
2019 FULL YEAR RESULTS

January – December 2019

MEDIASET*españa.*



Madrid – February 27th, 2020

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Conference Call / Web cast details

27th February 2020 at **10:00 CET (9:00 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/yeoxyhk4>

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



I. FINANCIAL

mill. EUR	4Q2019	4Q2018	Var (%)	2019	2018	Var (%)
Total net revenues	285,5	285,1	0,1%	946,2	981,6	(3,6%)
Total operating costs	(205,4)	(204,8)	0,3%	(662,3)	(707,6)	(6,4%)
EBITDA Adj. ⁽¹⁾	80,1	80,3	(0,3%)	284,0	274,0	3,6%
EBITDA margin	28,0%	28,2%		30,0%	27,9%	
EBIT	74,7	75,2	(0,7%)	264,9	256,9	3,1%
EBIT margin	26,2%	26,4%		28,0%	26,2%	
NET PROFIT	54,7	53,4	2,5%	211,7	200,3	5,7%
EPS ⁽²⁾	0,17	0,16		0,68	0,61	
Free Cash - Flow				186,7	223,4	(16,4%)
Net Debt Position				(30,2)	167,8	-

(1) EBITDA Adj. includes TV rights consumption

(2) excluding any treasury shares as at 31.12

- As per Infoadex figures, the total **Audio-visual market**, (TV+Digital) was **€3,429.6 million in 2019** vs **€3,444.6 million*** in 2018 (-0.4%). **TV advertising market in 2019** was **€2,002.8 million (-5.8%)** and the **Digital: Display and Video market**, **€1,426.8 million (+8.3%)**. Mediaset España as per the above figures, obtained a **26.3% market share in the Audio-visual Market** and **43.4%** in the **Television market**.
- Total net revenues in 2019** amount to **€946.2 million** compared to **€981.6 million** from **2018**.
- Mediaset España** registered an **EBITDA of €284.0 million (+3.6%) in 2019** representing a **30.0% EBITDA margin**, its highest margin in the last eleven years.
- Net profit** in the year reached **€211.7 million, an increase of 5.7%** compared to **2018** (€200.3 million).
- Mediaset España's Net Debt position** as at **31st December 2019** is **€30.2 million** and **Free Cash Flow** generation amounted to **€186.7 million**.
- In 2019 **Mediaset España** distributed a total dividend of **€100.0 million (€0.315 per share)**. The total dividend was paid on April 30th 2019, representing a **50% pay out** of the 2018 consolidated Net Results.
- Mediaset España** led TV audiences in 2019 with a **28.9% audience share** and a **30.7% commercial target**, both in total individuals' total day.
- In internet, **Mediaset España** registered a **monthly average of 16.1 million unique users/viewers** and **398.2 million videos streamed in 2019**. (Source: ComScore, multiplatform).
- Mediaset España** carried out a buyback program in 2019 for a total of **14,269,072 shares**. The **treasury shares held at the end 2019** were **14.269.073**.
- In **November**, **Mediaset España** acquired a **5.5% stake in ProSieben**, a total of **12,815,000 shares**.
- As at **31st December 2019**, the project **Media For Europe**, a merger between Mediaset España and Mediaset Spa into a Dutch company is **suspended in Spain under precautionary measures** at the Spanish court by request of a minority shareholder.

* Infoadex Restated 2018 Digital Ad Revs.

2. OPERATING KPI's

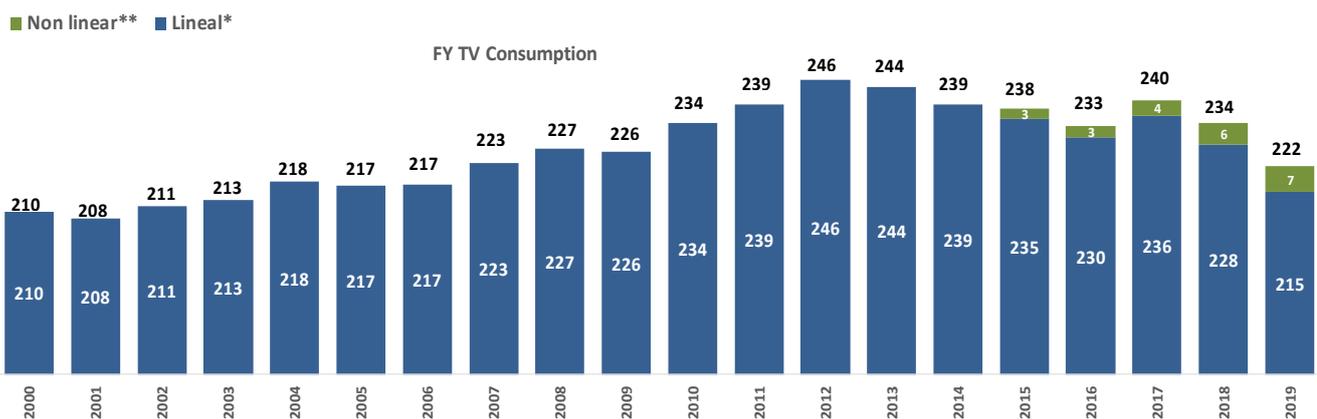
2.1 TV CONSUMPTION

The **daily average total TV consumption per person per day, 4 years old +**, in 2019 reached a total of **222 minutes**, 12 minutes less than the same period last year. In spite of this, television consumption maintains a solid record and is one of the highest amongst the main economies in Europe. This figure **does not include television viewed** on devices such as tablets, computers, etc...

Linear tv consumption* in the same period is **215 minutes/per person/day**, representing **96.8%** of the total figure.

Non Linear / Time Shift Tv Consumption is 7 mins, representing **3.2%** of the total Tv consumption.

The **average daily television viewers, total day**, in 2019 stands at **6.7 million people**.



* Linear: Includes time guests TV consumption.- TV consumption from friends, family etc.. visiting, measured since March 2017.

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

2.2 AUDIENCE SHARE

	FY 2019		FY 2018	
	Total	Target	Total	Target
	Individuos	Comercial	Individuos	Comercial
MEDIASET ESPAÑA				
Total Day	28,9%	30,7%	28,8%	30,9%
Prime Time	28,4%	29,1%	29,1%	30,5%
TELECINCO				
Total Day	14,8%	14,1%	14,1%	13,4%
Prime Time	14,8%	13,6%	15,0%	14,0%
CUATRO				
Total Day	5,3%	6,4%	6,0%	7,4%
Prime Time	5,8%	7,0%	6,2%	7,8%
DIVINITY				
Total Day	1,9%	2,3%	2,0%	2,4%
Prime Time	1,6%	1,8%	1,9%	2,0%
BOING				
Total Day	1,1%	0,8%	1,3%	1,0%
Prime Time	0,9%	0,7%	1,1%	0,8%
ENERGY				
Total Day	2,4%	2,9%	1,9%	2,2%
Prime Time	2,1%	2,2%	1,8%	1,8%
BE MAD tv				
Total Day	0,5%	0,7%	0,6%	0,8%
Prime Time	0,5%	0,7%	0,5%	0,7%
FDF				
Total Day	2,8%	3,5%	2,9%	3,7%
Prime Time	2,7%	3,1%	2,7%	3,3%

Mediaset España is the most watched audio-visual **Group in 2019**, and has been since 2011, when the group was formed. It obtained **28.9% TV audience share in 2019 in total individuals total day** increasing its audience share **by +0.1pp** compared to 2018, in a **demanding comp due to the 2018 World Cup**. In **Prime Time** it obtains a **28.4% share vs 29.1% from 2018**, maintaining its leadership for the **sixth consecutive year**.

In terms of **Commercial target**, the **Mediaset España Group** also leads with a **30.7%** share **in total individuals total day**, with an advantage of **3.0 pp** ahead of its nearest competitor. In **Prime Time**, it registers **28.4% audience share (vs 29.1% from 2018)** and gets **2.1 pp** ahead of its nearest competitor (26.3%).

Mediaset España is the **preferred Media Group** among **youngsters in 2019 aged 13-24 years old** with a share of **33.6%**.

The Telecinco channel has been leading audiences in the Spanish commercial television in the last 20 years.

It has also had an **outstanding performance in 2019** where **has led all 12 months** of the year and registered an **audience of 14.8% in total Individuals Total Day**. This is an **exceptional performance, +0.7 pp, compared to 2018**. In **Prime time** the **Telecinco** channel obtains **14.8%** audience share and obtains **2.9pp advantage** over its nearest competitor.

Some of the most popular **TV programs** broadcast by the **Telecinco** channel in the year were: **“Supervivientes: Perdidos en Honduras”** with a 33.7% audience share and 3.5 million viewers, which was **the most watched entertainment program in 2019**. **“Gran Hermano Vip”**, 32.5% audience share and 3.3 million viewers and **“Got Talent”** with a 20.6% audience share and 2.3 million viewers.

Local Fiction series also had really good performance in the period such as: **“Señoras del (h)AMPA”** with 20.9% audience share and almost 3 million viewers, **La que se avecina”** with 18.8% share and 2.5 million viewers and **“Brigada Costa del Sol”** 10.2% audience share and 1.3 million viewers, to mention just a few, what is a clear demonstration of the **success of local production**.

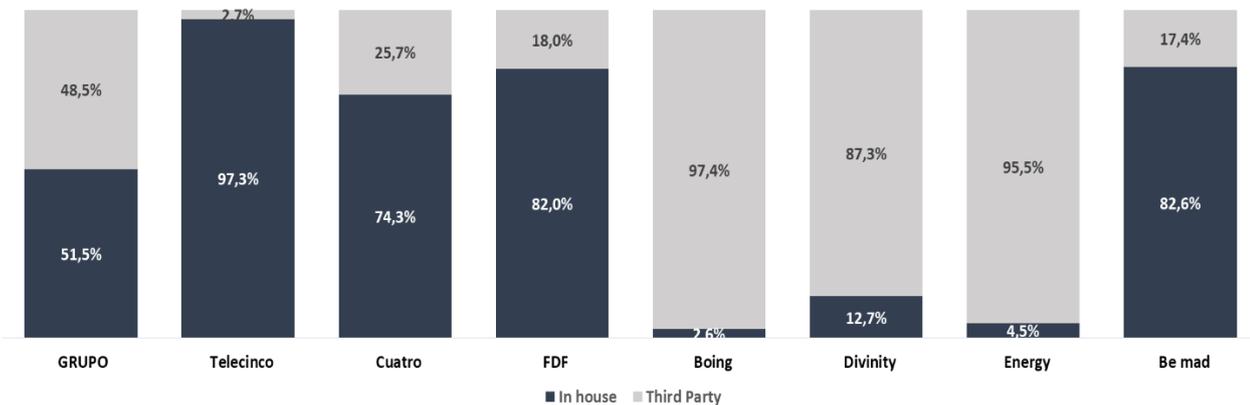
Also as part of the programming grid offer, **Mediaset España** had broadcasted various sports events, amongst which, the **2019 Basketball World cup, Copa de la Reina final between Atletico Madrid-Real Sociedad** and the **European U-21 Football Championship. Moto GP races in Argentina and Valencia** were also broadcasted in the period.

The Cuatro channel obtained an **audience in total individuals total day of 5.3%**, and **6.4% in commercial target** in **2019**. In **prime time** the audience is **6.4%** and **commercial target reaches 7.0%**. **The Cuatro channel** shows the best commercial target conversion of all channels.

The **targeted channels**, Divinity, Boing, Energy, Be Mad and FDF, **obtained a total of 8.7% audience share** in total individual total day in the period **whilst achieving 10.2%** in commercial target. The audiences obtained by the different channels in **2019** in its targets is as follows: **FDF** in its target of **13 to 24 year olds** achieved **7.7%** audience share and in **25 to 34 year olds 4.9%**. **Divinity** channel had a **3.2% audience share in its target of women 16 to 44 years old**, **Energy** channel obtained in its target, men **25 to 54 years old 2.4% share**. **Boing**, the children’s channel, multiplied its share almost **ten-fold** in its target of **4 to 12 year olds**, reaching a **10.6%**. **Be Mad** registers a **0.8% share** in its target **Men 25-34 year old men**.

2.3 CONTENT MIX

In 2019 Mediaset España in-house production represents **51.5%** of the **total broadcasted** hours, which is an **increase of 1.6 pp** compared to the same period last year (**49.9%**). **Third party rights**, on the other hand, represent **48.5%** of the total broadcasted hours of the Group. The distribution of **in-house and third party** broadcasted hours, in the year, was as follows:



Source: Kantar Media

The **two main channels, Telecinco and Cuatro** combined, representing an **audience of 20.1%** (69.6% of the total audience of the Group), **have devoted 85.9% of their broadcasted hours to in-house production in 2019**, above the **81.9% figure from the same period last year (+4.0 pp)**

With regard to the rest of the channels, **Cuatro, Be Mad and Energy** channels showed the greatest change in the mix in the year compared to 2018. **Cuatro increased its in house production broadcasted hours by +7.0 pp to 74.3%**, whilst **Be Mad increased its in house broadcasted hours to 82.6%, +14.1 pp**. **Energy** on the other hand, has **reduced its in house produced broadcasted hours to 4.5% (-7.6pp)**.

2.4 ASSOCIATED AND PARTICIPATED PRODUCTION COMPANIES

Mediaset España has strengthened its **content distribution business** with the creation of **Producciones Audiovisuales Mediterraneo**, a company where all the Group's stake in different production companies are centralized, with the aim of maximizing the sales of contents.

As at **31st December 2019**, the **associated companies** of the Group, are as follows: **Producciones Mandarin** (30.0%), **Alea Media** (40.0%), **Melodía Producciones** (40.0%), **La Fábrica de la Tele** (30.0%), **Alma Producciones** (30.0%), **Unicorn** (30%) and **Bulldog** (30.0%).

The **participated production companies**, in the same period, were as follows: **Telecinco Cinema (100%)** the big screen production unit of the Group, **Megamedia TV (65.0%)** and **Supersport (62.5%)**, both companies specialized in **digital native content and services** where the Group increased its stake in 2019 in both companies from 30% at the end of 2018 and **El Desmarque (60%)** an editorial sports site acquired by **Mediaset España** in the **first quarter of 2019**.

Also, in **November 2019 Mediaset España** acquired a **5.5% stake in Prosieben**, the German Broadcaster.

2.5 INTERNET

In 2019, **internet video consumption** reached **34.7 minutes per person/per day** for **total Individuals**, and represents **13.6%** of the **total daily average audiovisual consumption** (256 minutes per person/per day, of which **222 minutes per person/per day** is television consumption). **Mediaset España** increased its unique users in 2019 to **16.1 million** (+37.4% vs 2018) and registered a **monthly average of 398.2 million videos streamed** (multiplatform), nearly double the same figure last year (205.9 million videos/month).

(Source: Kantar, Comscore & internal data).

	Total Unique users (000)	Total Page Viewed (million) ⁽¹⁾	Videos (000) ⁽²⁾	Minutes (million) ⁽³⁾
December 2019	17.701	350	510.514	1.117
November 2019	16.505	328	502.925	1.128
October 2019	16.618	330	511.786	1.111
September 2019	17.612	327	369.463	931
August 2019	16.573	240	212.388	622
July 2019	16.740	262	362.204	759
June 2019	17.266	266	464.916	915
May 2019	16.668	300	515.956	1.249
April 2019	16.049	362	347.869	1.151
March 2019	15.306	363	376.550	1.195
February 2019	12.820	256	324.908	1.020
January 2019	13.708	265	278.883	1.083

Source: Comscore. All data Multiplatform.

In 2019, **Mediaset España** Group has **consolidated its position in the Digital** business achieving record numbers in terms of **video streamed** and **unique users**. With regards to **digital video consumption**, **Mediaset España** reinforced its **leadership** reaching its best result ever with **4.8 billion videos** streamed in the year, almost twice the figure from 2018, as per Comscore data. Also **Mediaset España** is in **third position** in the **Spanish global ranking** of video consumption in 2019, just behind **Google and VEVO**. In terms of unique users, **Mediaset España** had at the end of 2019, **17.7 million unique users** a record number and an increase of **51.3%** compared to **December 2018**.

Regarding the **Mediaset España sites**, the outstanding performance of **Telecinco.es** stands out with **926 million videos streamed**, + **90%** vs 2018 and threefold the video consumption on **Antena3.com** (**357 million** videos in 2019). The site **Cuatro.es**, on other hand, has **increased its video consumption by 92% to 234 million** videos, ahead of its direct competitor, **laSexta.com** (207 million videos in 2019).

Mitele.es, **Mediaset España OTT platform**, reinforces its **leadership in video consumption in 2019** with **2.6 billion videos streamed**, an increase of 70% vs 2018. At the end of July 2019, **Mediaset España** launched **Mitele Plus**, a new OTT platform offer of Mediaset España contents without advertising that includes sports events, live and on demand programs, as well as **La Liga Santander**, **Champions League** and **European League**. Also **exclusive contents** such as fiction series, **24 hours exclusive** channels on reality programs, previews, and different popular Mediaset España formats. In 2019 there was a **basic subscription €2.50/month** and a **premium one** for up to **€35.0/month** that includes the **Spanish Football League** and the **Champions League**. At the end of 2019, **Mitele Plus** had almost **124.000 subscriptions**.

The **Group's** different apps registered **5 million downloads to the end of 2019**, where the most popular downloads were **Mitele** with **accumulated downloads of 3.8 million** and **Gran Hermano** with **920K downloads**. (Source: Omniture & Comscore.)

Overall an **excellent performance** of **Mediaset España's** Digital business in the year, a business that is **gaining coverage** and at the same time **increasing engagement** with its users.

3. PROFIT AND LOSS ACCOUNT

mill. EUR	4Q2019	4Q2018	Var (%)	2019	2018	Var (%)
Gross Advertising Revenues	272,5	276,5	(1,4%)	916,5	963,6	(4,9%)
Mediaset España's Media	268,3	271,3	(1,1%)	901,8	943,8	(4,5%)
Third Party Media	4,1	5,2	(20,1%)	14,7	19,7	(25,6%)
Commission	(12,5)	(12,3)	1,4%	(40,0)	(42,1)	(5,1%)
Net advertising revenues	260,0	264,2	(1,6%)	876,5	921,4	(4,9%)
Other revenues	25,5	21,0	21,7%	69,7	60,1	16,0%
Total Net Revenues	285,5	285,1	0,1%	946,2	981,6	(3,6%)
Rights Amortisation	(55,5)	(66,4)	(16,5%)	(135,9)	(153,1)	(11,3%)
Personnel	(33,1)	(31,2)	6,1%	(121,5)	(107,8)	12,7%
Other operating costs	(116,9)	(107,2)	9,0%	(404,9)	(446,7)	(9,4%)
Total Costs	(205,4)	(204,8)	0,3%	(662,3)	(707,6)	(6,4%)
EBITDA	80,1	80,3	(0,3%)	284,0	274,0	3,6%
EBITDA Margin	28,0%	28,2%		30,0%	27,9%	
Other amortisations, provisions	(3,2)	(3,1)	1,2%	(10,9)	(9,1)	19,8%
Amortisation PPA	(2,2)	(2,0)	9,6%	(8,2)	(8,0)	2,4%
EBIT	74,7	75,2	(0,7%)	264,9	256,9	3,1%
EBIT Margin	26,2%	26,4%		28,0%	26,2%	
Equity Cons. Results and Depr. Fin. Assets	0,6	(0,5)	-	5,9	10,3	-
Financial results	(0,1)	(1,4)	-	(0,2)	(1,6)	-
Pre-tax Profit	75,2	73,3	2,6%	270,6	265,6	1,9%
Income taxes	(19,6)	(19,9)	(1,3%)	(56,8)	(65,3)	(12,9%)
Minority interests	(0,8)	0,0	-	(2,0)	0,0	-
Net Profit	54,7	53,4	2,5%	211,7	200,3	5,7%
Net Profit Margin	19,2%	18,7%		22,4%	20,4%	
EPS (excluding Treasury shares)	0,17	0,16		0,68	0,61	

The audio-visual advertising market: TV + Digital: (Display and Video), using data reported by Infoadex, in 2019 reaches €3,429.6 million, almost flat compared to 2018 (€3,444.6 million).

The television advertising market in 2019, as per Infoadex, stands at €2,002.8 million which represents a decrease of 5.8% compared to 2018, whilst Display+Video* ad market reached €1,426.8 million, an increase of 8.3% compared to 2018 (€1,317.4 million).

As per the above figures, Mediaset España would have a television market share of 43.4%, an increase of +0.1 pp even though Mediaset España broadcasted the 2018 Football World Cup, this is an advantage of 270 bp versus its main competitor.

The Mediaset España Group registered an audio-visual market share in 2019 of 26.3% (vs 27.4% from 2018*).

* Infoadex Restated 2018 Digital Ad Revs.

Gross Advertising Revenues in 2019 amounts to **€916.5 million** versus **€963.6 million** from 2018, difference due to the TV ad market performance and the a difficult comparison taking into account the **2018 Football World Cup** fully broadcasted by Mediaset España. 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**, which in 2019 amounted to a **total** of **€901.8 million**. This is a reduction of 4.5% compared to 2018 (€943.8 million).
- **Gross third party media revenues** include amongst others, the advertising sales for the **free TV channel Gol**. In 2019 sales amounted to **€14.7 million**, compared to **€19.7 million (-25.6%)**. The difference in revenues with 2018, is due to less contracts in 2019.

Advertisement commissions in 2019, amounted to **€40.0 million**, representing **4.4%** over gross advertising revenues. **Net advertising revenues**, after commissions, amount to a total of **€876.5 million** compared to **€921.4 million** from 2018 (-4.9%).

Other Revenues, include income from **movie activities, internet and the sale of rights**, since July revenues for the provision of production services for the **Real Madrid** channel and since August revenues from **Mitele Plus** subscriptions (Mediaset España OTT platform). **Other Revenues in 2019** totaled **€69.7 million, +16.0%** vs 2018 (€60.1 million). This is due to the **good performance of the subscriptions** from **Mitele Plus** (close to 124,000 at the end 2019) and the **excellent results** of the content sales, **Mediterraneo**. In terms of **cinema releases**, there were two films released in **2019**: "**Lo dejo cuando quiera**" (February) and "**Si you fuera rico**" (November) vs four releases in 2018. The **aggregated Box Office** of the aforementioned 2019 films, with 3.9 million viewers, was **€22.8 million** (vs €32.3 million in 2018).

Total Net Revenues for the period amount to **€946.2 million**, compared to **€981.6 million** from the same period last year (-3.6%).

In the **fourth quarter 2019**, Mediaset España had a good performance of its **Total Net Revenues** (+0.1%), with the **Net Advertising Revenues** (-1.6%) despite an adverse TV ad market and an **excellent result** on **Other Revenues** (+21.7%).

Total Costs for 2019 amount to **€662.3 million**, representing **savings of 6.4%** vs 2018 (€707.6 million).

In the **fourth quarter 2019** Mediaset España managed to **maintain its costs flat, +0.3%** compared to the same period 2018, thanks to the **greater consumption of the Group channels** that translates into better audiences, which **allows for a better cost control**.

In **2019 Mediaset España** obtained an **EBITDA** of **€284.0 million**, representing a **margin of 30.0%, +2.1pp** better than 2018. **EBIT** for the period reached **€264.9 million** representing a **margin of 28.0% (+1.8pp compared to 2018)**. These are **Mediaset España's best margins since 2008**. The **Group** has also been increasing its margins **in the last seven consecutive years**.

Pre-Tax profit reaches **€270.6 million** which includes an **earn-out** from the **Telefonica** agreement after the sale of **Mediaset España's stake in DTS**, back in 2014.

Mediaset España increased its **Net Profit** to **€211.7 million, +5.7% vs 2018** (€200.3 million) representing **EPS of €0.68** (+10.5% vs 2018).

4. CAPEX

mill. EUR	2019	2018	Var (%)
Third party	91,47	91,6	(0,1%)
Fiction	55,52	36,4	52,4%
Co-Produccion/Distribution	26,12	11,2	-
Tangible and Intangible Fix Assets	11,00	10,0	10,0%
Total Capex	184,1	149,2	23,4%

Total Net Investment in 2019 reached a total of **€184.1 million**, compared **€149.2 million** from 2018, **+23.4%**.

In the year, the **Group** has invested a total of **€91.5 million** in **third party rights**, keeping the same investment level as 2018 (-0.1%).

Investment in local fiction, reached **€55.5 million**, due to a greater in house fiction production that includes series produced for first broadcast on OTT platforms such as **El Pueblo**, in Amazon.

On the other hand, **Co-Production/Distribution** reached **€26.1 million** in the year, doubling the investment from 2018 (€11.2 million), due to a **greater cinema activity foreseen for 2020** with a potential release of **4 movies**.

Investment in **tangible and intangible assets** was **€11.0 million**.

5. BALANCE SHEET

mill. EUR	December 2019	December 2018
Tangible assets	758,0	557,3
Financial	520,2	312,6
Non Financial	237,8	244,8
Audiovisual rights and Pre-payments	170,8	138,3
Third parties	83,3	82,8
Fiction	58,5	40,0
Co-production / Distribution	29,0	15,5
Pre-paid taxes	70,0	79,6
TOTAL NON-CURRENT ASSETS	998,8	775,2
Current assets	293,8	253,1
Financial investments and cash	130,6	167,9
TOTAL CURRENT ASSETS	424,4	421,0
TOTAL ASSETS	1.423,1	1.196,2
Shareholders` equity	915,8	904,8
Non-current provisions	11,1	8,9
Non-current payables	38,4	28,3
Non-current financial liabilities	186,5	0,0
TOTAL NON-CURRENT LIABILITIES	236,1	37,3
Current payables	270,4	254,1
Current financial liabilities	0,9	0,0
TOTAL CURRENT LIABILITIES	271,3	254,1
TOTAL LIABILITIES	1.423,1	1.196,2

Mediaset España has a strong balance sheet as well as an excellent liquidity ratio, at the end 2019 of **1.6x**.

6. CASH FLOW GENERATION

Mediaset España's Operating Free Cash Flow in the year is **€186.7 million** and its **net debt position** at the end of the period is **€30.2 million**. This is after a **dividend payment** of **€100.0 million**, **share buyback program** carried out in the year for a total amount of **€94.6 million**. The **Financial Investment/Disinvestment** amount of **€190.4 million**, includes, as well as the **5.5% stake in Prosieben**, the stakes acquired in **El Desmarque, Megamedia TV and Supersport**. The amount also includes the financial costs of the operations.

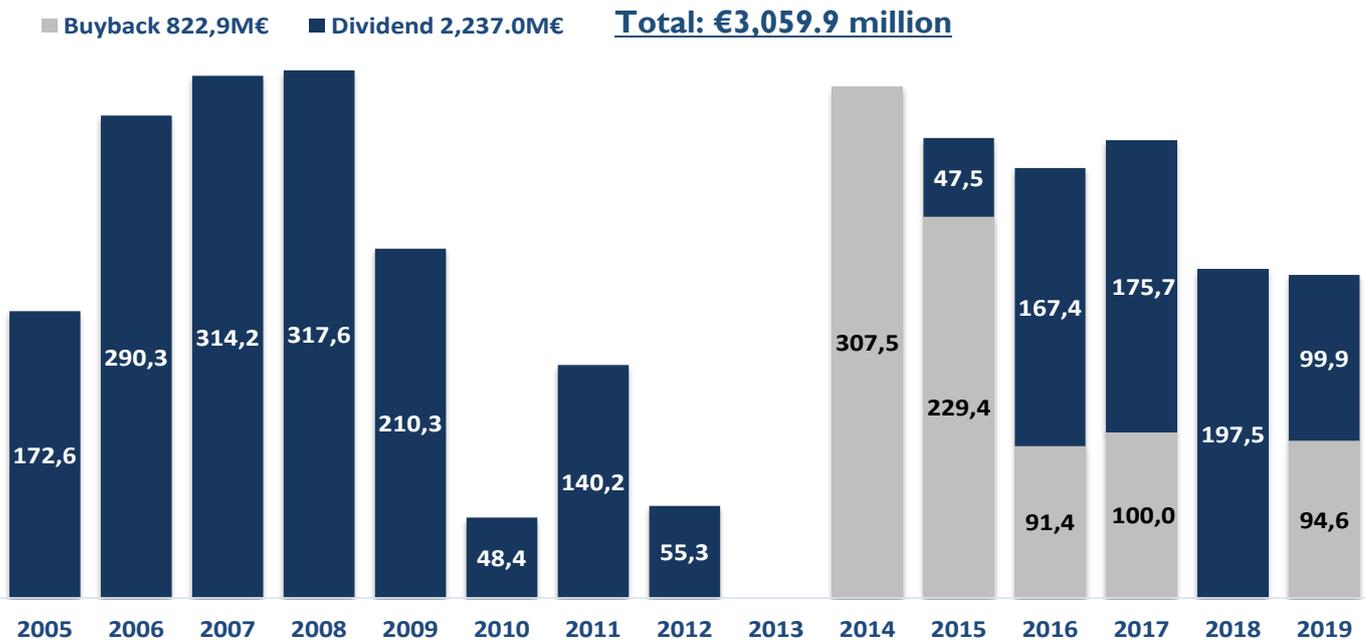
mill. EUR	2019	2018	Var (M€)
Net profit (without minority interests)	213,8	200,3	13,4
Amortisation:	157,5	173,0	(15,6)
Rights	135,9	153,1	(17,2)
Other	21,6	19,9	1,7
Provisions	(1,2)	(1,6)	0,4
Other	23,9	27,8	(3,9)
OPERATING CASH FLOW	394,0	399,6	(5,6)
Investment in rights	(173,1)	(139,2)	(33,9)
Investments, other	(11,0)	(10,0)	(1,0)
Change in working capital	(23,1)	(27,0)	3,8
OPERATING FREE CASH FLOW	186,7	223,4	(36,7)
Own stock purchase	(94,6)	0,0	(94,6)
Change in Equity	0,9	0,1	0,7
Financial investments/disinvestments	(190,4)	4,1	(194,5)
Dividends received	1,7	2,4	(0,7)
Dividend payments	(100,0)	(197,5)	97,5
Net Cash Change	(195,7)	32,5	(228,2)
INITIAL FINANCIAL POSITION (*)	165,5	135,3	30,2
FINAL FINANCIAL POSITION	(30,2)	167,8	(198,0)

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

Mediaset España's cash conversion rate equals **65.7% in the period: free cash flow** (€186.7 million) and **EBITDA** (€284.0 million).

7. SHAREHOLDER REMUNERATION: DIVIDEND AND BUYBACK PROGRAMS

Since listing, **Mediaset España** has distributed a **total dividend* (2005-2019)** of **€2,237.0 million** and completed buy back plans of **€822.9 million**. Total shareholder remuneration to 2019, amounts to **€3,059.8 million**.



(€ million)

* Dividend Payment date criteria.

8. EVENTS FOLLOWING THE CLOSE OF THE PERIOD

The **Extraordinary Shareholder Meeting** held in Madrid on **February 5th 2020** passed the proposal for amendment of certain terms on the articles of association of the **Media For Europe** project.

February 17th 2020 the **Madrid Provincial Court** dismisses **Mediaset España's** appeal for the suspension of the precautionary measures on the resolution passed by the Extraordinary Shareholder Meeting from September 4th 2019.

9. 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.

10. CONTACT US

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