

Press Release

Mediaset Board Meeting 13 November 2012

RESULTS APPROVED FOR FIRST NINE MONTHS OF 2012

Consolidated results

Net revenues: €2,655.9 million
Gross operating profit (EBITDA): €944.6 million
despite the recession and the crisis in the media sector
Net Result: -€45.4 million
Net debt: down to €1,636.9 million

Italy

Net revenues: €2,026.6 million
Efficiency measures: €220.4 million
Gross operating profit (EBITDA): €774.3 million
Cash generation: doubled to €355.0 million
Ratings: Canale 5 Italy's most popular channel
in the autumn guarantee period in the commercial target
in all time bands

Spain

Net revenues: €629.8 million
Ratings: Mediaset España channels leaders
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 report for the first nine months of 2012.

MEDIASET GROUP: CONSOLIDATED RESULTS

The results for the first half include the effects of the full consolidation of the businesses acquired as a result of the merger of EI Towers and DMT (now EI Towers spa) and effective from January 2012.

The following is a summary of the highlights of the results for the first nine months of 2012:

- The **consolidated net revenues** of the Mediaset Group came to **€2,655.9 million**, compared with €3,040.5 million in the first nine months of 2011. This reduction was due affected by a marked slump in advertising investments both in Italy and Spain.
- **Gross operating profit (EBITDA)** came to **€944.6 million**, compared with €1,264.8 million in the same period of the previous year. Significantly, this result shows a better performance than the figure for net revenues given the general recessionary context that has particularly affected the media sector.
- **EBIT** came to **€48.0 million**, compared with €368.2 million for the same period of last year.

- **Net Result** attributable to the Group amounted to **-€45.4 million**, compared with €164.3 million in the first nine months of the previous year.
- The Group's **consolidated net financial position** showed an improvement in the period due to effective cuts in both costs and investments and was down to €1,636.9 million from -€1,775.5 million on 31 December 2011.

A BREAKDOWN OF RESULTS BY GEOGRAPHIC AREA

Italy

- **Consolidated net revenues** amounted to **€2,026.6 million**, compared with €2,309.4 million in the same period of the previous year. In particular:
 - **Total gross advertising sales** by **Publitalia '80** and **Digitalia '08** came to **€1,655.3 million**, compared with €1,945.3 million in the first nine months of 2011 (-14.9%) in a television advertising market that, according recent Nielsen figures, in September recorded a downturn of -24.2% compared with September 2011.
 - **Mediaset Premium Revenues:** sales from Premium's characteristic business - Easy Pay subscriptions and pre-paid card sales - amounted to **€382.4 million**, essentially in line with the same period of 2011. This result, achieved with an unchanged pool of subscribers, is decidedly positive and bucks the trend in the pay TV market determined by the continuing slump in consumer spending.
 - **Revenues** generated by **EI Towers** rose to **€175.3 million**, compared with €116.7 million in the first nine months of 2011.
- **Efficiency measures:** thanks to the strong efforts to reduce costs, resulting in savings of **€220.4 million** to September, the target of €250 million for the year, established in 2011 and to be achieved in three years, will in fact be achieved by the end of 2012. In the first nine months of the year television operating costs were reduced by **€102.1 million** and investments (on a comparable basis vs. 2011) by **€118.3 million**.
- **Gross operating profit (EBITDA)** came to **€774.3 million**, compared with €973.2 million in the same period of the previous year
- **EBIT** came to **€20.3 million**, compared with €248.1 million in the first nine months of 2011.
- There was a **net loss** of **€62.1 million**, compared with a net profit of €121.2 million in the same period of 2011.
- There was a decided upturn in **free cash flow generation**, which doubled to **€355.0 million**, compared with the €176.0 million of the same period of last year.

Ratings: Despite an increasingly competitive scenario, in the autumn season **Canale 5** remained Italy's most popular channel with a significant **21.2% share time share** and **17.9% in the 24-hours** among viewers in the 15 to 64 year-old age range (the commercial target).

Mediaset confirmed its position in the autumn across all channels as leader in the commercial target with a **prime time share of 41.3% and 37.6% in the 24-hours**.

Spain

- In the first nine months of 2012 **consolidated net revenues** generated by the Gruppo Mediaset España amounted to **€629.8 million**, compared with €731.6 million in the same period of the previous year.
- **Gross television advertising revenues** came to **€632.3 million**, compared with €730.4 million in the same period of of 2011.
- **EBIT** for the period came to **€27.7 million**, compared with €120.1 million for the first nine months of 2011.

- **Net profit** amounted to **€40,7 million**, compared with €102.3 million in the same period of 2011.
- **Ratings:** in the first nine months of 2012, the channels of the Gruppo Mediaset España were leaders in both prime time (**27.3%**) and across the 24-hours (**28.1%**). Telecinco confirmed its position as the country's most popular commercial channel across the entire day (**13.9%**).

FORECAST FOR THE YEAR

The media sector, in which Mediaset has a leadership position, was significantly affected by the worsening economic situation and the consequent marked reduction in advertising spending.

On the advertising revenues side prospects remain uncertain in the short and medium term. And early indicators for the fourth quarter, both in Italy and in Spain, are that there will be no reversal in this trend.

The company consequently confirms its determination to continue and strengthen the announced process of spending cuts that will reach a total of €450 million per year, to be achieved over the next three years. This challenging objective will, however, produce results without weakening our offer, as was demonstrated in the first part of the process (producing savings of €250 million euro), which, as mentioned, will be fully completed two years ahead of schedule, at the end of 2012.

In the final quarter we will also continue to focus on cash generation and the consequent reduction in debt.

For the end of the year, while expecting to achieve a largely positive EBITDA, in the absence of significant changes in the advertising market it is estimated that consolidated net result will be in line with that recorded in the first nine months of the year.

PROCESS OF REGULATORY SIMPLIFICATION ADOPTED BY CONSOB: WAIVER OF OBLIGATIONS FOR PUBLICATION OF INFORMATION DOCUMENTS

Pursuant to art. 3 of CONSOB Resolution no. 18079 of 20 January 2012, the Board of Directors of Mediaset SpA has chosen to adhere to the opt-out provisions of Articles. 70, paragraph 8, and 71, paragraph 1 - *bis* of Consob Regulation no. 11971/99 and subsequent amendments and additions, thus taking advantage of the possibility waive their obligations to publish information documents prepared in connection with significant operations such as mergers, spin-offs, capital increases by contributions in kind, acquisitions and disposals.

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, 13 November 2012

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