

ATRESMEDIA



JANUARY–MARCH 2020 RESULTS

31 March 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.



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1. HIGHLIGHTS

1.1 Milestones and key figures

Atresmedia. Key figures

Operational highlights	Jan-Mar 2020	Jan-Mar 2019
Total TV audience	26.2%	27.7%
TV market share (internal estimates)	42.2%	42.3%
Radio listeners (thousands) (1st EGM wave. Rolling average)	3,345	3,568
Total no. employees	2,583	2,378

Financial highlights Euros (in thousands)	Jan-Mar 2020	Jan-Mar 2019
Net revenue	223,427	257,519
EBITDA	35,926	45,119
Profit for the period	21,703	28,705
Net financial debt	177,359	170,939

Atresmedia's EBITDA for the first quarter of 2020 totalled 35.9 million euros, with consolidated profits of 21.7 million euros.

According to internal estimates, **Atresmedia Television's market share** for the period was 42.2%. It achieved an **audience share** of 26.2% with a prime-time commercial target audience of 28.1%, in line with that of its main competitor.

Antena 3 achieved an 11.7% audience share in the period, with a prime-time commercial target audience share of 13.0%.

laSexta stayed 1.7 points ahead of its main competitor with an average audience figure of 7.4%, and 7.8% for commercial target audiences in the prime-time slot.

The complementary channels (**Neox, Nova, Mega** and **Atreseries**) achieved a combined audience share of 7.2% in the quarter to March 2020, with a commercial target audience of 8.1%.



According to statistics published by ComScore in March, Atresmedia's **Digital** business achieved its best ever figures with 29 million unique users. This division continued to head the internet rankings for television groups becoming the seventh most visited website in Spain.

Films on release from **Atresmedia Cine** during the first three months of the year accounted for 25% of total earnings for Spanish cinema.

Atresmedia's **international** channels, meanwhile, had more than 59 million subscribers, 2 million more than in 2019, an increase of 3.5%.

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

We are facing a year in which, due to the COVID-19 epidemic, **the world economy will go into recession, wiping 3% off global GDP**, according to the latest report published by the IMF in April, containing its forecasts for 2020. In 2021, however, it forecasts the economy will rebound by around 6%.

By region, the IMF expects the US economy to contract by 5.9% (+4.7% in 2021), while the euro zone will shrink by 7.5% (+4.7% in 2021) and Japan by 5.2% (+3% next year).

Spain's GDP is forecast to fall by 8%, but the IMF considers that the recovery will be weaker here than in other countries, with growth of 4.3% in 2021.

According to the Bank of Spain, the economy could shrink by around 13% in its worst-case scenario: 12 weeks of lockdown and a very gradual recovery towards the end of the year. In this case, the economy will grow by 8.5% in 2021.

Meanwhile, the consequences of the shrinking economy will directly impact on the labour market. The IMF's report estimates that unemployment in Spain will rise from 14.1% to 20.8%, dropping back to 17.5% in 2021. Falling demand and household incomes will push the CPI into negative territory, at around -0.3% this year, recovering to 0.7% next year.



The Bank of Spain is forecasting an unemployment rate of 21.7% and a public deficit of 11% this year.

Turning to the advertising market, investment in the media tracked by Infoadex shrank by 13.2% in the three months to March 2020 compared with the same period in 2019, affecting all media. In the markets in which the Atresmedia Group operates, television advertising has fallen by 11.7%, radio advertising by 17.7% and internet advertising by 4.3%. Advertising spending was cut most notably in the month of March, due to the COVID-19 crisis, with a fall of 27.8% across all tracked media.

Advertising market by media	1Q20 v. 1Q19	March 20 v. March 19
Television	-11.7%	-23.2%
Radio	-17.7%	-34.6%
Digital	-4.3%	-14.5%
Newspapers	-26.3%	-48.2%
Magazines	-13.4%	-15.8%
Outdoor	-18.6%	-52.1%
Sunday supplements	-16.7%	-43.5%
Cinema	-26.3%	-76.0%
TOTAL MEDIA	-13.2%	-27.8%

Source: Infoadex



2. ATRESMEDIA

2.1 Consolidated Income Statement

Euros (in thousands)	Jan-Mar 2020	Jan-Mar 2019	Change
NET REVENUE	223,427	257,519	(13.2%)
OPERATING EXPENSES	187,501	212,399	(11.7%)
EBITDA	35,926	45,119	(20.4%)
Depreciation and amortisation	4,710	4,892	(3.7%)
Impairment and disposal of property, plant and equipment	(1)	(36)	(96.5%)
EBIT	31,217	40,263	(22.5%)
Financial result	(1,742)	(1,821)	4.3%
Net income from investments in other entities	431	(554)	n/a
Profit before tax from continuing operations	29,906	37,888	(21.1%)
Income tax	8,232	9,219	(10.7%)
Profit for the period	21,674	28,669	(24.4%)
Profit attributable to non-controlling interests	29	36	(19.8%)
Profit for the financial period attributable to the parent company	21,703	28,705	(24.4%)

Note: Figures to March are unaudited



2.1.1 Net revenue

Atresmedia's net revenue for the quarter to March 2020 totalled 223.4 million euros, compared to 257.5 million euros for the same period of 2019.

Net revenue by business (thousand euros)	Jan-Mar 2020	Jan-Mar 2019	Change
Audiovisual	210,380	240,526	(12.5%)
Radio	15,916	19,970	(20.3%)
Eliminations	(2,868)	(2,978)	
ATRESMEDIA	223,427	257,519	(13.2%)

The advertising market in media tracked by Infoadex has shrunk by 13.2% in the three months to March 2020, falling by 27.8% in March alone.

2.1.2 Operating expenses

Operating expenses in the quarter to March 2020 were 11.7% lower than in the same period last year.

Operating expenses by business (thousand euros)	Jan-Mar 2020	Jan-Mar 2019	Change
Audiovisual	174,618	198,641	(12.1%)
Radio	15,752	16,737	(5.9%)
Eliminations	(2,868)	(2,978)	
ATRESMEDIA	187,501	212,399	(11.7%)



Operating expenses by type (thousand euros)	Jan-Mar 2020	Jan-Mar 2019	Change
Programming & Others	86,764	103,406	(16.1%)
Personnel costs	41,599	38,656	7.6%
Other operating expenses	36,004	40,759	(11.7%)
Variable expenses linked to sales	26,003	32,557	(20.1%)
Eliminations	(2,868)	(2,978)	
OPERATING EXPENSES	187,501	212,399	(11.7%)

A cost-cutting plan was established in the first quarter for both programme procurement and other operating costs in order to offset declining advertising revenues, in particular in March, due to the global COVID-19 crisis. This has not harmed the Group's competitiveness.

Staff costs are higher in part due to the direct employment by the Group of previously subcontracted IT staff from the second quarter of 2019, with a corresponding decrease in other operating expenses, and in part to the employment of new staff linked to a higher workload at Atresmedia Studios.

2.1.3 Operating earnings and margins

EBITDA in the three months to March 2020 was 35.9 million euros, representing a margin on net revenues of 16.1%.

EBITDA (thousands of euros)	Jan-Mar 2020	Jan-Mar 2019
Audiovisual	35,762	41,886
Margin on net revenue	17.0%	17.4%
Radio	164	3,234
Margin on net revenue	1.0%	16.2%
TOTAL ATRESMEDIA	35,926	45,119
Margin on net revenue	16.1%	17.5%



EBIT for the three months to March 2020 totalled 31.2 million euros, in comparison with 40.3 million euros in the same period in 2019.

EBIT (thousands of euros)	Jan-Mar 2020	Jan-Mar 2019
Audiovisual	31,736	37,730
Margin on net revenue	15.1%	15.7%
Radio	(519)	2,534
Margin on net revenue	(3.3%)	12.7%
TOTAL ATRESMEDIA	31,217	40,263
Margin on net revenue	14.0%	15.6%

2.1.4 Profit before tax

The Group reported net financial losses of 1.7 million euros in the three months to March 2020, an improvement on the same period in 2019, as the average cost of debt was lower.

Profit before tax for the three months to March totalled 29.9 million euros, compared to 37.9 million euros last year.

2.1.5 Consolidated profit for the period

Consolidated profit for the three months to March 2020 was 21.7 million euros.



2.2 Consolidated Balance Sheet

Euros (in thousands)	31 March 2020	31 December 2019
ASSETS		
Goodwill	163,223	163,223
Other intangible assets	118,301	119,970
Property, plant and equipment and other non-current assets	108,880	98,221
Deferred tax assets	199,901	201,527
NON-CURRENT ASSETS	590,305	582,942
Programming rights and inventories	318,774	321,082
Trade and other receivables	221,474	245,124
Other current assets	25,832	28,585
Current tax assets	15,550	18,884
Cash and cash equivalents	172,700	85,831
CURRENT ASSETS	754,330	699,506
TOTAL ASSETS	1,344,636	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	258,540	237,047
Treasury shares	(6,168)	(7,489)
Interim dividend	(45,012)	(45,012)
Other equity instruments	0	1,355
Remeasurements and other	7,754	2,180
EQUITY	465,194	438,160
Debentures and bonds	182,548	178,030
Debt to financial institutions	86,156	103,516
Other non-current liabilities	44,091	44,272
Deferred tax liabilities	31,978	32,183
NON-CURRENT LIABILITIES	344,772	358,001
Debentures and bonds	1,936	4,046
Debt to financial institutions	98,247	8,676
Trade and other creditors	341,750	381,773
Other current liabilities	83,941	91,791
Current tax liabilities	8,796	0
CURRENT LIABILITIES	534,669	486,287
TOTAL LIABILITIES AND EQUITY	1,344,636	1,282,448

Note: Figures to March are unaudited



The Group's net financial debt is 177.4 million euros, compared with 193.0 million euros at the end of December 2019, a reduction of 15.6 million euros. The net financial debt/EBITDA ratio (12 months) was 1.01x.

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. A 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.

At its meeting of 23 April 2020, applying the prudence principle, the Board of Directors decided to remove the proposed application of profits from the minutes of the Ordinary General Meeting of Shareholders to take place on 29 April, in response to the shrinking advertising market across all media as a result of the COVID-19 crisis. This proposal included asking shareholders to confirm the interim dividend of €0.20/share paid out in December plus the distribution of a final dividend of €0.25/share. A new General Meeting will be called within the legally required period to approve the application of 2019 profits.



2.3 Consolidated Cash Flow Statement

At 31 March 2020 net cash flows from operating activities were positive, totalling 22.1 million euros.

Euros (in thousands)	31 March 2020	31 March 2019
1.- CASH FLOWS FROM OPERATING ACTIVITIES		
Consolidated profit for the period before tax	29,906	37,888
Adjustments for:	9,661	6,442
- Depreciation and amortisation	4,710	4,892
- Provisions and others	3,209	(271)
- Financial result	1,742	1,821
Changes in working capital	(20,887)	24,397
Cash flow from operations	18,680	68,727
Income tax (paid)/refunded	3,405	2
Net cash flows from operating activities	22,085	68,729
2.- CASH FLOWS FROM INVESTING ACTIVITIES		
Investments	(5,989)	(9,076)
Group companies, joint ventures and associates	(553)	(1,676)
Property, plant and equipment and intangible fixed assets	(3,349)	(2,867)
Investment in Spanish film productions	(2,086)	(4,534)
Divestments and advances on the sale of assets	2,785	3,395
Net cash flows from investing activities	(3,204)	(5,681)
3.- CASH FLOWS FROM FINANCING ACTIVITIES		
Lease payments	(385)	
Finance income collected (paid)	(2,718)	(3,074)
Financing of associates and related parties	(126)	(0)
Financial debt	71,218	(11,397)
Net cash flows from financing activities	67,989	(14,471)
NET INCREASE / DECREASE IN CASH	86,869	48,575
Cash and cash equivalents, beginning of the period	85,831	85,626
Cash and cash equivalents, end of the period	172,700	134,201

Note: Figures to March are unaudited



2.4 Share price

2.4.1 Atresmedia's shares

Atresmedia's shares closed the first quarter of 2020 at € 2.50/share, down 28.2% on the closing price of € 3.482/share at the end of 2019. Meanwhile, the IBEX 35 closed the quarter at 6,785.40 points, 28.9% down on last year end.



Atresmedia share price in 2020 vs. the IBEX 35.

Trading figures	Jan-Mar 2020
Share price at 31/03/2020 (€)	2.500
High (€)	3.51
Low (€)	2.492
Weighted average price (€)	3.059
Average daily volume (shares)	647,734
Average daily volume (thousand euros)	1,981
Number of shares (million)	225.7

Source: Net Station



2.4.2 Analysts' recommendations

At the close of the quarter, 21 analysts were reporting and offering recommendations on our shares. Of these, 24% recommended Buy Atresmedia shares, 38% recommended Hold, while 38% continued to recommend Sell. The average target price at the end of the period was € 3.38/share.

During the first quarter of 2020 Atresmedia's Investor Relations department took part in 3 conferences and roadshows, two in Madrid and one in Lyon.

The department held around 25 direct meetings with analysts and investors (at conferences and in our offices) and held 37 conference calls with analysts, institutional investors and minority shareholders.

The department has been less active than usual this quarter as many of its planned events were cancelled due to the COVID-19 crisis.

2.5 Corporate Social Responsibility

Key events in the first quarter of 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.

With regard to the management of human resources, Atresmedia's internal response to the COVID-19 health 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.

In terms of social responsibility, the Group's external response to the COVID-19 pandemic includes supporting the "Cruz Roja Responde" initiative launched by the Spanish Red Cross to meet the health, social, education and employment needs of over a million affected people.

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



- “Ponle Freno” announced the 2020 edition of its awards recognising organisations' and individuals' efforts to improve road safety.
- “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.
- “Levanta la Cabeza” introduced the “sin verificar, no compartas” campaign in schools, running practical workshops to encourage young people to check information before sharing it, and teaching them how to use fact-checking tools.
- Finally, Antena 3 Noticias renewed its commitment to tackling gender violence through the initiative “Contra el maltrato: Tolerancia Cero”.

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 volunteering project “Aislados, pero no solos”, with volunteers calling the elderly and disabled by phone and writing letters of encouragement to people in hospital.

The Atresmedia Foundation continues its efforts to improve education, with an impressive number of teachers once more attending this year's “Grandes Profes” event. The Foundation also launched the seventh edition of its “Grandes Iniciativas” awards, aimed at improving the quality of education through publicising and recognising inspiring and innovative educational projects developed by teachers and schools which have had a significant impact.

In the area of the environment, Atresmedia is implementing the measures defined in its 2019 environmental strategy. The Group has begun buying 100% of its power from renewable sources and is studying what emission reduction targets to set for 2030. It also continues to support the WWF “Earth Hour” campaign through its “Hazte Eco” initiative.



3. AUDIOVISUAL

3.1 Income statement

Euros (in thousands)	Jan-Mar 2020	Jan-Mar 2019	Change
NET REVENUE	210,380	240,526	(12.5%)
OPERATING EXPENSES	174,618	198,641	(12.1%)
EBITDA	35,762	41,886	(14.6%)
Amortisation and depreciation and impairment	4,026	4,156	(3.1%)
EBIT	31,736	37,730	(15.9%)

3.1.1 Net revenue

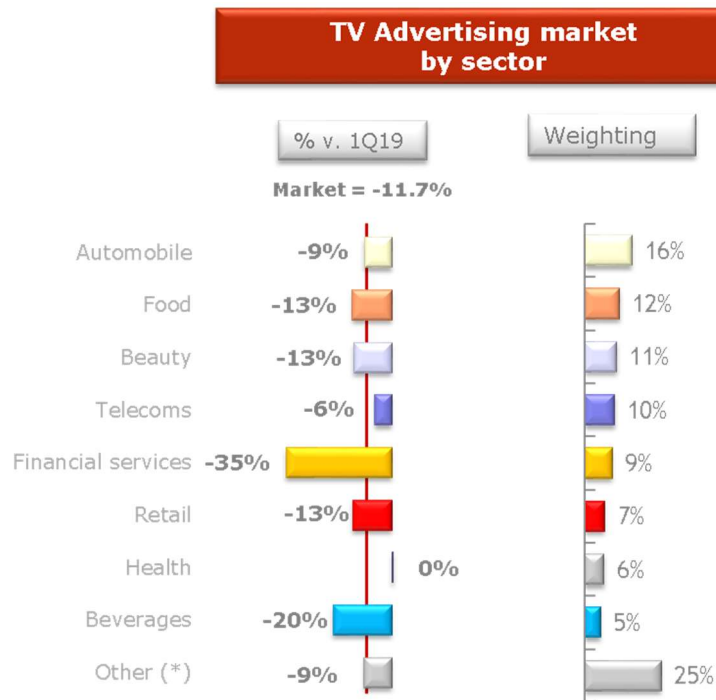
Net revenue for the quarter to March 2020 was 210.4 million euros, in comparison with 240.5 million euros for the same period in 2019.

Euros (in thousands)	Jan-Mar 2020	Jan-Mar 2019	Change
Television advertising	180,103	201,884	(10.8%)
Digital advertising	9,544	9,377	1.8%
Content production and distribution	14,209	21,731	(34.6%)
Other revenue	6,524	7,535	(13.4%)
NET REVENUE	210,380	240,526	(12.5%)

Television advertising revenues totalled 180.1 million euros, compared to 201.9 million euros in the same period of 2019.

According to Infoadex, the television advertising market has shrunk by around 11.7% in the period.

There has been a general downturn across all sectors. Advertising spending fell by 23.2% in the month of March.



(*) Cleaning, leisure and sports, energy, etc.

Sources: Infoadex / Sectors: 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 revenue but it does affect the year-on-year comparability of gross advertising revenues published by third parties.

According to internal estimates, Atresmedia Television's share of the advertising market in the quarter was 42.2%, compared with 42.3% last year.



Internet advertising revenues amounted to 9.5 million euros, an increase of 1.8% on the quarter to March 2019. According to Infoadex, the internet advertising market shrank by about 4.3% in the year, falling by 14.5% in March alone.

Content production and distribution revenues totalled 14.2 million euros, compared to 21.7 million in the same period last year. This change is due to Atresmedia Studio's different phasing in sales to third parties compared with 2019.

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 Cine released two feature-length films in the first quarter of the year: "Malasaña 32" and "Hasta que la boda nos separe", which both featured in the rankings of highest grossing Spanish films for the year to date. Films such as "Legado en los huesos" also remained on release. These films accounted for 25% of box-office takings for Spanish cinema in the year.



Other revenues, which mainly include events, licences, and editorial rights, totalled 6.5 million euros compared with 7.5 million euros in the three months to March 2019.

3.1.2 Operating expenses

Euros (in thousands)	Jan-Mar 2020	Jan-Mar 2019	Change
Programme procurement	86,764	103,406	(16.1%)
Staff costs	35,185	32,178	9.3%
Other operating expenses	26,665	30,500	(12.6%)
Variable expenses linked to sales	26,003	32,557	(20.1%)
OPERATING EXPENSES	174,618	198,641	(12.1%)

Operating expenses for the three months to March 2020 totalled 174.6 million euros, a decrease of 12.1% compared with the same period in 2019.

In response to the global COVID-19 crisis, a cost-cutting plan was established in the first quarter for both programming and other operating costs in order to offset declining revenues, in particular in March. This has not harmed the Group's competitiveness.



Personnel costs are higher in part due to the direct employment by the Group of previously subcontracted IT staff from the second quarter of 2019, with a corresponding decrease in other operating expenses, and in part to the employment of new staff linked to increased content production for third parties through Atresmedia Studios.

On Atresmedia’s main channels, Antena3 and laSexta, in-house productions predominate (83.2%), while the majority of programmes broadcast on the complementary channels, Neox, Nova, Mega and Atreseries, are produced by third parties (79.6%).



3.1.3 Operating earnings and margins

EBITDA in the year to December 2020 was 35.8 million euros, with a margin on net revenues of 17.0%.

EBITDA (thousands of euros)	Jan-Mar 2020	Jan-Mar 2019
Audiovisual	35,762	41,886
Margin on net revenue	17.0%	17.4%



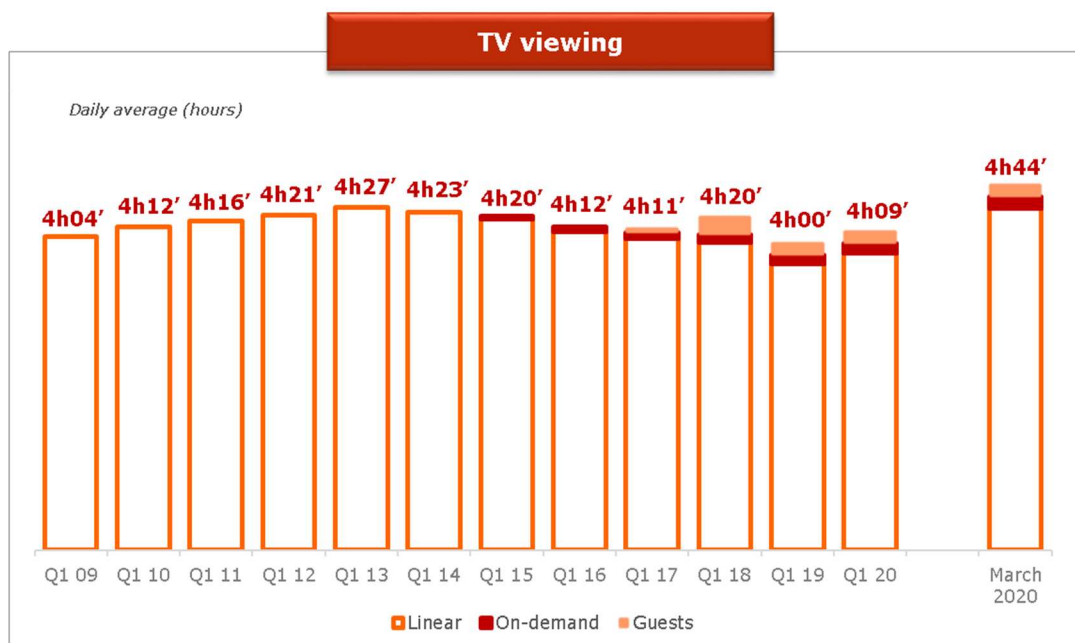
EBIT in the three months to March 2020 was 31.7 million euros, representing a margin on net revenue of 15.1%.

EBIT Euros (in thousands)	Jan-Mar 2020	Jan-Mar 2019
Audiovisual	31,736	37,730
Margin on net revenue	15.1%	15.7%

3.2 Audiences

3.2.1 Television viewing

Television viewing per person/day in the first quarter of 2020 was 4 hours and 9 minutes, nine minutes more than in the same period last year. This figure includes “linear television”, “on-demand” viewing and viewing time by guests.



Source: Kantar Media

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

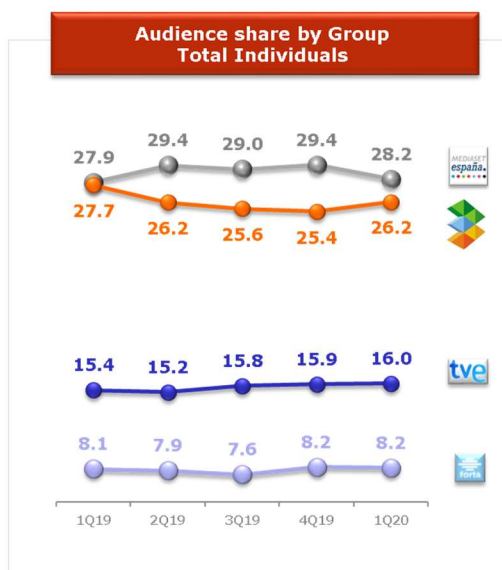
Guests: viewers who do not live in the main viewer's home.

In March this year, following the introduction of the state of alarm in response to the COVID-19 epidemic, television viewing hours reached record levels of 4 hours and 44 minutes per day, 21.9% more than in March 2019. 33,4 million people per day watched television in March 2020.

In this context of increased viewing levels, Atresmedia Television was the media group which more people turned to for information, with A3 Noticias and La Sexta Noticias seeing record audience numbers, with the highest monthly figures for eleven years.

3.2.2 Television audiences

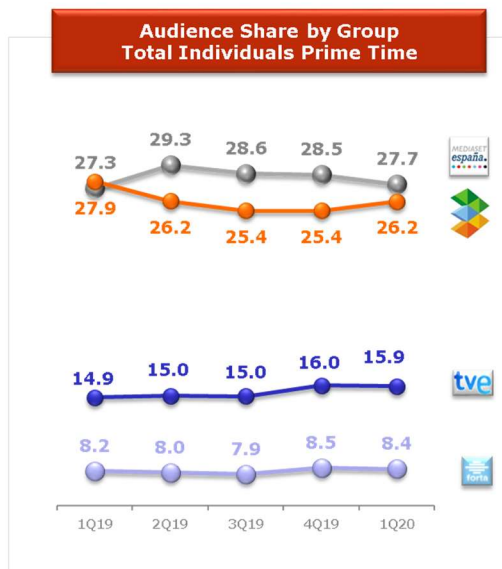
Atresmedia's television channels achieved an audience share of 26.2% in the first quarter of 2020. This figure rises to 27.6% for commercial target audiences, the most attractive audience for advertisers, and 28.1% for prime-time commercial target audiences, heading the rankings together with Mediaset España.



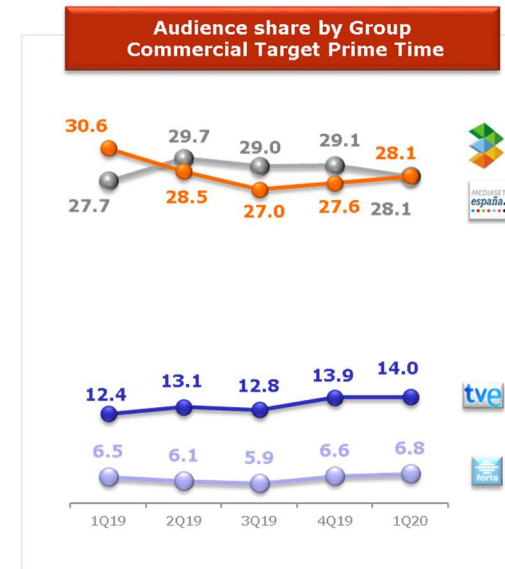
Source: Kantar Media. 24h total individuals 4+



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's average total individuals audience (24h) in the year was 11.7%, rising to 13.0% for prime time commercial audiences.

In entertainment programming, **"Tu cara me suena"** was the most popular programme on Fridays, with an average audience share rising to 20.2% and 2.7 million viewers.

The 30th anniversary special editions of **"¿Quién quiere ser millonario?"** headed the rankings in their time slot with almost 2 million viewers and an audience share of 16.2%.

Quiz shows were once again this quarter a key part of the programming structure: **"¡Ahora caigo!"** finished with an average audience of 1.4 million (12.0%) while **"¡Boom!"** had over 2 million viewers and a 14.4% audience share.

"El hormiguero 3.0" was the most watched daily programme on television and the clear leader in its time slot, with a 14.5% average audience share and almost 2.6 million viewers.

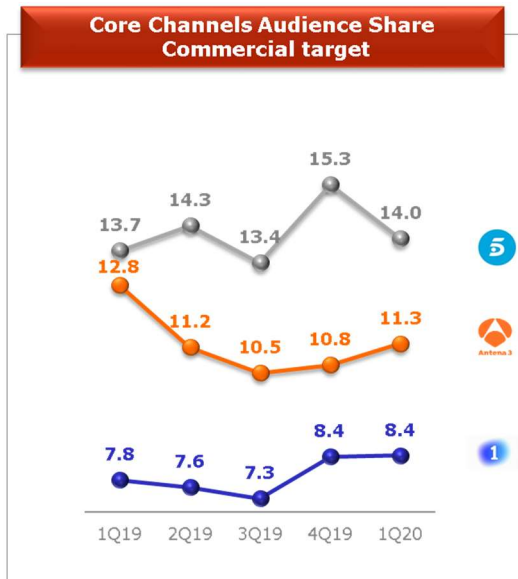
In news, Antena 3 Noticias continued to be the leading news programme with an average audience of 2.3 million and an audience share of 15.3%. The Monday to Friday edition of **Antena 3 Noticias 1** has been the leading early afternoon news programme for 26 consecutive months, with an audience share of 18.1% and over 2.4 million viewers. It is also the most viewed news programme.

In drama, daily broadcast series once again attracted excellent audience numbers with: **"Amar es para siempre"** (1.3 million viewers and a 11.1% audience share) and **"El Secreto de Puente Viejo"** in the afternoon (1 million viewers and a 9.5% audience share).

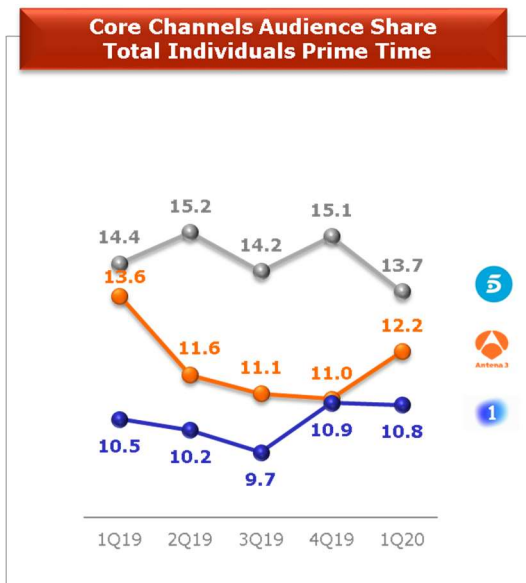
Antena 3's film offerings continue to be a key part of its programming strategy. In the weekend prime time slot, "El Peliculón" was one of the most popular choices. The most viewed film was **"El mejor verano de tu vida"** with 3 million viewers and an audience share of 18.3%.



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 average total individuals audience (24h) for the **laSexta** channel was 7.4%, 0.1 percentage points more than in the first quarter of 2019, keeping it 1.7 percentage points ahead of its main competitor. Its prime-time commercial target audience was 7.8%.

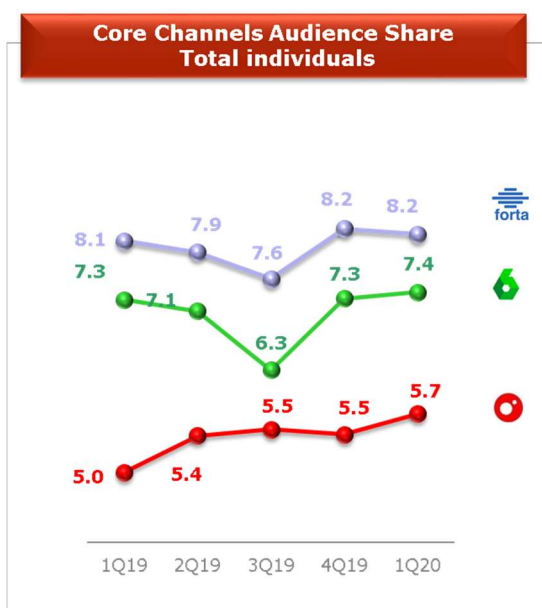
“El Intermedio” was once again the most viewed daily programme on laSexta with almost 1.5 million viewers (8.5%).

On average, across all its editions, “**La Sexta Noticias**” had an audience share of 11.3% and over 1.4 million viewers, its best ever figures. The Monday to Friday early afternoon edition, with over 1.6 million viewers and an audience share of 13.3% is the channel's most viewed news programme.

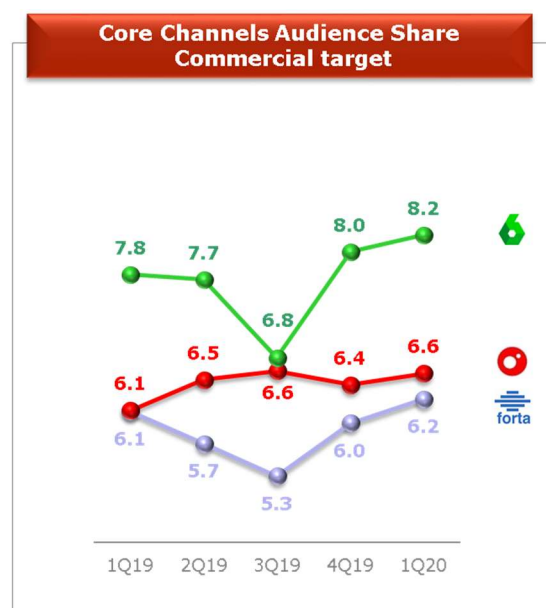
“**Al Rojo Vivo**” closed the period with an average audience share of 15.4%, with over one million viewers for the first time, in a quarter in which it saw its highest ever audience figures.

“**Más vale tarde**”, with an audience share of 8.1% and 0.9 million viewers is the most viewed evening news programme.

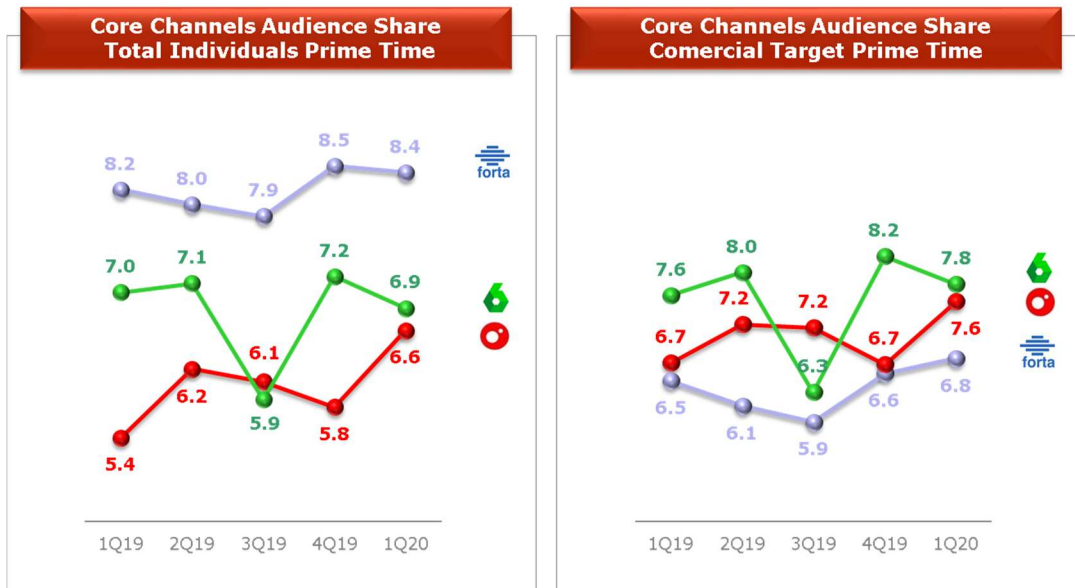
“**Lo de Évole**” debuted in the Sunday prime time slot, attracting an average of 1.8 million viewers, representing a 9.8% audience share, making it the channel’s most viewed content this quarter.



Source: Kantar Media. 24h total individuals 4+



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



The complementary channels contributed a combined audience share in total individuals (24h) of 7.2% in the year, reaching 8.1% for commercial target audiences.











The **Neox** channel had a total individuals audience share of 2.0% in the period and a 2.7% commercial target audience share.

Nova had a total individuals audience share of 2.2%, making it the leading specialist channel aimed at female audiences.

The **Mega** channel, aimed at a male, adult audience, reported average audiences of 1.5%, rising to 1.8% for commercial target audience share.

Atreseries obtained a total individuals audience share of 1.5% and a 1.7% commercial target audience share.

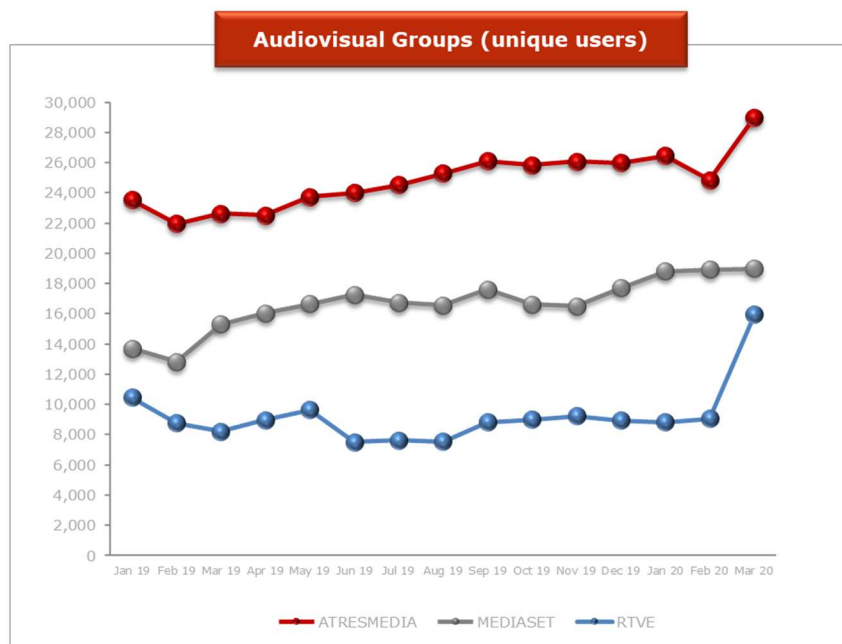
Total individuals audience on complementary channels

		<u>1Q20</u>	<u>1Q19</u>	<u>Change</u>
	neox novo MEGA A3S ATRESERIES	7.2	7.3	-0.1
	EDF d. E. BE MADR BOING	8.2	8.5	-0.3
	2 clan tdp 24h	6.2	5.8	0.4
Net TV	 	2.6	2.8	-0.2
Veo TV	 	2.5	2.7	-0.2
13TV		2.2	2.0	0.2
Kiss TV		0.9	0.8	0.1
Secuoya		0.4	0.4	0.0
Real Madrid TV		0.3	0.3	0.0

Source: Kantar Media. 24h total individuals 4+

3.2.3 Digital audiences

According to figures published by comScore in March 2020, with its best-ever figure of 29 million unique users, Atresmedia’s website continues to head the internet audiovisual rankings with 10 million more users than Mediaset. It was number seven in the rankings of the top ten most visited websites in Spain.



Source: comScore

Atresplayer, the Group’s on-line video platform, had 3.3 million unique visitors, according to ComScore, putting it ahead of its main competitor's platform. Moreover, at 31 March the number of registered users totalled 7.8 million.

At 31 March 2020 the Atresmedia Premium pay-TV platform had a total of 235,000 subscribers.

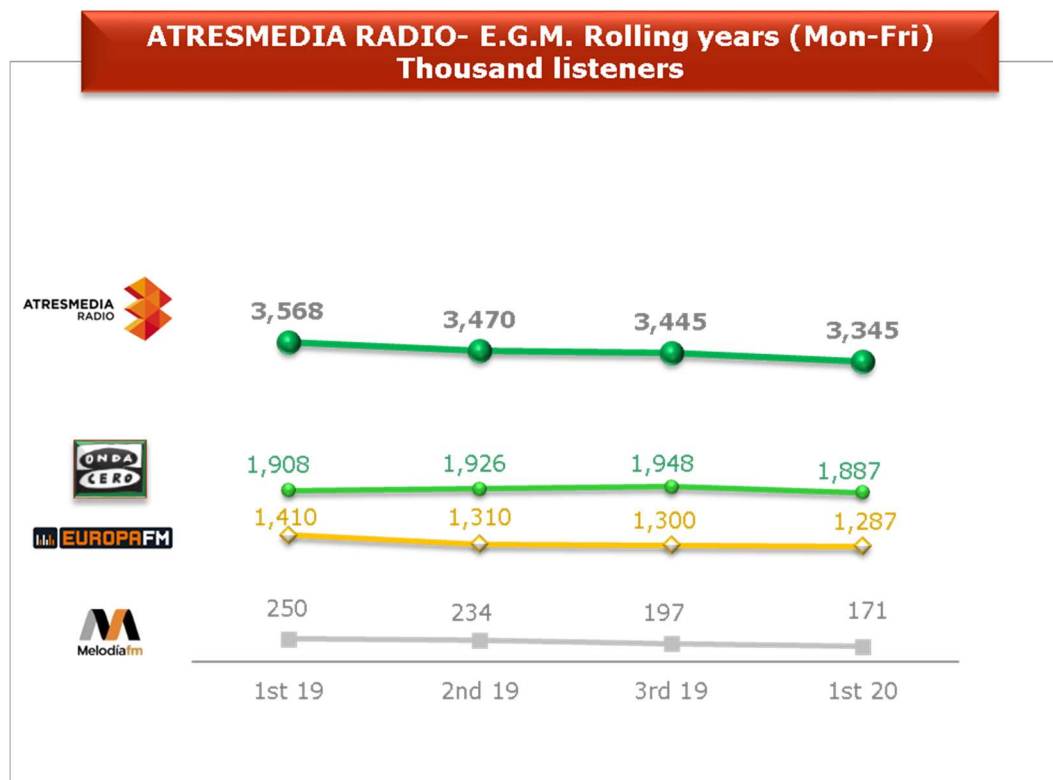


4. RADIO

4.1 Advertising market and audience figures

According to Infoadex, the radio advertising market in the first quarter shrank by 17.7%, falling by 34.6% in March.

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 non-specialist radio station with 1.9 million listeners. Among specialist stations, Europa FM had 1.3 million listeners while Melodía FM had 171,000 listeners.

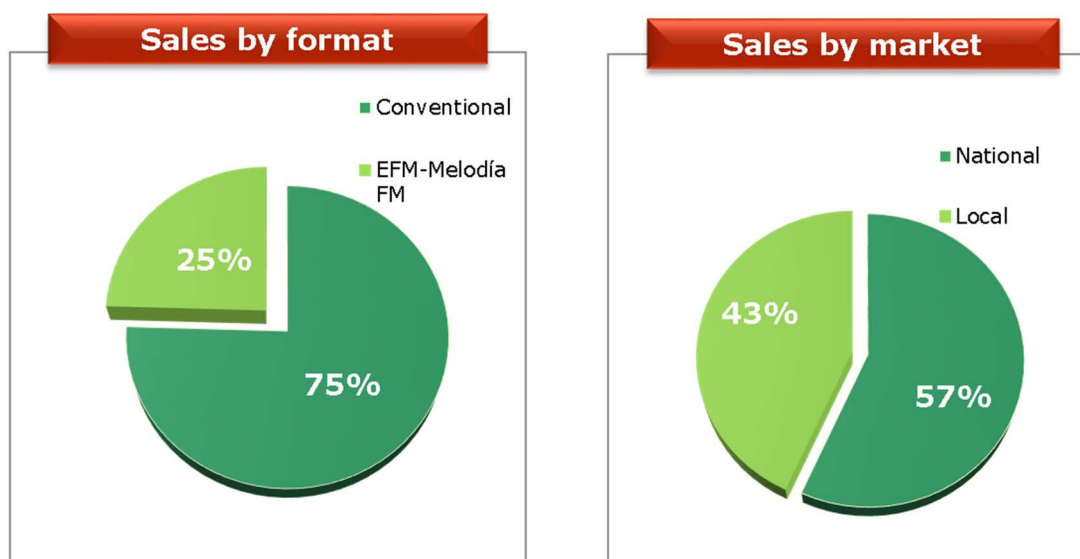


Source: EGM. Rolling years. Monday-Friday

4.2 Income statement

Euros (in thousands)	Jan-Mar 2020	Jan-Mar 2019	Change
NET REVENUE	15,916	19,970	(20.3%)
Staff costs	6,414	6,478	(1.0%)
Other operating expenses	9,338	10,259	(9.0%)
OPERATING EXPENSES	15,752	16,737	(5.9%)
EBITDA	164	3,234	(94.9%)
Amortisation and depreciation and impairment	683	700	(2.4%)
EBIT	(519)	2,534	n/a

Net revenue for the first quarter of 2020 totalled 15.9 million euros, compared with 20.0 million euros for the first quarter of 2019.





Operating expenses for the quarter to 31 March 2020 totalled 15.8 million euros, compared to 16.7 million euros for the first quarter of 2020, a decrease of 5.9%.

EBITDA in the three months to March 2020 was 0.2 million euros.

EBITDA (thousands of euros)	Jan-Mar 2020	Jan-Mar 2019
Radio	164	3,234
Margin on net revenue	1.0%	16.2%

EBIT Euros (in thousands)	Jan-Mar 2020	Jan-Mar 2019
Radio	(519)	2,534
Margin on net revenue	-3.3%	12.7%



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)	1Q20	1Q19
Net total sales	207,889	238,955
Other operating revenues	15,538	18,564
Net revenue	223,427	257,519

Operating expenses: corresponds to the sum of programme procurement and other purchases, staff costs and other operating expenses.

Euros (in thousands)	1Q20	1Q19
Programme procurement and other purchases	91,900	115,750
Staff costs	41,599	38,656
Other operating expenses	54,003	57,994
Operating expenses	187,501	212,399



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

Euros (in thousands)	1Q20	1Q19
EBIT	31,217	40,263
Depreciation and amortisation	4,710	4,892
Impairment and disposal of property, plant and equipment	(1)	(36)
EBITDA	35,926	45,119

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)	1Q20	1Q19
Gross financial debt	350,058	305,140
Cash and cash equivalents	(172,700)	(134,201)
Net financial debt	177,359	170,939

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.