

Bit Market Services

Informazione Regolamentata n. 0186-3-2016	Data/Ora Ricezione 22 Marzo 2016 17:59:26	MTA
---	---	-----

Societa' : MEDIASET
Identificativo : 71286
Informazione
Regolamentata
Nome utilizzatore : MEDIASETN01 - BIANCHI
Tipologia : IRAG 01; IROS 09
Data/Ora Ricezione : 22 Marzo 2016 17:59:26
Data/Ora Inizio : 22 Marzo 2016 18:14:27
Diffusione presunta
Oggetto : Mediaset S.p.A. - 2015 Results

Testo del comunicato

Vedi allegato.

MEDIASET'S BOARD OF DIRECTORS APPROVES 2015 RESULTS

Highlights: Mediaset Group 2015

Net revenues: **€3,524.8 million**
Operating profit (EBIT): **€231.4 million**
Net profit: **€4.0 million, €28.9 million adjusted**
Dividend proposal: **unchanged at €22.7 million**

Key points for FY 2015

- *Growth in ratings compared with 2014*
- *Growth in advertising revenues and market share:*
- *Growth in subscriptions and revenues for Mediaset Premium*
- *TV on demand: leadership and a new record for the Mediaset offer*
- *Free online video: Mediaset at the top among publishers in Italy*
- *Radio: the launch of a new development programme*
- *Cinema Mediaset: a year to remember*

The Board of Directors of Mediaset, which met today under the chairmanship of Fedele Confalonieri, examined and approved the Group's Consolidated Annual Report for the year ended 31 December 2015 as well as the Annual Report of the parent company Mediaset S.p.A. In an economic scenario that remains difficult, the Group ended the year with a decidedly positive results in a strategic context focused on development.

Successes and key points of 2015

- **TV ratings.** In an increasingly crowded and competitive TV market - Italy is the country with more TV channels in Europe - Mediaset was able to improve ratings compared with 2014 and with a **36.2%** share in prime time confirm its position as the absolute leader in the commercial target of viewers between the ages of 15-64, the most important for advertisers.

Mediaset's networks increased also its total audience in the early evening slot, compared with negative results for its main competitors. There was an even more marked increase, always in the evening and the total audience, of the flagship network **Canale 5** that, with 4,012,000 viewers, grew by **3.9%**. The primacy of Canale 5 in Italy is even more evident in the 15-64 age range where it is the most popular Italian network in prime time with a **17.1%** share.

It should also be noted that **Italia 1**, again in the early evening with viewers of between 15-64, won third place in 2015 - after Canale 5 and RAI 1 - with a **7.7%** share. A level that in the most valuable viewer band (15-34 year-olds) rose to **10.3%**.

Early evening ratings were also positive for **Retequattro** which, with its exclusive news and current affairs productions, recorded an average of 1,225,000 total viewers, and an increase in the commercial target of **+5.3%** compared to 2014.

Finally it was an outstanding year for Mediaset's free thematic channels, with two networks in the first two places in the ranking among the total prime time audience: **Iris** is the first Italian network with a 1.7% share (**+13%** on 2014) and **Top Crime** in second place with 1.3% (**+8%** on 2014).

Also in Spain it was a year of growth for the television channels of the Mediaset Group, with historical ratings records confirming absolute leadership in the 24 hours with a **33.1%** share. In particular, **Telecinco** is Spain's most popular channel across both the whole day (**14.8%**) and in prime time (**15.2%**).

- **Advertising.** The year saw growth in advertising revenues both in Italy and in Spain.
In Spain, where the economic recovery is now well established, gross television advertising revenues grew to **€933.3 million** compared with €889.2 million the previous year (+5.0%).
In Italy, where the market in 2015 yet again recorded a negative result, Mediaset's gross television advertising revenues recorded growth in absolute contrast with the prevailing trend: **€2.002,8 million**, +1.0% on 2014 (€1,982.4 million). Mediaset's market share was **33.5%**, an increase on 2014 (33.0%) and in line with 2010, the last year in which the advertising market expanded.
- **Development activities.** During the year significant investments were made in exclusive content, new distribution technologies and the acquisition of new means of communication. Important results were also achieved in the cinema sector.

Exclusive content The quality pay rights available only to Mediaset Premium customers was a turning point in the offer in Italian pay-TV.

In fact, Premium ended the year with revenues that rose to **€558.8 million** euro compared with €538.4 million in 2014, again bucking the trend in the Italian pay-TV market. In particular, new exclusive rights generated revenue growth of **11%** in the second half 2015, mirroring the same percentage drop in revenues of the competition. There was also a significant increase in Premium subscribers (now up to **2,010,000**), a marked increase in ARPU and an equally significant reduction in the churn rate. Premium Sport is the leading Italian pay-TV network both in Prime Time (with a share of **0.9%**) in the 24 hours (**0.5%**).

Technological innovation 2015 also saw a boom in the development of free online video and the offer of on-demand paid video-streaming.

The net leadership of Mediaset in free online video Mediaset it was further strengthened (**1.75 billion** views in 12 months, *Source: Comscore*). An increase determined by the growing appeal of Mediaset content among the web audience and the redesign of the site Mediaset.it, which is now even more rational and intuitive.

Regarding the offer of on-demand paid content, a clear leadership has been established by "Infinity", the innovative video-streaming service launched by Mediaset in 2014 and available only online on all devices, also in UltraHD, by anyone with an Internet connection. To date around **600,000** users have signed up for the service and **over 50 million** items of paid content have been viewed.

In addition, the on-demand "Premium Play" service, reserved at no additional charge for Premium subscribers, in 2015 recorded around **44 million** views of Premium movies and TV series. On average, almost one million every week.

Acquisitions and partnerships in radio As part of the new radio-based line of development, Mediaset acquired 80% of Monradio, which owns R101, and partnered with Finelco, Italy's leading radio group that controls Radio 105, Radiomontecarlo and Virgin Radio. Mediaset has acquired a preliminary stake of 19% in RB1 SpA, the holding company of the Finelco Group, pending the regulatory authorisation necessary to exercise the right to increase its stake.

For Mediaset investment in radio – a medium with growing audiences and increasing advertising investment - is a cross-media opportunity with positive implications in terms of both content production and distribution and advertising revenues.

Cinema In 2015 the subsidiary Medusa Film celebrated 20 years in business with a number of prestigious and successful titles, from "Youth", a masterpiece by Oscar-winning director Paolo Sorrentino with a top flight international cast, to the distribution of

“Chiamatemi Francesco”, the first film in the world based on the life of Pope Francis. The current film season has also seen the extraordinary success of “Quo Vado?” by Checco Zalone, produced by the subsidiary TaoDue and distributed by Medusa, which has established an historical box office record in Italy with takings of over **€65 million**, and the excellent critical and commercial success of “Perfetti sconosciuti” (“Perfect Strangers”) a Paolo Genovese film that has so far grossed €15 million (and is still showing in cinemas) and already won second place at the box office in 2016 overtaking some Hollywood films with worldwide impact.

Economic and financial highlights 2015

What follows are the Mediaset Group’s economic and financial highlights for 2015: a year that produced profits, generated cash and, despite significant investments, saw a reduction of indebtedness.

- **Net revenues** amounted to **€3,524.8 million**, compared with €3,414.4 million in 2014. In particular, revenues in Italy amounted to **€2,554.2 million**, compared with €2,483.4 million in 2014. While in Spain, revenues amounted to **€971.9 million** compared with €932.1 million in 2014.
- **EBIT** came to **€231.4 million** compared with €248.7 million the previous year. In Italy, EBIT totalled **€26.8 million** compared with €104.3 million in 2014. In Spain the figure was **€205.2 million** compared with €144.8 million the previous year.
- **Consolidated net profit** amounted to **€4.0 million** compared with €23.7 million euro in 2014. This result was affected by charges of €24.9 million related to the restatement in Italy of the IRES tax rate from 2017, as introduced by the Stability Law. Net of this component net profit would have amounted to €28.9 million.
- **Net debt**, in a year of significant investments in acquisitions and exclusive content, nevertheless saw a further slight reduction from €861.3 million in 2014 to **€859.4 million** in 2015. This is the company’s best financial position in the past eight years.

RESULTS OF THE PARENT COMPANY MEDIASET S.P.A.

The parent company Mediaset S.p.A. ended the year 2015 with a **net profit of €50.4 million**, compared with €37.1 million in 2014.

DIVIDEND PROPOSAL

The Board of Directors will propose to the next Shareholders’ Meeting to pass resolution on the distribution of a profit of €50,368,405.61 for the year as follows:

- to distribute to shareholders a dividend of €22,728,041.28, unchanged from the previous year, at the rate of €0.02 for each of the 1,136,402,064 ordinary shares that make up the share capital;
- to attribute to the extraordinary reserve the remaining amount of €27,640,364.33.

Consequently, if the proposal is approved, the extraordinary reserve, currently amounting to €1,409,069,425.54 will increase to €1,436,709,789.87.

Also complementing the annual calendar of corporate events announced on 12 January, it should be noted that the dividend will be paid out on 25 May 2016 with coupon detachment no. 18 on 23 May 2016 and the record date of 24 May 2016.

The dividend payment of € 0.02 is gross of withholding taxes, where due.

To date, the share capital amounts to €614,238,333.28, divided into 1,181,227,564 ordinary shares and as of 22 March 2016 the company owns a total of 44,825,500 treasury shares, corresponding to 3.79482% of the share capital.

FORECAST FOR THE FULL YEAR

In the first two months of 2016, the trend in the Group's advertising sales in Italy of the Group's recorded an increase in line with the growth rates of recent quarters in a context of stable demand compared with the end of 2015 .

Advertising revenues in Spain in the first months of the year showed a good rate of growth in a market where the economic recovery is already more consolidated.

Given general conditions that are progressively more stable, it is foreseeable that in the first half of the year the trend of the Group's advertising revenues will remain positive. The Group's market share in Italy and Spain is expected to consolidate at current levels, excluding the sports events that will characterise the first part of the summer season.

In the early months of 2016 the growth in revenues generated by Mediaset Premium continued and the second half of 2016 should further increase the customer base by leveraging the exclusive availability both of the Champions League and of cinema content and TV series secured by a multi-year deal with Warner and Universal.

The results of the first half of the year will also be impacted by the success of Italian films produced and distributed by the Group through Medusa Film, including "Quo Vado?", an historical record in Italy with over €65 million in box office receipts, and "Perfetti sconosciuti", currently in second place in front of a number of big American films.

Despite a still volatile and uncertain environment in terms of consumer spending, the Group in 2016 will remain focused on maximising advertising revenues by leveraging a cross-media sales model, brand leadership and the implementation of the business plan for Mediaset Premium.

The development of the radio business in 2016 - following the acquisition in late 2015 of Monradio, which owns R101, and the partnership with Finelco. subject regulatory approval - will involve an initial phase of restructuring that should lead, according to the business plan, to a return to profitability in the medium term.

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.

SHARE BUY BACKS

The Board of Directors of Mediaset will ask the forthcoming AGM to renew authorisation to purchase shares in order to pursue, in the interests of the company, the aims foreseen by current regulations, including:

- a) the availability of shares to be sold for the implementation of compensation plans with allocation, against payment or free of charge, of company shares (such as stock grant or stock option plans and, more generally, share plans and plans for financial instruments exchangeable for the Company shares) in favour of executives, employees and/or associates of the Group;

- b) for trading and coverage purposes;
- c) for investment operations in liquidity.

Buy backs will be made in compliance with Articles 2357 ff. of the Civil Code, Article 132 of Legislative Decree no. 58/98, Article 144-bis of Consob Regulations implementing Legislative Decree N° 58 of 24 February 1998, concerning the regulation of issuers ("Issuers Regulations") and all other applicable regulations, including those set out in Directive 2003/6 and relative EU and national implementing rules.

To date, the share capital amounts to €614,238,333.28, divided into n. 1,181,227,564 ordinary shares and, as of 22 March 2016, your company holds a total of 44,825,500 shares, equal to 3.795% of the share capital; Mediaset's controlled subsidiaries do not own shares of the parent company.

The proposal foresees that the Board of Directors be authorised to buy back, also through options trading or financial instruments and share-backed derivatives of Mediaset, up to a maximum of 118,122,756 ordinary shares with a nominal value of €0.52 each - corresponding to 10% of the share capital - in one or more operations, until the approval of the Financial Statements for the year to 31 December 2016 and for a period not exceeding 18 months from the date of the resolution. The amount indicated above is covered by the reserves indicated in the last approved financial statements.

Purchases must be made on the listing Stock Exchange in the manner indicated in article 144, paragraphs b) and c) of the Issuers Regulations at a price not higher than the highest price between the price of the last independent transaction and the price of the highest current independent bid on the electronic stock market managed by Borsa Italiana.

Shareholders will also be required, pursuant to art. 2357 cod. civ., to authorise the Board of Directors, subject to current laws and regulations, and the regulations issued by the Italian Stock Exchange and in compliance with the EU provisions, to:

- a) sell company shares purchased pursuant to this resolution or already in the portfolio to the participants of compensation plans, at cost or free of charge, in line with the terms and conditions - including the price, if any - established by the plans and the relevant Rules. Such authorisation to be granted within the time limits established by the compensation plans;
- b) sell company shares purchased pursuant to this resolution or already in the company's portfolio in the following alternative ways:
 - i) through cash transactions; in such cases, sales will be made on the Stock Exchange and/or off market, at a price not less than 90% of the reference price recorded by the share in the trading session preceding each individual transaction;
 - ii) by trading, exchange, contribution or other disposition, as part of industrial development projects or extraordinary financial operations. In such cases the terms of the transfer, including the valuation of the shares traded, will be determined with the help of independent experts, on the basis of the nature and characteristics of the transaction, also taking into account market performance of Mediaset shares.

The authorisation referred to in point b) is granted for a period of not more than 18 months from the date of the resolution.

Cologno Monzese, 22 March 2016

Direzione Comunicazione e Immagine

Tel. +39 0225149251

Fax +39 0225149271

e-mail: direzionecomunicazione@mediaset.it

www.mediaset.it/corporate/

Investor Relations Department

Tel. +39 0225147008

Fax +39 0225148535

e-mail: investor.relations@mediaset.it

<http://www.mediaset.it/investor>

Highlights from the consolidated income statement
in €m

	2015	2014
Consolidated net revenues	3,524.8	3,414.4
Labour costs	520.5	537.5
Procurement, services and other costs	1,638.4	1,544.5
Operating costs	2,158.9	2,082.0
Gross operating profit (EBITDA)	1,365.9	1,332.4
Amortisation of rights	997.3	924.1
Other amortisation and depreciations	137.2	159.7
Total amortisation and depreciations	1,134.4	1,083.7
Operating profit (EBIT)	231.4	248.7
Financial income /(charges)	(49.3)	(70.4)
Income/(charges) from investments	15.0	(39.8)
Profit before taxation	197.2	138.5
Income taxes	(86.6)	(61.7)
Net profit from operations	110.6	77.0
Net result from discontinued operations	-	-
Minority interest (profit)/loss	(106.6)	(53.3)
Profit/Loss for the Mediaset Group	4.0	23.7

Highlights from the consolidated balance sheet
in €m

	31/12/2015	31/12/2014
Television and film rights	2,205.9	2,581.4
Goodwill	975.1	920.2
Other tangible/intangible assets	1,166.5	1,111.9
Financial assets	105.7	70.3
Net working capital & other assets/liabilities	(556.8)	(680.0)
Severance indemnity reserve	(89.1)	(96.9)
Net invested capital	3,807.1	3,906.8
Net Group assets	2,293.9	2,322.8
Shareholders' equity and minority interest	653.8	722.6
Net assets	2,947.8	3,045.5
Net financial debt	859.4	861.3

Fine Comunicato n.0186-3

Numero di Pagine: 8