
FIRST HALF RESULTS

January – June 2021

MEDIASET*españa.*



Madrid – July 28th, 2021

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Conference Call / Web cast details

28th July 2021 at 18:00 pm CET (17:00 UK Time)

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I. FINANCIAL AND OPERATING HIGHLIGHTS

| mill. EUR | 2Q2021 | 2Q2020 | Var (%) | IH2021 | IH2020 | Var (%) |
|-----------------------------------|-------------|-------------|---------------|---------------|---------------|--------------|
| Total net revenues | 239,6 | 145,3 | 64,9% | 423,6 | 375,1 | 12,9% |
| Total operating costs | (178,1) | (113,0) | 57,6% | (310,7) | (275,5) | 12,8% |
| EBITDA Adj. ⁽¹⁾ | 61,5 | 32,3 | 90,5% | 112,8 | 99,6 | 13,3% |
| EBITDA margin | 25,7% | 22,2% | | 26,6% | 26,5% | |
| EBIT | 56,6 | 27,1 | 108,8% | 103,8 | 88,9 | 16,7% |
| EBIT margin | 23,6% | 18,7% | | 24,5% | 23,7% | |
| NET PROFIT | 48,6 | 21,1 | 130,4% | 85,4 | 70,0 | 22,0% |
| EPS ⁽²⁾ | 0,16 | 0,07 | | 0,27 | 0,22 | |
| Free Cash - Flow | | | | 141,40 | 87,37 | |
| Net Cash/ (Debt) Position | | | | 156,69 | (2,22) | |

(1) EBITDA Adj, includes TV rights consumption

(2) excluding any treasury shares as at 30.06

- **Infodex** reported that the **Audiovisual Ad market¹** in the **first half 2021** was **€1,316.3 million (+27.0%)** with a **TV Advertising market** of **€873.7 million (+22.9%)** and **Digital ad market²** of **€442.6 million (+35.8%)**. The performance in the **second quarter** was even better with **TV Advertising market** +82.2% whilst the **Audiovisual ad market** posted a +75.8% growth, and **Digital ad market** +65.1%. As per Infodex data, **Mediaset España** obtained **30.7% Audiovisual market share** and **43.2% TV ad market share** in the semester.
- **Total net revenues** in the **first half 2021** amount to **€423.6 million**, **Net advertising revenues** were **€387.7 million** and **Other Revenues** **€35.8 million**.
- **Mediaset España** registered an **EBITDA** of **€112.8 million** and **margin of 26.6%** in the semester. **EBIT** of **€103.8 million** and an **EBIT margin** of **24.5%** (margin calculated as a percent of total net revenues).
- **Net profit** in the period **January to June 2021** reached **€85.4 million**, **+20.2%** compared to the first half 2020.
- **Mediaset España Net Cash position** (including the debt arising from the investment in ProSieben Sat1) **as of 30th June 2021** was **€156.7 million** and **Free Cash Flow** in the period equals **€141.4 million**.
- **Mediaset España** lead audiences in **the first half 2021** with a **28.6% share** and a **30.8% commercial target**, both in total Individuals total day.
- In the period **January-June 2021**, **Mediaset España** registered a **monthly average** of **19.2 million unique users/viewers** and **543.8 million videos streamed**. (Source ComScore multiplatform. June data not available at the time of this report).
- **Mediaset España**, at the **end of June 2021**, holds a **13.18% stake in ProSiebenSat1** of which **3.43%** was acquired in January 2021.
- At the end of June **Mediaset España** cancelled **14.269.072 treasury shares**. After such cancellation, **Mediaset España** share capital is represented by **313,166,144 shares**.

¹ Audiovisual Advertising Market= TV+ Digital (websites (Display+Video) as per Infodex)

² Digital Market=websites (Display+Video) as per Infodex.

2. OPERATING KPI's

2.1 TV CONSUMPTION

In the first half 2021, the total TV consumption reached 231 minutes per person/per day compared to the 257 minutes per person/per day from the same period 2020. The TV consumption levels registered in the first half 2020 were unusually high and were a consequence of the strong impact of the pandemic situation that led to the implementation, from March 2020 onwards, to strict lock down measures and social restrictions that supported a higher TV consumption.

In the first half 2021 we can identify two different periods in terms of TV consumption. First one, January-March 2021 where the levels of TV consumption were very similar to the ones in 2020 (247 minutes per person/per day vs 250 minutes per person/per day, respectively). This was because of the pandemic situation prevailing in the first quarter 2021. A second period April-June 2021 where pandemic situation improved progressively, and along came the ease of the lock down measures and the slowly recovery of the social activity which translated in a lower TV consumption (215 minutes per person/per day).

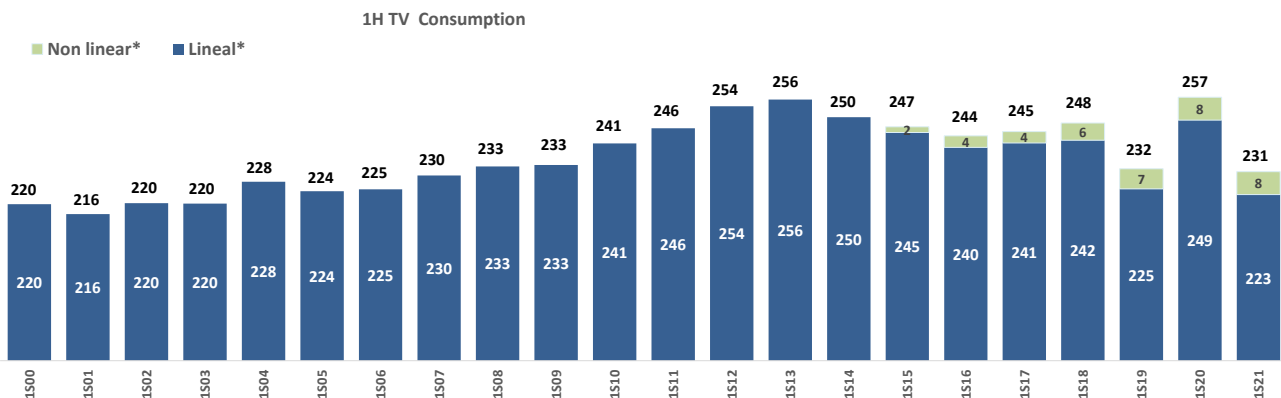
At a company level, in this second quarter 2021, Mediaset España Group lead with the 62.4% of the total TV consumption.

This viewing time does not include that spent on other devices such as tablets, computers, smart phones etc...

In the first half 2021, linear TV consumption³, amounted to 223 minutes and represented 96.5% of the TV total consumption (231 minutes).

Time Shift⁴, the TV consumption within the seven days after first broadcast, totals 8 minutes in the first six months 2021, which represents 3.5% of the total TV consumption.

The average daily viewers, total day, in the period January-June 2021 stands at 7.06 million people.



Source: Kantar Media

³ Linear includes guests TV consumption. -TV consumption from friends, family etc. visiting, measured since March 2017. 2020 Data includes second home time viewing.

⁴ Time shift viewing is the TV consumption within the 7 days following the first broadcast

2.2 TV AUDIENCE SHARE

| | Jan-Jun' 21 | | Jan-Jun' 20 | |
|------------------------|----------------------|----------------------|----------------------|----------------------|
| | Total Individuals | Commercial Target | Total Individuals | Commercial Target |
| MEDIASET ESPAÑA | | | | |
| Total Day | 28,6% | 30,8% | 28,6% | 29,6% |
| Prime Time | 26,5% | 29,2% | 27,9% | 28,4% |
| TELECINCO | | | | |
| Total Day | 15,5% | 16,1% | 14,6% | 14,3% |
| Prime Time | 14,6% | 15,9% | 14,3% | 13,8% |
| CUATRO | | | | |
| Total Day | 5,4% | 6,2% | 5,7% | 6,3% |
| Prime Time | 5,3% | 6,2% | 6,1% | 6,9% |
| DIVINITY | | | | |
| Total Day | 1,8% | 1,9% | 1,8% | 2,1% |
| Prime Time | 1,5% | 1,4% | 1,5% | 1,7% |
| BOING | | | | |
| Total Day | 0,9% | 0,8% | 1,1% | 0,8% |
| Prime Time | 0,7% | 0,7% | 0,9% | 0,7% |
| ENERGY | | | | |
| Total Day | 2,0% | 2,1% | 2,3% | 2,4% |
| Prime Time | 1,7% | 1,8% | 2,0% | 2,0% |
| BE MAD tv | | | | |
| Total Day | 0,6% | 0,7% | 0,6% | 0,7% |
| Prime Time | 0,6% | 0,7% | 0,6% | 0,7% |
| FDF | | | | |
| Total Day | 2,3% | 3,0% | 2,5% | 3,0% |
| Prime Time | 2,1% | 2,5% | 2,5% | 2,6% |

The Euro2020 broadcast was a success which reach **36.2 million people**, representing **80% of the population**. **Telecinco** channel **broadcasted 24 Euro2020 matches, eight extratime and four shutouts** reaching in total an average of **35.6% audience share, 4.8 million viewers and 42.9% commercial target**. **Cuatro** channel, in other hand, broadcasted **21 games** obtaining an **average audience share of 14.7%, 1.5 million viewers and 18.1% commercial target**. On the other hand, **Mitele, Mediaset España OTT platform** streamed all the 45 matches.

Telecinco channel lead TV audiences in the **first half 2021 with a 15.5% share** whilst its **commercial target notably to 16.1%** (vs 14.3% in the same period 2020).

In the period **April-June 2021**, **Telecinco** channel registered **16.0% audience share, its best record in thirteen years** being the leading channel for the tenth consecutive period. The **commercial target** of the channel **in the quarter** reached **17.0%** also is it's **best target in thirteen years**.

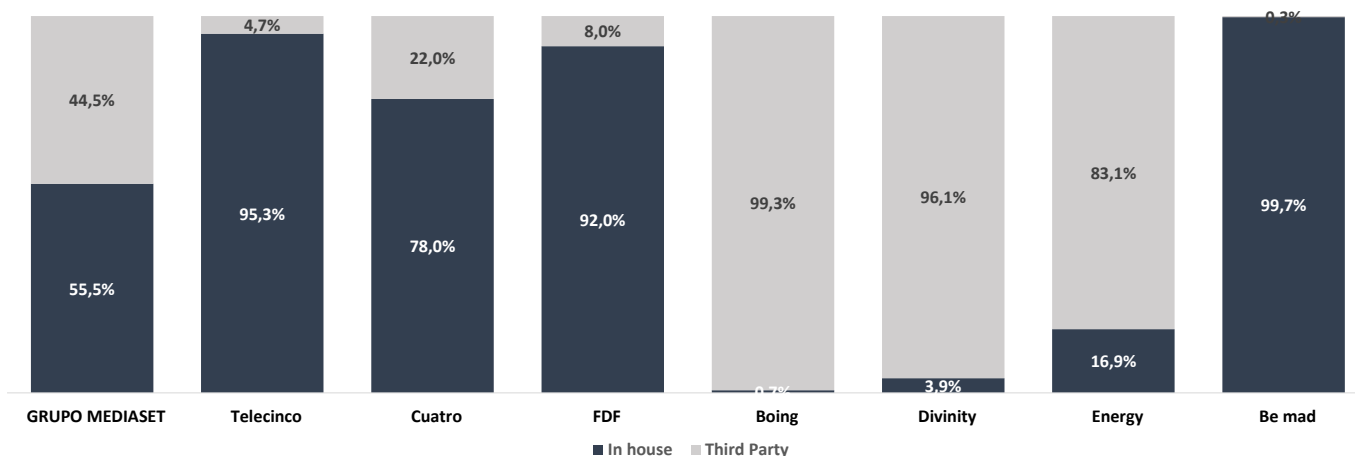
The **best performing programs** in **Prime Time in the quarter** were *“Rocío, contar la verdad para seguir viva”* (26,7% share and 2.4 million viewers) and *“Supervivientes (galas)”* (25.9% share 2.4 million viewers). *“Got Talent”* on the other hand is the **most watched program in the quarter in the prime-time slot** with 2.8 million viewers and 21.9% audience share. The best performing programs in terms of **commercial target** in the period April-June were: *“Rocío, contar la verdad para seguir viva”* (31.2%) and *“Supervivientes (galas)”* (26.6%).

Cuatro registered an audience of **5.4% in the first half 2021 in total individuals’ total day** and 6.2% commercial target. In the second quarter 2021, Cuatro remains the **third channel among the 13-34 years old group**, where it **reaches 7.0% share**.

The **targeted channels** obtained a **total of 7.6% audience share** in the first half 2021 **whilst achieving 8.5%** in commercial target. The audience of the various channels at the **end of June 2021** was as follows: **FDF** reached a **2.3% audience share in Total Individuals**, while in its target of **13- to 24-year-olds** it achieved **6.8%** audience share and in **25- to 34-year-olds 4.9%**. The **Divinity** channel had a 2.0% audience share in its **target of women 16 to 44 years old**, while in **Total Individuals** its share was **1.8%**. **Energy** channel achieved a **2.0%** audience in **Total Individuals** and in its target, men **25 to 54 years old** it achieved **2.1%**. **Boing**, the children’s channel, has an audience share in **Total Individuals** of **0.9 %** while in its target of **4- to 12-year-olds** it has managed to multiply its record more than **twelve-fold** reaching **11.3%** audience share. **Be Mad** registers an audience of **0.6%** whilst its **target of 25–34-year-old men achieves a 0.8% share**.

2.3 CONTENT MIX

In the **first half of 2021 Mediaset España's in-house production** represented **55.5%** of its **broadcasted hours**, an increase of **+2.2 pp** in comparison with the same period 2020 (**53.3%**). The distribution of **in-house and third party broadcasted hours in the first half of 2021** was as follows:



Source: Kantar Media

Telecinco channel has **slightly reduced its in-house broadcasted hours** in the period to **95.3%** compared to the **96.0%** of the first half 2020 (-0.7pp) whilst **Cuatro** has **increased its in-house broadcasted hours** in the same period to **78.0%** compared to 77.4% from last year (+0.6pp).

The **two main channels, Telecinco and Cuatro** combined, representing an **audience of 20.9%** (73.1% of the total of the Group), **have devoted 86.8% of their broadcasted hours to in-house production** in the **first half 2021**, of which, **77.6%** is content provided by the Group and associated & participated companies.

2.4 ASSOCIATED & PARTICIPATED PRODUCTION COMPANIES

Mediterráneo⁵ is **Mediaset España's** content unit that gathers all the stakes the Group has in the different **production companies**. **As of June 30th, 2021, the Group had 7 associated and 4 participated production companies** which are specialised in different types of content.

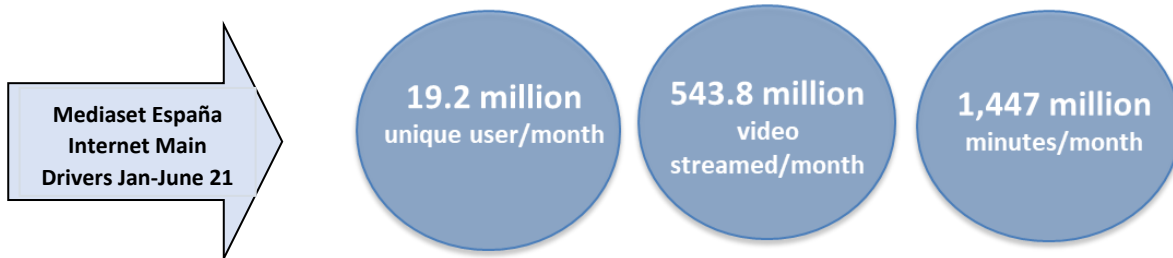
The **associated production companies** of the Group are: **Producciones Mandarina**, (30.0%), **La Fábrica de la Tele** (30.0%), **Alea Media** (40.0%), **Bulldog** (30.0%), **Alma Producciones** (30.0%), **Unicorn** (30.0%) and **Fenix Media Audiovisual** (40%). The **participated companies** of the Group were, in the same period: **Supersport**, (62.5%) specialised in **sports news** and provides content to the Group's TV channels as well as for third parties. **Megamedia** (100%) provides digital content and services for the Group as well as for external clients. **El Desmarque**, (**80% from 60%** at the end 2020), is a **sports site** with a wide offer for local sport content across the national territory.

The Group also has its cinema production unit, **Telecinco Cinema**, where it holds a **100%** share.

⁵ Mediterráneo Mediaset España Group.

2.5 INTERNET

In the months **January-June 2021**, the **internet video consumption** (multiplatform since March 2017) reached **41.8 minutes per person/per day** for total Individuals representing **15.5%** of the total daily average audiovisual consumption (270 minutes for that period). In that period **Mediaset España** obtained an average of **19.0 million unique users/month** and **528.8 million video streamed/month** (+8% and +25.4% respectively versus same period 2020).



(Source: Comscore data January-June 2021. Comscore June 2021.)

In the period **January to May⁶ 2021** **Mitele**, **Mediaset España OTT platform**, lead the Group’s audiovisual consumption with an **average of 294.7 million videos streamed/month** and **3.1 million unique users/month** (+32% and +8% respectively compared to the same period 2020). In the months **January to June 2021**, **Mitele Plus** registered an average of over **189,000 subscribers/month**, compared to the **142,000** registered in the same period 2020 (**+33.3%**), an increase of **+72,5%** when compared to the number at the end of December 2020. An excellent performance despite not having this year the **Premium football package** available in the same period 2020. The improvement on the subscription base is being achieved thanks to **main formats broadcasted on Mediaset España**, such as **“La isla de las tentaciones”, “Got Talent” or “Rocío: contra la verdad para seguir viva”**, along with soap operas such as **“Love is in the air” or “Mi hogar, mi destino”**.

Special mention to the **Euro2020 digital coverage** where all the matches were streamed on the sites **Tecinco.es, Cuatro. es** and in **Mitele OTT platform**. The offer included, calendar games, previews and post-match comments, all matches available on demand, best goals etc.. The initiative **Eurotubers**, where well known youtubers commented the football matches all **within a commercial branded content campaign** with a well-known food chain company. **The Euro2020** site registered a **total of 6.1 unique users ,16.7 million live sessions and 3.3 million videos streamed**, with the match **Spain-Switzerland** obtaining **2 million live sessions**, the record in the tournament. **The Euro2020** has been the most successful sport event ever streamed in internet by Mediaset España.

Mediaset España is also very popular in the **social networks** registering the **first semester 2021, more than 15 million comments**, which **represents more than 60%** of the total comments relating to television. **It becomes the first national television with over a million Instagram followers**, and it is also the **third Spanish brand** with most followers (more than one and a half million) in Tik Tok. **“La Isla de las tentaciones”** has been the most commented program, only in its **third edition obtained 2.8 million comments**, a figure above the previous two.

It is also outstanding the excellent performance of the Group’s **native digital content platform, Mtmad**, in the **first semester 2021 increased its video consumption by 59%** in comparison with the same period 2020 registered **181 million videos streamed** and an average of **1.7 million unique users in the period**.

(Source: Internal data from comsCoreMultiplataform and VideoMetrix)

3. PROFIT AND LOSS ACCOUNT

| mill. EUR | 2Q2021 | 2Q2020 | Var (%) | 1H2021 | 1H2020 | Var (%) |
|--|----------------|----------------|---------------|----------------|----------------|--------------|
| Gross Advertising Revenues | 235,1 | 122,3 | 92,3% | 406,1 | 325,1 | 24,9% |
| Mediaset España's Media | 228,3 | 121,3 | 88,3% | 395,3 | 321,1 | 23,1% |
| Third Party Media | 6,7 | 1,0 | - | 10,8 | 3,9 | - |
| Commission | (11,2) | (2,7) | - | (18,4) | (11,1) | - |
| Net advertising revenues | 223,9 | 119,5 | 87,3% | 387,7 | 314,0 | 23,5% |
| Other revenues | 15,7 | 25,8 | (39,1%) | 35,8 | 61,1 | (41,4%) |
| Total Net Revenues | 239,6 | 145,3 | 64,9% | 423,6 | 375,1 | 12,9% |
| Rights Amortisation | (22,4) | (21,9) | 2,2% | (40,4) | (47,1) | (14,1%) |
| Personnel | (30,8) | (26,5) | 16,4% | (61,1) | (56,5) | 8,3% |
| Other operating costs | (124,9) | (64,6) | 93,2% | (209,1) | (172,0) | 21,6% |
| Total Costs | (178,1) | (113,0) | 57,6% | (310,7) | (275,5) | 12,8% |
| EBITDA | 61,5 | 32,3 | 90,5% | 112,8 | 99,6 | 13,3% |
| <i>EBITDA Margin</i> | 25,7% | 22,2% | | 26,6% | 26,5% | |
| Other amortisations, provisions | (2,6) | (3,1) | (15,8%) | (4,6) | (6,6) | (30,6%) |
| Amortisation PPA | (2,2) | (2,0) | 9,8% | (4,5) | (4,1) | 9,8% |
| EBIT | 56,6 | 27,1 | 108,8% | 103,8 | 88,9 | 16,7% |
| <i>EBIT Margin</i> | 23,6% | 18,7% | | 24,5% | 23,7% | |
| Equity Cons. Results and Depr. Fin. Assets | 1,2 | 1,1 | 6,9% | 1,8 | 1,7 | 1,9% |
| Financial results | 4,8 | (0,2) | - | 4,4 | (0,3) | - |
| Pre-tax Profit | 62,6 | 28,1 | 123,1% | 110,0 | 90,4 | 21,7% |
| Income taxes | (13,3) | (6,4) | 107,6% | (23,6) | (19,4) | 21,9% |
| Minority interests | (0,6) | (0,5) | 19,2% | (1,0) | (1,0) | (0,2%) |
| Net Profit | 48,6 | 21,1 | 130,4% | 85,4 | 70,0 | 22,0% |
| <i>Net Profit Margin</i> | 20,3% | 14,5% | | 20,2% | 18,7% | |
| EPS (excluding Treasury shares) | 0,16 | 0,07 | | 0,27 | 0,22 | |

In the **first half 2021** the **Audiovisual Spanish advertising market**, as per Infoadex, grew by **+27.0%** to a total of **€1,316.3 million**, whilst the **TV ad market** grew by **+22.9%** to €873.7 million and the **Digital Ad market⁷** increased by **+35.8%** to €442.6 million.

Looking at the **second quarter**, **stands out** the performance of the **TV ad market** with an increase of **+82.2%**, to €494,1 million **compared to the same period 2020** (€271,2 million), well above the **Total Advertising market** performance that posted in the **same period an increase of +53.9%** and the **Digital market +65.1%**. This TV ad performance **highlights the relevance of the television to advertisers** in the face of early signs of the economic recovery.

Mediaset España Euro2020 broadcast was a success: **261 advertisers** (+46% vs Euro2016), **hogs the top 10 places in the top 10 ranking of most watched ad of the period (1st January to 11 July end of competition)**, **high coverage** and **notoriety** and an **excellent audience profile** are some of the outstanding contributions of this tournament.

⁷ Digital Market=websites (Display+Video) as per Infoadex

As per Infoadex data, **Mediaset España** in the **first semester 2021** obtained **30.7% share** in the **Audiovisual market** and a **43.2% share** in the **TV ad market**.

- **Mediaset España Gross Advertising Revenues** in the **first half 2021** amounted to **€406.07 million**, an increase of **+24.9%** compared to the same period last year. However, in the **second quarter 2021** the performance it is outstanding; **Mediaset España** almost doubled its gross advertising revenues **+92.3% in comparison** with the same quarter 2020. A **breakdown** of the aforementioned revenues is as follows:
 - ✓ **Gross Advertising Revenues of Mediaset España's Media** include advertising revenues from, **Internet, Teletext** and the **Group's 7 TV channels: TELECINCO, CUATRO, FACTORIA DE FICCION, BOING, DIVINITY, ENERGY and BE MAD** as well revenues from **HBBTV** amounted to a **total of €395.32 million in the first half of 2021**, an increase of **+23.1% in the semester** and an outstanding **+88.3% in the quarter**. **TV ad revenues** had an excellent performance in the **second quarter 2021** posting an increase of **+88.1%**. **Mediaset España** is undertaking new initiatives in the **Digital business** like the **Digital Ad Research**, a tool that will allow to increase the digital reach eliminating duplicated impacts with a **single inventory** all within a **safe environment of maximum notoriety**. This will allow **Mediaset España to explore**, among others, **new opportunities within the connected television** (addressable TV).
 - ✓ **Third party media revenues** in the first half 2021 reached to **€10.75 million this almost three folds revenues obtained in the first half 2020 (€3.9 million)**. This outstanding performance is thanks to **Be a Lion**, which contributes to the **Group revenues since July 2020**. If we look at the **second quarter 2021**, the performance it is even more impressive with **revenues almost six-fold** the revenues for the same period 2020 (€6.7 million vs €1.0 million).
- **Advertisement commissions** in the six months to June 2021 amounted to **€18.35 million**, representing **4.5%** over gross advertising revenues.
- **Net advertising revenues**, after commissions, were **€387.72 million an increase of +23.5%** compared to the same semester last year.
- **Other Revenues**, include income from **movie activities, internet, sale of rights, Mitele Plus subscriptions etc.** etc. and reached **€35.84 million** in the first half 2021, a reduction of **-41.4% compared to the same period last year (€61.14 million)**. This is because the difficult comp facing first semester 2021 due to the **lack of the premium Football package** (Spanish and Champion leagues) which was in offer during January-August last year, a **lower content sales activity** in the period and a **small cinema activity** with just one release in "*Operacion Camaron*" premiered on the **June 24th**.
- **Total Net Revenues** for the **first half 2021** amount to **€423.56 million**, this is an increase of **+12.9%** in comparison with the same **period 2020 (€375.10 million)**.

- **Total Costs** in the **six months to June 2021** amounted to **€310.71 million**, which is an increase of **+12.8%** compared to the **same period 2020 (€275,53 million)**. There have been **two different dynamics in the first six months 2021**. The first part of that period was **still affected by the pandemic**, with strong social restrictions in place to which **Mediaset España** responded adjusting its programming grid in line with the TV ad market situation (-13.6% in the 1Q21) and thus posting **cost savings** in that period of **€29.9 million**.

The second part with a **very positive dynamic from the TV advertising market (+82,2% 2Q21)** and the **ease of the social restrictions** to which respect **Mediaset España** decided on a **strong programming grid for the second quarter**, along with the broadcast of the **Euro2020**. **Total costs** for the period **April-June 2021** were **€178.08 million**, an increase of **+57.6%** compared to the same quarter 2020 (€113.01 million) which was fully impacted by the Covid19 pandemic.

The increase of costs in **this quarter 2021** is due mainly to a greater **cost sale** for the increase of the **ad revenues**, a **strong programming grid** and the broadcast of the **Euro2020**. The increase in **personnel cost** relates to the consolidation of **Be a Lion** in **Mediaset España Group**, since third quarter 2020.

- **Mediaset España** reached **€112.85 million EBITDA** in the first semester 2021 representing **margin of 26.6%**.

Looking at the **second quarter**, **Mediaset España** posted **€61.51 million EBITDA**, **nearly doubled** the figure from the second quarter 2020 (**€32.29 million, +90.5%**).

- **EBIT** in the **first half 2021** was **€103.79 million (+16.7%)**, representing **margin of 24.5%** whilst **EBIT in the second quarter 2021** was **€56.64 million, more than double** the figure from last year (**€27.12, +108.8%**).

- **Pre-Tax profit** reaches **€109.97 million** which includes the **consolidated result** from the **associated companies** of **€1.77 million** and financial results of **4.41million**, that among other, includes the **dividend received from ProSiebenSat1** paid on June 7th, 2021.

- **Mediaset España's Net Profit** in the **first half of 2021** was **€85.37 million** compared to **€70.00 million** from the same period 2020, **+22.0%** whilst in the **second quarter 2021**, **Mediaset España** posted a **Net Profit €48.64 million, this is +130.4%** compared to the profit reports in the **same quarter 2020 (€21.11 million)**.

4. CAPEX

| mill. EUR | <u>IH2021</u> | <u>IH2020</u> | <u>Var (%)</u> |
|------------------------------------|---------------|---------------|----------------|
| Third party | 32,54 | 50,70 | (35,8%) |
| Fiction | 10,64 | 13,48 | (21,1%) |
| Co-Produccion/Distribution | 4,99 | 2,53 | - |
| Tangible and Intangible Fix Assets | 2,03 | 1,97 | 3,3% |
| Total Capex | 50,20 | 68,67 | (26,9%) |

Total Net Investment in the first half of 2021 reached a total of **€50.20 million**, compared **€68.67** million from the same period last year.

In this period, the **Group** has invested a total of **€32.54 million in third party rights** and **€10.64 million in local fiction rights**. Also, **Net Investment** in **co-Production/Distribution** reached **€4.99 million** in the period, whilst **Tangible and intangible** fixed assets were **€2.03 million**.

Investment levels are recovering more slowly than initially expected due to the difficulties posed by the pandemic situation.

5. BALANCE SHEET

| mill. EUR | <u>June 2021</u> | <u>December 2020</u> |
|--|------------------|----------------------|
| Tangible assets | 1.083,7 | 887,3 |
| Financial | 866,9 | 662,0 |
| Non Financial | 216,8 | 225,3 |
| Audiovisual rights and Pre-payments | 137,1 | 129,4 |
| Third parties | 69,1 | 63,6 |
| Fiction | 43,7 | 44,7 |
| Co-production / Distribution | 24,4 | 21,0 |
| Deferred tax Asset | 55,6 | 79,2 |
| TOTAL NON-CURRENT ASSETS | 1.276,4 | 1.095,8 |
| Current assets | 244,2 | 302,9 |
| Financial investments and cash | 361,4 | 326,0 |
| TOTAL CURRENT ASSETS | 605,6 | 628,9 |
| TOTAL ASSETS | 1.882,0 | 1.724,7 |
| Shareholders`equity | 1.232,2 | 1.111,9 |
| Non-current provisions | 12,3 | 12,6 |
| Deferred tax liability | 55,3 | 49,6 |
| Non-Current financial Liabilities | 204,0 | 202,5 |
| Financial liabilities | 151,0 | 108,7 |
| TOTAL NON-CURRENT LIABILITIES | 422,5 | 373,4 |
| Current payables | 226,6 | 238,3 |
| Current financial liabilities | 0,7 | 1,1 |
| TOTAL CURRENT LIABILITIES | 227,3 | 239,4 |
| TOTAL LIABILITIES | 1.882,0 | 1.724,7 |

Mediaset España has a healthy balance with an adequate mix between short term and long-term assets and liabilities.

6. CASH FLOW GENERATION

In the first half 2021, **Mediaset España's Operating Free Cash Flow, was €141.40 million** a very positive figure due to a lower investment in rights and a very **positive impact on working capital** as a result of the **seasonality and volatility of the advertising market** during the pandemic

The **Net Cash Position** of the Group, **€156.7 million**, is after the acquisition of the **3.43% stake of ProsiebenSat1** in January 2021 and **includes the dividend received** from ProsiebenSat1 against its 2020 results.

| mill. EUR | <u>IH2021</u> | <u>IH2020</u> | <u>Var (M€)</u> |
|---|---------------|----------------|-----------------|
| Net profit (without minority interests) | 86,4 | 71,0 | 15,4 |
| Amortisation: | 50,9 | 58,1 | (7,2) |
| Rights | 40,4 | 47,1 | (6,6) |
| Other | 10,5 | 11,1 | (0,6) |
| Provisions | (0,9) | 0,2 | (1,1) |
| Other | 8,2 | 7,6 | 0,7 |
| OPERATING CASH FLOW | 144,6 | 136,9 | 7,7 |
| Investment in rights | (48,2) | (66,7) | 18,5 |
| Investments, other | (2,0) | (2,0) | (0,1) |
| Change in working capital | 47,0 | 19,1 | 27,9 |
| OPERATING FREE CASH FLOW | 141,40 | 87,4 | 54,0 |
| Own stock purchase | (0,7) | 0,0 | (0,7) |
| Change in Equity | (2,8) | (0,5) | (2,3) |
| Financial investments/disinvestments | (109,6) | (60,6) | (49,0) |
| Dividends received | 5,2 | 1,7 | 3,5 |
| Dividend payments | 0,0 | 0,0 | 0,0 |
| Net Cash Change | 33,5 | 28,0 | 5,5 |
| INITIAL FINANCIAL POSITION | 123,2 | (30,2)* | 153,4 |
| FINAL FINANCIAL POSITION | 156,7 | (2,2) | 158,9 |

(*) Adjusted at the beginning of the period due to NIIF16

7. EVENTS FOLLOWING THE CLOSE OF THE PERIOD

There are no relevant events after the end of the first six months 2021.

8. DEFINITION OF APMs

The **Mediaset España Group's financial information** contains magnitudes in accordance with current accounting regulations, as well as other measures that have been prepared according to the Mediaset España Group's Reporting model, i.e., **Alternative Performance Measures (APM)**.

These measures are **considered as complementary magnitudes** with respect to those presented in accordance with the **International Financial Reporting Standards (IFRS)**.

APMs are important for **financial information** users as they are the measures used by Mediaset España's Management to evaluate financial performance, cash flows, financial situation or operational and strategic decision making. Its **purpose is to promote the publication of transparent, impartial and comparable financial information** to allow users a better understanding of its financial position and results.

Net Revenues:

Total revenue includes the Group net of discounts and rebates.

Adjusted EBITDA: EBITDA:

(*"Earnings before Interest, Tax, Depreciation and Amortisation"*) is an indicator that measures the companies operating margin before deducting interest, taxes, impairments and amortisation.

They are based on the operating benefits to which the provisions for the amortisation of tangible and intangible assets are added, as well as the variations in the working capital provisions.

Due to the specific nature of the business, the consumption of audio-visual rights is included in the operating expenses even though their accounting treatment is amortisation of intellectual property.

Free Operating Cash Flow:

Measures the generation of monetary resources corresponding to operating and investment activities, and is used to evaluate the funds available for dividend payments to shareholders or for future investment activities.

Generated Cash Flow:

Corresponds to the cash from the operating and investment activities that, once deductible, dividend payments, interest on financing and treasury stock determine the Group's financial variation.

Liquidity or Net Financial Position:

The Group measures the liquidity or Net Financial Position as the sum of "Cash and other equivalent liquid assets" of other current financial assets and short and long-term credit lines arranged at the end of the period corresponding to loans granted by financial entities with terms, amounts and other conditions agreed in the contract.

Net Investments:

These APMs are used by the Group's Management to measure the investment activity of each period, and corresponds to those operating investments made by the same and net of divestments. It includes that corresponding to joint ventures and other companies operationally managed as such.

Coverage Ratio:

The active / passive liquidity coverage ratio is calculated by dividing Current Assets between Current Liabilities and is used to determine the number of times the Group could face the maturities of short-term commercial debt with the outstanding debt and the current liquidity.

9. CONTACT US

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Strength PV.

- 1.- Telenovelas Turcas ucha audiencia poco perfil comercial.
- 2.- Cuatro live content most of it
- 3.- Mejora en la conversión a target comercial.
- 4.- Somos optimistas por el recorrido que tiene el mercado publicitario español.