

Press Release

Mediaset Board Meeting 20 March 2012

APPROVAL FOR 2011 RESULTS

Consolidated results

Net revenues: €4,250.2 million

Net profit: €225.0 million

Proposed dividend of €0.10 per share

Italy

Net revenues: €3,241.6 million

Mediaset Premium revenues +14.1%

Net profit: €176.2 million

**Ratings: Canale 5 Italy's leader in prime time
and the 24-hours in the commercial target**

**Mediaset channels confirm leadership
across the whole day among the 15-64-year-old audience**

Spain

Net revenues: €1,009.3 million

Net profit: €110.5 million

**Ratings: Telecinco Spain's leading channel
in prime time and the 24-hours**

The Board of Directors of Mediaset, which met today under the Chairmanship of Fedele Confalonieri, has approved the annual report of Mediaset SpA and the consolidated annual report of the Mediaset Group for the year ended 31 December 2011.

The Group's results in 2011 obviously reflect the difficult international economic situation. In this context, however, the Mediaset Group confirmed the best performance in TV advertising sales, consolidated its market share and maintained its ratings leadership in the commercial targets of reference.

MEDIASET GROUP: CONSOLIDATED RESULTS

- The **consolidated net revenues** of the Mediaset Group came to **€4,250.2 million**, essentially in line (-1.0%) with the €4,292.5 million of 2010.
- The Group's **EBIT** came to **€538.7 million**, compared with €815.5 million in the previous year.

- **Operating profitability** stood at 12.7% (19% in 2010) yet again, one of the best performances among European broadcasters.
- **Net profit** attributable to the Group amounted to **€225.0 million**, compared with €352.2 million the previous year
- The Group's **consolidated net financial position** went from -€1,590.2 million on 31 December 2010 to **-€1,775.5 million** on 31 December 2011.
- During the period **the group's free cash flow** came to **€256.7 million**, compared with €570.6 million for the same period of the previous year.

A BREAKDOWN OF RESULTS BY GEOGRAPHIC AREA

Italy

- **Consolidated net revenues** amounted to **€3,241.6 million**, compared with €3,438.3 million in 2010.
 - **Advertising sales by Publitalia for Mediaset's free channels** came to €2,666.9 million, compared with €2,792.7 million in 2010.
Total advertising sales by Publitalia '80 and Digitalia '08, including sales for digital pay TV channels and the video content distributed by the Mediaset.it website amounted to €2,771.0, compared with €2,865.9 in 2010 (-3.3%). Of particular note were the Nielsen 2011 figures which show a fall in the advertising market for traditional media which, excluding Mediaset's contribution, was down by -4.2%.
 - **Mediaset Premium revenues: sales from Premium's characteristic - card sales, re-charges, Easy Pay subscriptions and advertising - reached €615.6 million**, compared with €539.2 million in 2010 (+14.1%).
- **EBIT** came to **€374.2 million**, compared with **€596.1 million** in the previous year.
- **Net profit** totalled **€176.2 million**, compared with **€350.1 million** in 2010.

Ratings: At 38.9% the Mediaset channels confirmed their national leadership in the 24-hours among viewers in the 15 to 64 year-old age range (the commercial target): Canale 5 was the most popular channel in the commercial target, both in prime time (18.8%) and the 24-hours (18.1%).

Spain

The results of Mediaset España from 2011 show the impact of the change in the scope of consolidation following the acquisition, at the end of the previous year, of the TV assets of Multiplex Cuatro.

- During 2011 the **consolidated net revenues** generated by the Gruppo Mediaset Espana amounted to **€1,009.3 million**, an increase on the €855.1 million of 2010.
- **Gross television advertising revenues at Publiespana** rose to **€971.5 million**, an increase of **22.7%** on the €791.8 million of 2010.

- **EBIT** for the period came to **€164.5 million**, compared with €219.4 million in 2010.
- **Pre-tax profit** rose to **€151.1 million**, compared with €36.5 million for the previous year, this was the effect of charges related to the writedown of the company's stake in Endemol (-€187.0 million).
- **Net profit** amounted to **€110,5 million**, compared with €70.5 million in 2010.
- **Ratings:** Telecinco was Spain's most popular commercial channel in both prime time (**13.2%**) and across the 24-hours (**14.2%**).

RESULTS OF THE PARENT COMPANY: MEDIASET S.p.A.

The parent company Mediaset S.p.A. ended the year 2011 with a **net profit of €156.3 million**, compared with the €213 million of 2010.

DIVIDEND PROPOSAL

The Board of Directors agreed to propose to the Company's Annual General Meeting, to be held on 17 April, on first calling, or, if necessary, on second calling, on 18 April 2012, a **dividend of €0.10 per share**.

The dividend will be payable from 24 May 2012, with coupon detachment from 21 May 2012 (Coupon N°. 16).

The company's share capital currently amounts to €614,238,333.28, and is made up of 1,181,227,564 ordinary shares and, on 20 March 2012, the company held a total of 44,825,500 shares as treasury stock, the equivalent of 3.79482% of the share capital.

REMUNERATION REPORT

The Board of Directors has approved the Remuneration Report pursuant to Art. 123-ter of the Consolidated Law on Finance and the implementation provisions issued by Consob.

At the forthcoming Annual General Meeting the Board will recommend the approval of the first section of the report, outlining the company's policy on the remuneration of directors and executives with strategic responsibilities, in compliance with the provisions of Art. 123-ter of the Consolidated Law on Finance.

FORECAST FOR THE YEAR

The recessionary phase currently affecting both Italy and Spain is affecting the advertising market in both the geographic areas in which the Group operates. In the first three months of 2012 there was a decline in sales over the same period last year in line with the trend of the last quarter of 2011. Significant events such as the European Football Championships and the Olympic Games could increase the dynamism of an advertising market that continues to suffer

from poor visibility and a high level of volatility.

In this context, the Group will in any case pursue in 2012 its objective of consolidating its market share both in Italy and Spain.

In Italy, as foreseen by the three-year efficiency plan launched in the second half of 2011, the Group is also implementing a plan to reduce operating costs in all major business areas. A plan which foresees savings of €250 million by 2014.

Continuing economic uncertainty and instability does not permit accurate predictions about the evolution of advertising revenues for the full year.

If there are no signs of improvement in market conditions, the Group expects to close FY 2012 with lower levels of consolidated net profit and cash generation than in 2011.

The executive responsible for the preparation of the Mediaset S.p.A. accounts, Luca Marconcini, 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, 20 March 2012

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

	2011	2010
Consolidated net revenues	4,250.2	4,292.5
Labour costs	567.4	542.5
Procurement, services and other costs	1,856.4	1,760.5
Operating costs	2,423.8	2,303.0
Gross operating profit (EBITDA)	1,826.4	1,989.5
Amortisation of rights	1,085.3	1,004.4
Other amortisation and depreciations	202.4	169.6
Total amortisation and depreciations	1,287.7	1,174.0
Operating profit (EBIT)	538.7	815.5
Financial income /(charges)	(47.4)	(24.9)
Income/(charges) from investments	(32.1)	(191.0)
Profit before taxation	459.2	599.6
Income taxes	(170.2)	(212.9)
Net profit from operations	289.0	386.7
Net profit from discontinued activities	-	-
Minority interest (profit)/loss	(64.0)	(34.5)
Profit for the Mediaset Group	225.0	352.2

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

	31/12/2011	31/12/2010(**)
Television rights	2,918.5	2,397.2
Goodwill and consolidation differences	793.2	794.2
Other tangible/intangible assets	1,283.4	1,271.7
Financial assets	615.5	626.3
Net working capital & other assets/liabilities	(447.1)	33.3
Severance indemnity reserve	(92.4)	(97.5)
Net invested capital	5,071.2	5,025.2
Net Group assets	2,478.3	2,617.7
Shareholders' equity and minority interest	817.4	817.3
Net assets	3,295.7	3,435.0
Net financial position	(1,775.5)	(1,590.2)

(*) Figures contained in the Report on operations are reclassified with respect to those contained in the financial statements

(**) Amounts restated to reflect the effects of the allocation of the definitive accounts deriving from the activities of Cuatro