FY16 results presentation

(January – December)

Madrid, February 23rd 2017

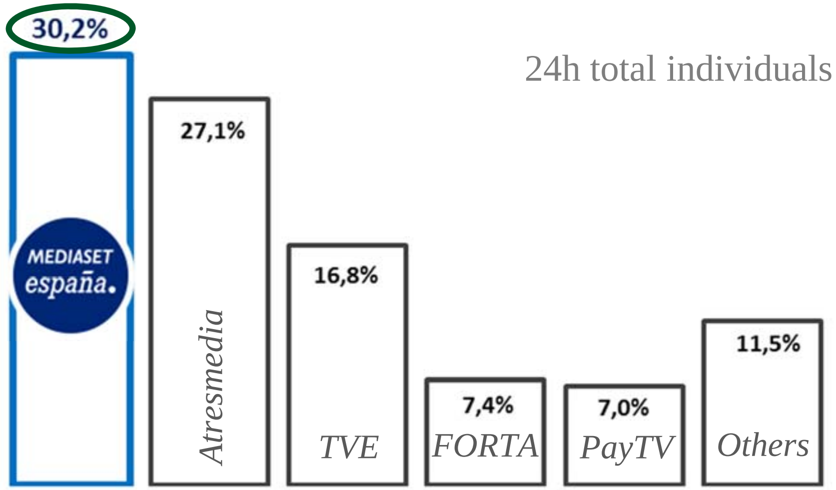
FY16 HIGHLIGHTS

FY16 FINANCIALS

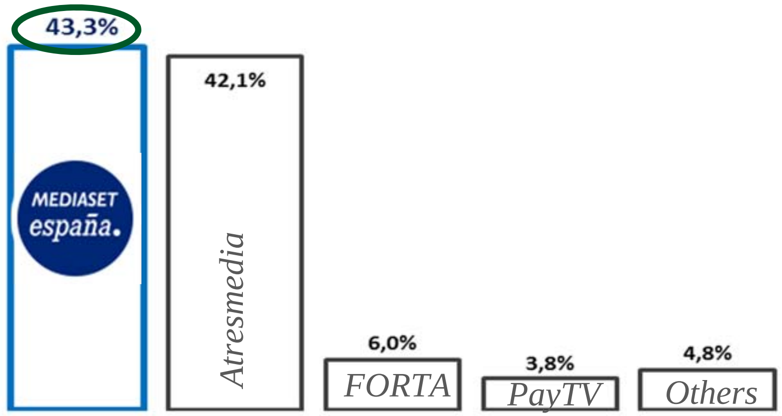
€ Million	FY16	FY15	Var.
Total net revenues	992,0	971,9	2,1%
Total operating costs	750,8	749,3	0,2%
EBITDA adj*	241,1	222,7	8,3%
EBITDA margin	*24,3%*	*22,9%*	
EBIT	224,4	205,2	9,4%
EBIT margin	*22,6%*	*21,1%*	
NET PROFIT	171,0	166,2	2,9%
ADJUSTED NET PROFIT**	175,7	166,2	5,7%
EPS adjusted**	0,52 €	0,48 €	0,04 €
Free Cash Flow	242,5	218,7	23,8 €
Net cash position	177,4	192,4	

* EBITDA Adj, includes TV rights consumption
** Net profit: adjusted excluding the impact from the change to the Spanish corporate income tax code; EPS: adjusted excluding the treasury stocks owned at December 31st

FY16 AUDIENCE SHARE



FY16 ADVERTISING MARKET SHARE



Source: Kantar media and Infoadex

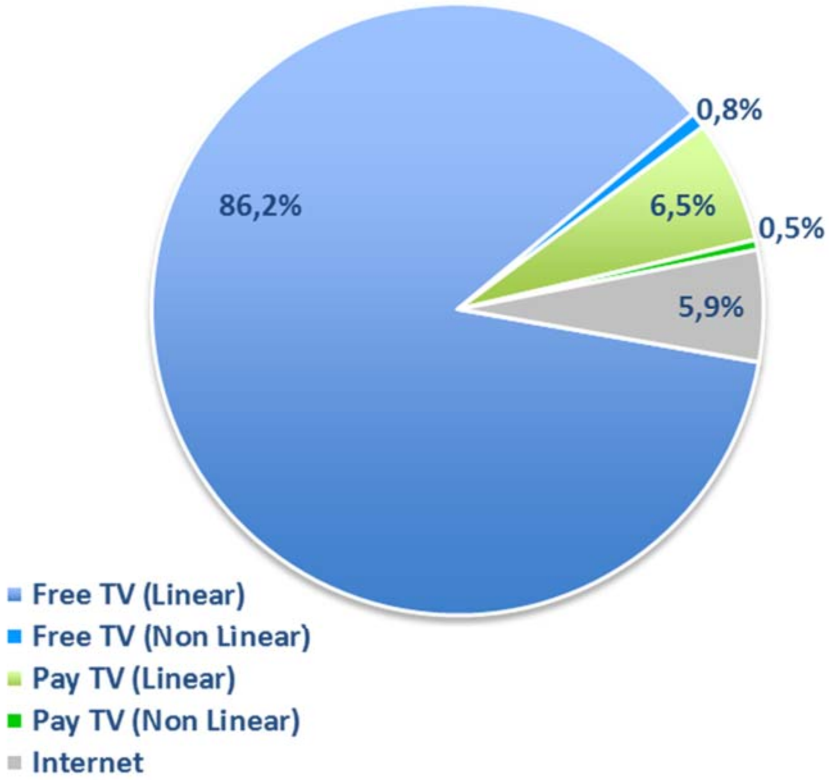
Broadcasting

FY16 audiovisual consumption

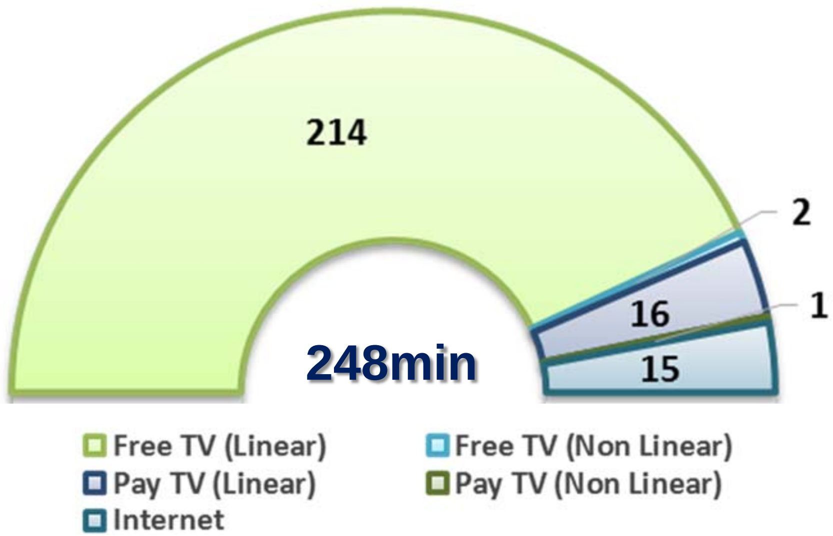
Total audio-visual consumption*: more than *87% of consumption is Free TV

(Linear+Non-Linear+OTT)

Average minutes per person



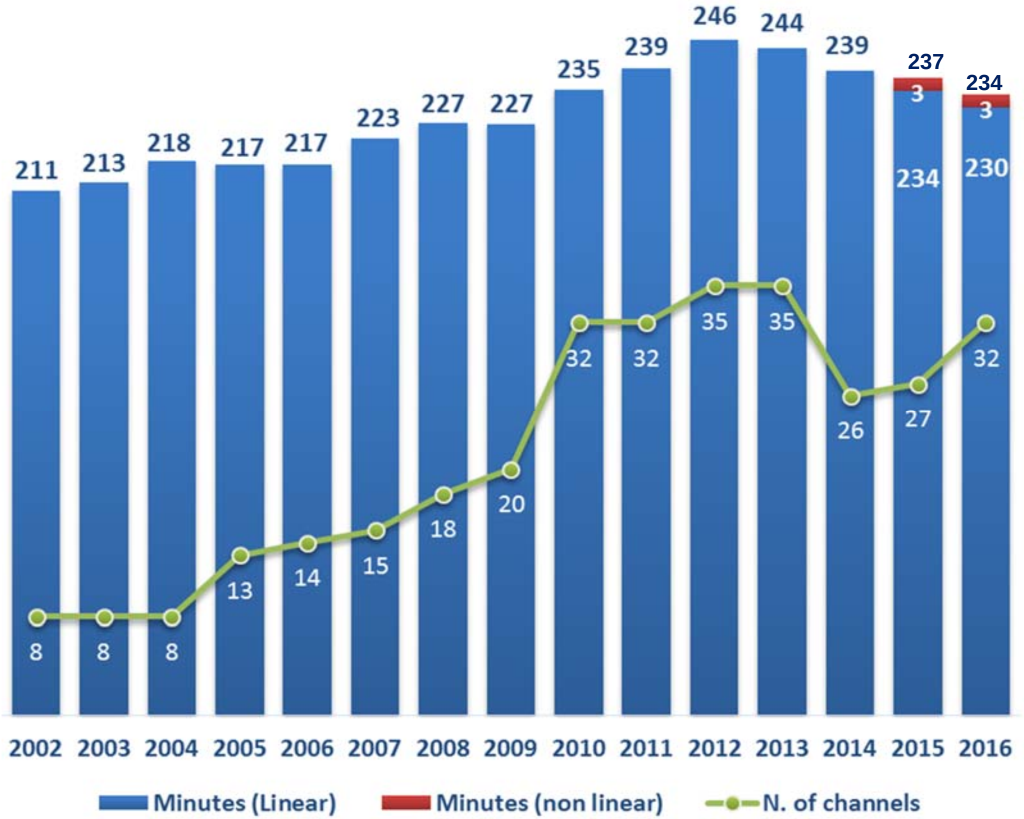
Minutes per day	FY16
TOTAL	**248**
Free TV (linear)	214
Free TV (non-linear)	2,1
Pay TV (linear)	16
Pay TV (non-linear)	1,3
Internet video	14,7



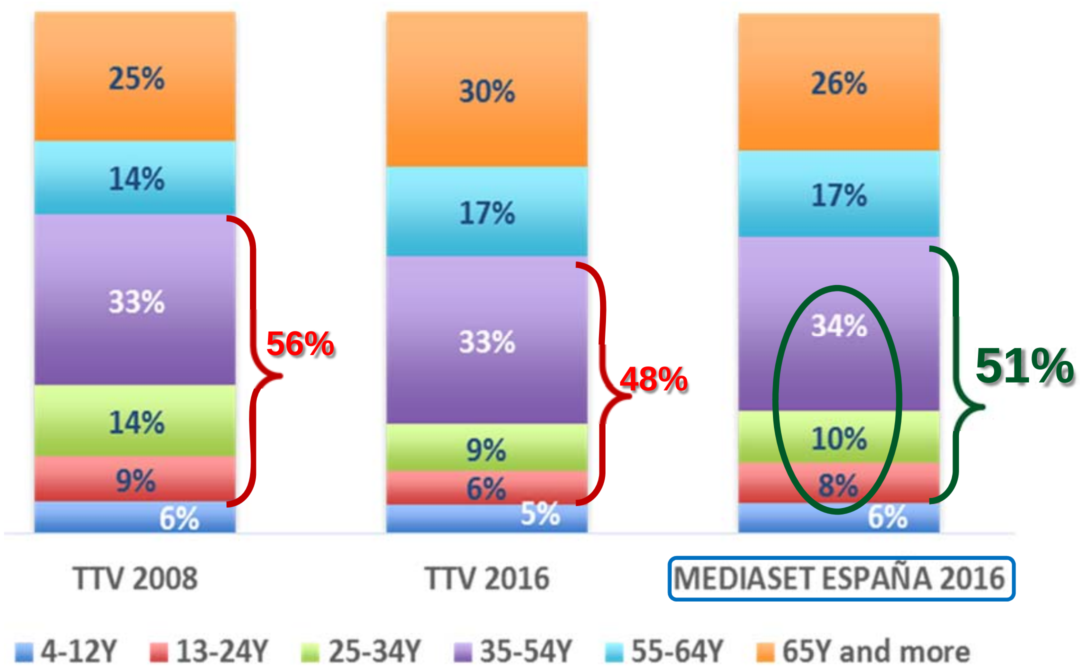
Source: Kantar media and ComScore
(does not include mobile phones)

2016 total TV consumption

+17minutes, +18channels in 10Y



Consumption by age groups:



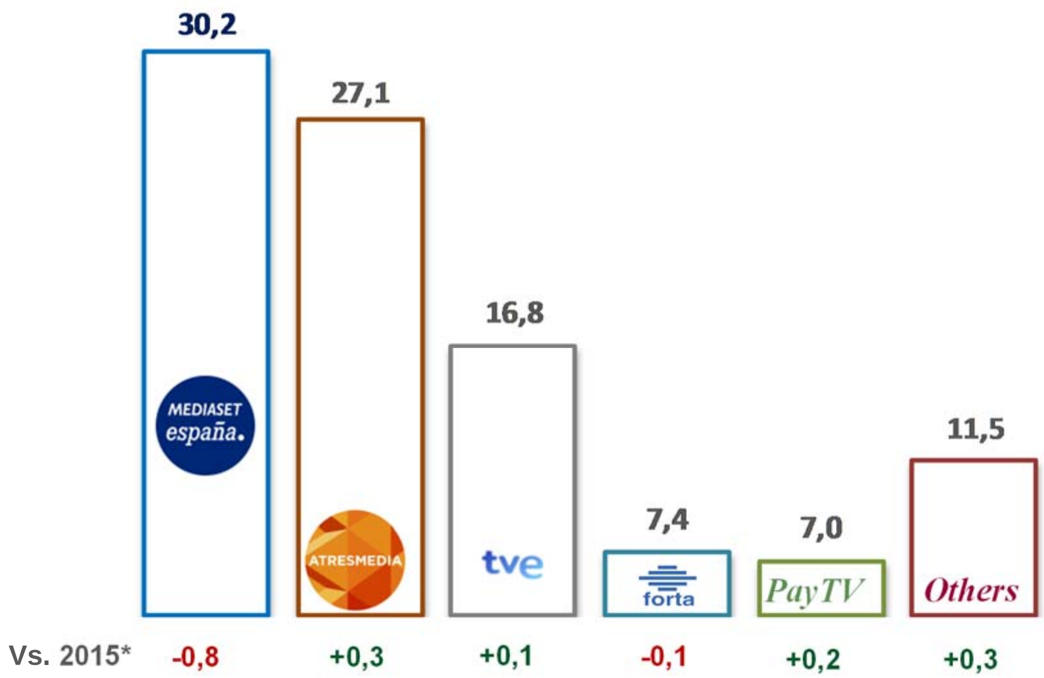
Source: KANTAR MEDIA

FY2016 audience*

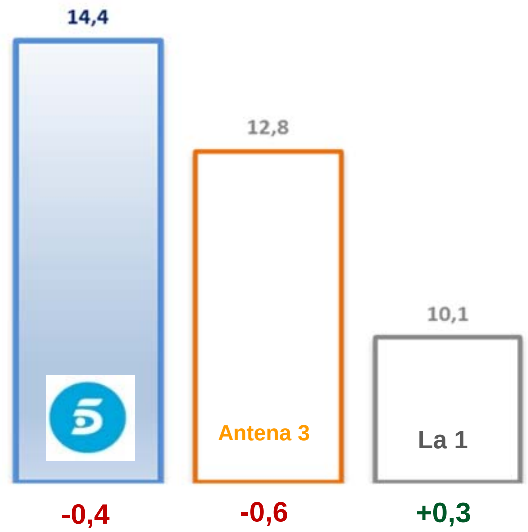
Mediaset España and its main channel Telecinco lead

24h audience
Total individuals

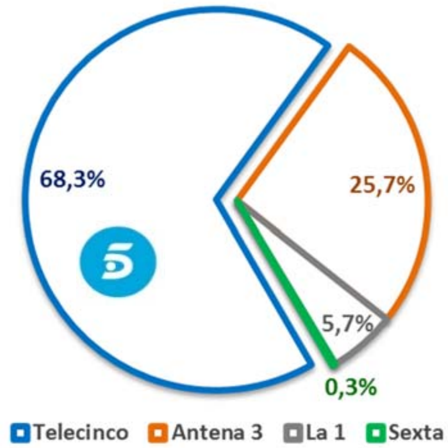
Audience share FY16 per groups*



Audience share per channel



% of days won in 2016

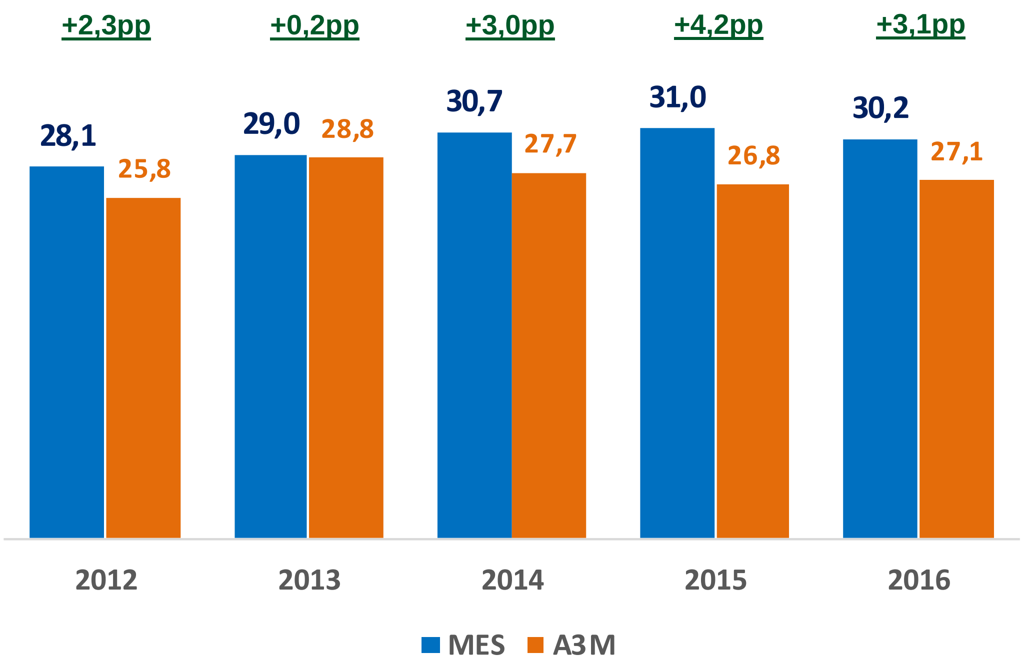


Source: Kantar media
*Average audience January 1st – December 31st

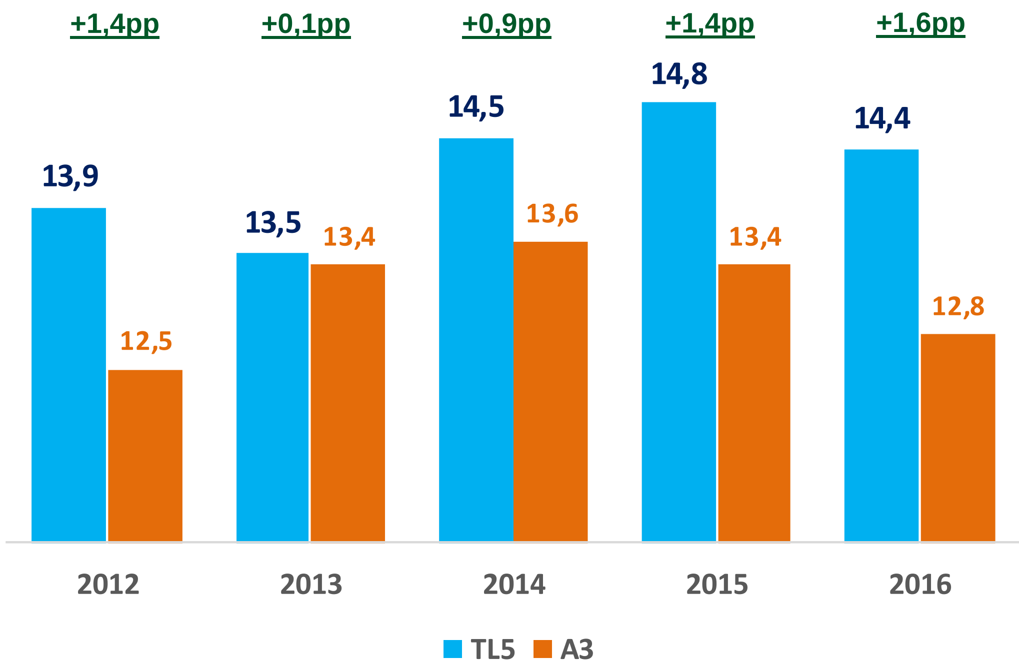
FY audience*

Mediaset España and its main channel Telecinco increase the gap vs its main competitor

FY Audience share per groups*



*FY *Audience share per channel*



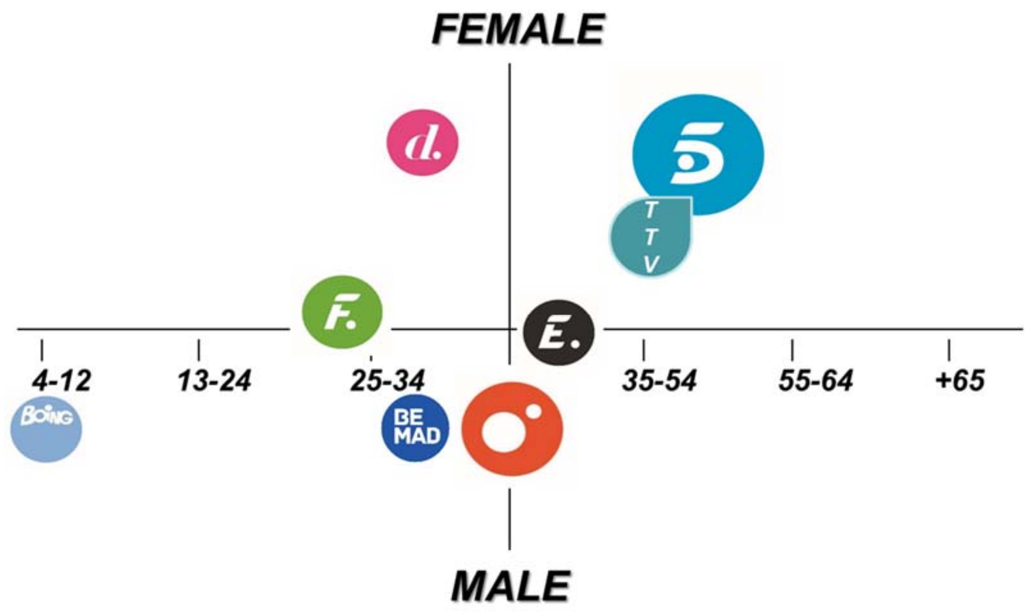
24h audience
Total individuals

Source: Kantar media
*Average audience January 1st – December 31st

2016: a new HD adventure

Mediaset España runs 7 channels

MES group of channels targeting



*Targeted channels audience share FY16**

	Total individuals	Core target
Factoria de Ficcion	3,2%	8,9%
Divinity	2,3%	3,5%
Energy	1,9%	2,0%
Boing	1,5%	12,6%
Be Mad**	0,6%	0,9%
TOTAL targeted channels	**9,3%**	**10,1%[a]**

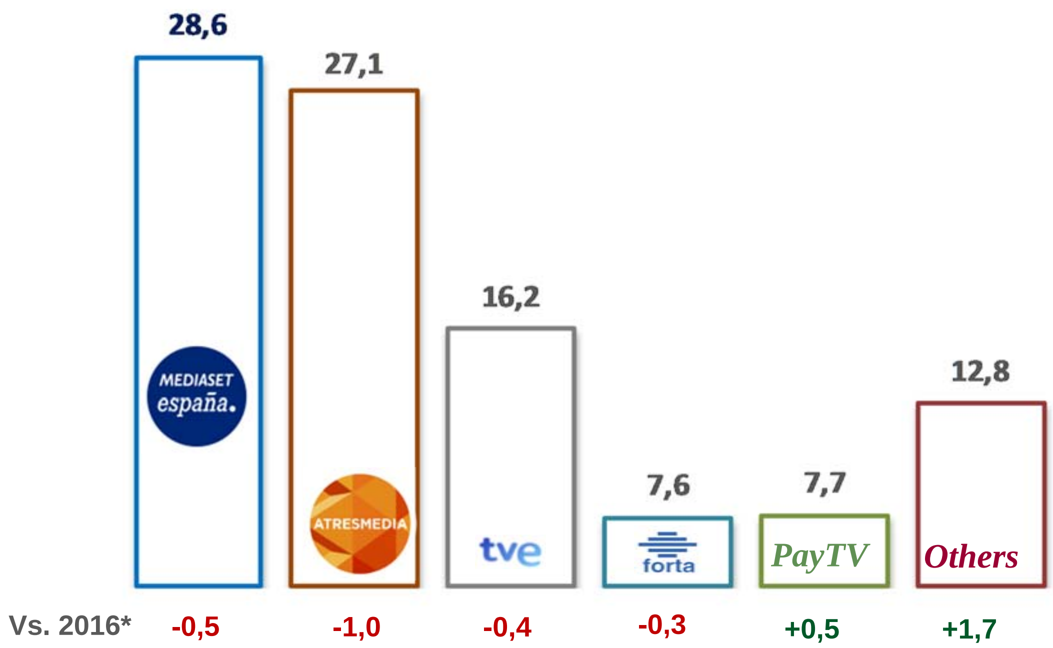
Source: Kantar media
* Average audience January 1st – December 31st
** Average audience April 22nd – December 31st
[a] average 2016 (1/1-31/12/16) commercial target (16-59Y) audience

Year 2017 audience*

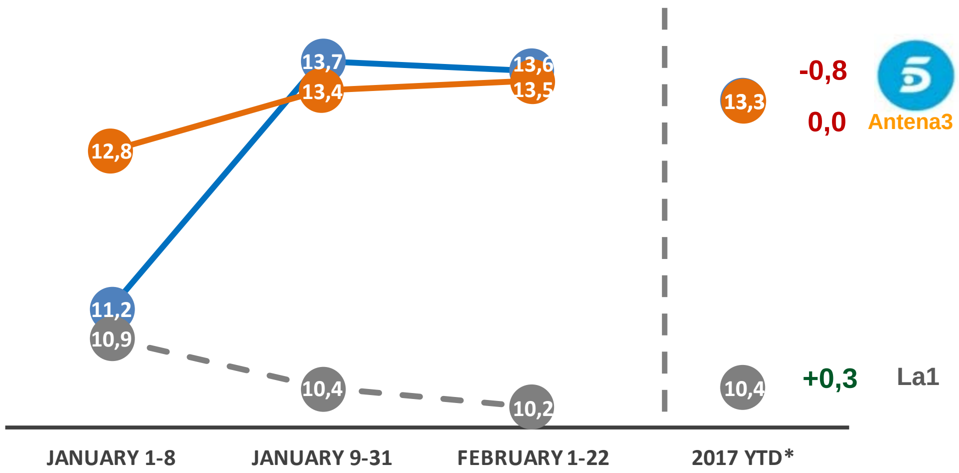
Mediaset España leads

24h audience
Total individuals

Audience share 2017 per groups*



Audience share per channel*



Source: Kantar media
*Average audience January 1st – February 22th

Cinema

2016: another outstanding year

2016 box-office results

Ranking of the 2016 most successful Spanish movies		Gross Box-office (€)
1	**A monster calls**	**26,5m**
2	Villaviciosa de al lado	8,1m
3	**Cien años de perdón**	**6,7m**
4	Cuerpo de élite	6,5m
5	**KIKI, el amor se hace**	**6,2m**

€ Million

Source: Rentrak as of December 31st 2016; only movies released in 2016

Historic Spanish box-office results

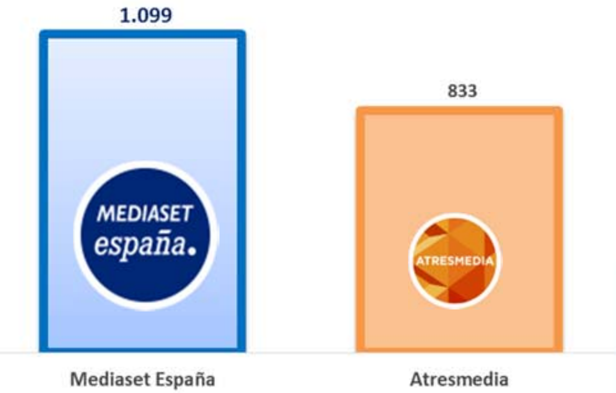
		Gross Box-office (€)	Year
1	**8 apellidos vascos**	**57,7m**	**2014**
2	**The Impossible**	**42,3m**	**2012**
3	**8 apellidos catalanes**	**36,2m**	**2015**
4	Los Otros	27,2m	2001
5	**A monster calls**	**26,5m**	**2016**
6	**The Orphanage**	**25,0m**	**2007**

New releases in 2017

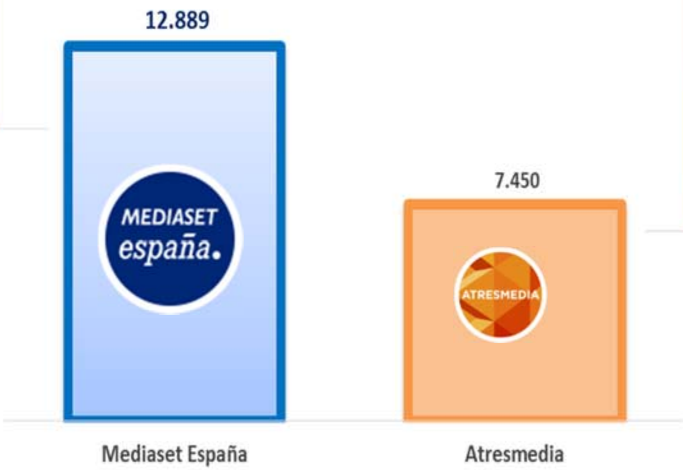
Internet

2016: Mediaset España leads

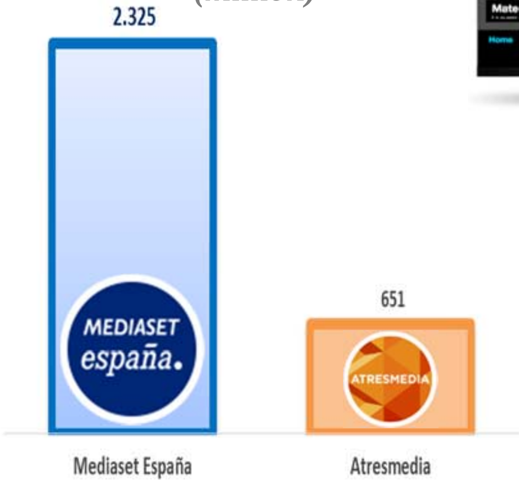
Total videos viewed
(million)



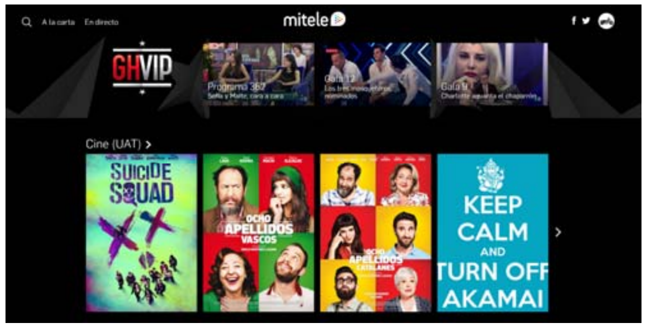
Total multiplatform minutes



Total pages viewed
(million)



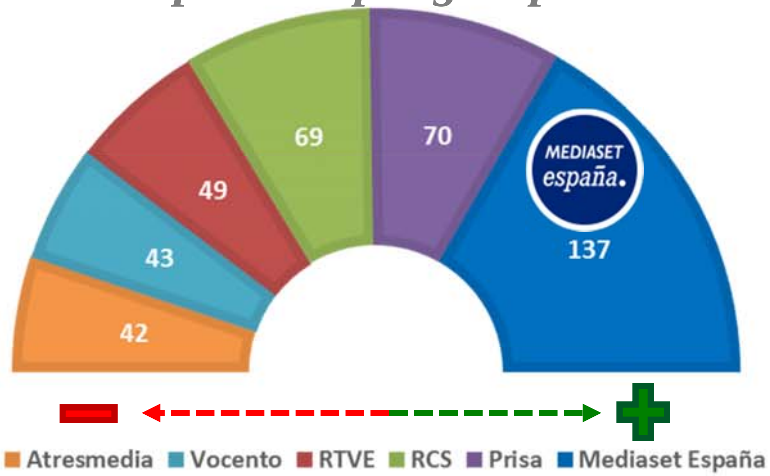
Source: Comscore VMX 2016



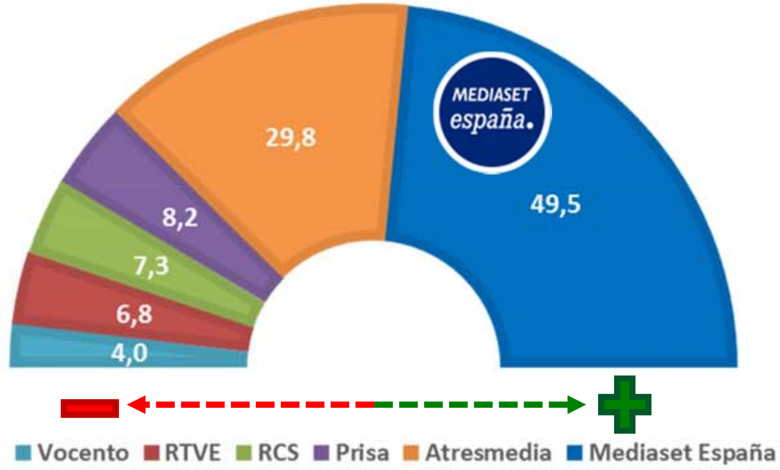
Internet

Mediaset España: undisputed audiovisual leadership

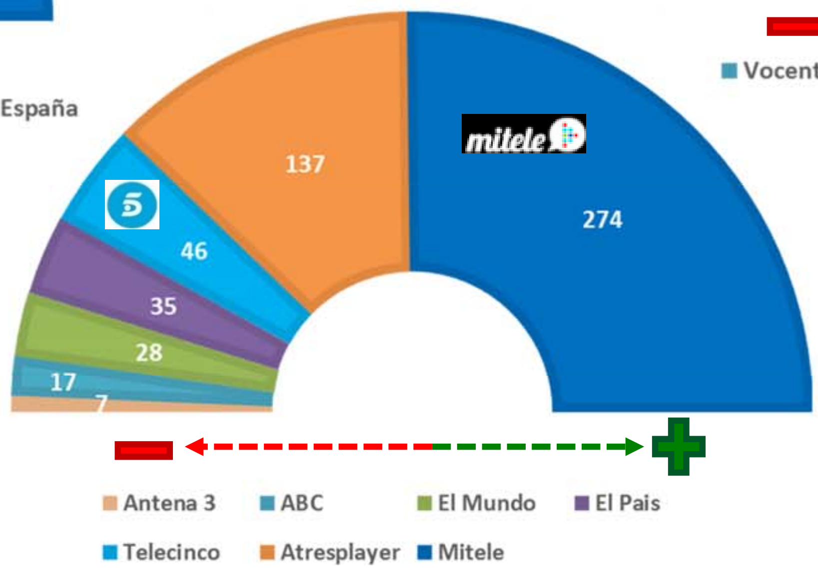
Average number of minutes per user per group



Average number of videos per user per group



Average number of minutes per user per player



Source: Comscore VMX December 2016

International distribution

Countries where Mediaset España exported its contents

Ranking of the most sold contents per countries

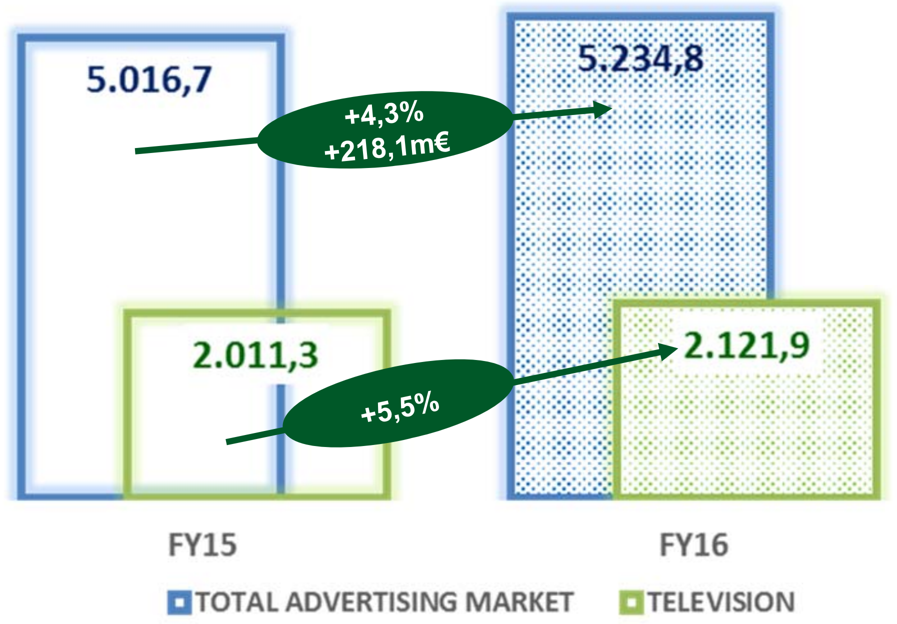
Name	Countries	Producer
Angel o demonio	**80**	**Mediaset España**
Homicidios	**70**	**Mediaset España**
Niños robados	**55**	**Mediaset España**
El barco	47	Atresmedia
Tierra de lobos	**43**	**Mediaset España**
Tu cara me suena	43	Atresmedia
Los nuestros	**42**	**Mediaset España**
Isabel	41	RTVE
La fuga	**41**	**Mediaset España**
Águila roja	36	RTVE
El príncipe	**35**	**Mediaset España**
Gran hotel	31	Atresmedia
Frágiles	**28**	**Mediaset España**
La duquesa	**28**	**Mediaset España**

Source: ABC, FAPAE

Advertising

FY16 Total advertising market

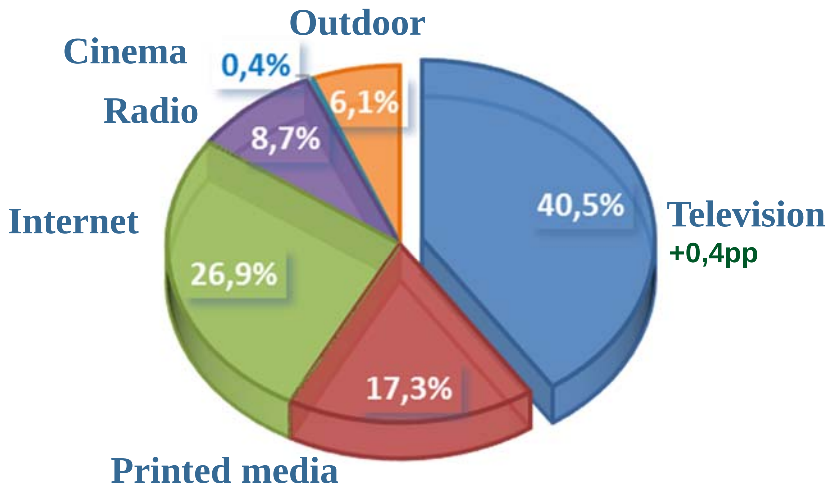
Advertising market evolution



€ Million

Source: Infoadex

Market share per media

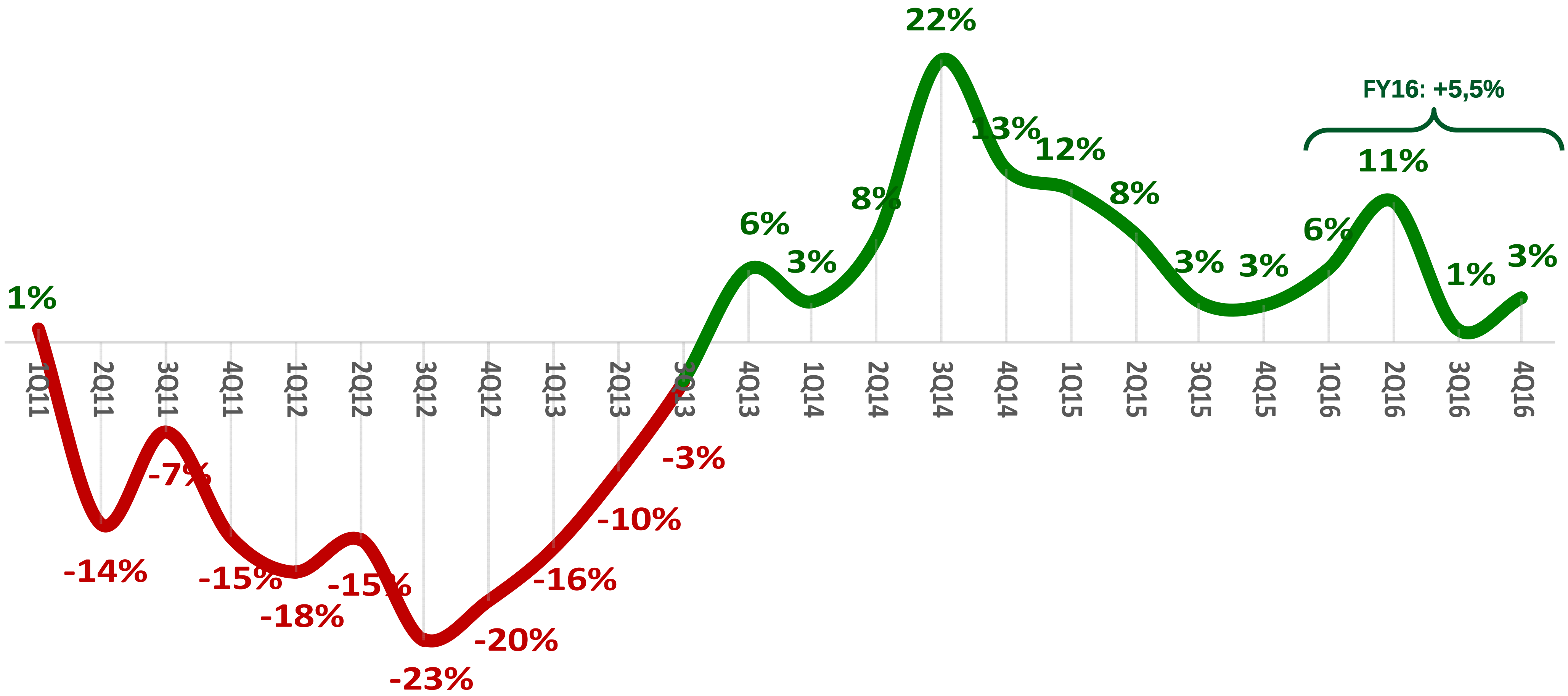


Performance by media FY16 vs. FY15 *(m€)*

* FreeTV: +101,1 m€

Total TV advertising market

*Total TV investment quarterly evolution 2011-2016**

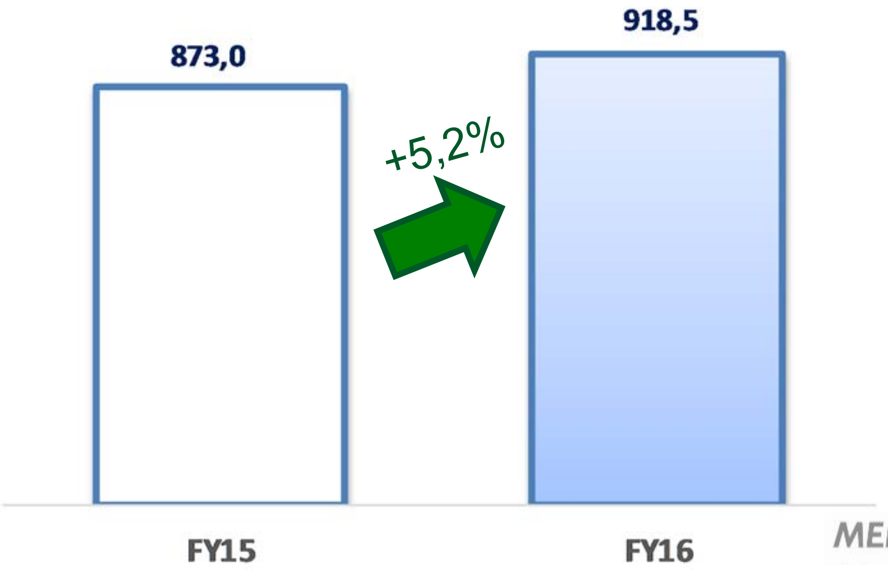


* vs. same period of the previous year

Source: Infoadex

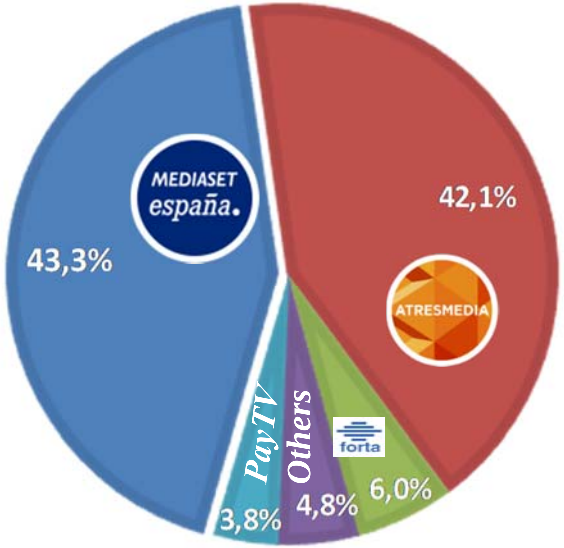
FY16 Mediaset España advertising revenues & share

TV advertising revenues as per Infoadex estimates



(est. Infoadex)

TV Advertising market share



MEDIASETespaña. *TV Commercial strategy*

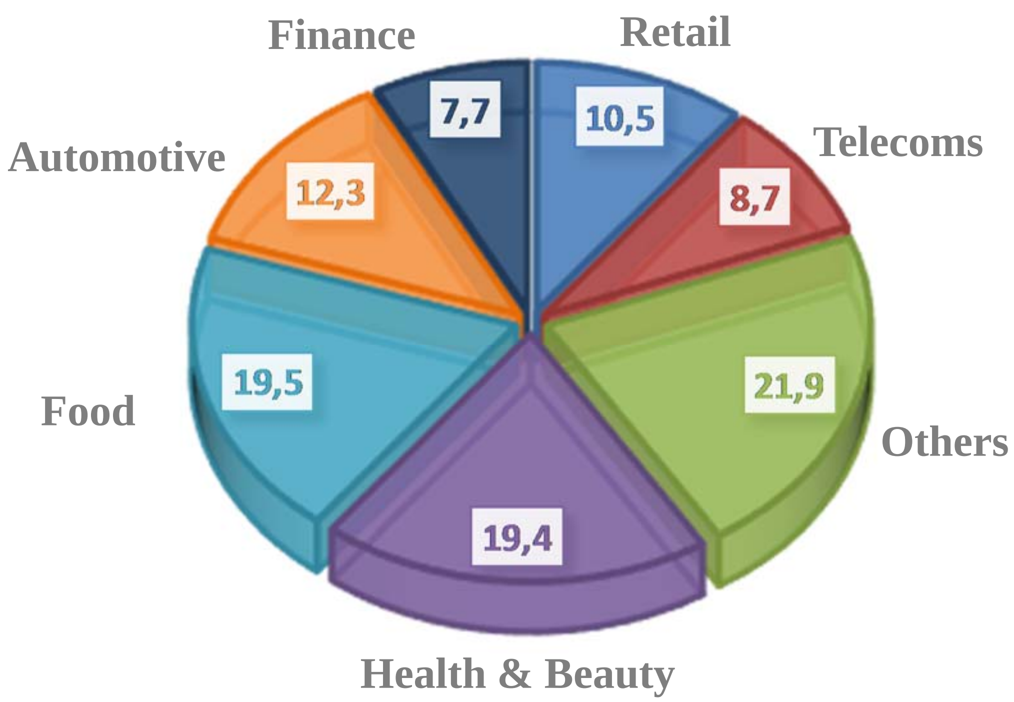
	Audience	Var %	Seconds	GRP (20")	C/GRP's
FY16	30.2%	-2.6%	+15.0%	+1.9%	+2.8%
4Q16	29.4%	-2.3%	+11.1%	-2.1%	+2.4%

€ Million

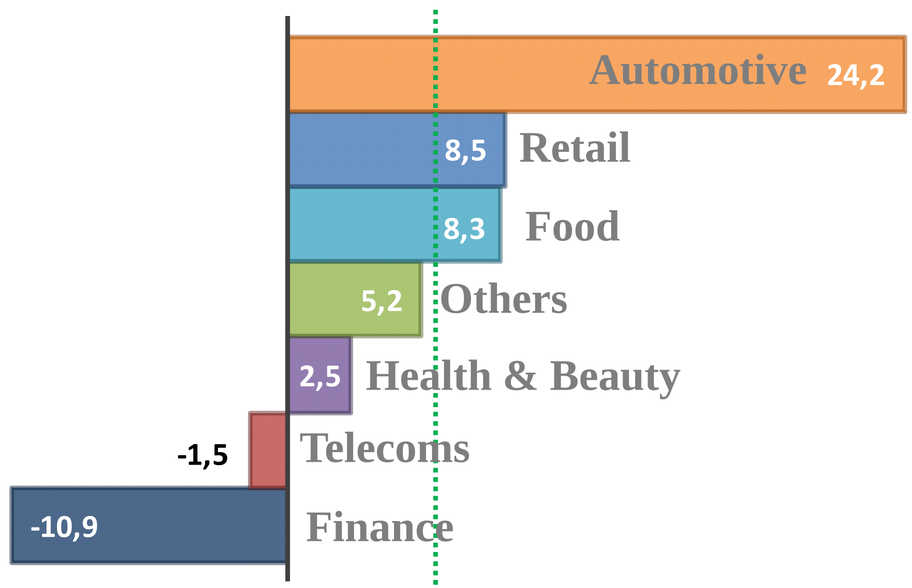
Source: Infoadex, Kantar media and Publiespaña

FY16 TV advertising market by sectors

Sector breakdown
(% on total adv. Sales)



Sector growth (%)
(FY16 vs. FY15)



FY16 TV market evolution: +5.5%

Source: Infoadex

Financial results

FY16 consolidated financial results

Growing margins and profitability

€ Million	FY16	FY15	VAR %
Ingresos netos de publicidad	926,9	898,0	3,2%
Otros ingresos	65,1	74,0	-12,0%
Total ingresos netos	**992,0**	971,9	2,1%
Total costes operativos	**750,8**	749,3	0,2%
Personal	105,9	105,0	0,8%
Consumo derechos TV	205,5	205,2	0,1%
Otros costes operativos	439,5	439,1	0,1%
EBITDA ajustado (1)	**241,1**	222,7	8,3%
Amortización PPA	8,0	8,0	-
Amortización y depreciación	8,7	9,5	-8,2%
EBIT	**224,4**	205,2	9,4%
Beneficio Antes de Impuestos	**225,8**	**219,1**	3,0%
BENEFICIO NETO después de minoritarios	**171,0**	166,2	2,9%
BENEFICIO NETO ajustado*	175,7	166,2	5,7%
BPA ajustado*	0,52 €	0,48 €	8,7%
EBITDA Adj/ Ingresos netos	24,3%	22,9%	+1,4pp
EBIT/ Ingresos netos	22,6%	21,1%	+1,5pp
Beneficio neto ajustado/ Ingresos netos	17,7%	17,1%	+0,6pp

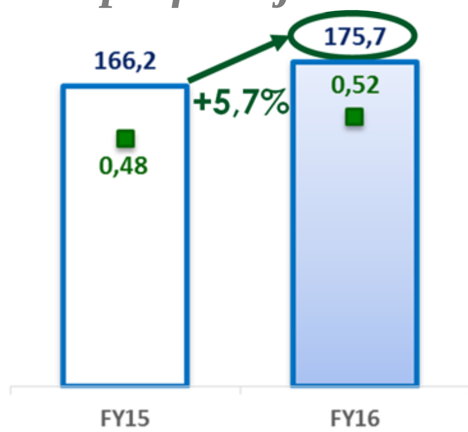
(1) Recurring EBITDA Adj, includes TV rights consumption

* Net profit: adjusted excluding the impact of the change in the Spanish corporate income tax code; EPS (€) adjusted excluding treasury stocks as of December 31st

*EBIT margin**

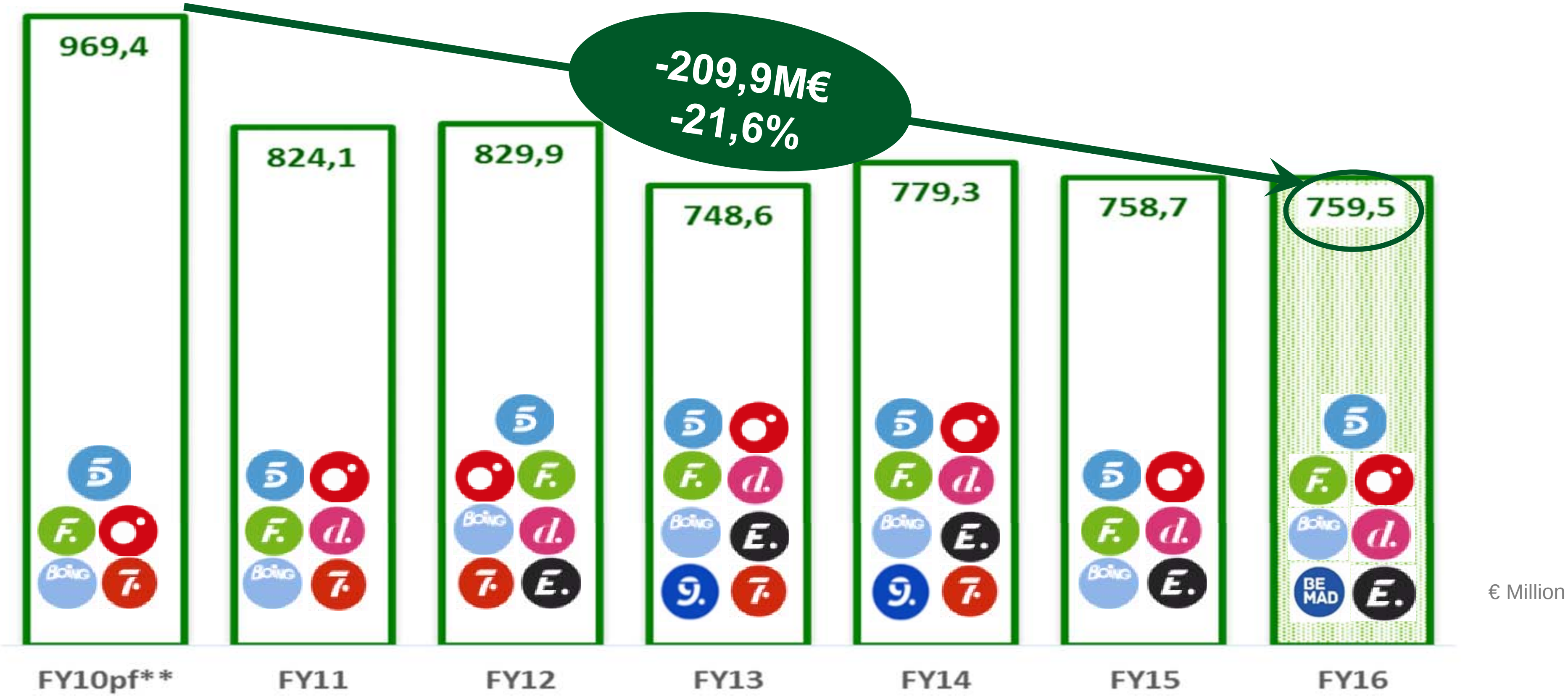
* EBIT/Total net revenues

*Net profit adjusted***



Cost management

210m€ savings in 6Y (-22%)

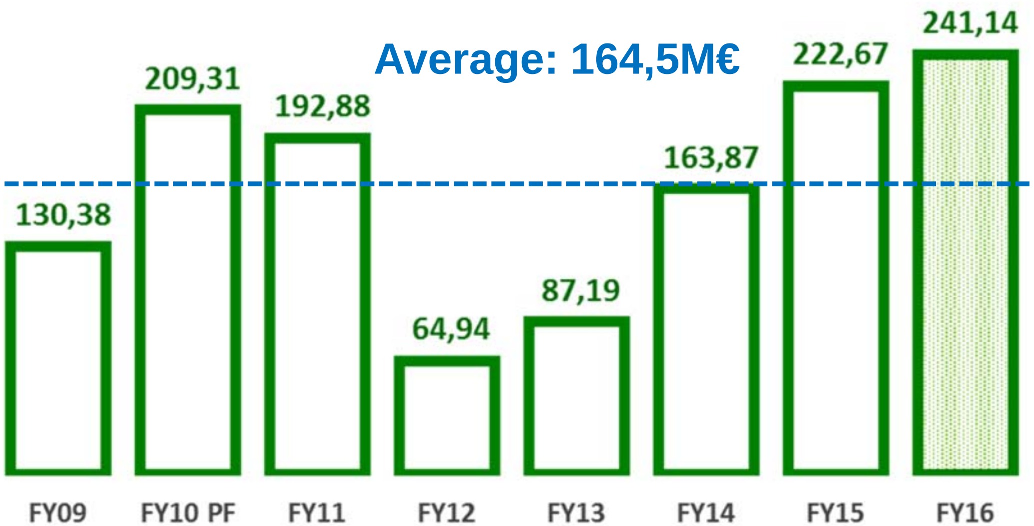


**Pro-forma consolidated P&L accounts under IFRS of Mediaset España's Group and Sogecuatro's Group

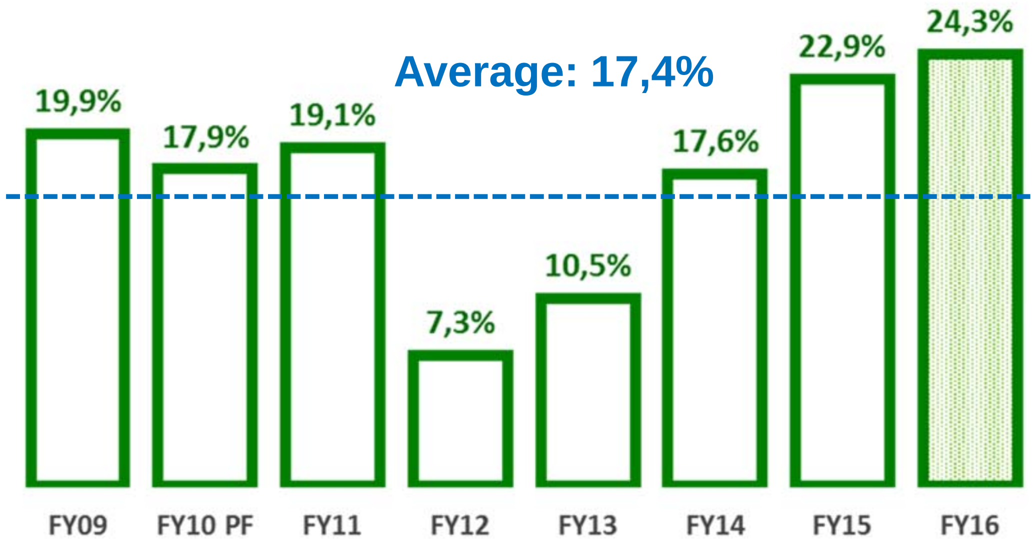
A growth story: 2010-2016

Steadily reaching pre-crisis levels

EBITDA € Million

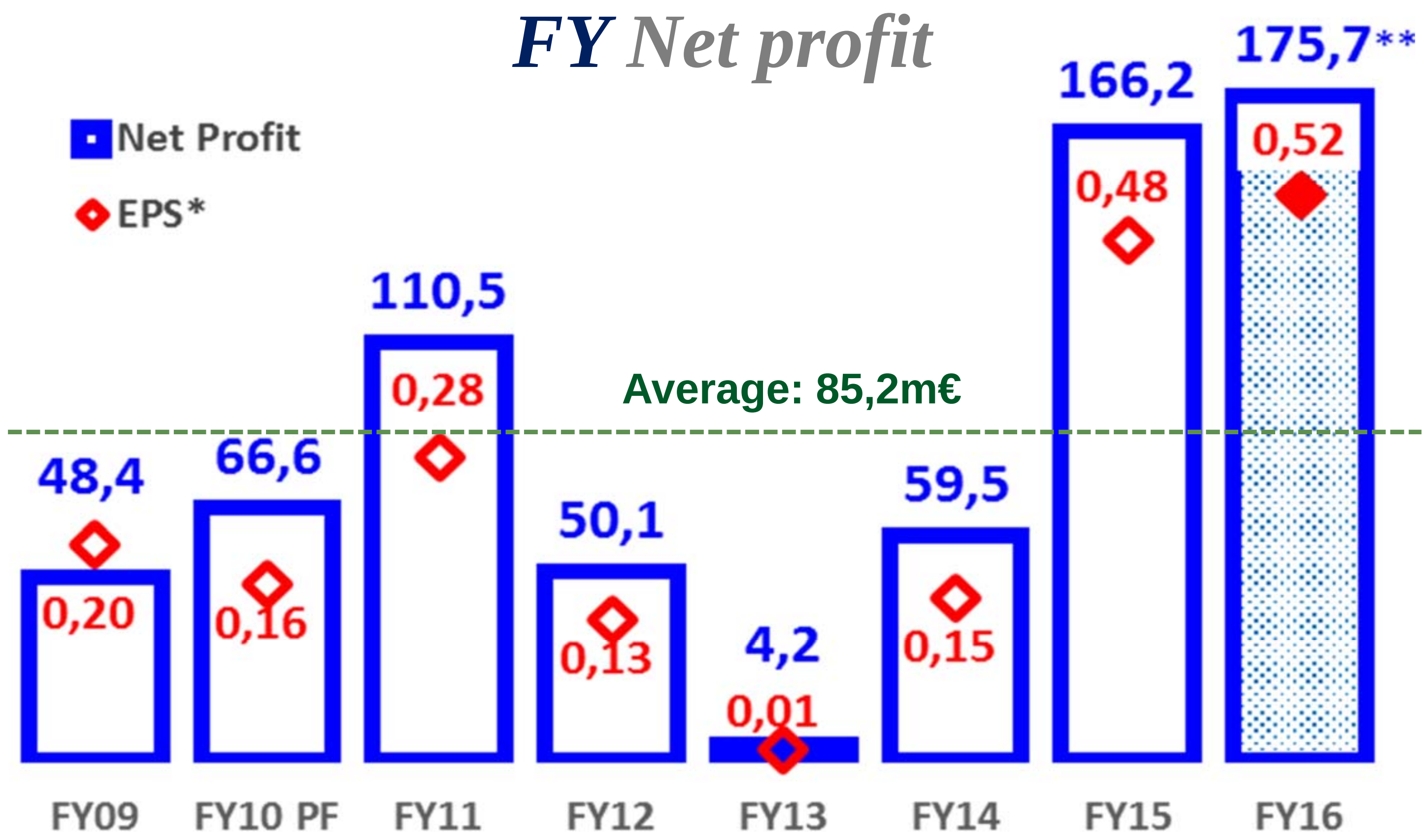


EBITDA/Total net revenues



A growth story: FY 2009-2016

Steadily moving towards pre-crisis levels



€ Million

* EPS adjusted excluding treasury shares as of December 31st

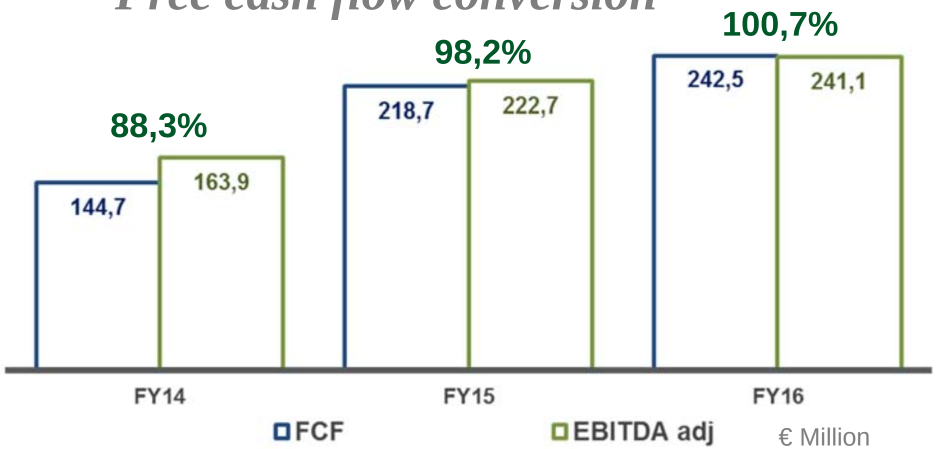
** 2016 Net profit: adjusted excluding the impact of the change in the Spanish corporate income tax code.

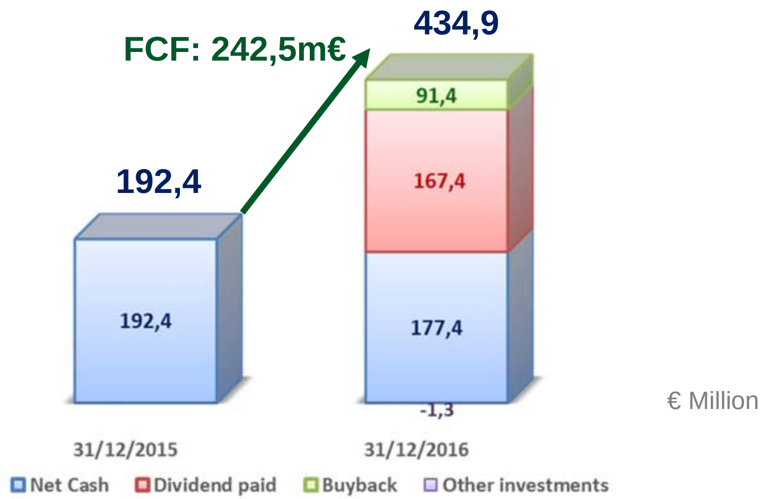
FY16 Consolidated cash flow

High free cash flow generation

€ Million	FY16	FY15	Diff. in € million
Initial cash position	192,4	265,7	-73,3
Free cash flow	242,5	218,7	23,8
Cash flow from operations	406,1	420,5	-14,5
Net investments	-191,5	-193,2	1,7
Change in net working capital	28,0	-8,6	36,6
Change in equity	1,5	1,1	0,4
Financial Investments	-94,1	-247,6	153,6
Dividends received	2,6	2,1	0,5
Dividend payments	-167,4	-47,5	-119,9
Total net cash flow	-15,0	-73,3	58,4
Final net cash position	177,4	192,4	-15,0
Free cash flow/EBIT	108,1%	106,6%	

The golden rule of MES:
Free cash flow conversion



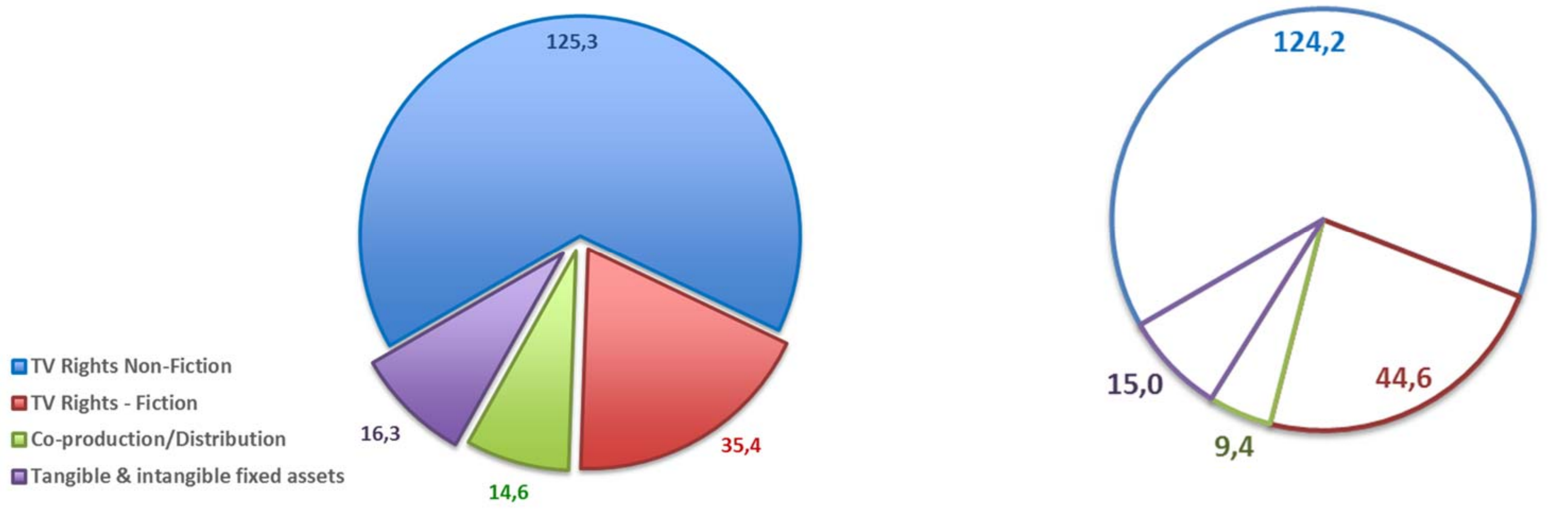


Net investments

€ Million

FY16: 191.5€

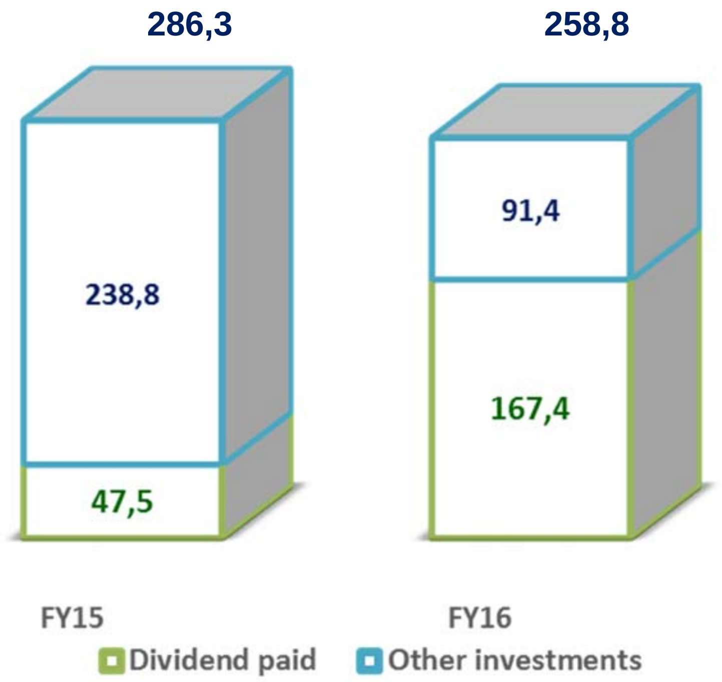
FY15: 193.2€



Balance sheet

Solid balance and high shareholder's remuneration

€ Million	FY16	FY15
Fixed assets	580,9	581,1
-Financial	321,1	317,8
-Non financial	259,9	263,3
Audiovisual rights and pre-payments	171,9	201,2
-TV, third party rights	132,5	163,8
-TV, Spanish fiction rights	20,6	22,8
-Co-production / distribution	18,9	14,6
Tax credit	113,0	134,5
TOTAL NON-CURRENT ASSETS	865,8	916,9
Current assets	243,7	257,7
Financial investments and cash	193,3	211,6
TOTAL CURRENT ASSETS	436,9	469,3
TOTAL ASSETS	1.302,7	1.386,2
SHAREHOLDERS' EQUITY	983,3	1.069,9
Non-current provisions	9,2	10,4
Non-current payables	11,8	8,5
Non-current financial liabilities	13,7	7,5
TOTAL NON-CURRENT LIABILITIES	34,7	26,4
Current payables	282,6	278,2
Current financial liabilities	2,2	11,6
TOTAL CURRENT LIABILITIES	284,8	289,8
TOTAL LIABILITIES	1.302,7	1.386,2



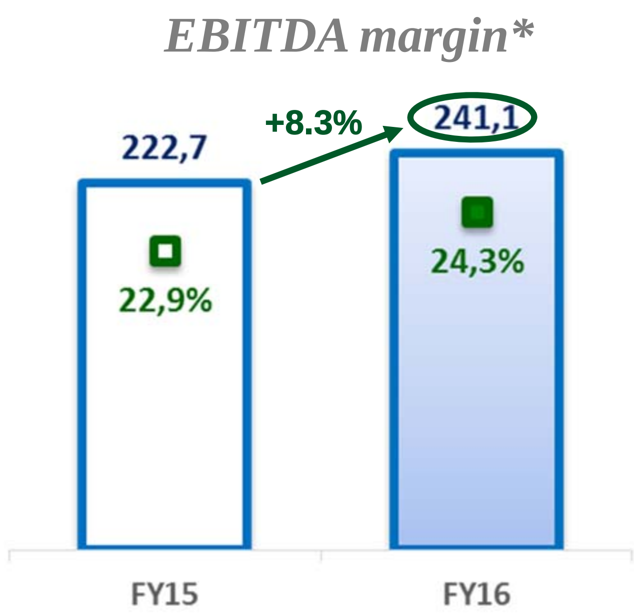

Mediaset
ESPAÑA
Televisión
PARA TODOS LOS GUSTOS
MEDIASETespaña.

Back-up

FY16 consolidated P&L account (I)

€ Million

	FY16	*FY15*	Var %
Gross Advertising Revenues	962,9	933,3	3,2%
- Mediaset España's medias	931,2	885,5	5,2%
- Third party's medias	31,7	47,7	-33,6%
Commission	-36,0	-35,3	2,0%
Net Advertising revenues	926,9	898,0	3,2%
Other Revenues	65,1	74,0	-12,0%
TOTAL NET REVENUES	992,0	971,9	2,1%
Personnel	105,9	105,0	0,8%
TV Rights amortisation	205,5	205,2	0,1%
Other operating costs	439,5	439,1	0,1%
Total operating costs (1)	*750,8*	*749,3*	*0,2%*
EBITDA adj*	241,1	222,7	8,3%
EBITDA adj*/NET REVENUES	24,3%	22,9%	+1,4pp



* EBITDA adj./Total net revenues

* EBITDA Adj, includes TV rights consumption

FY16 consolidated P&L account (II)

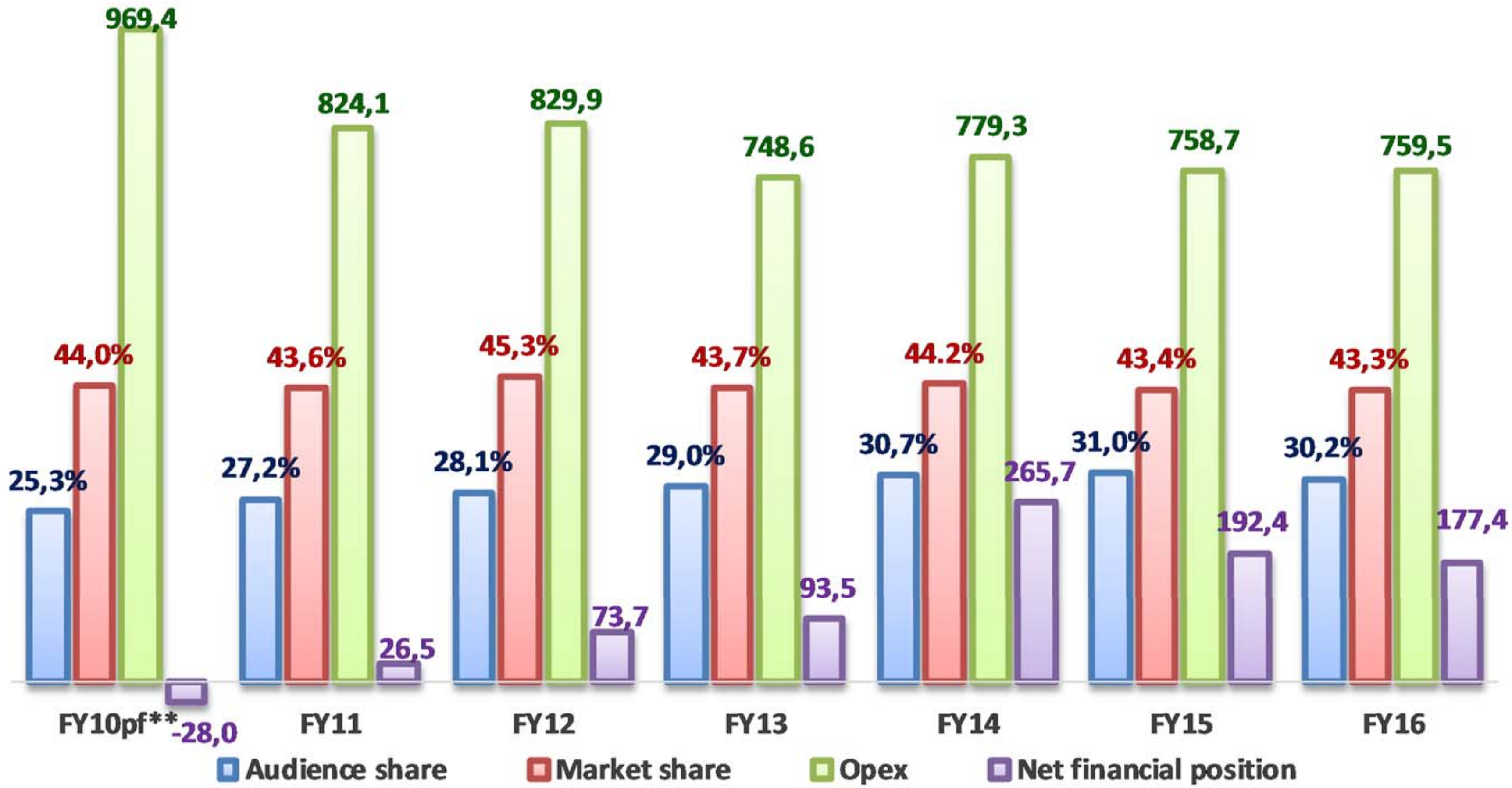
€ Million	FY16	*FY15*	Var %
EBITDA adj*	241,1	222,7	8,3%
PPA amortisation (2)	8,0	8,0	0,0%
Depreciation tangible assets & provisions (3)	8,7	9,5	-8,2%
Total Costs (1+2+3)	*767,5*	*766,7*	*0,1%*
EBIT	224,4	205,2	9,4%
EBIT/NET REVENUES	22,6%	21,1%	+1,5pp
Equity consolidated results	1,5	13,9	
Financial results	-0,1	0,1	
EBT	225,8	219,1	3,0%
Income taxes	-55,1	-53,2	3,6%
Minority interest	0,3	0,2	27,2%
NET PROFIT	171,0	166,2	2,9%
ADJUSTED NET PROFIT**	175,7	166,2	5,7%
Adjusted EPS**	0,52 €	0,48 €	8,7%
ADJUSTED NET PROFIT/NET REVENUES	17,7%	17,1%	+0,6pp

*EBIT margin**

* EBIT/Total net revenues

* EBITDA Adj, includes TV rights consumption
** Net profit: adjusted excluding the impact of the change in the Spanish corporate income tax code;
EPS: adjusted excluding the treasury stocks owned at December 31st

The virtuous circle of Mediaset España



€ Million

**Pro-forma consolidated P&L accounts under IFRS of Mediaset España's Group and Sogecuatro's Group

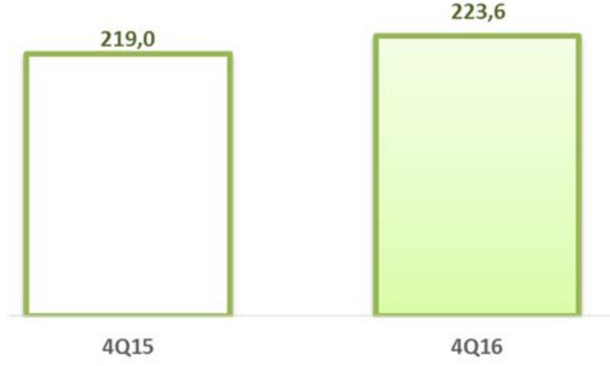
Source: Kantar media (24h total individual audience share) and Infoadex

4Q16 consolidated P&L account (I)

€ Million	4Q16	*4Q15*
Gross Advertising Revenues	270,0	274,0
- Mediaset España's medias	261,2	259,0
- Third party's medias	8,8	15,0
Discounts	-10,2	-10,5
Net Advertising revenues	259,8	263,5
Other Revenues	20,5	33,7
TOTAL NET REVENUES	280,3	297,3
Personnel	27,9	26,9
TV Rights Amortisation	73,6	73,8
Other Operating Costs	122,1	118,3
Total costs (1)	*223,6*	*219,0*
EBITDA adj*	56,7	78,3
EBITDA adj*/Net revenues	20,2%	26,3%

* EBITDA Adj, includes TV rights consumption

Total costs



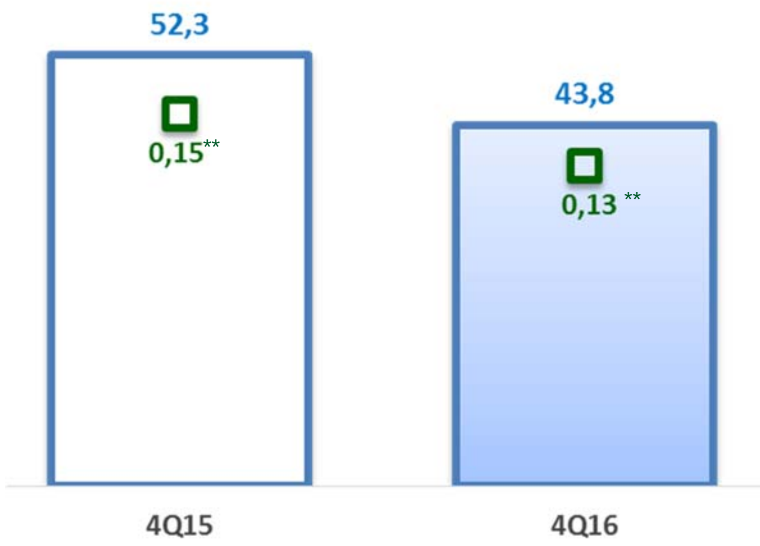
*EBITDA adj. margin**

* EBITDA adj./Total net revenues

4Q16 consolidated P&L account (II)

€ Million	4Q16	*4Q15*
EBITDA adj*	56,7	78,3
PPA amortisation (2)	2,0	2,0
Depreciation tangible assets & provisions (3)	0,9	2,5
Total Costs (1+2+3)	*226,5*	*223,5*
EBIT	53,8	73,8
EBIT/Net revenues	19,2%	24,8%
Equity Consolidated Results	3,2	-1,8
Financial results	0,6	0,1
EBT	57,5	72,0
Income Taxes	-18,4	-19,6
Minority Interest	0,0	0,0
NET PROFIT	39,2	52,3
ADJUSTED NET PROFIT**	43,8	52,3
EPS Adjusted**	0,13 €	0,15 €
ADJUSTED NET PROFIT/NET REVENUES	15,6%	17,6%

*Adjusted net profit***



* EBITDA Adj, includes TV rights consumption
** Net profit: adjusted excluding the impact of the change in the Spanish corporate income tax code;
EPS: adjusted excluding the treasury stocks owned at December 31st

Execution of Buyback plans

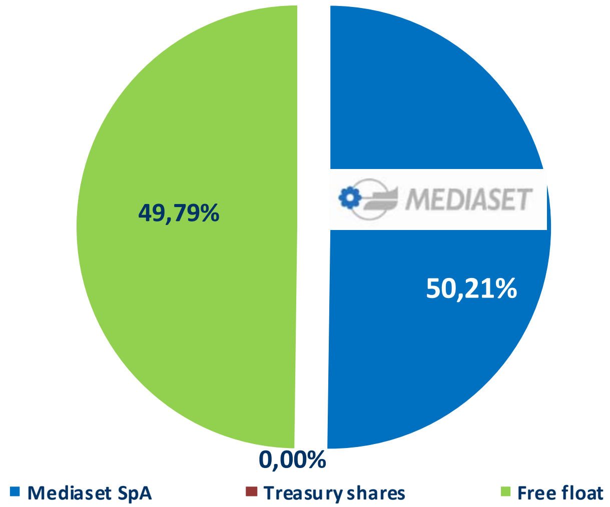
Year	Milestones	Shares n.	Average price	Total
2014	Treasury shares and market acquisition	34,583,222	€8.89	307.5M€
2015	Market acquisition	25,597,593	€11.50	294.0M€
2016	Market acquisition	9,963,121	€8.87	€88.4M€
TOTAL		**70,143,936**	**€9.83**	**€689.9M€**

Total investment in treasury shares: 689.9M€
(vs. 650M€ plan announced)

Value as of cancelation date*: 808.6 M€

Year	Milestones	Shares n.
Pre 2015	Existing shares	406,861,426
2015	Shares cancelled at the AGM on April 15th 2015	(40,686,142)
2016	Shares cancelled at the AGM on April 13th 2016	(29,457,794)
New share count	**Cancelation of 70,143,936 shares**	**336,717,490**

Shareholders structure after April 13th 2016

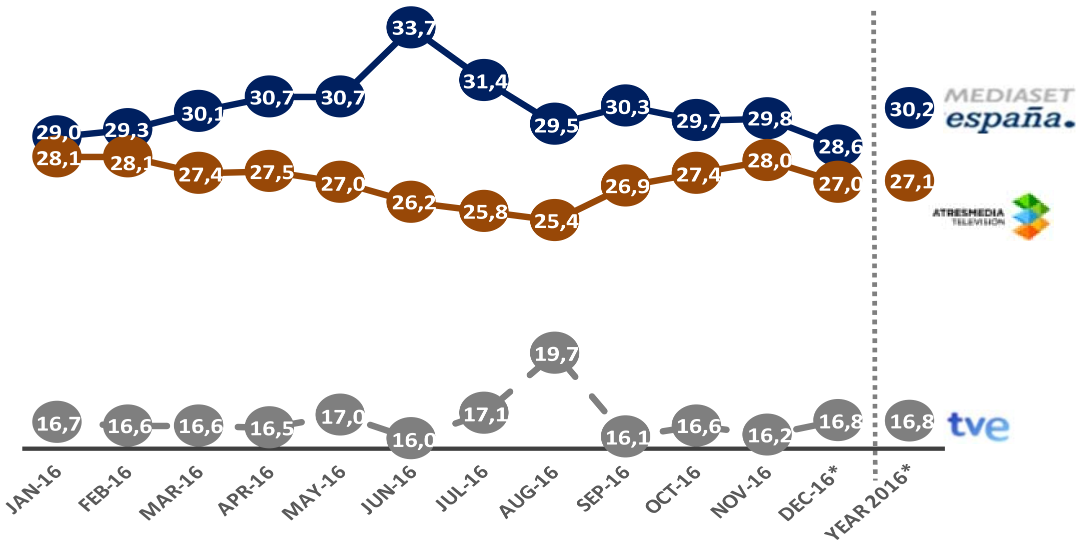


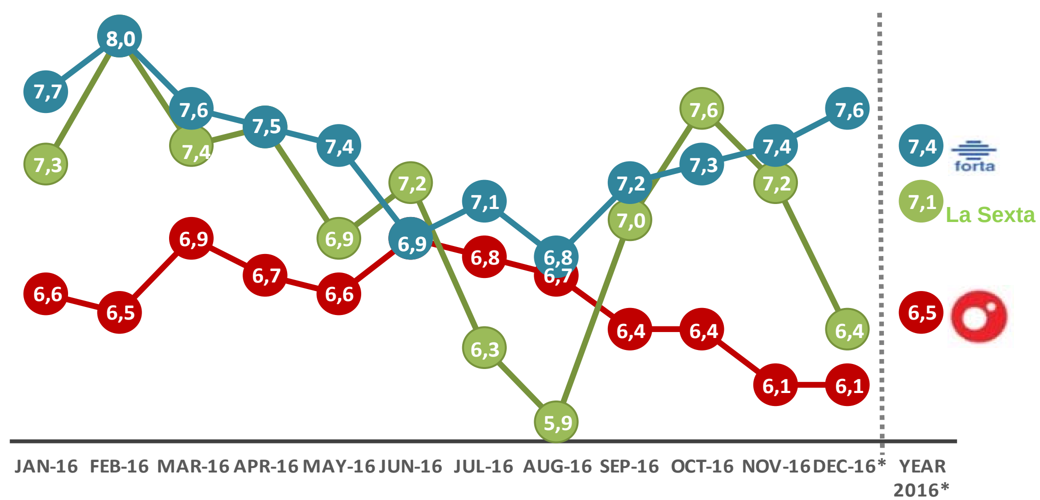
* Cancellation date: date of the corresponding AGM (April 13th 2016 and April 15th 2015)

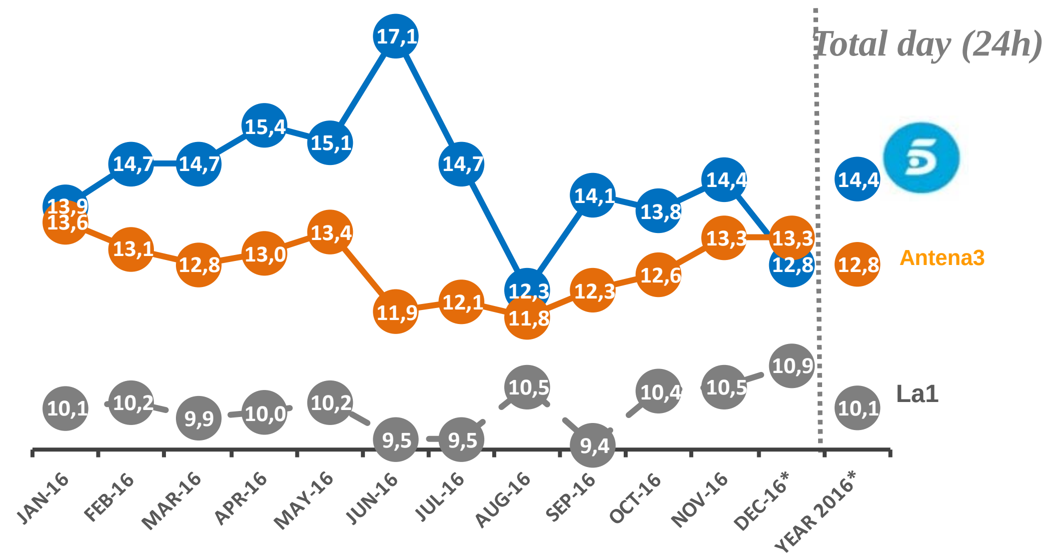
MEDIASET españa.

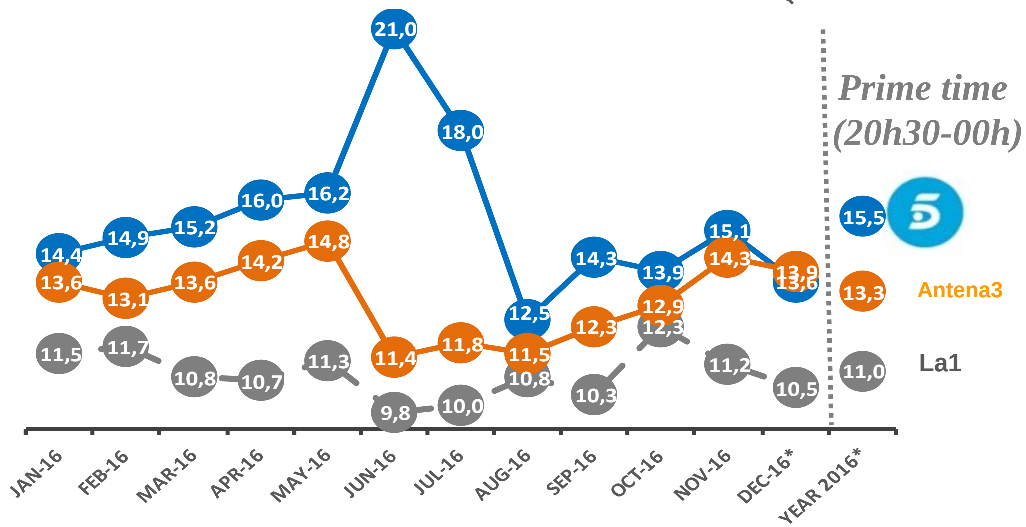
2016 audience

*24h total individuals YTD**





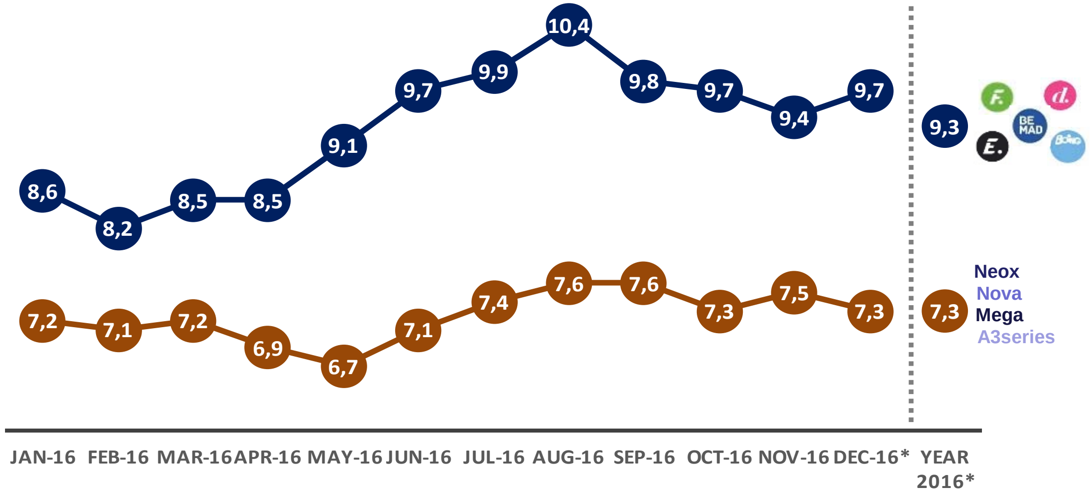


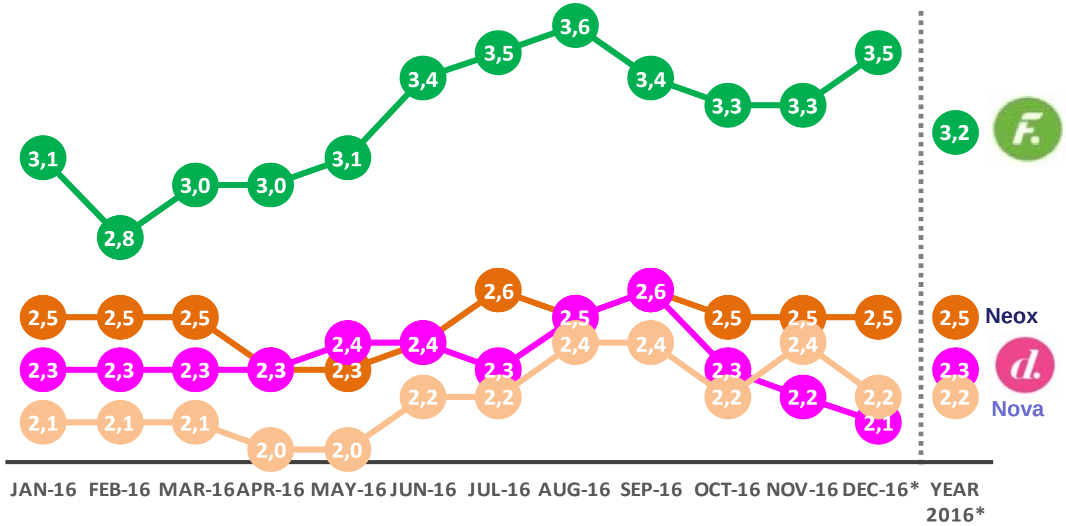


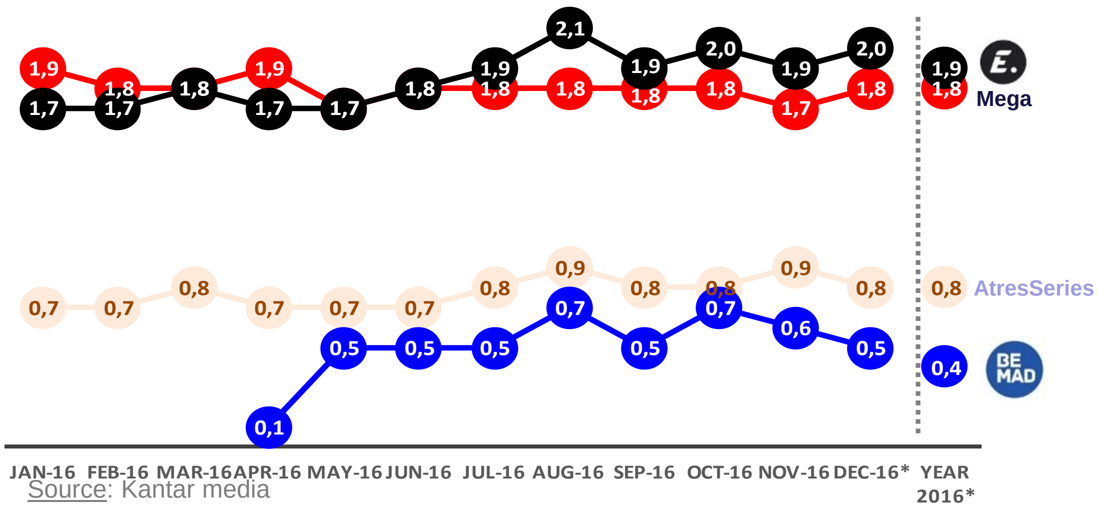
Source: Kantar media; * Audience average: 1/1-31/12/16

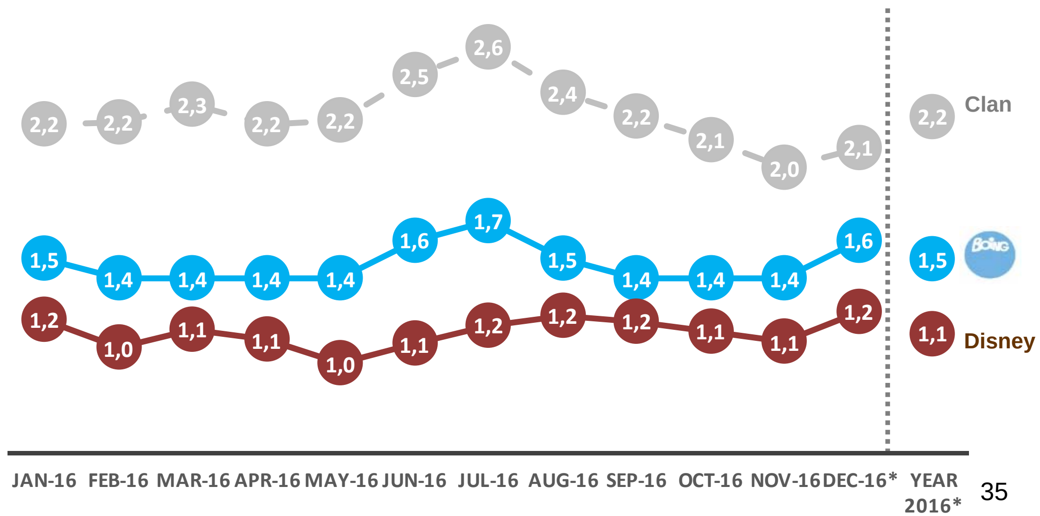
2016 audience

*24h total individuals YTD**







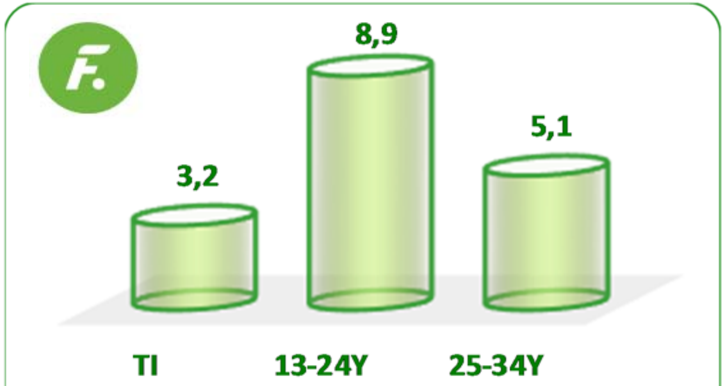


Source: Kantar media

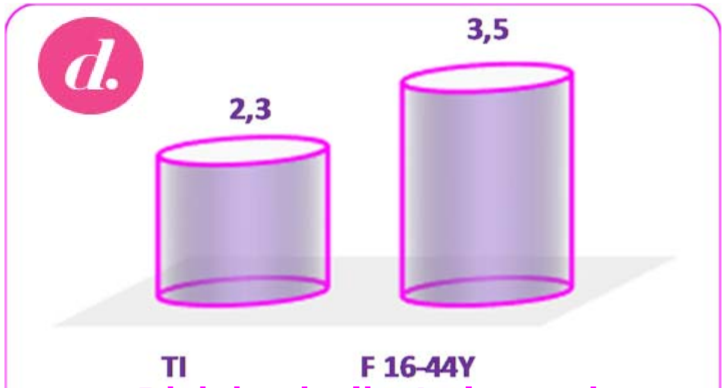
* Audience average: 1/1-31/12/16

2016 audience, multichannel strategy

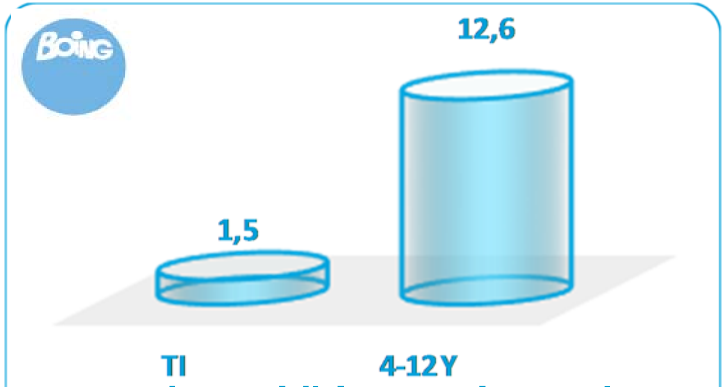
*24h total individuals & core target audience YTD**



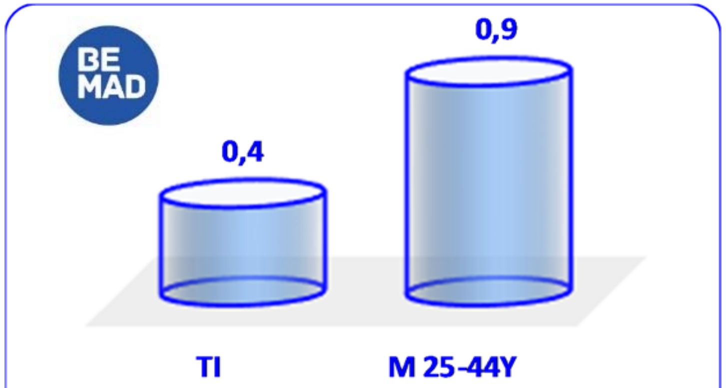
FdF: young adult's channel



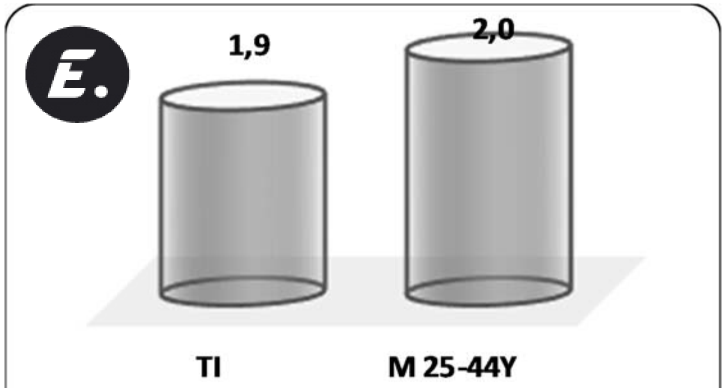
Divinity: ladies' channel



Boing: children's channel



Be Mad: HD channel

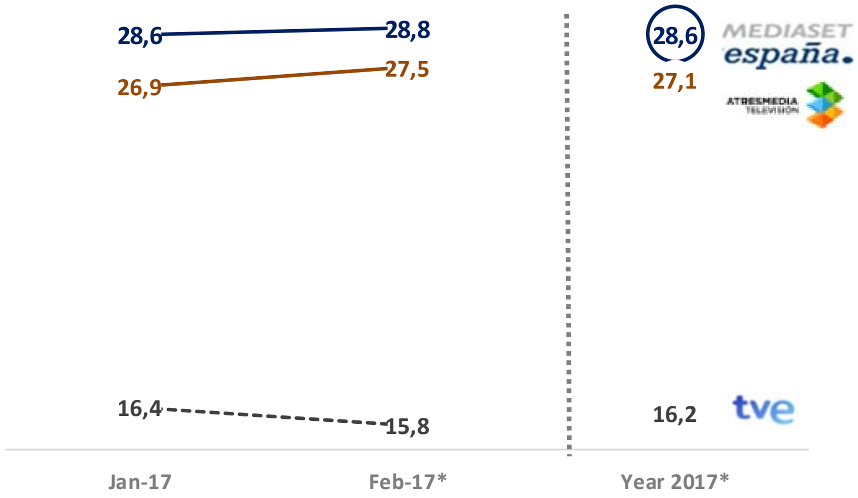


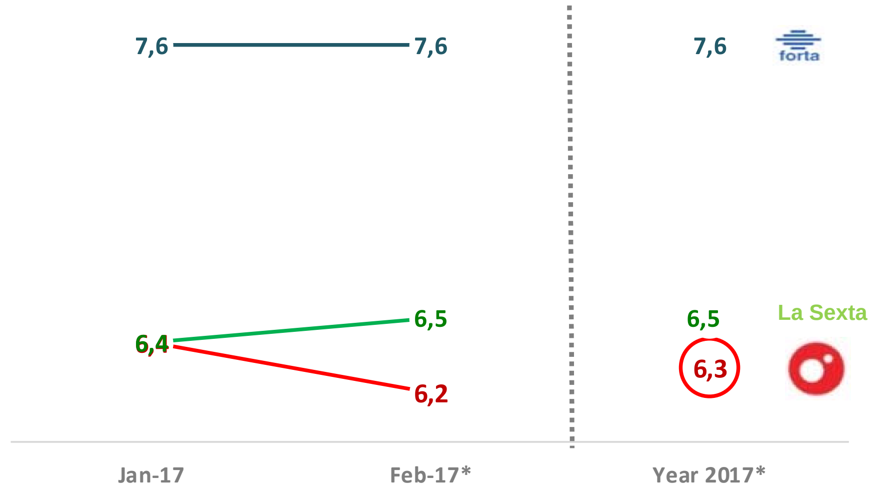
Energy: men's channel

Source: Kantar media
* Audience average: 1/1-31/12/16

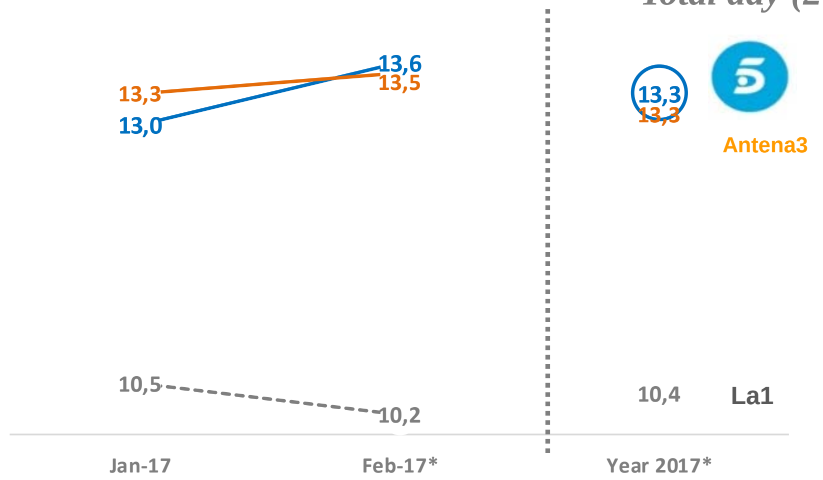
2017 audience

*24h total individuals YTD**

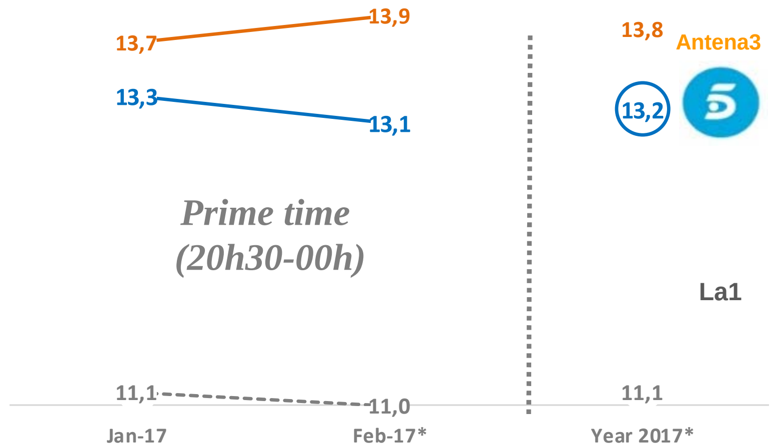




Total day (24h)



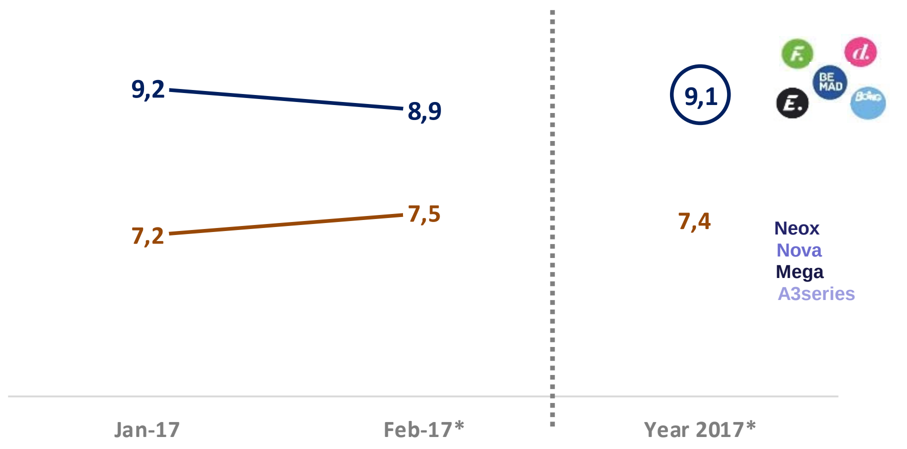
Prime time (20h30-00h)

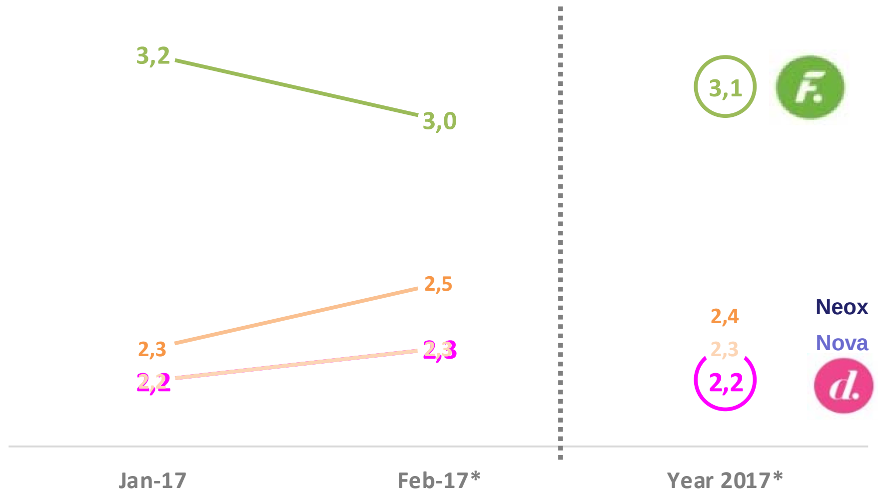


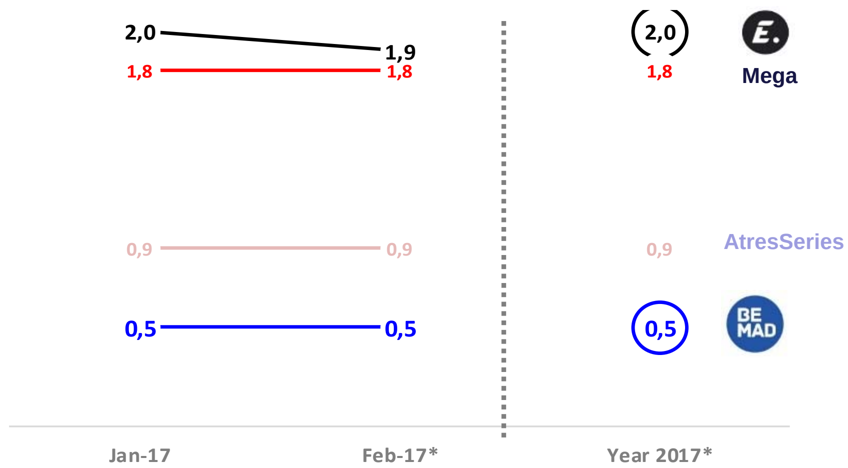
Source: Kantar media; * Audience average: 1/1-22/02/17

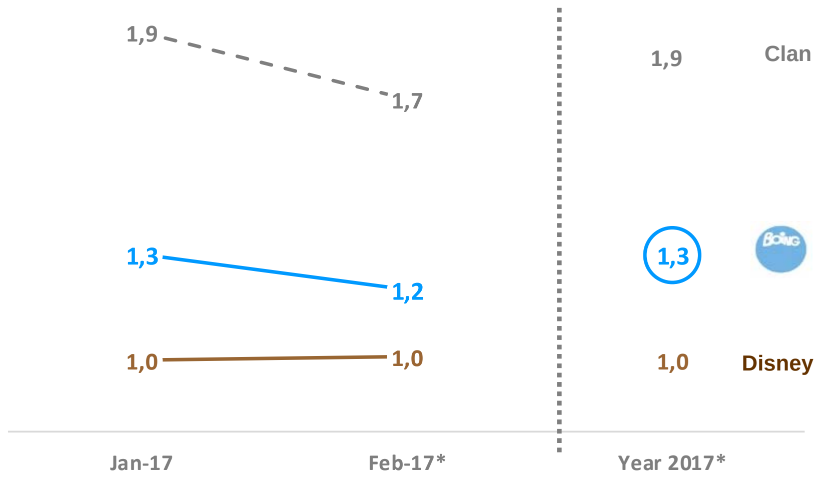
2017 audience

*24h total individuals YTD**





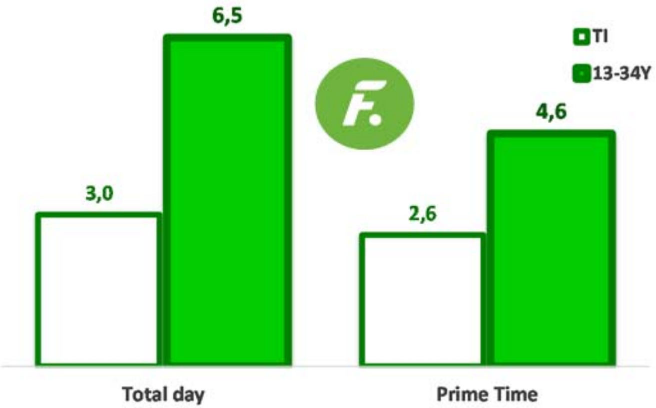




Source: Kantar media
* Audience average: 1/1-22/02/17

2017 audience, multichannel strategy

*24h total individuals & core target audience YTD**



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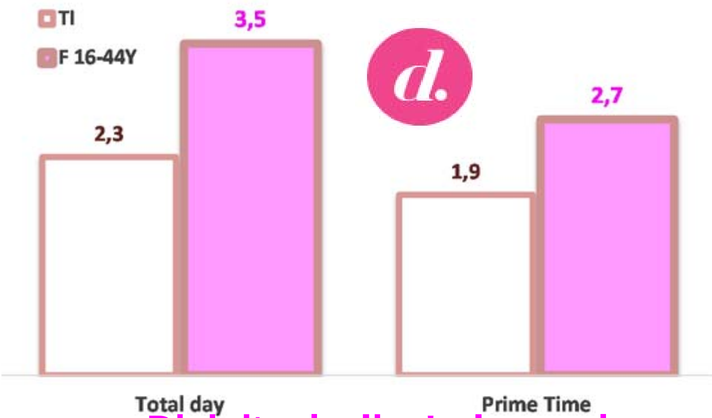

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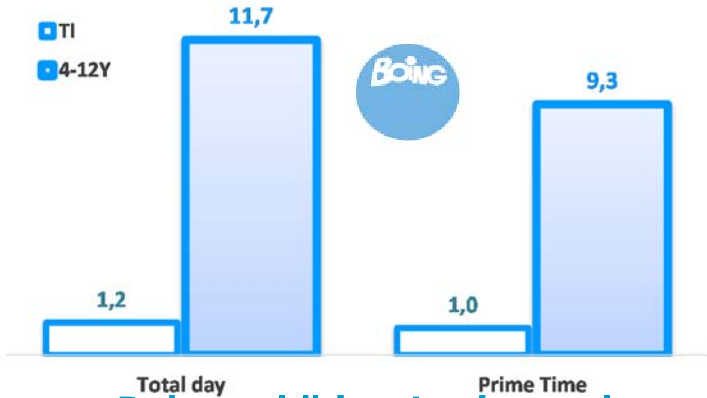
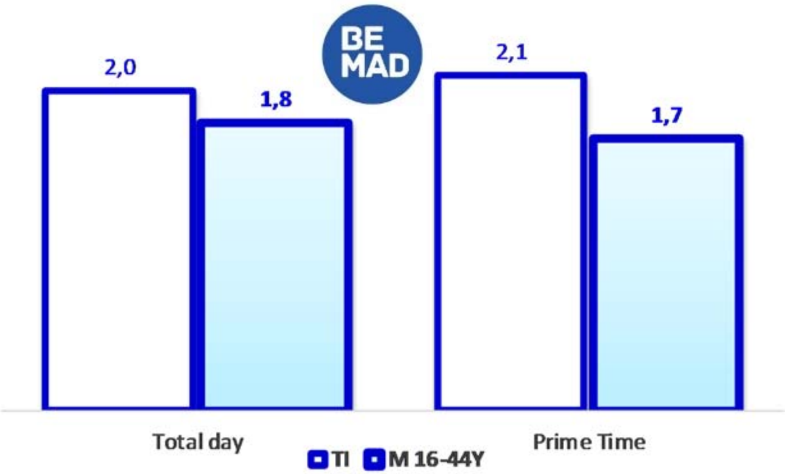
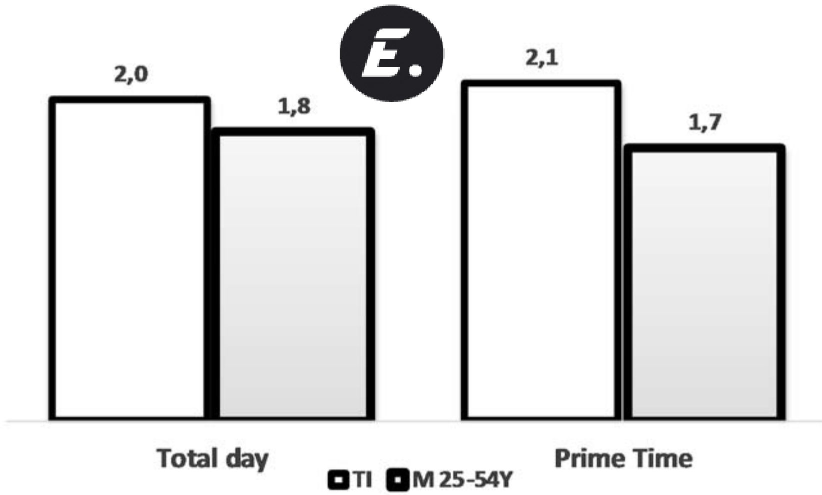


Boing: children's channel



Be Mad: HD channel

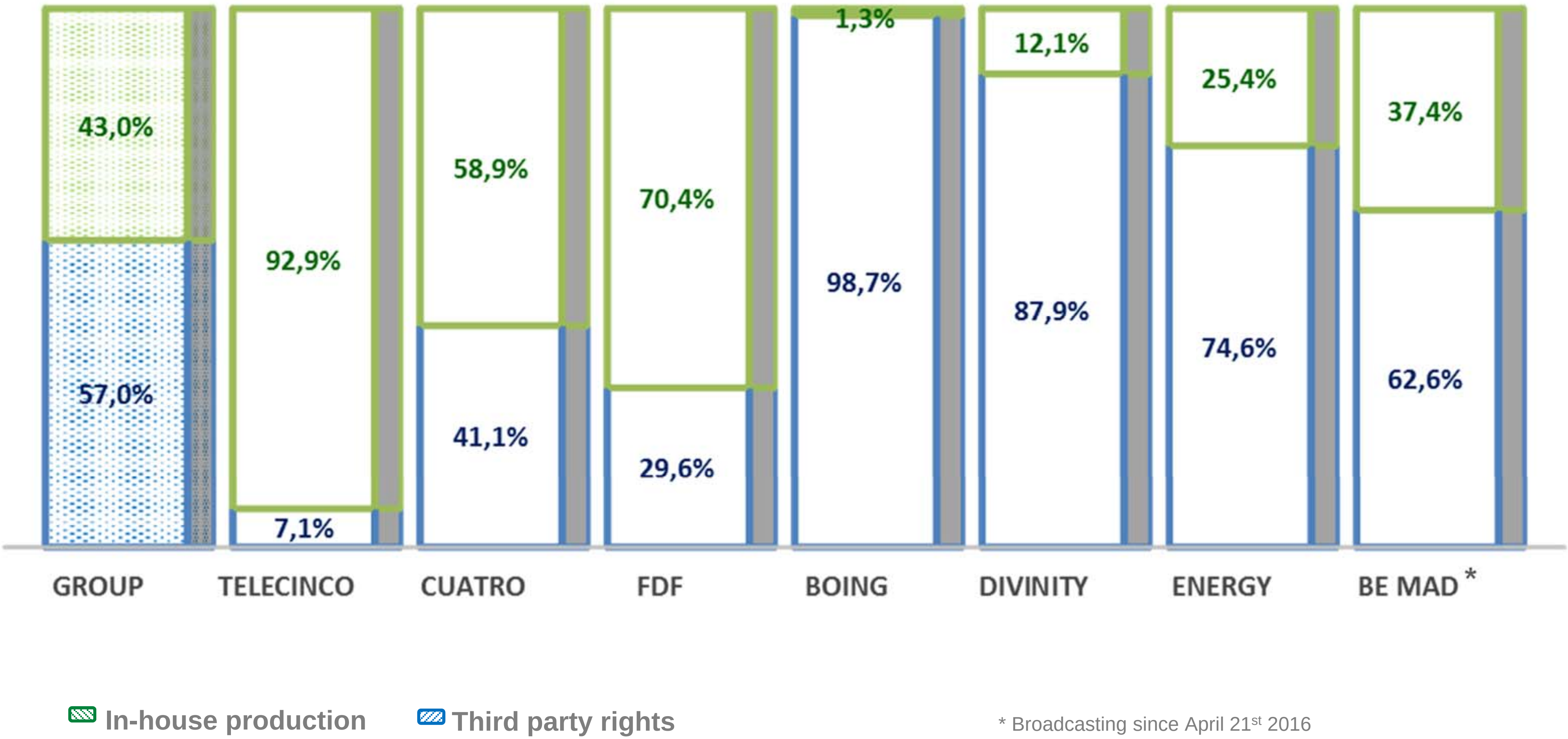


Energy: men's channel

Source: Kantar media
* Audience average: 1/1-22/02/17

FY16 Group's programming mix

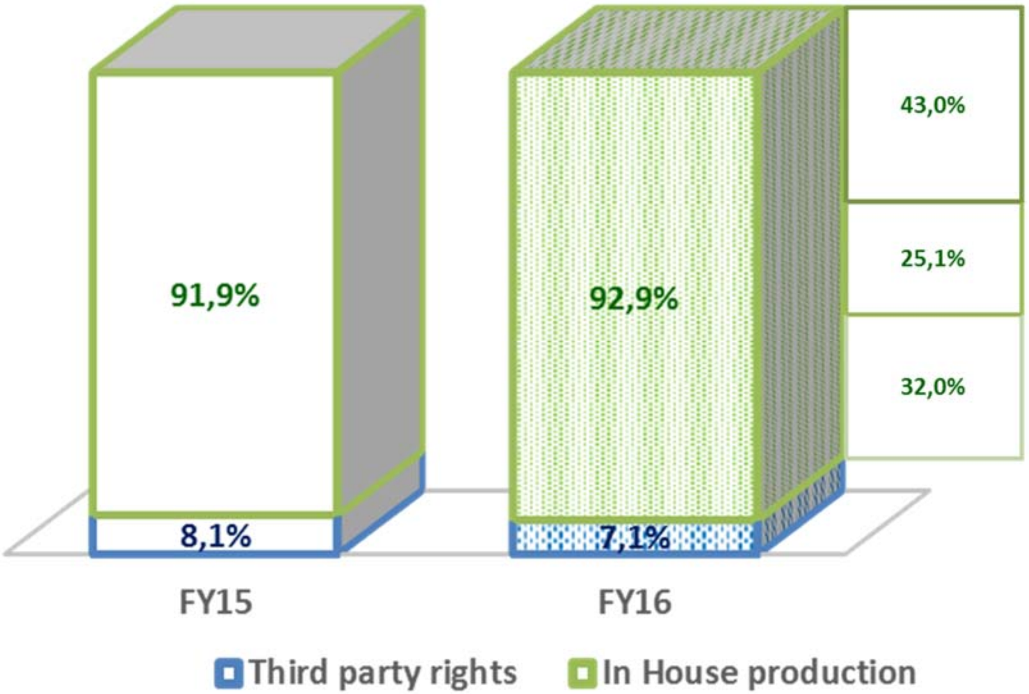
In-house production vs. library in terms of broadcasted hours



* Broadcasting since April 21st 2016

FY16 Telecinco's programming mix

In-house production vs. library in terms of broadcasted hours

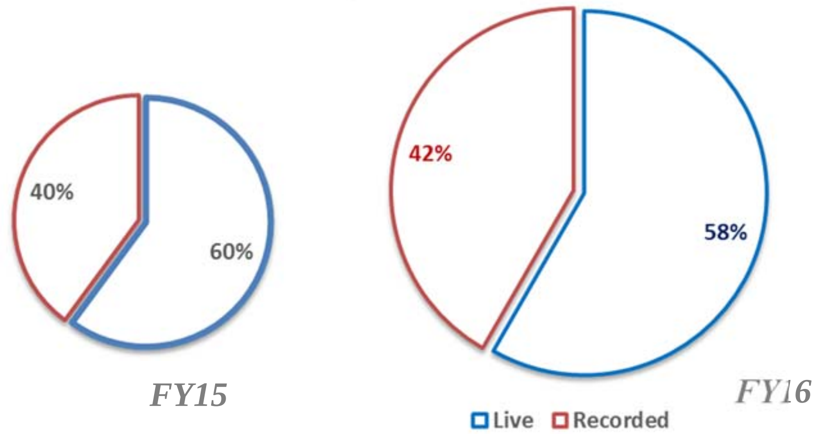


Production with independent companies
(FY15: 46.9%)

Produced by Mediaset España
(FY15: 24.2%)

Production with participated companies:
(FY15: 28.9%)

- ***La fábrica de la tele***
- ***Mandarina***
- ***Super sport***



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Investor Relations Department

Phone: +34 91 396 67 83

Fax: + 34 91 396 66 92

Email: inversores@mediaset.es

WEB: www.mediaset.es/inversores/en

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