

MEDIASET *españa.*

FIRST QUARTER 2021 RESULTS

January – March 2021

MEDIASET *españa.*



Madrid – May 7th 2021

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Conference Call / Web cast details

7th May 2021 at **12:00 CET (11:00 UK Time)**

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You will also be able to connect via **webcast** with this link:
<https://edge.media-server.com/mmc/p/n9wiwz6e>

Or through our **IR homepage**:
<http://www.mediaset.es/inversores/en/>

I. FINANCIAL AND OPERATING HIGHLIGHTS

mill. EUR	IQ2021	IQ2020	Var (%)
Total net revenues	184,0	229,8	(19,9%)
Total operating costs	(132,6)	(162,5)	(18,4%)
EBITDA Adj. ⁽¹⁾	51,3	67,3	(23,7%)
EBITDA margin	27,9%	29,3%	
EBIT	47,1	61,8	(23,7%)
EBIT margin	25,6%	26,9%	
NET PROFIT	36,7	48,9	(24,9%)
EPS ⁽²⁾	0,12	0,16	
Free Cash - Flow	84,6	73,9	
Net Cash/ (Debt) Position	95,6	(18,8)	

(1) EBITDA Adj, includes TV rights consumption

(2) excluding any treasury shares as at 31.03

- As per **Infoadex** figures, the total **Audio-visual market**,¹ in the first quarter 2021 was **€557.3 million** which represents a decrease of **-7.9%** compared to the same period 2020 (€605.0 million). **TV advertising market** was **€379.6 million (-13.6%)** and **Digital market**², **€177.7 million (+7.5%)**. During the quarter **Mediaset España**, as per the above figures, obtained **30.6% market share in the Audio-visual Market** and **42.0% market share in the Television market**.
- Total net revenues** in the period amounted to **€184.0 million** compared to **€229.8 million from the same period last year (-19.9%)**.
- Mediaset España** registered an **EBITDA of €51.3 million** in the period (-23.7% vs. last year) representing 27.9% EBITDA margin.
- Net profit** reached **€36.7 million** compared to **€48.9 million** from the same period last year (-24.9%).
- Mediaset España's Net cash position** as of **31st March 2021** was **€95.6 million** and **Free Cash Flow** generation in the period amounted to **€84.6 million**.
- Mediaset España** obtained **27.8% TV audience share** in the **first quarter 2021** and **29.6% commercial target**, both in total individuals total day.
- Mediaset España** registered a **monthly average of 19.1 million unique users for internet** in the period and an average of **546.8 million video streamed/month** (Source: ComScore)
- In the **first quarter 2021**, **Mediaset España** has increased its stake in **ProsiebenSat1** by **3.43% (8.000.000 shares)**. The total stake in **ProsiebenSat1** as of **31st March 2021** is **13.18%**.
- As of **31st March 2021**, **Mediaset España** had **14,269,073 treasury shares**, representing **4.36%** of the Company's share capital. The **Annual General meeting held on April 14th** approved the cancelation of such treasury shares.

¹ Audiovisual Advertising Market= TV+ Digital

² Digital Market= Websites (Display+Video) as per Infoadex

2. OPERATING KPI's

2.1 TV CONSUMPTION

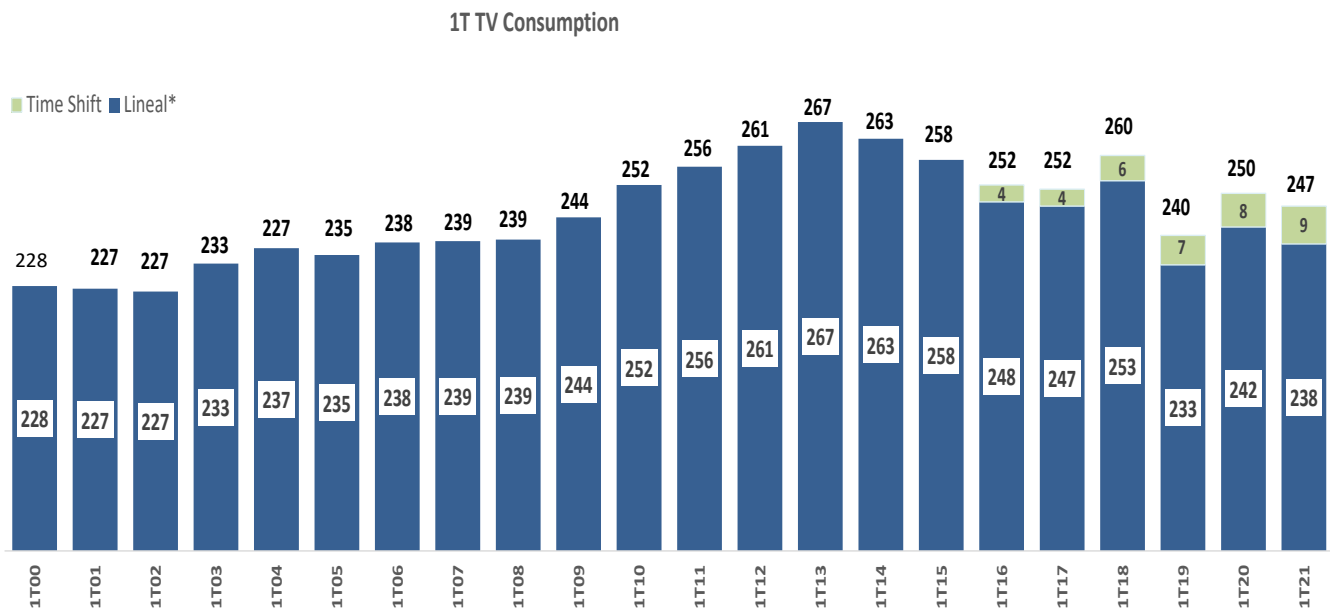
The **daily average total TV consumption³ per person per day, 4 years old +**, reached a total of **247 minutes in the first quarter 2021**, which is 3 minutes less than 1Q20 (250 minutes per person/per day). During the **first quarter 2021, although the varying lockdowns and social restrictions were eased in Spain, there was still strong TV consumption in the period**, above that of the first quarter 2019 when the daily average was 240 minutes per person/per day.

Linear consumption⁴ in the quarter was **238 minutes**, compared to the 242 minutes from the first quarter 2020. The **linear TV consumption represents 96.4% of the total TV consumption** in the period.

Non Linear consumption⁵ (Time shift viewing) in the same period amounted to **9 minutes/per person/day**, representing **3.6% of the total TV consumption**.

The above figures **do not include television viewed** on devices such as tablets, phones, computers, etc...

The **average daily television viewers, total day, to 31st March 2021** stands at **7.5 million people** in Total day and **16.5 million people** in Prime Time.



Source: Kantar Media.

³ Total TV Consumption= Linear Tv + Non Linear/Time shift. Doesn't include viewing time on Tablets, PCs, and Mobiles etc.

⁴ Linear: Includes Guests TV consumption (TV consumption from friends, family etc. visiting, measured since March 2017) and second homes since 2020.

⁵ Non Linear/Time shift.- is the consumption within the 7 days after the first broadcast on television

2.2 AUDIENCE SHARE

	Jan-mar' 21		Jan-mar'20	
	Total Individuals	Commercial Target	Total Individuals	Commercial Target
MEDIASET ESPAÑA				
Total Day	27,8%	29,6%	28,1%	29,5%
Prime Time	25,6%	27,9%	27,6%	28,4%
TELECINCO				
Total Day	15,1%	15,3%	14,2%	13,9%
Prime Time	13,9%	14,8%	13,7%	13,1%
CUATRO				
Total Day	5,1%	5,8%	5,7%	6,6%
Prime Time	5,2%	6,2%	6,6%	7,7%
DIVINITY				
Total Day	1,9%	2,0%	1,7%	1,9%
Prime Time	1,4%	1,5%	1,4%	1,5%
BOING				
Total Day	0,9%	0,8%	1,0%	0,8%
Prime Time	0,7%	0,7%	0,8%	0,6%
ENERGY				
Total Day	1,9%	2,0%	2,3%	2,6%
Prime Time	1,6%	1,6%	2,0%	2,1%
BE MAD tv				
Total Day	0,7%	0,8%	0,6%	0,7%
Prime Time	0,6%	0,7%	0,6%	0,6%
FDF				
Total Day	2,3%	2,9%	2,6%	3,1%
Prime Time	2,1%	2,4%	2,6%	2,8%

Source: Kantar Media.

Mediaset España registered **27.8%** share in total individuals/total day in the first quarter 2021 whilst in prime time it obtained **25.6%** audience share. In the same period, the Group Commercial target was **29.6%** in total individual's total day and **27.9 %** in Prime Time.

The **main Group** channel, **Telecinco**, in the first quarter 2021 registered a **15.1% audience share** in total individuals total day, this is an increase of **+0.9pp compared to the same quarter 2020**, and its best record in twelve years. In **commercial target the audience share** increased to **15.3%**, this is **+1.4pp** compared to the same period last year.

Some of **Prime time's best performing programmes** in the quarter were: **"Rocio, contar la verdad para seguir viva"** with a **30.3%** audience share and an **average of 3.5 million viewers** leading in all targets with a **33.8% commercial share** up to **35.8% in the 25-34 years old age group**. **"La isla de las tentaciones"** in its third season **reached 26.3%** audience share and an average of **3.1 million viewers**. **"Got Talent"** on the other hand achieved **18.9% audience share** in the quarter and **2.7 million viewers**, increasing its share in the **13-24 year old age group to 27.2%**.

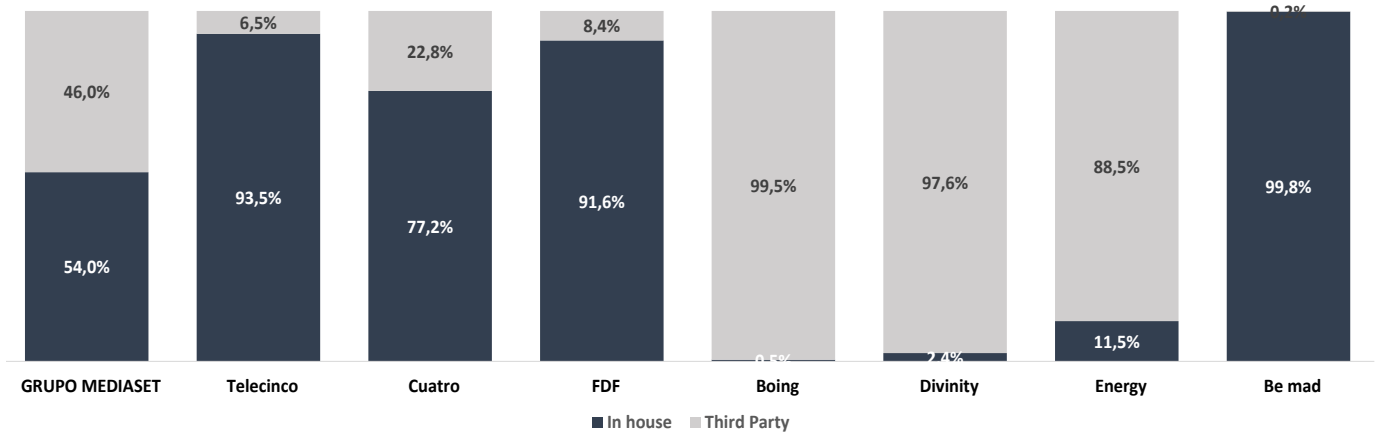
The **Cuatro channel**, registered a **5.1% audience share** in total individuals / total day in the quarter, whilst in **prime time it obtained 5.2% audience share**. With regards to commercial target, **the share was 5.8% in total individuals/total day and 6.2% in prime time**. Some of the programmes broadcasted on the **Cuatro channel** during the period were: **"First Dates"**, **"Informe Covid"**, **"Los Gipsy Kings"** among others.

The **targeted channels, Divinity, Boing, Energy, Be Mad and FDF**, obtained a **total of 7.7% audience share** in total individuals/total day in the period **whilst achieving 8.5%** in commercial target.

The audience share of the different channels **in the quarter**, in their targets, was as follows: **FDF** in its target of **13 to 24 year olds** achieved a **6.6%** audience share and in **25 to 34 year olds, 4.7%**. The **Divinity** channel had a **2.1% audience share in its target of women 16 to 44 years old**, the **Energy** channel, in its target of **25 to 54 year old men**, achieved a **2.0% share**. **Boing**, the children's channel, increased its share **twelve-fold** in its target of **4 to 12 year olds**, reaching **11.0%**. **Be Mad** registers a **0.9% share** in the **25-34 year old** group.

2.3 CONTENT MIX

In the first quarter 2021, Mediaset España's in-house production represented 54.0% of the total broadcasted hours of the Group, above the 51.1% of the same period last year (+2,9pp). Third party rights, on the other hand, represented 46.0% of the total broadcasted hours in the Group. The distribution of in-house and third party broadcasted hours during the quarter, has being as follows:



Source: Kantar Media

Telecinco channel devoted 93.5% of its broadcasting hours to in-house production, this is a decrease of -2.4 pp compared to the same period last year (95.9%). The Cuatro channel, on the other hand, allocated 77.2% of its broadcasting hours to in-house production, a decrease of -1.5 pp in comparison with the same period 2020.

The two main channels, Telecinco and Cuatro combined, representing an audience of 20.2% (72.7% of the total of the Group), have devoted 85.5% of their broadcasted hours to in-house production in the quarter, of which 77.0% is content provided by the Group and associated & participated companies.

2.4 ASSOCIATED & PARTICIPATED PRODUCTION COMPANIES

Mediterraneo⁶ is Mediaset España's content unit that gathers all the Group's stakes in the different production companies. As of March 31st 2021, the Group has 7 associated and 4 participated production companies specialised in different types of content from fiction, to talk shows, realities, documentaries etc. The Group's associated production companies in the period are: Producciones Mandarin, (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 at the end of first quarter 2021 were: 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 external clients. El Desmarque, where Mediaset España increased its stake in the first quarter 2021 to 80% from 60% at the end 2020 and is a sports site with a wide offer for local sport contents across the national territory on the internet. Be a Lion (51%) a company specialised in safe commercial solutions for the digital arena and social networks.

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

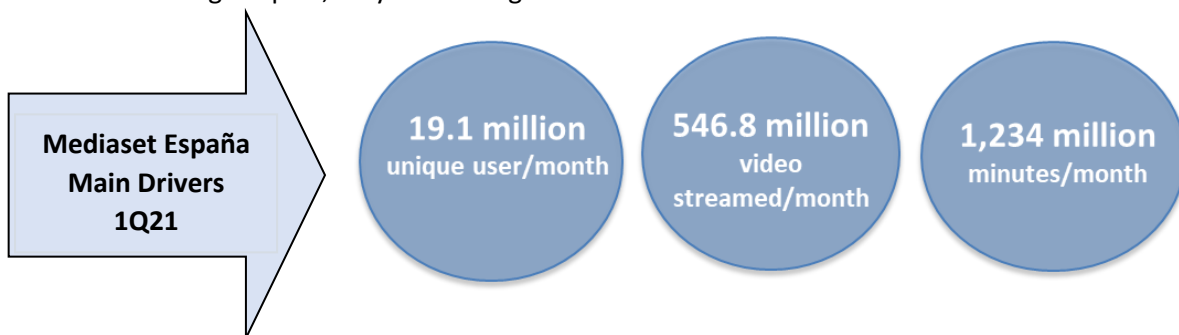
⁶ Mediterraneo Mediaset España Group

2.5 INTERNET

In the first quarter 2021, the internet video consumption reached **43 minutes per person/per day** for **total Individuals** representing **14.8%** of the total daily average audiovisual consumption (290 minutes per person/per day)⁷, of which **247 minutes per person/per day** is television consumption. As per the aforementioned figures, TV consumption represents **85.2%** of the total daily audiovisual consumption.

In the first quarter 2021, Mediaset España recorded in internet a **monthly average of 19.1 million unique users** and registered an **average of 546.8 million video streamed/month**, +25.7% compared to the same period 2020.

This is an excellent result that proves the high engagement of the users to Mediaset España content. In the month of **March**, Mediaset España obtained its highest ever number of unique users reaching **20.6 million** and its highest ever number of video streamed with **695 million**. The Group takes **second position** in the Global video ranking in Spain, only after Google.



Mitele, Mediaset España’s OTT platform, leads the audiovisual consumption of the Group reaching an average of **327.9 million videos streamed/month** in the first quarter 2021, this is an increase of **+35%** compared to the same period last year.

During this quarter, Mediaset España and Telefonica signed an agreement to include Mediaset España OTT platform, **Mitele Plus**, in the offer of the pay TV operator, **Movistar+**. The Group continues working in its **digital expansion plan**, increasing the availability of the Group’s platform in the market with the aim of increasing its subscription base.

It is also worth noticing, the **digital performance** of Telecinco's flagship programmes like **“La isla de las tentaciones”**, **“Supervivientes”** and **“Got talent”**. The first one became the most demanded during its broadcast on TV with some **49 million videos streamed** (Source: *Omniture*). To make content more attractive to users, **QR codes, questionnaires and voting systems** were introduced in **“Supervivientes”** taking the user experience a step forward and increasing engagement by involving the user in the development of the content. Both **“La isla de las tentaciones”** and **“Got talent”** were also available in **Mitele Plus** OTT platform 24 hours before its broadcast on TV. All these actions by Mediaset España had contributed greatly to the strong increase in **Mitele Plus subscriptions** that reached **more than 208.000 subscriptions** at the end of March 2021 (up from 109.000 at the end 2020, +83,5%).

The Group’s **native video platform**, **Mtmad** had an outstanding performance in the quarter, increasing its **video streamed** by **18%** in comparison with the same period 2020, to a **total of 96.9 million videos streamed in the period**.

Also, the sites **“El Desmarque”** and **“Nius”**, the Group digital newspaper, have obtained excellent results in the period. **“El Desmarque”** registered a **monthly average of 4.3 million unique users**, whilst **“Nius”**, reached a **monthly average of 3.9 million unique users** (+81% vs same period 2020).

⁷ Source: Kantar (TV) and Comscore (Internet)

3. PROFIT AND LOSS ACCOUNT

mill. EUR	<u>IQ2021</u>	<u>IQ2020</u>	<u>Var (%)</u>
Gross Advertising Revenues	171,0	202,8	(15,7%)
Mediaset España's Media	167,0	199,9	(16,5%)
Third Party Media	4,0	2,9	36,5%
Commission	(7,2)	(8,4)	(14,5%)
Net advertising revenues	163,8	194,4	(15,7%)
Other revenues	20,1	35,4	(43,1%)
Total Net Revenues	184,0	229,8	(19,9%)
Rights Amortisation	(18,1)	(25,2)	(28,3%)
Personnel	(30,3)	(30,0)	1,1%
Other operating costs	(84,2)	(107,3)	(21,5%)
Total Costs	(132,6)	(162,5)	(18,4%)
EBITDA	51,3	67,3	(23,7%)
<i>EBITDA Margin</i>	27,9%	29,3%	
Other amortisations, provisions	(1,93)	(3,45)	(44,0%)
Amortisation PPA	(2,25)	(2,05)	9,8%
EBIT	47,15	61,78	(23,7%)
<i>EBIT Margin</i>	25,6%	26,9%	
Equity Cons. Results and Depr. Fin.			
Assets	0,6	0,6	(6,5%)
Financial results	(0,4)	(0,1)	-
Pre-tax Profit	47,4	62,3	(24,0%)
Income taxes	(10,3)	(13,0)	(20,6%)
Minority interests	(0,4)	(0,5)	(22,5%)
Net Profit	36,7	48,9	(24,9%)
<i>Net Profit Margin</i>	20,0%	21,3%	
EPS (excluding Treasury shares)	0,12	0,16	

During the first quarter 2021, the advertising market was still under the pressure of the health crisis caused by Covid19. In this period, the Spanish population were subject to social restrictions, lockdowns and curfew measures which clearly impacted the economy and therefore the advertising market.

Under this scenario the **Audiovisual advertising market**⁸ shrank in the period by **7.9%** reaching a total of **€557.3 million**, compared to the **€604.7 million in the first quarter 2020**.

The **TV advertising market** in the **first quarter 2021** was **€379.6 million**, **-13.6%** compared to the same quarter 2020 (€439.6 million). It is worth noticing that the **TV advertising market in March** posted, as per Infoadex, an increase of **+5.8%** based on the positive evolution of the health crisis.

On the other hand, the **Digital advertising market**⁹ grew by **+7.5%** to **€177.7 million** in the quarter, showing a good improvement, and in the month of **March (+21.5% as per Infoadex)** in comparison with **January (-3,2%)** and **February (+3,5%)** performance.

As per Infoadex figures, in the **first quarter 2021**, Mediaset España obtained an **audiovisual market share of 30.6%**¹⁰ and lead in the **TV advertising market with a share of 42.0%**.

- **Gross Advertising Revenues in the first quarter 2021** was **€171.0 million**, this is a reduction of **-15.7%** in comparison with **the same period 2020 (€202.8 million)** clearly affected by the difficult comparison due to the health crisis starting in the second half of March 2020. A **breakdown** of the revenues is as follows:
 - ✓ **Gross Advertising Revenues of Mediaset España's Media** includes **advertising revenues** from, **Internet, Teletext** and the **Group's 7 TV channels: TELECINCO, CUATRO, FACTORIA DE FICCIÓN, BOING, DIVINITY, ENERGY and BE MAD**. These revenues amounted to a **€167.0 million** in the period, which compares to the **€199.9 million** from the same period last year (-16.5%).
 - ✓ **Gross third-party media revenues** in the quarter amounted to a total of **€4.0 million**, compared to **€2.9 million for the same period last year (+36.5%)**. This revenue increase is despite the lower revenues coming from the outdoor media advertising (OOH) and **due to revenues from Be a Lion**, a participated company, the acquisition of which took place in August 2020.

In the quarter, the **digital advertising revenues** of Mediaset España had an excellent performance in the quarter with a growth of **+35.4% to a total of €11.1 million**, compared to the **+7.5% performance of the Digital**¹¹ **advertising market in the same period**.

- **Advertisement commissions** in the quarter, amounted to **€7.2 million**, representing **4.2%** over gross advertising revenues.
- **Net advertising revenues**, after commissions, amount to a total of **€163.8 million** compared to **€194.4 million** from 2020 (-15.7%).
- **Other Revenues**, include **non-advertising** income from **content sales, internet, Mitele Plus subscriptions, services provided for third parties etc**. These revenues reached **€20.1 million** in the first quarter 2021, with most of the revenues coming from the **content sales and subscriptions to Mitele Plus**.

⁸ Audiovisual Advertising Market= TV+ Digital (Websites (Display+Video) as per Infoadex.)

⁹ Digital= Websites (Display+Video) as per Infoadex

¹⁰ Source: Publiespaña: Mediaset TV Infoadex+ Mediaset Digital

The difference with the revenues from the same period last year, €35.4 million, is due to the lack of cinema releases in the quarter compared to the release of “Adu” in January 2020 and the end of the premium offer for the Spanish football League and Champions packages in the OTT platform of the Group, Mitele Plus.

The Mediaset España Group still works towards increasing its levels of revenue diversification and among others, it is currently working on HBBtv technology, through Loves TV, the Group addressable TV platform. Mediaset España believes there are excellent opportunities and great potential in the TV addressable business that will contribute to raise the Group top line.

- **Total Net Revenues** for the period amounted to **€184.0 million**, compared to **€229.8 million** from the same quarter last year (-19.9%). A quarter clearly impacted by the Covid19 crisis, where since April there are signs of an improvement in the advertising market based on the good prospect of the recovery of the economic activity.
- **Total Costs** for the period was **€132.6 million**, compared to the **€162.5 million** from the same period last year (-18.4%). The savings in the period were due mainly to **lower programming costs**, in an effort to adapt to the reality of the advertising market, **lower cost of sales**, and savings from **other operating cost** that the company managed to optimise in the quarter.

Cost savings in the first quarter 2021, was **€29.9 million**, which **offsets 65.2%** of the revenue decline.

- In the first quarter 2021 Mediaset España obtained an **EBITDA** of **€51.3 million**, representing a margin of **27.9%**.
- **EBIT** for the period reached **€47.1 million** representing a margin of **25.6%**.
- **Pre-Tax profit** reaches **€47.4 million**, this compares to **€62.3 million** from the same quarter last year.
- Mediaset España obtained a **Net Profit** of **€36.7 million in the quarter**, representing EPS of **€0.12**, excluding treasury shares.

4. CAPEX

mill. EUR	<u>IQ2021</u>	<u>IQ2020</u>	<u>Var (%)</u>
Third party	26,2	41,4	(36,8%)
Fiction	4,4	9,6	(54,9%)
Co-Produccion/Distribution	1,9	0,5	266,8%
Tangible and Intangible Fix Assets	0,2	0,8	(69,4%)
Total Capex	32,7	52,4	(37,6%)

Total Net Investment in the first quarter 2021 reached a total of **€32.7 million, compared to €52.4 million** from the same period 2020. The **lower level of Capex is explained** by the limitations still in force due to **Covid 19 in the quarter** that prevented the Group from a normalised content production activity. It is expected to **reach a higher level of content production** as the **health situation improves**.

The Group invested in **third party rights €26.2 million** and **€4.4 million** in local fiction.

Production/Distribution net investment in the quarter is **€1.9 million compared to the €0.5 million** from the same period 2020.

Tangible fixed assets, reaches **€0.2 million** in the period, compared to the **€0.8 million** from the same period 2021.

5. BALANCE SHEET

Mediaset España's balance sheet as at **31st of March 2021**, is as follows:

mill. EUR	<u>March 2021</u>	<u>December 2020</u>
Tangible assets	1.107,4	887,3
Financial	886,9	662,0
Non Financial	220,5	225,3
Audiovisual rights and Pre-payments	143,7	129,4
Third parties	75,9	63,6
Fiction	45,1	44,7
Co-production / Distribution	22,7	21,0
Pre-paid taxes	94,2	79,2
TOTAL NON-CURRENT ASSETS	1.345,3	1.095,8
Current assets	233,2	302,9
Financial investments and cash	300,0	326,0
TOTAL CURRENT ASSETS	533,2	628,9
TOTAL ASSETS	1.878,5	1.724,7
Shareholders` equity	1.224,5	1.111,9
Non-current provisions	12,8	12,6
Non-current payables	51,3	49,6
Non-current financial liabilities	371,1	311,2
TOTAL NON-CURRENT LIABILITIES	435,3	373,4
Current payables	217,9	238,3
Current financial liabilities	0,8	1,1
TOTAL CURRENT LIABILITIES	218,7	239,4
TOTAL LIABILITIES	1.878,5	1.724,7

Mediaset España's balance sheet at the end of the quarter shows, once more, a **positive working capital** and a **net cash position that reaches €95.6 million**, despite the investment carried out in **ProsiebenSat1** in the quarter (3.43% of the company's share capital) **valued at €103.9 million**.

6. CASH FLOW GENERATION

Mediaset España's **Operating Free Cash Flow** in the quarter, was **€84.6 million**, an increase of **€10.7 million** compared to the same quarter 2020 (**€73.9 million**). The Free Cash Flow figure has been **positively impacted** by the **deferral of some of the investment** due to the **pandemic situation in the quarter**. This impact is likely to move towards a more **normalised level** as the **health situation improves**.

mill. EUR	<u>IQ2021</u>	<u>IQ2020</u>	<u>Var (M€)</u>
Net profit (without minority interests)	37,1	49,3	(12,3)
Amortisation:	23,1	30,8	(7,7)
Rights	18,1	25,2	(7,1)
Other	5,0	5,6	(0,6)
Provisions	(0,8)	0,3	(1,1)
Other	8,5	7,8	0,7
OPERATING CASH FLOW	67,9	88,2	(20,3)
Investment in rights	(32,4)	(51,6)	19,2
Investments, other	(0,2)	(0,8)	0,5
Change in working capital	49,3	38,0	11,3
OPERATING FREE CASH FLOW	84,6	73,9	10,7
Own stock purchase	0,0	0,0	0,0
Change in Equity	(1,9)	(1,1)	(0,8)
Financial investments/disinvestments	(110,3)	(61,3)	(49,0)
Dividends received	0,0	0,0	0,0
Dividend payments	0,0	0,0	0,0
Net Cash Change	(27,6)	11,4	(39,1)
INITIAL FINANCIAL POSITION	123,2	(30,2)*	153,4
FINAL FINANCIAL POSITION	95,6	(18,8)	114,4

(*) Adjusted at the beginning of the period due to NIIF 16

7. EVENTS FOLLOWING THE CLOSE OF THE PERIOD

AGM April 14th, 2021 approved the cancellation of the treasury stock held by the company, **14.3 million shares** (4.36% of the share capital of the Company).

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:

("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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