

**ATRESMEDIA**



**JANUARY–SEPTEMBER 2018  
RESULTS**

**30 September 2018**



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-Sep 2018	Jan-Sep 2017
Total TV audience	26.6%	26.4%
TV market share	40.9%	41.9%
Radio listeners (thousands) (2nd EGM wave)	3,875	4,091
Total no. employees	2,036	1,996

Financial highlights Euros (in thousands)	Jan-Sep 2018	Jan-Sep 2017
Net revenue	747,599	755,050
EBITDA	123,990	148,581
Profit for the period	86,062	103,456
Net financial debt	198,974	147,716

**Atresmedia's EBITDA for the nine months to September 2018 totaled 124.0 million euros, with consolidated profits of 86.1 million euros.**

According to Infoadex, **Atresmedia Television's market share** for the period was 40.9%.

Atresmedia Television achieved an **audience share** of 26.6% in the nine months to September, 0.2% higher than in the same period last year, with a prime time commercial target audience of 29.3%.

**Antena 3** achieved a 12.2% audience share in the period, with a prime time commercial target audience share of 13.3%.

**laSexta** stayed ahead of its main competitor with an average audience figure of 6.8%, and 7.5% for commercial target audiences in the prime time slot.



The complementary channels (**Neox**, **Nova**, **Mega** and **Atreseries**) achieved a combined audience share of 7.7% in the nine months to September 2018, with a commercial target audience of 9.1%.

According to figures to September from comScore, Atresmedia's **Digital** business continued to head the internet rankings for television groups with 19.8 million unique visitors.

In the nine months to September 2018 **Atresmedia Cine** released ten feature length films, accounting for 35% of box-office takings for Spanish cinema.

Atresmedia's **international** channels, meanwhile, had 53 million subscribers.

**Atresmedia Radio**'s stations, Onda Cero, Europa FM and Melodía FM, maintained their position with 3.9 million listeners, according to the latest study (2nd 2018 EGM wave).

## 1.2 The economic climate and the market

In September, FUNCAS (Fundación de las Cajas de Ahorros) was forecasting GDP growth of 2.7% for 2018, 0.1 points down on its July estimate. It estimates GDP growth of 0.6% in the third quarter. This growth is mainly driven by domestic demand (2.6 percentage points) while just 0.1 percentage points comes from exports.

This increase of 2.7% is somewhat higher than the latest forecast from the Spanish government and the Bank of Spain (2.6%), in line with that of the IMF and slightly lower than the OECD and European Commission forecast of 2.8%. The forecast for 2019 was cut by 0.1 points to 2.3%.

The number of new jobs created is expected to increase by 2.4% in 2018, while the forecast for 2019 stays a bit lower, with an expected growth of 1.9%. The unemployment rate forecast decreases from 15.3% in 2018 to 13.7% in 2019.

The indications are that household consumption will also continue to grow, although less than last year. FUNCAS expects it to grow by 2.3% in 2018 (0.2 percentage points less than last year) and by 1.9% in 2019.

Turning to the advertising market, according to Infoadex, advertising investment in conventional media in January to September 2018 grew by 0.6% versus the same period in 2017. Television advertising shrank by 1.3% while radio and internet advertising grew by 3.4% and 12.8%, respectively.

**Advertising market by media** **9M18 vs. 9M17**

<b>Television</b>	<b>-1.3%</b>
<b>Radio</b>	<b>3.4%</b>
<b>Internet</b>	<b>12.8%</b>
Newspapers	-6.1%
Magazines	-5.4%
Outdoor	0.9%
Sunday supplements	-8.4%
Cinema	4.0%
<b>TOTAL MEDIA</b>	<b>0.6%</b>

Source: Infoadex



## 2. ATRESMEDIA

### 2.1 Consolidated Income Statement

<b>Euros (in thousands)</b>	<b>Jan-Sep 2018</b>	<b>Jan-Sep 2017</b>	<b>Change</b>
<b>NET REVENUE</b>	<b>747,599</b>	<b>755,050</b>	<b>(1.0%)</b>
<b>OPERATING EXPENSES</b>	<b>623,609</b>	<b>606,469</b>	<b>2.8%</b>
<b>EBITDA</b>	<b>123,990</b>	<b>148,581</b>	<b>(16.6%)</b>
Depreciation and amortization	13,899	13,104	6.1%
Impairment and disposal of property, plant and equipment	17	(87)	n/a
<b>EBIT</b>	<b>110,074</b>	<b>135,564</b>	<b>(18.8%)</b>
<b>Financial result</b>	<b>(3,510)</b>	<b>(1,868)</b>	<b>(87.9%)</b>
<b>Net income from investments in other entities</b>	<b>2,150</b>	<b>(1,034)</b>	<b>n/a</b>
<b>Profit before tax from continuing operations</b>	<b>108,714</b>	<b>132,662</b>	<b>(18.1%)</b>
Income tax	22,652	29,180	(22.4%)
<b>Profit for the period</b>	<b>86,062</b>	<b>103,482</b>	<b>(16.8%)</b>
Profit attributable to non-controlling interests	0	(26)	n/a
<b>Profit for the financial period attributable to the parent company</b>	<b>86,062</b>	<b>103,456</b>	<b>(16.8%)</b>

Note: figures for YTD to September are unaudited

Atresmedia is using a new reporting format as of Q1 18, grouping figures under two main businesses: Audiovisual and Radio.

The aim is to provide greater detail and a more in-depth understanding of the Group's business lines, in particular the digital business and the production and distribution of content within the Audiovisual business. Pro forma statements for 2016 and 2017 are included in Appendices at the end of this report.



A pro forma consolidated income statement for the first nine months of the year excluding the Smartclip business, incorporated in the Group's scope of consolidation in July 2017, is also disclosed in an Appendix.

## 2.1.1 Net revenue

Atresmedia's net revenue for the nine months to September 2018 totaled 747.6 million euros, compared to 755.0 million euros for the same period of 2017.

Net revenue by business (thousand euros)	Jan-Sep 2018	Jan-Sep 2017	Change
Audiovisual	695,962	701,975	(0.9%)
Radio	58,745	60,041	(2.2%)
Eliminations	(7,108)	(6,967)	
<b>ATRESMEDIA</b>	<b>747,599</b>	<b>755,050</b>	<b>(1.0%)</b>

The conventional advertising market grew by 0.6% compared to last year, according to Infoadex.

Excluding Smartclip, the Group's revenues fell by 3.3%.

## 2.1.2 Operating expenses

Operating expenses for the year to September 2018 were 2.8% higher than for the same period in 2017. This increase is mainly due to the incorporation of Smartclip.

Operating expenses by business (thousand euros)	Jan-Sep 2018	Jan-Sep 2017	Change
Audiovisual	582,129	565,452	2.9%
Radio	48,588	47,983	1.3%
Eliminations	(7,108)	(6,967)	
<b>ATRESMEDIA</b>	<b>623,609</b>	<b>606,469</b>	<b>2.8%</b>



Operating expenses by type (thousand euros)	Jan-Sep 2018	Jan-Sep 2017	Change
Programming costs and others	319,766	326,465	(2.1%)
Personnel costs	100,775	98,708	2.1%
Other operating expenses	110,784	107,062	3.5%
Variable expenses linked to sales	99,391	81,201	22.4%
Eliminations	(7,108)	(6,967)	
<b>OPERATING EXPENSES</b>	<b>623,609</b>	<b>606,469</b>	<b>2.8%</b>

Excluding Smartclip, the Group's expenses are in line with those for the nine months to September 2017.

Television programming costs were adjusted in response to the weak advertising market in the summer months, without harming the business's competitiveness. Audience share grew by 0.6 percentage points compared with the third quarter of last year despite the broadcasting of the World Cup on other channels and the lack of the Champions League rights in the quarter.

### 2.1.3 Operating earnings and margins

EBITDA in the nine months to September 2018 was 124.0 million euros, representing a margin on net revenues of 16.6%.

EBITDA (thousand euros)	Jan-Sep 2018	Jan-Sep 2017
Audiovisual	113,833	136,523
<b>Margin on net revenue</b>	<b>16.4%</b>	<b>19.4%</b>
Radio	10,157	12,058
<b>Margin on net revenue</b>	<b>17.3%</b>	<b>20.1%</b>
<b>TOTAL ATRESMEDIA</b>	<b>123,990</b>	<b>148,581</b>
<b>Margin on net revenue</b>	<b>16.6%</b>	<b>19.7%</b>

EBITDA for the third quarter of 2018 was 22.7 million euros, with a margin on net revenue of 11.5%.



EBIT for the nine months to September 2018 totaled 110.1 million euros, in comparison with 135.6 million euros for the same period in 2017.

EBIT (thousand euros)	Jan-Sep 2018	Jan-Sep 2017
Audiovisual	101,478	125,040
<b>Margin on net revenue</b>	<b>14.6%</b>	<b>17.8%</b>
Radio	8,596	10,524
<b>Margin on net revenue</b>	<b>14.6%</b>	<b>17.5%</b>
<b>TOTAL ATRESMEDIA</b>	<b>110,074</b>	<b>135,564</b>
<b>Margin on net revenue</b>	<b>14.7%</b>	<b>18.0%</b>

#### 2.1.4 Profit before tax

The Group reported financial losses for the nine months to September 2018 of 3.5 million euros, compared with losses of 1.9 million euros for the same period last year. This is due to the combined effects of higher average net debt and negative exchange differences, offset by an improvement in the effective cost of debt.

Net income from investments in other entities corresponds mainly to gains on the sale of short-term financial investments (media for equity).

Profit before Tax for the first nine months of 2018 totaled 108.7 million euros, compared to 132.7 million euros for the same period last year.

#### 2.1.5 Consolidated profit for the period

Consolidated profit for the first nine months of 2018 was 86.1 million euros.



## 2.2 Consolidated Balance Sheet

Euros (in thousands)	30 September 2018	31 December 2017
<b>ASSETS</b>		
Goodwill	163,223	163,223
Other intangible assets	146,001	135,524
Property, plant and equipment and other non-current assets	74,207	65,179
Deferred tax assets	268,713	267,493
<b>NON-CURRENT ASSETS</b>		
	<b>652,144</b>	<b>631,419</b>
Programming rights and inventories	348,754	390,937
Trade and other receivables	201,022	276,394
Other current assets	28,736	18,383
Current tax assets	13,551	7,288
Cash and cash equivalents	105,827	25,026
<b>CURRENT ASSETS</b>		
	<b>697,890</b>	<b>718,028</b>
<b>TOTAL ASSETS</b>		
	<b>1,350,034</b>	<b>1,349,447</b>
<b>LIABILITIES</b>		
Share capital	169,300	169,300
Issue premium	38,304	38,304
Legal and statutory reserves	42,475	42,475
Retained earnings	219,393	252,730
Treasury shares	(8,810)	(8,810)
Interim dividend	0	(49,487)
Other equity instruments	3,048	2,298
Remeasurements and other	2,947	(576)
<b>EQUITY</b>		
	<b>466,657</b>	<b>446,234</b>
Debentures and notes	164,784	0
Debt to financial institutions	137,733	190,229
Other non-current liabilities	21,203	7,263
Deferred tax liabilities	28,456	28,554
<b>NON-CURRENT LIABILITIES</b>		
	<b>352,176</b>	<b>226,046</b>
Debt to financial institutions	2,284	74,355
Trade and other creditors	395,407	477,120
Other current liabilities	108,060	125,692
Current tax liabilities	25,450	0
<b>CURRENT LIABILITIES</b>		
	<b>531,201</b>	<b>677,167</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		
	<b>1,350,034</b>	<b>1,349,447</b>

Note: figures for YTD to September are unaudited



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The Group's net financial debt is 199.0 million euros, 40.6 million euros less than at the end of December 2017.

A final dividend of €0.30/share was distributed in June against 2017 income. The total amount distributed was 67.5 million euros.

On 11 July 2018 Atresmedia successfully completed a 75 million US dollar notes issuance, maturing in five years and bearing a semi-annual coupon of 4.48%, payable in US dollars, and a further 125 million US dollar notes issuance, maturing in seven years and bearing a semi-annual coupon of 4.75%, also payable in US dollars. These issues were placed with institutional investors in North America and listed on the Frankfurt Stock Exchange. The issues were hedged using cross-currency swaps so the Group's obligations are maintained at fixed exchange rates and interest rates in euros.



## 2.3 Consolidated Cash Flow Statement

At 30 September 2018 net cash flows from operating activities were positive, totaling 145.1 million euros, 6.3 million euros more than at the same date last year.

Euros (in thousands)	30 September 2018	30 September 2017
<b>1.- CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Consolidated profit for the period before tax	108,714	132,662
<b>Adjustments for:</b>	<b>18,062</b>	<b>14,854</b>
- Depreciation and amortization	13,899	13,104
- Provisions and others	653	(118)
- Financial result	3,510	1,868
<b>Changes in working capital</b>	<b>23,847</b>	<b>(6,674)</b>
<b>Cash flow from operations</b>	<b>150,622</b>	<b>140,842</b>
Income tax (paid)/refunded	(5,555)	(2,098)
<b>Net cash flows from operating activities</b>	<b>145,068</b>	<b>138,744</b>
<b>2.- CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investments</b>	<b>(53,785)</b>	<b>(49,400)</b>
Group companies, joint ventures and associates	(10,425)	(26,036)
Property, plant and equipment and intangible fixed assets	(13,950)	(10,451)
Investment in Spanish film productions	(29,410)	(12,914)
<b>Divestments and advances on the sale of assets</b>	<b>22,098</b>	<b>55</b>
<b>Net cash flows from investing activities</b>	<b>(31,687)</b>	<b>(49,345)</b>
<b>3.- CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Financial expenses paid	(3,493)	(8,080)
Dividends paid	(67,482)	(56,235)
Financing of associates and related parties	(1,822)	(305)
Bank borrowings	40,217	13,451
<b>Net cash flows from financing activities</b>	<b>(32,579)</b>	<b>(51,170)</b>
<b>NET INCREASE / DECREASE IN CASH</b>		
<b>NET INCREASE / DECREASE IN CASH</b>	<b>80,801</b>	<b>38,229</b>
Cash and cash equivalents, beginning of the period	25,026	1,562
Effective incorporation of Smartclip	0	6,078
<b>Cash and cash equivalents, beginning of the period</b>	<b>25,026</b>	<b>7,639</b>
<b>Cash and cash equivalents, end of the period</b>	<b>105,827</b>	<b>45,868</b>

Note: figures for YTD to September are unaudited

## 2.4 Share price

### 2.4.1 Atresmedia's shares

Atresmedia's shares closed the first nine months of 2018 at €5.35/share, down 38.5% on the closing price of €8.70/share at the end of 2017. Meanwhile, the IBEX fell by 6.5% in the period closing at 9,389.20 points.



Atresmedia share price in 2018 vs. the IBEX 35.

Trading figures	Jan-Sep 2018
Share price at 28/09/2018 (€)	5.35
High (€)	8.87
Low (€)	5.35
Weighted average price (€)	7.47
Average daily volume (shares)	451,355
Average daily volume (thousand euros)	3,372
Number of shares (million)	225.7

Source: Thomson Reuters



## 2.4.2 Analysts' recommendations

At 30 September, 23 analysts were reporting and offering recommendations on our shares. Of these, 48% recommended Buy Atresmedia shares, 35% recommended Hold, while 17% continued to recommend Sell. The average target price at the end of the reporting period was € 7.90/share.

During the first nine months of 2018, Atresmedia's Investor Relations department took part in 17 conferences and roadshows in Paris, Madrid, London, Bilbao, Barcelona, Cascais and Lisbon.

The department held 210 direct meetings with analysts and investors (at conferences and roadshows and in our offices) and 160 conference calls with analysts and investors.

## 2.5 Corporate Social Responsibility

A key event in the area of corporate responsibility in the first nine months of 2018 was the publication of Atresmedia's eleventh Annual Report and Corporate Responsibility Report, the first to contain comprehensive information on the Group linking social and environmental matters and good governance with its business strategy.

In the area of human resources management, Atresmedia was ranked for six consecutive year, as the most attractive communications company to work for, according to the "2018 Randstad Employer Brand Report", while the Atresmedia Formación training unit launched a summer school to introduce young people to the audiovisual industry.

The social initiatives under the "Compromiso Atresmedia" brand include the following:

- "Ponle Freno" celebrated its tenth anniversary and presented its X awards, recognising organisations' and individuals' efforts to improve road safety.
- "Objetivo Bienestar" presented its sixth "Coles Activos" awards, recognising schools that encourage healthy habits among pupils, and renewed its agreement with the Ministry of Health, Social Services and Equality to work together on tackling childhood obesity.



- The "Constantes y Vitales" campaign renewed its initiative to install defibrillators in public places in 2018 and was involved in the creation of the first database of Spanish women researchers.
- To mark International Intellectual Property Day, the "Crea Cultura" campaign held a special event to encourage respect for content creators.

The Group also contributed:

- Programme content dealing with social issues including gender equality, the cost of housing, how to use social networks responsibly, and different family models.
- Atresmedia employees, meanwhile, took part in voluntary activities including helping in the Santa María Josefa community canteen, the "Libera" project to clean up the countryside, collecting toys for the "Comparte y Recicla" initiative, and an educational project in Bolivia organised by "Ayuda en Acción".
- Atresmedia was a media partner for the seventh Give and Gain Day international volunteering event organised by Forética, and for the second International Corporate Volunteering Congress organised by Volutare.

In the area of the environment, the Group supported the WWF Earth Hour campaign through its "Hazte Eco" initiative and supported the Save the Arctic campaign in partnership with Greenpeace. Atresmedia's channels also broadcast special programmes on these issues.

Finally, the Atresmedia Foundation continues its efforts to improve education, with a record number of teachers attending this year's "Grandes Profes" event. To improve conditions in hospitals, the Foundation has set up the "Humanización de Hospitales" index, a tool to help hospitals assess all the measures they can take to make them more human. For the sixth consecutive year, the Atresmedia Foundation headed the ranking for transparency by business foundations in the "Building Trust 2017" report produced by the Spanish Commitment and Transparency Foundation.



### 3. AUDIOVISUAL

#### 3.1 Income statement

Euros (in thousands)	Jan-Sep 2018	Jan-Sep 2017	Change
<b>NET REVENUE</b>	<b>695,962</b>	<b>701,975</b>	<b>(0.9%)</b>
<b>OPERATING EXPENSES</b>	<b>582,129</b>	<b>565,452</b>	<b>2.9%</b>
<b>EBITDA</b>	<b>113,833</b>	<b>136,523</b>	<b>(16.6%)</b>
Amortization and depreciation and impairment	12,355	11,483	7.6%
<b>EBIT</b>	<b>101,478</b>	<b>125,040</b>	<b>(18.8%)</b>

Note: figures for YTD to September are unaudited

#### 3.1.1 Net revenue

Net revenue for the nine months to September 2018 was 696.0 million euros, in comparison with 702.0 million euros for the same period in 2017.

Euros (in thousands)	Jan-Sep 2018	Jan-Sep 2017	Change
Television advertising	595,088	619,498	(3.9%)
Digital advertising	30,230	11,287	167.8%
Content production and distribution	48,725	47,180	3.3%
Other revenue	21,919	24,010	(8.7%)
<b>NET REVENUE</b>	<b>695,962</b>	<b>701,975</b>	<b>(0.9%)</b>

Television advertising revenues totaled 595.1 million euros, compared to 619.5 million euros in the first nine months of 2017.

According to Infoadex, the television advertising market shrank by about 1.3% in the period. Atresmedia Television's share of this market was 40.9%.

The television advertising market shrank by 2.0% in the third quarter of 2018. Atresmedia Television’s share of this market was 39.2%.

Television advertising revenues for the “Automobile”, “Beauty”, “Finance”, “Retail” and “Drinks” sectors grew in the first nine months of 2018.



(\*) culture, power, sports, leisure, tourism, etc.

Sources: Infoadex + Internal estimates

Digital advertising revenues totaled 30.2 million euros, compared to 11.3 million euros for the same period in 2017. Since July 2017 the Group’s businesses have included Smartclip, one of the most important online media agencies in Spain. Excluding Smartclip revenues in both years, digital revenues would have grown by 21.4%.

According to Infoadex, the internet advertising market grew by 12.8%.



Content production and distribution revenues totaled 48.7 million euros, compared to 47.2 million in the nine months to September of last year, an increase of 3.3%.

These revenues include domestic and international sales of TV series, the distribution of content on pay-TV platforms in Europe and America, and the Group's film production activities (Atresmedia Cine).



The growth in the nine months to September 2018 is mainly due to higher sales in the third quarter linked to film production.

Atresmedia Cine released ten films in the first nine months of 2018: "Thi Mai, rumbo a Vietnam", "La Tribu", "Sin rodeos", "Inmersión", "Las leyes de la termodinámica", "El mundo es suyo", "El mejor verano de mi vida", "Blackwood", "Futbolísimos" and "El Reino". These films represented 35% of box-office takings for Spanish cinema in the period.





Other revenues include events, licences, teleshopping and editorial rights.

### 3.1.2 Operating expenses

Euros (in thousands)	Jan-Sep 2018	Jan-Sep 2017	Change
Programming costs and others	319,766	326,465	(2.1%)
Personnel costs	81,846	79,087	3.5%
Other operating expenses	81,125	78,700	3.1%
Variable expenses linked to sales	99,391	81,201	22.4%
<b>OPERATING EXPENSES</b>	<b>582,129</b>	<b>565,452</b>	<b>2.9%</b>

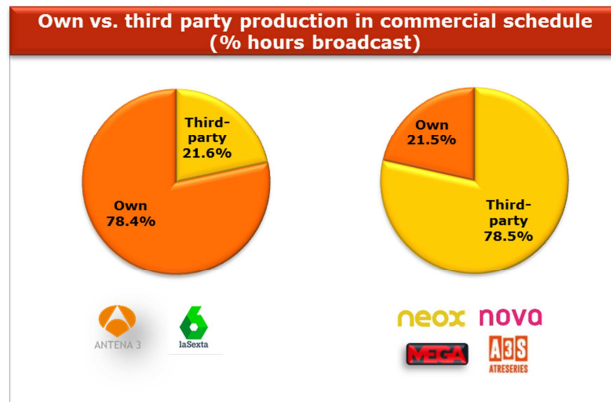
Year-to-date operating expenses to September 2018 totaled 582.1 million euros, an increase of 2.9% compared with the same period in 2017, mainly due to the incorporation of Smartclip.

Stripping out the Smartclip effect, expenses would have been in line with those for the first nine months of last year.

Operating expenses increased by 1.2% in the third quarter of 2018 compared with the same period of 2017, mainly due to higher costs linked to the film production business.

Television programming costs were adjusted in response to the weak advertising market in the summer months, without harming the business's competitiveness. Audiences grew by 0.6 percentage points compared with the third quarter of last year despite the broadcasting of the World Cup on other channels and the lack of the Champions League rights this quarter.

On Atresmedia's main channels, Antena3 and laSexta, in-house productions predominate (78.4%), while the majority of programmes broadcast on the complementary channels, Neox, Nova, Mega and Atreseries, are produced by third parties (78.5%).



### 3.1.3 Operating earnings and margins

EBITDA in the nine months to September 2018 was 113.8 million euros, with a margin on net revenues of 16.4%.

<b>EBITDA (thousand Euros)</b>	<b>Jan-Sep 2018</b>	<b>Jan-Sep 2017</b>
Audiovisual	113,833	136,523
<b>Margin on net revenue</b>	<b>16.4%</b>	<b>19.4%</b>

EBITDA in the third quarter of 2018 was 21.7 million euros with a margin on net revenue of 11.9%.

EBIT in the nine months to September 2018 was 101.5 million euros, representing a margin on net revenue of 14.6%.

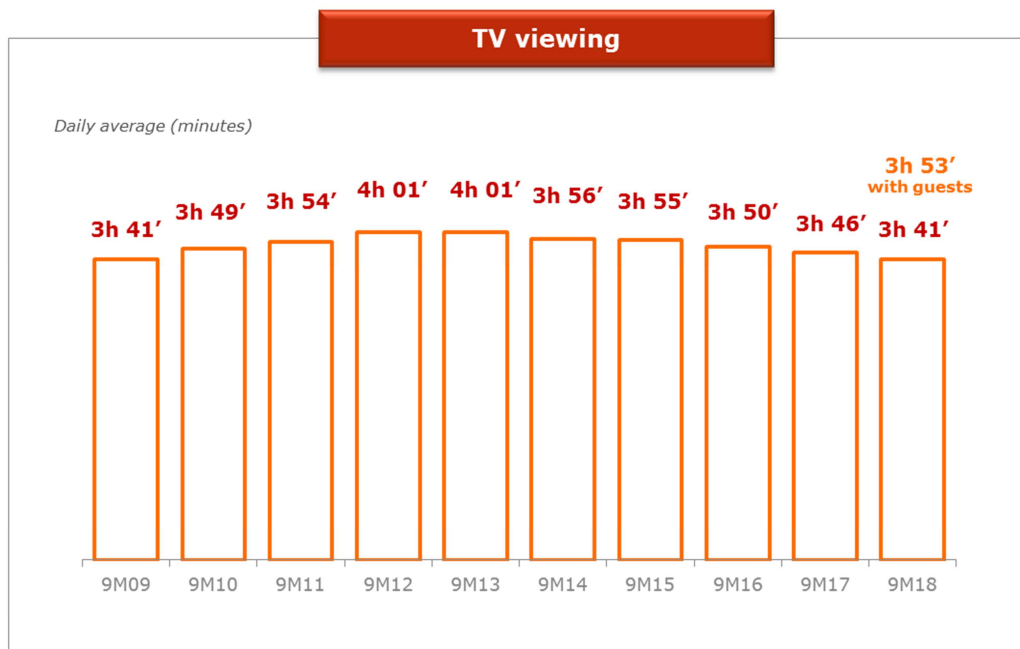
<b>EBIT (thousand Euros)</b>	<b>Jan-Sep 2018</b>	<b>Jan-Sep 2017</b>
Audiovisual	101,478	125,040
<b>Margin on net revenue</b>	<b>14.6%</b>	<b>17.8%</b>

## 3.2 Audiences

### 3.2.1 Television viewing

Television viewing in the first nine months of the year was 3 hours and 41 minutes per person and day, five minute less than in the same period last year. This figure includes “linear television” and “on-demand” viewing (programmes watched in the seven days following conventional broadcast). Television viewing on other devices such as computers and tablets is not included.

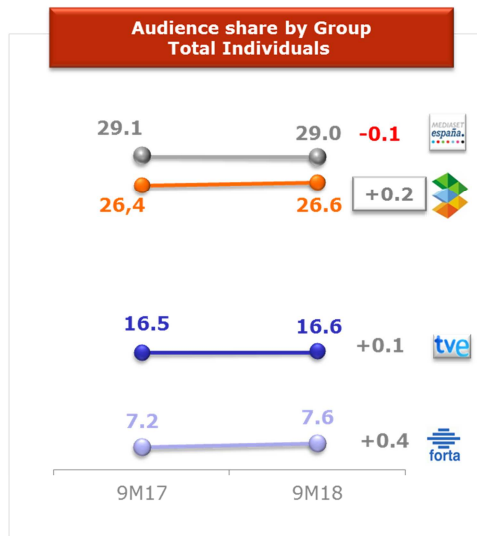
In addition, in March 2017 Kantar Media began to measure viewing time by guests (viewers who do not live in the main viewer’s home). This figure (12 minutes in the first nine months of 2018) is not included in the data above.



Source: Kantar Media. Figures for on-demand viewing are from February 2015 onward.

### 3.2.2 Television audiences

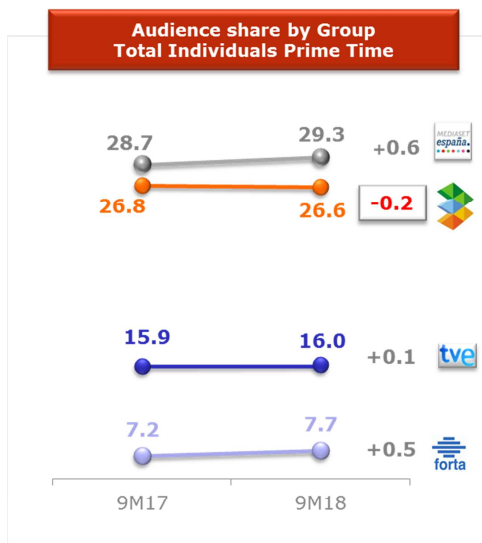
Atresmedia's television channels achieved an audience share of 26.6% in the first nine months of 2018, up 0.2 percentage points on the same period last year, despite no longer broadcasting the Champions League. This figure rises to 28.3% for commercial target, the most attractive audience for advertisers, and 29.3% for prime time commercial target audiences.



Source: Kantar Media. 24h total individuals 4+



Source: Kantar Media. Commercial target: 25-59 years, >10,000 inhabitants



Source: Kantar Media. Commercial target: 25-59 years, >10,000 inhabitants Prime Time (20:30-24:00)



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Antena 3's average total individuals audience (24h) in the nine months to September 2018 was 12.2%, reaching a prime time commercial audience figures in the period of 13.3%.

Fiction continues to draw the channel's highest audience figures.

"La Catedral del Mar", which headed audience figures in the first quarter of the year, ended in July with an average audience of over 2.6 million and a 17.4% audience share.

"Allí Abajo" also ended the season as one of the most watched series on Spanish television with an average of over 2.2 million viewers (14.5%).

"Presunto culpable", premiered in September, attracted an average audience of 2.0 million, an audience share of 14.4%.

Daily broadcast series attracted excellent audience numbers in the early afternoon and late afternoon slots in the nine months to September: "Amar es para siempre" achieved an audience share of 12.2% 1.4 million viewers, while "El secreto de Puente Viejo" had 1.4 million viewers and an audience share of 13.3%.

Quiz shows were once again a key part of the programming structure: "Ahora caigo" closed the nine month period with an average audience of 1.4 million (14.8%) while "Boom" increased its audience share to 14.7% and over 1.7 million viewers.

"El hormiguero 3.0" was the most watched daily magazine show on television with a 14.4% audience share and over 2.6 million viewers.

The Group's news programmes performed extremely well in the quarter. Antena 3 Noticias was the leading news programme for three consecutive months to September, for the first time in 11 years, since the third quarter of 2007.

Antena 3 Noticias 1 was the most viewed early afternoon news programme, heading this time slot for the last eight months. The average weekday audience in the nine months to September was 16.7%, with over 2.1 million viewers.

The evening edition, Antena 3 Noticias 2, was watched by an average of 1.7 million viewers per day, an audience share of 12.3%.

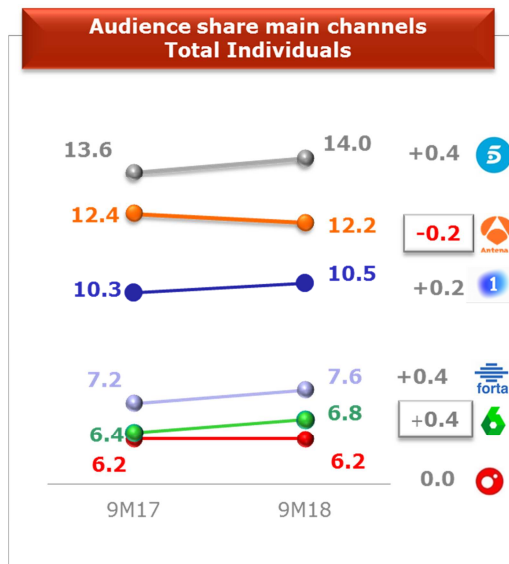
In film broadcasts, the weekend slot, "El Peliculón" was one of the most viewed programmes. The films that attracted the highest audience shares in the nine months to September were "El Becario" (17.3%) and "El Protector" (17.7%).

The average total individuals audience (24h) for the laSexta channel in the first nine months of 2018 was 6.8%, 0.4 percentage points more than in the same period of 2017, keeping it ahead of its main competitor. It achieved a commercial target audience share of 7.3%, and 7.5% for commercial target audiences in the prime time slot.

"El Intermedio" was once again the most viewed daily programme on laSexta with almost 1.8 million viewers (9.8%).

"Al Rojo Vivo", a daily morning political discussion programme closed September with an average audience share of 13.3% (0.8 million viewers).

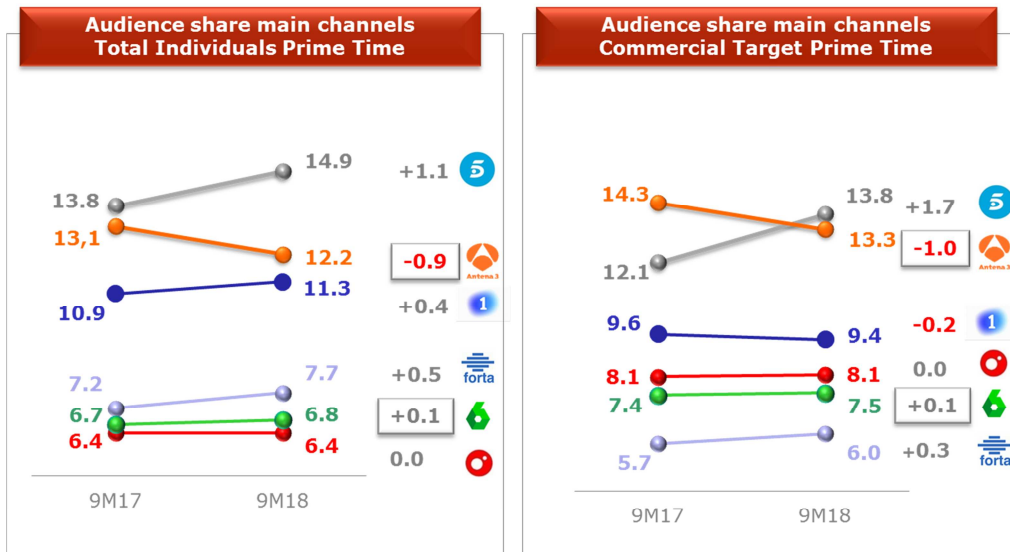
"Salvados", the Sunday prime time show, attracted an average of 2 million viewers, representing a 10.4% audience share.



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)

In the nine months to September 2018 the complementary channels contributed a combined audience share in total individuals (24h) of 7.7%, 0.2 points higher than in the same period of 2017, reaching 9.1% for commercial target audiences. Atresmedia is the only Group whose complementary channels' audiences increased compared with the same period last year.
























Neox had a total individuals audience share of 2.4% in the period and a 3.2% audience share in the commercial target.

Nova had a total individuals audience share of 2.4% and a 2.1% audience share in the commercial target.

Mega channel reported average audiences of 1.6%, rising to 2.2% audience share in the commercial target.

Atreseries obtained a total individuals audience share of 1.2% and a 1.6% commercial target audience share.

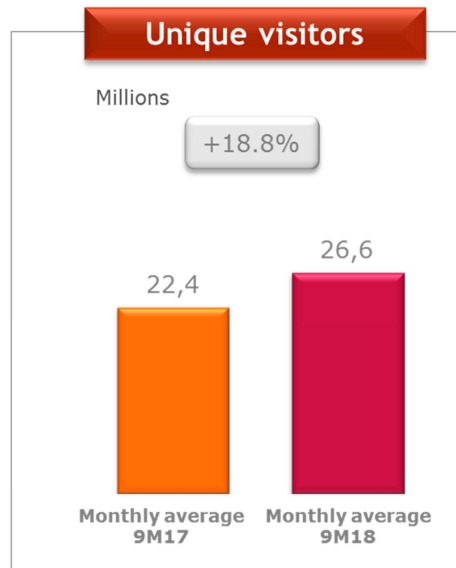
**Audience share complementary channels  
Total Individuals**

		<u>9M18</u>	<u>9M17</u>	<u>Change</u>
	   	7.7	7.5	+0.2
	   	8.8	9.3	-0.5
	   	6.1	6.2	-0.1
Net TV	 	2.9	3.1	-0.2
Veo TV	 	2.6	2.8	-0.2
13TV		2.0	2.0	+0.0
Kiss TV		0.8	0.9	-0.1
Secuoya		0.3	0.4	-0.1
Real Madrid TV		0.3	0.4	-0.1

Source: Kantar Media. 24h total individuals 4+

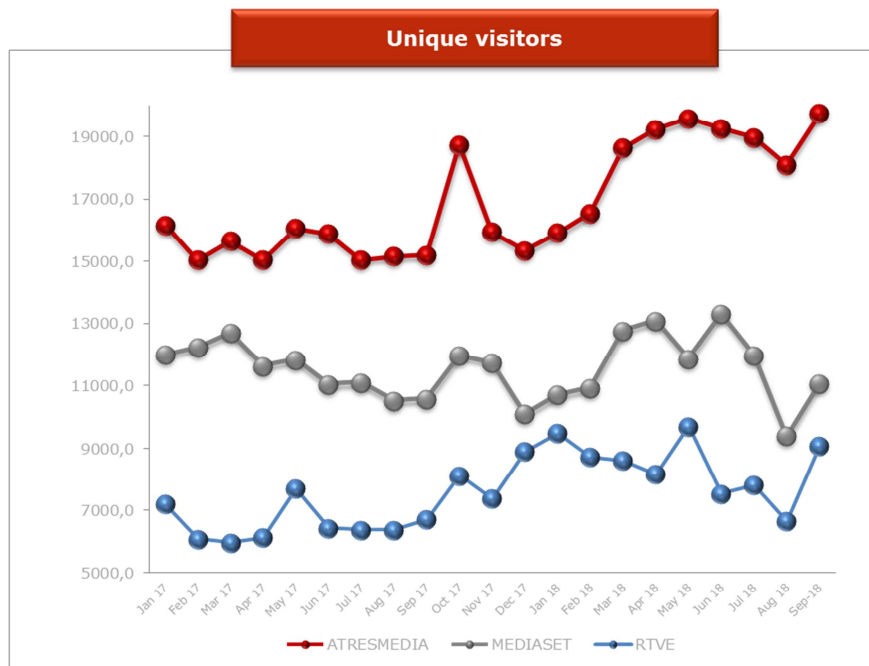
### 3.2.3 Digital audiences

At 30 September 2018 monthly unique visitor figures for Atresmedia Digital's websites were 26.6 million, up 18.8% on the monthly average at September 2017. The television websites performed exceptionally well, as did the native content sites (vertical content sites).



Monthly average  
Source: Adobe Analytics

According to figures from comScore, with 19.8 million unique visitors to September 2018, Atresmedia’s website was one of the eleven most visited in Spain, continuing to head the internet rankings for television groups, with almost twice as many users as Mediaset (8.7 million more).



Source: comScore

Atresplayer continues to be, according to comScore, the leading on-line video platform, with 2.4 million users in September 2018 and an average of 2.6 million users in the year to date. The platform also reported 6.1 million registered users and 10.5 million downloads to mobile devices at September 2018.



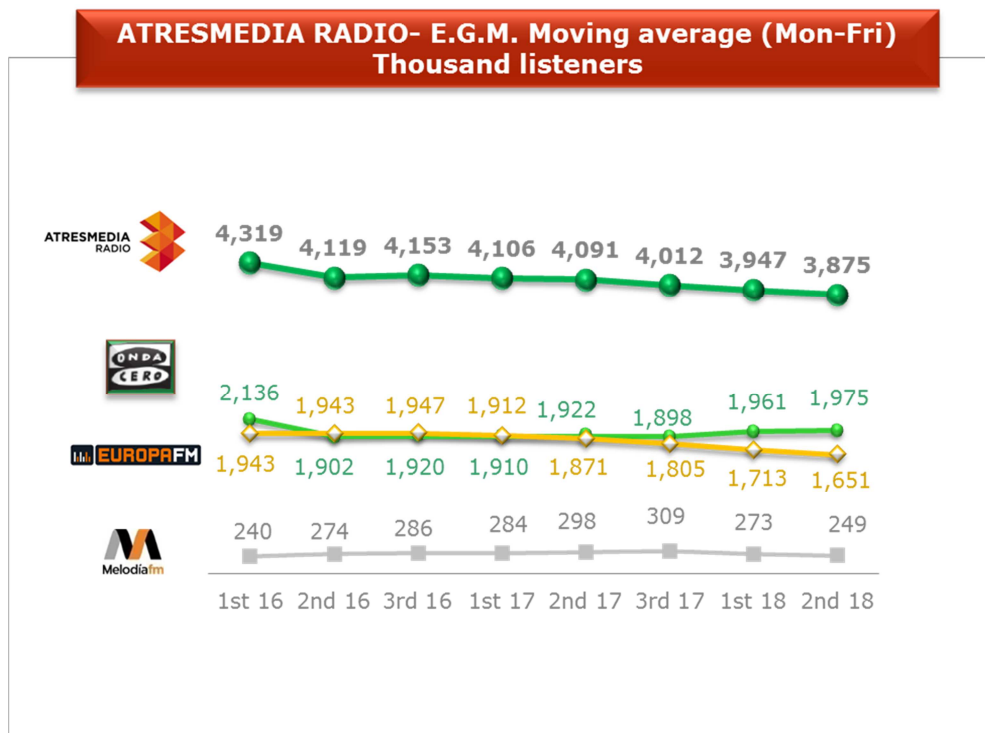
Source: comScore

## 4. RADIO

### 4.1 Advertising market and audience figures

According to Infoadex, spending in the radio advertising market in the nine months to September 2018 grew by about 3.4%.

Atresmedia Radio had an average of 3.9 million listeners, according to the latest General Media Study (EGM), in the rolling year to the 2nd 2018 wave. Onda Cero continued to be the third ranking non-specialist radio station with an average of almost 2.0 million listeners, up on both the last wave and the 2nd 2017 wave. For specialist stations, Europa FM had 1.7 million listeners while Melodía FM had 249,000 listeners.



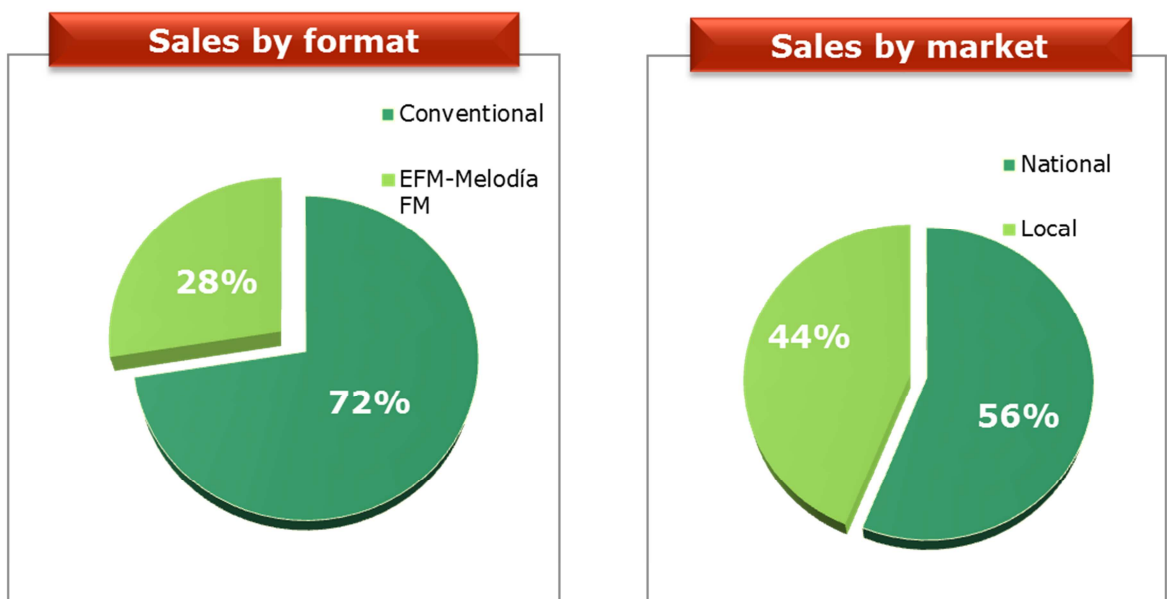
Source: EGM. Moving average Monday-Friday

## 4.2 Income statement

Euros (in thousands)	Jan-Sep 2018	Jan-Sep 2017	Change
<b>NET REVENUE</b>	<b>58,745</b>	<b>60,041</b>	<b>(2.2%)</b>
Personnel costs	18,929	19,621	(3.5%)
Other operating expenses	29,659	28,362	4.6%
<b>OPERATING EXPENSES</b>	<b>48,588</b>	<b>47,983</b>	<b>1.3%</b>
<b>EBITDA</b>	<b>10,157</b>	<b>12,058</b>	<b>(15.8%)</b>
Amortization and depreciation and impairment	1,561	1,534	1.8%
<b>EBIT</b>	<b>8,596</b>	<b>10,524</b>	<b>(18.3%)</b>

Note: figures for YTD to September are unaudited

Net revenue for the first nine months of 2018 totaled 58.7 million euros, compared with 60.0 million euros for the same period of 2017.





Operating expenses to 30 September 2018 amounted to 48.6 million euros, compared with 48.0 million in the first nine months of 2017.

EBITDA in the nine months to September 2018 was 10.2 million euros, representing a margin on net revenues of 17.3%.

EBITDA in the third quarter of 2018 was 1.1 million euros with a margin on net revenue of 6.5%.

EBITDA (thousands euros)	Jan-Sep 2018	Jan-Sep 2017
Radio	10,157	12,058
<b>Margin on net revenue</b>	<b>17.3%</b>	<b>20.1%</b>

EBIT(thousand euros)	Jan-Sep 2018	Jan-Sep 2017
Radio	8,596	10,524
<b>Margin on net revenue</b>	<b>14.6%</b>	<b>17.5%</b>



## APPENDIX 1: Consolidated income by business 2018

Euros (in thousands)

NET REVENUE	1Q18	2Q18	3Q18	9M18
<b>Audiovisual</b>	<b>236,245</b>	<b>277,528</b>	<b>182,189</b>	<b>695,962</b>
Television advertising	204,099	239,279	151,711	595,088
Digital advertising	8,830	12,678	8,722	30,230
Content production and distribution	17,442	14,256	17,026	48,725
Other revenue	5,874	11,315	4,730	21,919
<b>Radio</b>	<b>18,747</b>	<b>23,473</b>	<b>16,525</b>	<b>58,745</b>
<b>Eliminations</b>	<b>(2,795)</b>	<b>(2,574)</b>	<b>(1,738)</b>	<b>(7,108)</b>
<b>ATRESMEDIA</b>	<b>252,196</b>	<b>298,427</b>	<b>196,976</b>	<b>747,599</b>

OPERATING EXPENSES	1Q18	2Q18	3Q18	9M18
<b>Audiovisual</b>	<b>205,336</b>	<b>216,268</b>	<b>160,525</b>	<b>582,129</b>
Programming costs and others	118,471	123,669	77,627	319,766
Personnel costs	27,613	27,765	26,468	81,846
Other operating expenses	28,746	26,946	25,433	81,125
Variable expenses linked to sales	30,506	37,889	30,997	99,391
<b>Radio</b>	<b>16,433</b>	<b>16,704</b>	<b>15,451</b>	<b>48,588</b>
<b>Eliminations</b>	<b>(2,795)</b>	<b>(2,574)</b>	<b>(1,738)</b>	<b>(7,108)</b>
<b>ATRESMEDIA</b>	<b>218,974</b>	<b>230,398</b>	<b>174,238</b>	<b>623,609</b>

EBITDA	1Q18	2Q18	3Q18	9M18
<b>Audiovisual</b>	<b>30,909</b>	<b>61,260</b>	<b>21,664</b>	<b>113,833</b>
<b>Radio</b>	<b>2,314</b>	<b>6,769</b>	<b>1,074</b>	<b>10,157</b>
<b>ATRESMEDIA</b>	<b>33,223</b>	<b>68,029</b>	<b>22,738</b>	<b>123,990</b>



## APPENDIX 2: Consolidated income by business 2017

Euros (in thousands)

NET REVENUE	1Q17	2Q17	3Q17	4Q17	12M17
<b>Audiovisual</b>	<b>242,595</b>	<b>271,248</b>	<b>188,133</b>	<b>276,072</b>	<b>978,048</b>
Television advertising	215,194	240,712	163,592	234,227	853,725
Digital advertising	2,888	3,364	5,035	15,805	27,092
Content production and distribution	17,077	15,156	14,947	18,982	66,162
Other revenue	7,436	12,015	4,559	7,059	31,069
<b>Radio</b>	<b>19,367</b>	<b>22,986</b>	<b>17,687</b>	<b>23,485</b>	<b>83,526</b>
<b>Eliminations</b>	<b>(2,896)</b>	<b>(2,521)</b>	<b>(1,550)</b>	<b>(2,530)</b>	<b>(9,496)</b>
<b>ATRESMEDIA</b>	<b>259,067</b>	<b>291,713</b>	<b>204,270</b>	<b>297,028</b>	<b>1,052,078</b>

OPERATING EXPENSES	1Q17	2Q17	3Q17	4Q17	12M17
<b>Audiovisual</b>	<b>203,105</b>	<b>203,674</b>	<b>158,673</b>	<b>227,527</b>	<b>792,980</b>
Programming costs and others	121,835	114,907	89,722	121,966	448,431
Personnel costs	25,720	26,454	26,913	27,787	106,874
Other operating expenses	28,171	29,259	21,269	35,627	114,326
Variable expenses linked to sales	27,379	33,054	20,768	42,148	123,349
<b>Radio</b>	<b>17,641</b>	<b>15,272</b>	<b>15,070</b>	<b>18,468</b>	<b>66,451</b>
<b>Eliminations</b>	<b>(2,896)</b>	<b>(2,521)</b>	<b>(1,550)</b>	<b>(2,530)</b>	<b>(9,496)</b>
<b>ATRESMEDIA</b>	<b>217,851</b>	<b>216,426</b>	<b>172,192</b>	<b>243,466</b>	<b>849,935</b>

EBITDA	1Q17	2Q17	3Q17	4Q17	12M17
<b>Audiovisual</b>	<b>39,490</b>	<b>67,574</b>	<b>29,460</b>	<b>48,545</b>	<b>185,068</b>
<b>Radio</b>	<b>1,726</b>	<b>7,714</b>	<b>2,618</b>	<b>5,017</b>	<b>17,075</b>
<b>ATRESMEDIA</b>	<b>41,216</b>	<b>75,288</b>	<b>32,078</b>	<b>53,562</b>	<b>202,143</b>



## APPENDIX 3: Consolidated income by business 2016

Euros (in thousands)

<b>NET REVENUE</b>	<b>1Q16</b>	<b>2Q16</b>	<b>3Q16</b>	<b>4Q16</b>	<b>12M16</b>
<b>Audiovisual</b>	<b>230,354</b>	<b>276,912</b>	<b>180,713</b>	<b>260,210</b>	<b>948,188</b>
Television advertising	209,215	251,542	159,181	235,683	855,621
Digital advertising	2,278	3,101	2,901	2,920	11,199
Content production and distribution	13,118	12,859	13,124	12,883	51,984
Other revenue	5,744	9,409	5,507	8,724	29,384
<b>Radio</b>	<b>18,133</b>	<b>23,446</b>	<b>17,174</b>	<b>23,417</b>	<b>82,170</b>
<b>Eliminations</b>	<b>(2,448)</b>	<b>(2,337)</b>	<b>(1,754)</b>	<b>(2,704)</b>	<b>(9,243)</b>
<b>ATRESMEDIA</b>	<b>246,039</b>	<b>298,020</b>	<b>196,133</b>	<b>280,922</b>	<b>1,021,114</b>

<b>OPERATING EXPENSES</b>	<b>1Q16</b>	<b>2Q16</b>	<b>3Q16</b>	<b>4Q16</b>	<b>12M16</b>
<b>Audiovisual</b>	<b>193,098</b>	<b>207,689</b>	<b>150,313</b>	<b>214,792</b>	<b>765,891</b>
Programming costs and others	118,593	121,155	85,346	122,218	447,311
Personnel costs	25,361	27,601	26,089	27,924	106,975
Other operating expenses	27,927	29,222	17,300	38,726	113,175
Variable expenses linked to sales	21,216	29,712	21,579	25,924	98,431
<b>Radio</b>	<b>15,126</b>	<b>13,500</b>	<b>15,560</b>	<b>18,291</b>	<b>62,476</b>
<b>Eliminations</b>	<b>(2,448)</b>	<b>(2,337)</b>	<b>(1,754)</b>	<b>(2,704)</b>	<b>(9,243)</b>
<b>ATRESMEDIA</b>	<b>205,776</b>	<b>218,851</b>	<b>164,119</b>	<b>230,378</b>	<b>819,124</b>

<b>EBITDA</b>	<b>1Q16</b>	<b>2Q16</b>	<b>3Q16</b>	<b>4Q16</b>	<b>12M16</b>
<b>Audiovisual</b>	<b>37,256</b>	<b>69,223</b>	<b>30,401</b>	<b>45,418</b>	<b>182,297</b>
<b>Radio</b>	<b>3,007</b>	<b>9,946</b>	<b>1,614</b>	<b>5,126</b>	<b>19,693</b>
<b>ATRESMEDIA</b>	<b>40,263</b>	<b>79,169</b>	<b>32,015</b>	<b>50,544</b>	<b>201,990</b>



## APPENDIX 4: Pro forma consolidated income statement excluding Smartclip

<b>Euros (in thousands)</b>	<b>9M18 Pro forma (*)</b>	<b>9M17 Pro forma (*)</b>	<b>Change</b>
<b>NET REVENUE</b>	<b>727,946</b>	<b>752,477</b>	<b>(3.3%)</b>
<b>OPERATING EXPENSES</b>	<b>605,414</b>	<b>604,432</b>	<b>0.2%</b>
<b>EBITDA</b>	<b>122,532</b>	<b>148,045</b>	<b>(17.2%)</b>
<b>EBIT</b>	<b>108,747</b>	<b>135,064</b>	<b>(19.5%)</b>

(\*) Pro forma: Atresmedia excluding Smartclip

Smartclip was incorporated in the scope of consolidation in July 2017.