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# 2021 FULL YEAR RESULTS

January – December 2021

**MEDIASET***españa.*



Madrid – February 23<sup>th</sup>, 2022

## **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 and Participated Companies
  - 2.5 Internet
3. Profit and loss account
4. CAPEX
5. Balance sheet
6. Cash flow generation
7. Definition of APMs
8. Contact

### **Conference Call / Web cast details**

23<sup>th</sup> February 2022 at 18:30 CET (17:30 UK Time)

**Spain:** +34 914 14 36 75  
**UK:** +44 (0) 207 192 8338  
**USA:** +1 646 741 3167  
**Pin Code:** **2764346**

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

<https://edge.media-server.com/mmc/p/qcjapg2c>

Or through our **IR homepage:**

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

## I. FINANCIAL

mill. EUR	4Q2021	4Q2020	Var (%)	2021	2020	Var (%)
Total net revenues	272,5	290,0	(6,0%)	876,3	836,6	4,7%
Total operating costs	(182,0)	(187,4)	(2,9%)	(633,4)	(584,0)	8,5%
<b>EBITDA Adj. <sup>(1)</sup></b>	<b>90,6</b>	<b>102,6</b>	<b>(11,7%)</b>	<b>243,0</b>	<b>252,7</b>	<b>(3,8%)</b>
EBITDA margin	33,2%	35,4%		27,7%	30,2%	
<b>EBIT</b>	<b>85,7</b>	<b>97,6</b>	<b>(12,2%)</b>	<b>225,3</b>	<b>230,5</b>	<b>(2,3%)</b>
EBIT margin	31,5%	33,7%		25,7%	27,6%	
<b>NET PROFIT</b>	<b>66,9</b>	<b>75,5</b>	<b>(11,4%)</b>	<b>181,0</b>	<b>178,7</b>	<b>1,3%</b>
EPS <sup>(2)</sup>	0,21	0,24		0,58	0,57	
<b>Free Cash - Flow</b>				<b>252,0</b>	<b>200,9</b>	
<b>Net Cash/ (Debt) Position</b>				<b>266,3</b>	<b>123,2</b>	

(1) EBITDA Adj, includes TV rights consumption (2) excluding any treasury shares as at 31.12

As per **Infoadex** figures, the total **Audio-visual market<sup>1</sup>** in 2021 was **€3,385.4 million** vs **€2,996.7 million** in 2020 (+13.0%). The **TV advertising market in 2021** was **€1,776.2 million (+8.3%)** and the **Digital Advertising Market<sup>2</sup>**, **+€1,609.2 (+18.6%)**. **Mediaset España** as per the above figures, obtained a **24.4% market share in the Audio-visual Market** (vs 25.0% in 2020) and **43.2% in the Television Ad market**, flat compared to 2020.

- **Total net revenues in 2021** amounted to **€876.4 million, +4.7%** compared to 2020.
- **Mediaset España** registered an **EBITDA of €243.0 million** in the year (-3.8% vs 2020), representing a **27.7% EBITDA margin** whilst **EBIT was €225.3 million** (-2.3% vs 2020) and **25.7% margin**.
- **Net profit** in 2021 reached **€181.0 million, +1.3%**.
- **Mediaset España's Net Cash position as of 31<sup>st</sup> December 2021** was **€266.3 million** and **Free Cash Flow** generation amounted to **€252.0 million**.
- **Mediaset España** led TV audiences in 2021 with a **28.2% audience share** and a **30.6% commercial target** (+1.0 pp vs 2020), both in total individuals' total day.
- In internet, **Mediaset España** registered a **monthly average of 19.4 million unique users, 514 million videos streamed and 1,646 million minutes** (+64.4% vs 2020) (Source: ComScore, multiplatform).
- At the end 2021, **Mediaset España holds 13.18% of ProSiebenSat.1's share capital**.
- **Mediaset España** cancelled all its treasury shares, **14,269,072 in the second quarter 2021**.

<sup>1</sup> Audiovisual Ad Market= TV Market+ Digital market.

<sup>2</sup> Digital Market = Websites + RR.SS as per Infoadex

2. OPERATING KPI's

2.1 TV CONSUMPTION

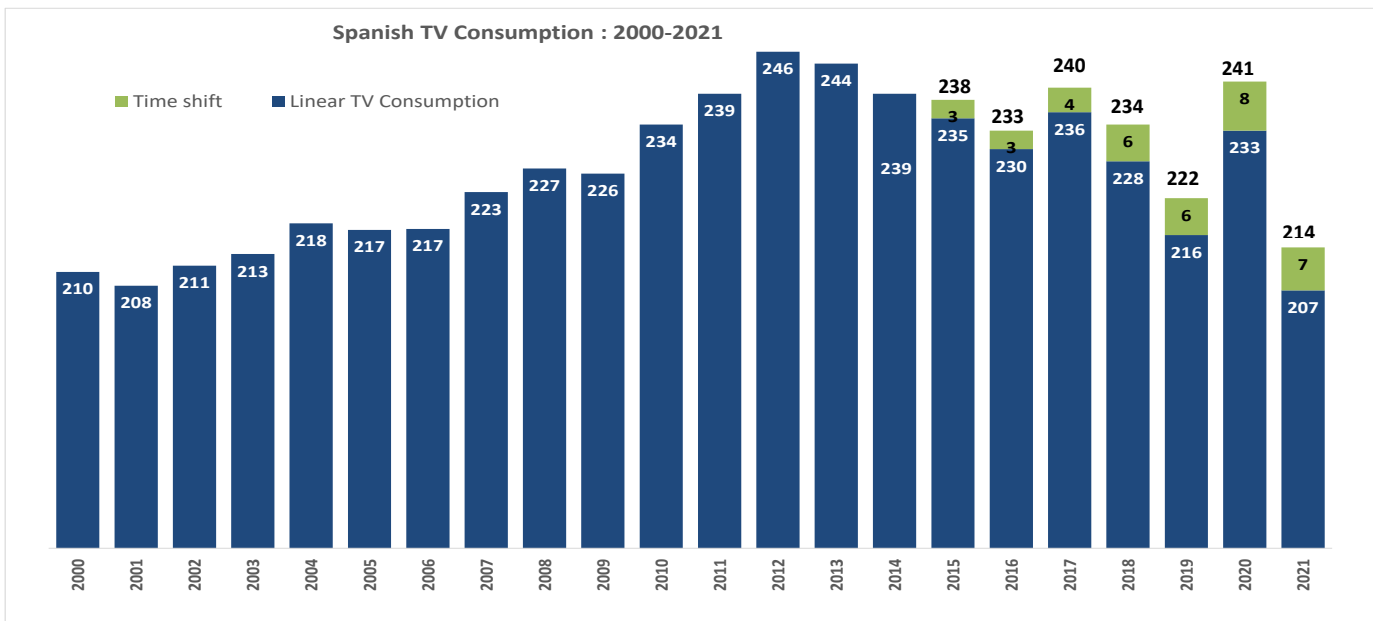
The **daily average total TV consumption<sup>3</sup> per person per day, 4 years old +**, in 2021 reached a total of **214 minutes per person/per day**, 27 minutes down compared to 2020 (8 minutes less than 2019). The difference with 2020 TV consumption is due to the **exceptional circumstances** due to Covid-19 where **strong lock down** measures were in place causing **homes to extraordinary increase their TV consumption** (April 2020 registered the highest TV consumption ever with 303 minutes per person/per day). With the **improvement of the pandemic situation in 2021**, the TV consumption level normalised.

**Linear<sup>4</sup> TV consumption** reached a total of **207 minutes per person/per day** in 2021 (-26 minutes compared to 2020 and -9 minutes compared to 2019) representing **96.7% of the total TV consumption**.

**Time shift<sup>5</sup>** on the other hand, was **7 minutes per person/per day** in the year, representing **3.3% of the total TV consumption**.

TV consumption **does not include** television viewed on devices such as **tablets, mobiles, computers etc..**

The **average daily television viewers, total day**, in 2021 stands at **6.5 million people** whilst at Prime Time reaches **13.9 million people**.



Source: Kantar media.

<sup>3</sup> Total TV Consumption: is the linear TV Consumption+Time Shift viewing.

<sup>4</sup> Linear: Includes Guests TV consumption (TV consumption from friends, family etc. visiting, measured since March 2017) and second homes since 2020.

<sup>5</sup> Time shift viewing is the TV consumption within the 7 days following the first broadcast.

## 2.2 AUDIENCE SHARE

	Ene-dic'21		Ene-dic'20	
	Total Individuals	Commercial Target	Total Individuals	Commercial Target
<b>MEDIASET ESPAÑA</b>				
Total Day	28,2%	30,6%	28,4%	29,6%
Prime Time	26,4%	29,2%	27,2%	28,3%
<b>TELECINCO</b>				
Total Day	14,9%	15,5%	14,6%	14,3%
Prime Time	13,9%	15,2%	13,8%	13,6%
<b>CUATRO</b>				
Total Day	5,3%	6,1%	5,4%	6,1%
Prime Time	5,3%	6,4%	5,8%	6,7%
<b>DIVINITY</b>				
Total Day	1,9%	1,9%	1,9%	2,1%
Prime Time	1,7%	1,5%	1,6%	1,8%
<b>BOING</b>				
Total Day	1,0%	0,8%	1,1%	0,9%
Prime Time	0,8%	0,7%	0,9%	0,7%
<b>ENERGY</b>				
Total Day	2,1%	2,3%	2,3%	2,5%
Prime Time	1,9%	2,0%	2,0%	2,1%
<b>BE MAD tv</b>				
Total Day	0,6%	0,7%	0,7%	0,8%
Prime Time	0,6%	0,7%	0,6%	0,7%
<b>FDF</b>				
Total Day	2,4%	3,2%	2,6%	3,0%
Prime Time	2,2%	2,6%	2,4%	2,7%

Mediaset España lead 2021 TV audiences in **total individuals total day** with a **28.2% audience share** and **30.6% commercial target**, this is an advantage of **+0.9 pp** and **+3.4pp** ahead of its nearest competitor. The **Group has been leading** audiences for the eleventh consecutive year.

In **Prime time**, Mediaset España reached an audience of **26.4% share** whilst in **commercial target** the **Mediaset España** Group obtained **29.2% share** this is an advantage of **+1.8pp** ahead of its nearest competitor

Despite the **strong competition in the Spanish audio-visual sector**, the audience under 55 years old has mostly chosen Mediaset España as their free-to-air option in 2021, with the Telecinco channel also having the greatest affinity with this segment of viewers.

In 2021, **Telecinco channel** registered a **14.9% audience share** in **total individuals' total day**, its best audience since 2009, leading audiences for the tenth consecutive year. In **Commercial target Telecinco channel obtained 15.5% audience share**, which is an increase of **+1.2pp compared to last year**.

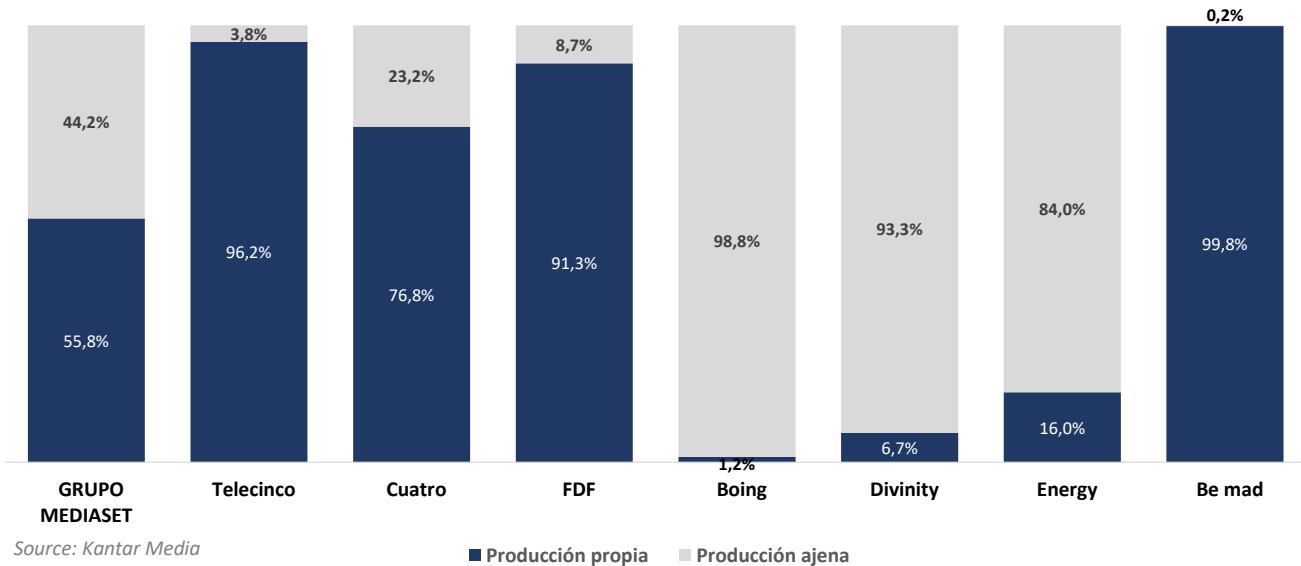
**Mediaset España** broadcasted the **Euro2020**, which, at some point reached **36.2 million** viewers, representing 80% of the population. The **average audience of the Euro2020**, broadcasted on **Telecinco** and **Cuatro**, reached more than **3.3 million viewers**, this is **28% audience share** and **34.4% commercial target**. The **Spanish National Team's** matches raised the **audience share to 58.6%**, this is **8.3 million viewers** and **68.2% commercial Target**. The semi-finals against the **Italian national** team and the penalty shootout that registered **14.2 million viewers** and a **72.9% share**.

In 2021, the **Telecinco** channel also **broadcasted the two best commercial target** entertainment programs on Spanish television: **"Rocío, contar la verdad"** and **"La Isla de las tentaciones"** with **31.8% share** and **28.1% share** respectively. In **house fiction production** broadcasted in the year was: **"El Pueblo"**, **"Señoras del (h)AMPA"**, **"Madres amor y vida"**.

- **Cuatro channel** obtained an audience in **total individuals' total day** of **5.3%**, and **6.1%** in **commercial target** in **2020**, whilst in **prime time** the audience was **5.3% share** increasing to **6.4% in commercial target**.
- The **targeted channels**, **Divinity**, **Boing**, **Energy**, **Be Mad** and **FDF**, **obtained a total of 8.0% audience share** in **total individual total day** in 2021, whilst achieving **8.9%** in commercial target. The audiences obtained by the different channels in 2021 in its targets are as follows: **FDF registered 2.4% audience share**, whilst in its target of **13- to 24-year-olds**, it achieved **7.0%** audience share. The **Divinity** channel had a **1.9% audience share** and in its target of **women 16 to 44 years old** it had **2.0%** share. The **Energy** channel obtained in its target, **men 25 to 54 years old**, a **2.3%** share. **Boing**, the children's channel, multiplied its share **eleven-fold** in its target of **4- to 12-year-olds**, reaching **11.6%**. **Be Mad** registers a **0.8% share** in its target of **16–44-year-old men**.

### 2.3 CONTENT MIX

In 2021 Mediaset España's in-house production represented 55.8% of the total broadcasted hours, an increase of +0.4pp compared to 2020. Third party rights, on the other hand, represented 44.2% of the total broadcasted hours of the Group. The distribution of in-house and third party broadcasted hours, in the year, throughout the different TV channels of the Group, was as follows:



The two main channels, Telecinco and Cuatro combined, representing an audience of 20.2% total individuals/total day (71.6% of the total audience of the Group, vs 70.4% in 2020), have devoted 86.6% of their broadcasted hours to in-house production in 2021, compared to the 86.8% from last year. Also, 74.3% of their total in-house broadcasted hours were produced by the Group or its associated and participated companies.

### 2.4 ASSOCIATED AND PARTICIPATED COMPANIES

Mediterráneo<sup>6</sup> is the company that groups together all Mediaset España's stakes in different production companies and supports a large number of in-house broadcasted hours. As of December 31<sup>st</sup>, 2021, the Group had 7 associated and 2 participated production companies, all of these specialised in providing different types of content such as: Talk Shows, Realities, Fiction series, sports, news etc..

The associated production companies of the Group are: Producciones Mandarin, (30.0%), La Fábrica de la Tele (30.0%), Alea Media (40.0%), Bulldog (30.0%), Alma Producciones (30.0%), Unicorn (30.0%) and Fenix Media Audiovisual (40%).

The participated companies of the Group in 2021 were: Supersport, (62.5%) and the site El Desmarque, (80%). Both companies provide sports contents, the second one specialised in native digital content.

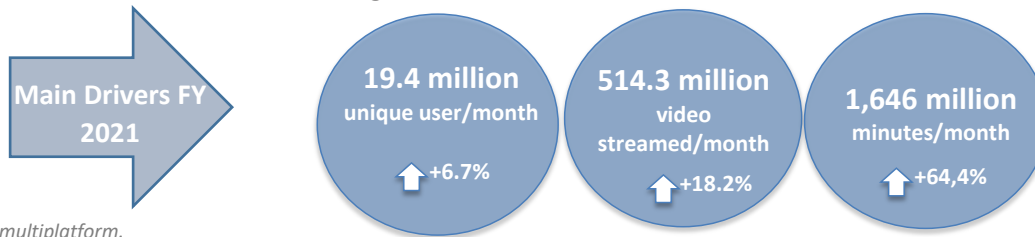
The Group also has its cinema production company, Telecinco Cinema, where it holds a 100% share as well as Megamedia (100%), a company specialised in providing content and services in the digital arena.

<sup>6</sup> Mediterráneo Mediaset España Group.

**2.5 INTERNET**

In 2021<sup>7</sup>, **internet video consumption** reached **40.4 minutes per person/per day/total Individuals** and represents **15.9%** of the **total daily average audiovisual consumption**<sup>8</sup> (254 minutes per person/per day, of which **214 minutes per person/per day** is television consumption).

**Mediaset España** notably improves its performance in digital where, **the increase in the minutes** the internet users devote to **Mediaset España** contents really stands out, reaching a monthly average of **1,646 million minutes, +64.4% vs 2020**. This proves the **high engagement of Mediaset España’s digital offer** and the **strong synergies between TV and internet**. Main digital drivers in 2021:



Source: Comscore multiplatform.

In 2021, **Mediaset España** consolidated its leadership in digital video consumption among the Spanish media companies reaching its best video streamed record with an average of **514.3 million videos streamed/month**. This is an **increase of +18% in the year** and it positions **Mediaset España** well ahead of its direct competitors. **Mediaset España ranks second** in the Spanish global ranking of video streamed in 2021, only behind Google.

Also in 2021, **Mediaset España** registered a **monthly average of 19.4 million unique users** in the year, its best record, which is an **increase of +7% compared to 2020**. October 2021 registered **20.8 million unique users** Mediaset España’s greatest figure ever.

**Telecinco.es** site stands out in the year with an increase of **6% in its unique users versus last year**, an average of **11.1 million unique users/month** and a total of **1.707 million video streamed**, which is an **increase of +53%** compared to 2020. **Cuatro.es** site, on the other hand, has **increased** its video streamed **by 10%** in the year to a total of **247 million videos**.

**Mitele**, Mediaset España’s free OTT platform, reinforces its leadership in **video consumption with a total of 3.371 videos streamed**, this is an increase of **+13% compared to 2020**, well ahead of **Atresplayer** which registered **2.704 million videos streamed** in the year. **Mitele** confirms its **leadership as the most consumed live and on-demand television content platform** in 2021. **Mitele Plus**, operates by subscription, reached its **record number subscribers in 2021** with more than **215.000**. Throughout the last quarter of the year **Mitele Plus** launched new content packages under subscription like the film channel **“Acontra+”**, a wide choice of more than 350 films both national and international, **“Dizi”** a soap opera channel currently holding 12 titles. **“Fight Sports”**, live channel which is specialised in premium contact sports complements **Mediaset España’s** offer on the platform.

With regards to the social networks **Mediaset España** accumulated **30 million comments in 2021** representing 70% of the total comments related to TV on the social networks. **“La isla de las tentaciones”** obtained 3 million comments, the **“Euro 2020”** and **“Secret Story”** were the programs most commented on across the social networks.

<sup>7</sup> Source: Comscore Multiplatform & company data.



### 3. PROFIT AND LOSS ACCOUNT

mill. EUR	4Q2021	4Q2020	Var (%)	2021	2020	Var (%)
<b>Gross Advertising Revenues</b>	<b>259,1</b>	<b>270,8</b>	<b>(4,3%)</b>	<b>833,6</b>	<b>759,1</b>	<b>9,8%</b>
Mediaset España´s Media	249,1	262,9	(5,2%)	806,6	741,7	8,7%
Third Party Media	9,9	7,9	25,1%	27,1	17,4	55,6%
Commission	(10,7)	(11,7)	(8,1%)	(36,9)	(29,8)	23,8%
<b>Net advertising revenues</b>	<b>248,4</b>	<b>259,2</b>	<b>(4,2%)</b>	<b>796,7</b>	<b>729,3</b>	<b>9,2%</b>
Other revenues	24,2	30,9	(21,7%)	79,6	107,3	(25,8%)
<b>Total Net Revenues</b>	<b>272,5</b>	<b>290,0</b>	<b>(6,0%)</b>	<b>876,3</b>	<b>836,6</b>	<b>4,7%</b>
Rights Amortisation	(35,7)	(55,9)	(36,2%)	(97,2)	(126,7)	(23,3%)
Personnel	(39,9)	(35,9)	11,2%	(131,3)	(120,6)	8,9%
Other operating costs	(106,4)	(95,6)	11,3%	(404,9)	(336,7)	20,3%
<b>Total Costs</b>	<b>(182,0)</b>	<b>(187,4)</b>	<b>(2,9%)</b>	<b>(633,4)</b>	<b>(584,0)</b>	<b>8,5%</b>
<b>EBITDA</b>	<b>90,6</b>	<b>102,6</b>	<b>(11,7%)</b>	<b>243,0</b>	<b>252,7</b>	<b>(3,8%)</b>
<i>EBITDA Margin</i>	<b>33,2%</b>	<b>35,4%</b>		<b>27,7%</b>	<b>30,2%</b>	
Other amortisations, provisions	(2,8)	(2,9)	(4,5%)	(8,9)	(14,0)	(36,4%)
Amortisation PPA	(2,1)	(2,0)	0,6%	(8,8)	(8,2)	7,5%
<b>EBIT</b>	<b>85,7</b>	<b>97,6</b>	<b>(12,2%)</b>	<b>225,3</b>	<b>230,5</b>	<b>(2,3%)</b>
<i>EBIT Margin</i>	<b>31,5%</b>	<b>33,7%</b>		<b>25,7%</b>	<b>27,6%</b>	
Equity Cons. Results and Depr. Fin. Assets	0,6	0,7	(11,5%)	3,0	2,6	16,0%
Financial results	0,2	(1,4)	-	2,9	(1,8)	-
<b>Pre-tax Profit</b>	<b>86,6</b>	<b>97,0</b>	<b>(10,7%)</b>	<b>231,3</b>	<b>231,4</b>	<b>(0,1%)</b>
Income taxes	(19,2)	(20,9)	(7,8%)	(48,4)	(50,4)	(3,9%)
Minority interests	(0,5)	(0,6)	(22,6%)	(1,8)	(2,3)	(20,7%)
<b>Net Profit</b>	<b>66,9</b>	<b>75,5</b>	<b>(11,4%)</b>	<b>181,0</b>	<b>178,7</b>	<b>1,3%</b>
<i>Net Profit Margin</i>	<b>24,5%</b>	<b>26,0%</b>		<b>20,7%</b>	<b>21,4%</b>	
EPS (excluding Treasury shares)	<b>0,21</b>	<b>0,24</b>		<b>0,58</b>	<b>0,57</b>	

Throughout 2021, we have seen an uneven performance on the TV advertising market quarter on quarter, in line with the evolution of the Covid-19 pandemic.

The first quarter 2021 the TV ad market shrank by **-13.6%** compared to 2020, the second quarter showed a **very strong recovery +82,2%**, the third quarter performance of the TV ad market was **flattish** and the fourth quarter, impacted by the **Omicrom** variant and the weakness of the automotive sector due the component crisis, lead the TV ad market to shrank by **-4.8%**.

All in all, in 2021 the Spanish TV advertising market was €1,776.2 million, this is **+8.3%** compared to the TV ad market 2020 (€1,640,3 million).

Mediaset España TV ad market share in 2021 was **43.2%**, same as 2020. The **Group** has managed to keep, throughout the **last seven years its TV ad market share** steady and widening the gap with its main competitor which in 2021 was **+2.8 pp**.

The **Digital Advertising Market**<sup>9</sup> as reported by Infoadex, was **€1,609.2 million** an increase of **+18.6%** compared to in 2020 (€1,356.4 million).

**The audiovisual market**<sup>10</sup> as reported by Infoadex, was **€3,385.4 million** in 2021 compared to **€2,996.7 million from 2020**, an increase of **+13.0%**. **Mediaset España Audiovisual Ad market share**, including social networks, in 2021 was **24.4%** (vs 25.0% in 2020).

- **Gross Advertising revenues in 2021** amounted to **€833.6 million** in comparison with the **€759.1 million** from 2020 (+9.8%). The breakdown of these revenues is as follows:

- ✓ **Gross Advertising Revenues of Mediaset España's Media** include advertising revenues from, Internet, Teletext the Group's 7 TV channels: TELECINCO, CUATRO, FACTORIA DE FICCIÓN, BOING, DIVINITY, ENERGY, BE MAD and connected TV, in 2021 these revenues amounted to **€806.6 million** compared to **€741.7 million** in 2020 (+8.7%).

**Mediaset España's TV advertising revenues in the year** were, as per Infoadex data **€767.0 million** (+8.2%) in line with the performance of the TV advertising market (+8.3%).

In 2021 **Mediaset España** has launched new digital advertising formats like the **Open smart TV**, a premium product for advertisers that offers maximum notoriety or **Ad smart** a tool that provides for **different advertising options** which reinforces **Mediaset España's** connected TV commercial offer.

- ✓ **Gross third-party media revenues** include amongst others, the advertising sales for the **free TV channel Gol** and **Be a Lion**, digital advertising company. In **2021 total sales** amounted to **€27.1 million**, compared to **€17.4 million** from 2020 (+55.6%) this is an excellent performance of this revenue line, where **Be a Lion** has more than doubled its ad revenues in the year.

- **Advertisement commissions** in the year, were **€36.9 million**, representing **4.4%** over gross advertising revenues.

- **Net advertising revenues**, after commissions, amounted to a total of **€796.7 million**, compared to the **€729.3 million from 2020**, this is a +9.2% increase in the year.

- **Other Revenues** include income from **movie activity**, **internet**, **Mitel Plus subscriptions**, content sales as well as **services provided to third parties** etc..

In **2021**, **Other Revenues**, amounted to **€79.6 million**, -25.8% compared to 2020 (€107.3 million). This difference is due to the difficult comp with the previous year with a **record content sales** and **Mitele Plus** football package on offer from January to August 2020 (€30/subscription per month, vat included), as well as a lower revenue from the cinema activity in 2021. **Mediaset España** released 2 movies in 2021: "**Operacion Camaron**" was released in June and "**Way Down**" was released in November.

<sup>9</sup> Digital Advertising Market = Web sites+ RR.SS

<sup>10</sup> Audiovisual market=TV Ad Market +Digital Ad Market

**Mitele plus** closed December 2021 with over **207.000 subscriptions**, which represents an increase of **+90% in comparison with December 2020** (109.000 subscriptions).

**Mediaset España** increased Mitele Plus **monthly subscription fee in the year**, and at the end of the period the basic package was **€5/month** per user, up from €3/month per user of the beginning 2021.

In any case, it is worth noting that **2021 Other Revenues** are **above 2019 level** (€69.7 million) and it is **the second-best performing year** (after 2020) since 2012 (€80.0 million).

- **Total Net Revenues** for 2021 amount to **€876.3 million**, compared to **€836.6 million** in **(+4.7%)**.
- **Total Costs** for 2021 amounted to **€633.4 million**, an increase of **+8.5% compared to 2020** (€584.0 million). This increase is as a result of a difficult comp with 2020 and the **resumption of the programming activity in 2021** as the pandemic situation improved. Also, **Mediaset España** broadcasted the **Euro 2020** in the months of June and July.

The **personnel cost** increase in the year, +8.9%, is due to a variety of reasons, such as **basis of comparison** (2020) lower than normal, transitioning to a **more digital business model** and recruitment of digital profile staff for the launching of new projects.

On the other hand, **third party rights costs** went down by **-23.3%** reflecting a comparatively lower utilization of library products versus direct costs.

In any event, **Mediaset España 2021 Total Costs** (€633.4 million) are **still below 2019 level** (€662.2 million, -4.3%).

- In **2020 Mediaset España** obtained an **EBITDA** of **€243.0 million** (-3.8% vs 2020) representing a margin of **27.7%**. In 4Q21, **Mediaset España EBITDA** was **€90.6 million**, the **second-best gross margin since 4Q07**, despite the difficult comp with the 4Q20 when EBITDA grew by **+28.1%** to **€102.6 million**, **best gross margin since 4Q07**.
- **EBIT** in 2021 reached **€225.3 million**, **-2,3% compared to 2020**, representing a **margin of 25.7%**.
- **Pre-Tax profit** for 2021 reaches **€231.3 million**, flat compared to **pre-tax profit from 2020** (€231.4 million) and includes the **consolidated result** from the **associate companies**, **€3.0 million** and **financial results €2.9 million**.
- **Mediaset España's 2021 Net Profit** was **€181.0 million** this is +1.3% compared to 2020 (€178.7 million) representing EPS of **€0.58**.

#### 4. CAPEX

mill. EUR	2021	2020	Var (%)
Third party	62,3	57,4	8,4%
Fiction	35,5	24,5	44,5%
Co-Produccion/Distribution	14,7	5,8	153,9%
Tangible and Intangible Fix Assets	7,0	10,9	(35,5%)
<b>Total Capex</b>	<b>119,4</b>	<b>98,6</b>	<b>21,1%</b>

**Total Net Investment** in 2021 was **€119.4 million**, compared to **€98.6 million** from 2020, **+21.1%**.

**Capex investment** went up in 2021 compared to an exceptionally low level in 2020 due to the Covid-19 pandemic. In any case, there is still a slack investment which we expect will be compensated in the coming quarters as we recover to a more normalised post Covid-19 situation.

In the year, the **Group** invested a total of **€62.3 million** in **third party rights** an increase of +8.4% compared to 2020 (€57.4 million). Investment in **local fiction** reached **€35.5 million** compared with the **€24.5 million** from 2020 (+44.5%). **Co-Production/Distribution** reached **€14.7 million**, +1.5x in comparison with 2020 where 5.8 million was invested. Investment in **tangible and intangible assets** was **€7,0 million**, in comparison with the €10,8 million in 2020.

## 5. BALANCE SHEET

mill. EUR	December 2021	December 2020
Financial	745,6	662,0
Fixed Asstes	210,7	225,3
<b>Audiovisual rights</b>	<b>142,3</b>	<b>129,4</b>
Third parties	62,2	63,6
Fiction	50,8	44,7
Co-production / Distribution	29,3	21,0
<b>Tax Asset</b>	<b>49,6</b>	<b>79,2</b>
<b>TOTAL NON-CURRENT ASSETS</b>	<b>1.148,2</b>	<b>1.095,8</b>
Current assets	267,0	302,9
Financial investments and cash	293,1	326,0
<b>TOTAL CURRENT ASSETS</b>	<b>560,0</b>	<b>628,9</b>
<b>TOTAL ASSETS</b>	<b>1.708,2</b>	<b>1.724,7</b>
<b>Shareholders`equity</b>	<b>1.275,5</b>	<b>1.111,9</b>
Non-current provisions	12,8	12,6
Tax Liabilities	58,9	49,6
Financial Debt	25,4	202,5
Non Current Other Liabilities	48,2	108,7
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>145,3</b>	<b>373,4</b>
Current payables	252,9	238,3
Other current liabilities	33,2	0,0
Current financial liabilities	1,3	1,1
<b>TOTAL CURRENT LIABILITIES</b>	<b>287,5</b>	<b>239,4</b>
<b>TOTAL LIABILITIES</b>	<b>1.708,2</b>	<b>1.724,7</b>

*Mediaset España's* has a solid balance sheet as well as a **liquidity ratio of 1.9x** in 2021.

In **2021 the Group** has repaid a significant part of the debt incurred in the acquisition of the two first tranches of the investment in ProSieben. As part of the same transaction, some of the derivatives relating to the hedging of such acquisitions have also been unwound.

## 6. CASH FLOW

**Mediaset España's Operating Free Cash Flow** in 2021 was **€252.0 million** and its **net cash position** at the end of the period amounted to **€266.3 million**. This includes the **acquisition of the 3.43% of the share capital of ProsiebenSat.1** in January 2021 as well as the **dividend received from ProsiebenSat.1 Media SE** against its 2020 results.

The good performance of the **Free cash Flow** in the year (€252 million, +94,0 million vs 2020) is **positively affected** by both the **lower than usual investment** in content due to the successive waves of the pandemic and of a movement in working capital equally **impacted by some exceptional components also due to the pandemic**.

**Mediaset España's cash conversion rate** equals **103.7% in the year: free cash flow** (€252 millones) and **EBITDA** (€243.0 million).

mill. EUR	<u>2021</u>	<u>2020</u>	<u>Var (M€)</u>
Net profit	182,8	181,0	1,8
Amortisation:	118,5	148,7	(30,3)
Rights	97,2	126,7	(29,5)
Other	21,3	22,0	(0,7)
Provisions	(2,2)	0,8	(3,0)
Other	20,4	11,0	9,4
<b>OPERATING CASH FLOW</b>	<b>319,5</b>	<b>341,6</b>	<b>(22,1)</b>
Investment in rights	(112,4)	(87,8)	(24,7)
Investments, other	(7,0)	(10,9)	3,8
Change in working capital	51,9	(42,1)	94,0
<b>OPERATING FREE CASH FLOW</b>	<b>252,0</b>	<b>200,9</b>	<b>51,1</b>
Own stock purchase	(0,7)	0,5	(1,2)
Change in Equity	(1,3)	0,0	(1,4)
Financial investments/disinvestments	(112,9)	(59,1)	(53,8)
Dividends received	7,6	4,1	3,6
Dividend payments	(1,5)	0,0	(1,5)
<b>Net Cash Change</b>	<b>143,1</b>	<b>146,4</b>	<b>(3,3)</b>
<b>INITIAL FINANCIAL POSITION</b>	<b>123,2</b>	<b>(23,2)</b>	<b>146,4</b>
<b>FINAL FINANCIAL POSITION</b>	<b>266,3</b>	<b>123,2</b>	<b>143,1</b>

## 7. 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.

**8. CONTACT US**

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