

ATRESMEDIA



**JANUARY–SEPTEMBER 2020
RESULTS**

30 September 2020



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: Audiovisual 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	9
2.2	Consolidated Balance Sheet.....	10
2.3	Consolidated Cash Flow Statement	12
2.4	Share price.....	13
2.4.1	Atresmedia's shares	13
2.4.2	Analysts' recommendations	14
2.5	Corporate Social Responsibility.....	14
3.	AUDIOVISUAL	16
3.1	Income statement	16
3.1.1	Net revenue	16
3.1.2	Operating expenses.....	19
3.1.3	Operating earnings and margins	20
3.2	Audiences.....	21
3.2.1	Television viewing	21
3.2.2	Television audiences.....	22
3.2.3	Digital audiences.....	26
4.	RADIO	27
4.1	Advertising market and audience figures	27
4.2	Income statement	28
5.	ALTERNATIVE PERFORMANCE MEASURES	30



1. HIGHLIGHTS

1.1 Milestones and key figures

Atresmedia. Key figures

Operational highlights	Jan-Sep 2020	Jan-Sep 2019
Total TV audience	26.1%	26.5%
TV market share (internal estimates)	41.8%	41.5%
Radio listeners (thousands) (1st EGM wave. Rolling average)	3,345	3,568
Total no. employees	2,589	2,450

Financial highlights Euros (in thousands)	Jan-Sep 2020	Jan-Sep 2019
Net revenue	580,089	723,668
EBITDA	73,138	126,359
Profit for the period	39,856	80,251
Net financial debt	179,725	179,431

The overriding issue throughout the first nine months of 2020 has been the global crisis caused by the COVID-19 pandemic. Against this backdrop, Atresmedia's EBITDA for the first nine months of the year totalled 73.1 million euros, with consolidated profits of 39.9 million euros.

According to internal estimates, **Atresmedia Television's market share** for the period was 41.8%, up 0.3 points on that for the same period last year. It achieved an **audience share** of 26.1% with a prime time commercial target audience of 27.8%.

Antena 3 achieved an 11.5% audience share in the period, with a prime time commercial target audience share of 12.8%.

laSexta stayed 1.6 points ahead of its main competitor with an average audience figure of 7.1%, and 7.3% for commercial target audiences in the prime time slot.



The complementary channels (**Neox, Nova, Mega** and **Atreseries**) achieved a combined audience share of 7.6% in the nine months to September 2020, with a commercial target audience of 8.5%.

According to data published by ComScore in September, Atresmedia's **Digital** business continued to head the internet rankings for audiovisual groups for the fourth successive year and it was the ninth most visited website in Spain.

Films on release from **Atresmedia Cine** during the nine months to September of the year accounted for 60% of total earnings for Spanish cinema.

Atresmedia's **international** channels, meanwhile, had over 55 million subscribers.

Atresmedia Radio's stations, Onda Cero, Europa FM and Melodía FM, maintained their position with 3.3 million listeners, according to the latest study (1st 2020 EGM wave).

1.2 The economic climate and the market

According to the latest forecasts from the Fundación de las Cajas de Ahorros (FUNCAS), published in September 2020, Spanish **GDP is expected to shrink by 12%** (the July forecast was -10.8%, and -9.5% in May). Domestic demand accounts for 10.7 percentage points of this contraction, while the remaining 1.3 percentage points are attributable to exports. FUNCAS **estimates GDP will recover by 7.3% in 2021** compared with this year (7.2% in the July forecast).

The Spanish government estimates that the economy will contract by 11.2% in 2020, 2 points more than it was forecasting in April (-9.2%), recovering by 7.2% in 2021. The Bank of Spain, meanwhile, estimates a drop in GDP of between -10.5% and -12.6% in 2020, with a recovery of 4.1% to 7.3% in 2021. The IMF predicts that the Spanish economy will shrink by -12.8% this year, recovering 7.2% in 2021.

Meanwhile, the consequences of the shrinking economy will directly impact on the labour market. According to FUNCAS, unemployment will rise to 17.8% in 2020 and will stay at this level into 2021. This is much higher than the 14% reported at the end of 2019. Weakening demand and falling household incomes, together with falling commodity prices, will push the CPI into negative figures, at around -0.2% this year (in line with the July forecast), recovering to 1.0% next year.

The Bank of Spain is forecasting an unemployment rate of between 17.1% and 18.6% in 2020, rising to between 19.4% and 22.1% in 2021. The Government, meanwhile, expects unemployment to reach 19% in 2020, improving slightly in 2021 at 17.2%.

The consensus forecast suggests the public deficit will reach 12.3% of GDP in 2020 (11,9% the previous forecast) and 7.4% in 2021.

Turning to the advertising market, according to internal estimates, advertising spending shrank by 27.4% in the nine months to September 2020 compared with the same period in 2019, affecting all media. In the markets in which Atresmedia operates, television advertising has fallen by 24.8%, radio advertising by 29.2% and internet advertising by 18.1%. Advertising spending was particularly hit by the COVID-19 crisis in the months from March to June.

Advertising market by media	9M20 vs 9M19
Television	-24.8%
Radio	-29.2%
Digital	-18.1%
Press and Sunday supplements	-37.7%
Magazines	-38.8%
Outdoor	-52.8%
Cinema	-62.1%
TOTAL MEDIA	-27.4%

Source: Internal estimates (pending publication of external sources).



2. ATRESMEDIA

2.1 Consolidated Income Statement

Euros (in thousands)	Jan-Sep 2020	Jan-Sep 2019	Change
NET REVENUE	580,089	723,668	(19.8%)
OPERATING EXPENSES	506,951	597,309	(15.1%)
EBITDA	73,138	126,359	(42.1%)
Depreciation and amortisation	14,367	14,637	(1.8%)
Impairment and disposal of property, plant and equipment	(1)	(34)	98.2%
EBIT	58,771	111,757	(47.4%)
Financial result	(6,548)	(6,912)	5.3%
Net income from investments in other entities	957	(1,769)	n/a
Profit before tax from continuing operations	53,180	103,076	(48.4%)
Income tax	13,397	22,873	(41.4%)
Profit for the period	39,783	80,203	(50.4%)
Profit attributable to non-controlling interests	73	48	51.6%
Profit for the financial period attributable to the parent company	39,856	80,251	(50.3%)

Note: figures for YTD to September are unaudited



2.1.1 Net revenue

Atresmedia's net revenue for the nine months to September 2020 totalled 580.1 million euros, compared to 723.7 million euros for the same period of 2019.

Net revenue by business Euros (in thousands)	Jan-Sep 2020	Jan-Sep 2019	Change
Audiovisual	542,387	671,554	(19.2%)
Radio	44,576	59,100	(24.6%)
Eliminations	(6,874)	(6,985)	
ATRESMEDIA	580,089	723,668	(19.8%)

The advertising market according to internal estimates has shrunk by 27.4% in the year to December 2020.

Atresmedia's consolidated net revenues grew by 11.6% in the third quarter of 2020, mainly thanks to improvements in the production and distribution of content.

2.1.2 Operating expenses

Operating expenses in the nine months to September 2020 were 15.1% lower than in the same period last year.

Operating expenses by business Euros (in thousands)	Jan-Sep 2020	Jan-Sep 2019	Change
Audiovisual	470,287	554,949	(15.3%)
Radio	43,538	49,345	(11.8%)
Eliminations	(6,874)	(6,985)	
ATRESMEDIA	506,951	597,309	(15.1%)



Operating expenses by type Euros (in thousands)	Jan-Sep 2020	Jan-Sep 2019	Change
Programming costs	214,444	279,493	(23.3%)
Personnel costs	113,957	119,727	(4.8%)
Other operating expenses	100,077	107,180	(6.6%)
Variable expenses linked to sales	85,347	97,894	(12.8%)
Eliminations	(6,874)	(6,985)	
OPERATING EXPENSES	506,951	597,309	(15.1%)

A cost-cutting plan has been established in this financial year for both programming and other operating costs in order to offset declining advertising revenues, in particular since March, due to the global COVID-19 crisis. This has not harmed the Group's competitiveness.

Variable expenses linked to sales fell due to falling advertising revenues during the period of the state of alarm.

Operating expenses increased by 8.4% in the third quarter of 2020 compared with the same period of 2019, mainly due to higher costs linked to the growth in content production and distribution revenues.

2.1.3 Operating earnings and margins

EBITDA in the nine months to September 2020 was 73.1 million euros, representing a margin on net revenues of 12.6%.

EBITDA Euros (in thousands)	Jan-Sep 2020	Jan-Sep 2019
Audiovisual	72,100	116,604
Margin on net revenue	13.3%	17.4%
Radio	1,038	9,755
Margin on net revenue	2.3%	16.5%
TOTAL ATRESMEDIA	73,138	126,359
Margin on net revenue	12.6%	17.5%



EBITDA for the third quarter of 2020 was 30.3 million euros, with a margin on net revenue of 14.8%, an increase of 7.8 million euros (34.3%) compared with the same quarter last year.

EBIT for the nine months to September totalled 58.8 million euros, in comparison with 111.8 million euros for the same period in 2019.

EBIT Euros (in thousands)	Jan-Sep 2020	Jan-Sep 2019
Audiovisual	59,719	104,088
Margin on net revenue	11.0%	15.5%
Radio	(948)	7,668
Margin on net revenue	n/a	13.0%
TOTAL ATRESMEDIA	58,771	111,757
Margin on net revenue	10.1%	15.4%

2.1.4 Profit before tax

The Group reported financial negative results for the nine months to September 2020 of 6.5 million euros, compared with losses of 6.9 million euros in the same period last year.

Profit before tax for the nine months to September 2020 totalled 53.2 million euros, compared to 103.1 million euros in the same period last year.

2.1.5 Consolidated profit for the period

Consolidated profit for the first nine months of 2020 was 39.9 million euros. Consolidated profit for the third quarter was 17.2 million euros, 60.9% higher than for the same period last year.



2.2 Consolidated Balance Sheet

Euros (in thousands)	30 September 2020	31 December 2019
ASSETS		
Goodwill	169,147	163,223
Other intangible assets	116,805	119,970
Property, plant and equipment and other non-current assets	86,680	98,221
Deferred tax assets	201,031	201,527
NON-CURRENT ASSETS	573,663	582,942
Programming rights and inventories	304,667	321,082
Trade and other receivables	187,977	245,124
Other current assets	22,592	28,585
Current tax assets	21,484	18,884
Cash and cash equivalents	108,300	85,831
CURRENT ASSETS	645,020	699,506
TOTAL ASSETS	1,218,683	1,282,448
LIABILITIES		
Share capital	169,300	169,300
Issue premium	38,304	38,304
Legal and statutory reserves	42,475	42,475
Retained earnings	277,819	237,047
Treasury shares	(6,168)	(7,489)
Interim dividend	(45,012)	(45,012)
Other equity instruments	0	1,355
Remeasurements and other	6,342	2,180
EQUITY	483,061	438,160
Debentures and bonds	170,823	178,030
Debt to financial institutions	69,311	103,516
Other non-current liabilities	49,196	44,272
Deferred tax liabilities	32,884	32,183
NON-CURRENT LIABILITIES	322,214	358,001
Debentures and bonds	1,831	4,046
Debt to financial institutions	35,919	8,676
Trade and other creditors	309,040	381,773
Other current liabilities	52,071	91,791
Current tax liabilities	14,548	0
CURRENT LIABILITIES	413,408	486,287
TOTAL LIABILITIES AND EQUITY	1,218,683	1,282,448

Note: figures for YTD to September are unaudited



The Group's net financial debt is 179.7 million euros, compared with 193.0 million euros at the end of December 2019, a reduction of 13.3 million euros. The net financial debt/EBITDA ratio (12 months) was 1.30.

In November 2019, the National Commission on Markets and Competition (CNMC) issued a Resolution against Atresmedia and Mediaset Spain, ordering them to cease certain commercial practices deemed to be anti-competitive. It also imposed financial sanctions which, in Atresmedia's case, amounted to 38.2 million euros. An appeal against this resolution was filed and given leave to proceed and the temporary suspension of the fine was also requested. Both appeals are awaiting resolution, and it is expected that the courts will rule in Atresmedia's favour.

Given the severity of the impact of the pandemic on the Group's activities and results in the nine months to September, management has carried out a general review of the potential effects on future profits, cash flows and the valuation of the assets carried on its balance sheet. The main conclusion of this exercise is that the long-term outlook for the performance of Atresmedia's businesses is not substantially different to that prior to the crisis, and there is no need to change the Group's strategic focus or targets over this time frame.

On 26 Jun 2020, the companies Buendía Producción, S.L. and Buendía Estudios, S.L., in which Telefónica and Atresmedia each hold a 50% stake, were incorporated to create and produce audiovisual content in Spanish throughout the world.

In August 2020, the Group acquired the company Human to Human S.L., an agency specialising in influencer marketing in Spain.



2.3 Consolidated Cash Flow Statement

At 30 September 2020 net cash flows from operating activities were positive, totalling 49.0 million euros.

Euros (in thousands)	30 September 2020	30 September 2019
1.- CASH FLOWS FROM OPERATING ACTIVITIES		
Consolidated profit for the period before tax	53,180	103,076
Adjustments for:	27,411	23,350
- Depreciation and amortisation	14,367	14,637
- Provisions and others	6,496	1,801
- Financial result	6,548	6,912
Changes in working capital	(31,617)	20,971
Cash flow from operations	48,974	147,396
Income tax (paid)/refunded	(2,265)	(7,363)
Net cash flows from operating activities	46,710	140,033
2.- CASH FLOWS FROM INVESTING ACTIVITIES		
Investments	(27,890)	(33,617)
Group companies, joint ventures and associates	(11,003)	(7,837)
Property, plant and equipment and intangible fixed assets	(9,394)	(7,684)
Investment in Spanish film productions	(7,493)	(18,096)
Divestments and advances on the sale of assets	2,750	7,898
Net cash flows from investing activities	(25,140)	(25,719)
3.- CASH FLOWS FROM FINANCING ACTIVITIES		
Lease payments	(1,115)	(911)
Finance income collected (paid)	(6,812)	(5,942)
Dividends paid	0	(56,265)
Financing of associates and related parties	(357)	(5)
Financial debt	9,184	(46,348)
Net cash flows from financing activities	899	(109,471)
NET INCREASE / DECREASE IN CASH		
NET INCREASE / DECREASE IN CASH	22,468	4,845
Cash and cash equivalents, beginning of the period	85,831	85,626
Changes in the scope of consolidation	2	286
Cash and cash equivalents, beginning of the period	85,832	85,912
Cash and cash equivalents, end of the period	108,300	90,757

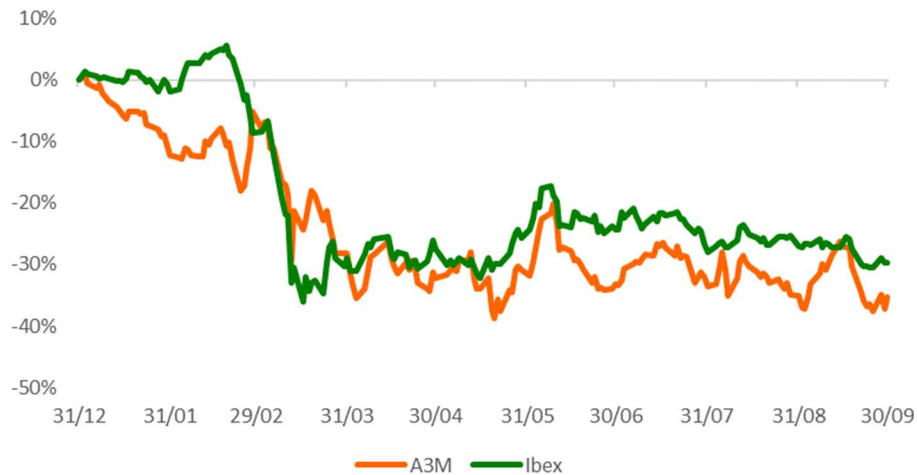
Note: figures for YTD to September are unaudited



2.4 Share price

2.4.1 Atresmedia's shares

Atresmedia's shares closed on 30 September 2020 at € 2.256/share, down 35.2% on the closing price of € 3.482/share at the end of 2019. Meanwhile, the IBEX closed the quarter at 6,716.60 points, 29.7% down on last year end.



Atresmedia share price in 2020 vs. the IBEX 35.

Trading figures	Jan-Sep 2020
Share price at 30/09/2020 (€)	2.256
High (€)	3.51
Low (€)	2.13
Weighted average price (€)	2.62
Average daily volume (shares)	515,666
Average daily volume (thousand euros)	1,351
Number of shares (million)	225.7

Source: Net Station



2.4.2 Analysts' recommendations

At 30 September, 19 analysts were reporting and offering recommendations on our shares. Of these, 21% recommended Buy Atresmedia shares, 42% recommended Hold, while 37% continued to recommend Sell. The average target price at the end of the period was € 2.59/share.

During the nine months to September 2020, Atresmedia's Investor Relations department took part in 14 conferences and roadshows, both face-to-face and on-line.

The department held around 65 direct and virtual meetings with analysts and investors (at conferences and in our offices) and held 130 conference calls with analysts, institutional investors and minority shareholders.

The department was much less active than usual in March and April, with the events planned for these months cancelled due to the COVID-19 crisis. From May onward, however, most of the planned conferences were able to take place, albeit principally on-line.

2.5 Corporate Social Responsibility

Key events in the nine months to September 2020 in the area of corporate responsibility included the preparation of the Statement of Non-Financial Disclosures for inclusion in the Company's Management Report, detailing the Group's progress in 2019 on social and environmental matters and good governance, and providing information on its employees and human rights practices.

Atresmedia's ESG performance (environmental, social and governance) was once again recognised with the Company's continued inclusion in the FTSE4GoodIbex sustainability index, in which it has been listed every year since 2010.

With regard to the management of human resources, Atresmedia's internal response to the COVID-19 crisis has been in line with all the health authorities' guidelines, implementing the measures necessary to ensure the safety of its employees, with 75% of staff working from home. The Group has also strengthened its commitment to diversity and inclusion, increasing the number of people with disabilities it employs.



In terms of social responsibility, the Group's response to the COVID-19 pandemic includes offering all its communication media to support the "Cruz Roja Responde" initiative launched by the Spanish Red Cross to meet the needs of over 1.3 million people affected by the pandemic.

The social initiatives that fall under the "Compromiso Atresmedia" banner include the following:

- "Ponle Freno" held the 2020 edition of its awards recognising organisations' and individuals' efforts to improve road safety. It also organised its first virtual race, with 22,000 participants.
- "Objetivo Bienestar" presented its 8th "Coles Activos" awards recognising schools' work to encourage healthy habits among pupils.
- "Constantes y Vitales" launched a new campaign to recognise the work of Spanish scientists and publicise their achievements, and announced a new edition of its awards.
- "Levanta la Cabeza" introduced the "sin verificar, no compartas" campaign in schools, running practical workshops to encourage young people to question information and showing them how to fact-check it.
- Antena 3 Noticias renewed its commitment to tackling gender violence through the initiative "Contra el maltrato: Tolerancia Cero".
- "Crea Cultura" is a partner in the #TodoEmpiezaEnUnaLibrería initiative launched by the publishing and bookshop sectors to encourage people to visit bookshops after the end of the lockdown.

Within its corporate volunteering programme, in response to the social needs generated by the COVID-19 crisis, the Group has set up an on-line project "Aislados, pero no solos".

The **Atresmedia Foundation** continues its efforts to improve education, with excellent attendance at this year's "Grandes Profes" event, and the launch of the seventh annual "Grandes Profes, Grandes Iniciativas" awards aimed at improving the quality of education.

In the area of the environment, Atresmedia is implementing the measures defined in its 2019 environmental strategy, including contributing to the 2020 Carbon Disclosure Project report on climate change.



3. AUDIOVISUAL

3.1 Income statement

Euros (in thousands)	Jan-Sep 2020	Jan-Sep 2019	Change
NET REVENUE	542,387	671,554	(19.2%)
OPERATING EXPENSES	470,287	554,949	(15.3%)
EBITDA	72,100	116,604	(38.2%)
Amortisation and depreciation and impairment	12,381	12,516	(1.1%)
EBIT	59,719	104,088	(42.6%)

Note: figures for YTD to September are unaudited

3.1.1 Net revenue

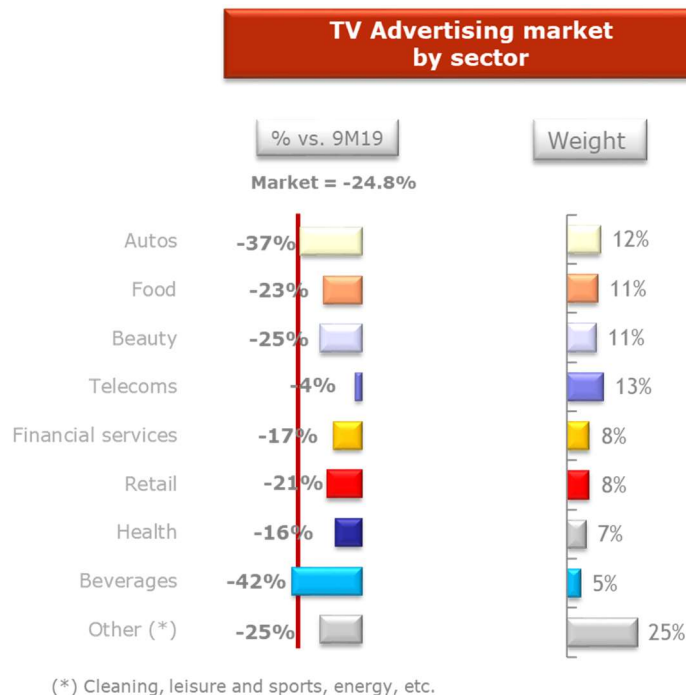
Net revenue for the nine months to September 2020 was 542.4 million euros, in comparison with 671.6 million euros for the same period in 2019.

Euros (in thousands)	Jan-Sep 2020	Jan-Sep 2019	Change
Television advertising	432,799	559,518	(22.6%)
Digital advertising	30,532	32,687	(6.6%)
Content production and distribution	60,781	51,225	18.7%
Other revenue	18,275	28,123	(35.0%)
NET REVENUE	542,387	671,554	(19.2%)

Television advertising revenues totalled 432.8 million euros, compared to 559.5 million euros in the same period of 2019.

According to internal estimates, the television advertising market shrank by 24.8% (-5.1% in the third quarter of 2020).

The decline in television advertising has been general across all sectors.



Sources: Internal estimates

It should be noted that, in accordance with the CNMC resolution issued in November 2019, Atresmedia is not allowed to offer volume discounts to its advertising customers. This change has had no impact on reported net revenues, but it does affect the year-on-year comparability of gross advertising revenues published by third parties.

According to internal estimates based on comparable markets, Atresmedia Television's share of the advertising market in the nine months to September was 41.8%, up 0.3 points on the same period last year.

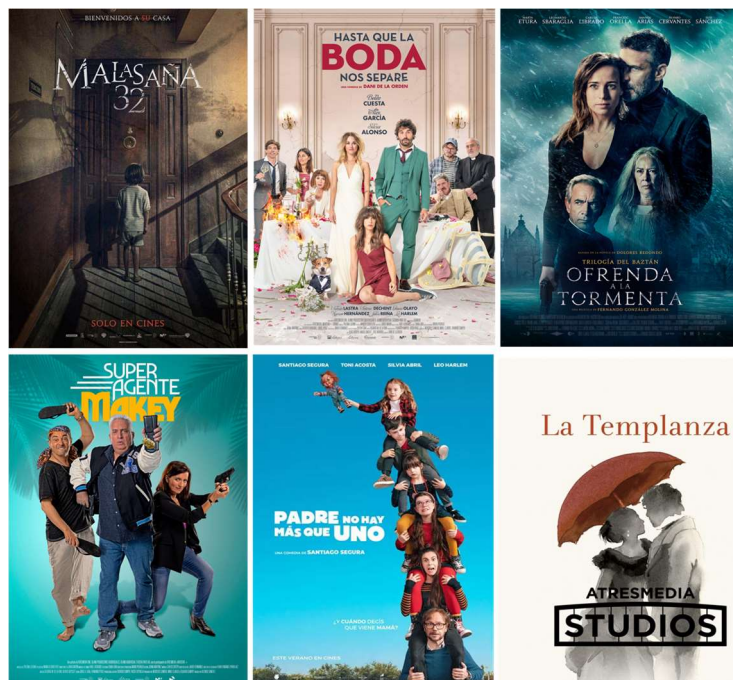
Digital advertising revenues totalled 30.5 million euros, compared to 32.7 million euros in the nine months to September 2019. According to internal estimates, the digital advertising market has shrunk by around 18.1% in the period.

Content production and distribution revenues totalled 60.8 million euros, compared to 51.2 million in the first nine months of last year.

These revenues include the production and domestic and international sale of TV series (Atresmedia Studios), our pay-per-view offerings (Atresplayer Premium), the production and distribution of channels on pay-TV platforms in Europe and the Americas (Atresmedia Internacional), and the Group's film production activities (Atresmedia Cine).



Atresmedia Studios produced and delivered the series "La Templanza" for Amazon Prime Video, while Atresmedia Cine released four new feature films in the nine months to September: "Malasaña 32", "Hasta que la boda nos separe", "Superagente Makey" and "Padre no hay más que uno 2", the last of which has been the highest grossing Spanish film in the year to date. Films such as "Legado en los huesos" also remained on release.





These films accounted for 60% of box-office takings for Spanish cinema in the year. The third film in the Baztán trilogy, "Ofrenda a la tormenta", meanwhile, was released on Netflix due to the COVID-19 crisis.

Other revenues, which mainly include events, licences, and editorial rights, totalled 18.3 million euros compared with 28.1 million euros in the nine months to September 2019.

3.1.2 Operating expenses

Euros (in thousands)	Jan-Sep 2020	Jan-Sep 2019	Change
Programming costs	214,444	279,493	(23.3%)
Personnel costs	95,398	100,139	(4.7%)
Other operating expenses	75,097	77,423	(3.0%)
Variable expenses linked to sales	85,347	97,894	(12.8%)
OPERATING EXPENSES	470,287	554,949	(15.3%)

Operating expenses for the nine months to September 2020 totalled 470.3 million euros, a decrease of 15.3% compared with the same period in 2019.

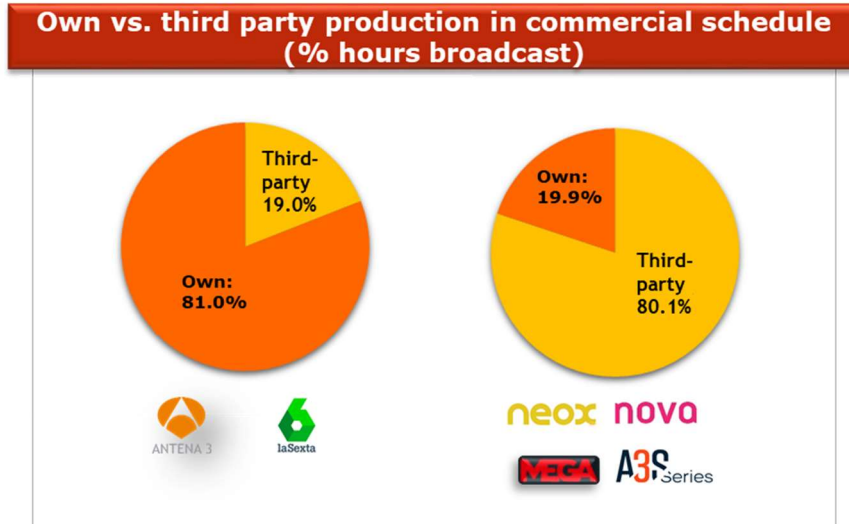
The global COVID-19 crisis has had a major impact on the advertising market from March onward. In response, a cost-cutting plan was put in place for both programme procurement and other operating costs. This has not harmed the Group's competitiveness.

Variable expenses linked to sales fell due to falling advertising revenues during the period of the state of alarm.

Operating expenses increased by 9.8% in the third quarter of 2020 compared with the same period of 2019 due to higher variable costs linked to the growth in content production and distribution revenues.



On Atresmedia’s main channels, Antena3 and laSexta, in-house productions predominate (81.0%), while the majority of programmes broadcast on the complementary channels, Neox, Nova, Mega and Atreseries, are produced by third parties (80.1%).



3.1.3 Operating earnings and margins

EBITDA in the nine months to September 2020 was 72.1 million euros, with a margin on net revenues of 13.3%.

EBITDA Euros (in thousands)	Jan-Sep 2020	Jan-Sep 2019
Audiovisual	72,100	116,604
Margin on net revenue	13.3%	17.4%

EBITDA for the third quarter of 2020 was 29.1 million euros, with a margin on net revenue of 15.2%, an increase of 7.3 million euros (33.8%) compared with the same quarter last year.

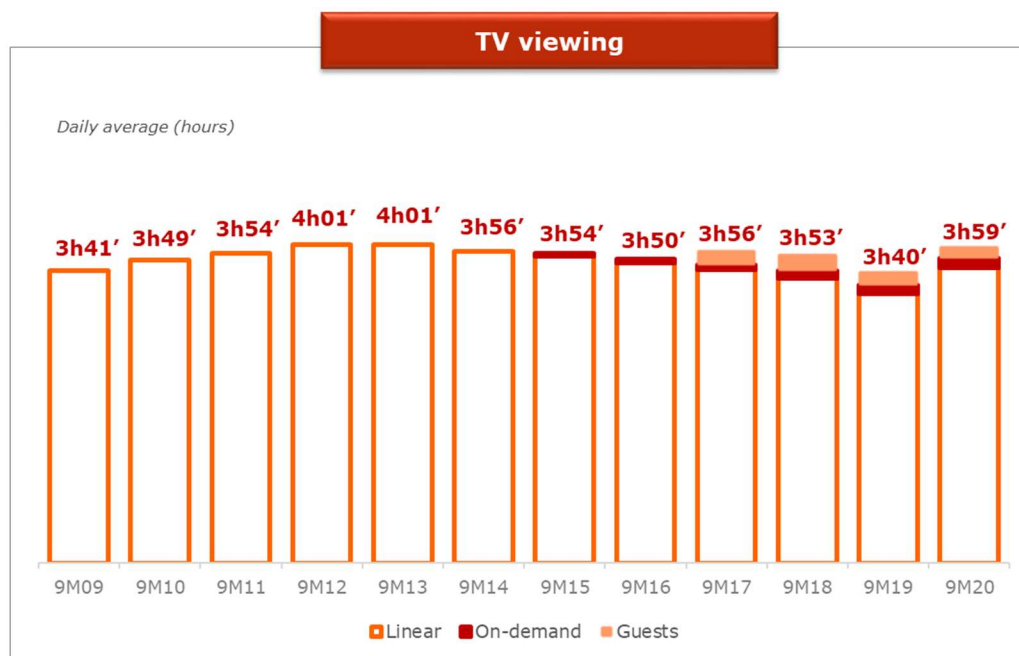
EBIT in the nine months to September 2020 was 59.7 million euros, representing a margin on net revenue of 11.0%.

EBIT Euros (in thousands)	Jan-Sep 2020	Jan-Sep 2019
Audiovisual	59,719	104,088
Margin on net revenue	11.0%	15.5%

3.2 Audiences

3.2.1 Television viewing

Television viewing in the first nine months of the year was 3 hours and 59 minutes per person and day, nineteen minutes more than in the same period last year and the highest for the last seven years. This figure includes "linear television" and "on-demand" viewing, as well as viewing time by guests. From this year Kantar Media has also included viewing in second homes in its figures.



Source: Kantar Media

On-demand: viewing in the seven days following a conventional broadcast, excluding viewing on other devices such as computers and tablets.

Guests: viewers who do not live in the main viewer's home.

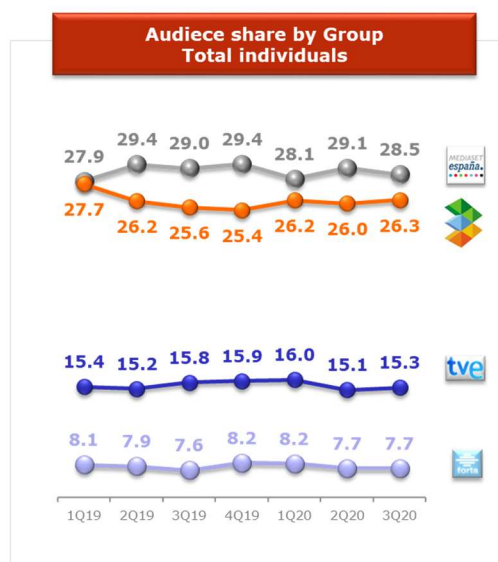
The COVID-19 pandemic had a major impact on television programming and content in first nine months of 2020. April saw the highest ever levels of television viewing in Spain, with average viewing time of 5 hours and 3 minutes per day. During this month, around 33.5 million Spanish citizens watched television every day.

This increase in television viewing during the lockdown shows that public broadcast television is the main source of entertainment and information for the entire population, including young people. Atresmedia played a key role in this, heading all the rankings for news programming and is far ahead of its competitors as the most trusted media for obtaining up-to-date information.

3.2.2 Television audiences

Atresmedia's television channels achieved an audience share of 26.1% in the nine months to September 2020. This figure rises to 27.7% for commercial target audiences, the most attractive audience for advertisers, and 27.8% for prime time commercial target audiences.

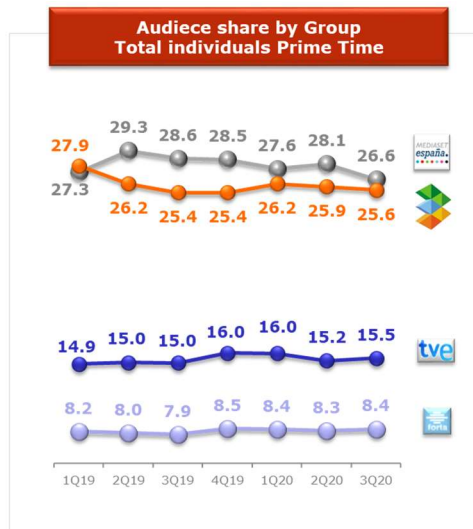
The 20/21 season opened in September with the Group heading prime time figures with a 26.7% audience share.



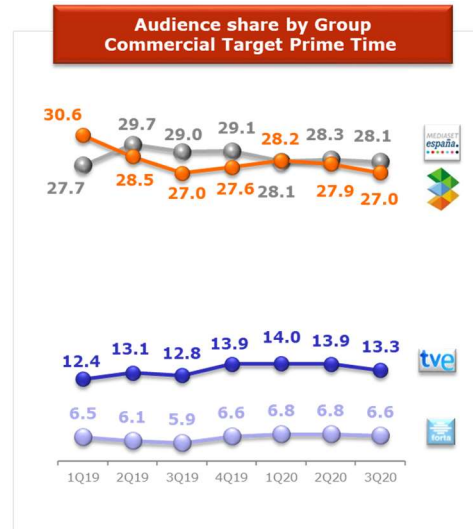
Source: Kantar Media. 24h total individuals 4+



Source: Kantar Media. Commercial target: 25-59 years, >10,000 inhabitants



Source: Kantar Media. 24h total individuals 4+ Prime Time (20:30-24:00)



Source: Kantar Media. Commercial target: 25-59 years, >10,000 inhabitants Prime Time (20:30-24:00)

The Group’s main channel, **Antena 3**, has attracted an average audience share of 11.5% during the year to date, with an upward trend peaking at 12.7% in September, its highest figure for over a year and a half. It was also the leading prime time channel in September, for the second month running), almost a full point ahead of the competition at 13.9%.

Its news programmes are the most viewed on television. **A3 Noticias** has headed the rankings every month this year, with an average share of 16.2% and 2.3 million viewers. **A3 Noticias 1 (Mon-Fri)**, with Sandra Golpe, has been the most watched news programme for 32 months now, and is the top daily news programme with an audience share of 19.5% and 2.5 million viewers.

Highlights of the channel’s content include the series **Mujer**, which has become the television phenomenon of the year, with audience numbers rising week by week. In September it had an average audience share of 17.4% and 1.8 million viewers, making it the most watched series on television.

The channel continues to broadcast television’s leading daily magazine show. “**El hormiguero 3.0**” is the top prime time lead-in show with an average audience share this year of 14.3% and 2.5 million viewers. During the lockdown the programme continued broadcasting with its *Quédate en casa* (stay at home) version, holding onto its leading position in its time slot with 2.9 million viewers.

Pasapalabra returned to screens in May at the top of prime time rankings with an audience share of 19.7% and 3.2 million viewers. In its afternoon slot its audience figures are increasing each month, achieving an average audience share of 17.2% and over 1.7 million viewers.



La Voz also returned for the new season in September, heading the rankings from its first Friday night broadcast with an audience share of 19.9% and 2.3 million viewers, achieving new record figures with each programme.

Meanwhile, **La Valla**, previously shown on ATRESplayer Premium, has become the 2020-21 season's top new drama series (15.4% audience share and 2 million viewers).

The average total individuals audience (24h) for the **laSexta channel** was 7.1%, 0.2 percentage points more than in the nine months to September 2019, keeping it 1.6 percentage points ahead of its main competitor,

The channel starts the morning with **Aruser@s**, which has become, in little over a year, the leading morning show with audience numbers growing every month and now ahead of those of La1. Its combination of current affairs and humour has drawn an average audience share for the year to date of 12.2%. It is followed by the channel's flagship current affairs analysis programme **Al rojo vivo** with Antonio García Ferreras, which had an average audience share of 14.8% and over 1 million viewers in the nine months to September.

laSexta noticias is experiencing one of the best year's in its history, with an audience share of 10,3% and almost 1.3 million viewers. Meanwhile, **Más vale tarde** remains the most viewed afternoon current affairs programme with an average audience share of 7.7% and 822,000 viewers. **El objetivo de Ana Pastor** continues its Sunday night broadcasts with a 7.0% audience share (1.3 million), while **LaSexta noche** is still the top political discussion programme on Saturdays with an average audience share of 8.0% (up 0.4 points on the same period last year).

El Intermedio remains the channel's most viewed daily programme with an average audience share of 8.4% and 1.4 million viewers. But there is still space for entertainment. **Zapeando** continues to amuse afternoon audiences with a 6.5% share and 831,000 viewers, while **Liarla Pardo's** Sunday afternoon audiences are up on last year's, with audience numbers approaching one million and an audience share of 7.3%.

The Group's **complementary channels**, meanwhile, continue to achieve good results and top the rankings for their respective target audiences or genres. Said channels contributed a combined audience share in total individuals (24h) of 7.6% in the year, reaching 8.5% for commercial target audiences.



Nova is achieving some of its best audience figures ever, with an average audience share in the year of 2.5%, equal to its annual peak. It has been the most viewed specialist channel for four consecutive months (June to September) and achieved its highest ever monthly figures in July and August (2.9%). Its programming centres on series and films.

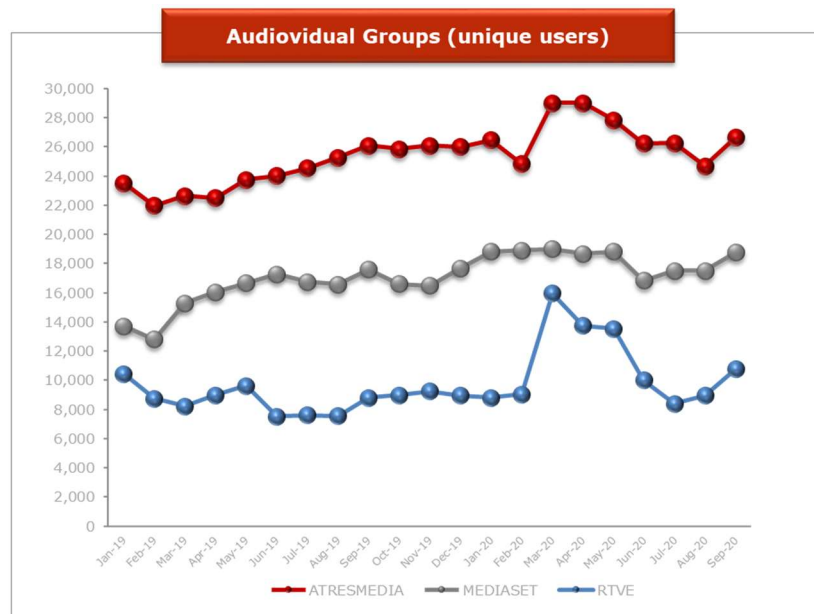
Neox, the Group's youngest channel, has garnered a 2% audience share over the year to date, and is the leading specialist channel with a 2.9% commercial target audience share, and an impressive 5.7% share in its target market, young people aged 18 to 35 years.

The **Mega** channel, aimed at a male audience, had a total individuals audience share of 1.6%, and a 1.9% commercial target audience share. Its programmes include the leading sports talk show **El chiringuito de jugones** (3.8% and 198,000 viewers) which is taking the social networks by storm.

Since its launch, drama-based **Atreseries** has been the leading new generation channel with audience figures rising year-on-year, with an average share of 1.5% in the first nine months of 2020.

3.2.3 Digital audiences

According to figures published by comScore in September 2020, Atresmedia continued to head the internet rankings for television groups for the fourth consecutive year, with 26.6 million unique visitors, 7.9 million more users than Mediaset. It was number nine in the rankings of the top ten most visited websites in Spain.



Source: comScore

Atresplayer, the Group’s on-line video platform, had 3.2 million unique visitors according to ComScore. Moreover, at 30 September, the number of registered users totalled 8.6 million.

At 30 September 2020 the Atresmedia Premium pay-TV platform had a total of 289,000 subscribers.



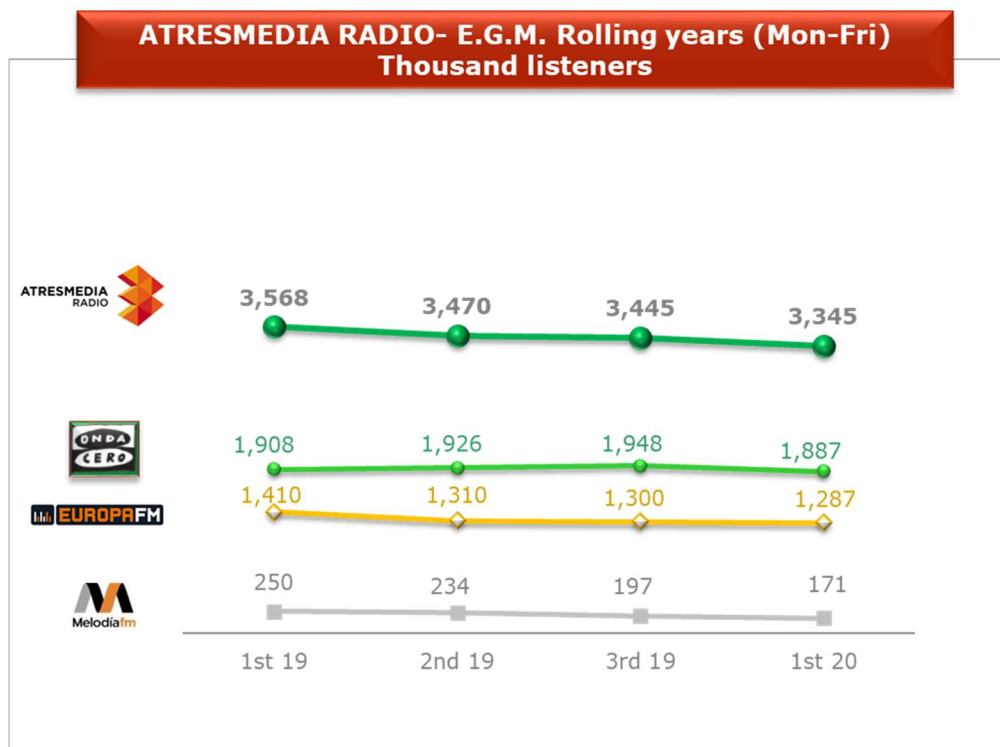
4. RADIO

4.1 Advertising market and audience figures

According to internal estimates, radio advertising spending in the nine months to September fell by 29.2%.

Atresmedia Radio had an average of 3.3 million listeners, according to the latest General Media Study (EGM), in the rolling year to the 1st 2020 wave. Onda Cero continued to be the third ranking talk radio station with 1.9 million listeners. Among radio formula stations, Europa FM had 1.3 million listeners while Melodía FM had 171,000 listeners.

The AIMC cancelled this year's second EGM wave as it was not possible to carry out the normal field research during the State of Alarm.



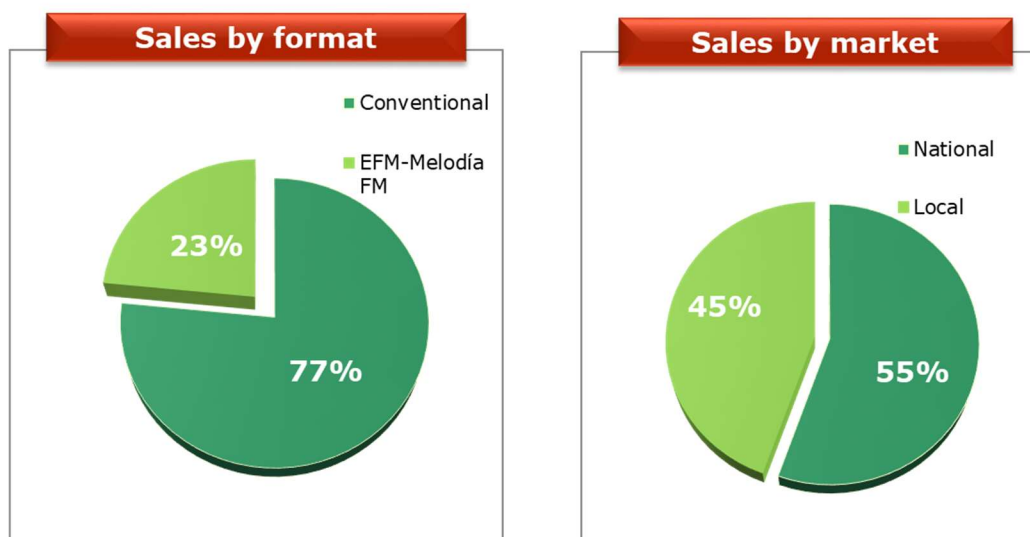
Source: EGM. Rolling years. Monday-Friday

4.2 Income statement

Euros (in thousands)	Jan-Sep 2020	Jan-Sep 2019	Change
NET REVENUE	44,576	59,100	(24.6%)
Personnel costs	18,558	19,588	(5.3%)
Other operating expenses	24,979	29,757	(16.1%)
OPERATING EXPENSES	43,538	49,345	(11.8%)
EBITDA	1,038	9,755	(89.4%)
Amortisation and depreciation and impairment	1,985	2,087	(4.8%)
EBIT	(948)	7,668	n/a

Note: figures for YTD to September are unaudited

Net revenue for the first nine months of 2020 totalled 44.6 million euros, compared with 59.1 million euros for the same period of 2019.





Year-to-date operating expenses to September 2020 totalled 43.5 million euros, compared to 49.3 million euros for the first nine months of 2019, an increase of 11.8%.

EBITDA in the nine months to September 2020 was 1.0 million euros.

EBITDA in the third quarter of 2020 was 1.3 million euros with a margin on net revenue of 8.5%.

EBITDA Euros (in thousands)	Jan-Sep 2020	Jan-Sep 2019
Radio	1,038	9,755
Margin on net revenue	2.3%	16.5%

EBIT Euros (in thousands)	Jan-Sep 2020	Jan-Sep 2019
Radio	(948)	7,668
Margin on net revenue	n/a	13.0%



5. ALTERNATIVE PERFORMANCE MEASURES

In compliance with the guidelines issued by the European Securities Market Authority (ESMA) on Alternative Performance Measures (henceforth "APMs"), the Group publishes supplementary information in order to enhance the comparability, reliability and understanding of its financial disclosures.

The Group presents its financial statements in accordance with the applicable international financial reporting standards (IFRS-EU). Nevertheless, the Directors consider that certain APMs provide additional useful financial information that should be taken into account when assessing its performance. The Directors and Management may also use these APMs when taking financial, operational or planning decisions, and for evaluating the performance of the Group. The Group discloses those APMs it considers appropriate and useful for users' decision-making processes.

Net revenue: Corresponds to the sum of net total sales and other operating revenues.

Euros (in thousands)	9M20	9M19
Net total sales	534,218	678,423
Other operating revenues	45,870	45,245
Net revenue	580,089	723,668

Operating expenses: corresponds to the sum of programming costs and other purchases, personnel costs and other operating expenses.

Euros (in thousands)	9M20	9M19
Programming costs and other purchases	248,206	316,843
Personnel costs	113,957	119,727
Other operating expenses	144,788	160,739
Operating expenses	506,951	597,309



EBITDA: corresponds to operating earnings plus depreciation and amortisation of assets, impairments and gains or losses on the disposal of assets.

Euros (in thousands)	9M20	9M19
EBIT	58,771	111,757
Depreciation and amortisation	14,367	14,637
Impairment and disposal of property, plant and equipment	(1)	(34)
EBITDA	73,138	126,359

Financial income or loss: corresponds to the sum of net financial expenses and revenues plus net gains or losses due to change in the fair value of financial instruments plus exchange differences.

Results of subsidiaries accounted for using the equity method: corresponds to the net results of subsidiaries accounted for using the equity method adjusted for impairments and disposals of financial assets.

Gross financial debt: corresponds to the sum of the balances recorded under current and non-current debentures and bonds plus current and non-current borrowings from financial institutions, adjusted for the balance of net derivative instruments.

Net financial debt: this is the main indicator used by Management to measure the Group's indebtedness. It corresponds to gross financial debt less cash and cash equivalents.

Euros (in thousands)	9M20	9M19
Gross financial debt	288,025	270,188
Cash and cash equivalents	(108,300)	(90,757)
Net financial debt	179,725	179,431

Net financial debt/EBITDA ratio: The Company uses this ratio to measure its gearing, and it is calculated by dividing net financial debt for the last 12 months by EBITDA.

Any ratio calculated using the APMs referred to above may be treated as an alternative performance measure.