
2018 FULL YEAR RESULTS

January – December 2018

MEDIASET*españa.*



Madrid – February 27th, 2019

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. Dividend & Buyback programs (2005-2018)
8. Events following the close of the period
9. Investors calendar
10. Definition of APMs
11. Contact

Conference Call / Web cast details

28th February 2019 at **13:00 CET (12:00 UK Time)**

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Or through our **IR homepage**:
<http://www.mediaset.es/inversores/en/>



I. FINANCIAL AND OPERATING HIGHLIGHTS

mill. EUR	4Q 18	4Q 17	Var (%)	2018	2017	Var (%)
Total net revenues	285,1	295,0	(3,3%)	981,6	996,3	(1,5%)
Total operating costs	(204,8)	(231,5)	(11,5%)	(707,6)	(734,0)	(3,6%)
EBITDA Adj. ⁽¹⁾	80,3	63,5	26,6%	274,0	262,2	4,5%
EBITDA margin	28,2%	21,5%		27,9%	26,3%	
EBIT	75,2	60,1	25,1%	256,9	245,3	4,7%
EBIT margin	26,4%	20,4%		26,2%	24,6%	
NET PROFIT	53,4	51,4	3,9%	200,3	197,5	1,4%
EPS ⁽²⁾	0,16	0,16		0,61	0,60	
Net cash position at the end 2018	167,8	135,3	24,0%	167,8	135,3	24,0%
Free Cash Flow at the end 2018	223,4	229,3	(2,6%)	223,4	229,3	(2,6%)

(1) EBITDA Adj. includes TV rights consumption

(2) excluding any treasury shares as at 31.12

- As per **Infoadex** figures, the total **Audiovisual market**, (TV+Digital) was **€3,077.9 million** in 2018, which represents an increase of **4.1%** compared to 2017 (**€2,955.6 million**). **TV advertising market** was **€2,127.2 million (-0.8%)** and the **Digital: Display and Video market**, **€950.7 million (+17.0%)**. **Mediaset España** as per the above figures, obtained a **30.6%** market share in Audiovisual Market and **43.3%** market share in the Television market.
- Total net revenues 2018** amount to **€981.6 million** compared to **€996.3 million** from last year.
- Mediaset España's** registers an **EBITDA in 2018 of €274.0 million (+4.5%)** representing **27.9%** EBITDA margin, its highest margin in the last ten years.
- Net profit in the year reaches €200.3 million, an increase of 1.4%** compared to 2017 (€197.5 million).
- Mediaset España's Net Cash position as at 31st December 2018 is €167.8 million and Free Cash Flow generation amounted to €223.4 million.**
- Mediaset España** distributed in 2018 a total dividend of **€197.5 million (€0.60 per share)**: of which **€0.50/per share were ordinary dividend** and **€0.10/per share came from an extraordinary dividend**. The total dividend was paid May 3rd 2018, representing **100% pay out** of 2017 Net Results.
- Mediaset España** leads TV audiences in 2018 with a **28.8% audience share** and a **30.9% 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 2018, **Mediaset España** registered in internet a **monthly average of 11.7 million unique users/viewers** and **205.9 million videos streamed**. **Mediaset España's** users spent in 2018 a **monthly average of 111 minutes on digital audiovisual contents of the Group** (Source: ComScore, multiplatform).

2. OPERATING KPI's

2.1 TV CONSUMPTION

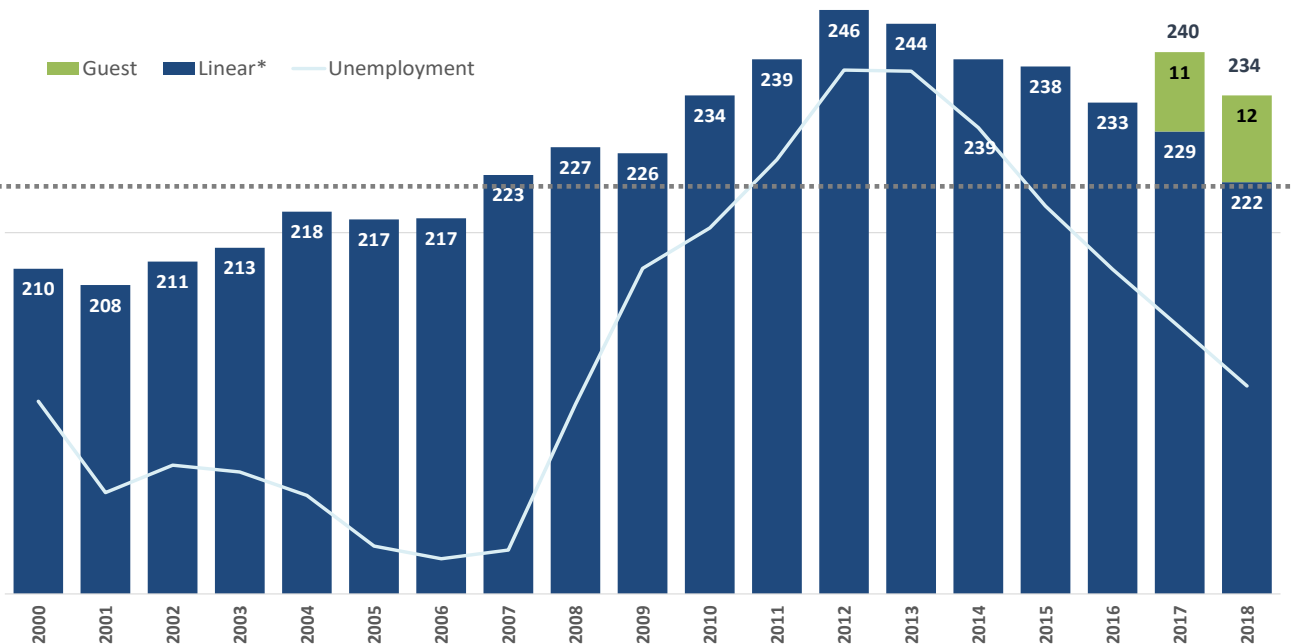
The **daily average total TV consumption per person per day, 4 years old +**, in 2018 reached a total of **234 minutes**, 6 minutes less than the same period last year, despite which, television **consumption maintains a solid record and is one of the highest** amongst the main economies in Europe. This figure **does not include television viewed** on devices such as tablets, computers, etc...

Linear consumption* was 222 minutes in total individual's total day, this is a **decreased of 7 minutes/per person/day** (-3.1%) compared to 2017, showing a **strong correlation** with the decrease in the Spanish **unemployment** rate, which came down from 16.6% in 2017 to 14.6% in 2018. The **highest Linear TV consumption** coincides with periods of **highest unemployment rates** (2011 ⁽¹⁾: 20.1%, 2012: 25.8%, 2013: 25.7 %). The **linear TV consumption*** represent **94.9% total TV consumption**.

Guest tv consumption** in the same period adds to **12 minutes/per person/day**, representing **5.1% of the total figure**

The **average daily television viewers**, total day, in 2018 stands at **7.1 million people**.

Spanish TV Consumption and Unemployment evolution



(1) Source: National Statistics Institute

* Linear: Includes time shift viewing.

** Guests TV consumption.- TV consumption from friends, family etc.. visiting, measured since March 2017.

2.2 AUDIENCE SHARE

	Total Individuals	Commercial Target	Total Individuals	Commercial Target
MEDIASET ESPAÑA				
Total Day	28,8%	30,9%	28,7%	30,4%
Prime Time	29,1%	30,5%	28,5%	29,5%
TELECINCO				
Total Day	14,1%	13,4%	13,3%	12,5%
Prime Time	15,0%	14,0%	13,5%	12,5%
CUATRO				
Total Day	6,0%	7,4%	6,2%	7,2%
Prime Time	6,2%	7,8%	6,4%	8,1%
DIVINITY				
Total Day	2,0%	2,4%	2,2%	2,8%
Prime Time	1,9%	2,0%	1,9%	2,2%
BOING				
Total Day	1,3%	1,0%	1,3%	1,0%
Prime Time	1,1%	0,8%	1,1%	0,8%
ENERGY				
Total Day	1,9%	2,2%	2,0%	2,2%
Prime Time	1,8%	1,8%	2,1%	2,2%
BE MAD tv				
Total Day	0,6%	0,8%	0,6%	0,8%
Prime Time	0,5%	0,7%	0,5%	0,6%
FDF				
Total Day	2,9%	3,7%	0,0%	0,0%
Prime Time	2,7%	3,3%	0,0%	0,0%

Mediaset España remains leader in TV audiences in 2018 and obtains **28.8% audience share** in total individuals total day (+0.1pp), whilst in **Prime Time obtains 29.1% share**, this an **increase of 0.6pp** compared to 2017.

It also **leads in Commercial target**, where registers **30.9% in total individuals total day**, with an advantage of **2.6pp ahead** its nearest competitor. In **Prime Time registers 30.5% audience share**, which is an increase of **1pp** compared to 2017. Also, **Mediaset España Group** is the favourite amongst the **13-24 years old**, where it **leads with a 35.3% audience share**, almost **10pp ahead** its nearest competitor.

During 2018, **Mediaset España** has broadcasted **some of the most popular programs** on the Spanish television, among these, **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.**

Mediaset España announced, in August 2018, the purchase of the **Euro2020 football rights**, a **total of 51 games**. The **FIFA** agreement also includes a package of **80 qualifying games** of international football teams towards **Euro2020, World Cup 2022 and OFC Nations Cup 2020.**

Mediaset España programing grid offers a **wide range of programs**, for all targets, with formats ranging from **fiction series, realities, talent shows, movies, sports, news etc..** in **2018**, its **flagship** programs were: **Survivors, Big Brother, Got Talent, The Voice** , on the **in-house fiction** side: **Vivir sin Permiso, El accidente and La Verdad.**

- **Telecinco** is the Spanish **leading channel for the seventh year in a row**, and registers, in 2018, **14.1 % audience share and 13.4% commercial target in total individual's total day**, improving significantly its performance compared to last year: **+0.8pp audience share and +0.9pp commercial target**.
In Prime time improves even better, with a **15.0% audience share (+1.5 pp vs 2017)** and **14.0% commercial target (+1.5pp vs 2017)**.

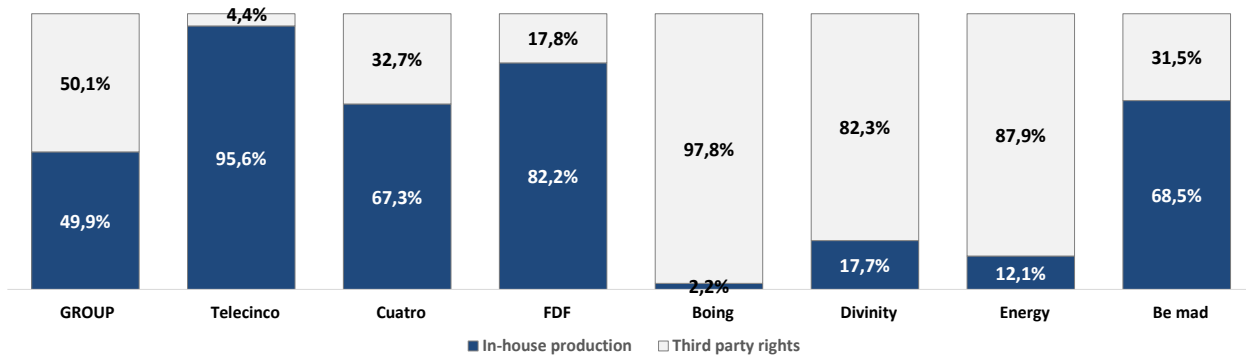
In addition to the **2018 World Cup** audience results, the **Telecinco channel** has been very successful with **entertainment programs** such as **Survivor**, which registered an **average audience in its latest edition of 29.2% and 3.3 million viewers, being the most watched program** in 2018, **Big Brother VIP edition, 29.7% and 3.1 million viewers**. **Telecinco** has premiered in **2018 three in-house produced fiction series**, where **Vivir sin Permiso** recorded the **best fiction audience** in the Spanish television with **2.7 million viewers and 19.0% audience share**.

- **Cuatro** obtained an audience, **in total individual's total day** of **6.0% share in 2018**, compared to **6.9% of its nearest competitor**, whilst it leads in **commercial target** where it records **7.4% (vs 7.3%)**.

The **targeted channels**, **Divinity, Boing, Energy, Be Mad and FDF**, **obtained a total of 8.7% audience share** in total individual total day in the period **whilst achieving 10.1%** in commercial target. The audience of the different channels **in 2018** in its targets is as follows: **DFD** in its target **of 13 to 24 year olds** achieved **8.3% audience share** and in **25 to 34 year olds 5.4%**. **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 1.6% share**. **Boing**, the children's channel, almost **eight-fold** its share in its target of **4 to 12 year olds**, reaching a **10.9%**. **Be Mad** registers in its target **Men 16-34 year old men achieves a 1.0% share**.

2.3 CONTENT MIX

In 2018 Mediaset España in-house production represents 49.9% of the total broadcasted hours, which is an increase of 2.5pp compared to the same period last year (47.4%). Third party rights, on the other hand, represent 50.1% of the total broadcasted hours in the Group. The distribution of in-house and third party broadcasted hours, in the year, has being as follows:



Source: Kantar Media

The two main channels, Telecinco and Cuatro combined, representing an audience of 20.1% (69.8% of the total of the Group), have devoted 81.9% of their broadcasted hours to in-house production in 2018, slightly below compared to last year (83.4%).

With regard to the rest of the channels, FDF and Divinity showed the greatest change in the mix in the year. Divinity devoted 17.7% of its broadcasted hours to in-house production, this is an increase of 6.7 pp compared to 2017, whilst FDF increased its in-house production to 82.2% from the 77.4% from 2017 (+4.8 pp).

2.4 ASSOCIATED COMPANIES

In order to meet the high in-house production broadcasting hour’s needs, Mediaset España participates, at the end 2018, in the capital of 9 associated production companies which specialise in different formats. This allows the Group to have first option rights for new programs, as well as benefiting from the agreements these production companies reach with third parties as content suppliers. This strategy allows the Group to have control of the production process, in the required time and manner, and access to a wide range of formats, from fiction, realities, sports etc...

Mediaset España during 2018, included three more associated companies in its consolidation perimeter, Bulldog, Alma Producciones and Unicorn, with the aim of strengthen its content production strategy.

Detail of the aforementioned participated companies, as at 31st of December 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%), **Alma Producciones** specialised in entertainment (30.0%) and **Unicorn** specialised in fiction series (30.0%).

2.5 INTERNET

In 2018, the **internet video consumption** reached **33.3 minutes per person/per day** for **total Individuals**, and represents **12.5%** of the **total daily average audiovisual consumption** (268 minutes per person/per day, of which **234 minutes per person/per day** is television consumption) (Source: Kantar, Comscore & internal data).

Mediaset España increases its **unique users in 2018 to 11.7 million** (+2.0% vs 2017) and registers a **monthly average of 205.9 million videos streamed** (multiplatform), an increase of 20.1% compared to 2017 which proves the **growing demand** of the **Group’ contents** in internet. (Source: Comscore Multiplatform).

	Total Unique users (000)	Total Page Viewed (million) ⁽¹⁾	Videos (000) ⁽²⁾	Minutes (million) ⁽³⁾
December 2018	11.737	207.167	246.313	881
November 2018	12.271	225.241	289.193	1.063
October 2018	11.651	213.669	271.434	1.080
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.

Mediaset España has also been the Spanish **Communication Group leading the video consumption in 2018**, with a monthly average of **852 million minutes**, ranks **5th** in the global Spanish ranking after **Google Sites, and Facebook** among others and holds first position in the **Broadcasters and Cable group**. (Source: Comscore)

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. From April to December, **Mediaset España** channels in **YouTube recorded more than 300 million videos** stream (Source: Omniture & YouTube Analytics.)

In 2018 **Mediaset España** has based its **digital strategy on three very successful TV programs: Survivor 2018, 2018 Russian World Cup and Big Brother. 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**.

In 2018 the most followed **Mediaset España** programs on digital were: **Big Brother** VIP with **18 million** unique users, **MHYV** **14.9 million** unique users and **Salvame** with **19.8 million unique users**, proving the strong synergies of the different contents across platforms. (Source: Omniture & Comscore.)

3. PROFIT AND LOSS ACCOUNT

mill. EUR	4Q 18	4Q 17	Var (%)	2018	2017	Var (%)
Gross Advertising Revenues	276,5	280,4	(1,4%)	963,6	969,7	(0,6%)
Mediaset España's Media	271.3	271.8	(0.2%)	943.8	946.4	(0.3%)
Third Party Media	5.2	8.6	(40.4%)	19.7	23.3	(15.2%)
Commission	(12.3)	(12.7)	(2.9%)	(42.1)	(41.0)	2.9%
Net advertising revenues	264,2	267,8	(1,3%)	921,4	928,7	(0,8%)
Other revenues	21.0	27.2	(22.9%)	60.1	67.6	(11.0%)
Total Net Revenues	285,1	295,0	(3,3%)	981,6	996,3	(1,5%)
Rights Amortisation	(66.4)	(78.2)	(15.1%)	(153.1)	(186.8)	(18.1%)
Personnel	(31.2)	(28.1)	11.1%	(107.8)	(105.6)	2.1%
Other operating costs	(107.2)	(125.2)	(14.4%)	(446.7)	(441.5)	1.2%
Total Costs	(204,8)	(231,5)	(11,5%)	(707,6)	(734,0)	(3,6%)
EBITDA	80,3	63,5	26,6%	274,0	262,2	4,5%
EBITDA Margin	28,2%	21,5%		27,9%	26,3%	
Other amortisations, provisions	(3.1)	(1.3)	132.8%	(9.1)	(8.9)	2.1%
Amortisation PPA	(2.0)	(2.0)	0.0%	(8.0)	(8.0)	0.0%
EBIT	75,2	60,1	25,1%	256,9	245,3	4,7%
EBIT Margin	26,4%	20,4%		26,2%	24,6%	
Equity Cons. Results and Depr. Fin. Assets	(0.5)	1.9	-	10.3	3.3	-
Financial results	(1.4)	(0.2)	-	(1.6)	(1.2)	-
Pre-tax Profit	73,3	61,9	18,4%	265,6	247,4	7,4%
Income taxes	(19.9)	(10.5)	88.4%	(65.3)	(50.1)	30.4%
Minority interests	0.0	0.1	-	0.0	0.2	-
Net Profit	53,4	51,4	3,9%	200,3	197,5	1,4%
Net Profit Margin	18,7%	17,4%		20,4%	19,8%	
EPS (excluding Treasury shares)	0,16	0,16		0,61	0,60	

The audiovisual advertising market: TV + Digital: (Display and Video), using data reported by Infoadex, in 2018 reaches €3,077.9 million and represent an increase of 4.1% compared to 2017.

The television advertising market in 2018, as per Infoadex, stands at €2,127.2 million which represents a decrease of -0.8% compared to 2017 whilst the Display+Video ad market, for the same year, reached €950.7 million, an increase of 17.0% compared to 2017 (€812,3 million).

As per the above figures, Mediaset España would have an audiovisual market share of 30.6% and a television market share of 43.3%

Despite the more competitive advertising market the TV sector is facing, with new players some very relevant mainly in the digital business, Mediaset España has managed to maintain its advertising revenues stable compared to last' year. This is being possible thanks to the 2018 World Cup, and the increase in the digital advertising revenues (+20.0%).

Gross Advertising Revenues in 2018 amounts to **€963.6 million**, flat in comparison with 2017 (€969.7 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, which in 2018 amounted to a **total of €943.8 million**, this is **almost flat (-0.3%)** compared to the **same period last year (€946.4 million)**.
- **Gross third party media revenues** include amongst others, the advertising sales for the free TV channel Gol. In 2018 sales amounted to **€19.7 million**, compared to **€23.3 million (-15.2%)**. In the other hand, Mediaset España announced that from 2019, Publiespaña will commercialize the advertising of U Beat, an international reference in e-Sports and gaming platform and TV channel. Mediaset España works towards increasing its **third party revenues** through new contracts agreements.

Advertisement commissions in 2018, amounted to **€42.1 million**, representing **4.4%** over gross advertising revenues. **Net advertising revenues**, after commissions, amount to a total of **€921.4 million** compared to **€928.7 million** from 2017 (-0.8%).

Other Revenues, include income from **movie activities, internet, sale of rights** etc. reached in the period **€60.1 million**, below the 2017 figure (€67.6 million). The **difference** is mainly due to the **difficult comparison with 2017** cinema revenues. In 2018, Mediaset España released **four movies**: "El Cuaderno de Sara", "Yucatan", "Ola de Crimenes" y "Super Lopez". The aggregated **total box office** in 2018 has **been €32.3 million in 2018**.

Mediaset España announced in October 2018 the creation of **Mediterraneo**, a company that brings together the **stakes the Group** has in the different production companies , 10 as at 31 December 2018 including the cinema subsidiary. Its aim is to **promote the sale of content both national and internationally** as well as **promoting access** to new contents and formats.

Total Net Revenues for the period amount to **€981.6 million**, compared to **€996.3 million** from the same period last year (-1.5%).

Total Costs for 2018 amount to **€707.6 million**, representing **savings of 3.6%** compared to 2017 (€734.0 million) despite having **the Russian 2018 World Cup**.

In the **fourth quarter 2018 Mediaset España** reduced **its costs by 11.5%**, this is being possible thanks to the **good audience record** achieved in the year which, given **the flattish condition of the advertising TV market** in the period, made it possible to exceed the cost target of the year.

In 2018 Mediaset España obtained an **EBITDA** of **€274.0 million**, representing a **margin of 27.9%**, **+1.6pp** better than 2017, **being its best gross margin since 2008**. EBIT for the period reached **€256.9 million** representing a **margin of 26.2% (+1.6pp compared to 2017)**.

Pre-Tax profit reaches **€265.6 million** which includes **one offs 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.

Effective **Corporate Income Tax** is **higher** than average due to a series of one-off factors which have played out in the year such as **less investments in fiction and movies** which qualify for tax deductions Also the impact of the **sale of our stake in Caribevision** which required some adjustments in deductions, effected previously as tax losses related to sale of equity participations, **are no longer tax deductible in Spain**.

Mediaset España increased its **Net Profit** to **€200.3 million** in **2018** representing **EPS of €0.61**.

4. CAPEX

mill. EUR	<u>2018</u>	<u>2017</u>	<u>Var (%)</u>
Third party	91,6	106,4	(14,0%)
Fiction	36,4	47,4	(23,1%)
Co-Produccion/Distribution	11,2	19,4	(42,2%)
Tangible and Intangible Fix Assets	10,0	14,2	(29,8%)
Total Capex	149,2	187,4	(20,4%)

Total Net Investment in 2018 reached a total of **€149.2 million**, compared **€187.4 million** from 2017. Most of **this difference is due to the Football World Cup** which acted as a content substitution for the **fiction and third party investment in content**. With regards to the **Co-Production**, the difference with 2017 is due to a **lower amount of disbursement towards 2019 cinema production**, initially there are **2 movies forecast** for the following year.

In 2018, the **Group** has invested a total of **€91.6 million** in **third party rights**, **€36.4 million** in **local fiction**, and **€11.2 million** in **Co-production/distribution** whilst investment in **tangible and intangible assets** was **€10.0 million**.

5. BALANCE SHEET

mill. EUR	<u>Diciembre 2018</u>	<u>December 2017</u>
Tangible assets	557,3	569,4
Financial	312,6	314,7
Non Financial	244,8	254,7
Audiovisual rights and Pre-payments	138,3	156,4
Third parties	82,8	106,4
Fiction	40,0	27,0
Co-production / Distribution	15,5	23,0
Pre-paid taxes	79,6	101,0
TOTAL NON-CURRENT ASSETS	775,2	826,8
Current assets	253,1	272,3
Financial investments and cash	167,9	135,9
TOTAL CURRENT ASSETS	421,0	408,2
TOTAL ASSETS	1.196,2	1.235,0
Shareholders` equity	904,8	900,1
Non-current provisions	8,9	13,4
Non-current payables	28,3	19,0
Non-current financial liabilities	0,0	0,0
TOTAL NON-CURRENT LIABILITIES	37,3	32,4
Current payables	254,1	301,8
Current financial liabilities	0,0	0,6
TOTAL CURRENT LIABILITIES	254,1	302,5
TOTAL LIABILITIES	1.196,2	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, in 2018 of 1.7x**.

6. CASH FLOW GENERATION

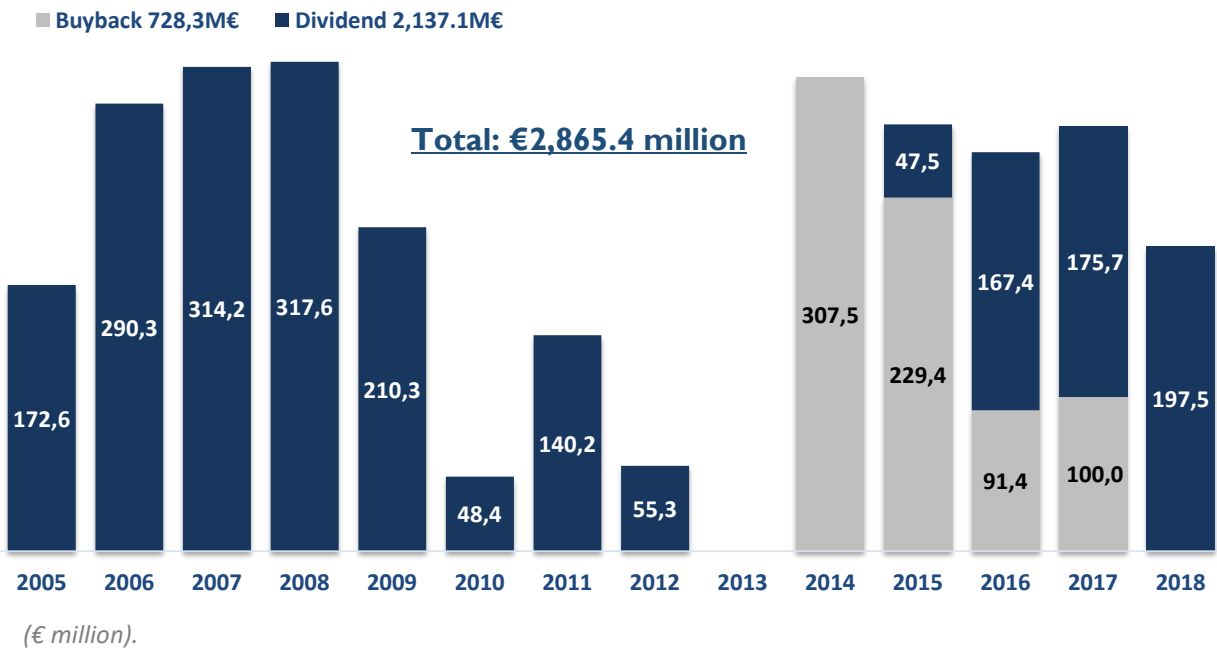
Mediaset España's Operating Free Cash Flow in 2018, is €223.4 million and its net cash position at the end of the period is €167.8 million, after a dividend payment of €197.5 million in 2018. The net cash position in 2018, increased by €32.5 million compared to 2017.

mill. EUR	2018	2017	Var (M€)
Net profit (without minority interests)	200,3	197,3	3,0
Amortisation:	173,0	205,5	(32,5)
Rights	153,1	186,8	(33,8)
Other	19,9	18,7	1,3
Provisions	(1,6)	(1,7)	0,1
Other	27,8	23,0	4,8
OPERATING CASH FLOW	399,6	424,1	(24,6)
Investment in rights	(139,2)	(173,2)	34,0
Investments, other	(10,0)	(14,2)	4,2
Change in working capital	(27,0)	(7,4)	(19,6)
OPERATING FREE CASH FLOW	223,4	229,3	(5,9)
Own stock purchase	0,0	(100,5)	100,5
Change in Equity	0,1	(4,3)	4,5
Financial investments/disinvestments	4,1	6,8	(2,7)
Dividends received	2,4	2,3	0,1
Dividend payments	(197,5)	(175,7)	(21,8)
Net Cash Change	32,5	(42,1)	74,7
INITIAL FINANCIAL POSITION	135,3	177,4	(42,2)
FINAL FINANCIAL POSITION	167,8	135,3	32,5

Mediaset España's cash conversion rate equals 81.5% in the period: free cash flow (€223.4 million) and EBITDA (€274.0 million).

7. SHAREHOLDER REMUNERATION: DIVIDEND AND BUYBACK PROGRAMS

Since listing, **Mediaset España** has distributed a **total dividend (2005-2018) of €2,137.1 million** and completed buy back plans of **€728.3 million**. **Total shareholder remuneration to 2018, adds to €2,865.4 million.**



8. EVENTS FOLLOWING THE CLOSE OF THE PERIOD

The Board of Directors announced **January 24th 2019**, a **proposal of dividend distribution of 50%** of 2018 net profit which will have to be approved by the next AGM. Also along with the dividend proposal, the Board **approved a share buyback program of €200.0 million**, maximum investment, or **32.4 million shares**. The buyback plan expires on **February 20th 2020**, or at an earlier time if completed or if required, under any other circumstance.

9. INVESTOR CALENDAR

CORPORATE EVENTS

1	AGM 2018:	24 th April 2019 (Tentative)
2	Q1 2019 results:	24 th April 2019 (Tentative)
3	Q2 2019 results:	24 th July 2019 (Tentative)
4	Q3 2019 results:	30 th October 2019 (Tentative)
5	FY 2019 results:	February 2020 (Tentative)

MARKETING EVENTS 2019

1	Paris:	05 th March
2	London:	06 th March
3	Edinburgh:	07 th March
4	Milan/Lugano:	14 th March
5	Frankfurt:	27 th March
6	Dusseldorf:	28 th March
7	Geneve:	04 th April
8	Paris:	05 th April

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

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