bed and graduates on the dresser—this work by Texas-born artist Carmen Lomas Garza portrays multiple generations of a Mexican-American family enjoying a leisurely summer afternoon.

Carmen Lomas Garza

UNA TARDE | ONE SUMMER AFTERNOON, 1993

Always on canvas, 32" x 24"



Diane Gamboa's works reflect the gritty urban realities for a Mexican-American artist growing up in hardscrabble East Los Angeles. The flat, distorted figures in her portraits are exaggerated and stark, calling for an awakening to the dehumanizing aspects of society's political and social inequities.

Diane Gamboa

DRAMATIC PERFORMANCE, 2004

Acrylic on paper, 15" x 22"

Regardless of where or at what point in the nation's history they entered, all have been drawn by the opportunity for personal liberty, economic freedom, and freedom from religious and political oppression. These values and the opportunities they bestow have attracted more than 100 million immigrants to the United States since 1789, people who have come seeking a better life for themselves and their families and in so doing have built a mighty nation.

THE BACKLASH AGAINST IMMIGRATION

A darker reality also colors our history as a nation of immigrants: virtually every immigrant group setting foot on American soil has faced rejection and discrimination from some segment of the population already settled here.

Benjamin Franklin, a revered Founding Father, had this to say in 1751 about German immigrants in Pennsylvania:

Why should Pennsylvania, founded by the English, become a Colony of Aliens, who will shortly be so numerous as to Germanize us instead of our Anglifying them, and will never adopt our Language or Customs, any more than they can acquire our Complexion.

Franklin mused about the prospective need for interpreters in the Congress "to tell one-half of our legislators what the other half say."

In their turn, Germans, Irish, and then Italians and other Southern and Eastern Europeans faced such opprobrium. H.G. Wells wrote in 1906 after a visit to the United States:

Into the lower levels of the American community there

pours perpetually a vast torrent of strangers, speaking alien tongues, inspired by alien traditions, for the most part illiterate peasants and working people.

Wells also complained about the obtuseness of some of his pro-immigration hosts: “I could not make them understand the apprehension with which this huge dilution of the American people with profoundly ignorant peasants filled me.”

The harshest response of nativist and xenophobic Americans, however, has been reserved for those who fell outside their definition of the realm of whiteness. “Blacks, Indians, Mexicans and Chinese were all entirely outside,” writes historian Paul Spicard in *Almost All Aliens*. The blatantly racist “Asian Exclusion Act of 1882, aimed primarily at Chinese immigrants, was the nation’s first law that substantially restricted immigration.

Only with the passage of the McCarran-Walter Act of 1952 was the category of “aliens ineligible to citizenship” erased. Equally important, the Act established for the first time immigration quotas for all countries, although 85% of the total number of allowed immigrants was reserved for Northwest Europeans. President Harry S. Truman, whose veto of this legislation was overridden, said:

The idea behind this discriminatory policy was, to put it boldly, that Americans with English or Irish names were better people and better citizens than Americans with Italian or Greek or Polish names... Such a concept is utterly unworthy of our traditions and our ideals.

In 1963, President John F. Kennedy asked Congress to “eliminate discrimination based on national origin,” but it took two years after his assassina-



Patssi Valdez, like other women in the Chicano art movement, unsurprisingly brings a feminine perspective to her work, choosing allegory to present the tension between the domestic verities of the Chicano experience, suggested by a candlelit birthday cake, and unseen dark forces, hinted at by dead blowing leaves and a spectral angel in a room empty of life.

Patssi Valdez

AUTUMN, 2000

Acrylic on canvas, 52" x 66"



“Little dude with a smirk,” or little tough guy in the Mexican-Spanish-English of South Texas, is one of a series of “Batos,” composites of people that Martinez had known as a boy in Laredo and drew from memory and old school photographs. The face, shirt and background of the painting, rendered with the intense “colorfield” style developed by Abstract Expressionists such as Mark Rothko, convey the irony, attitude and complex identity of the artist’s amigos in 1950s Texas.

Cesar Martinez
 BATITO CON SMIRK, 1989
Acrylic on canvas, 64” x 54”

tion for Congress to abolish the national-origin quotas of earlier immigration law and establish instead annual quotas for different regions of the world. Most significantly, in a burst of legislative compassion, the 1965 Immigration Act allowed people who had close family members already in the United States to enter outside of the numerical limitations. The effect was profound.

THE FOURTH WAVE

The 1965 Act paved the way for the next great wave of immigration to the United States, but this time from Latin America and Asia. While the numbers were vastly larger than in the earlier waves, the country the immigrants entered was now considerably more populous. In the first decade of the twentieth century, 11.6 immigrants came to the United States for every 100 people already here, but in the 1990s, the number was only 3.7 per hundred. As Spicard writes: “Late twentieth- and early twenty-first century U.S. immigration, legal and illegal, was quite large in absolute numbers, but it was much, much smaller in terms of its relative impact on the existing U.S. population than had been that earlier migration.”

BECOMING AMERICANS – THE HUNTINGTON CHALLENGE

Every group of immigrants throughout the nation’s history has been charged with posing a threat to core American values and culture, altering the essence of the country and putting the nation’s future at grave risk. The charge has never stuck. Although most immigrant groups have preserved elements of their native culture from language to cuisine, every immigrant group, including

Hispanics, has become American in name and values alike. They have learned English, fought the nation's wars, voted in its elections, headed its corporations, entertained its people, and provided its leaders, heroes and patriots.

A historic cultural and ethnic shift has been well underway since the 1965 Act, with Hispanics accounting for an increasingly large percentage of America's ethnic makeup. The Census Bureau projects that by 2050, nearly one-quarter of all Americans will be Hispanic, double the percentage of 2000.

A provocative article in *Foreign Affairs* magazine in 2004 by the highly regarded Harvard University political scientist, Samuel P. Huntington, expresses the fear of many about the changes this shift is bringing and will bring. His paper, entitled "The Hispanic Challenge," begins by saying:

The persistent inflow of Hispanic immigrants threatens to divide the United States into two peoples, two cultures, and two languages. Unlike past immigrant groups, Mexicans and other Latinos have not assimilated into mainstream U.S. culture, forming instead their own political and linguistic enclaves—from Los Angeles to Miami—and rejecting the Anglo-Protestant values that built the American dream. The United States ignores this challenge at its peril.

Huntington argues that the number of Hispanic immigrants in recent decades is swamping all previous immigration waves in the nation's history. Hispanics, especially Mexicans, have high fertility rates, he says, and do not embrace what he calls the American "creed" that is responsible for the



Blue tires and a blue grill accent the blazing reds and oranges of Fiesta Car, Frank Romero's 1990 fusion of two iconic elements of Chicano urban culture, the automobile and celebration. One can almost feel the excitement and pride of the car's owner and hear bright music and laughter in the distance.

Frank Romero

FIESTA CAR, 1990

Oil and acrylic on mahogany panel, 48" x 72"



Utilizing a hyperrealist technique, Los Angeles artist John Valadez invites interpretations of gender relations among young Hispanics in one his visual portrayals of Los Angeles barrio life, part of a series of works that Valadez calls “a Chicano image bank.” The expressionless and unsmiling subjects are looking away from the viewer, perhaps projecting a sang-froid for an unseen photographer.

John Valadez

GINGERBREAD, 2000

Pastel on paper, 52” x 43”

success of the country. He says these immigrants “feel increasingly comfortable with their own culture and often contemptuous of American culture” and will lead Americans “...to their eventual transformation into two peoples with two cultures (Anglo and Hispanic) and two languages (English and Spanish),” a charge reminiscent of Franklin’s tract against German immigrants. Furthermore, Huntington says, Hispanic immigrants bring low education and skill levels, do not learn English, concentrate regionally and do not assimilate.

BECOMING AMERICANS – THE RESPONSE

Huntington’s claims, while alarming, are unsupported by the facts. Indeed, Hispanics are assimilating into and contributing to our nation at rates at least equal to previous groups. Consider the following.

LANGUAGE

The respected Pew Hispanic Survey shows that language acquisition amongst Hispanic immigrants follows much the same pattern as it did for previous immigrant groups that did not speak English on arrival. Pew describes a “dramatic increase in English-language ability from one generation of Hispanics to the next...” Pew data affirm that while only 23% of Hispanic immigrants are able to speak English very well, that figure rises to 84% for their U.S. children and 94% for later generations.

Roberto Suro, Director of the Pew Hispanic Center, writes “linguistic assimilation is proceeding faster today among Latinos than it did during the golden past that Huntington extols.” English remains the common language for all immigrants, while access

to English-language skills continues to be the indispensable tool for economic advancement.

CONCENTRATION

Huntington says that Hispanic immigrants live in their own communities and fail to intermix with the rest of American society. Although it is true that first and second generation Hispanics tend to cluster in relatively homogeneous neighborhoods, much like Italian immigrants in “Little Italy” in New York and Chinese in “Chinatown” in San Francisco, they are dispersing much more rapidly than the earlier waves of European immigrants. Nineteen states now have a Hispanic population of 10% or more.

One-third of recent Mexican immigrants to the United States from 1995 to 2000 settled outside of traditional gateway states in the Southwest, versus only 9% in the 1975-1980 period. There is dispersion even in the principal gateway states, with more than 70% of immigrants living in suburbs or rural areas. As a recent Population Reference Bureau report states, “Had Hispanics not moved in, more than 200 rural counties would have shrunk in population during the early 2000s.”

In 2000, foreign born immigrants from Mexico accounted for 30% of the total U.S. foreign-born population, according to the U.S. Census Bureau, a figure well below the 44% Irish foreign born in the United States in 1850. Daniel Griswold of the Cato Institute gives another historical perspective to recent immigration numbers:

For half a century, from 1840 to 1890, the rate of German immigration was greater in every decade



The swirling yellows, greens and blues of the grass in an East Los Angeles park draw the viewer's eye to the creamy pastels of a wedding party's finery in David Botello's impressionistic rendering of a rite of passage that transcends all cultures.

David Botello

WEDDING PHOTOS AT HOLLENBECK PARK, 1990

Oil on canvas, 47" x 35"



A daughter's fifteenth birthday and a sense of community are honored in a joyous family celebration, the elaborate and elegant coming-of-age birthday party called the Quinceañera, which harkens back to an old Spanish tradition of presenting one's daughter to society. Lomas Garza's "monitos" (little doll-like figures) contribute to the strong visual narrative that suffuses her works.

Carmen Lomas Garza

QUINCEAÑERA, 2001

Oil and alkyd on linen on wood, 36" x 48"

than the current inflow of Mexicans. From 1901 to 1910, Russian, Italian, and Austro-Hungarian immigration each surpassed the current rate of Mexican migration. Yet U.S. society successfully absorbed each of these groups, despite fears at the time that they were too alien to assimilate.

Overall, Hispanics today represent 14.8% of the U.S. population; 60.5% are native born.

CITIZENSHIP

Among Huntington's strongest charges against Hispanic immigrants is that they do not care about becoming citizens and exercising the responsibilities of citizenship. Again, the data dispute the allegations. The *New York Times* reported recently that the Immigration and Naturalization Service has been overwhelmed with citizenship application from legal immigrants, mostly Hispanic, and the processing wait has nearly tripled to an average of eighteen months through 2010.

Hispanic citizens are registering to vote and voting in record numbers, fulfilling one of the most fundamental responsibilities of citizenship. Indeed, a greater percentage of registered Hispanics than non-Hispanics have voted in some of the 2008 primaries and caucuses, including Nevada and California. At least 9.2 million Hispanics are expected to vote in November 2008, a record Hispanic turnout and a 23% increase over the 7.6 million who voted in 2004. Over 5,000 Hispanic elected officials across the United States serve the nation and their communities as school board members, mayors, governors, and members of Congress.

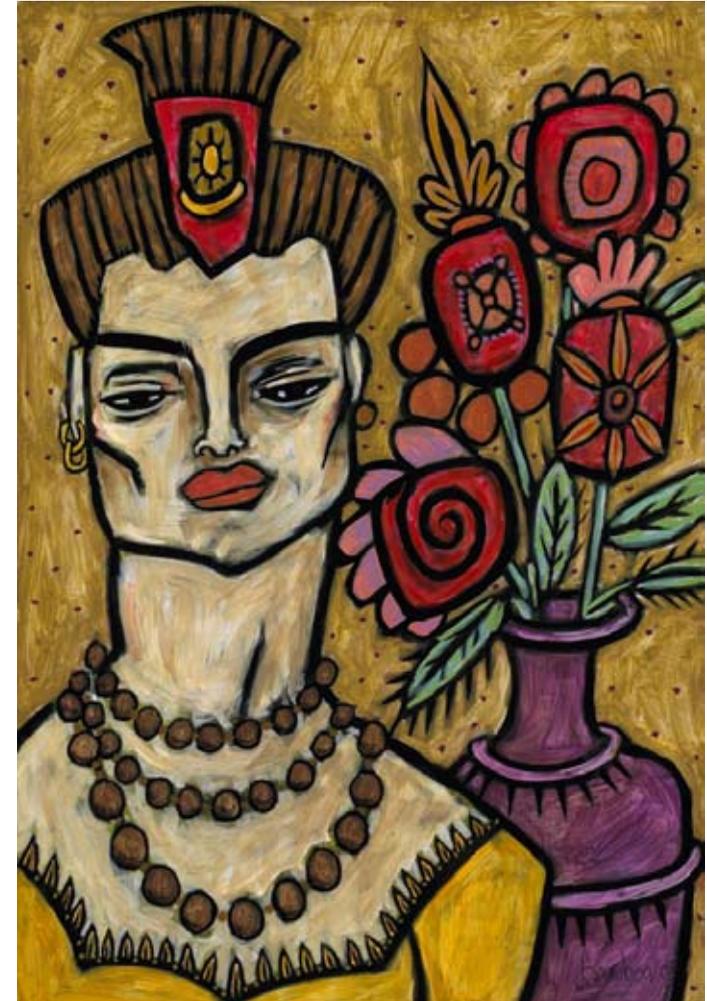
MILITARY SERVICE

One demonstration of patriotism is joining the military. Hispanics have served in the military since the Revolutionary War and 39 have won the Congressional Medal of Honor from World War II through the present, the most of any ethnic group. Hispanics are overrepresented in the military when compared with other groups.

EDUCATION, INCOME AND FAMILY

Based on 2006 data, about 59% of all Hispanics aged 25 and older in the U.S. have high school degrees, while 12.4% have bachelor degrees or higher. This is remarkable for a large immigrant group in which 4 out of 10 are foreign born and many of whose ancestors—or themselves—came to the country as relatively uneducated laborers. Evidence shows that Hispanics are climbing the educational ladder much more rapidly than many earlier European immigrant groups.

Hispanics are noted for having strong family structures. In the population group of 15 and older, close to half of all Hispanics are married, just a few percentage points less than the general population, and nearly 80% of all Hispanic households are classified as “family households” by the Census Bureau. Close to half of all Hispanic householders own their own home, compared to 69% of all Americans. Of those who arrived before 1990, nearly 60% own their own home. More than half of all Hispanic families had incomes in excess of \$35,000, and more than 36% had incomes above \$50,000 in 2005, compared to a median family income for the United States in 2006 of \$48,500.



This almost cartoon-like portrait of a woman coiffed and dressed for an evening event shares the frame with highly stylized, unidentifiable flowers in a muted purple vase that harmonizes with the ocher of her dress. The colors, massing of shapes, and inscrutable expression on the woman's face reflect a postmodern sensibility that pushes the boundaries of Chicano art.

Diane Gamboa

VARIOUS TRAITS, 2004

Acrylic on paper, 15" x 22"



The surreal and the feminine reign here, a lone woman sleeping on a burnt orange-draped bed that floats on a curved moonlit sea, her brown hands at perfect rest, one atop the other at her waist. Her electrified hair and the dark sea in the shadow of the bed suggest internal mysteries that are the province of the women of a Chicano family.

Patssi Valdez

THE DREAM, 2000

Acrylic on canvas, 96" x 72"

A NATION OF IMMIGRANTS

While legitimate issues exist about the need to secure the nation's borders, reform immigration laws and adopt fair and humane policies for the undocumented immigrants now living in the United States, the solutions must not repeat the long and shameful strain of racism that has punctuated America's immigration history.

Robert Kennedy wrote in a forward to the 1964 revision of John F. Kennedy's, *A Nation of Immigrants*:

Our attitude toward immigration reflects our faith in the American ideal. We have always believed it possible for men and women who start at the bottom to rise as far and as fast as their talent and energy allow. Neither race nor creed nor place of birth should affect their chances.

This eloquent statement should stand as a lodestar not only for all future immigration law but for the humane treatment of all people who have come to this country, many through extraordinary travail, to make a better life for themselves and their families.

President Ronald Reagan called immigrants "the men and women who labored all their lives so that their children would be well fed, clothed, and educated, the families that went through great hardship yet kept their honor, their dignity, and their faith in God." Their love of liberty, he said, made immigrants to the United States "not a gathering of individuals but a nation."

To Our Fellow Stockholders

CONTINUED PROGRESS IN 2007

We are pleased to report another year of solid achievement for your company. We continued to execute on our strategy of building powerful clusters of television and radio broadcast properties in major U.S. media markets with significant Hispanic populations. We are the leading media choice among the Hispanic audience in virtually all of our markets where we have built media clusters, and we strive to serve as the principal voice of the Hispanic community in all of our markets.

The surging growth in Hispanic population and purchasing power in the United States has made our stations increasingly vital to advertisers, and in this important election year of 2008, to political candidates as well.

The importance of U.S. Hispanics in the 2008 election provides just one of several validations of our media cluster strategy. Our stations are at the center of the electoral action because of the substantial growth in the number of Hispanic voters in the last decade and the deep debate over national immigration policy. Who could have imagined even 10 years ago that the stirring *¡Sí, Se Puede!—Yes, We Can!* would be the rallying cry in 2008 of the final contenders for the Democratic presidential nomination in major primaries and caucuses?

The two political parties are fighting hard for the Hispanic vote on a national basis *for the first time in any presidential election in history*. Entravision was proud to broadcast the first-ever Republican and Democratic Presidential Candidate Forums designed specifically for U.S.

The U.S. Hispanic population has grown more than three times as fast (24.3%) as that of the total population (6.1%) between 2000 and 2006.

Hispanics on our Univision affiliates in the fall of 2007 and followed this with the CNN/Univision Democratic presidential debate in Texas between Senators Barack Obama and Hillary Clinton on February 21, 2008.

Our Las Vegas TV stations also organized a special one-hour program on the day of the Democratic Nevada Caucuses, January 19, 2008, that included separate 15-minute exclusive interviews with Barack Obama and Hillary Clinton. Both candidates also were interviewed on February 4 and 5 by our morning team on our Super Estrella radio format leading up to the Super Tuesday primaries.

Elections are only a part of our story. In this *Letter*, we discuss our results for the year and describe important developments for Entravision in 2007, along with our prospects for 2008. Earlier in the Report, we weigh in on aspects of the immigration debate so important to our audiences with an essay entitled, “A Nation of Immigrants,” borrowing the title from a book of the same name written fifty years ago by President John F. Kennedy.

FINANCIAL PERFORMANCE

Our financial results in 2007 reflected very difficult year-on-year comparisons. In 2006, our results benefited from substantial quadrennial World Cup revenues and political advertising revenue, both of which were absent in 2007. In addition, an unpredictable economy that was sluggish in the second half of 2007 and effectively flat in the fourth quarter adversely affected our results for the year, as it did for virtually all media companies.

Hispanics became the largest ethnic or race minority in the nation as of July 1, 2006 with a population of 44.3 million or nearly 15% of the total population

Nonetheless, Entravision outperformed the broadcast media industries for a fifth consecutive year. Our television revenue results in 2007 exceeded that of the television industry by three percentage points, a 1% decline for us versus a 4% decline for the industry, while our pro forma radio revenue exceeded that of the radio industry by five percentage points, a 3% growth for us versus a 2% decline for the industry.

Net revenue of \$250.0 million in 2007 was up slightly from \$249.4 million 2006 on a pro forma basis, which for comparative purposes removes the results from our radio stations in Dallas and Tucson that we sold in 2006. Consolidated adjusted EBITDA declined by 6% to \$94.1 million from \$100.1 million in 2006, while free cash flow increased by 20% in 2007 to \$50.9 million. Pro forma operating expenses increased by 2% for the year, reflecting continued tight control of expenses.

Television revenue declined by 1% to \$156.4 million in 2007, while pro-forma Radio revenue increased by 3% to \$93.7 million. Thus, our Television Division came very close to making up the more than \$10 million of non-recurring revenue from World Cup and political advertising booked in 2006, despite the difficult macro economic environment in the second half of 2007.

We ended the year in excellent financial condition. Our balance sheet, in terms of its comparatively low ratio of debt to EBITDA in relationship to our industry, gives us the ability to act on strategic television and radio acquisition opportunities as they arise.

We continued to see firm growth in new national advertising

The U.S. Hispanic market is projected to account for \$1 trillion of purchasing power by 2012 and over \$3 trillion by 2027.

accounts in 2007, adding major companies such as JPMorgan Chase, Quaker State and the Mazda Dealer's Association, among others. A number of existing advertisers increased their expenditures with us as well in 2007, including Nissan, Toyota, Ford, Dodge and Jeep, Mervyn's Stores and Cricket Communications. Four of our top five advertising categories showed revenue growth for television and radio combined.

STOCK REPURCHASE

We repurchased Entravision shares on the open market in 2007 to enhance value to our stockholders. This program, approved by our Board and announced on November 1, 2006, authorized the repurchase of up to \$100 million of outstanding common stock. From the inception of the program through December 31, 2007, we have repurchased 8.4 million shares of common stock for \$69.5 million. In addition, we repurchased 1.5 million shares from Univision Communications Inc. in February 2008.

UNIVISION AFFILIATION

As the result of a private equity consortium acquiring Univision Communications Inc. in 2007, Entravision is now the largest independent public media company focused exclusively on the U.S. Hispanic audience.

We are in the 12th year of our 25-year television agreement with Univision and remain its largest and most important television affili-

Hispanic buying power is expected to grow at nearly five times the rate of the Hispanic population growth by 2027.

ate group. We have the exclusive right to broadcast its entire Univision Network and TeleFutura Network program offerings in certain markets and now account for 23 of Univision Network's markets, or one-quarter of its total distribution system, and 18 of TeleFutura Network's markets.

The relationship remains very strong and we have continued to work closely with Univision in a number of areas, such as winning increased budgets from major national and international companies for Spanish-language advertising.

BUILDING OUR MEDIA CLUSTERS

On December 1, 2007, we began operating radio station WNUE-FM, the #1 Spanish-language FM station in Orlando, Florida, as part of a \$24 million purchase agreement that was completed in March 2008. Orlando, the 17th-ranked Hispanic television market and the 19th-ranked Hispanic radio market, thus became the 11th market in which we own both television and radio properties. The Orlando television market has shown significant growth for us since we entered it six years ago.

Earlier in 2007, we launched KXOF-CA, a new Fox Network English-language television station serving a primarily Hispanic audience in Laredo, Texas. The station has performed well since its first telecast, and it complements our market-leading Univision and TeleFutura stations in Laredo. KXOF-CA is our second Fox Network station in South Texas, a market that is more than 85% Hispanic.

The U.S. Hispanic population surpassed Colombia in 2007 to become the largest Hispanic population in the world after Mexico.

We continued to develop our rights to operate a full-power television station in Colorado Springs/Pueblo, Colorado, the 40th largest U.S. Hispanic media market. We now expect to launch this station in mid-2008 with Univision programming, enabling us to add our TeleFutura broadcast on the existing station.

We also are progressing with development of a new a full-power television station to serve Wichita/Hutchinson, Kansas, the 53rd largest U.S. Hispanic market. We expect to launch a new Univision station in this market in the spring of 2009.

OUTDOOR DIVISION DIVESTITURE

We announced on February 28, 2008 that we have entered into a definitive agreement to sell our Outdoor Advertising Division to Lamar Advertising Company for \$100 million. We expect this transaction to close in the second quarter of the year.

The sale of the Division is consistent with our objective of unlocking the value of non-strategic assets and redeploying resources into attractive television and radio clusters in fast-growing Hispanic markets, and, potentially, returning capital to stockholders.

INTERNET INITIATIVE

We now are implementing an ambitious digital interactive strategy that

U.S. Hispanics owned 1.6 million businesses with receipts totaling about \$222 billion in 2002, with the number of businesses growing at a rate of three times the national average.

will add an attractive new revenue stream to our company and allow our media properties to grow audience, market share and audience loyalty. This growth initiative will put rich content on market-specific Internet websites for nearly all of our television and radio properties. Station websites will be up and running for most of our markets by the end of the first quarter of 2008.

Each site will have a local flavor, be highly interactive and incorporate extensive social networking and programming features, including streaming video and audio, podcasts, breaking national and local news, and weather and events information. Clever and appealing tie-in promotional opportunities will give our advertisers extensive resources for reaching consumers and generating responses.

MEDIA PERFORMANCE HIGHLIGHTS

Television accounted for more than one-half of our total revenue in 2007, or about 63% of our total broadcast revenue. Entravision television properties are located in 11 of the 15 fastest-growing and 12 of the 15 highest-density major U.S. Hispanic markets.

Illustrating our strong positioning, Entravision-produced local newscasts were #1 in 10 markets and #2 in two markets for the desirable Adult 18-34 age group, *regardless of language* in the NSI Nielsen November 2007 ratings Sweeps. In Prime Time, our Univision affiliates were #1 in seven markets, *regardless of language*, thus beating all of the major networks.

The Hispanic population is projected to reach 102.6 million by 2050 and represent nearly one-quarter of the total U.S. population.

Univision Networks' national broadcast distribution, including TeleFutura, has an overall 79% share of Spanish-language Prime Time broadcast television viewing among Adults 18-49. In some Entravision markets, we attain a share in excess of 90% for this same demographic.

To give some measure of our realized potential, our Las Vegas station KINC-TV, increased its ratings by 144% for the Adult 18-34 age demographic in the Nielsen Sweeps year-over-year, rising to become the #1 station in its market during Prime Time, *regardless of language*, for both the Adult 18-34 and Adult 18-49 age demographics.

Our TeleFutura Network affiliates continued to expand at a good pace as well, increasing their ratings by 50% from 2006 to 2007, according to the Nielsen November 2007 Sweeps. TeleFutura programming skews to younger audiences with extensive sports and Hollywood movie programming. Three of our TeleFutura stations showed triple-digit ratings growth among the Adult 18-34 audience in 2007, while overall TeleFutura revenue grew by 13%. We now have cable penetration in all of our TeleFutura Network markets, which has contributed to our ratings growth.

Many of our television stations have been broadcasting a digital signal since 2005. In 2007, we completed our digital television build-out in all of our markets covered by the federal mandate that requires all-digital broadcasting in February 2009. We are fully ready and believe that the conversion to digital will increase our audience reach over time. We also completed digital broadcast transitions at six of our radio stations during the year.

Nearly half of all Hispanic householders own their own home.

Our Radio Division revenue growth continued to outperform the radio industry in 2007. As one of the largest Spanish-language radio companies in the nation, we now reach an estimated 17 million U.S. Hispanics in their cars and homes and on their computers and mobile devices. Our Super Estrella (“Super Star”) format continues to be extremely popular in our markets and attracts a loyal and steadily growing audience base.

Typical of our radio success stories is Denver, where Entravision has an important media cluster and where the population is now 40% Hispanic. Our KXPX-FM in Denver is the #1 station *regardless of language* among Adults 18-34. Denver is the eighth largest U.S. market in terms of Hispanic disposable income and the fifth fastest-growing.

PROSPECTS FOR 2008

While we believe that a continued softness in the economy during the first half of the year will make 2008 another challenging year, we do have a number of reasons for modest optimism. One of the bright spots is political advertising. Heated contests in this presidential year already have produced record political advertising for us in the early primary states and caucuses.

The 2008 election is projected to be the most expensive presidential race in U.S. history. At the same time, the number of registered Hispanic voters is projected to increase by about 20% compared to 2004 and reach an all-time high of about six percent of the total number of reg-

Smith remains the most common surname in the United States, but for the first time, two Hispanic surnames — Garcia and Rodriguez — are among the top 10.

istered voters. In many “swing” states, the Hispanic vote will represent a much higher percentage and perhaps account for the margin of victory for candidates for president, senator or governor.

Spanish-language television and radio media is the most effective vehicle for reaching Hispanic voters, proven again in the recent hard-fought Democratic caucus in Nevada and primaries in California and Texas. Entravision has strong media positions in these states, as well as others where the Hispanic vote is significant and where vigorous presidential and congressional contests will be waged, including, Arizona, Colorado New Mexico, and Florida. Accordingly, we believe we will capture significant political advertising revenue for 2008.

Our stations joined a national effort last year called *Ya es hora ¡Ciudadanía!* (“It’s About Time! Citizenship!”) that helped produce citizenship applications from nearly 1.4 million green-card holders in 2007, the vast majority Hispanic. This was more than double the number of applications submitted in the year prior to the campaign. All of our stations ran and continue to run an extensive array of public service announcements and civic educational programming to encourage eligible Hispanics to become citizens, register to vote and get involved in the political process. In addition, we are launching a new Entravision-produced national political issues program this summer on Sunday mornings from Washington, D.C.

While consumer spending will be under pressure in 2008, the tax stimulus package and lower interest rates will help firm up this critical sector of the economy. Of great relevance to us, U.S. Hispanics spend more of

The median age of the Hispanic population in 2006 was 9 years younger than the population as a whole, 27.4 years versus 36.4 years

their income than non-Hispanics in many categories of purchases, including apparel, food, financial services and health care, making the Hispanic market especially attractive to advertisers during leaner times.

We have seen a pickup in advertising in some of our markets that have served as bellwether indicators of revenue trends in the past, giving us further encouragement for the year. Finally, Entravision will face much less formidable year-on-year quarterly comparisons in 2008 than we did in 2007 because of the absence of World Cup and political revenue in 2007.

In closing, we offer a special thanks to our employees, an outstanding group of men and women, for their hard work, resourcefulness and outstanding achievement in 2007. We welcome to the Entravision family Mr. Gilbert R. Vasquez, who was elected to the Board of Directors and appointed a member of the Audit Committee in 2007.

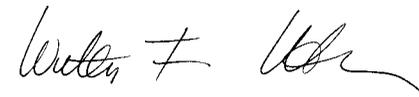
We also are pleased to announce the appointment of Christopher Young as Executive Vice President and Chief Financial Officer, effective early May, 2008. Chris will replace John DeLorenzo, our esteemed colleague, who will remain with the company until that date. Chris joined Entravision in 2000 as CFO of our Outdoor Division and most recently has been serving as President of that Division. He has an extensive background in corporate finance management with leading financial institutions.

We want to thank John DeLorenzo for his exceptional service to Entravision and wish him well in his future endeavors. John, who is returning with his family to their home base on the East Coast, has utilized his special understanding of finance and the media industry to help maximize

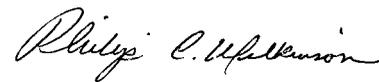
Overall, more than half of U.S. Hispanics use the Internet and more than 3/4ths of bilingual Hispanics and Hispanics born in the U.S. do so.

our operating performance and guide our strategic direction over the past six years.

All of us at Entravision are very excited about the growth potential of the Hispanic market and the role we are playing in serving the U.S. Hispanic community, as it becomes an increasingly important part of the fabric of American life. We thank all of our stockholders for your continued support and trust.



WALTER E. ULLOA
Chairman and Chief Executive Officer



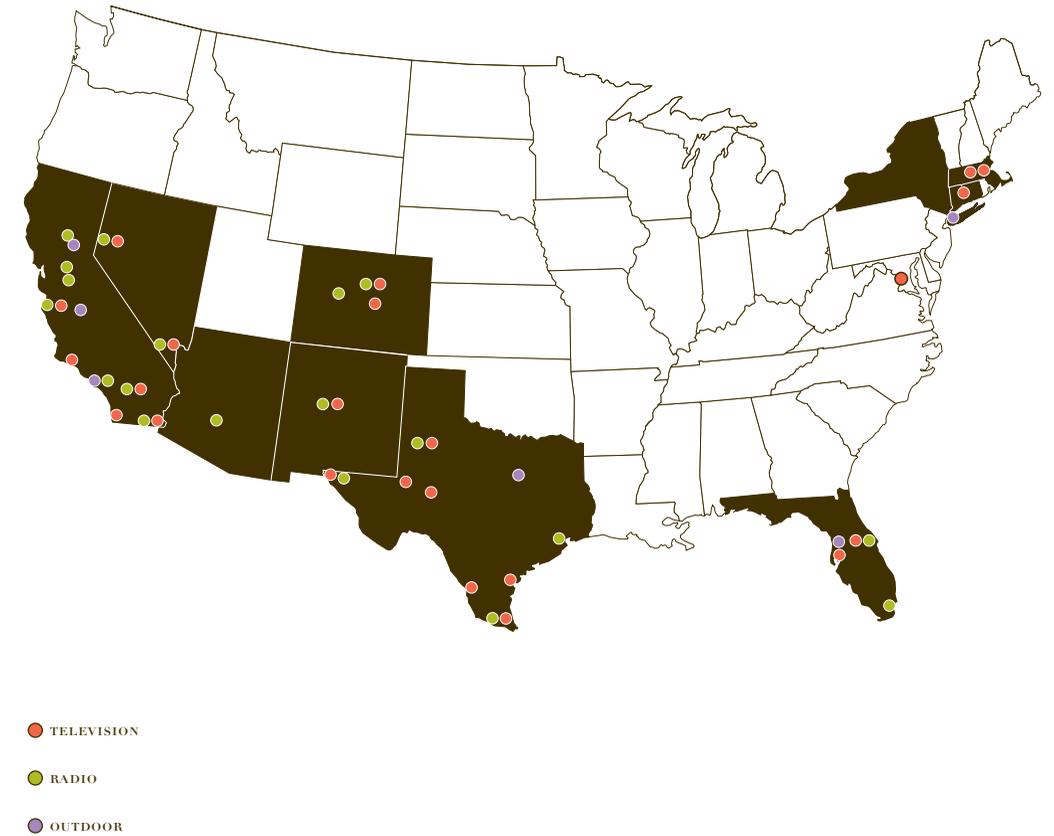
PHILIP C. WILKINSON
President and Chief Operating Officer

March 31, 2008

Financial Highlights

IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA	2007	2006	2007 vs 2006 % CHANGE	2005
Net revenue	\$ 250,046	\$ 255,134	(2)	\$ 246,766
Operating expenses	\$ 143,875	\$ 144,566	(0)	\$ 143,029
Consolidated adjusted EBITDA	\$ 94,110	\$ 100,081	(6)	\$ 92,473
Net loss	\$ (43,117)	\$ (134,599)	(68)	\$ (9,657)
Net loss per share, basic and diluted	\$ (0.42)	\$ (1.27)	(67)	\$ (0.08)
Weighted average common shares outstanding, basic	102,382,307	106,078,486	—	124,293,792
Weighted average common shares outstanding, diluted	103,020,657	106,078,486	—	124,484,472

Geographic Distribution



Television Station Portfolio

MARKET	HISPANIC MARKET RANK	CALL LETTERS, CHANNEL ⁽¹⁾	PROGRAMMING
Harlingen-Weslaco-Brownsville-McAllen, Texas ⁽²⁾	10	KNVO-TV, Channel 48 KVTF-CA, Channel 21 ⁽³⁾ KFTN-CA, Channel 30 ⁽³⁾ KTFV-CA, Channel 32 ⁽³⁾ KTIZ-LP, Channel 52 KSFV-LP, Channel 67	Univision TeleFutura TeleFutura TeleFutura CW CW
Albuquerque-Santa Fe, New Mexico	12	KLUZ-TV, Channel 41 ⁽⁴⁾ KTFQ-TV, Channel 14 ⁽⁵⁾ KTFA-LP, Channel 48	Univision TeleFutura Home Shopping Network
San Diego, California	14	KBNT-CA, Channel 17 ⁽³⁾ KHAX-LP, Channel 49 KTCB-LP, Channel 46 KDTF-LP, Channel 36	Univision Univision Univision TeleFutura
Denver-Boulder, Colorado	15	KCEC-TV, Channel 50 K43FN, Channel 43 K54IK, Channel 54 KTFD-TV, Channel 14 ⁽⁵⁾ KDVT-LP, Channel 36	Univision Univision Univision TeleFutura Jewelry Television
El Paso, Texas	16	KINT-TV, Channel 26 KTFN-TV, Channel 65	Univision TeleFutura
Orlando-Daytona Beach-Melbourne, Florida	17	WVEN-TV, Channel 26 W47DB, Channel 47 WOTF-TV, Channel 43 ⁽⁵⁾ WVCI-LP, Channel 16	Univision Univision TeleFutura Jewelry Television
Tampa-St. Petersburg (Sarasota), Florida	19	WVEA-TV, Channel 62 ⁽⁴⁾ WFTT-TV, Channel 50 ⁽⁵⁾ WVEA-LP, Channel 46	Univision TeleFutura Home Shopping Network
Washington, D.C.	20	WFDC-TV, Channel 14 ⁽⁵⁾ WMDO-CA, Channel 47 ⁽³⁾ WJAL-TV, Channel 68	Univision TeleFutura English-Language
Las Vegas, Nevada	22	KINC-TV, Channel 15 KNTL-LP, Channel 47 KWWB-LP, Channel 45 KELV-LP, Channel 27	Univision Univision Univision TeleFutura
Boston, Massachusetts	24	WUNI-TV, Channel 27 WUTF-TV, Channel 66 ⁽⁵⁾	Univision TeleFutura
Corpus Christi, Texas	26	KORO-TV, Channel 28 KCRP-CA, Channel 41 ⁽³⁾	Univision TeleFutura
Hartford-New Haven, Connecticut	31	WUVN-TV, Channel 18 WUTH-CA, Channel 47 ⁽³⁾	Univision TeleFutura

Television Station Portfolio Continued

MARKET	HISPANIC MARKET RANK	CALL LETTERS, CHANNEL ⁽¹⁾	PROGRAMMING
Monterey-Salinas-Santa Cruz, California	33	KSMS-TV, Channel 67 KDJT-CA, Channel 33 ⁽³⁾	Univision TeleFutura
Laredo, Texas	34	KLDO-TV, Channel 27 ⁽⁴⁾ KETF-CA, Channel 25 ⁽³⁾ KXOF-CA, Channel 39	Univision TeleFutura Fox
Yuma, Arizona-El Centro, California	35	KVYE-TV, Channel 7 KAJB-TV, Channel 54 ⁽⁵⁾	Univision TeleFutura
Palm Springs, California	37	KVER-CA, Channel 4 ⁽³⁾ KVES-LP, Channel 28 KEVC-CA, Channel 5 ⁽³⁾	Univision Univision TeleFutura
Odessa-Midland, Texas	39	KUPB-TV, Channel 18	Univision
Colorado Springs-Pueblo, Colorado	41	KGHB-CA, Channel 27 ⁽³⁾	Univision
Santa Barbara-Santa Maria-San Luis Obispo, California	44	KPMR-TV, Channel 38 K10OG, Channel 10 ⁽³⁾ K17GD, Channel 17 ⁽³⁾ K28FK, Channel 28 ⁽³⁾ K35ER, Channel 35 ⁽³⁾ KTSB-LP, Channel 43 ⁽³⁾	Univision TeleFutura TeleFutura TeleFutura TeleFutura TeleFutura
Lubbock, Texas	46	KBZO-LP, Channel 51	Univision
Reno, Nevada	55	KNVV-LP, Channel 41 KNCV-LP, Channel 48	Univision Univision
Springfield-Holyoke, Massachusetts	60	WHTX-LP, Channel 43	Univision
San Angelo, Texas	80	KEUS-LP, Channel 31 KANG-CA, Channel 41 ⁽³⁾	Univision TeleFutura
Tecate, Baja California, Mexico (San Diego)	—	XDTV-TV, Channel 49 ⁽⁶⁾	My Network TV
Tijuana, Mexico (San Diego)	—	XHAS-TV, Channel 33 ⁽⁶⁾	Telemundo
Matamoros, Tamaulipas, Mexico (Harlingen-Weslaco-Brownsville-McAllen, Texas)	—	XHRIO-TV, Channel 2 ⁽⁶⁾	Fox

Source: Nielsen Media Research 2008 universe estimates.

⁽¹⁾ With the exception of KUPB-TV, Odessa-Midland, Texas, the FCC has granted to each of our owned full-service analog television stations a paired channel to deliver our programming on a digital basis. These paired channel authorizations will remain in place until such time as we are required or elect to operate solely on a digital basis. We are currently broadcasting on all of the paired digital stations pursuant to FCC authorizations. We are generally undertaking our digital transmissions at their fully authorized levels, except in a few instances where we were subject to installation delays and sought waivers from the FCC. Pursuant to statute, we will be required to return our analog authorizations and discontinue analog broadcasting on or before February 17, 2009.

⁽²⁾ We also deliver the MTV Tres program service on Time Warner Cable in this market.

⁽³⁾ "CA" in call letters indicates station is under Class A television service. Certain stations without this designation are also Class A stations.

⁽⁴⁾ The station also transmits the LATV program service on one of the station's digital streams.

⁽⁵⁾ We provide the sales and marketing function of this station under a marketing and sales arrangement.

⁽⁶⁾ We hold a minority, limited voting interest (neutral investment) in the entity that directly or indirectly holds the broadcast license for this station. We provide the programming and related services available on this station under a time brokerage arrangement. The station retains control of the contents and other broadcast issues.

Radio Station Portfolio

HISPANIC MARKET	MARKET RANK	CALL LETTERS	FORMAT
Los Angeles-San Diego-Ventura, California	1	KLYY-FM 97.5 MHz	Cumbia
		KDLD-FM 103.1 MHz	Alternative Rock (English) ¹⁾
		KDLE-FM 103.1 MHz	Alternative Rock (English) ¹⁾
		KSSC-FM 107.1 MHz	Super Estrella ¹⁾
		KSSD-FM 107.1 MHz	Super Estrella ¹⁾
KSSE-FM 107.1 MHz	Super Estrella ¹⁾		
Miami-Ft. Lauderdale-Hollywood, Florida	3	WLQY-AM 1320 kHz	Time Brokered ²⁾
Houston-Galveston, Texas	4	KGOL-AM 1180 kHz	Time Brokered ²⁾
Phoenix, Arizona	8	KLNZ-FM 103.5 MHz	La Tricolor
		KDVA-FM 106.9 MHz	Super Estrella ¹⁾
		KVVA-FM 107.1 MHz	Super Estrella ¹⁾
		KMIA-AM 710 kHz	ESPN (Spanish)
Harlingen-Weslaco-McAllen, Texas	10	KFRQ-FM 94.5 MHz	Classic Rock (English)
		KKPS-FM 99.5 MHz	Tejano
		KNVO-FM 101.1 MHz	Hit Radio (English & Spanish)
		KVLY-FM 107.9 MHz	Adult Contemporary (English)
Sacramento, California	11	KRCX-FM 99.9 MHz	La Tricolor
		KNTY-FM 101.9 MHz	Country (English)
		KBMB-FM 103.5 MHz	Hip Hop (English)
		KXSE-FM 104.3 MHz	Super Estrella
Stockton, California		KMIX-FM 100.9 MHz	La Tricolor
		KCVR-AM 1570 kHz	José ¹⁾
Modesto, California		KTSE-FM 97.1 MHz	Super Estrella
		KCVR-FM 98.9 MHz	José ¹⁾

Radio Station Portfolio Continued

HISPANIC MARKET	MARKET RANK	CALL LETTERS	FORMAT
Albuquerque-Santa Fe, New Mexico	12	KRZY-FM 105.9 MHz	Super Estrella
		KRZY-AM 1450 kHz	José
Denver-Boulder, Colorado	15	KJMN-FM 92.1 MHz	Super Estrella
		KXPK-FM 96.5 MHz	La Tricolor
		KMXA-AM 1090 kHz	José
		KPVW-FM 107.1 MHz	La Tricolor
Aspen, Colorado			
El Paso, Texas	16	KOFX-FM 92.3 MHz	Oldies (English)
		KINT-FM 93.9 MHz	José ¹⁾
		KYSE-FM 94.7 MHz	Super Estrella
		KSVE-AM 1150 kHz	José ¹⁾
KHRO-AM 1650 kHz	Talk (English)		
Orlando-Daytona Beach-Melbourne, Florida	17	WNUE-FM 98.1 MHz	Tropical
Las Vegas, Nevada	22	KRRN-FM 92.7 MHz	Super Estrella
		KQRT-FM 105.3 MHz	La Tricolor
Monterey-Salinas-Santa Cruz, California	33	KLOK-FM 99.5 MHz	La Tricolor
		KSES-FM 107.1 MHz	Super Estrella ¹⁾
		KMBX-AM 700 kHz	José
Yuma, Arizona-El Centro, California	35	KSEH-FM 94.5 MHz	Super Estrella
		KMXX-FM 99.3 MHz	La Tricolor
		KWST-AM 1430 kHz	Country (English)
Palm Springs, California	37	KLOB-FM 94.7 MHz	Super Estrella
Lubbock, Texas	46	KAIQ-FM 95.5 MHz	Super Estrella
		KBZO-AM 1460 kHz	La Tricolor
Reno, Nevada	55	KRNV-FM 102.1 MHz	La Tricolor

Market rank source: Nielsen Media Research 2008 universe estimates.

¹⁾ Simulcast station.

²⁾ Operated pursuant to a time brokerage arrangement under which we grant to third parties the right to program the station.

Officers

WALTER F. ULLOA

Chairman and Chief Executive Officer

PHILIP C. WILKINSON

President and Chief Operating Officer

JOHN F. DELORENZO

Executive Vice President and
Chief Financial Officer

JEFFERY A. LIBERMAN

President, Radio Division

CHRISTOPHER T. YOUNG

President, Outdoor Division

LARRY SAFIR

Executive Vice President

Directors

WALTER F. ULLOA

Chairman and Chief Executive Officer

PHILIP C. WILKINSON

President and Chief Operating Officer

PAUL A. ZEVNIK

Partner, Morgan, Lewis & Bockius LLP

DARRYL B. THOMPSON

President, Stonebrook Capital Management, LLC

ESTEBAN E. TORRES

U.S. Representative (Ret.)

JESSE CASSO, JR.

Managing Partner, Casmar Capital Partners, LLC

GILBERT R. VASQUEZ, CPA

Managing Partner, Vasquez & Company LLP

Corporate Information

PRESS RELEASE INFORMATION

Press release and other information are available on the internet at Entravision's website at www.entravision.com.

The company's press releases are also available through the corporate offices at (310) 447-3870.

ADDITIONAL INFORMATION

The company files periodic reports with the Securities and Exchange Commission that contain additional information about the company.

ANNUAL REPORT ON FORM 10-K

Entravision's audited consolidated financial statements, and notes thereto, and other information required to be furnished to stockholders are included in Entravision's Annual Report on Form 10-K which is being provided to stockholders with this Annual Report.

FORWARD-LOOKING STATEMENTS

In accordance with the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, Entravision notes that certain statements contained in this Annual Report are forward-looking in nature. Although Entravision believes that its expectations are based on reasonable assumptions within the bounds of its knowledge of its business and operations, there can be no assurance that actual results will not differ materially from expectations. Entravision does not intend to update these forward-looking statements.

COMMON STOCK

Stock Symbol: EVC

Listed: New York Stock Exchange

STOCK TRANSFER AGENT

BNY Mellon Shareowner Services

480 Washington Blvd.

Jersey City, New Jersey 07310

(888) 876-9142

TDD for Hearing Impaired: (800) 231-5469

Foreign Stockholders: (201) 680-6578

TDD Foreign Stockholders: (201) 680-6610

Website address: www.bnymellon.com/shareowner/isd

CERTIFICATIONS

Walter F. Ulloa and John F. DeLorenzo have provided certifications to the Securities and Exchange Commission as required by Section 302 of the Sarbanes-Oxley Act of 2002. These certifications are included as Exhibits 31.1 and 31.2, respectively, of the company's Annual Report on Form 10-K for the year ended December 31, 2007.

As required by The New York Stock Exchange (NYSE), on June 28, 2007 Walter F. Ulloa submitted his annual certification to the NYSE that stated he was not aware of any violation by the company of the NYSE corporate governance listing standards.

ANNUAL MEETING OF STOCKHOLDERS

Thursday, May 29, 2008 at 10:00 a.m.

The Fairmont Miramar Hotel

101 Wilshire Boulevard

Santa Monica, California 90401

(310) 576-7777

INDEPENDENT ACCOUNTANTS

PricewaterhouseCoopers LLP

350 South Grand Avenue, 49th Floor

Los Angeles, California 90071

(213) 356-6000

