

MEDIASET *españa.*

FIRST QUARTER 2020 RESULTS

January – March 2020

MEDIASET *españa.*



Madrid – April 30th 2020

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. Events following the close of the period
8. Definition of APMs
9. Contact

Conference Call / Web cast details

30th April 2020 at **10:30 CET (9:30 UK Time)**

Spain: +34 914 14 14 34
UK: +44 (0) 203 009 5709
USA: +1 646 787 1226
Pin Code: 8393557

You will also be able to connect via **webcast** with this link:
<https://edge.media-server.com/mmc/p/8b2q327h>

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



I. FINANCIAL AND OPERATING HIGHLIGHTS

mill. EUR	<u>IQ2020</u>	<u>IQ2019</u>	<u>Var (%)</u>
Total net revenues	229,8	226,1	1,7%
Total operating costs	(162,5)	(155,7)	4,4%
EBITDA Adj. ⁽¹⁾	67,3	70,3	(4,3%)
EBITDA margin	29,3%	31,1%	
EBIT	61,8	66,6	(7,2%)
EBIT margin	26,9%	29,4%	
NET PROFIT	48,9	53,1	(8,0%)
EPS ⁽²⁾	0,16	0,16	
Free Cash - Flow	73,9	79,0	
Net Debt Position	(18,8)	193,9	

(1) EBITDA Adj. includes TV rights consumption

(2) excluding any treasury shares as at 31.03

- As per **Infoadex** figures, the total **Audio-visual market**, (TV+Digital⁽¹⁾) in the first quarter 2020 is **€604.4 million** which represents a decrease of **-9.8%** compared to the same period 2019 (€670.3 million). **TV advertising market** was **€439.0 million (-11.7%)** and the **Digital market** ⁽¹⁾, **€165.4 million (-4.3%)**. During the quarter **Mediaset España**, as per the above figures, obtained **33.1% market share in the Audio-visual Market** (+0.4 pp vs 1Q19) and **43.7% market share in the Television market** (+0.9 pp Vs 1Q19).
- Total net revenues** in the quarter amounted to **€229.8 million** compared to **€226.1 million** from the same period last year (+1.7%).
- Mediaset España** registered an **EBITDA of €67.3 million in the period** (-4.3% vs. last year) representing **29.3% EBITDA margin**.
- Net profit** in the quarter reached **€48.9 million**, compared to **€53.1 million** from the same period last year.
- Mediaset España's Net Debt position as at 31st March 2020** is **€18.8 million** and **Free Cash Flow** generation in the period amounted to **€73.9 million**.
- Mediaset España** lead TV audiences in the **first quarter 2020** with a **28.1% share** and a **29.5% commercial target**, both in total individuals total day.
- Mediaset España** registered a **monthly average of 18.9 million digital unique users** in the months of January and February 2020, (+42.3% vs. 1Q19). (Source: Comscore March data not available)
- In the **first quarter 2020**, **Mediaset España** has increased its stake in **ProsiebenSat1** by **4.25%**. The total stake in **ProsiebenSat1** as at 31st March 2020 is **9.75%**.
- As 31st March 2020, **Mediaset España** holds **14,269,073 treasury shares**, representing **4.36%** of the share capital of the company.

(1) Digital: Infoadex Display & Video.

2. OPERATING KPI's

2.1 TV CONSUMPTION

The **daily average total TV consumption per person per day, 4 years old +**, reached a total of **250 minutes in the first quarter 2020** (+10 minutes per person/per day vs 1Q19). This **strong increase in TV consumption** is due to the **lockdown** period for the **coronavirus crisis**, which started in Spain on March 14th. Also, in the month of **March**, TV consumption registered its **highest figure ever**, with a total TV consumption of **286 minutes per person/per day**, proving that **TV is still a reference for news and entertainment at home**.

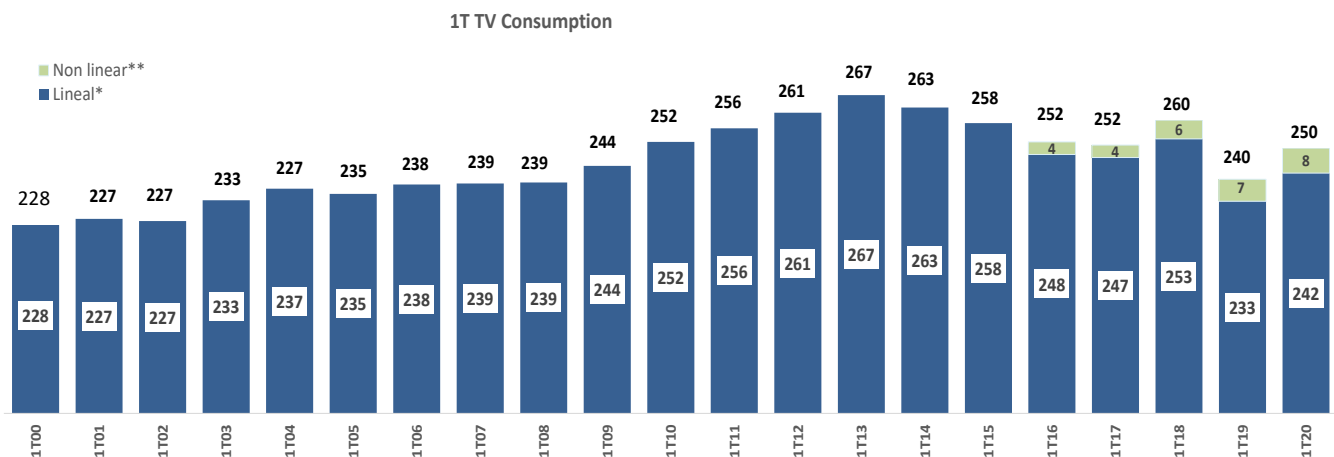
Mediaset España is the Media Group where viewers spent the most time watching television during the quarter. This translates into an increase of **+4.5%** in the Group's **TV consumption**, which compares to the time viewing decrease experienced by its nearest competitor. The main channels, **Telecinco and Cuatro**, have increased the time their viewers spent watching by **+2.0%** and **20.2% respectively**. **Cuatro** is the channel that has seen the largest increase in **time spent by viewers** watching the TV.

Linear consumption ⁽¹⁾ in the quarter is **242 minutes**, compared to the 233 minutes from the first quarter 2019. The **linear TV consumption** represents **96.8% total TV consumption**.

Non Linear (Time shift viewing) ⁽²⁾ in the same period amounts to **8 minutes/per person/day**, representing **3.2% of the total TV consumption**.

The above figures **do not include television viewed** on devices such as tablets, phones, computers, etc...

The **average daily television viewers, total day, to 31st March 2020** stands at **7.6 million people** day time and **16.3 million people** in Prime Time.



Source: Kantar Media.

(1) Linear includes guests TV consumption.-TV consumption from friends, family etc. visiting, measured since March 2017.

(2) Time shift viewing: is the TV consumption within the 7 days following the first broadcast.

2.2 AUDIENCE SHARE

	I Q20		I Q19	
	Total Individuals	Commercial Target	Total Individuals	Commercial Target
MEDIASET ESPAÑA				
Total Dia	28,1%	29,5%	27,9%	29,7%
Prime Time	27,6%	28,4%	27,3%	27,9%
TELECINCO				
Total Dia	14,2%	13,9%	14,4%	13,5%
Prime Time	13,7%	13,1%	14,4%	13,0%
CUATRO				
Total Dia	5,7%	6,6%	5,0%	6,2%
Prime Time	6,6%	7,7%	5,4%	6,7%
DIVINITY				
Total Dia	1,7%	1,9%	1,9%	2,3%
Prime Time	1,4%	1,5%	1,6%	1,7%
BOING				
Total Dia	1,0%	0,8%	1,1%	0,7%
Prime Time	0,8%	0,6%	0,8%	0,6%
ENERGY				
Total Dia	2,3%	2,6%	2,3%	2,7%
Prime Time	2,0%	2,1%	2,0%	2,1%
BE MAD tv				
Total Dia	0,6%	0,7%	0,6%	0,7%
Prime Time	0,6%	0,6%	0,6%	0,7%
FDF				
Total Dia	2,6%	3,1%	2,7%	3,0%
Prime Time	2,6%	2,8%	2,5%	3,0%

Source: Kantar Media.

Mediaset España leads audiences for the sixth consecutive year in a first quarter. It registered 28.1% share in total individuals/total day in the period whilst in prime time it obtained 27.6% audience share, this is an advantage of +1.9 pp and +1.4 pp ahead of its nearest competitor, respectively.

In the same period, the Group Commercial target registered 29.5% in total individual's total day and 28.4 % in Prime Time ahead again its nearest competitor by +2.0pp and +0,4pp respectively. Mediaset España is once again, the favourite media group amongst the 13-24 years old group (32% share).

In the **first quarter 2020**, the **main Group channel, Telecinco**, registered a **14.2% audience share** in total individuals total day, **leading in a first quarter period for the ninth consecutive year**, achieving an advantage of **+2.5pp over its nearest competitor**.

Some of the **best performing programs** in the quarter in **Prime time** were: **“Supervivientes: perdidos en Honduras”**, with a **27.9% share** and an **average of 3.1 million viewers** leading in all targets, also being the **most watched program** and had the **best commercial target**. **“La isla de las tentaciones”** in its premier in Spain achieved an excellent record on the **Telecinco channel** with **22.9% share** and **2.9 million viewers**.

Also **Mediaset España’s in-house fiction** obtained very good audience records in the quarter, with series such as: **“El Pueblo”** with **16.3% audience share** and **2.2 million viewers** as well as the second season of **“Vivir sin Permiso”** with **15.0% audience share** and **2.0 million viewers**.

The **Cuatro channel**, registered a **5.7% audience share** in total individuals / total day this is an increase of **0.7pp** compared to the same quarter last year (**5.0%**), obtaining its best record in the **16-34 years old target** where it achieves **7.3% audience share**. **In prime time it obtained 6.6% share** in total individuals / total day, this is **+1.2pp** compared to first quarter 2019 (5.4%).

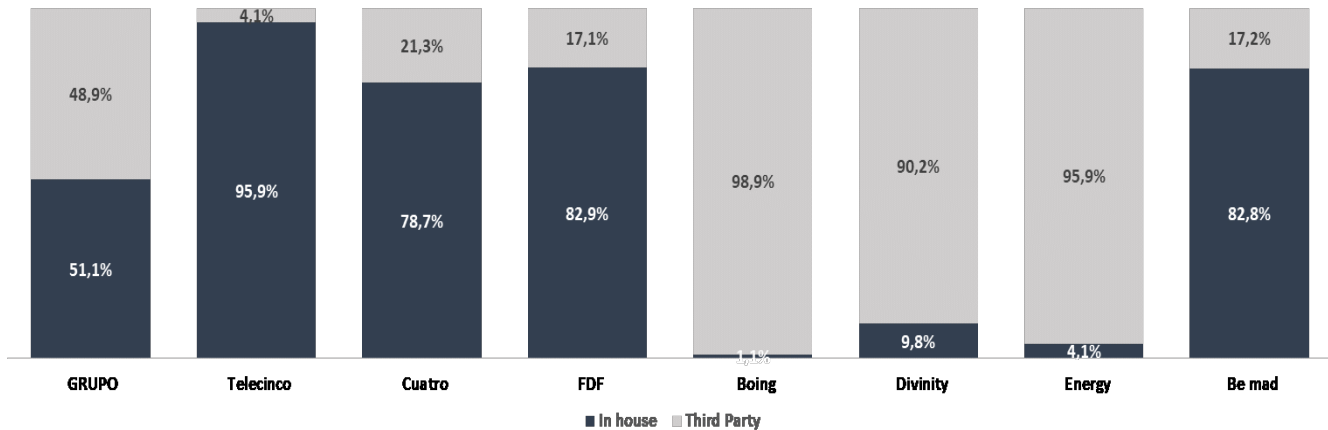
The **Cuatro channel broadcasted**, together with the **Telecinco channel**, **“La isla de las tentaciones”**. The broadcasts on the **Cuatro channel** also performed excellently and achieved a **21.6% share** and **2.7 million viewers**.

The **targeted channels, Divinity, Boing, Energy, Be Mad and FDF**, obtained a **total of 8.2% audience share** in total individuals/total day in the period **whilst achieving 9.1%** in commercial target.

The audience of the different channels **in the quarter**, in its targets, was as follows: **FDF** in its target of **13 to 24 year olds** achieved a **6.6% audience share** and in **25 to 34 year olds**, **4.4%**. The **Divinity** channel had a **2.3% audience share in its target of women 16 to 44 years old**, the **Energy** channel, in its target of **25 to 54 year old men**, achieved a **2.5% share**. **Boing**, the children’s channel, increased its share **ten-fold** in its target of **4 to 12 year olds**, reaching **10.0%**. **Be Mad** registers a **0.7% share** in the **25-34 year old group**.

CONTENT MIX

In the first quarter 2020, Mediaset España's in-house production represented 51.1% of the total broadcasted hours of the Group, below the 52.3% of the same period last year (-1,2pp). Third party rights, on the other hand, represented 48.9% of the total broadcasted hours in the Group. The distribution of in-house and third party broadcasted hours during the quarter, has being as follows:



The **Telecinco** channel devoted **95.9%** of its broadcasting hours to **in-house production**, this is a decrease of **-2.4 pp** compared to the same period last year (**98.3%**). The **Cuatro** channel, on the other hand, **allocated 78.7%** of its broadcasting hours to **in-house production**, a **strong increase of +10.2 pp** in comparison with the same period 2019.

The **two main channels, Telecinco and Cuatro** combined, representing an **audience of 19.9%** (70.8% of the total of the Group), **have devoted 87.4% of their broadcasted hours to in-house production in the quarter, +3.7pp** compared to the **83.7%** from the first quarter last year.

2.3 ASSOCIATED & PARTICIPATED PRODUCTION COMPANIES

Mediterraneo Audiovisual, is **Mediaset España's** content unit that gathers all the stakes the group has in the different **production companies**. **As at March 31st 2020, the Group has 8 associated and 4 participated production companies** which are specialised in different types of content.

As at 31st March 2020, the associated production companies of the Group are: **Producciones Mandarin**, (30.0%), **La Fábrica de la Tele** (30.0%), **Alea Media** (40.0%), **Melodía Producciones** (40.0%), **Bulldog** (30.0%), **Alma Producciones** (30.0%), **Unicorn** (30.0%) and **Fenix Media Audiovisual** (40%) which was incorporated into the consolidation perimeter in **the first quarter 2020**.

The participated companies of the Group are: **Supersport**, (62.5%), **Megamedia**, (65%) and **El Desmarque**, (60%).

The Group also has its cinema production unit, **Telecinco Cinema**, where it holds a **100%** participation.

2.4 INTERNET

In the months of January and February 2020, the **internet video consumption** reached **36 minutes per person/per day** for **total Individuals** representing **13.5%** of the **total daily average audiovisual consumption** (266 minutes per person/per day **January and February** 2020), of which **232 minutes per person/per day** is television consumption. As per the aforementioned figures, TV consumption represents **87.2%** of the total daily audiovisual consumption. (Note: *March Comscore data not available*)

During **January and February 2020**, **Mediaset España** recorded a monthly average of **18.9 million unique users**, compared to the **13.3 million from the same period 2019 (+42.3%)**. **Videos streamed**, January and February, registered a **monthly average of 486.4 million video streamed**, +61.1% compared to the same period 2019. This is an excellent **result that supports the digital strategy** of the company.

(Source: Kantar, Comscore January & February 2020 & internal data. *March Comscore data not available*)

	Total Unique users (000)	Total Page Viewed (million) ⁽¹⁾	Videos (000) ⁽²⁾	Minutes (million) ⁽³⁾
March 2020	nd	nd	nd	nd
February 2020	18.921	372	531.387	1.388
January 2020	18.820	355	441.411	1.332

Source: Comscore. All data Multiplatform.

Mediaset España’s digital business performed very well in the first quarter 2020, further proof of the **strong content synergies** amongst the different platforms. A digital content offer that includes programs from the main channels but **also exclusive content programs for Mediaset España OTT platform, Mitele**. This was the case of **“La isla de las tentaciones”**, the most successful program in the digital arena in the period which **recorded the highest video demand, 38.9 million connections**, whilst broadcasted on **Telecinco channel**. The offer included a **24 hour exclusive live channel for Mitele Plus subscribers and access to contents prior to the TV broadcast**.

In the quarter, the performance of **Telecinco** and **Cuatro** sites also stands out, showing an increase in unique users above **20%**. **Telecinco** recorded an average of **24.0 million unique users** in the period whilst **Cuatro** obtained **8.4 million**. (*Omniture Data*). **Mitele** led the **audio-visual consumption** of the **Group** with **52.8 million monthly videos streamed** and **Miteleplus** recorded an average of almost **130.000 subscribers per month**.

From the Group’s **native digital content**, the performance of **Mtmad** was notable, **Mediaset España’s** digital content platform, which shows an increase of **+14%** of videos streamed and **+12% unique users**. **Yass**, the site focused on **digital contents for the millennial group**, which doubles the monthly unique users in the quarter, nearly 1 million, whilst **Uppers**, the site dedicated to **45+ year old users**, registered its best record ever in March 2020 (**1.3 million unique users**). On the other hand **El Desmarque** (digital sport contents site) and **Nius** (digital news site) have achieved its best figures since they joined the Group, **recording 7 and 6.8 million unique users** respectively.

Mediaset España keeps **improving the usability of its digital business** and in the quarter has launched the **off line download** for its **Mitele subscribers** and since **April** the **start over option** is also available.

During this **lockdown period**, the **Group’s sites and OTT platform** have recorded a **substantial increase** in content demand, both in **entertainment and news** regarding the **Covid-19 crisis**. Also new projects have been **produced and released from home**, such as **Qarenta**, a new live contest presented by one of the stars of the Group, or **Carlos Jean** musical program **“Kids in da house”**, streamed from home.

3. PROFIT AND LOSS ACCOUNT

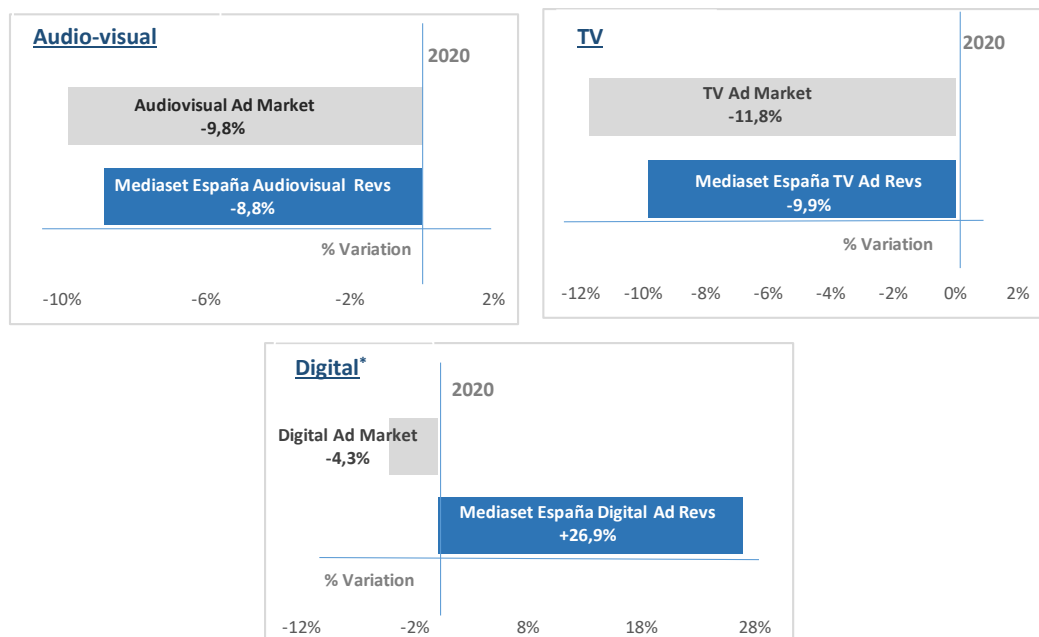
mill. EUR	IQ2020	IQ2019	Var (%)
Gross Advertising Revenues	202,8	223,7	(9,3%)
Mediaset España's Media	199,9	219,5	(8,9%)
Third Party Media	2,9	4,2	(30,6%)
Commission	(8,4)	(9,8)	(14,3%)
Net advertising revenues	194,4	213,9	(9,1%)
Other revenues	35,4	12,1	192,1%
Total Net Revenues	229,8	226,1	1,7%
Rights Amortisation	(25,2)	(28,4)	(11,5%)
Personnel	(30,0)	(29,5)	1,7%
Other operating costs	(107,3)	(97,8)	9,8%
Total Costs	(162,5)	(155,7)	4,4%
EBITDA	67,3	70,3	(4,3%)
<i>EBITDA Margin</i>	29,3%	31,1%	
Other amortisations, provisions	(3,5)	(1,8)	96,2%
Amortisation PPA	(2,0)	(2,0)	2,4%
EBIT	61,8	66,6	(7,2%)
<i>EBIT Margin</i>	26,9%	29,4%	
Equity Cons. Results and Depr. Fin. Assets	0,6	0,8	(23,8%)
Financial results	(0,1)	0,0	-
Pre-tax Profit	62,3	67,4	(7,6%)
Income taxes	(13,0)	(14,1)	(7,8%)
Minority interests	(0,5)	(0,2)	95,2%
Net Profit	48,9	53,1	(8,0%)
<i>Net Profit Margin</i>	21,3%	23,5%	
EPS (excluding Treasury shares)	0,16	0,16	

In the first quarter 2020, the Spanish advertising market has been impacted by the Covid-19 crisis, beginning in mid-March, when the lockdown started. Infoadex estimates that the March TV advertising market has fallen by 23.2% compared to the same month 2019.

The **audio-visual advertising market: TV + Digital⁽¹⁾** for the first quarter 2020, as per Infoadex figures, reached **€604.4 million** compared to the **€670.3 million** from the same period last year, a decrease of **-9.8%**.

The **TV advertising market** in the period reported by Infoadex, stands at **€439.0 million** which represents a **decrease of -11.7%** compared to the same quarter 2019 (**€497.5 million**). On the other hand, **Digital Advertising** in the quarter stands at **€165.4 million** which is a reduction of **-4.3%** compared to the same quarter last year (€172.8 million).

According to Infoadex figures, **Mediaset España** has outperformed the **Audio-visual, TV and Digital markets** in the first quarter 2020, by **+1,0pp, +1,8pp and +31,2pp** respectively, proving **Mediaset España's** business resilience. A comparison of the **Mediaset España advertising revenues** and the **advertising market performance**, is as follows:



As per Infoadex figures, in the first quarter 2020 **Mediaset España** obtained an **audio-visual market share of 33.1%** and a **TV market share of 43.7%**, which shows an **increase** in its **Audio-visual** and **TV market shares** of **+0.4 pp** and **+0.9 pp** respectively in comparison with the same period 2019.

Gross Advertising Revenues in the first quarter 2020 add to **€202.8 million**, this is a **reduction of -9.3%** in comparison with **the same period 2019 (€223.7 million)**. A **breakdown** of the aforementioned revenues is as follows:

- Gross Advertising Revenues of Mediaset España's Media** includes advertising revenues from, Internet, Teletext and the Group's 7 TV channels: **TELECINCO, CUATRO, FACTORIA DE FICCIÓN, BOING, DIVINITY, ENERGY and BE MAD**. These revenues in the period amounted to a **€199.9 million**, which compares to the **€219.5 million** from the same period last year (-8.9%). **Mediaset España's digital advertising revenues** had an excellent performance with a growth almost 27% in the period

(1) Data Infoadex: Display & Video.

- **Gross third party media revenues** In the quarter, sales amounted to a total of **€2.9 million**, compared to **€4.2 million for the same period last year (-30.6%)** on the back of less activity as advertising agents for third parties.

Advertisement commissions in the quarter, amounted to **€8.4 million**, representing **4.1%** over gross advertising revenues.

Net advertising revenues, after commissions, amount to a total of **€194.4 million** compared to **€213.9 million** from 2019 (-9.1%).

Other Revenues, include **non-advertising** income from **content sales, movie activities, internet, content production services etc.** reached **€35.4 million** in the period, almost threefold the figure from the same period 2019 (€12.1 million). This boost is mainly due **to a significant increase in sales content** in the period, as well as **Mitele Plus** subscriptions, **content services** provided for third parties as well as the sublicensing **of the “Copa del Rey” rights** to an international Sports OTT platform. Also in this quarter there is been one cinema release, **Adu** which obtained **€6.3 million box office and 1.1 million** ticket sales, **up until March 14th** when cinemas were closed due to the **Covid-19 crisis**.

Total Net Revenues for the period amount to **€229.8 million**, compared to **€226.1 million** from the same quarter last year **(+1.7%)**, despite the difficult market condition, **Mediaset España** managed to increase in its Total Net Revenues in the period.

Total Costs for the period amount to **€162.5 million**, compared to the **€155.7 million** from the same period last year (+4.4%). The increase is mainly due **to a greater cost of sales** due to the strong increase on the **other revenues line**, and shows the **net effect after some savings made at a programming level**.

In the quarter **Mediaset España** obtained an **EBITDA** of **€67.3 million**, representing a **margin of 29.3%** whilst **EBIT** for the period reached **€61.8 million** representing a **margin of 26.9%**. The **diversification strategy** put in place by **Mediaset España**, together with the excellent **cost management**, has allowed the Group to protect its margins.

Pre-Tax profit reaches **€62.3 million**, this compares to **€67.4 million** from the same quarter last year.

Mediaset España obtained a **Net Profit** of **€48.9 million in the quarter**, representing EPS of **€0.16**, excluding treasury shares.

4. CAPEX

mill. EUR	IQ2020	IQ2019	Var (%)
Third party	41,4	56,2	(26,2%)
Fiction	9,6	12,3	(21,8%)
Co-Produccion/Distribution	0,5	7,5	-
Tangible and Intangible Fix	0,8	0,7	3,2%
Total Capex	52,4	76,8	(31,8%)

Total Net Investment in the first quarter 2020 reached a total of **€52.4 million**, compared to **€76.8 million** from the same period 2019.

The Group invested in third party rights €41.4 million whilst the amount invested in **local fiction** reached **€9.6 million** in the period.

In **both cases above, the lower investment was instrumental** to leaving the library of each category of genres at a level considered optimal.

Co-Production/Distribution net investment in the quarter is **€0.5 million compared to the €7.5 million of the same quarter 2019**, due to a larger number of movies under production.

Tangible fixed assets, reaches **€0.8 million** in the period, the same level as the first quarter 2019.

5. BALANCE SHEET

Mediaset España's balance sheet as at **31st of March 2020**, is as follows:

mill. EUR	<u>March 2020</u>	<u>December 2019</u>
Tangible assets	796,0	758,0
Financial	563,0	520,2
Non Financial	233,0	237,8
Audiovisual rights and Pre-payments	197,3	170,8
Third parties	113,6	83,3
Fiction	56,7	58,5
Co-production / Distribution	26,9	29,0
Pre-paid taxes	68,6	70,0
TOTAL NON-CURRENT ASSETS	1.061,9	998,8
Current assets	243,9	293,5
Financial investments and cash	190,8	130,9
TOTAL CURRENT ASSETS	434,7	424,4
TOTAL ASSETS	1.496,6	1.423,1
Shareholders` equity	940,4	915,8
Non-current provisions	11,4	11,1
Non-current payables	59,7	38,4
Non-current financial liabilities	225,7	186,5
TOTAL NON-CURRENT LIABILITIES	296,7	236,1
Current payables	258,8	270,4
Current financial liabilities	0,7	0,9
TOTAL CURRENT LIABILITIES	259,5	271,3
TOTAL LIABILITIES	1.496,6	1.423,1

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 the quarter of 1.7x**.

6. CASH FLOW GENERATION

Mediaset España's Operating Free Cash Flow in the quarter, is **€73.9 million**, this is a **decrease of €5.1 million** compared to the same period last year (€79.0 million). The Group's net **debt position** at the end of the period is **€18.8 million**, this is **after the acquisition of the 4.25% stake in ProsiebenSat 1 valued at €61.3 million**, a part of which was financed with debt.

mill. EUR	<u>IQ2020</u>	<u>IQ2019</u>	<u>Var (M€)</u>
Net profit (without minority interests)	49,3	53,3	(4,0)
Amortisation:	30,8	33,5	(2,7)
Rights	25,2	28,4	(3,3)
Other	5,6	5,0	0,5
Provisions	0,3	(1,5)	1,8
Other	7,8	6,8	1,0
OPERATING CASH FLOW	88,2	92,1	(3,9)
Investment in rights	(51,6)	(76,0)	24,4
Investments, other	(0,8)	(0,7)	(0,0)
Change in working capital	38,0	63,6	(25,6)
OPERATING FREE CASH FLOW	73,9	79,0	(5,1)
Own stock purchase	0,0	(49,5)	49,5
Change in Equity	(1,1)	5,3	(6,4)
Financial investments/disinvestments	(61,3)	(6,4)	(54,9)
Dividends received	0,0	0,0	0,0
Dividend payments	0,0	0,0	0,0
Net Cash Change	11,4	28,4	(16,9)
INITIAL FINANCIAL POSITION (*)	(30,2)	165,5	(195,7)
FINAL FINANCIAL POSITION	(18,8)	193,9	(212,6)

Mediaset España's cash conversion rate in the period equals **1.1x: free cash flow** (€73.9 million) and **EBITDA** (€67.3 million).

7. EVENTS FOLLOWING THE CLOSE OF THE PERIOD

No relevant events after the close of the period.

8. 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.

9. CONTACT US

Corporate web site:

www.mediasset.es

Investor relations department contact details:

Telephone: (00 34) 913 588 717 (ext. 4)

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

Email: inversores@mediasset.es

Address:

INVESTOR RELATIONS

MEDIASET ESPAÑA COMUNICACIÓN, S.A.

Calle Federico Mompou, nº 5 bis, 28050 – MADRID