



PRESS RELEASE

THE CREATION OF AN INTERNATIONAL HOLDING COMPANY “MFE-MEDIAFOREUROPE”

PIER SILVIO BERLUSCONI, MEDIASET CEO: “FROM AN EXAMPLE OF ITALIAN EXCELLENCE A EUROPEAN CHALLENGE BEGINS”

Today sees the creation of **MFE-MEDIAFOREUROPE** after the boards of directors of Mediaset SpA and Mediaset España resolved to merge the two companies into the new holding company **MFE**.

The Mediaset Group has confirmed its intention to create a pan-European television hub. On completion of the operation, **MEDIAFOREUROPE**, which will be based in the Netherlands, with its tax base in Italy and listed on both the Italian and Spanish stock exchanges, will control 100% of Mediaset SpA and 100% of Mediaset España as well as the recently acquired 9.6% stake in ProSiebenSat1.

The choice of the Netherlands is purely technical. In fact, Dutch rules permit a level of governance able to facilitate stability in the shareholder structure and managerial certainty, while at the same time ensuring greater flexibility to pursue opportunities for growth and development.

There will be no de-localisation and the operational activities of both companies will remain in Italy and Spain, as will their respective fiscal bases ensuring that taxes will continue to be paid in Italy and Spain. The same will apply to production and jobs that will also remain firmly based in Italy and Spain. **MEDIAFOREUROPE** has been created with industrial objectives and a new operational model.

Mediaset chief executive Pier Silvio Berlusconi declared:

*“It is with great satisfaction that we can announce the creation **MFE-MEDIAFOREUROPE** which aims to create value and development and to become the home of a great European broadcaster.*

We first talked about our international project about a year ago and since then we have been working constantly and are now ready. We have identified a new operational model that will generate efficiencies and development. And today, in a context of global competition, the creation of an editorial group of adequate scale to reach a European audience is a crucial factor for the future.

*It will be an administratively complex operation but, from the outset, will provide many evident advantages for the shareholders who follow us. We have already identified an annual €107 million in synergies and savings that will be achieved by 2023, something that, regardless of market performance, will be an advantage for all shareholders. In addition, **MEDIAFOREUROPE**, once completed, will effect a share buy back for €280 million and by the end of 2019 will distribute a dividend of €100 million.*

*I would also like to underline that the tax base of the founding companies of **MFE** will remain in their respective countries of origin and that the tax base of our major shareholder, Fininvest, will remain in Italy. We also believe that over time this integration in **MEDIAFOREUROPE** will increase production investments precisely in both Italy and Spain.*

And then there is development: a modern broadcaster today – a media company – must invest and have a relevant presence also on the new platforms. We need to develop a platform at the level of those of the global operators and all of the technology required for the advertising of the future.

Combining our strengths is a concrete way will allow us to be more efficient and to invest more, And, obviously, the synergies already identified could increase exponentially with the inclusion in the project of a third or fourth country.

*We firmly believe that after this initial step also other countries will join us in the new home of European television. This is why,” Pier Silvio Berlusconi concluded, “I feel that I can say that today, with **MEDIAFOREUROPE**, from an example of Italian excellence, a European challenge begins.”*

Cologno Monzese, 7 June 2019