
NINE MONTHS 2018 RESULTS

January – September 2018

MEDIASET*españa.*



Madrid – November 7th, 2018

CONTENTS

1. Financial and Operating highlights
2. Operating KPI's
 - 2.1 TV Consumption
 - 2.2 Audience share
 - 2.3 Content mix
 - 2.4 Associated Companies
 - 2.5 Internet
3. Profit and loss account
4. CAPEX
5. Balance sheet
6. Cash flow generation
7. Outlook
8. Events following the close of the period
9. Investors calendar
10. Definition of APMs
11. Contact

Conference Call / Web cast details

7th November 2018 at **18:30 CET (17:30 UK Time)**

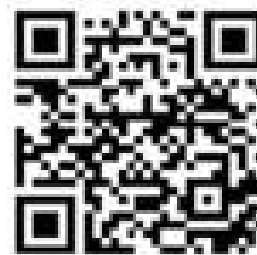
Spain: +34 914 192 514
UK: +44 (0) 330 336 9411
USA: +1 646 828 8144
Pin Code: 9388129#

You will also be able to connect via **webcast** with this link:

<https://edge.media-server.com/m6/p/8pfha3e2>

Or through our **IR homepage:**

<http://www.mediaset.es/inversores/en/>



I. FINANCIAL AND OPERATING HIGHLIGHTS

mill. EUR	3T 18	3T 17	Var (%)	9M 18	9M 17	Var (%)
Total ingresos netos	188,6	192,8	(2,2%)	696,4	701,3	(0,7%)
Total costes operativos	(154,0)	(162,0)	(4,9%)	(502,8)	(502,5)	0,0%
EBITDA ⁽¹⁾	34,5	30,7	12,3%	193,7	198,8	(2,6%)
Margen EBITDA	18,3%	15,9%		27,8%	28,3%	
EBIT	29,4	26,0	13,0%	181,7	185,2	(1,9%)
Margen EBIT	15,6%	13,5%		26,1%	26,4%	
Beneficio Neto	21,7	20,4	6,4%	146,9	146,1	0,6%
BPA ⁽²⁾	0,07	0,06		0,45	0,45	
Posición financiera				129,18	100,14	29,0%
Free Cash - Flow				181,76	188,37	(3,5%)

(1) EBITDA Incluye el consumo de derechos TV

(2) Se excluyen las acciones de autocartera a 30 de septiembre

- **Infoadex** reported that the **TV advertising market in the third quarter 2018** decreased by **2.0%** with **Mediaset España** outperforming its peers and increasing its **market share to 43.8%** (24 bp better than same quarter last year).
- **Total net revenues** in the **third quarter 2018** amount to **€188.6 million** compared to **€192.8 million** from last year.
- **Mediaset España's** registers an **EBITDA in the quarter of €34.5 million (+12.3%)** representing an **18.3% EBITDA margin**, the **highest figure** achieved in a **third quarter period, in the last ten years** (margin calculated as a percent of net revenues).
- **Net profit in the third quarter 2018** reaches **€21.7 million**, an increase of **6.4%** compared to the same quarter 2017 (€20.4 million).
- **Mediaset España's Net Cash position** as at **30th September 2018** is **€129.2 million** and **Free Cash Flow** in the first nine months 2018, equals **€181.8 million**.
- **Mediaset España** leads audiences in the **first nine months 2018** with a **29.0% audience share** and a **31.1% commercial target**, both in total individuals total day. The **Russia World Cup 2018**, broadcasted by **Mediaset España**, led to an **outstanding audience share** and **remarkable digital viewer records**.
- In the period **January-September 2018**, **Mediaset España** registered in internet a **monthly average of 11.7 million unique users/viewers** and **184.9 million videos streamed**. (Source: ComScore, multiplatform).

2. OPERATING KPI's

2.1 TV CONSUMPTION

Minutes	2018				2017			
	Linear	Guests	Time Shift	Total	Linear	Guests	Time Shift	Total
TV Consumption 2018 (4 years old+)								
Q1	240	13	6	259	243	4	4	252
Q2	220	11	6	237	222	13	4	240
Q3	188	10	5	204	201	12	4	217
YTD (30.09.2018)				231				236

The **daily average total TV consumption per person per day, 4 years old +**, in the **first nine months 2018** is **231 minutes**, 5 minutes less than the same period last year, despite which, television consumption maintains a solid record. These figures **do not include television viewed** on devices such as tablets, computers, etc...

The **average daily television viewers**, total day, in the period stands at **7.1 million people**.

* *Guests viewing measured since March 2017.*

2.2 AUDIENCE SHARE

	9M 18		9M 17	
	Total	Commercial	Total	Commercial
	Individuals	Target	Individuals	Target
MEDIASET ESPAÑA				
Total Day	29,0%	31,1%	29,1%	30,6%
Prime Time	29,3%	30,8%	28,7%	29,4%
TELECINCO				
Total Day	14,0%	13,2%	13,6%	12,5%
Prime Time	14,9%	13,9%	13,8%	12,1%
CUATRO				
Total Day	6,2%	7,7%	6,2%	7,3%
Prime Time	6,4%	8,2%	6,4%	8,1%
DIVINITY				
Total Day	2,1%	2,5%	2,2%	2,9%
Prime Time	1,9%	2,0%	2,0%	2,3%
BOING				
Total Day	1,3%	1,0%	1,4%	1,0%
Prime Time	1,0%	0,8%	1,1%	0,8%
ENERGY				
Total Day	1,8%	2,1%	2,0%	2,3%
Prime Time	1,8%	1,8%	2,2%	2,3%
BE MAD tv				
Total Day	0,6%	0,9%	0,6%	0,8%
Prime Time	0,5%	0,7%	0,5%	0,6%
FDF				
Total Day	3,0%	3,8%	3,1%	3,8%
Prime Time	2,8%	3,4%	2,7%	3,1%

In the **first nine months 2018**, the **Mediaset España Group** has led audiences with a **29.0% audience share** and a **31.1% commercial target** both in **total individuals total day**, which is an **advantage of +2.4pp and +3.0 pp, respectively**, over its nearest competitor.

For the first time, **Mediaset España** broadcasted the entire **Football World Cup, the Russian 2018 World Cup**, with a total of **64 matches** in the period **June 14th to July 15th 2018**. **Telecinco** channel broadcasted **26 matches**, **32 matches were broadcasted on the Cuatro** channel, **4 matches on Be Mad** and **1 game on Energy**. All football games were broadcasted live on **Mitele, Mediaset España's** OTT.

The **26 games broadcasted on the Telecinco** channel registered **45.6% audience share** and **5.8 million viewers**, outperforming the records obtained in the previous **World Cup, Brazil 2014**, by **2.4 pp**. The games of the **Spanish national team** achieved an average of **70.8% audience share**, **11.8 million viewers**, this is **+7.7 pp and 1.8 million viewers better than the Brazil World Cup**. The penalty shoot-out in the **Spain-Russia** game, records **the highest number of viewers, 14.8 million, and audience share above 80%**, since July 2012.

After the **successful performance in audiences of the Russian 2018 World Cup**, Mediaset España announced, on August 2nd, the agreement with FIFA for the acquisition of the **Euro 2020 broadcasting rights**, both, **free to air and digital rights**, a total of **51 games**.

Also the **FIFA agreement** includes a **package of 80 games of international teams from UEFA Nations League**, friendly games, **qualifying games for the Euro 2020 and FIFA World Cup 2022**, (excluding Spanish national team's games).

Mediaset España's aim is to present a **comprehensive programming offer**, for all targets, with formats ranging from **fiction series, realities, movies, sports, news etc.** in the **first nine months 2018**, its flagship programs were: **Survivors, Big Brother, Got Talent** and also the popular American series **The Good Doctor**.

Telecinco channel registered, in the **period**, **14.0 % audience share and 13.2% commercial target in total individual's total day**, an advantage of **+1.8 pp and +1.4 pp**, respectively, **compared to its nearest competitor**.

In addition to the **2018 World Cup** audience results, the **Telecinco channel** has been very successful with **entertainment programs** such as **Survivor**, which registered an average **audience in its latest edition of 29.2% and 3.3 million viewers**. The **Good Doctor** series broadcasted on the **Telecinco channel** obtained excellent audience results, **19.6% share and 3.1 million viewers**, and registers the **best commercial target** in the year (22.3%).

Cuatro obtained an audience, **in total individual's total day** of **6.2% share in the first 9 months 2018**, compared to **6.8% of its nearest competitor**, whilst it **leads in commercial target** where it records **7.7%** (vs 7.1%).

The **targeted channels**, Divinity, Boing, Energy, Be Mad and FDF, **obtained a total of 8.8% audience share** in the period **whilst achieving 10.2%** in commercial target. The audience of the different channels at the **end of September** in its targets is as follows: **FDF** in its target of **13 to 24 year olds** achieved **8.4%** audience share and in **25 to 34 year olds** **5.7%**. **Divinity** channel had a **3.2% audience share in its target of women 16 to 44 years old**, **Energy** channel obtained in its target, men **25 to 54 years old 1.7%** share. **Boing**, the children's channel, almost **nine-fold** its share in its target of **4 to 12 year olds**, reaching a **10.9%**. **Be Mad** registers in its **target of 25-34 year old men** achieves a **1.3%** share.

2.3 CONTENT MIX

In the first nine months 2018 Mediaset España in-house production represents 50.2% of the total broadcasted hours, which is an increase of 3.2pp compared to the same period last year (47.0%). Third party rights, on the other hand, represent 49.8% of the total broadcasted hours. The distribution of in-house and third party broadcasted hours, in the first nine months 2018 across the seven Group channels is as follows:



Source: Kantar Media

The two main channels, Telecinco and Cuatro combined, have devoted 82.5% of their broadcasted hours to in-house production in the period January-September 2018, in line with the same period last year (83.1%).

With regard to the rest of the channels, Divinity and FDF show the greatest change in the mix in the period. Divinity is the one that has changed its mix the most, with 18.2% in-house production in the first nine months 2018, compared to 9% in the same period 2017. This is an increase of +9.2 pp in the in-house production broadcasted hours in the period. FDF on the other hand, has increased its in-house broadcasted hours to 82.1%, from the 77.2% of the same period last year, this is an increase of +4.9 pp.

2.4 ASSOCIATED COMPANIES

In order to meet the high in-house production broadcasting hour's needs, Mediaset España participates in the capital of 8 production companies, specialised in different production formats. This allows the Group to have control in the production, in the required time and scale, and access to a wide range of formats, from fiction, realities, sports etc.. while having the first option for new formats, as well as benefiting from the agreements these production companies reach with third parties as content suppliers. Detail of the aforementioned participated companies, as at 30th of September 2018, is as follows:

Producciones Mandarina, specialised talk-shows and entertainment (30.0%), La Fábrica de la Tele specialised in talk-shows and fiction series (30.0%), Megamedia TV specialised in digital content (30.0%), Alea Media specialised in fiction series (40.0%), Melodía Producciones specialised in fiction series (40.0%), SúperSport news programs and sport events (30.0%), Bulldog specialised realities (30.0%) and Alma Producciones specialised in fiction series (30.0%).

2.5 INTERNET

In the months January-September 2018, the **internet video consumption** (multiplatform since March 2017) reached **32.6 minutes per person/per day** for **total Individuals**, and represents **12.3%** of the **total daily average audiovisual consumption**, reaching **87.3 minutes per person/per day** in the **18-24 year old group**.

(Source: Kantar & Comscore)

In the first nine months **2018**, Mediaset España obtained **a monthly average of 11.7 million unique users** and **184.9 million videos streamed**, (multiplatform) all in a **content safe environment** both for **users and advertisers**. Also **Mediaset España** registered a monthly average of **191.2 million pages viewed** in the first nine months 2018.

	Total Unique users (000)	Total Page Viewed (million) ⁽¹⁾	Videos (000) ⁽²⁾	Minutes (million) ⁽³⁾
September 2018	11.083	196.643	225.905	913
August 2018	9.399	130.322	107.623	485
July 2018	11.990	171.492	182.788	729
June 2018	13.321	236.387	247.377	808
May 2018	11.867	197.580	200.907	720
April 2018	13.097	219.009	209.052	780
March 2018	12.777	213.316	180.876	785
February 2018	10.929	171.403	154.460	852
January 2018	10.713	184.836	155.352	1.018

Source: Comscore. All data Multiplatform.

During 2018 Mediaset España has been promoting the **native digital content production** under new video formats specifically designed for internet. It also has been supporting the **use of contents across platforms** with the aim of giving more visibility to **Mediaset España's products** and **brands** within the digital media arena and also **increasing the video inventory** for advertisers. **Television contents** have contributed, in the first nine months 2018 to the **77.8% of the digital audience**, whilst the digital native content contributed with **22.2%**. (Source: Omniture)

In the first nine months 2018 Mediaset España has based its **digital content strategy on three very successful TV programs: Survivor 2018, 2018 Russian World Cup and Big Brother VIP 6th edition**. **Survivor 2018** reached very high interactive quotas recording more than **1.9 million votes** and more than **3 million page views**. The digital version of the program **included additional exclusive contents and live streaming from the island**, being the leading online format during spring time. With regards to the **2018 Russian World Cup**, the digital media reached **record figures with 13.9 million video streamed, adding 2% to the television coverage**. Also Mediaset España achieved, during the World Cup 2018, its highest ever **unique browsers** record 13.3 million. (Source: Omniture & Comscore.)

Big Brother VIP 6th edition comes with **multi-camera on the web** as well as other apps generating large amounts of digital contents with nearly **36 million videos streamed (life+VOD)**, between 15th and 30th of September. The **novelty of this new edition** has been the launching of a **24 hour channel** to the **Youtube audience (on YouTube)**, allowing for almost 43 million additional videos treated. (Source: Omniture)

Mediaset España is very popular in the **social networks**, where it obtains **46.2%** of the comments related to television, i.e. **22.7 million**.

3. PROFIT AND LOSS ACCOUNT

mill. EUR	3Q 18	3Q 17	Var (%)	9M 18	9M 17	Var (%)
Gross Advertising Revenues	184,8	188,3	(1,8%)	687,1	689,2	(0,3%)
Mediaset España's Media	181,3	183,5	(1,2%)	672,5	674,6	(0,3%)
Third Party Media	3,5	4,8	(27,1%)	14,6	14,6	(0,4%)
Commission	(8,1)	(7,9)	2,1%	(29,9)	(28,3)	5,4%
Net advertising revenues	176,8	180,4	(2,0%)	657,2	660,9	(0,6%)
Other revenues	11,8	12,4	(5,1%)	39,2	40,4	(3,0%)
Total Net Revenues	188,6	192,8	(2,2%)	696,4	701,3	(0,7%)
Rights Amortisation	(31,3)	(34,3)	(8,8%)	(86,7)	(108,7)	(20,2%)
Personnel	(25,0)	(25,1)	(0,3%)	(76,6)	(77,5)	(1,2%)
Other operating costs	(97,7)	(102,6)	(4,8%)	(339,4)	(316,3)	7,3%
Total Costs	(154,0)	(162,0)	(4,9%)	(502,8)	(502,5)	0,0%
EBITDA	34,5	30,7	12,3%	193,7	198,8	(2,6%)
EBITDA Margin	18,3%	15,9%		27,8%	28,3%	
Other amortisations, provisions	(3,2)	(2,8)	14,3%	(6,0)	(7,6)	(21,2%)
Amortisation PPA	(2,0)	(2,0)	0,0%	(6,0)	(6,0)	0,0%
EBIT	29,4	26,0	13,0%	181,7	185,2	(1,9%)
EBIT Margin	15,6%	13,5%		26,1%	26,4%	
Equity Cons. Results and Depr. Fin. Assets	0,6	0,4	-	10,8	1,4	-
Financial results	(0,0)	(0,3)	-	(0,2)	(1,1)	-
Pre-tax Profit	29,9	26,0	14,8%	192,3	185,5	3,7%
Income taxes	(8,2)	(5,5)	49,0%	(45,4)	(39,5)	14,9%
Minority interests	0,0	(0,2)	-	0,0	0,1	-
Net Profit	21,7	20,4	6,4%	146,9	146,1	0,6%
Net Profit Margin	11,5%	10,6%		21,1%	20,8%	
EPS (excluding Treasury shares)	0,07	0,06		0,45	0,45	

Infoadex reports that the **total conventional advertising market**, in the first **nine months 2018**, stands at **€3,125.2 million**, which represents a growth of **+0.6%** compared to the same period 2017 (€3,107.9 million). The **TV advertising market** in the same period registered a **1.3% reduction** to a total of **€1,508.1 million**. As per Infoadex, **Mediaset España** obtains in the **first nine months 2018**, a market share of **43.7% (€658.5 million)** compared to the **43.3%** from **2017 (€662.0 million)**, an increase on its share of **+33 bp**.

Beside the **current TV advertising market conditions**, **Mediaset España** has managed to **maintain its advertising revenues in line with last year's** thanks to the **2018 World Cup**, which has proved to be a very good investment.

Gross Advertising Revenues in the **first nine months 2018** amounts to **€687.1 million**, which is almost flat compared to same period 2017 (€689.2 million). A **breakdown** of the aforementioned revenues is as follows:

- **Gross Advertising Revenues of Mediaset España's Media** include advertising revenues from, Internet, Teletext and the Group's 7 TV channels: TELECINCO, CUATRO, FACTORIA DE FICCION, BOING, DIVINITY, ENERGY and BE MAD, in the nine months to 30th September amounted to a **total** of **€672.5 million**, this is almost flat (-0.3%) compared to the same period last year.
- **Gross third party media revenues** include the advertising sales from a pay TV channel, internet, and the free TV channel Gol. In the first nine months 2018, sales amounted to **€14.6 million**, same figure as last year (€14.6 million).

Advertisement commissions in the **first nine months 2018** amounted to **€29.9 million**, representing **4.3%** over gross advertising revenues. **Net advertising revenues**, after commissions, amount to a total of **€657.2 million**.

Other Revenues, include income from movie activities, internet, sale of rights etc. reached in the period **€39.2 million**, slightly below 2017 figure (€40.4 million). In the period **January-September 2018**, Mediaset España has released **two movies**: **El Cuaderno de Sara** on February 2nd with box office takings of **€5.2 million** and **Yucatan** released on **August 31st** with a **box office** of **€4.7 million**.

Total Net Revenues for the period amount to **€696.4 million**, compared to **€701.3 million** from the same period last year (**-0.7%**).

Total Costs for the period **January-September** amount to **€502.8 million**, flat in comparison with the same period 2017 (€502.5 million) despite having the **Russian 2018 World Cup**. The **effective cost management** exercised by the Group and the **good audience record** achieved, allowed for **extra cost savings**. In the **third quarter 2018** Mediaset España managed to reduce its total cost by **4.9%** compared to the same period last year.

In the **first nine months 2018** Mediaset España obtains an **EBITDA** of **€193.7 million**, representing a **margin of 27.8%** in the period. **EBIT** for the period reached **€181.7 million** representing a **margin of 26.1%**. In the **third quarter 2018**, Mediaset España obtained its **highest EBITDA** in a third quarter period in the last ten years, **€34.5 million**.

Pre-Tax profit reaches **€192.3 million** which includes the **consolidated result** from the **associate companies** as well as the **earn-out** from the **Telefonica** agreement after the sale of **Mediaset España stake in DTS**, back in 2014.

Corporate Income Tax reflects the expected **effective tax rate at the end of 2018** and includes some adjustments as a result of the sale of our stake in **Caribevision** effective as of April.

Mediaset España increased its **Net Profit** to **€146.9 million** in the **first nine months 2018** representing **EPS of €0.45**.

4. CAPEX

mill. EUR	9M 18	9M 17	Var (%)
Third party	89,6	94,1	(4,8%)
Fiction	28,1	37,0	(24,1%)
Co-Produccion/Distribution	8,2	16,2	(49,0%)
Tangible and Intangible Fix Assets	5,4	8,8	(38,8%)
Total Capex	131,3	156,1	(15,8%)

Total Net Investment in the period January-September 2018 reached a total of €131.3 million, compared €156.1 million from the same period last year. Most of this difference is due to the **Football World Cup** which acted as a content substitution for the **fiction and third party investment contents**. With regards to the **Co-Production**, the difference is due to the fact that in 2017 there were three movies: “**Es por tu bien**”, “**Tadeo Jones 2**” and “**Marrow Bone**”, whereas in 2018 there are two: “**El cuaderno de Sara**” and “**Yucatan**”.

In this period, the **Group** has invested a total of €89.6 million in **third party rights**, €28.1 million in **local fiction**, and €8.2 million in **Co-production/distribution** whilst investment in **tangible and intangible assets** was €5.4 million.

5. BALANCE SHEET

mill. EUR	<u>September 2018</u>	<u>December 2017</u>
Tangible assets	556,1	569,4
Financial	310,7	314,7
Non Financial	245,3	254,7
Audiovisual rights and Pre-payments	193,0	156,4
Third parties	128,9	106,4
Fiction	44,0	27,0
Co-production / Distribution	20,1	23,0
Pre-paid taxes	82,5	101,0
TOTAL NON-CURRENT ASSETS	831,5	826,8
Current assets	188,3	272,3
Financial investments and cash	129,2	135,9
TOTAL CURRENT ASSETS	317,5	408,2
TOTAL ASSETS	1.149,0	1.235,0
Shareholders equity	848,9	900,1
Non-current provisions	6,6	13,4
Non-current payables	25,8	19,0
Non-current financial liabilities	0,0	0,0
TOTAL NON-CURRENT LIABILITIES	32,3	32,4
Current payables	267,8	301,8
Current financial liabilities	0,0	0,6
TOTAL CURRENT LIABILITIES	267,8	302,5
TOTAL LIABILITIES	1.149,0	1.235,0

Mediaset España has a strong balance sheet with a **healthy mix between its long and short term assets and liabilities**, as well as an **excellent liquidity ratio of 1.2x**.

The **Shareholder Equity** reduction of **€51.2 million** in the period, is due to the dividend distribution of **€197.5 million paid** on May 3rd.

6. CASH FLOW GENERATION

Mediaset España's Operating Free Cash Flow in the **first nine months 2018**, is **€181.8 million** and its net **cash position** at the end of the period is **€129.2 million**, this is an increase of **€29.0 million** compared to the same period 2017.

mill. EUR	9M 18	9M 17	Var (M€)
Net profit (without minority interests)	146,9	146,0	0,9
Amortisation:	101,5	122,5	(21,0)
Rights	86,7	108,7	(22,0)
Other	14,8	13,8	1,0
Provisions	(1,6)	(0,5)	(1,1)
Other	14,9	11,9	3,0
OPERATING CASH FLOW	261,7	279,9	(18,2)
Investment in rights	(125,9)	(147,2)	21,3
Investments, other	(5,4)	(8,8)	3,4
Change in working capital	51,4	64,5	(13,1)
OPERATING FREE CASH FLOW	181,8	188,4	(6,6)
Own stock purchase	0,0	(100,0)	100,0
Change in Equity	(1,6)	1,7	(3,3)
Financial investments/disinvestments	8,8	6,5	2,3
Dividends received	2,4	1,8	0,5
Dividend payments	(197,5)	(175,7)	(21,8)
Net Cash Change	(6,1)	(77,3)	71,2
INITIAL FINANCIAL POSITION	135,3	177,4	(42,2)
FINAL FINANCIAL POSITION	129,2	100,1	29,0

Mediaset España's cash conversion rate equals **93.9% in the period: free cash flow** (€181.8 million) and **EBITDA** (€193.7 million).

7. OUTLOOK 2018

1. Cost guidance improved from **€760 million to €740 million**.
2. Internet advertising revenues growth rate above 20% in 2018.
3. On track to achieve our goal of leading in audience share and advertising market share in 2018.

8. EVENTS FOLLOWING THE CLOSE OF THE PERIOD

Mediaset España announced in October, the creation of a new corporation, **Mediterraneo Audiovisual S.L.U**, as a vehicle to **cluster all its production stakes under the same organisation**. The aim is improving the distribution and selling capabilities of the production companies, while accessing relevant international formats and reinforcing a digital approach to audio-visual projects from inception.

9. INVESTOR CALENDAR

CORPORATE EVENTS

1	FY 2018 results:	February 2019 (Tentative)
---	-------------------------	---------------------------

MARKETING EVENTS

1	Madrid:	13 th November
2	Barcelona:	14/15 th November
3	Vienna/Zurich:	19/20 th November
4	Paris/Frankfurt:	27/28 th November
5	Madrid:	29 th November
6	Geneva:	04 th December
7	Madrid:	11 th December
8	London:	12 th December

10. DEFINITION OF APMs

The **Mediaset España Group's financial information** contains magnitudes in accordance with current accounting regulations, as well as other measures that have been prepared according to the Mediaset España Group's Reporting model, i.e., **Alternative Performance Measures (APM)**.

These measures are **considered as complementary magnitudes** with respect to those presented in accordance with the **International Financial Reporting Standards (IFRS)**.

APMs are important for **financial information** users as they are the measures used by Mediaset España's Management to evaluate financial performance, cash flows, financial situation or operational and strategic decision making. Its **purpose is to promote the publication of transparent, impartial and comparable financial information** to allow users a better understanding of its financial position and results.

Net Revenues:

Total revenue includes the Group net of discounts and rebates.

Adjusted EBITDA:

("Earnings before Interest, Tax, Depreciation and Amortisation") is an indicator that measures the companies operating margin before deducting interest, taxes, impairments and amortisation.

They are based on the operating benefits to which the provisions for the amortisation of tangible and intangible assets are added, as well as the variations in the working capital provisions.

Due to the specific nature of the business, the consumption of audio-visual rights is included in the operating expenses even though their accounting treatment is amortisation of intellectual property.

Free Operating Cash Flow:

Measures the generation of monetary resources corresponding to operating and investment activities, and is used to evaluate the funds available for dividend payments to shareholders or for future investment activities.

Generated Cash Flow:

Corresponds to the cash from the operating and investment activities that, once deductible, dividend payments, interest on financing and treasury stock determine the Group's financial variation.

Liquidity or Net Financial Position:

The Group measures the liquidity or Net Financial Position as the sum of "Cash and other equivalent liquid assets" of other current financial assets and short and long-term credit lines arranged at the end of the period corresponding to loans granted by financial entities with terms, amounts and other conditions agreed in the contract.

Net Investments:

These APMs are used by the Group's Management to measure the investment activity of each period, and corresponds to those operating investments made by the same and net of divestments. It includes that corresponding to joint ventures and other companies operationally managed as such.

Coverage Ratio:

The active / passive liquidity coverage ratio is calculated by dividing Current Assets between Current Liabilities, and is used to determine the number of times the Group could face the maturities of short-term commercial debt with the outstanding debt and the current liquidity.

II. CONTACT US

Corporate web site:

www.mediaset.es

Investor relations department contact details:

Telephone: (00 34) 91 396 67 83

Web page: www.mediaset.es/inversores/en/

Email: inversores@mediaset.es

Address:

INVESTOR RELATIONS

MEDIASET ESPAÑA COMUNICACIÓN, S.A.

Calle Federico Mompou, nº 5 bis, 28050 - MADRID