

ATRESMEDIA



JANUARY–JUNE 2020 RESULTS

30 June 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.



1.	HIGHLIGHTS	3
1.1	Milestones and key figures.....	3
1.2	The economic climate and the market.....	4
2.	ATRESMEDIA	6
2.1	Consolidated Income Statement.....	6
2.1.1	Net revenue	7
2.1.2	Operating expenses.....	7
2.1.3	Operating earnings and margins	8
2.1.4	Profit before tax.....	9
2.1.5	Consolidated profit for the period	9
2.2	Consolidated Balance Sheet.....	10
2.3	Consolidated Cash Flow Statement	12
2.4	Share price.....	13
2.4.1	Atresmedia's shares	13
2.4.2	Analysts' recommendations	14
2.5	Corporate Social Responsibility.....	14
3.	AUDIOVISUAL	17
3.1	Income statement	17
3.1.1	Net revenue	17
3.1.2	Operating expenses.....	20
3.1.3	Operating earnings and margins	21
3.2	Audiences.....	22
3.2.1	Television viewing	22
3.2.2	Television audiences.....	23
3.2.3	Digital audiences.....	27
4.	RADIO	28
4.1	Advertising market and audience figures	28
4.2	Income statement	29
5.	ALTERNATIVE PERFORMANCE MEASURES	31



1. HIGHLIGHTS

1.1 Milestones and key figures

Atresmedia. Key figures

Operational highlights	Jan-Jun 2020	Jan-Jun 2019
Total TV audience	26.1%	26.9%
TV market share (internal estimates)	41.9%	41.7%
Radio listeners (thousands) (1st EGM wave. Rolling average)	3,345	3,568
Total no. employees	2,588	2,440

Financial highlights Euros (in thousands)	Jan-Jun 2020	Jan-Jun 2019
Net revenue	374,954	539,905
EBITDA	42,796	103,770
Profit for the period	22,691	69,586
Net financial debt	137,697	218,179

The key issue throughout the first half of 2020 has been the global crisis caused by the COVID-19 pandemic. Against this backdrop, Atresmedia's EBITDA for the first half of the year totalled 42.8 million euros, with consolidated profits of 22.7 million euros.

According to internal estimates, **Atresmedia Television's market share** for the period was 41.9%. It achieved an **audience share** of 26.1% with a prime time commercial target audience of 28.0%.

Antena 3 achieved an 11.3% audience share in the period, with a prime time commercial target audience share of 12.7%.

laSexta stayed 1.7 points ahead of its main competitor with an average audience figure of 7.4%, and 7.7% for commercial target audiences in the prime time slot.



The complementary channels (**Neox, Nova, Mega** and **Atreseries**) achieved a combined audience share of 7.3% in the six months to June 2020, with a commercial target audience of 8.2%.

According to statistics published by ComScore in June, Atresmedia's **Digital** business continued to head the internet rankings for audiovisual groups for the fourth successive year and it was the sixth most visited website in Spain.

Films on release from **Atresmedia Cine** during the first six months of the year accounted for 38% of total earnings for Spanish cinema.

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

Atresmedia Radio's stations, Onda Cero, Europa FM and Melodía FM, maintained their position with 3.3 million listeners, according to the latest study (1st 2020 EGM wave).

1.2 The economic climate and the market

Following the lockdown and the halt in consumption, the Spanish economy shrank by 5.2% in the first quarter of 2020, the sharpest decline ever reported by the National Statistics Institute.

In July 2020 the Fundación de las Cajas de Ahorros (FUNCAS) projected that **GDP will shrink by 10.8% this year** (in May it was forecasting a contraction of 9.5%). Domestic demand accounts for 10.1 percentage points of this contraction, while the remaining 0.7 percentage points are attributable to exports. If there is another wave of infections in the autumn, resulting in another complete or partial lockdown, the economy could shrink by up to 14.3% in 2020. The economy is **expected to recover by 7.2% in 2021** (revised from 6.1% in May, or by 5.9% if there is another COVID-19 wave in the autumn).

The Spanish government estimates that the economy will contract by 9.2% in 2020, recovering by 6.8% in 2021. The Bank of Spain, meanwhile, estimates a drop in GDP of between 9.0% and 15.1% in 2020, with a recovery of 6.9% to 7.7% in 2021. The IMF predicts that the Spanish economy will shrink by 12.8% this year, recovering 6.3% in 2021.



Meanwhile, the consequences of the shrinking economy will directly impact on the labour market. According to FUNCAS, unemployment will rise to 19.1% in 2020, improving slightly in 2021 at 18.0%. This is much higher than the 14% reported at the end of 2019. Weakening demand and falling household incomes, together with falling commodity prices, will push the CPI into negative figures, at around -0.2% this year (compared with the -0.4% forecast in May due to tumbling crude prices, which began to climb back up from May onward), recovering to 1.0% next year.

The Bank of Spain is forecasting an unemployment rate of between 18.1% and 23.6% in 2020, remaining at similar levels in 2021. The Government, meanwhile, expects unemployment to reach 19% in 2020, improving slightly in 2021 at 17.2%.

The consensus forecast suggests the public deficit will reach 11.9% of GDP in 2020 (1.1 percentage points more than forecast in May) and 7.4% in 2021 (0.3 points more).

Turning to the advertising market, the advertising spending tracked by Infoadex shrank by 27.9% in the six months to June 2020 compared with the same period in 2019, affecting all media. In the markets in which the Atresmedia Group operates, television advertising has fallen by 31.8%, radio advertising by 34.3% and digital advertising by 14.3%. Advertising spending was severely hit by the COVID-19 crisis in the months from March to June.

Advertising market by media	1H20 VS 1H19
Television	-31.8%
Radio	-34.3%
Digital	-14.3%
Newspapers	-37.7%
Magazines	-45.4%
Outdoor	-55.2%
Sunday supplements	-57.5%
Cinema	-60.7%
TOTAL MEDIA	-27.9%

Source: Infoadex



2. ATRESMEDIA

2.1 Consolidated Income Statement

Euros (in thousands)	Jan-Jun 2020	Jan-Jun 2019	Change
NET REVENUE	374,954	539,905	(30.6%)
OPERATING EXPENSES	332,158	436,135	(23.8%)
EBITDA	42,796	103,770	(58.8%)
Depreciation and amortisation	9,545	9,823	(2.8%)
Impairment and disposal of property, plant and equipment	(1)	(35)	96.5%
EBIT	33,252	93,982	(64.6%)
Financial result	(4,461)	(3,742)	(19.2%)
Net income from investments in other entities	1,038	176	488.8%
Profit before tax from continuing operations	29,829	90,416	(67.0%)
Income tax	7,190	20,876	(65.6%)
Profit for the period	22,639	69,540	(67.4%)
Profit attributable to non-controlling interests	51	46	12.8%
Profit for the financial period attributable to the parent company	22,690	69,586	(67.4%)



2.1.1 Net revenue

Atresmedia's net revenue for the six months to June 2020 totalled 375.0 million euros, compared to 539.9 million euros in 2019.

Net revenue by business Euros (in thousands)	Jan-Jun 2020	Jan-Jun 2019	Change
Audiovisual	350,629	501,701	(30.1%)
Radio	29,586	43,290	(31.7%)
Eliminations	(5,261)	(5,086)	
ATRESMEDIA	374,954	539,905	(30.6%)

The advertising market in media tracked by Infoadex has shrunk by 27.9% in the six months to June 2020, falling by 42.9% in the second quarter.

2.1.2 Operating expenses

Operating expenses in the half year to June 2020 were 23.8% lower than in the same period last year.

Operating expenses by business Euros (in thousands)	Jan-Jun 2020	Jan-Jun 2019	Change
Audiovisual	307,594	406,819	(24.4%)
Radio	29,825	34,402	(13.3%)
Eliminations	(5,261)	(5,086)	
ATRESMEDIA	332,158	436,135	(23.8%)



Operating expenses by type Euros (in thousands)	Jan-Jun 2020	Jan-Jun 2019	Change
Programming and others	147,617	206,871	(28.6%)
Personnel costs	76,158	80,454	(5.3%)
Other operating expenses	67,865	77,212	(12.1%)
Variable expenses linked to sales	45,778	76,684	(40.3%)
Eliminations	(5,261)	(5,086)	
OPERATING EXPENSES	332,158	436,135	(23.8%)

A cost-cutting plan was established in the first half for both programme procurement and other operating costs in order 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 both due to falling advertising receipts and reduced content production and distribution activity during the period of the state of alarm.

Operating expenses for the second quarter of 2020 were 35.3% lower than in the same period in 2019.

2.1.3 Operating earnings and margins

EBITDA in the six months to June 2020 was 42.8 million euros, representing a margin on net revenues of 11.4%.

EBITDA (thousands of euros)	Jan-Jun 2020	Jan-Jun 2019
Audiovisual	43,035	94,882
Margin on net revenue	12.3%	18.9%
Radio	(239)	8,888
Margin on net revenue	n/a	20.5%
TOTAL ATRESMEDIA	42,796	103,770
Margin on net revenue	11.4%	19.2%



EBITDA for the second quarter of 2020 was 6.9 million euros, with a margin on net revenue of 4.5%.

EBIT for the first half of 2020 totalled 33.3 million euros, in comparison with 94.0 million euros in the same period in 2019.

EBIT Euros (in thousands)	Jan-Jun 2020	Jan-Jun 2019
Audiovisual	34,819	86,491
Margin on net revenue	9.9%	17.2%
Radio	(1,567)	7,491
Margin on net revenue	n/a	17.3%
TOTAL ATRESMEDIA	33,252	93,982
Margin on net revenue	8.9%	17.4%

2.1.4 Profit before tax

The Group reported financial losses for the six months to June 2020 of 4.5 million euros, compared with losses of 3.7 million euros in the same period last year, due to the higher average indebtedness and a negative timing effect linked to exchange differences.

Profit before tax for the first half of the year totalled 29.8 million euros, compared to 90.4 million euros last year.

2.1.5 Consolidated profit for the period

Consolidated profit for the six months to June 2020 was 22.7 million euros.



2.2 Consolidated Balance Sheet

Euros (in thousands)	30 June 2020	31 December 2019
ASSETS		
Goodwill	163,223	163,223
Other intangible assets	117,970	119,970
Property, plant and equipment and other non-current assets	91,904	98,221
Deferred tax assets	201,050	201,527
NON-CURRENT ASSETS	574,147	582,942
Programming rights and inventories	322,857	321,082
Trade and other receivables	167,148	245,124
Other current assets	21,521	28,585
Current tax assets	21,294	18,884
Cash and cash equivalents	237,181	85,831
CURRENT ASSETS	770,001	699,506
TOTAL ASSETS	1,344,148	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	259,730	237,047
Treasury shares	(6,168)	(7,489)
Interim dividend	(45,012)	(45,012)
Other equity instruments	0	1,355
Remeasurements and other	8,478	2,180
EQUITY	467,107	438,160
Debentures and bonds	178,603	178,030
Debt to financial institutions	86,308	103,516
Other non-current liabilities	44,017	44,272
Deferred tax liabilities	32,487	32,183
NON-CURRENT LIABILITIES	341,415	358,001
Debentures and bonds	4,037	4,046
Debt to financial institutions	104,800	8,676
Trade and other creditors	355,609	381,773
Other current liabilities	62,325	91,791
Current tax liabilities	8,855	0
CURRENT LIABILITIES	535,626	486,287
TOTAL LIABILITIES AND EQUITY	1,344,148	1,282,448



The Group's net financial debt is 137.7 million euros, compared with 193.0 million euros at the end of December 2019, a reduction of 55.3 million euros. The net financial debt/EBITDA ratio (12 months) was 1.12.

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. A 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.

At its meeting of 23 April 2020, applying the prudence principle, the Board of Directors decided to remove the proposed application of profits from the minutes of the Ordinary General Meeting of Shareholders to take place on 29 April, in response to the shrinking advertising market across all media as a result of the COVID-19 crisis. Shareholders were to have been asked to approve the interim dividend of €0.20/share paid out in December plus the distribution of a final dividend of €0.25/share. A new General Meeting will be called within the legally required period to approve the application of 2019 profits.

Given the severity of the impact of the pandemic on the Group's activities and results in the first half of 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 in its balance sheet. The main conclusion of this exercise is that the long-term outlook for the performance of Atresmedia's businesses is not substantially different to that prior to the crisis, and there is no need to change the Group's strategic focus or targets over this time frame.



2.3 Consolidated Cash Flow Statement

At 30 June 2020 net cash flows from operating activities were positive, totalling 67.5 million euros.

Euros (in thousands)	30 June 2020	30 June 2019
1.- CASH FLOWS FROM OPERATING ACTIVITIES		
Consolidated profit for the period before tax	29,829	90,416
Adjustments for:	17,367	16,563
- Depreciation and amortisation	9,545	9,823
- Provisions and others	3,361	2,998
- Financial result	4,461	3,742
Changes in working capital	22,523	(14,583)
Cash flow from operations	69,719	92,396
Income tax (paid)/refunded	(2,265)	(7,360)
Net cash flows from operating activities	67,454	85,036
2.- CASH FLOWS FROM INVESTING ACTIVITIES		
Investments	(10,607)	(19,604)
Group companies, joint ventures and associates	(1,212)	(2,396)
Property, plant and equipment and intangible fixed assets	(7,588)	(5,252)
Investment in Spanish film productions	(1,807)	(11,955)
Divestments and advances on the sale of assets	2,750	8,031
Net cash flows from investing activities	(7,857)	(11,573)
3.- CASH FLOWS FROM FINANCING ACTIVITIES		
Lease payments	(747)	(607)
Finance income collected (paid)	(3,339)	(4,141)
Dividends paid	0	(56,265)
Financing of associates and related parties	(199)	(5)
Financial debt	96,038	(45,729)
Net cash flows from financing activities	91,753	(106,747)
NET INCREASE / DECREASE IN CASH		
NET INCREASE / DECREASE IN CASH	151,350	(33,284)
Cash and cash equivalents, beginning of the period	85,831	85,626
Changes in the scope of consolidation	0	286
Cash and cash equivalents, beginning of the period	85,831	85,912
Cash and cash equivalents, end of the period	237,181	52,628



2.4 Share price

2.4.1 Atresmedia's shares

Atresmedia's shares closed on 30 June 2020 at € 2.33/share, down 33.2% on the closing price of € 3.482/share at the end of 2019. Meanwhile, the IBEX closed the period at 7,231.40 points, 24.3% down on last year end.



Atresmedia share price in the first half of 2020 vs. the IBEX 35

Trading figures	Jan-Jun 2020
Share price at 30/06/2020 (€)	2.326
High (€)	3.51
Low (€)	2.13
Weighted average price (€)	2.74
Average daily volume (shares)	558,749
Average daily volume (thousand euros)	1,530
Number of shares (million)	225.7

Source: Net Station



2.4.2 Analysts' recommendations

At the close of the period, 21 analysts were reporting and offering recommendations on our shares. Of these, 24% recommended Buy Atresmedia shares, 33% recommended Hold, while 43% continued to recommend Sell. The average target price at the end of the period was € 2.76/share.

During the first half of 2020 Atresmedia's Investor Relations department took part in 10 conferences and roadshows, both face-to-face and on-line.

The department held around 50 direct and virtual meetings with analysts and investors (at conferences and in our offices) and held 100 conference calls with analysts, institutional investors and minority shareholders.

The department was less active than usual, with the events planned for March and April cancelled due to the COVID-19 crisis. The events planned for May and June went ahead, but all of these took place online.

2.5 Corporate Social Responsibility

Key events in the first half of 2020, in the area of corporate responsibility included the preparation of the Statement of Non-Financial Disclosures for inclusion in the Company's Management Report, detailing the Group's progress in 2019 on social and environmental matters and good governance, and providing information on its employees and human rights practices.

With regard to the management of human resources, Atresmedia's internal response to the COVID-19 health crisis has been in line with all the health authorities' guidelines, implementing the measures necessary to ensure the safety of its employees, with 75% of staff working from home.

The Group has also strengthened its commitment to diversity and inclusion, increasing the number of people with disabilities it employs, in particular in the Atresmedia Television and Atresmedia Advertising divisions.



In terms of social responsibility, the Group's external response to the COVID-19 pandemic includes offering all its communication media to support the "Cruz Roja Responde" initiative launched by the Spanish Red Cross to meet the health, social, education and employment needs of over 1.3 million affected people.

The social initiatives that fall under the "Compromiso Atresmedia" banner include the following:

- "Ponle Freno" announced the 2020 edition of its awards recognising organisations' and individuals' efforts to improve road safety. It also organised its first virtual race, with 22,000 participants.
- "Objetivo Bienestar" presented its 8th "Coles Activos" awards recognising schools' work to encourage healthy habits among pupils.
- "Constantes y Vitales" launched a new campaign to recognise the work of Spanish scientists and publicise their achievements, and announced a new edition of its awards.
- "Levanta la Cabeza" introduced the "sin verificar, no compartas" campaign in schools, running practical workshops to encourage young people to question information and showing them how to fact-check it.
- Finally, Antena 3 Noticias renewed its commitment to tackling gender violence through the initiative "Contra el maltrato: Tolerancia Cero".
- "Crea Cultura" is a partner in the #TodoEmpiezaEnUnaLibrería initiative launched by the publishing and bookshop sectors to encourage people to visit bookshops after the end of the lockdown.

Within its corporate volunteering programme, in response to the social needs generated by the COVID-19 crisis, the Group has set up an on-line project "Aislados, pero no solos".

The **Atresmedia Foundation** continues its efforts to improve education, with a record number of teachers attending this year's "Grandes Profes" event. The Foundation also launched the seventh edition of its "Grandes Iniciativas" awards, aimed at improving the quality of education through publicising and recognising inspiring and innovative educational projects developed by teachers and schools which have had a significant impact.



In the area of the environment, Atresmedia is implementing the measures defined in its 2019 environmental strategy. The Group has begun buying 100% of its power from renewable sources and is now carrying out a study to determine its new emission reduction targets. It also continues to support the WWF "Earth Hour" campaign through its "Hazte Eco" initiative to raise awareness about climate change.



3. AUDIOVISUAL

3.1 Income statement

Euros (in thousands)	Jan-Jun 2020	Jan-Jun 2019	Change
NET REVENUE	350,629	501,701	(30.1%)
OPERATING EXPENSES	307,594	406,819	(24.4%)
EBITDA	43,035	94,882	(54.6%)
Amortisation and depreciation and impairment	8,216	8,391	(2.1%)
EBIT	34,819	86,491	(59.7%)

3.1.1 Net revenue

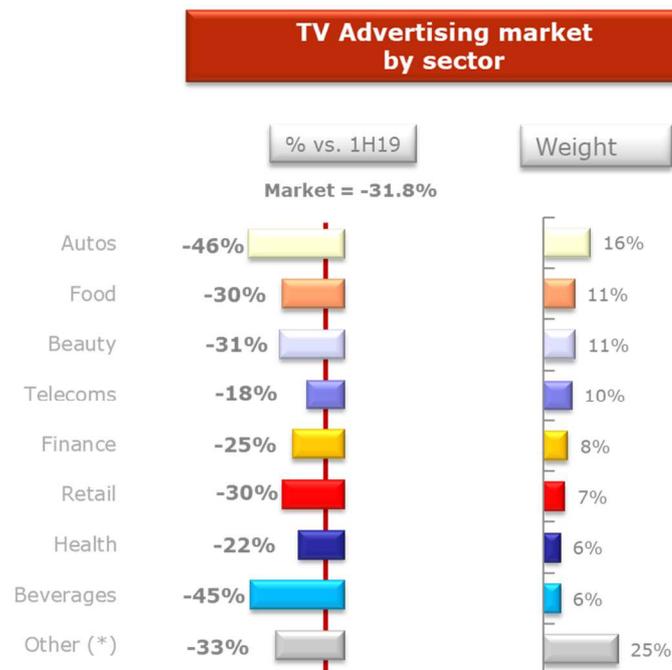
Net revenue for the year to June 2020 totalled 350.6 million euros, in comparison with 501.7 million euros for the first half of 2019.

Euros (in thousands)	Jan-Jun 2020	Jan-Jun 2019	Change
Television advertising	291,269	416,924	(30.1%)
Digital advertising	18,189	22,045	(17.5%)
Content production and distribution	29,111	40,042	(27.3%)
Other revenue	12,060	22,690	(46.8%)
NET REVENUE	350,629	501,701	(30.1%)

Television advertising revenues totalled 291.3 million euros, compared to 416.9 million euros in the same period of 2019.

According to Infoadex, the television advertising market has shrunk by 31.8% in the period.

There has been a general downturn across all sectors. Advertising spending fell by 50.0% in the second quarter of the year.



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

Sources: 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 first half of the year was 41.9%, compared with 41.7% last year.

Digital advertising revenues totalled 18.2 million euros, compared to 22.0 million euros in the six months to June 2019. According to Infoadex, the internet advertising market shrank by about 14.3% in the year, falling by 24.0% in the second quarter.

Content production and distribution revenues totalled 29.1 million euros, compared to 40.0 million in the first six months of last year. This change is due to Atresmedia Studio’s revised calendar of sales to third parties.

These revenues include the production and domestic and international sale of TV series (Atresmedia Studios), our on demand 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 Cine released two films in the first half of the year: “Malasaña 32” and “Hasta que la boda nos separe”, which both featured in the rankings of highest grossing Spanish films for the year to date. Films such as “Legado en los huesos” also remained on release. These films accounted for 38% of box-office takings for Spanish cinema in the year. Due to the state of alarm, Atresmedia Cine did not release any new films in the second quarter.





Other revenues, which mainly include events, licences, and editorial rights, totalled 12.1 million euros compared with 22.7 million euros in the six months to June 2019.

3.1.2 Operating expenses

Euros (in thousands)	Jan-Jun 2020	Jan-Jun 2019	Change
Programming and others	147,617	206,871	(28.6%)
Personnel costs	63,738	67,417	(5.5%)
Other operating expenses	50,461	55,847	(9.6%)
Variable expenses linked to sales	45,778	76,684	(40.3%)
OPERATING EXPENSES	307,594	406,819	(24.4%)

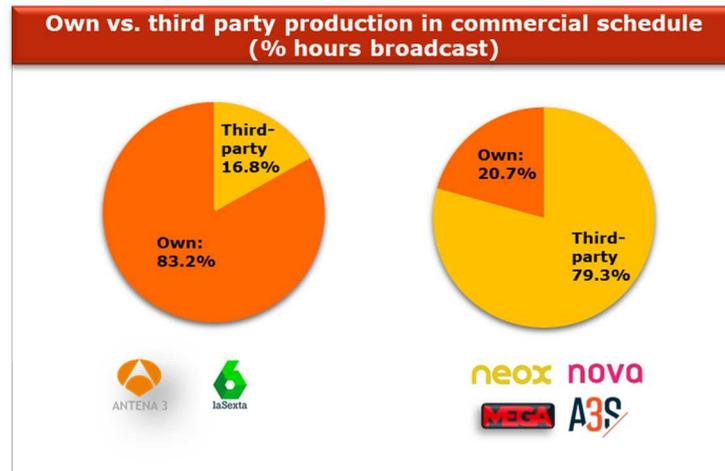
Operating expenses for the six months to June 2020 totalled 307.6 million euros, a decrease of 24.4% compared with the same period in 2019.

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

Variable expenses linked to sales fell both due to falling advertising receipts and reduced content production and distribution activity during the period of the state of alarm.

Operating expenses for the second quarter of 2020 were 36.1% lower than in the same period in 2019.

On Atresmedia’s main channels, Antena3 and laSexta, in-house productions predominate (83.2%), while the majority of programmes broadcast on the complementary channels, Neox, Nova, Mega and Atreseries, are produced by third parties (79.3%).



3.1.3 Operating earnings and margins

EBITDA in the six months to June 2020 was 43.0 million euros, with a margin on net revenues of 12.3%.

<u>EBITDA (thousands of euros)</u>	Jan-Jun 2020	Jan-Jun 2019
Audiovisual	43,035	94,882
Margin on net revenue	12.3%	18.9%

EBITDA for the second quarter of 2020 was 7.3 million euros, with a margin on net revenue of 5.2%.

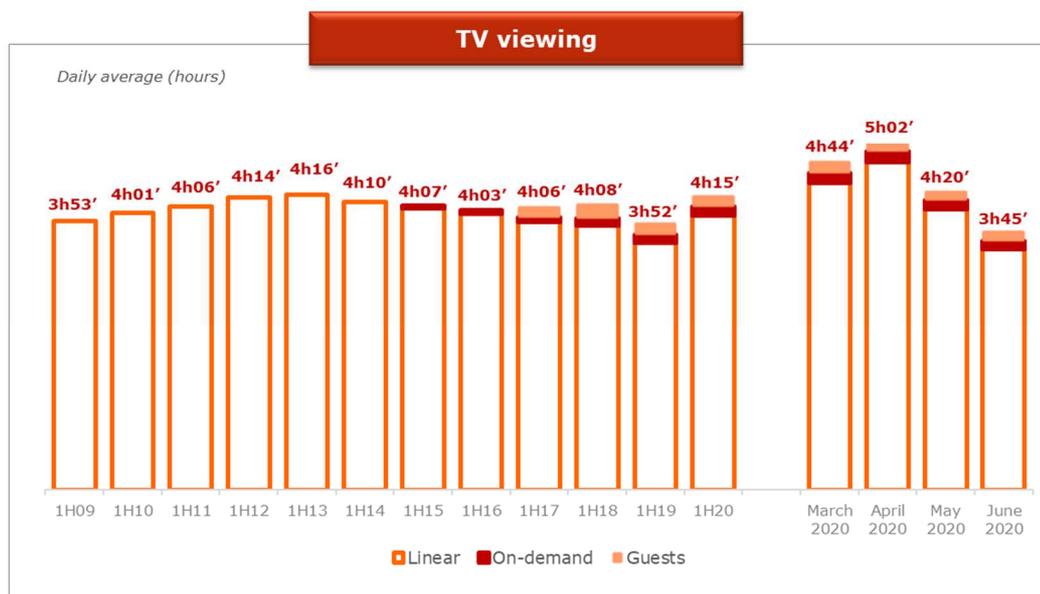
EBIT in the six months to June 2020 was 34.8 million euros, representing a margin on net revenue of 9.9%.

EBIT Euros (in thousands)	Jan-Jun 2020	Jan-Jun 2019
Audiovisual	34,819	86,491
Margin on net revenue	9.9%	17.2%

3.2 Audiences

3.2.1 Television viewing

Television viewing per person/day in the first half of 2020 was 4 hours and 15 minutes, 23 minutes more than in the same period last year. This figure includes “linear television”, “on-demand” viewing, and viewing time by guests.



Source: Kantar Media

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

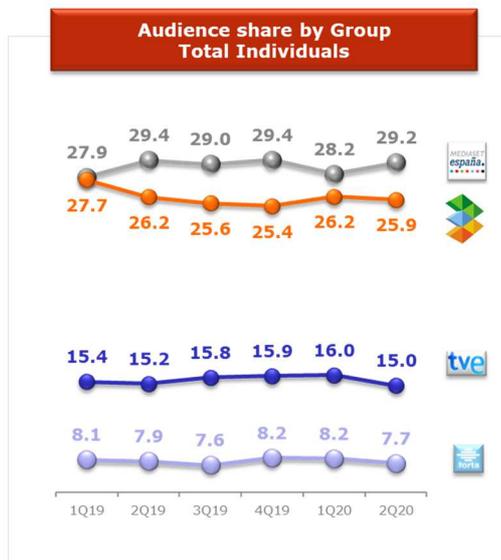
Guests: viewers who do not live in the main viewer's home.

The lockdown imposed from 14 March under the state of alarm declared in response to the COVID-19 epidemic had a notable effect on the first half of 2020. April saw the highest ever levels of television viewing in Spain, with average viewing time of 5 hours and 2 minutes per day. During this month, around 33.5 million Spanish citizens watched television every day.

This increase in television viewing during the lockdown shows that public broadcast television is the main source of entertainment and information for the entire population, including young people. Atresmedia played a key role in this, heading all the rankings for news programming and is far ahead of its competitors as the most trusted media for obtaining up-to-date information.

3.2.2 Television audiences

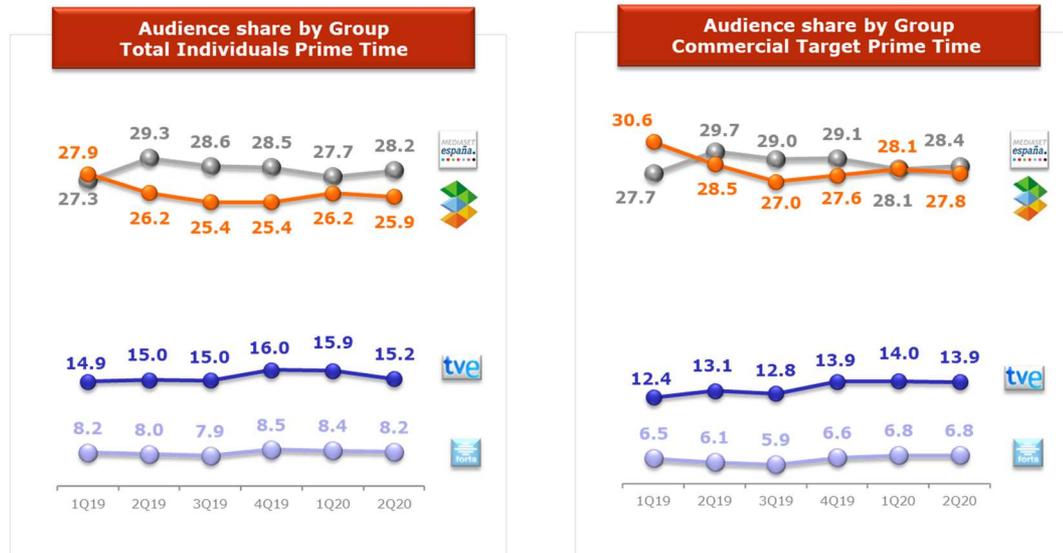
Atresmedia's television channels achieved an audience share of 26.1% in the first half of 2020. This figure rises to 27.5% for commercial target audiences, the most attractive audience for advertisers, and 28.0% for prime time commercial target audiences.



Source: Kantar Media. 24h total individuals 4+



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



Source: Kantar Media. 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)

Antena 3's average total individuals audience (24h) in the year was 11.3%, rising to 12.7% for prime time commercial audiences.

The Group consolidated its position as the leading news provider. **Antena3 Noticias** has now headed the rankings for six consecutive months, with a 15.7% audience share and 2.3 million viewers in the first half of the year. In June the programme's market share reached 16.9%, its highest share for almost 11 years. The weekday early afternoon edition, with an average of 2.6 million viewers and an audience share of 18.4% was the most viewed news programme in the first half of the year.

Antena 3 Noticias confirmed its leading position in the second quarter with 2.4 million viewers and an audience share of 16.1%.

In entertainment programming, **"Pasapalabra"** returned to the Antena 3 schedule in the second quarter. The quiz show's prime time launch attracted almost 3.2 million viewers and an audience share of 19.6%, making it the most viewed programme debut in the last year and a half. It attracted almost 1.7 million viewers and an average audience share of 16.0% in its afternoon slot.

"El hormiguero 3.0" was the most watched daily magazine show on television in the quarter with an average 14.2% audience share and over 2.5 million viewers. The programme maintained its daily appointment with viewers throughout half of the quarter, adapting to the circumstances of the pandemic with a special "stay at home" version. It was the clear leader in its time slot with an audience share of 14.6% and almost 2.8 million viewers.



In drama, afternoon shows attracted good audience figures in the first half of the year. **"Amar es para siempre"** was the most viewed daily series in the second quarter (1.4 million viewers and a 10.7% audience share) after **"El secreto de Puente Viejo"** finished, broadcasting its last prime time episode on 20 May, closing the season at the top of the rankings with 1.7 million viewers and an audience share of 13%. Thus ended an uninterrupted broadcast run of over nine years as the leading afternoon drama series, with more than 2,300 episodes attracting an average audience of 15.4%, peaking at 22%.

The average total individuals audience (24h) for the **laSexta channel** was 7.4%, 0.2 percentage points more than in the first half of 2019, keeping it 1.7 percentage points ahead of its main competitor. Its prime time commercial target audience was 7.7%.

"El Intermedio" returned to the schedules in May and was once again the most viewed daily programme on laSexta with over 1.3 million viewers (8.5%). **"Zapeando"** also returned to the afternoon time slot, drawing an average audience of 647,000 in the quarter, with an audience share of 6.0% putting it ahead of its competitor.

"La Sexta Noticias" recorded some of its best ever audience figures, with an average 10.3% audience share and over 1.3 million viewers in the second quarter. The Monday to Friday early afternoon edition, with almost 1.6 million viewers and an audience share of 11.2% is the channel's most viewed news programme.

In daily broadcasting **"Al Rojo Vivo"** attracted an average audience share of 15.6%, with 1.2 million viewers, its highest ever quarterly audience figures. It is also the leading programme in its time slot and the laSexta programme with the highest audience share. **"Más vale tarde"**, with an audience share of 7.8% and 905,000 viewers is the most viewed evening news programme. These figures were also up on those recorded for the same quarter in 2019.

"Lo de Évole" continued to attract an average of 1.8 million viewers in the Sunday prime time slot, representing a 9.6% audience share. **"El objetivo"**, meanwhile, recorded its highest quarterly audience figures for two years with 1.3 million viewers (7.4%). On Saturday nights, **"La Sexta Noche"** also had its best quarter for two years, with an audience share of 8.5% and 1 million viewers.



The complementary channels contributed a combined audience share in total individuals (24h) of 7.3% in the year, reaching 8.2% for commercial target audiences.

The **Neox channel** had a total individuals audience share of 2.0% in the period and a 2.9% commercial target audience share, making it the leading specialist digital terrestrial channel. It is also the leading channel among young viewers (18-35 years).

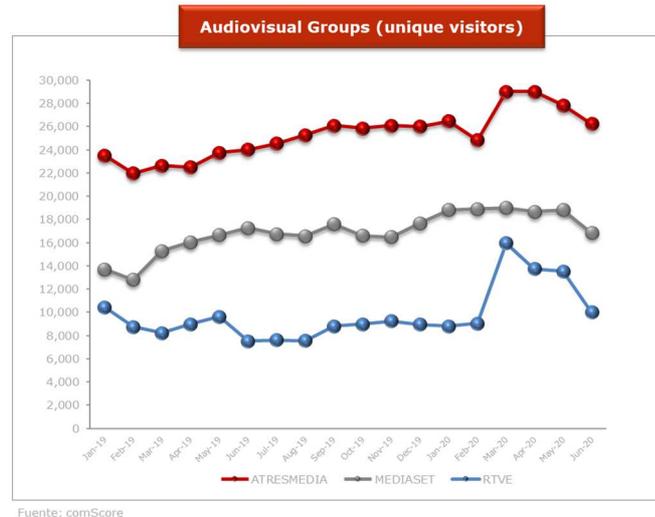
Nova had a total individuals audience share of 2.3%, making it the leading specialist channel aimed at female audiences. In June, it topped the rankings for specialist digital terrestrial channels for the first time, with an audience share of 2.7%, its highest monthly figure in almost six years.

The **Mega** channel, aimed at a male, adult audience, reported average audiences of 1.5%, rising to 1.8% for commercial target audience share.

Atreseries obtained a total individuals audience share of 1.5% and a 1.7% commercial target audience share.

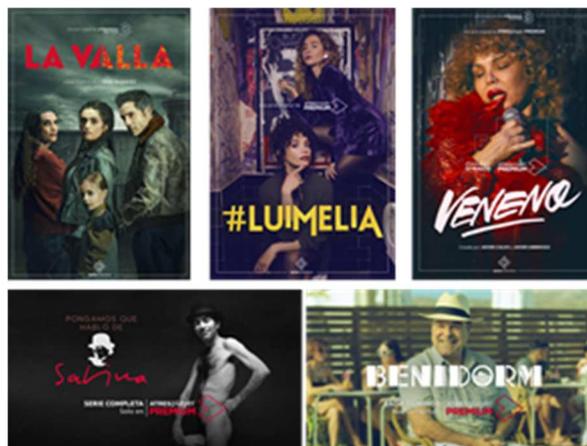
3.2.3 Digital audiences

According to figures published by comScore in June 2020, Atresmedia continued to head the internet rankings for television groups for the fourth consecutive year, with 26.2 million unique visitors, 9.4 million more users than Mediaset. It was number six in the rankings of the top ten most visited websites in Spain.



Atresplayer, the Group's on-line video platform, had 2.3 million unique visitors, according to ComScore, putting it ahead of its main competitor's platform. Moreover, at 30 June the number of registered users totalled 8.1 million.

At 30 June 2020 the Atresmedia Premium pay-TV platform had a total of 253,000 subscribers.



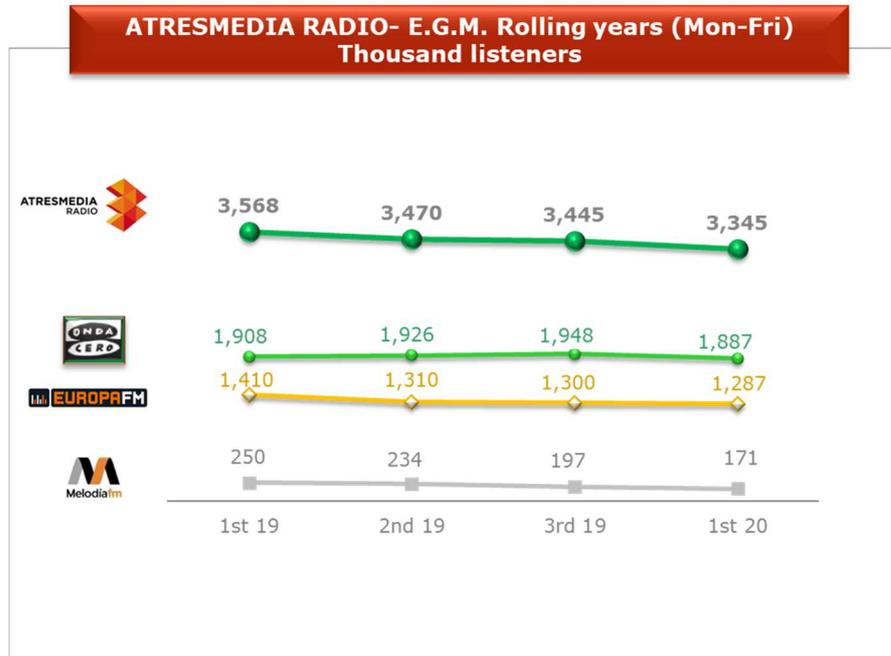
4. RADIO

4.1 Advertising market and audience figures

According to Infoadex, the radio advertising market in the first half of the year shrank by 34.3%, falling by 48.2% in the second quarter.

Atresmedia Radio had an average of 3.3 million listeners, according to the latest General Media Study (EGM), in the rolling year to the 1st 2020 wave. Onda Cero continued to be the third ranking non-specialist radio station with 1.9 million listeners. Among specialist stations, Europa FM had 1.3 million listeners while Melodía FM had 171,000 listeners.

The AIMC cancelled this year's second EGM wave as it was not possible to carry out the normal field research during the State of Alarm.

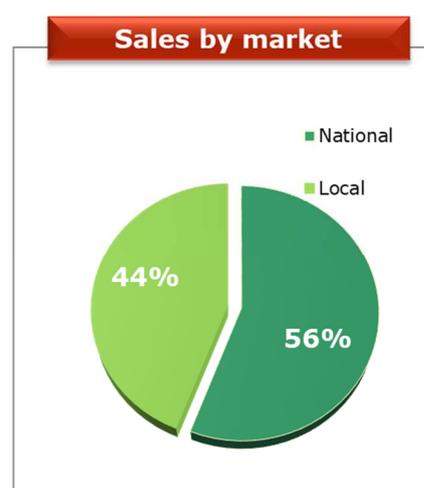
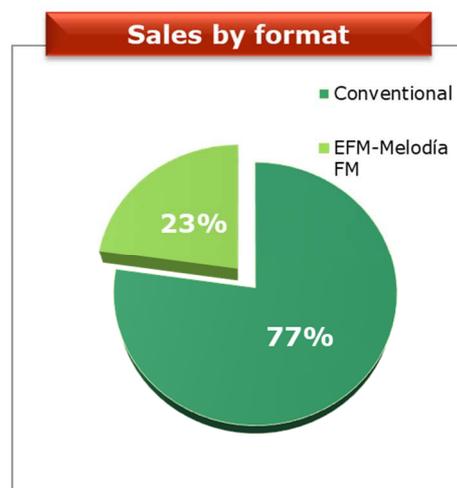


Source: EGM. Rolling years. Monday-Friday

4.2 Income statement

Euros (in thousands)	Jan-Jun 2020	Jan-Jun 2019	Change
NET REVENUE	29,586	43,290	(31.7%)
Personnel costs	12,421	13,037	(4.7%)
Other operating expenses	17,404	21,365	(18.5%)
OPERATING EXPENSES	29,825	34,402	(13.3%)
EBITDA	(239)	8,888	n/a
Amortisation and depreciation and impairment	1,328	1,397	(5.0%)
EBIT	(1,567)	7,491	n/a

Net revenue for the first half of 2020 totalled 29.6 million euros, compared with 43.3 million euros for the first half of 2019.





Operating expenses to 30 June 2020 totalled 29.8 million euros, compared to 34.4 million euros for the first half of 2019, a decrease of 13.3%.

The Group reported negative EBITDA in the six months to June 2020 of 0.2 million euros.

EBITDA Euros (in thousands)	Jan-Jun 2020	Jan-Jun 2019
Radio	(239)	8,888
Margin on net revenue	n/a	20.5%

EBIT Euros (in thousands)	Jan-Jun 2020	Jan-Jun 2019
Radio	(1,567)	7,491
Margin on net revenue	n/a	17.3%



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)	1H20	1H19
Net total sales	344,154	506,936
Other operating revenues	30,800	32,969
Net revenue	374,954	539,905

Operating expenses: corresponds to the sum of programme procurement and other purchases, staff costs and other operating expenses.

Euros (in thousands)	1H20	1H19
Programme procurement and other purchases	157,928	237,145
Staff costs	76,158	80,454
Other operating expenses	98,072	118,536
Operating expenses	332,158	436,135



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

Euros (in thousands)	1H20	1H19
EBIT	33,252	93,982
Depreciation and amortisation	9,545	9,823
Impairment and disposal of property, plant and equipment	(1)	(35)
EBITDA	42,796	103,770

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.

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)	1H20	1H19
Gross financial debt	374,878	270,807
Cash and cash equivalents	(237,181)	(52,628)
Net financial debt	137,697	218,179

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.