

Madrid, 30 April 2020

EARNINGS FOR Q1 2020

Mediaset España posts net profit of €48.9M between January and March

Net revenue was €229.8M, a 1.7% increase YoY, driven by an increase in “Other Income” (€35.4M).

The company has registered an EBITDA of €67.3M, with a margin over total revenue of 29.3%, and an EBIT of €61.8M, with a margin over total revenue of 26.9%.

Mediaset España has posted a **net profit of €48.9M** for the **first quarter of 2020**, representing a 21.3% margin over total revenue and €0.16 earnings per share, the same as in January and March 2019.

Against the backdrop of the initial impact of the current health crisis, the group has once again headed up consumption of linear and digital television during the first three months of the year, with a **net revenue of €229.8M, a 1.7% increase YoY** (€226.1M). This improvement was driven by the growth of “**Other Income**”, which stood at **€35.4M**, nearly three times as much as in the same period last year (€12.1M). This item included, among other activities, third-party sales through the distributor Mediterráneo Mediaset España Group, sub-licensing of broadcasting rights for the Copa del Rey football tournament, income from the Mitele Plus premium subscription service and box office earnings for Telecinco Cinema productions, which released the film “ADÚ” in cinemas during this quarter.

Gross revenue from advertising stood at **€202.8M**, 9.3% less than in the first quarter of last year (€223.7M). Of this amount, €199.9M corresponded to own media exploitation, which decreased 8.9% YoY (€219.5M). **Net advertising revenue** was **€194.4M**, a 9.1% decrease YoY.

Mediaset España, whose television and digital platforms account for **33.1% of the Audiovisual Market turnover (TV + Digital)** according to internal estimations based on the figures provided in the latest Infoadex report, **has led advertising investment in television between January and March**, improving its market share by nearly one percentage point, from 42.8% to 43.7%.

As a result, Mediaset España has posted an **EBITDA of €67.3M**, with a margin over net income of 29.3%, and an **EBIT of €61.8M**, which represents a margin over net income of 26.9%.

Finally, up to 31 March, Mediaset España generated **€73.9M in free cash flow**, while also securing credit facilities totalling €300M. Of the transactions completed during the period, it is worth highlighting the 4.25% increase in shareholding in ProSiebenSat.1 Media SE, worth €61.3M, adding to the 5.5% share already bought in the German operator in November.

Action plan

In light of the unprecedented situation created by the coronavirus pandemic, Mediaset España has deployed a **series of measures aimed at protecting both the health of its employees and the sustainability of the business**. These include reinforcing hygiene with additional cleaning and disinfection services, and a reorganisation of premises and working conditions for staff, 65% of whom are currently working from home. For employees still attending work, the company has put social distancing measures in place, supplying the necessary equipment.

In terms of business sustainability, the company has placed all current production activity on hold, while providing support to subsidiary companies in the Mediaset España family and reaching specific agreements with advertisers during confinement. The group has renewed and expanded its lines of credit to ensure that, combined with its available liquidity, it will have the necessary financial resources to ensure stable and solid business management during the de-escalation period.

Leader in linear and digital consumption

During a quarter marked by the Covid-19 outbreak crisis, the resulting state of emergency has led to an increase in consumption of linear television, which reached record monthly levels in March. In this context, Mediaset España was the **leading media group between January and March for the sixth consecutive year** with a 28.1% share. **Telecinco**, with a 14.2% share, **had the largest audience in this period for the ninth consecutive period**, registering the largest difference with its next competitor in the past nine years.

In **digital television**, the group set a **quarterly record** with a monthly average of 18.9 million unique users, a 36% increase YoY, placing it as the **leader consumption media group** with a total of 1,372 million videos viewed, an increase of 40%. The group was number two in the global ranking, behind Google.

* Source: TV Data: Kantar Media. Digital Data: based on Comscore MMX Multiplataforma and VMX Multi-platform January-March 2020. Social Media: Facebook, Twitter and Instagram.