

# ATRESMEDIA

## 9M 14 Results

October 23, 2014

[www.atresmediacorporacion.com](http://www.atresmediacorporacion.com)



## 9M 14 Highlights

- According to internal sources, Total Ad market increased by +4.8% yoy in 9M 14 with TV and Radio up by +9.9% and +2.6% respectively.
- Atresmedia Television's audience reached 28.0% in 9M 14, 0.5pp less yoy, mainly due to the closure of 3 channels in May and the competition from special sports events on other operators.
- Atresmedia Television's ad revenue growth was +6.9% at 9M14 and registered an accumulated market share close to 42%
- Atresmedia Radio (+6.4% yoy) outperformed the market once again
- Atresmedia's Net Revenue totalled €626 mill (+7.8% yoy)
- Total OPEX stood at €542mill (+1.2% yoy)
- EBITDA of €84 mill (+85% yoy) and Net Income of €47 mill (+67% yoy), already above FY 2013 figures
- Total net debt ended at €100 mill (€85 mill less than Dec 2013)
- New DTT technical plan finally approved in Sept 2014

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## 9M 14 Financial Summary

# Advertising market in Spain

- Total Ad market up by +4.8% yoy at 9M 14
- TV outperformed the market (+9.9%) while Radio remained below (+2.6%)
- TV: Very strong Q3 14 (+21.8%)

Media	Q3 14 yoy	9M 14 yoy
TV	+21.8%	+9.9%
Radio	+1.5%	+2.6%
Newspapers	-1.2%	-2.8%
Magazines	-0.5%	-2.3%
Sunday suppl.	-2.7%	-8.5%
Outdoor	+7.0%	+2.0%
Internet	+4.0%	+4.5%
Cinema	+6.6%	+11.0%
<b>Total</b>	<b>+10.1%</b>	<b>+4.8%</b>

Source: Internal estimates

# Atresmedia: Consolidated results

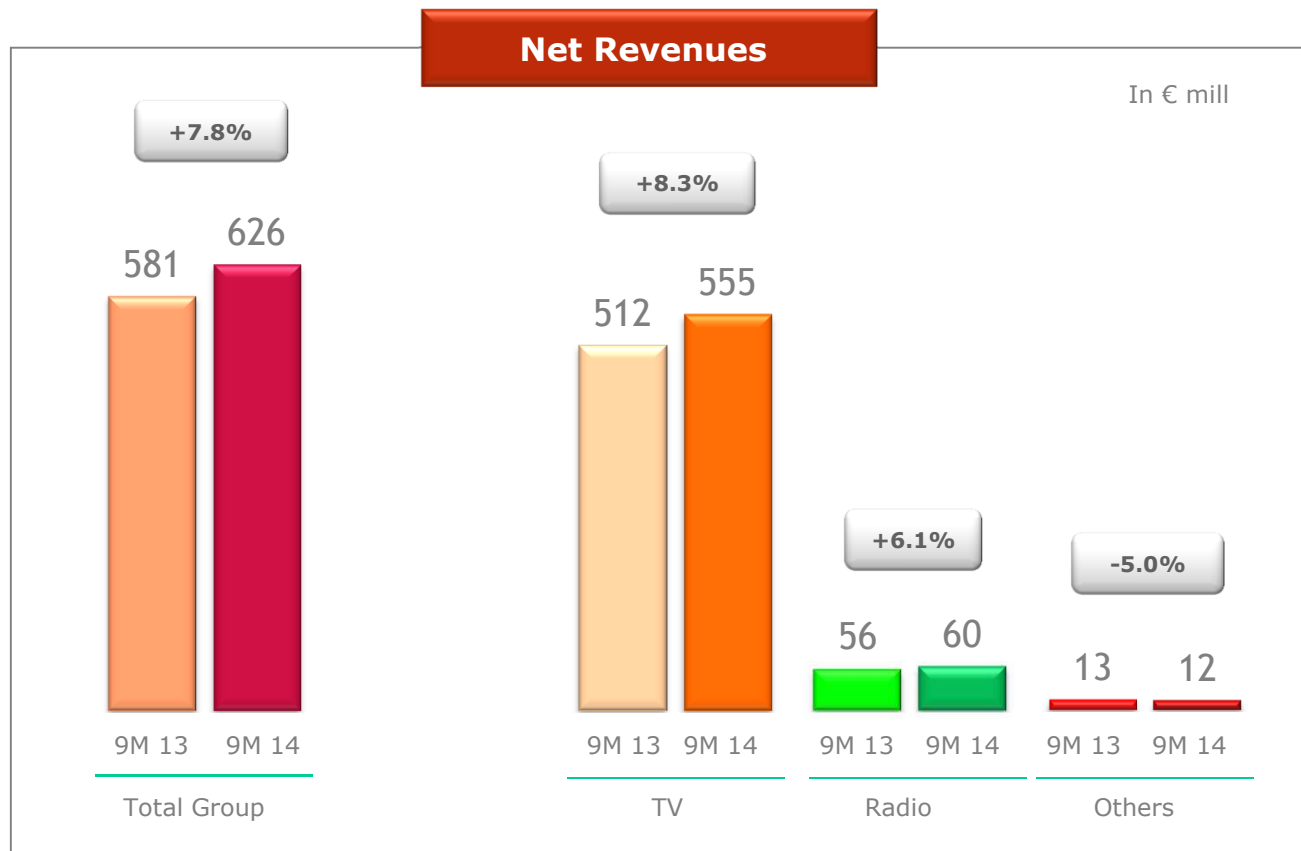
9M 14 Results in € mill: P&L

	9M 14	9M 13	YoY
<b>Net Revenues</b>	<b>626.2</b>	<b>581.2</b>	<b>+7.8%</b>
<b>OPEX</b>	<b>541.9</b>	<b>535.7</b>	<b>+1.2%</b>
<b>EBITDA</b>	<b>84.3</b>	<b>45.5</b>	<b>+85.5%</b>
<i>EBITDA Margin</i>	<i>13.5%</i>	<i>7.8%</i>	
<b>EBIT</b>	<b>72.0</b>	<b>32.4</b>	<b>+122.2%</b>
<i>EBIT Margin</i>	<i>11.5%</i>	<i>5.6%</i>	
<b>Net profit</b>	<b>47.1</b>	<b>28.3</b>	<b>+66.7%</b>
<i>Net profit Margin</i>	<i>7.5%</i>	<i>4.9%</i>	

Source: Atresmedia's financial statements

# Atresmedia: Net revenues by segment

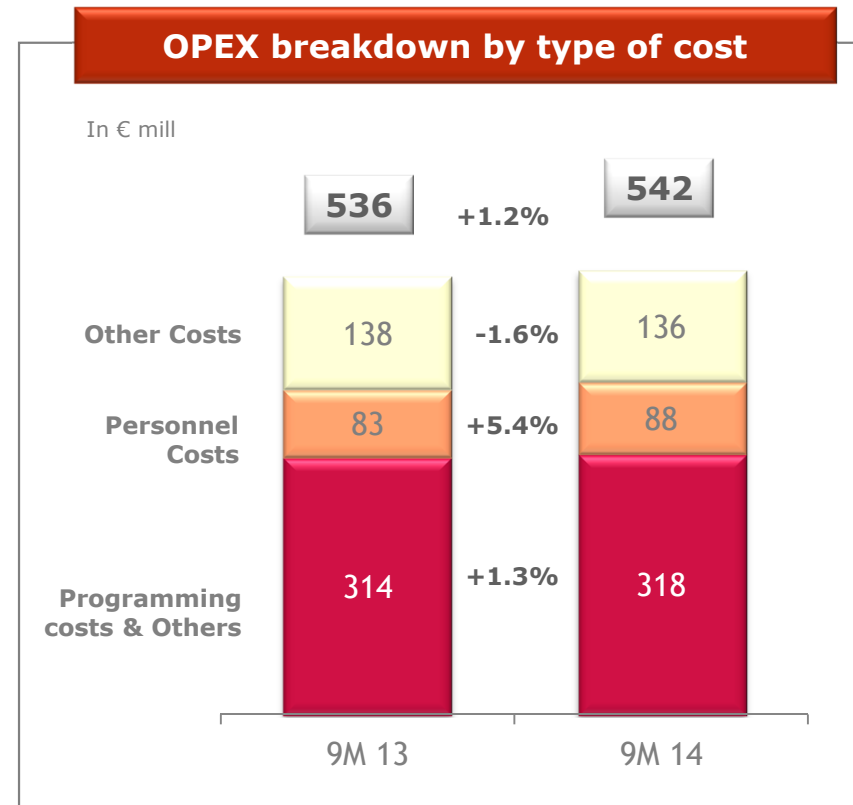
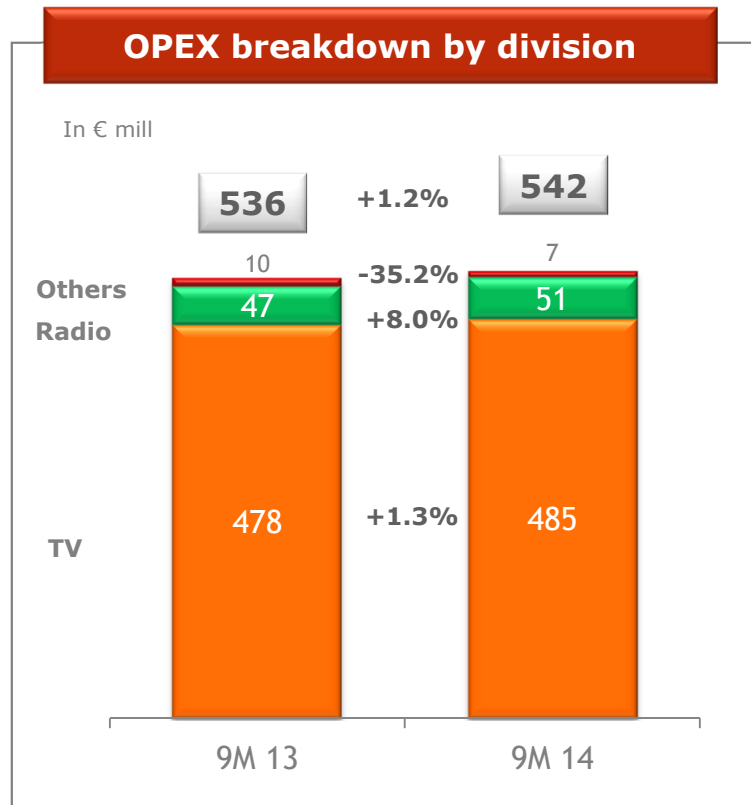
- Total Net Revenues stood at €626million, +7.8% yoy
- Net TV revenues of €555 million (+8.3%)
- Radio revenues reached €60mill (+6.1% yoy)
- "Others" revenue decreased by 5.0% yoy to €12.1mill



Source: Atresmedia's financial statements

# Atresmedia: OPEX

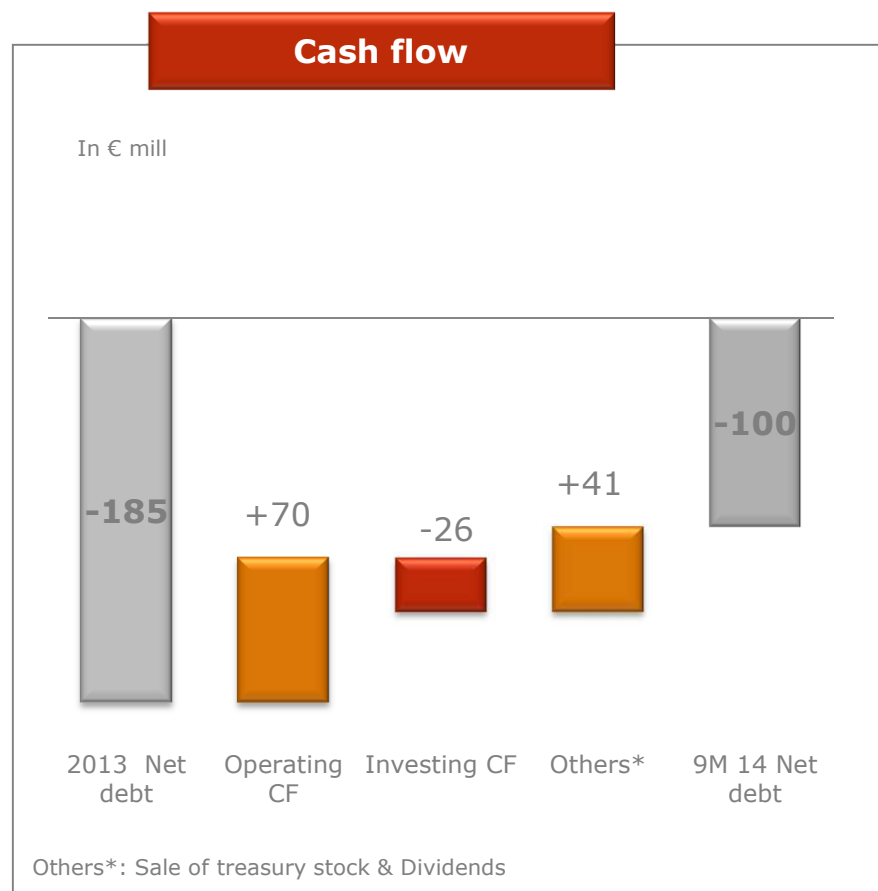
- Total OPEX of €542 mill, +1.2% vs 9M 13
- By division, Radio was affected by the launch of Melodía FM
- By concept, programming costs and personnel partially offset by the decrease in overheads



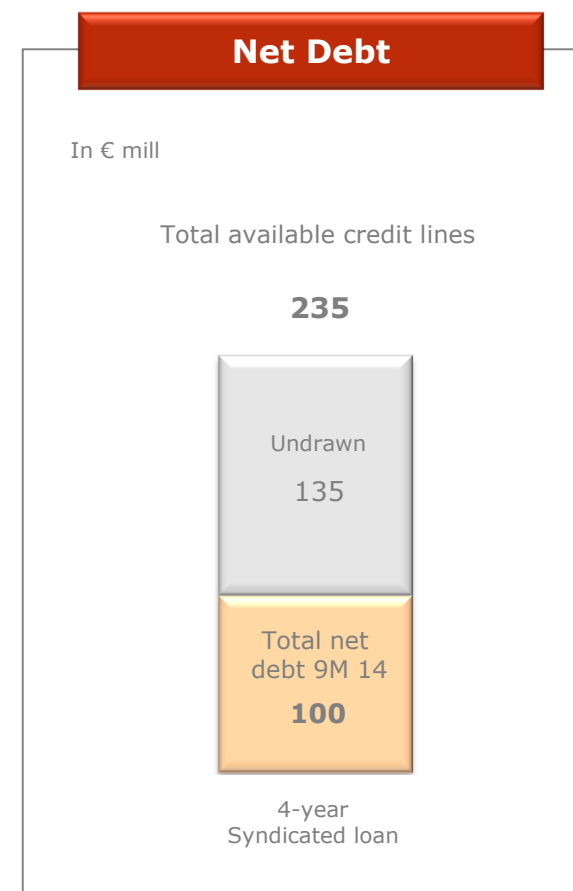
Source: Atresmedia's financial statements

# Atresmedia: Cash flow & Debt position

- Total net debt reached €100 million (€-85mill vs Dec 2013)
- Last 12 months Net debt /EBITDA = x0.8



Source: Atresmedia's financial statements

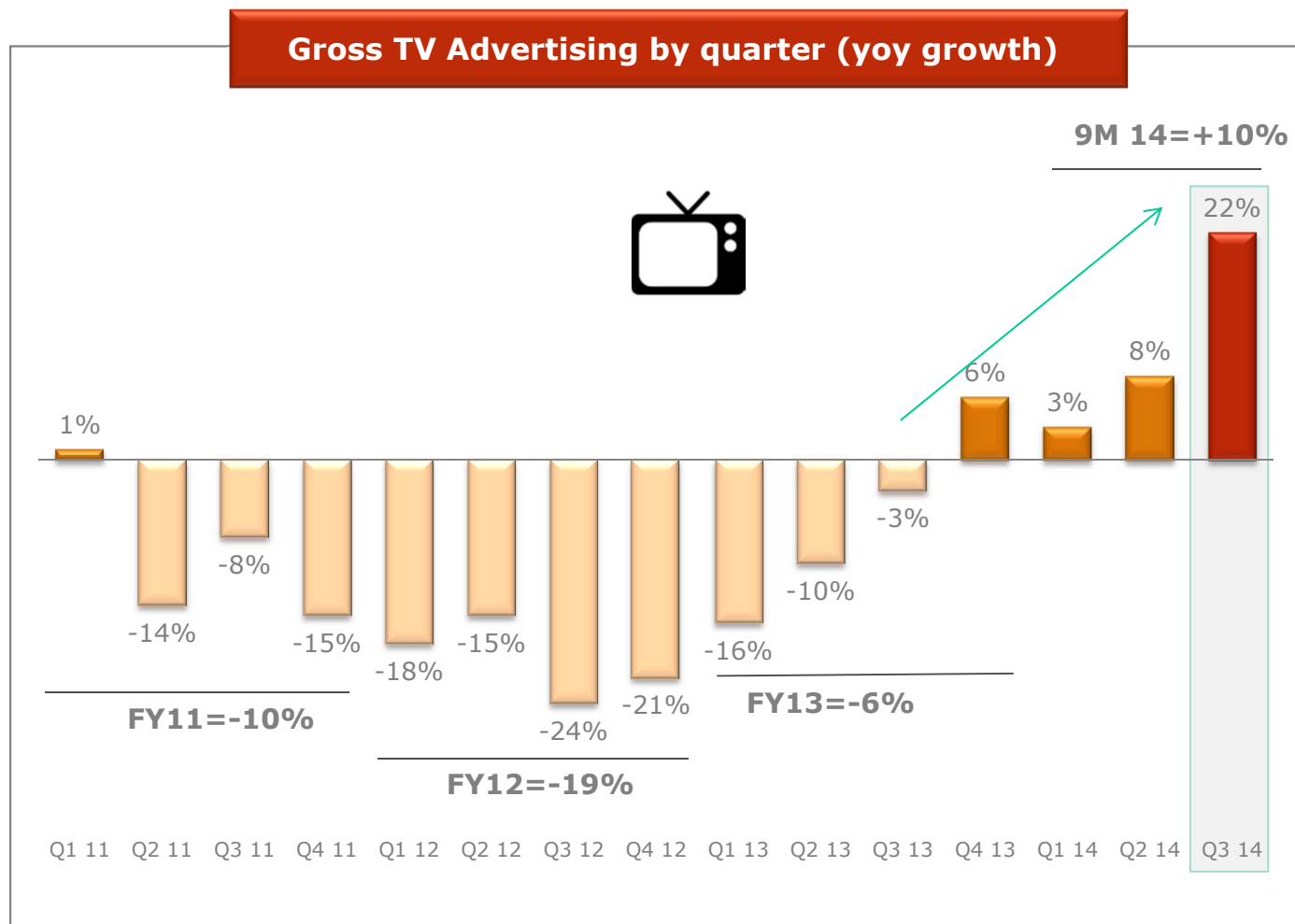


Source: Atresmedia's financial statements



# TV Advertising market

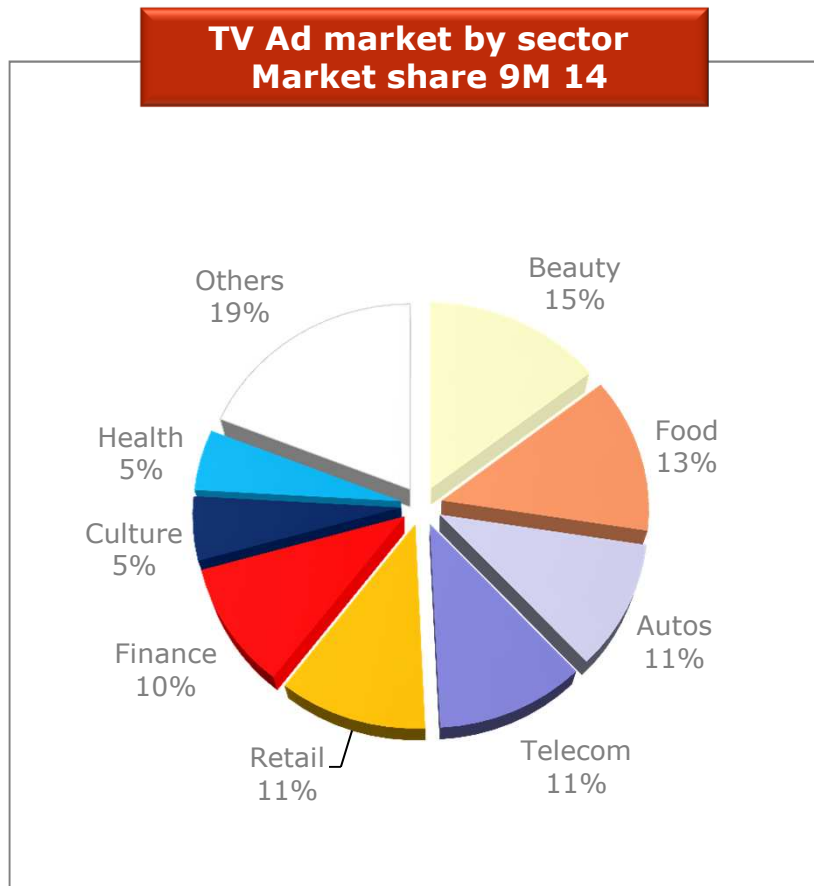
- 9M 14 (+10% yoy): Strong market performance
- Q3 14 (+22% yoy): The highest growth in the decade



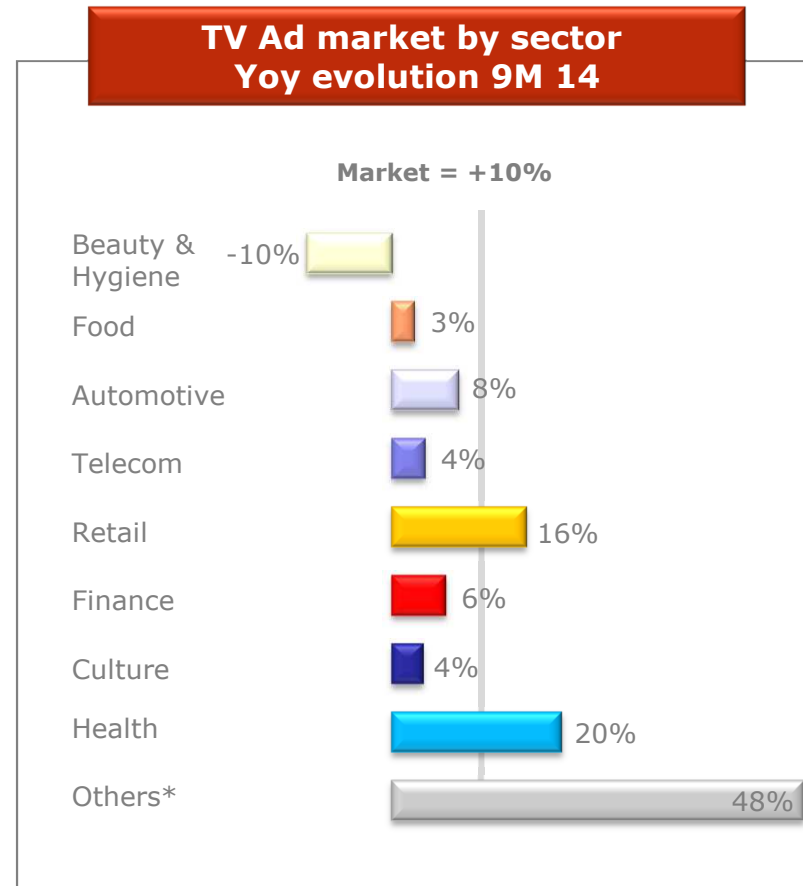
Source: Infoadex. Q3 14 and 9M14 data are internal estimates

# TV Advertising market by sector

➔ Positive performance at every sector with the exception of Beauty



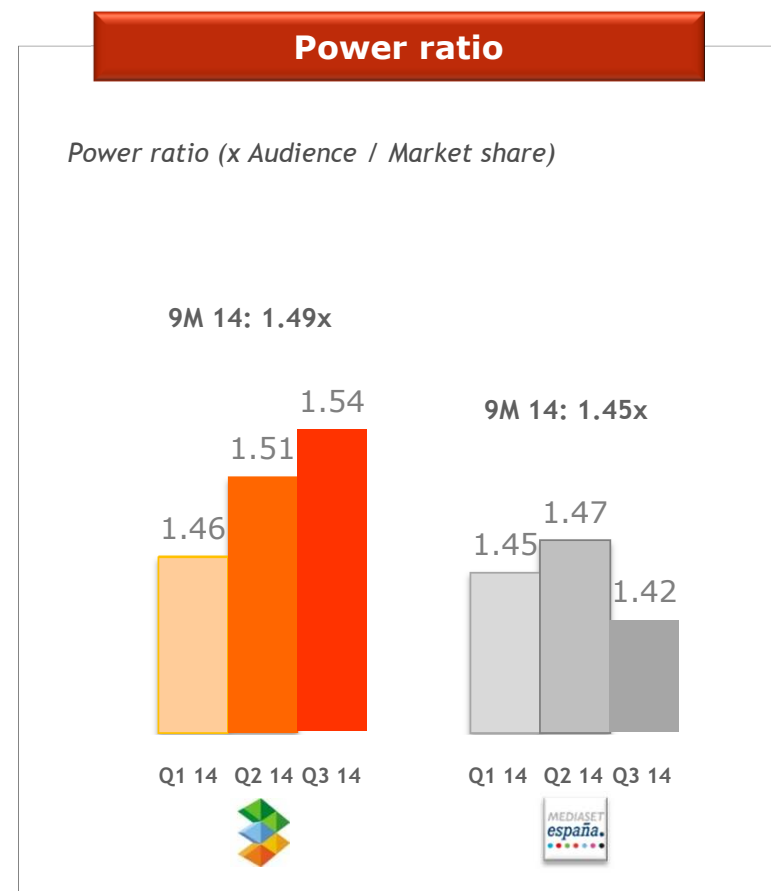
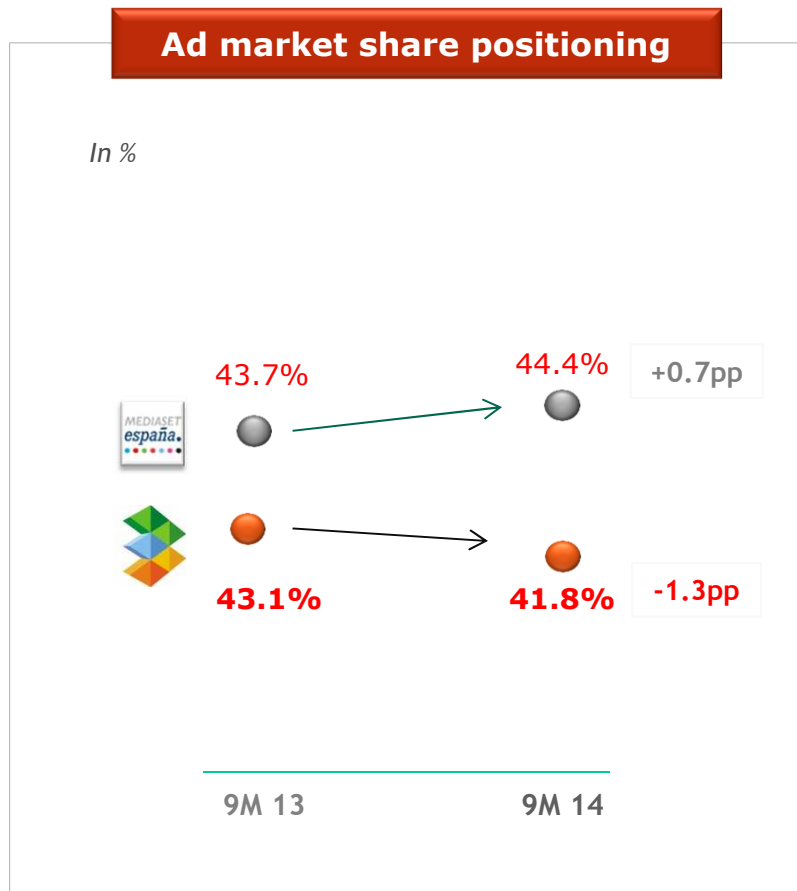
Source: Internal estimates



\*Others: Beverages, Leisure & sports, energy,....

# Atresmedia market positioning

- Market share affected by the closure of three channels as of May14 and special sport events in other operators (FIFA and FIBA World Cup)
- Atresmedia: Fewer channels but with the highest power ratio



Source: Infoadex. Q314 and 9M14 data are internal estimates

# Atresmedia Television

9M 14 Results in € mill: P&L

	9M 14	9M 13	YoY
<b>Total Net Revenues</b>	<b>554.5</b>	<b>512.3</b>	<b>+8.3%</b>
<b>OPEX</b>	<b>484.6</b>	<b>478.4</b>	<b>+1.3%</b>
<b>EBITDA</b>	<b>69.9</b>	<b>33.8</b>	<b>+106.8%</b>
<i>EBITDA Margin</i>	<i>12.6%</i>	<i>6.6%</i>	
<b>EBIT</b>	<b>59.6</b>	<b>23.2</b>	<b>+157.5%</b>
<i>EBIT Margin</i>	<i>10.8%</i>	<i>4.5%</i>	

Source: Atresmedia`s financial statements

# Atresmedia Television

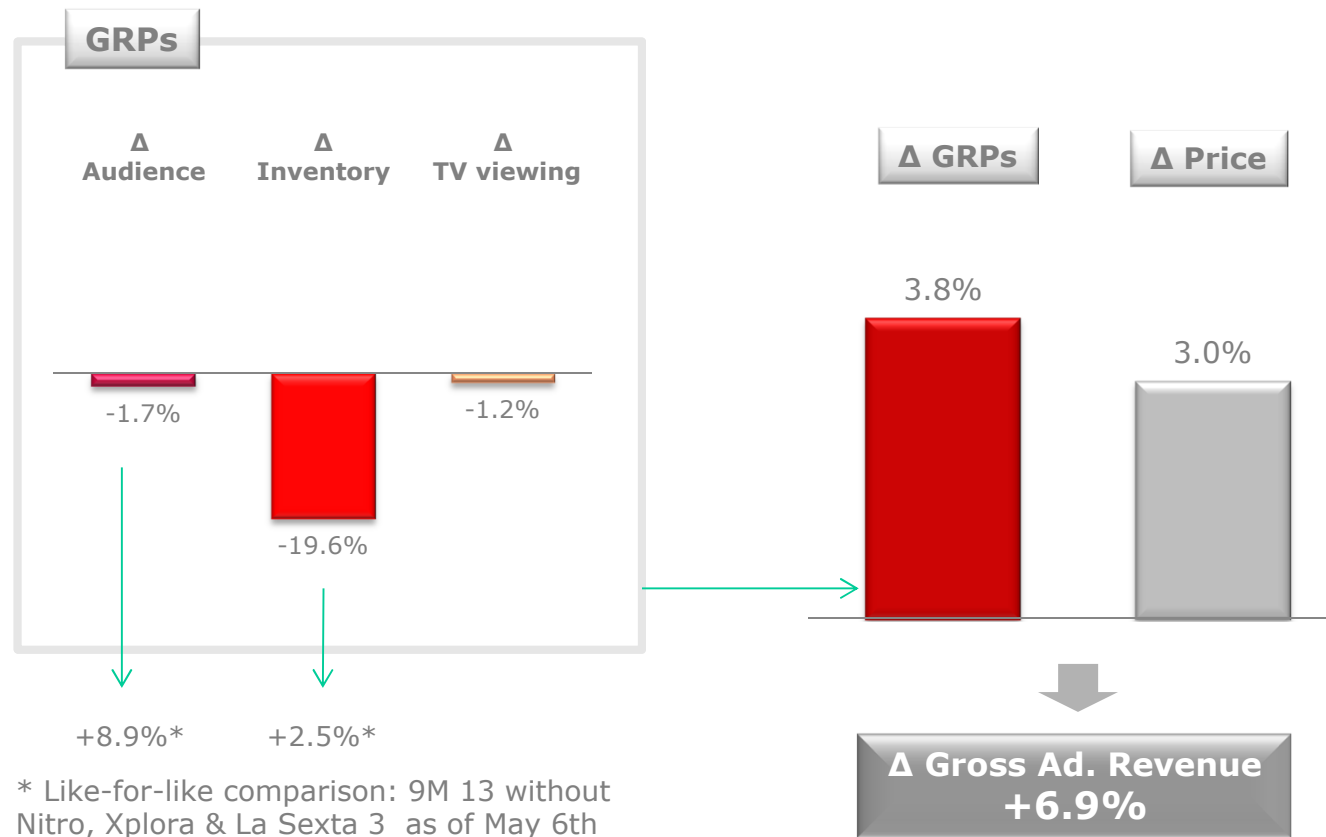
9M 14 Results in € mill: Revenues breakdown

	9M 14	9M 13	YoY
<b>Gross Ad. sales</b>	<b>551.4</b>	<b>515.7</b>	<b>+6.9%</b>
<b>Net Ad. sales</b>	<b>529.2</b>	<b>490.8</b>	<b>+7.8%</b>
<b>Other net revenues</b>	<b>25.3</b>	<b>21.5</b>	<b>+17.9%</b>
<b>Total Net Revenues</b>	<b>554.5</b>	<b>512.3</b>	<b>+8.3%</b>

Source: Atresmedia's financial statements

# Atresmedia Television: Ad revenues breakdown in 9M 14

## 9M 14 Key factors



Source: Atresmedia's internal estimates

# Atresmedia Television

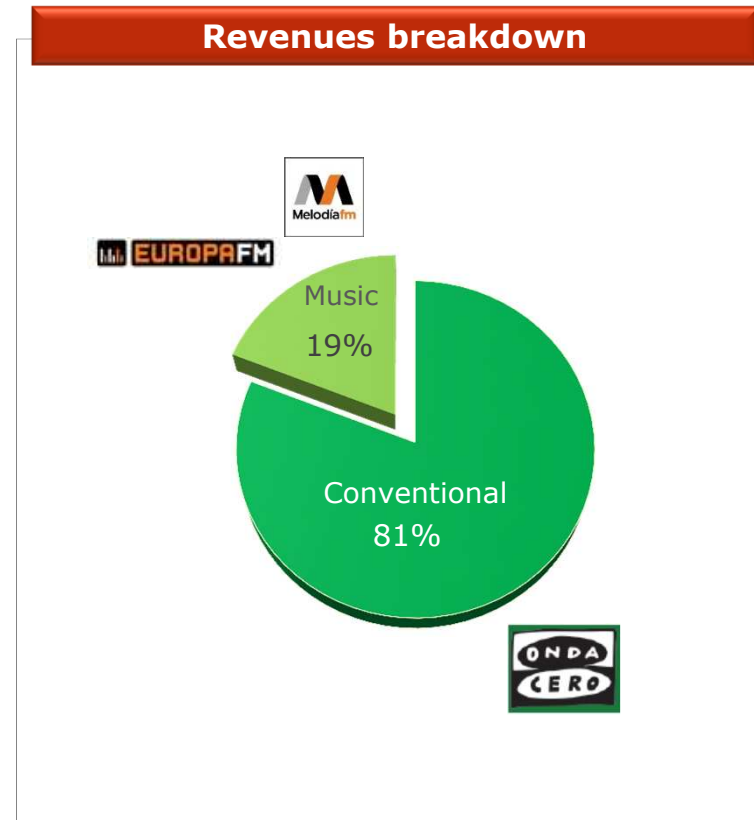
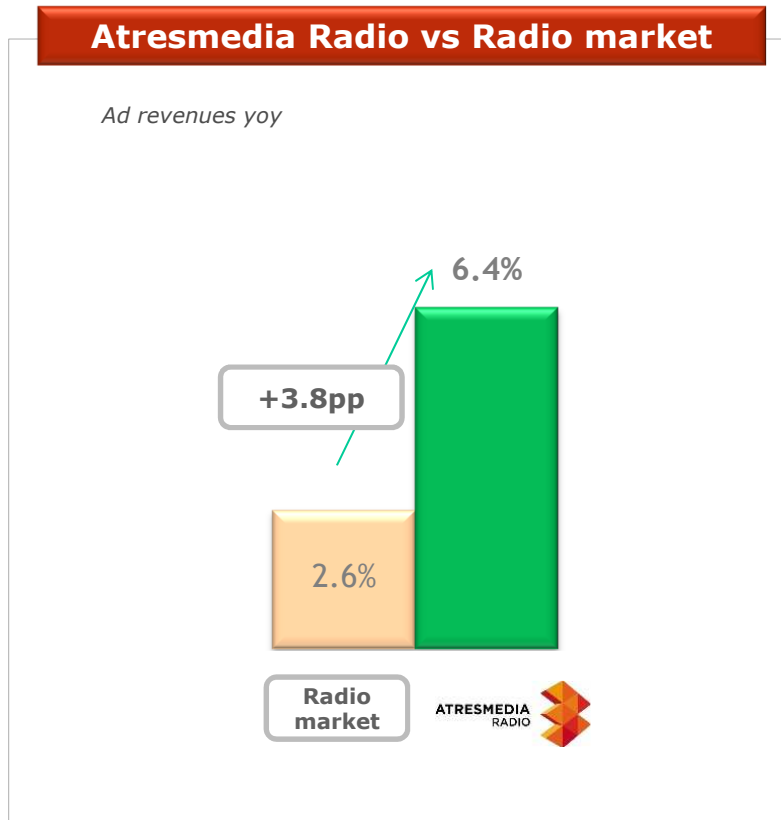
9M 14 Results in € mill: OPEX breakdown

	9M 14	9M 13	YoY
<b>Programming Costs &amp; Others</b>	<b>307.5</b>	<b>299.4</b>	<b>+2.7%</b>
<b>Personnel Costs</b>	<b>49.8</b>	<b>47.8</b>	<b>+4.2%</b>
<b>Other Costs</b>	<b>127.3</b>	<b>131.2</b>	<b>-3.0%</b>
<b>Total OPEX</b>	<b>484.6</b>	<b>478.4</b>	<b>+1.3%</b>

Source: Atresmedia's financial statements

# Atresmedia Radio

→ Atresmedia Radio, +4 pp better than the market in 9M 14



Source: Internal estimates



# Atresmedia Radio

9M 14 Results in € mill: P&L

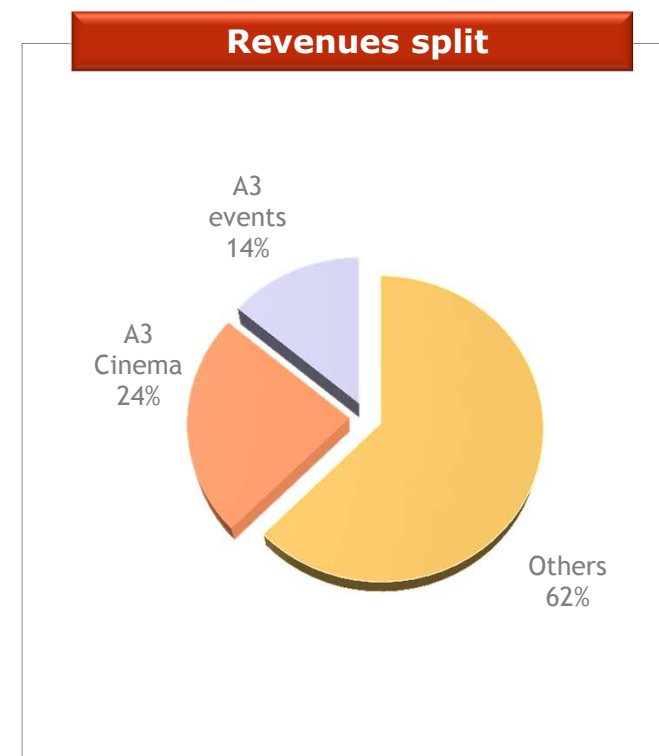
	9M 14	9M 13	YoY
<b>Net Revenues</b>	<b>59.6</b>	<b>56.1</b>	<b>+6.1%</b>
<b>OPEX</b>	<b>50.5</b>	<b>46.8</b>	<b>+8.0%</b>
<b>EBITDA</b>	<b>9.0</b>	<b>9.3</b>	<b>-3.3%</b>
<i>EBITDA Margin</i>	<i>15.2%</i>	<i>16.6%</i>	
<b>EBIT</b>	<b>7.7</b>	<b>7.3</b>	<b>+4.9%</b>
<i>EBIT Margin</i>	<i>12.8%</i>	<i>13.0%</i>	

Source: Atresmedia's financial statements

# Atresmedia: Others Division

## Financials

€ mill	9M 14	9M 13
<b>Net Revenues</b>	<b>12.1</b>	<b>12.8</b>
<b>EBITDA</b>	<b>5.4</b>	<b>2.3</b>



Source: Antena 3's financial statements

Contribution to consolidated group

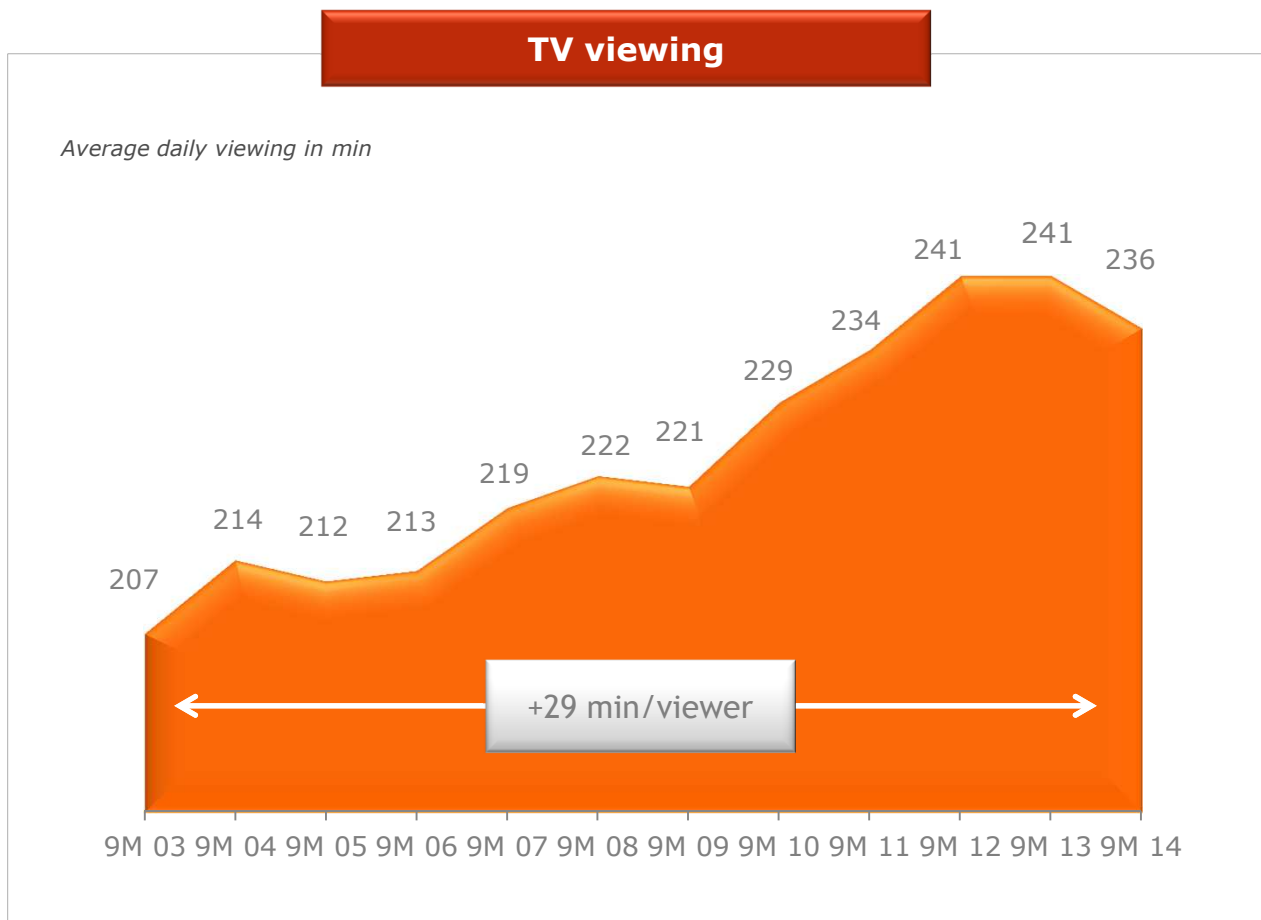
Mainly represents the business lines: Atresmedia Cine, Atresmedia Eventos, Others (Digital, Música Aparte,...).

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## 9M 14 Business Summary

# TV viewing

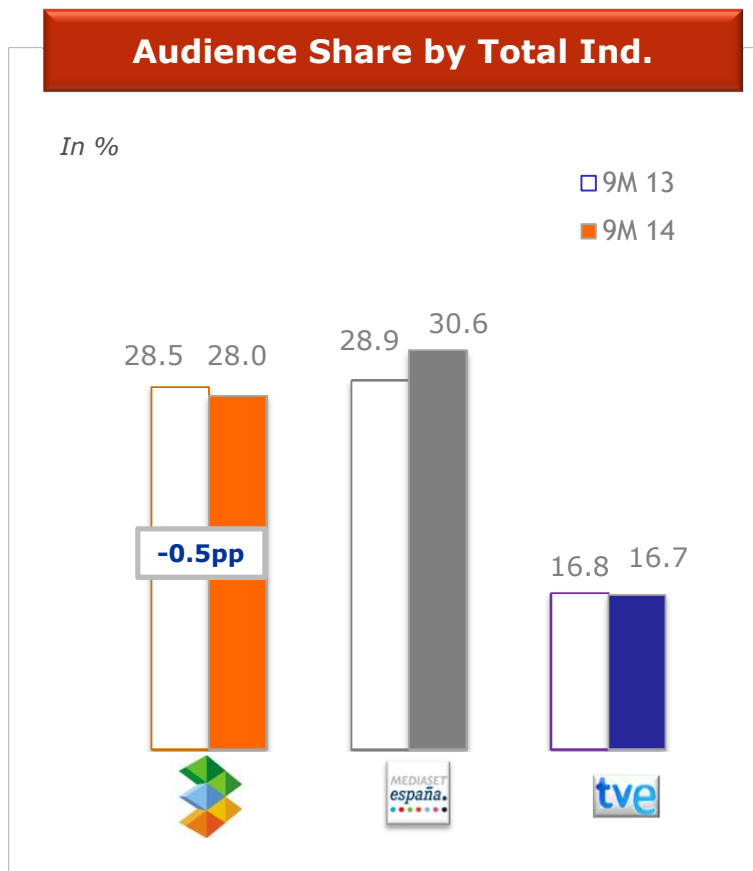
→ TV viewing remains at a very high level despite a 5-min decrease yoy



Source: Kantar Media

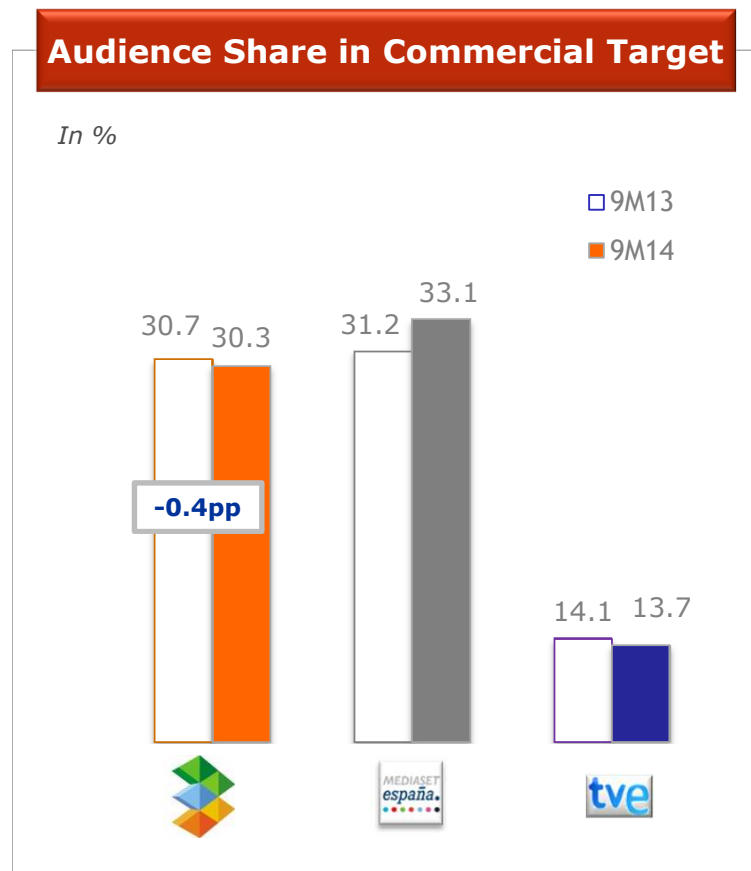
# TV audience shares: By groups

- Audience share just slightly below yoy due to a tough competitive environment (three channels less and impact of FIFA and FIBA WC audience)



Source: Kantar Media

Audience share 24h; Total Individuals: 4+

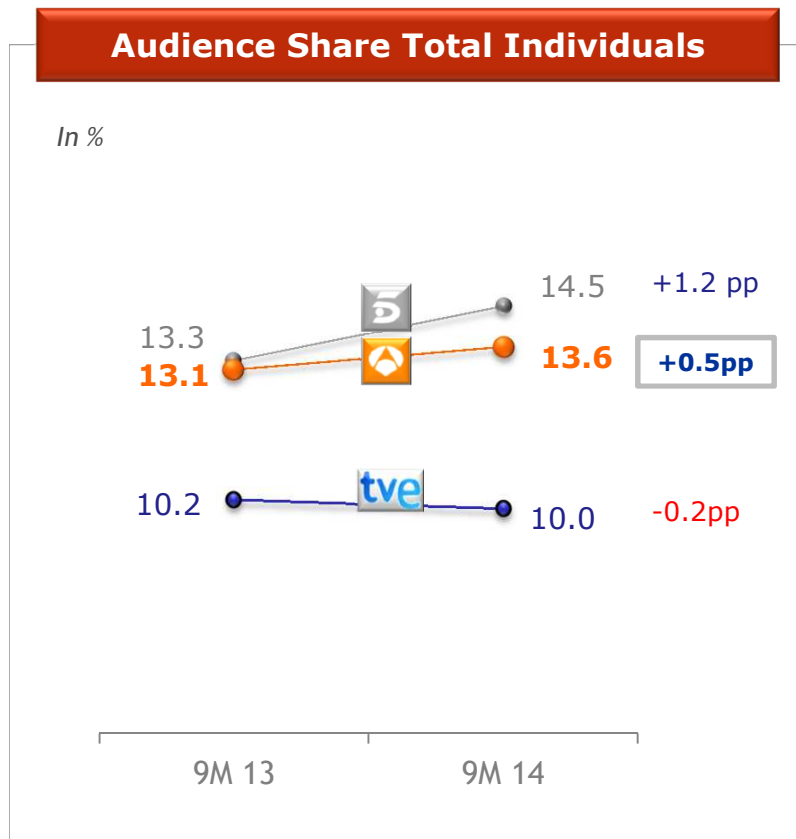


Source: Kantar Media

Commercial Target: 16-54 yrs, > 10,000 inhabitants

# TV audience shares: Core channels

- Antena 3 grew yoy both in Total Individuals and Commercial Target
- Antena 3 leads in Commercial Target



Source: Kantar Media

Audience share 24h; Total Individuals: 4+

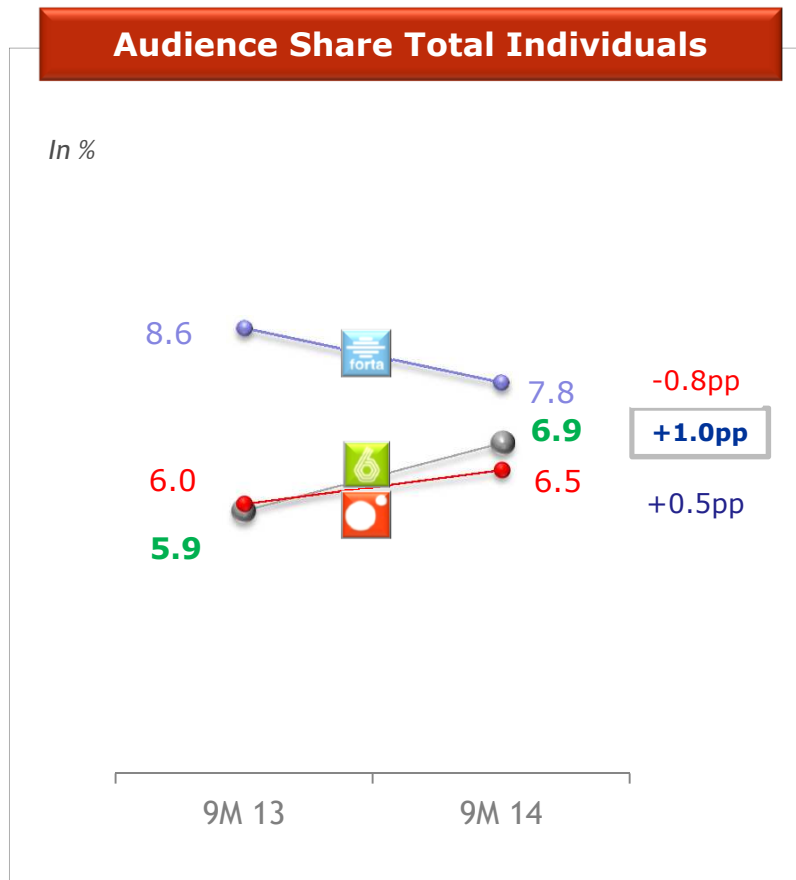


Source: Kantar Media

Commercial Target: 16-54 yrs, > 10,000 inhabitants

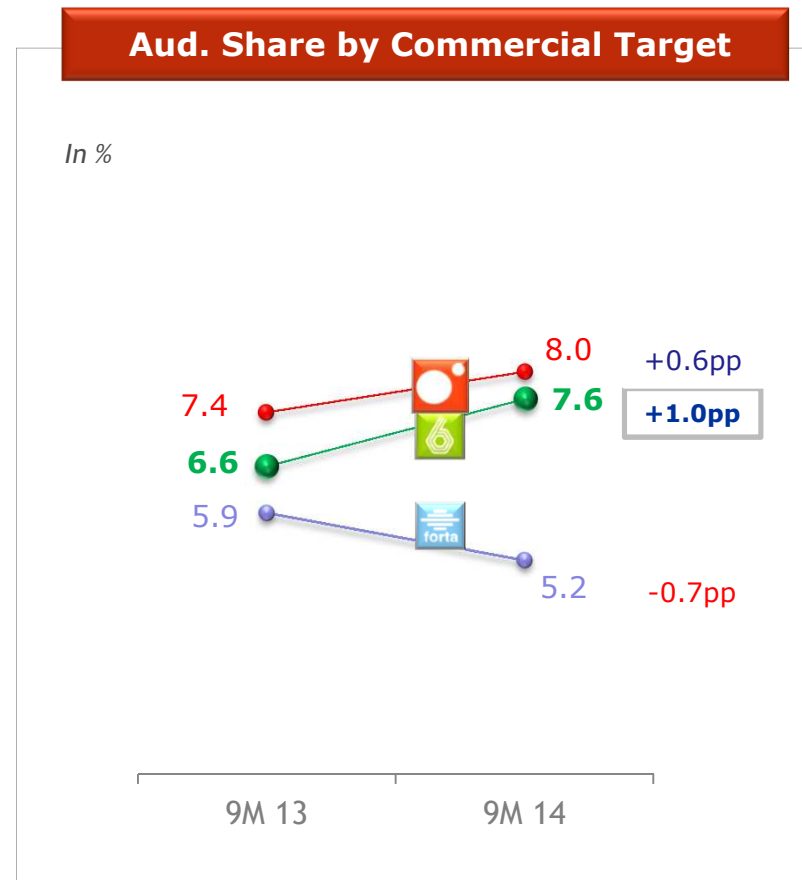
# TV audience shares: Secondary channels

→ La Sexta: the highest growth in audiences among the secondary channels



Source: Kantar Media

Audience share 24h; Total Individuals: 4+

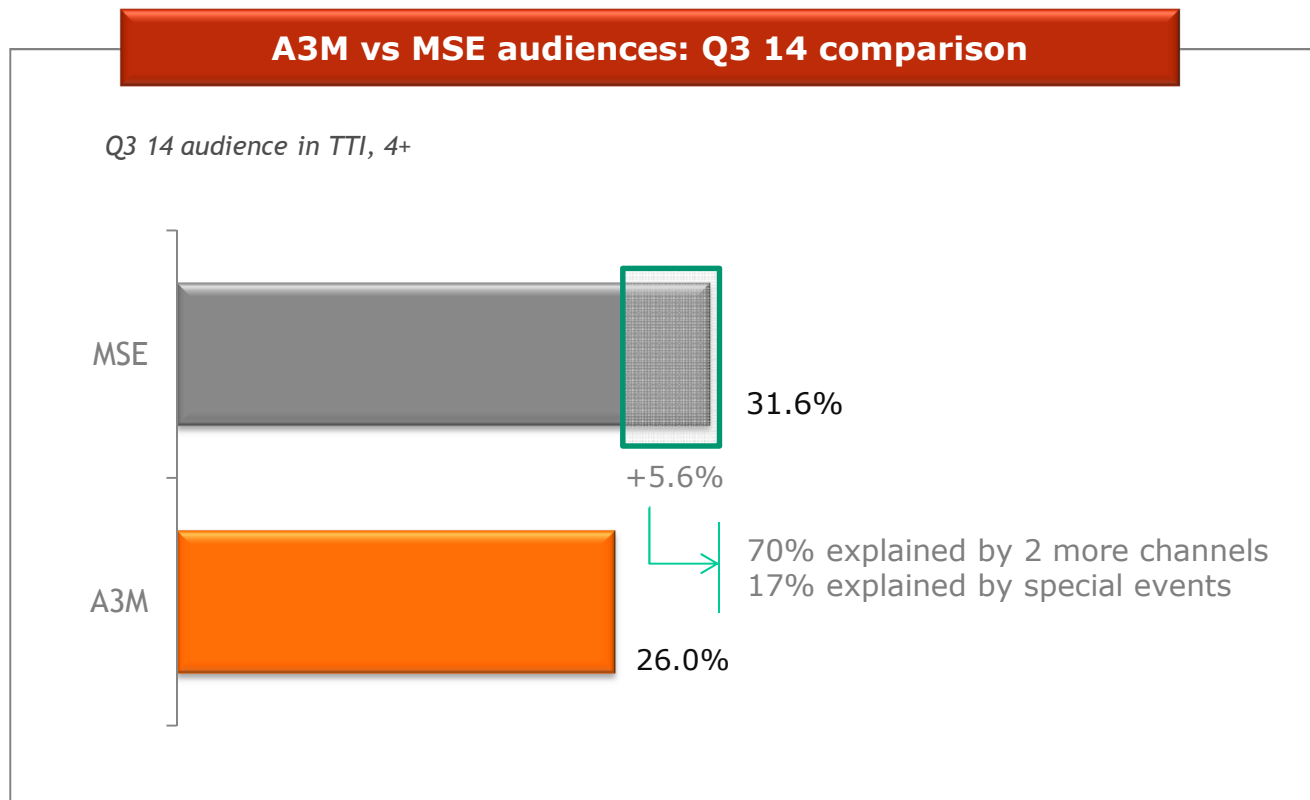


Source: Kantar Media

Commercial Target: 16-54 yrs, > 10,000 inhabitants

# Audience shares: Q3 14 comparison

- ➔ >85% of the difference in Q3 14 audience vs MSE is explained by the number of channels and special events

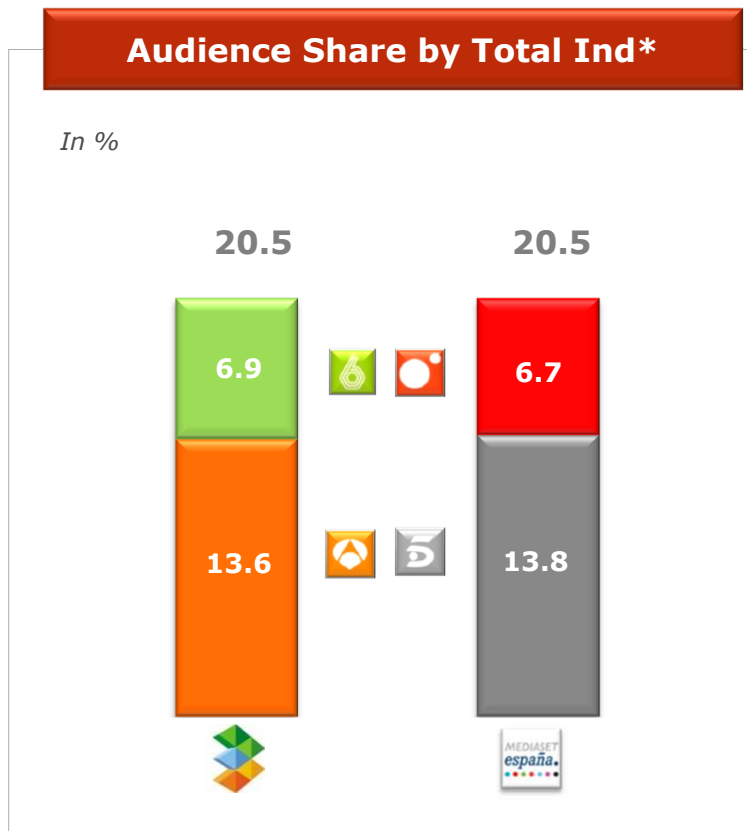


Source: Kantar Media



# Audience shares: Q3 14 comparison without sports events

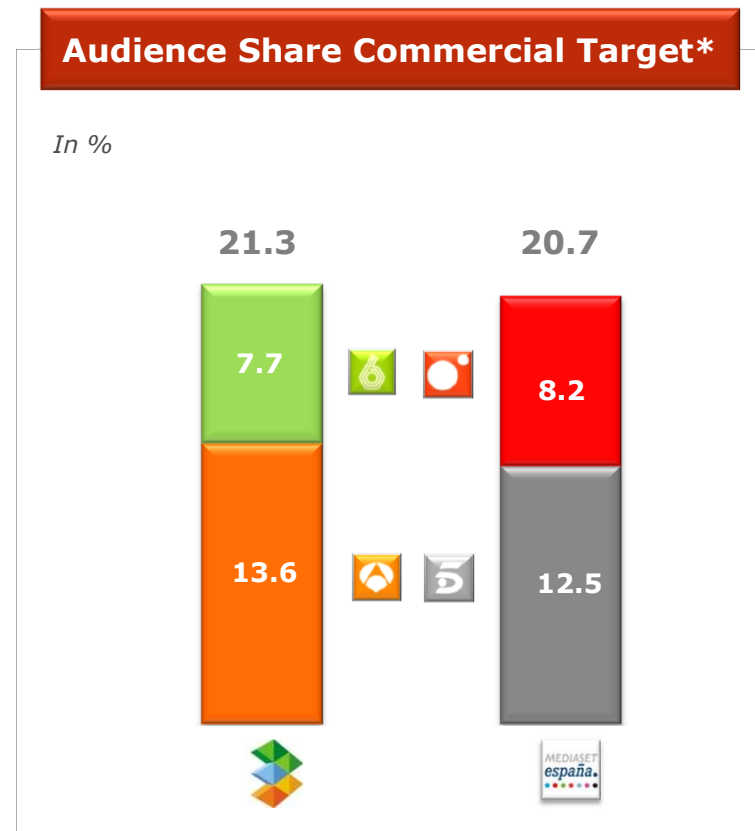
- Similar audience shares between Atresmedia and Mediaset's core channels when excluding the impact of the sports events in the quarter



Source: Kantar Media

Audience share 24h; Total Individuals: 4+

\* Average Audience share of days within Q314 without FIFA and FIBA World Cup rights

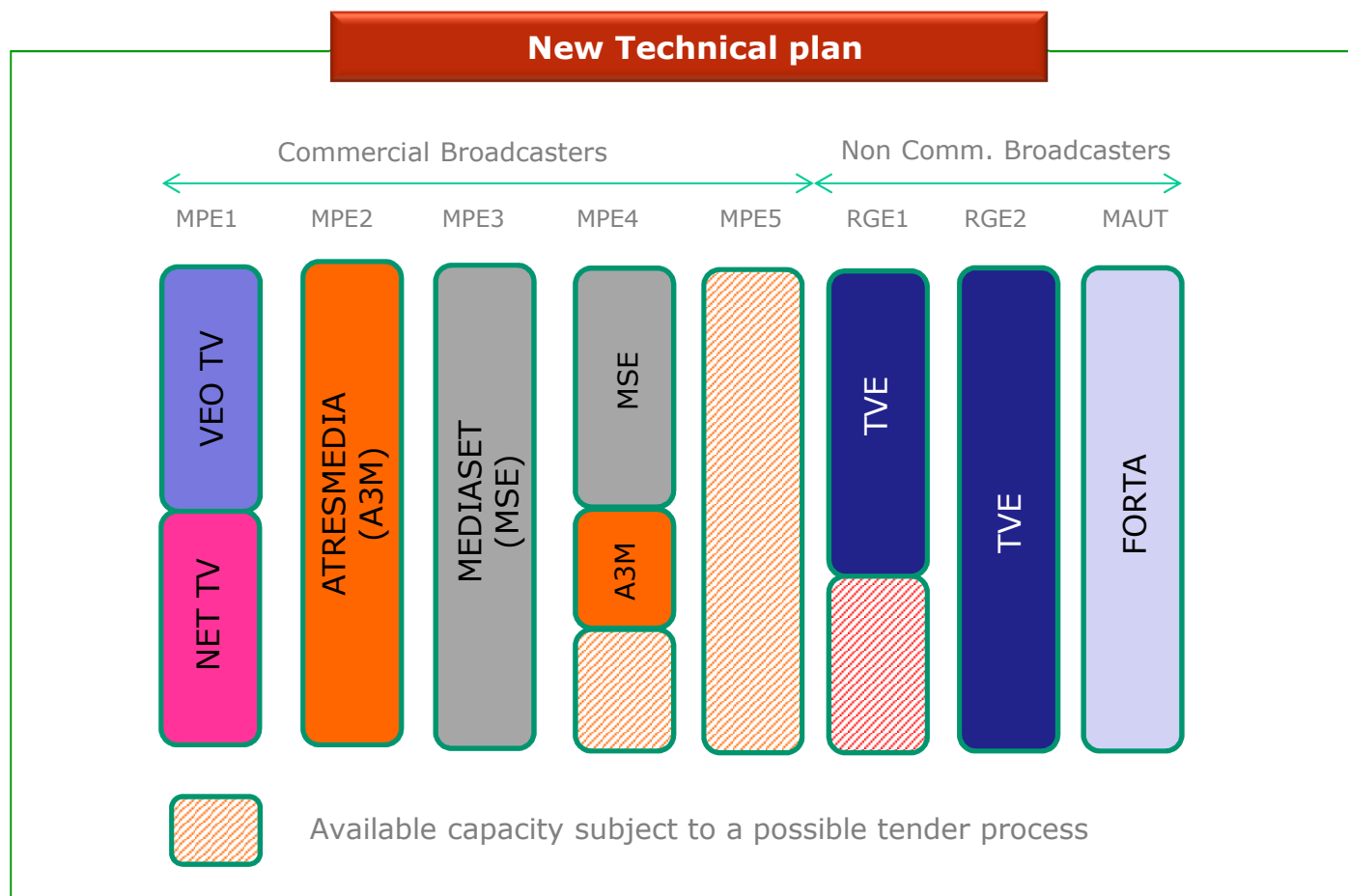


Source: Kantar Media

Commercial Target: 16-54 yrs, > 10,000 inhabitants

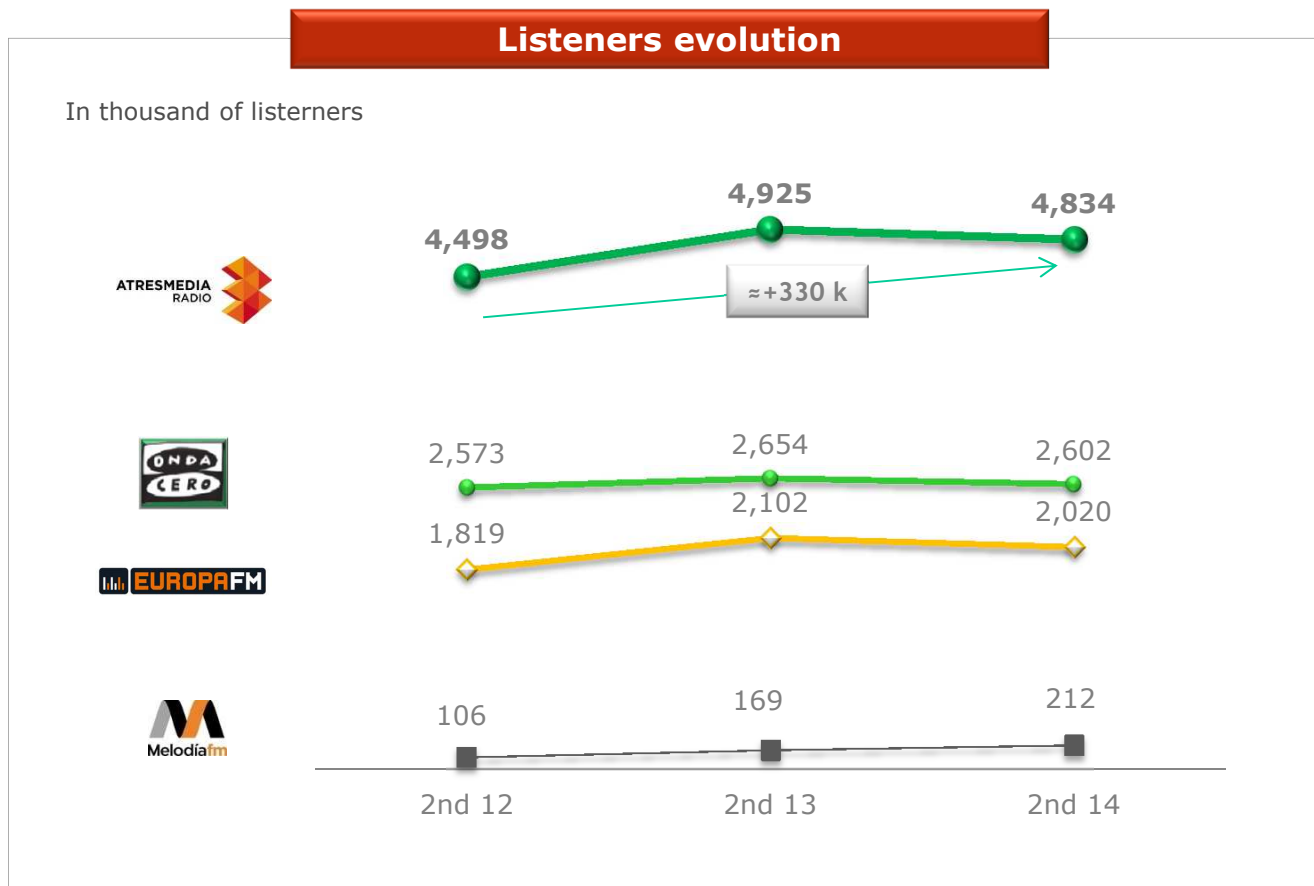
# Television Industry: Digital Dividend

➔ New DTT technical plan, which defines the FTA offer, approved in sept 14



# Atresmedia Radio

- Atresmedia Radio, consolidates 4.8 million listeners
- Onda Cero & Europa FM grow steadily survey after survey
- Melodía FM growing at a sound pace

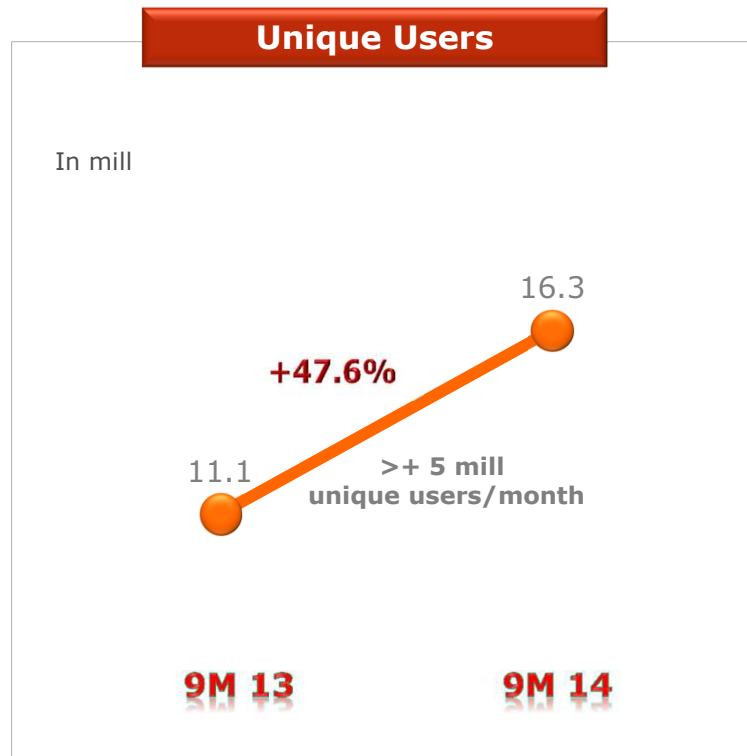


Source: EGM Surveys Monday to Friday (.000) ( Moving average).

\*Atresmedia Radio includes Onda Cero, Europa FM and Melodía FM

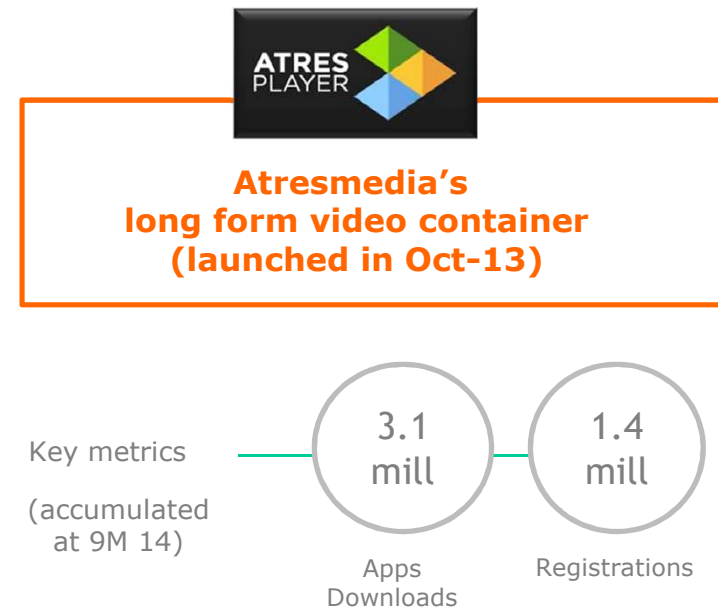
# Atresmedia Digital

- Monthly unique users increased by 48% up to 16.3 mill in 9M 14
- Atresplayer reaches >3 mill downloads one year after inception



Monthly average

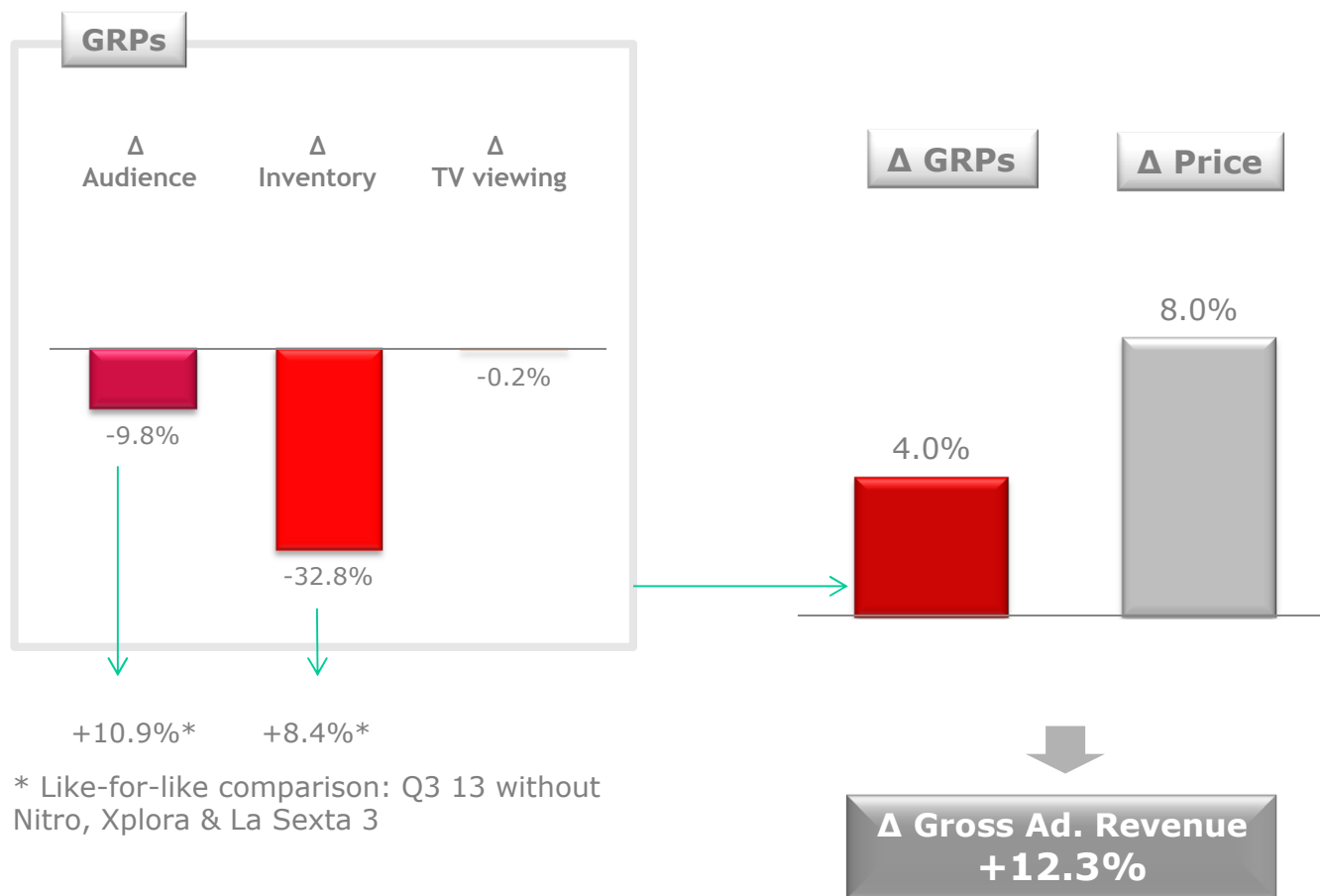
Source: Nielsen Market Intelligence/Adobe Analytics



**Back up**

# Atresmedia Television: Ad revenues breakdown in Q3 14

## Q3 14 Key factors



Source: Atresmedia's internal estimates

# Atresmedia

## Q3 14 Results in € mill: P&L

	Q3 14	Q3 13	YoY
<b>Net Revenues</b>	<b>175.6</b>	<b>158.1</b>	<b>+11.0%</b>
<b>OPEX</b>	<b>151.5</b>	<b>152.2</b>	<b>-0.5%</b>
<b>EBITDA</b>	<b>24.1</b>	<b>5.9</b>	<b>+305.4%</b>
<i>EBITDA Margin</i>	<i>13.7%</i>	<i>3.8%</i>	
<b>EBIT</b>	<b>20.0</b>	<b>1.6</b>	<b>+1,118.0%</b>
<i>EBIT Margin</i>	<i>11.4%</i>	<i>1.0%</i>	
<b>Net profit</b>	<b>9.3</b>	<b>-0.8</b>	<b>n/a</b>
<i>Net profit Margin</i>	<i>5.3%</i>	<i>n/a</i>	

Source: Atresmedia's financial statements

# Atresmedia Television

Q3 14 Results in € mill: P&L

	Q3 14	Q3 13	YoY
<b>Total Net Revenues</b>	<b>154.3</b>	<b>136.3</b>	+13.2%
<b>OPEX</b>	<b>132.8</b>	<b>137.0</b>	-3.1%
<b>EBITDA</b>	<b>21.5</b>	<b>-0.7</b>	n/a
<i>EBITDA Margin</i>	<i>14.0%</i>	<i>n/a</i>	
<b>EBIT</b>	<b>18.0</b>	<b>-4.2</b>	n/a
<i>EBIT Margin</i>	<i>11.7%</i>	<i>n/a</i>	

Source: Atresmedia`s financial statements



# Atresmedia Radio

Q3 14 Results in € mill: P&L

	Q3 14	Q3 13	YoY
<b>Net Revenues</b>	<b>17.1</b>	<b>16.1</b>	<b>+5.7%</b>
<b>OPEX</b>	<b>15.7</b>	<b>14.8</b>	<b>+6.0%</b>
<b>EBITDA</b> <i>EBITDA Margin</i>	<b>1.4</b> 8.0%	<b>1.3</b> 8.2%	<b>+3.4%</b>
<b>EBIT</b> <i>EBIT Margin</i>	<b>0.9</b> 5.4%	<b>0.7</b> 4.2%	<b>+38.0%</b>

Source: Atresmedia's financial statements

## Additional information

### Investor Relations Department

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