

ATRESMEDIA

www.atresmedia.com

Investor and Analyst Day

12th December 2013



Agenda

10:30

Welcome

Recent history of Atresmedia (Mr. Silvio González)

Atresmedia's positioning (Mr. Silvio González)

Advertising (Mr. Eduardo Olano)

Audience/Contents (Mr. Javier Bardají)

Digital (Mr. José Manuel González Pacheco)

Radio (Mr. Ramón Osorio)

Financials (Mr. Silvio González)

13:15

Q&A

Speakers



Mr. Silvio González
CEO Atresmedia



Mr. Eduardo Olano
General Manager
Atresmedia Publicidad



Mr. Javier Bardají
General Manager
Atresmedia Televisión

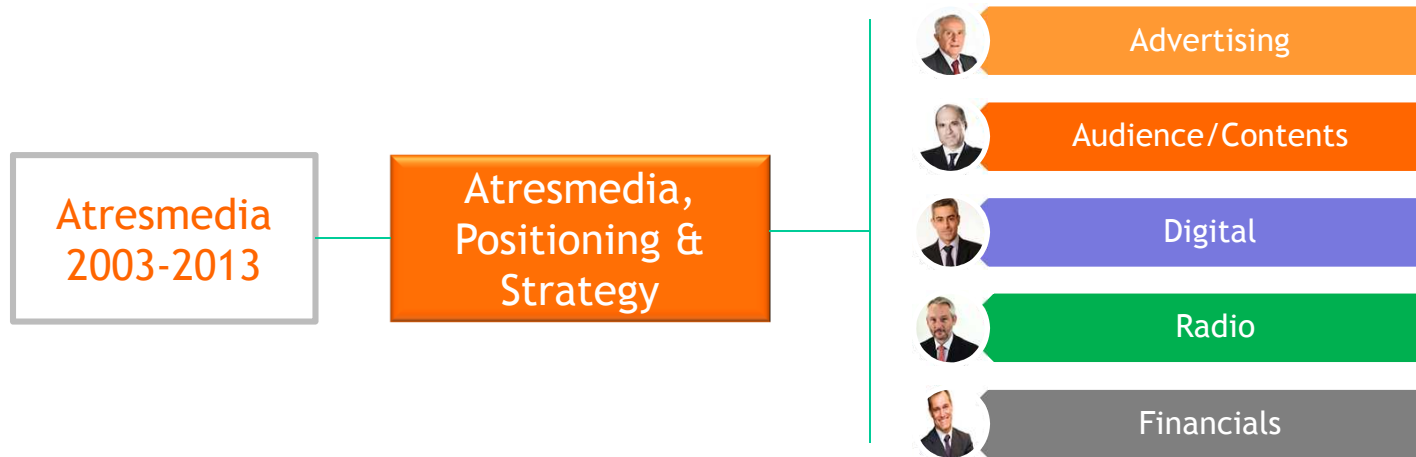


Mr. José M. González Pacheco
General Manager
Atresmedia Digital



Mr. Ramón Osorio
General Manager
Atresmedia Radio

Investor & Analyst Day



2003-2013 Highlights

Media Industry

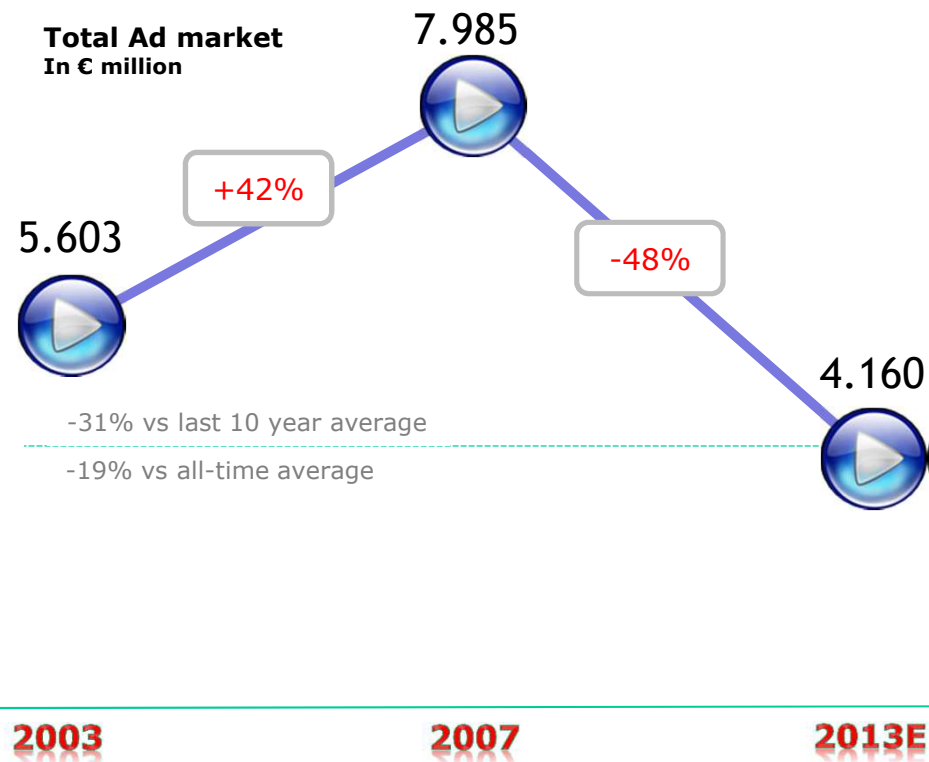
- High volatility in Ad market
- Significant changes in the industry
- TV: The most important medium

Atresmedia

- Excellent capacity to adapt
- Best in class
- Solid foundations to face the future

Spanish Ad market

Current Ad market 30% below last 10 year average

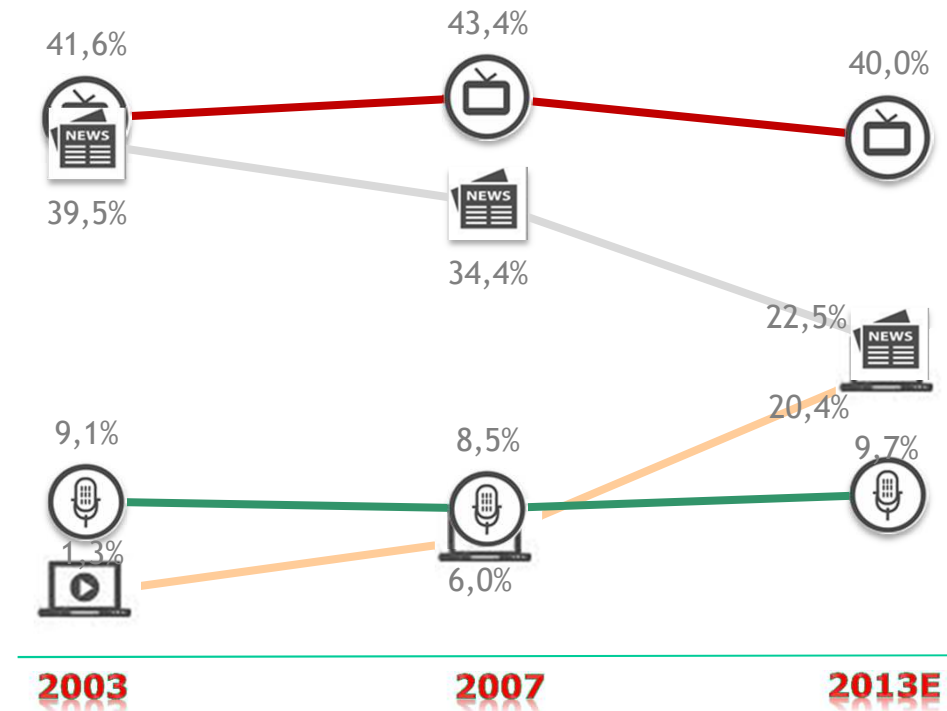


Source: Infoadex. 2013e: Arce Media.

Spanish Ad market

TV and Radio stable. Internet grabbed Press share

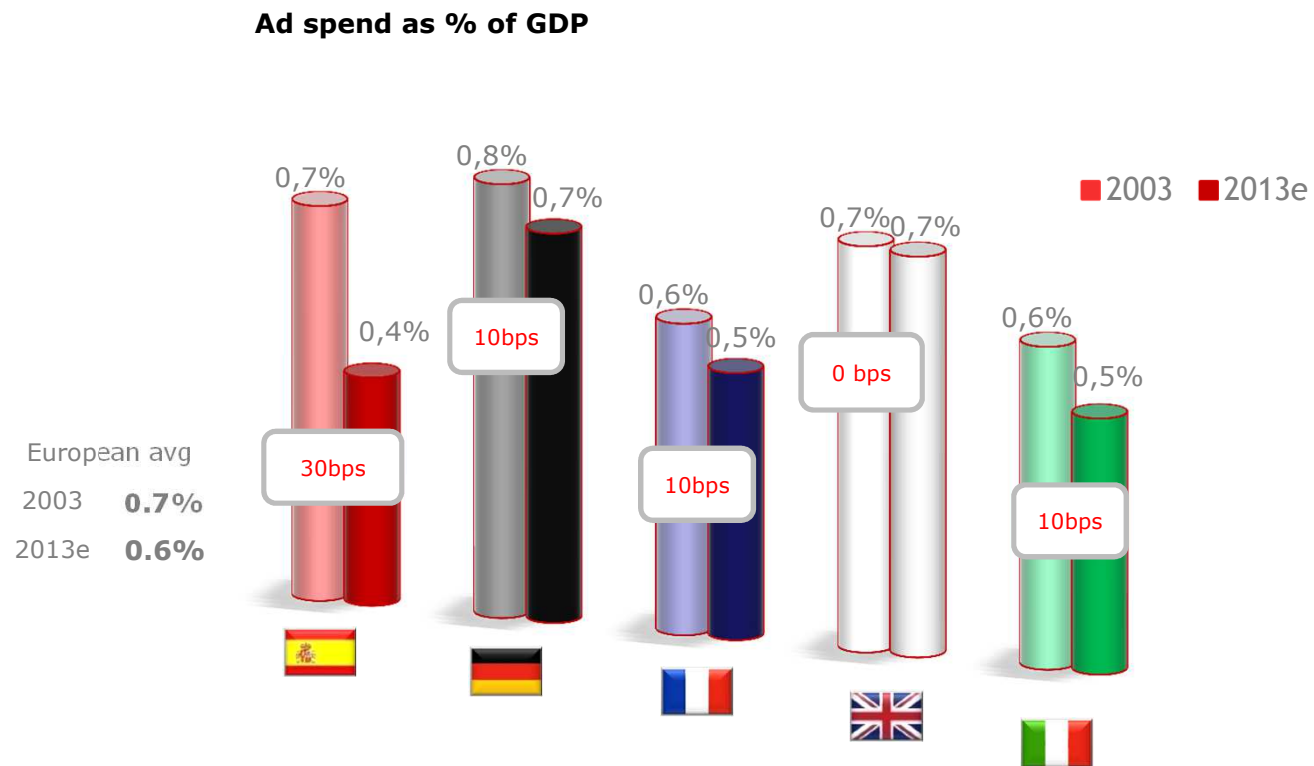
Ad market by media



Source: Infoadex. 2013e =Arce Media

Spanish Ad market

Spain: the biggest drop in Ad spend intensity

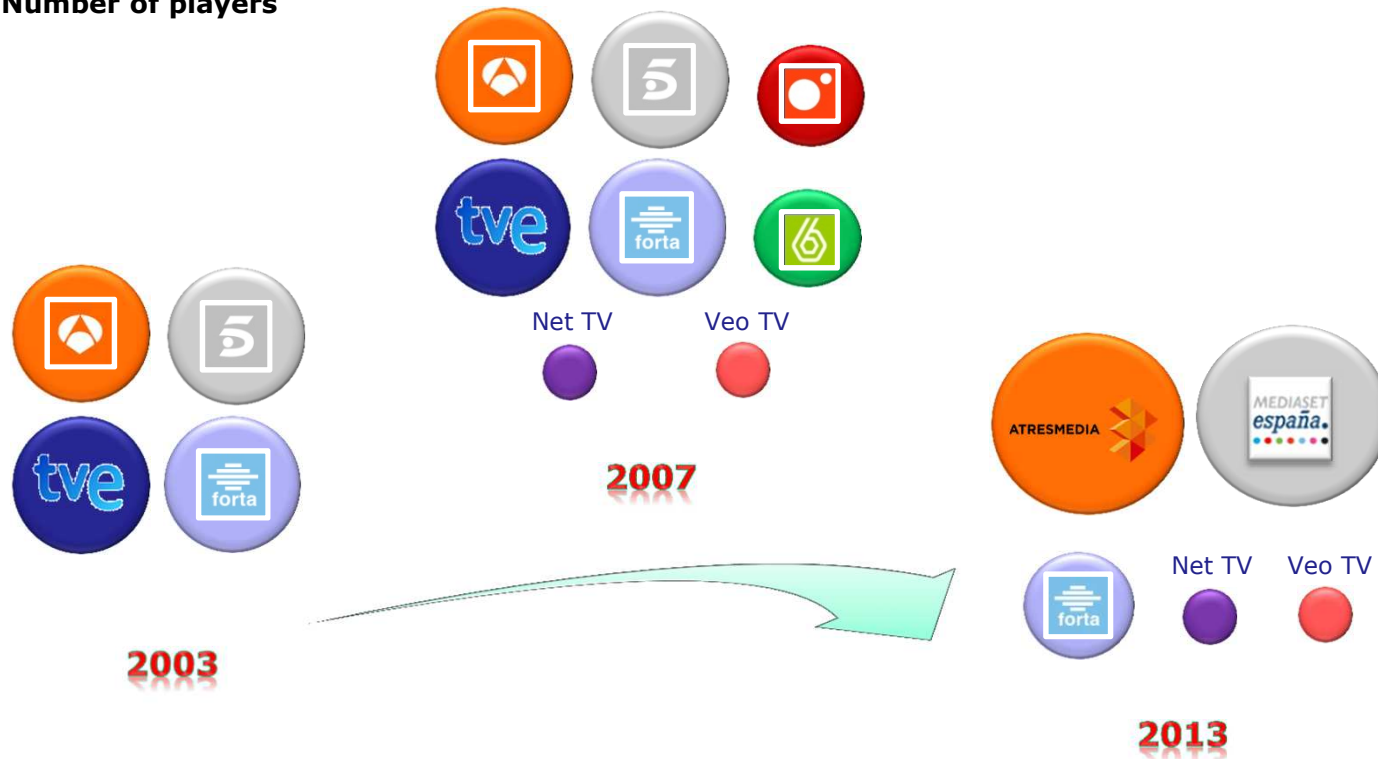


Source: Eurostat. Infoadex & other sources

Television industry

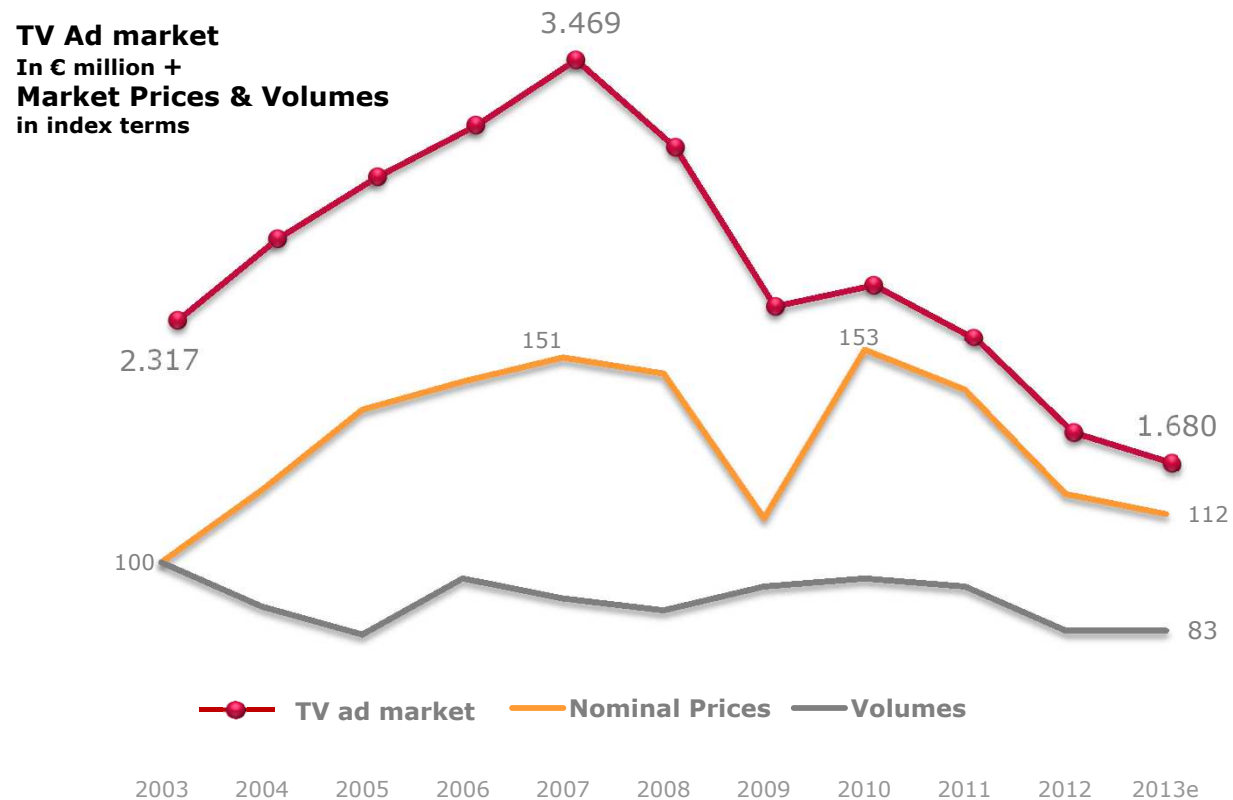
Significant changes in the TV market structure

Number of players



Television industry

Prices and volumes at very low levels

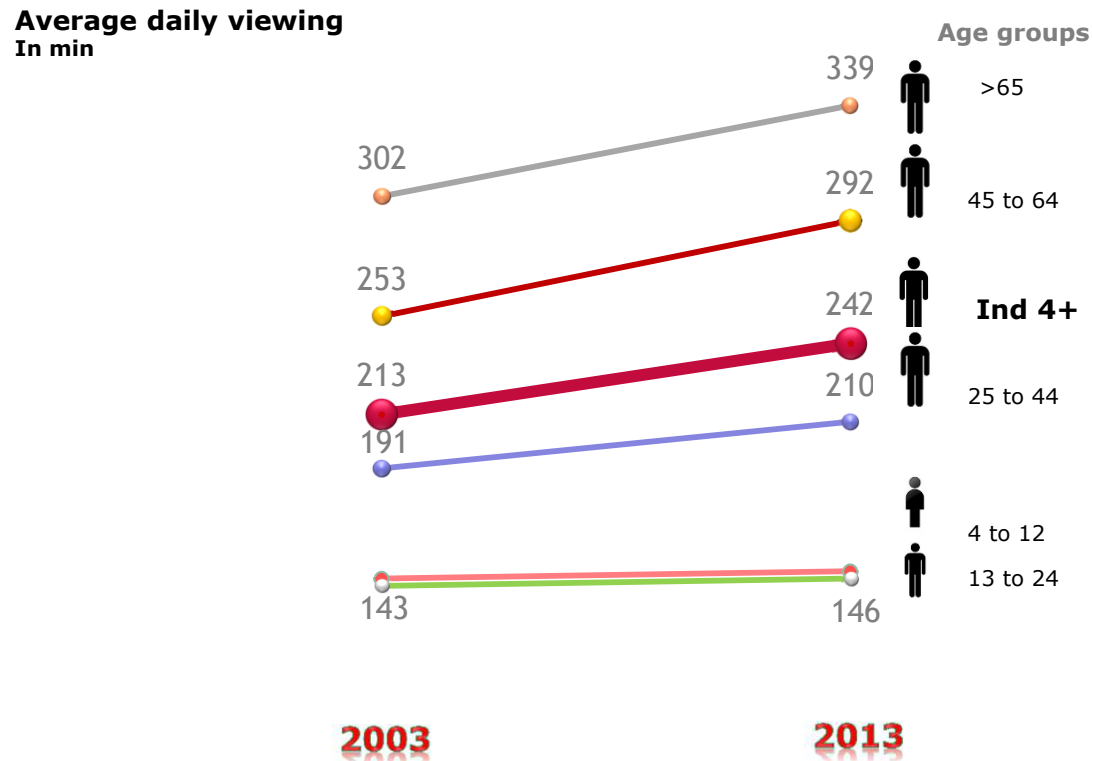


Source:

- TV Market: Infoadex. 2013e: Arce Media
- Prices: Internal estimates. Conventional advertising. 2013e: Jan-Nov 13
- Volumes: Internal estimates. Commercial hours: 13h-25h. Conventional advertising excluding TVE. 2013:e Jan-Nov 13

Television industry

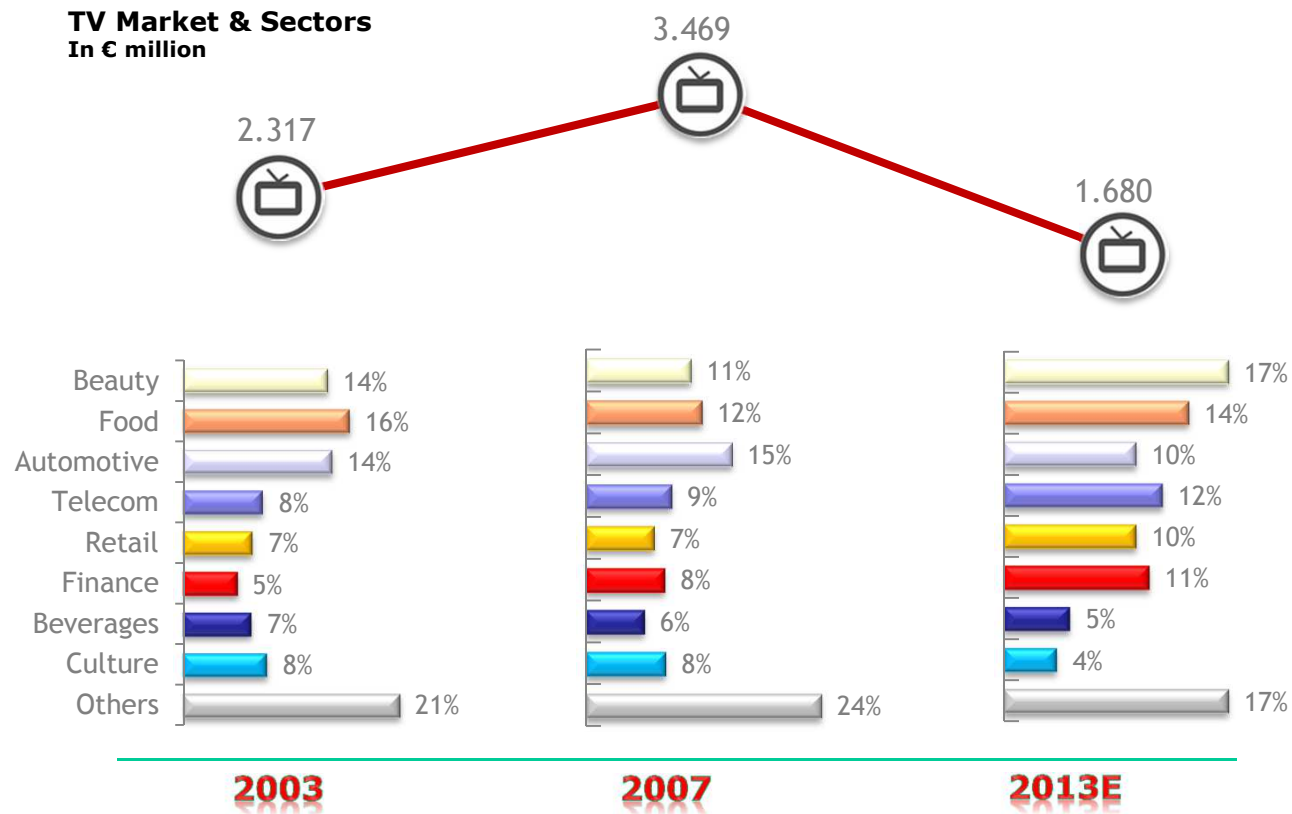
TV viewing in constant growth in all age groups



Source: Kantar Media. 2013 at Nov 30

Television industry

Sector shifts throughout the decade

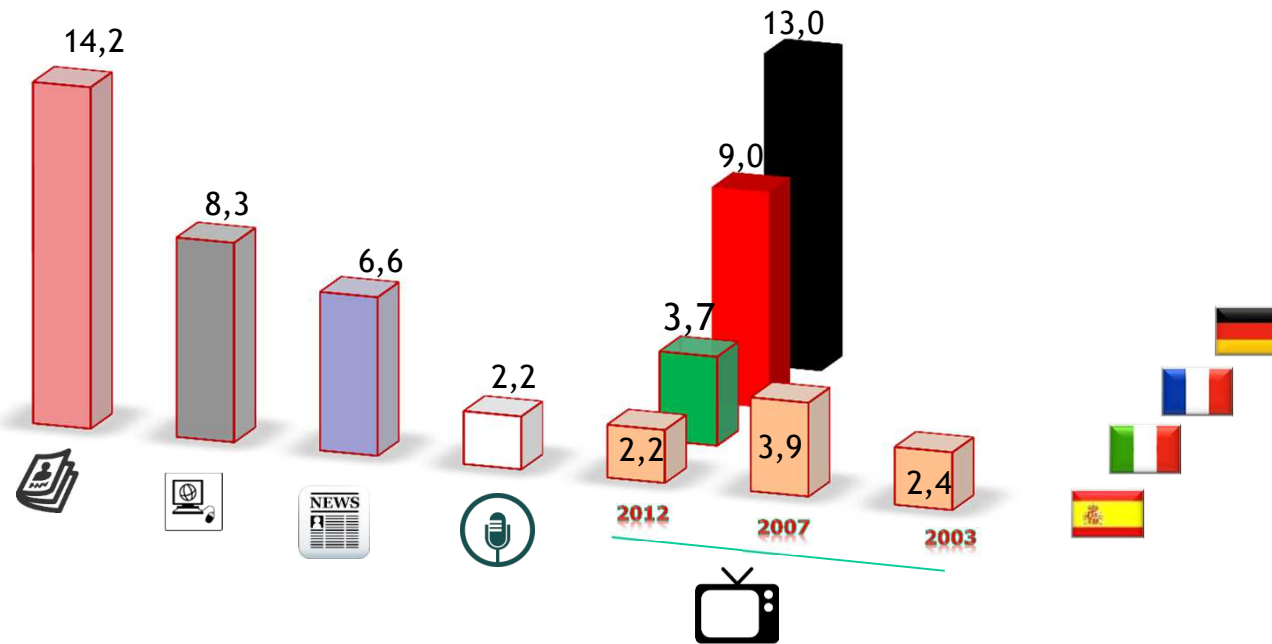


Source: Infoadex and Arce Media (2013e). Sectors (internal estimates) 2013e: 9M13

Television industry

Spanish TV CPM: The lowest among media and countries

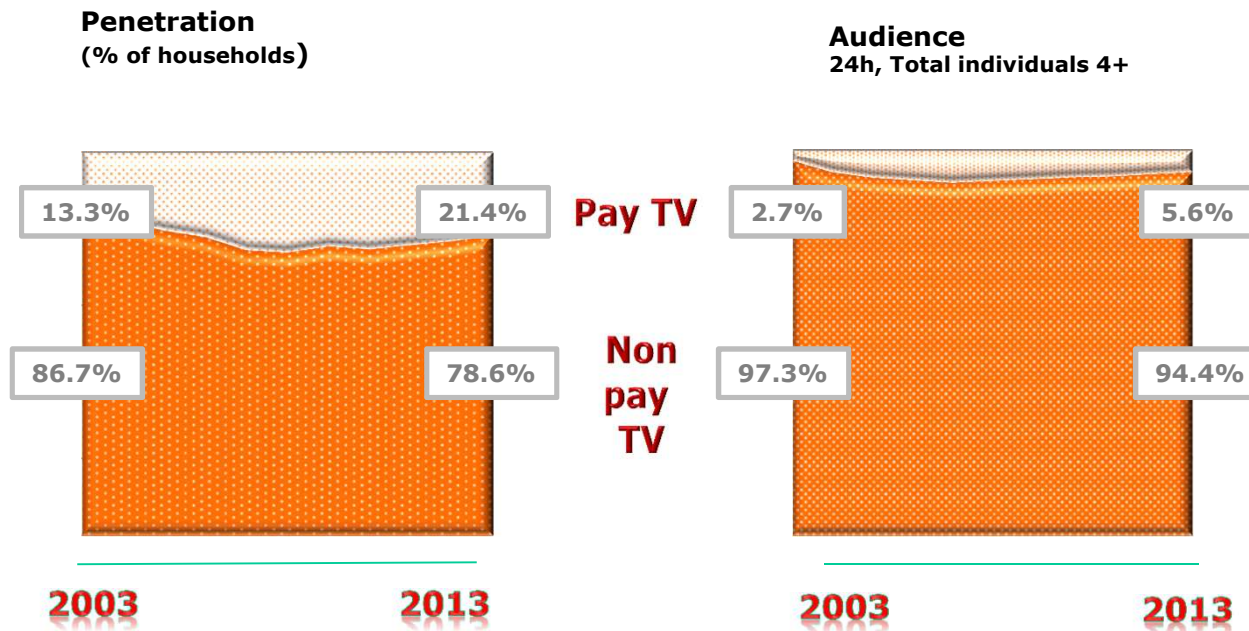
**CPM by media &
TV CPM by country**
In €/1,000 impacts



Source: P. Network 2012. EGTA Database 2012. Kantar Media. Arthur D. Little. Internal estimates

Television industry

Pay TV in Spain: Low audience & penetration

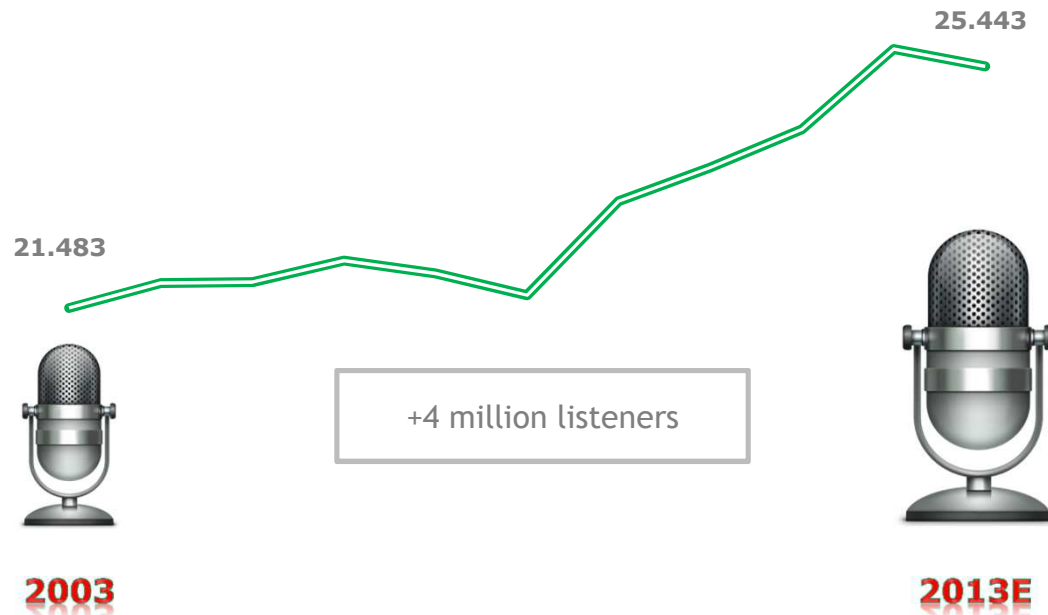


Source: Kantar Media
2013 at Nov 30

Radio industry

Current radio audience at its peak

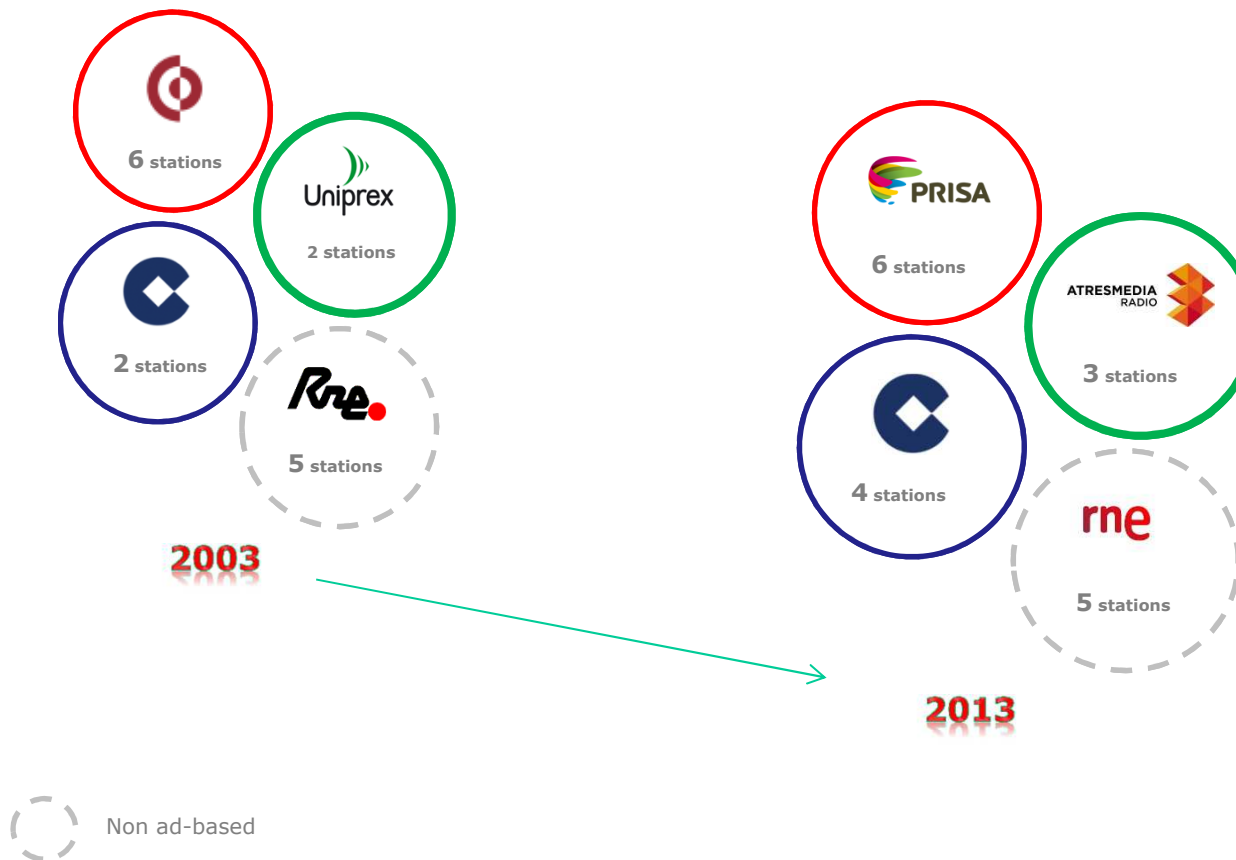
Total number of listeners



Source: EGM. Yearly average

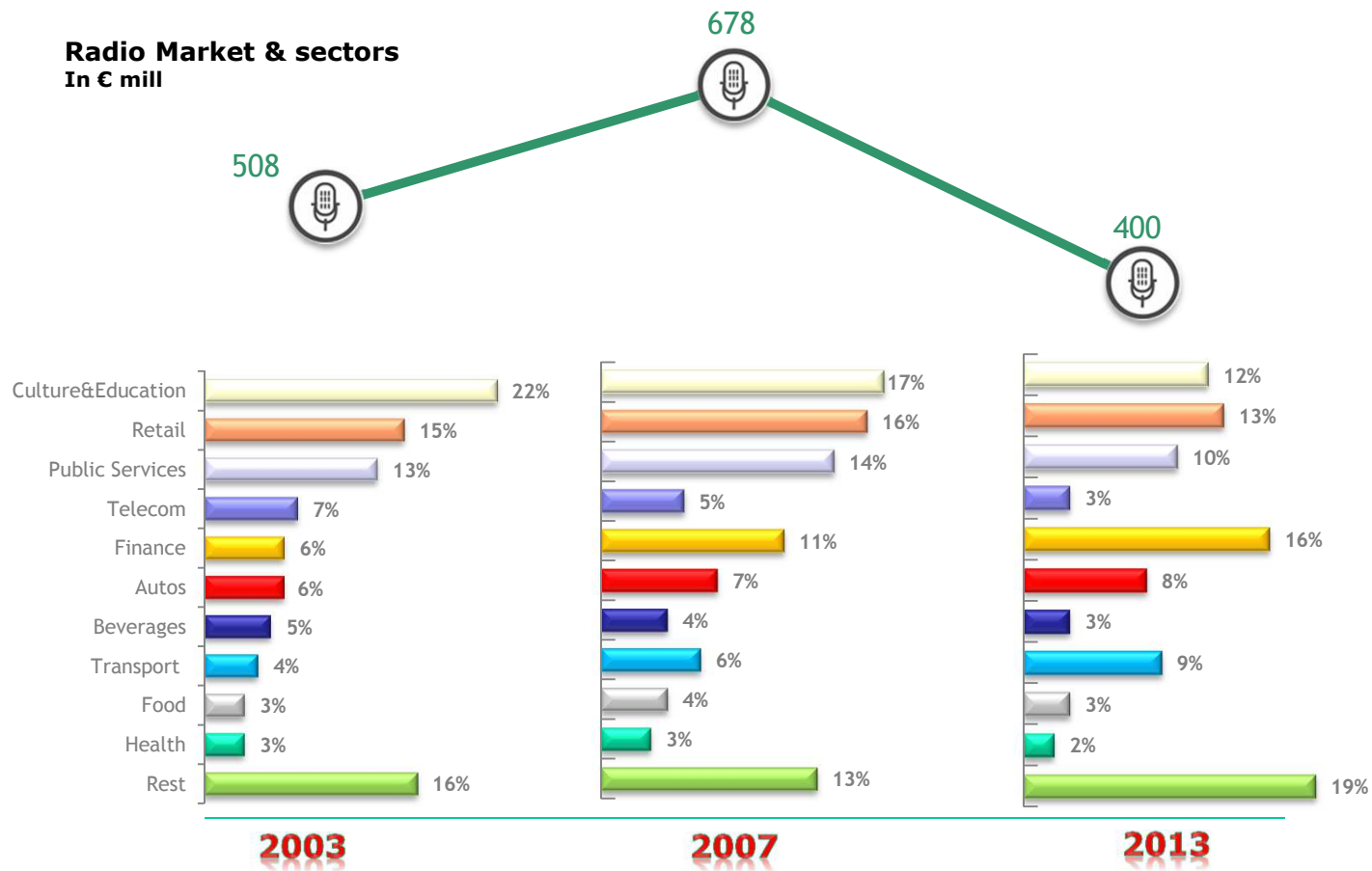
Radio industry

Radio market structure remains stable



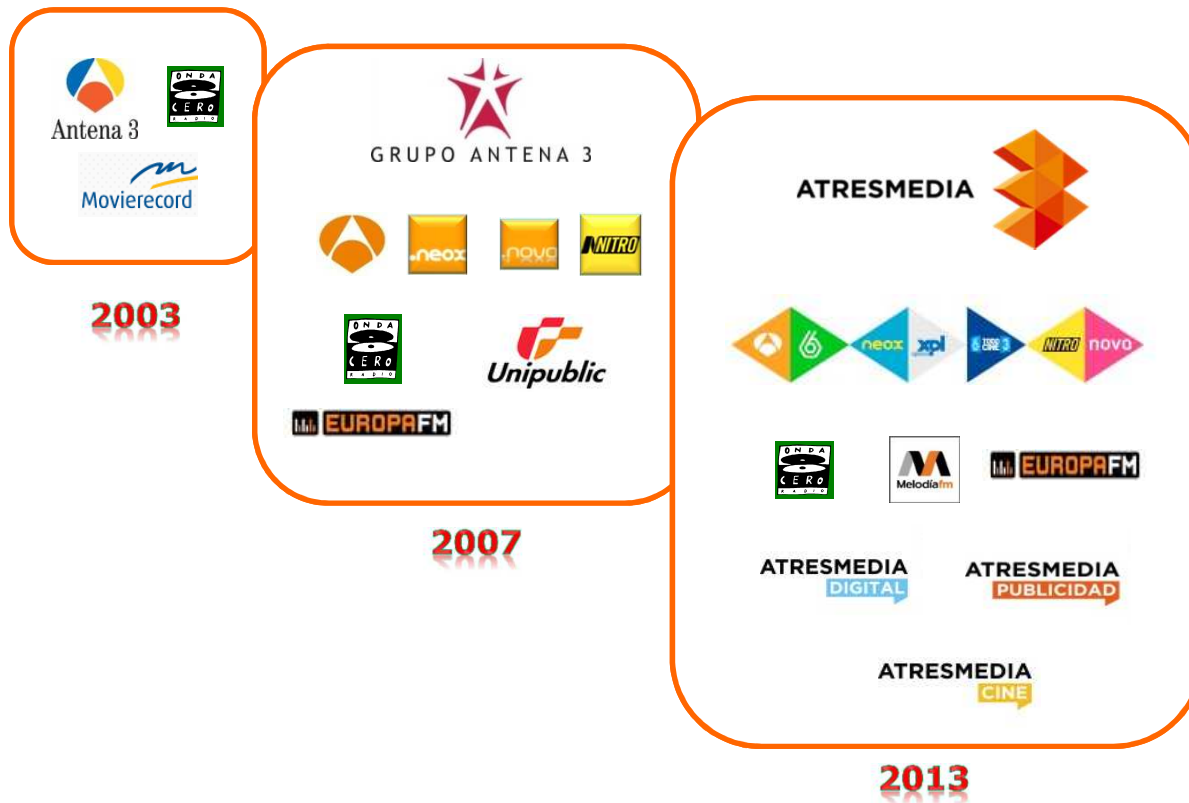
Radio industry

Significant changes in sector weights

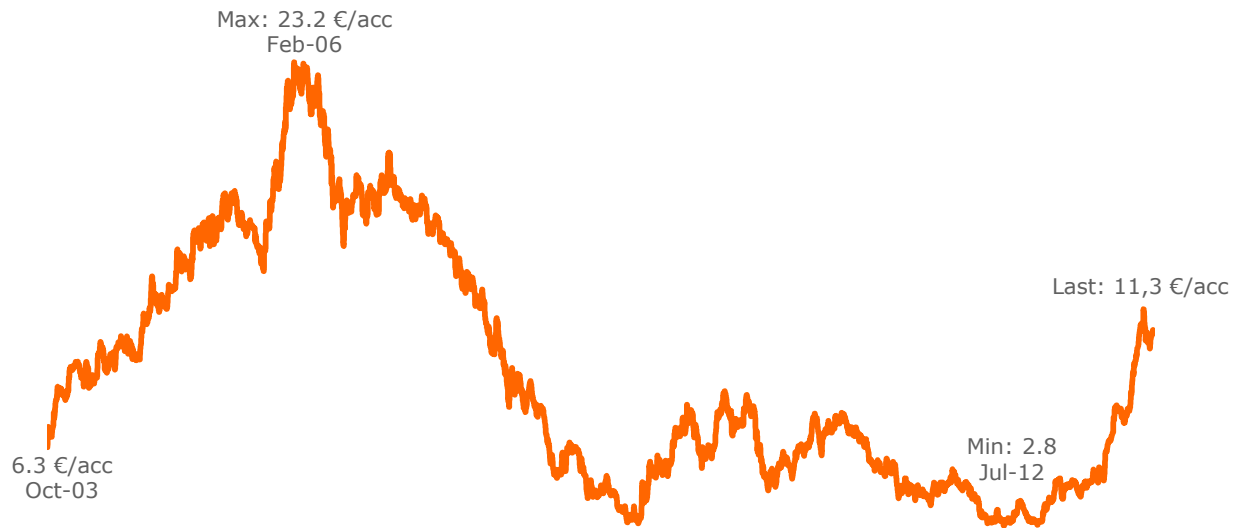


Source: Infoadex and Arce Media (2013e). Sectors (internal estimates) 2013e: 9M13

Continuously growing to become a leading group



Stable shareholder structure



2003

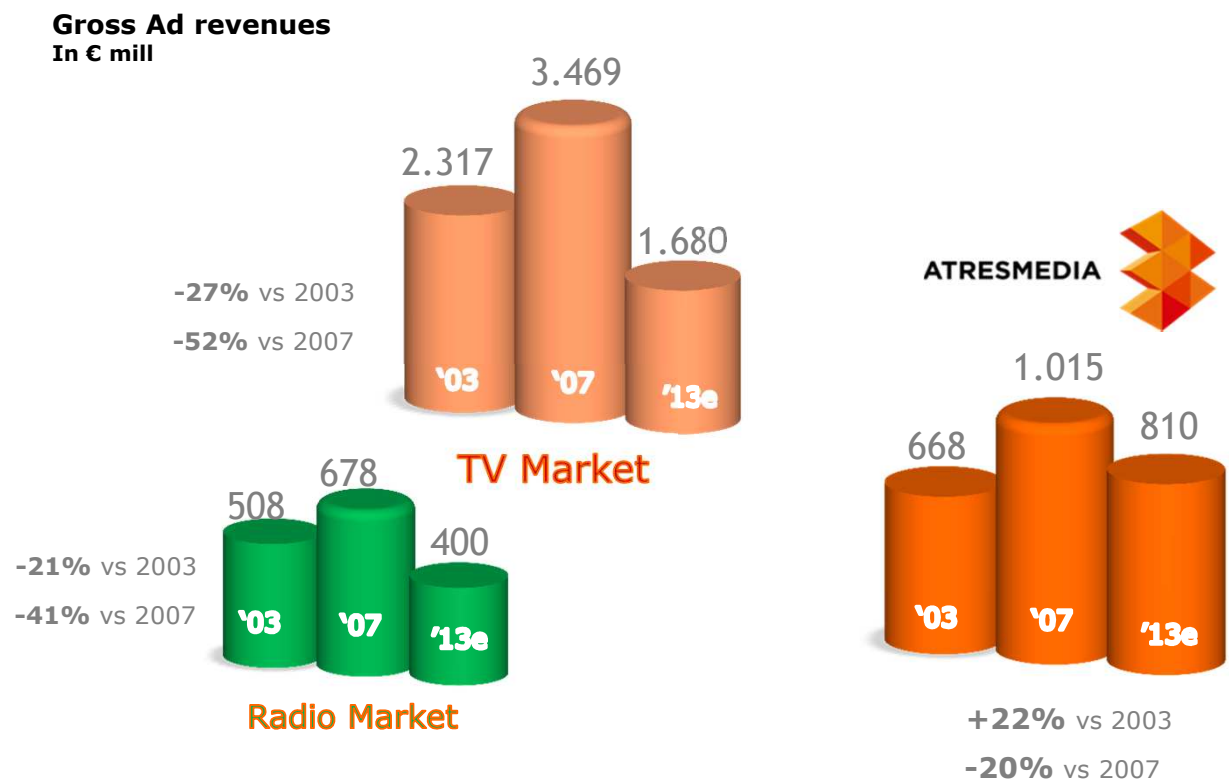
33.5%
17.2%
0.0%
0.0%
10.0%
39.2%

Planeta-De Agostini
RTL Group
Shareh. La Sexta
Treasury stock
Others
Free-float

2013

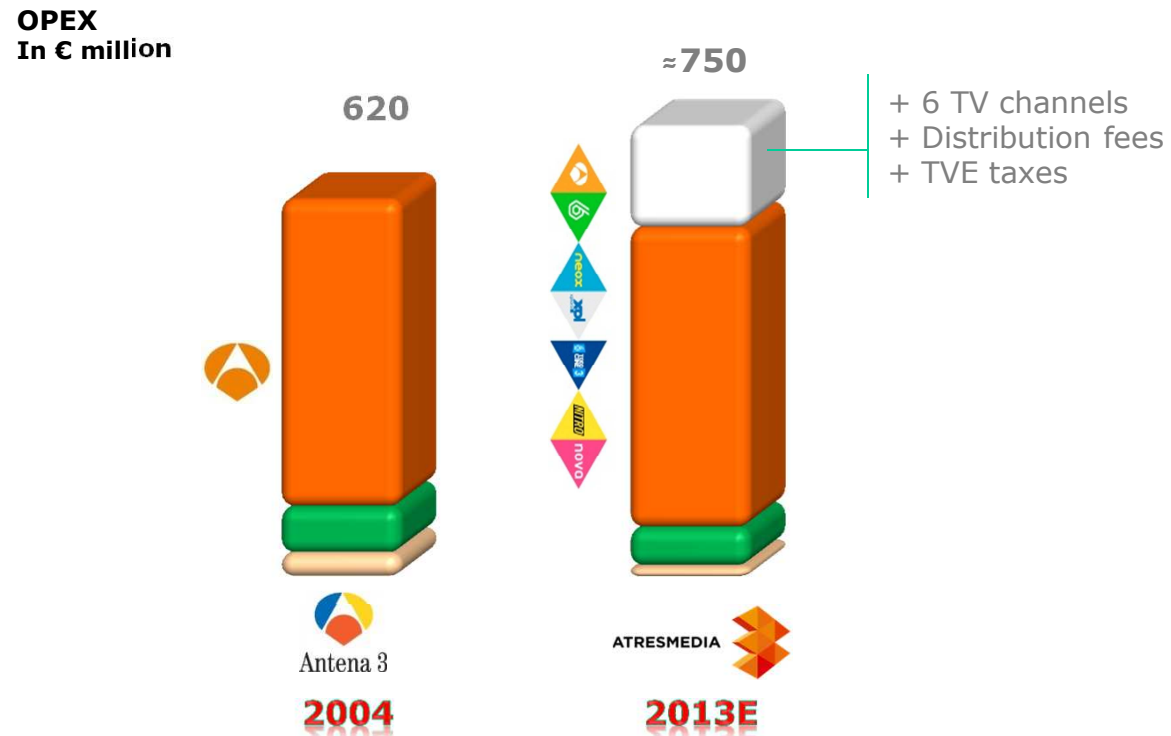
41.7%
19.2%
7.0%
7.0%
0.0%
25.1%

Atresmedia outperforming the market



Source: Infoadex. 2013: Arce Media & Market consensus

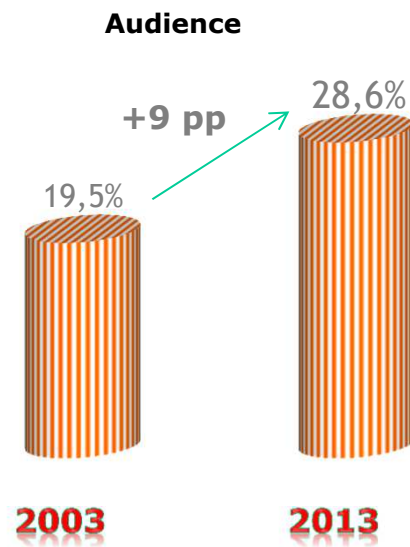
Significant economies of scale



Source: Internal estimates. 2013: Market consensus

Atresmedia Television

Television: audience share boosts market share



Source: Kantar Media (Total Ind 4+)
2013 at Nov 30

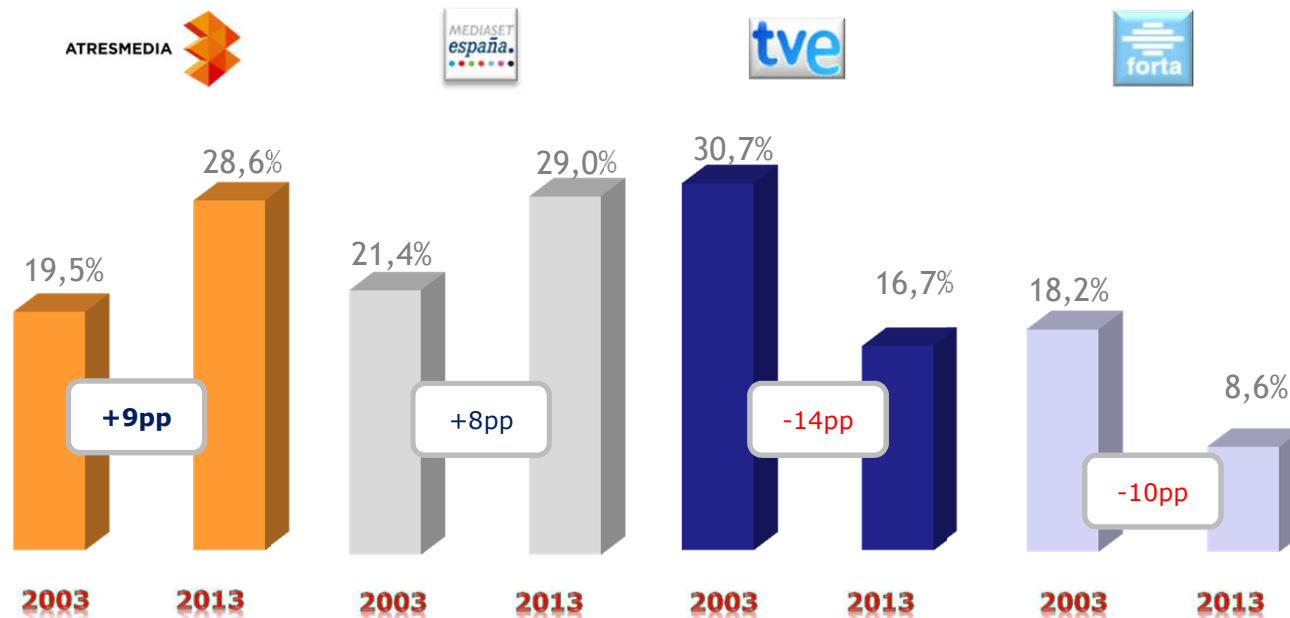


Source: Infoadex. 2013: 9M13

Atresmedia Television

Audience: best in class in Total Individuals...

Audience share 4+

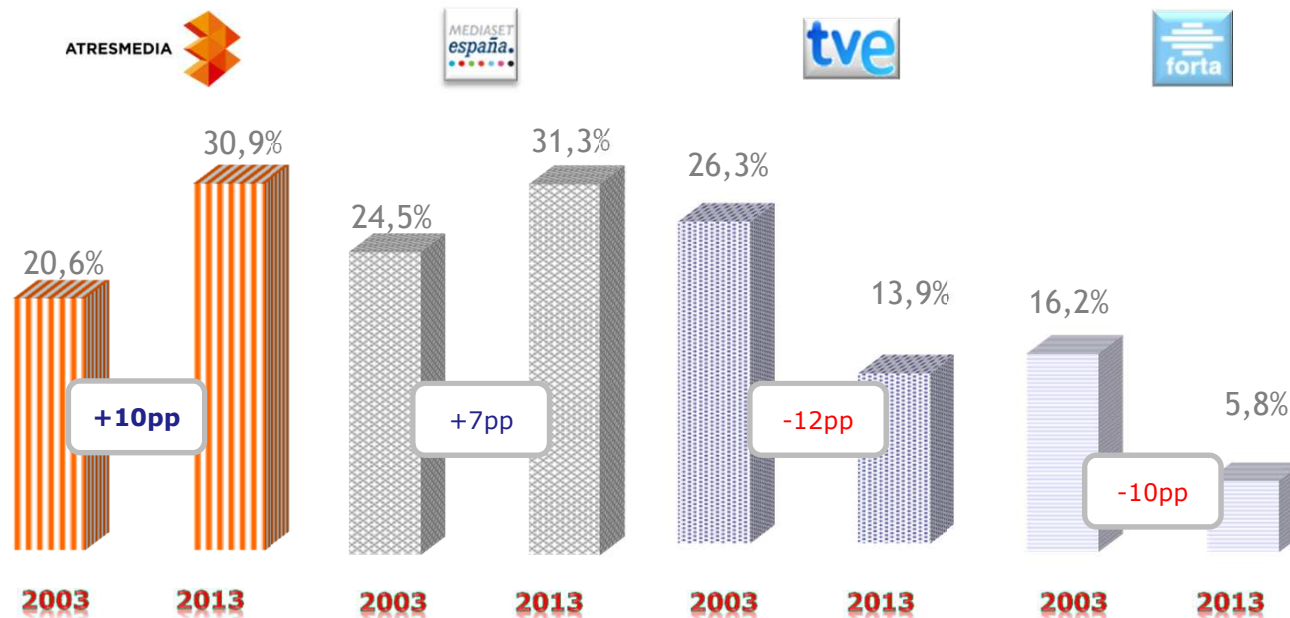


Source: Kantar Media (Total Ind 4+). 2013 at Nov 30

Atresmedia Television

...and in Commercial Target

Commercial Target

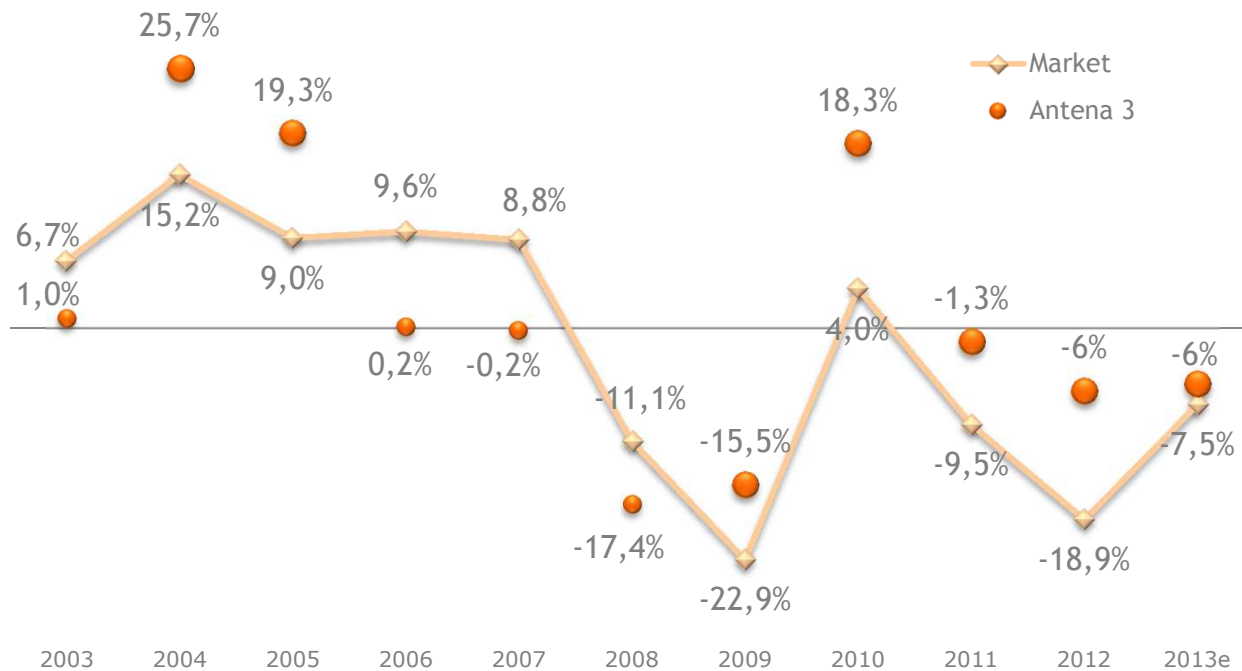


Source: Kantar Media. Commercial Target (16-54 y). 2013 at Nov 30

Atresmedia Television

Outperforming the market in 7 years of the decade

TV Gross Ad Revenues yoy



Source: Infoadex. 2013e: Arce Media & Market Consensus. Atresmedia proforma in 2013e

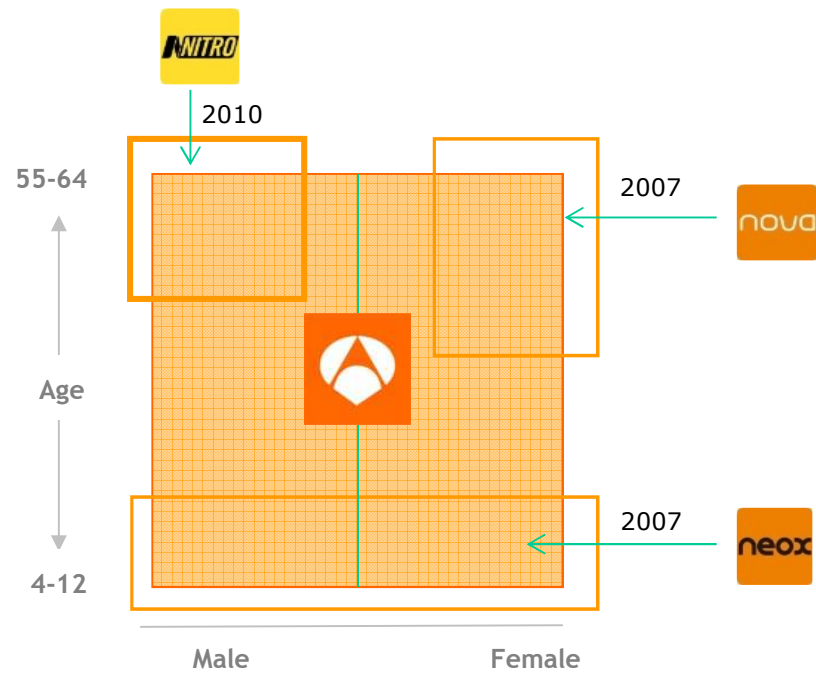
Atresmedia: Key strategic decisions

Four key strategic decisions



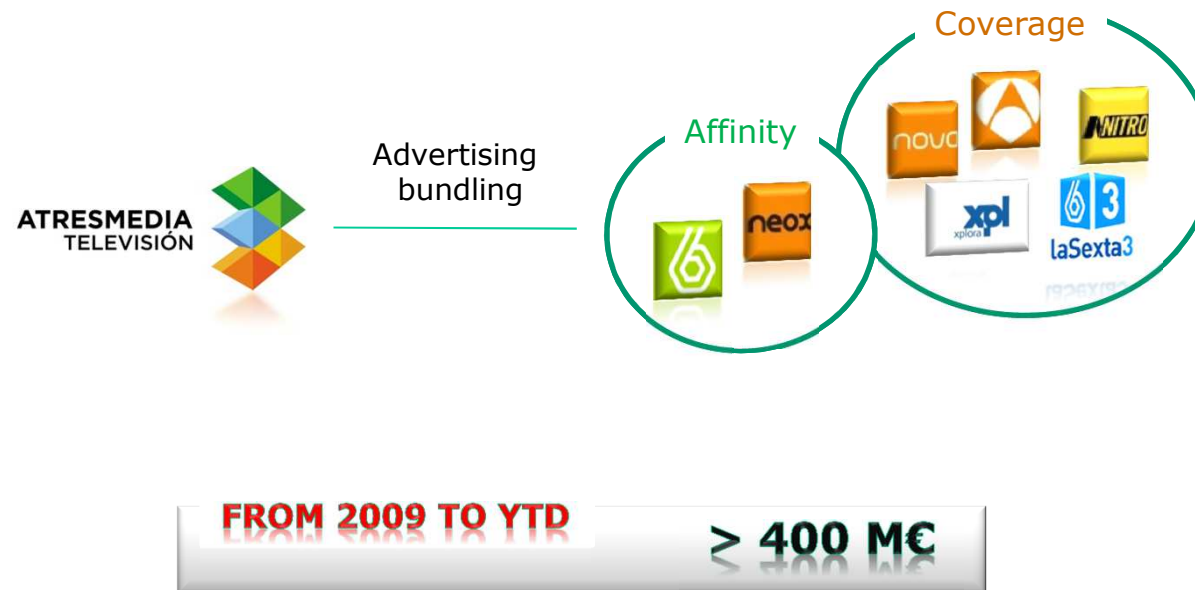
Atresmedia: Key strategic decisions

Pioneers in the family of channels strategy



Atresmedia: Key strategic decisions

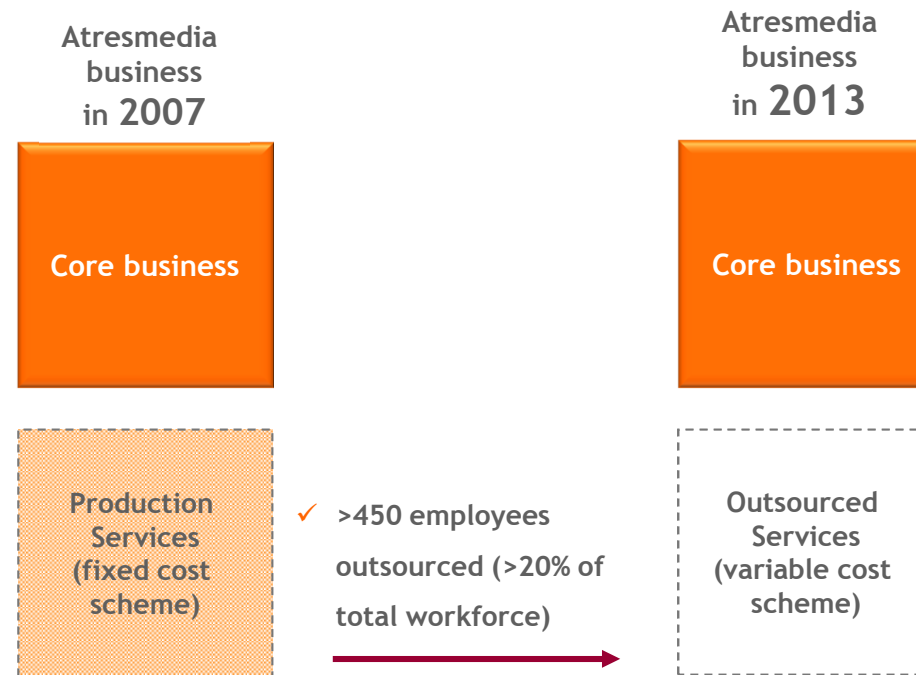
Unique commercial offer



Source: Internal estimates

Atresmedia: Key strategic decisions

Greater cost structure flexibility



Atresmedia: Key strategic decisions

Successful merger



Audience share

- ✓ Antena 3: Best rating since 2006
- ✓ La Sexta: All-time high audiences

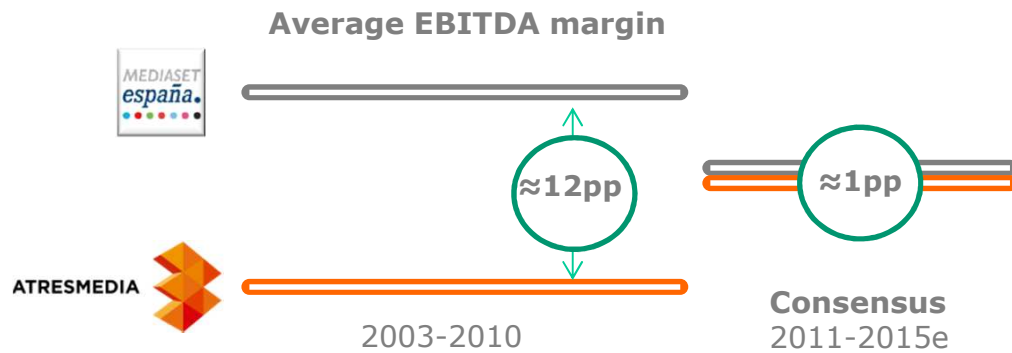
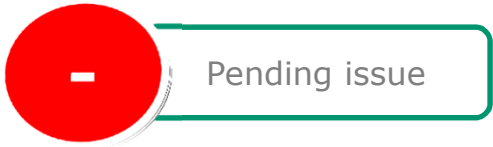
Synergies

- ✓ Market share gains are real (+2pp)
- ✓ Cost synergies above expectations

Value creation

- ✓ La Sexta's break-even from 1st day
- ✓ Value added transaction as of 2013

Closing the gap in margins with our competitor



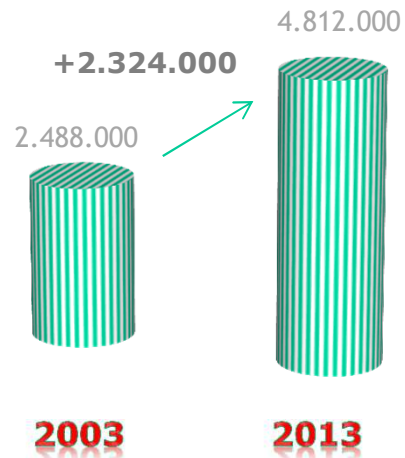
Source: Annual accounts & market consensus

Atresmedia Radio

Solid performance in the last decade

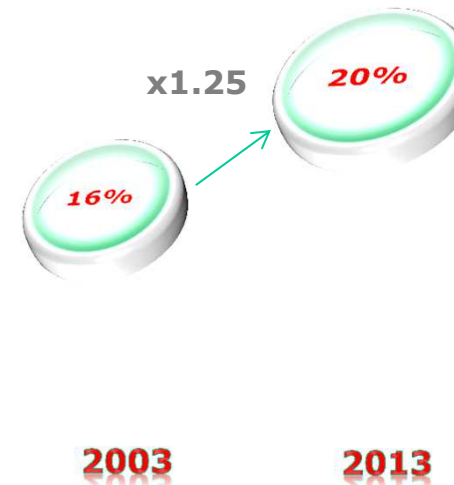


Number of listeners



Source: EGM. Yearly average data

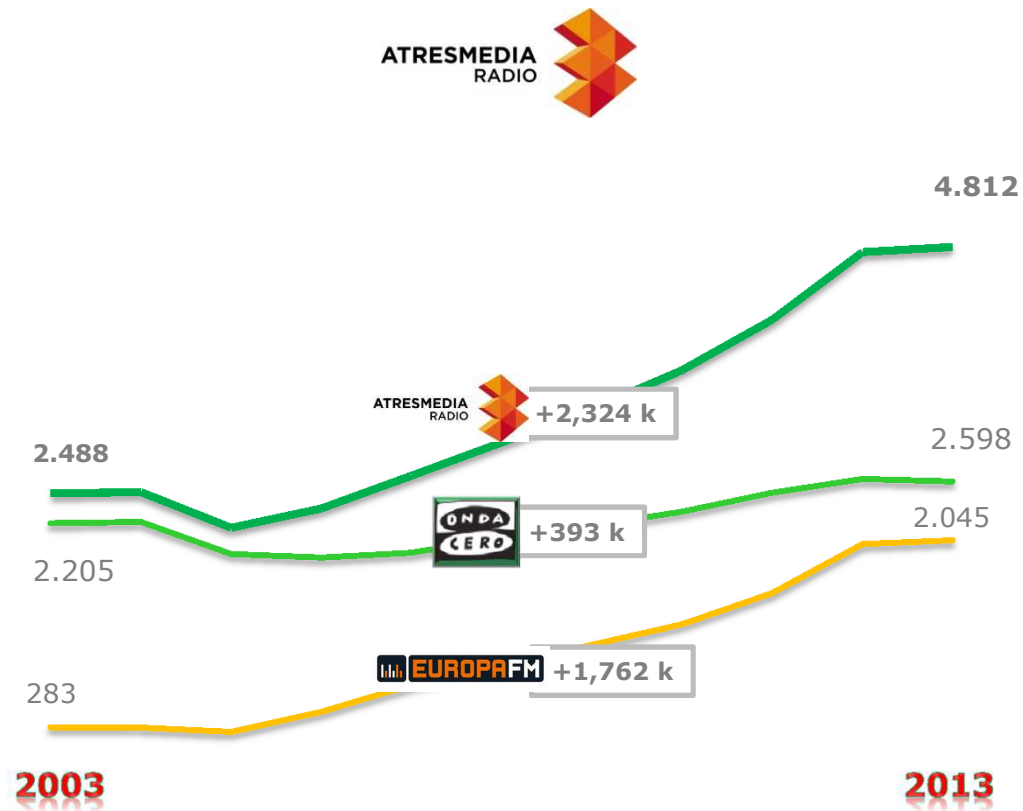
Market share



Source: Infoadex. 2013: Arce Media and Internal Estimates

Atresmedia Radio

2013 audience doubles 2003

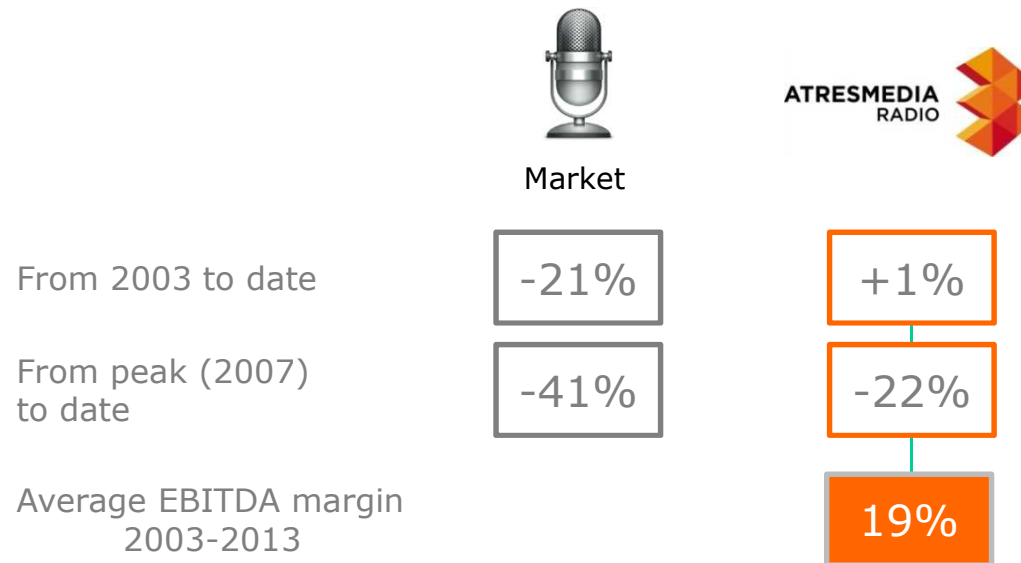


Source: EGM Avg surveys 2003-2013

Atresmedia Radio

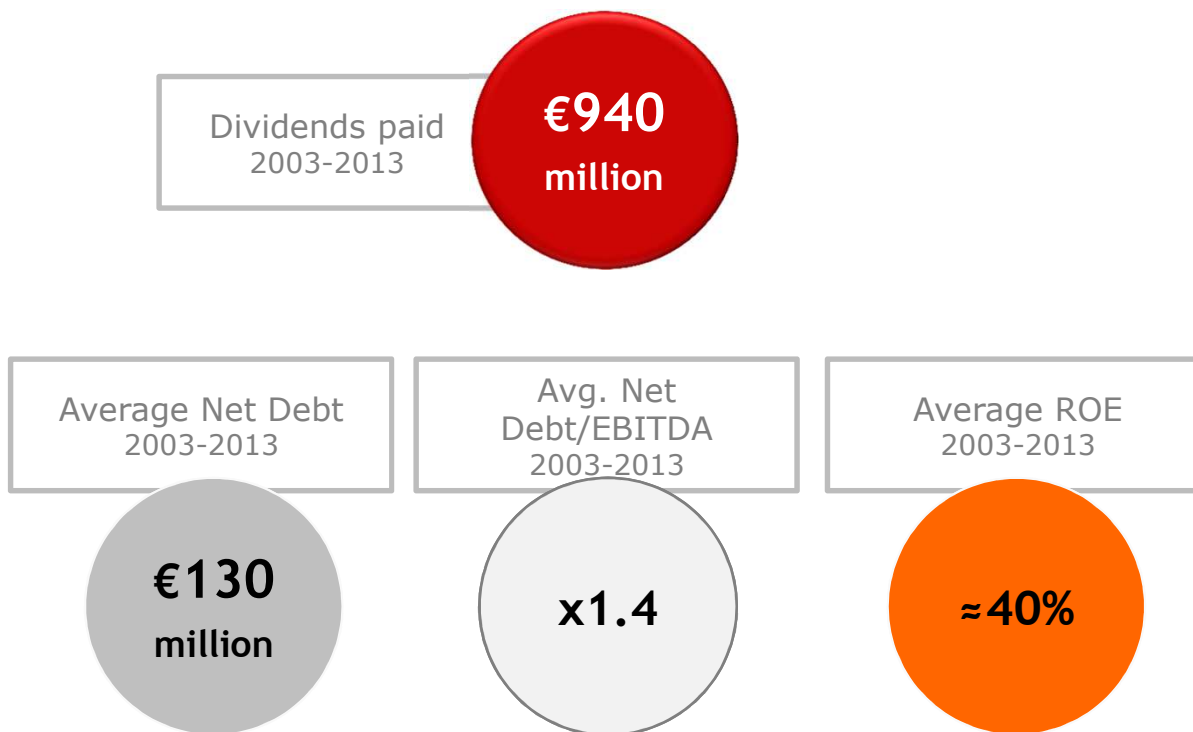
Radio division ahead of the market

Gross Ad revenues



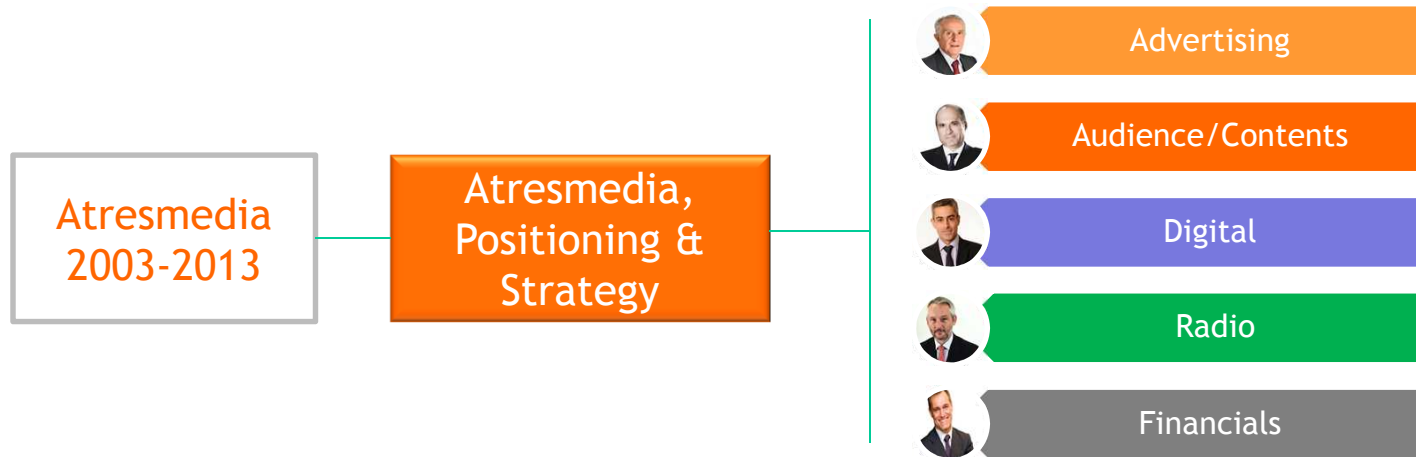
Source: Infoadex. 2013: Arce Media and Internal Estimates

Over €900 million paid in dividends



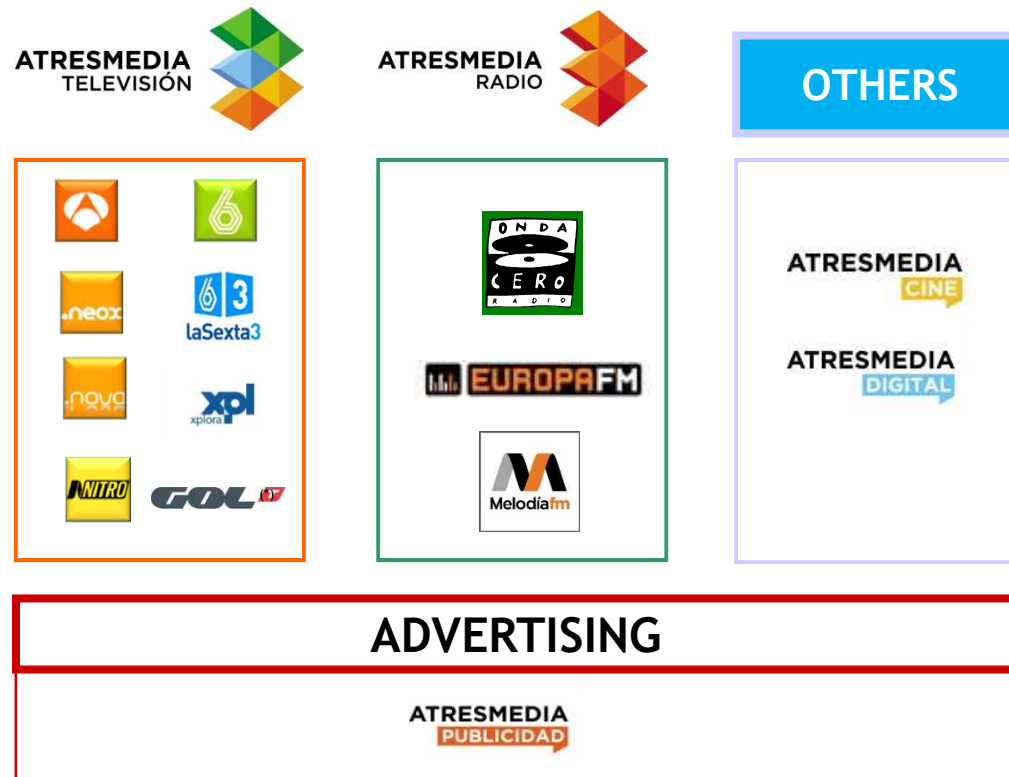
Source: Atresmedia

Investor & Analyst Day



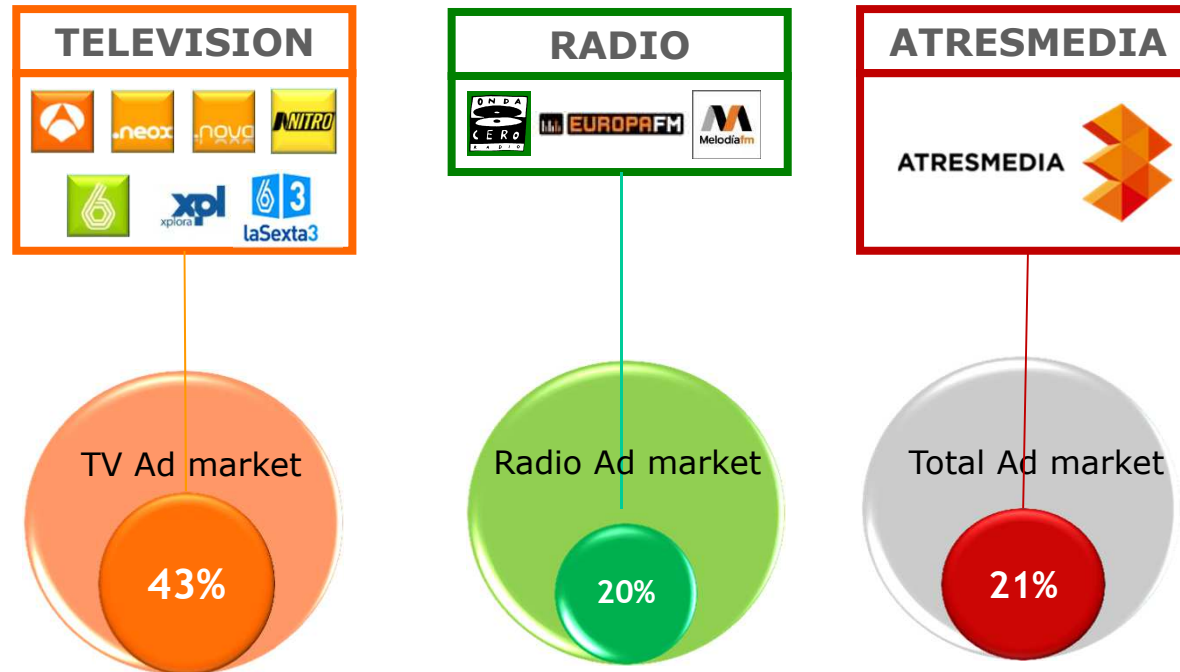
Atresmedia: Positioning & Strategy

Solid and clear group structure



Atresmedia: Positioning & Strategy

Unique market positioning



Source: Infoadex & internal estimates

Atresmedia: Positioning & Strategy

Full commitment with social actions

- Antena 3, 1st in ranking among public and private Televisions in Spain in **Corporate Responsibility** (2012)
- **The highest qualification among media companies** in quality of ESG information (2012 & 2013)
- More than **€19 million** raised for Social Good in last decade

Contributing to Society



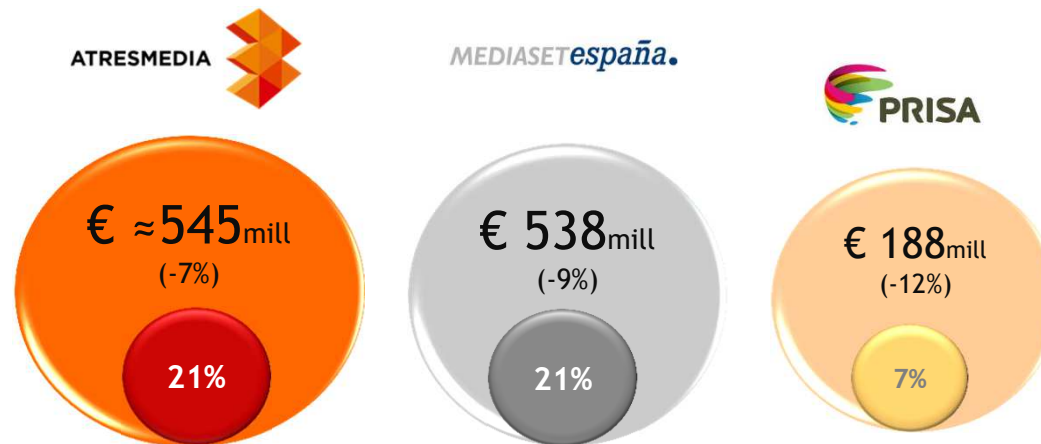
Active in the most relevant CR Forums & Indexes



Atresmedia: Positioning & Strategy

Atresmedia: In top position in ad sales...

Net ad revenues Spain



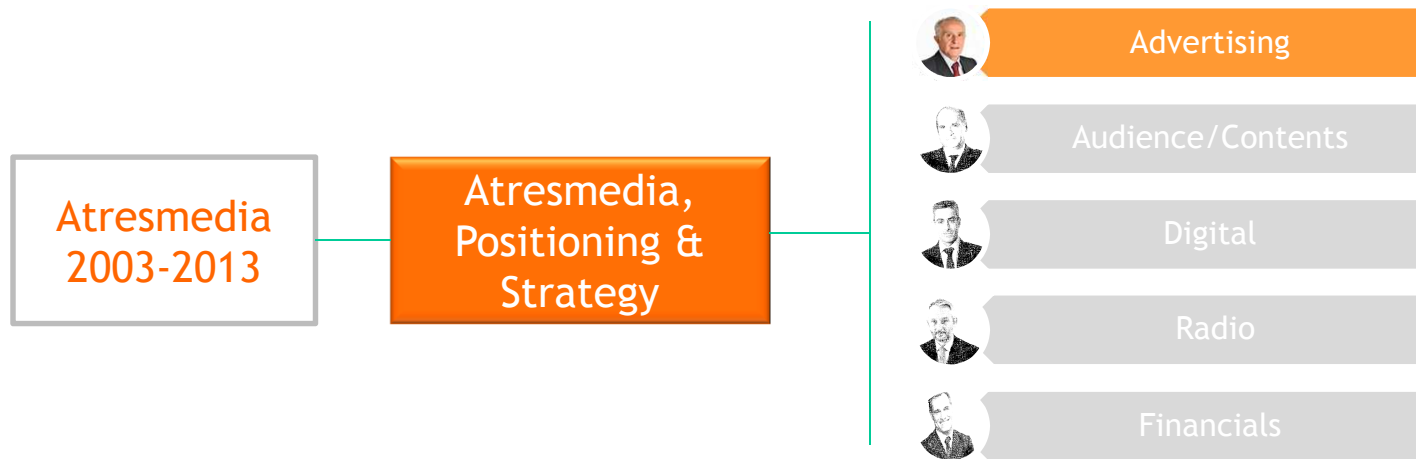
Source: Official financial results for Spanish divisions Jan-Sep 2013 vs 2012
Market share vs Infoadex Jan-Sep 2013 Conventional media.

Atresmedia: Positioning & Strategy

...due to a clear strategy

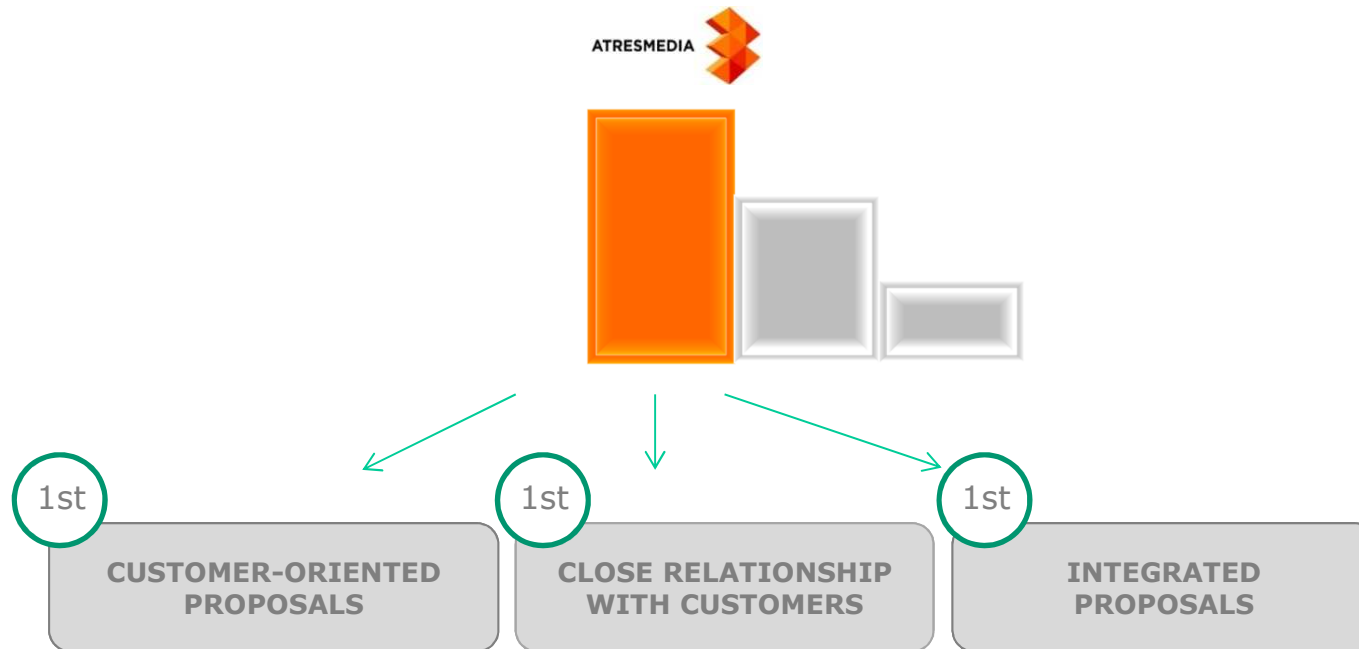


Investor & Analyst Day



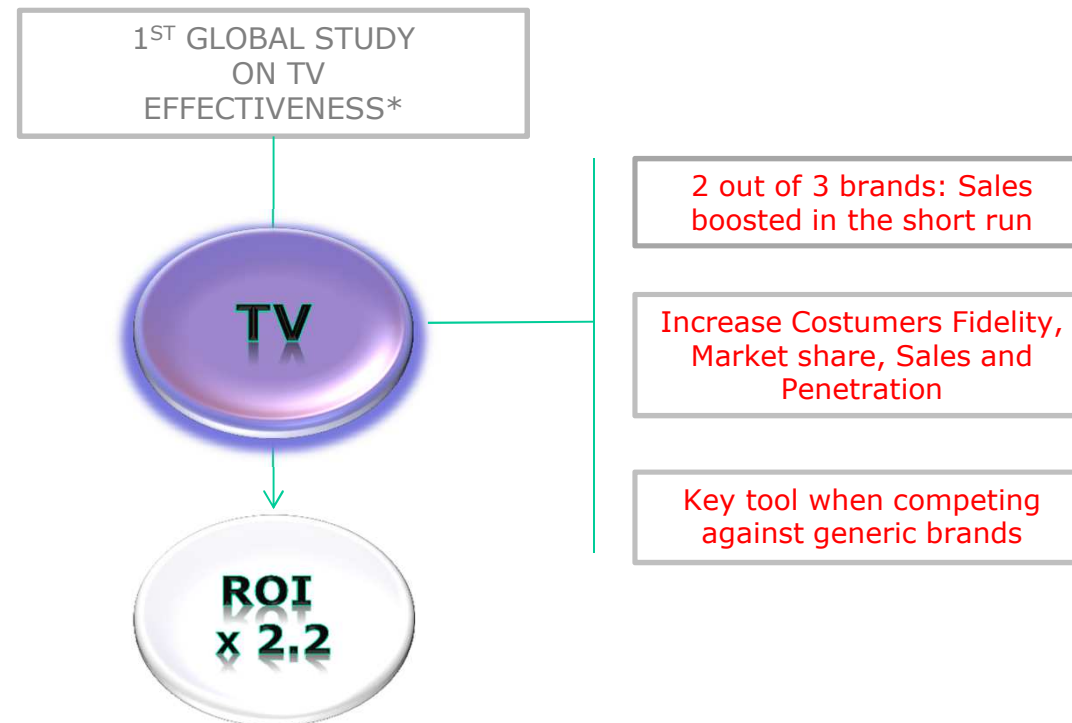
Atresmedia Advertising

Atresmedia: Top 1 commercial force



Source: Grupo Consultores 2013. Bi-annual survey (367 media buyers and advertisers)

ROI analysis confirms TV as leading category

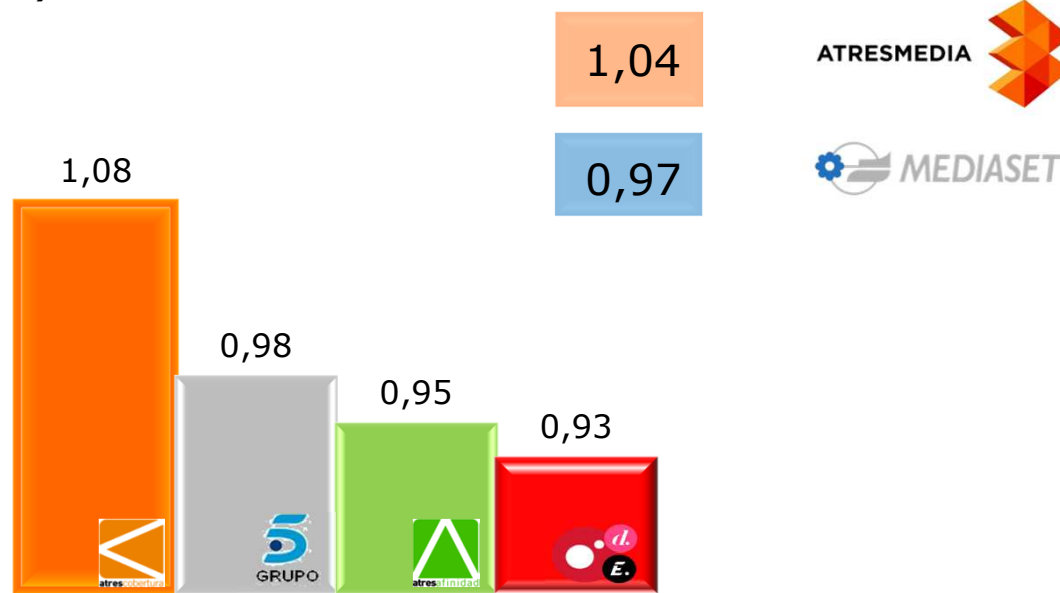


* Collaboration agreement between Kantar World Panel & Atresmedia Publicidad
42 TV campaigns assessed during Q1 2013 (Food, Beverages, Beauty and Personal Care)
Two customer panels declaring their real purchases (8,400 households and 4,000 individuals)

Atresmedia Advertising

Focus on premium price

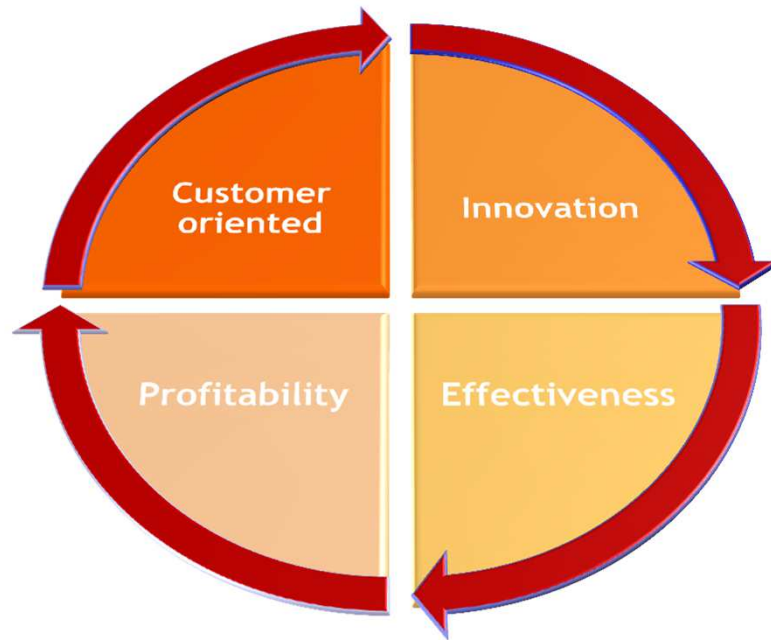
Grp cost index 2013
(Index 100 Total TV)



Source: Grp cost index January-October 2013. Adults 16+

Atresmedia Advertising

Sales house unique positioning

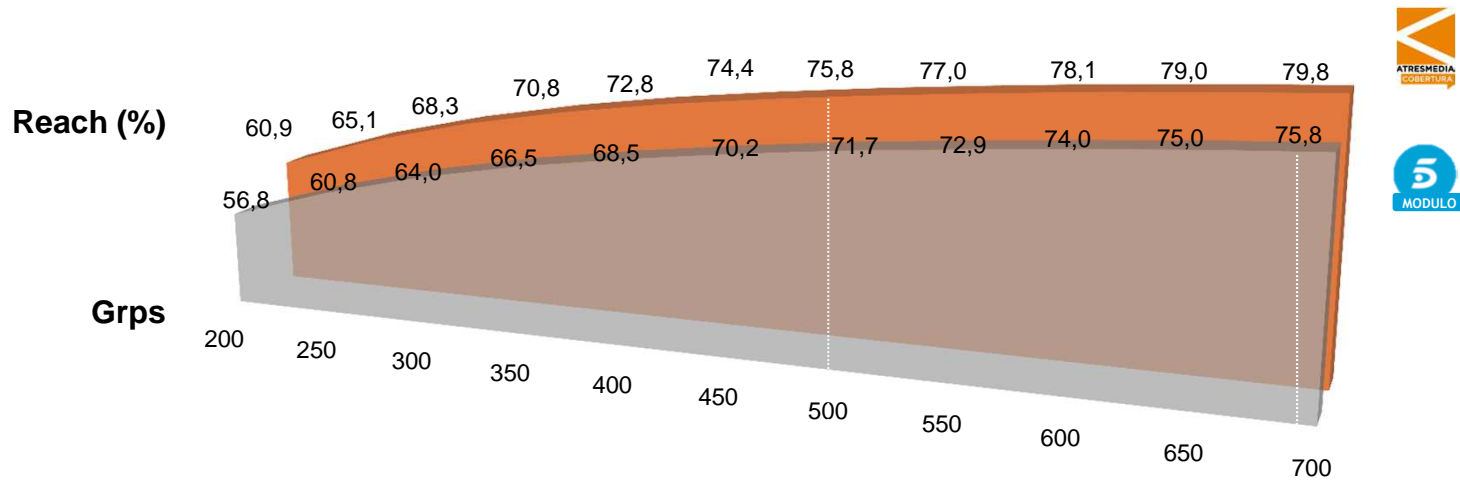


Atresmedia Advertising



Customer oriented

Leading product in advertising reach



Grps **500** **700**
 Reach delivered **75,8%** **75,8%**



Atresmedia Advertising



Innovation

New advertising formats



Multimedia Brand Day
(Spanish only sales house
combining TV+RADIO)



Branded Content Event
Multimedia Coverage
Social Media



Commercial Section
Inside Program



Active mentions



Multiscreen campaign
(Spanish only sales house
with App)

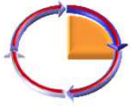


Sponsorship



Brand involment in
corporate responsibility
(Spanish only sales house with
far-reaching CR initiatives)

Atresmedia Advertising



Innovation

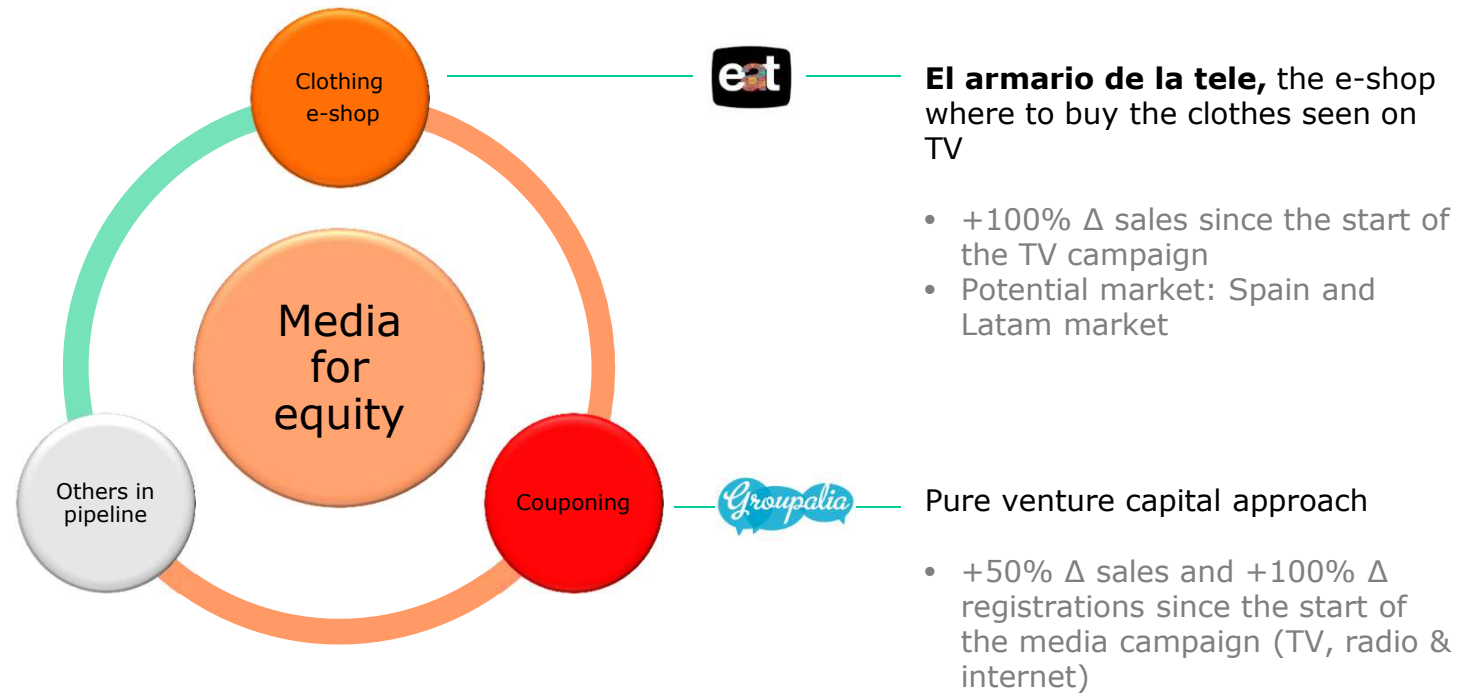
Multi-screen campaigns





Innovation

Exploring new business models: Media for equity



Atresmedia Advertising



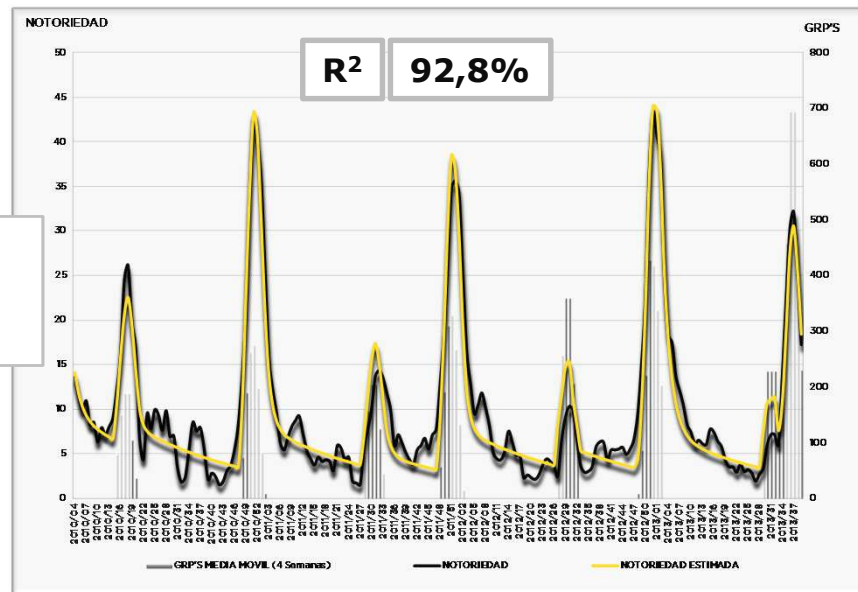
Effectiveness

Use of predictive awareness model

MEFE TV

- ✓ Econometric model that enables advertisers to understand and forecast campaigns awareness
- ✓ First econometric tool ever developed by a sales house

**CAMPAIGN
AWARENESS
PREDICTIVE
MODEL**



donuts

P&G



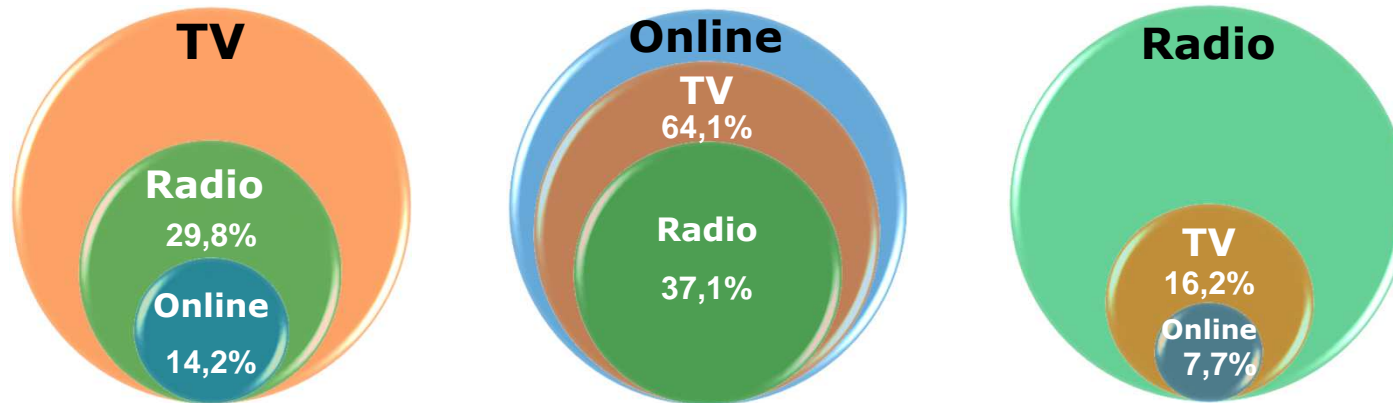
Atresmedia Advertising



Profitability

Multimedia approach creates relevant synergies...

Number of shared advertisers (%)



Source: Internal. January-September 2013

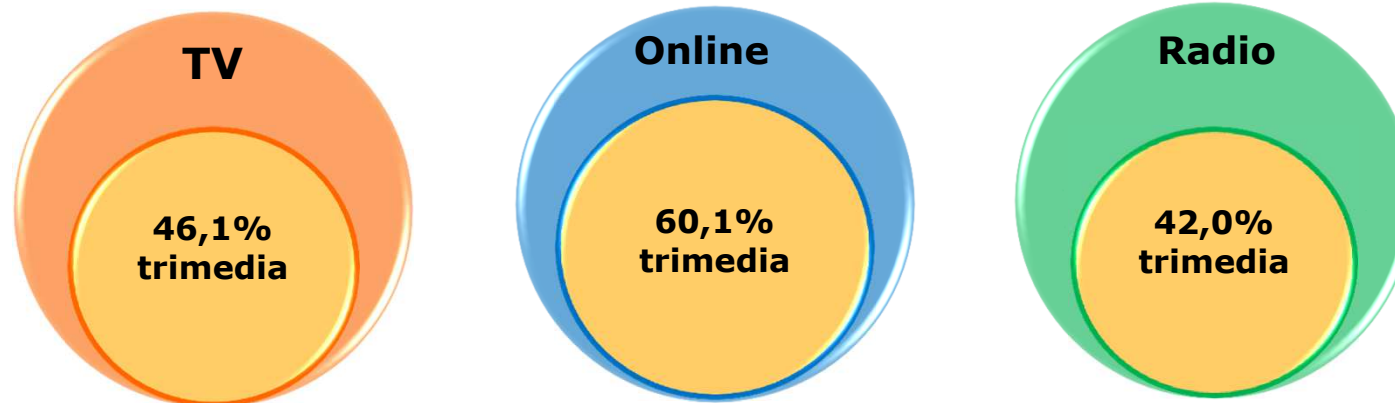
Atresmedia Advertising



Profitability

... which help to boost group's revenues

In terms of revenue (%)



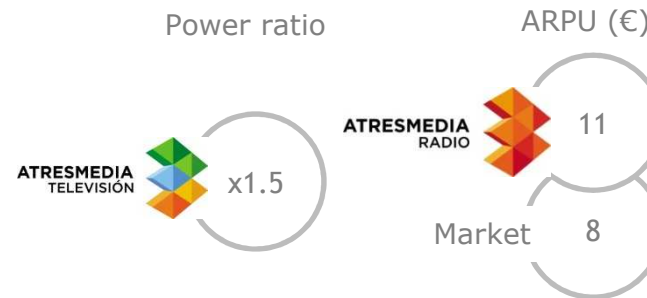
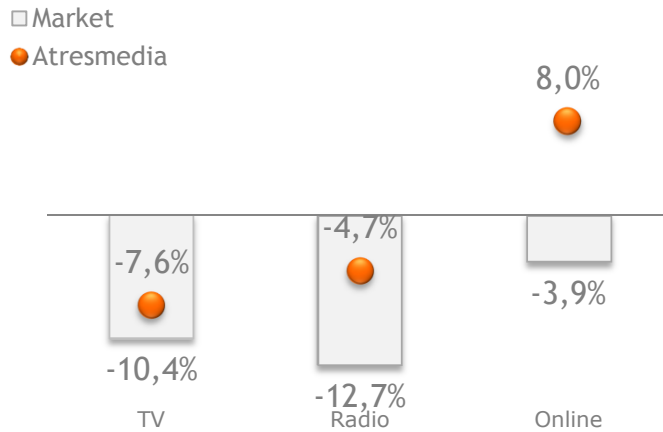
Source: Internal. January-September 2013

Atresmedia Advertising



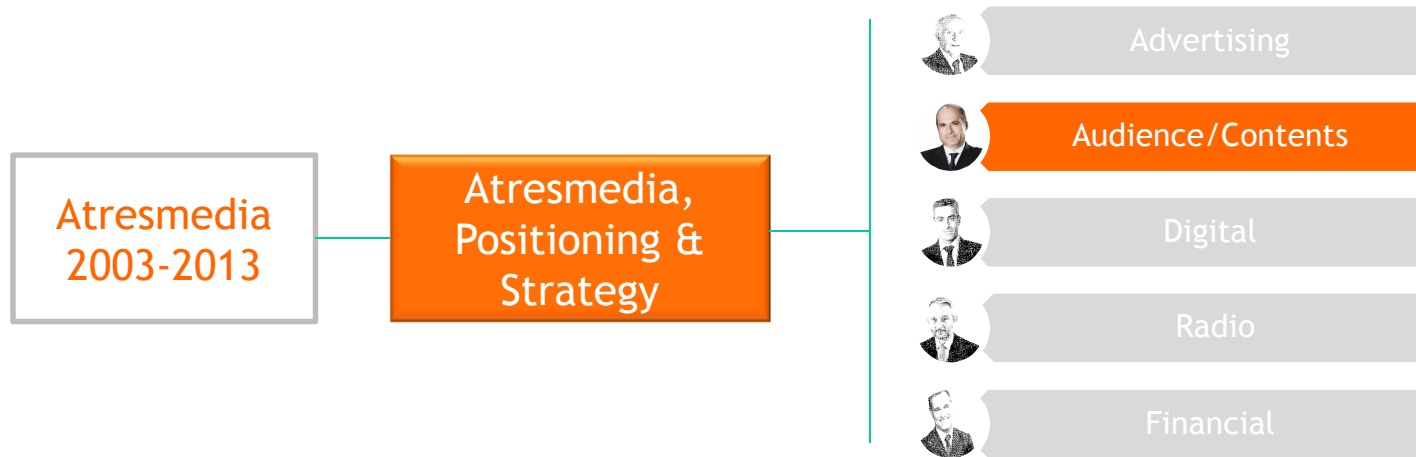
Outperforming the market in every division

Gross Ad Revenues at 9M13 yoy



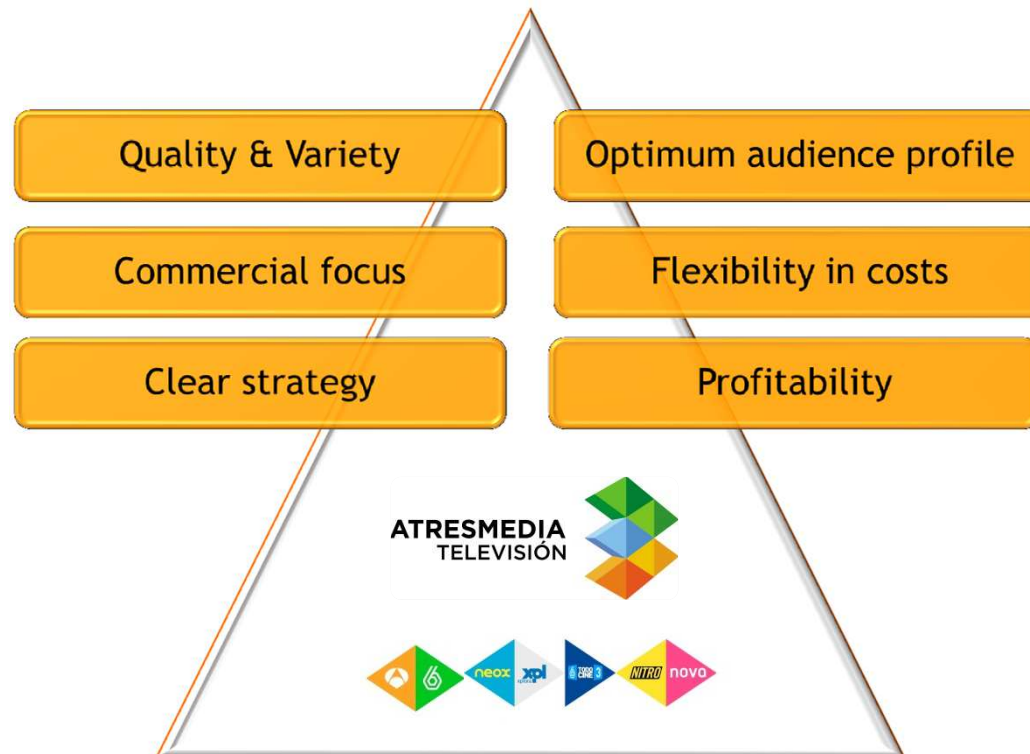
Sources: Infoadex. EGM. IAB

Investor & Analyst Day



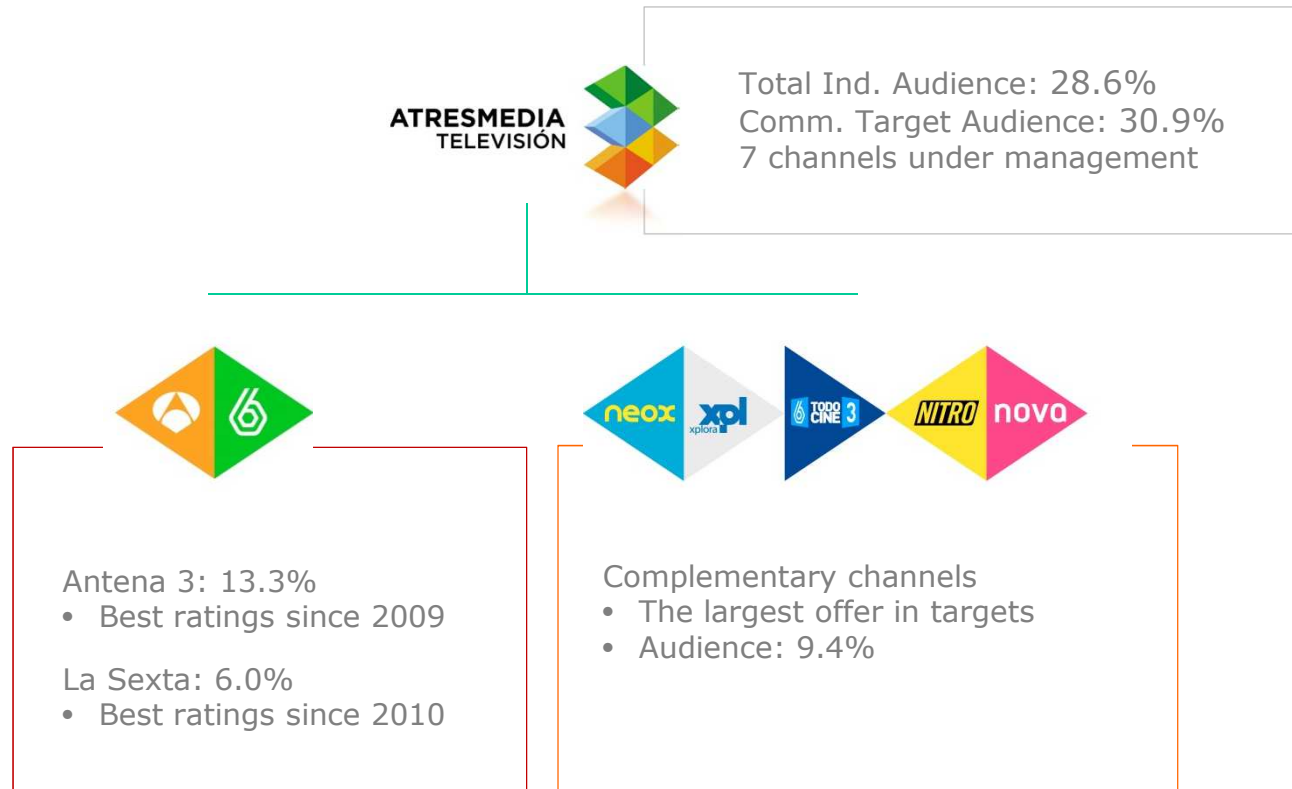
Atresmedia: Audience & Contents

Atresmedia Television: unique TV offer...



Atresmedia: Audience & Contents

... and leading TV position

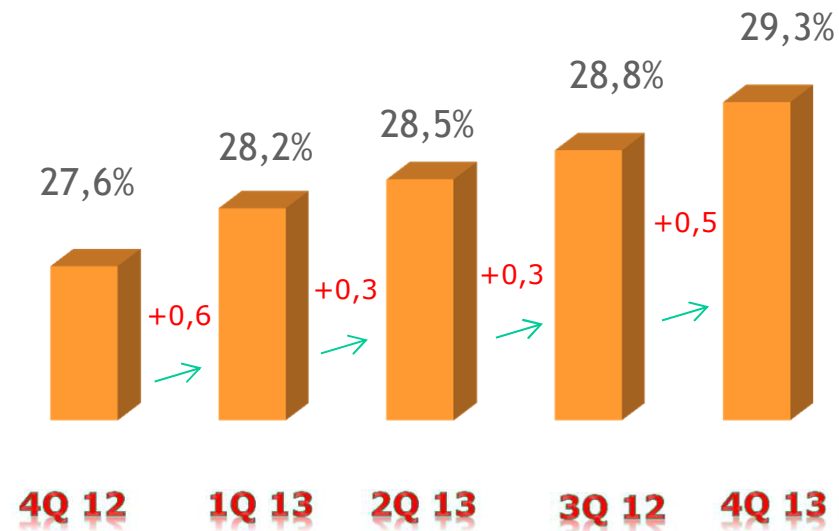


Source: Kantar Media | Data at Nov 30

Atresmedia: Audience & Contents

Continuously increasing audience share

Atresmedia TV Audience
24h, Ind 4+



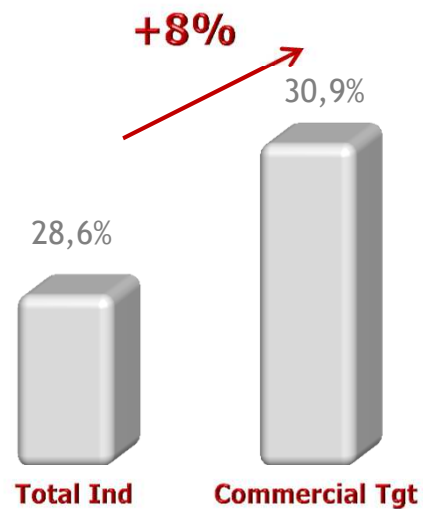
Source: Kantar Media | 4Q 13: Data at Nov 30

Atresmedia: Audience & Contents

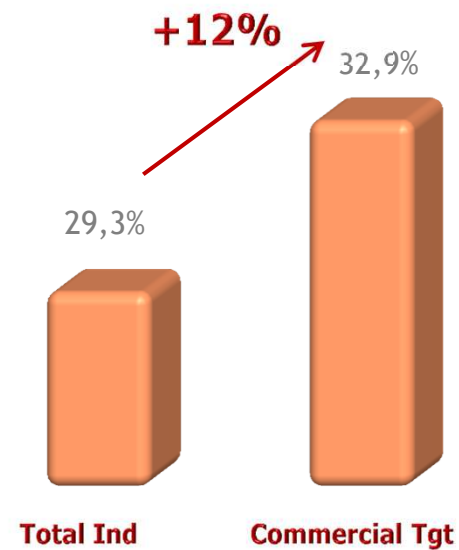
Achieving best ratings in Commercial Target



**Atresmedia TV Audience
Total Day (2013)**



**Atresmedia TV Audience
Prime Time (2013)**

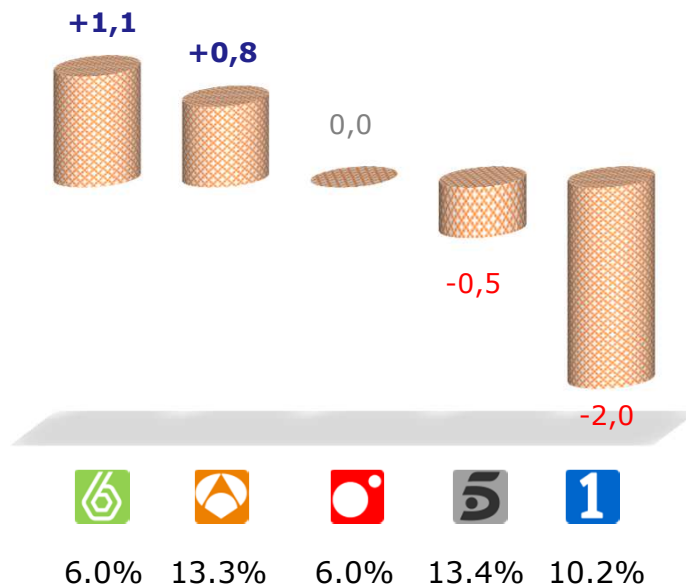


Source: Kantar Media | 2013: Data at Nov 30

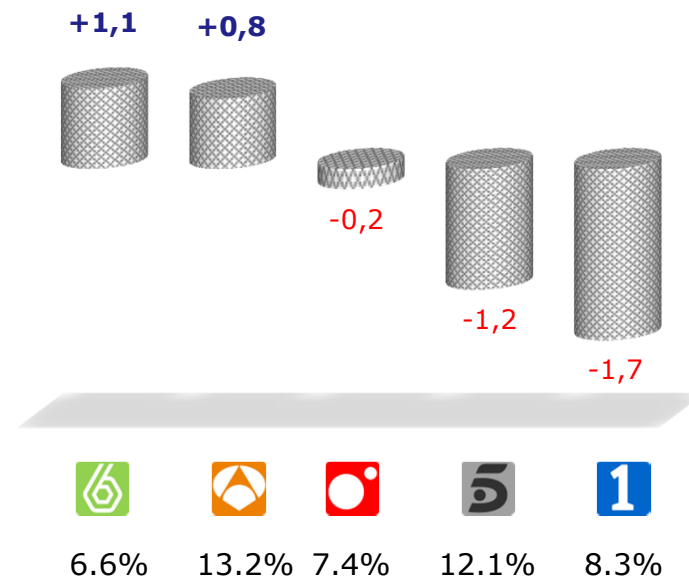
Atresmedia: Audience & Contents

A3 & La Sexta driving Atresmedia's growth

**2013 vs 2012
Audience Share
Total Individuals**



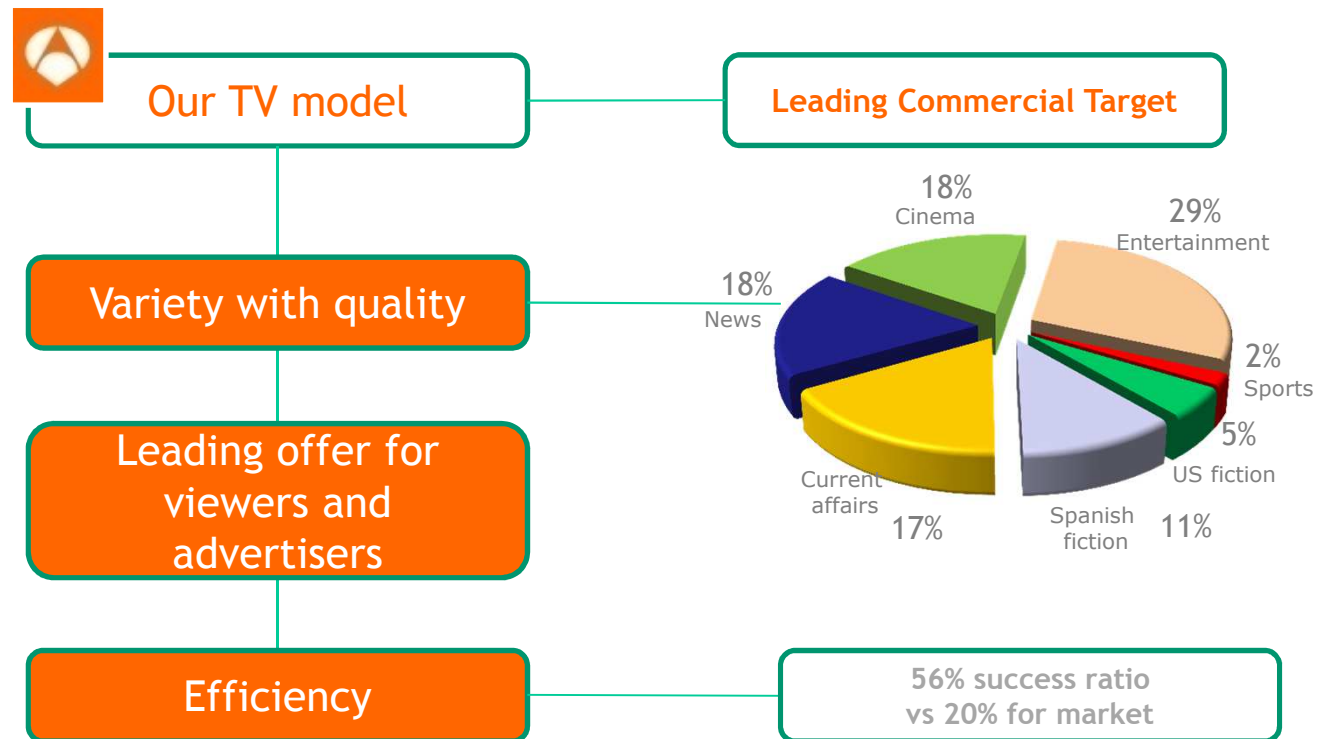
**2013 vs 2012
Audience Share
Commercial Target**



Source: Kantar Media | 2013: Data at Nov 30

Atresmedia: Audience & Contents

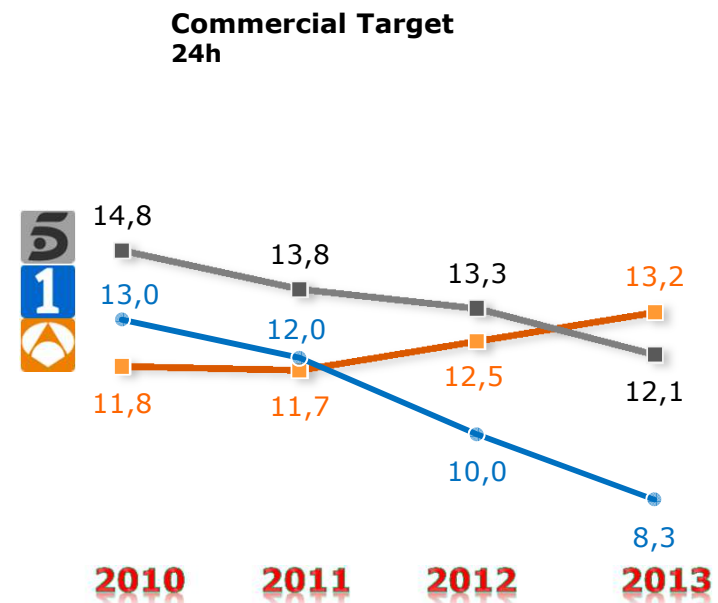
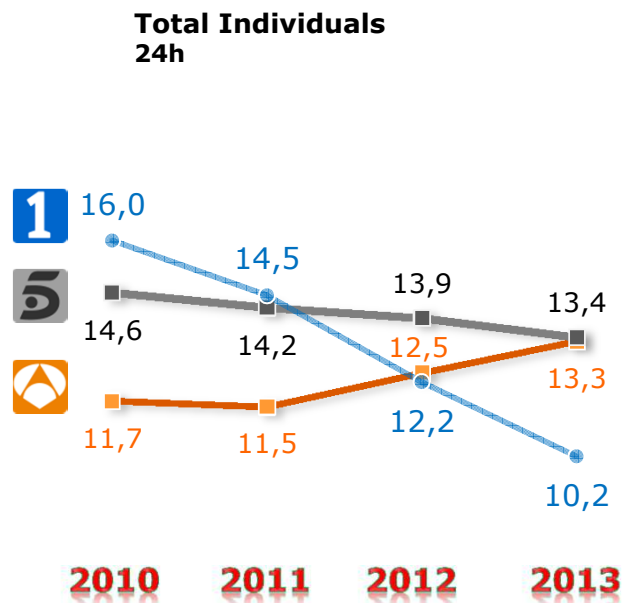
Antena 3, the driving force



% of hours broadcasted. Internal estimates

Atresmedia: Audience & Contents

A3: a growing channel and Commercial Target leader

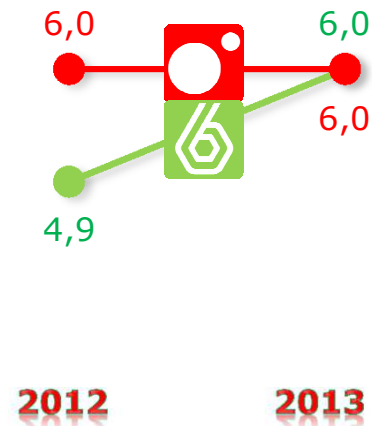


Source: Kantar Media | 2013: Data at Nov 30

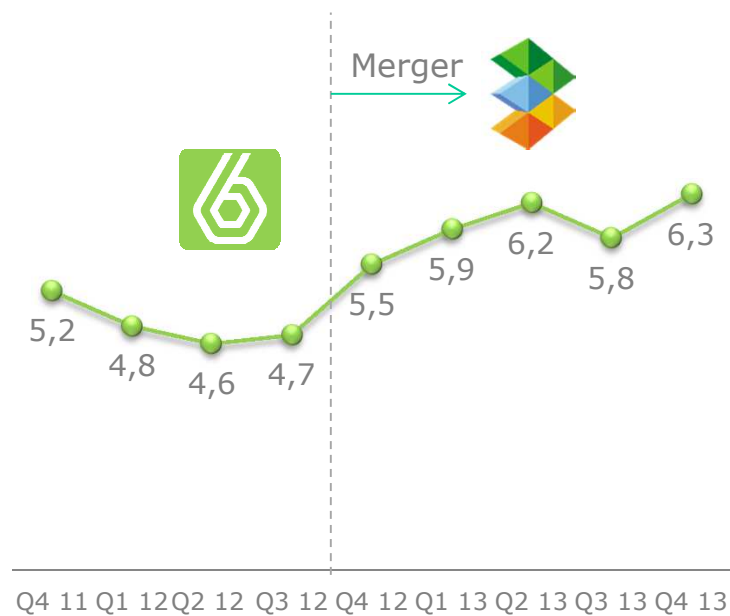
Atresmedia: Audience & Contents

Successful merger with La Sexta

**Total Individuals
24h**



**Total Individuals
24h**

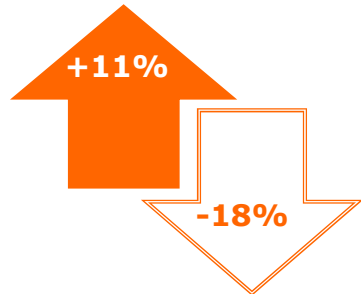


Source: Kantar Media | 2013: Data at Nov 30

Atresmedia: Audience & Contents

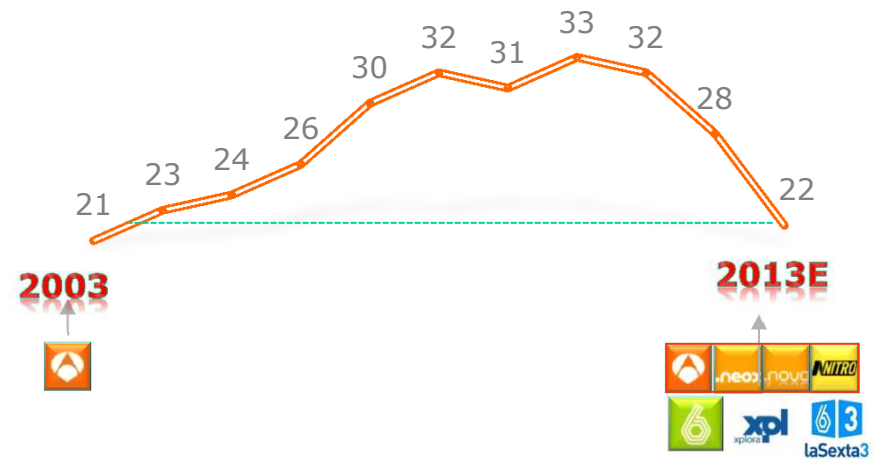
Audience share goes up while costs go down

2013e
Δ Audience yoy



2013e
Δ TV Opex yoy

Total TV OPEX (net of distribution fees)
€ million per 1% audience

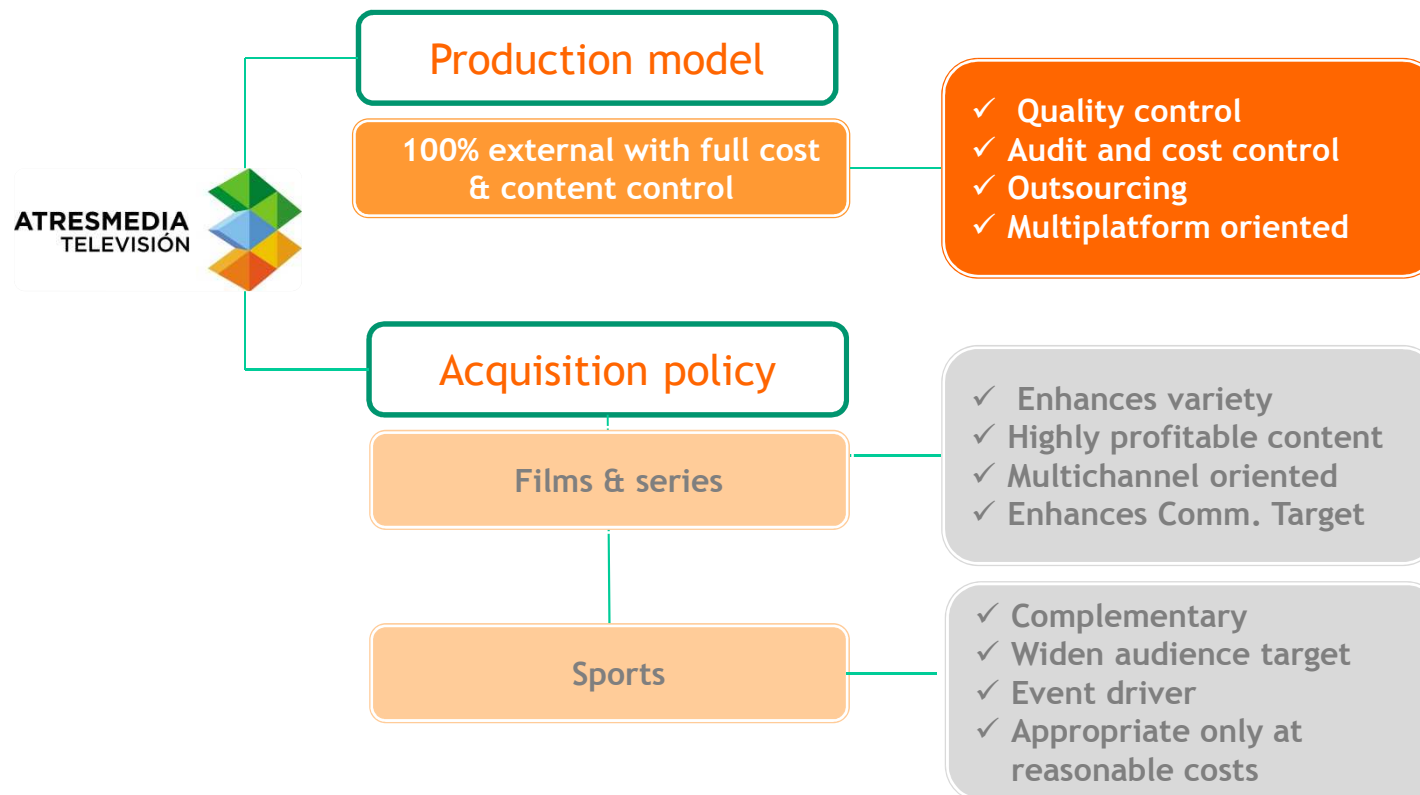


2013 cost per 1% audience at 2003-04 level

Sources: Kantar Media & Atresmedia

Atresmedia: Audience & Contents

... with a clear business model



Atresmedia: Audience & Contents

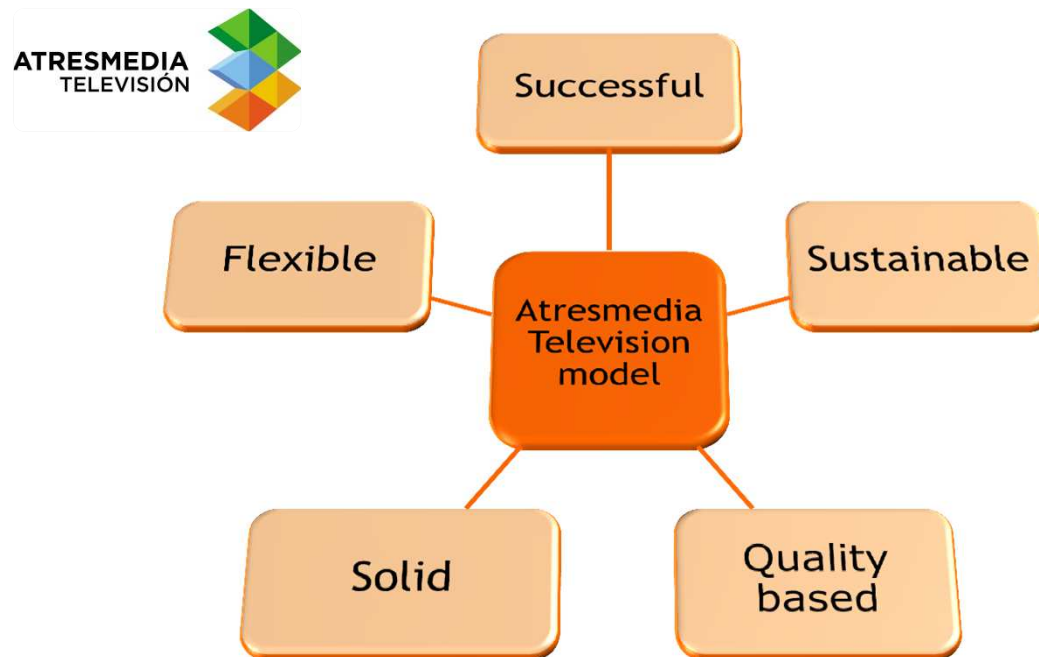
Hola TV: Using know how to explore new markets



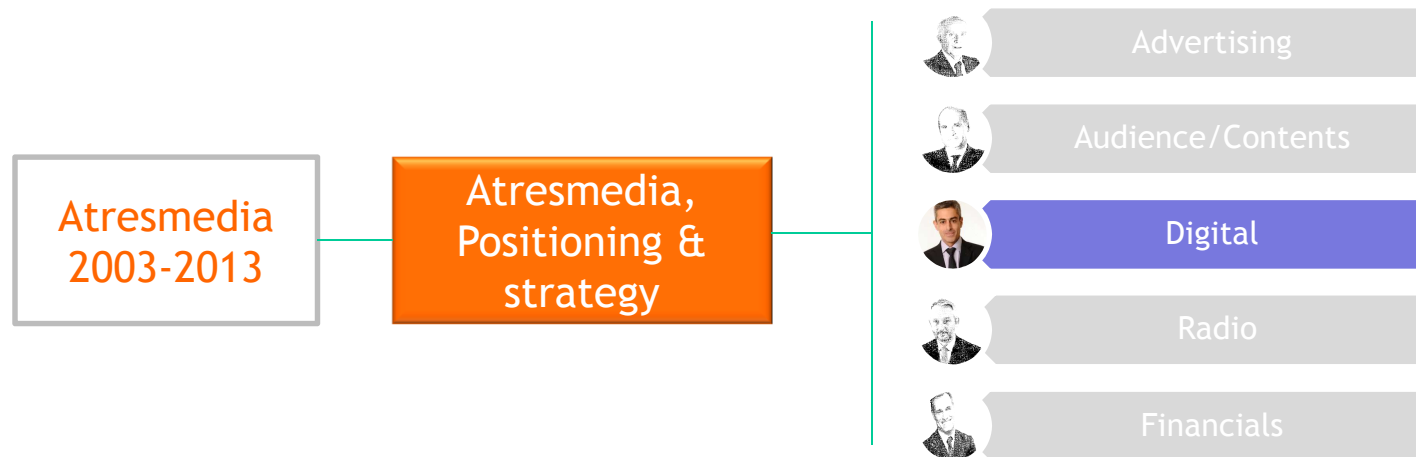
- Launched in September 13.
- Distributed in Latam and the US Hispanic market, in cable and satellite
- Guaranteed initial distribution of nearly 4 mill HH
- Subscriber fees and ad-based model

Atresmedia: Audience & Contents

Atresmedia Television: A successful business model



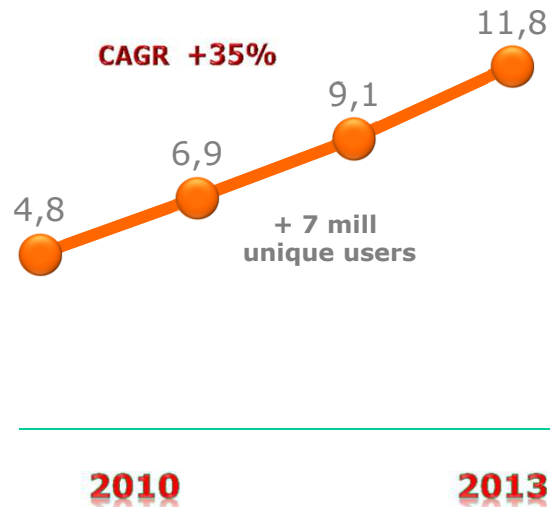
Investor & Analyst Day



Atresmedia Digital

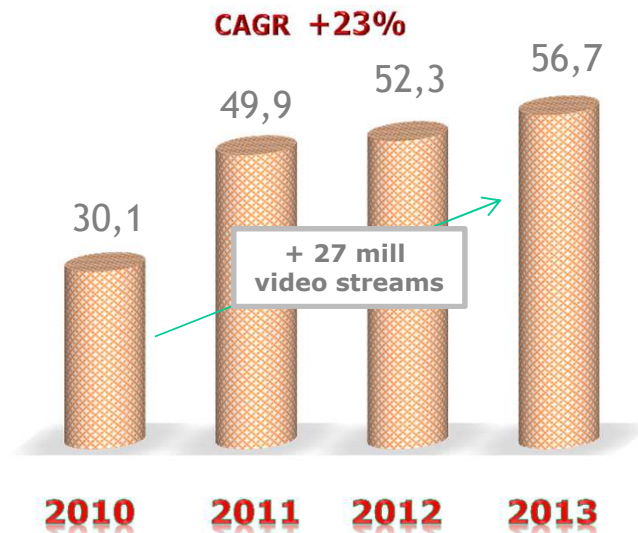
Main business metrics strong growth

Atresmedia's unique users
Monthly average (in million)



Sources: Nielsen Market Intelligence/Site Catalyst
2013: Jan - Nov

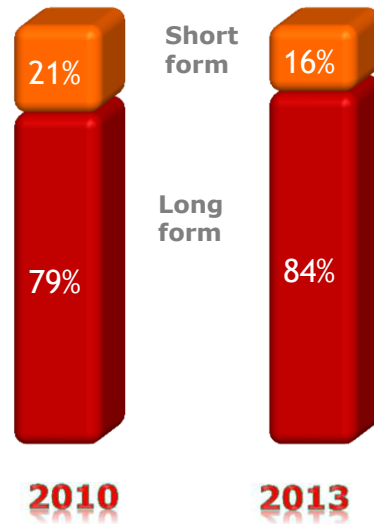
Atresmedia's video streams
Monthly average (in million)



Sources: Smart Ad Server
2013: Jan -Sept

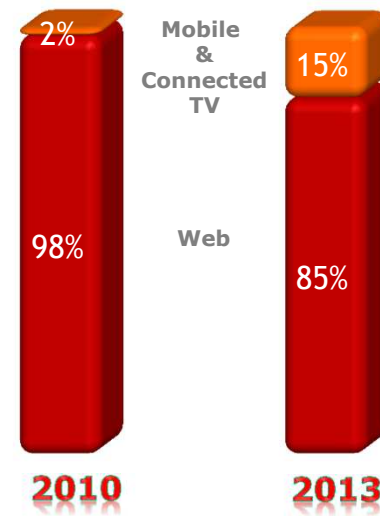
Offer based on web long form content

**Type of video stream
by type of content**
Monthly average



Sources: Smart Ad Server
2013: Jan -Sept

Type of video stream by device
Monthly average



Sources: Smart Ad Server
2013: Jan -Sept

Four main fields of action

Web platform

Atresplayer
Reach increase
Users registration

Contents

TV model
"Pure" internet content
Internationalization

Distribution

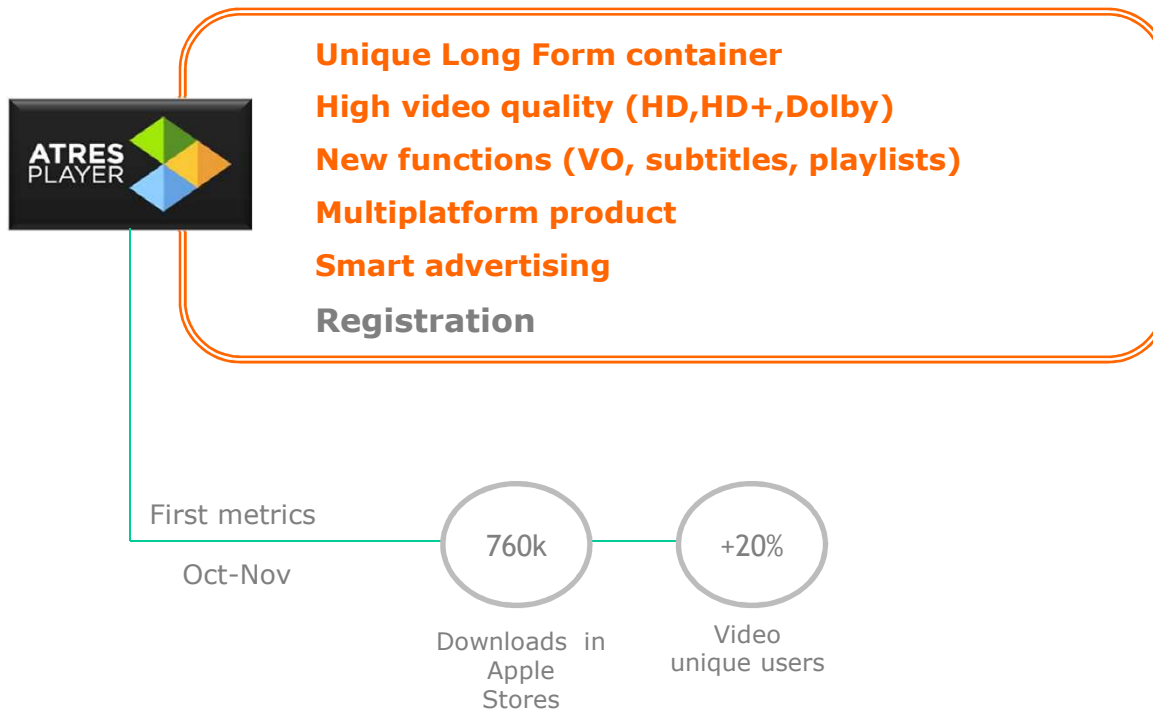
Access to new users
Mobile & Connected TV
Second screen

Monetization

Comm. product optimization
Pay contents
Other non ad-based rev.



ATRESPLAYER: new video online platform



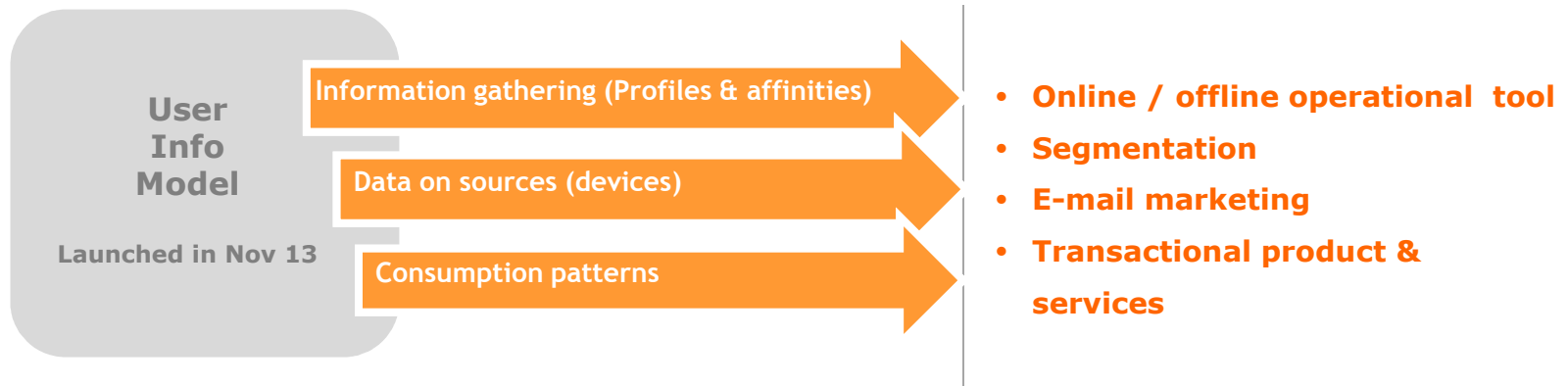


ATRESPLAYER: launched in October 2013



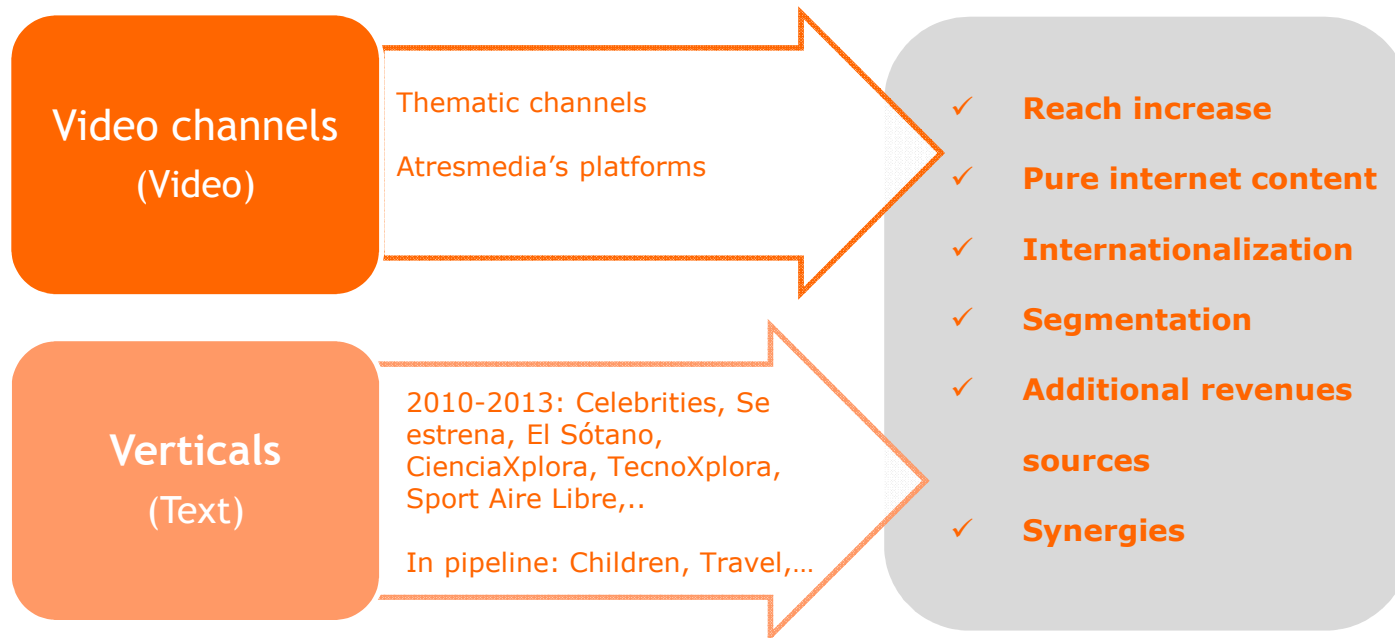


Gathering information from users



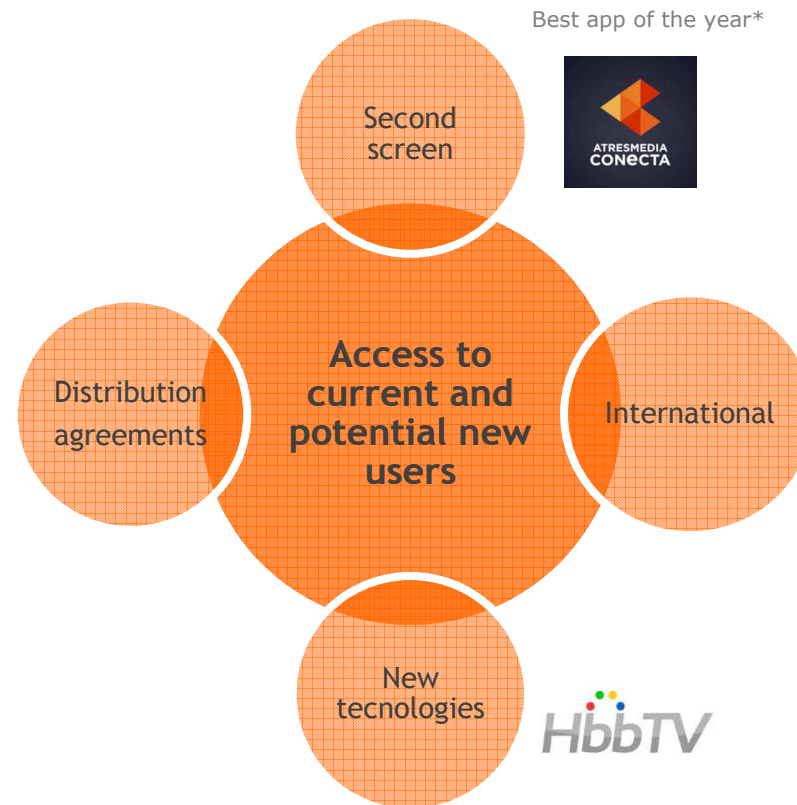


Enhancing "pure" internet content





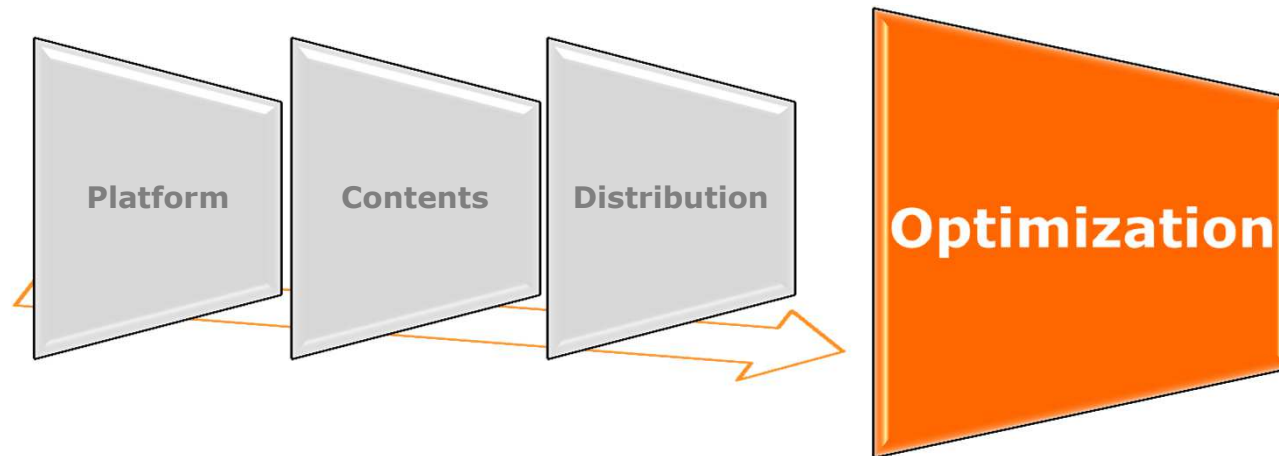
Searching new distribution channels



* 2013 TAB Innovation Awards

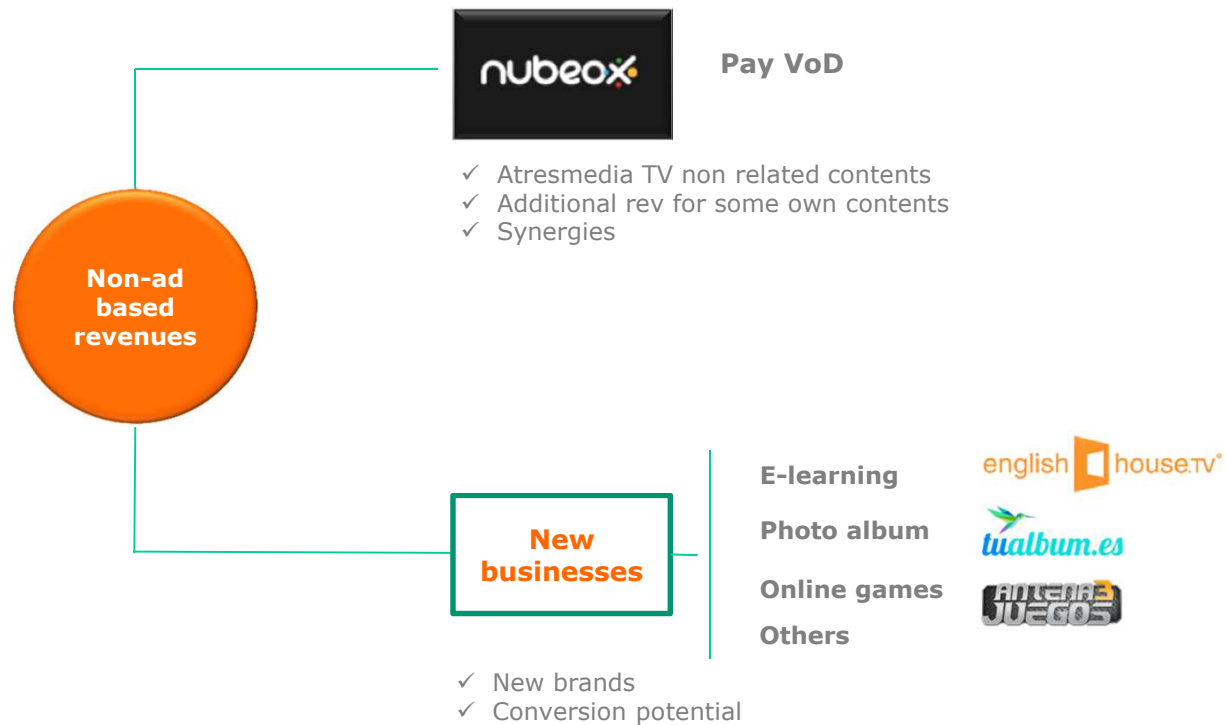


Optimizing online advertising

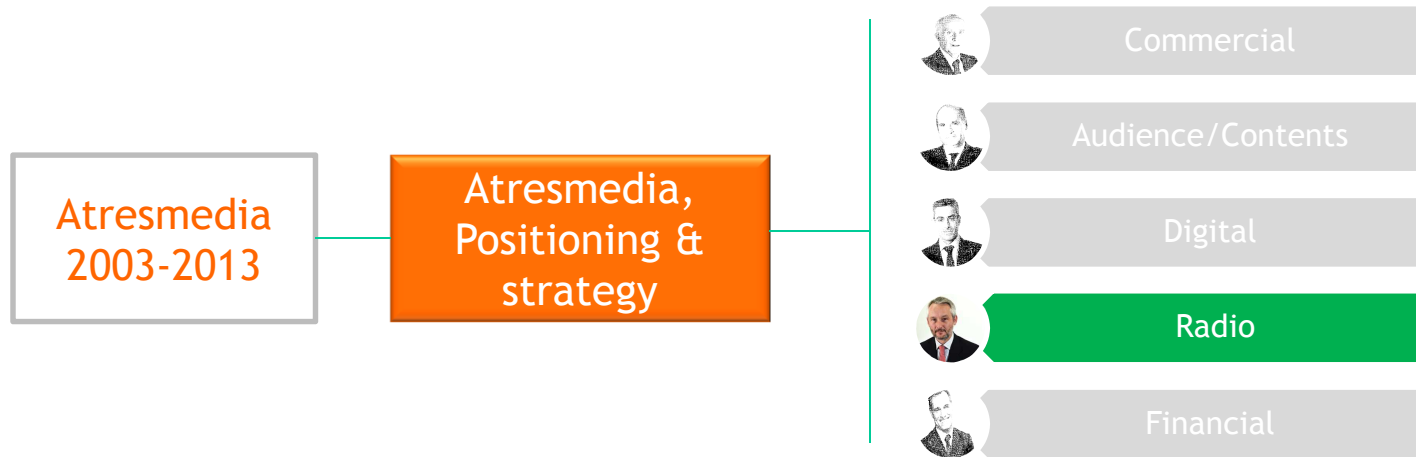




Fostering other non-ad based revenue sources

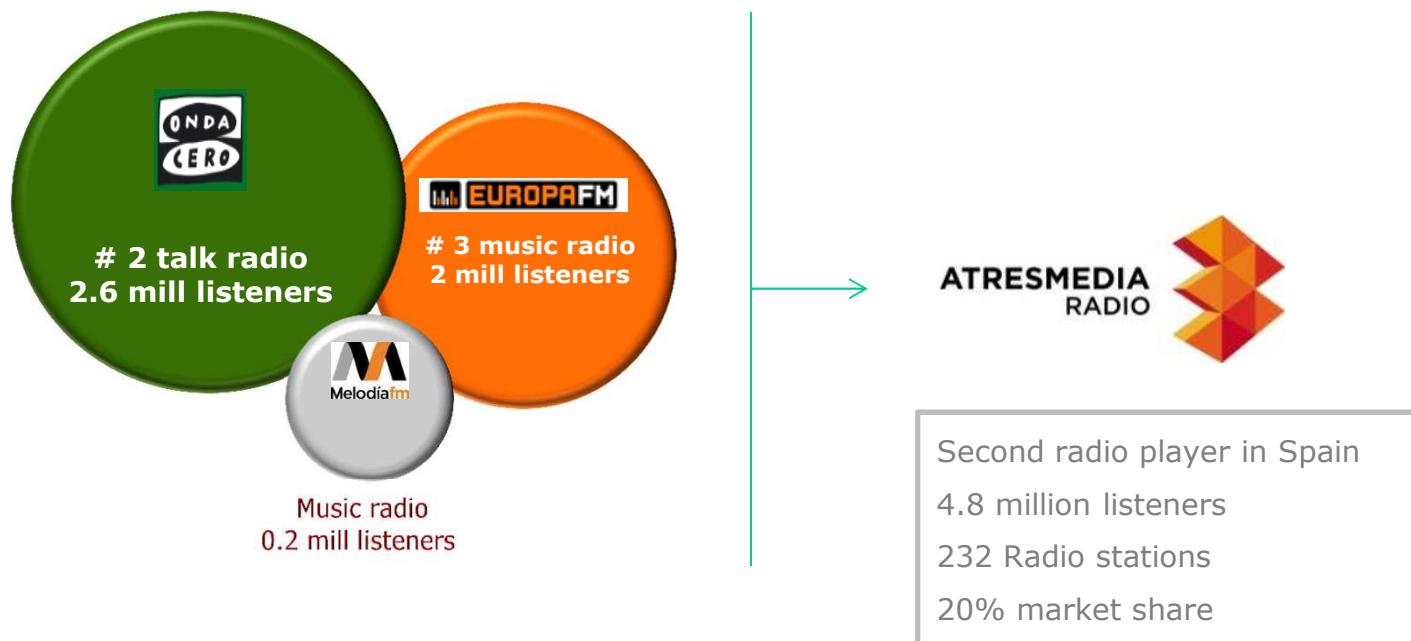


Investor & Analyst Day



Atresmedia Radio

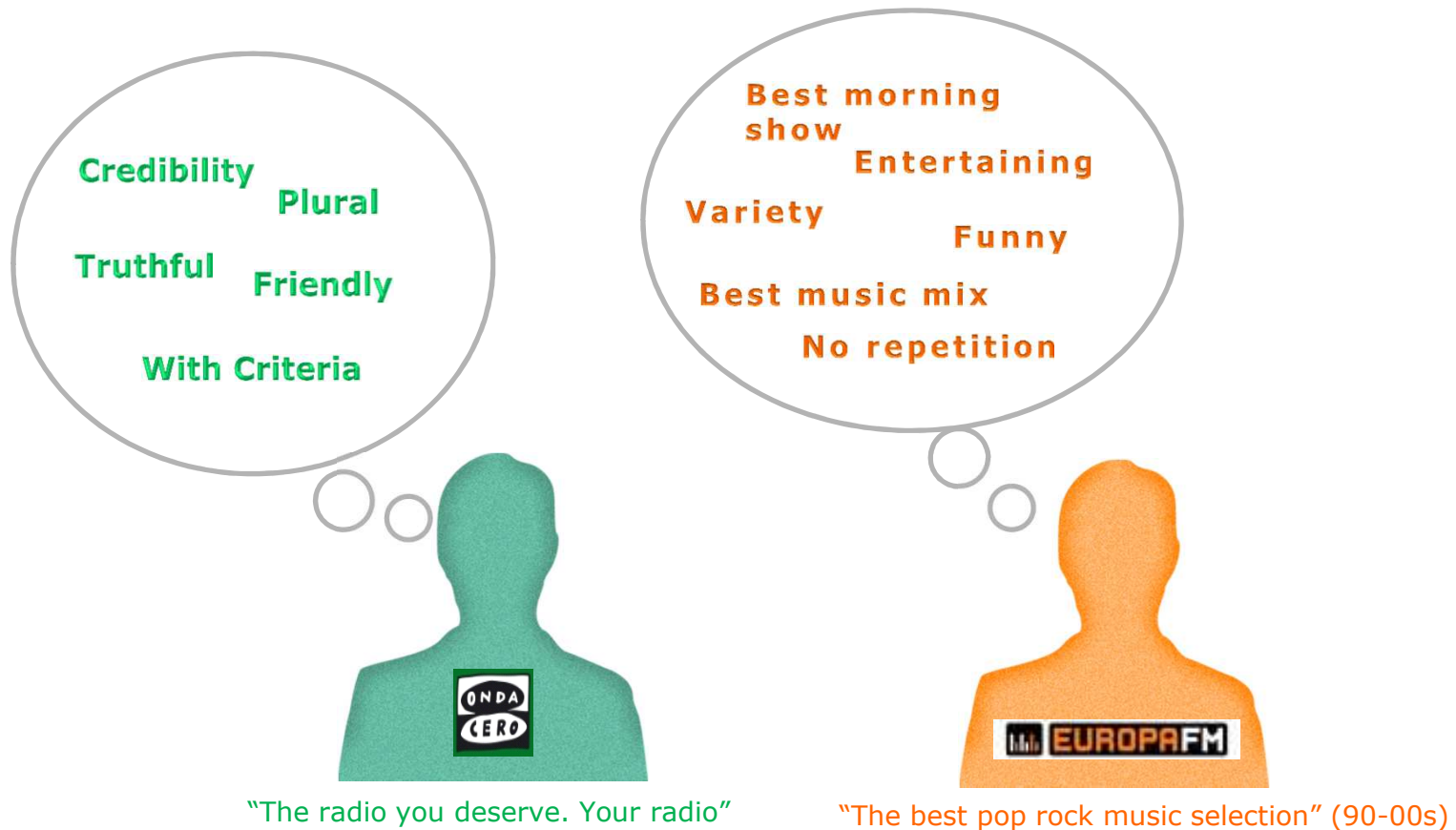
Atresmedia Radio: #2 in audience but #1 in profitability



Source: EGM 2013 yearly average
Market Share: Internal estimates

Atresmedia Radio

Well defined and identifiable offer



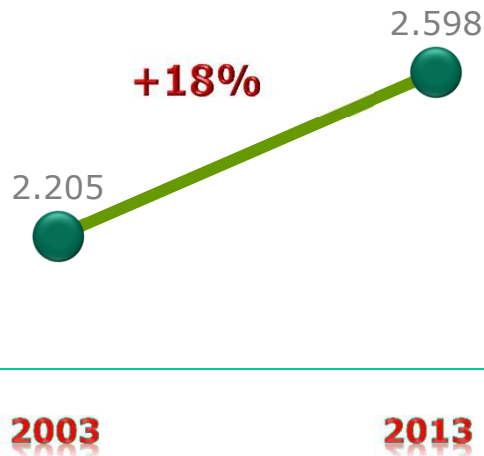
Source: CIMOP & P1Research

Atresmedia Radio

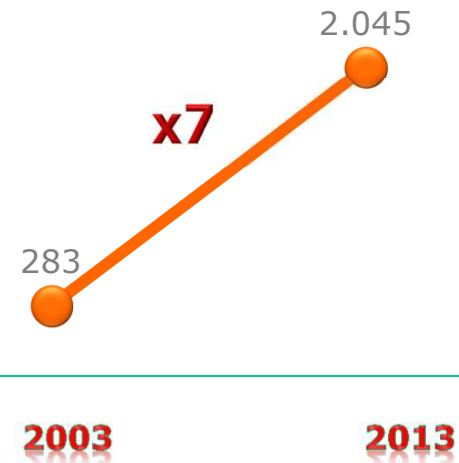
Outstanding growth in both radio offers



#2 among generalistic radios



#3 among thematic radios



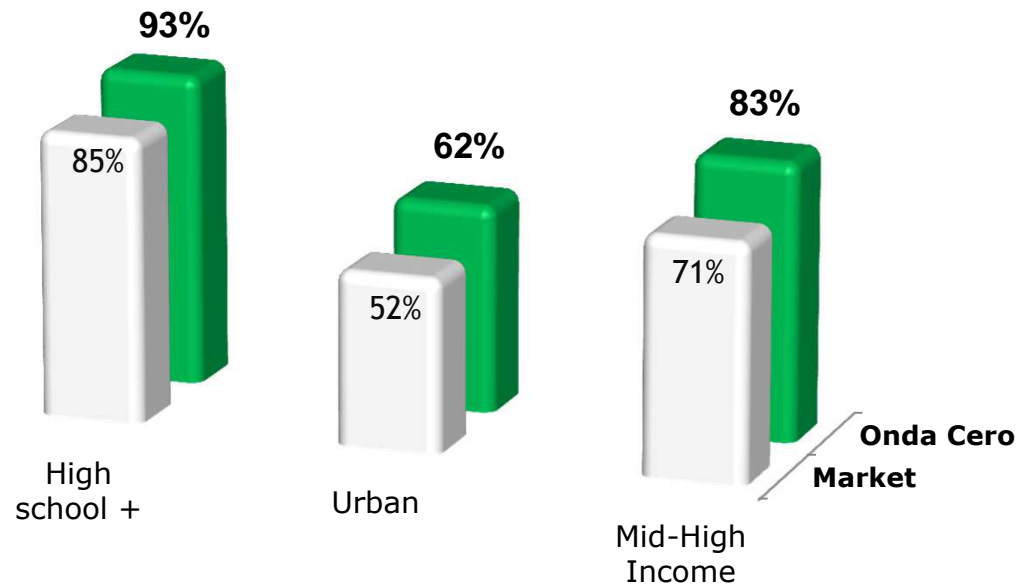
Source: EGM yearly average

Atresmedia Radio

Onda Cero: The best commercial profile



Commercial Profile

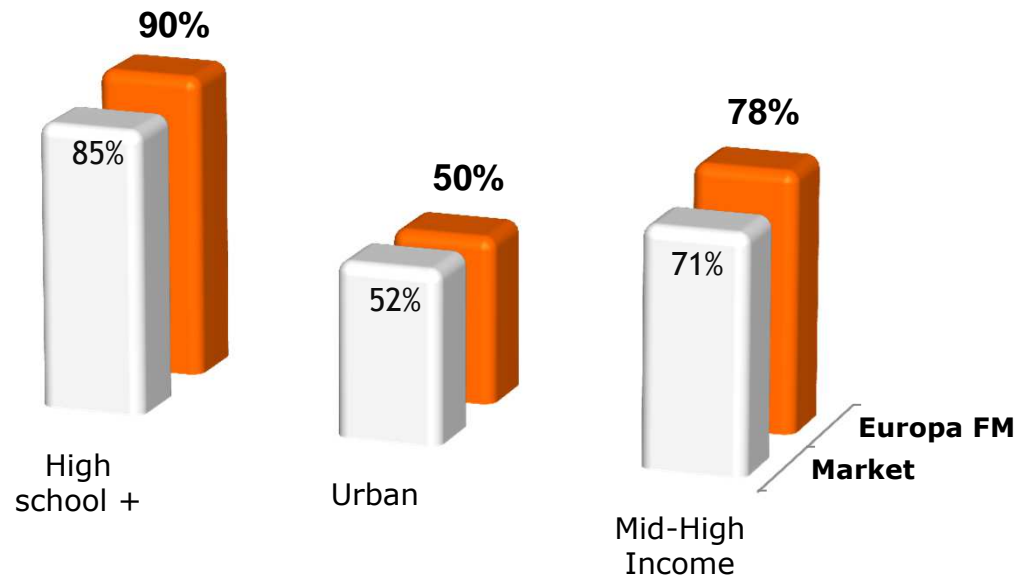


Source: EGM 2013 3rd wave

Europa FM, attractive commercial profile



Commercial Profile

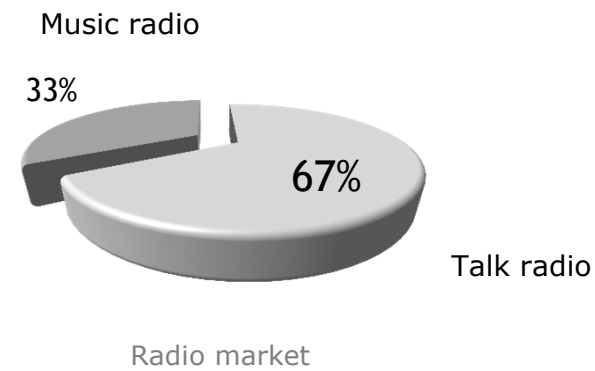
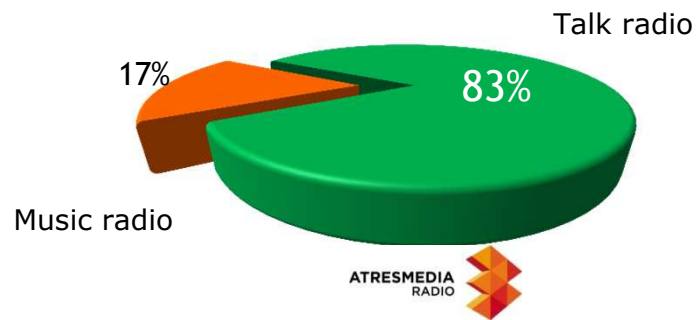


Source: EGM 2013 3rd wave

Atresmedia Radio

Our music radio underweighted vs market mix

% source of revenue

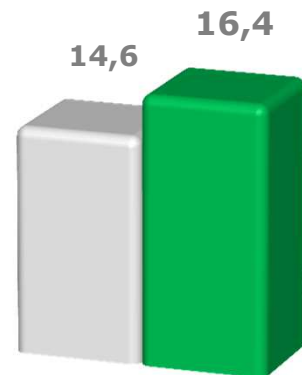


Source: Internal estimates

Atresmedia Radio

Price potencial in our music formats

€ revenue / listener



Radio market



≈ 25 €/listener

≈ 22 €/listener

Talk
Radio market

Musical
Radio market

9 €/listener



6 €/listener

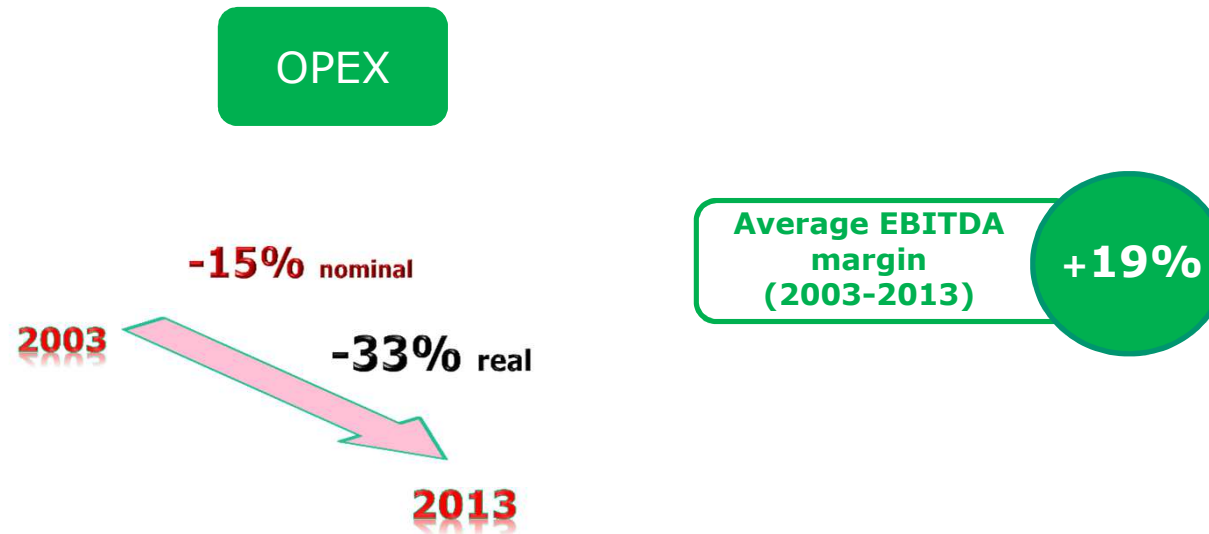


1 €/listener

Source: Internal estimates

Atresmedia Radio

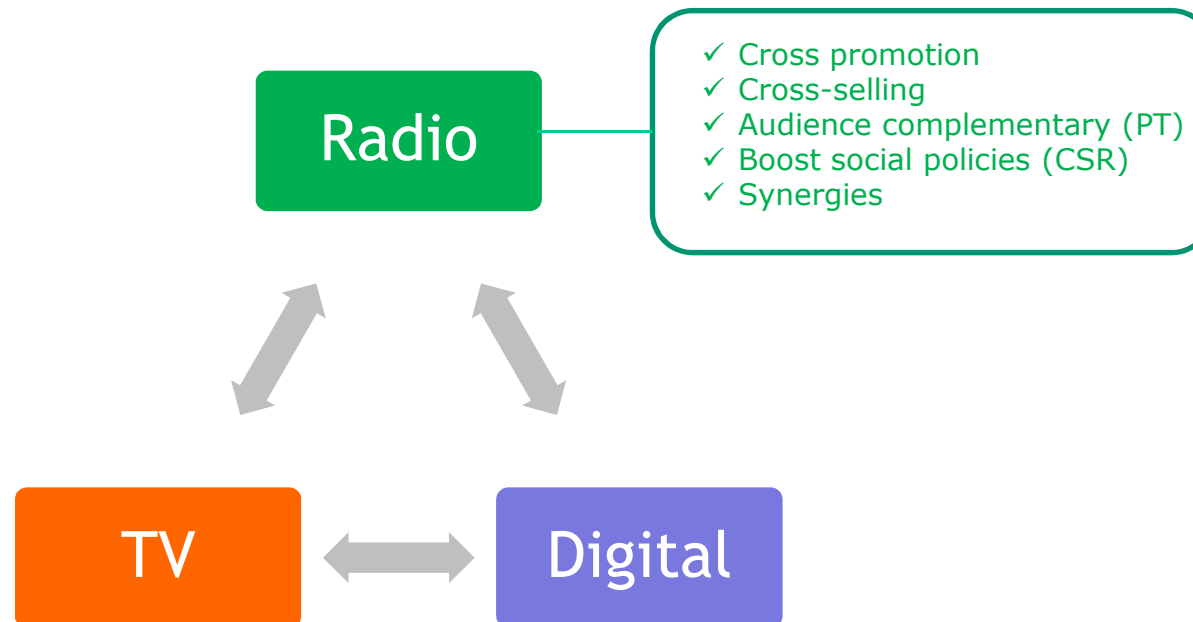
Discipline in costs increases EBITDA margins



Source: Annual accounts

Atresmedia Radio

Radio business enhances TV & Digital activities

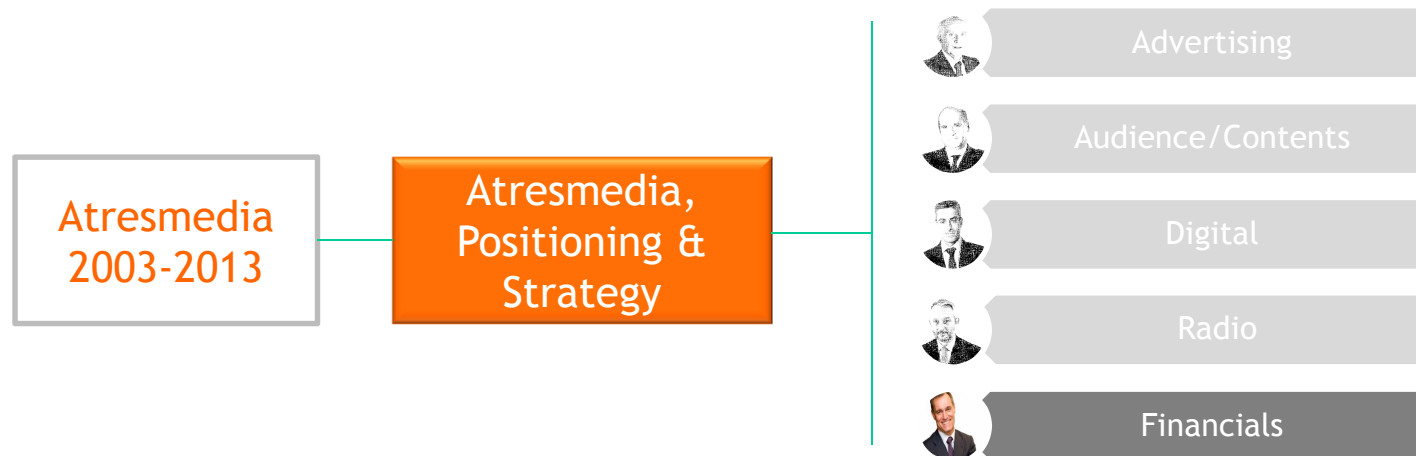


Atresmedia Radio

Four main strategic drivers

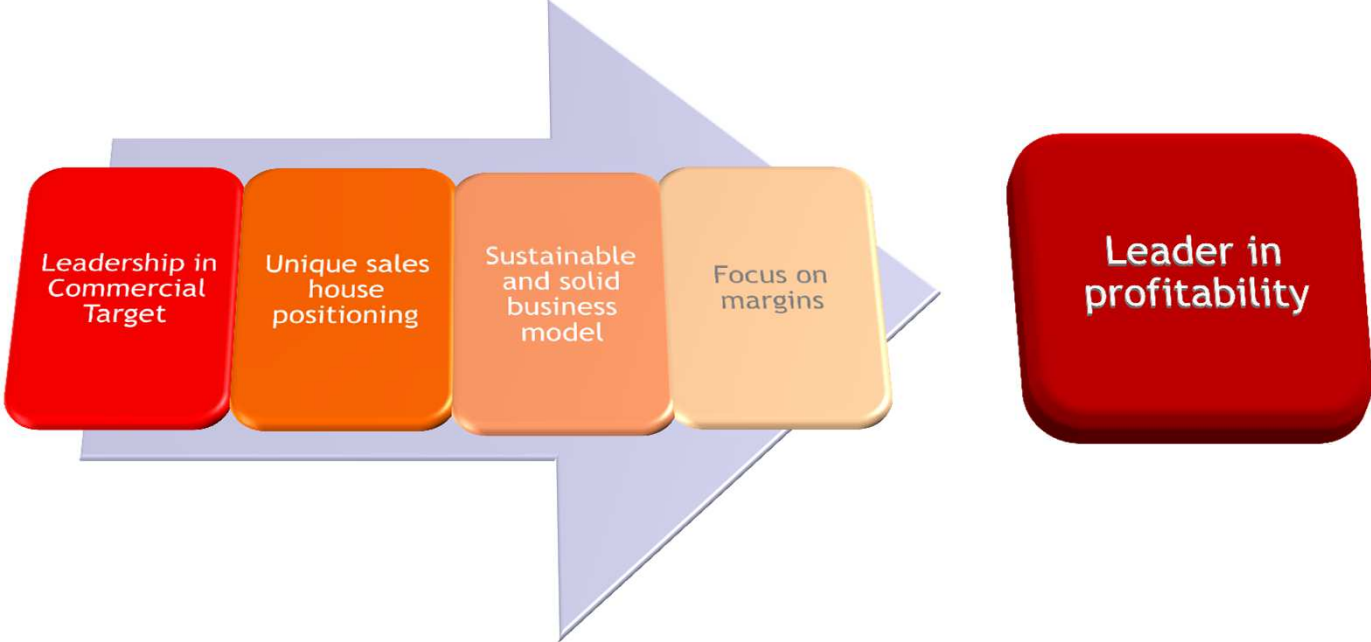


Investor & Analyst Day



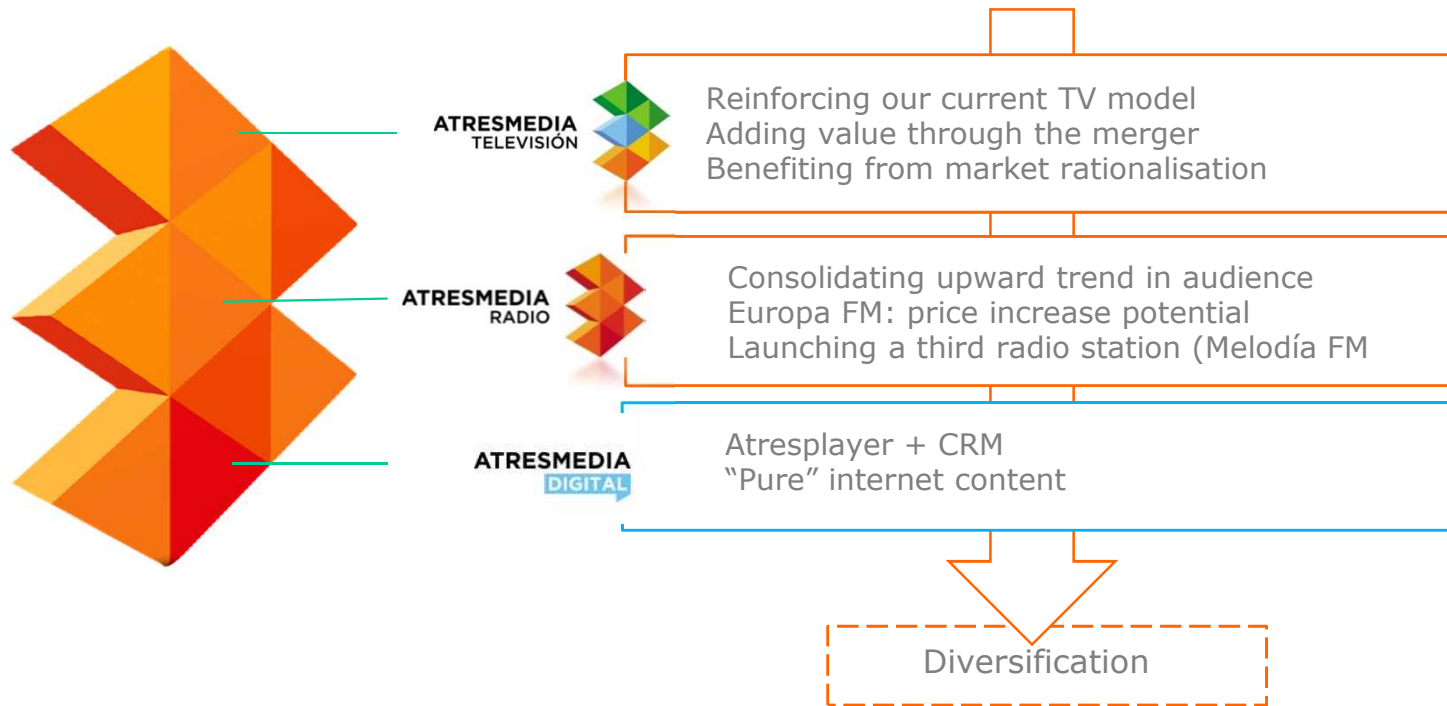
Atresmedia: Financials

Our main goal: To be leaders in profitability



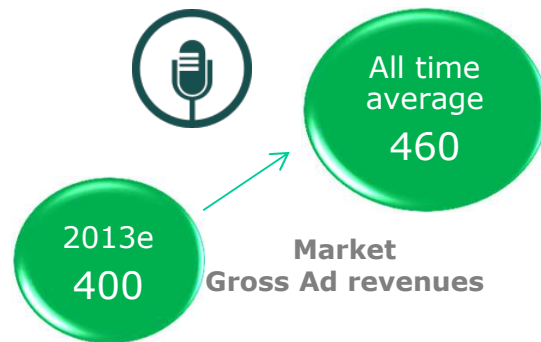
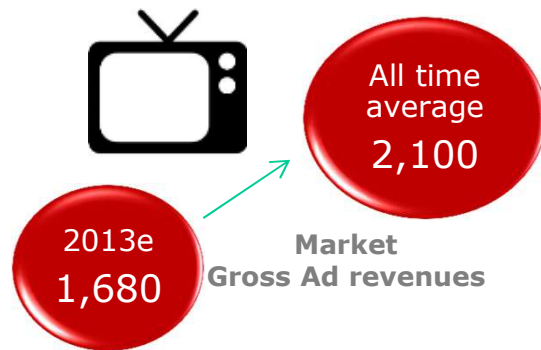
Atresmedia: Financials

Growth drivers across every division



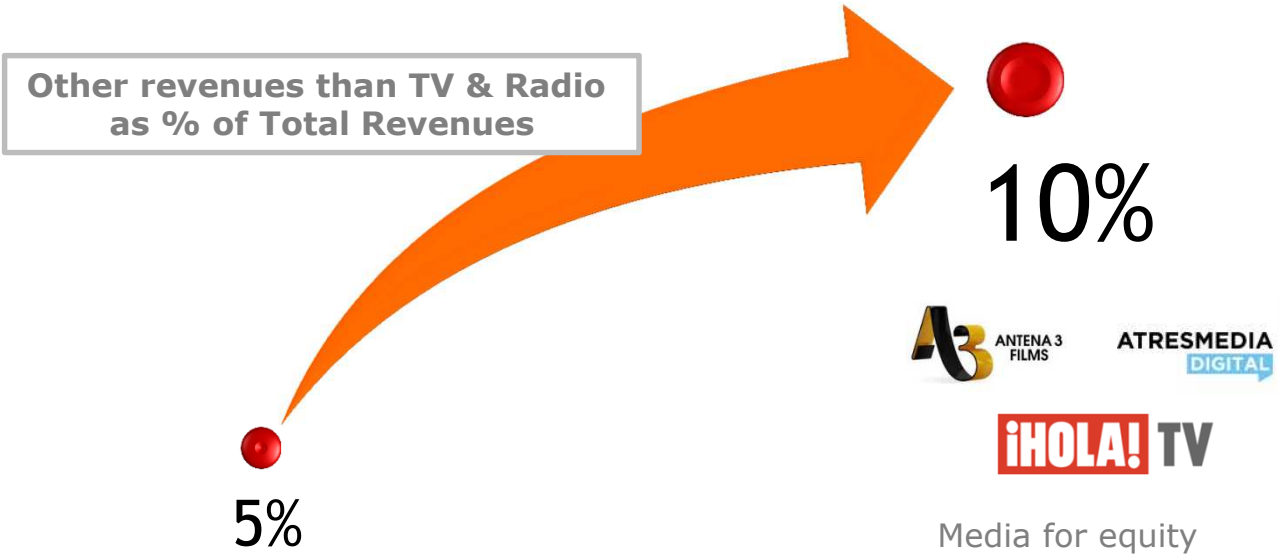
Atresmedia: Financials

Target: EBITDA margin >25%



Atresmedia: Financials

Target: Other revenues up to 10% of Total Revenues

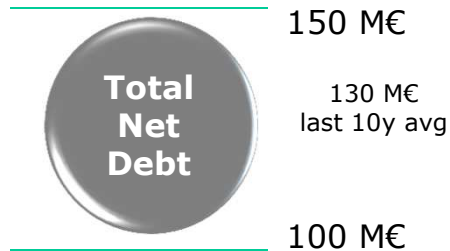


Atresmedia: Financials

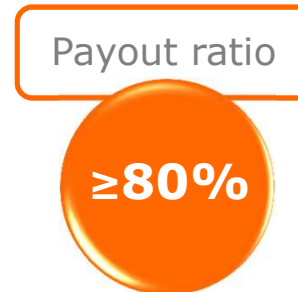
Target: Solid balance sheet and attractive dividend policy



Total Net Debt Target



Dividend policy



ATRESMEDIA

www.atresmedia.com

Investor and Analyst Day

12th December 2013

Q&A Session

