



vocento

RESULTS FOR 9M18

14 November 2018

MAIN HIGHLIGHTS OF 9M18

REVENUES

- **Advertising revenues 9M18 -2.9%; reflection of** a weak advertising market(-0.4%) and base effect in 9M17 derived from the XV Anniversary
- **Resilience of local offline advertising at VOCENTO** +0.2%
- **Growth in online advertising**, especially at local +19.4%
- **Gradual improvement of advertising performance of ABC.es** (1H18 +0%, 9M18 +5% and 2018E +15%)

PROFITABILITY

- Continued **cost efficiency**: comparable costs 9M18 -3.2%
- **Higher margins at print plants**(€+1.2m), thanks among others to the deal with PRISA, **offset the fall in the margin on circulation** of €-1.1m
- **Comparable EBITDA 9M18 €24.9m** down €-1.8m from 9M17 **impacted by fall in advertising**

CASH GENERATION

- **Net financial debt/comparable LTM EBITDA 0.8x**. NFD at €-37.9m, improving +32.6% from the end of 2017
- **Positive ordinary cashflow of €24.8m**; more than offsets compensation payments and other extraordinaries

FUTURE DIGITAL GROWTH AND DIVERSIFICATION

- **Agreement with PRISA** to create a **platform for programmatic advertising**
- **New campaign** for **ON+** subscription at El Correo.com. In total, ON+ serves 19,000 subscribers
- **Continued development at Gastronomy** (acquisition of Grupo Gsr, internationalisation with MF Bogota)

AGREEMENT WITH PRISA FOR PROGRAMMATIC ADVERTISING

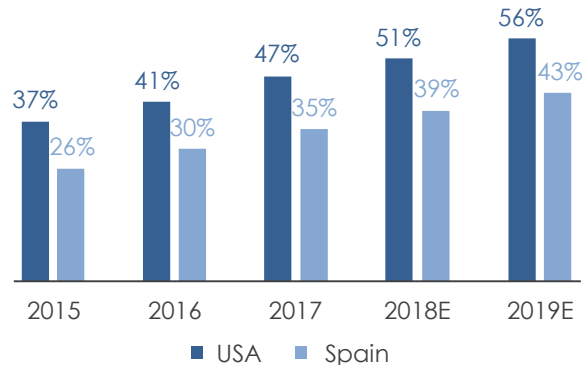
Description of the deal

- VOC and PRISA agree to create a platform providing coordinated programmatic advertising
- Project open to other publishers
- Launch of operations set for 1Q19
- Similar cases in the UK (Ozone) and France (Skyline)

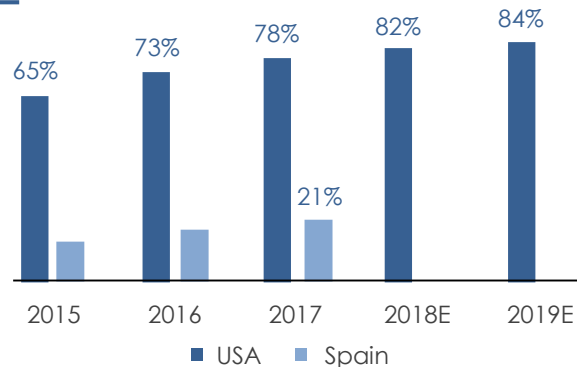
Rationale for the deal

- Quality data
- Increased volume
- Combining audiences increases return for advertiser
- Offer of new markets

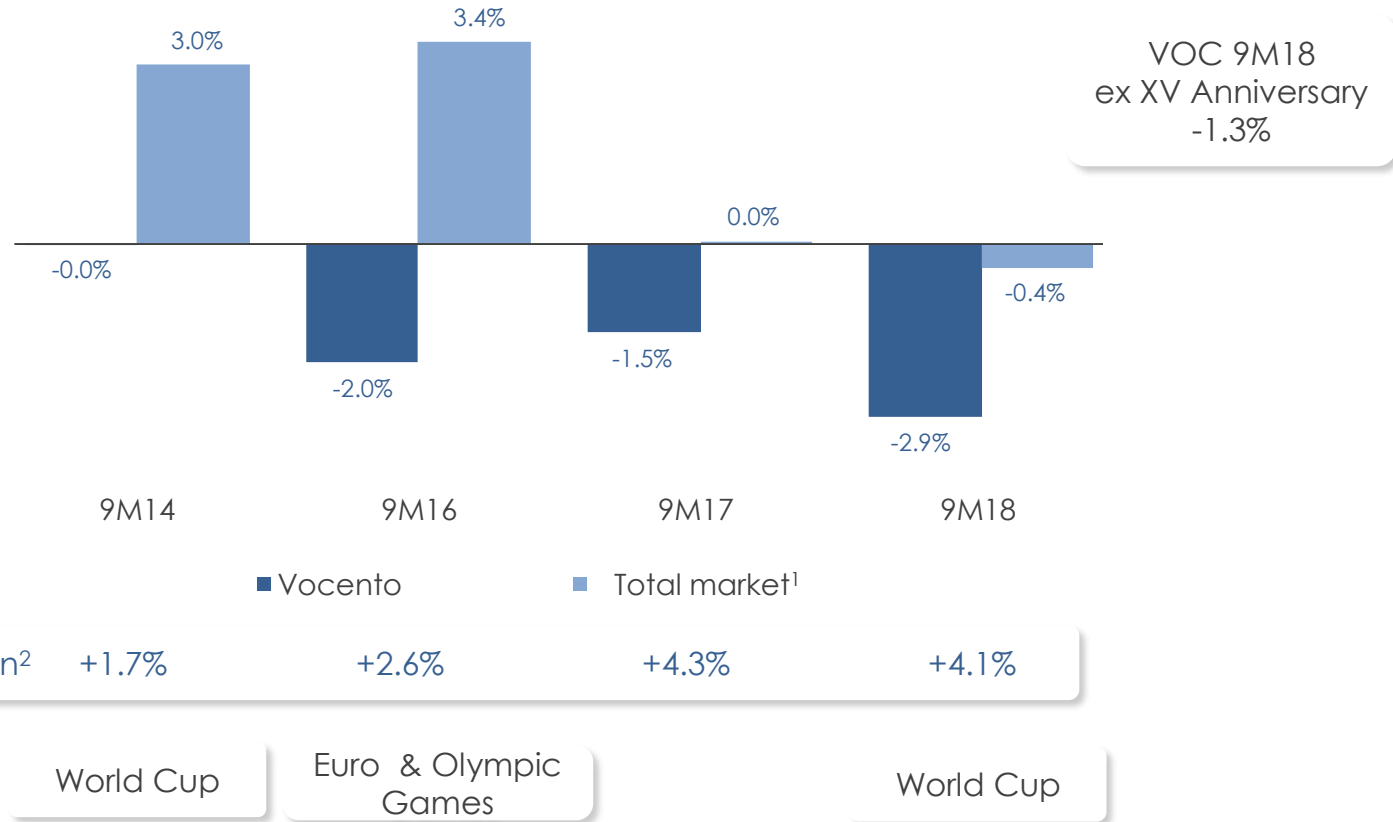
Weight of digital advertising in total¹



Weight of programmatic advertising to display²



A STAGNANT ADVERTISING MARKET

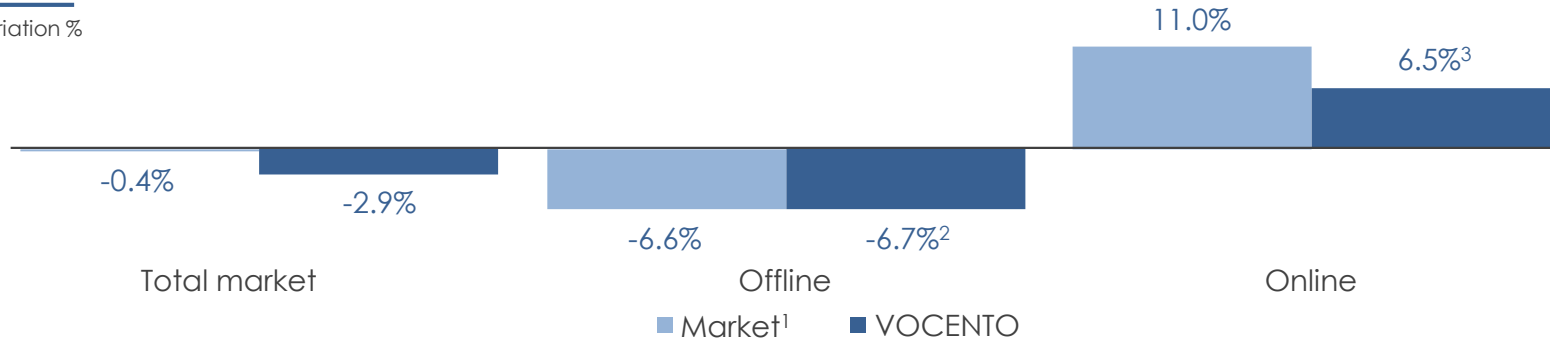


Note 1: market source i2p excluding social media. Note 2: source INE. Gross nominal data.

LOCAL OUTPERFORMS NATIONAL ADVERTISING

VOCENTO brands maintain market share offline

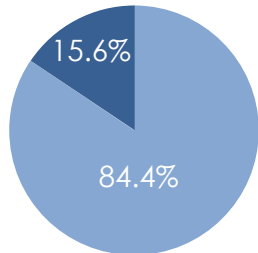
YoY variation %



Local advertising stable at VOCENTO

Composition of advertising revenues⁴ % and €m

Local €61.4m (**56.6%** of total)



Var. % ex XV Anniversary

Local advertising revenues

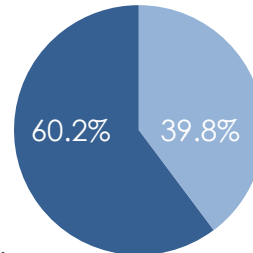
9M18 +2.8%

Offline +0.2%

Online +19.4%

■ Offline ■ Online

National €47.1m (**43.4%** of total)



Var. % ex XV Anniversary

National advertising revenues

9M18 -6.3%

Online +5.5%

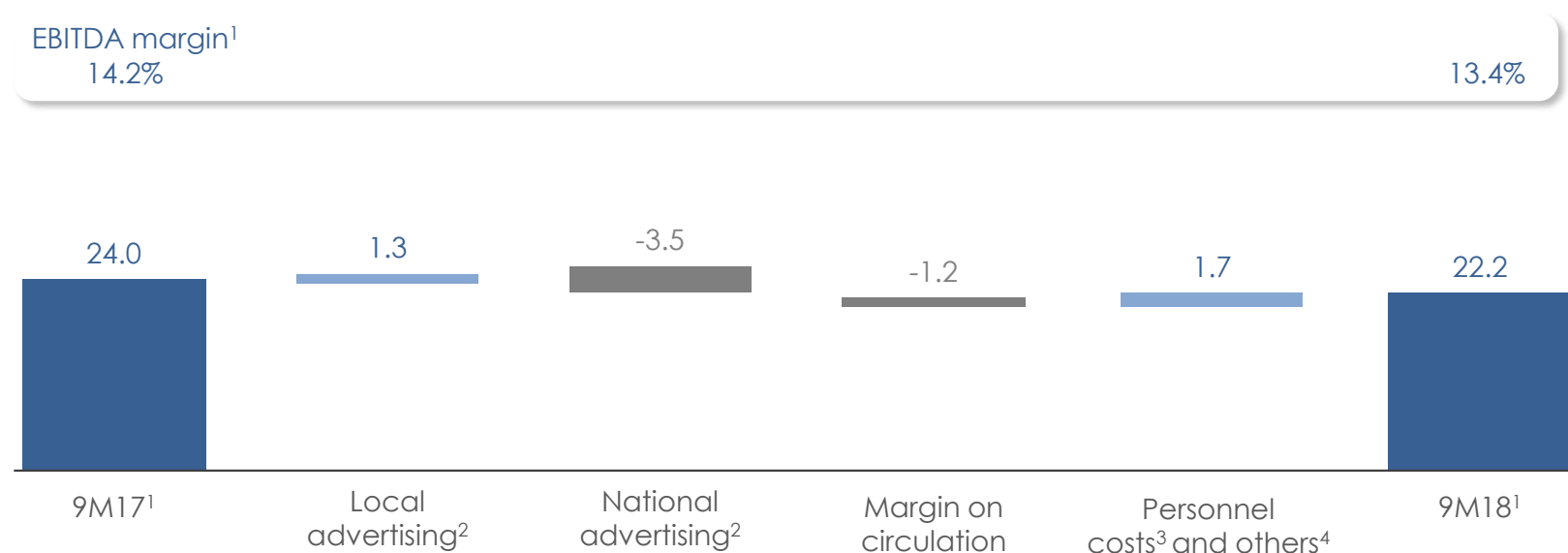
Offline -19.9%

Note 1: market source i2p excluding social media. Note 2: Vocento Regional Press brands and ABC. Note 3: Vocento local portal brands, ABC.es and Classifieds. Note 4: net advertising. Excluding Audiovisual, sales companies and eliminations.

REGIONAL: EBITDA IMPACTED BY NATIONAL ADVERTISING

Comparable EBITDA at Regional

Variation 9M17 vs 9M18 except comparable EBITDA €m and comparable EBITDA margin %

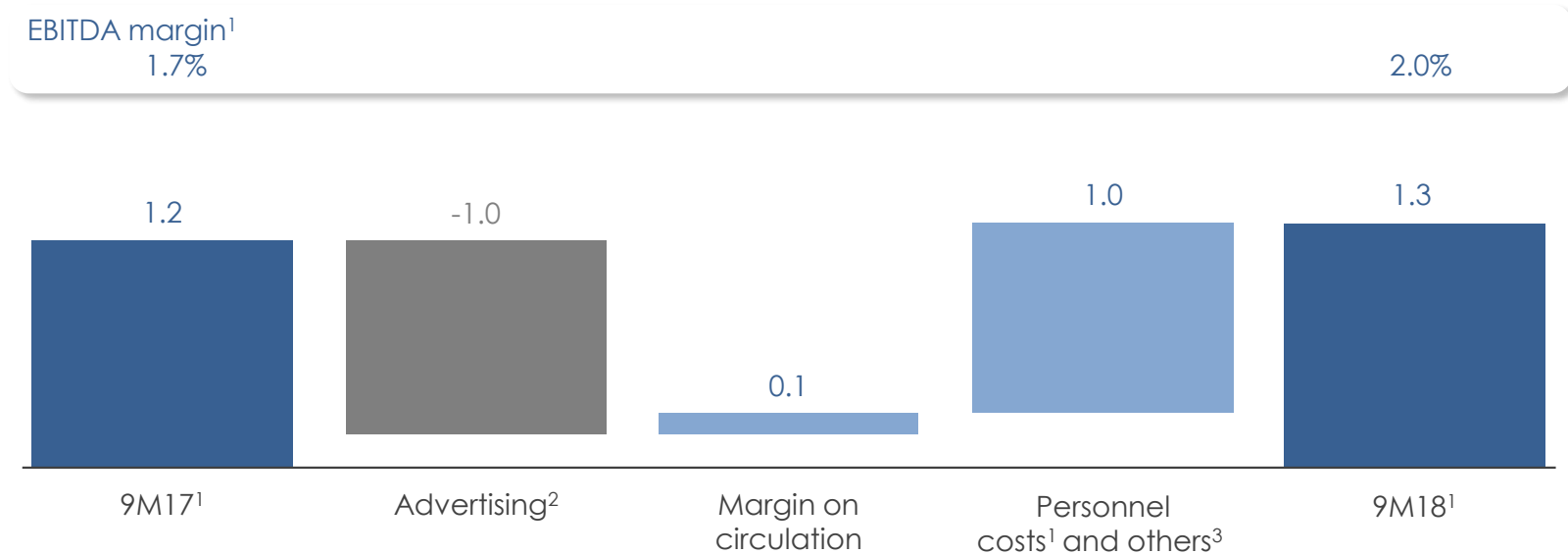


Note 1: excluding adjustment measures and one-offs 9M17 €-4.9m and 9M18 €-3.2m. Note 2: print and digital. Note 3: excluding adjustment measures 9M17 €-4.8m and 9M18 €-3.2m. Note 4: others including margin on promotions, print plant margins, commercial expenses and other fixed costs.

ABC IMPROVES PROFITABILITY

Comparable EBITDA of ABC

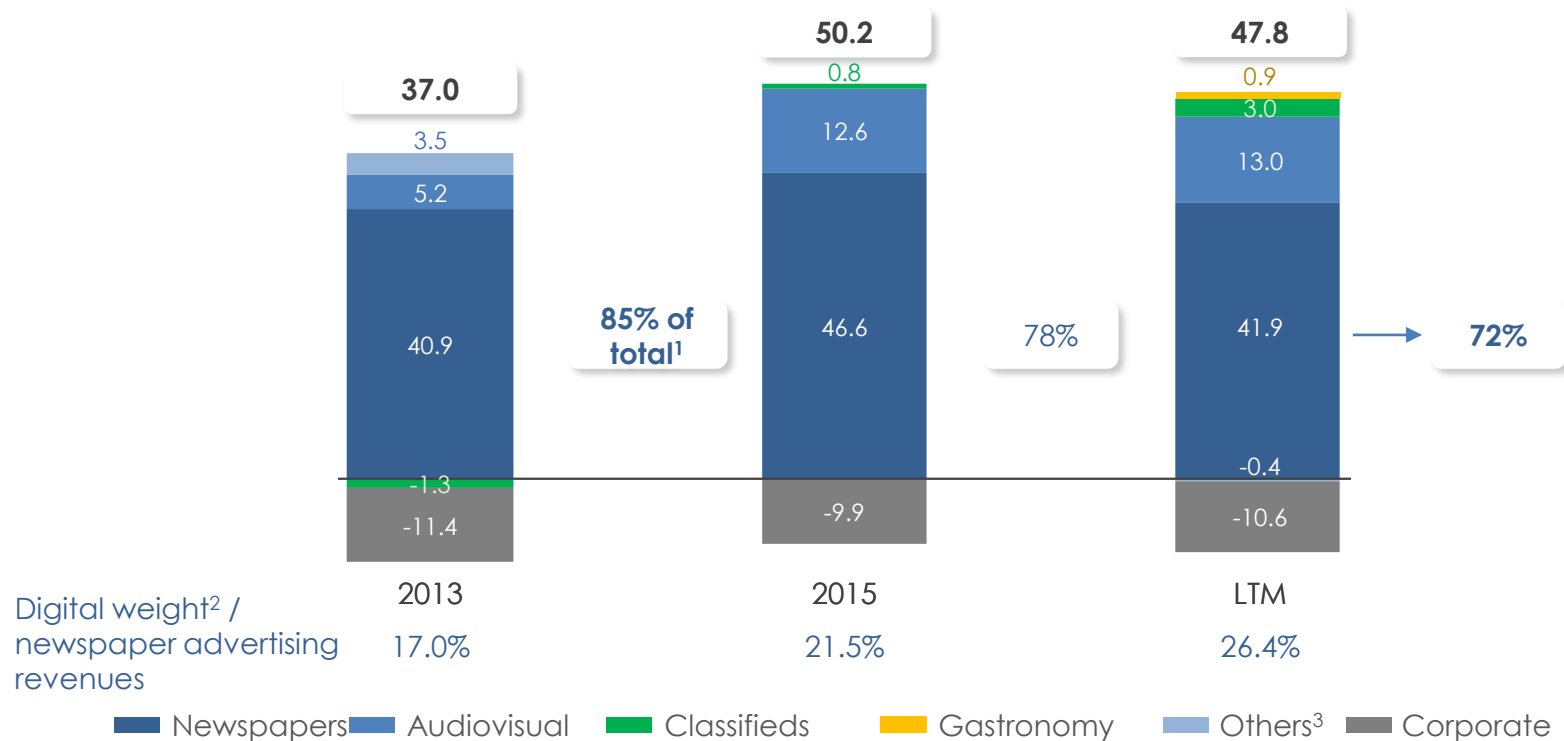
Variation 9M17 vs 9M18 except comparable EBITDA €m and comparable EBITDA margin %



Note 1: excluding adjustment measures 9M17 €-3.9m and 9M18 €-1.8m. Note 2: print and digital. Note 3: others includes margin on promotions, print plant margin, commercial expenses and other fixed costs.

GRADUAL CHANGE IN WEIGHT OF THE BUSINESSES

Performance of comparable EBITDA by business

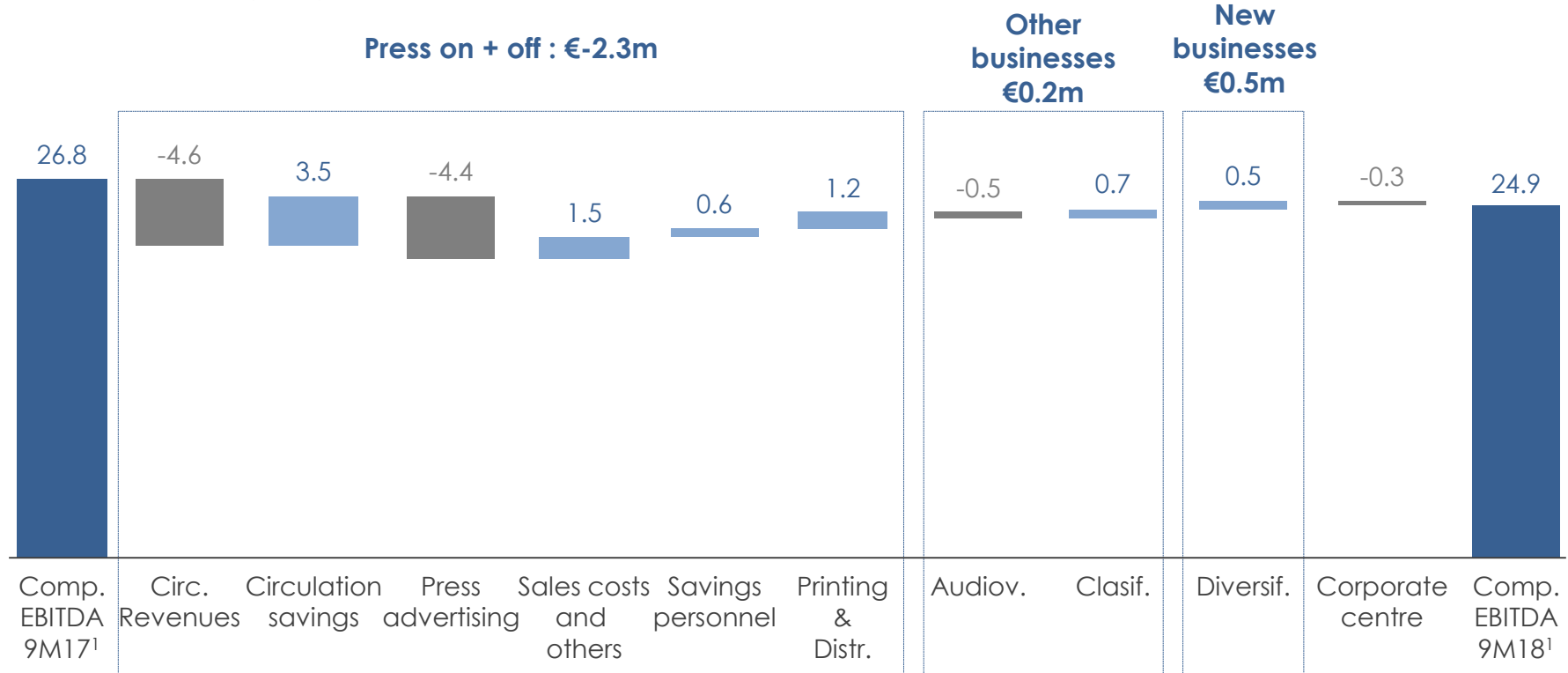


Note 1: weight of Newspapers excluding Corporate. Note 2: includes advertising and e-commerce revenues. Note 3: in 2013 Others included Sarnet, which was sold in 2014. In 2018 it includes Factor Moka.

IMPACT OF FALL IN ADVERTISING ON EBITDA

Comparable EBITDA, VOCENTO

Variation 9M17 vs 9M18 except comparable EBITDA €m

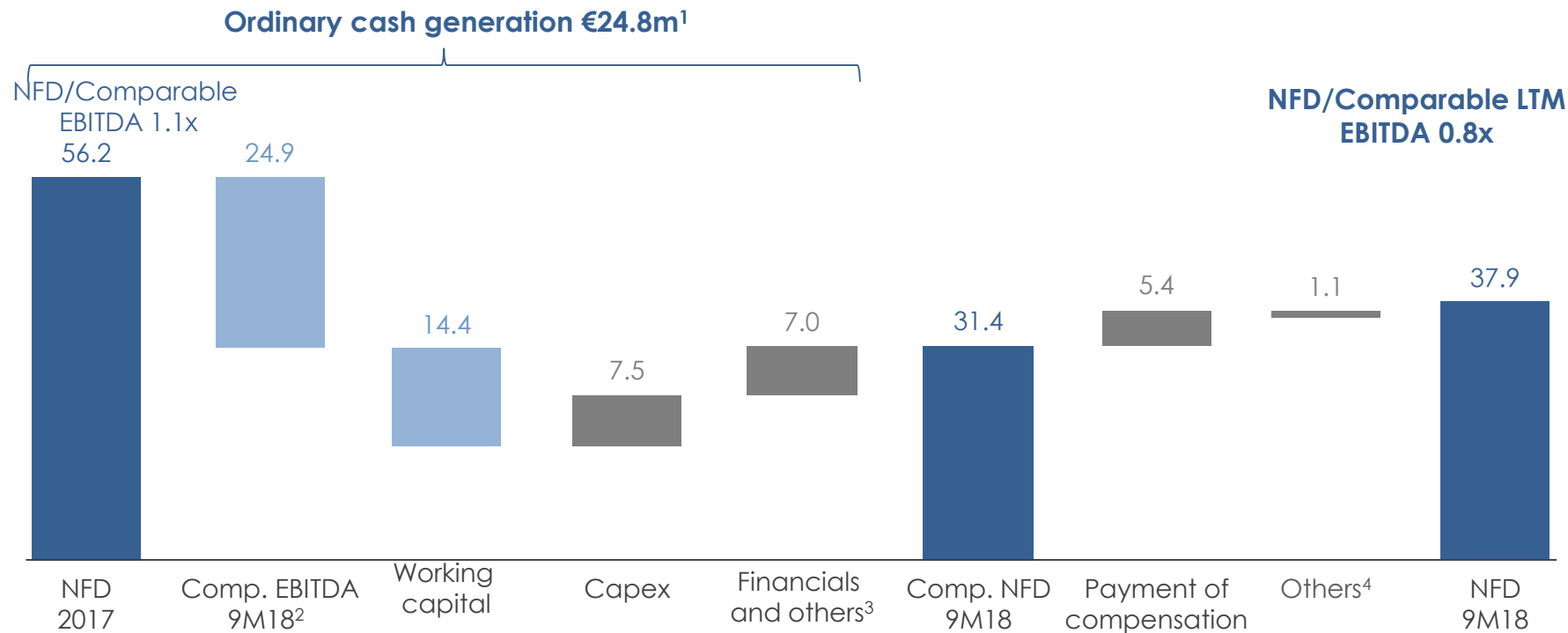


Note 1: excluding personnel adjustment measures and one-offs 9M17 €-10.4m and 9M18 €-5.3m.

ORDINARY CASH GENERATION REDUCES LEVERAGE

Performance of net financial debt of VOCENTO

€m



Note 1: including financial expenses and dividends of subsidiaries. Note 2: excluding personnel adjustment measures 9M18 €-5.3m. Note 3: including net financial expenses, dividends to minority interest and taxes. Note 4: includes among others in 9M18 payments related to the acquisition of Madrid Fusión and the put options at Las Provincias and real estate sales.

CONSOLIDATED P&L

IFRS
€m

| | 9M18 | 9M17 (IFRS15) | Var% | 9M17 |
|---|-------------|------------------|--------------|-------------|
| Operating revenues | 277.5 | 287.8 | -3.6% | 309.2 |
| Comparable operating expenses ex. depreciation ¹ | -252.6 | -261.0 | 3.2% | -282.5 |
| Comparable EBITDA¹ | 24.9 | 26.8 | -6.9% | 26.8 |
| Personnel adjustment measures and one-offs | -5.3 | -10.4 | 48.7% | -10.4 |
| EBITDA | 19.6 | 16.4 | 19.8% | 16.4 |
| EBIT | 9.4 | -1.1 | n.r. | -1.1 |
| Financial result and others | -2.8 | -3.6 | 22.4% | -3.6 |
| PTP | 5.6 | -2.6 | n.r. | -2.6 |
| Corporation tax | -2.6 | 2.1 | n.r. | 2.1 |
| Minority interest | -4.3 | -4.3 | 0.4% | -4.3 |
| Result attributable to Parent Company | -1.4 | -4.8 | 70.8% | -4.8 |

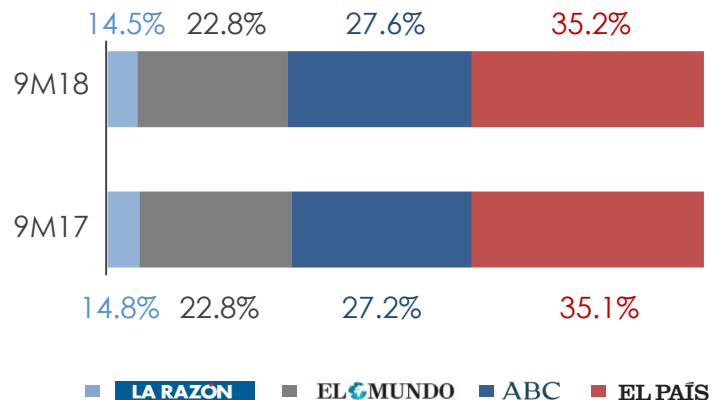
Note 1: excluding personnel adjustment measures and one-offs 9M17 €-10.4m and 9M18 €-5.3m. Not full P&L.

APPENDICES

ABC STRENGTHENS POSITION IN MADRID AND ONLINE

Share of ordinary circulation in Madrid

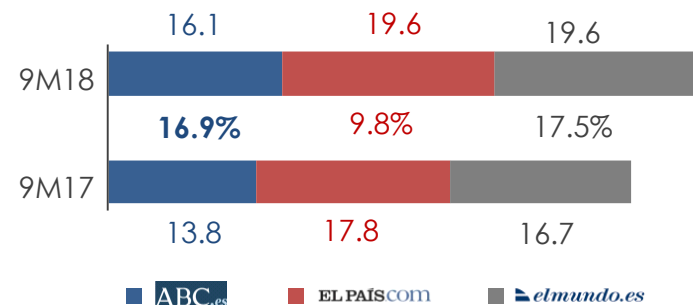
Share %



Source: OJD. 9M18 data not certified.

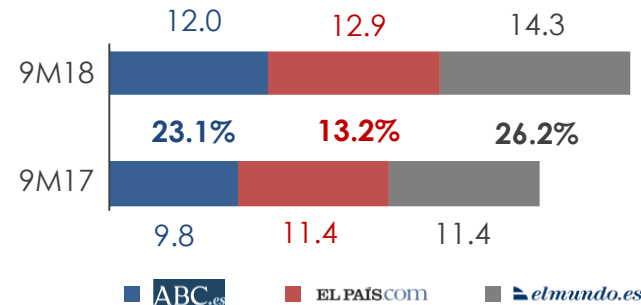
Total online readership

Million unique monthly users



Exclusively mobile readers

Million unique monthly users

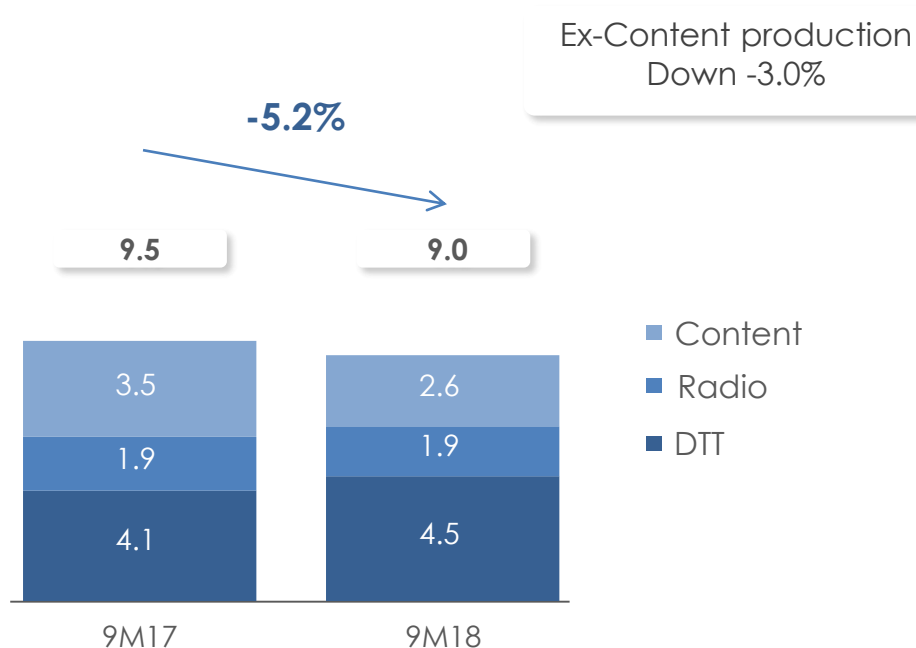


Source: comScore.

AUDIOVISUAL: DECREASE DUE TO CONTENT

Comparable EBITDA¹ at Audiovisual

€m



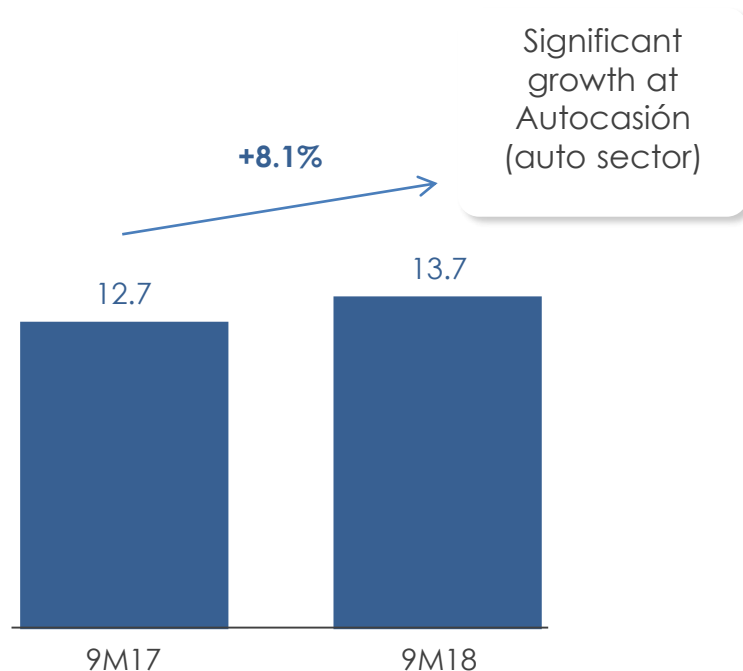
- Content business production now equity-accounted
- Lower profitability of film distribution
- Radio and DTT maintain profitability

Note 1: excluding personnel adjustment measures 9M17 €-0.2m.

ADVERTISING GROWTH AT CLASSIFIEDS

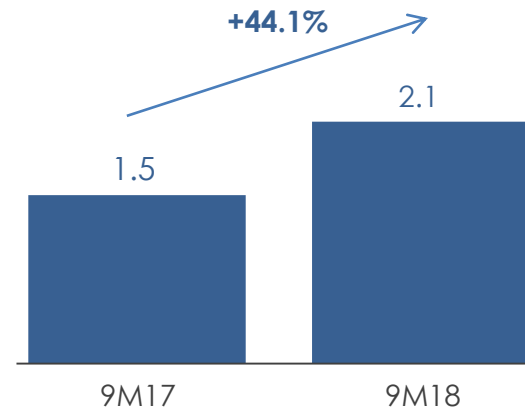
Advertising performance

€m



Performance of comparable EBITDA

€m



CONSOLIDATED BALANCE SHEET

IFRS
€m

| | 9M18 | 2017 |
|-----------------------------------|--------------|--------------|
| Non-current assets | 321.2 | 330.9 |
| Current assets | 111.9 | 136.3 |
| Assets held for sale | 0.4 | 0.5 |
| Total assets | 433.5 | 467.7 |
| Equity | 248.7 | 252.0 |
| Financial debt | 60.2 | 79.6 |
| Other non-current liabilities | 32.0 | 38.9 |
| Other current liabilities | 92.5 | 97.2 |
| Total liabilities + equity | 433.5 | 467.7 |
| Net financial debt | 37.9 | 56.2 |

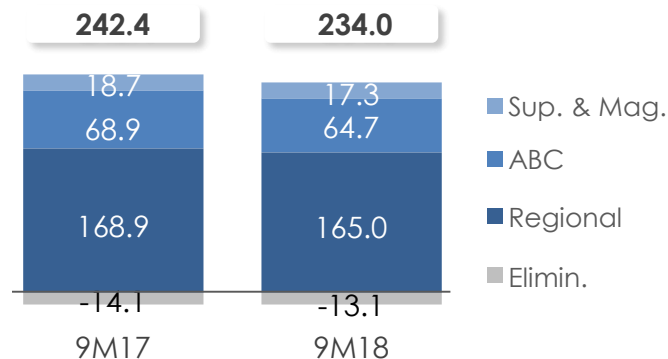
VARIATION IN NET FINANCIAL DEBT 9M18

| IFRS €m | 9M18 | 9M17 |
|--|-------------|-------------|
| Comparable EBITDA ¹ | 24.9 | 26.8 |
| Variation in working capital | 14.4 | -0.2 |
| Capex | -7.5 | -6.0 |
| Other items | 1.9 | 5.0 |
| Cash flow from recurring activities | 33.7 | 25.6 |
| Dividends and interest received | 0.3 | 0.3 |
| Dividends and interest paid ³ | -9.2 | -8.4 |
| Total ordinary cash flow | 24.8 | 17.5 |
| Payment for adjustment measures | -5.4 | -9.6 |
| Sum of non-recurring items with impact on cash flow ⁴ | -1.1 | -3.4 |
| Change to net financial debt | 18.3 | 4.5 |
| Net financial debt | 37.9 | 61.9 |

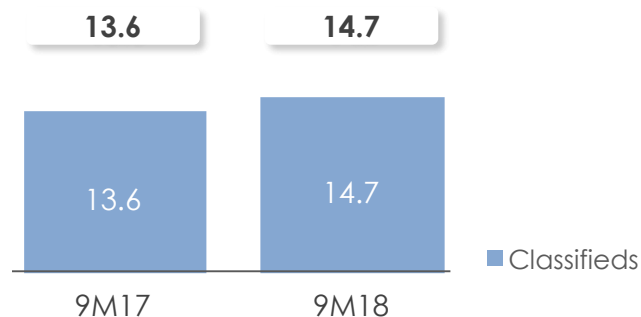
Note 1: excluding personnel adjustment measures 9M18 €-5.4m. Note 2: including anticipated income, tax on capital gains, payment for withholding interest and others. Note 3: dividends to subsidiaries with minority interest and interest payments. Note 4: includes among others in 9M18 a deferred payment for the acquisition of Madrid Fusión, a payment related to put options at Las Provincias and real estate sales.

REVENUES BY BUSINESS

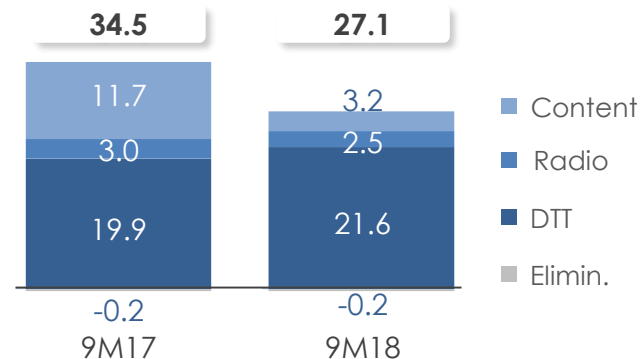
Newspapers (€m)



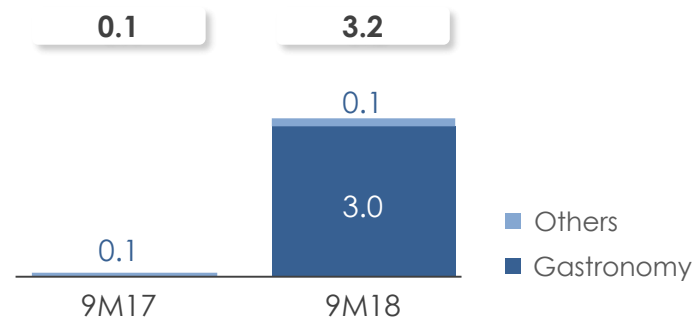
Classifieds (€m)



Audiovisual (€m)

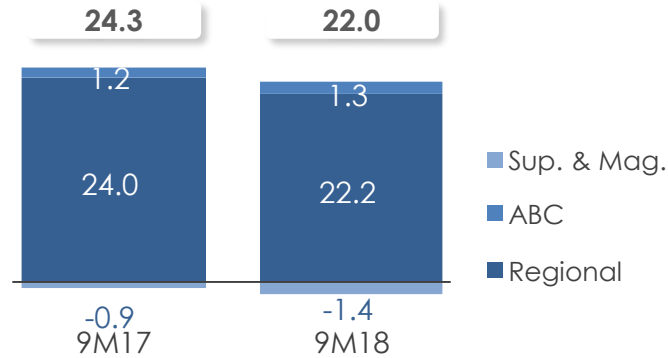


Gastronomy and others (€m)

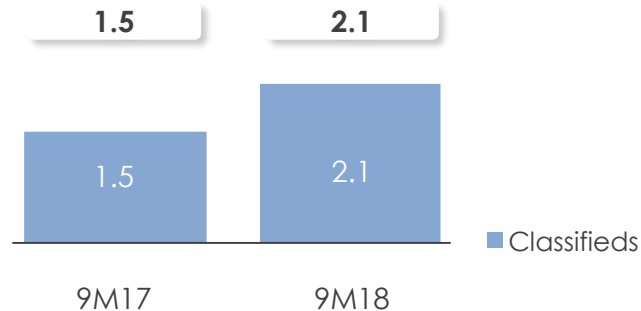


COMPARABLE EBITDA¹ BY BUSINESS

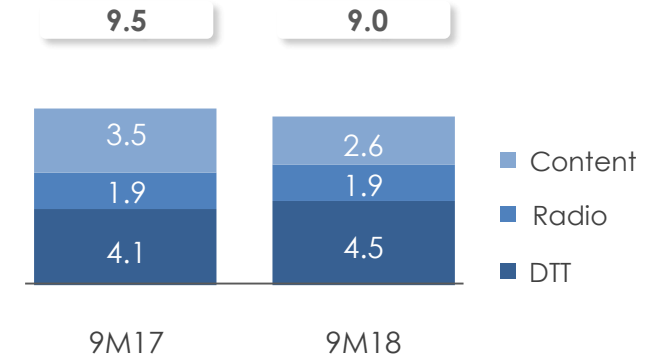
Newspapers (€m)



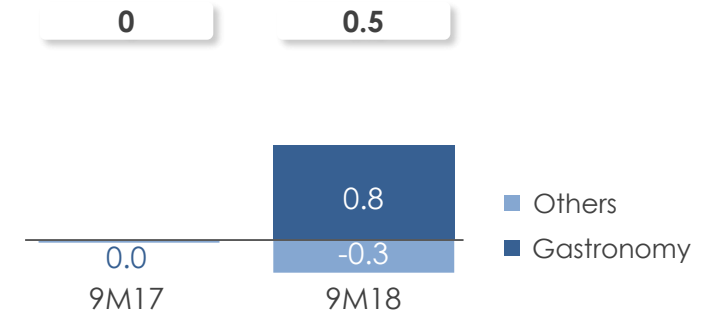
Classifieds (€m)



Audiovisual (€m)



Gastronomy and Others (€m)



Note 1: excluding personnel adjustment measures and one-offs Newspapers 9M17 €-9.1m and 9M18 €-5.0m and Audiovisual 9M17 €-0.2m

ALTERNATIVE PERFORMANCE MEASURES (APMs)

The definitions and calculation of Alternative Performance Measures (APM) have not changed since the publication of the results for 1H 2018.

The 9M18 results report includes, as well as the definitions and calculation methods for the APMs, the new calculations made for 9M18

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ABC

EL CORREO

EL DIARIO VASCO

EL DIARIO
MONTAÑÉS

LA VERDAD

IDEAL

HOY

SUR

LA RIOJA

El Norte de Castilla

EL COMERCIO

LAS PROVINCIAS

LA VOZ
DE CÁDIZ

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