

Pursuant to the terms set forth under article 82 of Securities Market Law and in Memorandum 9//2010 by the Alternative Stock Market (MAB, in Spanish), and in order to make this relevant event available to the public, ZINKIA ENTERTAINMENT S.A. ("**Zinkia**" or the "**Company**") states the following

RELEVANT EVENT

ZINKIA ENTERTAINMENT S.A. hereby states that as of December 31, 2010, it had not signed the global videogame distribution contract planned for in its yearly forecast. This fact means that the 2010 revenues forecast in the videogame category, for a total of 5,000,000 euros, will not be met in the 2010 period. As of today's date, negotiations continue with the distribution company, and therefore Zinkia expects to receive this income during 2011.

As a result of this situation, a negative budget variance is expected for the 2010 period, although this variance cannot be quantified due to the fact that ZINKIA's business takes place mainly in the last quarter of the year, and the sales volumes from licensing companies are unknown as of yet.

We are at your entire disposal if you require any other kind of information.

Madrid, 18 January 2011

José María Castillejo Oriol President of the Board of Directors