
PRESS RELEASE

MEDIASET BOARD APPROVES THE GROUP'S 2012 FINANCIAL STATEMENTS

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 2012.

- The Group's results for the 2012 financial year were severely affected by the international economic crisis and, in particular, by recession in both Italy and Spain. During 2012, the advertising markets in both countries saw a combined fall of some **€1.6 billion** with a significant impact on the Group's revenues. Despite this, and thanks to the determination of the advertising sales companies, Publitalia and Publiespaña, Mediaset managed to substantially maintain its share of the TV market share. However, consolidated revenues were down to **€3,720.7 million** (a fall of **€529.5 million** compared with 2011), in line with the performance of the two advertising arms and in proportion to the market shares held by Mediaset in the two countries.
- Given this marked downturn in the market, in Italy the Group has taken impairment measures and made special provisions to appropriately adapt the value of sports rights and artistic resources to the new business environment. The company also faced non-recurring restructuring charges during the year. The net impact of such measures came to a total of **€307.8 million**.
- Operating profit (EBIT) - net of non-recurring charges, impairment and provisions - generated a positive result of **€72.4 million**. While, taking account of the measures outlined above, means that the Group recorded a negative operating result of **€235.4 million**.
- It should be noted, however, that thanks to strenuous efficiency measures also introduced by the Group in the period across all business areas, resulted in excellent consolidated cash generation (**€287.0 million**) and a €177.9 million reduction in the Group's net indebtedness, from **€1,890.7 million** on 1 January 2012 to **€1,712.8 million** on 31 December 2012.
- With regard to **Italy**, two further positive aspects should be underlined:
 - already in 2012 Mediaset overcame its initial savings target of €250 million. Indeed, thanks to extensive and incisive efforts across all cost items while safeguarding the quality and quantity of television production, such cost reductions have resulted in net savings in 2012 alone of **€307.2 million**;
 - cash generation, in Italy alone, amounted to **€245.6 million**, an increase of more than **€100 million** compared with 2011, despite the fall in advertising revenues.
- In conclusion, in the extremely negative economic scenario of 2012, above all for the media sector, the Mediaset Group nevertheless improved cash generation, lowered its level of debt without abandoning investment and introduced a series of restructuring measures aimed at creating the best possible conditions to face a still difficult 2013 and look to the future with positive prospects for profitability.

MEDIASET GROUP: CONSOLIDATED RESULTS

. The results for 2012 include the effects of the full consolidation of the assets acquired as a result of the merger of EI Towers and DMT (now EI Towers SpA) with effect from 1 January 2012.

Performance in 2012 can be summarised as follows:

- The **consolidated net revenues** of the Mediaset Group came to **€3,720.7 million**, compared with the €4,250.2 million of 2011.
- The Group's **EBIT** showed a loss of **€235.4 million**, compared with a profit of €538.7 million the previous year.
- The Group recorded a **net loss of €287.1 million**, compared with a net profit of €225.0 million the previous year. Excluding the impact of restructuring costs, impairment and provisions to adjust the value of sports rights and artistic resources and non-recurring tax charges, the net result would have amounted to -€47.2 million.
- Thanks to effective measures to reduce costs there was a reduction in the Group's **consolidated net debt** which went down from €1,890.7 million on 1 January 2012 to **€1,712.8 million** on 31 December 2012.

A BREAKDOWN OF RESULTS BY GEOGRAPHIC AREA

Italy

- **Consolidated net revenues** amounted to **€2,834.9 million**, compared with €3,241.6 million in 2011.
In particular:
 - **The trend in advertising sales** was affected by the continuing recession that in 2012 led to a marked slump in advertising spending. On the basis of Nielsen data for 2012 all of the main media, with the exception of the internet, recorded a marked downturn compared with the previous year. In this context, overall **advertising sales** by **Publitalia '80** and **Digitalia '08** amounted to **€2,327.2 million**, a fall of 16%, in line with the performance of the television advertising market.
 - **Mediaset Premium revenues**: sales generated by Premium characteristic business – subscriptions and pre-paid cards – **amounted to €518.0 million**, essentially in line with 2011. This result, obtained by maintaining a constant subscriber base, was decidedly positive and in contrast with the negative performance of the pay TV market due to the continuing fall in consumer spending.
 - **EI Towers revenues**: sales were up to **€233.8 million** from the €162.3 million of 2011.
- **Efficiency measures**: the savings generated from television activities totalled **€307.2 million**, overtaking, at the end of 2012, the target of €250 million of the three-year plan (2012-2013-2014) for total savings of €450 million.
- **EBIT** came to **-€284.0 million**, compared with €374.2 million in 2011. Excluding non-recurring charges, operating profit would have been €23.8 million.
- The **net result** came to **-€307.4 million**, compared with €176.2 million in 2011, which, excluding non-recurring operating and fiscal items, was equal to -€67.6 million.
- There was a marked improvement in **cash generation** during the period, which was up to **€245.6 million** from the €144.8 million of 2011.

Ratings: in an increasingly competitive television market, **Mediaset channels** kept a firm grip on their leadership in the commercial target in all time bands: **37.8% in prima time, 36.7% in the 24-hours.**

Canale 5 was the most popular channel in the commercial target both in **prime time (18.1%) and the 24-hours (16.7%).**

Spain

- In 2012 Gruppo Mediaset España generated consolidated net revenues of **€886.7 million**, compared €1,009.3 million of the previous year (-12.1%).
- **Gross television advertising revenues** came to **€857.3 million**, compared with the €1,006.3 million of 2011.
- **EBIT** for the period came to **€48.8 million**, compared with €164.5 million in 2011.
- **Net profit** amounted to **€50,1 million**, compared with €110.5 million in 2011.

Ratings: In 2012 **the TV channels of Gruppo Mediaset España** achieved leadership in both prime time (**27.4%**) and across the 24-hours (**28.1%**). **Telecinco** also confirmed its position as the most popular channel in the whole day (**13.9%**).

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

The parent company Mediaset S.p.A. ended the year 2012 with a **net profit of €198.8 million**, compared with the €156.3 million of 2011.

FORECAST FOR THE YEAR

The continuing recession in Italy and Spain is affecting the advertising market in both areas in which the Group operates.

In the early months of 2013, advertising sales have fallen compared with the same period of last year, in line with the last quarter of 2012. However, the main clients and media buyers in their respective countries have indicated an improved dynamic in the market and stabilisation in the second half of the year.

In this context, the primary objective of the Group is to consolidate its market share in both Italy and Spain. This objective is supported by initial data for January 2013, published by Nielsen that shows the TV market in Italy falling by 16.1% vs. January 2012. Mediaset declined by 14.5% in the same period.

In any case, the lack of visibility and the economic uncertainty and instability in both countries does not, for the time being, make it possible to make reliable predictions about the evolution of advertising revenues over the full year.

In Italy, the Group remains focused on the implementation of the planned cost reduction program that will lead to annual savings of €450 million, the target to be reached by 2014. The results achieved in 2012 (with savings of over €300 million compared with the expected €250m) bodes well for the attainment of the announced structural reduction ahead of schedule. Despite this difficult scenario, also in 2013 the Group's attention remains focused on cash generation and medium term profitability.

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.

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.

Cologno Monzese, 26 March 2013

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