

PRESS RELEASE

Mediaset Board Meeting 9 November 2010

BOARD APPROVES RESULTS OF THE FIRST 9 MONTHS OF 2010

Consolidated Results

Net revenues: €3,045.8 million

Operating profit: €534.7 million

Net profit: €192.6 million

Italy

Net revenues: €2,423.9 million

• **Publitalia advertising revenues: + 5.0%**

• **Mediaset Premium pay TV revenues: + 61.4%**

Net profit: €207.0 million

**Ratings: Canale 5 Italy's most popular channel
in all time bands in the commercial target**

Mediaset channels confirm leadership in the 24-hours

Spain

Net revenues: €622.4 million

Publiespana advertising revenues: +40.9%

Net profit: €32.2 million

Ratings: Telecinco Spain's leading commercial channel

The Board of Directors of Mediaset, met today under the Chairmanship of Fedele Confalonieri, to approve the company's quarterly report to 30 September 2010.

In the first nine months of the year, against a background of continuing international economic uncertainty, there were consolidated signs of a recovery in the market. In this context the Mediaset Group saw significant growth in advertising revenues and in its results, both in Italy and in Spain.

MEDIASET GROUP: CONSOLIDATED RESULTS

Performance in the first nine months of 2010 can be summarised as follows:

- the Mediaset Group's **consolidated net revenues** reached **€3,045.8 million**, an **increase of 14.8%** on the €2,652.1 million of the first nine months of 2009.
- the Group's **EBIT** rose to **€534.7 million**, compared with €380.9 million in the first nine months of the previous year (**+40.4%**).
- **operating profitability** increased to **17.6%**, compared with 14.4% in the first nine months of 2009.
- **profit before taxation** and that attributable to third-party shareholders, amounted to **€348,4 million** compared with €329.4 million for the same period of 2009 (+5.8%).
- **net profit** attributable to the Group **increased by 4.6%** to reach **€192.6 million**, compared with the €184.2 million of the first nine months of the previous year.
- the Group's **net financial position** went from -€1,552.0 million on 31 December 2009 to **-€1,308.1 million** on 30 September 2010.
- in the first nine months of the year **net cash generation** amounted to **€589.7 million** compared with €300.3 million in the first nine months of the previous year.

A BREAKDOWN OF RESULTS BY GEOGRAPHIC AREA

Italy

- In the first nine months of 2010 **consolidated net revenues** amounted to **€2,423.9 million**, an **increase of 9.1%** on the €2,220.7 million of the same period of the previous year.
- **Publitalia advertising revenues for Mediaset channels** amounted to **€1,914.8 million** an **increase of 5.0%** on the €1,823.0 million of the corresponding period of last year. The increase rises to **5.2%** when account is taken of sales for video content distributed on the Mediaset web site
Considering also the contribution of Digitalia 08, the Group's sales company for digital channels, growth in **total advertising revenues** was **6.5%** compared with the first nine months of 2009.
- **Mediaset Premium Pay TV revenues** from the sale of cards, re-charges and Easy Pay subscriptions amounted to **€342.5 million**, an **increase of 61.4%** on the €212.2 million at 30 September 2009. The number of active cards on 30 September 2009 was around 3.3 million, compared with around 2.9 million for the same period of the previous year. A brilliant result if we consider that on 30 June 2010 more than 2 million Premium cards had expired.

The increase in total revenues generated by the activities of Mediaset Premium in the first nine months of 2010 has resulted in substantial operating break even.

- **EBIT** grew to **€367.9 million**, compared with €298.4 million on 30 September 2009 (**+23.3%**).
- **net profit** amounted to **€207.0 million**, compared with €156.0 million for the same period of the previous year (+32.7%).

TV ratings: in the first nine months of the year Mediaset channels confirmed their national leadership with a share of 37.8% in the 24-hours among viewers in the 15 to 64 year-old age range (the commercial target).

Canale 5 is Italy's most popular channel in the commercial target, both in **prime time** (20.7%) and in the **24-hours** (20.2%).

Spain

- In the first nine months of 2010 the **consolidated net revenues** generated by the Telecinco Group came to **€622,4 million**, an increase of 44.0% on the €432.2 million of the same period of the previous year.
- **Gross advertising revenues by Publiespana** grew to **€572.9 million**, an increase of **40.9%** on the €406.5 million recorded in the first nine months of 2009.
- **EBIT** for the period came to **€166.9 million**, compared with €82.5 million for the same period of 2009 (+102.3%).
- **Operating profitability** was **26.8%** (19.1% in the first nine months of 2009).
- **Pre-tax profit** came to **€1.3 million**, compared with €58.5 million the previous year.
- **Net profit** amounted to **€32.2 million** compared with €62.2 million for the first nine months of 2009. This result was negatively affected by an adjustment made by Telecinco on the value of its interest in Endemol (impairment test) for a total of €89.2 million.
- **TV ratings:** Telecinco is Spain's most popular commercial channel both in prime time (**14.7%**) and the 24-hours (**14.7%**).

FORECAST FOR THE FULL YEAR

Television advertising sales by Mediaset in Italy remained, also for the first ten months of the year, in line with the trend recorded after nine months. This positive trend is expected to continue also during the last two months of the year, a period which is compared to the last two months of 2009 which recorded the best advertising sales of last year.

In the first ten months of 2010 Mediaset's channels confirmed their national leadership in the commercial target in the 24-hours and Canale 5 consolidated its position as the most popular channel across all time bands in the 15-64-year-old audience.

As of 4 November 2010, the total number of active Mediaset Premium cards had reached 3.6 million.

On the basis of these indications, and the results of the first nine months, the forecast for the full year remains that of a consolidated net profit and Group operating cash generation higher than in 2009.

STATUTORY CHANGES

The board of directors, taking advantage of the faculty conceded by Article 23 of the Corporate Statute, as per Art. 2365, para. 2 of the Civil Code, also resolved to modify the Statute in line with the dispositions introduced by Legislative Decrees n. 27 and n. 39, of 27 January 2010, regarding the rights of shareholders and the auditing of annual and consolidated results respectively.

These changes are aimed at encouraging the involvement of shareholders in the life of the company and particularly concern the regulations covering the publication of callings for shareholders' meetings, the right to speak during shareholders' meeting, the right to vote and the procedures and new terms for the presentation and publication of lists for the election of members of the board of directors and the board of statutory auditors.

PROCEDURES FOR OPERATIONS WITH RELATED PARTIES

Finally, the board of directors, in compliance with the provisions of Art 2391 – bis of the Civil Code and Art. 4, para. 1, of Consob ruling n. 17221 of 12 March 2010, adopted the "Procedures for operation with related parties" that defines the rules for such operations conducted by Mediaset S.p.A., both directly or on behalf of subsidiaries.

The "Procedures for operation with related parties" will be published on the company's web site as foreseen by legislation (before 1 December 2010).

The executive responsible for the preparation of the Mediaset S.p.A. accounts, Andrea Goretti, declares that, as per para. 2 art. 154-bis, of the Single Finance Bill, that the accounting information contained in this press release corresponds to that contained in the company's books.

Cologno Monzese, 9 November 2010

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Highlights from the consolidated income statement (*) in €m

	Cumulative to 30 September		Q3	
	2010	2009	2010	2009
Consolidated net revenues	3,045.8	2,652.1	768.0	700.4
Labour costs	390.2	376.1	123.2	116.2
Procurement, services and other costs	1,275.8	1,082.8	349.2	315.5
Operating costs	1,666.0	1,458.9	472.4	431.7
Gross operating profit	1,379.8	1,193.2	295.6	268.7
Amortization of rights	728.6	720.0	213.1	240.0
Other amortizations and depreciations	116.5	92.3	33.0	22.2
Amortization and depreciations	845.1	812.3	246.1	262.2
EBIT	534.7	380.9	49.5	6.6
Financial income /(charges)	(13.4)	(24.9)	(5.6)	(5.0)
Income/(charges) from investments	(172.9)	(26.6)	(150.3)	11.4
Profit before taxation	348.4	329.4	(106.4)	12.9
Income taxes	(134.7)	(108.0)	22.7	(6.8)
Net profit from operations	213.7	221.5	(83.8)	6.2
(Net profit from discontinued activities)	-	(0.5)	-	-
Profit for the Mediaset Group	(21.1)	(36.7)	34.7	(2.7)
EBIT	192.6	184.2	(49.0)	3.4

Highlights from the consolidated balance sheet (*) in €m

	30/09/2010	31/12/2009
Television and film rights	2,439.3	2,598.0
Goodwill	512.4	512.4
Other tangible/intangible assets	1,005.5	956.8
Financial assets	145.3	233.8
Net working capital & other assets/liabilities	(219.2)	(110.3)
Severance indemnity reserve	(102.8)	(100.4)
Net invested capital	3,780.6	4,090.3
Net Group assets	2,282.3	2,331.8
Shareholders' equity and minority interest	190.2	206.5
Net assets	2,472.5	2,538.3
Net financial position	1,308.1	1,552.0

(*) The reclassified figures in the report are not subject to certification by the external auditors