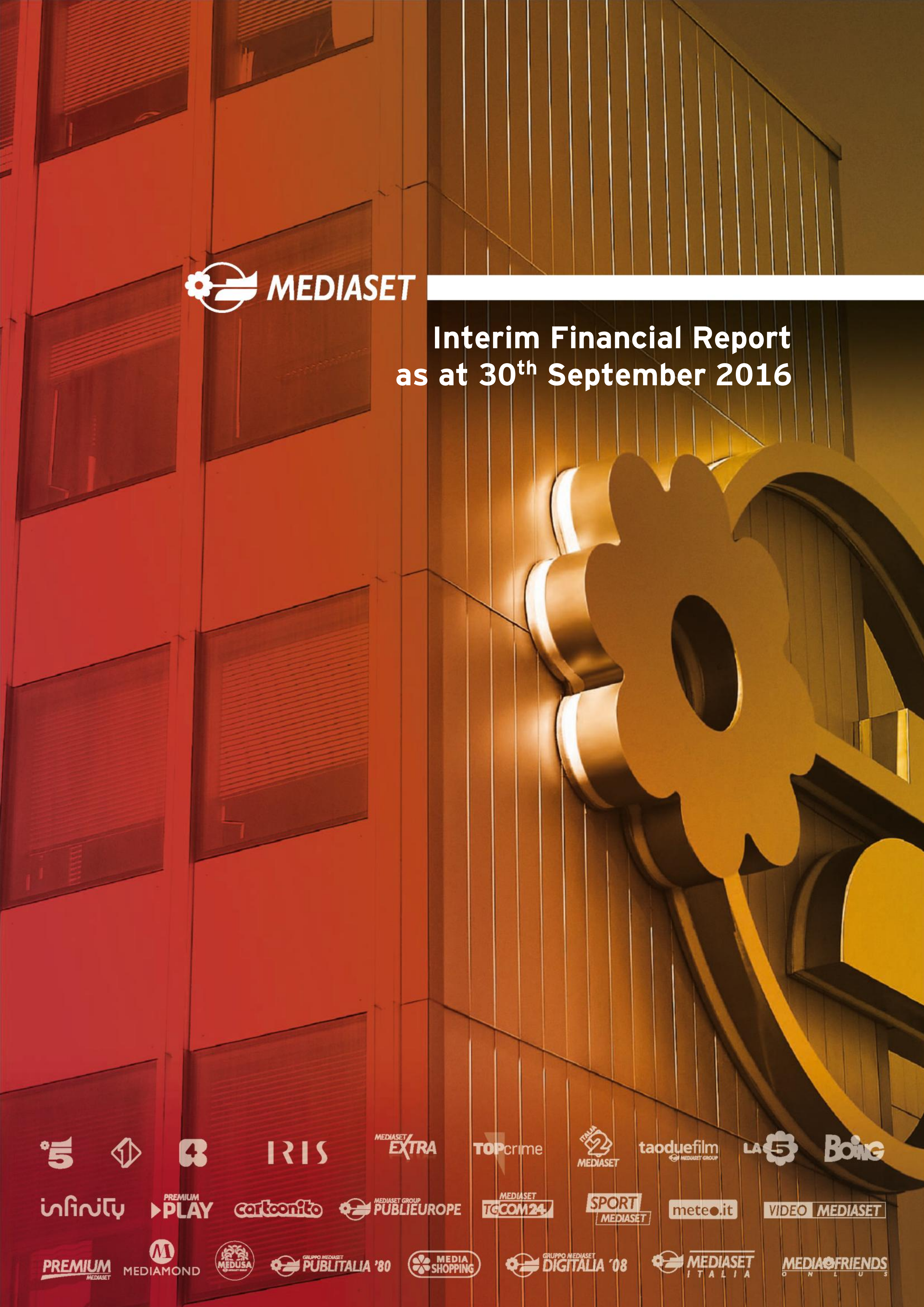

MEDIASET

Interim Financial Report as at 30th September 2016

MEDIASET S.p.A. - via Paleocapa, 3 - 20121 Milan
Share Capital Euros 614,238,333.28 fully paid up
Tax Code, VAT number and inscription number in the
Milan Enterprises Register: 09032310154
Website: www.mediaset.it

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CORPORATE BOARDS

Board of Directors	**Chairman** Fedele Confalonieri **Deputy Chairman and** **Chief Executive Officer** Pier Silvio Berlusconi **Directors** Giuliano Adreani Marina Berlusconi Franco Bruni Pasquale Cannatelli Mauro Crippa Bruno Ermolli Marco Giordani Fernando Napolitano Gina Nieri Michele Perini Alessandra Piccinino Niccolo' Querci Stefano Sala Carlo Secchi Wanda Ternau
Executive Committee	**Fedele Confalonieri** Pier Silvio Berlusconi Giuliano Adreani Marco Giordani Gina Nieri
Risk and Control Committee	**Carlo Secchi (*Chairman*)** Franco Bruni Fernando Napolitano
Compensation Committee	**Michele Perini (*Chairman*)** Bruno Ermolli Fernando Napolitano
Governance **and Appointments Committee**	**Carlo Secchi (*Chairman*)** Michele Perini Wanda Ternau
Committee of Independent Directors for **Related-Party Transactions**	**Michele Perini (*Chairman*)** Alessandra Piccinino Carlo Secchi
Board of Statutory Auditors	**Mauro Lonardo (*Chairman*)** Francesca Meneghel (*Regular Auditor*) Ezio Maria Simonelli (*Regular Auditor*) Massimo Gatto (*Alternate Auditor*) Flavia Daunia Minutillo (*Alternate Auditor*) Riccardo Perotta (*Alternate Auditor*)
Independent Auditors	**EY S.p.A.** **(formerly *Reconta Ernst & Young S.p.A.*)**

MAIN INCOME STATEMENT DATA

FY 2015 mio €	%		9M 2016 mio €	%	9M 2015 mio €	%
3,524.8	***100.0%***	**Total net Revenues**	**2,563.9**	***100.0%***	**2,414.4**	***100.0%***
2,554.2	*72.5%*	Italy	1,853.0	*72.3%*	1,741.0	*72.1%*
971.9	*27.6%*	Spain	711.7	*27.8%*	674.7	*27.9%*
231.4	***100.0%***	**EBIT**	**32.7**		**82.4**	
26.8	*11.6%*	Italy	(138.0)		(48.4)	
205.2	*88.7%*	Spain	170.7		131.4	
6.6%		**EBIT/Net Revenues**	**1.3%**		**3.4%**	
1.0%		Italy	*-7.4%*		*-2.8%*	
21.1%		Spain	*24.0%*		*19.5%*	
4.0		**Net Result**	**(116.6)**		**(36.1)**	

MAIN BALANCE SHEET AND FINANCIAL DATA

FY 2015 mio €		9M 2016 mio €	9M 2015 mio €
3,807.1	**Net Invested Capital**	**3,812.2**	**2,131.6**
2,947.8	**Total Net Shareholders' Equity**	**2,689.0**	**2,933.9**
2,293.9	Net Group shareholders' Equity	2,099.8	2,266.7
653.8	Minorities Shareholders' Equity	589.2	667.2
859.4	**Net Financial Position**	**1,123.2**	**802.3**

PERSONNEL

		9M 2016	%	9M 2015	%
5,484	**Mediaset Group Personnel** (headcount)	**5,650**	***100.0%***	**5,584**	***100.0%***
4,210	Italy	4,383	*77.6%*	4,314	*77.3%*
1,274	Spain	1,267	*22.4%*	1,270	*22.7%*

INTRODUCTION

Italian Legislative Decree no. 25 of 15 February 2016 removed the obligation to publish management interim statements as provided under art. 154-ter, paragraph 5 of Italian Legislative Decree no. 58/1998, while giving Consob the authority to reintroduce the requirement to publish interim disclosures in addition to the annual and half-yearly financial statements. The aforementioned legislative decree arose from implementation of Directive 2013/50/EU dated 26 October 2016 amending Directive 2004/109/EC – Transparency requirements in relation to listed issuers (the Transparency Directive). Accordingly, Consob conducted two financial market surveys to gather data and evidence to study the impact of the regulation in terms of its costs and benefits and to draw up relative application principles and criteria. In consideration of the observations that emerged through the surveys, Consob adopted Resolution 19770 concerning article 82-ter of the Issuer Regulations, entitled "Additional interim financial disclosures", which sets forth the obligations binding on issuers that choose to publish additional disclosures on a voluntary basis. The new provisions shall apply with effect from 2 January 2017.

In light of the current regulatory context, the publication of this Management Interim Statement for the first nine months of 2016 reflects the directors' desire to maintain a stable policy of periodic communications to the market in continuity with the past. To this end, they have adopted the structure and content deemed most suitable, in view of the factors that contribute to investors' decisions, to describe the Group's business performance and financial position overall and in its main operating segments, and to describe the events and significant transactions that took place during the period.

This Interim Statement has been prepared in accordance with the International Accounting Standards (IAS/IFRS) applicable under EC Regulation no. 1606/2002 of the European Parliament and of the Council dated 19 July 2002 that were in force as at the reporting date, consistent with measurement and estimation criteria applied in the preparation of the Consolidated Financial Statements at 31 December 2015, to which readers should refer.

The information disclosed in this report is not, therefore, comparable to that of complete financial statements prepared in accordance with IAS 1.

The presentation of the income statement and balance sheet figures shown below corresponds to the presentation adopted in the Report on Operations accompanying the Annual Consolidated Financial Statements. As such, the figures are shown in condensed form and restated to highlight the intermediate aggregates considered most significant for understanding the performance of the Group and of the individual business units. The description of the criteria adopted during their preparation and the annotations referring the reader to the relevant statutory financial statement items in the Half-Yearly and the Annual Financial Statements are contained in the Consolidated Financial Statements at 31 December 2015.

The economic figures provided in this Report refer to progressive totals at the end of the first nine months and to the third quarter of 2016 and 2015; cash flow figures refer to progressive totals at the end of the first nine months of 2016 and 2015; balance sheet figures are stated as at 30 September 2016 and 31 December 2015.

This Quarterly Report has not been audited.

MANAGEMENT INTERIM STATEMENT AS AT 31ST SEPTEMBER 2016

Significant events in the third quarter

Mediaset–Vivendi Agreement

On **25 July 2016,** Vivendi notified Mediaset of its intention not to fulfil the contract signed on 8 April 2016, proposing an alternative arrangement.

On **28 July**, the Board of Directors of Mediaset resolved to reject the alternative Vivendi proposal, judged to be unacceptable as it is incompatible with the previously-signed binding agreement.

On **19 August**, Mediaset filed a petition with the Court of Milan to summon Vivendi, in an effort to obtain an execution order enforcing the contract and compensation for damages suffered by Mediaset to date, estimated at EUR 50 million for each month of delay in the performance of the contract by Vivendi, starting from 25 July 2016. The first hearing has been set for 21 March 2017.

On **5 October**, Mediaset filed another petition with the Court of Milan, mainly to obtain the legal seizure of Vivendi shares held by Vivendi totalling 3.5% of the share capital. The hearing has been set for 23 November 2016.

Radio broadcasting operations

On **1 July 2016,** the Mediaset Group, by exercising the right to convert 50% of the share capital of RB1 S.p.A. into ordinary shares, took control of the aforementioned holding company of the Finelco Group (subsequently renamed RadioMediaset S.p.A.) that controls the radio stations Radio 105 and Virgin Radio. In the third quarter, residual interests in RB1 S.p.A. and its subsidiaries were acquired directly from the Hazan family. As a result of these transactions, Mediaset (through RTI) directly and indirectly holds 100% of the share capital of RB1 S.p.A. and its subsidiaries. The acquisition of the controlling interest in RB1, together with the acquisition in the autumn of 2015 of R101 - a radio broadcaster undergoing a radical new makeover - has enabled the creation of "RadioMediaset", Italy's biggest radio broadcasting hub by audience share and advertising revenues, bringing together the Group's radio stations R101, Radio 105 and Virgin Radio and the partnership with Radio Monte Carlo. The sale of advertising space on RadioMediaset is licensed exclusively to the advertising agency Mediamond – owned 50% by Mediaset and 50% by Mondadori – which presently has a total of eight broadcasters in its portfolio: R101, Radio 105, Virgin Radio, Radio Monte Carlo, Radio Italia, Radio KissKiss, Radio Subasio, and Radio Norba.

The acquisition of the radio broadcasting operations of the RadioMediaset Group qualifies as a business combination under the provisions of IFRS 3. The difference of EUR 60.4 million between the purchase price paid and the net book value of the assets acquired and liabilities assumed as at the acquisition date has been provisionally allocated to goodwill. A specific analysis of the consideration paid shall be made within twelve months from the acquisition date in order to determine the fair value of the net assets acquired. If at the end of the evaluation period, any tangible or intangible assets with a finite useful life are identified, an adjustment will be made to the provisional amounts recognised at the acquisition date, with retrospective effect as of the acquisition date.

Contribution fees for digital terrestrial television broadcasting user rights

By Italian Decree dated **4 August 2016** (published in the Official Gazette of 21 September), the Italian Ministry of Economic Development issued new criteria for the calculation of contribution fees for digital television broadcasting user rights due from national broadcasters for the years 2014, 2015 and 2016. The amount was set at approximately EUR 2 million for each multiplex owned by each broadcaster, to be paid by 31 December of this year. The fee is discounted for broadcasters that have transferred broadcasting capacity to third-parties not belonging to the same corporate group, at a variable rate linked to the amount of capacity transferred for each individual multiplex (20% for transfers of capacity between 30% and 50%; 40% for transfers of capacity between 50% and 75%; 60% for transfers of capacity between 75% and 100%). The adoption of the aforementioned criteria did not require the restating of estimates recorded in the previous financial years.

AGCM Proceeding concerning the sale of Serie A 2015–2018 television broadcasting rights

With reference to the Half-Year Financial Report, on **4 July**, RTI and Mediaset Premium lodged an appeal with the Lazio Regional Administrative Court against the AGCM Decision of 20 April 2016 by which the Italian Antitrust Authority closed its proceeding against the two companies, imposing a fine of EUR 51,419,247.25. No further developments emerged during the quarter in relation to the case, pending the court hearing set for next 9 November.

EI Towers

On 26 July, the Board of Directors approved the adoption of a share buyback plan for the purchase of treasury shares within the limits permitted by law, in implementation of the resolution carried by the Ordinary Shareholders' Meeting on **21 April 2016**. The buyback plan envisages the purchase of a maximum of 1,413,119 shares, equal to 5% of the share capital. On the basis of the average stock market price of the shares over the thirty days prior to the plan's approval (25 June 2016–25 July 2016), equal to EUR 45.07 per share, the estimated financial commitment for the purchase of the shares under the plan is EUR 63.7 million. At 30 September 2016, the total number of shares purchased amounted to 46,783, equal to 0.17% of the share capital, for an outlay of EUR 2.2 million.

On **8 July 2016**, a deed was signed for the merger by absorption of the company NewTelTowers S.p.A. into the holding company Towertel S.p.A.. The merger took statutory effect from 14 July 2016, with accounting and tax effects from 1 January 2016.

On **8 July 2016**, Towertel S.p.A. acquired the company Giardino De Sanctis S.r.l.. Subsequently, on **14 September 2016** a deed was signed for the merger by absorption of the company into the holding company Towertel S.p.A..

On **19 July 2016**, Towertel S.p.A. acquired the company Saga S.r.l., which was subsequently merged by absorption into the holding company Towertel S.p.A. by deed signed on **26 September 2016**.

The two acquired companies together manage a total of 40 towers, hosting a number of telecommunications providers.

Group performances and financial results

Television audience figures

In **Italy**, total audience over the 24-hour period averaged 9 million and 840 thousand viewers.

Auditel statistics show that Mediaset networks as a whole, including both free-to-air and pay television (Premium Calcio) channels, obtained an audience share of 31.3% over the 24-hour period, 31.6% in the Day Time slot and 31.4% in Prime Time.

In the third quarter of 2016, Mediaset also confirmed its leadership with the commercial target audience (15–64 years) over the 24-hour period and over the day in the Day Time slot. Notably, Canale 5 ranks first and Italia 1 third across all time slots with the 15–64 year-old viewer target.

During the autumn season (from 4 September 2016 to 1 October 2016), Mediaset channels achieved audience figures that were superior overall to those of its competitors. In particular, the general interest channels held a share of the commercial target audience equal to 25.7% over the 24-hour period, 26.2% in the Day Time slot and 25.0% in Prime Time. Considering the contribution of semi-generalist and pay channels, total audience share over the 24-hour period came to 33.8%, 34.3% in the Day Time slot and 33.1% in Prime Time.

In **Spain**, the Mediaset Group maintains its leadership in terms of audience figures with a total audience share of 30.5% over the 24-hour period, and a 31.9% share of the commercial target audience. In Prime Time, the Mediaset España Group achieved a 30.5% share of the total audience and 31.3% of the commercial target audience. In the first nine months of 2016, Telecinco reached an audience share of 14.7% over the 24-hour period, with an average of 14.0% with the commercial target audience. At 30 September, Telecinco was once again the undisputed leader of Spanish television, recording its twenty-fifth consecutive month as Spain's most watched channel.

Main financial results

As reported in the section Events after 30 June 2016 of the Half-Year Financial Report, given the interruption of the deal for the sale of Mediaset Premium, which eliminates the likelihood of the sale being realised within twelve months, the financial results of the company have been consolidated and recognised in this Management Interim Statement as "Continuing operations", as they were in the half-year report for 2016 and the interim and annual reports for 2015.

Despite the continuing volatility of international financial markets and a macroeconomic context marked by weak economic growth, in the first nine months of the year revenues in all the Group's business areas recorded strong growth compared with the corresponding period of last year.

Nevertheless, the Group's consolidated earnings for the first nine months were structurally affected by the weaker contribution of third quarter figures, when revenues reach a seasonal low, and by higher costs incurred, compared to the previous year, starting from the third quarter of 2015 for the acquisition of the Italian television broadcasting rights for the 2015–2016 season of major international soccer championships (including exclusive three-year rights to the UEFA Champions League). The availability of such content is fundamental in supporting growth in the customer base and average Premium revenues forecast in company plans.

In the third quarter of the year, these costs began to show substantial alignment with those recorded last year, given the continuity of Premium content offered as of the second half of last year.

Earnings and cash flow for the period were also adversely affected by charges connected with the binding agreement made between Mediaset and Vivendi last 8 April and Mediaset S.p.A.'s due performance of the obligations assumed under that agreement. Totalling EUR 50 million, these charges consisted of accessory costs linked to the deal, the cost of financing agreements and the early closure of credit facilities, and the acquisition of linear Pay TV content that had not been budgeted for but requested by Vivendi during the initial interim management stage.

We report that commencing as of the third quarter of 2016, companies belonging to the RadioMediaset Group (formerly Finelco Group) have been consolidated on a line-by-line basis, whereas they were previously measured with the equity method up until 30 June. The consolidation of these operations, stated by business sector as part of Italy operations under Integrated Television Operations, did not produce any material impact on the income margins for the period.

Finally, income statement data for the first nine months of 2015 have been restated to represent the retroactive effects of the Purchase Price Allocation process for assets acquired and liabilities assumed through the acquisition of the company NewTelTowers S.P.A. The impact of the restatement was to reduce the consolidated net result by EUR 0.2 million compared with the figures published in the Interim Statement at 30 September 2015.

Key consolidated income statement figures for the half-year compared to the corresponding period of the previous year are provided below.

- **Consolidated net revenues** rose sharply to **EUR 2,563.9 million** (+6.2% compared to EUR 2,414.4 million for the same period of 2015);
- **EBITDA** rose to **EUR 892.9 million** from the EUR 871.4 million posted for the first nine months of 2015.
- **EBIT** amounted to **EUR 32.7 million**, compared to EUR 82.4 million for the corresponding period of last year. Operating profitability was 1.3%, compared to 3.4% in 2015;
- **Income from continuing operations, before taxes and minority interests,** dropped to **EUR -45.0 million** from EUR 39.5 million at 30 September 2015. The figure for the first nine months of the year was adversely affected by higher financial charges connected with financing agreements and the early closure of credit facilities linked to the Vivendi agreement and the lower contribution from investees, which in the corresponding period of 2015 were boosted by the major gains realised from disposals made by Mediaset España.
- **Net earnings attributable to the Group** amounted to **EUR -116.6 million**, compared to EUR -36.1 million for the corresponding period of 2015.
- **Consolidated net financial debt** rose from EUR 859.4 million at 31 December 2015 to **EUR 1,123.2 million** at 30 September 2016. The change over the period was driven by investments

totalling EUR 91.4 million made in the first quarter of the year to raise the controlling interest held in Mediaset España, achieved through the completion of the share buyback plan pursued by the company; the financial impacts linked to the acquisition of control of the radio broadcasting operations of RadioMediaset Group (formerly Finelco Group) and their line-by-line consolidation as of 1 July, totalling EUR 75.3 million; the EUR 27.3 million in costs connected with mergers and acquisitions performed by EI Towers Group; and outlays amounting to EUR 106.1 million resulting from the distribution of dividends by Mediaset S.p.A. and Mediaset España. Free cash flow generated by Italy and Spain operations amounted to a positive total of **EUR 69.3 million.**

Breaking down income results by geographical area:

In **Italy**:

- In the first nine months of 2016, **consolidated net revenues** from the Group's Italy operations rose to **EUR 1,853.0 million** from the EUR 1,741.0 million posted for the corresponding period of last year.
- The performance of **advertising revenues** in the third quarter remained substantially in line with 2015, despite the major international sporting events broadcast by our major competitors in July and August (final rounds of the UEFA EURO 2016 championship in the first half of July and the Rio 2016 Olympics in August). Positive growth was instead posted in September, driven by the start of the autumn ratings season, featuring a new and enhanced offering of programmes. ***Gross advertising revenues*** at the end of the nine months for media held under concessions by the Group (relating to free and pay television channels and the amount of sub-concessions on websites due to it) increased by 2.6% compared to 2015. In the same period of 2015, Group advertising revenues posted a much more modest growth of 0.2%.
- **Core Pay TV revenues** from the sale of subscriptions, prepaid cards and revenues from the "Infinity" on-demand service rose by 12.6% to EUR 457.4 million, compared to EUR 406.1 million for the first nine months of 2015. The Group's Pay TV operations, in particular those of the indirect subsidiary Mediaset Premium S.p.A., at the end of the first half (a period of the year that is structurally more stable in terms of subscription trends) posted an economic trend in line with budget forecasts. In the third quarter, this trend was significantly affected by the deadlock in the contractual "interim management" period envisaged under the binding agreement signed on 8 April by Mediaset and Vivendi, after Vivendi, as of mid-June, breached its contractual obligation to authorise and notify company management of key operating decisions. The situation led specifically to delays in the identification and announcement of commercial offers for the 2016/2017 season and this slowed down the process of new customer acquisition, both as concerns offers targeted at digital terrestrial channels and the launch of the new online Premium offer (to be delivered through commercial agreements with Telecom). Moreover, in the first stage of the interim management period, editorial decisions made by Mediaset Premium, shaped by the due performance of Mediaset of the contractual provisions governing interim management and steering decisions made by Vivendi, led to the acquisition of linear content that had not been budgeted for, impacting costs as of the third quarter. Such costs, however, were not predictably offset by a growth in revenues due to the breach (as of mid-June) by Vivendi of contractual obligations concerning interim management provisions. These two elements of interference weakened the entire Pay TV season

underway, as witnessed in the performance of revenues in the third quarter, which grew by 5% compared to 16% in the first half of the year. Nevertheless, advertising revenues continued to show positive growth over the third quarter, while cost savings delivered on budget forecasts in the first half of the year were consolidated.

Since 20 October, when Vivendi notified its withdrawal from the interim management arrangements for the company Mediaset Premium, the company has been managed independently by Mediaset. Going forward, the progressive normalization of this arrangement is expected to enable growth trends in the customer base and revenues, connected with the acquisition of exclusive broadcasting rights to the UEFA Champions League, to be consolidated through new campaigns and initiatives, timed with the all-important group stage of the UEFA Champions League and the Christmas season.

In the 9-month reporting period, the shareholder RTI and the minority shareholder Telefonica approved and signed, in relation to their respective equity interests, **recapitalisation plans** for the company Mediaset Premium, aimed at reintegrating the capital drawn down to cover losses posted for the year 2015 and the first half of 2016 and, more generally, to provide the company with the funding needed to cover the budget forecasts for the company. At the reporting date, new share capital subscribed and paid up (on a pro-rata basis by the two shareholders) totalled EUR 70.9 million, including the relative share premium, and an additional rights issue of EUR 111 million has been approved, to be subscribed and paid up by the end of the year.

Analyses were performed of the main internal and external indicators of the Group's Pay TV assets observable at the reporting date of this Interim Statement. The findings formed the basis, as part of **interim monitoring activities**, for a sensitivity analysis of the most recent plan approved at the time of preparation of the 2015 consolidated financial statements in order to identify any indicators suggesting impairment of the assets, given that their carrying amounts at 30 September, after appreciation and depreciation, proved lower than those recorded at 31 December 2015. The outcome of the analysis confirmed that the value in use of the assets was higher than their carrying amount in all scenarios considered.

As assessment of the recoverable value of the assets will be conducted during the approval process for the annual financial statements, when the additional information necessary for a full evaluation will be available. That information will include:

- Data from the budgeting process for 2017, based on trends in subscription sales in the final quarter of the year, when the Christmas campaign will get underway, the UEFA Champions League will reach its crucial stage and new communication initiatives will be launched;
- The competitive conditions and scenarios for matches scheduled in early 2017, for the assignment of key Premium content for the 2018–2019 season;
- Developments in the reported lawsuits brought by Mediaset against Vivendi.

- **Other revenues from integrated television operations** rose to **EUR 150.2 million** from EUR 126.7 million for the corresponding period of last year. Growth in these revenues was primarily driven by the box-office success of Italian movies distributed by the subsidiary Medusa Film, including *Quo Vado* (produced by the subsidiary Taodue) in the first quarter of the year, and the contribution of radio broadcasting operations, totalling EUR 15.7 million, following the acquisition of the company Monradio (Radio 101) as of 30 September 2015 and the RadioMediaset Group companies consolidated as of the third quarter of 2016.

- **EI Towers** revenues from non-Group customers totalled **EUR 52.4 million**, up from EUR 45.2 million for the corresponding period of 2015; growth in revenues was driven by new corporate acquisitions starting from the second half of last year.
- **Total costs for integrated television operations**, excluding components connected with Premium soccer content, costs connected with the consolidation of radio broadcasting operations not recognised in the first nine months of 2015, accessory costs incurred in relation to the Vivendi agreement and extra-budget costs for Mediaset Premium, connected with the programming requests of Vivendi in the first part of the interim management stage, fell compared to the same period of last year.
- Total **EBIT** from operations in Italy amounted to **EUR -138.0 million** (compared to EUR -48.4 million at 30 September 2015).

In **Spain**:

- **Consolidated net revenues** for the Mediaset España Group at the end of the first nine months of 2016 **amounted to EUR 711.7 million**, showing an increase of 5.5% compared to the corresponding period of the previous year.
- **Gross television advertising revenues** amounted to EUR **693.0 million**, up 5.1% compared to the same period of the previous year. Mediaset España confirmed its leadership position on the TV advertising market, with a 43.8% share. According to the latest figures released by Infoadex, total advertising investments on the Spanish market are up by 3.8%, and the television advertising segment over the first nine months of the year grew by 6.4% year-on-year. This means that the TV advertising market accounts for 51.3% of Spain's advertising market as a whole, again according to Infoadex figures (50.1% for the corresponding period of 2015).
- **Total costs** amounted to **EUR 541.0 million** for the first nine months of 2016, showing a drop of 0.4% compared to last year; the figure was affected by the recognition of costs relating to the broadcasting of major matches from the UEFA EURO 2016 championship during the nine-month reporting period. In the third quarter, costs fell by 3.5% compared to the corresponding period of last year. Comparing the first nine months of 2016 with the same period of 2010, over the past five years, ongoing optimisation policies have resulted in a cumulative reduction of operating costs of EUR 175.6 million (-24.7%), without affecting the quality of the television product offered.
- As a result, **EBIT** came to **EUR 170.7 million**, compared to EUR 131.4 million in the same period of 2015, corresponding to an operating profitability of 24.0% compared to 19.5% for last year.

Subsequent events and business developments at 30 September 2016

On **18 October**, the Court of Cassation, Italy's supreme court, cleared the Chairman and the Deputy Chairman and CEO of Mediaset of charges of tax fraud, overturning the ruling handed down by the Milan Appeals Court last 17 March. The decision to quash the Appeals Court ruling upholds the effectiveness of the first instance decision of the Court of Milan, handed down on 8 July 2014, which acquitted the Chairman and the Deputy Chairman and CEO on the grounds that "no criminal offence was committed".

Consolidated accounting tables

and business segments information

(values in EUR million)

MEDIASET GROUP *Income Statement*	**9M** **2016**	**2015**	**3rd Quarter** **2016**	**2015**
Total consolidated net revenues	**2,563.9**	**2,414.4**	**693.3**	**693.3**
Personnel expenses	390.6	389.7	121.6	120.0
Purchases, services, other costs	1,280.4	1,153.2	393.1	369.0
Operating costs	**1,671.0**	**1,543.0**	**514.7**	**489.0**
EBITDA	**892.9**	**871.4**	**178.7**	**204.3**
Rights amortization	764.0	689.5	214.8	224.8
Other amortization and depreciation	96.3	99.5	28.5	34.2
Amortization and depreciation	**860.2**	**789.0**	**243.3**	**258.9**
EBIT	**32.7**	**82.4**	**(64.6)**	**(54.6)**
Financial income/(losses)	(74.1)	(33.0)	(31.1)	(9.7)
Income/(expenses) from equity investments	(4.8)	14.0	(6.5)	(1.6)
EBT	**(46.1)**	**63.5**	**(102.2)**	**(66.0)**
Income taxes	1.1	(23.9)	24.2	17.0
Net result from continuing operations	**(45.0)**	**39.5**	**(78.0)**	**(49.0)**
Net profit from discontinued operations	-	-	-	-
Minority interests in net result	(71.6)	(75.6)	(10.8)	(11.3)
Group net result	**(116.6)**	**(36.1)**	**(88.8)**	**(60.2)**

(values in EUR million)

MEDIASET GROUP *Balance Sheet Summary*	**30/09/2016**	**31/12/2015**
TV and movie rights	2,011.9	2,205.9
Goodwill	1,047.7	975.1
Other tangible and intangible non current assets	1,178.0	1,166.5
Equity investments and other financial assets	82.0	105.7
Net working capital and other assets/(liabilities)	(411.8)	(556.8)
Post-employment benefit plans	(95.5)	(89.1)
Net invested capital	**3,812.2**	**3,807.1**
Group shareholders' equity	2,099.8	2,293.9
Minority interests	589.2	653.8
Total Shareholders' equity	**2,689.0**	**2,947.8**
Net financial position	**1,123.2**	**859.4**

(values in EUR million)

ITALY Income Statement	9M 2016	9M 2015	3rd Quarter 2016	3rd Quarter 2015
Consolidated net revenues	**1,853.0**	**1,741.0**	**503.3**	**497.3**
Personnel expenses	312.6	311.6	95.5	93.0
Purchases, services, other costs	963.5	833.0	292.7	272.1
Operating costs	**1,276.2**	**1,144.6**	**388.3**	**365.1**
EBITDA	**576.8**	**596.4**	**115.0**	**132.2**
Rights amortization	632.3	558.2	175.6	177.4
Other amortization and depreciation	82.5	86.6	24.6	29.8
Amortization and depreciation	**714.8**	**644.8**	**200.2**	**207.2**
EBIT	**(138.0)**	**(48.4)**	**(85.3)**	**(75.0)**
Financial income/(losses)	(73.4)	(33.0)	(30.8)	(9.4)
Income/(expenses) from equity investments	(3.1)	(1.7)	(3.9)	(1.1)
EBT	**(214.5)**	**(83.1)**	**(119.9)**	**(85.5)**
Income taxes	37.8	9.6	27.8	20.7
Net result from continuing operations	**(176.7)**	**(73.5)**	**(92.1)**	**(64.8)**
Net result from discontinued operations	-	-	-	-
Minority interests in net result	(6.0)	(14.9)	(3.8)	(2.8)
Net result	**(182.8)**	**(88.4)**	**(95.9)**	**(67.6)**

(values in EUR million)

ITALY Revenues *(business segment breakdown)*	**9M 2016**	**9M 2015**	**3rd Quarter 2016**	**3rd Quarter 2015**
Integrated TV Operations	1,800.6	1,695.8	485.8	481.6
EI Towers	188.0	180.1	62.8	60.6
Eliminations	(135.6)	(134.9)	(45.4)	(45.0)
Total	**1,853.0**	**1,741.0**	**503.3**	**497.3**

(values in EUR million)

ITALY Operating Results *(business segment breakdown)*	**9M 2016**	**9M 2015**	**3rd Quarter 2016**	**3rd Quarter 2015**
Integrated TV Operations	(198.7)	(101.6)	(107.0)	(93.9)
EI Towes	60.6	53.2	21.8	53.2
Total	**(138.0)**	**(48.4)**	**(85.3)**	**(40.7)**

(values in EUR million)

ITALY Integrated Television Operations *Income Statement*	**9M 2016**	**9M 2015**	**3rd Quarter 2016**	**3rd Quarter 2015**
Gross advertising revenues	1,397.3	1,362.5	348.5	351.4
Agency discounts	(204.3)	(199.5)	(51.0)	(51.6)
Total net advertising revenues	**1,193.0**	**1,163.0**	**297.5**	**299.8**
Revenues from subscriptions/pre-paid cards	457.4	406.1	148.9	140.7
Other revenues	150.2	126.7	39.4	41.1
Total Revenues	**1,800.6**	**1,695.8**	**485.8**	**481.6**
Personnel expenses	280.8	279.2	85.5	83.4
Operating costs	899.1	769.4	271.8	250.7
TV and movie rights amortisation	632.4	558.2	175.7	177.4
Other amortisation and write-downs	53.7	58.0	15.1	19.9
Inter-segment costs	133.3	132.6	44.7	44.2
Total Costs	**1,999.3**	**1,797.4**	**592.8**	**575.5**
Operating Result	**(198.7)**	**(101.6)**	**(107.0)**	**(93.9)**
% on total revenues	-11.0%	-6.0%	-22.0%	-19.5%

(values in EUR million)

SPAIN Income Statement	9M 2016	9M 2015	3rd Quarter 2016	3rd Quarter 2015
Total consolidated net revenues	**711.7**	**674.7**	**190.1**	**196.1**
Personnel expenses	78.0	78.1	26.1	27.0
Purchases, services, other costs	317.4	320.8	100.3	97.0
Operating costs	**395.4**	**398.9**	**126.4**	**123.9**
EBITDA	**316.3**	**275.7**	**63.7**	**72.2**
Rights amortization	131.8	131.4	39.3	47.4
Other amortization and depreciation	13.8	13.0	3.9	4.4
Amortization and depreciation	**145.6**	**144.3**	**43.2**	**51.8**
EBIT	**170.7**	**131.4**	**20.5**	**20.4**
Financial income/(losses)	(0.7)	(0.0)	(0.3)	(0.3)
Income/(expenses) from equity investments	(1.7)	15.7	(2.6)	(0.5)
EBT	**168.3**	**147.2**	**17.6**	**19.7**
Income taxes	(36.7)	(33.6)	(3.6)	(3.7)
Net profit from continuing operations	**131.6**	**113.6**	**14.1**	**16.0**
Net profit from discontinued operations	-	-	-	-
Minority interests in net profit	0.2	0.2	0.1	0.0
Net profit	**131.8**	**113.8**	**14.1**	**16.0**

(values in EUR million)

SPAIN Consolidated Revenues	9M	9M	3rd Quarter	3rd Quarter
Gross advertising revenues	**693.0**	**659.2**	**185.0**	**186.0**
Agency discounts	(25.9)	(24.8)	(7.0)	(5.5)
Net advertising revenues	**667.1**	**634.5**	**178.0**	**180.5**
Other revenues	44.6	40.2	12.1	15.6
Total net consolidated revenues	**711.7**	**674.7**	**190.1**	**196.1**

(values in EUR million)

Cash Flow Statement (geographical breakdown) as at 30 September	Italy 2016	Italy 2015	Spain 2016	Spain 2015
Net Financial Position at the beginning of the year	**(1,051.8)**	**(1,127.0)**	**192.4**	**265.7**
Free Cash Flow	**(115.1)**	**123.5**	**184.4**	**153.0**
Cash Flow from operating activities (*)	583.2	578.7	299.9	278.7
Investments in fixed assets	(473.8)	(442.8)	(158.6)	(150.3)
Disposals of fixed assets	1.5	0.2	0.6	0.2
Changes in net working capital and other current assets/liabilities	(225.9)	(12.5)	42.5	24.4
Change in the consolidation perimeter	(102.5)	(54.7)	-	-
Own share's sell/buyback	(2.2)	-	(91.4)	(170.3)
Equity investments/Invesment in other financial assets	(32.1)	69.1	(1.3)	2.7
Cashed-in dividends	84.7	22.4	1.7	2.1
Dividends paid	(22.7)	(41.3)	(167.4)	(47.5)
Financial Surplus/(Deficit)	**(189.8)**	**119.0**	**(74.0)**	**(60.0)**
Net Financial Position at the end of the period	**(1,241.6)**	**(1,008.0)**	**118.4**	**205.7**

(*): Net profit +/- minority interests + amortisations +/- net provisions +/- valuation of investments recorded using the net equity method +changes in valuation reserves - gains/losses on equity investments

Company Executive Responsible Declaration

The Company Executive responsible for the preparation of the company accounting documents of Mediaset S.p.A., Luca Marconcini, herewith declares, pursuant to paragraph 2, article 154, second part, of the Consolidated Finance Act that the accounting information contained in this document corresponds to the contents of accounting documents, books and postings of the company.

for the Board of Directors
the Chairman