ATRESMEDIA

Q1 20 Results

April 30th, 2020

www.atresmediacorporacion.com

“We believe in the power of reflection and emotion”
According to external sources, Total Ad market decreased by -13%. Radio was down by -18%, TV near -12% and Digital -4%. The lockdown period due to Covid-19 accelerated ad market declined as of March.

Within our Audiovisual division:
- Atresmedia TV maintained market share in yoy basis (~42%) and reached 26.2% audience share in Total Individuals
- Atresmedia Digital achieved its record in monthly unique users (29 mill)
- Atresmedia Cinema grabbed near 25% of the spanish films’ box office
- Atresmedia International reached more than 59 mill subscribers

In Radio, Atresmedia maintained more than 3.3 mill listeners/day
Atresmedia’s Total net revenue amounted to €223.4 mill; -13.2% yoy
OPEX stood at €187.5 mill; -11.7% yoy
EBITDA of €35.9 mill; -20.4% yoy
Net Profit was €21.7 mill (-24.4% vs Q1 19)
Total Net Debt stood at €177 mill (€16 mill less vs Dec 19)
Q1 20 Financial Summary
### Atresmedia

**Q1 20 Results in € mill: P&L**

<table>
<thead>
<tr>
<th></th>
<th>Q1 20</th>
<th>Q1 19</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Revenues</strong></td>
<td>223.4</td>
<td>257.5</td>
<td>-13.2%</td>
</tr>
<tr>
<td><strong>OPEX</strong></td>
<td>187.5</td>
<td>212.4</td>
<td>-11.7%</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>35.9</td>
<td>45.1</td>
<td>-20.4%</td>
</tr>
<tr>
<td>EBITDA Margin</td>
<td>16.1%</td>
<td>17.5%</td>
<td></td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>31.2</td>
<td>40.3</td>
<td>-22.5%</td>
</tr>
<tr>
<td>EBIT Margin</td>
<td>14.0%</td>
<td>15.6%</td>
<td></td>
</tr>
<tr>
<td><strong>Net profit</strong></td>
<td>21.7</td>
<td>28.7</td>
<td>-24.4%</td>
</tr>
<tr>
<td>Net profit Margin</td>
<td>9.7%</td>
<td>11.1%</td>
<td></td>
</tr>
</tbody>
</table>

*Source: Atresmedia’s financial statements*
**Atresmedia: Net revenues by segment**

- Total Net Revenues stood at €223.4 mill, -13.2% yoy
- Audiovisual revenues were €210.4 mill (-12.5% yoy)
- Radio revenues totaled €15.9 mill (-20.3% yoy)

### Net Revenues

<table>
<thead>
<tr>
<th>Segment</th>
<th>Q1 19</th>
<th>Q1 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Group</td>
<td>258</td>
<td>223</td>
</tr>
<tr>
<td>Audiovisual</td>
<td>241</td>
<td>210</td>
</tr>
<tr>
<td>Radio</td>
<td>20</td>
<td>16</td>
</tr>
</tbody>
</table>

In € mill

-13.2%

-12.5%

-20.3%

*Source: Atresmedia’s financial statements*

*Eliminations are not included*
Total revenue decreased by €34mill yoy vs Q1 19

Source: Atresmedia’s financial statements.
Gradual diversification in our sources of revenues in last years
Non TV Ad revenue accounts for 20% of Total revenue in Q1 20

Net Revenue breakdown

Source: Atresmedia’s financial statements
Atresmedia: OPEX by segment

- Total OPEX was €188 million, -11.7% yoy
- Audiovisual expenses reached €175 mill (-12.1% yoy)
- Radio expenses: €16 mill (-5.9% yoy)

Source: Atresmedia’s financial statements
Eliminations are not included
Atresmedia: Cash flow & Debt position

- Total net debt reached €177 million vs €193 million at Dec-2019
- Total net debt last 12 months/EBITDA = 1.01x

**Cash flow**

<table>
<thead>
<tr>
<th>Description</th>
<th>In € mill</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY19 Net debt</td>
<td>-193</td>
</tr>
<tr>
<td>Operating CF</td>
<td>+22</td>
</tr>
<tr>
<td>Investing CF</td>
<td>-3</td>
</tr>
<tr>
<td>Others</td>
<td>-3</td>
</tr>
<tr>
<td>Q1 20 Net debt</td>
<td>-177</td>
</tr>
</tbody>
</table>

**Credit facilities**

<table>
<thead>
<tr>
<th>Description</th>
<th>In €mill</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total available credit facilities</td>
<td>547</td>
</tr>
<tr>
<td>Undrawn</td>
<td>36%</td>
</tr>
<tr>
<td>Drawn</td>
<td>64%</td>
</tr>
<tr>
<td>Cash</td>
<td>173</td>
</tr>
<tr>
<td>Net Debt</td>
<td>177</td>
</tr>
</tbody>
</table>

Source: Atresmedia’s financial statements
## Atresmedia Audiovisual

Q1 20 results in € mill: P&L

<table>
<thead>
<tr>
<th></th>
<th>Q1 20</th>
<th>Q1 19</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Net Rev.</strong></td>
<td>210.4</td>
<td>240.5</td>
<td>-12.5%</td>
</tr>
<tr>
<td><strong>OPEX</strong></td>
<td>174.6</td>
<td>198.6</td>
<td>-12.1%</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>35.8</td>
<td>41.9</td>
<td>-14.6%</td>
</tr>
<tr>
<td><em>EBITDA Margin</em></td>
<td>17.0%</td>
<td>17.4%</td>
<td></td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>31.7</td>
<td>37.7</td>
<td>-15.9%</td>
</tr>
<tr>
<td><em>EBIT Margin</em></td>
<td>15.1%</td>
<td>15.7%</td>
<td></td>
</tr>
</tbody>
</table>

*Source: Atresmedia’s financial statements*
Audiovisual: Breakdown

- Audiovisual Net Revenue decreased by -12.5%, with only Digital in positive, due to the Covid-19 crisis
- OPEX down by -12.1% to offset the fall in revenues

### Net Revenue breakdown

<table>
<thead>
<tr>
<th></th>
<th>Q1 19</th>
<th>Q1 20</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>TV</td>
<td>202</td>
<td>180</td>
<td>-10.8%</td>
</tr>
<tr>
<td>Others</td>
<td>8</td>
<td>7</td>
<td>-13.4%</td>
</tr>
<tr>
<td>Content</td>
<td>22</td>
<td>14</td>
<td>-34.6%</td>
</tr>
<tr>
<td>Digital</td>
<td>9</td>
<td>10</td>
<td>+1.8%</td>
</tr>
</tbody>
</table>

### OPEX breakdown

<table>
<thead>
<tr>
<th></th>
<th>Q1 19</th>
<th>Q1 20</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Variable</td>
<td>33</td>
<td>26</td>
<td>-20.1%</td>
</tr>
<tr>
<td>Overheads</td>
<td>31</td>
<td>27</td>
<td>-12.6%</td>
</tr>
<tr>
<td>Personnel</td>
<td>32</td>
<td>35</td>
<td>+9.3%</td>
</tr>
<tr>
<td>Programming costs &amp; Others</td>
<td>103</td>
<td>87</td>
<td>-16.1%</td>
</tr>
</tbody>
</table>

Source: Atresmedia’s financial statements
## Atresmedia Radio

Q1 20 Results in € mill: P&L

<table>
<thead>
<tr>
<th></th>
<th>Q1 20</th>
<th>Q1 19</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Revenues</strong></td>
<td>15.9</td>
<td>20.0</td>
<td>-20.3%</td>
</tr>
<tr>
<td><strong>OPEX</strong></td>
<td>15.8</td>
<td>16.8</td>
<td>-5.9%</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>0.2</td>
<td>3.2</td>
<td>-94.9%</td>
</tr>
<tr>
<td><em>EBITDA Margin</em></td>
<td>1.0%</td>
<td>16.2%</td>
<td></td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>-0.5</td>
<td>2.5</td>
<td>n/a</td>
</tr>
<tr>
<td><em>EBIT Margin</em></td>
<td>n/a</td>
<td>12.7%</td>
<td></td>
</tr>
</tbody>
</table>

Source: Atresmedia’s financial statements
Q1 20 Operational Summary
According to external sources, Total Ad market fell by 13% yoy.
TV Ad market decreased near -12%, Radio -18% and Internet -4%.

### Advertising market in Spain

<table>
<thead>
<tr>
<th>Media</th>
<th>I2p</th>
<th>Infoadex</th>
</tr>
</thead>
<tbody>
<tr>
<td>TV</td>
<td>-12.4%</td>
<td>-11.7%</td>
</tr>
<tr>
<td>Radio</td>
<td>-19.3%</td>
<td>-17.7%</td>
</tr>
<tr>
<td>Newspapers</td>
<td>-23.2%</td>
<td>-26.3%</td>
</tr>
<tr>
<td>Magazines</td>
<td>-15.2%</td>
<td>-13.4%</td>
</tr>
<tr>
<td>Sunday suppl.</td>
<td>-15.2%</td>
<td>-16.7%</td>
</tr>
<tr>
<td>Outdoor</td>
<td>-21.4%</td>
<td>-18.6%</td>
</tr>
<tr>
<td>Digital</td>
<td>-4.8%</td>
<td>-4.3%</td>
</tr>
<tr>
<td>Cinema</td>
<td>-7.0%</td>
<td>-26.3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>-13.9%</td>
<td>-13.2%</td>
</tr>
</tbody>
</table>

Source: I2p (ArceMedia) & Infoadex
TV Advertising market

- Negative Q1 20 (-11.7% yoy), affected by the impact of the Covid-19 crisis

Gross Total TV Advertising by quarter (yoy growth)

Source: Infoadex
TV Advertising market by category

Negative performance at every category mostly due to Covid-19

Source: Market: Infoadex, Sectors: Internal estimates

Q1 20 TV Ad market by category

- Autos 16%
- Food 12%
- Beauty & Hygiene 11%
- Telecom 10%
- Finance 9%
- Retail 7%
- Health 6%
- Beverages 5%
- Others* 25%

Q1 20 TV Ad market evolution

- TV Market = -11.7%
- Autos -9%
- Food -13%
- Beauty & Hygiene -13%
- Telecom -6%
- Finance -35%
- Retail -13%
- Health 0%
- Beverages -20%
- Others (*) -9%

*Others: Cleaning, Leisure & sports, energy,....
Atresmedia’s market share stood at 42.2% according to internal estimates.
TV viewing

- Linear TV viewing remained at very high levels (over 4h/day on average) with a record level in March 20 due to the lockdown.
- TV viewing increased in most of age groups.

**Average daily TV viewing**

**In hours**

By age group

Source: Kantar Media. Non linear TV viewing includes +7 days viewing through TV set (TV viewing on desktops, tablet or mobile devices not included).

Source: Kantar Media
Atresmedia TV reached 26.2% with Antena 3 down 1.3pp yoy due to a more cost-adjusted programming grid.

Source: Kantar Media. Total Individuals (4y+).
Atresmedia achieved 26.2% audience share in Total Individuals and 27.6% in Commercial Target in Q1 20.

Source: Kantar Media. Total Individuals (4y+). 
Source: Kantar Media. Commercial Target (25-59 y), >10,000 inhabitants
Television: Core channels audience share

Antena 3 achieved 11.7% in Total Individuals and 11.3% in the Commercial Target

Source: Kantar Media. Total Individuals (4y+)
Source: Kantar Media. Commercial Target (25-59 y), >10,000 inhabitants
Television: Tier II channels audience share

La Sexta keeps improving audience ratings

Source: Kantar Media. Total Individuals (4y+)
Source: Kantar Media. Commercial Target (25-59 y), >10,000 inhabitants
Atresmedia’s complementary channels reached 7.2% audience share.

Source: Kantar Media
Audience share 24h; Total Individuals: 4+
Atresmedia Television: Ad revenues breakdown in Q1 20

- Prices are explained by the exceptionality of the ad market due to Covid-19

Q1 20 Key factors

Δ GRPs  Δ Price

2%  -13%

Δ Net Ad Revenue -11%

Source: Internal estimates
Atresmedia Digital

- Record level in monthly unique users (>29mill)
- Atresplayer Premium (Atresmedia’s SVOD) reached 235k subscribers

ATRESMEDIA SITES

Most visited sites
Ranking (Comscore)

#7th

Monthly Unique users
(March 20 Comscore)

>29 mill

ATRESplayer

3.3 mill
Videoplayer users
(March 20)

7.8 mill
Registrations
(March 20)

235K
Subscribers
(March 20)

smartclip
Latam

Sales Q1 20

By Format

33% Non Video
67% Video*

28% Programmatic
72% Direct Sales

* Incl Rich media

By Type of sale

Q1 20 Results 25
Production & Content sales: Atresmedia International

➔ Up to 59 mill subscribers in our international channels (x3.3 vs 2014)

In mill subscribers
Atresmedia Films accounted for 25% of total revenues generated by Spanish films in Q1 20
Atresmedia Radio’s revenue fell by 20% yoy in line with the Radio ad market (≈18%).

Revenues breakdown in Q1 20

Atresmedia Radio vs Radio market

Q1 20 growth

-20.3% Revenues
-18% Radio market Revenues (Infoadex)
-5.9% OPEX

EBITDA -94.9%

Source: Infoadex
Atresmedia Radio reached near 3.3 mill listeners/day in the last survey.

**Listeners evolution**

In thousand of listeners

Source: EGM Surveys Monday to Friday (.000) (Moving average).
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