

# MEDIASET *españa.*



## FIRST QUARTER RESULTS

*January – March 2017*

Madrid – April 27<sup>th</sup>, 2017

### CONTENTS:

Financial and operating highlights

1. Profit and loss account
2. Cash flow generation
3. Summary balance sheet
4. Audience share performance
5. Internet
6. Media for Equity
7. 2017 Relevant Facts
8. Contact us

### Conference Call / Web cast details

27<sup>th</sup> April 2017 at 18:00 CET (17:00 pm UK Time)

Spain: +34 917 900 870

UK: +44 (0) 207 750 9908

USA: + 1 866 388 1927

You will also be able to connect via **webcast** with this link:

<http://edge.media-server.com/m/p/8zr7yz5x>

Or through our **IR homepage**:

<http://www.mediaset.es/inversores/en/>



## FINANCIAL AND OPERATING HIGHLIGHTS

<i>million €</i>	1Q2017	1Q2016	Var (%)
Total net revenues	240,4	230,7	4,2%
Total operating costs	159,2	160,0	-0,5%
<b>EBITDA adj<sup>(1)</sup></b>	<b>81,2</b>	<b>70,8</b>	<b>14,7%</b>
<i>EBITDA margin</i>	<i>33,8%</i>	<i>30,7%</i>	
<b>EBIT</b>	<b>76,8</b>	<b>65,6</b>	<b>17,1%</b>
<i>EBIT margin</i>	<i>31,9%</i>	<i>28,4%</i>	
<b>NET PROFIT</b>	<b>60,6</b>	<b>50,1</b>	<b>20,9%</b>
EPS Adj. <sup>(2)</sup>	<b>0,18 €</b>	<b>0,15 €</b>	
<b>Net cash position</b>	<b>258,9</b>	<b>168,1</b>	<b>+90,8€</b>

(1) EBITDA Adj, includes TV rights consumption

(2) Excluding treasury shares at 31st March .

In the first quarter 2017, *Mediaset España* registered an **adjusted EBITDA of €81.2 million**, and an **EBIT of €76.8 million**, representing increases of **14.7% and 17.1% respectively**, compared to the same period 2016.

- **Total net revenues** are **€240.4 million**, with **net advertising revenues** of **€225.9 million** and "Other revenues" of **€14.6 million**.
- **Infoadex** reports that the **television advertising market** grew, in the **first quarter 2017**, by **4.3%** while the **total advertising market** grew by **2.2%**. *Mediaset España*, as per Infoadex figures, **leads with a market share of 43.4%**.
- *Mediaset España's* **EBITDA margin** for the period increases to **33.8%**, **3.1pp** greater than **same period 2016** (30.7%).
- **Net profit** amounts to **€60.6 million**, which is **20.9% better** than same period 2016 (€50.1 million).
- *Mediaset España* registers at the end of **March 2017**, a **net cash position of €258.9 million** and a **free cash flow generation** in the period of **€79.4 million** (+€11.7 million compared to the same period last year).
- *Mediaset España* audience share for the **first quarter 2017**, in **24 hours total individuals** is **28.8%** with a **30.2% commercial target**.
- In the period **January to March 2017**, *Mediaset España* registered a **monthly average of 12.3 million unique multiplatform users**, **168.1 million page views** and **59.5 million videos streamed** (Source: ComScore, Video Pc Only).
- A **total gross dividend of €0.52/per share** (€175.7 million) and a **€100 million buyback** program, have been approved in the AGM, held on April 27<sup>th</sup>. The **total approved** shareholders' remuneration amounts to a total of **€275.7 million**. As at 31<sup>st</sup> March 2017 *Mediaset España* issued share capital is composed of **336,717,490 shares**.

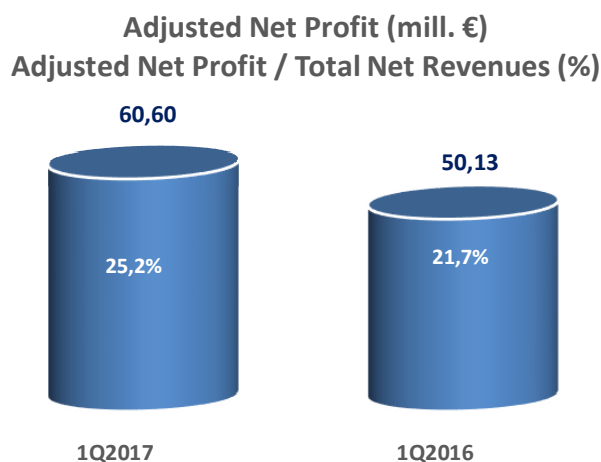
## 1. PROFIT AND LOSS ACCOUNT

**Table 1: Consolidated Profit and Loss Account**

	1Q2017	1Q2016	Var (%)
<b>TOTAL NET REVENUES</b>	<b>240,42</b>	<b>230,74</b>	<b>4,2%</b>
Rights Amortisation	(34,36)	(45,88)	(25,1%)
Personnel	(26,02)	(24,80)	4,9%
Other operating costs	(98,85)	(89,29)	10,7%
<b>TOTAL COSTS</b>	<b>(159,23)</b>	<b>(159,98)</b>	<b>(0,5%)</b>
<b>Adjusted EBITDA</b>	<b>81,19</b>	<b>70,77</b>	<b>14,7%</b>
Other amortisations, provisions	(2,42)	(3,20)	(24,4%)
Amortisation PPA	(2,00)	(2,00)	-
<b>EBIT</b>	<b>76,77</b>	<b>65,56</b>	<b>17,1%</b>
Equity Cons. Results and Depr. Fin.	0,55	(0,80)	-
Financial results	(0,16)	(0,55)	-
<b>Pre-tax profit</b>	<b>77,15</b>	<b>64,22</b>	<b>20,1%</b>
Income taxes	(16,59)	(14,16)	17,1%
Minority interests	0,04	0,08	-
<b>Net profit</b>	<b>60,60</b>	<b>50,13</b>	<b>20,9%</b>

**Net Profit** for the **first quarter 2017** is **€60.60 million**, this is an **increase of 20.9%** in comparison with the **same period 2016** (€50.13 million), and represents **earnings per share of €0.18**.

**Mediaset España** records its **best first quarter net profit since 2008**.

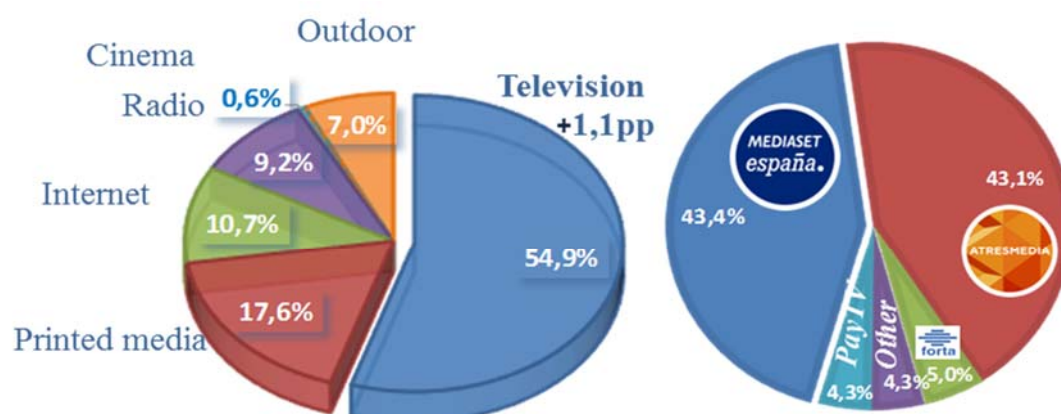


## 1.1. Revenues

**Infoadex** reports that the **total conventional advertising market** stands at **€947.50 million**, which represents **+2.2% growth** compared to the same period **2016 (€927.30 million)**. The **television advertising market**, on the other hand, grew in the same period, **+4.3%**, to a total of **€520.10 million**. The **television advertising market**, for the **first quarter 2017** represents **54.9% of the total conventional advertising market**, this compares to the **53.8%** from the **same period last year**, and this is an increase of **+1.1pp**.

The **free to air broadcasters** represents **90.7%** of **total television advertising**, whilst **pay TV** represents a **4.3%**, and **local televisions** **5.0%** in the **first quarter 2017**.

**As per Infoadex** in the first quarter 2017, **Mediaset España** had a **TV market share of 43.4%**, which is an increase of **+0.6pp** compared to the same period last year, and **stands +0.3pp** ahead of its nearest competitor. This is **Mediaset España's highest market share** in the last four years.



**Table 2: Revenues**

	1Q2017	1Q2016	Var (%)
<b>Gross advertising revenues</b>	<b>235,38</b>	<b>222,23</b>	<b>5,9%</b>
- Mediaset España's Media	230,16	215,42	6,8%
- Third Party Media	5,22	6,81	(23,4%)
Commission	(9,52)	(8,18)	16,4%
<b>Net advertising revenues</b>	<b>225,86</b>	<b>214,05</b>	<b>5,5%</b>
Other revenues	14,57	16,69	(12,7%)
<b>TOTAL NET REVENUES</b>	<b>240,42</b>	<b>230,74</b>	<b>4,2%</b>

**Total gross advertising revenues** for the period **January-March 2017** total **€235.38 million**, this is an increase of **€13.15 million (+5.9%)** compared to the same period **2016 (€222.23 million)**, a breakdown of which is as follows:

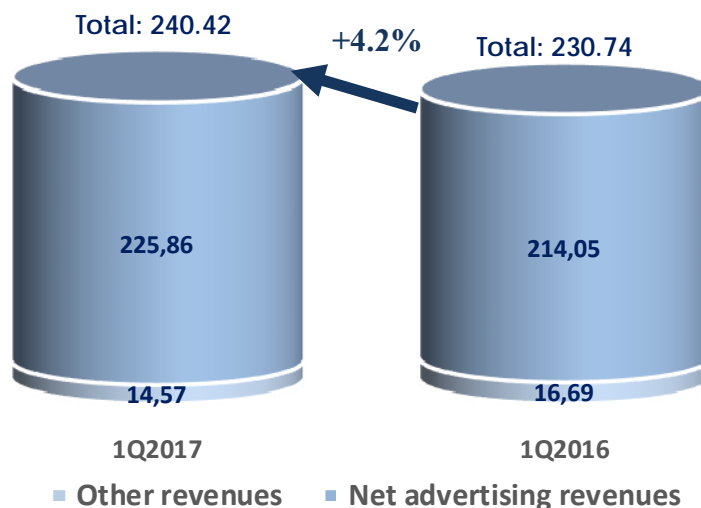
- **Mediaset España's Media Gross advertising revenues**, include advertising revenues from, internet, teletext and the **Group's 7 channels: TELECINCO, CUATRO, FACTORIA DE FICCIÓN, BOING, DIVINITY, ENERGY and BE MAD**. This revenue line reaches **€230.16 million** in the first quarter 2017, representing an **increase of €14.74 million (+6.8%)** compared to the same period 2016 (€215.42 million), a better evolution than the **TV advertising market**, as per Infoadex.

- **Third party media revenues**, include the **advertising sales** for a **regional free-TV, various pay-tv channels, internet and e-Walls**. The sales totaled **€5.22 million**.
- **Net advertising revenues**, which are the **gross revenues net of commission** reach **€225.86 million** in the first quarter 2017, this is an **increase of +5.5%** in comparison with the same period **2016** (€214.05 million).

The **other revenues** line includes revenues from the **Internet, sale of rights and movie activities** amongst others. In the months **January to March 2017**, these revenues were **€14.57 million**, this is **€2.12 million** lower than **the same period 2016**. This difference is mainly due to the comparison with the successful movie activity from the previous year. In the **first quarter 2017, Mediaset España released** one film, “**Es por tu bien**” which, as **at 31<sup>st</sup> March 2017**, ranks in first position within Spanish movie releases as per the box office, with takings of **almost €8.5 million and 1.3 spectators**.

**Total net revenues** for the first quarter **2017** amount to **€240.42 million**, an increase of **4.2%** compared to the same period **2016** (**€230.74million**).

**Total Revenues, Advertising and Others Revenues (mill €)**

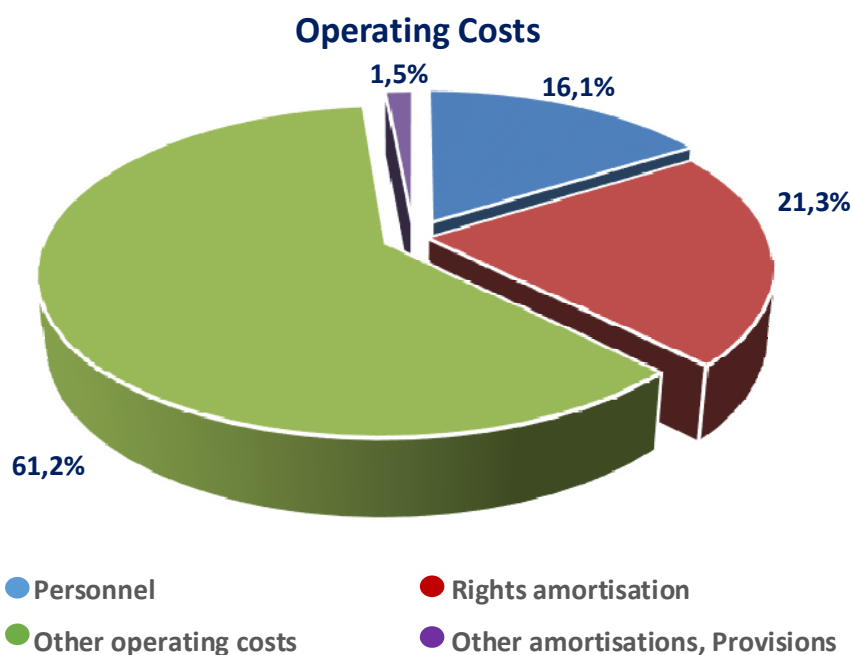


## 1.2. Operating costs

Total operating costs for first quarter 2017 amount to **€161.66 million**, which is a **0.9% reduction** in comparison with the same period 2016 (€163.18 million). **Mediaset España** managed to reduce its costs in this quarter despite operating one more channel (**Be Mad**) than in the first quarter 2016.

**Table 3: Operating costs**

	1Q2017	1Q2016	Var (%)
Personnel costs	26,02	24,80	4,9%
Rights amortisation	34,36	45,88	(25,1%)
Other operating costs	98,85	89,29	10,7%
Other amortisation and provisions	2,42	3,20	(24,4%)
<b>Total Operating Costs</b>	<b>161,66</b>	<b>163,18</b>	<b>(0,9%)</b>
Amortisation PPA	2,00	2,00	-
<b>TOTAL COSTS</b>	<b>163,66</b>	<b>165,18</b>	<b>(0,9%)</b>



**Mediaset España** cost base in the first quarter 2017 (**€161.66 million**) is almost a **third lower** than in the same period 2010 (**€230.46**). This implies **savings of €68.80 million** despite currently operating two more channels than in 2010.

million €	1Q2010*	1Q2011	1Q2012	1Q2013	1Q2014	1Q2015	1Q2016	1Q2017	Var.
Operating Costs	230,46	205,02	195,60	175,80	175,73	176,57	163,18	161,66	-29,9%

\* Pro-forma consolidated P&L accounts under IFRS of Mediaset España Group and Sogecuatro's Group

## Content

**Mediaset España** operates 7 channels in the first quarter 2017, one more than in the same period of 2016: **Be Mad**, which launched on April 21<sup>st</sup> last year.

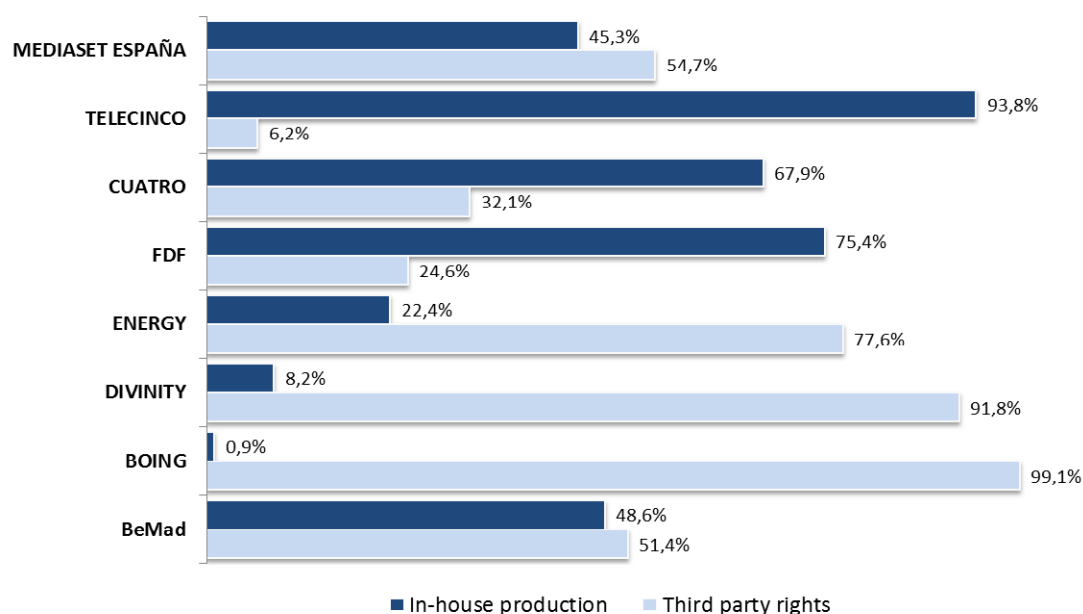
In the period January- March 2017 **Mediaset España Group** dedicated **45.3% of its broadcasting hours to in-house production** and **54.7% to third party rights**, this compares to **44.0% and 56.0%** respectively from same period **2016**.

The **TELECINCO** channel has increased its **in-house programming hours** in the period to **93.8%** of its broadcasting time whilst **6.2%** was allocated to **third party rights**. This compares to the **92.6% of in-house production** and **7.4% of third party rights** of the same period last year.

**CUATRO** allocated **67.9% of its broadcasting hours to in-house production**, which is a significant increase, **+14.0pp** compared to the same period last year (**53.9%**) whilst **32.1% of the broadcasted hours** in the period was **third party rights**, (46.1% vs same period 2016).

**Telecinco** and **Cuatro** channels have **81.4%** of their combined **broadcasted hours devoted to in-house production, versus 18.6% of third party rights**. This compares to the combined **74.0% of in-house production** from the same period 2016, an increase of **7.4pp** in 2017 in respect of 2016.

**The rest of the channels** have the following allocation: **FACTORIA DE FICCION**, dedicated **75.4%** of its broadcasted hours to **in-house production** compared to **24.6%** of **third party rights**, **ENERGY** has **22.4%** in house production and **77.6%** of **third party**, **DIVINITY** has **8.2%** in house production whilst **third party** production adds up to **91.8 %**, **BOING** designates the majority of its broadcasted hours, **99.1%**, to **third party rights** whilst **BE MAD** allocated **48.6%** of its broadcasted hours to **in-house production** and **51.4%** to **third party rights**.





## 1.3. Operating profit and margins

**Mediaset España** gross operating profit, **adjusted EBITDA**, amounts to a total of **€81.19 million** in the first quarter 2017, which is an increase of **€10.42 million (+14.7%)** compared to the same period 2016 (€70.77 million). The **Adjusted EBITDA margin** for the period is **33.8%** over **total net revenues**, which is **3.1pp** better than in the same period 2016 (30.7%).

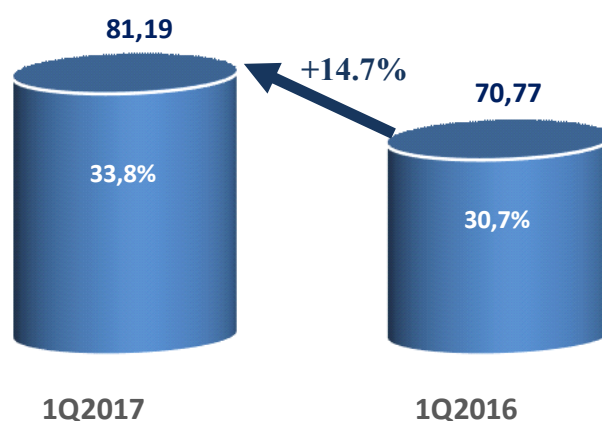
**Net operating profit (EBIT)** reaches a total of **€76.77 million**, an increase of **17.1%** compared to the same period 2016, with a margin of **31.9% over first quarter 2017 total net revenues**, **3.5pp** better than same period 2016 (28.4%).

**Mediaset España** obtains the best quarterly **EBITDA** in the last **34 quarters**.

**Table 4: Margins**

	1Q2017	1Q2016
Total net revenues	240,42	230,74
Adjusted EBITDA	81,19	70,77
Adjusted EBITDA Margin	33,8%	30,7%
EBIT	76,77	65,56
EBIT Margin	31,9%	28,4%
Net Profit	60,60	50,13
Net Profit Margin	25,2%	21,7%

Adjusted EBITDA (mill. €)  
Adjusted EBITDA / Total Net Revenues (%)





## 1.4. Financial result and equity consolidated companies

Financial results in the first quarter 2017 represent a **net expense of €0.16 million**.

The **equity consolidated companies**<sup>1</sup> for the period **January to March 2017** shows a **€0.55 million gain** compared to the **€0.80 million loss** registered in the same period 2016.

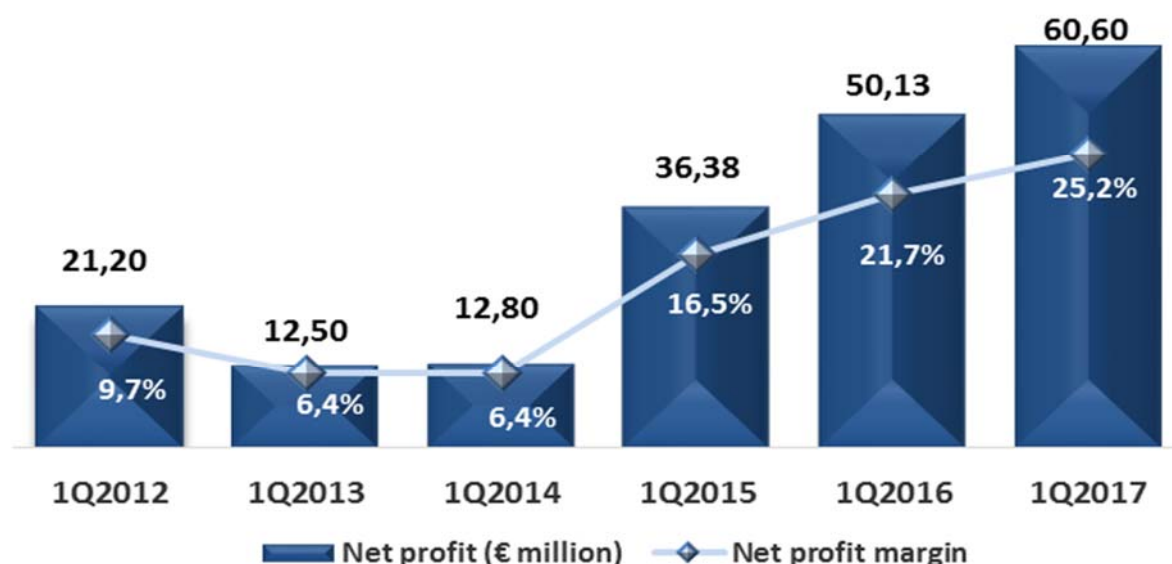
## 1.5. Profit for the first quarter 2017

**Pre-tax profit** for the first three months 2017 is **€77.15 million** compared to €64.22 million in the same period 2016, a substantial increase of **€12.93 million (+20.1%)**.

**Net Profit** for the period was **€60.60 million in comparison with the €50.13 Net Profit** in the same period 2016, **€10.47 million better** representing an increase of 20.9%.

**Mediaset España's net profit margin rises to 25.2%**, an increase of 3.5pp compared to the first quarter 2016 (21.7%). Since the **first quarter 2013**, **Mediaset España** has managed to remarkably increase its first quarter net profit margin by 18.8pp.

**Net profit (million €)**  
**Net profit/Total net revenues (%)**



<sup>1</sup> Companies consolidated by the equity method are: Pegaso Television Inc. (43.7%), A.I.E. (Furia de titanes 2) (34.0% indirect shareholding), Supersport TV, S.L. (30.0%), Producciones Mandarina S.L. (30.0%), La Fábrica de la Tele S.L. (30.0%), Megamedia TV, S.L. (30.0%), Edica 8Tv (34.7%) Aunia (50%) and Alea (40%).

## 2. CASH FLOW GENERATION

The **operating free cash flow** for the first quarter **2017** reaches **€79.38 million**, compared to **€67.64 million** for the same period 2016 representing an increase of **€11.73 million**.

**Mediaset España** increases its **net cash position** in the first three months 2017 by **€90.79 million** compared to the same period 2016, which brings the **net cash position** at the end of the first quarter 2017 to **€258.91 million**.

**Mediaset España's cash conversion rate** equals **97.8 %**: **free cash flow** (€79.38 million) and EBITDA (€81.19million), once again proving the excellent conversion of the gross operating profit (EBITDA) into cash, one of the most distinctive characteristics of the **Mediaset España** business model.

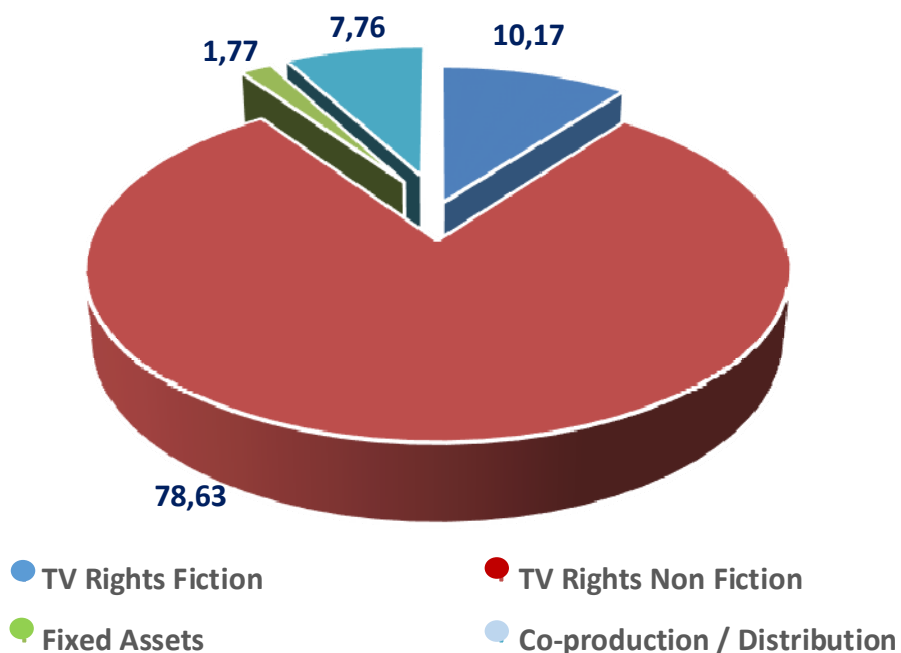
**Table 5: Cash Flow**

	1Q2017	1Q2016	Var (M€)
Net profit (without minority interests)	60,56	50,05	10,50
Amortisation:	39,10	50,33	(11,22)
- Rights	34,36	45,88	(11,52)
- Other	4,74	4,45	0,29
Provisions	(0,65)	0,75	(1,40)
Other	6,56	10,67	(4,11)
<b>OPERATING CASH FLOW</b>	<b>105,57</b>	<b>111,80</b>	<b>(6,23)</b>
Investment in rights	(96,56)	(103,98)	7,42
Investments, other	(1,77)	(1,30)	(0,47)
Change in working capital	72,14	61,13	11,01
<b>OPERATING FREE CASH FLOW</b>	<b>79,38</b>	<b>67,64</b>	<b>11,73</b>
Own stock purchase	(0,02)	(91,40)	91,37
Change in Equity	2,13	0,61	1,52
Financial investments/disinvestments	(0,02)	(1,13)	1,12
Dividends received	0,00	0,00	0,00
Dividend payments	0,00	0,00	0,00
Net Cash Change	81,47	(24,28)	105,74
<b>INITIAL FINANCIAL POSITION</b>	<b>177,45</b>	<b>192,41</b>	<b>(14,96)</b>
<b>FINAL FINANCIAL POSITION</b>	<b>258,91</b>	<b>168,13</b>	<b>90,79</b>

**Total net investment** for the period January-March 2017 reached **€98.34 million**, in line with the net investment of the same period last year (€105.29 million).

During this period, *Mediaset España* invested a total of **€78.63 million** in **third party rights**, **€10.17 million** in local fiction, and **€7.76 million** in co-production/distribution whilst investment in tangible and intangible assets was **€1.77 million**.

**Net investments 1Q2017**  
**€98.34 million**



## 3. BALANCE SHEET

**Table 6: Summary Balance Sheet**

	March 2017	December 2016
<b>Tangible assets</b>	<b>578,25</b>	<b>580,92</b>
- Financial	321,47	321,06
- Non Financial	256,78	259,86
<b>Audiovisual rights and Pre-payments</b>	<b>233,86</b>	<b>171,90</b>
- Third parties	185,15	132,45
- Fiction	24,38	20,58
- Co-production / Distribution	24,33	18,87
<b>Pre-paid taxes</b>	<b>106,23</b>	<b>112,95</b>
<b>TOTAL NON-CURRENT ASSETS</b>	<b>918,35</b>	<b>865,77</b>
Current assets	204,71	243,67
Financial investments and cash	274,18	193,26
<b>TOTAL CURRENT ASSETS</b>	<b>478,89</b>	<b>436,93</b>
<b>TOTAL ASSETS</b>	<b>1.397,23</b>	<b>1.302,70</b>
<b>Shareholders` equity</b>	<b>1.045,95</b>	<b>983,29</b>
Non-current provisions	9,02	9,15
Non-current payables	14,69	11,84
Non-current financial liabilities	13,69	13,66
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>37,41</b>	<b>34,66</b>
Current payables	312,29	282,59
Current financial liabilities	1,58	2,16
<b>TOTAL CURRENT LIABILITIES</b>	<b>313,87</b>	<b>284,75</b>
<b>TOTAL LIABILITIES</b>	<b>1.397,23</b>	<b>1.302,70</b>

**Mediaset España** delivers a **strong balance sheet** again, with a **high liquidity** ratio 1.53x due to a good **cash position** at the end of the period, which will allow the company to fulfil its **policy of providing the best remuneration to its shareholders**. For that purpose a total **dividend of €175.72 million (€0.52/ gross per share)** has been approved by the AGM against 2016 profits, representing a **103% pay out**, together with a **buyback program of up to €100 million** to be carried out, up until February 2018. Therefore, the **total shareholders remuneration** adds up to **€275.72 million**.

## 4. AUDIENCE SHARE PERFORMANCE<sup>2</sup>

### 4.1. TV Consumption

Quarters	1Q Average TV Consumption (minutes)			TV Viewers ('000)
	Linear	Non linear*	Total TV consumption	
1Q00	228		228	6.123
1Q01	227		227	6.189
1Q02	227		227	6.189
1Q03	233		233	6.380
1Q04	237		237	6.689
1Q05	235		235	6.734
1Q06	238		238	6.870
1Q07	239		239	6.958
1Q08	238		238	7.029
1Q09	244		244	7.411
1Q10	253		253	7.696
1Q11	256		256	7.825
1Q12	261		261	7.984
1Q13	267		267	8.171
1Q14	263		263	8.097
1Q15	259		259	7.989
1Q16	248	3	251	7.676
1Q17	243	4	247	7.518

The daily average **TV consumption**, linear TV and non-linear TV, in the **first quarter 2017** is **247 minutes**, this is **four hours and seven minutes per person/ per day**.

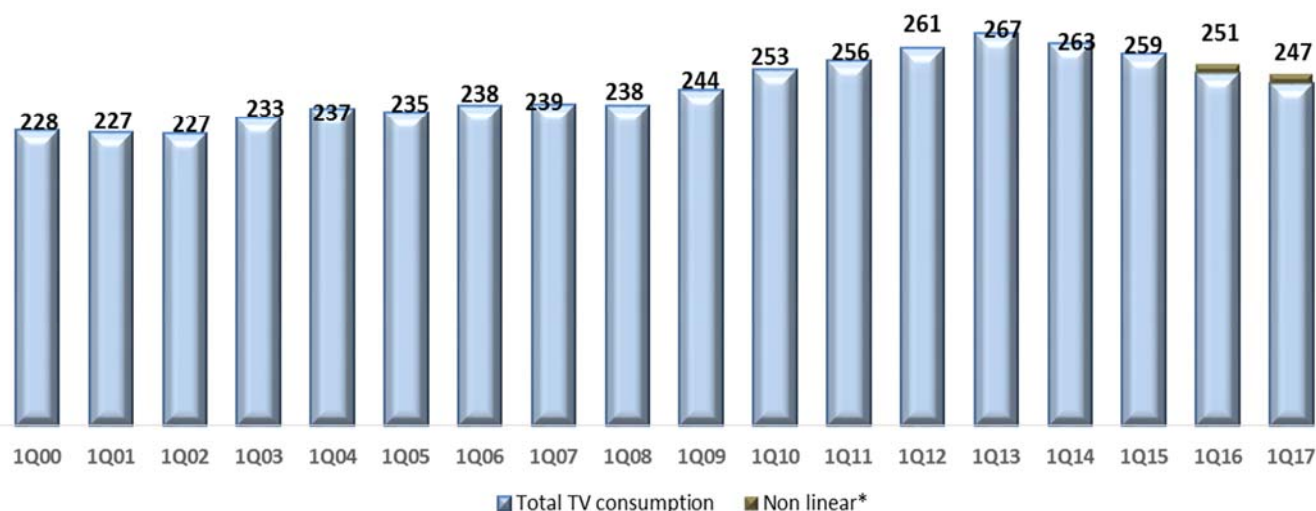
The **Linear TV** consumption remains strong, **243 minutes per person per day**, when compared to the pre-crisis levels, (239 minutes/per person per day in 2007) and represents **98.3% of the total daily average TV consumption**. The average **daily TV viewers stands at 7.5 million people in the period**.

**Non-linear\*** consumption for the first quarter 2017 is **4 minutes per person/per day**, and represents a **1.6% of the total daily average TV consumption**.

Source: Comscore

\* **Non-linear** consumption is the TV consumption within the 7 days following the first broadcasting. No previous measurement available.

### 1Q TV Audiovisual Consumption (minutes)



<sup>2</sup> Source: Kantar Media (TV)

## 4.2. Group audience<sup>3</sup>

**Table 7: 1Q2017 average audience share for Mediaset España**

		1Q2017	1Q2016
Total Individuals	Total Day	28,8%	29,4%
	PRIME TIME	28,1%	28,7%
	DAY TIME	29,2%	29,8%
Commercial Target (*)	Total Day	30,2%	30,4%
	PRIME TIME	28,6%	28,6%
	DAY TIME	31,0%	31,2%

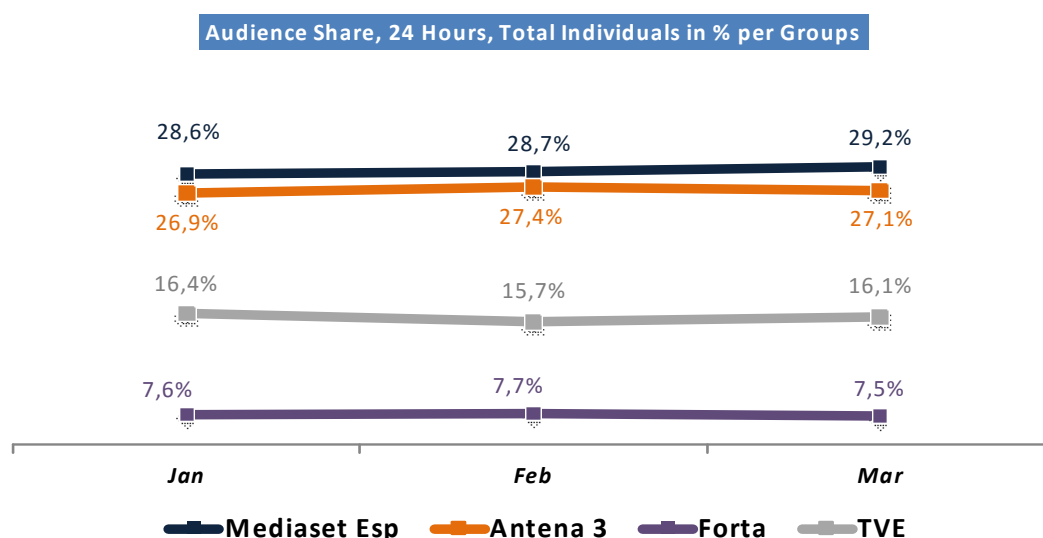
(\*) New Commercial Target age group 16-59 years old.

In the **first quarter 2017 Mediaset España** registered an audience share of **28.8% in total individual total day**, this is **1.7pp** ahead of its nearest competitor (27.1%), **leading in the first quarter of the year since 2015. Mediaset España** stands again as the favourite television Group amongst **young people, 13-24 years old**, with a **34.4% audience share**, which is **+4.8pp** ahead its nearest competitor.

Kantar Media made changes in the **Commercial Target**, aiming to adapt the definition of **conventional social classes** to the **current social and economic reality. Mediaset España** changed its Commercial Target to **individuals aged 16-59 years old**, previously 16-54 and living in **populations with more than 10.000 inhabitants.**

The new target consists of **seven different levels** replacing the previous ones (**High, Medium and Low**). The new target **represents 20.6 million people**, this is **53% of the population over 16 years old.**

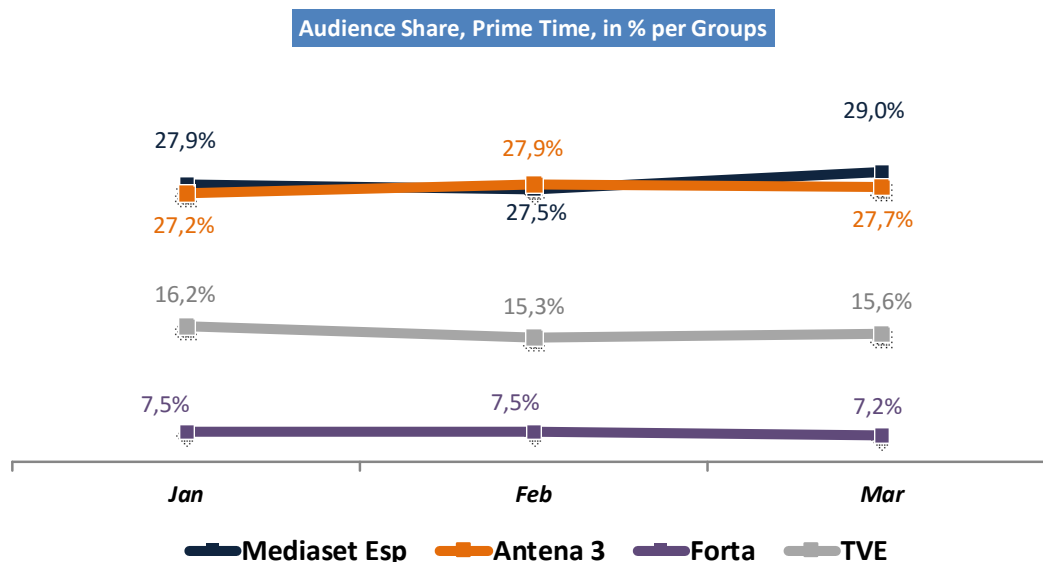
Regarding the **commercial target audience share**, in this period **Mediaset España** reached **30.2% in total individual total day**, **+0.7pp** ahead of its nearest competitor (29.5%). **Mediaset España** is the **best performer**, in terms of commercial target **in the quarter and leads for the 13<sup>th</sup> month** in a row.



<sup>3</sup> Prime Time: time slot between 20:30h and 24:00 h.

In **Prime Time<sup>3</sup>**, **Mediaset España** obtains an audience share of **28.1%** surpassing its nearest competitor by **+0.5pp**. **Mediaset España** has shown a **very positive trend** in this first quarter 2017.

In **Prime Time**, **Mediaset España Commercial target** registers a **28.6%**, the same figure as first quarter 2016, whilst its main competitor **reduces its commercial target by 2.0pp** for the same period.



### 4.3. Main channels audience

**Table 8: 1Q2017 average audience share for Telecinco and Cuatro**

		TL5		CUATRO	
		1Q2017	1Q2016	1Q2017	1Q2016
Total Individuals	Total Day	13,6%	14,4%	6,3%	6,7%
	PRIME TIME	13,6%	14,8%	6,4%	6,0%
	DAY TIME	13,5%	14,2%	6,2%	6,9%
Commercial Target (*)	Total Day	12,4%	13,2%	7,4%	7,7%
	PRIME TIME	11,9%	13,0%	8,1%	7,5%
	DAY TIME	12,7%	13,4%	7,0%	7,9%

(\*) New Commercial Target, age group 16-59 years old.

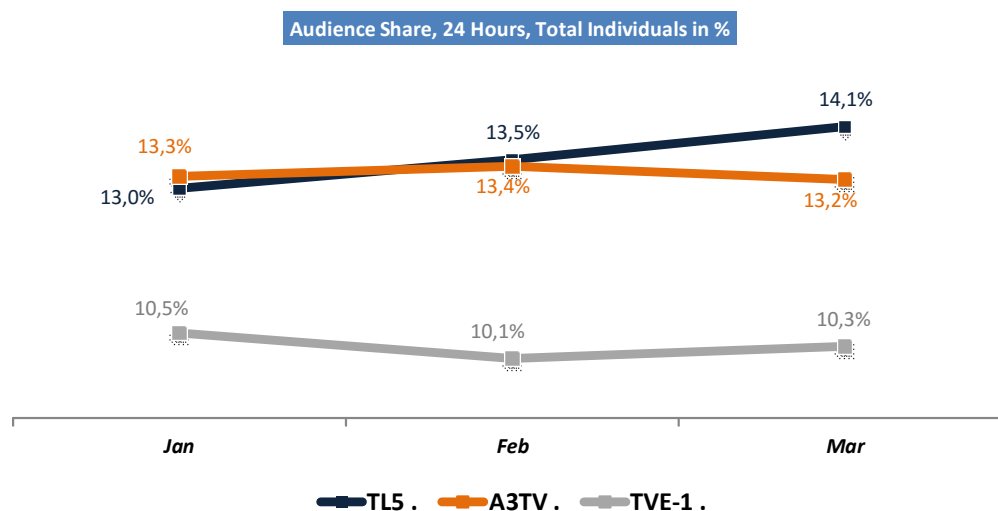
**In total day Telecinco channel registers 13.6% audience share in total individuals total day, +0.3pp** ahead of its nearest competitor, and it is the **channel that leads the most days** in the quarter (**56 days out of 90**), this is **62.2% of the time**. The **Telecinco** channel has been leading first quarters since 2012.

In the **first quarter 2017**, Telecinco channel leads in the following targets, women: **16.7%**, young people (25-34): **13.3%**, the 55-64 age group: **14.2%**.



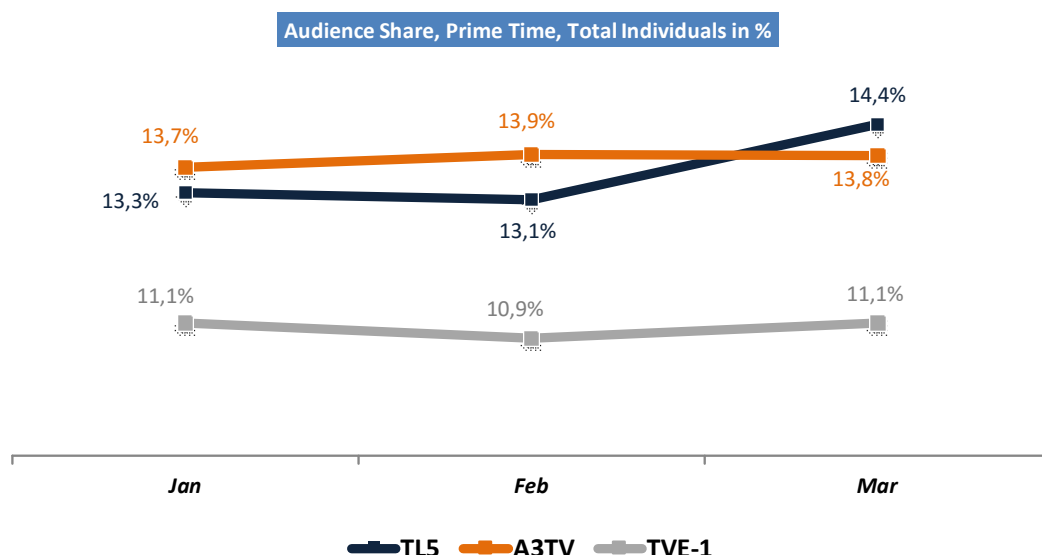
The **Telecinco** channel achieves a **commercial target** in the quarter of **12.4% in total day**.

Some **of the most watched programs** on the **Telecinco** channel in the period were: the friendly football match between **France-Spain** with **5.9 million viewers** (32.8% share), **The Voice (Kids)** **3.5 million viewers** (24.1% audience share) and **Got Talent** with **3.4 million viewers** (22.3% audience share).



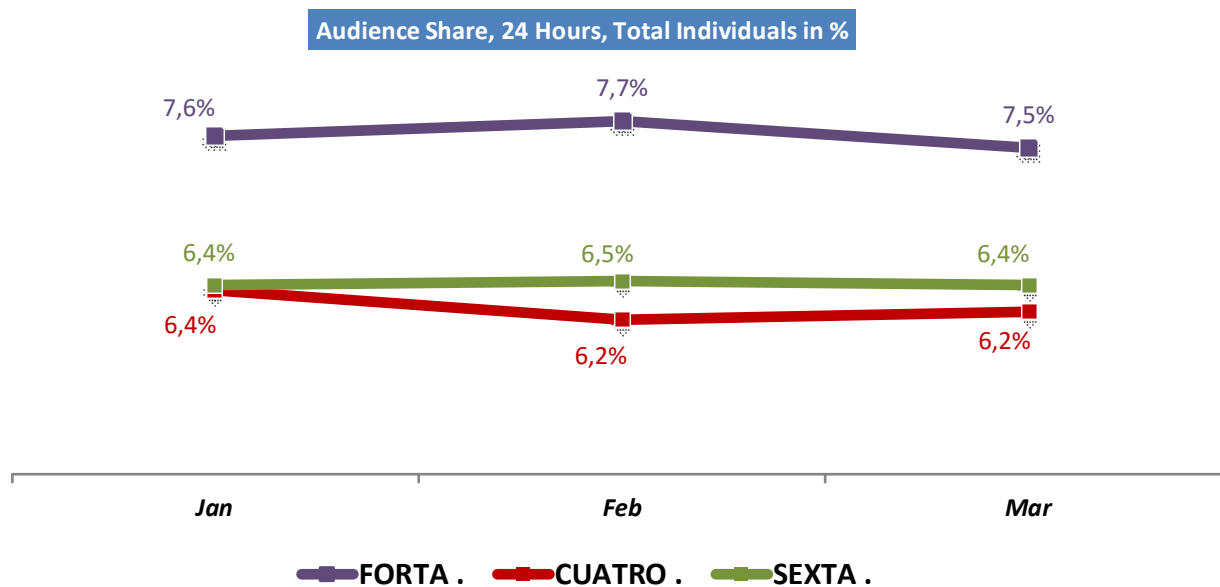
In the Prime Time slot, the **Telecinco** channel obtains **13.6% audience share**, and leads in all the first **quarters since 2012**, with an advantage in this period of **+0.2pp** compared to the second best performing channel. It registers a share of **13.3%** in the **target of young people aged 25-34**, which is **+1.3pp** better than its nearest competitor.

**Commercial target** in prime time for the **first quarter 2017** is **11.9%**.



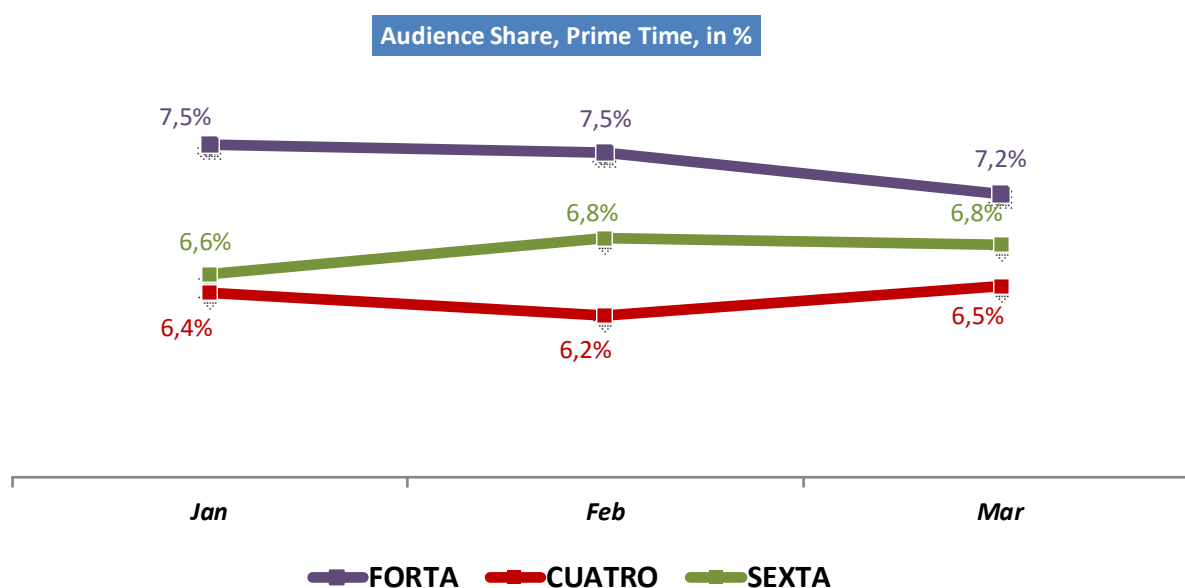
In total day, **Cuatro** achieved a **6.3% audience share** in **total individuals total day** reducing the gap with its main competitor, **to the lowest level** in a first quarter **since 2013** (0,1pp). **Cuatro** achieves an **excellent conversion to commercial target**, **7.4%**, this is **+1.1pp** vs total audience and **stands at +0.5pp** ahead of its nearest competitor (6.9%).

**Cuatro** is the **fourth channel amongst millennials**, 13-24 year olds, with an audience of **7.3%** vs **4.5%** of its nearest competitor, the **gap is even bigger** in the **25-34 year old** group, where **Cuatro** achieves **7.5% vs 5.8%** of its nearest competitor, **which is an advantage of 2.8pp.**



**In Prime Time** the **Cuatro** channel reached a **6.4%** audience share, being the channel that **increases its audience the most** in comparison with the **first quarter 2016 (+0.4pp)** this compares to the **erosion of 1.6pp** in audience share of its nearest competitor.

In terms of **commercial target**, **Cuatro** registers a share of **8.1%** in the period, being the channel that **best improves its share compared to first quarter 2016**, surpassing its nearest competitor (**7.3%**) **by 0.8pp.**



## 4.4. Targeted channels

**Table 9: 1Q2017 average audience share for the targeted channels**

1Q2017			
		Total Individuals	Commercial Target
<b>DIVINITY</b>			
	Total Day	2,2%	2,9%
	PRIME TIME	1,9%	2,2%
<b>BOING</b>			
	Total Day	1,3%	0,9%
	PRIME TIME	1,0%	0,8%
<b>ENERGY</b>			
	Total Day	2,0%	2,1%
	PRIME TIME	2,1%	2,2%
<b>BEMADtv</b>			
	Total Day	0,5%	0,7%
	PRIME TIME	0,4%	0,5%
<b>FDF</b>			
	Total Day	3,0%	3,8%
	PRIME TIME	2,7%	3,0%

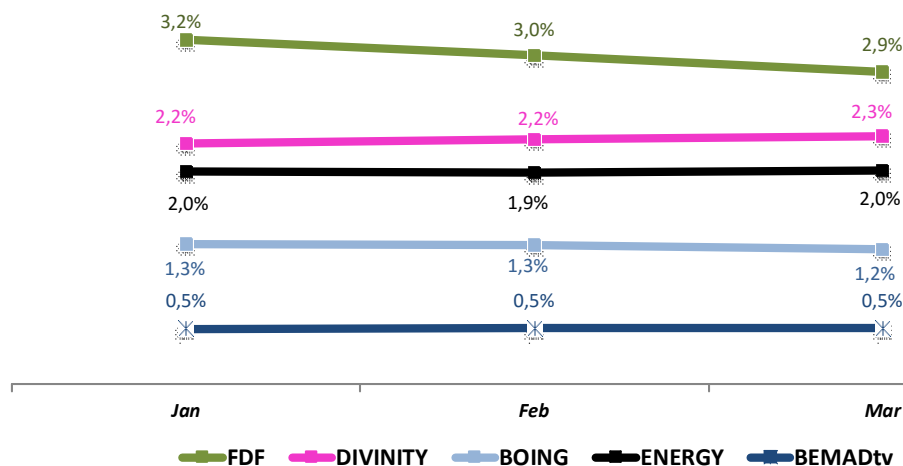
\*BeMad commenced emissions April 21st 2016.

(\*) New Commercial Target, age group 16-59 years old.

The **average audience share** of *Mediaset España's* targeted channels, in the **first quarter 2017**, was **9.0%** in **Total Day** whilst this group of channels **attains 10.4%** in **commercial target**, +1.7pp and +1.2pp ahead of its **nearest competitor** (7.3% and 9.2% respectively).

The **FDF** channel reached a **3.0% audience share in Total Individuals** while in its target of **13 to 24 year olds** it achieved **8.3%** audience share and in **25 to 34 year olds 5.1%**. **Divinity** channel has an audience in its target of women **16 to 44 years old** of **3.5%**, while in **Total Individuals** its share is **2.2%**. **Energy** channel achieves a **2.0%** audience in **Total Individuals** and in its target, men **25 to 54 years old** achieves **1.9%**. **Boing**, the children's channel, has an audience share in **Total Individuals** of **1.3%** while in its target of **4 to 12 year olds** it has managed to multiply its record almost **nine-fold** reaching **11.5%** audience share. **Be Mad** registers an audience of **0.5%** whilst its target men **16-44 years old** achieve a **0.8%** share.

Audience Share, 24 hours, Total Individuals in %



## 5. Internet

In the first quarter 2017 the internet video consumption (PC only) reached **16.3 minutes per person/per day** for **total Individuals**, and represents **6.2%** of the **total daily average audiovisual consumption**. This consumption reached **24.9 minutes** in the **25-34 year old group**.

**Mediaset España** registered, in the **first quarter 2017**, a **monthly average of 12.3 million unique users/viewers** (multiplatform), its **best record ever** in a quarter, **168 million pages viewed** and **59.5 million videos streamed** (all figures monthly averages).

	Total Unique users (000)	Total Page Viewed (million) <sup>(1)</sup>	Videos (000) <sup>(2)</sup>	Minutes (million) <sup>(3)</sup>
March 2017	12.702	188	83.007	1.644
February 2017	12.235	157	65.049	1.303
January 2017	12.006	159	30.358	1.050

Source: Comscore

(1) Multiplatform PC +Mobile

(3) Minutes in Multiplatform

(2) Video PC Only. Due to a technical issue, videos in January and February are exceptional lower.

At the end of March 2017 **Mediaset España** websites **premiered a responsive design and architecture**, this is a gradual process due to the scope of the changes. **Mediaset España's** web sites are now **easier to browse** and **more accessible from any device**. Amongst the **novelties introduced to adapt to the new forms of digital consumption** on mobile devices, the enhancement of **vertical browsing with infinite scroll** stands out, and it is now available on all contents. This implies a **greater offer of videos, news and photos etc.** as users scroll down on all pages. Another **major improvement**, is the **user experience**, as they can **browse the web sites better and faster** through a **more progressive page loading** on all the sites.

Regarding the internet, **Telecinco.es** records, an average of **8.6 million unique users** (multiplatform) in the **first quarter 2017**, ahead of its nearest competitor whilst **Cuatro**, on the other hand registers **3.8 million unique users** for the same period. (Source: ComsCore multiplatform).

As at **31<sup>st</sup> March 2017**, Mediaset **España's apps**, register a **total of 14.1 million** downloads, leading the ranking: **Mitele 6.3 million**, **GH 3.5 million** and **The Voice 1.8 million** downloads.

At the end of first quarter 2017 **Mediaset España** had almost **200 active accounts** on the main social networks: **Facebook, Twitter and Instagram**. The company registered **14.2 million comments** in the first quarter 2017, which represents **66.3% of the total television related comments** on the social networks, well ahead of its competitors.

**Mitele app** is present in the **Smart TVs** through commercial agreements with the two main players in this market. At the end of **March 2017**, **Mitele** was on **more than 1 million** connected **Smart TVs**.

In the months **January-March 2017**, **Radioset** registers an average of almost **1.0 million unique visitors**, and it is amongst the **top ranking of digital radios**.

## 6. Media for Equity

---

**Mediaset España** is working with a number of start-ups through **Media for Equity** agreements, carried out by **Ad4Ventures**, the venture capital arm of **Mediaset España**. **Ad4ventures** aim is to invest in the most promising companies, following a well-defined **financial and investment criteria**.

At the end of **March 2017**, **Ad4Ventures** manages a portfolio of 10 companies, including **Cornerjob, Deporvillage, Westwing and 21 Buttons**.

## 7. Relevant Facts 2017

---

In the first quarter 2017, the following relevant fact were published:

Date	Relevant Fact
24/02/2017	Notice and Agenda of AGM.
24/02/2017	Proposed Resolutions.
24/02/2017	Annual Corporate Governance Report.
24/02/2017	Board of Director's Annual Remuneration Statement.
23/02/2017	Interim Financial Information FY2016.
23/02/2017	Dividend, BuyBack program and call for the AGM.

All relevant facts are available from our investor web site:

<http://www.mediaset.es/inversores/en/>

## 8. Contact us

---

- Corporate web site:

[www.mediaset.es](http://www.mediaset.es)

- Investor relations department contact details:

Telephone: (00 34) 91 396 67 83

Web page: [www.mediaset.es/inversores/en/](http://www.mediaset.es/inversores/en/)

Email: [inversores@mediaset.es](mailto:inversores@mediaset.es)

Address: INVESTOR RELATIONS  
MEDIASET ESPAÑA COMUNICACIÓN, S.A.  
Calle Federico Mompou, nº 5 bis  
28050 - MADRID