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IH 2018 RESULTS

Mediaset España's investments in content bear fruit as the company posts a 2Q net profit of €72m (+10.6%) and IH profit of €125.2m

- The company dominated the advertising market with a share of 43.6%, according to Infoadex, recording the greatest advantage over its nearest competitor (41.6%) since 2012.
- The company's total net revenues reached €507.9 million
- Total operating costs (€348.7m) are up just 2.4% versus the previous year, despite the company broadcasting the lion's share of the 64 football World Cup matches contested in Russia
- As a result of robust management, the company has registered EBITDA of €159.1 million, reflecting a margin on total revenues of 31.3%, and EBIT of €76.8 million, which represents a margin on total revenues of 30%
- After generating a free cash flow of €133.2 million and paying out a dividend worth €197.5 million, the company's net financial position now stands at €80.1 million
- SECOND QUARTER: With operating costs of €186.4 million, Mediaset España has reported total net revenues of €278.3 million. Net profit has climbed 10.6% to €72 million versus 2Q 2017
- Mediaset España was the market leader by TV ratings, online following and social media impact in IH 2018

Mediaset España's IH 2018 results reflect the efficiency of its management model, cost base flexibility and success of its investment in content and sports events.

With a **market share of 43.6%**, the company once again leads the way in the Spanish television advertising market, **slightly outperforming the market average and registering much higher growth than its nearest competitor**, over which it now holds the greatest advantage in terms of market share (+2 points) since IH 2012. According to Infoadex, Mediaset España's position has remained virtually in line with the same period last year, versus a drop of almost three percentage points for Atresmedia (41.6%) and the 1% fall registered by the Spanish television advertising market as a whole.

Gross advertising revenues from Mediaset España's in-house platforms came in at **€491.1 million**. Including advertising sales for other media companies (€11.1 million)

and commissions, **net advertising revenues amounted to €480.4 million. Total net revenues** for the period, including other non-advertising revenues of €27.4 million, were **€507.9 million**.

Total operating costs remained stable versus the same period last year, up just 2.4% to **€348.7 million despite the company broadcasting the lion's share of the 64 football World Cup matches contested in Russia**. The rights acquired for this event enabled the company to garner viewer interest and advertiser investment, generating excellent results from both a ratings and financial perspective.

EBITDA stood at €159.1 million, representing a margin on total net revenues of 31.3%. **EBIT amounted to €152.3 million**, which reflects a 30% margin on total revenues.

Against this backdrop, Mediaset España has obtained a **net profit of €125.2 million**, representing a margin on total revenues of 24.7% and earnings per share of €0.38.

Having paid out a **dividend totalling €197.5 million**, the strength of the company's balance sheet was confirmed once again after it closed June with a **positive net financial position of €80.1 million and a free cash flow of €133.2 million** for 1H.

[Second quarter: Mediaset España registers total net revenues of €278.3 million and posts net profit of €72 million](#)

In 2Q 2018, Mediaset España reported total net revenues of €278.3 million and a net profit of €72 million, up 10.6% versus the same period in 2017.

Operating costs were €186.4 million. EBITDA stood at €91.9 million, representing a margin on total net revenues of 33%, while EBIT totalled €88.7 million, reflecting a margin on total net revenues of 31.9%, an increase in comparison with the figures posted for April to June 2017.

[Mediaset España: market leader by audience ratings for 1H 2018 and undisputed ratings champion since 2011](#)

Between January and June, **Mediaset España** has once again demonstrated its position as Spain's market **leader by audience ratings, videos viewed online and social media impact**:

Television:

- **The Mediaset España family of channels** has confirmed its leadership position in the total day segment (29.1%), a position it has held undisputed since 2011. The company is also the benchmark in commercial target (31.2%), prime time (29.5%) and day time, and the leading audiovisual group among young viewers aged 13-24 (36.2%) and 25-34 (32.6%).

- **Telecinco (14.2%)**, the most-watched channel in IH 2018 for the seventh year straight, also obtained the best results in commercial target (13.4%), prime time (15.1%), day time (13.7%) and across all target age ranges.
- **Cuatro (6.4%)** was up 0.2 of a percentage point versus the same period last year, reinforcing its position as the third leading private network in commercial target (7.8%) and among the under 55s (7.6%).
- Once again, the company's **themed channels (8.5%)** outperformed those of its main competitor:
 - **Factoría de Ficción (3%)**, the most-watched themed channel in IH 2018, has now accumulated 75 consecutive months of leadership and is the fourth most popular channel among young people aged 13-24 (8.2%).
 - **Divinity (2.1%)** was the leading themed channel for women in commercial target (2.5%), growing its share to 3.1% in its core target audience (women aged 16-44).
 - **Energy (1.7%)** has grown its audience share in commercial target to 1.9%.
 - **Boing (1.2%)**, the most-watched channel for children since 2013, has reached a 10.5% share among children aged 4-12.
 - **Be Mad (0.6%)** has grown to 0.8% in commercial target and to 1% in its core target audience of men aged 16-44.

Internet and social media:

- **Mediaset España is the audiovisual company with the highest online consumption of videos per viewer**, with 3.78 billion minutes of videos viewed in IH 2018, played by 11.9 million unique monthly users. The company ranks sixth in the world for video content with a total of 900 million recordings viewed, behind only Google, VEVO, Broadband TV, Facebook and Warner Music.
- **Telecinco.es** is the leading private television channel website with 8 million unique users and 194 million videos viewed.
- **Cuatro.com** has amassed a total of 54.1 million videos viewed between January and June.
- **Mitele** is the most popular TV content platform, with a total of 587 million videos viewed. In turn, Mtmad registered 18.9 million videos viewed.
- Mediaset España **also dominated the market in terms of social impact** between January and June, with a total of **15.9 million comments on social media**, representing 42.6% of the overall figure. The company's active accounts on the main social networks have **42.5 million followers**.
- At the end of IH 2018, the company's **official apps** had reached a total of **6.6 million downloads**, up 203% versus June 2017. Mitele, 'GH' and Mediaset Sport are the most in-demand apps.

* Source: ComScore (January – May 2018).