

**ATRESMEDIA**



**JANUARY–SEPTEMBER 2017  
RESULTS**

**30 September 2017**



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.




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## 1. HIGHLIGHTS

### 1.1 Milestones and key figures

#### Atresmedia. Key figures

| Operational highlights                  | Jan-Sep<br>2017 | Jan-Sep<br>2016 |
|---|-----------------|-----------------|
| Total TV audience                       | 26.4%           | 27.0%           |
| TV market share                         | 42.4%           | 42.6%           |
| Radio listeners (,000) (2nd EGM survey) | 4,091           | 4,119           |
| Total no. employees                     | 1,996           | 1,908           |

| Financial highlights<br>Euros (in thousands) | Jan-Sep<br>2017 | Jan-Sep<br>2016 |
|--|-----------------|-----------------|
| Net revenue                                  | 755,050         | 740,192         |
| EBITDA                                       | 148,581         | 151,446         |
| Profit for the period                        | 103,456         | 101,509         |
| Net financial debt                           | 147,716         | 161,245         |

**Atresmedia's EBITDA for the first nine months of 2017 totalled 148.6 million euros, compared with 151.4 million euros in the same period last year, with consolidated profits of 103.5 million euros, 1.9 million euros higher than reported for the same period last year.**

**Atresmedia Television** recorded an **audience** share of 26.4% in the period, heading the rankings with a prime time commercial target audience of 29.8%. Thanks to its channels' strong commercial profile, the Group had an estimated **market share** of around 42.4% in the period.

**Antena 3** obtained a 12.4% audience share in the period, heading commercial target audience figures with a 14.3% share, 2.1 percentage points ahead of its main rival.

**laSexta** stayed ahead of its main competitor with an average audience figure of 6.4%, and 7.4% for commercial target audience in the prime time slot.



The complementary channels (**Neox, Nova, Mega** and **Atreseries**) achieved a combined audience share of 7.5% in the nine months to September 2017, with a commercial target audience of 9.1%.

**Atresmedia Radio's stations**, Onda Cero, Europa FM and Melodía FM, strengthened their position with more than 4 million listeners, according to the latest study (2nd 2017 EGM survey).

In the Group's **Other Businesses**, Atresmedia Cine's films accounted for 37% of box-office takings for Spanish cinema in the first nine months of the year, while in the digital business, according to figures issued in August by comScore, Atresmedia's websites have headed the internet rankings for television groups in 17 consecutive months.

## 1.2 The economic climate and the market

According to the macroeconomic forecasts of various bodies, the economy will continue to recover, with predictions even better than those issued at the start of the year.

According to the latest estimates from the Fundación de las Cajas de Ahorros (FUNCAS) issued in September **2017**, Spain's **GDP** will grow by **3.1%** in the year, the same as its previous forecast but 0.3 percentage points higher than May estimations, and 0.7 percentage points higher than the January indications, demonstrating that the previsions have improved as the year goes on. GDP growth jumped in the second quarter of the year to 0.9%, in line with estimations. Growth in the year is thus set to be in line with the forecasts of other bodies (Bank of Spain: 3.1%, the Spanish Government: 3%, EC and IMF: 2.8% and 3.1%, respectively). FUNCAS foresees that the Spanish economy will grow by **2.7%** in **2018**.

The number of **new jobs created** is expected to increase by **2.7%** in **2017**, the same figure as that issued in the last round of forecasts, while in **2018** the prediction is for growth of **2.4%**. The **unemployment rate** is expected to fall from **17.2%** in **2017** to **15.2%** in **2018**.

The indications are that household **consumption** will also continue to grow, although less than last year. FUNCAS expects it to grow by up to **2.6%** in **2017** (0.3 percentage points less than last year) and by **2.4%** in **2018**.



According to internal estimates, **advertising investment** in conventional media decreased by **0.7%** in January to September 2017 compared with the same period in 2016. Television advertising shrank by 0.4% while radio and internet advertising grew by 2.3% and 7.8%, respectively.

| <b>Advertising market by media</b> | <b>9M17 vs. 9M16</b> |
|------------------------------------|----------------------|
| <b>Television</b>                  | <b>-0.4%</b>         |
| <b>Radio</b>                       | <b>2.3%</b>          |
| <b>Internet</b>                    | <b>7.8%</b>          |
| Newspapers                         | -8.3%                |
| Magazines                          | -6.5%                |
| Outdoor                            | -1.5%                |
| Sunday supplements                 | -10.0%               |
| Cinema                             | 2.1%                 |
| <b>TOTAL MEDIA</b>                 | <b>-0.7%</b>         |

Source: Internal estimates



## 2. ATRESMEDIA

### 2.1 Consolidated Income Statement

| Euros (in thousands)  | Jan-Sep<br>2017 | Jan-Sep<br>2016 | Change        |
|---|-----------------|-----------------|---------------|
| <b>Net total sales</b>  | <b>707,601</b>  | <b>696,485</b>  | <b>1.6%</b>   |
| Other income  | 47,448          | 43,708          | 8.6%          |
| <b>NET REVENUE</b>  | <b>755,050</b>  | <b>740,192</b>  | <b>2.0%</b>   |
| <b>OPERATING EXPENSES</b>   | <b>606,469</b>  | <b>588,746</b>  | <b>3.0%</b>   |
| <b>EBITDA</b>   | <b>148,581</b>  | <b>151,446</b>  | <b>(1.9%)</b> |
| Depreciation and amortisation   | 13,104          | 13,358          | (1.9%)        |
| Impairment and disposal of property, plant and equipment                  | (87)            | (17)            | n/a           |
| <b>EBIT</b>   | <b>135,564</b>  | <b>138,106</b>  | <b>(1.8%)</b> |
| <b>Financial result</b>   | <b>(1,868)</b>  | <b>(2,472)</b>  | <b>24.4%</b>  |
| <b>Net income from investments in other entities</b>                      | <b>(1,034)</b>  | <b>(5,314)</b>  | <b>80.5%</b>  |
| <b>Profit before tax from continuing operations</b>                       | <b>132,662</b>  | <b>130,320</b>  | <b>1.8%</b>   |
| Income tax  | 29,180          | 28,834          | 1.2%          |
| <b>Profit for the period</b>  | <b>103,482</b>  | <b>101,486</b>  | <b>2.0%</b>   |
| Profit attributable to non-controlling interests                          | (26)            | 23              | n/a           |
| <b>Profit for the financial period attributable to the parent company</b> | <b>103,456</b>  | <b>101,509</b>  | <b>1.9%</b>   |

Note: figures for YTD to September are unaudited



## 2.1.1 Net revenue

Atresmedia's year-to-date net revenue for the first nine months of 2017 totalled 755.0 million euros, compared to 740.2 million euros for the same period in 2016, an increase of 2.0%.

| Net revenue<br>Euros (in thousands) | Jan-Sep<br>2017 | Jan-Sep<br>2016 | Change      |
|-------------------------------------|-----------------|-----------------|-------------|
| Atresmedia Television               | 664,852         | 660,957         | 0.6%        |
| Atresmedia Radio                    | 60,041          | 58,753          | 2.2%        |
| Other businesses                    | 30,157          | 20,483          | 47.2%       |
| <b>ATRESMEDIA</b>                   | <b>755,050</b>  | <b>740,192</b>  | <b>2.0%</b> |

The advertising market in conventional media grew in the third quarter of 2017 by 0.1% according to internal estimates.

The Spanish film business and the digital business, strengthened by the incorporation of Smartclip from July 2017, account for the greater part of the higher revenues reported by the Group's Other Businesses.

## 2.1.2 Operating expenses

Operating expenses for the year to September 2017 were 3.0% higher than for the same period in 2016.

| Operating expenses by<br>business (thousand euros) | Jan-Sep<br>2017 | Jan-Sep<br>2016 | Change      |
|--|-----------------|-----------------|-------------|
| Atresmedia Television                              | 537,846         | 532,111         | 1.1%        |
| Atresmedia Radio                                   | 47,983          | 44,186          | 8.6%        |
| Other businesses                                   | 20,640          | 12,449          | 65.8%       |
| <b>ATRESMEDIA</b>                                  | <b>606,469</b>  | <b>588,746</b>  | <b>3.0%</b> |



| Operating expenses by type<br>(thousand euros) | Jan-Sep<br>2017 | Jan-Sep<br>2016 | Change      |
|--|-----------------|-----------------|-------------|
| Programming & Others                           | 340,633         | 335,495         | 1.5%        |
| Staff costs                                    | 98,708          | 97,052          | 1.7%        |
| Other operating expenses                       | 167,129         | 156,200         | 7.0%        |
| <b>OPERATING EXPENSES</b>                      | <b>606,469</b>  | <b>588,746</b>  | <b>3.0%</b> |

Higher operating expenses in the period were mainly due to higher procurement costs incurred by the Spanish film production business (linked to higher revenues), the incorporation of Smartclip in the Group in the third quarter, and higher radio programme production costs.

Operating expenses increased by 4.9% in the third quarter.

### 2.1.3 Operating earnings and margins

EBITDA in the nine months to September 2017 was 148.6 million euros, representing a margin on net revenues of 19.7%.

| EBITDA                       | Jan-Sep<br>2017 | Jan-Sep<br>2016 |
|------------------------------|-----------------|-----------------|
| Atresmedia Television        | 127,006         | 128,846         |
| <b>Margin on net revenue</b> | <b>19.1%</b>    | <b>19.5%</b>    |
| Atresmedia Radio             | 12,058          | 14,567          |
| <b>Margin on net revenue</b> | <b>20.1%</b>    | <b>24.8%</b>    |
| Other businesses             | 9,517           | 8,033           |
| <b>Margin on net revenue</b> | <b>31.6%</b>    | <b>39.2%</b>    |
| <b>TOTAL ATRESMEDIA</b>      | <b>148,581</b>  | <b>151,446</b>  |
| <b>Margin on net revenue</b> | <b>19.7%</b>    | <b>20.5%</b>    |

EBITDA for the third quarter of 2017 was 32.1 million euros, with a margin on net revenue of 15.7%.



EBIT for the nine months to September 2017 totalled 135.6 million euros, in comparison with 138.1 million euros for the same period in 2016.

| <b>EBIT</b>                  | <b>Jan-Sep<br/>2017</b> | <b>Jan-Sep<br/>2016</b> |
|------------------------------|-------------------------|-------------------------|
| Atresmedia Television        | 115,950                 | 117,326                 |
| <b>Margin on net revenue</b> | <b>17.4%</b>            | <b>17.8%</b>            |
| Atresmedia Radio             | 10,524                  | 13,082                  |
| <b>Margin on net revenue</b> | <b>17.5%</b>            | <b>22.3%</b>            |
| Other businesses             | 9,090                   | 7,698                   |
| <b>Margin on net revenue</b> | <b>30.1%</b>            | <b>37.6%</b>            |
| <b>TOTAL ATRESMEDIA</b>      | <b>135,564</b>          | <b>138,106</b>          |
| <b>Margin on net revenue</b> | <b>18.0%</b>            | <b>18.7%</b>            |

### 2.1.4 Profit before tax

The Group reported financial losses of 1.9 million euros, an improvement on the first nine months of 2016, as the effective cost of debt was lower.

Profit before tax for the nine months to September 2017 totalled 132.7 million euros, compared to 130.3 million euros for the same period last year.

### 2.1.5 Consolidated profit for the period

Year-to-date consolidated profit as of September 2017 was 103.5 million euros, in comparison with 101.5 million euros for the same period in 2016.



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### 2.1.6 Other highlights

In July, Atresmedia renewed its existing syndicated financing agreement, increasing the amount of the facility to 350 million euros and extending the repayment period to five years. This will ensure the Group has the liquidity it needs to develop the business over the coming financial years.

In the same month the Group also acquired a 94.8% stake in Smartclip, one of the top marketing companies in the Spanish on-line advertising market, with over 200 premium platforms and a potential audience of more than 29 million unique visitors. It was incorporated in the Group's scope of consolidation in the third quarter of the year, with an immediate positive impact on results.



## 2.2 Consolidated Balance Sheet

| Euros (in thousands)                                       | 30<br>September<br>2017 | 31<br>December<br>2016 |
|--|-------------------------|------------------------|
| <b>ASSETS</b>  |                         |                        |
| Goodwill   | 162,626                 | 150,012                |
| Other intangible assets                                    | 132,876                 | 135,616                |
| Property, plant and equipment and other non-current assets | 63,816                  | 62,476                 |
| Deferred tax assets  | 275,328                 | 272,431                |
| <b>NON-CURRENT ASSETS</b>                                  |                         |                        |
|  | <b>634,646</b>          | <b>620,535</b>         |
| Programming rights and inventories                         | 386,566                 | 396,238                |
| Trade and other receivables                                | 209,067                 | 248,196                |
| Other current assets                                       | 38,667                  | 38,173                 |
| Current tax assets   | 7,124                   | 5,167                  |
| Cash and cash equivalents                                  | 45,868                  | 1,562                  |
| <b>CURRENT ASSETS</b>                                      |                         |                        |
|  | <b>687,292</b>          | <b>689,336</b>         |
| <b>TOTAL ASSETS</b>  |                         |                        |
|  | <b>1,321,938</b>        | <b>1,309,871</b>       |
| <b>LIABILITIES</b>   |                         |                        |
| Share capital  | 169,300                 | 169,300                |
| Issue premium  | 38,304                  | 38,304                 |
| Legal and statutory reserves                               | 42,475                  | 42,475                 |
| Retained earnings  | 317,062                 | 320,493                |
| Treasury shares  | (8,810)                 | (8,810)                |
| Interim dividend   | 0                       | (49,487)               |
| Other equity instruments                                   | 1,923                   | 798                    |
| Remeasurements and other                                   | (1,680)                 | 4,486                  |
| <b>EQUITY</b>  |                         |                        |
|  | <b>558,574</b>          | <b>517,559</b>         |
| Debt to financial institutions                             | 172,118                 | 103,478                |
| Other non-current liabilities                              | 8,339                   | 10,041                 |
| Deferred tax liabilities                                   | 27,085                  | 27,140                 |
| <b>NON-CURRENT LIABILITIES</b>                             |                         |                        |
|  | <b>207,542</b>          | <b>140,659</b>         |
| Debt to financial institutions                             | 21,466                  | 76,655                 |
| Trade and other creditors                                  | 405,208                 | 468,633                |
| Other current liabilities                                  | 99,972                  | 105,527                |
| Current tax liabilities                                    | 29,176                  | 838                    |
| <b>CURRENT LIABILITIES</b>                                 |                         |                        |
|  | <b>555,822</b>          | <b>651,653</b>         |
| <b>TOTAL LIABILITIES AND EQUITY</b>                        |                         |                        |
|  | <b>1,321,938</b>        | <b>1,309,871</b>       |

Note: figures for YTD to September are unaudited



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The Group's net financial debt is 147.7 million euros, 30.9 million euros less than at the end of December 2016.

A final dividend of €0.25/share was distributed in June against 2016 income. The total amount distributed was 56.2 million euros.



## 2.3 Consolidated Cash Flow Statement

At 30 September 2017, net cash flows from operating activities were positive, totalling 138.7 million euros, 56.6 million euros more than at the same date last year.

| Euros (in thousands)                                      | 30<br>September<br>2017 | 30 September<br>2016 |
|---|-------------------------|----------------------|
| <b>1.- CASH FLOWS FROM OPERATING ACTIVITIES</b>           |                         |                      |
| <b>Consolidated profit for the period before tax</b>      | <b>132,662</b>          | <b>130,320</b>       |
| <b>Adjustments for:</b>                                   | <b>14,854</b>           | <b>19,006</b>        |
| - Depreciation and amortisation                           | 13,104                  | 13,358               |
| - Provisions and others                                   | (118)                   | 3,175                |
| - Financial result  | 1,868                   | 2,472                |
| <b>Changes in working capital</b>                         | <b>(6,674)</b>          | <b>(66,018)</b>      |
| <b>Cash flow from operations</b>                          | <b>140,842</b>          | <b>83,308</b>        |
| <b>Income tax (paid)/refunded</b>                         | <b>(2,098)</b>          | <b>(1,198)</b>       |
| <b>Net cash flows from operating activities</b>           | <b>138,744</b>          | <b>82,110</b>        |
| <b>2.- CASH FLOWS FROM INVESTING ACTIVITIES</b>           |                         |                      |
| <b>Investments</b>  | <b>(49,400)</b>         | <b>(36,077)</b>      |
| Group companies, joint ventures and associates            | (26,036)                | (10,312)             |
| Property, plant and equipment and intangible fixed assets | (10,451)                | (10,076)             |
| Investment in Spanish film productions                    | (12,914)                | (15,689)             |
| <b>Divestitures</b>                                       | <b>55</b>               | <b>3,216</b>         |
| Group companies, joint ventures and associates            | 55                      | 3,216                |
| <b>Net cash flows from investing activities</b>           | <b>(49,345)</b>         | <b>(32,861)</b>      |
| <b>3.- CASH FLOWS FROM FINANCING ACTIVITIES</b>           |                         |                      |
| Financial expenses paid                                   | (8,080)                 | (2,427)              |
| Dividends paid  | (56,235)                | (40,347)             |
| Sale/(acquisition) of treasury shares                     | 0                       | (8,931)              |
| Financing of associates and related parties               | (305)                   | (325)                |
| Bank borrowings   | 13,451                  | 1,943                |
| <b>Net cash flows from financing activities</b>           | <b>(51,170)</b>         | <b>(50,087)</b>      |
| <b>NET INCREASE / DECREASE IN CASH</b>                    |                         |                      |
| <b>NET INCREASE / DECREASE IN CASH</b>                    | <b>38,229</b>           | <b>(838)</b>         |
| Cash and cash equivalents, beginning of the period        | 1,562                   | 1,017                |
| Effective incorporation of Smartclip                      | 6,078                   |                      |
| <b>Cash and cash equivalents, beginning of the period</b> | <b>7,639</b>            | <b>1,017</b>         |
| <b>Cash and cash equivalents, end of the period</b>       | <b>45,868</b>           | <b>179</b>           |

Note: figures for YTD to September are unaudited



## 2.4 Share price

### 2.4.1 Atresmedia's shares

Atresmedia's shares closed the third quarter at €8.89/share, down 14.4% since the start of the year, in line with the weak performance of the media sector in this period. Meanwhile, the IBEX gained 11.0% to close at 10,381.50 points.



Atresmedia share price in the first nine months of 2017 vs. the IBEX 35.

| Trading figures                       | Jan-Sep 2017 |
|---------------------------------------|--------------|
| Share price at 30/09/2017 (€)         | 8.89         |
| High (€)                              | 11.95        |
| Low (€)                               | 8.53         |
| Weighted average price (€)            | 10.43        |
| Average daily volume (shares)         | 353,739      |
| Average daily volume (thousand euros) | 3,689        |
| Number of shares (million)            | 225.7        |

Source: Thomson Reuters



## 2.4.2 Analysts' recommendations

At the close of the quarter, 25 analysts were reporting and offering recommendations on our shares. Of these, 48% recommended **Buy** Atresmedia shares, 24% recommended **Hold**, while 28% continued to recommend **Sell**. The average target price at the end of the reporting period was €10.70/share.

In the first nine months of the year, Atresmedia's Investor Relations department took part in 28 conferences and roadshows in cities including London, Madrid, Paris, Geneva, Frankfurt, Montreal, New York, Boston, Cascais, Barcelona and Bilbao.

In addition to these trips, the department held meetings and telephone conversations with around 370 sector analysts and investors.

## 2.5 Corporate Social Responsibility

A key event in the area of corporate responsibility in the first nine months of 2017 was the publication of the Group's tenth Corporate Responsibility Report. Atresmedia also became affiliated to the SERES Foundation, dedicated to helping companies improve society and signed cooperation agreements with an "Emergency Committee" created by six NGOs to provide a joint response to humanitarian crises, with the Madrid Down Syndrome Foundation to help disabled people enter the world of work, and with the Integra Foundation to help victims of gender violence find work. Atresmedia was also recognised, for the second consecutive year, as the Audiovisual Group with the best reputation according to the "RepTrak España 2017" study, and for a fifth time as the most attractive communications company to work for, according to the "2017 Randstad Report".

The Atresmedia Foundation organised another successful "Grandes Profes" event, attended by over 1,500 teachers, and presented its fifth "Grandes Profes, Grandes Iniciativas" awards for the most innovative educational projects. As part of its commitment to helping people with disabilities to operate in everyday society, the Foundation organised awareness-raising sessions at the FesTVal television festival. For the sixth consecutive year, the Atresmedia Foundation headed the ranking for transparency by business foundations in the "Building Trust 2016" report produced by the Spanish Commitment and Transparency Foundation, and was recognised as Foundation of the Year at the ConSalud awards for its work with hospitals.



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The social initiatives that fall under the “Compromiso Atresmedia” banner included the following:

- “Ponle Freno” presented its ninth awards for the best projects designed to improve road safety, held fun runs in Mallorca, Pontevedra and Vitoria, and organised its second Road Safety Education Week with training activities for Group employees.
- “Objetivo Bienestar” presented its 5th “Coles Activos” awards, recognising schools’ work to encourage healthy habits among pupils.
- The “Crea Cultura” campaign to protect intellectual property rights held a forum entitled “The ghostbusters of digital piracy” to raise awareness of this issue.
- To mark International Women's Day, the Nova channel paid tribute to women with a campaign entitled “Lovewoman”.
- Finally, the “Constantes y Vitales” campaign launched its first major programme of the year to raise awareness about chronic obstructive pulmonary disease (COPD), the main cause of avoidable non-cancer related deaths in Spain.

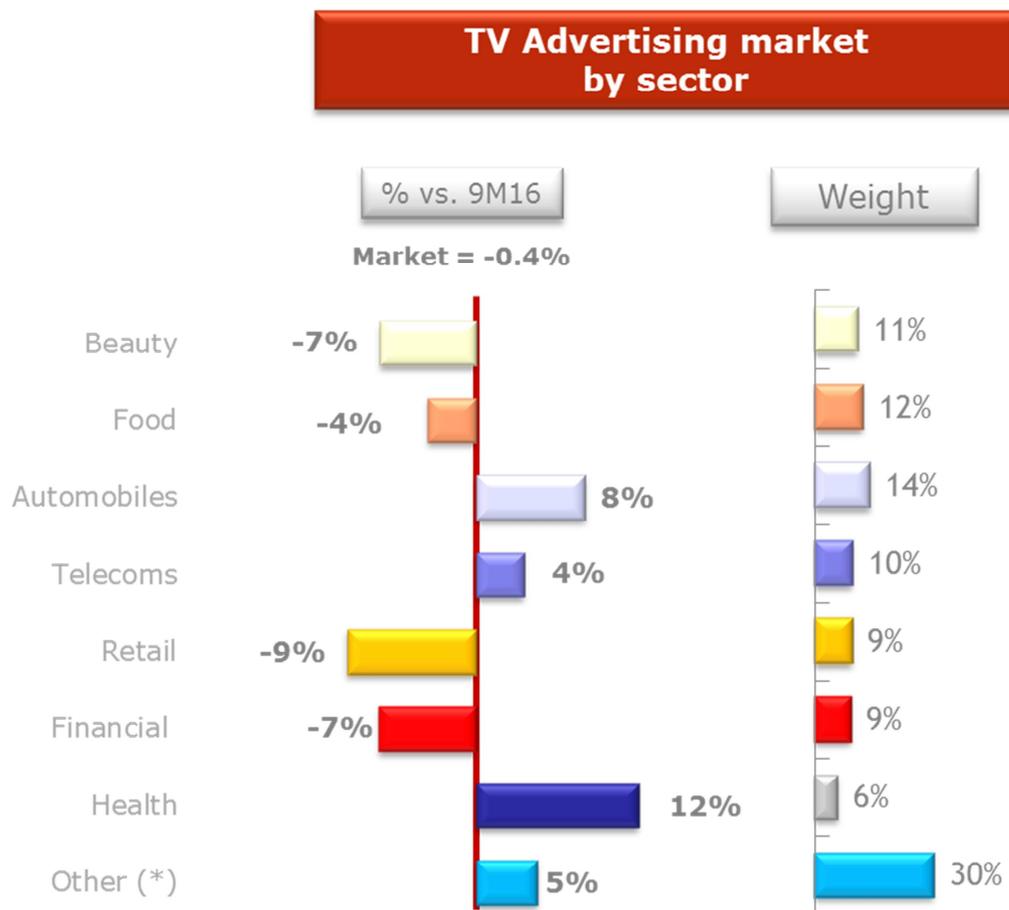
As part of its corporate volunteering programme, which celebrated its 10th anniversary in 2017, Atresmedia was once again a media partner for the international volunteering event “Give and Gain Day” organised by Forética. Atresmedia employees, meanwhile, took part in a range of voluntary activities.

In the area of the environment, the Group's “Hazte Eco” initiative supported the WWF “Earth Hour” campaign and it took part in the fourth “Planeta Responsable” forum. Atresmedia has also joined Forética's environmental Forum to work, together with a group of major companies, on making climate change a strategic issue for management of organisations.

### 3. ATRESMEDIA TELEVISION

#### 3.1 Advertising market

According to internal estimates, the television advertising market shrank by about 0.4% in the first nine months of the year. There was growth in the "Automobile", "Telecoms", "Health" and "Other" sectors. This latter includes sectors such as "Beverages", "Culture", "Energy", "Sports", "Leisure", etc.



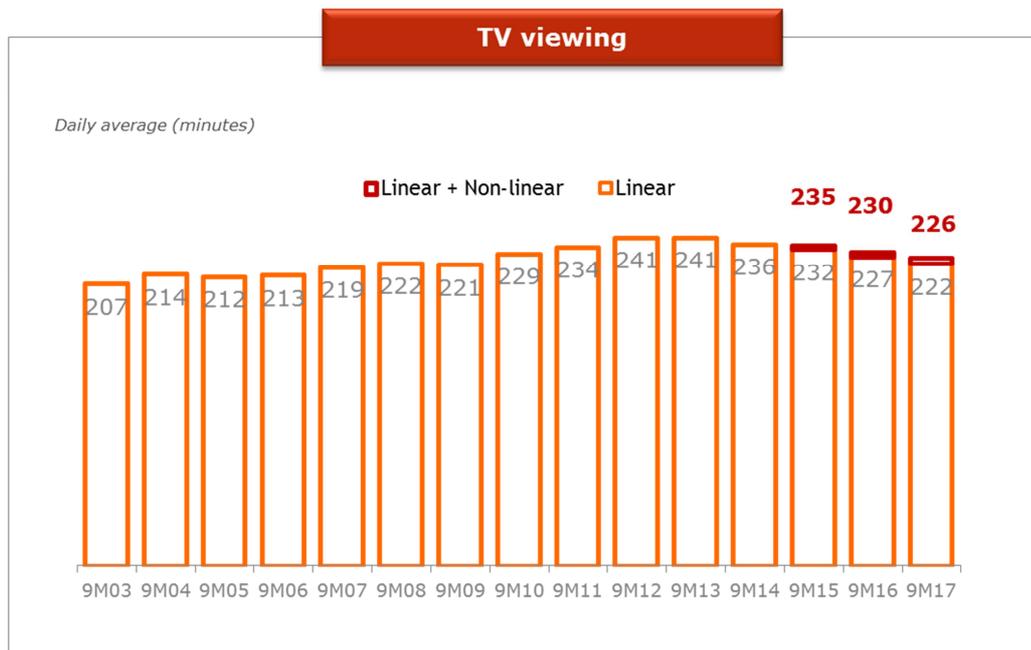
(\*) Beverages, culture, power, sports, leisure, tourism, etc.

Sources: Internal estimates

### 3.2 Audience figures and content

Television viewing in the first nine months of the year was 226 minutes per person per day, four minutes less than the 230 minutes reported in the same period last year. Both figures include “linear television” and “on-demand” viewing (programmes watched in the seven days following conventional broadcast. Television viewing on other devices such as computers and tablets is not included).

In addition, in March 2017 Kantar Media began to measure viewing time by guests (viewers who do not live in the main viewer's home). This figure (13 minutes) is not included in the data above.



Source: Kantar Media. Figures for non linear viewing are from February 2015.

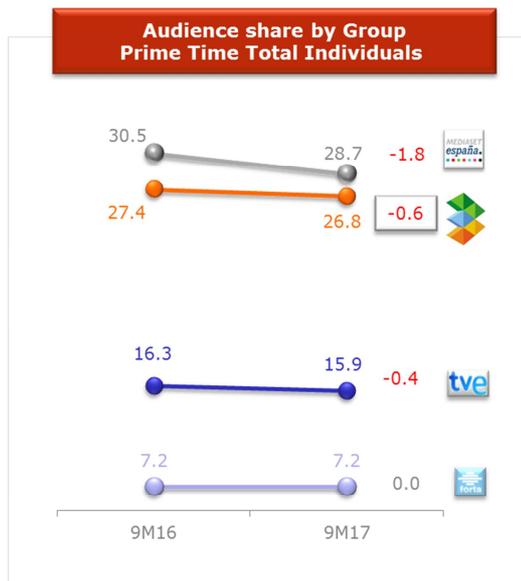
**Atresmedia’s television channels achieved an audience share of 26.4% in the first nine months of 2017.** This figure rises to 28.4% for commercial target figures, the most attractive audience for advertisers, and 29.8% for prime time commercial target audiences, 0.6 percentage points higher than the group's main competitor, despite it having one more channel.



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)

**Antena 3** had an average total individuals audience (24h) of 12.4% in the nine months to September 2017 and it headed prime time commercial audience figures with a 14.3% share, 2.1 percentage points higher than its main competitor.

Fiction series continues to draw the highest audience figures for the Group's main channel.



The third season of "Allí Abajo" ended in July, and the final episode was the month's most viewed drama programme with 3.1 million viewers and a 21.3% audience share.

"Tiempos de Guerra" began broadcasting in September and was the season's most successful new series and the most viewed drama programme in the month. The new series headed audience figures in its time slot with an 18% audience share and 2.7 million viewers.

"El incidente" also began broadcasting on Antena 3 in September, with an average audience of 1.8 million viewers and an audience share of 12.4%.

The figures for daily series in this time slot continued to be excellent: "Amar es para siempre" had an average audience share of 11.5% in the quarter (1.3 million viewers) while "El secreto de Puente Viejo" had an average audience share of 13.2%, so that it too had almost 1.3 million viewers.

In light entertainment, "Me Resbala" returned on Friday nights with an average audience of 13.8% and 1.6 million viewers. The daily shows, "Boom" and "Ahora Caigo" both attracted afternoon audience shares of 12.9% in the quarter.

Audience figures for "El hormiguero 3.0" were once again high, with an average audience share of 14.8% and 2.4 million viewers.

Antena 3's film offerings continue to be a key part of its programming strategy. The most viewed films in the quarter were "Unbroken" (16.7% audience share and 2.3 million viewers) and "We're the Millers" (14.6% and 2.1 million), both broadcast in the "El Peliculón" slot.

The three Champions League matches broadcast in the quarter had an average audience share of 28.1%.

The average total individuals audience (24h) for the **laSexta channel** in the first nine months of 2017 was 6.4%, keeping ahead of its main competitor, Cuatro. It achieved a commercial target audience share of 7.1%, and 7.4% for commercial target audiences in the prime time slot.

"El Intermedio" continues to be the channel's most viewed daily programme, with an average of 1.6 million viewers and an audience share of 9.8%.

“Al Rojo Vivo”, the leading morning political discussion programme, had an audience share of 11.2% in the quarter, with 671,000 viewers.

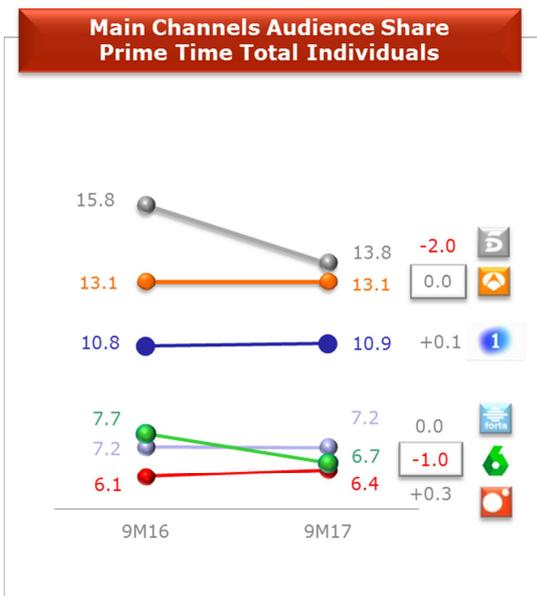
“Salvados”, the channel’s leading investigative journalism programme, attracted almost 3.5 million viewers (an audience share of 19.8%) for the one programme broadcast in the quarter, in which Jordi Évole interviewed Carles Puigdemont, the President of the Government of Catalonia.



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)



In the nine months to September 2017 the complementary channels contributed a combined audience share in total individuals (24h) of 7.5%, reaching 9.1% for commercial target audiences.

**Neox** channel had a total individuals audience share of 2.4% in the first nine months of the year and a 3.1% commercial target audience share.

**Nova** had a 2.2% audience share for both total individuals audience and commercial target.

**Mega** channel reported average audiences of 1.8% in the nine months to September 2017, rising to 2.4% for commercial target audience share.

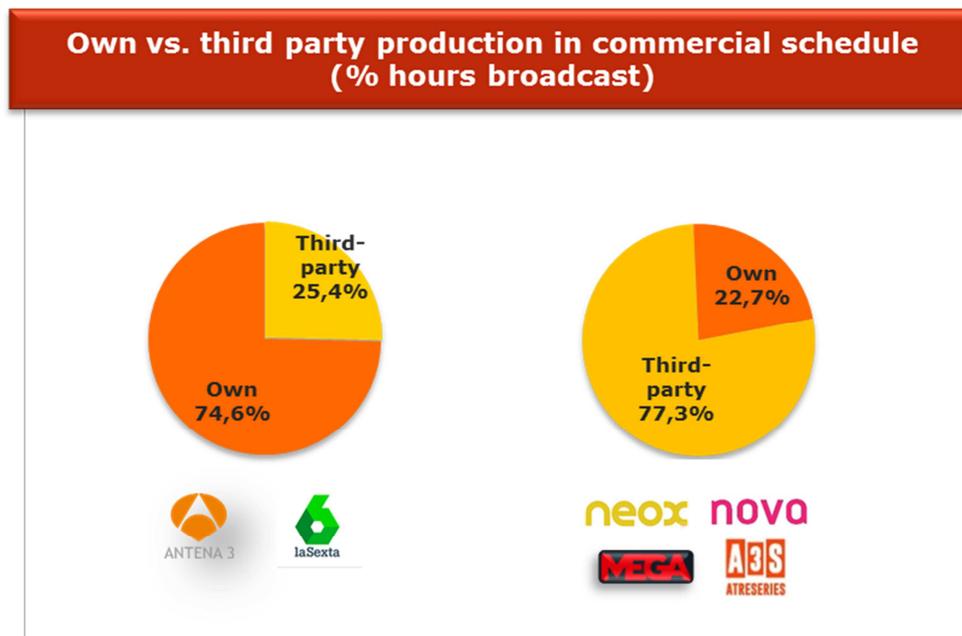
**Atreseries** continues to grow, achieving its best ever audience figures with a total individuals audience share of 1.1% and a 1.4% commercial target audience share.

|                |  | <u>9M17</u> | <u>9M16</u> | <u>Change</u> |
|----------------|--|-------------|-------------|---------------|
|                |  | 7.5         | 7.2         | +0.3          |
|                |  | 9.3         | 9.1         | +0.2          |
|                |  | 6.2         | 7.0         | -0.8          |
| Net TV         |  | 3.1         | 2.9         | +0.2          |
| Veo TV         |  | 2.8         | 2.0         | +0.8          |
| 13TV           |  | 2.0         | 2.1         | -0.1          |
| Kiss TV        |  | 0.9         | 0.3         | +0.6          |
| Secuoya        |  | 0.4         | 0.2         | +0.2          |
| Real Madrid TV |  | 0.4         | 0.1         | +0.3          |

Source: Kantar Media. 24h total individuals 4+



On the main channels, in-house productions predominate (75%), while the majority of programmes broadcast on the complementary channels are produced by others (77%).



### 3.3 Income statement

| Euros (in thousands)          | Jan-Sep<br>2017 | Jan-Sep<br>2016 | Change |
|-------------------------------|-----------------|-----------------|--------|
| <b>NET REVENUE</b>            | 664,852         | 660,957         | 0.6%   |
| <b>OPERATING EXPENSES</b>     | 537,846         | 532,111         | 1.1%   |
| <b>EBITDA</b>                 | 127,006         | 128,846         | (1.4%) |
| Depreciation and amortisation | 11,057          | 11,520          | (4.0%) |
| <b>EBIT</b>                   | 115,950         | 117,326         | (1.2%) |

Note: figures for YTD to September are unaudited



### 3.3.1 Net revenue

Net revenue for the nine months to September 2017 totalled 664.9 million euros, up 0.6% on the 661.0 million euros reported for the same period in 2016.

According to internal estimates, the television advertising market shrank by about 0.4% in the period. Atresmedia Television's share of this market was 42.4%.

Atresmedia Television's market share in the third quarter of 2017 was around 41.1%, with net revenues up by 4.8% compared with the same quarter of 2016.

### 3.3.2 Operating expenses

| Euros (in thousands)      | Jan-Sep<br>2017 | Jan-Sep<br>2016 | Change      |
|---------------------------|-----------------|-----------------|-------------|
| Programming & Others      | 326,465         | 325,094         | 0.4%        |
| Staff costs               | 55,985          | 57,973          | (3.4%)      |
| Other operating expenses  | 155,396         | 149,045         | 4.3%        |
| <b>OPERATING EXPENSES</b> | <b>537,846</b>  | <b>532,111</b>  | <b>1.1%</b> |

Year-to-date operating expenses to September 2017 totalled 537.8 million euros, compared to a year-to-date total of 532.1 million euros to September 2016, an increase of 1.1%.

This increase was mainly as a result of higher programming costs, as well as higher variable costs linked to sales.



### 3.3.3 Operating earnings and margins

EBITDA in the nine months to September 2017 was 127.0 million euros, with a margin on net revenues of 19.1%.

| EBITDA                       | Jan-Sep<br>2017 | Jan-Sep<br>2016 |
|------------------------------|-----------------|-----------------|
| Atresmedia Television        | 127,006         | 128,846         |
| <b>Margin on net revenue</b> | <b>19.1%</b>    | <b>19.5%</b>    |

EBITDA in the third quarter of 2017 was 26.9 million euros with a margin on net revenue of 15.0%.

EBIT for the nine months to September 2017 totalled 115.9 million euros, in comparison with 117.3 million euros for the same period in 2016.

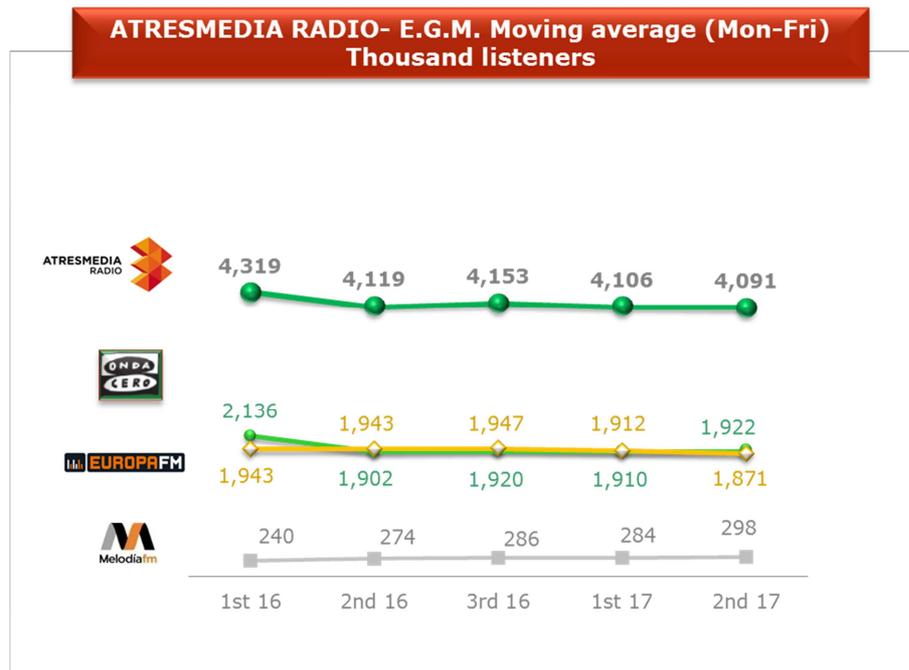
| EBIT                         | Jan-Sep<br>2017 | Jan-Sep<br>2016 |
|------------------------------|-----------------|-----------------|
| Atresmedia Television        | 115,950         | 117,326         |
| <b>Margin on net revenue</b> | <b>17.4%</b>    | <b>17.8%</b>    |

## 4. ATRESMEDIA RADIO

### 4.1 Advertising market and audience figures

According to internal estimates, the radio advertising market in the nine months to September 2017 grew by about 2.3%.

Atresmedia Radio had an average of 4.1 million listeners, according to the latest General Media Study (EGM), in the rolling year to the 2nd 2017 survey. Onda Cero's rankings remained stable as it continued to be the third ranking talk radio station with an average of 1.9 million listeners. Europa FM remained the third ranking specialist station with 1.9 million listeners while Melodía FM had its highest ever audience figures with 298,000 listeners.



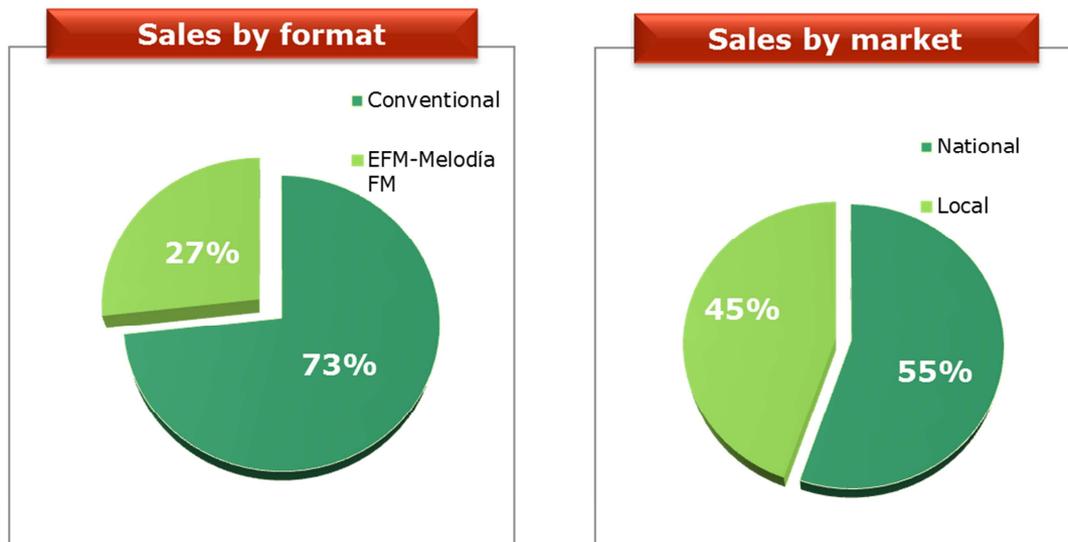
Source: EGM. Moving average. Monday-Friday

## 4.2 Income statement

| Euros (in thousands)          | Jan-Sep<br>2017 | Jan-Sep<br>2016 | Change         |
|-------------------------------|-----------------|-----------------|----------------|
| <b>NET REVENUE</b>            | <b>60,041</b>   | <b>58,753</b>   | <b>2.2%</b>    |
| Staff costs                   | 19,621          | 18,001          | 9.0%           |
| Other operating expenses      | 28,362          | 26,184          | 8.3%           |
| <b>OPERATING EXPENSES</b>     | <b>47,983</b>   | <b>44,186</b>   | <b>8.6%</b>    |
| <b>EBITDA</b>                 | <b>12,058</b>   | <b>14,567</b>   | <b>(17.2%)</b> |
| Depreciation and amortisation | 1,534           | 1,485           | 3.3%           |
| <b>EBIT</b>                   | <b>10,524</b>   | <b>13,082</b>   | <b>(19.6%)</b> |

Note: figures for YTD to September are unaudited

Net revenue for the nine months to September 2017 performed in line with the market, totalling 60.0 million euros, up 2.2% on the 58.8 million euros reported for the same period of 2016.





Operating expenses to 30 September 2017 amounted to 48.0 million euros, compared with 44.2 million in the first nine months of 2016. This increase was mainly due to higher content costs for evening sports programming from the start of the 2016/2017 football season.

EBITDA in the nine months to September 2017 was 12.1 million euros, representing a margin on net revenues of 20.1%.

EBITDA for the third quarter of 2017 was 2.6 million euros, up 1 million euros on the same period of 2016.

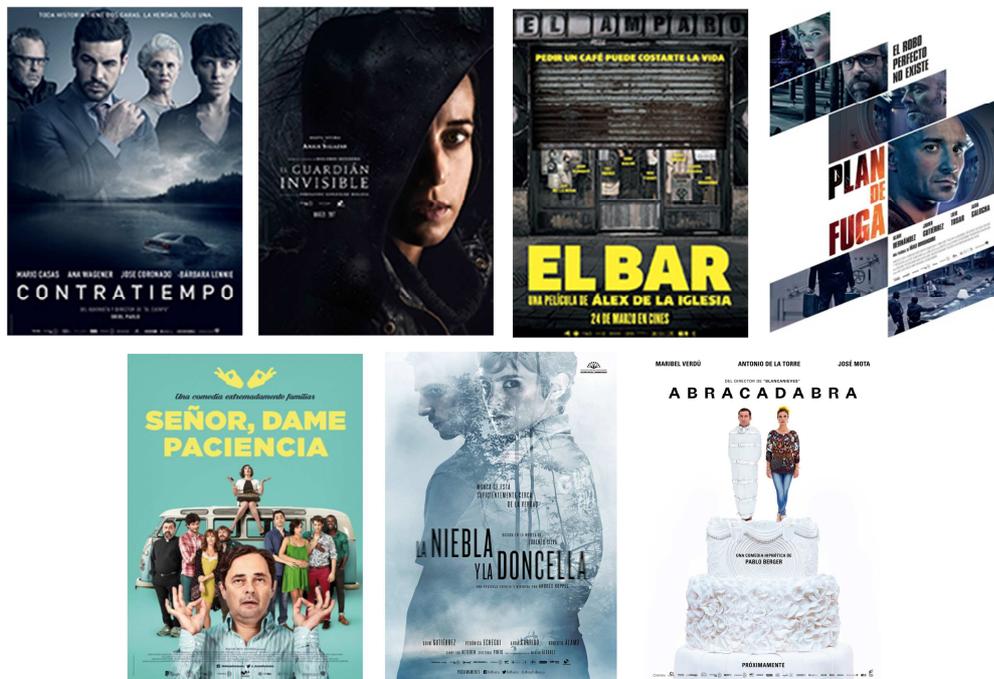
| <b>EBITDA</b>                | <b>Jan-Sep<br/>2017</b> | <b>Jan-Sep<br/>2016</b> |
|------------------------------|-------------------------|-------------------------|
| Atresmedia Radio             | 12,058                  | 14,567                  |
| <b>Margin on net revenue</b> | <b>20.1%</b>            | <b>24.8%</b>            |
| <b>EBIT</b>                  | <b>Jan-Sep<br/>2017</b> | <b>Jan-Sep<br/>2016</b> |
| Atresmedia Radio             | 10,524                  | 13,082                  |
| <b>Margin on net revenue</b> | <b>17.5%</b>            | <b>22.3%</b>            |



## 5. OTHER BUSINESSES

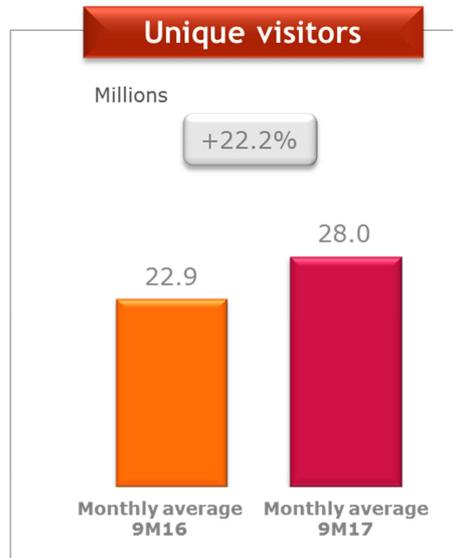
### 5.1 Atresmedia Cine

Atresmedia Cine released seven films in the first nine months of 2017, all of which ranked among the top twelve Spanish films: "Contratiempo", "El Guardián Invisible", "El Bar", "Plan de fuga", "Señor Dame Paciencia", "Abracadabra" and "La Niebla y la Doncella". Films such as "Villaviciosa de al lado" also remained on release. In total, these films represented 37% of box-office takings for Spanish cinema in the period.



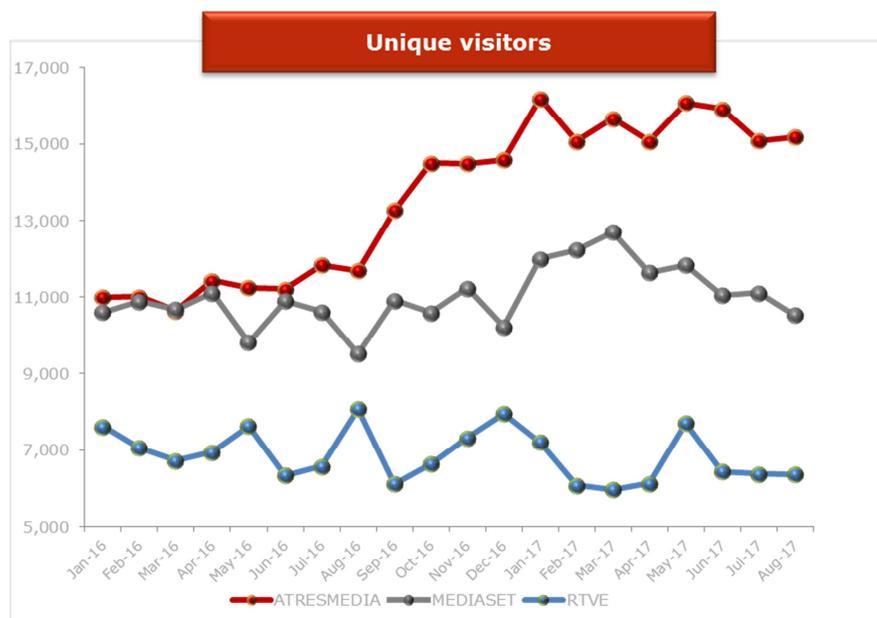
### 5.2 Atresmedia Digital

At 30 September 2017 monthly unique visitor figures for Atresmedia Digital's websites were 28.0 million, up 22.2% on the monthly average at September 2016. The Group's vertical content sites ("Celebrities", "Se estrena", "Guía Infantil", "Tecnoexplora", "Tribus ocultas", etc.) performed particularly strongly in the period, as did the antena3.com, lasexta.com, flooxer.com and europafm.com websites.



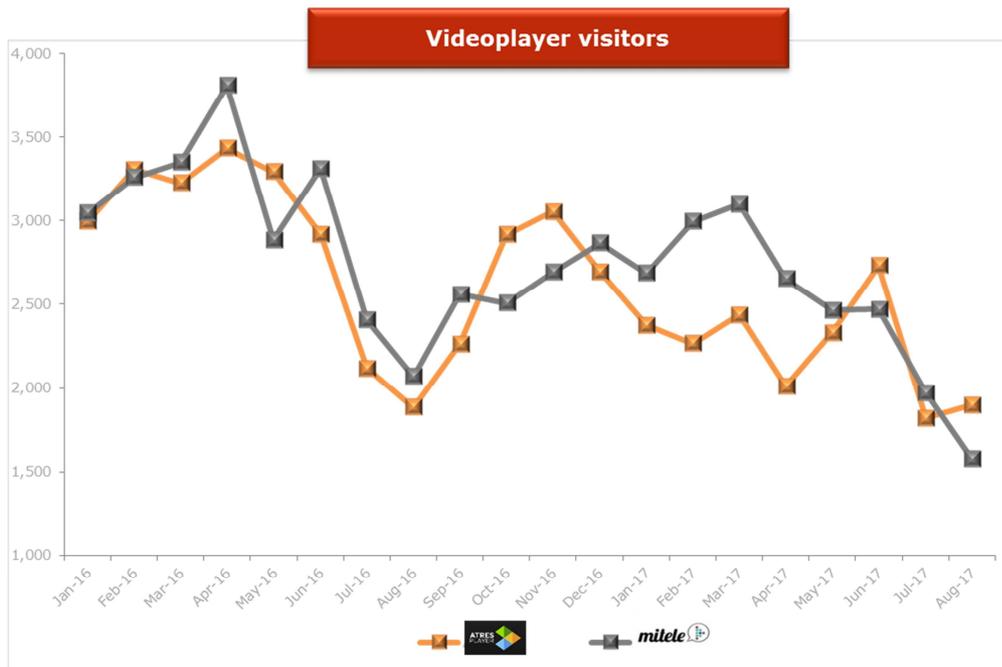
Monthly average  
Source: Adobe Analytics

According to figures published by **comScore**, the Atresmedia Group is one of the most visited internet groups in Spain. In August its websites headed the internet rankings for television groups for the 17 consecutive month, with 15.2 million unique visitors, 4.6 million more than Mediaset.



Source: comScore

The Atresplayer video and audio platform reported over 5.0 million registered users and 10.0 million downloads to mobile devices. According to figures from comScore, in the first eight months of 2017 Atresplayer had a monthly average of 2.2 million unique visitors.



The platform for short videos, Flooxer, attracted an average of 1.0 million unique visitors per month from January to August 2017.



## 5.3 Income statement

The Group's other activities performed as follows:

| <b>Euros (in thousands)</b>       | <b>Jan-Sep<br/>2017</b> | <b>Jan-Sep<br/>2016</b> | <b>Change</b> |
|-----------------------------------|-------------------------|-------------------------|---------------|
| <b>NET REVENUE</b>                | <b>30,157</b>           | <b>20,483</b>           | <b>47.2%</b>  |
| <b>% of Atresmedia's revenues</b> | <b>4.0%</b>             | <b>2.8%</b>             |               |
| <b>OPERATING EXPENSES (*)</b>     | <b>20,640</b>           | <b>12,449</b>           | <b>65.8%</b>  |
| <b>% of Atresmedia's expenses</b> | <b>3.4%</b>             | <b>2.1%</b>             |               |
| <b>EBITDA</b>                     | <b>9,517</b>            | <b>8,033</b>            | <b>18.5%</b>  |
| <b>% of Atresmedia's EBITDA</b>   | <b>6.4%</b>             | <b>5.3%</b>             |               |

(\*) Includes amortisation of film productions.

Note: figures for YTD to September are unaudited

The Group's other businesses reported year-to-date EBITDA to September 2017 of 9.5 million euros. The growth in both revenues and expenses compared with the first nine months of last year is mainly thanks to the Spanish film business and the digital business, the latter strengthened by the incorporation of Smartclip from July 2017.