

ATRESMEDIA



**JANUARY–DECEMBER 2020
RESULTS**

31 December 2020



Atresmedia's consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRS), taking into account all mandatory accounting principles and rules and measurement bases, as well as the alternative treatments permitted by the legislation in this regard. In addition, information is disclosed on the individual performance of the Group's two main lines of business: Audiovisual and Radio.



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1. HIGHLIGHTS

1.1 Milestones and key figures

Atresmedia. Key figures

Operational highlights	Jan-Dec 2020	Jan-Dec 2019
Total TV audience	26.3%	26.2%
TV market share (internal estimates)	41.1%	40.9%
Radio listeners (thousands) (3rd EGM wave Rolling average)	3,165	3,445
Total no. employees	2,571	2,464

Financial highlights Euros (in thousands)	Jan-Dec 2020	Jan-Dec 2019
Net revenue	866,300	1,039,406
EBITDA	74,262	183,945
Profit for the period	23,853	118,025
Net financial debt	116,792	193,010

The key issue throughout 2020 has been the global crisis caused by the COVID-19 pandemic. Against this backdrop, Atresmedia's EBITDA for the year totalled 74.3 million euros, with consolidated profits of 23.9 million euros.

During the year the Group implemented a **voluntary severance scheme** for employees. Excluding the impact of the corresponding provision, **EBITDA** for the year would have been **110.8 million euros**.

According to internal estimates, **Atresmedia Television's market share** for the period was 41.1%. It achieved an audience share of 26.3%, making it the only television group to see growth in the year, while its competitors lost audience share, and it obtained a prime time commercial target audience of 27.9%.

Antena 3 achieved an 11.8% audience share in the period, with a prime time commercial target audience share of 13.2%.



laSexta stayed 1.6 points ahead of its main competitor with an average audience figure of 7.0%, and 7.2% for commercial target audience 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 2020, with a commercial target audience of 8.3%.

According to statistics published by ComScore in December, Atresmedia's **Digital** business continued to head the internet rankings for audiovisual groups for the fourth successive year, with 28.2 million unique visitors, and it was the seventh most visited website in Spain. At 31 December 2020 the Atresmedia Premium pay-TV platform had a total of 452,000 subscribers, 3.6 times the number achieved at the end of 2019.

Films on release from **Atresmedia Cine** during the year accounted for 52% of total earnings for Spanish cinema. "Padre no hay más que uno 2" was the year's highest grossing Spanish film.

Atresmedia's **international** channels, meanwhile, had over 54 million subscribers.

Atresmedia Radio's stations, Onda Cero, Europa FM and Melodía FM, maintained their position with 3.2 million listeners, according to the latest EGM study (3rd 2020 wave).

1.2 The economic climate and the market

The global economy has been radically affected by the COVID-19 crisis. Figures from the National Statistics Institute show that Spanish GDP **shrank by 11% in 2020**.

Forecasting institutions expect the economy to grow in **2021**, although less strongly than initially estimated. The Fundación de las Cajas de Ahorros (FUNCAS)'s panel estimates that the economy will **recover by 6.3%**, down 0.2 percentage points on its November forecast and 0.9% lower than forecast in July. The Government of Spain's forecast is a little more optimistic at between 7.2% and 9.8% in 2021. The Bank of Spain, meanwhile, expects GDP to rise by between 4.2% and 8.6% in 2021, in line with the IMF forecast of 7.2%.

Meanwhile, the consequences of the shrinking economy will directly impact on the labour market. The unemployment rate in the fourth quarter of 2020 was 16.6%. FUNCAS' panel expects this to rise to 17.2% in 2021.

The Bank of Spain is forecasting an unemployment rate of between 17.1% and 20.5% in 2021. The Government, meanwhile, expects the unemployment rate to reach between 16.3% and 16.9%.

Declining demand and household incomes, falling consumption and tumbling prices for some commodities pushed the CPI into negative figures in 2020 (-0.5%). In 2021 it is expected to increase by 0.8%.

The consensus forecast suggests the public deficit will reach 12.3% of GDP in 2020 and 7.4% in 2021.

Turning to the advertising market, according to Infoadex, advertising spending shrank by 18.1% in the year to December 2020 compared with the same period in 2019, affecting all media. In the markets in which Atresmedia operates, television advertising has fallen by 18.4%, radio advertising by 22.9% and internet advertising by 5.3%. Advertising spending was particularly severely hit by the COVID-19 crisis in the months from March to June. This period alone accounts for approximately 80% of the decline in the year.

Advertising market by media **12M20 VS 12M19**

Television	-18.4%
Radio	-22.9%
Digital	-5.3%
Press	-30.8%
Magazines	-43.3%
Outdoor	-47.7%
Sunday Suppl	-53.7%
Cinema	-73.3%
TOTAL MEDIA	-18.1%

Source: Infoadex



2. ATRESMEDIA

2.1 Consolidated Income Statement

Euros (in thousands)	Jan-Dec 2020	Jan-Dec 2019	Change
NET REVENUE	866,300	1,039,406	(16.7%)
OPERATING EXPENSES	792,038	855,461	(7.4%)
EBITDA	74,262	183,945	(59.6%)
Depreciation and amortisation	19,028	19,587	(2.9%)
Impairment and disposal of property, plant and equipment	15,101	(48)	n/a
EBIT	40,133	164,406	(75.6%)
Financial result	(5,992)	(6,788)	11.7%
Net income from investments in other entities	(366)	(824)	55.6%
Profit before tax from continuing operations	33,776	156,794	(78.5%)
Income tax	9,994	38,848	(74.3%)
Profit for the period	23,782	117,946	(79.8%)
Profit attributable to non-controlling interests	71	79	(9.8%)
Profit for the financial period attributable to the parent company	23,853	118,025	(79.8%)



2.1.1 Net revenue

Atresmedia's net revenue for the year to December 2020 totalled 866.3 million euros, compared to 1,039.4 million euros in 2019.

Net revenue by business (thousand euros)	Jan-Dec 2020	Jan-Dec 2019	Change
Audiovisual	807,925	965,082	(16.3%)
Radio	67,023	83,135	(19.4%)
Eliminations	(8,648)	(8,811)	
ATRESMEDIA	866,300	1,039,406	(16.7%)

Total advertising market, according to Infoadex, has shrunk by 18.1% in the year to December 2020.

2.1.2 Operating expenses

Operating expenses in the year to December 2020 were 7.4% lower than last year.

Operating expenses by business (thousand euros)	Jan-Dec 2020	Jan-Dec 2019	Change
Audiovisual	736,058	798,379	(7.8%)
Radio	64,628	65,893	(1.9%)
Eliminations	(8,648)	(8,811)	
ATRESMEDIA	792,038	855,461	(7.4%)



Operating expenses by type (thousand euros)	Jan-Dec 2020	Jan-Dec 2019	Change
Programming costs & others	348,864	391,829	(11.0%)
Personnel costs	161,037	161,741	(0.4%)
Severance scheme provision	36,541		n/a
Other operating expenses	135,908	146,324	(7.1%)
Variable expenses linked to sales	118,337	164,378	(28.0%)
Eliminations	(8,648)	(8,811)	
OPERATING EXPENSES	792,038	855,461	(7.4%)

A cost-cutting plan was executed in the year for both programming and other operating costs to offset declining advertising revenues, in particular since March, due to the global COVID-19 crisis. This has not harmed the Group's competitiveness.

Variable expenses linked to sales fell due to falling advertising sales as well as other revenues.

In 2020 a voluntary severance scheme was rolled out for employees aged over 57 years with more than 15 years at the Company. 110 employees took advantage of this scheme. Excluding the impact of the corresponding provision, operating expenses totalled **755.5 million euros, a saving of 100 million euros (-11.7%) on the previous year**, in line with the company's guidance.

2.1.3 Operating earnings and margins

EBITDA in the year to December 2020 was 74.3 million euros, representing a margin on net revenues of 8.6%.

Stripping out the impact of the provision for the severance scheme, **EBITDA** for the year would have been **110.8 million euros** with a margin on net revenue of 12.8%.

EBITDA in the fourth quarter of 2020 totalled 1.1 million euros. This includes the provision for the severance scheme, without which EBITDA would have been **37.7 million euros**.



EBITDA (thousand euros)	Jan-Dec 2020	Jan-Dec 2019
Audiovisual	71,867	166,703
Margin on net revenue	8.9%	17.3%
Radio	2,395	17,242
Margin on net revenue	3.6%	20.7%
TOTAL ATRESMEDIA	74,262	183,945
Margin on net revenue	8.6%	17.7%

EBIT for the year to December totalled 40.1 million euros, in comparison with 164.4 million euros for 2019.

At the end of 2020 a negative adjustment of 15.1 million euros was taken to the consolidated balance sheet to reflect impairment to the goodwill of the Group's Uniprex (Radio) asset.

EBIT (thousand euros)	Jan-Dec 2020	Jan-Dec 2019
Audiovisual business	55,480	149,968
Margin on net revenue	6.9%	15.5%
Radio business	(197)	14,438
Margin on net revenue	n/a	17.4%
Impairment goodwill (Radio business)	(15,150)	
TOTAL ATRESMEDIA	40,133	164,406
Margin on net revenue	4.6%	15.8%

Stripping out the impact of the provision for the severance scheme and the impairment to goodwill, **EBIT** for the year would have been **91.8 million euros**.



2.1.4 Profit before tax

The Group reported financial losses for the year to December 2020 of 6.0 million euros, compared with losses of 6.8 million euros last year.

Profit before tax for the year to December 2020 totalled 33.8 million euros, compared to 156.8 million euros last year.

2.1.5 Consolidated profit for the period

Consolidated profit for the year was 23.9 million euros.



2.2 Consolidated Balance Sheet

Euros (in thousands)	31 December 2020	31 December 2019
ASSETS		
Goodwill	157,544	163,223
Other intangible assets	115,661	119,970
Property, plant and equipment and other non-current assets	79,043	98,221
Deferred tax assets	204,311	201,527
NON-CURRENT ASSETS	556,559	582,942
Programming rights and inventories	291,165	321,082
Trade and other receivables	251,750	245,124
Other current assets	19,782	28,585
Current tax assets	26,897	18,884
Cash and cash equivalents	172,792	85,831
CURRENT ASSETS	762,387	699,506
TOTAL ASSETS	1,318,946	1,282,448
LIABILITIES		
Share capital	169,300	169,300
Issue premium	38,304	38,304
Legal and statutory reserves	42,475	42,475
Retained earnings	216,716	237,047
Treasury shares	(6,168)	(7,489)
Interim dividend	0	(45,012)
Other equity instruments	0	1,355
Remeasurements and other	5,658	2,180
EQUITY	466,286	438,160
Debentures and bonds	162,986	178,030
Debt to financial institutions	69,463	103,516
Other non-current liabilities	90,097	44,272
Deferred tax liabilities	34,618	32,183
NON-CURRENT LIABILITIES	357,165	358,001
Debentures and bonds	3,771	4,046
Debt to financial institutions	36,240	8,676
Trade and other creditors	391,650	381,773
Other current liabilities	63,834	91,791
CURRENT LIABILITIES	495,495	486,287
TOTAL LIABILITIES AND EQUITY	1,318,946	1,282,448



The Group's net financial debt is 116.8 million euros, compared with 193.0 million euros at the end of December 2019, a reduction of 76.2 million euros, bringing its debt down to its lowest year-end level since 2011.

In November 2019 the National Commission on Markets and Competition (CNMC) issued a Resolution against Atresmedia and Mediaset Spain, ordering them to cease certain commercial practices deemed to be anti-competitive. It also imposed financial sanctions which, in Atresmedia's case, amounted to 38.2 million euros. An appeal against this resolution was filed and given leave to proceed and the temporary suspension of the fine was also requested. Both appeals are awaiting resolution, and it is expected that the courts will rule in Atresmedia's favour.

On 26 June 2020, the companies Buendía Producción, S.L. and Buendía Estudios, S.L., in which Telefónica and Atresmedia each hold a 50% stake, were incorporated to create and produce audiovisual content in Spanish throughout the world.

As of July 30th, the Group acquired the company Human to Human S.L., an agency specialised in influencer marketing in Spain.

Given the severity of the impact of the pandemic on the Group's activities and results for the year, management has carried out a general review of the potential effects on future profits, cash flows and the valuation of the assets carried on its balance sheet. Based on this analysis, the carrying amount of the goodwill of Uniprex was adjusted in the consolidated balance sheet. No other adjustments to asset values were necessary. The general conclusion was that the long-term outlook for the performance of the Group's businesses is not substantially different to that prior to the crisis, and there is no need to change its strategic focus or targets over this time frame.



2.3 Consolidated Cash Flow Statement

At 31 December 2020 net cash flows from operating activities were positive, totalling 104.6 million euros.

Euros (in thousands)	31 December 2020	31 December 2019
1.- CASH FLOWS FROM OPERATING ACTIVITIES		
Consolidated profit for the period before tax	33,776	156,794
Adjustments for:	83,856	25,478
- Depreciation and amortisation	19,028	19,587
- Provisions and others	58,836	(897)
- Financial result	5,992	6,788
Changes in working capital	(1,284)	29,366
Cash flow from operations	116,348	211,638
Income tax (paid)/refunded	(11,704)	(27,341)
Net cash flows from operating activities	104,644	184,297
2.- CASH FLOWS FROM INVESTING ACTIVITIES		
Investments	(31,790)	(46,665)
Group companies, joint ventures and associates	(17,134)	(14,631)
Property, plant and equipment and intangible fixed assets	(11,319)	(11,935)
Investment in Spanish film productions	(3,337)	(20,099)
Divestments and advances on the sale of assets	9,515	9,784
Net cash flows from investing activities	(22,275)	(36,881)
3.- CASH FLOWS FROM FINANCING ACTIVITIES		
Lease payments	(1,186)	(1,477)
Finance income collected (paid)	(6,741)	(6,838)
Dividends received	542	
Dividends paid		(101,277)
Financing of associates and related parties	1,219	(209)
Financial debt	10,393	(37,696)
Net cash flows from financing activities	4,227	(147,497)
NET INCREASE / DECREASE IN CASH		
Cash and cash equivalents, beginning of the period	85,831	85,626
Changes in the scope of consolidation	365	286
Cash and cash equivalents, beginning of the period	86,196	85,912
Cash and cash equivalents, end of the period	172,792	85,831



2.4 Share price

2.4.1 Atresmedia's shares

The price of Atresmedia shares fell during 2020, mainly due to the COVID-19 health crisis. The shares closed at 31 December 2020 at **€2.88/share**, down 17.3% on the closing price of €3.48/share at the end of 2019. The IBEX, meanwhile, closed the year at 8,073.70 points, down 15.5% on 2019. Like Atresmedia's shares, the IBEX recovered somewhat in the fourth quarter of the year, recovering some of the losses suffered since the start of the pandemic.



Atresmedia share price evolution in 2020 vs. the IBEX 35.

Trading figures	Jan-Dec 2020
Share price at 31/12/2020 (€)	2.880
High (€)	3.51
Low (€)	2.13
Weighted average price (€)	2.63
Average daily volume (shares)	510,589
Average daily volume (thousand euros)	1,344
Number of shares (million)	225.7

Source: Euroland



2.4.2 Analysts' recommendations

At the end of the reporting period, 19 analysts were reporting and offering recommendations on our shares. Of these, 32% recommended Buy Atresmedia shares, 42% recommended Hold, while 26% continued to recommend Sell. The average target price at the end of the period was **€2.95/share**.

During 2020 Atresmedia's Investor Relations department took part in 14 conferences and roadshows.

The department held around 80 direct and virtual meetings with analysts and investors (at conferences and in our offices) and held 150 conference calls with analysts, institutional investors and minority shareholders.

The department was much less active than usual in March and April, with the events planned for these months cancelled due to the COVID-19 crisis. From May onward, however, most of the planned conferences were able to take place, albeit principally on-line.

2.5 Corporate Social Responsibility

a. Corporate aspects

Key events in 2020 in the area of corporate responsibility included the preparation of the Statement of Non-Financial Disclosures for inclusion in the Group's Consolidated Management Report.

In 2020 Atresmedia incorporated its ESG (environmental, social and governance) model into its Corporate Risk Management System. Atresmedia's ESG performance was once again recognised with the Company's continued inclusion in the FTSE4GoodIbex sustainability index, in which it has been listed every year since 2010, while its commitment to transparent communication with stakeholders obtained top ranking in the "Transparency, Credibility and Good Governance" report.

With regard to the management of human resources, Atresmedia's internal response to the COVID-19 crisis has been in line with all the health authorities' guidelines, implementing the measures necessary to ensure the safety of its employees, including enabling many to work from home and introducing health and hygiene protocols for partners, suppliers and content producers.



b. Social aspects

Atresmedia supported the “**Cruz Roja Responde**” initiative launched by the Spanish Red Cross to meet the needs of over 1.3 million people affected by the COVID-19 pandemic. This partnership helped raise over 11 million euros. Atresmedia also supported the “gran reto solidario” campaign of the **Comité de Emergencia** organisation, which raised over 200,000 euros.

The social initiatives carried out under the “**Compromiso Atresmedia**” banner include the following:

- **Ponle Freno** organised two on-line charity fun runs that raised over 147,000 euros for road safety projects.
- **Objetivo Bienestar** renewed its agreement with the Ministry of Health on tackling childhood obesity.
- **Constantes y Vitales** launched its Objetivo 2% campaign, collecting almost a million signatures calling for investment in science in Spain to be increased to 2% of GDP.
- The **Levanta la Cabeza** organised the “sin verificar, no compartas” project to teach young people how to fact check information.
- Antena 3 Noticias renewed its agreement with the Mutua Madrileña Foundation on tackling gender violence through its “**Contra el maltrato: Tolerancia Cero**” campaign.
- **Crea Cultura** joined the #TodoEmpiezaEnUnaLibrería initiative to encourage people to visit bookshops after the end of the lockdown.

The Group also supported the work of a range of NGOs through the cession of **free advertising space on television, radio and internet** with a value of over 18 million euros.

Within its **corporate volunteering programme**, the Group has set up an on-line project “Aislados, pero no solos” to help some of the people hardest hit by the COVID-19 crisis. 360 volunteers donated 4,309 hours of their time to work with 13 social organisations.

The **ATRESMEDIA Foundation** celebrated its 15th anniversary this year and continues its efforts to improve education through its “Grandes Profes” event, launching the seventh annual “Grandes Profes, Grandes Iniciativas” awards aimed at improving the quality of education.



c. Environmental aspects

In 2020 the Group calculated its total carbon footprint, including all Scope 3 emissions, and initiated efforts to reduce it by buying 100% of the energy consumed in the Company's head offices from renewable sources. Atresmedia is committed to reducing its Scope 1 and 2 emissions by 81% by 2025 (its emissions in 2020 were 76% lower than in 2019). The Group's environmental performance was included in the 2020 Carbon Disclosure Project, improving its score on the previous year to obtain a B this year.



3. AUDIOVISUAL

3.1 Income statement

Euros (in thousands)	Jan-Dec 2020	Jan-Dec 2019	Change
NET REVENUE	807,925	965,082	(16.3%)
OPERATING EXPENSES	736,058	798,379	(7.8%)
EBITDA	71,867	166,703	(56.9%)
Amortisation and depreciation and impairment	16,387	16,735	(2.1%)
EBIT	55,480	149,968	(63.0%)

3.1.1 Net revenue

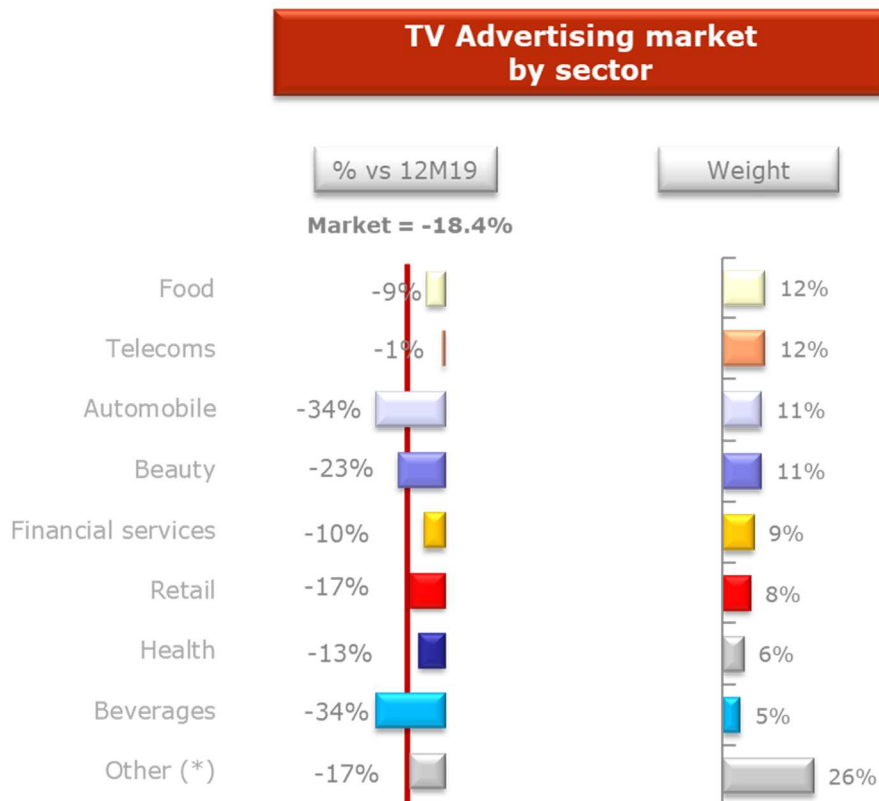
Net revenue for the year to December 2020 was 807.9 million euros, in comparison with 965.1 million euros in 2019.

Euros (in thousands)	Jan-Dec 2020	Jan-Dec 2019	Change
Television advertising	660,317	781,503	(15.5%)
Digital advertising	51,229	47,856	7.0%
Content production and distribution	75,041	96,412	(22.2%)
Other revenue	21,338	39,311	(45.7%)
NET REVENUE	807,925	965,082	(16.3%)

Television advertising revenues totalled 660.3 million euros, compared to 781.5 million euros in the same period of 2019.

According to Infoadex, the television advertising market shrank by 18.4%.

The downturn was general across all sectors of the television advertising market due to the COVID-19 crisis.



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

Source: Infoadex. Sectors: Internal estimates

It should be noted that, in accordance with the CNMC resolution issued in November 2019, Atresmedia is not allowed to offer volume discounts to its advertising customers. This change has had no impact on reported net revenues, but it does affect the year-on-year comparability of gross advertising revenues published by third parties.

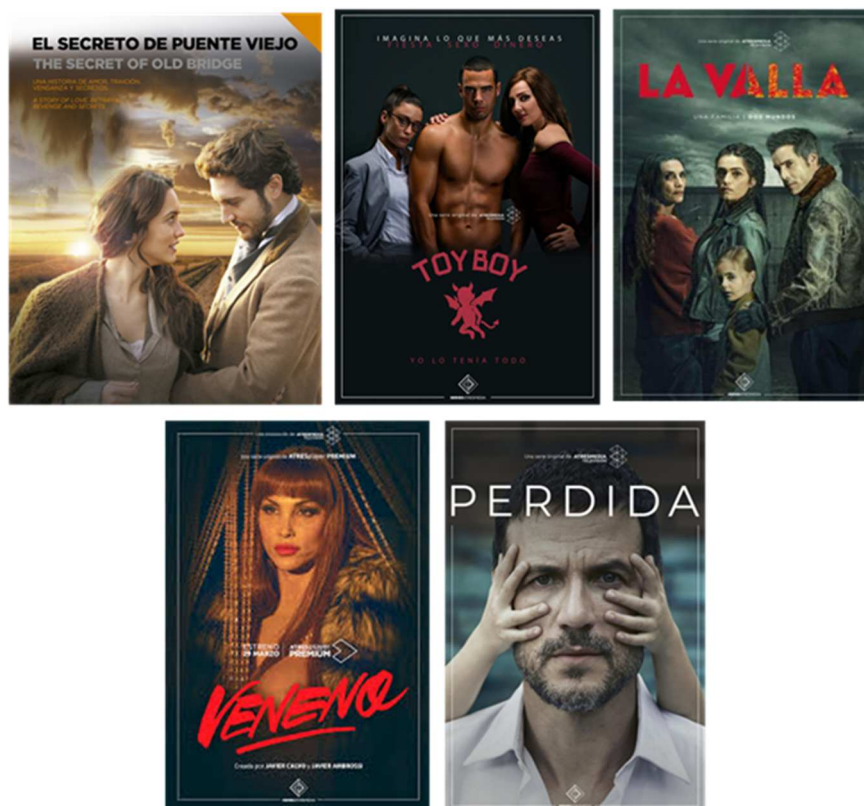
According to internal estimates based on comparable markets, Atresmedia Television's share of the advertising market in the year to December was 41.1%, increasing by 0.2 percentage points versus 2019.

Digital advertising revenues totalled 51.2 million euros, up 7.0% on the 47.9 million euros reported for 2019. According to Infoadex, the digital advertising market has shrunk by 5.3% in the period.



Content production and distribution revenues totalled 75.0 million euros, compared to 96.4 million in the previous year. This decline was entirely due to lower box office takings.

These revenues include the production and domestic and international sale of TV series (Atresmedia Studios), our pay-per-view offerings (Atresplayer Premium), the production and distribution of channels on pay-TV platforms in Europe and the Americas (Atresmedia Internacional), and the Group's film production activities (Atresmedia Cine).



Atresmedia Studios delivered a number of productions this year, including the series "La Templanza" for Amazon Prime Video, while Atresmedia Cine released five new films in the year: "Malasaña 32", "Hasta que la boda nos separe", "Superagente Makey" and "Padre no hay más que uno 2", the highest grossing Spanish film in the year, and "El verano que vivimos". Films such as "Legado en los huesos" also remained on release. These films accounted for 52% of box-office takings for Spanish cinema in the year.



The third film in the Baztán trilogy, “Ofrenda a la tormenta”, meanwhile, was released on Netflix due to the COVID-19 crisis.

Other revenues, which mainly include events, licences, and editorial rights, totalled 21.3 million euros compared with 39.3 million euros in the year to December 2019. The events division was particularly badly hit by mobility restrictions in the year.



3.1.2 Operating expenses

Euros (in thousands)	Jan-Dec 2020	Jan-Dec 2019	Change
Programming costs	348,864	391,829	(11.0%)
Personnel costs	135,607	135,596	0.0%
Severance scheme provision	31,596		n/a
Other operating expenses	101,655	106,575	(4.6%)
Variable expenses linked to sales	118,337	164,378	(28.0%)
OPERATING EXPENSES	736,058	798,379	(7.8%)

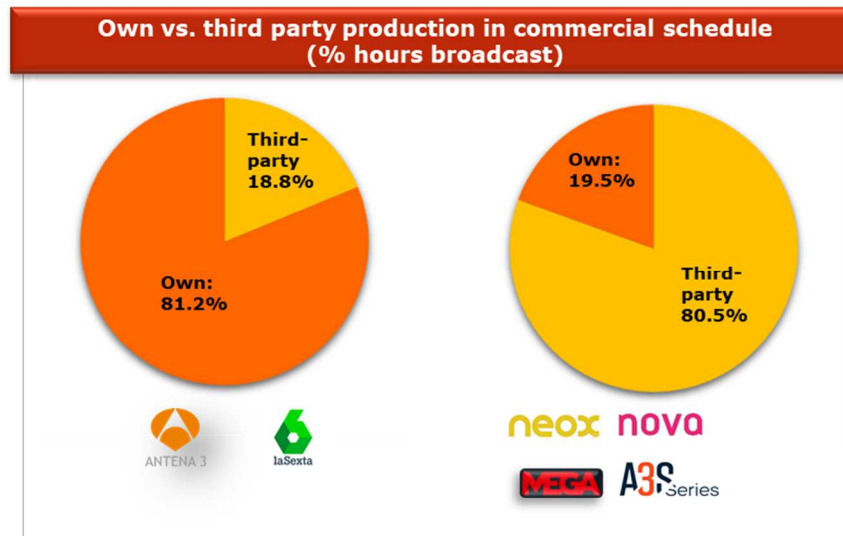
Operating expenses for the year to December 2020 totalled 736.1 million euros, a decrease of 7.8% compared with 2019.

The global COVID-19 crisis had a major impact on the advertising market from March onward. In response, a cost-cutting plan was put in place for both programming and other operating expenses. This has not harmed the Group's competitiveness.

Variable expenses linked to sales fell due to falling advertising revenues as well as other revenues.

Excluding the impact of the provision for the severance scheme, operating expenses totalled **704.5 million euros, a saving of 94 million euros (-11.8%) on the previous year.**

On Atresmedia's main channels, Antena3 and laSexta, in-house productions predominate (81.2%), while the majority of programmes broadcast on the complementary channels, Neox, Nova, Mega and Atreseries, are produced by third parties (80.5%).



3.1.3 Operating earnings and margins

EBITDA in the year to December 2020 was 71.9 million euros, with a margin on net revenues of 8.9%.

Stripping out the impact of the provision for the severance scheme, **EBITDA** for the year would have been **103.5 million euros** with.

EBITDA in the **fourth quarter of 2020** was a negative 0.2 million euros. Stripping out the impact of the provision for the severance scheme, EBITDA for the year would have been positive **31.4 million euros**.

<u>EBITDA (thousand euros)</u>	Jan-Dec 2020	Jan-Dec 2019
Audiovisual	71,867	166,703
Margin on net revenue	8.9%	17.3%



EBIT in the year to December 2020 was 55.5 million euros, representing a margin on net revenue of 6.9%.

EBIT (thousand euros)	Jan-Dec 2020	Jan-Dec 2019
Audiovisual	55,480	149,968
Margin on net revenue	6.9%	15.5%

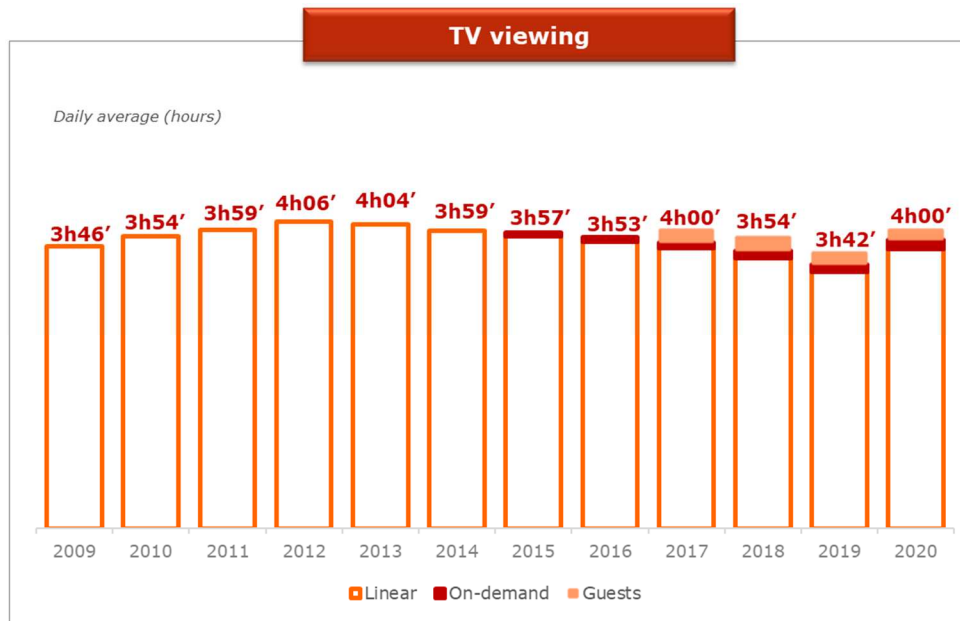
3.2 Audiences

3.2.1 Television viewing

In a year deeply affected by the pandemic and lockdown, public broadcast television strengthened its role as a key source of entertainment and information, despite the obstacles to the production of content during part of the year.

Television viewing in 2020 was 4 hours per person per day, 18 minutes more than in the previous year. This figure includes "linear television" and "on-demand" viewing, and viewing time by guests. From this year Kantar Media has also included viewing in second homes in its figures.

April saw the highest ever levels of television viewing in Spain, with average viewing time of 5 hours and 3 minutes per day. During this month, over 33 million Spanish citizens watched television every day.



Source: Kantar Media

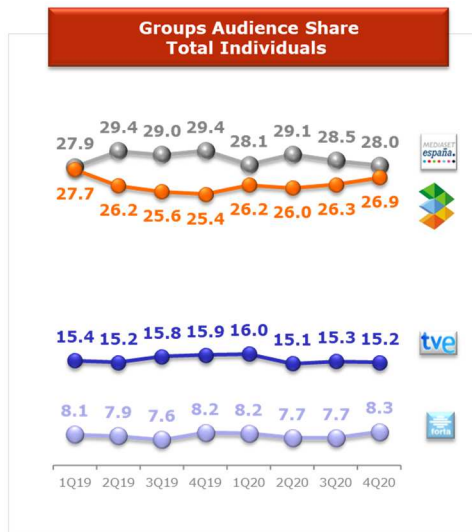
On-demand: viewing in the seven days following a conventional broadcast, excluding viewing on other devices such as computers and tablets.

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 2020 was 26.3%, making it the only television group to see growth compared with 2019. Its share of commercial target audience, the most attractive for advertisers, rose to 27.8%, and 27.9% for prime time commercial target. The Group also started 2021 leading the audience rankings with a 27.4% share in January.

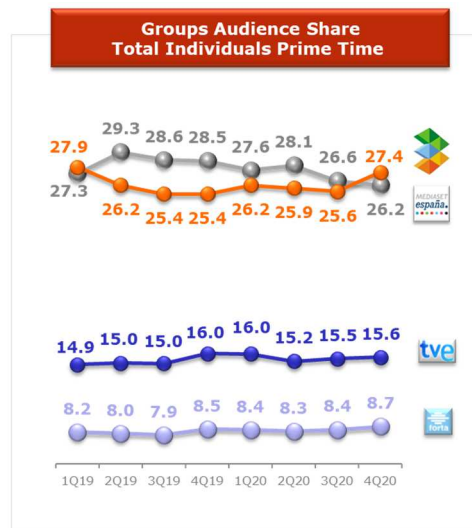
In 2020 Atresmedia television was once again the television group whose channels were seen by the greatest number of people (over 22 million per day), consolidating its position as the leading provider of news and current affairs programming, with growing audiences for its entertainment and drama offerings.



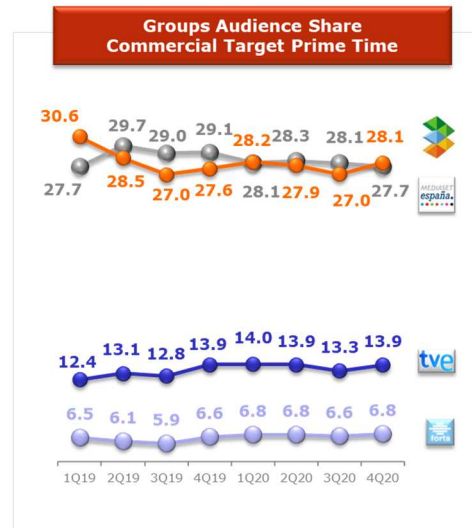
Source: Kantar Media. 24h total individuals 4+



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 audience share of **Antena 3**, the Group's main channel, grew by 0.1 percentage points in the year, making it once again the channel seen by the greatest number (14.5 million per day). Its average audience in the year was 11.8%, rising to 13.2% for commercial target.

Its news programmes were the most watched and were the market leaders for the third consecutive year, achieving their highest audiences for 12 years.



A3 Noticias headed the rankings every month in the year, with an average share of 16.6% and 2.3 million viewers. A3 Noticias 1 was the most viewed early afternoon news programme on weekdays, with an 18.9% audience share and 2.5 million viewers, its best figures in over ten years. 2020 was also a record-breaking year for A3 Noticias 2 in the weekday prime time slot (15.8% and 2.4 million viewers), its best audience share and total audience figure for 12 years. Meanwhile, *Espejo Público*, the channel's morning magazine show, had an average audience share of 14.8% in 2020.

The highlight of the channel's drama programming was the series **Mujer**, which was the television phenomenon of the year with an average audience share of 16.1% and 1.8 million viewers for the linear broadcasts and 1.9 million including on-demand viewers.

The daily broadcast series **El Secreto de Puente Viejo** came to an end in May after nine years, with a prime-time special episode which was the most watched drama programme in the month (13% and 1.7 million viewers). **Amar es para siempre** continued broadcasting, becoming once again the most viewed daily series with an average audience of almost 1.3 million and an audience share of 10.6%.

Meanwhile, **Veneno**, an original production broadcast on ATRESplayer Premium and a sensation on the VOD platform, was premiered in the FTA channel with a double-episode special on 25 October. The series has also made the leap to the US on HBO Max, to great public and critical acclaim, with highly positive reviews in the media.

La Valla, which, like *Veneno*, was first shown on ATRESplayer Premium, was another of the year's highlights, attracting an average of 1.7 million viewers on FTA television, including on-demand viewers.

The channel continues to broadcast television's leading daily entertaining show, **El Hormiguero 3.0**, with an average audience share in 2020 of 14.9% and 2.6 million viewers.

Since it returned to screens in May, **Pasapalabra**, the most popular quiz show on TV, has headed the afternoon rankings with an audience share of 18.3% and over 2.1 million viewers.

Another landmark programme in the year was **Mask Singer, adivina quién canta**. The show opened in November with the highest audience figures in eight years for a new entertainment programme, going on to become a viral phenomenon on social networks and the surprise hit of 2020. It led the rankings every Wednesday with an average of 2.8 million viewers and average audience share of 23.6%, making it the channel's most watched programme in 2020.



Tu cara me suena was once again the leader in its time slot with almost 2.5 million viewers and an audience share of 18.5%, while **La Voz** attracted an average of over 2.3 million viewers and an audience share of 18.3%.

The average total individuals audience (24h) for the **laSexta channel** in 2020 was 7.0%, putting it 1.6 percentage points ahead of its main competitor, while its share of commercial target audiences rose to 8.1%, with a 7.2% share of the prime time commercial target audiences.

In 2020, la Sexta maintained its commitment to the news and current affairs broadcasting for which it is best known. Its news programmes had their best ever viewing figures in 2020, with over 1.2 million viewers. **laSexta Noticias 14H** was the most viewed edition, with over 1.4 million viewers and an audience share of 11.4%, its second highest annual average ever. Viewing figures for **laSexta Noticia 20H** continued to grow, with a 9.0% audience share and average audiences of over 1.1 million, its best year ever and placing it in third position in its time slot.

The weekday morning show **Aruser@s** achieved its highest annual figures with over 400,000 viewers and an average audience share of 13.2%, reaching over 16% in the later months of the year. It is followed by the channel's flagship current affairs analysis programme **Al rojo vivo**, with an average audience share of 14.7% and over a million viewers in 2020.

Zapeando continued to entertain afternoon audiences with its mix of humour, curiosities and current affairs, achieving its best audience figures since 2016 (6.8% and 850,000). **El Intermedio**, meanwhile, remained the channel's most viewed daily programme with an average audience share of 8.2% and 1.4 million viewers.

The weekly broadcast programmes on laSexta also continued to draw great audiences. **Lo de Évole** was the channel's most viewed programme in 2020, with an average audience of 9.7% and 1.8 million viewers. The final figures for **Salvados**, meanwhile, were 8.1% and 1.5 million viewers.

The programmes **Pesadilla en la cocina** (6.7%) and **¿Te lo vas a comer?** (8.4%), once again attracted over a million viewers in 2020, while **Liarla Pardo** (7.2% and 965,000) remained the most viewed Sunday afternoon current affairs programme (7.2% and 965,000 viewers).



Atresmedia's television portfolio is completed by four complementary channels aimed at specific audiences, and which continue to report strong results and head the rankings for their respective audiences and genres. These **complementary channels** contributed a combined audience share in total individuals (24h) of 7.5% in the year, reaching 8.3% for commercial target audience share.

With its best ever annual audience share of 2.5%, **Nova** was not only the leading channel aimed at women, but the most viewed specialist channel from June to December.

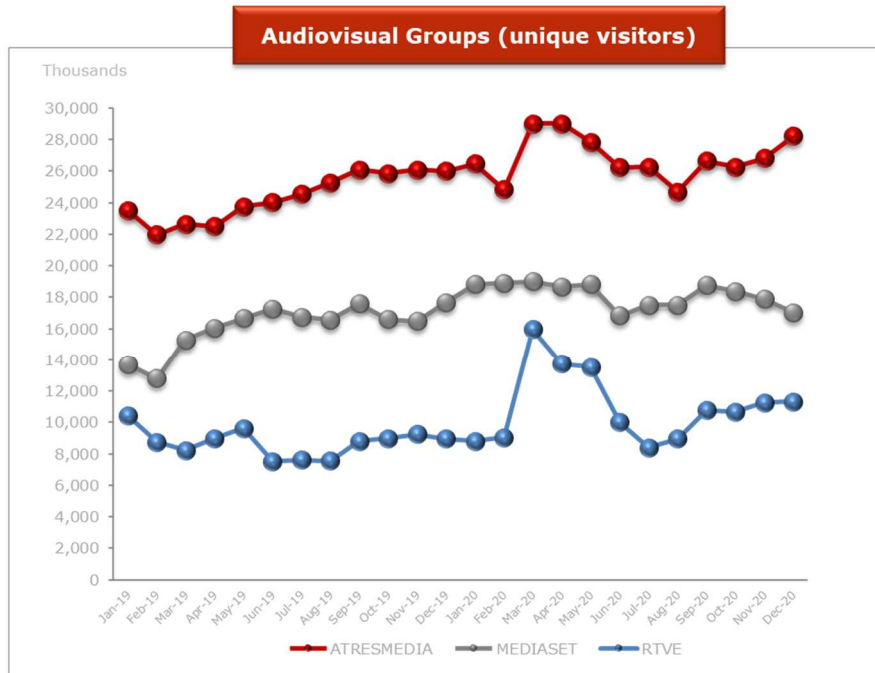
Neox, with a 2.0% audience share in the year, was once again the leading channel for young people aged 18 to 35 years (5.4%) and for commercial target audiences (2.8%). **Neox** continued its strategy of cutting the time it takes to bring new shows to television screens, offering US shows very shortly after they are launched there.

Mega was once more the leading channel aimed at male audiences, with a 1.5% audience share in total individuals and 1.9% for commercial target audiences. Its late sports talk show, **El chiringuito de jugones**, continued to attract high audience numbers (4.0% and over 200,000 viewers).

Atreseries, with a 1.5% audience share, continued to be unbeatable as the leading new specialist channel, achieving a new record peak in the year.

3.2.3 Digital audiences

According to figures published by comScore in December 2020, Atresmedia continued to head the internet rankings for television groups for the fourth consecutive year, with 28.2 million unique visitors, 11.2 million more users than Mediaset. It was number seven in the rankings of the top ten most visited websites in Spain.



Source: comScore

The Group’s on-line video platform, Atresplayer, had 4.2 million unique visitors in the last month of 2020, according to ComScore, its best figures ever. Moreover, at 31 December, the number of registered users had reached 9.0 million.

At 31 December 2020, Atresmedia Premium (Atresmedia’s SVOD platform) had a total of 452,000 subscribers, 3.6 times the number of subscribers achieved at the end of 2019.

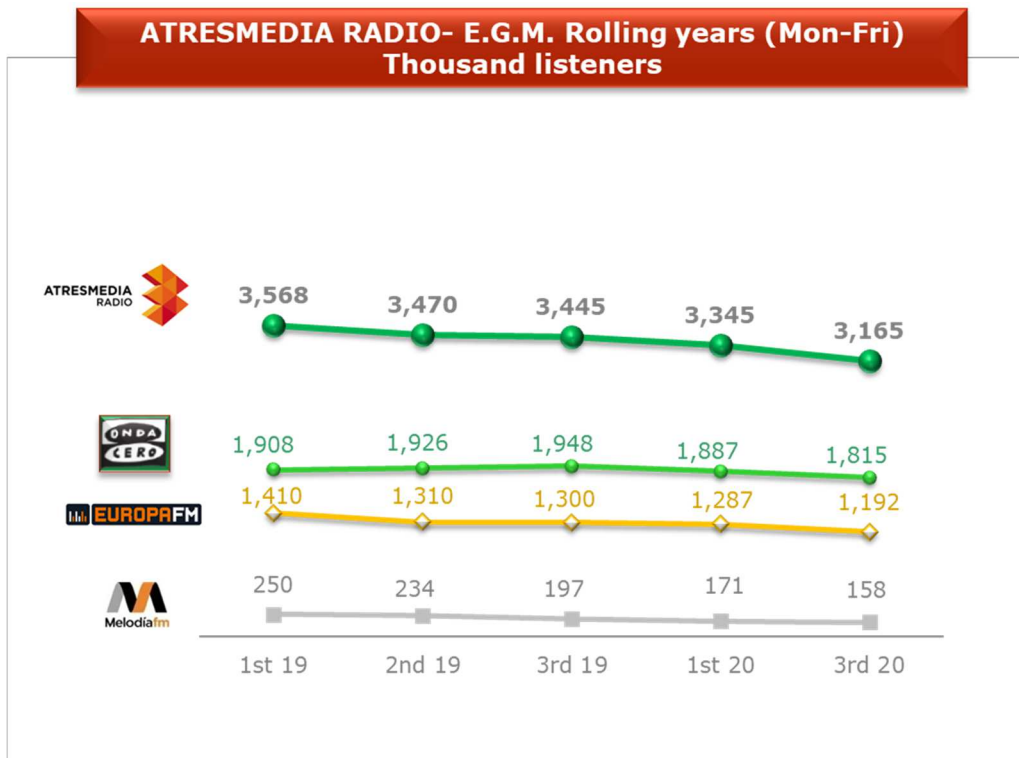


4. RADIO

4.1 Advertising market and audience figures

According to Infoadex, spending in the radio advertising market decreased by 22.9% in the year.

Atresmedia Radio had an average of 3.2 million listeners, according to the latest General Media Study (EGM), in the rolling year to the 3rd 2020 wave. Onda Cero continued to be the third ranking non-specialist radio station with 1.8 million listeners. Among specialist stations, Europa FM had 1.2 million listeners while Melodía FM had 158,000 listeners.

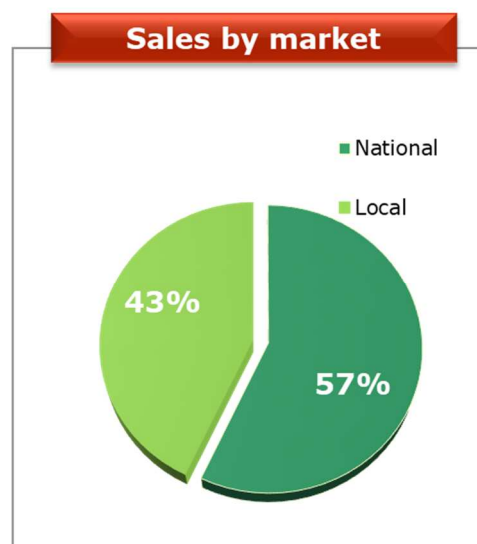
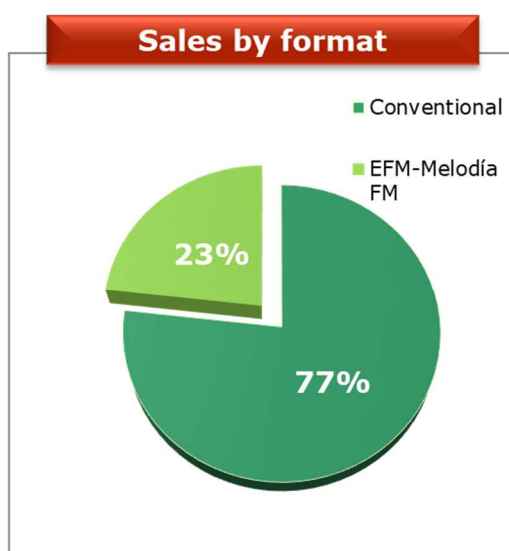


Source: EGM. Rolling years. Monday-Friday

4.2 Income statement

Euros (in thousands)	Jan-Dec 2020	Jan-Dec 2019	Change
NET REVENUE	67,023	83,135	(19.4%)
Personnel costs	25,430	26,144	(2.7%)
Severance scheme provision	4,945		n/a
Other operating expenses	34,252	39,749	(13.8%)
OPERATING EXPENSES	64,628	65,893	(1.9%)
EBITDA	2,395	17,242	(86.1%)
Amortisation and depreciation and impairment	2,592	2,804	(7.5%)
EBIT	(197)	14,438	n/a

Atresmedia Radio's net revenue for 2020 totalled 67.0 million euros, compared with 83.1 million euros in 2019.





Operating expenses to 31 December 2020 totalled 64.6 million euros, compared to 65.9 million euros for 2019, a drop of 1.9%. If the impact of the provision for the severance scheme is stripped out, the savings in operating expenses would have amounted to 9.4%.

EBITDA in 2020 was 2.4 million euros. Stripping out the impact of the provision for the severance scheme, **EBITDA** for the year would have been **7.3 million euros**.

EBITDA in the fourth quarter of 2020 totalled 1.4 million euros. If the impact of the provision for the severance scheme is stripped out, the figure would have been **6.3 million euros**.

EBITDA (thousand euros)	Jan-Dec 2020	Jan-Dec 2019
Radio	2,395	17,242
Margin on net revenue	3.6%	20.7%

EBIT (thousand euros)	Jan-Dec 2020	Jan-Dec 2019
Radio	(197)	14,438
Margin on net revenue	n/a	17.4%



5. ALTERNATIVE PERFORMANCE MEASURES

In compliance with the guidelines issued by the European Securities Market Authority (ESMA) on Alternative Performance Measures (henceforth "APMs"), the Group publishes supplementary information in order to enhance the comparability, reliability and understanding of its financial disclosures.

The Group presents its financial statements in accordance with the applicable international financial reporting standards (IFRS-EU). Nevertheless, the Directors consider that certain APMs provide additional useful financial information that should be taken into account when assessing its performance. The Directors and Management may also use these APMs when taking financial, operational or planning decisions, and for evaluating the performance of the Group. The Group discloses those APMs it considers appropriate and useful for users' decision-making processes.

Net revenue: Corresponds to the sum of net total sales and other operating revenues.

Euros (in thousands)	12M20	12M19
Net total sales	799,116	978,693
Other operating revenues	67,184	60,713
Net revenue	866,300	1,039,406

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

Euros (in thousands)	12M20	12M19
Programming costs and other expenses	393,801	470,764
Personnel costs	197,577	161,741
Other operating expenses	200,660	222,956
Operating expenses	792,038	855,461



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

Euros (in thousands)	12M20	12M19
EBIT	40,133	164,406
Depreciation and amortisation	19,028	19,587
Impairment and disposal of property, plant and equipment	15,101	(48)
EBITDA	74,262	183,945

EBIT as reported here does not include net allocations to provisions, the amount of which is not usually material. However, in 2020, these allocations include the 36.5 million provision for the cost of the severance scheme.

Financial income or loss: corresponds to the sum of net financial expenses and revenues plus net gains or losses due to change in the fair value of financial instruments plus exchange differences.

Results of subsidiaries accounted for using the equity method: corresponds to the net results of subsidiaries accounted for using the equity method adjusted for impairments and disposals of financial assets.

Gross financial debt: corresponds to the sum of the balances recorded under current and non-current debentures and bonds plus current and non-current borrowings from financial institutions, adjusted for the balance of net derivative instruments, as explained in Note 14b in the Consolidated Annual Accounts.

Net financial debt: this is the main indicator used by Management to measure the Group's indebtedness. It corresponds to gross financial debt less cash and cash equivalents.

Euros (in thousands)	12M20	12M19
Gross financial debt	289,583	278,840
Cash and cash equivalents	(172,792)	(85,831)
Net financial debt	116,792	193,010



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.