

ATRESMEDIA

FY19 Results

February 27th, 2020

www.atresmediacorporacion.com



“We believe in the power of reflection and emotion”

2019 Highlights

- According to external sources, Total Ad market flattened out in 2019 with TV down by 6%, Radio up by 1% and Digital up by 9%
- Atresmedia TV increased its market share vs 2018 by 20bps, to 40.7%
- Atresmedia Digital revenue grew by 6.5% up to €48 mill
- Atresmedia Radio's NAR totaled €83 mill (+0.7% yoy)
- Atresmedia's Total Net revenue amounted to €1,039 mill; -0.3% yoy
- OPEX stood at €855 mill; flat yoy
- EBITDA of €184 mill (-1.7% yoy)
- Net Profit reached €118 mill vs €88 mill in 2018
- Operating Cash Flow in line with EBITDA (€184 mill)
- Total Net Debt stood at €193 mill (vs €231 mill at Dec 2018), 1.05x Net Debt /EBITDA
- In addition to the interim dividend (0.2 €/sh) paid in Dec 19, a final dividend payment in the amount of 0.25 €/sh has been submitted to the AGM's approval

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2019 Financial Summary

Atresmedia

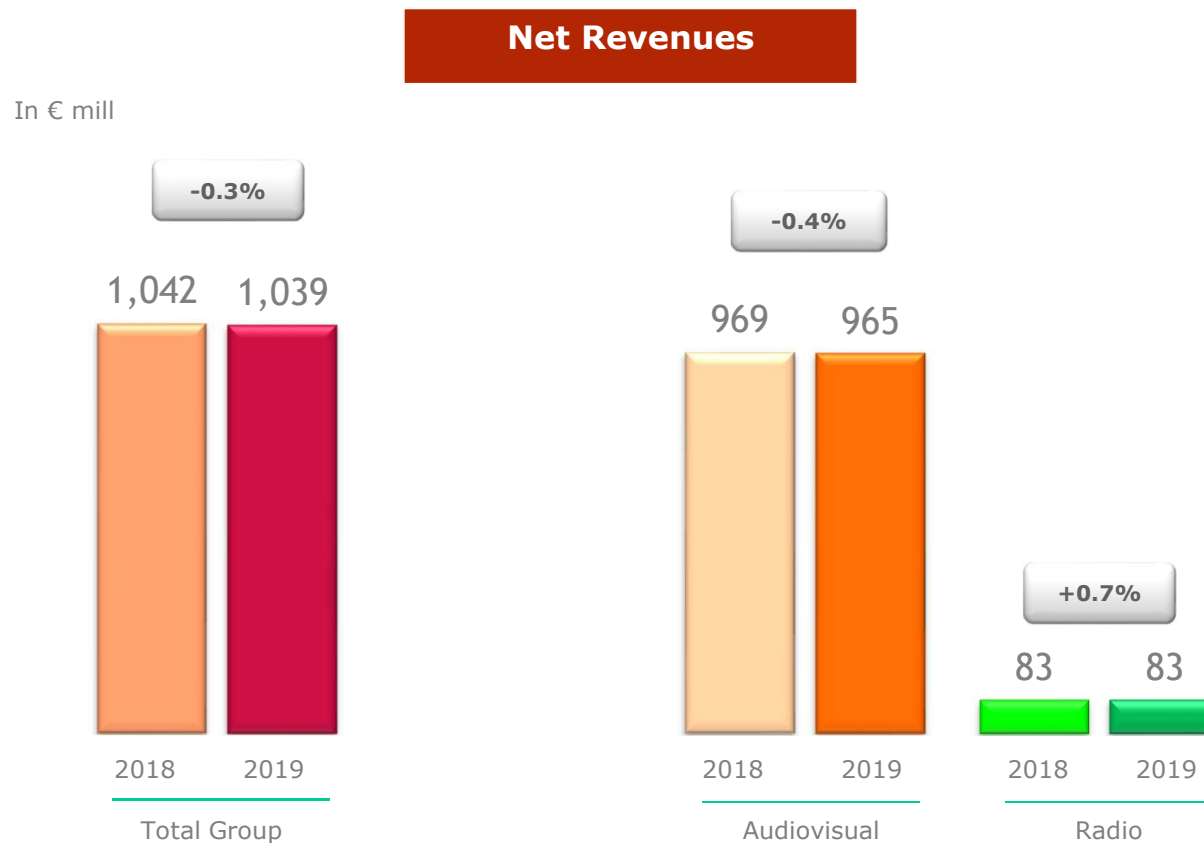
2019 Results in € mill: P&L

	2019	2018	YoY
Net Revenues	1,039.4	1,042.3	-0.3%
OPEX	855.5	855.2	+0.0%
EBITDA	183.9	187.1	-1.7%
<i>EBITDA Margin</i>	<i>17.7%</i>	<i>18.0%</i>	
EBIT	164.4	168.6	-2.5%
<i>EBIT Margin</i>	<i>15.8%</i>	<i>16.2%</i>	
Net profit	118.0	88.2	+33.8%
<i>Net profit Margin</i>	<i>11.4%</i>	<i>8.5%</i>	

Source: Atresmedia's financial statements

Atresmedia: Net revenues by segment

- Total Net Revenues stood at €1,039 mill, -0.3% yoy
- Audiovisual revenues were €965 mill (-0.4% yoy)
- Radio revenues totaled €83 mill (+0.7% yoy)



Source: Atresmedia's financial statements
Eliminations are not included

Atresmedia: Total revenue

- TV NAR's decline due to the tough ad market conditions was partially offset by other activities, mainly Content

Total revenue evolution breakdown yoy

In € mill

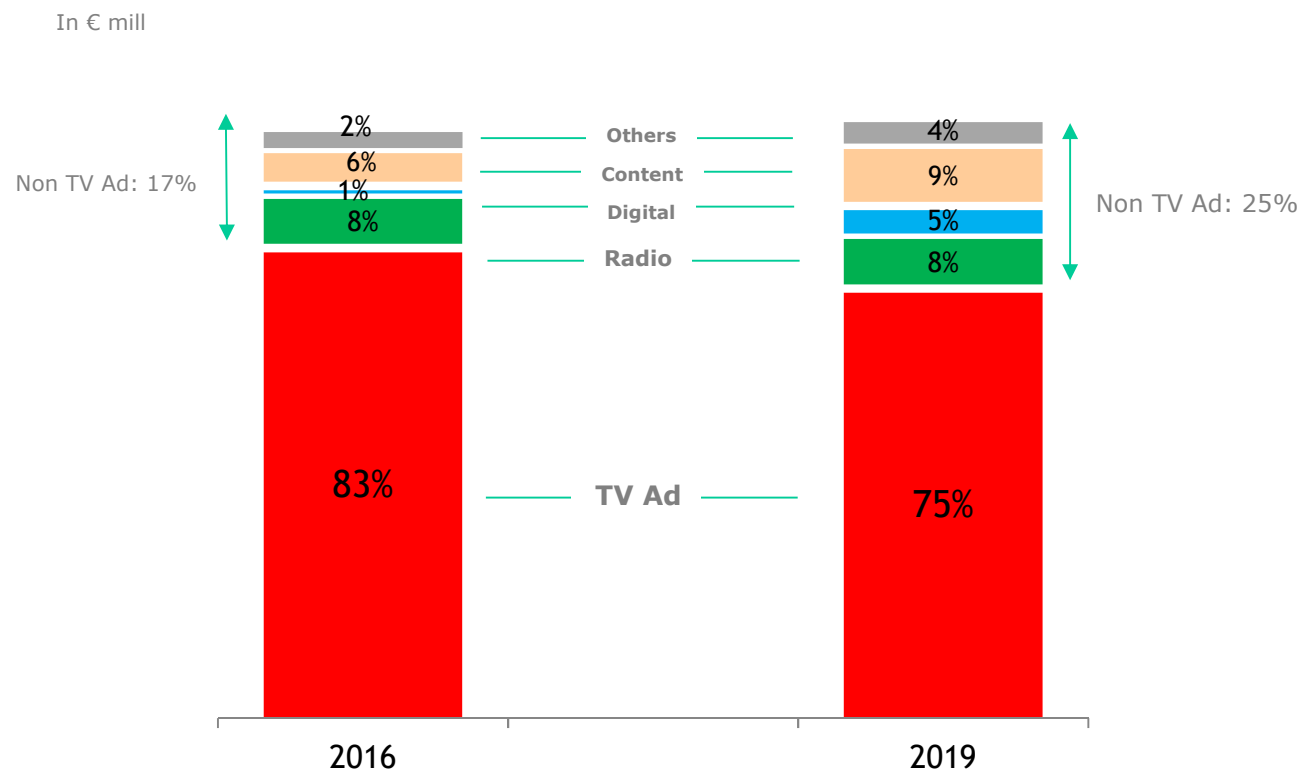


Source: Atresmedia's financial statements

Atresmedia: Total revenue breakdown & evolution

- In terms of diversification, non TV Ad revenue accounted for 25% of Total revenue in 2019 vs 17% three years ago

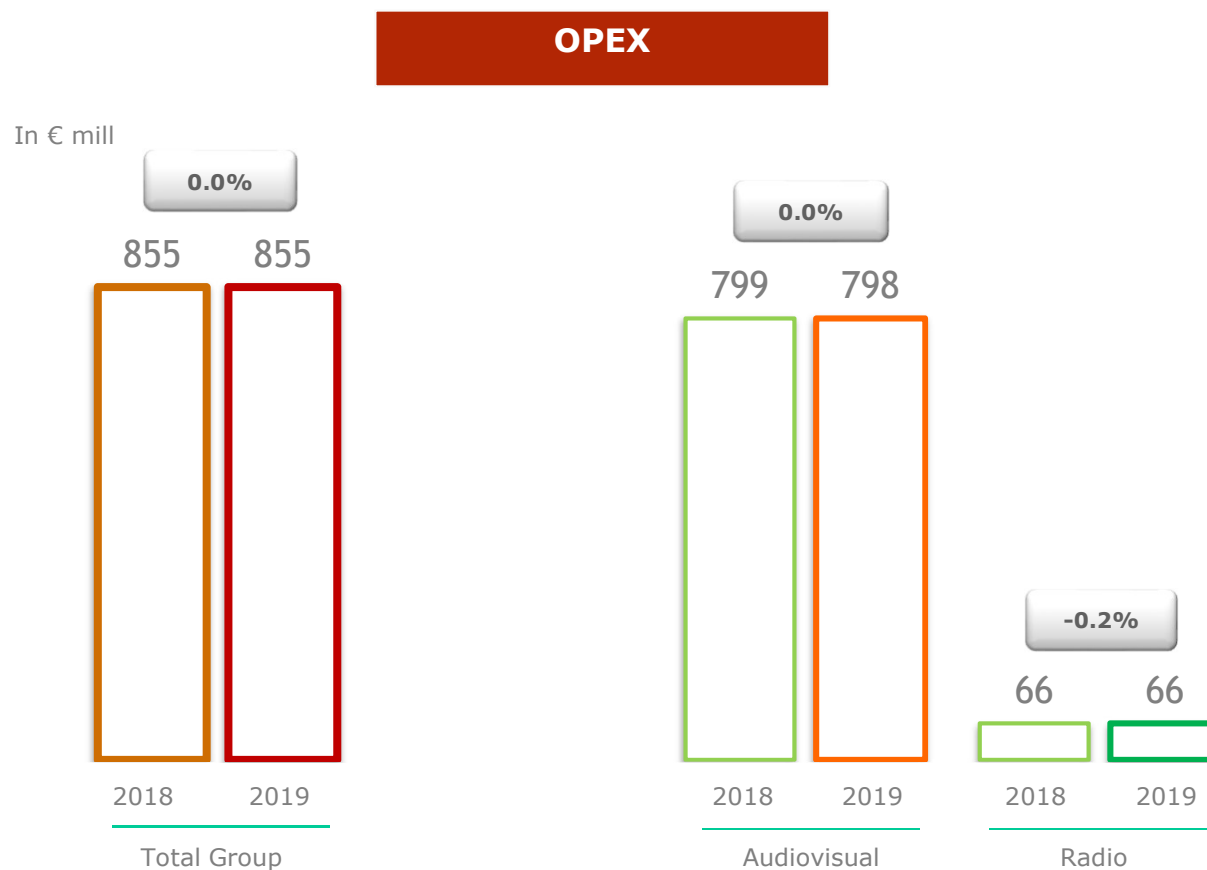
Net Revenue breakdown



Source: Atresmedia's financial statements
Eliminations are not included

Atresmedia: OPEX by segment

- Total OPEX was €855 million, same than in 2018
- Audiovisual expenses reached €798 mill (flat yoy)
- Radio expenses: €66 mill (-0.2% yoy)



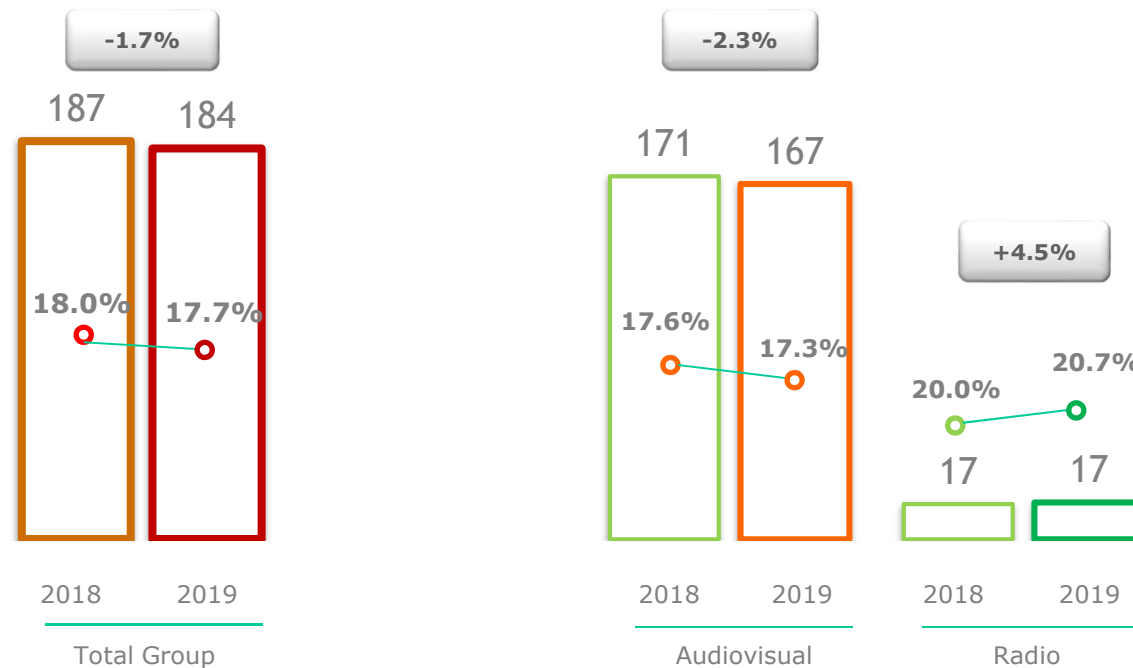
Source: Atresmedia's financial statements
Eliminations are not included

Atresmedia: EBITDA by segment

- Total EBITDA was €184 million, -1.7% yoy
- Total EBITDA margin down by 30 bps yoy to 17.7%

EBITDA & EBITDA margin

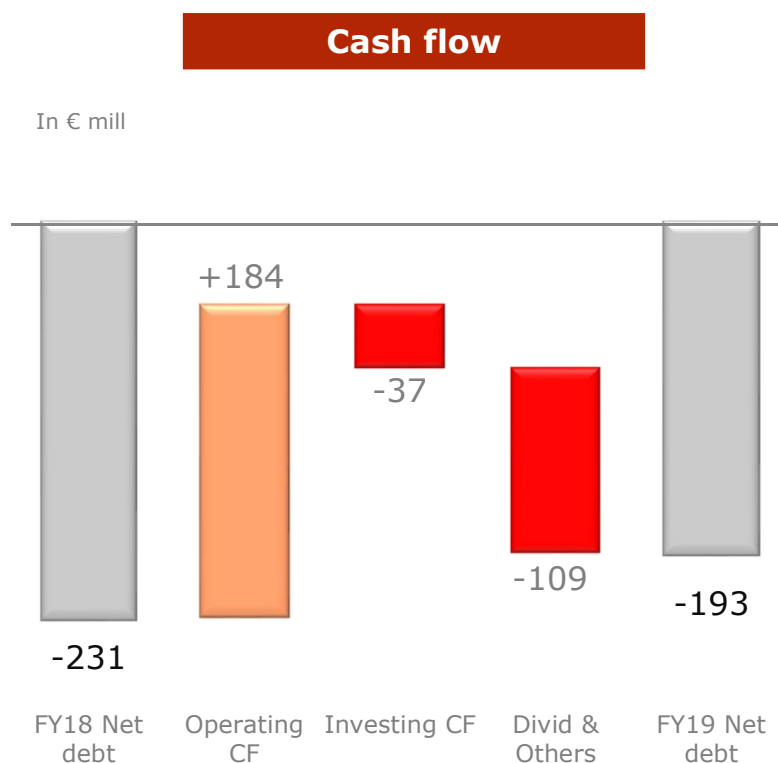
In € mill



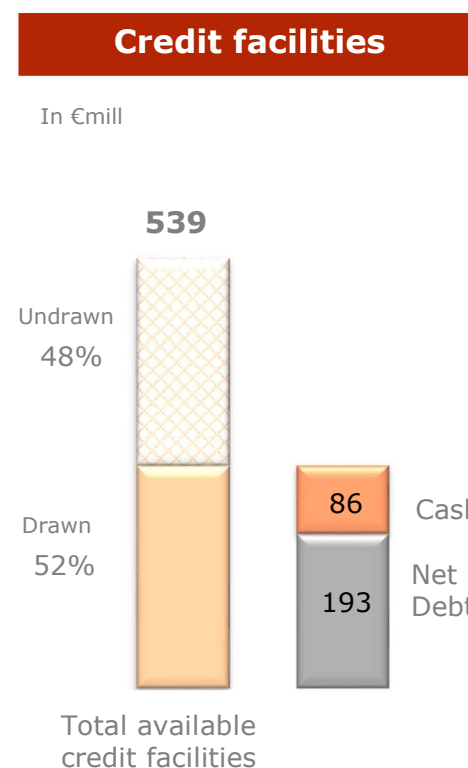
Source: Atresmedia's financial statements
Eliminations are not included

Atresmedia: Cash flow & Debt position

- Total net debt amounted to €193mill vs €231mill in 2018
- Operating Cash Flow equals EBITDA: €184 million
- Total net debt last 12 months/EBITDA = 1.05x



Source: Atresmedia's financial statements



Source: Atresmedia's financial statements

Atresmedia Audiovisual

2019 Results in € mill: P&L

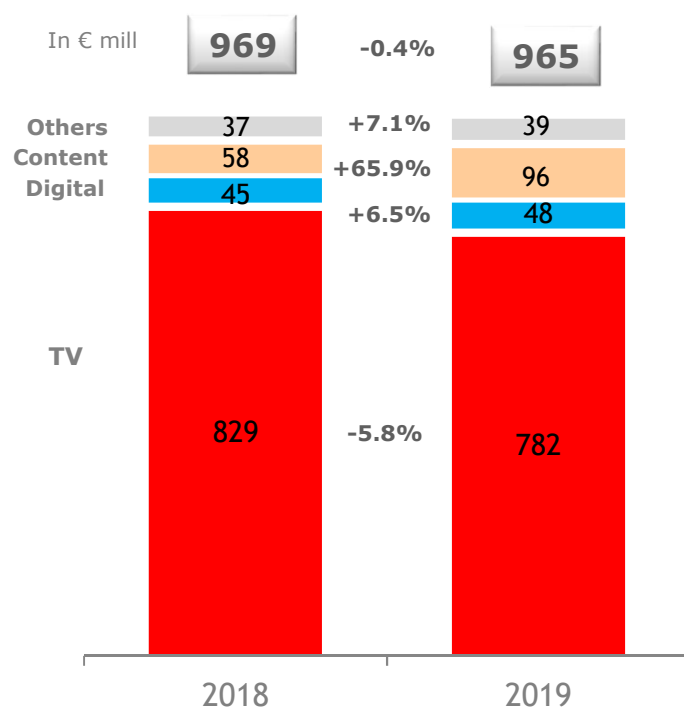
	2019	2018	YoY
Total Net Rev.	965.1	969.2	-0.4%
OPEX	798.4	798.6	0.0%
EBITDA	166.7	170.6	-2.3%
<i>EBITDA Margin</i>	<i>17.3%</i>	<i>17.6%</i>	
EBIT	150.0	154.2	-2.7%
<i>EBIT Margin</i>	<i>15.5%</i>	<i>15.9%</i>	

Source: Atresmedia`s financial statements

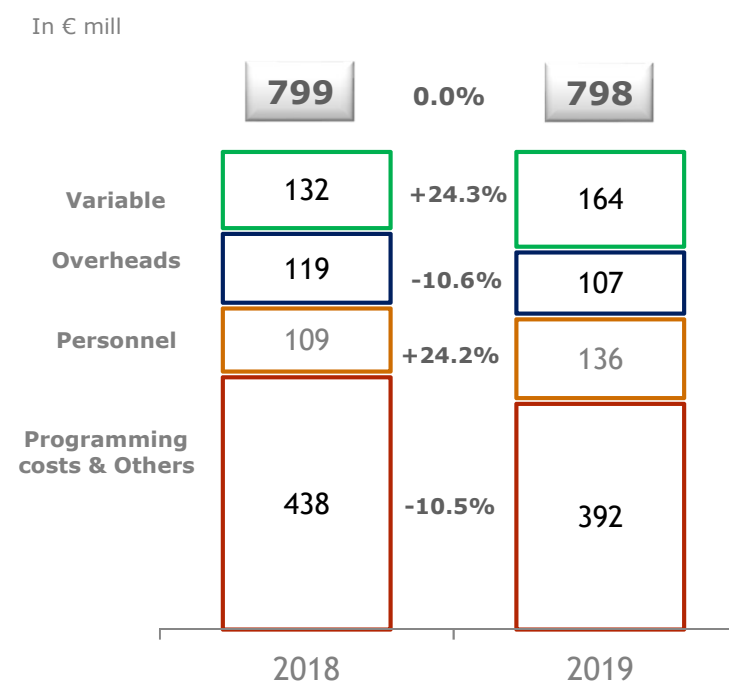
Audiovisual: Breakdown

- Audiovisual Net Revenues: TV decline offset by the increase in Digital, Content and Others
- OPEX flat basically driven by savings in Programming Costs and Overheads
- Personnel was up due to internal costs reallocations from Programming and Overheads into Personnel

Net Revenue breakdown



OPEX breakdown



Source: Atresmedia's financial statements

Atresmedia Radio

2019 Results in € mill: P&L

	2019	2018	YoY
Net Revenues	83.1	82.5	+0.7%
OPEX	65.9	66.0	-0.2%
EBITDA	17.2	16.5	+4.5%
<i>EBITDA Margin</i>	<i>20.7%</i>	<i>20.0%</i>	
EBIT	14.4	14.4	0.0%
<i>EBIT Margin</i>	<i>17.4%</i>	<i>17.5%</i>	

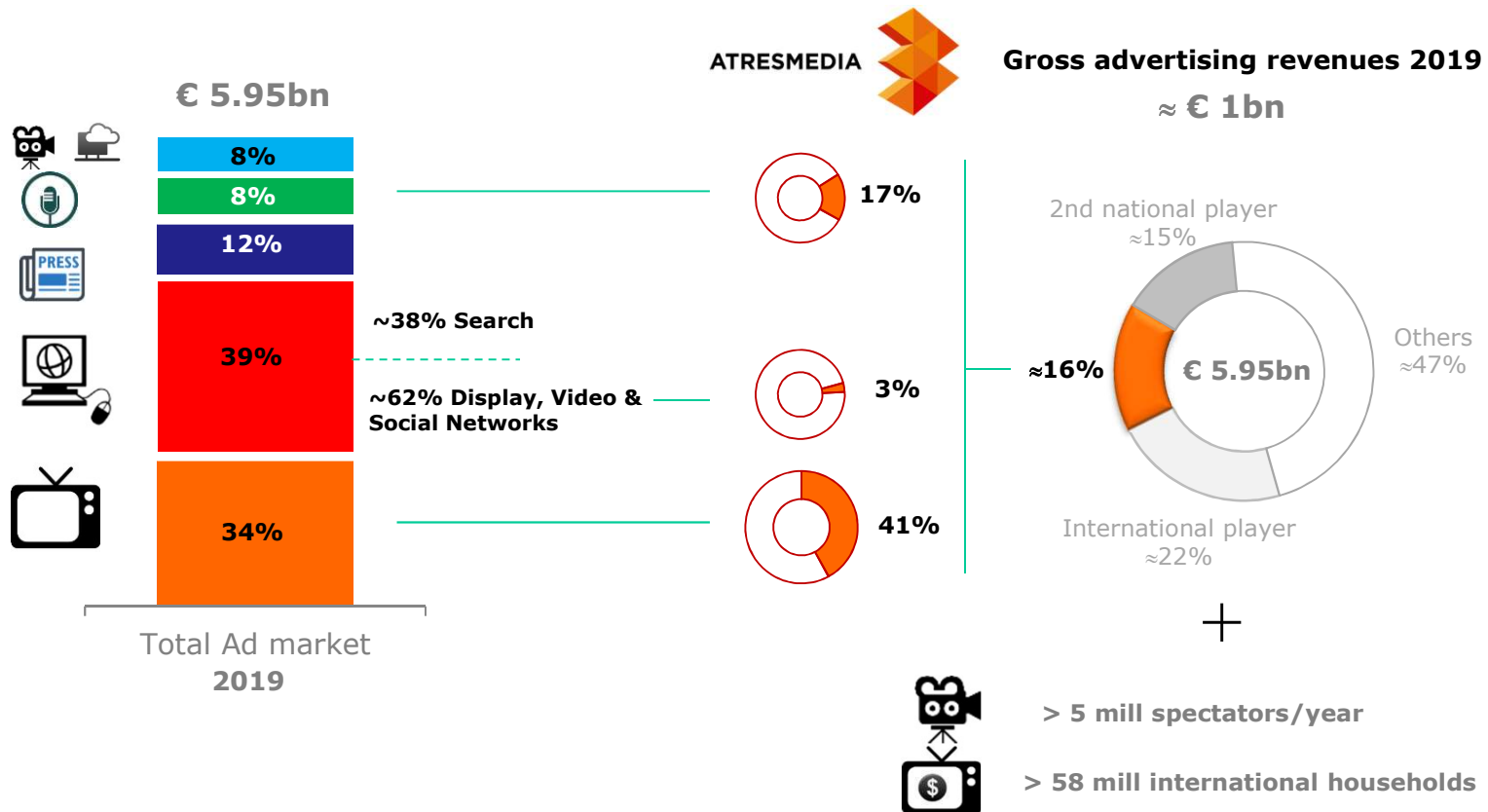
Source: Atresmedia's financial statements

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2019 Operational Summary

Atresmedia: Market positioning

➔ Atresmedia grabs 16% of the Total Advertising market in Spain (#1 national player)



Source: Infoadex & internal estimates

Source: Infoadex & internal estimates

Advertising market in Spain

- According to external sources, Total Ad market was flattish in 2019
- TV Ad market was down by 6% approx. with Radio flattish and Digital outperforming the overall market

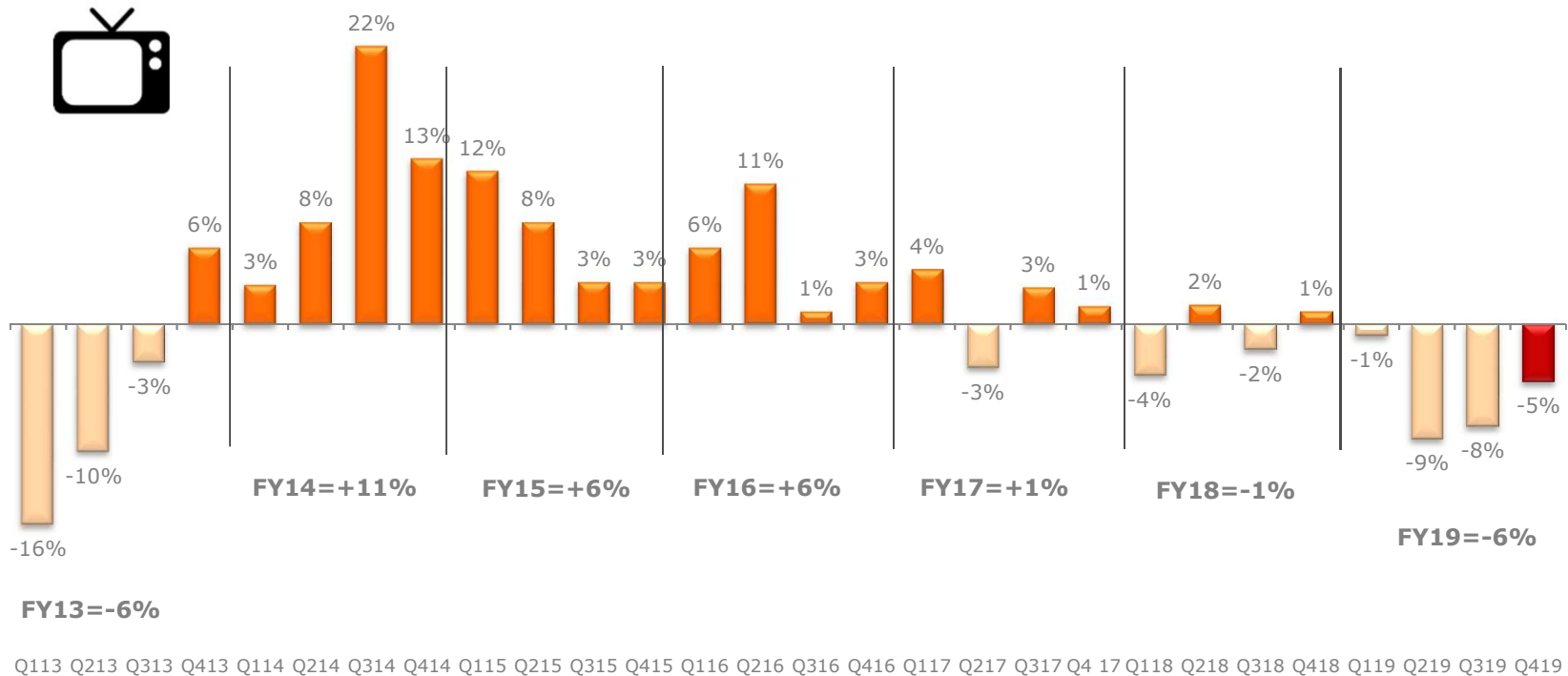
Media	I2p	Infoadex
TV	-5.9%	-5.8%
Radio	+0.1%	+1.1%
Newspapers	-9.9%	-9.1%
Magazines	-14.9%	-14.5%
Sunday suppl.	-9.7%	-7.8%
Outdoor	-2.2%	+1.0%
Digital	+10.7%	+8.8%
Cinema	+3.8%	+5.2%
Total	+0.4%	-0.2%

Source: I2p (ArceMedia) & Infoadex

TV Advertising market

- ➔ Negative year affected by the lack of sport events in FTA (FIFA World Cup & Champions League), two election processes in Spain and worse-than-expected performance in some categories such as autos

Gross Total TV Advertising by quarter (yoy growth)

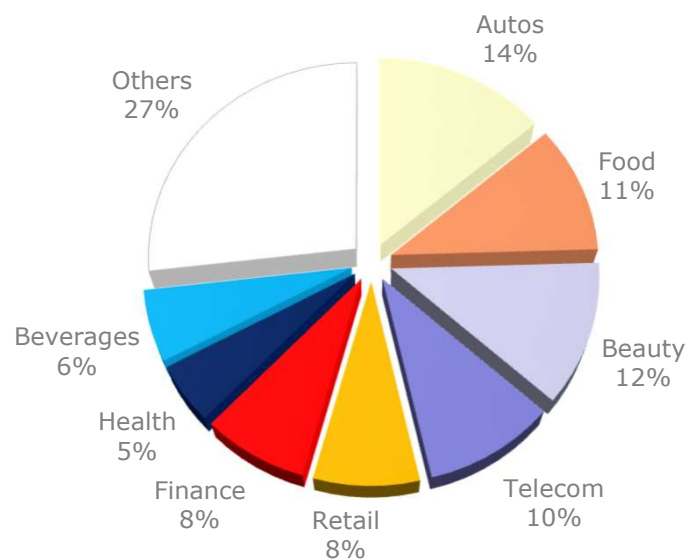


Source: Infoadex

TV Advertising market by category

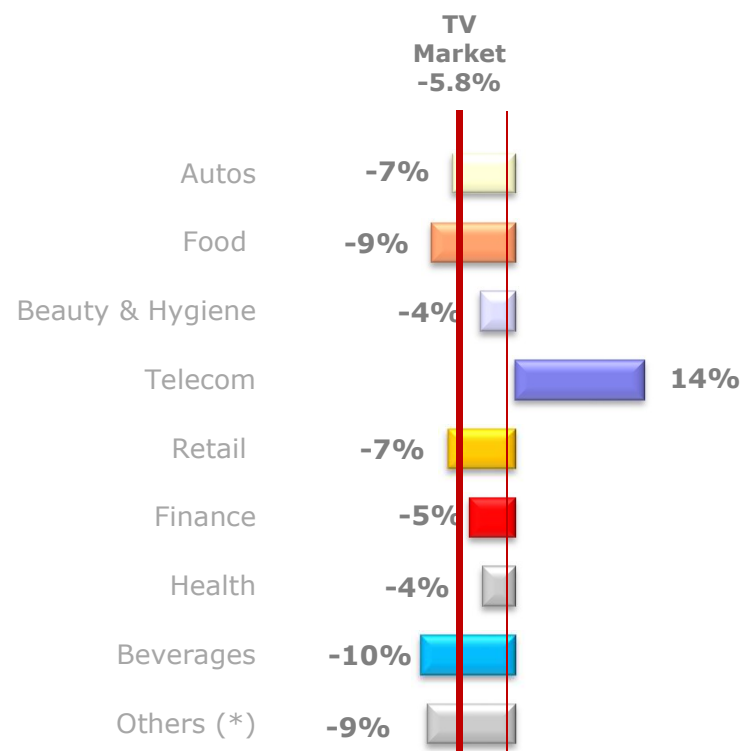
➔ Sectors with highest weight among the worst performers in the year

2019 TV Ad market share by category



Source: Internal estimates

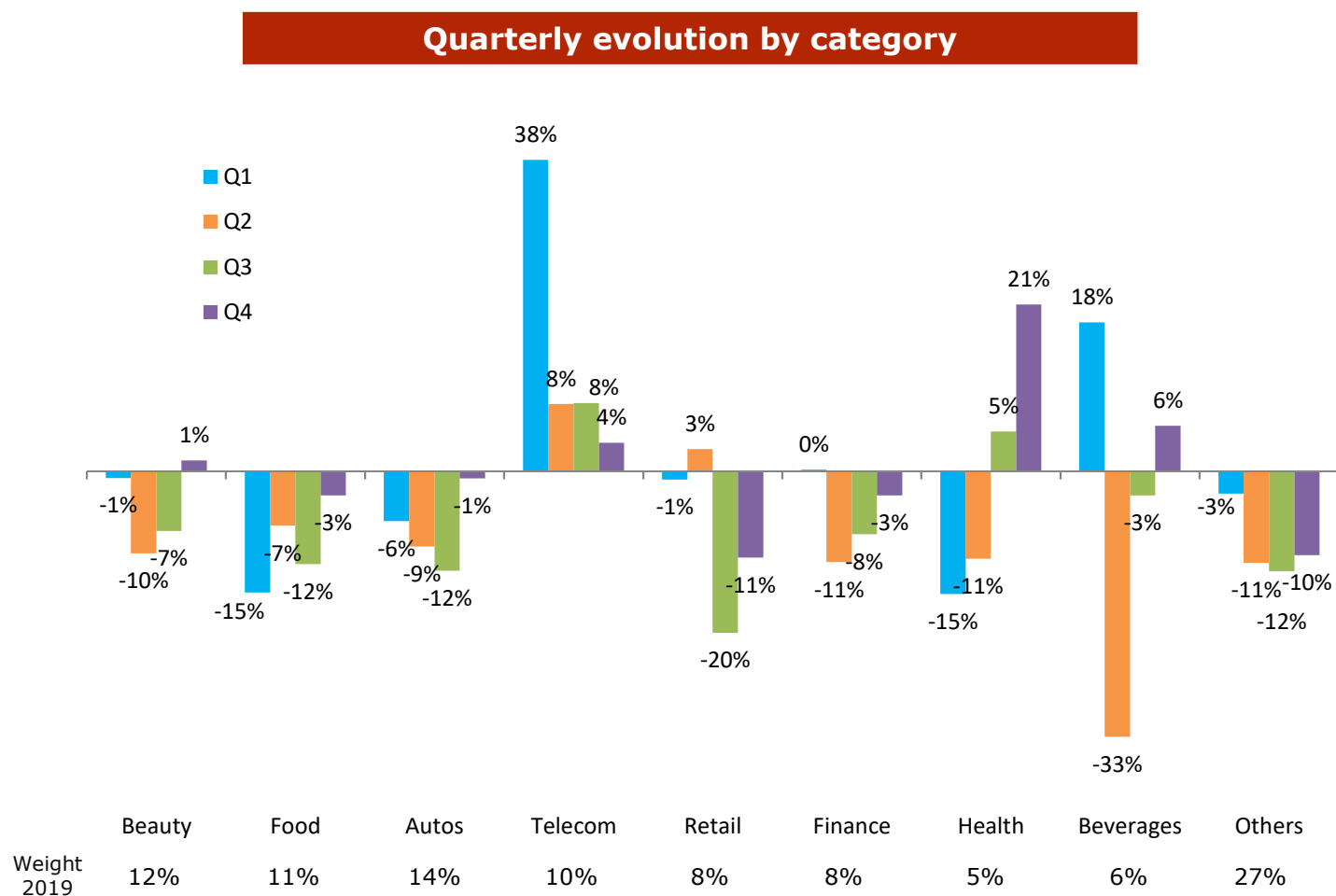
2019 TV Ad market evolution



*Others (<5% weight each): Cleaning, Leisure & sports, energy,....

TV Advertising market by category: Quarterly evolution

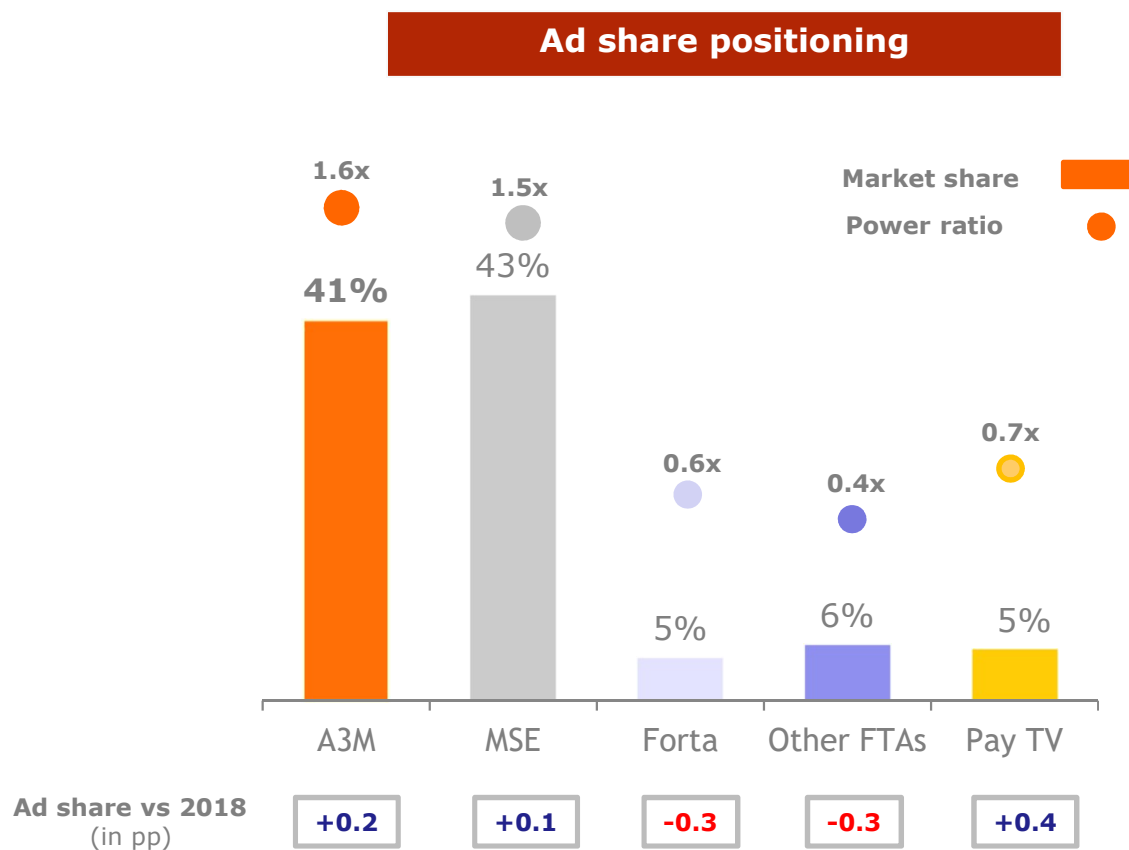
➔ Only Telecom increased its ad spending at every quarter



Source: Internal estimates

TV Ad market: Competitive position

- Atresmedia's market share stood at 40.7% (+20 bps vs 2018)
- The highest power ratio in the industry (1.6x)

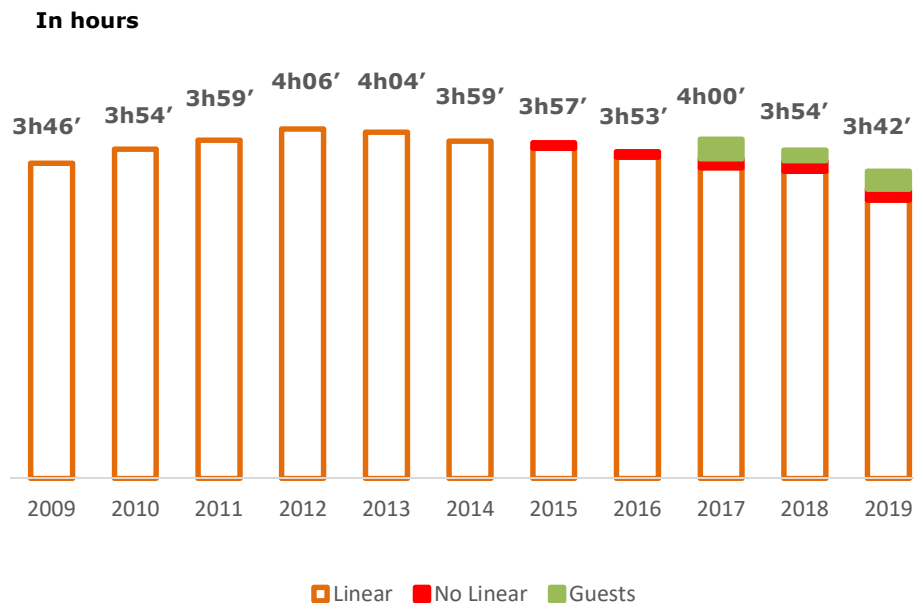


Source: Infoadex

TV viewing

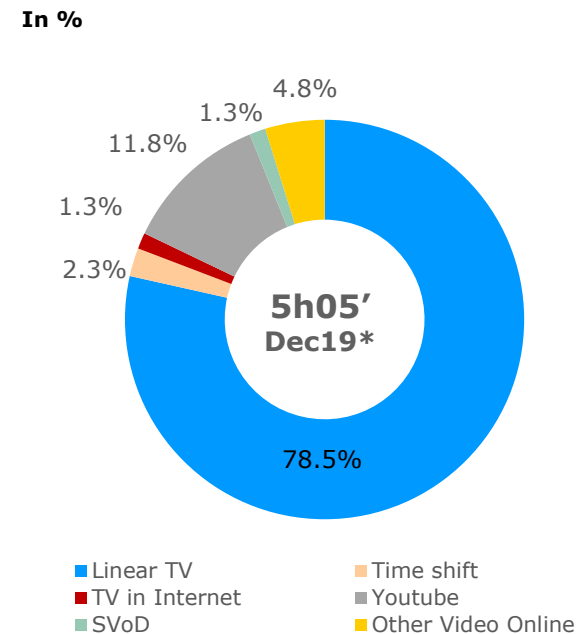
➔ Linear TV viewing remained at very high levels (more than 3h40min/day on average)

Average daily TV viewing



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

Average daily video viewing

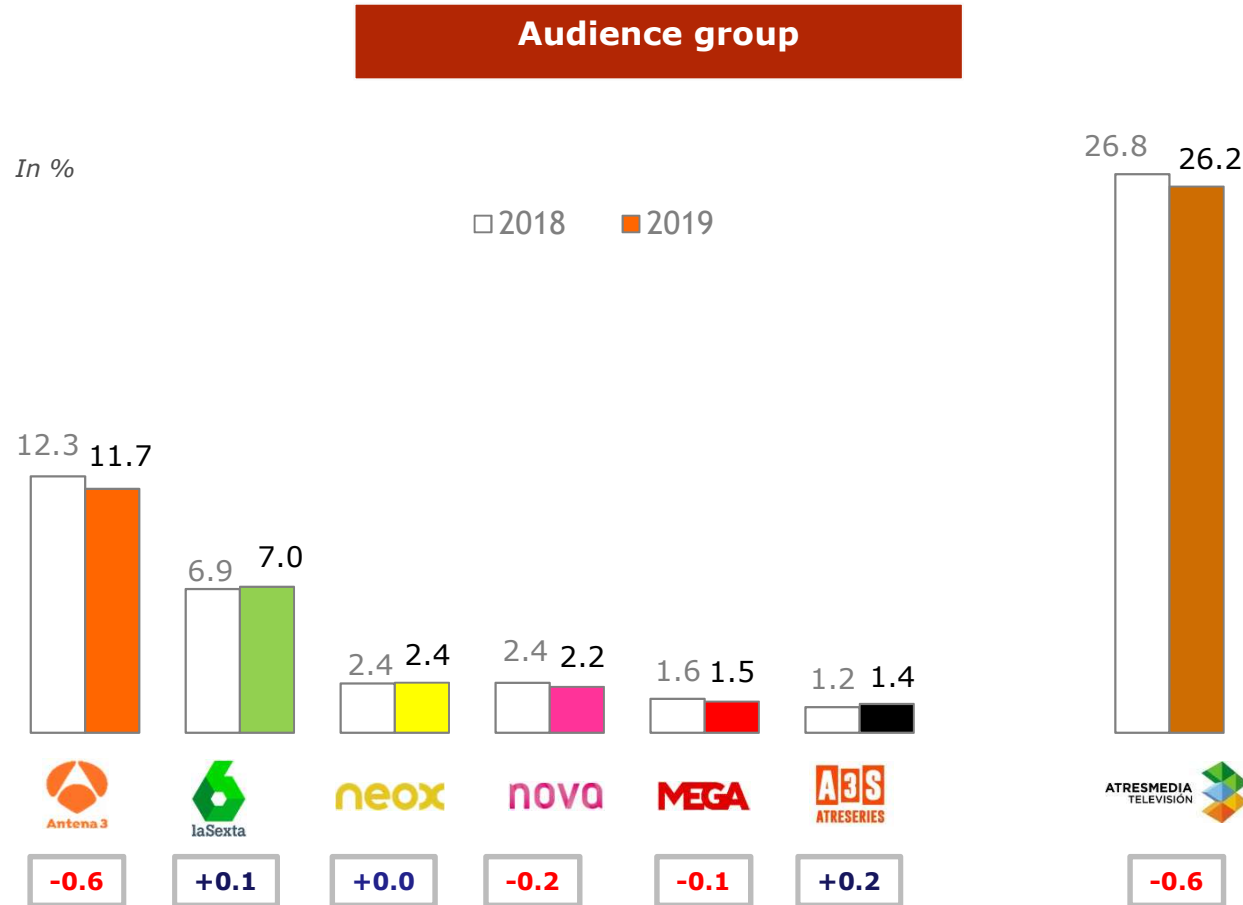


Source: Linear TV and Time Shift: Kantar; Internet TV: Comscore Video Metrix; Youtube: Comscore VideoMetrix; SVoD: Comscore Video Metrix

*Data of the month

Television: Atresmedia audience share

➔ Audience levels decline by 60 bps in the 1st full year without sports rights

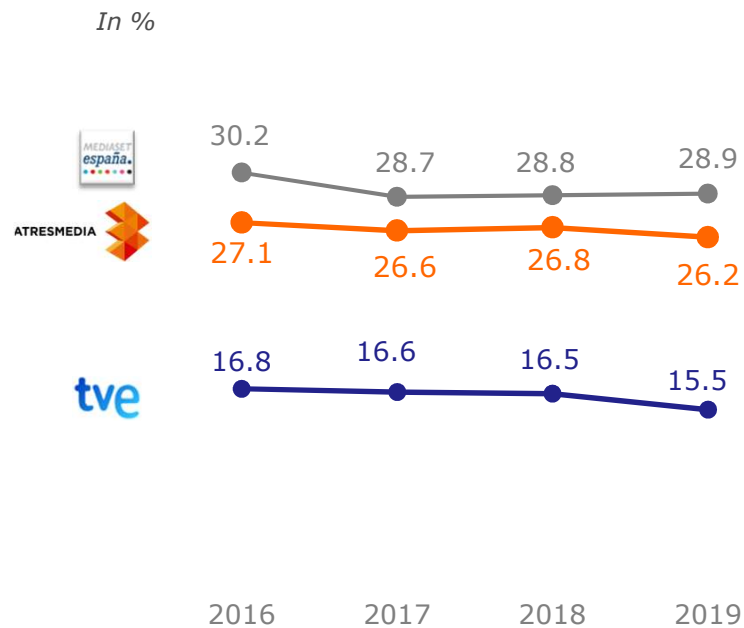


Source: Kantar Media. Total Individuals (4y+)

Television: Audience share by top players

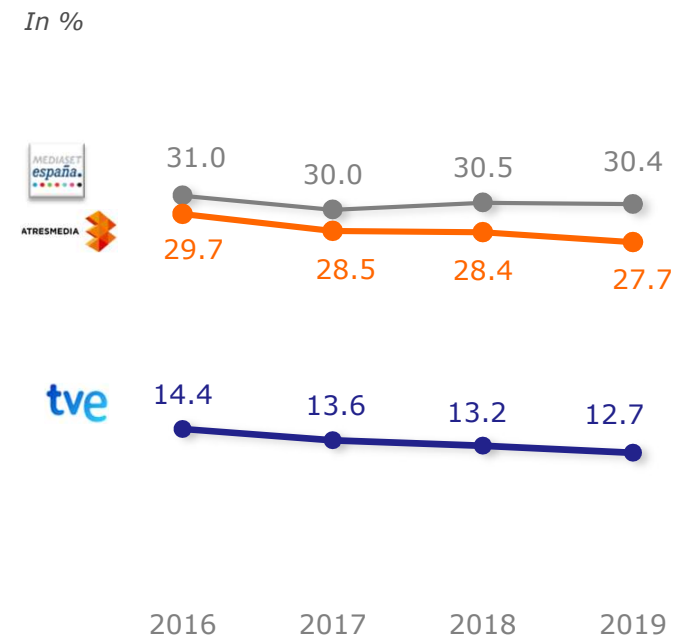
→ Atresmedia achieved 26.2% audience share in Total Individuals and 27.7% in Commercial Target in 2019

Audience Share Total Individuals



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

Aud. Share by Commercial Target



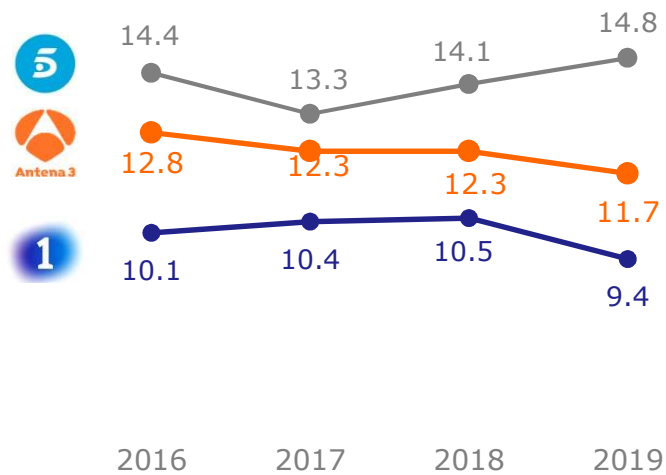
Source: Kantar Media. Commercial Target (25-59 y), >10,000 inhabitants

Television: Core channels audience share

→ Antena 3 achieved 11.7% in Total Individuals and 11.4% in the Commercial Target

Audience Share Total Individuals

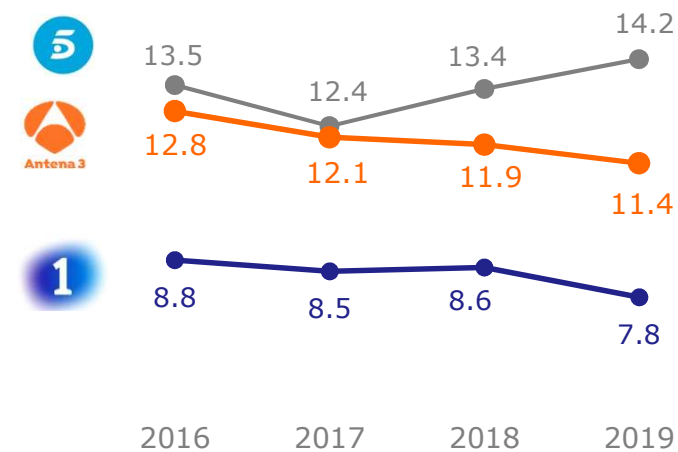
In %



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

Aud. Share by Commercial Target

In %



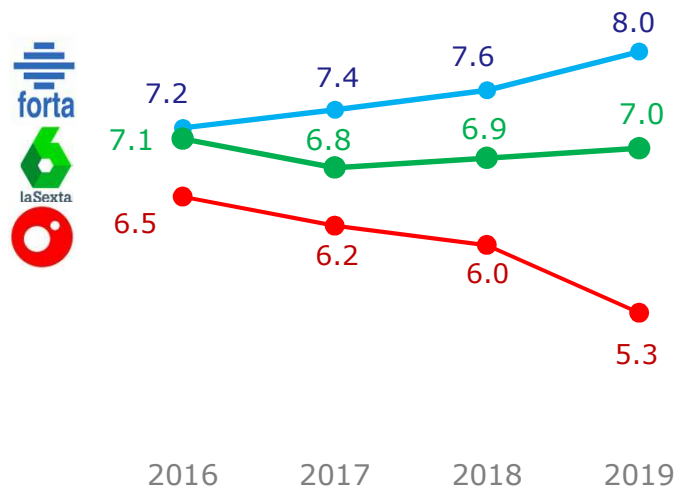
Source: Kantar Media. Commercial Target (25-59 y), >10,000 inhabitants

Television: Tier II channels audience share

- La Sexta improved 2018 ratings and widened the gap with its main commercial competitor, Cuatro

Audience Share Total Individuals

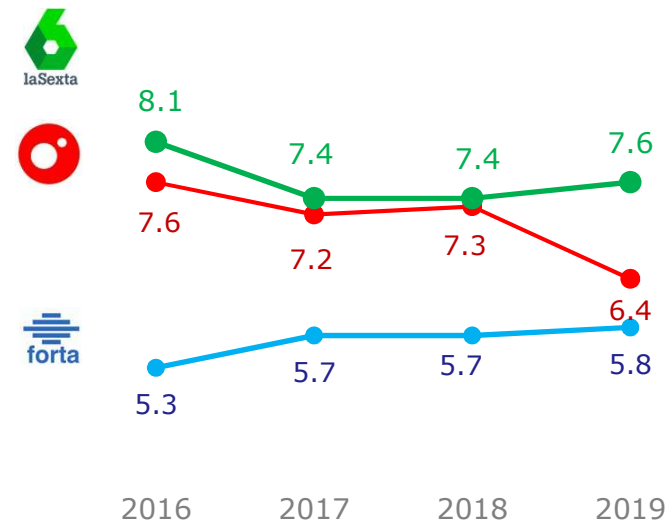
In %



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

Aud. Share by Commercial Target

In %

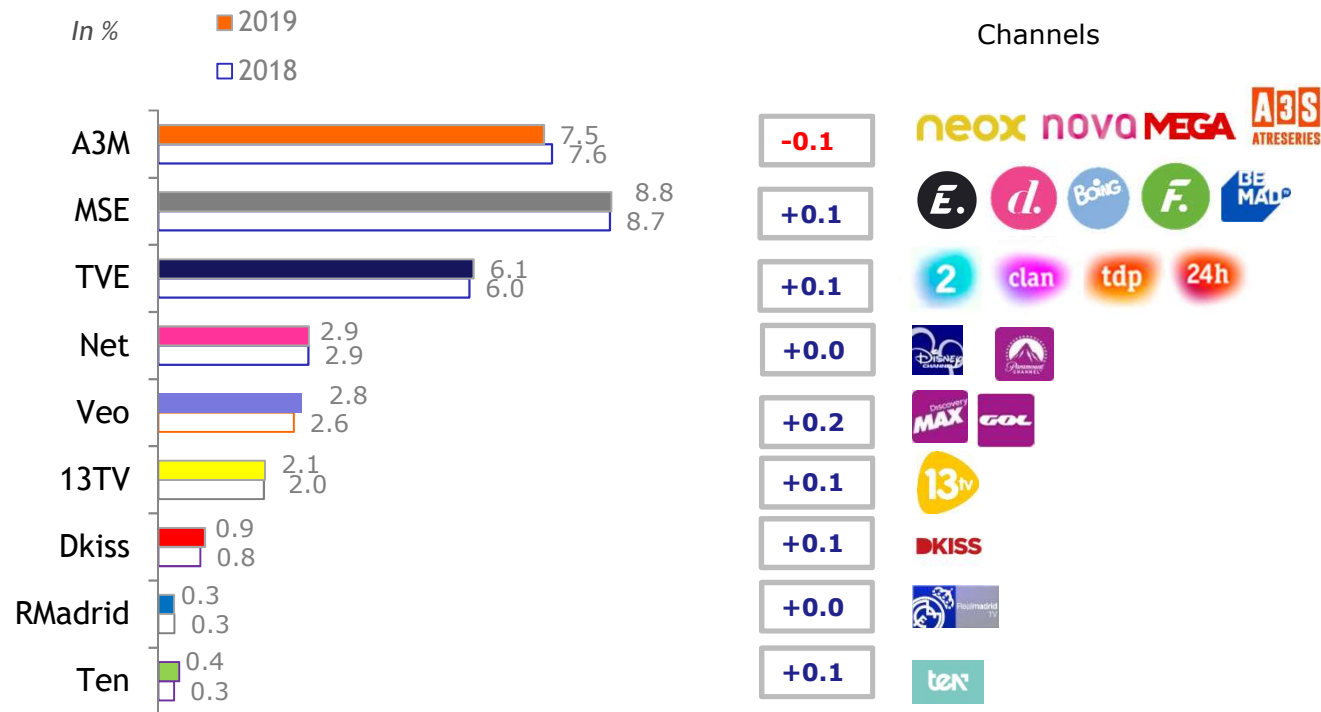


Source: Kantar Media. Commercial Target (25-59 y), >10,000 inhabitants

Television: Complementary channels audience share

→ Atresmedia's complementary channels reached 7.5% audience share

Complementary channels' audience share



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

Atresmedia Television: Ad revenues breakdown in 2019

2019 Key factors



Source: Internal estimates

Atresmedia Digital


→ Atresmedia's family of sites ranks 6th of the most visited sites in Spain



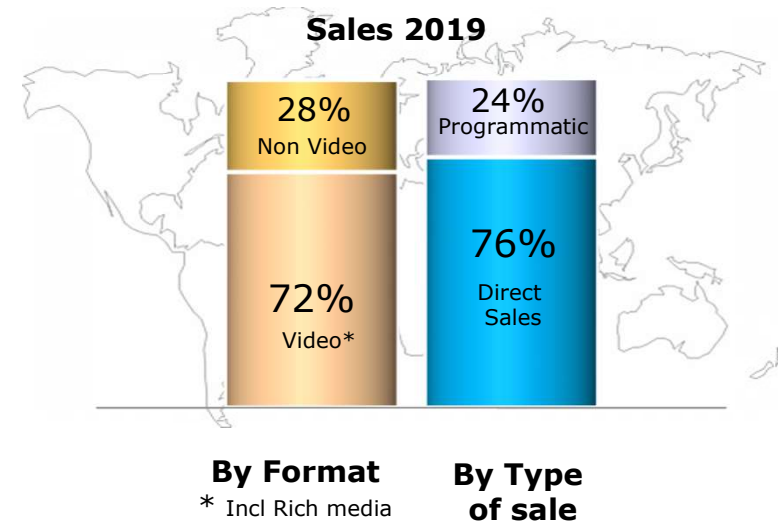
ATRESMEDIA SITES

Most visited sites Ranking #6th
(Comscore)

Unique users >26 mill
(Dec 19 Comscore)

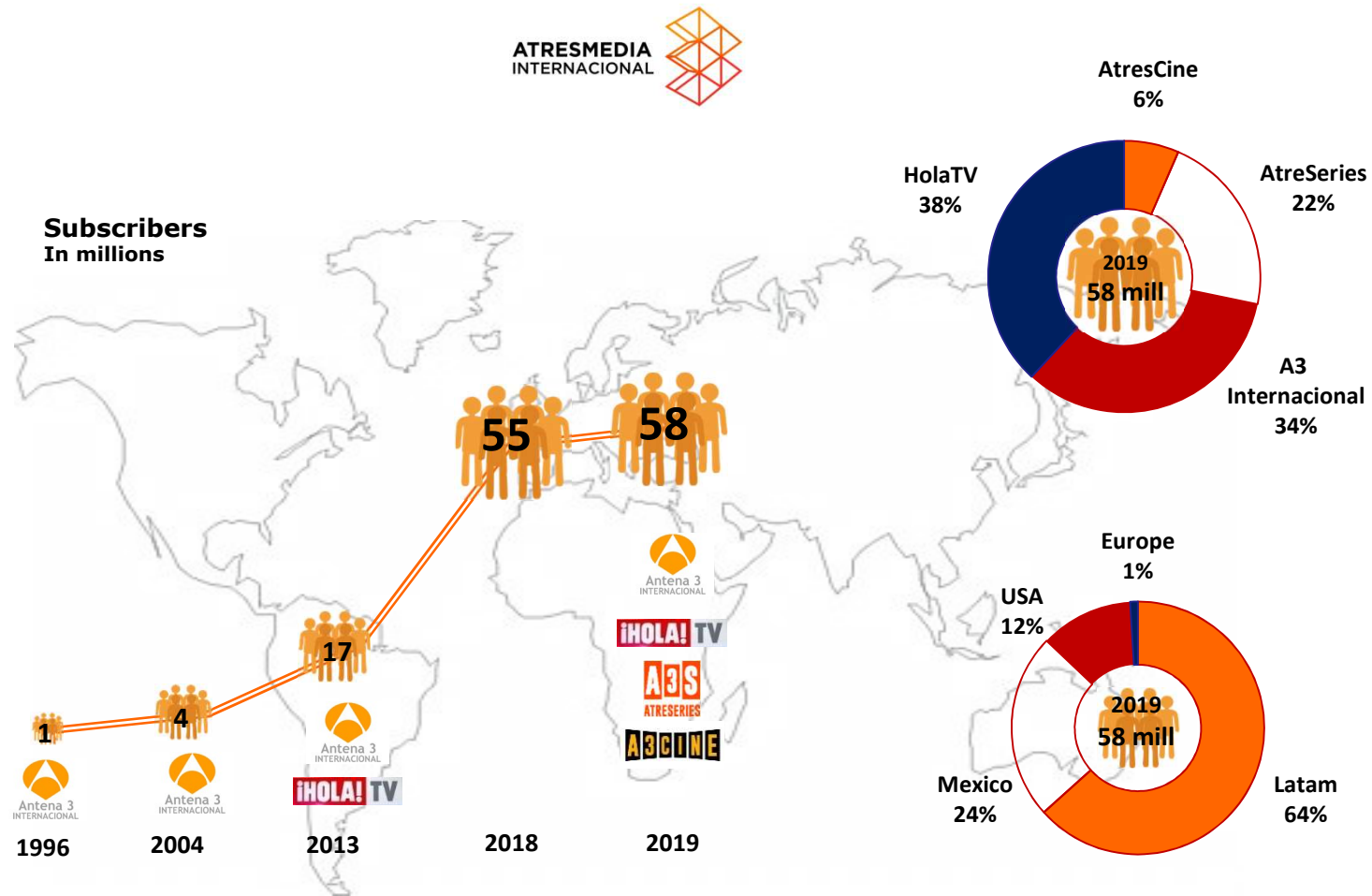
ATRES player 
2.3 mill Videoplayer users
(Dec 19)
7.5 mill Registrations
(Dec 19)

ATRESplayer PREMIUM 
125K Subscribers
(Dec 19)



Production & Content sales: Atresmedia International

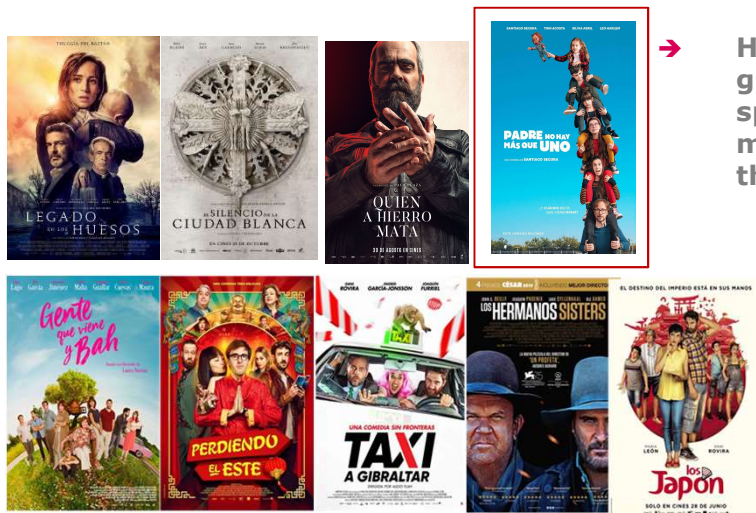
→ Up to 58 mill subscribers in our international channels (>3x vs 2013)



> 30 countries
> 240 Pay TV operators

Production & Content sales: Cinema & Studios

- Atresmedia Cinema accounted for 33% of total box-office takings generated by Spanish films in 2019
- Atresmedia Studios delivered new productions to 3rd parties



→ Highest grossing spanish movie in the year



Season 1 & 2
Client: Movistar+



Client: Amazon Prime Video



→ **KLAUS**
Oscar nomination for Best Animated film




Atresmedia Radio

→ Atresmedia Radio revenue grew by near +1% in 2019

Atresmedia Radio vs Radio market

2019 growth

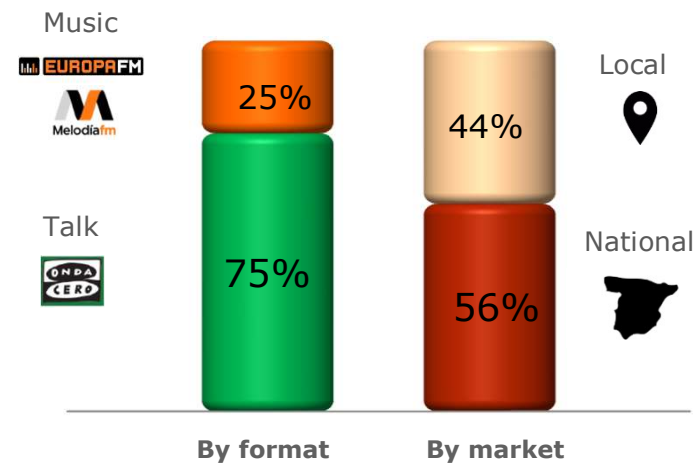
Radio market Revenues (Infoadex)  +1.1%

ATRESMEDIA RADIO  Revenues +0.7%  OPEX -0.2% 

EBITDA: 17.2 M€ (+4.5%)
Ebitda Margin: 20.7% (+70bps)

Source: Infoadex

Revenues breakdown in 2019

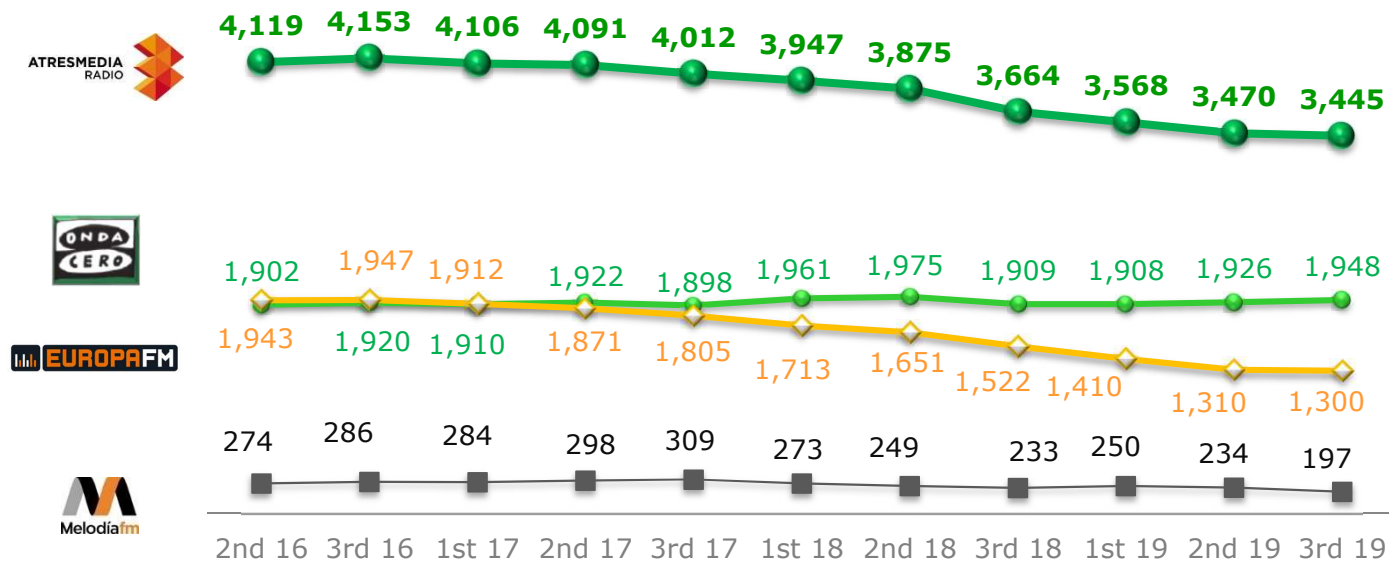


Atresmedia Radio

➔ Atresmedia Radio reached near 3.5 mill listeners/day in the last survey

Listeners evolution

In thousand of listeners



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

Back up

Atresmedia

Q4 19 Results in € mill: P&L

	Q4 19	Q4 18	YoY
Total Net Rev.	315.7	294.7	+7.1%
OPEX	258.2	231.6	+11.5%
EBITDA	57.6	63.2	-8.8%
<i>EBITDA Margin</i>	<i>18.2%</i>	<i>21.4%</i>	
EBIT	52.7	58.5	-10.0%
<i>EBIT Margin</i>	<i>16.7%</i>	<i>19.9%</i>	
Net profit	37.8	2.1	x18
<i>Net profit Margin</i>	<i>12.0%</i>	<i>0.7%</i>	

Source: Atresmedia`s financial statements

Atresmedia Audiovisual

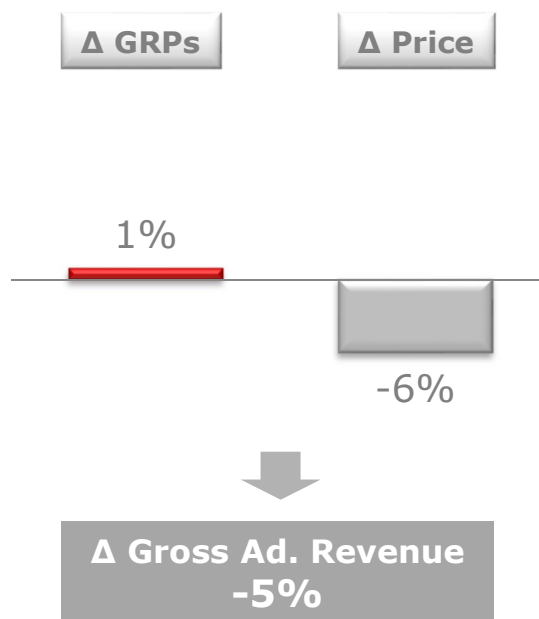
Q4 19 Results in € mill: P&L

	Q4 19	Q4 18	YoY
Total Net Rev.	293.5	273.3	+7.4%
OPEX	243.4	216.5	+12.5%
EBITDA	50.1	56.8	-11.8%
<i>EBITDA Margin</i>	<i>17.1%</i>	<i>20.8%</i>	
EBIT	45.9	52.7	-12.9%
<i>EBIT Margin</i>	<i>15.6%</i>	<i>19.3%</i>	

Source: Atresmedia`s financial statements

Television: Ad revenues breakdown in Q4 19

Q4 19 Key factors



Source: Internal estimates

Atresmedia Radio

Q4 19 Results in € mill: P&L

	Q4 19	Q4 18	YoY
Net Revenues	24.0	23.8	+1.1%
OPEX	16.5	17.4	-5.0%
EBITDA	7.5	6.3	+18.0%
<i>EBITDA Margin</i>	<i>31.1%</i>	<i>26.7%</i>	
EBIT	6.8	5.8	+15.9%
<i>EBIT Margin</i>	<i>28.2%</i>	<i>24.6%</i>	

Source: Atresmedia's financial statements

Additional information

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APMs

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