

**ATRESMEDIA**



**JANUARY–DECEMBER 2019  
RESULTS**

**31 December 2019**



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-Dec 2019	Jan-Dec 2018
Total TV audience	26.2%	26.8%
TV market share	40.7%	40.5%
Radio listeners (thousands) (3rd EGM wave Rolling average)	3,445	3,664
Total no. employees	2,464	2,043

Financial highlights Euros (in thousands)	Jan-Dec 2019	Jan-Dec 2018
Net revenue	1,039,406	1,042,324
EBITDA	183,945	187,146
Profit for the period	118,025	88,182
Net financial debt	193,010	230,911

**Atresmedia's EBITDA for the year to December 2019 totalled 183.9 million euros, with consolidated profits of 118.0 million euros.**

Atresmedia Television's market share was 40.7% in the period, according to Infoadex, up 0.2 percentage points on last year. It achieved an **audience share** of 26.2% with a prime time commercial target audience of 28.6%.

**Antena 3** achieved an 11.7% audience share in the period, with a prime time commercial target audience share of 12.9%.

**laSexta** stayed 1.7 points ahead of its main competitor with an average audience figure of 7.0%, and 7.6% for commercial target audiences in the prime time slot.

The complementary channels (**Neox, Nova, Mega** and **Atreseries**) achieved a combined audience share of 7.5% in the year to December 2019, with a commercial target audience of 8.8%.



According to statistics published by ComScore in December, Atresmedia's **Digital** business continued to head the internet rankings for audiovisual groups, with 26.0 million unique visitors, and it was the sixth most visited website in Spain.

Films on release from **Atresmedia Cine** during the year accounted for 33% of total earnings for Spanish cinema. "Padre no hay más que uno" was the year's highest grossing Spanish film. Atresmedia Cine also produced "Klaus", the recipient of a number of awards including Baftas and Annies, and received an Oscar nomination for best animated film.

Atresmedia's **international** channels, meanwhile, had more than 58 million subscribers, 3 million more than in 2019, an increase of 5%.

**Atresmedia Radio's** stations, Onda Cero, Europa FM and Melodía FM, maintained their position with 3.4 million listeners, according to the latest study (3rd 2019 EGM wave).

## 1.2 The economic climate and the market

Although there are no official figures for the year yet, the Fundación de las Cajas de Ahorros (FUNCAS) panel of experts agrees that GDP growth in 2019 was around 1.9%. Domestic demand drove 1.7% of this growth, while exports accounted for the remaining 0.2%. The FUNCAS panel of experts has not revised its GDP forecast for 2020 since November, holding it at 1.6%.

These figures are slightly lower than the Government's forecasts of 2.0% of 2019 and 1.6% for 2020. The Bank of Spain's forecast issued in December, meanwhile, estimates growth of 2.0% and 1.7%, respectively. The European Commission expects growth of 1.9% for 2019 and 1.6% for 2020, the same figures as those published by the OECD and the IMF.

The consensus forecast for household consumption is growth of 1.2% in 2019 and 1.4% in 2020.

The number of new jobs created is expected to have increased by 2.2% in 2019, while somewhat slower growth of 1.4% is forecast for 2020. The unemployment rate is expected to fall from 14.1% in 2019 to 13.5% in 2020.

Turning to the advertising market, according to Infoadex, advertising investment in conventional media shrank by 0.2% in 2019 compared with 2018. Television advertising decreased by 5.8% while radio and internet advertising grew by 1.1% and 8.8%, respectively.

Advertising market by media	12M19 vs 12M18
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<b>Television</b>	<b>-5.8%</b>
<b>Radio</b>	<b>1.1%</b>
<b>Digital</b>	<b>8.8%</b>
Newspapers	-9.1%
Magazines	-14.5%
Outdoor	1.0%
Sunday supplements	-7.8%
Cinema	5.2%
<b>TOTAL MEDIA</b>	<b>-0.2%</b>

Source: Infoadex



## 2. ATRESMEDIA

### 2.1 Consolidated Income Statement

<b>Euros (in thousands)</b>	<b>Jan-Dec 2019</b>	<b>Jan-Dec 2018</b>	<b>Change</b>
<b>NET REVENUE</b>	<b>1,039,406</b>	<b>1,042,324</b>	<b>(0.3%)</b>
<b>OPERATING EXPENSES</b>	<b>855,461</b>	<b>855,178</b>	<b>0.0%</b>
<b>EBITDA</b>	<b>183,945</b>	<b>187,146</b>	<b>(1.7%)</b>
Depreciation and amortisation	19,587	18,554	5.6%
Impairment and disposal of property, plant and equipment	(48)	7	n/a
<b>EBIT</b>	<b>164,406</b>	<b>168,585</b>	<b>(2.5%)</b>
<b>Financial result</b>	<b>(6,788)</b>	<b>(6,542)</b>	<b>(3.8%)</b>
<b>Net income from investments in other entities</b>	<b>(824)</b>	<b>(5,532)</b>	<b>(85.1%)</b>
<b>Profit before tax from continuing operations</b>	<b>156,794</b>	<b>156,511</b>	<b>0.2%</b>
Income tax	38,848	68,342	(43.2%)
<b>Profit for the period</b>	<b>117,946</b>	<b>88,169</b>	<b>33.8%</b>
Profit attributable to non-controlling interests	79	13	n/a
<b>Profit for the financial period attributable to the parent company</b>	<b>118,025</b>	<b>88,182</b>	<b>33.8%</b>



## 2.1.1 Net revenue

Atresmedia's net revenue for the year to December 2019 totalled 1,039.4 million euros, compared to 1,042.3 million euros in 2018.

<b>Net revenue by business Euros (in thousands)</b>	<b>Jan-Dec 2019</b>	<b>Jan-Dec 2018</b>	<b>Change</b>
Audiovisual	965,082	969,235	(0.4%)
Radio	83,135	82,517	0.7%
Eliminations	(8,811)	(9,428)	
<b>ATRESMEDIA</b>	<b>1,039,406</b>	<b>1,042,324</b>	<b>(0.3%)</b>

According to Infoadex, the advertising market in conventional media shrank by 0.2% in the year to December 2019.

## 2.1.2 Operating expenses

Operating expenses for 2019 were in line with those reported for 2018.

<b>Operating expenses by business Euros (in thousands)</b>	<b>Jan-Dec 2019</b>	<b>Jan-Dec 2018</b>	<b>Change</b>
Audiovisual	798,379	798,593	(0.0%)
Radio	65,893	66,013	(0.2%)
Eliminations	(8,811)	(9,428)	
<b>ATRESMEDIA</b>	<b>855,461</b>	<b>855,178</b>	<b>0.0%</b>



Operating expenses by type Euros (in thousands)	Jan-Dec 2019	Jan-Dec 2018	Change
Programming	391,829	437,981	(10.5%)
Personnel costs	161,741	134,435	20.3%
Other operating expenses	146,324	159,972	(8.5%)
Variable expenses linked to sales	164,378	132,219	24.3%
Eliminations	(8,811)	(9,428)	
<b>OPERATING EXPENSES</b>	<b>855,461</b>	<b>855,178</b>	<b>0.0%</b>

Programming costs fell in the year to December 2019 as the Group is no longer broadcasting the Champions League, and thanks to other programming savings. This positive impact on costs has not affected the Group's market position.

Moreover, the formerly sub-contracted production staff of La Sexta Noticias joined the Group, together with IT staff, producing an increase in personnel costs and a reduction in programme procurement and other operating costs.

The rise in variable expenses is linked to the growth in content production and distribution revenues, especially in the film business.

### 2.1.3 Operating earnings and margins

EBITDA in the year to December 2019 was 183.9 million euros, representing a margin on net revenues of 17.7%.

EBITDA Euros (in thousands)	Jan-Dec 2019	Jan-Dec 2018
Audiovisual	166,703	170,642
<b>Margin on net revenue</b>	<b>17.3%</b>	<b>17.6%</b>
Radio	17,242	16,504
<b>Margin on net revenue</b>	<b>20.7%</b>	<b>20.0%</b>
<b>TOTAL ATRESMEDIA</b>	<b>183,945</b>	<b>187,146</b>
<b>Margin on net revenue</b>	<b>17.7%</b>	<b>18.0%</b>



EBITDA for the fourth quarter of 2019 was 57.6 million euros, with a margin on net revenue of 18.2%.

EBIT for the year to December 2019 totalled 164.4 million euros, in comparison with 168.6 million euros for 2018.

<b>EBIT Euros (in thousands)</b>	<b>Jan-Dec 2019</b>	<b>Jan-Dec 2018</b>
Audiovisual	149,968	154,149
<b>Margin on net revenue</b>	<b>15.5%</b>	<b>15.9%</b>
Radio	14,438	14,436
<b>Margin on net revenue</b>	<b>17.4%</b>	<b>17.5%</b>
<b>TOTAL ATRESMEDIA</b>	<b>164,406</b>	<b>168,585</b>
<b>Margin on net revenue</b>	<b>15.8%</b>	<b>16.2%</b>

#### 2.1.4 Profit before tax

The Group reported net financial losses for the year to December 2019 of 6.8 million euros, compared with losses of 6.5 million euros last year, due to higher levels of mean gross indebtedness.

Profit before tax for the year to December 2019 totalled 156.8 million euros, compared to 156.5 million euros last year.

#### 2.1.5 Consolidated profit for the period

Consolidated profit for the year to December 2019 was 118.0 million euros, up 33.8% on the previous year.

The corporate income tax expense for 2018 was subject to a non-recurring tax adjustment.



## 2.2 Consolidated Balance Sheet

Euros (in thousands)	31 December 2019	31 December 2018
<b>ASSETS</b>		
Goodwill	163,223	163,223
Other intangible assets	119,970	147,322
Property, plant and equipment and other non-current assets	98,221	81,197
Deferred tax assets	201,527	216,709
<b>NON-CURRENT ASSETS</b>	<b>582,942</b>	<b>608,451</b>
Programming rights and inventories	321,082	352,376
Trade and other receivables	245,124	275,099
Other current assets	28,585	31,439
Current tax assets	18,884	5,628
Cash and cash equivalents	85,831	85,626
<b>CURRENT ASSETS</b>	<b>699,506</b>	<b>750,168</b>
<b>TOTAL ASSETS</b>	<b>1,282,448</b>	<b>1,358,619</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	237,047	221,073
Treasury shares	(7,489)	(8,810)
Interim dividend	(45,012)	(44,988)
Other equity instruments	1,355	2,254
Remeasurements and other	2,180	922
<b>EQUITY</b>	<b>438,160</b>	<b>420,530</b>
Debentures and bonds	178,030	170,770
Debt to financial institutions	103,516	137,907
Other non-current liabilities	44,272	5,775
Deferred tax liabilities	32,183	30,276
<b>NON-CURRENT LIABILITIES</b>	<b>358,001</b>	<b>344,728</b>
Debentures and bonds	4,046	3,924
Debt to financial institutions	8,676	11,982
Trade and other creditors	381,773	430,923
Other current liabilities	91,791	146,532
<b>CURRENT LIABILITIES</b>	<b>486,287</b>	<b>593,361</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>1,282,448</b>	<b>1,358,619</b>



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An extraordinary dividend was distributed to shareholders in June against unrestricted reserves. The gross dividend was 0.25 euros per share, a total of 56.3 million euros.

An interim dividend of €0.20/share was distributed in December against 2019 income. The total amount distributed was 45.0 million euros.

The Group's net financial debt is 193.0 million euros, compared with 230.9 million euros at the end of December 2018, a reduction of 37.9 million euros. The net financial debt/EBITDA ratio (12 months) was 1.05.

In November 2019 the National Commission on Markets and Competition (CNMC) issued its Resolution on sanctions proceeding S/DC/0617/17 Atresmedia/Mediaset.

The Resolution stated that Atresmedia and Mediaset had committed an infringement of competition rules when setting certain terms in their commercial agreements with certain television advertisers and media agencies.

A fine of 38.2 million euros was imposed on Atresmedia. Both Groups were also ordered to immediately cease the sanctioned practice and any others with equivalent effects, and to abstain from any such practices in future. They were also ordered to take the necessary measures to amend their commercial and contractual relationships to reflect the content of the Resolution within three months of receiving notification thereof. Finally, the Competition Directorate of the CNMC was instructed to oversee their full compliance with said Resolution.

Atresmedia has appealed against the Resolution, filing the corresponding administrative appeal with the Administrative Chamber of the National Court. The appeal has been given leave to proceed. At the same time as it filed the appeal, Atresmedia requested the temporary suspension of the fine and of the order to immediately cease the sanctioned practices.

The Company's directors and its legal advisers consider that the appeal is likely to be successful and a judicial decision that is favourable to Atresmedia's interests will be obtained. Its current business model will not, therefore, be substantially affected.



## 2.3 Consolidated Cash Flow Statement

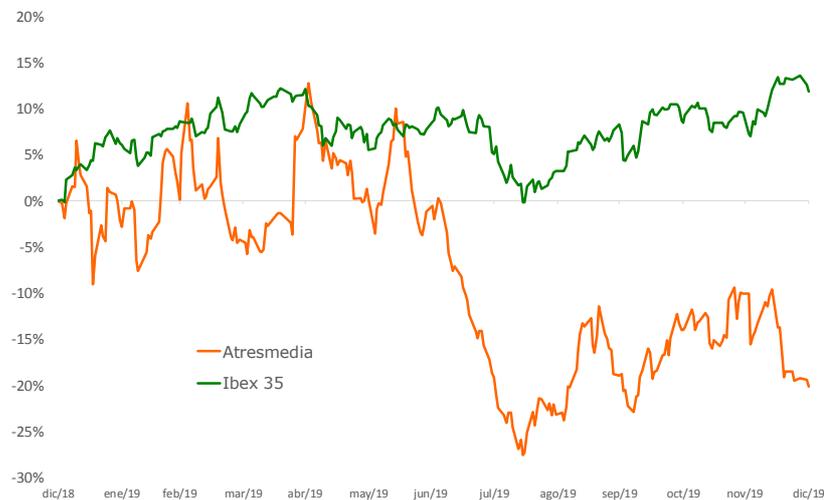
At 30 December 2019 net cash flows from operating activities were positive, totalling 184.3 million euros, 12.9 million euros more than at the same date last year.

Euros (in thousands)	31 December 2019	31 December 2018
<b>1.- CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Consolidated profit for the period before tax</b>	<b>156,794</b>	<b>156,511</b>
<b>Adjustments for:</b>	<b>25,478</b>	<b>27,605</b>
- Depreciation and amortisation	19,587	18,554
- Provisions and others	(897)	2,509
- Financial result	6,788	6,542
<b>Changes in working capital</b>	<b>29,366</b>	<b>6,301</b>
<b>Cash flow from operations</b>	<b>211,638</b>	<b>190,417</b>
<b>Income tax (paid)/refunded</b>	<b>(27,341)</b>	<b>(19,000)</b>
<b>Net cash flows from operating activities</b>	<b>184,297</b>	<b>171,417</b>
<b>2.- CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investments</b>	<b>(46,665)</b>	<b>(67,626)</b>
Group companies, joint ventures and associates	(14,631)	(10,830)
Property, plant and equipment and intangible fixed assets	(11,935)	(21,490)
Investment in Spanish film productions	(20,099)	(35,306)
<b>Divestments and advances on the sale of assets</b>	<b>9,784</b>	<b>23,462</b>
<b>Net cash flows from investing activities</b>	<b>(36,881)</b>	<b>(44,164)</b>
<b>3.- CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Lease payments	(1,477)	
Finance income collected (paid)	(6,838)	(4,314)
Dividends paid	(101,277)	(112,470)
Financing of associates and related parties	(209)	(1,822)
Financial debt	(37,696)	51,953
<b>Net cash flows from financing activities</b>	<b>(147,497)</b>	<b>(66,653)</b>
<b>NET INCREASE / DECREASE IN CASH</b>	<b>(81)</b>	<b>60,600</b>
Cash and cash equivalents, beginning of the period	85,626	25,026
Changes in the scope of consolidation	286	
<b>Cash and cash equivalents, beginning of the period</b>	<b>85,912</b>	<b>25,026</b>
<b>Cash and cash equivalents, end of the period</b>	<b>85,831</b>	<b>85,626</b>

## 2.4 Share price

### 2.4.1 Atresmedia's shares

Atresmedia's shares closed at 31 December 2019 at € 3.482/share, down 20.2% on the closing price of €4.362/share at the end of 2018. Meanwhile, the IBEX 35 closed at 9,549.20 points, 11.8% up on the previous year end.



Atresmedia share price in 2019 vs. the IBEX 35.

Trading figures	Jan-Dec 2019
Share price at 31/12/2019 (€)	3.482
High (€)	4.918
Low (€)	3.156
Weighted average price (€)	4.025
Average daily volume (shares)	538,895
Average daily volume (thousand euros)	2,169
Number of shares (million)	225.7

Source: Net Station



## 2.4.2 Analysts' recommendations

At the close of the year, 20 analysts were reporting and offering recommendations on our shares. Of these, 40% recommended Buy Atresmedia shares, 30% recommended Hold, while 30% continued to recommend Sell. The average target price at the end of the period was € 4.35/share.

During 2019 Atresmedia's Investor Relations department took part in 27 conferences and roadshows in London, Paris, New York, Frankfurt, Milan, Lugano, Vienna, Barcelona, Madrid, Bilbao and Cascais.

The department held around 215 direct meetings with analysts and investors (at conferences and roadshows and in our offices) and held 255 conference calls with analysts, institutional investors and minority shareholders.

## 2.5 Corporate Social Responsibility

The Company's Management Report for 2019 now includes non-financial disclosures. The Group also approved a Comprehensive Report which provides additional information on the Group, linking social and environmental matters and good governance with its business strategy. The Company's efforts to improve transparency were rewarded in the "Transparency, Credibility and Good Governance" rankings published by Compromiso Empresarial, in which Atresmedia was ranked as the best media group of the 21 analysed. Meanwhile, Antena 3 and laSexta's news programmes were ranked as the most credible and trustworthy in the Reuters Institute's Digital News Report 2019.

The Group continued to implement its CR Master Plan, which sets out its Corporate Social Responsibility commitments for 2018-2020. As part of this Plan, the Company's corporate purpose was presented: "Creemos en el poder de la reflexión y la emoción". At Atresmedia we are convinced that understanding, through the information content we broadcast, and feeling, through fiction and entertainment, are levers that can bring about change and produce positive impacts in society.

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



- “Ponle Freno” held its eleventh road safety awards, organised fun runs in cities around Spain, and launched a new campaign for safe and sustainable transport.
- “Objetivo Bienestar” presented its 7th “Coles Activos” awards, recognising schools’ work to encourage healthy habits among pupils, and organised a fitness walk under the “De Marcha con Objetivo Bienestar” banner.
- The “Constantes y Vitales” campaign renewed its initiative to install defibrillators in public places and launched its fourth set of awards for the year’s best research projects.
- The “Levanta la Cabeza” initiative launched a new on-line platform to inform the public about the responsible use of new technologies.
- One of the highlights of the “Crea Cultura” campaign this year was the creation of the “Ahora que Leo” platform, while the “Si te controla, no es amor es maltrato” campaign was the outstanding initiative under “Tolerancia Cero” banner, the first information sessions taking place this year.
- Atresmedia has also raised awareness about the importance of reflecting social diversity, launching a campaign entitled “Mi persona favorita eres tú”, and has supported the work of 22 NGOs.

Atresmedia is also committed to contributing to the achievement of the United Nations’ Sustainable Development Goals (SDG) and the 2030 Agenda. As part of this, for a second year the Group helped publicise the “Companies4SDGS” on all its platforms.

Within its corporate volunteering programme, Atresmedia employees took part in a range of voluntary actions. Atresmedia has entered into a new partnership with the Spanish Red Cross and it has organised a workshop for people with disabilities with the Aldaba Foundation. The Group was also a media partner for the seventh “Give and Gain Day” international volunteering event and was involved in the organisation of the Companies’ Charity Day.



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The **Atresmedia Foundation** continues its efforts to improve education, with a record number of teachers attending this year's "Grandes Profes" event and the presentation of its annual "Grandes Profes, Grandes Iniciativas" awards. The Foundation also organised a Hospitalised Children's Day event in 200 hospitals, while the "Fundación Atresmedia y tú, juntos por la educación" initiative was recognised in the first CEAPA awards for its defence of and commitment to education and schools.

In the area of environmental matters Atresmedia has developed an environmental strategy to be implemented over the next few years, it contributed once again to the Carbon Disclosure Project report on climate change, and was a signatory to the 'Declaración de los medios de comunicación frente al cambio climático', aimed at raising awareness of the issue. As part of its "Hazte Eco" initiative, the Group also ran an internal campaign to reduce the use of plastic. Europa FM launched the #AlertaEcoEuropaFM initiative, asking listeners to help identify Spain's environmental black spots.



### 3. AUDIOVISUAL

#### 3.1 Income statement

Euros (in thousands)	Jan-Dec 2019	Jan-Dec 2018	Change
<b>NET REVENUE</b>	<b>965,082</b>	<b>969,235</b>	<b>(0.4%)</b>
<b>OPERATING EXPENSES</b>	<b>798,379</b>	<b>798,593</b>	<b>(0.0%)</b>
<b>EBITDA</b>	<b>166,703</b>	<b>170,642</b>	<b>(2.3%)</b>
Amortisation and depreciation and impairment	16,735	16,493	1.5%
<b>EBIT</b>	<b>149,968</b>	<b>154,149</b>	<b>(2.7%)</b>

##### 3.1.1 Net revenue

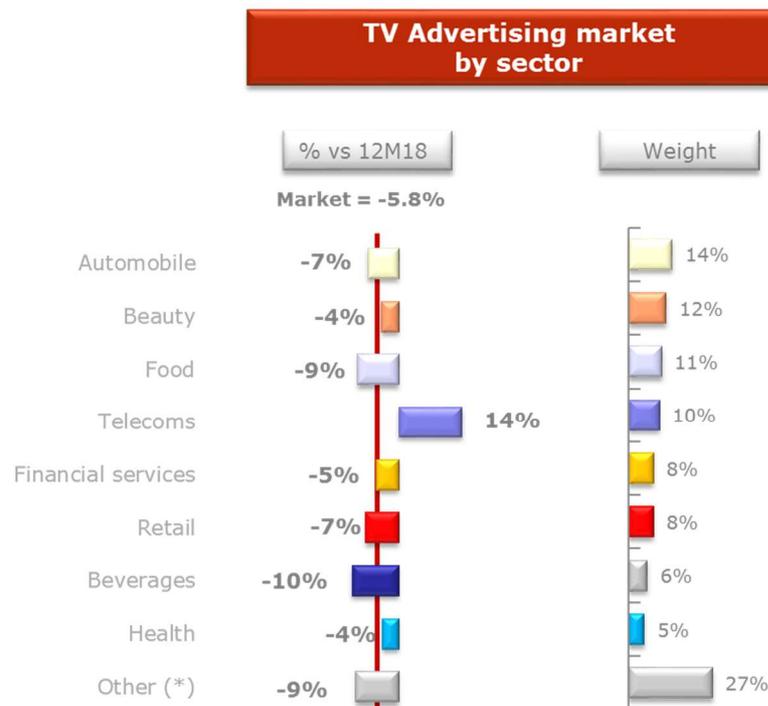
Net revenue for the year to December 2019 was 965.1 million euros, in comparison with 969.2 million euros in 2018.

Euros (in thousands)	Jan-Dec 2019	Jan-Dec 2018	Change
Television advertising	781,503	829,459	(5.8%)
Digital advertising	47,856	44,955	6.5%
Content production and distribution	96,412	58,105	65.9%
Other revenue	39,311	36,716	7.1%
<b>NET REVENUE</b>	<b>965,082</b>	<b>969,235</b>	<b>(0.4%)</b>

Television advertising revenues totalled 781.5 million euros, compared to 829.5 million euros in 2018.

According to Infoadex, the television advertising market shrank by 5.8% in the period. Atresmedia Television's share of this market was 40.7%, up 0.2 percentage points on last year.

The television advertising market shrank for all sectors except for “Telecoms”.



(\*) culture, energy, sports, leisure, tourism, etc.

Sources: Infoadex / Sectors: Internal estimates

Digital advertising revenues totalled 47.9 million euros, up 6.5% on the 45.0 million euros reported for the same period in 2018. According to Infoadex, the internet advertising market has grown by around 8.8% in the year.

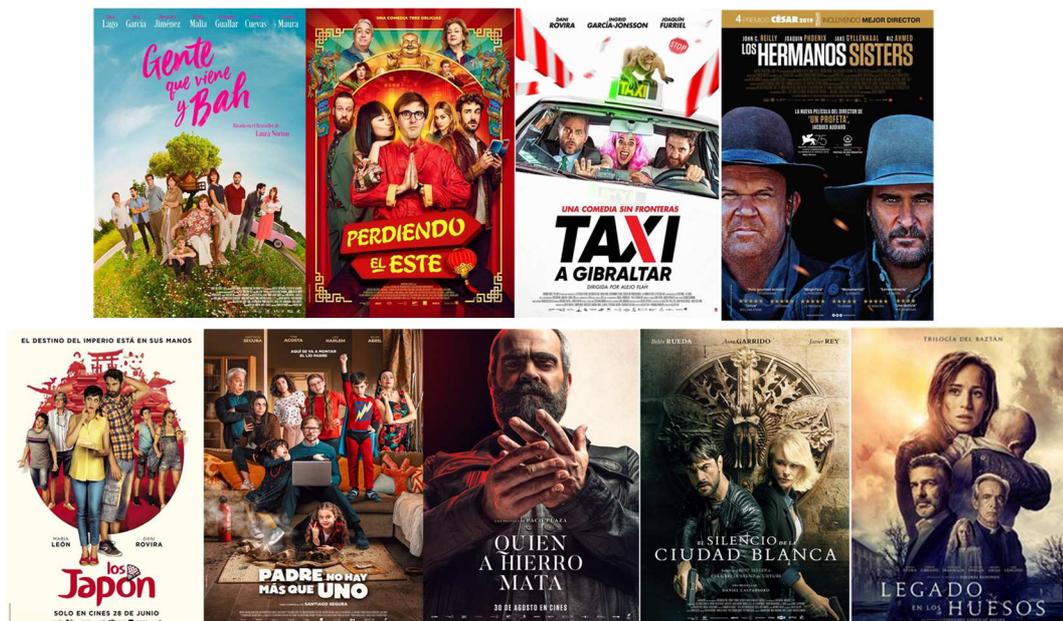
Content production and distribution revenues totalled 96.4 million euros, compared to 58.1 million in the previous financial year, an increase of 65.9%.

These revenues include the production and domestic and international sale of TV series (Atresmedia Studios), our SVOD offering (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).

In 2019 Atresmedia Cine also produced the animated film “Klaus”, which received an Oscar nomination and won a Bafta for best animated film, as well as seven Annie Awards (International Animated Film Association).



The other feature length films released in the year were “Gente que viene y bah”, “Perdiendo el este”, “Taxi a Gibraltar”, “Los hermanos Sisters”, “Los Japón”, “Padre no hay más que uno” (the highest grossing Spanish film in 2019), “Quien a hierro mata”, “El silencio de la ciudad blanca” and “Legado en los huesos”, while films such as “Tiempo después” and “El Reino” remained on release. These films accounted for 33% of box-office takings for Spanish cinema in the year.



Atresmedia Studios produced two seasons of “El Embarcadero” for Movistar+ in 2019.



Other revenues, which mainly include events, licences, and editorial rights, totalled 39.3 million euros compared with 36.7 million euros in the year to December 2018, an increase of 7.1%.

### 3.1.2 Operating expenses

Euros (in thousands)	Jan-Dec 2019	Jan-Dec 2018	Change
Programming costs	391,829	437,981	(10.5%)
Personnel costs	135,596	109,142	24.2%
Other operating expenses	106,575	119,252	(10.6%)
Variable expenses linked to sales	164,378	132,219	24.3%
<b>OPERATING EXPENSES</b>	<b>798,379</b>	<b>798,593</b>	<b>(0.0%)</b>

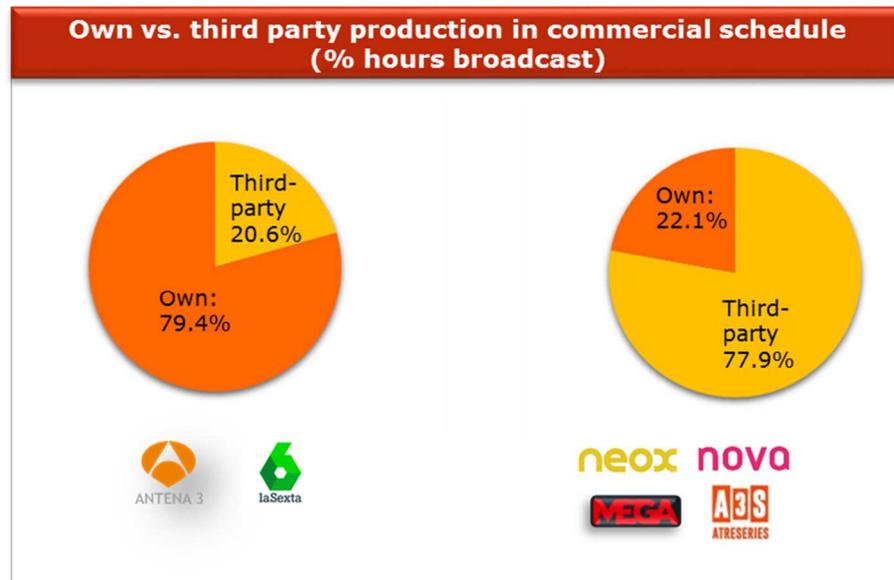
Operating expenses for the year to December 2019 totalled 798.4 million euros, in line with those reported for 2018.

Programme procurement costs fell, as the Group is no longer broadcasting the Champions League, and thanks to other programming savings. This positive impact on costs has not affected the Group's market position.

Moreover, the formerly sub-contracted production staff of La Sexta Noticias joined the Group, together with IT staff, producing an increase in personnel costs and a reduction in programme procurement and other operating costs.

The rise in variable expenses is linked to the growth in content production and distribution revenues, especially in the film business.

On Atresmedia's main channels, Antena3 and laSexta, in-house productions predominate (79.4%), while the majority of programmes broadcast on the complementary channels, Neox, Nova, Mega and Atreseries, are produced by third parties (77.9%).



### 3.1.3 Operating earnings and margins

EBITDA in the year to December 2019 was 166.7 million euros, with a margin on net revenues of 17.3%.

<b>EBITDA Euros (in thousands)</b>	<b>Jan-Dec 2019</b>	<b>Jan-Dec 2018</b>
Audiovisual	166,703	170,642
<b>Margin on net revenue</b>	<b>17.3%</b>	<b>17.6%</b>

EBITDA in the fourth quarter of 2019 was 50.1 million euros with a margin on net revenues of 17.1%.

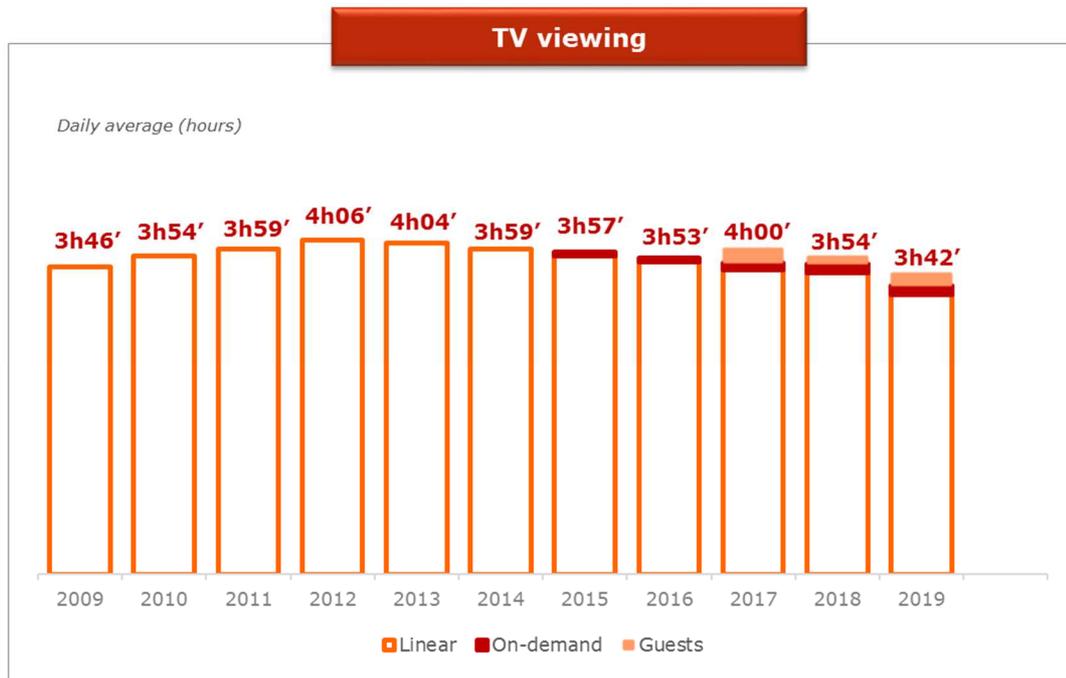
EBIT in the year to December 2019 was 150.0 million euros, representing a margin on net revenue of 15.5%.

<b>EBIT Euros (in thousands)</b>	<b>Jan-Dec 2019</b>	<b>Jan-Dec 2018</b>
Audiovisual	149,968	154,149
<b>Margin on net revenue</b>	<b>15.5%</b>	<b>15.9%</b>

## 3.2 Audiences

### 3.2.1 Television viewing

Television viewing in 2019 was 3 hours and 42 minutes per person per day, four minutes less than in the last year. This figure includes “linear television” and “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.

### 3.2.2 Television audiences

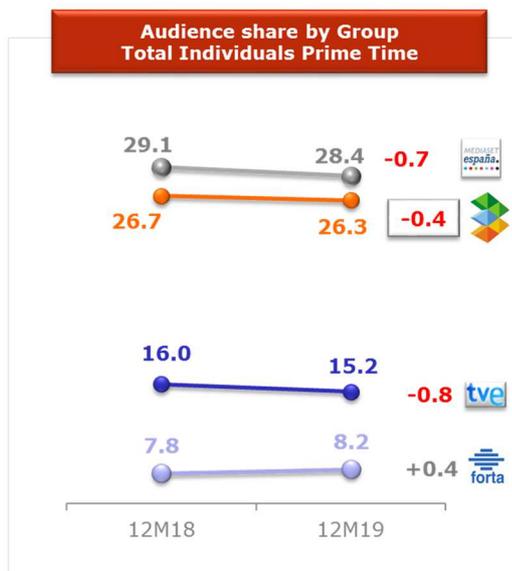
The audience share of the Atresmedia Television channels in 2019 was 26.2%. This figure rises to 27.7% for commercial target audience, the most attractive audience for advertisers, and 28.6% for prime time commercial target audience.



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)



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**Antena 3's** average total individuals audience (24h) in the year was 11.7%, rising to 12.9% for prime time commercial audiences.

Fiction continued to draw the channel's highest audience figures in 2019. The most successful series of recent years came to an end. The comedy "Allí Abajo" ended after five seasons with an average audience 18.2% and over three million views.

The first episode of "Matadero", with 3.3 million viewers and a 21.6% audience share, was the most viewed drama broadcast in the year. It was this year's leader in its time slot with an average audience of 12.1% and 1.7 million viewers.

"Pequeñas coincidencias" (10.4% and 1.1 million viewers), an Atresmedia Studios production, premiered in the summer following its release on Amazon Prime Video.

Daily broadcast series continued to attract good audience numbers in 2019: "Amar es para siempre" in the post-lunch slot (1.3 million viewers and a 11.8% audience share) and "El Secreto de Puente Viejo" in the afternoon (1.2 million viewers and a 12.1% audience share).

International drama also featured in 2019. "Manifest" began broadcasting at the start of the year, going on to be the year's most viewed foreign series, with an audience share of 11.6% and 1.7 million viewers.

Quiz shows and contests were once again a key part of the entertainment programming structure: "¡Ahora caigo!" finished with an average audience of 1.3 million (13.6%) while "¡Boom!" recorded a peak audience share of 16.1% (1.9 million viewers). The victory of the Los Lobos team on 8 June attracted almost 4.3 million viewers (28.0%), making this the most viewed daily quiz show broadcast in 14 years.

"El hormiguero 3.0" consolidated its position as the most watched daily programme on television and the clear leader in its time slot for the fifth consecutive year, with a 13.8% audience share and 2.4 million viewers.

The year also began with one of the Atresmedia Group's biggest entertainment hits. "La Voz" began broadcasting on 7 January. The talent show format, which has seen worldwide success, produced the most viewed opening show in the last six years, with almost 4 million viewers.



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The season ended with an average audience of 18.7% and 2.6 million viewers, making it the most viewed talent show in the last three years.

The spin-off editions, “La Voz Senior” and “La Voz Kids” also generated strong viewing figures. The eight gala shows of the adult version had an average audience of 14.5% with 2.0 million viewers while the children’s format averaged 14.2% and 1.9 million viewers, with its closing show heading the rankings.

“Tu cara me suena” also consolidated its success and was the most watched talent show of the year. The four shows broadcast in 2019 had over 2.7 million viewers with a 19.7% audience share.

In news, Antena 3 Noticias was the leading news programme for the second consecutive year, with its best audience figures since 2009 (15.1% and 1.9 million).

Audiences for the first weekday edition grew by 1% compared with the previous year, maintaining its position as the leading news programme with the highest audience shares, and the only early afternoon programme with an audience of over 2 million (18.1% and 2.2 million). Audiences for Antena 3 Noticias 2 (13.8% and 1.9 million) also continued to grow (by 1.0%), attracting the highest audiences since 2009. The weekend editions had an average audience share of 12.8% and 1.6 million viewers.

Antena 3's film offerings continued to be a key part of its programming strategy. The weekend “Multicine” slot was the clear leader with an average audience of 12.6% and 1.5 million viewers. “Los secretos de mi marido” was the most viewed daytime film in the year (15.5% and 2.6 million viewers). Audiences for “El Peliculón”, the leading prime time film show, grew to almost 1.5 million (10.9%) despite fierce competition.



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 7.0%, 0.1 percentage points more than 2018, keeping it 1.7 percentage points ahead of its main competitor, and it had the highest commercial audience figures in the period (7.6%) for both prime time and 24h.

In 2019 it was once more the leading news channel for coverage of the elections. In the November elections, "Al rojo vivo" once again led the rankings with an audience share of 18.7% and was the season's most viewed news programme (3.6 million). This daily news discussion programme achieved a new historical peak with an average audience share of 15.1% in the year and 0.9 million viewers.

“El Intermedio” continued to be the most viewed daily programme on laSexta with over 1.6 million viewers (9.2%).

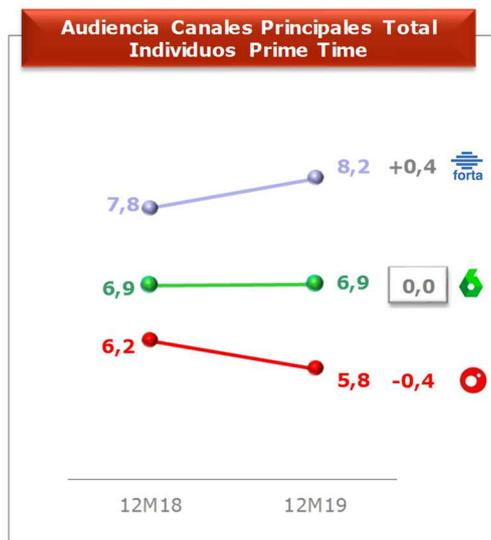
“Salvados”, the Sunday prime time show, attracted an average of over 2 million viewers during the year, representing an 11.1% audience share. The interview with Pope Francis broadcast on 31 March was one of the year’s most viewed programmes, with 4.1 million viewers and a 21% audience share.



Fuente Kantar Media. Total día Ind. 4+



Fuente Kantar Media. Target Comercial: 25-59 años, >10.000 habitantes



Fuente Kantar Media. Total día Ind. 4+  
Prime Time (20:30-24:00)



Fuente Kantar Media. Target Comercial: 25-59 años, >10.000 habitantes  
Prime Time (20:30-24:00)

The complementary channels contributed a combined audience share in total individuals (24h) of 7.5% in the year, reaching 8.8% for commercial target audiences.

The **Neox** channel had a total individuals audience share of 2.4% in the period and a 3.3% commercial target audience share.

**Nova**, the Group's specialist channel aimed at female audiences, had a total individuals audience share of 2.2% and a 1.9% commercial target audience share.

The **Mega** channel, aimed at a male, adult audience, reported average audiences of 1.5%, rising to 2.0% for commercial target audience share.

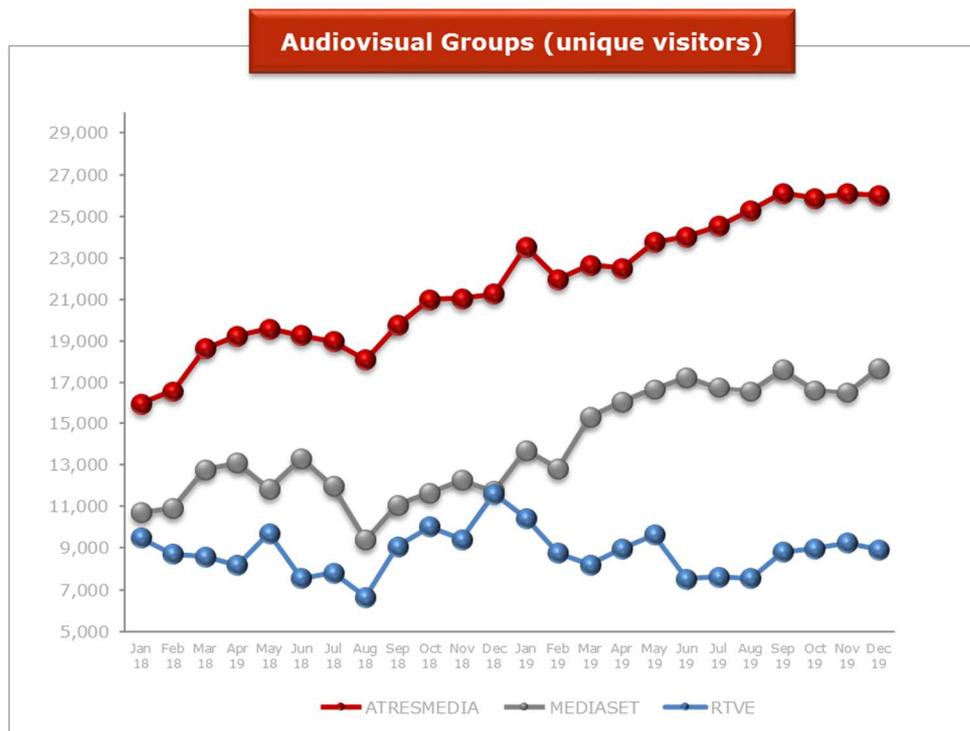
**Atreseries** obtained a total individuals audience share of 1.4% and a 1.6% commercial target audience share.

Audience share Complementary Channels Total Individuals			12M19	12M18	Var
	neox nova MEGA A3S ATRESERIES		7.5	7.6	-0.1
	FDF d. E. BE MALD Boing		8.8	8.7	0.1
	2 clan tdp 24h		6.1	6.0	0.1
Net TV	 		2.9	2.9	0.0
Vevo TV	 		2.8	2.6	0.2
13TV			2.1	2.0	0.1
Kiss TV			0.9	0.8	0.1
Secuoya			0.4	0.3	0.1
Real Madrid TV			0.3	0.3	0.0

Fuente Kantar Media. Total día Ind. 4+

### 3.2.3 Digital audiences

According to figures from comScore, Atresmedia’s website headed the internet audiovisual rankings with 21 million unique visitors to December 2019, 8.3 million more users than Mediaset. It was number six in the rankings of the top ten most visited websites in Spain.



Source: comScore

Atresplayer, the Group’s on-line video platform, had 2.3 million unique visitors in 2019, according to ComScore, Moreover, at 31 December 2019 the number of registered users had reached 7.5 million.

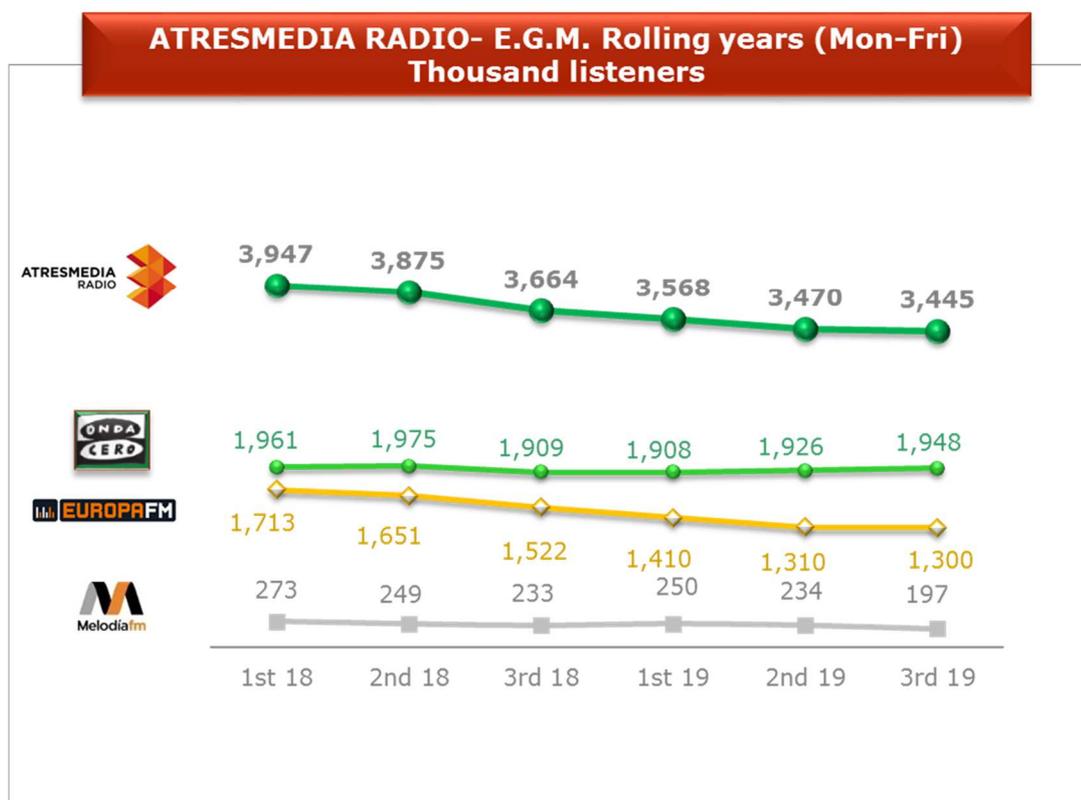
The SVOD platform, Atresplayer Premium, was relaunched in September, offering more original content and exclusive products and by 31 December it had more than 125,000 subscribers.

## 4. RADIO

### 4.1 Advertising market and audience figures

According to internal estimates, spending in the radio advertising market grew by 1.1% in the year to December 2019.

Atresmedia Radio had an average of 3.4 million listeners, according to the latest General Media Study (EGM), in the rolling year to the 3rd 2019 wave. Onda Cero continued to be the third ranking non-specialist radio station with listener numbers up 1.1% compared with the 2nd 2019 wave and up 2.0% compared with the 3rd wave of 2018. Among specialist stations, Europa FM had 1.3 million listeners while Melodía FM had 197,000 listeners.

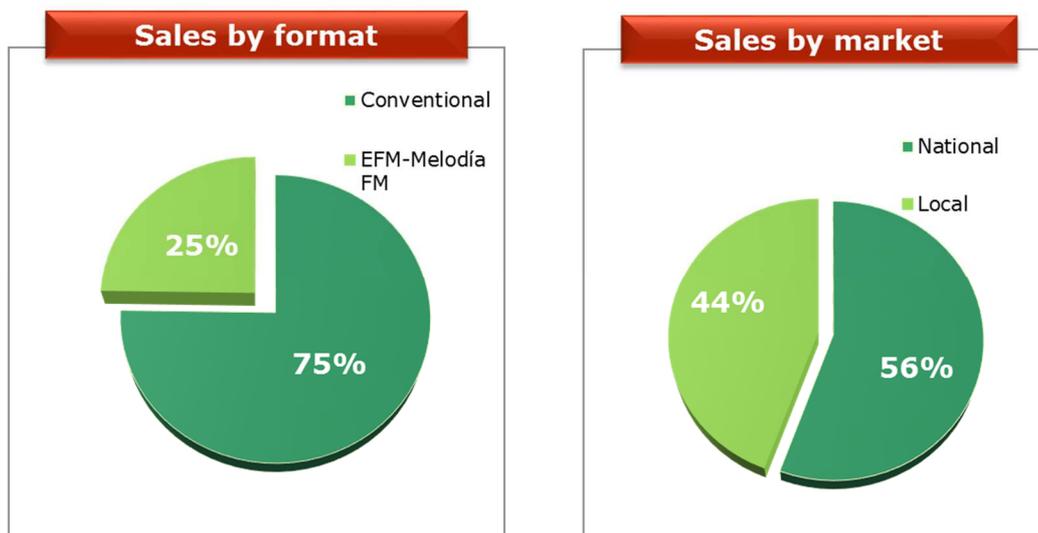


Source: EGM. Rolling years. Monday-Friday

## 4.2 Income statement

Euros (in thousands)	Jan-Dec 2019	Jan-Dec 2018	Change
<b>NET REVENUE</b>	<b>83,135</b>	<b>82,517</b>	<b>0.7%</b>
Personnel costs	26,144	25,293	3.4%
Other operating expenses	39,749	40,720	(2.4%)
<b>OPERATING EXPENSES</b>	<b>65,893</b>	<b>66,013</b>	<b>(0.2%)</b>
<b>EBITDA</b>	<b>17,242</b>	<b>16,504</b>	<b>4.5%</b>
Amortisation and depreciation and impairment	2,804	2,068	35.6%
<b>EBIT</b>	<b>14,438</b>	<b>14,436</b>	<b>0.0%</b>

Net revenue for the year to December 2019 totalled 83.1 million euros, up 0.7% on the 82.5 million euros reported for 2018.





Operating expenses to 31 December 2019 totalled 65.9 million euros, compared to 66.0 million euros for 2018, a drop of 0.2%.

EBITDA for the year to December 2019 was 17.2 million euros, representing a margin of 20.7%, up 4.5% on that reported for 2018.

EBITDA for the fourth quarter of 2019 was 7.5 million euros, with a margin on net revenue of 31.1%.

<b>EBITDA Euros (in thousands)</b>	<b>Jan-Dec 2019</b>	<b>Jan-Dec 2018</b>
Radio	17,242	16,504
<b>Margin on net revenue</b>	<b>20.7%</b>	<b>20.0%</b>

<b>EBIT Euros (in thousands)</b>	<b>Jan-Dec 2019</b>	<b>Jan-Dec 2018</b>
Radio	14,438	14,436
<b>Margin on net revenue</b>	<b>17.4%</b>	<b>17.5%</b>



## 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.

<b>Euros (in thousands)</b>	<b>2019</b>	<b>2018</b>
Net total sales	978,693	984,504
Other operating revenues	60,713	57,820
<b>Net revenue</b>	<b>1,039,406</b>	<b>1,042,324</b>

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

<b>Euros (in thousands)</b>	<b>2019</b>	<b>2018</b>
Programming costs and other purchases	470,764	486,094
Personnel costs	161,741	134,435
Other operating expenses	222,956	234,649
<b>Operating expenses</b>	<b>855,461</b>	<b>855,178</b>



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

<b>Euros (in thousands)</b>	<b>2019</b>	<b>2018</b>
<b>EBIT</b>	<b>164,406</b>	<b>168,585</b>
Depreciation and amortisation	19,587	18,554
Impairment and disposal of property, plant and equipment	(48)	7
<b>EBITDA</b>	<b>183,945</b>	<b>187,146</b>

**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 Debentures & Bonds (current & non-current) plus Debt to financial institutions (current and non-current) at the Consolidated Balance Sheet adjusted by the net result of the derivative instruments mentioned in Note 13b of the Consolidated Financial Statements for the year.

**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.

<b>Euros (in thousands)</b>	<b>2019</b>	<b>2018</b>
Gross financial debt	278,840	316,537
Cash and cash equivalents	(85,831)	(85,626)
<b>Gross financial debt</b>	<b>193,010</b>	<b>230,911</b>

**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.