

ATRESMEDIA



**JANUARY–DECEMBER 2014
RESULTS**

31 December 2014



Atresmedia's consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRS), taking into account all mandatory accounting principles and rules and measurement bases, as well as the alternative treatments permitted by the legislation in this regard. In addition, information is disclosed on the individual performance of the Group's two main lines of business: television and radio.



| | | |
|-------|---|----|
| 1. | HIGHLIGHTS | 3 |
| 1.1 | Milestones and key figures..... | 3 |
| 1.2 | The economic climate and the market..... | 4 |
| 2. | ATRESMEDIA | 6 |
| 2.1 | Consolidated Income Statement..... | 6 |
| 2.1.1 | Net revenue | 7 |
| 2.1.2 | Operating expenses..... | 7 |
| 2.1.3 | Operating earnings and margins | 8 |
| 2.1.4 | Profit before tax..... | 9 |
| 2.1.5 | Consolidated profit for the period | 10 |
| 2.1.6 | Other key events | 10 |
| 2.2 | Consolidated Balance Sheet..... | 12 |
| 2.3 | Consolidated Cash Flow Statement | 14 |
| 2.4 | Share price..... | 15 |
| 2.4.1 | Atresmedia's shares | 15 |
| 2.4.2 | Analysts' recommendations | 16 |
| 2.5 | Corporate Social Responsibility..... | 16 |
| 3. | ATRESMEDIA TELEVISION..... | 18 |
| 3.1 | Advertising market | 18 |
| 3.2 | Content 18 | |
| 3.3 | Audience figures..... | 20 |
| 3.4 | Income Statement..... | 23 |
| 3.4.1 | Net revenue | 23 |
| 3.4.2 | Operating expenses..... | 24 |
| 3.4.3 | Operating earnings and margins | 24 |
| 4. | ATRESMEDIA RADIO | 26 |
| 4.1 | Advertising market and audience figures | 26 |
| 4.2 | Income Statement..... | 27 |
| 5. | OTHER BUSINESSES | 29 |
| 5.1 | Atresmedia Cine | 29 |
| 5.2 | Atresmedia Digital | 29 |
| 5.3 | Income statement | 30 |



1. HIGHLIGHTS

1.1 Milestones and key figures

Atresmedia. Key figures

| Operational highlights | Jan-Dec 2014 | Jan-Dec 2013 |
|---|-----------------|-----------------|
| Avg. number of channels | 5 | 7 |
| Total TV audience | 27.7% | 28.8% |
| TV market share | 41.5% | 42.6% |
| Radio listeners (,000) (3rd EGM survey) | 4,981 | 4,812 |
| Total no. employees | 1,736 | 1,723 |

| Financial highlights Euros (in thousands) | Jan-Dec 2014 | Jan-Dec 2013 |
|--|-----------------|-----------------|
| Net revenues | 883,226 | 829,790 |
| EBITDA | 127,669 | 80,154 |
| Profit for the period | 46,730 | 46,064 |
| Adjusted net profit | 81,205 | 46,064 |
| Net financial debt | 134,257 | 184,702 |

Atresmedia's EBITDA for 2014 totalled 127.7 million euros, up 47.5 million euros on last year, with consolidated profits of 46.7 million euros. Adjusted net profit, eliminating the impact of the corporate tax rate reduction on deferred tax assets, was 81.2 million euros, 76% higher than in 2013.

According to Infoadex, **Atresmedia Television's** market share for the period was 41.5%.

At 27.7%, **audience share** was just 1.1 percentage points down on 2013, despite the closure of three of the group's channels in May and the broadcasting of the Football and Basketball World Cups on other channels. The Group was leader in the ranking of prime time and commercial target in 2014 (31.6%).

Antena 3 achieved a 13.6% audience share in the year, the best figure since 2009, and up 0.2 percentage points on the year to December 2013. The channel was also leader in commercial target, both in 24h and prime time.



Audience figures for **laSexta** were up 1.2 percentage points on last year with an average audience share of 7.2%, ahead of its main competitor, Cuatro. laSexta's audience share in the fourth quarter of 2014 reached 8.0%.

The complementary channels, **Neox, Nova, Nitro, Xplora** and **laSexta3** achieved a combined audience share of 6.9% in the year to December 2014. On May 2014 Nitro, Xplora and laSexta3 were closed down in compliance with a Supreme Court ruling declaring the Council of Minister's 2010 agreement allocating terrestrial digital television licenses to be invalid.

Atresmedia Radio reported a 3.7% increase in EBITDA compared with 2013. With advertising revenues for the year up by 5.2%, Atresmedia Radio outperformed the radio advertising market, which grew by 4.1% according Infoadex.

1.2 The economic climate and the market

As in previous quarters, improving indicators demonstrate that the economy is clearly moving towards recovery.

GDP grew by 1.4% in 2014, positive news that few predicted at the start of the year. According to the latest forecasts for 2015 from the Fundación de las Cajas de Ahorros (FUNCAS), published in January, the main economic variables will pick up thanks to the ECB's cut to interest rates and falling oil prices, which will boost households' disposal income and thus consumption. The new lower income tax rate will also give individuals greater spending power. The panel is therefore forecasting GDP growth of 2.4% in 2015.

This figure is in line with the forecast recently issued by the European Commission (2.3%) and higher than the IMF's figure of 1.7%.

Household consumption is also showing signs of recovery, growing by 2.3% in 2014, and expected to reach to 3.0% in 2015.

Unemployment indicators are also looking hopeful, with all sources forecasting that jobless figures will fall in 2015.



According to Infoadex, advertising investment in conventional media grew by 6.4% in 2014 compared with 2013, with growth in every media except newspapers and Sunday supplements, and the weight shifting towards television and internet advertising.

| Advertising market by media | 12M14 vs 12M13 |
|------------------------------------|-----------------------|
| Television | 11.0% |
| Radio | 4.1% |
| Internet | 6.7% |
| Newspapers | -1.0% |
| Magazines | 0.1% |
| Outdoor | 3.3% |
| Sunday supplements | -2.6% |
| Cinema | 29.5% |
| TOTAL MEDIA | 6.4% |

Source: Infoadex

According to Infoadex, advertising investment in conventional media grew by 8.6% in the fourth quarter of 2014, with increases of 13.4% in television, 6.3% in radio and 7.6% in internet advertising.



2. ATRESMEDIA

2.1 Consolidated Income Statement

| Euros (in thousands) | Jan-Dec 2014 | Jan-Dec 2013 | Change |
|---|-----------------|-----------------|--------------|
| Revenues | 849,891 | 795,774 | 6.8% |
| Other revenues | 33,335 | 34,016 | (2.0%) |
| NET REVENUE | 883,226 | 829,790 | 6.4% |
| OPERATING EXPENSES | 755,557 | 749,636 | 0.8% |
| EBITDA | 127,669 | 80,154 | 59.3% |
| Depreciation and amortisation | 16,402 | 17,286 | (5.1%) |
| Impairment and disposal of property, plant and equipment | 35 | (11) | n/a |
| EBIT | 111,232 | 62,879 | 76.9% |
| Financial results | (11,687) | (12,224) | 4.4% |
| Change in fair value of financial instruments | (595) | 2,011 | n/a |
| Net income from investments in other entities | (3,623) | (4,859) | 25.4% |
| Profit before tax from continuing operations | 95,327 | 47,807 | 99.4% |
| Income tax | 48,675 | 1,753 | n/a |
| Profit for the period | 46,652 | 46,054 | 1.3% |
| Profit attributable to non-controlling interests | 78 | 10 | n/a |
| Profit for the financial period attributable to the parent company | 46,730 | 46,064 | 1.4% |
| Adjusted net profit (*) | 81,205 | 46,064 | 76.3% |

(*) Profit eliminating the impact of the corporate tax rate reduction on deferred tax assets



2.1.1 Net revenues

Atresmedia's net revenues for the year to December 2014 totalled 883.2 million euros, compared to 829.8 million euros for 2013, an increase of 6.4%.

| Net revenues Euros (in thousands) | Jan-Dec 2014 | Jan-Dec 2013 | Change |
|--------------------------------------|-----------------|-----------------|-------------|
| Atresmedia Television | 785,331 | 728,527 | 7.8% |
| Atresmedia Radio | 81,225 | 80,549 | 0.8% |
| Other businesses | 16,670 | 20,714 | -19.5% |
| ATRESMEDIA | 883,226 | 829,790 | 6.4% |

The advertising market for conventional media is maintaining the growth seen since the second quarter of 2014, according to Infoadex. In this positive context, net revenue grew by 3.4% in the fourth quarter of 2014 compared with the same quarter in 2013.

2.1.2 Operating expenses

Operating expenses in the fourth quarter of 2014 fell by 0.1%, meaning that the figure for the year to December 2014 was up 0.8% on 2013.

| Operating expenses by areas (thousand euros) | Jan-Dec 2014 | Jan-Dec 2013 | Change |
|---|-----------------|-----------------|-------------|
| Atresmedia Television | 681,930 | 676,446 | 0.8% |
| Atresmedia Radio | 63,647 | 63,599 | 0.1% |
| Other businesses | 9,980 | 9,590 | 4.1% |
| ATRESMEDIA | 755,557 | 749,636 | 0.8% |



| Operating expenses by type (thousand euros) | Jan-Dec 2014 | Jan-Dec 2013 | Change |
|--|-----------------|-----------------|-------------|
| Programming & others | 448,120 | 448,487 | -0.1% |
| Personnel costs | 119,347 | 110,880 | 7.6% |
| Other operating expenses | 188,090 | 190,269 | -1.1% |
| OPERATING EXPENSES | 755,557 | 749,636 | 0.8% |

The programming policy implemented in the year, with costs in line with those of 2013, has enabled Atresmedia to maintain its competitive position following the loss of three channels and take advantage of the growing advertising market.

The estimated value of fiction programs was revised in the year, resulting in a non-recurring charge of 7.7 million euros which was absorbed without increasing overall expenses.

The costs of launching the Melodía FM radio station in 2014 were offset by savings on other operating expenses.

Personnel costs increased due to higher non-recurrent expenditure including restructuring expenses, increased operational volumes (project staff) and higher variable compensation.

2.1.3 Operating profit and margins

EBITDA for 2014 was up by 59.3% to 127.7 million euros, with a margin on net revenues of 14.5%. The Television business reported a margin on net revenues of 13.2%, almost twice that of last year, while the Radio business's margin remained stable at 21.6%.

At 43.3 million euros, EBITDA for the fourth quarter of 2014 was up 24.9% on that achieved in the same quarter in 2013.



| EBITDA | Jan-Dec 2014 | Jan-Dec 2013 |
|-------------------------------|-------------------------|-------------------------|
| Atresmedia Television | 103,401 | 52,081 |
| Margin on net revenues | 13.2% | 7.1% |
| Atresmedia Radio | 17,578 | 16,950 |
| Margin on net revenues | 21.6% | 21.0% |
| Other businesses | 6,690 | 11,124 |
| Margin on net revenues | 40.1% | 53.7% |
| TOTAL ATRESMEDIA | 127,669 | 80,154 |
| Margin on net revenues | 14.5% | 9.7% |

Atresmedia's EBIT for the year to December 2014 was 111.2 million euros, almost doubling the EBIT achieved in 2013.

EBIT in the fourth quarter of 2014 was 39.2 million euros, compared to the 30.5 million euros reported for the fourth quarter of the previous year.

| EBIT | Jan-Dec 2014 | Jan-Dec 2013 |
|-------------------------------|-------------------------|-------------------------|
| Atresmedia Television | 89,584 | 37,946 |
| Margin on net revenues | 11.4% | 5.2% |
| Atresmedia Radio | 15,784 | 14,298 |
| Margin on net revenues | 19.4% | 17.8% |
| Other businesses | 5,864 | 10,634 |
| Margin on net revenues | 35.2% | 51.3% |
| TOTAL ATRESMEDIA | 111,232 | 62,879 |
| Margin on net revenues | 12.6% | 7.6% |

2.1.4 Profit before tax

The figure for the year to December 2014 includes negative financial results of 11.7 million euros compared with 12.2 million euros in 2013. The change in the fair value of financial instruments is a result of the remeasurement of a financial asset linked to La Sexta's former shareholders, the notional amount of which fell from 7% to 0.508% of share capital.



Profit before tax for the twelve months to December 2014 was 95.3 million euros, double that of last year.

2.1.5 Consolidated profit for the period

Consolidated profit for 2014 totalled 46.7 million euros, in comparison with 46.1 million euros in 2013.

Under the new corporate income tax law, the tax rate has been cut from 30% to 28% in 2015 and 25% in future years. Consequently, a 34.5 million euros adjustment on deferred tax assets was recorded with no effect on cash balances in this or subsequent financial years.

After stripping out the effect of this change, net profit for 2014 amounted to 81.2 million euros, an increase of 76.3% on last year.

2.1.6 Other key events

In spite of having met all the requirements of the license concession, in compliance with the Supreme Court ruling, on 6 May 2014 the channels Nitro, Xplora and laSexta3 ceased broadcasting (Note 1a to the consolidated annual financial statements for 2014).

In accordance with current accounting regulations, the impact of the closure of these channels on the financial statements was measured. It was not considered necessary to recognize any liability or commitment as a result of this assessment, or any impairment or change in the value of any asset, with the exception of certain program broadcasting rights where the likelihood of said programs being broadcast is significantly reduced, and redundancy compensation payable to certain staff working in areas which are no longer operational.

Atresmedia has filed a claim for damages caused as a consequence of the closure of the above mentioned channels.



There are also appeals currently before the Supreme Court which, if successful, would lead to the closure of a further eight terrestrial digital television licenses, two of them belonging to Atresmedia. All the requirements for operating these channels were also met but, nevertheless, Atresmedia has estimated the accounting impact of a hypothetical closure. The impact is based on the broadcasting rights in place at the closure date and the timeframe for implementing the ruling, and is estimated at 6-12 million euros.

Meanwhile, in September 2014 the Government approved a new Technical Plan for terrestrial digital television, making available broadcast frequencies for five new channels in addition to those currently broadcasting. In accordance with the General Audiovisual Law, these frequencies will be allocated following a tender process, but no further information on the process is available at present.



2.2 Consolidated Balance Sheet

| Euros (in thousands) | 31 December 2014 | 31 December 2013 |
|--|------------------------|------------------------|
| ASSETS | | |
| Goodwill | 153,193 | 153,193 |
| Other intangible assets | 134,957 | 142,685 |
| Property, plant and equipment and other non-current assets | 59,325 | 63,703 |
| Deferred tax assets | 301,966 | 327,183 |
| NON-CURRENT ASSETS | 649,441 | 686,764 |
| Programming rights and inventories | 289,358 | 283,052 |
| Trade and other receivables | 221,488 | 228,595 |
| Other current assets | 20,524 | 4,745 |
| Current tax assets | 2,215 | 1,558 |
| Cash and cash equivalents | 31,081 | 56,282 |
| CURRENT ASSETS | 564,666 | 574,232 |
| TOTAL ASSETS | 1,214,107 | 1,260,996 |
| LIABILITIES | | |
| Share capital | 169,300 | 169,300 |
| Issue premium | 38,304 | 38,304 |
| Restricted reserves | 42,475 | 42,475 |
| Retained earnings | 223,537 | 189,916 |
| Treasury shares | (7,202) | (99,453) |
| Interim dividend | (22,341) | 0 |
| Other equity instruments | 3,088 | 42,643 |
| Remeasurements and other | 2,124 | 833 |
| EQUITY | 449,285 | 384,018 |
| Debt to financial institutions | 126,331 | 200,129 |
| Other non-current liabilities | 51,515 | 66,688 |
| Deferred tax liabilities | 26,097 | 31,345 |
| NON-CURRENT LIABILITIES | 203,943 | 298,162 |
| Debt to financial institutions | 39,007 | 6,589 |
| Trade and other creditors | 428,526 | 458,882 |
| Other current liabilities | 93,346 | 113,345 |
| CURRENT LIABILITIES | 560,879 | 578,816 |
| TOTAL LIABILITIES AND EQUITY | 1,214,107 | 1,260,996 |



As noted in the report for the quarter to June 2014, on 19 February 2014, Atresmedia signed a partial renewal of the merger agreement with Gestora de Inversiones Audiovisuales La Sexta S.A. and its shareholders. The agreement was renewed in respect to "earn-out" clauses giving the shareholders of La Sexta rights over a further 7% of the share capital of Atresmedia subject to the financial performance of the Atresmedia group in the years 2012 to 2016.

Under the renewed agreement, the Company brought forward and adjusted the final amount of the additional contribution payable to Gamp Audiovisual S.A. and Imagina Media Audiovisual, S.L, in the form of shares in Atresmedia, transferring to said companies shares equivalent to 2.079% and 1.631%, respectively, of its share capital, charged to treasury shares.

The terms agreed with Gala Desarrollos Comerciales, S.L. remain unchanged.

In March 2014, Atresmedia sold a total of 6,298,784 treasury shares, representing 2.790% of its share capital, for 79.7 million euros. The carrying amount of these shares was 39.6 million euros.

Following this sale, Atresmedia held 0.508% of its share capital as treasury shares in order to meet its aforementioned commitment to Gala.

At 31 December 2014, the financial debt to shareholders arising on the consolidation of La Sexta had been repaid. The Group's net bank debt is 134.3 million euros, compared with 184.7 million euros at 31 December 2013.

An ordinary gross dividend of €0.11/share was distributed in June against 2013 income. The total amount distributed was 24.6 million euros. An interim dividend of €0.10/share was distributed in December against 2014 income. The total amount distributed was 22.3 million euros.



2.3 Consolidated Cash Flow Statement

At 31 December 2014, net cash flows from operating activities were positive, totalling 82.0 million euros, 20.8 million euros more than last year.

| Euros (in thousands) | 31 December 2014 | 31 December 2013 |
|--|---------------------|---------------------|
| 1.- CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Consolidated profit for the period before tax | 95,327 | 47,807 |
| Adjustments for: | 38,874 | 26,952 |
| - Depreciation and amortisation | 16,402 | 17,286 |
| - Provisions and others | 10,190 | (547) |
| - Financial results | 12,282 | 10,213 |
| Changes in working capital | (33,333) | (7,800) |
| Cash flow from operations | 100,868 | 66,959 |
| Income tax paid | (18,873) | (5,751) |
| Net cash flows from operating activities | 81,995 | 61,208 |
| 2.- CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Investments | (48,565) | (31,798) |
| Group companies, joint ventures and associates | (13,995) | (6,771) |
| Property, plant and equipment and intangible fixed assets | (13,820) | (8,853) |
| Investment in Spanish film productions | (20,750) | (16,175) |
| Divestitures | 0 | 11,050 |
| Group companies, joint ventures and associates | 0 | 11,050 |
| Net cash flows from investing activities | (48,565) | (20,748) |
| 3.- CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Financial expenses paid | (16,506) | (17,922) |
| Dividends paid | (46,916) | |
| Acquisition of treasury shares | 79,680 | |
| Financing of associates and related parties | (33,546) | (40,111) |
| Capital contributions | 37 | |
| Bank borrowings | (41,380) | 68,823 |
| Net cash flows from financing activities | (58,631) | 10,790 |
| NET INCREASE / DECREASE IN CASH | (25,201) | 51,250 |
| Cash and cash equivalents, beginning of the period | 56,282 | 4,973 |
| Changes in the scope of consolidation / IFRS | | 59 |
| Cash and cash equivalents, beginning of the period (new scope of consolidation) | 56,282 | 5,032 |
| Cash and cash equivalents, end of the period | 31,081 | 56,282 |



2.4 Share price

2.4.1 Atresmedia's shares

Atresmedia's shares closed at €11.64/share, down 3.2% on 31 December 2013. The IBEX, meanwhile, performed better, climbing 3.7% in the year to close at 10,279.5 points.



Atresmedia's share price January to December 2014 vs. IBEX 35.

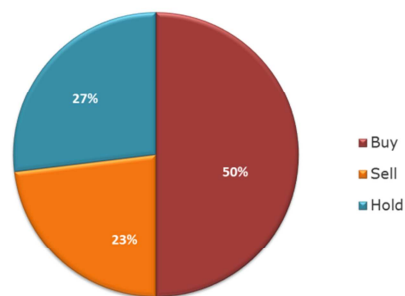
| Trading figures | Jan-Dec 2014 |
|---------------------------------------|--------------|
| Share price at 31/12/2014 (€) | 11.64 |
| High (€) | 14.77 |
| Low (€) | 9.55 |
| Weighted average price (€) | 11.68 |
| Average daily volume (shares) | 694,373 |
| Average daily volume (thousand euros) | 8,110 |
| Number of shares (million) | 225.7 |

Source: Fininfo



2.4.2 Analysts' recommendations

At the end of the reporting period, 26 analysts were reporting and offering recommendations on our shares. Of these, 50% recommended **Buy** Atresmedia shares, 27% recommended **Hold**, while 23% continued to recommend **Sell**. The average target price at the end of the reporting period was €13.07/share.



Atresmedia's Investor Relations department was extremely active during the year, taking part in 37 conferences and roadshows throughout Europe and the United States and holding numerous meetings and telephone conversations with sector analysts and investors.

2.5 Corporate Social Responsibility

Activities carried out in the year as part of Atresmedia's commitment to corporate social responsibility include the launch of new awareness raising campaigns such as the "Objetivo Bienestar" campaign to improve people's quality of life, "Constantes y Vitales" to promote medical research and "Crea Cultura" to defend intellectual property rights.

Initiatives such as Atresmedia's Ponle Freno road safety campaign and El Estirón have continued to play a key role in 2014. The "2020 Cero Víctimas" road safety initiative aimed at making the goal of "zero road traffic victims" achievable was launched under the Ponle Freno campaign. Other activities included the sixth Ponle Freno Awards, "Operación Salida", a regular Easter and summer campaign aimed at holiday drivers, the publication of a number of reports through the Ponle Freno-AXA Centre for Road Safety Studies, and the sixth Ponle Freno fun run which raised around 200,000 euros for road safety projects.



As part of its El Estirón initiative, the company presented the second “Coles Activos” (“Active Schools”) awards and ran a joint awareness-raising campaign with the Ministry of Health on healthy eating.

In line with the Company's environmental policy, Atresmedia took part in the Carbon Disclosure Project report, obtaining a score of 58D, and launched its third forest fire prevention campaign as part of the “Hazte Eco” campaign in partnership with WWF-ADENA. The Group also took part in the international “Earth Hour” initiative and sponsored a campaign with Ecoembes to raise awareness of the importance of recycling.

123 Atresmedia employees took part in its volunteer programme, devoting 1,772 hours to activities such as helping in community canteens, helping the elderly, and environmental projects.

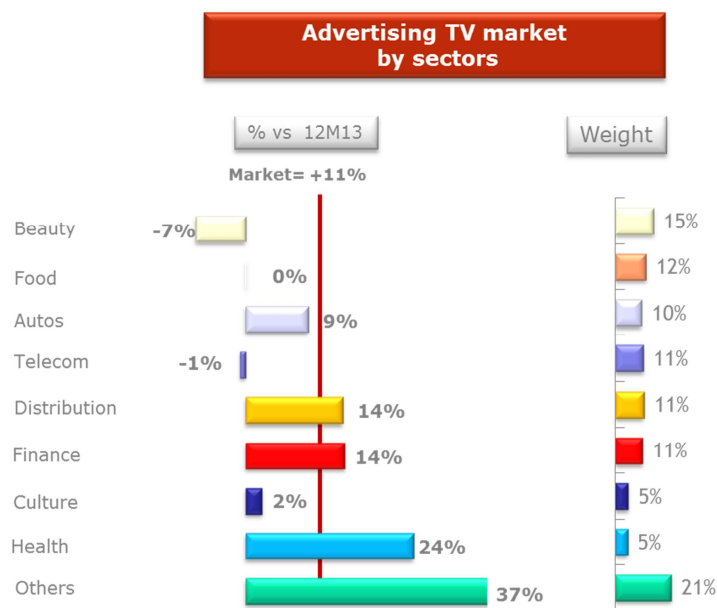
Other highlights in 2014 include the publication of Atresmedia's seventh Corporate Responsibility Report, while it was the first media group in Europe to prepare and verify its sustainability report in accordance with the full version of Global Reporting Initiative's new G.4 Guide. The Group has also become a member of the Spanish Quality Association (AEC) and has signed up to the Marketing Code of Ethics sponsored by the Spanish Marketing Association.

In 2014 the Atresmedia Foundation also organised a meeting in the Congress of Deputies for young people who suggested ideas for improving the education system, published a guide to preventing and dealing with on-line bullying, launched the “Poción de Héroes” project to support children during cancer treatment, and organised the “Grandes Profes” event to recognise the work done by teachers. The Botín Foundation has recognised the work of the Atresmedia Foundation as some of the most innovative in the field, and the “PRO” project was a prizewinner at the “2014 Solidarios del Seguro” awards.

3. ATRESMEDIA TELEVISION

3.1 Advertising market

According to Infoadex, the television advertising market was up 11% in the year. The strongest growth was in the "Health", "Retail", and "Finance" sectors.



Source: Infoadex

3.2 Content

Atresmedia's audience share was 27.7% in 2014, down 1.1 percentage points on 2013, when it had three more channels.

Antena 3 had an average audience share of 13.6% in 2014, its highest reported share since 2009.

Spanish fiction, the backbone of the channel's programming, is again the leading format in terms of audience figures. "El tiempo entre costuras" was the most watched series in the year, with an average audience for the episodes broadcast in 2014 of 26.5% and 5,280,000 viewers. The entire season, which started in 2013, garnered an average audience of 25.5% and 4,905,000 viewers.



"Velvet" headed audience figures for its broadcasting slot with an average of over 4 million viewers and a 21.9% audience share.

"Sin identidad" was the year's most viewed premiere with 4,931,000 viewers and a 25.7% audience share for the first episode. It was the channel's second most watched series with an average audience share for the year of 20.1% and 3,557,000 viewers.

Daily series were also successful this year. "Amar es para siempre" achieved its highest ever annual audience share (14.1%), as did "El secreto de Puente Viejo" (18.3%).

In entertainment programs, "El hormiguero 3.0" achieved its best ever annual audience figures in 2014 with an average audience share of 13.2% and 2,532,000 viewers. "Top Chef", the cookery talent show, reported excellent figures with a 16.1% audience share and 2,549,000 viewers. Meanwhile the third season of "Tu cara me suena" closed in 2014 with an audience share of 18.7% and 2,650,000 viewers.

Films were also a top attraction, and 6 of the 10 most viewed films in the year were broadcast on Antena 3. "El Peliculón" was once again the leading feature film brand with 16% of the audience share and 2,595,000 viewers.

Sports broadcasts also attracted large audiences. 19 Formula 1 Grand Prix events were broadcast during 2014, with an average audience of 29.3% and 3,073,000 viewers.

La Sexta reported its best year ever, with an audience share of 7.2%.

"Salvados" was the most viewed programme on the channel, leading its time slot and the most viewed Sunday programme, with an average audience of 14.3% and almost 3 million viewers. Jordi Évole's "Operación Palace", a mock documentary, was one of the most viewed programmes in 2014, with 5,229,000 million viewers and an audience share of 23.9%.

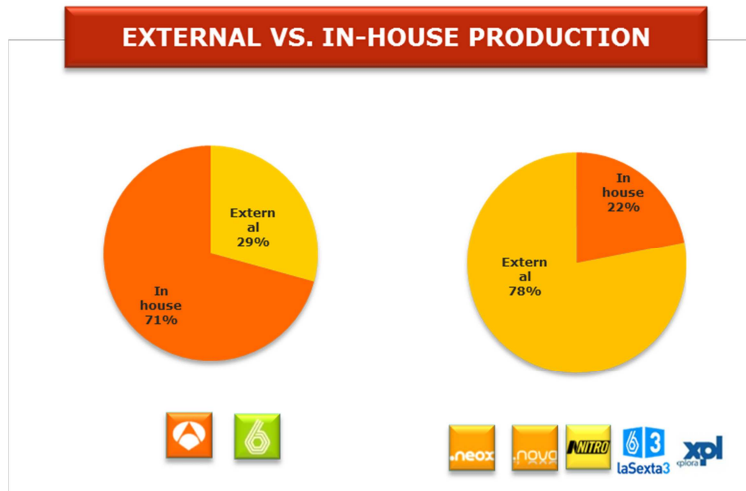
"El Intermedio" reported its highest ever annual audience figures (2,221,000). At 12.2%, its audience share was up 1.5 percentage points on 2013, peaking in November at 14%.

The Group's complementary channels achieved record share, in commercial target in 2014:

- **Neox**, the Group's leading complementary channel, had a total individuals audience share of 2.6% in the year and a 3.7% audience share in commercial target.
- **Nova**, which specialises in content for a female audience, had a record total individuals audience share of 2.5% and a 2.6% commercial target audience share.

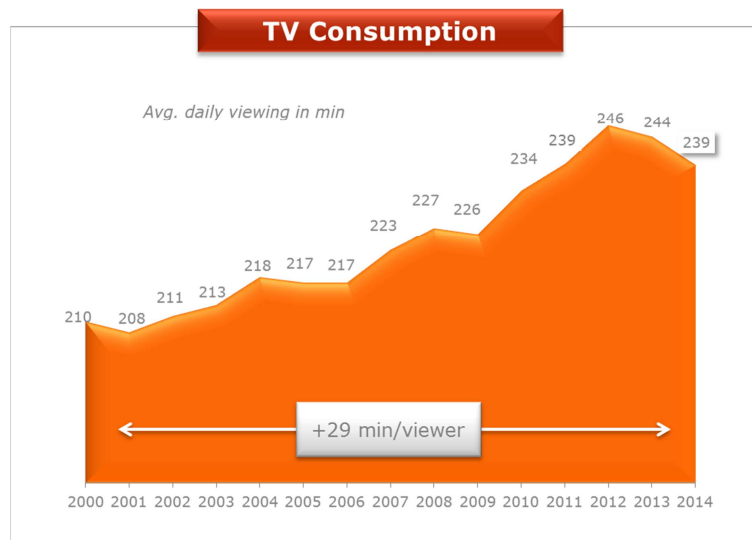
On the main channels, in-house productions predominate (71%), while the majority of programmes broadcast on the complementary channels programmes are produced by others (78%).

**Internal vs. third party production in commercial schedule
(% hours broadcast)**



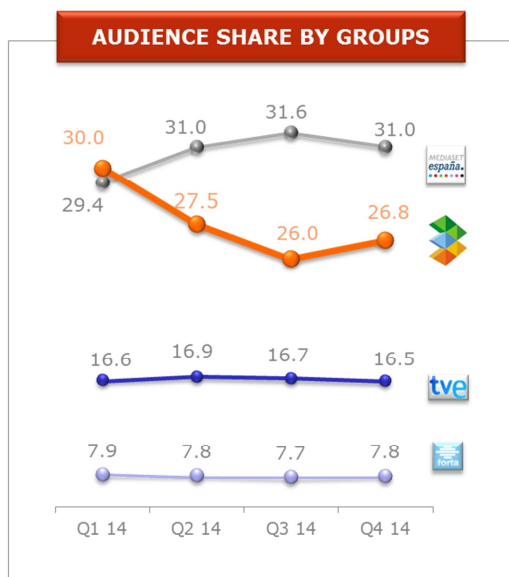
3.3 Audience figures

Television viewing in 2014 was 239 minutes per person per day, the same as in 2011, the third highest figure ever (246 minutes in 2012 and 244 minutes in 2013).

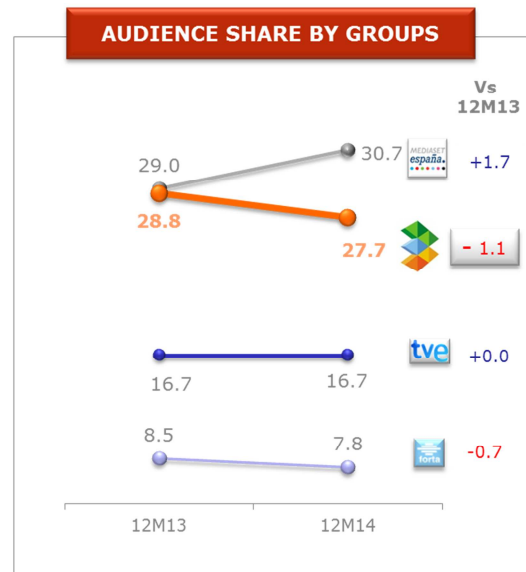


Source: Kantar Media

The audience share of the Atresmedia Television channels in 2014 was 27.7%. Despite the closure in compliance with a Supreme Court ruling of three of the group's channels in May (one more than its main rival), and the broadcasting of the Football and Basketball World Cups on other channels in the summer, Atresmedia's audience share fell by just 1.1 percentage points compared to last year. The Group had the highest prime time commercial target audience (31.6%).



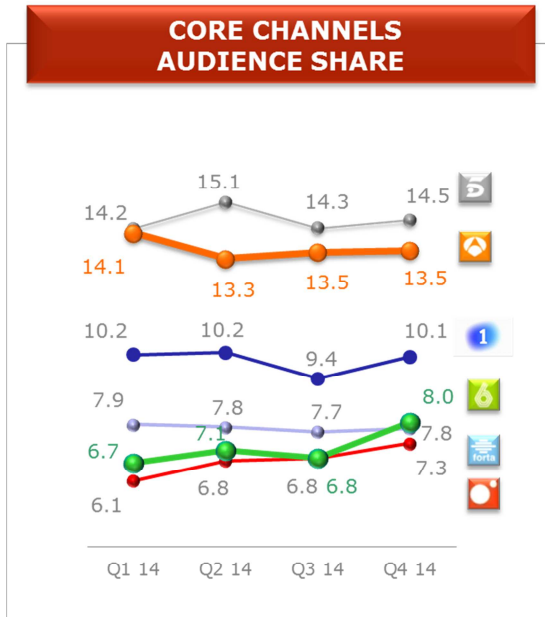
Source: Kantar Media. 24h Ind. 4+



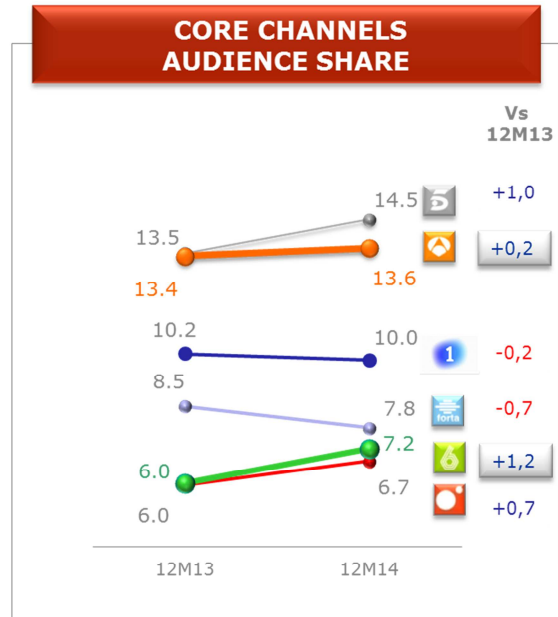
Source: Kantar Media. 24h Ind. 4+

Antena 3's audience figures rose by 0.2 percentage points compared with last year with an average total individuals audience (24h) of 13.6%, the best figure since 2009. The channel was leader in commercial target with an audience share of 13.8% in 24h, and 14.1% in prime time.

With audiences up by 1.2 percentage points, **laSexta** reported its best ever figures in 2014. The channel was ahead of its main competitor, Cuatro, with an average total individuals audience (24h) of 7.2%. laSexta's average audience share in the fourth quarter of 2014 was 8.0%. The channel's commercial target (24h) audience share for the year was 7.9%, up 1.3 percentage points on 2013.

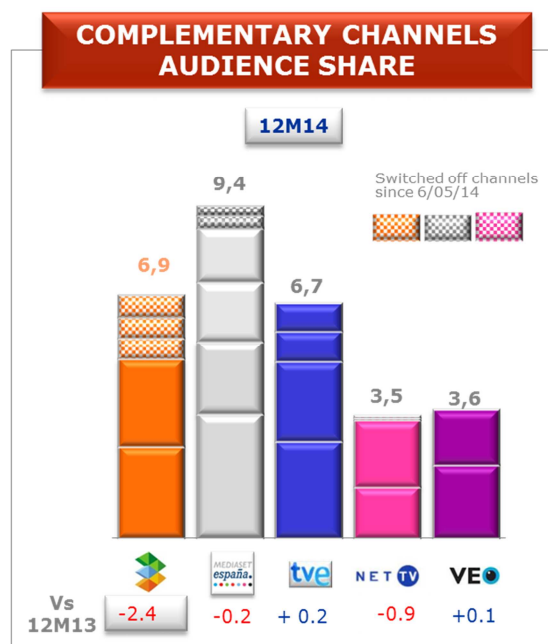


Source: Kantar Media. 24h Ind. 4+



Source: Kantar Media. 24h Ind. 4+

In the year to December 2014, the complementary channels **Neox, Nova, Nitro, Xplora and laSexta3** achieved a combined audience share in total individuals (24h) of 6.9%, down 2.4 percentage point on last year as a result of the closure of the Nitro, Xplora and laSexta3 channels.



Source Kantar Media. 24h Ind. 4+



3.4 Income Statement

| Euros (in thousands) | Jan-Dec 2014 | Jan-Dec 2013 | Change |
|-------------------------------|-----------------|-----------------|---------------|
| NET REVENUES | 785,331 | 728,527 | 7.8% |
| OPERATING EXPENSES | 681,930 | 676,446 | 0.8% |
| EBITDA | 103,401 | 52,081 | 98.5% |
| Depreciation and amortisation | 13,817 | 14,134 | (2.2%) |
| EBIT | 89,584 | 37,946 | 136.1% |

3.4.1 Net revenues

Net revenues for the twelve months to December 2014 totalled 785.3 million euros, up 7.8% on the 728.5 million euros reported for 2013.

According to Infoadex, the television advertising market grew in the period by 11.0%. Atresmedia Television's share of this market reached 41.5%.

The television advertising market grew by 13.4% in the fourth quarter of 2014, in line with the ongoing recovery in the advertising market.

In the last quarter of the year Atresmedia Television, according to Infoadex, achieved a market share of 40.7%, slightly lower than for the same period in 2013 when it was operating three more channels.



3.4.2 Operating expenses

| Euros (in thousands) | Jan-Dec | Jan-Dec | Change |
|---------------------------|----------------|----------------|-------------|
| | 2014 | 2013 | |
| Programming & other | 432,025 | 433,266 | (0.3%) |
| Personnel costs | 68,461 | 62,200 | 10.1% |
| Other operating expenses | 181,444 | 180,980 | 0.3% |
| OPERATING EXPENSES | 681,930 | 676,446 | 0.8% |

Operating expenses to December 2014 totalled 681.9 million euros, compared to 676.4 million euros in 2013, representing a 0.8% increase.

The programming policy implemented in the year, with costs in line with those of 2013, has enabled Atresmedia to maintain its competitive position following the loss of three channels and take advantage of the growing advertising market.

Staff costs increased due to higher non-recurrent expenditure including restructuring expenses, increased operational volumes (project staff) and higher variable compensation.

Operating expenses for the fourth quarter of 2014 were 0.3% lower than for the same period in 2013.

3.4.3 Operating earnings and margins

At 103.4 million euros, EBITDA for the year to December 2014 was double that achieved in 2013, with a margin on net revenue of 13.2%.

EBITDA in the fourth quarter of 2014 was 33.5 million euros with a margin on net revenues of 14.5%.



| EBITDA | Jan-Dec 2014 | Jan-Dec 2013 |
|-------------------------------|-------------------------|-------------------------|
| Atresmedia Television | 103,401 | 52,081 |
| Margin on net revenues | 13.2% | 7.1% |

EBIT to 31 December 2014 totalled 89.6 million euros, compared to 51.6 million euros in the previous financial year.

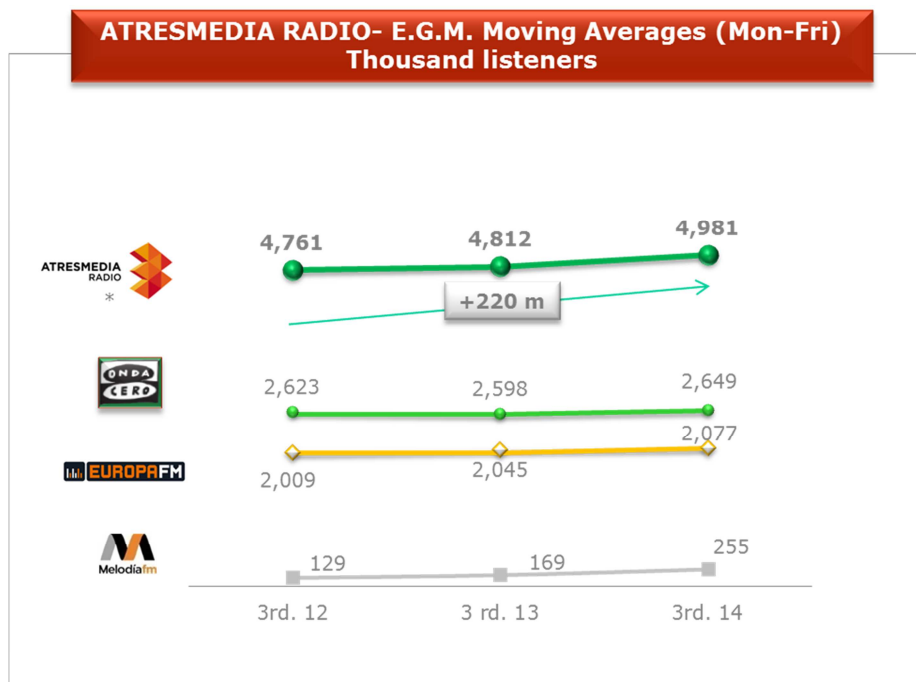
| EBIT | Jan-Dec 2014 | Jan-Dec 2013 |
|-------------------------------|-------------------------|-------------------------|
| Atresmedia Television | 89,584 | 37,946 |
| Margin on net revenues | 11.4% | 5.2% |

4. ATRESMEDIA RADIO

4.1 Advertising market and audience figures

According to Infoadex, the radio advertising market has grown in 2014 by 4.1%.

Atresmedia Radio had a record 5 million listeners, according to the latest study, the 3rd 2014 wave of the General Media Study (EGM), up on the previous study's figures and those of the 3rd wave of 2013. Onda Cero, with an average of 2.6 million listeners, continued to be the second ranking generalist radio station and the station which saw the greatest growth from one study to the next. Europa FM remained the third ranking music radio station with over 2 million listeners, while Melodía FM, relaunched in 2014 with a new format, attracted 255,000 listeners.



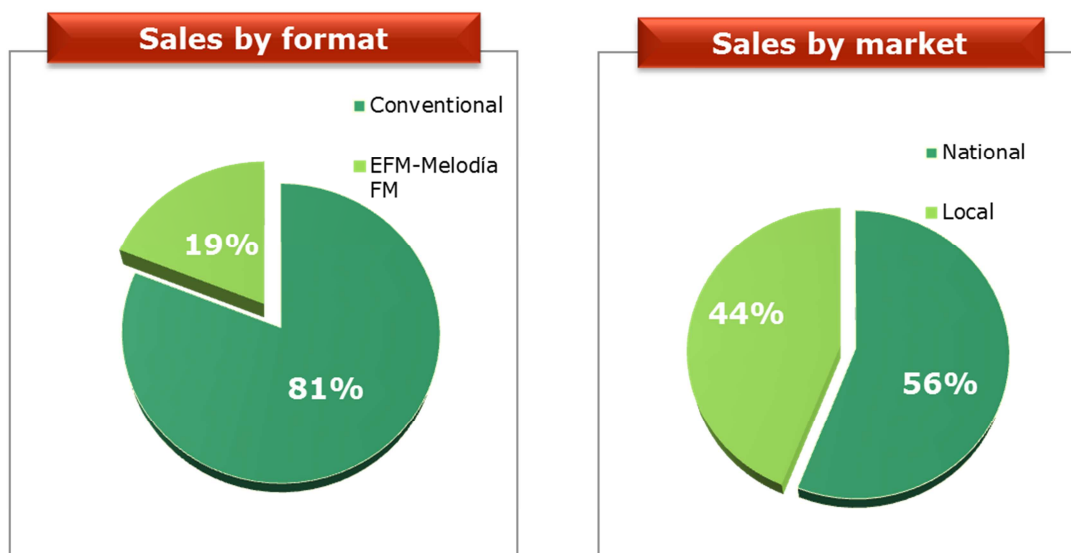
Source: EGM . Moving Average. Monday to Friday.

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

4.2 Income Statement

| Euros (in thousands) | Jan-Dec 2014 | Jan-Dec 2013 | Change |
|-------------------------------|---------------|---------------|--------------|
| NET REVENUES | 81,225 | 80,549 | 0.8% |
| Personnel costs | 23,463 | 23,231 | 1.0% |
| Other operating expenses | 40,183 | 40,368 | (0.5%) |
| OPERATING EXPENSES | 63,647 | 63,599 | 0.1% |
| EBITDA | 17,578 | 16,950 | 3.7% |
| Depreciation and amortisation | 1,794 | 2,651 | (32.3%) |
| EBIT | 15,784 | 14,298 | 10.4% |

At 83.9 million euros, Atresmedia Radio's advertising revenue for 2014 significantly outperformed the market, up 5.2% on the 79.7 million euros reported in 2013.





Operating expenses to 31 December 2014 totalled 63.6 million euros. The costs of launching the Melodía FM radio station in 2014 were offset by savings in other areas.

EBITDA for the twelve months to December 2014 was 17.6 million euros, representing a margin of 21.6%, up 3.7% on that reported for 2013.

EBITDA in the fourth quarter of 2014 was 8.6 million euros with a margin on net revenues of 39.5%.

| EBITDA | Jan-Dec 2014 | Jan-Dec 2013 |
|------------------------------|-------------------------|-------------------------|
| Atresmedia Radio | 17,578 | 16,950 |
| Margin on net revenue | 21.6% | 21.0% |
| <hr/> | | |
| EBIT | Jan-Dec 2014 | Jan-Dec 2013 |
| Atresmedia Radio | 15,784 | 14,298 |
| Margin on net revenue | 19.4% | 17.8% |



5. OTHER BUSINESSES

5.1 Atresmedia Cine

Atresmedia Cine was involved in the production of the following feature length films in 2014: "La isla mínima", "Torrente 5: Operación Eurovegas", "Éxodus: Dioses y Reyes", "El club de los incomprendidos", "Kamikaze", "Purgatorio", "Mindscape", "La Bella y la Bestia", "Pancho: el perro millonario" and "Open windows" while the films "Ismael", "3 Bodas de más" and "Futbolín" continued to be shown in cinemas.



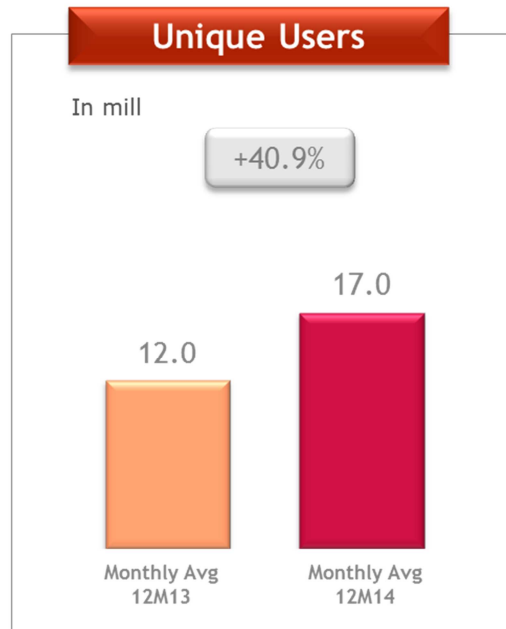
Atresmedia Cine's films were successful both in audiences (its films accounted for 27% of Spanish box office receipts in 2014) and in critics. The film "La Isla minima" has won the José María Forqué award for best film, five awards at the 2015 Premios Feroz, and ten Goyas.

5.2 Atresmedia Digital

Average monthly unique visitor figures for Atresmedia Digital's websites at 31 December 2014 were 17.0 million, up 40.9% on the monthly average for 2013.

The websites of the TV channels Antena 3 and laSexta continued to perform well, as did the radio stations' websites and the specialist vertical content sites (with the launch in 2014 of "Viajestic", "Coolsty", "Objetivo Bienestar", "Cocinatis", "Correr y Fitness" and "Neoxkidz").

The Atresplayer video and audio platform also performed well with 1.7 million registered users at 31 December 2014.



Monthly Average
Source: Adobe Analytics

5.3 Income statement

The Group's other activities performed as follows:

| Euros (in thousands) | Jan-Dec 2014 | Jan-Dec 2013 | Change |
|-------------------------------|-----------------|-----------------|----------------|
| NET REVENUES | 16,670 | 20,714 | (19.5%) |
| % of Atresmedia's revenues | 1.9% | 2.5% | |
| OPERATING EXPENSES (*) | 9,980 | 9,590 | 4.1% |
| % of Atresmedia's expenses | 1.3% | 1.3% | |
| EBITDA | 6,690 | 11,124 | (39.9%) |
| % of Atresmedia's EBITDA | 5.2% | 13.9% | |

(*) Includes amortisation of film productions.

Higher revenues from new businesses were offset by a drop in revenues for Atresmedia Cine, which affected EBITDA.