

# ATRESMEDIA

## 9M 15 Results

Oct 22, 2015

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



## 9M 15 Highlights

- According to Infoadex, Total Ad market increased by 6.4% in 9M15 (TV and Radio grew by 8.0% and 7.0% yoy respectively)
- Excellent commercial audience ratings both in A3 & La Sexta
- MEGA, best complementary channel launch ever
- Atresmedia achieved 42.5% market share and an outstanding power ratio (1.6x)
- Radio consolidated its audience at near 5 mill listeners
- Atresmedia's Net revenue amounted to €698 mill, +11.4% yoy
- OPEX stood at €578 mill, +6.7% yoy
- EBITDA of €119 mill, +41.7% yoy
- Net Profit of €69 mill, 1.5x vs 9M 14
- Regulatory uncertainty faded out (8 DTT channels were confirmed valid and beauty contest for 6 new DTT channels settled)
- Atresmedia has been awarded a new HD channel.

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## 9M 15 Financial Summary

# Advertising market in Spain

- Total Ad market increased by 6.4% in these first nine months of 2015
- TV & Radio grew by 8% and 7% respectively

Media	Q3 15 yoy	9M 15 yoy
TV	+3.1%	+8.0%
Radio	+2.3%	+7.0%
Newspapers	+4.8%	+0.8%
Magazines	+3.1%	+1.1%
Sunday suppl.	+11.1%	+1.2%
Outdoor	+2.4%	+4.5%
Internet	+19.1%	+11.3%
Cinema	-6.9%	+51.8%
<b>Total</b>	<b>+4.9%</b>	<b>+6.4%</b>

Source: Infoadex

# Atresmedia

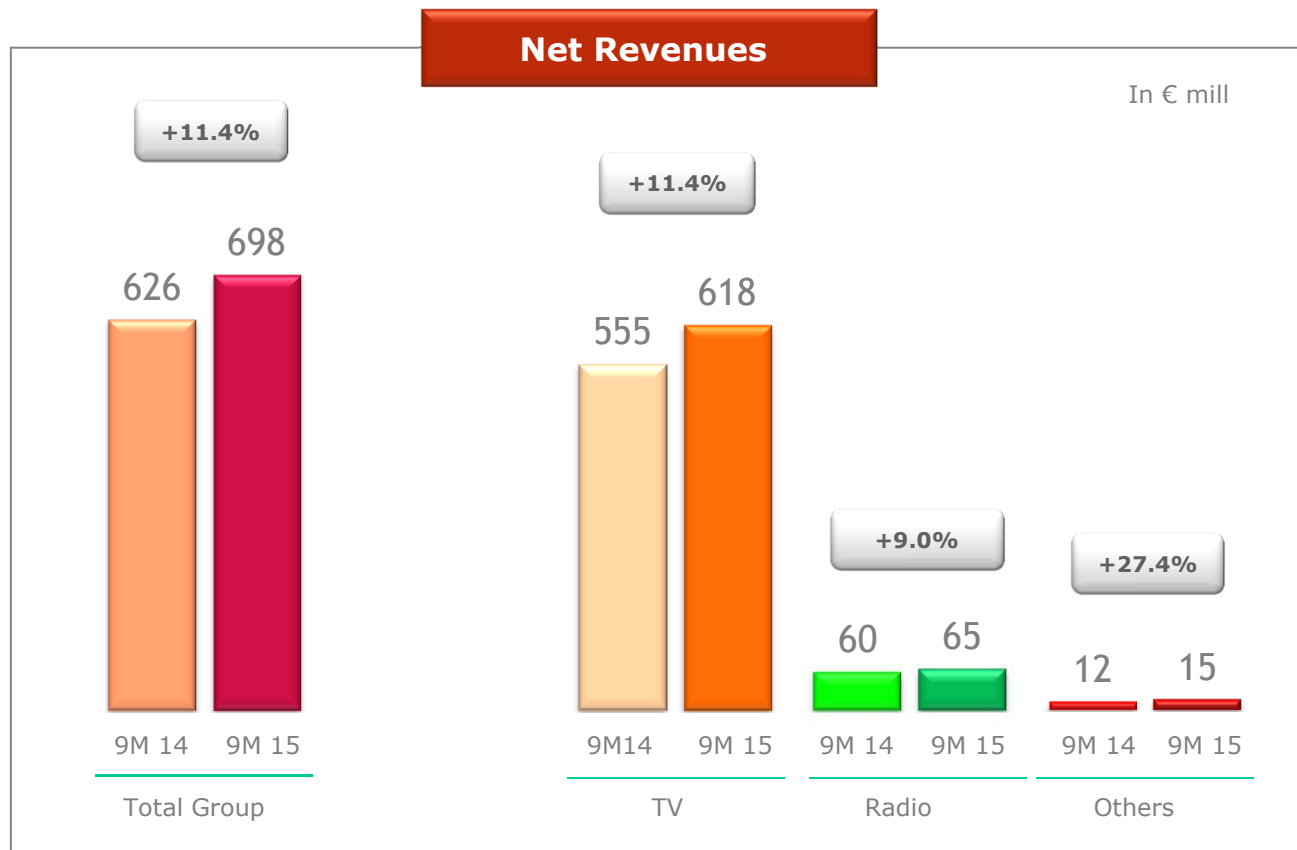
9M 15 Results in € mill: P&L

	9M 15	9M 14	YoY
<b>Net Revenues</b>	<b>697.9</b>	<b>626.2</b>	<b>+11.4%</b>
<b>OPEX</b>	<b>578.4</b>	<b>541.9</b>	<b>+6.7%</b>
<b>EBITDA</b>	<b>119.5</b>	<b>84.3</b>	<b>+41.7%</b>
<i>EBITDA Margin</i>	<i>17.1%</i>	<i>13.5%</i>	
<b>EBIT</b>	<b>103.1</b>	<b>72.0</b>	<b>+43.2%</b>
<i>EBIT Margin</i>	<i>14.8%</i>	<i>11.5%</i>	
<b>Net profit</b>	<b>69.3</b>	<b>47.1</b>	<b>+47.1%</b>
<i>Net profit Margin</i>	<i>9.9%</i>	<i>7.5%</i>	

Source: Atresmedia's financial statements

# Atresmedia: Net revenues by segment

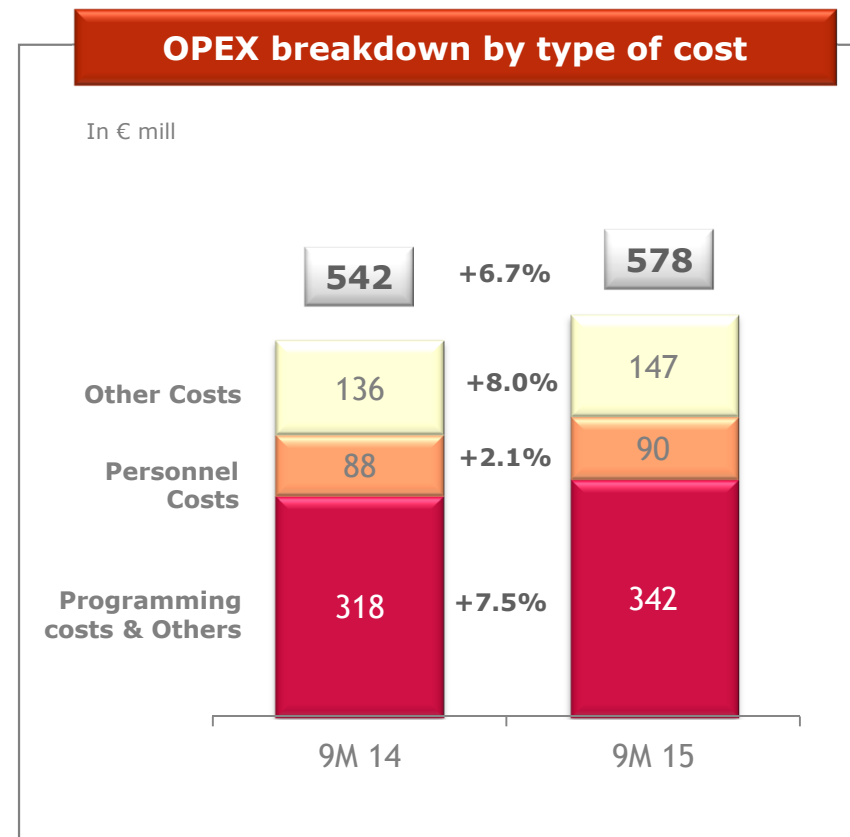
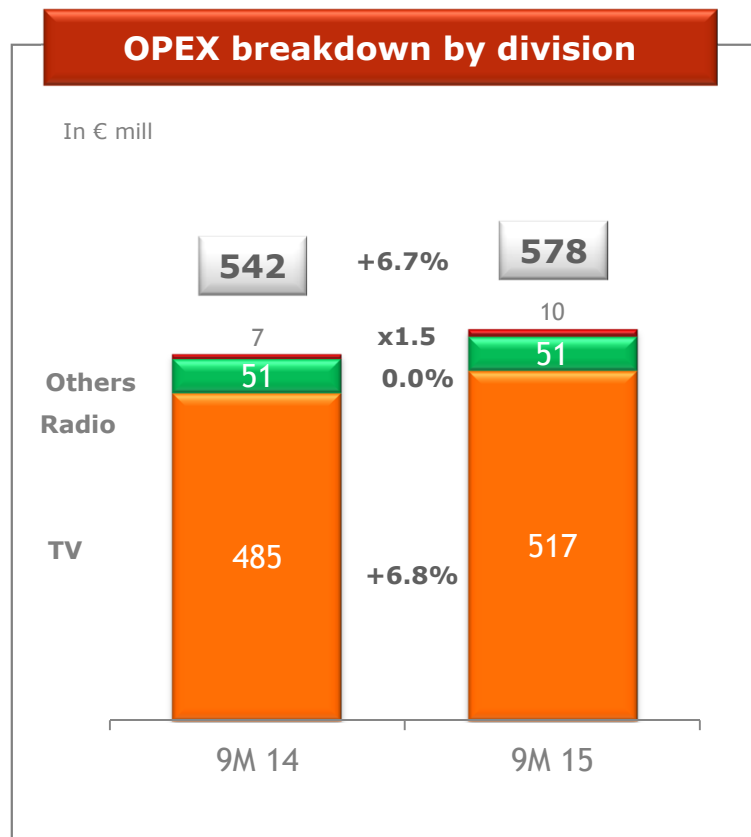
- Total Net Revenues stood at €697.9 million, +11.4% yoy
- Net TV revenues of €617.5 million (+11.4%)
- Radio revenues reached €65.0 mill (+9.0% yoy)
- Revenues of "Others" at €15.5 mill (+27.4% yoy)



Source: Atresmedia's financial statements

# Atresmedia: OPEX

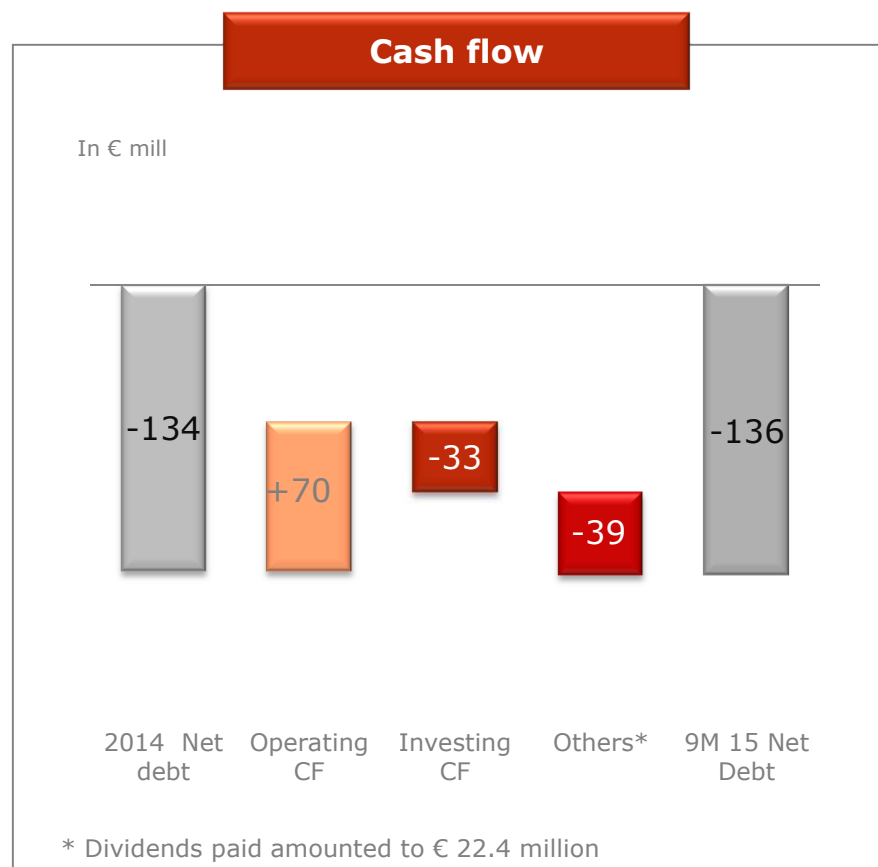
- Total OPEX of €578.4 mill, +6.7% vs 9M 15
- Both programming costs and overheads, mainly non recurring items, explained the yoy growth



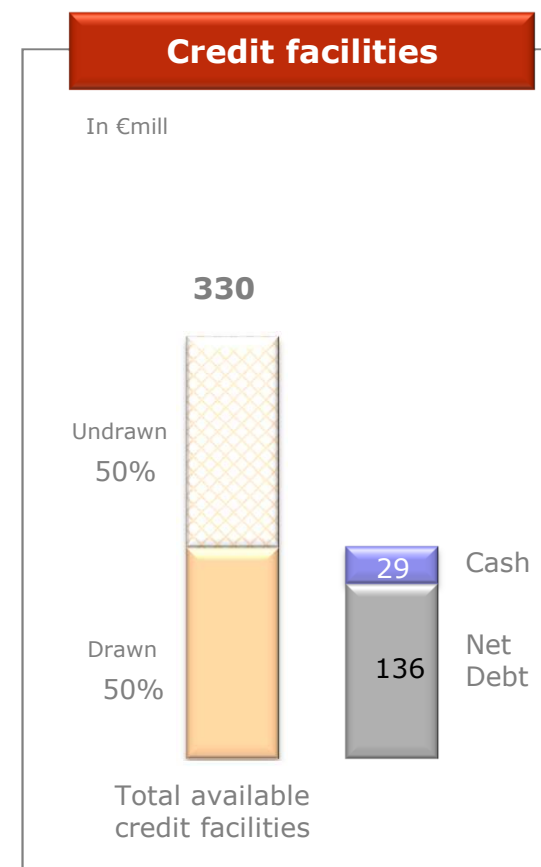
Source: Atresmedia's financial statements

# Atresmedia: Cash flow & Debt position

- Total net debt reached €136 million
- Total net debt/last 12 months EBITDA = 0.8x



Source: Atresmedia's financial statements

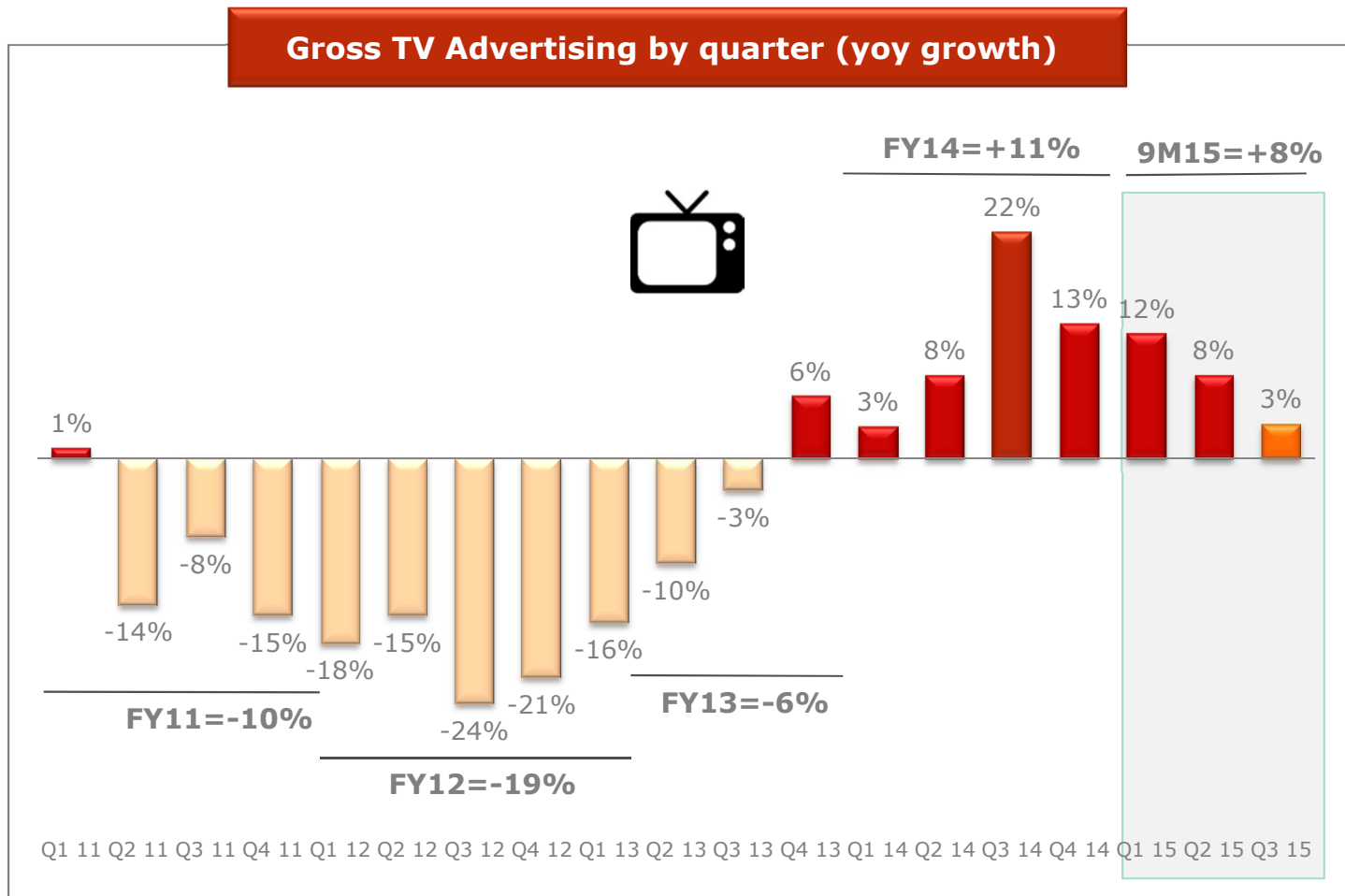


Source: Atresmedia's financial statements



# TV Advertising market

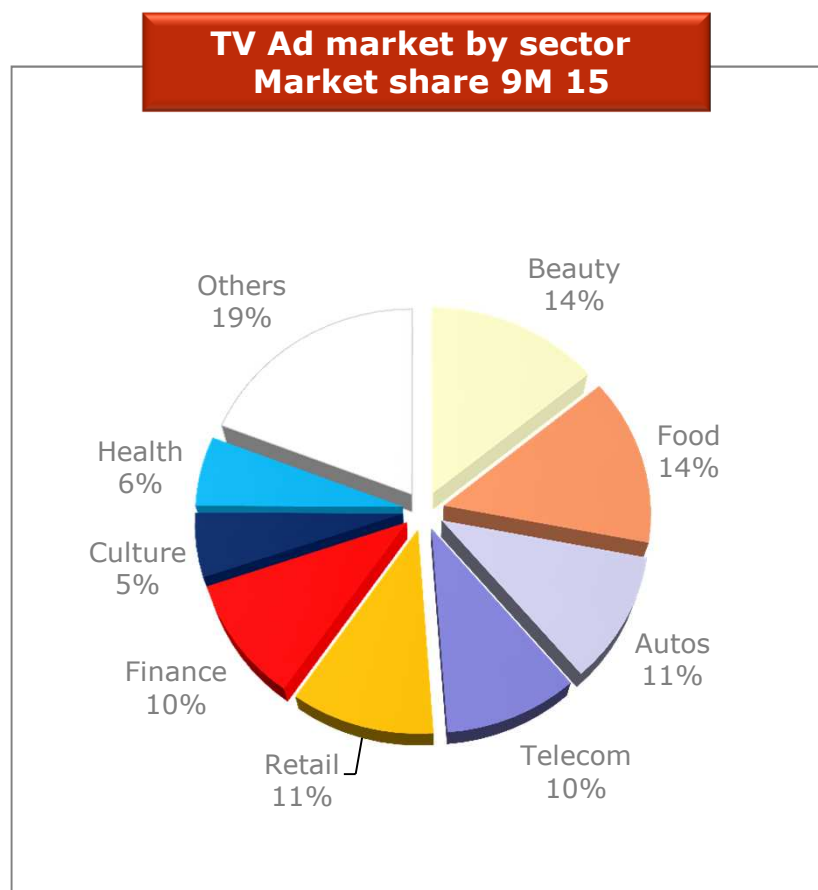
→ 9M 15 (+8% yoy): Strong advertising demand remains



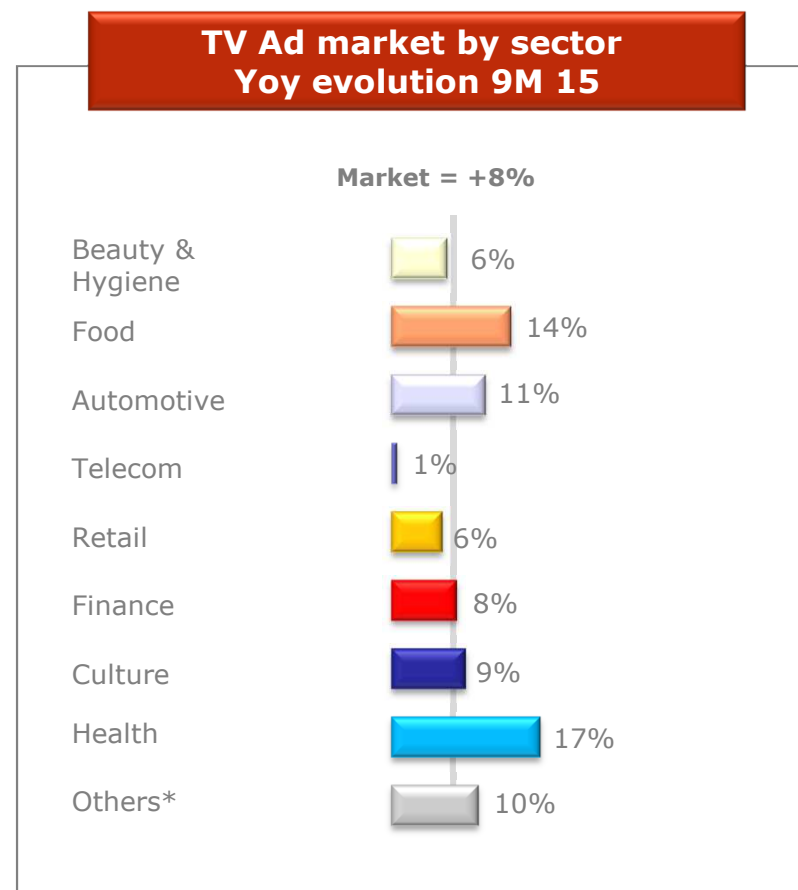
Source: Infoadex.

# TV Advertising market by sector

→ All categories in positive vs 2014



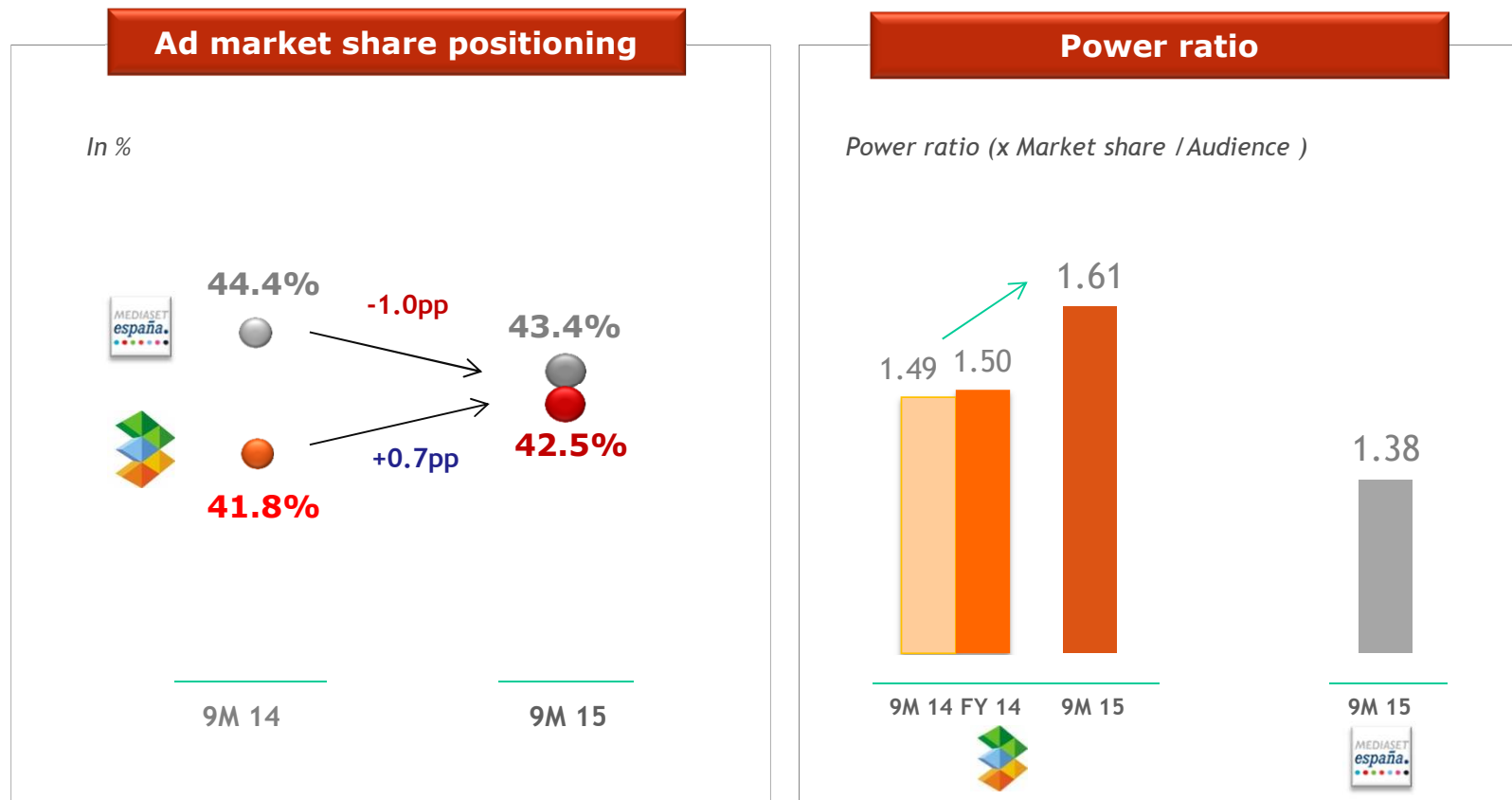
Source: Internal estimates



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

# Atresmedia market positioning

- Atresmedia's market share was 42.5%, higher than same period last year with fewer channels
- Atresmedia: power ratio above 1.6x, well ahead its peers



Source: Infoadex.

# Atresmedia Television

9M 15 Results in € mill: P&L

	9M 15	9M 14	YoY
<b>Total Net Rev.</b>	<b>617.5</b>	<b>554.5</b>	<b>+11.4%</b>
<b>OPEX</b>	<b>517.4</b>	<b>484.6</b>	<b>+6.8%</b>
<b>EBITDA</b>	<b>100.1</b>	<b>69.9</b>	<b>+43.2%</b>
<i>EBITDA Margin</i>	<i>16.2%</i>	<i>12.6%</i>	
<b>EBIT</b>	<b>89.3</b>	<b>59.6</b>	<b>+49.8%</b>
<i>EBIT Margin</i>	<i>14.5%</i>	<i>10.8%</i>	

Source: Atresmedia`s financial statements

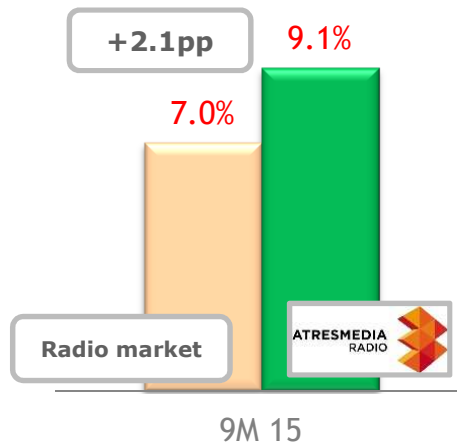


# Atresmedia Radio

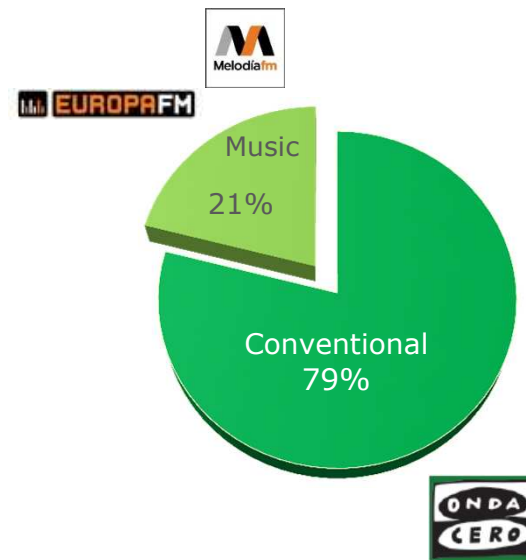
- Atresmedia Radio: excellent revenue performance (+9% yoy), 2pp better than the market

## Atresmedia Radio vs Radio market

Ad revenues growth yoy



## Revenues breakdown



Source: Internal estimates

# Atresmedia Radio

9M 15 Results in € mill: P&L

	9M 15	9M 14	YoY
<b>Net Revenues</b>	<b>65.0</b>	<b>59.6</b>	<b>+9.0%</b>
<b>OPEX</b>	<b>50.6</b>	<b>50.5</b>	<b>+0.0%</b>
<b>EBITDA</b> <i>EBITDA Margin</i>	<b>14.4</b> 22.2%	<b>9.0</b> 15.2%	<b>+59.5%</b>
<b>EBIT</b> <i>EBIT Margin</i>	<b>13.0</b> 20.1%	<b>7.6</b> 12.8%	<b>+70.2%</b>

Source: Atresmedia's financial statements

# Atresmedia: "Others" Division

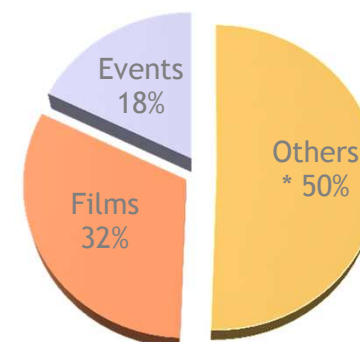
## Financials

€ mill	9M 15	9M 14
<b>Net Revenues</b>	<b>15.5</b>	<b>12.1</b>
<b>EBITDA</b>	<b>5.0</b>	<b>5.4</b>

Source: Atresmedia's financial statements

Contribution to consolidated group

### Net revenues split



\*Others ( Internet, Editorial...)

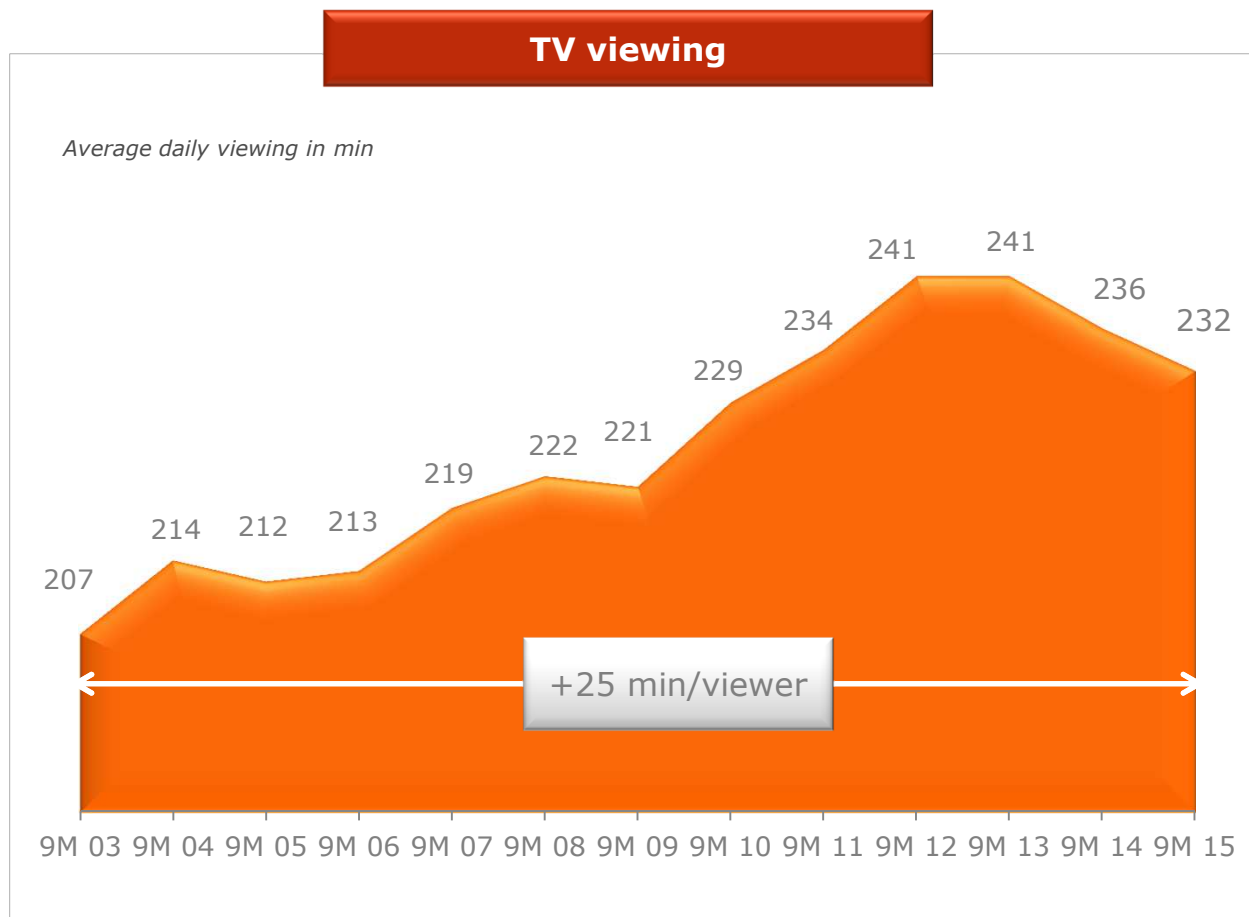


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## 9M 15 Business Summary

# TV viewing

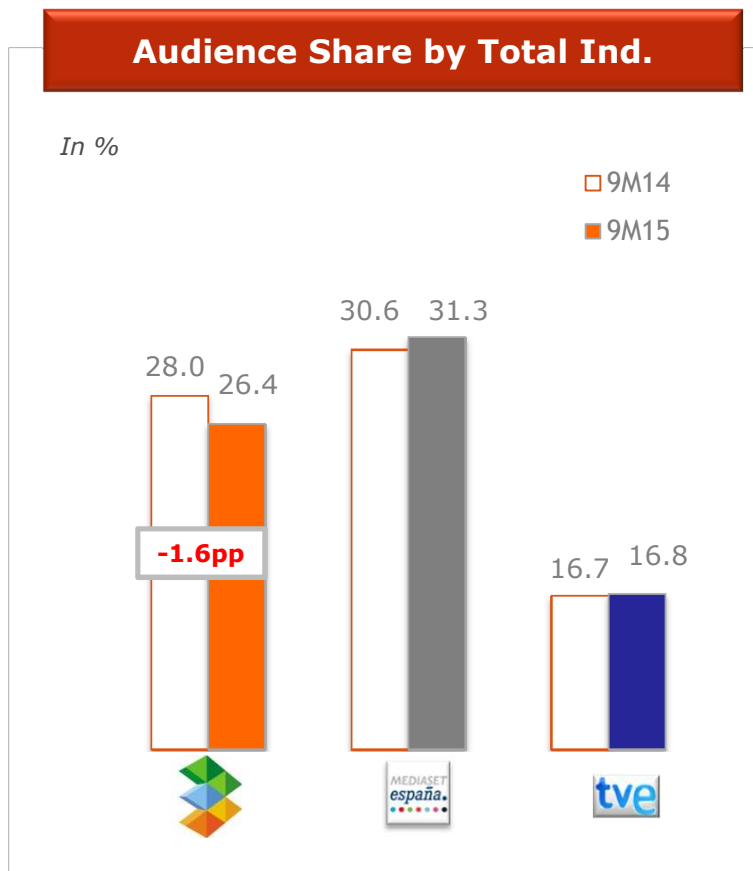
→ TV viewing remains at a very high level despite a 4-min decrease yoy



Source: Kantar Media

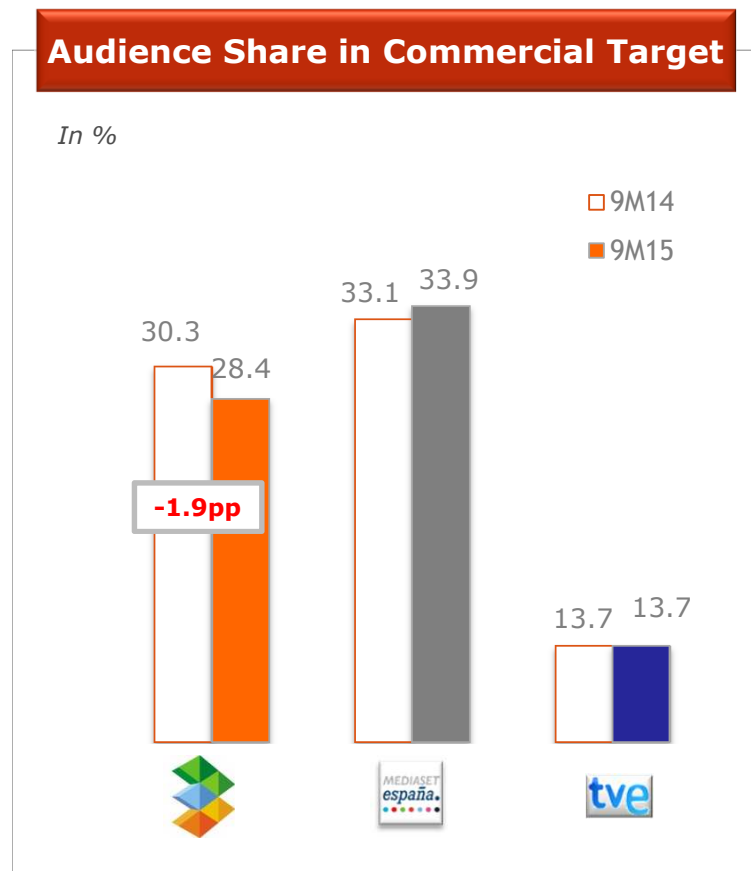
# TV audience shares: By groups

- Atresmedia reached 26.4% audience share
- The yoy audience gap is mostly explained by the closure of 3 channels as of May 14



Source: Kantar Media

Audience share 24h; Total Individuals: 4+

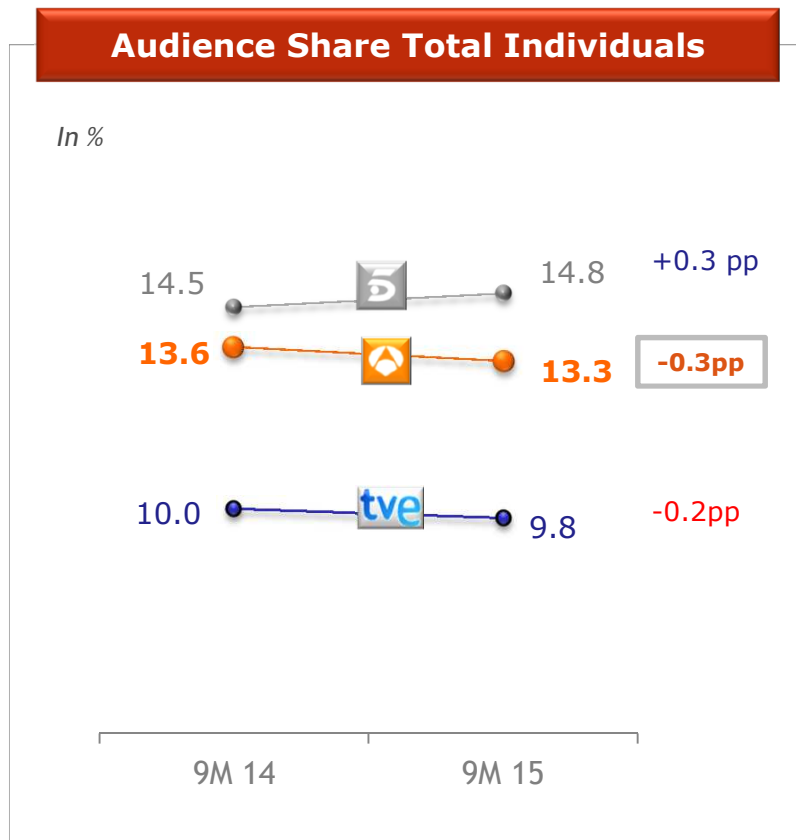


Source: Kantar Media

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

# TV audience shares: Core channels (Tier I)

→ Antena 3's audience decreased slightly



Source: Kantar Media

Audience share 24h; Total Individuals: 4+

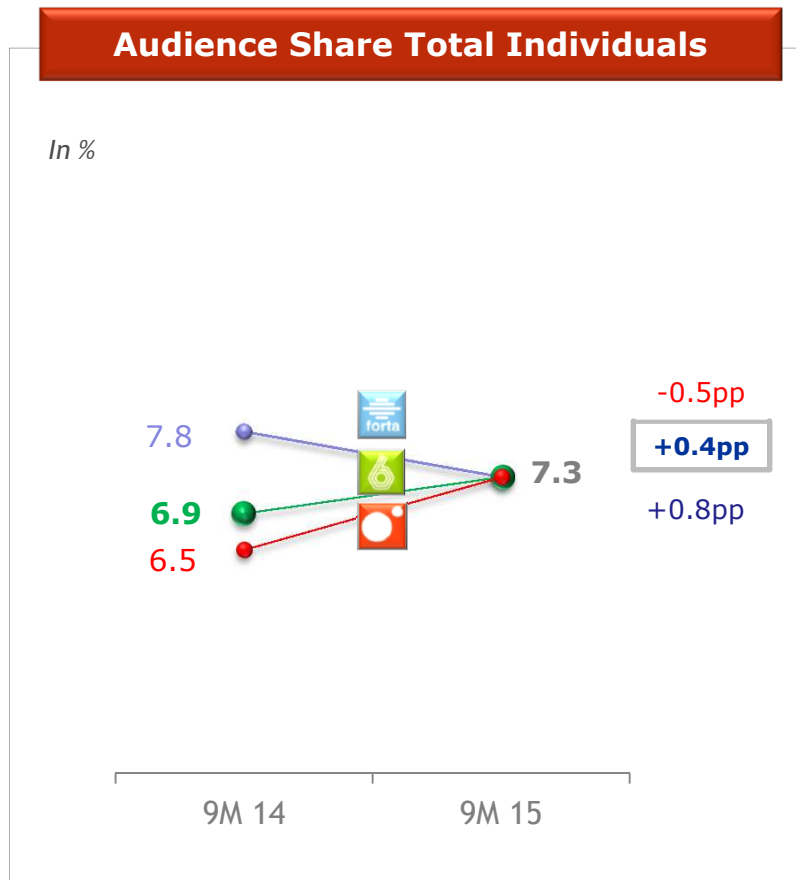


Source: Kantar Media

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

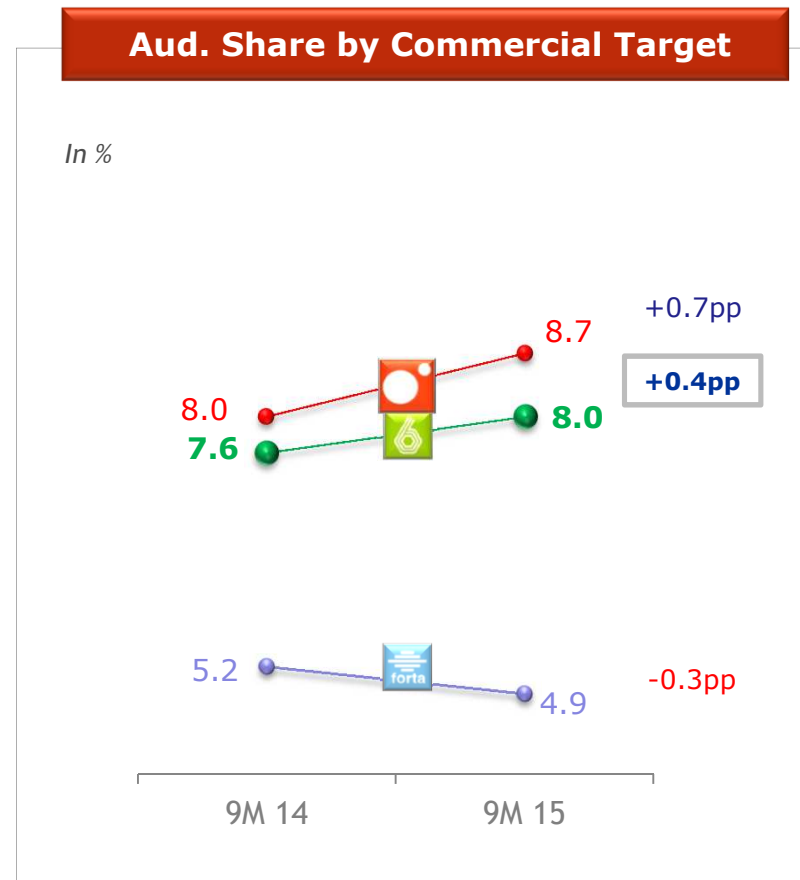
# TV audience shares: Core channels (Tier II)

→ La Sexta reached 7.3%, increasing +0.4pp yoy



Source: Kantar Media

Audience share 24h; Total Individuals: 4+

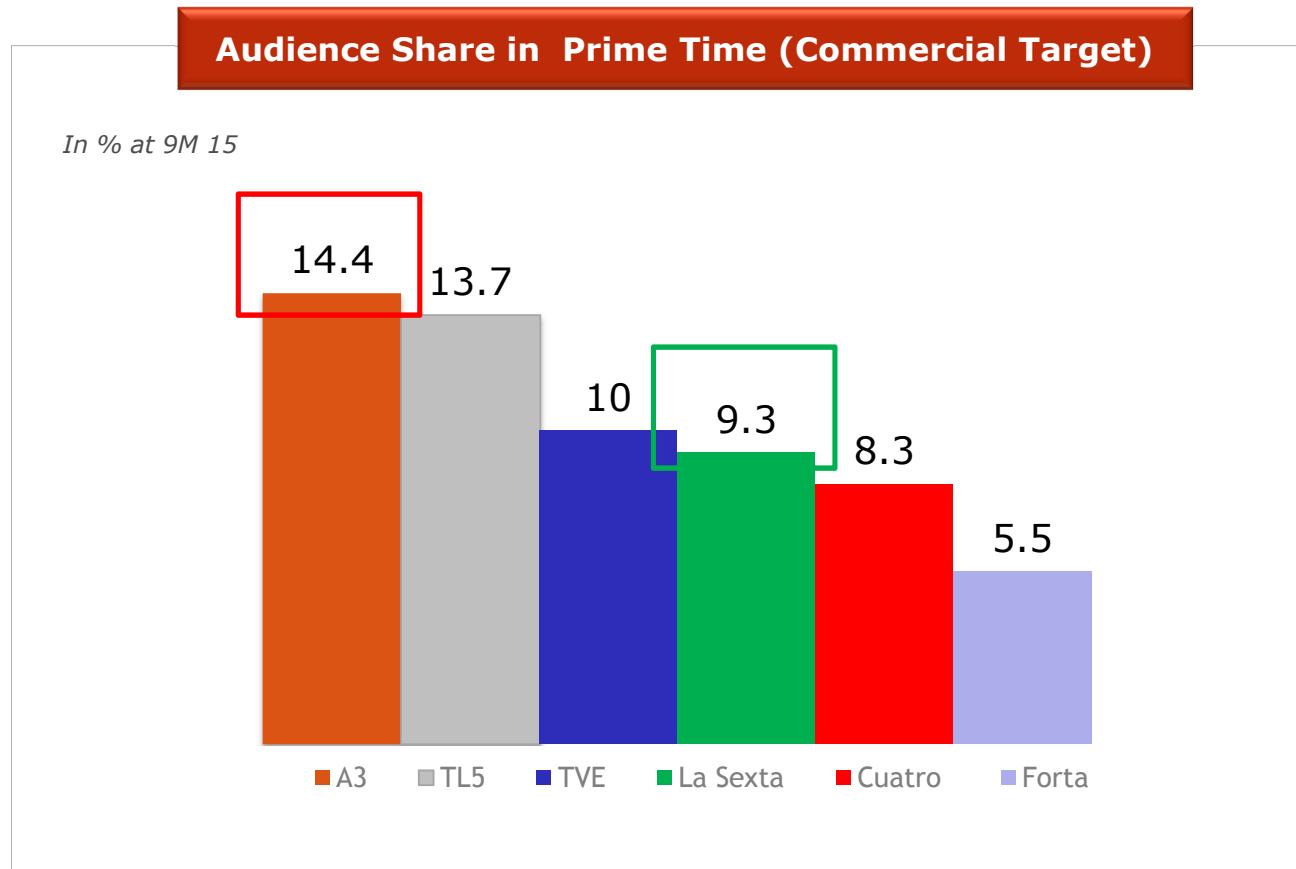


Source: Kantar Media

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

# TV audience shares: Prime Time ranking

- Antena 3 leads Prime Time for the most commercial audience
- La Sexta is clearly ahead its direct competitor

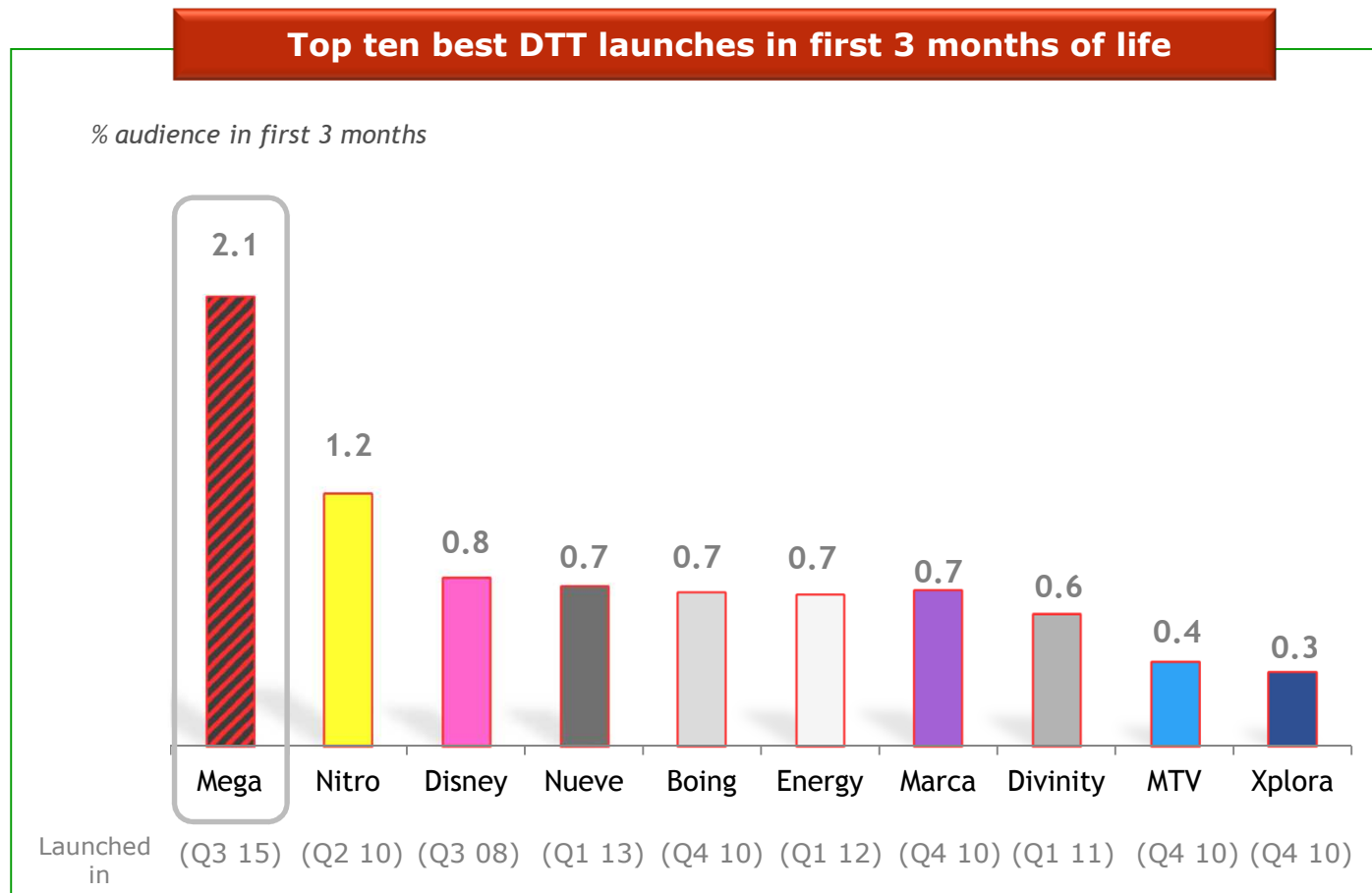


Source: Kantar Media

Prime Time: 20.30h- 24.00h; Commercial Target: 16-54 yrs, > 10,000 inhabitants

# Television Industry: Mega

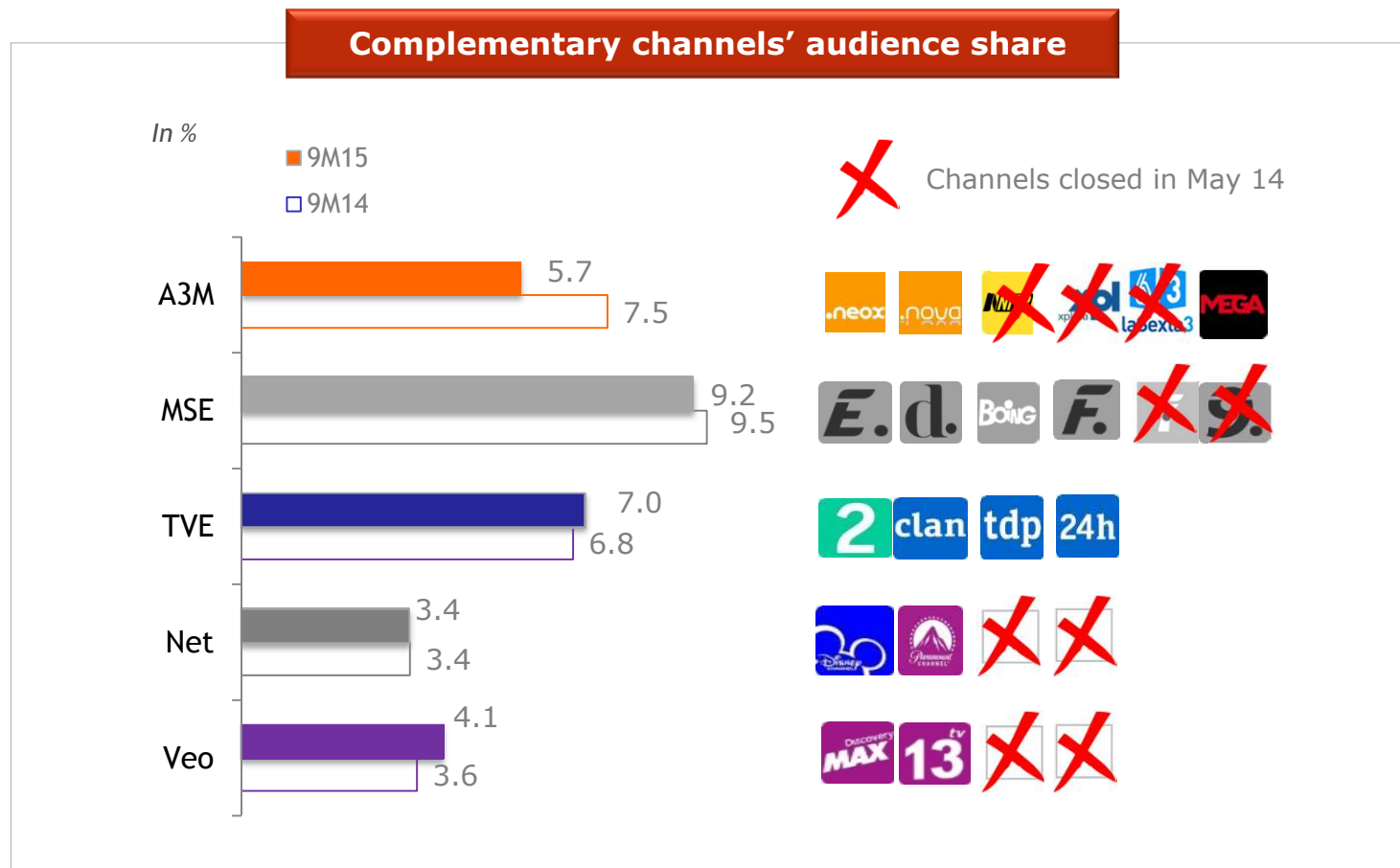
- Mega: best launch ever among DTT complementary channels
- #8th position out of 15 complementary channels in its 1st quarter of life



Source: Kantar Media

# TV audience shares: Complementary channels

→ 9M 15 audiences: Still affected by the closure of the complementary channels in may 14

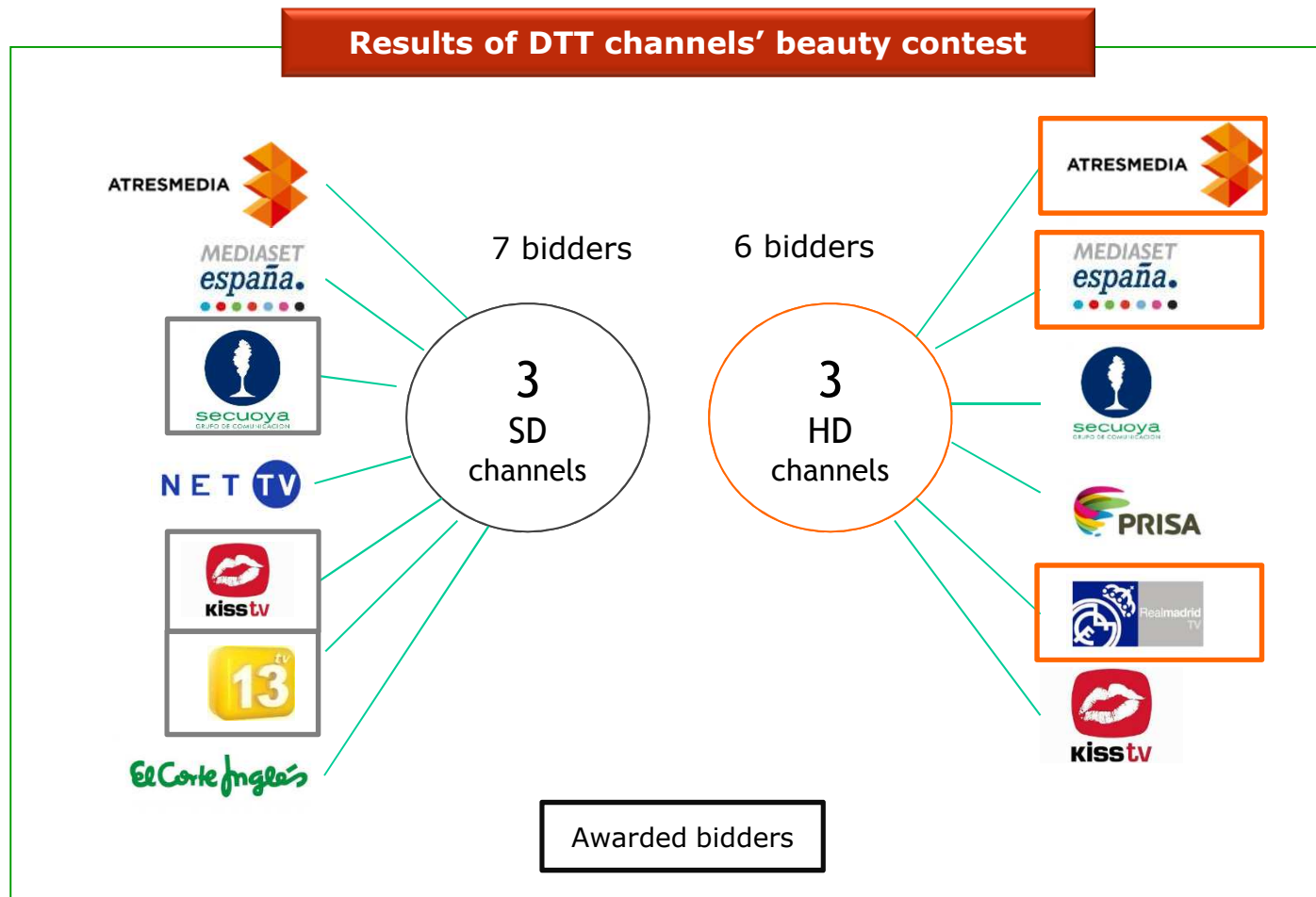


Source: Kantar Media  
Audience share 24h; Total Individuals: 4+



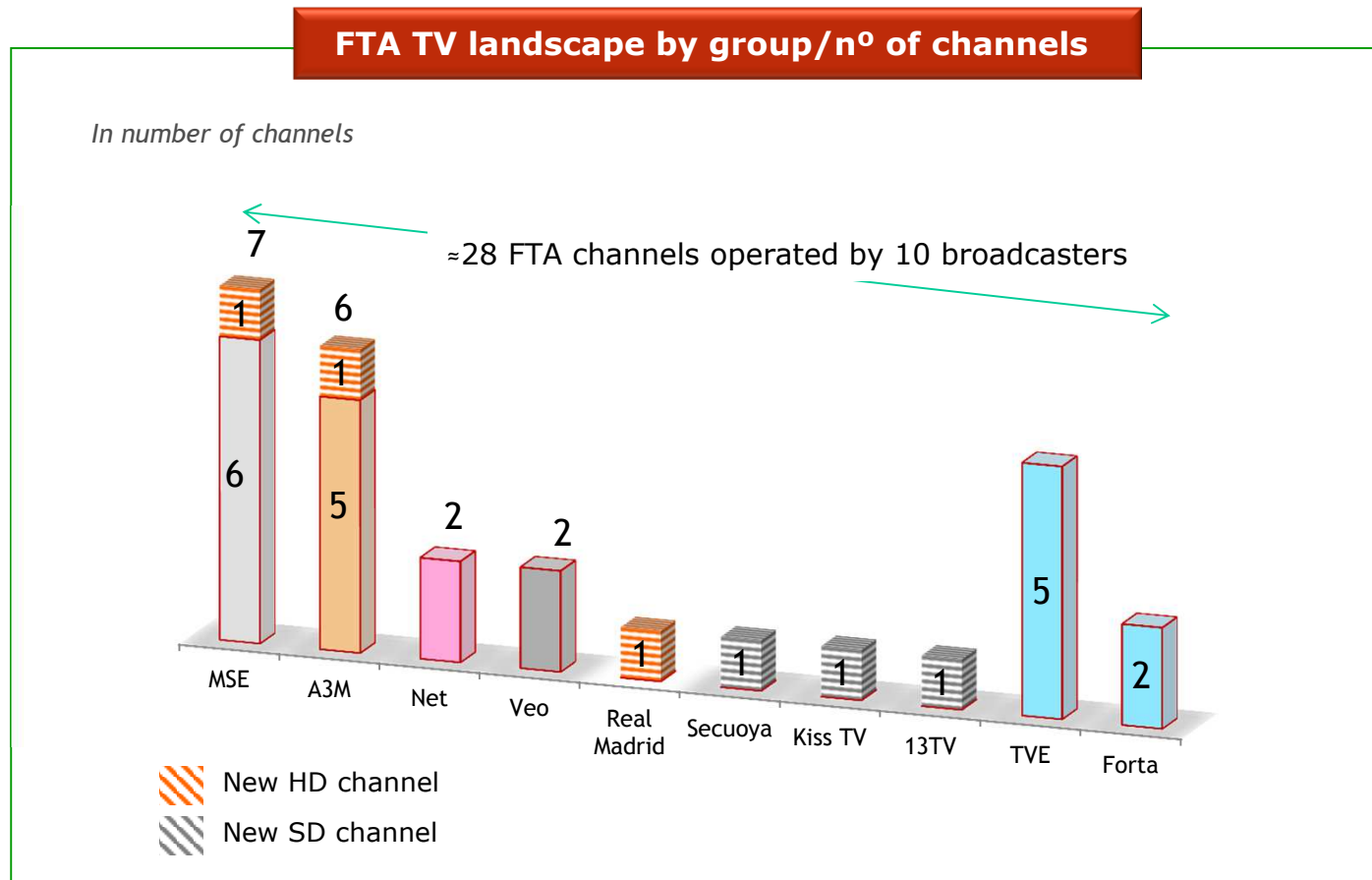
# Television Industry: DTT beauty contest

- Results of the beauty contest for 6 new DTT channels are known
- Atresmedia has been awarded a new HD channel



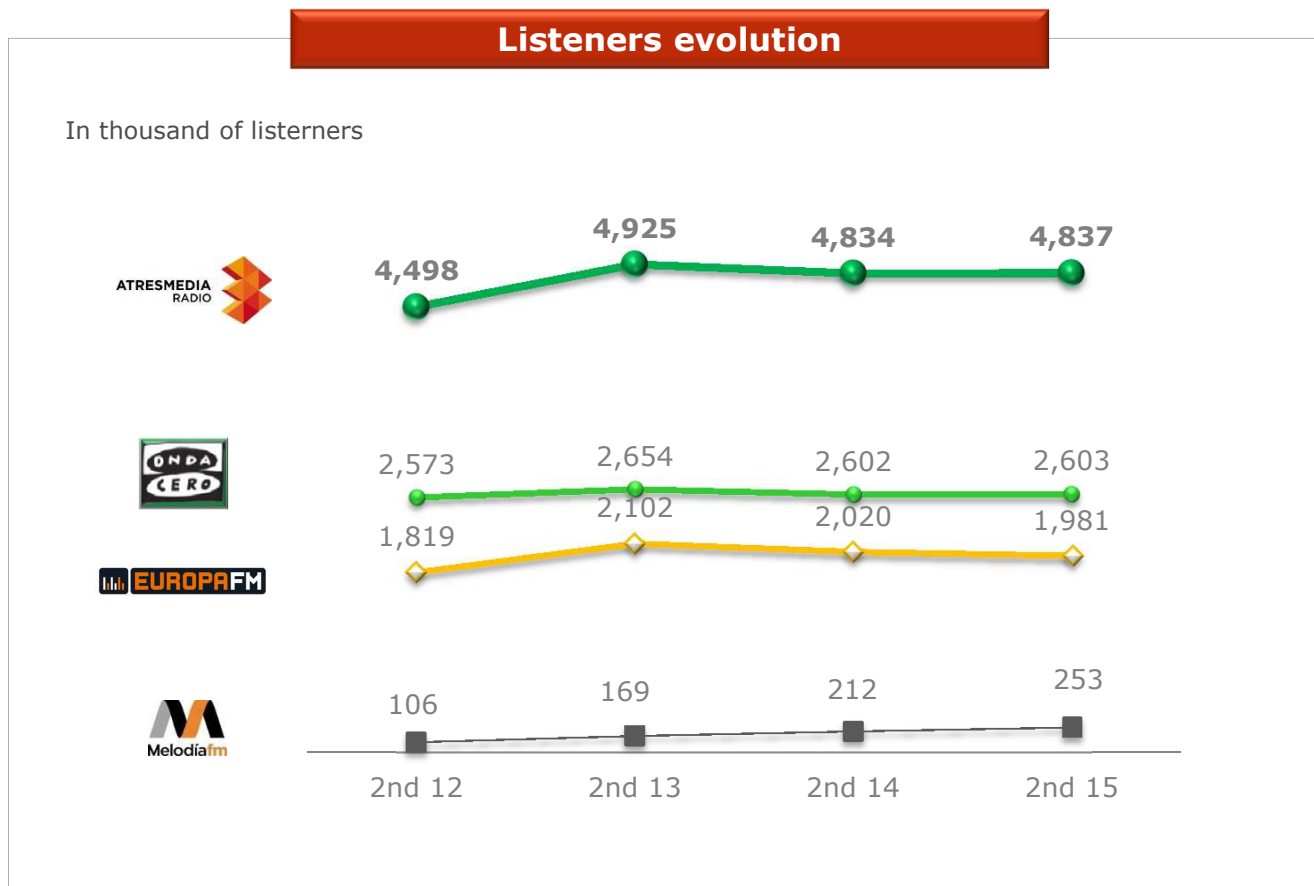
# Television Industry: DTT

- Regulatory uncertainty faded out
- Final FTA industry structure: 10 broadcasters & 28 channels



# Atresmedia Radio

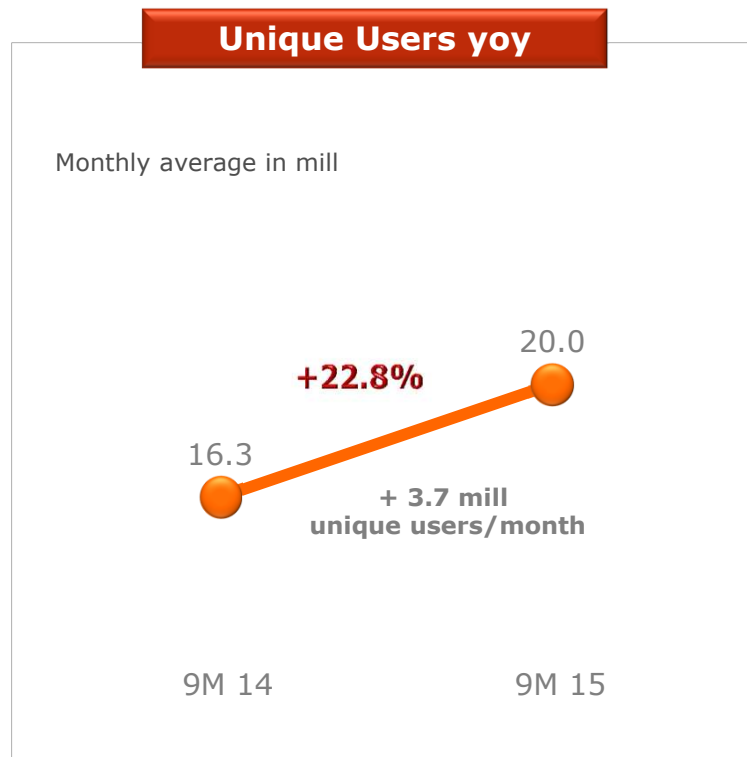
- ➔ Atresmedia Radio consolidated audience around 5.0 million listeners
- ➔ Onda Cero & Europa FM remained stable in last surveys
- ➔ Melodía FM, relaunched in Q1 14, keeps growing steadily



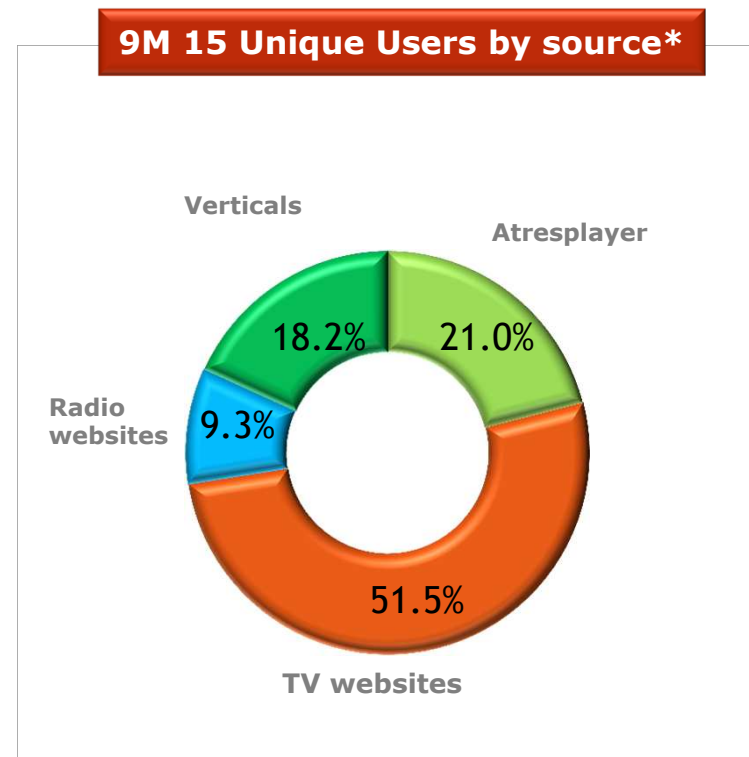
Source: EGM Surveys Monday to Friday (.000) ( Moving average).

# Atresmedia Digital

- Monthly unique users increased by 23% up to 20 mill in 9M 15
- TV websites & Atresplayer accounts for more than 70% of the consumption



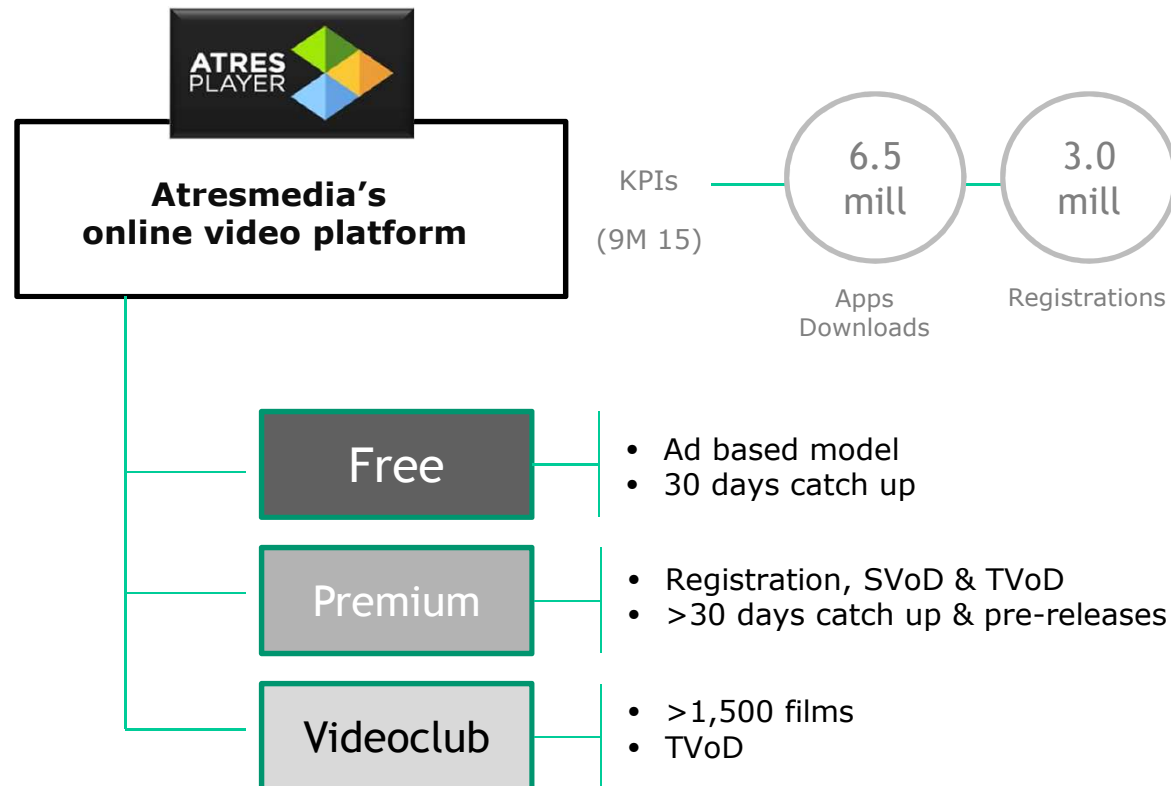
Source: Adobe Analytics



\* Atrestube is not included

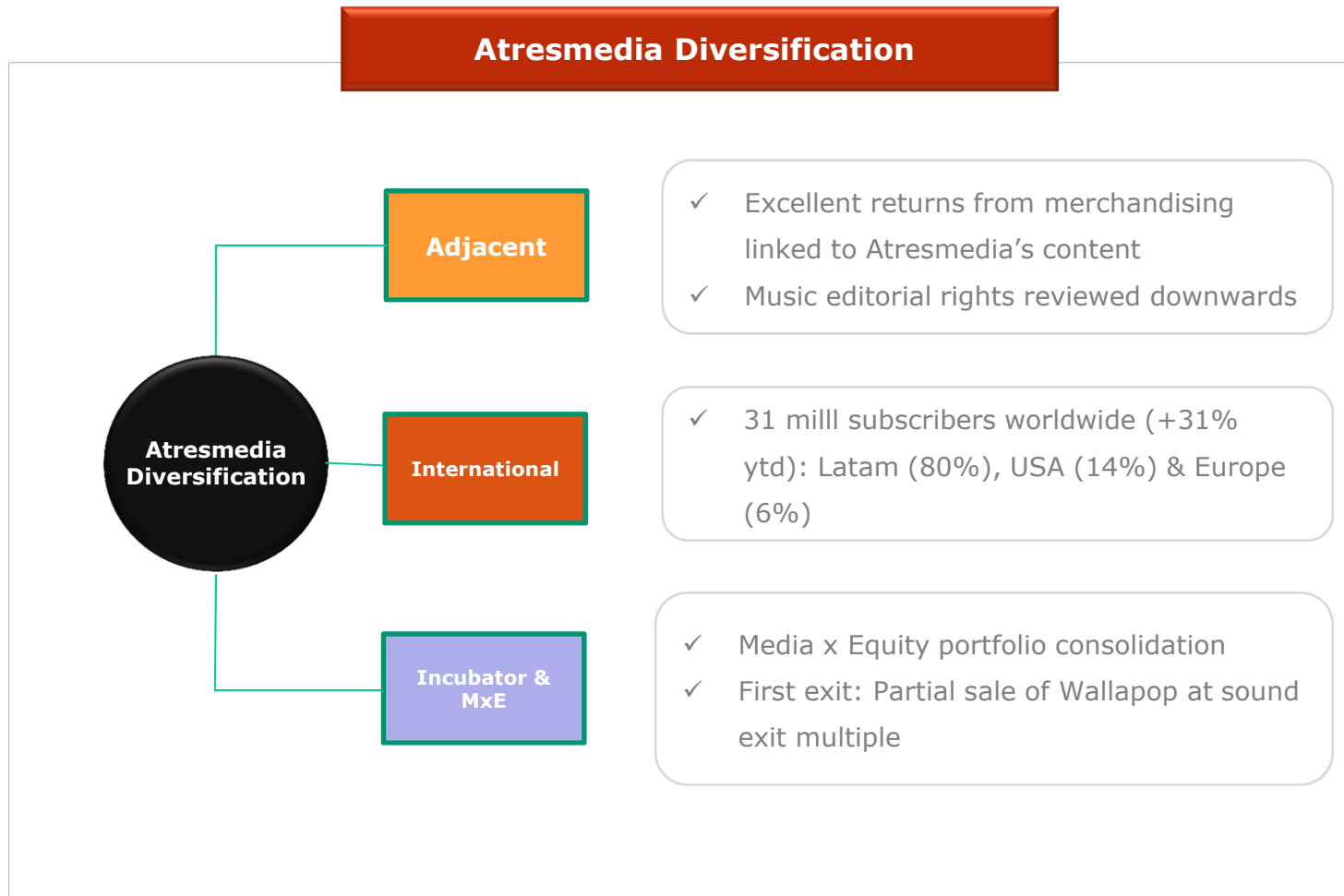
# Atresmedia Digital: Atresplayer

- ➔ Atresplayer reached almost 6.5 mill app downloads
- ➔ Re-designing business model in three windows: Free, Premium & Videoclub



# Atresmedia Diversification

→ Atresmedia Diversification gained ground in 9M 15



# Atresmedia Cinema

→ Atresmedia's films achieved 42% of the spanish films' box office at 9M15

## Atresmedia Cinema in 9M 15

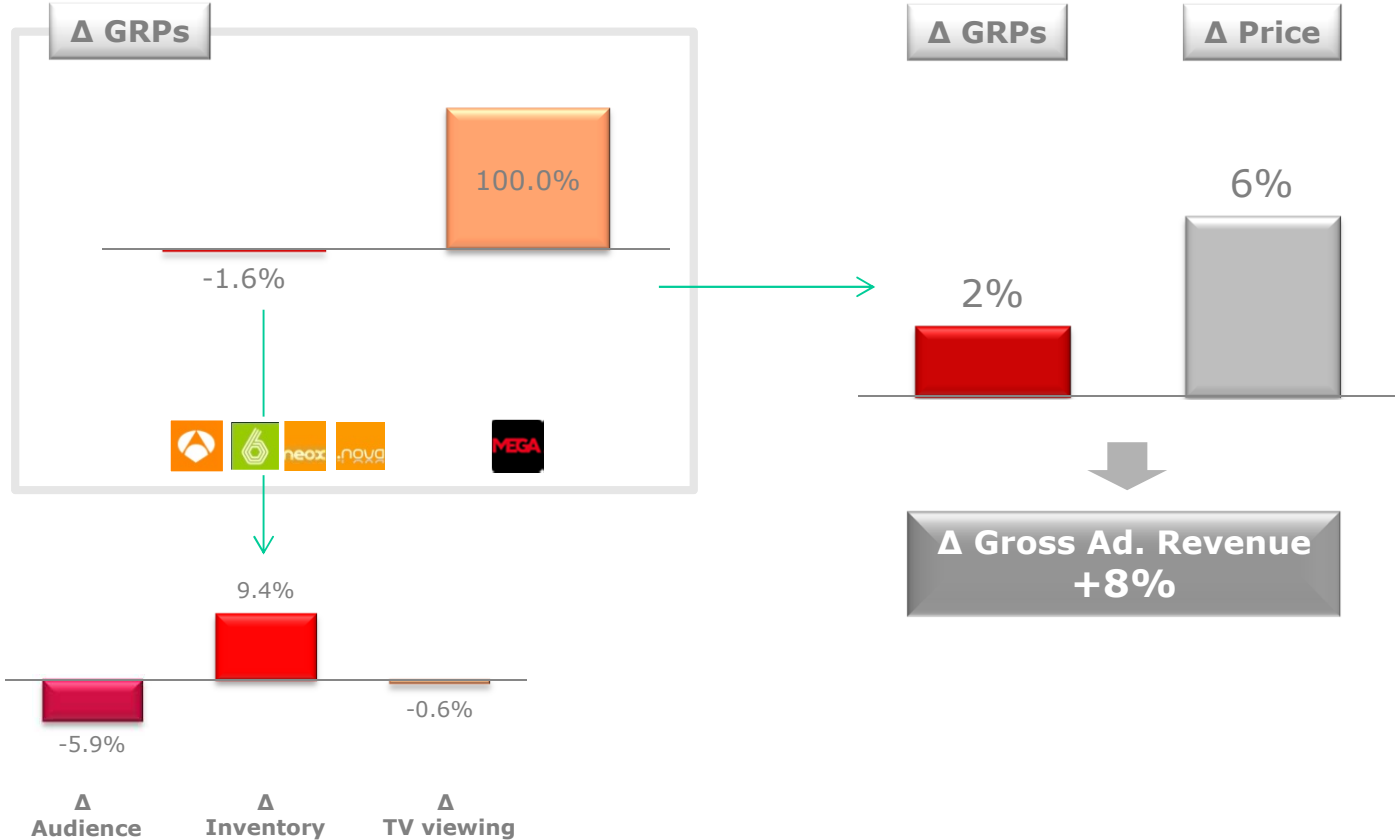


**Back up**



# Atresmedia Television: Ad revenues breakdown in Q3 15

## Q3 15 Key factors



Source: Internal estimates

# Atresmedia

## Q3 15 Results in € mill: P&L

	Q3 15	Q3 14	YoY
<b>Net Revenues</b>	<b>191.5</b>	<b>175.6</b>	<b>+9.1%</b>
<b>OPEX</b>	<b>164.9</b>	<b>151.5</b>	<b>+8.9%</b>
<b>EBITDA</b>	<b>26.6</b>	<b>24.1</b>	<b>+10.3%</b>
<i>EBITDA Margin</i>	<i>13.9%</i>	<i>13.7%</i>	
<b>EBIT</b>	<b>18.8</b>	<b>20.0</b>	<b>-5.7%</b>
<i>EBIT Margin</i>	<i>9.8%</i>	<i>11.4%</i>	
<b>Net profit</b>	<b>13.9</b>	<b>9.3</b>	<b>+48.9%</b>
<i>Net profit Margin</i>	<i>7.3%</i>	<i>5.3%</i>	

Source: Atresmedia's financial statements

# Atresmedia Television

Q3 15 Results in € mill: P&L

	Q3 15	Q3 14	YoY
<b>Total Net Revenues</b>	<b>169.8</b>	<b>154.3</b>	<b>+10.1%</b>
<b>OPEX</b>	<b>148.7</b>	<b>132.8</b>	<b>+12.0%</b>
<b>EBITDA</b>	<b>21.0</b>	<b>21.5</b>	<b>-2.2%</b>
<i>EBITDA Margin</i>	<i>12.4%</i>	<i>13.9%</i>	
<b>EBIT</b>	<b>17.2</b>	<b>18.0</b>	<b>-4.7%</b>
<i>EBIT Margin</i>	<i>10.1%</i>	<i>11.7%</i>	

Source: Atresmedia`s financial statements

# Atresmedia Radio

Q3 15 Results in € mill: P&L

	Q3 15	Q3 14	YoY
<b>Net Revenues</b>	<b>16.9</b>	<b>17.1</b>	<b>-0.9%</b>
<b>OPEX</b>	<b>14.6</b>	<b>15.7</b>	<b>-7.0%</b>
<b>EBITDA</b> <i>EBITDA Margin</i>	<b>2.3</b> 13.7%	<b>1.4</b> 8.0%	<b>+70.3%</b>
<b>EBIT</b> <i>EBIT Margin</i>	<b>1.8</b> 10.8%	<b>0.9</b> 5.4%	<b>+96.4%</b>

Source: Atresmedia's financial statements

## Additional information

### Investor Relations Department

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