

MEDIASET*españa.*

FIRST QUARTER 2019 RESULTS

January – March 2019

MEDIASET*españa.*



Madrid – May 8th, 2019

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Conference Call / Web cast details

9th May 2019 at **11:30 CET (10:30 UK Time)**

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

<https://edge.media-server.com/m6/p/p5xm2hos>

Or through our **IR homepage**:

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

I. FINANCIAL AND OPERATING HIGHLIGHTS

mill. EUR	IQ 19	IQ 18	Var (%)
Total net revenues	226,1	229,6	(1,5%)
Total operating costs	(155,7)	(162,4)	(4,1%)
EBITDA Adj. ⁽¹⁾	70,3	67,2	4,6%
EBITDA margin	31,1%	29,3%	
EBIT	66,6	63,6	4,6%
EBIT margin	29,4%	27,7%	
NET PROFIT	53,1	53,2	(0,1%)
EPS ⁽²⁾	0,17	0,16	
Net cash position	193,9	204,9	(5,4%)
Free Cash - Flow	79,0	72,2	9,4%

(1) EBITDA Adj, includes TV rights consumption

(2) excluding any treasury shares as at 31.03

- As per **Infoadex** figures, the total **Audiovisual market**, (TV+Digital) was **€660.1 million** in the **first quarter 2019**, which represents an increase of **2.1% compared to the same period 2018 (€646.7 million)**. **TV advertising market** was **€497.5 million (-0.9%)** and the **Digital market ⁽¹⁾**, **€162.6 million (+12.0%)**. **Mediaset España** as per the above figures, in the quarter obtained a **33.2% market share in Audiovisual Market** and **42.8% market share in the Television market**.
- **Total net revenues** in the quarter amounted to **€226.1 million** compared to **€229.6 million** from the same period last year **(-1.5%)** a small reduction mainly due to lower **Other Revenues** income.
- **Mediaset España** registered an **EBITDA in the period of €70.3 million (+4.6% vs. last year)** representing **31.1% EBITDA margin**.
- **Net profit** in the quarter reaches **€53.1 million, almost flat** compared to the same period last' year (€53.2 million), **despite the one off gain** from the sale of one of the participated companies in the **first quarter 2018**.
- **Mediaset España's Net Cash position** as at **31st March 2019** was **€193.9 million** and **Free Cash Flow** generation amounted to **€79.0 million**.
- **The BoD of Mediaset España** proposed a dividend distribution of **50% of its 2018 Net Profit (€100 million)**. **This resolution** was approved by the AGM on April the 10th.

(1) Only ad investment controlled by Infoadex.

- On January 24th **the Group** announced a **share buyback** program for a maximum amount of **€200.0 million**, which will remain in effect until February 20th 2020. To March 31st the **amount invested was €49.5 million**, 24.8% of the total plan. The number of **treasury shares** at the end of the quarter **represent 2.3% of the share capital**.
- **Mediaset España** lead TV audiences in the **first quarter 2019** with a **27.9% share** and a **29.7% commercial target**, both in total individuals total day.
- **In March the Group** announced the acquisition of **El Desmarque**, an internet publisher specialised in sport contents.
- **Mediaset España** registered a **monthly average of 13.9 million unique users/viewers** in the quarter, **+21.5%** compared to the same period last year (11.5 million).

(Source: ComScore, multiplatform data).

2. OPERATING KPI's

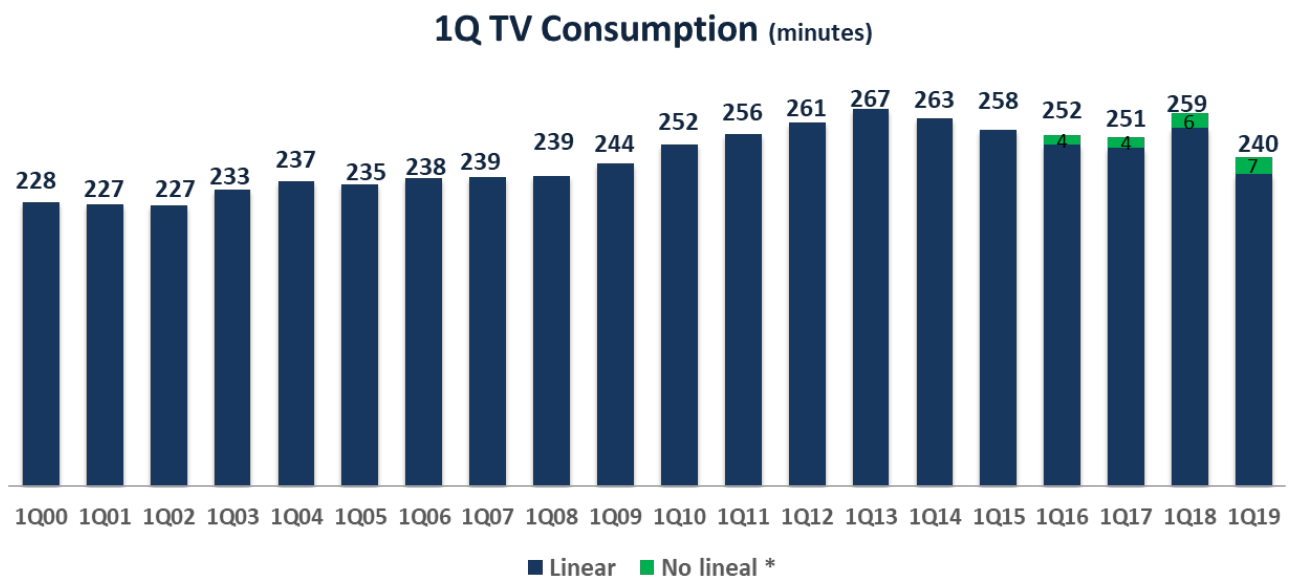
2.1 TV CONSUMPTION

The **daily average total TV consumption per person per day, 4 years old +**, which includes the guests' consumption, which started to be measured effective from March 2017, reached a total of **240 minutes in the first quarter 2019**. This is a **reduction of 7.3%** compared to the same quarter 2018. This figure **does not include television viewed** on devices such as tablets, phones, computers, etc... One of the **challenges in the short term** is to be able to add in the official statistics, the **viewing consumption on the different devices** as to get a more accurate and representative time viewing figure.

Linear consumption ⁽¹⁾ in the quarter adds to **233 minutes**, compared to the **253 minutes from the first quarter 2018**. The **linear TV consumption** represents **97.1% total TV consumption**.

Non Linear (Time shift viewing) ⁽²⁾ in the same period adds to **7 minutes/per person/day**, representing **2.9% of the total TV consumption**.

The **average daily television viewers, total day, to 31st March 2019** stands at **7.3 million people** day time and **16.3 million people** in Prime Time.



⁽¹⁾ Linear includes guests TV consumption.-TV consumption from friends, family etc.. visiting, measured since March 2017.

⁽²⁾ Time shift viewing: is the TV consumption within the 7 days following the first broadcast.

2.2 AUDIENCE SHARE

	IQ2019		IQ2018	
	Total Individuals	Commercial Target	Total Individuals	Commercial Target
MEDIASET ESPAÑA				
Total Day	27,9%	29,7%	27,9%	29,8%
Prime Time	27,3%	27,9%	28,4%	29,7%
TELECINCO				
Total Day	14,4%	13,5%	13,2%	12,3%
Prime Time	14,4%	13,0%	13,6%	12,1%
CUATRO				
Total Day	5,0%	6,2%	6,0%	7,3%
Prime Time	5,4%	6,7%	6,6%	8,7%
DIVINITY				
Total Day	1,9%	2,3%	2,1%	2,6%
Prime Time	1,6%	1,7%	1,9%	2,1%
BOING				
Total Day	1,1%	0,7%	1,2%	0,9%
Prime Time	0,8%	0,6%	1,0%	0,8%
ENERGY				
Total Day	2,3%	2,7%	1,7%	1,9%
Prime Time	2,0%	2,1%	1,7%	1,8%
BE MAD tv				
Total Day	0,6%	0,8%	0,6%	0,9%
Prime Time	0,6%	0,7%	0,5%	0,7%
FDF				
Total Day	2,7%	3,4%	3,1%	3,9%
Prime Time	2,5%	3,0%	3,0%	3,6%

Source: Kantar Media.

Mediaset España lead audiences in the first quarter 2019 and obtained **27.9% share** in total individuals total day, whilst in **Prime Time** obtains a **27.3% share**.

In the same period, its **Commercial target** registered **29.7% in total individuals total day** and **27.9% in Prime Time**.

Mediaset España is the favourite media group amongst the **13-24 and 35-54 year old groups** where it **leads** in total day **with a 32.4% audience share, (+4.1 pp its nearest competitor), and 30.1% audience share, (+1.6pp),** respectively.

The **Group** also **lead prime time audiences 4 of the 7 nights** of the week in the **quarter (Thursday to Sunday).**

The **main Group** channel, **Telecinco**, registered in the **first quarter 2019, 14.4% audience share,** total individuals total day, **+1.2pp compared to the same period last year, whilst in prime time it obtained a 14.4% audience share, +0.8 pp** versus last year.

Some of the **best performing programs** in the quarter **were:** the reality show **Big Brother Duo**, with a **25.7% share** in the quarter and an **average of 2.7 million viewers** and **Got Talent** with **18.9% share and 2.2 million viewers**, both well above the channel's average audience in the period.

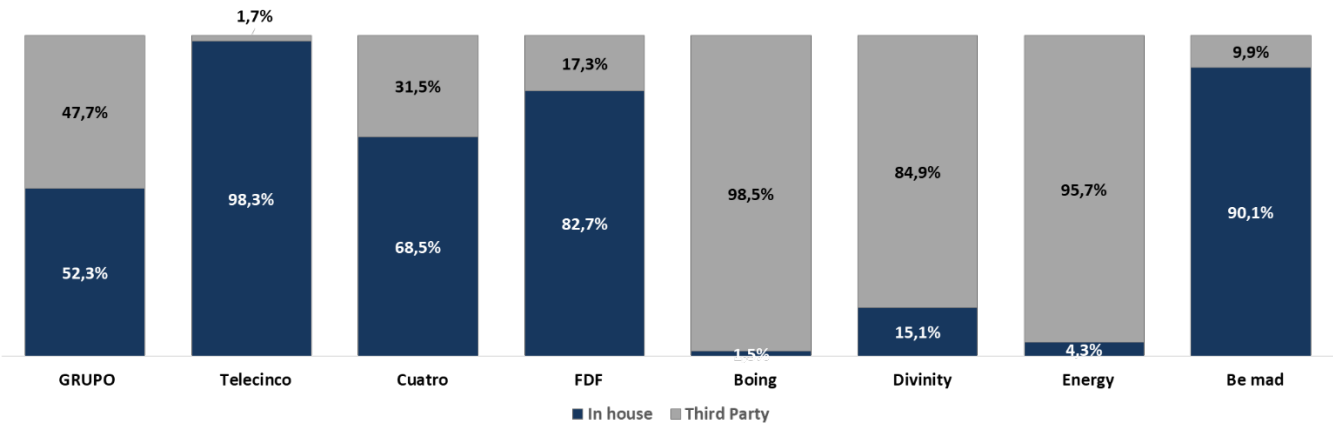
Mediaset España also premiered in the period the **fiction series, “Secretos de Estado”,** which recorded **1.7 million viewers, 12.3% share.**

The **Cuatro** channel, **obtained a share of 5.0%** in the quarter **total individuals total day, -1.0pp** compared to the same period last year and **5.4% audience share in prime time, -1.2pp** versus first quarter 2018. The **Cuatro channel** is working towards recovering its audience levels. For that purpose, it is currently **introducing changes in its programming grid**, so far it has redefined its **News program**, and introduced **new reality formats, like “Bake Off”,** among others.

The **targeted channels, Divinity, Boing, Energy, Be Mad and FDF,** obtained a **total of 8.5% audience share** in total individual total day in the period **whilst achieving 10.0%** in commercial target. The audience of the different channels **in the quarter** in its targets is as follows: **FDF** in its target **of 13 to 24 year olds** achieved a **7.7% audience share** and in **25 to 34 year olds, 4.8%.** The **Divinity** channel had a **3.0% audience share in its target of women 16 to 44 years old,** the **Energy** channel obtained in its target, men **25 to 54 years old, a 2.2% share.** **Boing**, the children's channel, increased its share almost **nine-fold** in its target of **4 to 12 year olds,** reaching a **9.9%.** **Be Mad** registers a **1.0% share** in the **25-34 year old** group.

2.3 CONTENT MIX

In the first quarter 2019, Mediaset España’s in-house production represented **52.3%** of the total broadcasted hours of the Group, slightly below the **53.2%** of the same period last year **(-0,9pp)**. **Third party rights**, on the other hand, represented **47.7%** of the total broadcasted hours in the Group. The distribution of **in-house and third party** broadcasted hours, **in the quarter**, has being as follows:



Source: Kantar Media

Telecinco channel devoted **98.3%** of its broadcasting hours to **in-house production**, this is an increase in **+3.0 pp** compared to the same period last year (**95.3%**). **Cuatro** channel on other hand **allocated 68.5%** of its broadcasting hours to **in-house production**, this is a **reduction of -3.0 pp** in comparison with the same period 2018.

The **two main channels, Telecinco and Cuatro** combined, representing an **audience of 19.4%** (69.5% of the total of the Group), **have devoted 83.7% of their broadcasted hours to in-house production in the quarter**, the same as the first quarter last year (**83.7%**).

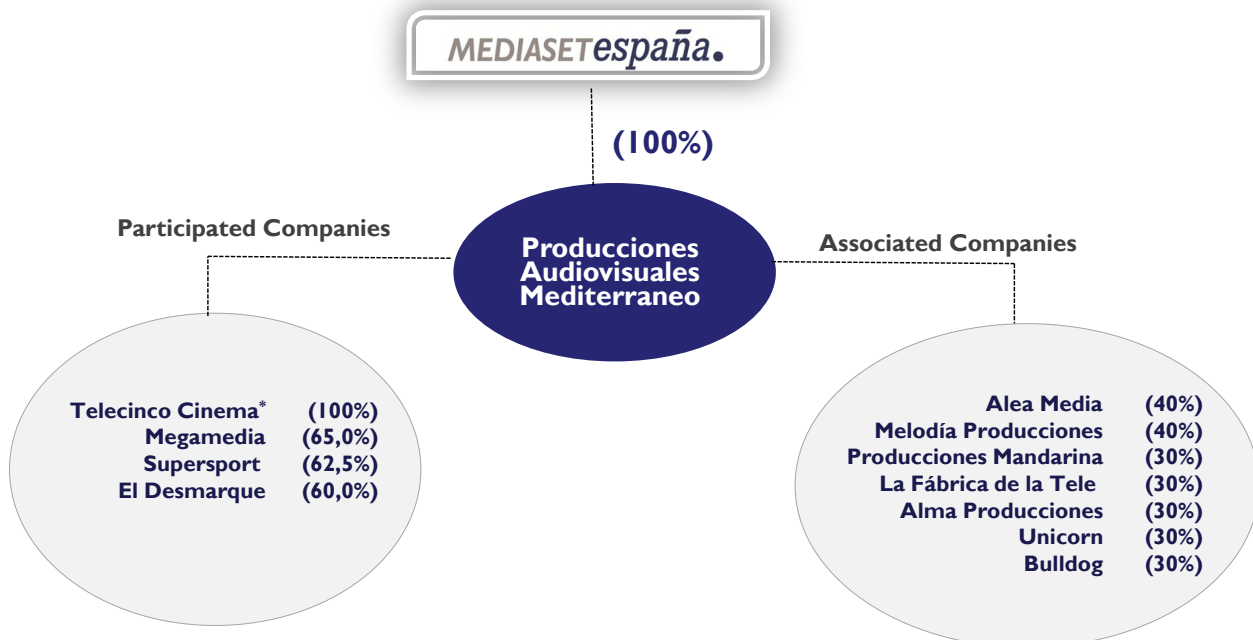
In the period, **Be Mad** has significantly increased its **in house-production broadcasted hours (90.1%) by 11.9 pp** compared to the **same quarter last year (78.2%)**. On the other hand, **Energy** has reduced its **in-house production to 4.3%**, vs. the **same quarter 2018, 23.1%**, **(-18.8 pp)**.

2.4 ASSOCIATED & PARTICIPATED PRODUCTION COMPANIES

In order to meet the high in-house production needs, Mediaset España has a number of associated companies that provide for most of the in-house broadcasted contents of the Group. As at March 31st, the Group has 7 associated production companies specialised in the production of different kinds of content, these are as follows (in brackets is the stake of the Group in each of them expressed as a percent of the share capital): **Producciones Mandarin**, specialised talk-shows, entertainment and fiction (30.0%), **La Fábrica de la Tele** specialised in talk-shows (30.0%), **Alea Media** specialised in fiction series (40.0%), **Melodía Producciones** specialised in fiction series (40.0%), **Bulldog** specialised in realities and talk shows (30.0%), **Alma Producciones** specialised in entertainment (30.0%) and **Unicorn** specialised in talk shows and entertainment (30.0%).

Mediaset España in the quarter, has strengthened its contents strategy by increasing its stake in **Megamedia**, digital content producer, to 65% and **Supersport**, news and sports events content producer, to 62.5%. It has also acquired **El Desmarque**, an internet publisher specialised in sports news, in which the Group acquired a 60% stake in March, thus being consolidated line-by-line. The Group also has its cinema production company, **Telecinco Cinema**, where it holds a 100% participation.

All these associated and participated companies are gathered under **Producciones Audiovisuales Mediterraneo**, Mediaset España's production and distribution cluster, whose aim is, among others, to allow the Group to have control of the production and distribution process, in the required time and manner, and access to a wide range of national and international formats, from fiction, realities, sports etc...



* Telecinco Cinema, Contribution in progress.

2.5 INTERNET

In the months of January and February 2019, the **internet video consumption** reached **36.0 minutes per person/per day** for **total Individuals** and **represents 12.9%** of the **total daily average audiovisual consumption** (279 minutes per person/per day January and February 2019), of which **243 minutes per person/per day** is television consumption). As per the aforementioned figures, TV consumption **represents 87.1%** of the total daily audiovisual consumption.

(Source: Kantar, Comscore January & February 2019 & internal data. March Comscore data not available)

Mediaset España records for the first quarter 2019 a monthly average of **13.9 million unique users**, compared to the **11.5 million from the same quarter 2018 (+21.5%)**. **Video streamed**, January and February, registers a **monthly average of 301.9 million an increase of +94.9%** compared to the same period 2018. This is an excellent **result that supports the current digital strategy** of the company.

(Source: Comscore Multiplatform).

	Total Unique users (000)	Total Page Viewed (million)	Videos (000) ⁽¹⁾	Minutes (million)
<i>March 2019</i>	15.306	362,9	nd	1.195
<i>February 2019</i>	12.820	256,1	324.908	1.020
<i>January 2019</i>	13.708	264,7	278.883	1.083

Source: Comscore. All data Multiplatform.

(1) Videometrix data not available for March '19.

In the first quarter 2019, is notable the excellent **digital performance** of **Big Brother Duo**, the reality show program broadcasted on FTA, that recorded more than **86 million videos streamed** and **registered 12.1 million unique users on the web**. The program was available on internet **with two signals broadcasting 24 hours** which registered a total of **37.9 million recorded sessions**. In this edition **interactivity with the program** gains importance and allows internet voting from the sites, with a total of **1.3 million votes registered at the end of the program**.

Also, the sharp growth in the period of **Informativos** (news site) stands out with **8.6 million** average unique users, **82.0% growth compared to 2018**. The new news program in **Cuatro: Cuatro al dia** has **achieved 2.3 million** unique users since its launching in February, also a very good record.

Mediaset España continues working towards growing its internet business, and for that purpose has acquired in the quarter, **El Desmarque**, an **sports internet** site with contents such as **football, basketball, tennis, motor races etc..** . The site has an excellent position in the sport digital arena and is fully accredited to Mediaset España's strategy of **widening its target** by joining forces with one of our stronger brands, **Deportes Cuatro**.

3. PROFIT AND LOSS ACCOUNT

mill. EUR	IQ2019	IQ2018	Var (%)
Gross Advertising Revenues	223,7	224,6	(0,4%)
Mediaset España's Media	219,5	219,4	0,0%
Third Party Media	4,2	5,2	(17,9%)
Commission	(9,8)	(9,5)	2,9%
Net advertising revenues	213,9	215,1	(0,5%)
Other revenues	12,1	14,5	(16,3%)
Total Net Revenues	226,1	229,6	(1,5%)
Rights Amortisation	(28,4)	(31,0)	(8,1%)
Personnel	(29,5)	(25,7)	14,8%
Other operating costs	(97,8)	(105,7)	(7,5%)
Total Costs	(155,7)	(162,4)	(4,1%)
EBITDA	70,3	67,2	4,6%
EBITDA Margin	31,1%	29,3%	
Other amortisations, provisions	(1,8)	(1,6)	9,3%
Amortisation PPA	(2,0)	(2,0)	0,0%
EBIT	66,6	63,6	4,6%
EBIT Margin	29,4%	27,7%	
Equity Cons. Results and Depr. Fin. Assets	0,8	4,4	-
Financial results	0,0	(0,2)	-
Pre-tax Profit	67,4	67,7	(0,5%)
Income taxes	(14,1)	(14,6)	(3,4%)
Minority interests	(0,2)	0,0	-
Net Profit	53,1	53,2	(0,1%)
Net Profit Margin	23,5%	23,2%	
EPS (excluding Treasury shares)	0,17	0,16	

The **audiovisual advertising market: TV + Digital**, for the first quarter 2019, as per Infoadex figures, reaches €660.1 million and represents an **increase of 2.1%** compared to the same quarter 2018 (€646.7 million).

The **TV advertising market** in the period reported by Infoadex, stands at **€497.5 million** which represents a **decrease of -0.9%** compared to the same quarter 2018 (€501.8 million) whilst

the **Digital advertising market** reached, **€162.6 million**, an **increase of 12.2%** compared to first quarter 2018 (€144,9 million).

As per the above figures, **Mediaset España** would have an **audiovisual market share** of **33.2%** and a **TV market share** of **42.8%**

Gross Advertising Revenues in the first quarter 2019 add to **€223.7 million**, flat in comparison with **the same period 2018 (€224.6 million)**. Despite the reduction of **0.9% of the TV advertising market**, **Mediaset España** has manage to post a good gross advertising revenues , which is being possible due to the **good performance of the digital advertising revenues** in the period. A **breakdown** of the aforementioned revenues is as follows:

- **Gross Advertising Revenues of Mediaset España's Media** includes advertising revenues from, **Internet, Teletext** and the **Group's 7 TV channels: TELECINCO, CUATRO, FACTORIA DE FICCION, BOING, DIVINITY, ENERGY** and **BE MAD**. These revenues in the period amounted to a **€219.5 million which is flat** compared to the **same period last year (€219.4 million)**.
Since January 2019 advertising revenues from **El Desmarque**, the sports internet site acquired by **Mediaset España**, are consolidated in the **Group**. In the quarter, the **internet ad revenues had an organic growth of double digit**.
- **Gross third party media revenues** include amongst others, the advertising sales for the **free TV channel Gol**. In the quarter sales amounted to a total of **€4.2 million**, compared to **€5.2 million (-17.9%)**. The difference is due to the termination, at the end 2018, of one of the third party contract. **Mediaset España** works towards increasing its **third party revenues** through new contracts agreements.

Advertisement commissions in the quarter, amounted to **€9.8 million**, representing **4.4%** over gross advertising revenues. **Net advertising revenues**, after commissions, amount to a total of **€213.9 million** compared to **€215.1 million** from 2018 (-0.5%).

Other Revenues, include income from **movie activities, sale of rights** etc. reached in the period **€12.1 million**, below the same period 2018 figure (€14.5 million). **Cinema revenues** declined in the quarter due to the fact that there wasn't any cinema releases in the period whilst the first quarter 2018 premiered "**El Cuaderno de Sara**" and also obtained box office revenues from "**Perfectos Desconocidos**" (released at the end 2017, but on cinemas most of the first quarter 2018).

Revenues from **Content Sales**, under **Mediterraneo**, had an excellent performance in the quarter with **double digit growth**, thanks to the high content demand in the market and the sale agreements reached with **various OTT platforms**.

Total Net Revenues for the period amount to **€226.1 million**, compared to **€229.6 million** from the same quarter last year (-1.5%).

Total Costs for the period amount to **€155.7 million**, representing **savings of 4.1%** compared to the same period 2018 (€162.4 million). These savings have been made mainly in the areas of **content expenses** and **cost of sales**, this last one due to a lower TV advertisement revenues in the period.

On the other hand, the personnel costs have increased in the period by **+14.8%** due **to the** stake increase in **Megamedia** to **65%** and **Supersport** to **62.5%**, both now consolidated in the **Group through global consolidation**. Excluding the consolidation impact, **the personnel line would** have been much lower (**+3.1% LFL**).

In **the quarter Mediaset España** obtained an **EBITDA** of **€70.3 million**, representing a **margin of 31.1%**, **+1.8pp** better than same period 2018. **EBIT** for the period reached **€66.6 million** representing a **margin of 29.4%** (**+1.7pp** compared to 1Q 2018).

Pre-Tax profit reaches **€67.4 million**, this compares to **€67.7 million** from the same quarter last year (which includes **one offs** from the **associate companies**).

Mediaset España obtained a **Net Profit** of **€53.1 million** in **the quarter**, representing an **EPS growth of 2.2%** to **€0.17** vs. **€0.16** in 1Q 2018.

4. CAPEX

mill. EUR	IQ2019	IQ2018	Var (%)
Third party	56,2	82,1	(31,6%)
Fiction	12,3	10,7	15,0%
Co-Produccion/Distribution	7,5	0,2	-
Tangible and Intangible Fix Assets	0,7	0,6	18,4%
Total Capex	76,8	93,7	(18,1%)

Total Net Investment in the first quarter 2019 reached a total of **€76.8 million**, compared **€93.7 million** from the same period 2018.

The Group invested in third party rights **€56.2 million**, in the first quarter 2019 this is **€25.9 million** less than the same period last year, mainly due to a **timing difference in the acquisition patterns** vs. 2018. The amount invested in **Local fiction** reached **€12.3 million** in the period.

Co-Production/Distribution net investment in the quarter is **€7.5 million**. This amount includes the disbursement in the period, relating to the cinema production in course, among others the films: **Mal Nacidos, Tadeo 3, Way down, Operacion Camaron** etc..

Tangible fixed assets, reaches **€0.7 million** in the period, and incorporates the new **IFRs 16**.

5. BALANCE SHEET

mill. EUR	<u>March 2019</u>	<u>December 2018</u>
Tangible assets	559,6	557,3
Financial	316,8	312,6
Non Financial	242,8	244,8
Audiovisual rights and Pre-payments	184,9	138,3
Third parties	118,6	82,8
Fiction	46,3	40,0
Co-production / Distribution	19,9	15,5
Pre-paid taxes	76,2	79,6
TOTAL NON-CURRENT ASSETS	820,7	775,2
Current assets	195,9	253,1
Financial investments and cash	196,0	167,9
TOTAL CURRENT ASSETS	391,9	421,0
TOTAL ASSETS	1.212,5	1.196,2
Shareholders` equity	910,9	904,8
Non-current provisions	10,0	8,9
Non-current payables	30,6	28,3
Non-current financial liabilities	1,5	0,0
TOTAL NON-CURRENT LIABILITIES	42,0	37,3
Current payables	259,0	254,1
Current financial liabilities	0,7	0,0
TOTAL CURRENT LIABILITIES	259,6	254,1
TOTAL LIABILITIES	1.212,5	1.196,2

Mediaset España has a strong balance sheet with a **healthy mix between its long and short term assets and liabilities**, as well as an **excellent liquidity ratio in the quarter of 1.5x**.

6. CASH FLOW GENERATION

Mediaset España's Operating Free Cash Flow in the quarter, is **€79.0 million**, this is an **increase of €6.8 million** compared to the **same period last year**. The Group net **cash position** at the end of the period is **€193.9 million**, this is after the purchase of treasury stock in the amount of **€49.5 million**.

mill. EUR	IQ2019	IQ2018	Var (M€)
Net profit (without minority interests)	53,3	53,2	0,2
Amortisation:	33,5	35,9	(2,4)
Rights	28,4	31,0	(2,5)
Other	5,0	4,9	0,1
Provisions	(1,5)	0,8	(2,3)
Other	6,8	2,6	4,1
OPERATING CASH FLOW	92,1	92,5	(0,4)
Investment in rights	(76,0)	(93,1)	17,1
Investments, other	(0,7)	(0,6)	(0,1)
Change in working capital	63,6	73,5	(9,8)
OPERATING FREE CASH FLOW	79,0	72,2	6,8
Own stock purchase	(49,5)	(0,0)	(49,5)
Change in Equity	5,3	(2,1)	7,4
Financial investments/disinvestments	(6,4)	(0,4)	(6,0)
Dividends received	0,0	0,0	0,0
Dividend payments	0,0	0,0	0,0
Net Cash Change	28,4	69,6	(41,2)
INITIAL FINANCIAL POSITION*	165,5	135,3	30,2
FINAL FINANCIAL POSITION	193,9	204,9	(11,1)

*Initial Financial position 2019, includes adjustment for IFRs 16.

Mediaset España's cash conversion rate in the period equals **1,12x: free cash flow** (€78.8 million) and **EBITDA** (€70.3 million).

The acquisition of treasury stock of **€49.5 million**, shows the investment made by the Group in the acquisition of its own shares, after the announcement of the **share buyback program** on January 24th. As at **31st March 2019**, the **treasury shares** represents **2.3% of the share capital** and the total amount invested, **€49.5 million**, represents **24.8% of the plan approved** (€200 million).

7. EVENTS FOLLOWING THE CLOSE OF THE PERIOD

Mediaset España held its AGM April the 10th where a dividend distribution of 50% of its 2018 Net Profit was approved, a total of €99.96 million this is €0.315 gross per share (excluding treasury shares). The dividend was paid on April 30th 2019.

8. INVESTOR CALENDAR

CORPORATE EVENTS

- | | | |
|---|------------------|-------------------------------|
| 1 | Q2 2019 results: | 24th July 2019 (Tentative) |
| 2 | Q3 2019 results: | 30th October 2019 (Tentative) |
| 3 | FY 2019 results: | February 2020 (Tentative) |

MARKETING EVENTS 2019

- | | | |
|---|---------|----------------------------|
| 1 | London: | 21 st May |
| 2 | Nice: | 28 th May |
| 3 | Madrid: | 29 th May |
| 4 | London: | 18 th June |
| 5 | Paris: | 11 th September |

9. 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.

10. CONTACT US

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