

ATRESMEDIA

9M 17 Results

Oct 19th, 2017

www.atresmediacorporacion.com



9M 17 Highlights

- According to internal estimates, Total Ad market was slightly negative in 9M17 (-0.7%) with TV down by 0.4% and Radio up by 2.3% approximately
- In 9M17, Atresmedia achieved 26.4% audience share in Total Individuals and 28.4% as Commercial Target
- Atresmedia Television achieved market share near 42.4% and power ratio of 1.6x
- Atresmedia Radio's ad revenue grew by 2% yoy
- Atresmedia's Net revenue amounted to €755.1 mill, +2.0% yoy
- OPEX stood at €606.5 mill, +3.0% yoy
- EBITDA of €148.6 mill, -1.9% vs 9M16
- Net Profit reached €103.5 mill, +1.9% vs 9M16
- Net Debt stood at €148 mill and 0.7x vs last 12 M EBITDA

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9M 17 Financial Summary

Advertising market in Spain

- According to our estimates, Total Ad market was -0.7% in these first nine months of 2017
- TV was in line with the Total market (-0.4%) while Radio outperformed it yoy by growing more than 2%

Media	A3M's estimates
TV	-0.4%
Radio	2.3%
Newspapers	-8.3%
Magazines	-6.5%
Sunday suppl.	-10.0%
Outdoor	-1.5%
Internet	+7.8%
Cinema	+2.1%
Total	-0.7%

Source: Internal estimates

Atresmedia

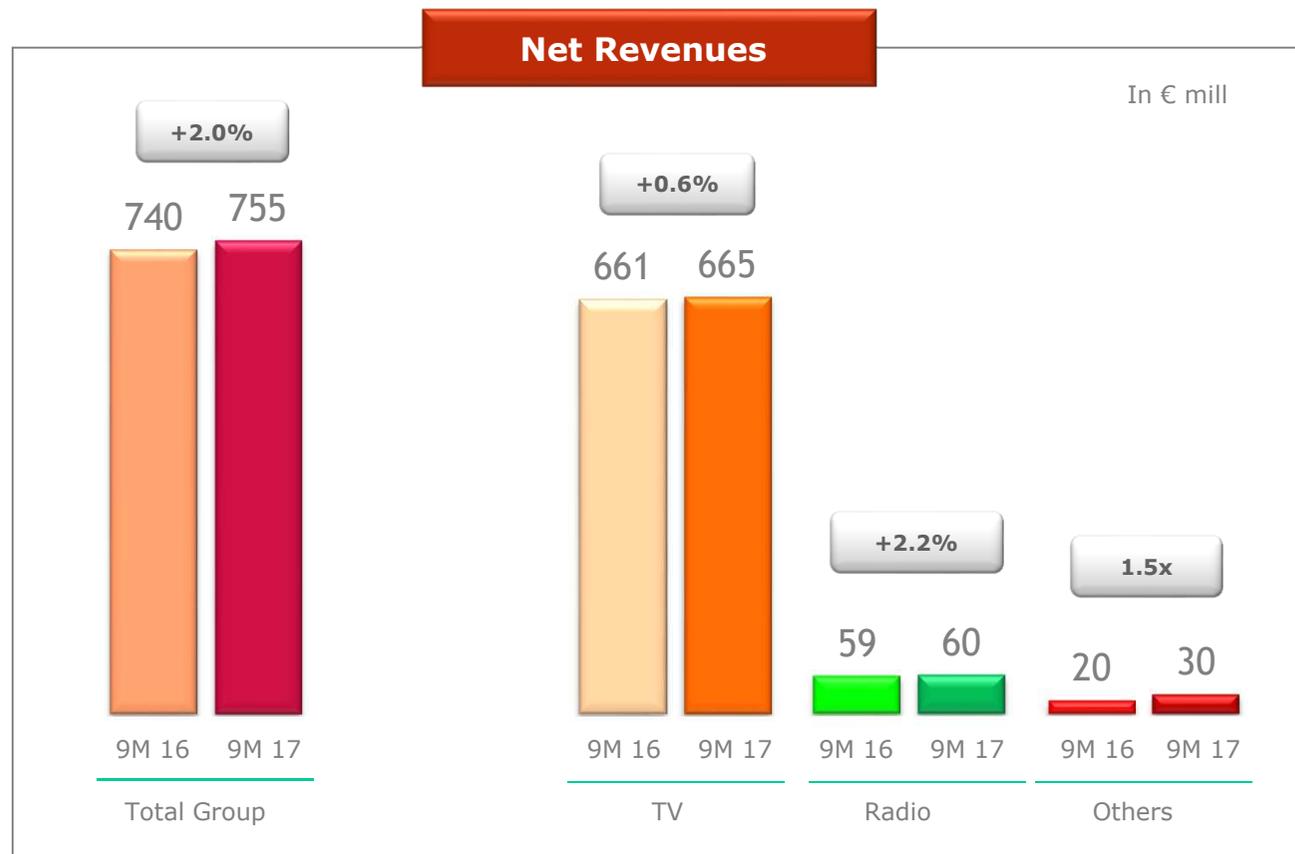
9M 17 Results in € mill: P&L

	9M 17	9M 16	YoY
Net Revenues	755.1	740.2	+2.0%
OPEX	606.5	588.7	+3.0%
EBITDA	148.6	151.5	-1.9%
<i>EBITDA Margin</i>	<i>19.7%</i>	<i>20.5%</i>	
EBIT	135.6	138.1	-1.8%
<i>EBIT Margin</i>	<i>18.0%</i>	<i>18.7%</i>	
Net profit	103.5	101.5	+1.9%
<i>Net profit Margin</i>	<i>13.7%</i>	<i>13.7%</i>	

Source: Atresmedia's financial statements

Atresmedia: Net revenues by segment

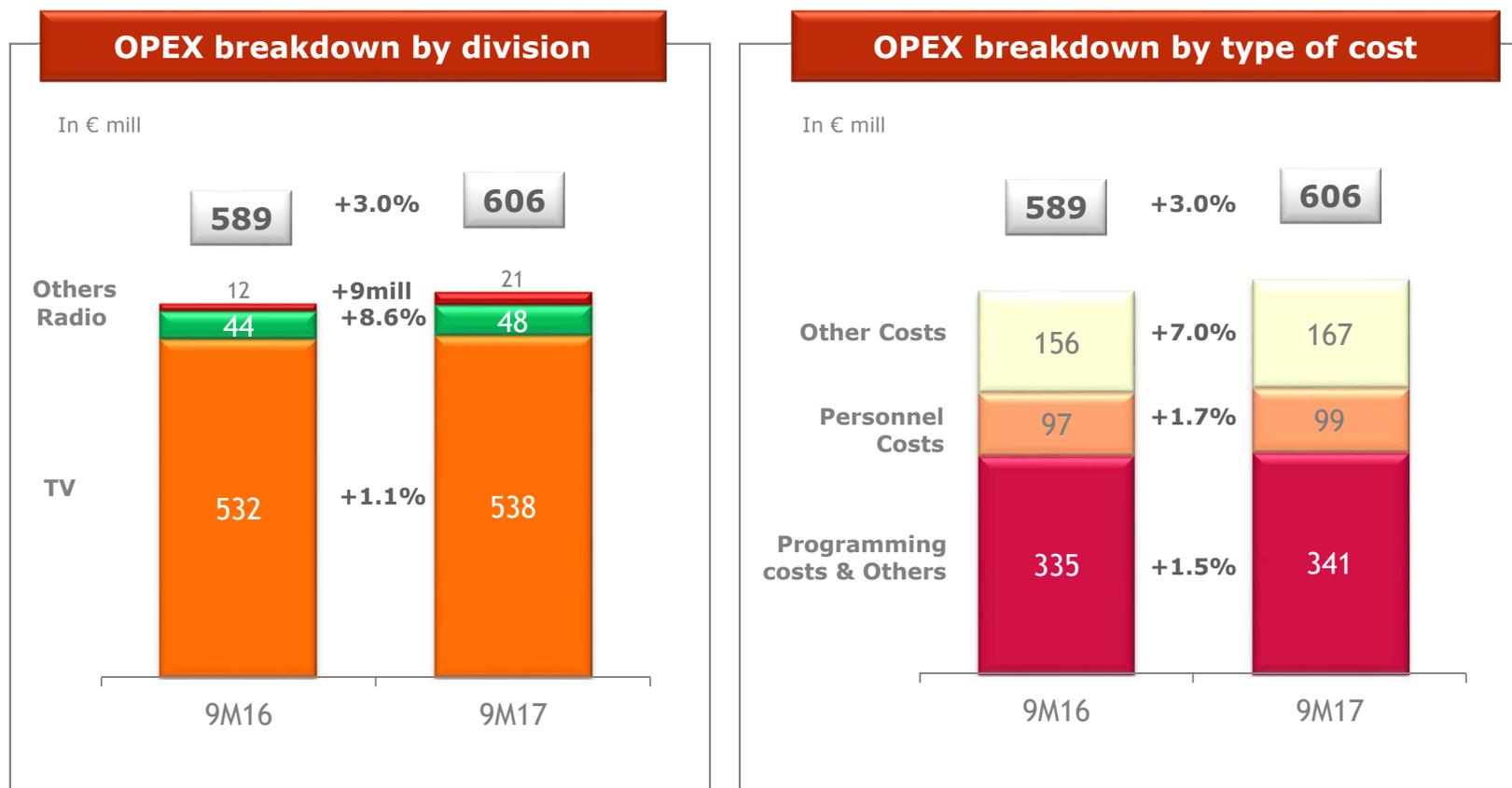
- Total Net Revenues stood at €755.1 million, +2.0% yoy
- Net TV revenues of €664.9 million (+0.6% yoy)
- Radio revenues reached €60.0 mill (+2.2% yoy)
- Revenues of "Others" reached €30.2 mill (1.5x more yoy)



Source: Atresmedia's financial statements

Atresmedia: OPEX

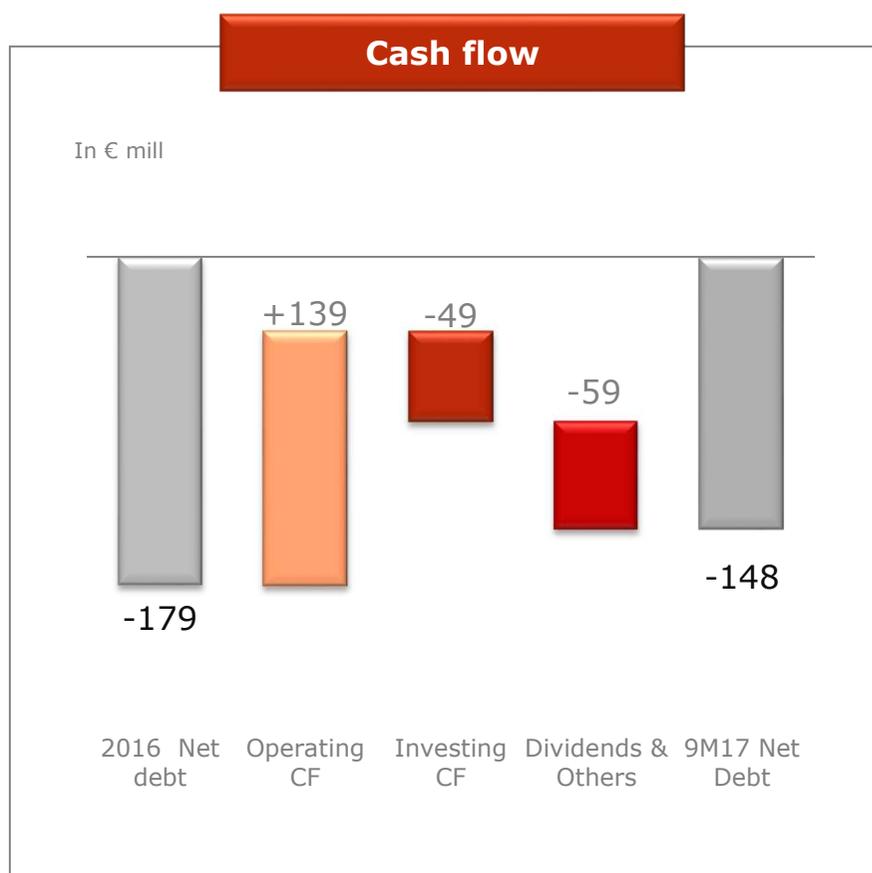
- Total OPEX of €606.5 mill, +3.0% vs 9M 16
- TV OPEX mainly increased due to more programming costs in Radio and higher amortization costs linked to Cinema



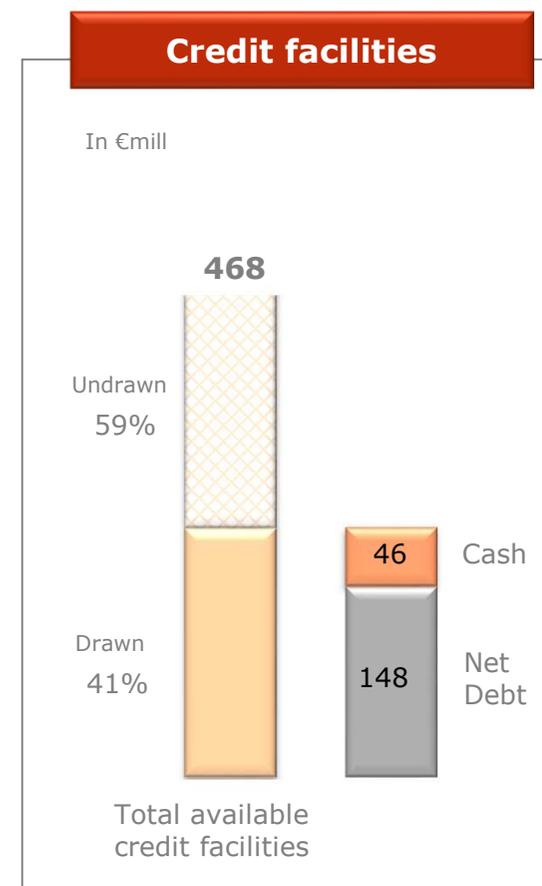
Source: Atresmedia's financial statements

Atresmedia: Cash flow & Debt position

- Total net debt reached €148 million
- Total net debt/last 12 months EBITDA = 0.7x



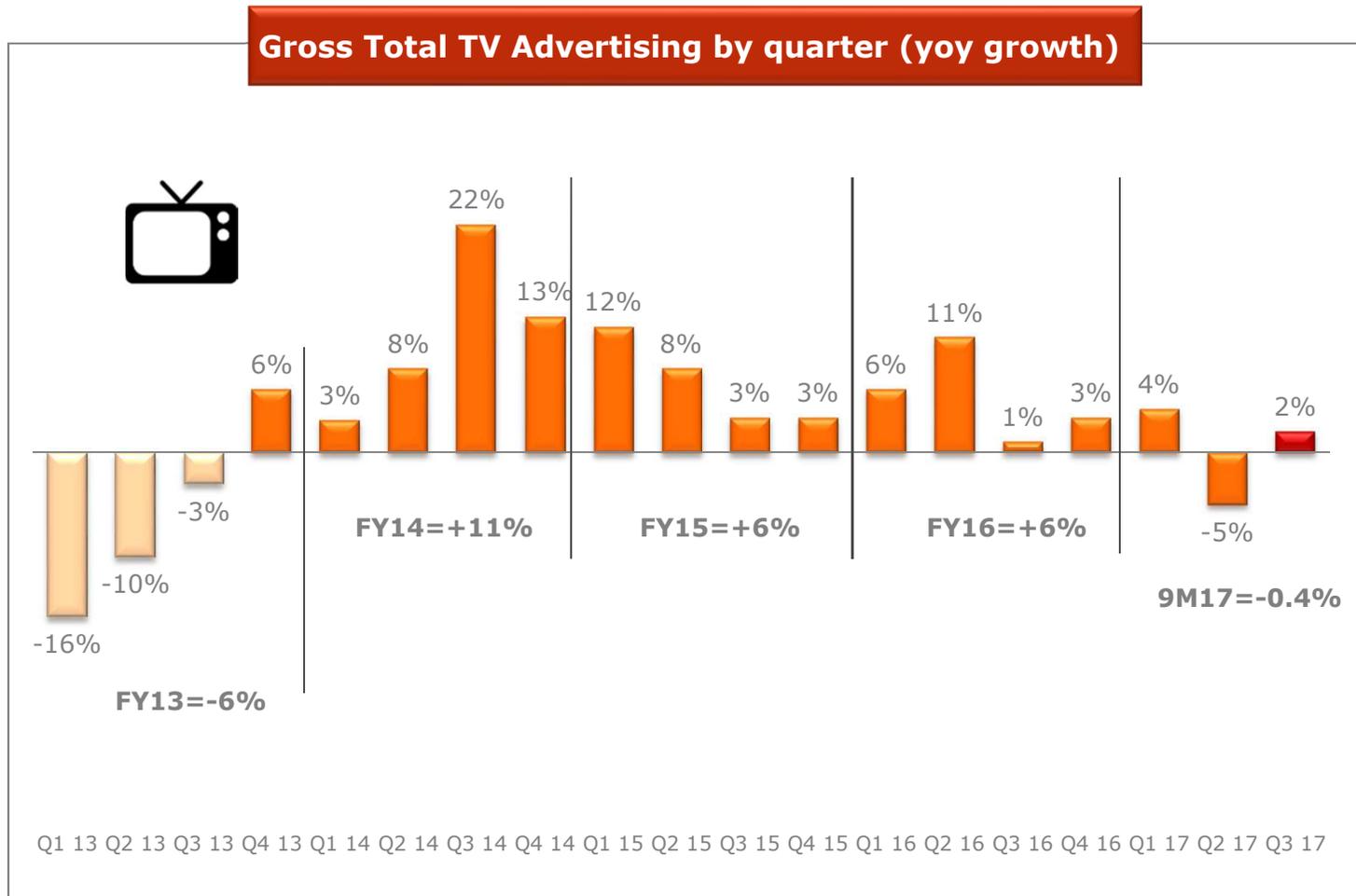
Source: Atresmedia's financial statements



Source: Atresmedia's financial statements

TV Advertising market

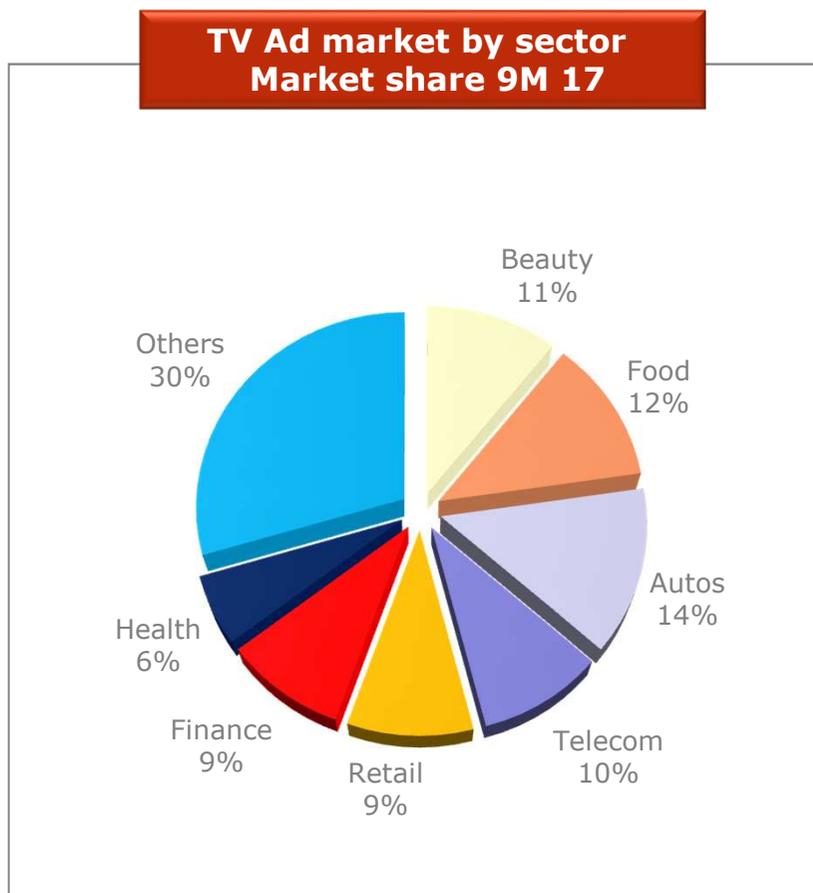
→ 9M 17 (-0.4% yoy): Modest performance for TV ad market so far



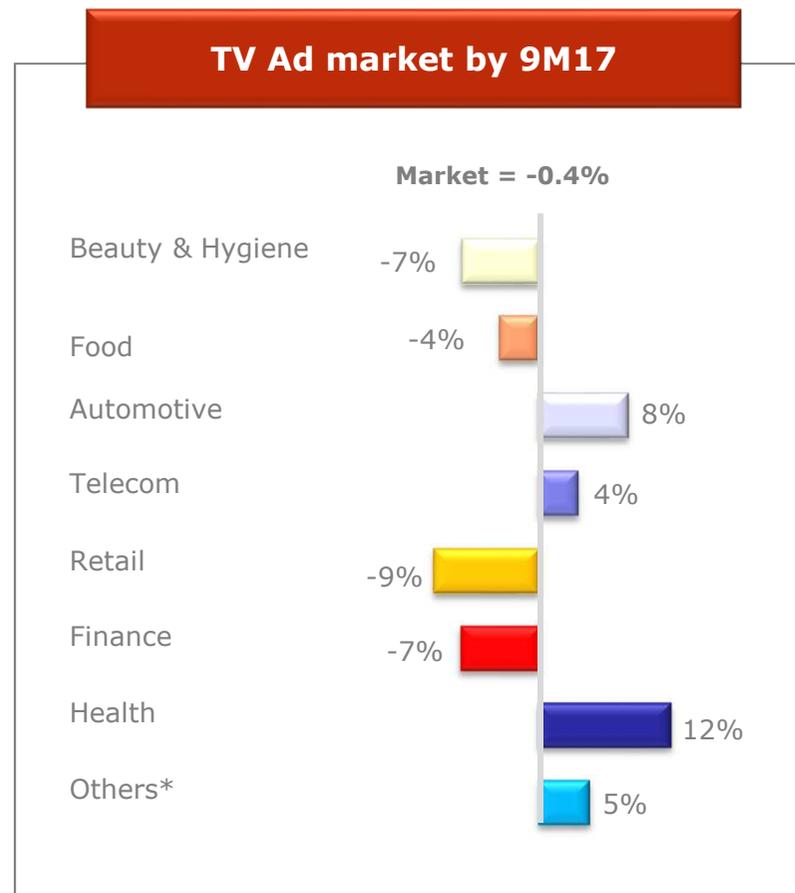
Source: Infoadex / 9M17= Internal estimates

TV Advertising market by sector

→ High dispersion in performance among categories



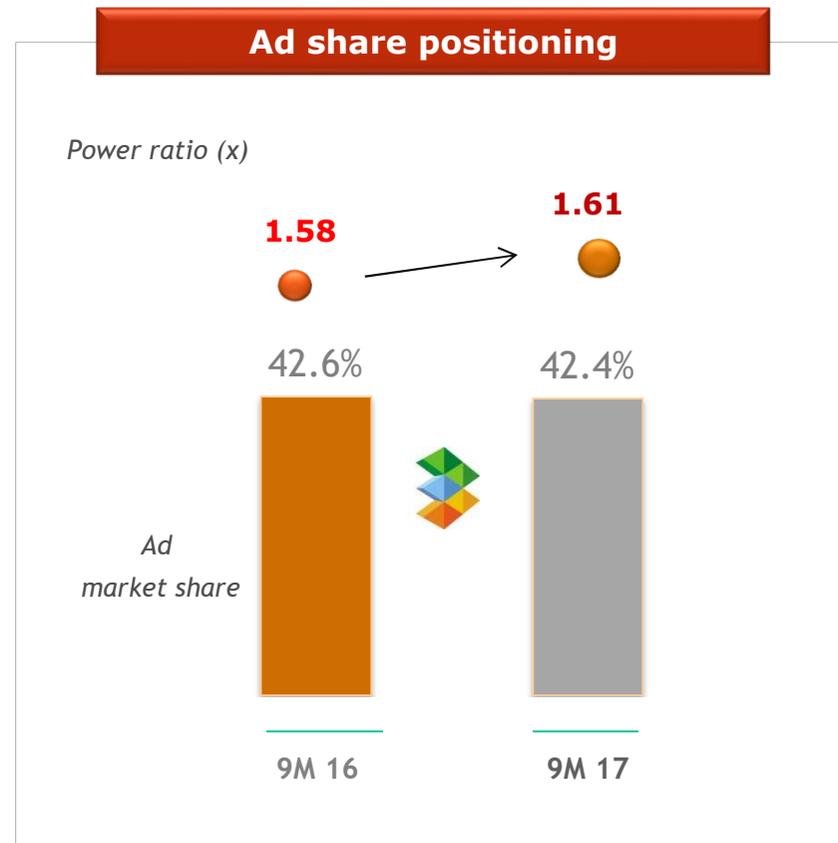
Source: Internal estimates



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

Atresmedia market positioning

- Improvement in power ratio despite little decline in market share



Source: Kantar Media & Internal estimates

Atresmedia Television

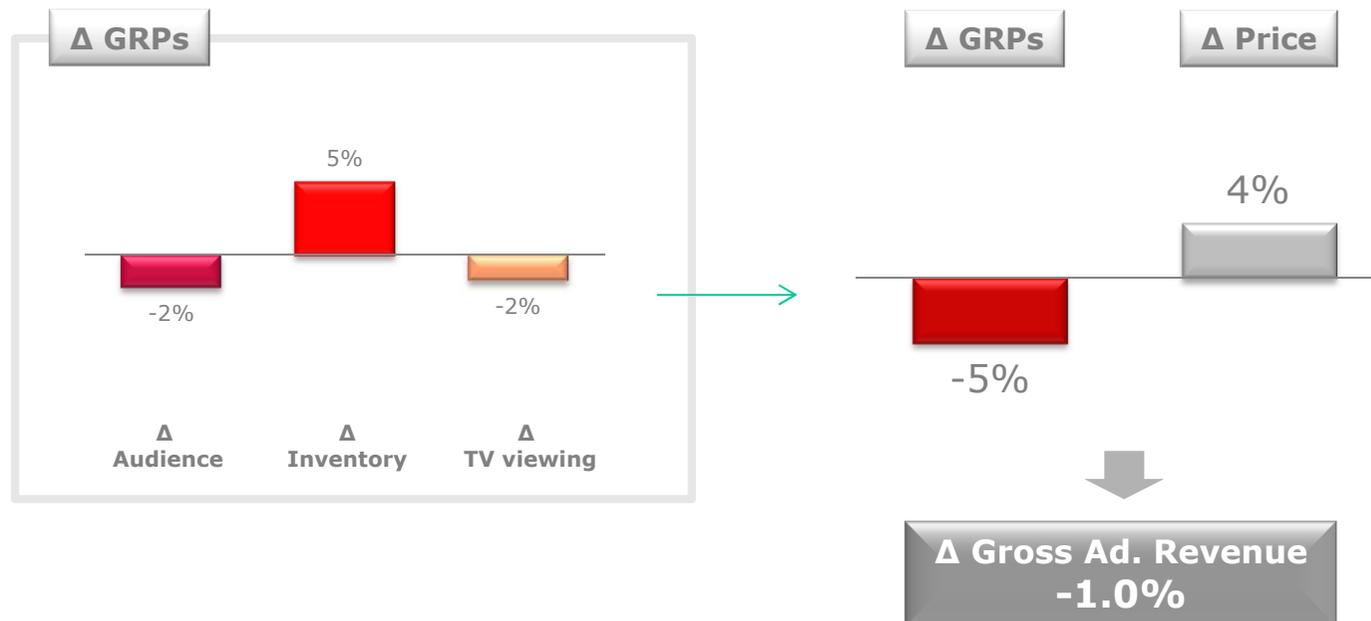
9M 17 Results in € mill: P&L

	9M 17	9M 16	YoY
Total Net Rev.	664.9	661.0	+0.6%
OPEX	537.8	532.1	+1.1%
EBITDA	127.0	128.9	-1.4%
<i>EBITDA Margin</i>	<i>19.1%</i>	<i>19.5%</i>	
EBIT	116.0	117.3	-1.2%
<i>EBIT Margin</i>	<i>17.4%</i>	<i>17.8%</i>	

Source: Atresmedia`s financial statements

Atresmedia Television: Ad revenues breakdown in 9M 17

9M 17 Key factors



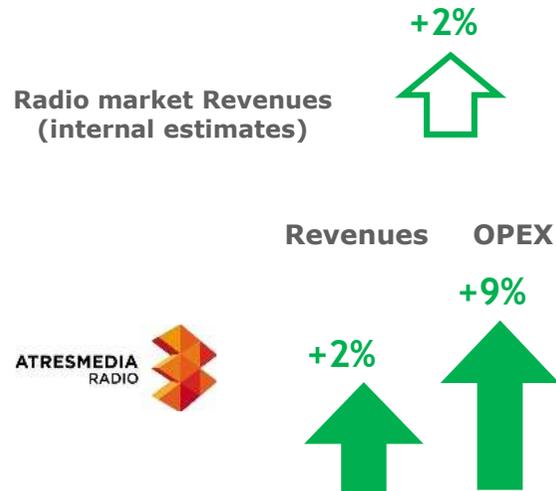
Source: Internal estimates

Atresmedia Radio

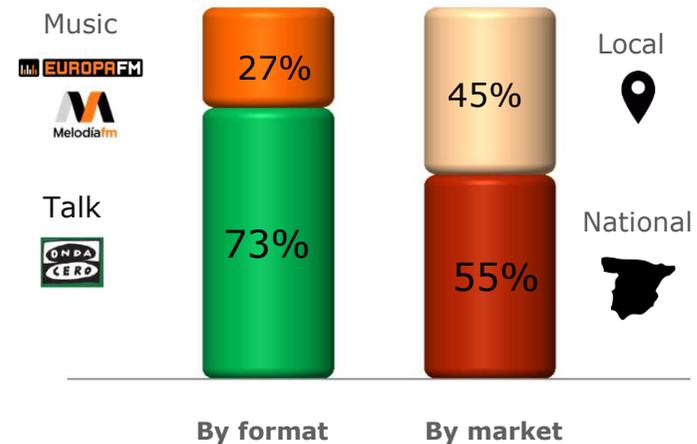
- Atresmedia Radio grew by 2% in 9M 17 in line with the Radio market
- OPEX increased yoy mainly due to the programming grid reinforcement in the late night as of Q3 16

Atresmedia Radio vs Radio market

9M17 yoy growth



Revenues breakdown in 9M 17



Source: Internal estimates

Atresmedia Radio

9M 17 Results in € mill: P&L

	9M 17	9M 16	YoY
Net Revenues	60.0	58.8	+2.2%
OPEX	48.0	44.2	+8.6%
EBITDA	12.1	14.6	-17.2%
<i>EBITDA Margin</i>	<i>20.1%</i>	<i>24.8%</i>	
EBIT	10.5	13.1	-19.6%
<i>EBIT Margin</i>	<i>17.5%</i>	<i>22.3%</i>	

Source: Atresmedia's financial statements

Atresmedia: Others Division

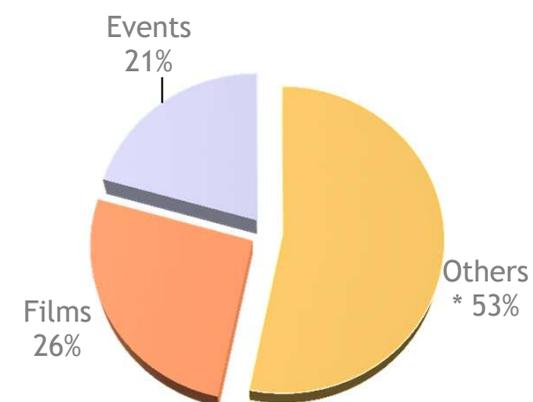
Financials

€ mill	9M 17	9M 16
Net Revenues	30.2	20.5
EBITDA	9.5	8.0

Source: Atresmedia's financial statements

Contribution to consolidated group net of eliminations

Net revenues split



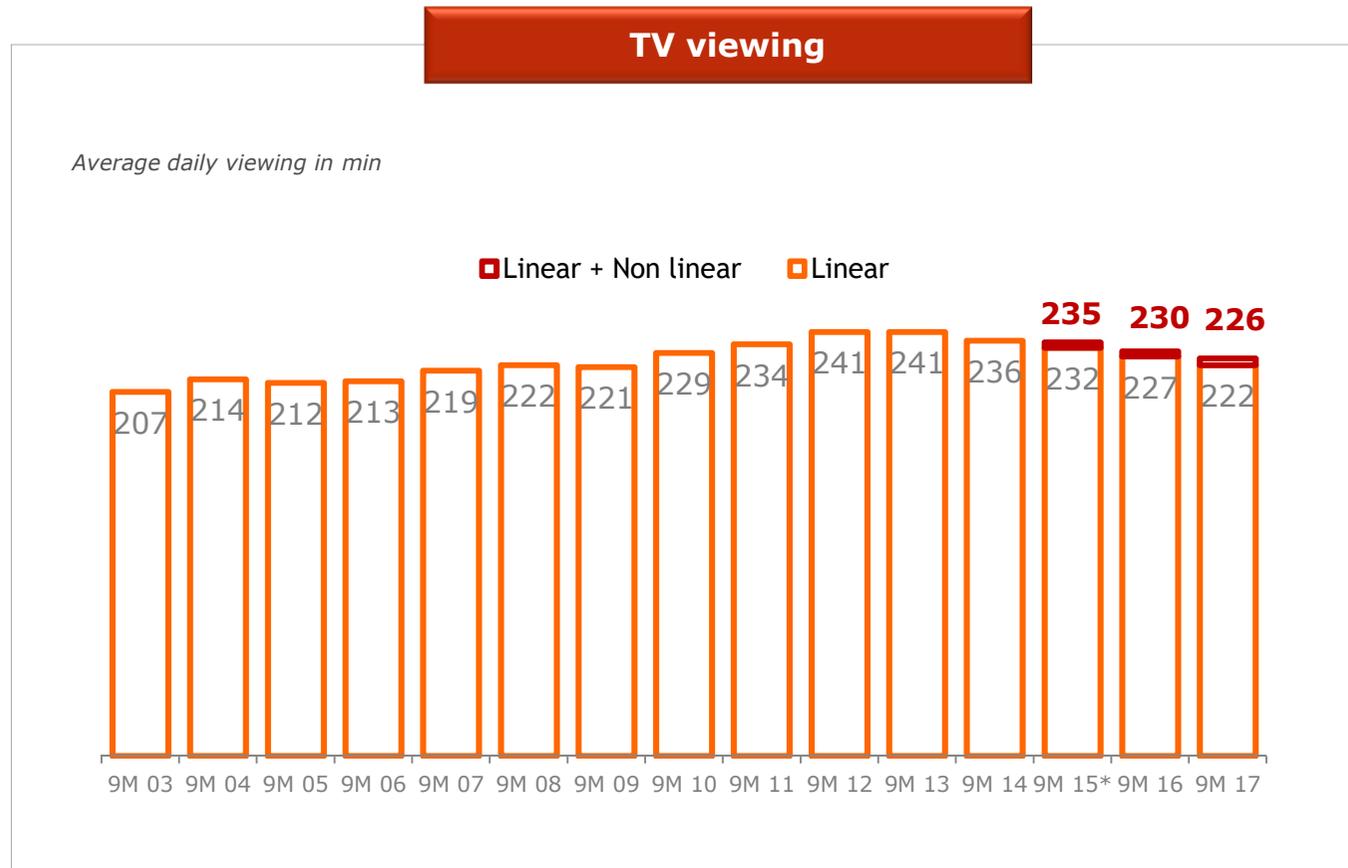
*Others (Internet (also Smartclip), Editorial...)

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9M 17 Business Summary

TV viewing

- TV viewing remains at high levels (226 min/day)
- Downward trend in linear TV is partially offset by non linear TV (+4 min/day)

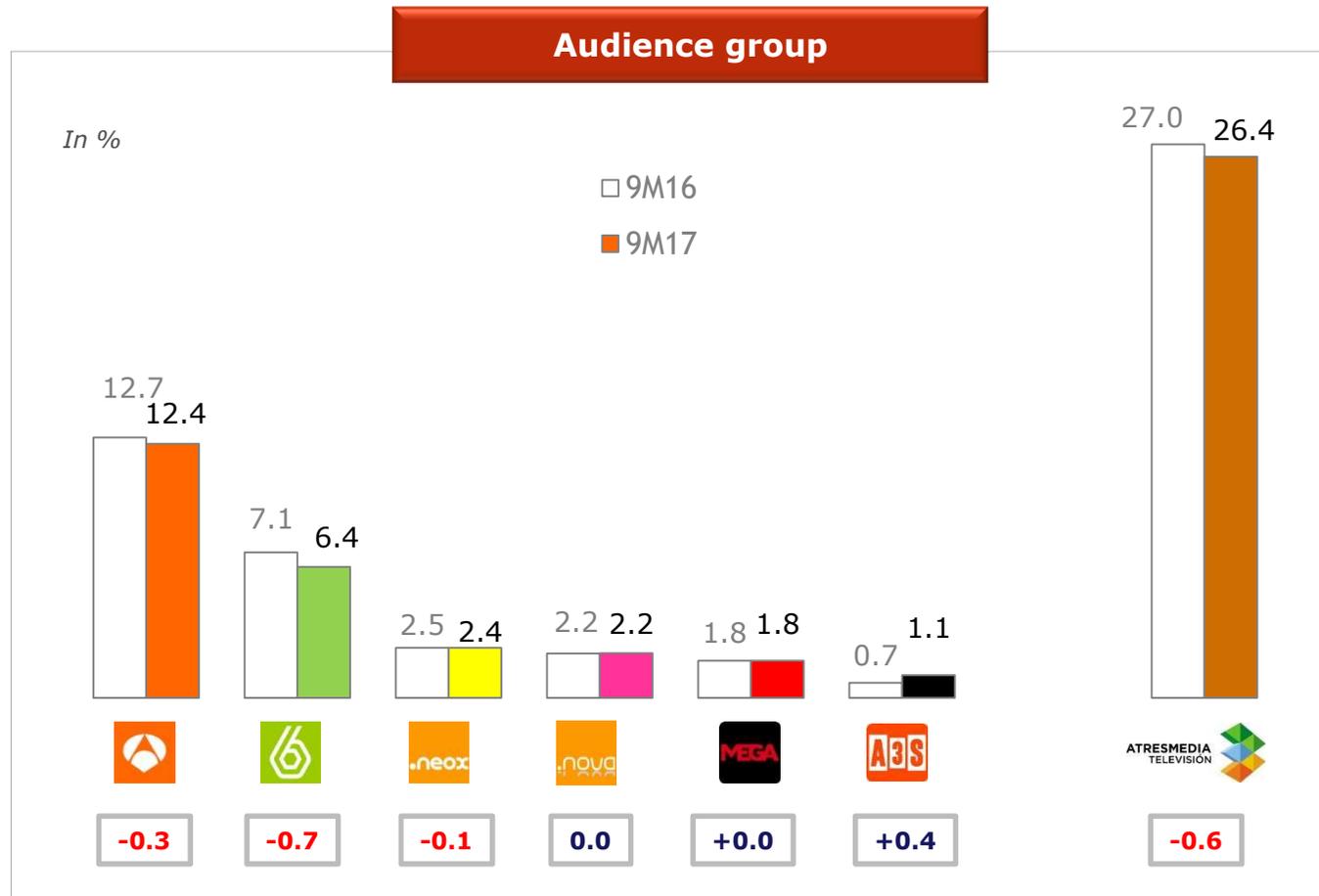


Source: Kantar Media. Non linear TV viewing includes +7 days through TV set (TV viewing on desktops, tablet or mobile devices not included)

* Data from Feb to Sep 15

Atresmedia Television: Audience by channel

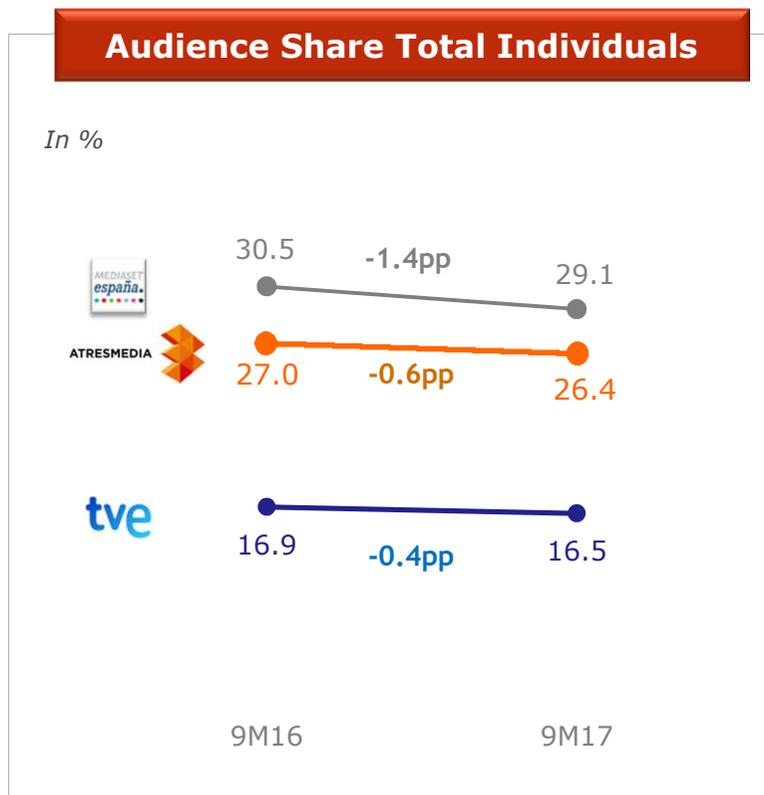
➔ Atresmedia's audience dropped by 60 bps yoy



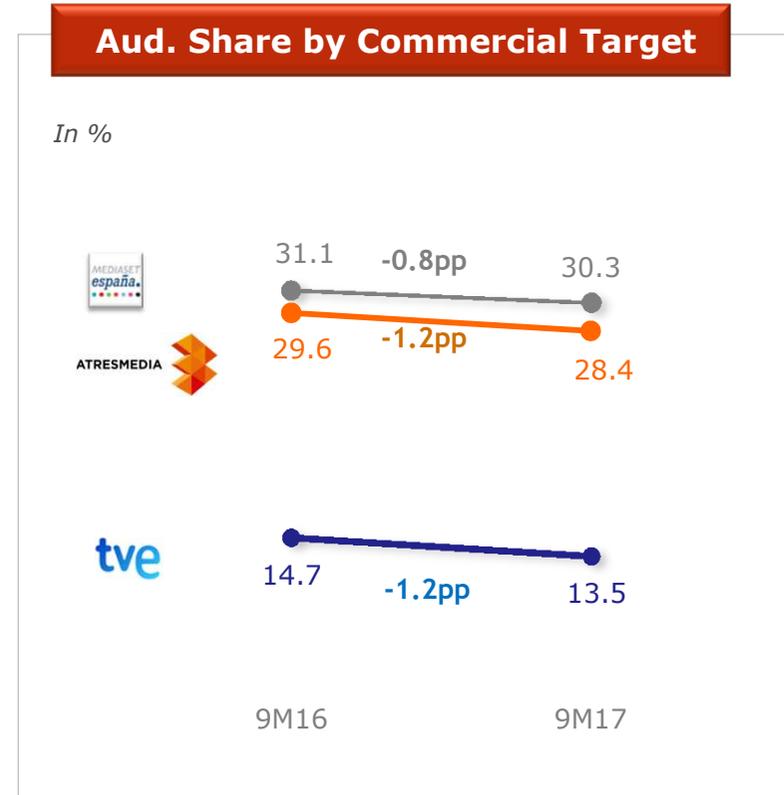
Source: Kantar Media. Total Individuals (4y+)

TV audience shares: By groups

→ Atresmedia achieved 26.4% audience share in Total Individuals and 28.4 % as Commercial Target in 9M17



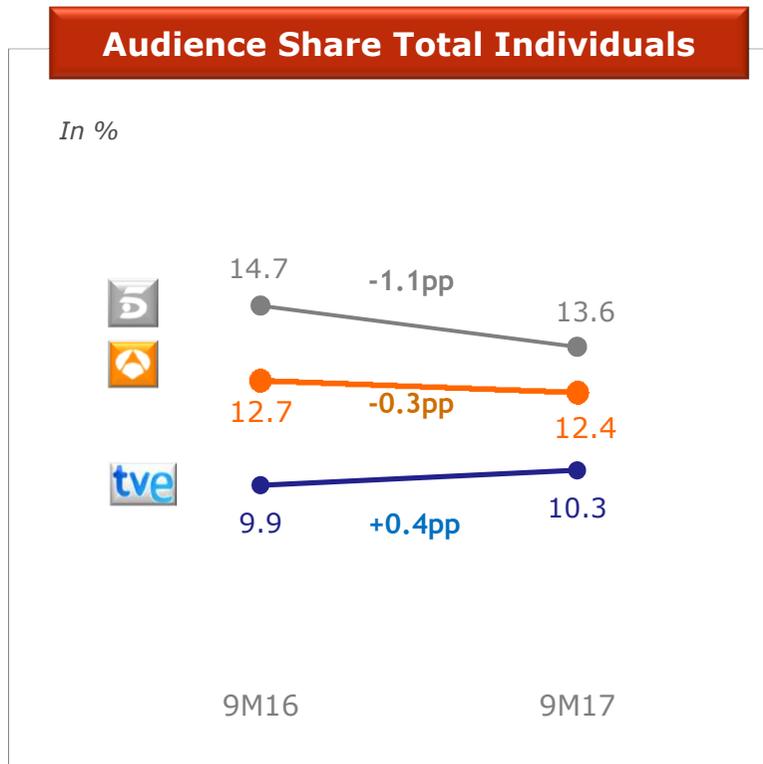
Source: Kantar Media. Total Individuals (4y+)



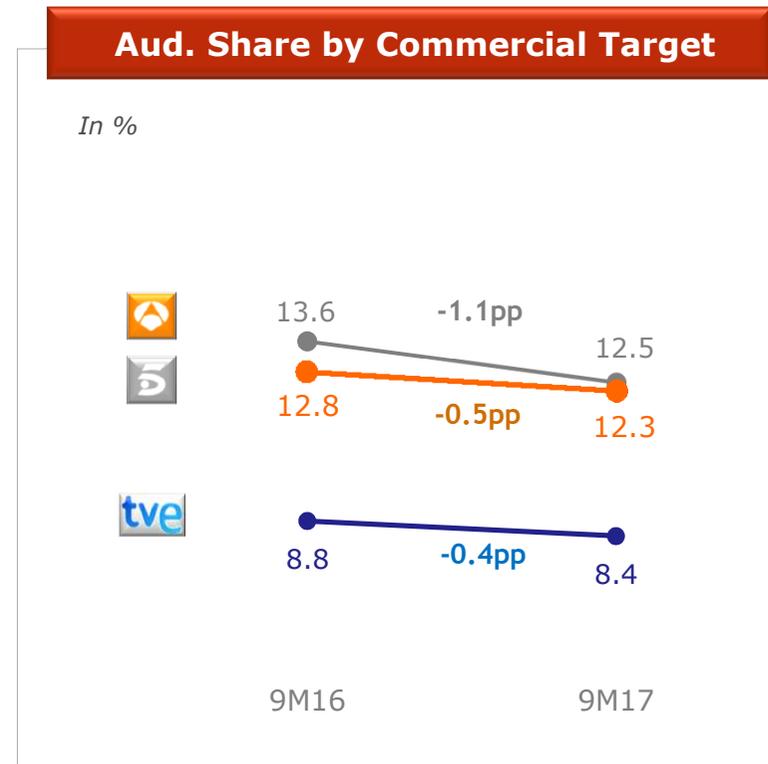
Source: Kantar Media. Commercial Target (25-59 y), >10,000 inhabitants

TV audience shares: By core channels (Tier I)

→ Antena 3 achieved 12.4% in Total Individuals and 12.3% in Commercial Target



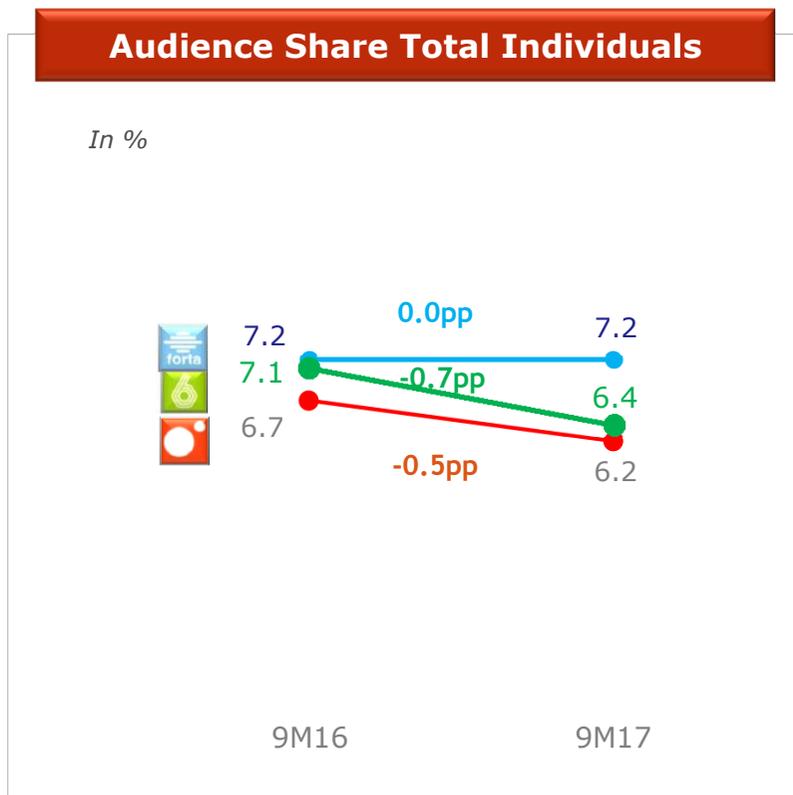
Source: Kantar Media. Total Individuals (4y+)



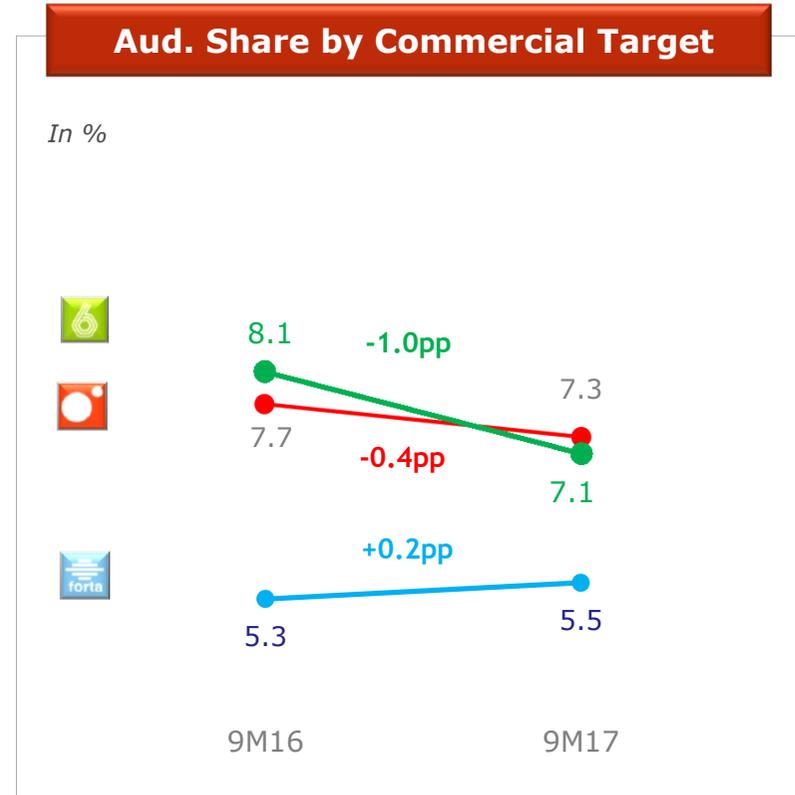
Source: Kantar Media. Commercial Target (25-59 y), >10,000 inhabitants

TV audience shares: By core channels (Tier II)

→ La Sexta was affected by declining interest in political and current affairs programmes vs 9M16



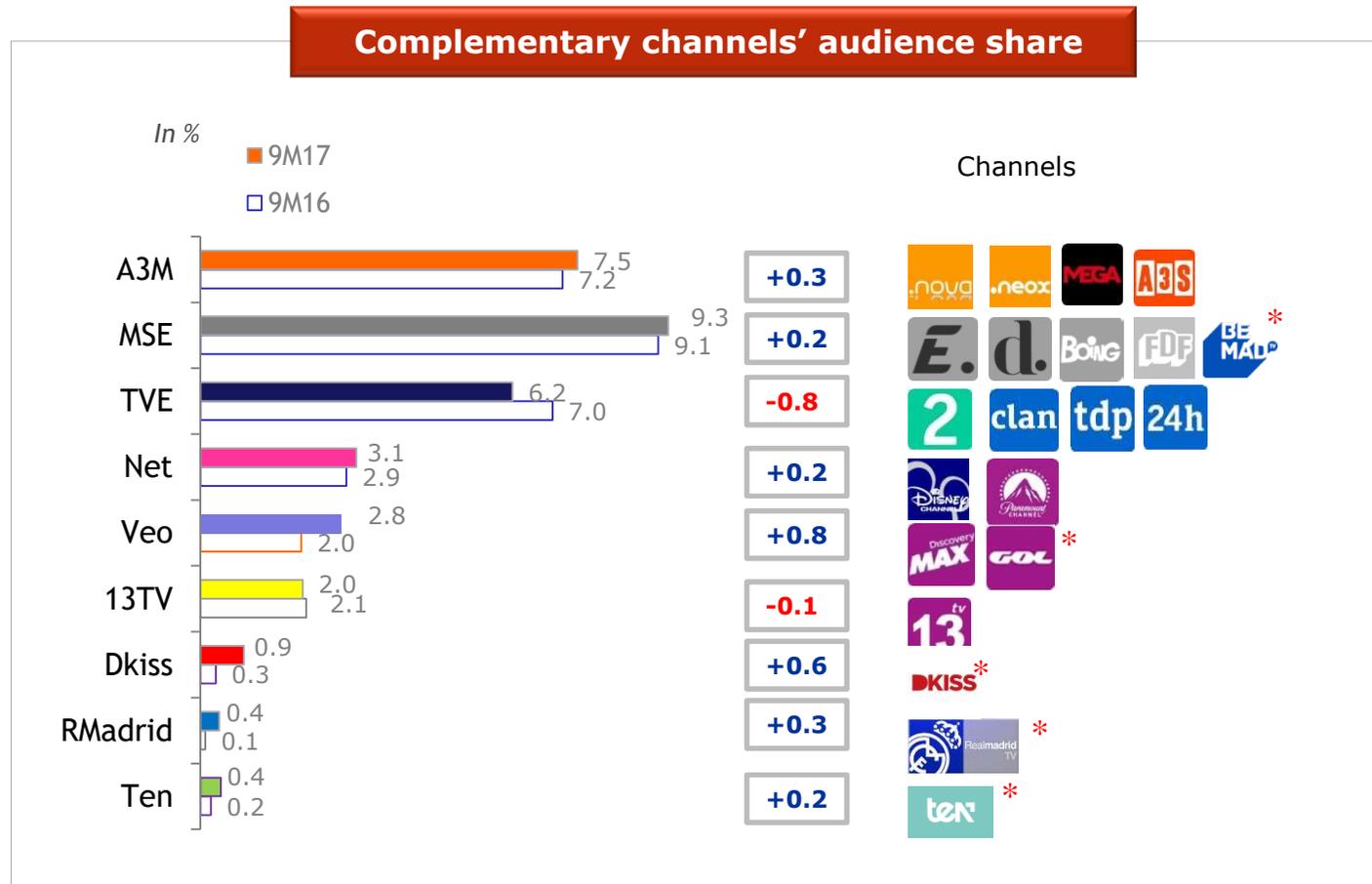
Source: Kantar Media. Total Individuals (4y+)



Source: Kantar Media. Commercial Target (25-59 y), >10,000 inhabitants

TV audience shares: Complementary channels

- 9M 17 yoy audiences: Atresmedia's complementary channels keep positive trend (+0.3pp yoy)

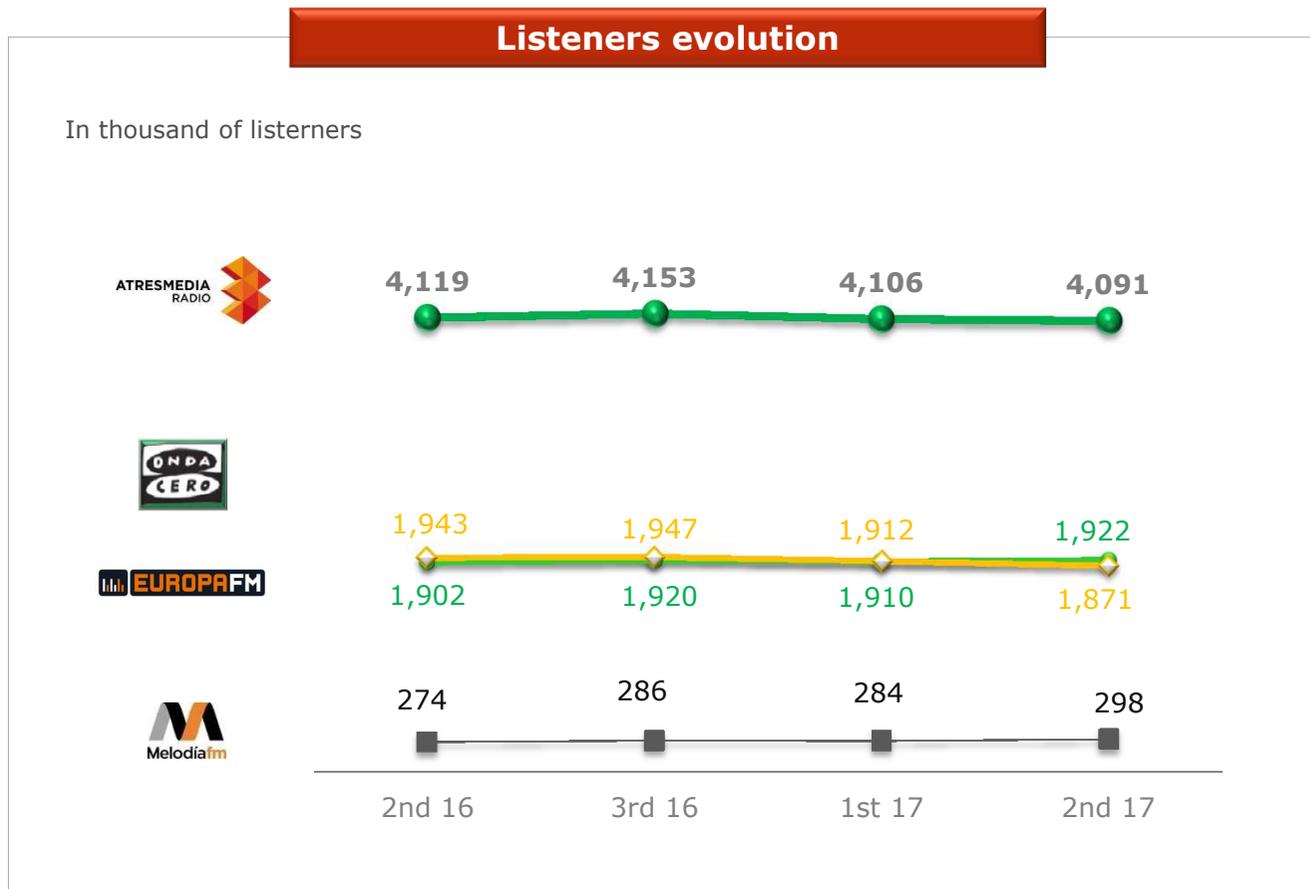


Source: Kantar Media
Audience share 24h; Total Individuals: 4+

* Channels launched in 2016

Atresmedia Radio

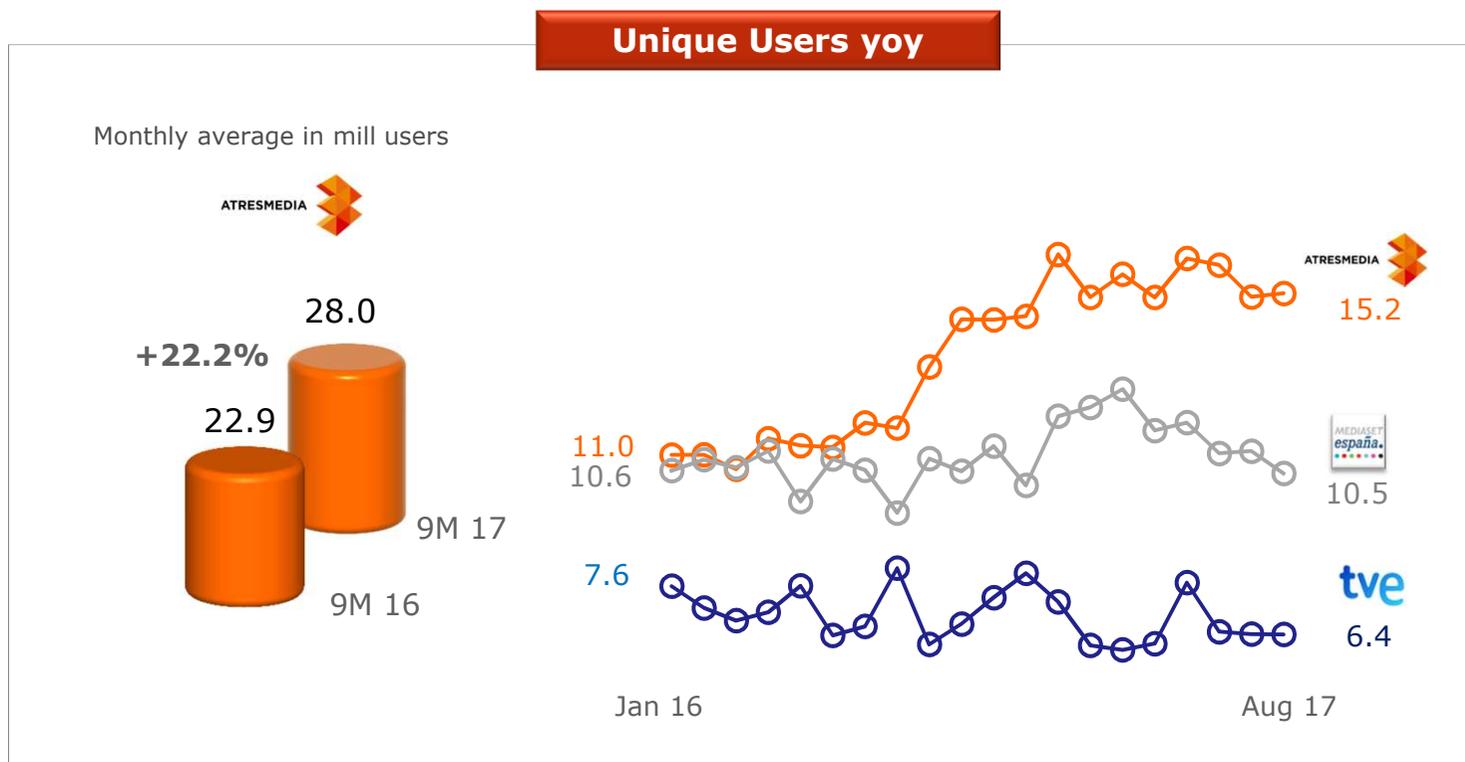
- Atresmedia Radio has flattened out at 4.1 million listeners
- Stable performance in all our radio stations



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

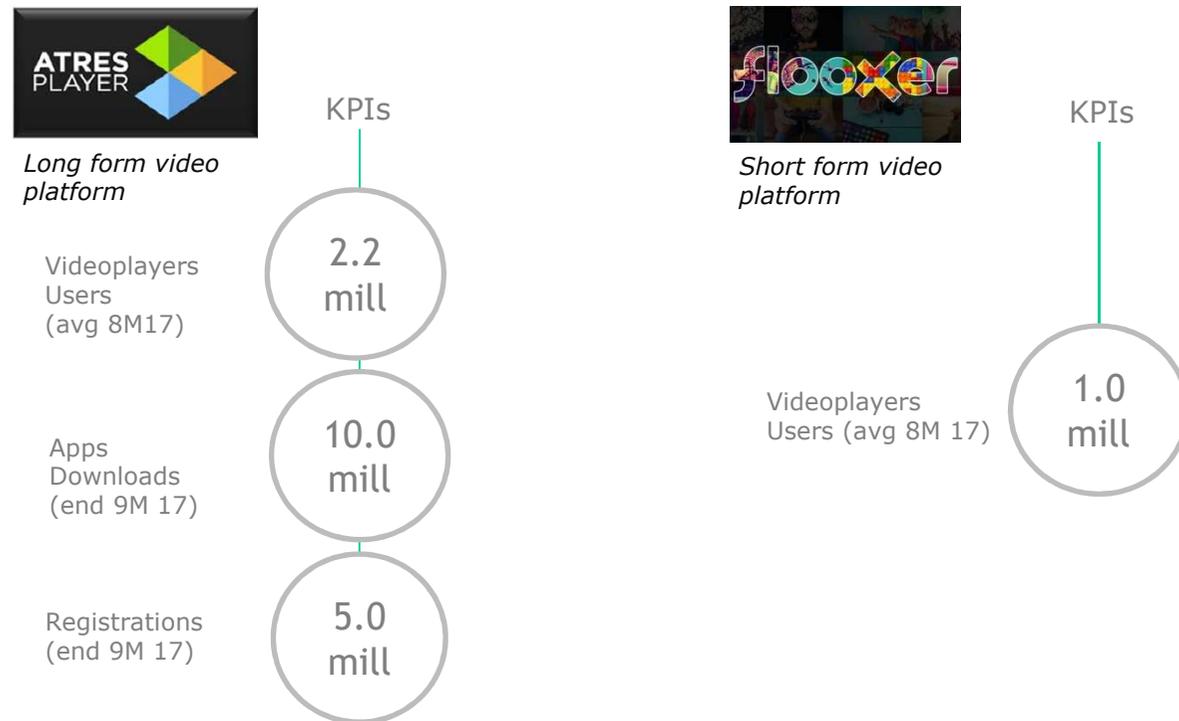
Atresmedia Digital

- ➔ Monthly unique users increased by 22.2% up to 28.0 mill in 9M 17
- ➔ Atresmedia: Leading in unique users among TV broadcasters



Atresmedia Digital: Atresplayer & Flooxer

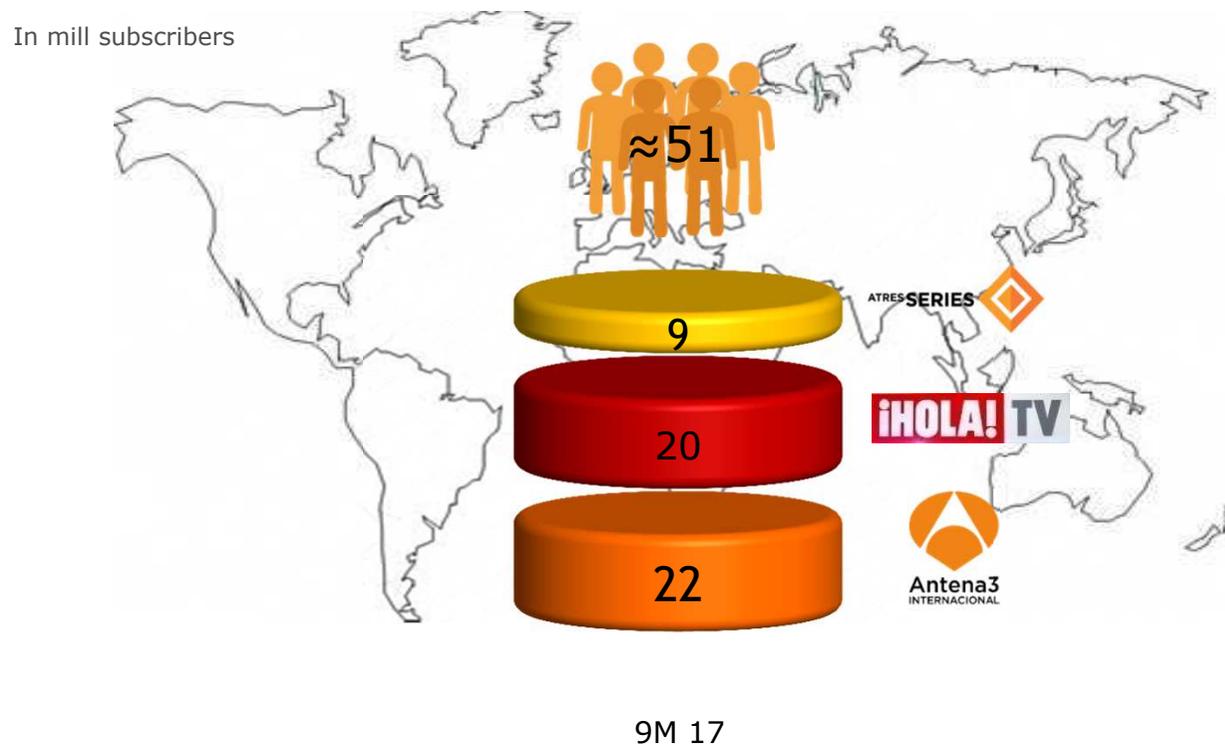
- Atresplayer achieves 2.2 mill users in monthly average
- Flooxer nearly reaches 1.0 mill users /month



Source: Comscore & internal estimates

Atresmedia Diversification: International

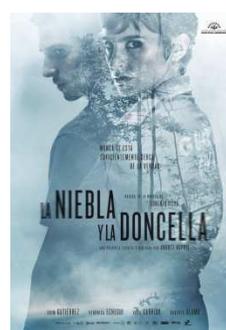
→ Up to 51 mill subscribers in our international channels



Atresmedia Cinema

- Atresmedia Films accounted for 37% of total revenues generated by Spanish films in the nine months of 2017

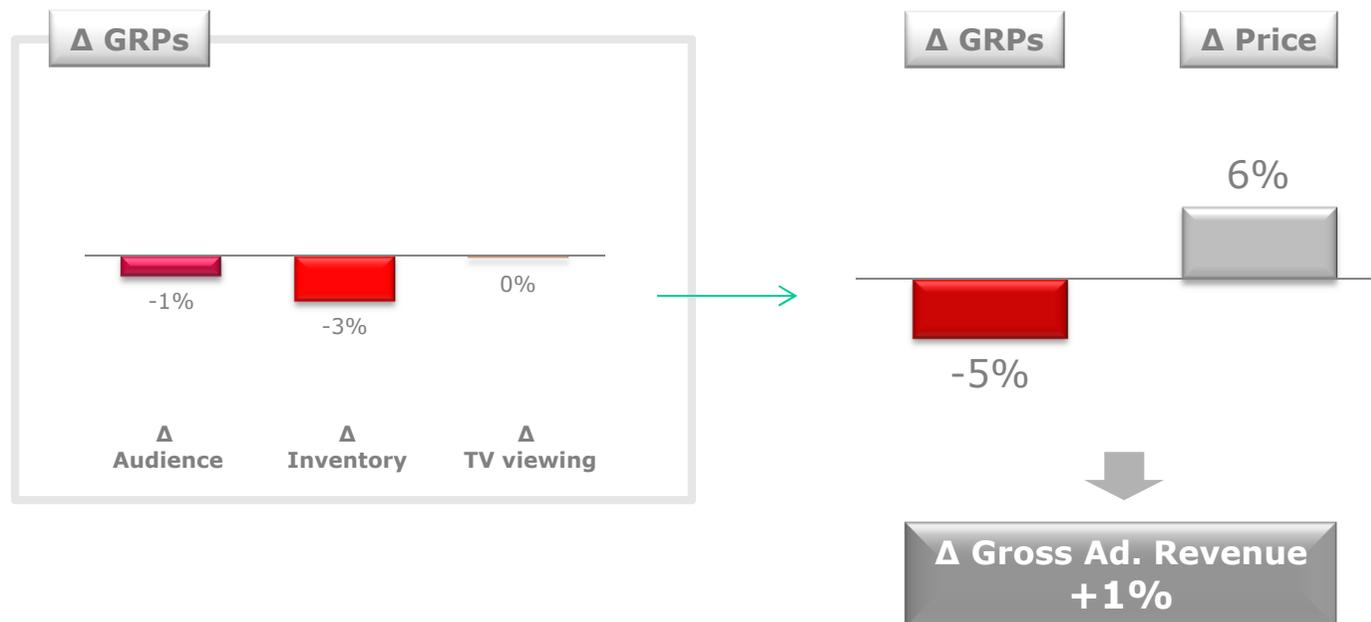
Atresmedia Cinema in 9M 17



Back up

Atresmedia Television: Ad revenues breakdown in Q3 17

Q3 17 Key factors



Source: Internal estimates

Atresmedia

Q3 17 Results in € mill: P&L

	Q3 17	Q3 16	YoY
Net Revenues	204.3	196.1	+4.1%
OPEX	172.2	164.1	+4.9%
EBITDA	32.1	32.0	+0.2%
<i>EBITDA Margin</i>	<i>15.7%</i>	<i>16.3%</i>	
EBIT	27.7	27.6	+0.4%
<i>EBIT Margin</i>	<i>13.6%</i>	<i>14.1%</i>	
Net profit	19.2	17.3	+10.8%
<i>Net profit Margin</i>	<i>9.4%</i>	<i>8.8%</i>	

Source: Atresmedia's financial statements

Atresmedia Television

Q3 17 Results in € mill: P&L

	Q3 17	Q3 16	YoY
Total Net Revenues	179.4	171.1	+4.8%
OPEX	152.5	141.9	+7.5%
EBITDA	26.9	29.2	-8.1%
<i>EBITDA Margin</i>	<i>15.0%</i>	<i>17.1%</i>	
EBIT	23.2	25.4	-8.9%
<i>EBIT Margin</i>	<i>12.9%</i>	<i>14.9%</i>	

Source: Atresmedia`s financial statements

Atresmedia Radio

Q2 17 Results in € mill: P&L

	Q3 17	Q3 16	YoY
Net Revenues	17.7	17.2	3.0%
OPEX	15.1	15.6	-3.2%
EBITDA <i>EBITDA Margin</i>	2.6 14.8%	1.6 9.4%	+62.2%
EBIT <i>EBIT Margin</i>	2.1 11.9%	1.1 6.5%	+87.7%

Source: Atresmedia's financial statements

Additional information

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