

vocento

vocento

Results for January-June 2021

27 JULY **2021**

PERFORMANCE OF VOCENTO BUSINESSES

VOCENTO is a multimedia group, whose parent company is VOCENTO, S.A. It is dedicated to the various areas that comprise the media sector. For the organisation of management information, a number of business lines have been defined. Reports to the market are based on this organization of information, which covers all the businesses in which VOCENTO is present, assigned to their respective business segments.

NEWSPAPERS (offline and online)				
REGIONALS		ABC	SUPPLEMENTS	
<ul style="list-style-type: none"> ▪ El Correo ▪ La Verdad ▪ El Diario Vasco ▪ El Norte de Castilla ▪ El Diario Montañés ▪ Ideal ▪ Sur ▪ Las Provincias 	<ul style="list-style-type: none"> ▪ El Comercio ▪ Hoy ▪ La Rioja ▪ Regional printing plants ▪ Regional distribution (Beralán) ▪ News agency (Colpisa) ▪ Regional sales companies ▪ Other regional companies 	<ul style="list-style-type: none"> ▪ ABC ▪ National printing plant 	<ul style="list-style-type: none"> ▪ XL Semanal ▪ Mujer Hoy ▪ Mujerhoy.com ▪ Women Now ▪ Turium 	
AUDIOVISUAL			CLASSIFIEDS	GASTRONOMY & AGENCIES
DTT	RADIO	CONTENTS		
<ul style="list-style-type: none"> ▪ National DTT - Net TV 	<ul style="list-style-type: none"> ▪ Analog radio licenses ▪ Digital radio licenses 	<ul style="list-style-type: none"> ▪ Veralia distribution 	<ul style="list-style-type: none"> ▪ Pisos.com ▪ Sumauto 	<ul style="list-style-type: none"> ▪ Madrid Fusión ▪ Gastronomika ▪ Mercat de mercats ▪ Tango ▪ Pro Agency ▪ Mateo & Co

IMPORTANT NOTE

To facilitate the analysis of financial information and understand the organic performance of the Company, it is always indicated in this report when operating expenses, EBITDA, the net result or financial debt are affected by non-recurring or extraordinary items, including adjustments to the workforce. Further details about these adjustments can be found in Appendix I at the end of this document: Alternative Performance Measures.

Furthermore, while it is standard to compare the information from 1H21 with that of the prior year, in this report we have decided that it is more helpful to compare the period with the performance in 1H19.

Main highlights of the financial performance of the businesses in 1H21

Strategic continuity, with digital area strengthened and recovery of events

Digital growth, steady recovery of advertising

Solid progress towards the target of returning to EBITDA levels of 2019

Major reduction in debt, sale of non-strategic assets and strategic investment in leads

▪ Improving revenue trend in 2Q21

- i. VOCENTO advertising revenues increased by +25.1% in 2Q21 vs 2Q20. Although advertising revenues were -14.1% lower than in 2Q19, the trend has improved from a fall of -22.6% in 1Q21. VOCENTO has continued to make market share gains (VOC 1H21 -18.1% vs -19.2% for the market, according to i2p and excluding social media and search).
- ii. Digital advertising revenues now represent more than half of total VOCENTO advertising revenues (50.5% in 1H21, including e-commerce revenues).
- iii. Online advertising increased by +20.9% in 1H21 vs 1H20, with an increase of +44.5% in 2Q21, returning to pre-Covid levels.
- iv. There was a +25% increase in paying digital subscribers to reach 78k in June 2021. Total subscribers increased to 92k, close to the 100k target set for December 2021.

▪ Protection of profitability

- i. The margin on readers (i.e. the margin on circulation revenues and digital subscriptions) increased by +2,813 thousand euros from 1H20 to 1H21.
- ii. Salary reviews have been concluded which allow the cost structure to be adapted to the current level of business.
- iii. EBITDA in 1H21 increased by +9,385 thousand euros from 1H20 to 15,959 thousand euros, including 4,326 thousand euros of compensation payments in 1H20.

▪ Reduction of NFD, increased cash generation, strategic acquisition in leads

- i. Generation of ordinary cash flow of 14,977 thousand euros in 1H21, from 6,647 thousand euros in 1H20.
- ii. Divestments of real estate belonging to El Diario Vasco and of a 45% stake in Izen generated a cash entry in 1H21 of 27,624 thousand euros.
- iii. NFD ex IFRS 16 is -17,121 thousand euros in 1H21 vs -46,590 thousand euros in 2020. NFD/EBITDA LTM ex IFRS 16 is 0.5x. NFD stands at -36,841 thousand euros.
- iv. Acquisition in 3Q21 of Premium Leads, reinforcing the group's digital commercial positioning.

Main financial data

Consolidated profit and loss account

IFRS Thousand euros	1H21	1H20	Var Abs	Var %
Circulation revenues	57,348	59,184	(1,836)	(3.1%)
Advertising revenues	68,965	65,192	3,772	5.8%
Other revenues	42,261	39,319	2,942	7.5%
Total revenue	168,574	163,696	4,878	3.0%
Staff costs	(72,343)	(72,470)	127	0.2%
Procurements	(12,455)	(13,232)	777	5.9%
External Services	(66,738)	(70,377)	3,639	5.2%
Provisions	(1,078)	(1,043)	(36)	(3.4%)
Operating expenses (without D&A)	(152,615)	(157,122)	4,507	2.9%
EBITDA	15,959	6,574	9,385	n.r.
Depreciation and amortization	(9,839)	(9,771)	(68)	(0.7%)
Impairment/gains on disposal of tan. & intan. assets	10,699	56	10,643	n.r.
EBIT	16,819	(3,140)	19,960	n.r.
Impairments/reversal of other intangible assets	(1,000)	(4,007)	3,007	75.0%
Profit of companies acc. equity method	(207)	346	(554)	n.r.
Net financial income	(1,173)	(1,326)	153	11.5%
Net income from disposal of non-current assets	(922)	(218)	(704)	n.r.
Profit before taxes	13,516	(8,346)	21,862	n.r.
Corporation tax	(3,269)	(759)	(2,510)	n.r.
Net profit for the year	10,247	(9,105)	19,352	n.r.
Minority interests	(4,600)	(2,071)	(2,529)	n.r.
Net profit attributable to the parent	5,648	(11,176)	16,823	n.r.
Staff costs ex non recurring costs	(72,343)	(68,144)	(4,199)	(6.2%)
Operating Expenses ex non recurring costs	(152,615)	(152,796)	182	0.1%
Comparable EBITDA	15,959	10,900	5,060	46.4%

Note: figures are rounded to the nearest thousand euro.

Operating revenues

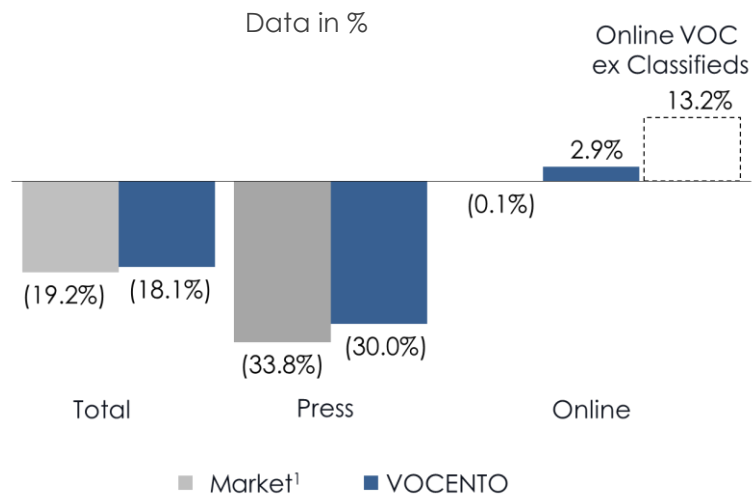
In 1H21, total revenues increased by +3.0% from 1H20 to stand at 168,574 thousand euros.

By type of revenue:

- i. [Circulation revenues](#) decreased by -3.1%. The quarterly performance was positive, from down -7.4% in 1Q21 to +1.7% in 2Q21. The total number of digital subscribers increased by +25% to 78k in June, with 57k at the Regional press (ON+ and KyM) and 21k at ABC (ABC Premium and KyM). The total number of subscribers is 92k, close to the 100k target set for December 2021.
- ii. [Advertising revenues](#) increased by +5.8%, with a recovery in 2Q21 of +25.1% following a fall of -11.3% in 1Q21.

Comparing 1H21 with 1H19, VOCENTO's brands outperformed the market both in print advertising (-30.0% vs. -33.8%) and online advertising (+2.9% vs. -0.1%).

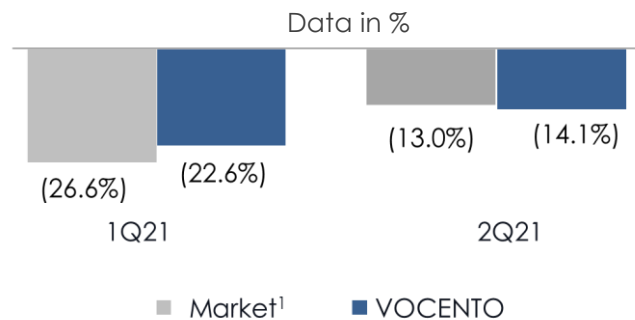
Advertising performance, VOCENTO vs. the market 1H21 vs 1H19



Note 1: source i2p ex social media and search. Data from release of 16 July.

On a quarterly basis, a steady reduction in the rate of decline can be observed.

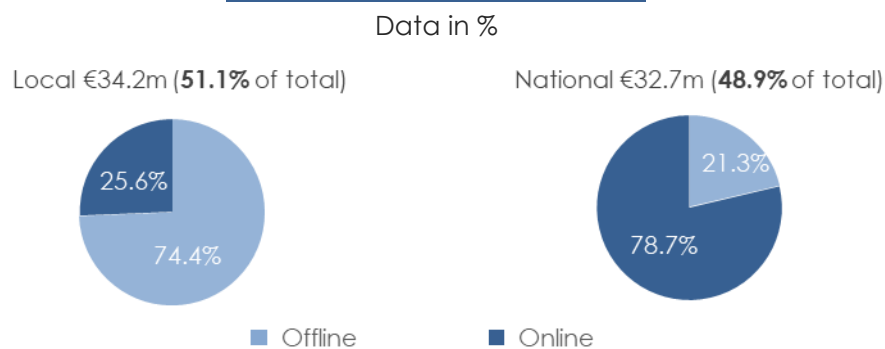
Quarterly advertising performance, VOCENTO vs the market 1H21 vs 1H19



Note 1: source i2p ex social media and search. Data from release of 16 July.

In terms of the performance of local and national advertising, following the increase in both segments in the last quarter, local advertising was flat in 1H21 (-0.7%), while national advertising increased by +14.8%, reflecting the higher weight of digital advertising.

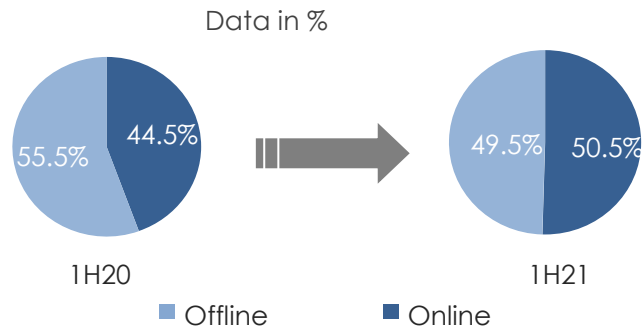
National advertising vs. local¹



Note 1: net advertising. Not including Audiovisual, sales companies or eliminations.

Including not only digital advertising revenues but also e-commerce revenues booked within other revenues, the total digital contribution to advertising increased by +6.0 p.p. from 1H20, to stand at 50.5%.

Changing profile of revenues from advertising and new digital businesses



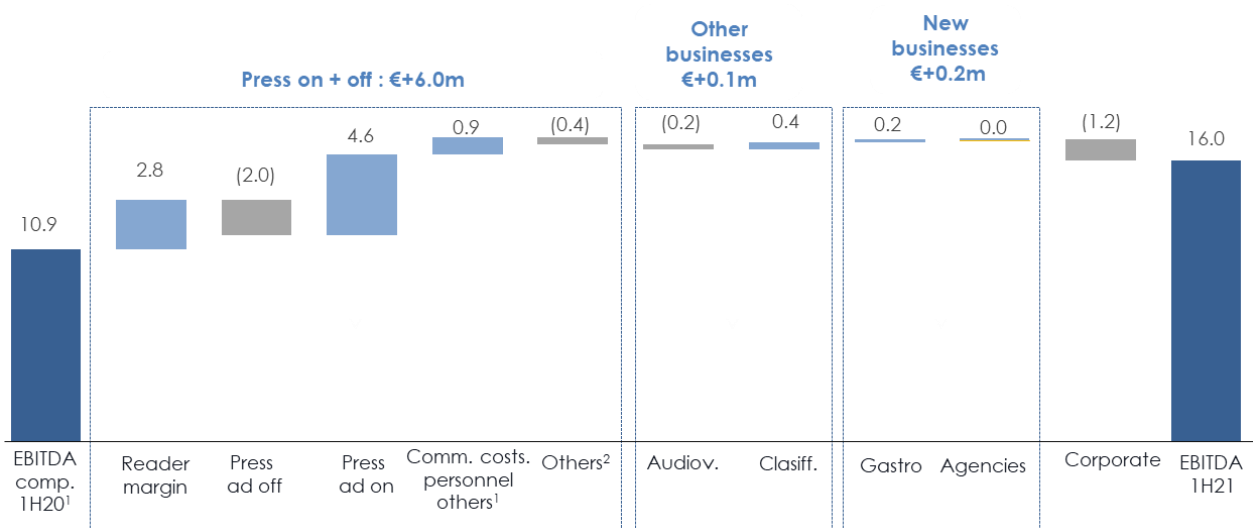
- iii. Other Revenues: up +7.5% from 1H20, because of increased activity at the agencies and the relaunch of events such as MadridFusión, WomenNow and Turium.

EBITDA

Reported EBITDA increased by +9,385 thousand euros to 15,959 thousand euros. Comparable EBITDA (adjusted for the compensation payments made in 2020) increased by +5,060 thousand euros.

Detail of change in EBITDA 1H20-1H21

Data in variation 1H20 vs 1H21 in €m, starting from comparable EBITDA 1H21



Note 1: EBITDA excludes non-recurring expenses in 1H20. Note 2: margin from printing and distribution.

Compared with 2020, there were improvements in the press, other businesses and new businesses. The most significant increases took place in digital advertising and in the margin on readers (the margin on circulation revenues and digital subscriptions).

Personnel expenses were stable (+0.2% vs 1H20). Excluding compensation payments in 1H20, personnel expenses were up +4,199 thousand euros in 1H21 vs 1H20, reflecting the two temporary lay-off programmes that were carried out in 2020, partly offset by salary reductions since May 2021.

Operating result (EBIT)

The operating result in 1H21 was 16,819 thousand euros, an increase of +19,960 thousand euros from 1H20. This was driven by the improvement in the operating performance at the EBITDA level and the positive result from the sale of the headquarters of El Diario Vasco, which had a positive impact of 10,621 thousand euros.

Write-down of goodwill

The amount of -1,000 thousand euros is a result of the gradual depreciation of rights to audiovisual productions. The decrease of 3,007 thousand euros from 1H20 reflects the write-down made last year at Las Provincias.

Equity-accounted income

The decrease by -554 thousand euros is mainly because of the lower result from Izen.

Financial result and others

Financial income increased by +11.5% to 1,173 thousand euros mainly because of the decrease in financial debt.

Net result of divestment of non-current assets

The negative result -922 thousand euros reflects mainly the divestment at Izen.

Corporation tax

The tax expense in 1H21 was -3,269 thousand euros, an increase of -2,510 thousand euros. This reflects the improvement in the operating performance and the capital gains on real estate divestments, which was partly reduced by the deduction for reinvestment.

Minority interest

Minority interest increased to -4,600 thousand euros in 1H21, up -2,529 thousand euros, mainly because of the capital gains due to minority interest at El Diario Vasco following the real estate transaction.

Net result attributable to the parent company

The net consolidated result in 1H21 is 5,648 thousand euros vs. -11,176 thousand euros in the prior-year period. The proforma result for 1H21, adjusted for the results from the divestment of the building belonging to El Diario Vasco and the capital losses from Izen, would be c.-500 thousand euros.

Consolidated Balance Sheet

IFRS thousand euros	1H21	2020	Var abs	% Var
Non current assets	326,897	342,654	(15,756)	(4.6%)
Intangible assets	143,883	146,306	(2,423)	(1.7%)
Property, plant and equipment	96,832	98,345	(1,512)	(1.5%)
Use of leases	18,605	19,619	(1,014)	(5.2%)
Investments accounted using equity method	4,463	17,121	(12,658)	(73.9%)
Other non current assets	63,113	61,263	1,851	3.0%
Current assets	128,506	126,728	1,777	1.4%
Other current assets	89,175	101,553	(12,378)	(12.2%)
Cash and cash equivalents	39,330	25,175	14,155	56.2%
Assets held for sale	1,410	7,083	(5,673)	(80.1%)
TOTAL ASSETS	456,813	476,465	(19,652)	(4.1%)
Equity	262,443	256,257	6,186	2.4%
Bank borrowings and other fin. liabilities	76,524	92,722	(16,199)	(17.5%)
Other non current liabilities	30,220	27,625	2,596	9.4%
Other current liabilities	87,626	99,860	(12,235)	(12.3%)
TOTAL EQUITY AND LIABILITIES	456,813	476,465	(19,652)	(4.1%)

Note: figures are rounded to the nearest thousand euro.

Intangible assets

The decrease of -2,423 thousand euros is a consequence of amortization exceeding capex and in addition it reflects the write-down of goodwill.

Property, plant and equipment

The reduction by -1,512 thousand euros reflects, among other factors, the impact of amortization and depreciation and the sale of some minor real estate.

Other current assets

The decrease by -12,378 thousand euros reflects the seasonality of the business and the good performance of receivables.

Equity-accounted income

The reduction by -12,658 thousand euros is the result of the divestment of Izen.

Assets held for sale

The reduction by -5,673 thousand euros reflects the sale of buildings belonging to El Diario Vasco.

Other current liabilities

The balance decreased by -12,235 thousand euros because of the seasonality of the business.

Net financial position

IFRS thousand euros	1H21	2020	Var Abs	Var %
Bank borrowings and other financial liabilities (s.t.)	27,838	39,027	(11,188)	(28.7%)
Bank borrowings and other financial liabilities (l.t.)	48,685	53,696	(5,010)	(9.3%)
Gross debt	76,524	92,722	(16,199)	(17.5%)
+ Cash and cash equivalents	39,330	25,175	14,155	56.2%
+ Other non current financial asstes	1,059	1,599	(540)	(33.8%)
Deferred expenses	707	1,332	(625)	(46.9%)
Net cash position/ (net debt)	(36,841)	(67,280)	30,438	45.2%
Net cash position ex NIIF16	(17,121)	(46,590)	29,469	63.3%

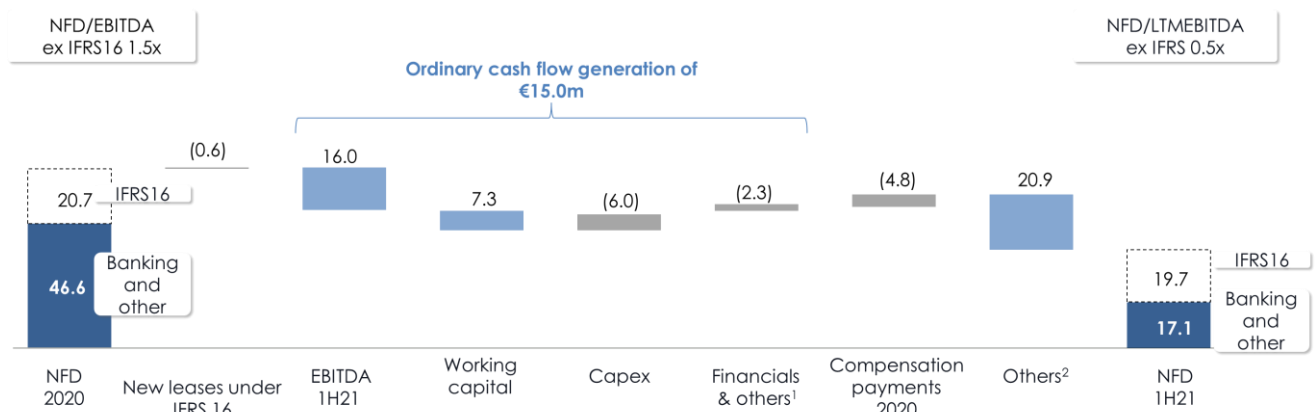
Gross financial debt consists of debt with financial institutions of 29,010 thousand euros (current liabilities of 316 thousand euros and non-current liabilities of 28,694 thousand euros), commercial paper with a balance of 27,900 thousand euros (24,600 thousand euros of which is current and 3,300 thousand euros non-current), another debt with a cost of 600 thousand euros, and IFRS 16 leases of 19,721 thousand euros.

In1H21 the group generated positive operating cash flow of 14,977 thousand euros. Apart from EBITDA, the most significant impact was a positive variation in working capital of +7,300 thousand euros, which was a consequence of the reduction of inventories and a good performance from receivables, among other factors.

Extraordinary items include a cash entry of 27,624 thousand euros from the sale of the stake in Izen and the El Diario Vasco building (including c.3,000 thousand euros of VAT which will be settled in 3Q21), as well as capex for the new offices in Madrid and Bilbao, and compensation payments of -4,840 thousand euros following personnel adjustments made in 2020.

Analysis of variation in net financial debt, 2020-1H21

Data in €m



Note 1: including advance income, net financial expenses, dividends, taxes. Note 2: including among others cash entry from divestments and non-recurring capex for new buildings in Madrid and Bilbao

Cash flow statement

IFRS thousand euros	1H21	1H20	Var Abs	% Var
Net profit attributable to the parent	5,648	(11,176)	16,823	n.r.
Adjustments to net profit	11,615	18,813	(7,198)	(38.3%)
Cash flows from ordinary operating activities before changes in working capital	17,263	7,638	9,625	n.r.
Changes in working capital & others	7,300	4,923	2,377	48.3%
Other payables	(2,240)	1,262	(3,503)	n.r.
Income tax paid	(622)	(718)	97	13.4%
Interests deduction for tax purposes	(804)	(899)	94	10.5%
Net cash flow from operating activities (I)	20,897	12,206	8,690	71.2%
Acquisitions of intangible and property, plan and equipment	(10,380)	(7,072)	(3,308)	(46.8%)
Acquisitions of financial assets, subsidiaries and associates	23,682	(1,118)	24,800	n.r.
Interests and dividends received	124	283	(159)	(56.1%)
Other receivables and payables (investing)	610	956	(346)	(36.2%)
Net cash flow from investing activities (II)	14,036	(6,951)	20,987	n.r.
Interests and dividends paid	(3,331)	(3,421)	89	2.6%
Cash inflows/ (outflows) relating to bank borrowings	(5,892)	150	(6,042)	n.r.
Other receivables and payables (financing)	(11,488)	3,724	(15,212)	n.r.
Equity related instruments without financial cost	0	0	0	n.a.
Equity related instruments with financial cost	(66)	0	(66)	n.a.
Net cash flows from financing activities (III)	(20,777)	453	(21,230)	n.r.
Net increase in cash and cash equivalents (I + II + III)	14,155	5,708	8,447	n.r.
Cash and cash equivalents at beginning of the year	25,175	17,696	7,479	42.3%
Cash and cash equivalents at end of year	39,330	23,404	15,926	68.0%

Note: Other payables now includes Other accounts payable, which previously was included in working capital. Figures are rounded to the nearest thousand.

Net cash flows from operating activities include the variation in working capital that was mentioned previously.

Net cash flows from investment activities include investments of -4,356 thousand euros in the new offices in Madrid and Bilbao, which in the analysis of changes in net financial debt and cash generation are considered to be extraordinary capex.

Net cash flows from financing activities include the repayment of bank debt and, in other financing operations, commercial paper which has not been rolled over.

Capex

IFRS thousand euro

	1H21			1H20			Var Abs		
	Intang.	Tang.	Total	Intang.	Tang.	Total	Intang.	Tang.	Total
Newspapers	2,396	3,583	5,979	2,242	4,031	6,272	154	(448)	(294)
Audiovisual	1	0	1	2	24	26	(1)	(24)	(25)
Classifieds	172	16	188	121	38	159	51	(22)	30
Gastronomy & Others	48	8	57	5	25	31	43	(17)	26
Corporate	126	19	145	142	73	215	(15)	(54)	(69)
TOTAL	2,743	3,626	6,370	2,512	4,191	6,703	232	(565)	(333)

Note: the difference between the cash outflow for investments and the capex registered in accounts reflects the difference between payments pending for investments last year and investments made this year but not paid for yet. Figures are rounded to the nearest thousand.

VOCENTO's strategy

By business area, Vocento's strategy is as follows:

a) Newspapers

In the circulation side of the business, the aim is to maintain the margin on readers by defending the circulation margins (by increasing cover prices and optimising costs), while at the same time increasing the number of digital subscribers by offering high-quality content, and implementing dynamic paywalls and registration walls which turn anonymous users into loyal subscribers.

In advertising revenues, programmatic advertising (based on segmented user profiles from the Wemass platform), local digital advertising (including LDK service), branded content and contextual advertising are all significant growth drivers.

In terms of other revenues, a major driver is the events business. At Supplements and Magazines, these include WomenNow, a leading women's event which this year received €17m of media coverage in 1,300 news items according to Smart Media. Other events include Vocento's tourism project Turium, which aims to steer Spanish tourism in a more high-level, profitable and sustainable direction. At Regional, a major event is the Donosti Cup, a football tournament for youngsters that was recently organised in the north of Spain.

b) Classifieds

The strategy of this business is to transition towards automotive and real estate marketplaces, by offering new transactional products and developing a business model based mainly on CPL (leads) and CPA (customer acquisition).

In order to strengthen its capacities for CPL and CPA, in July Vocento acquired 50.03% of Premium Leads. This will help it not only to increase its marketplace revenues but also to improve the commercial products of the Newspapers in segments such as nationwide digital advertising for large accounts and local services for SMEs.

c) Gastronomy

The key drivers of the growth of this business area include the expansion of the MadridFusión event, which this year was held in an in-person format with 14,300 visitors and received media coverage worth €32m according to Kantar Media. Other drivers include industry events such as the Encuentro de los Mares, alongside the consulting business of Mateo&Co and the unique education and training project that Vocento is carrying out in partnership with the Universidad Pontificia de Comillas.

d) Agencies

Tango and ProAgency are strengthening Vocento's advertising business at the point of sale as well as developing the group's business and branding strategy for clients. This is an increasing focus of the marketing spend of advertisers, especially in digital.

The integration of both agencies is also leading to multiple synergies with the Group, in areas such as advertising sales and the organisation of events.

Information by business area

IFRS thousand euros	1H21	1H20	Var Abs	Var %
Total revenues				
Newspapers	134,273	132,184	2,089	1.6%
Audiovisual	14,638	15,226	(589)	(3.9%)
Classifieds	12,207	10,807	1,400	13.0%
Gastronomy and Others	9,570	7,401	2,169	29.3%
Corporate & adjustments	(2,113)	(1,922)	(192)	(10.0%)
Total revenues	168,574	163,696	4,878	3.0%
EBITDA				
Newspapers	14,208	4,816	9,392	n.r.
Audiovisual	4,483	4,722	(239)	(5.1%)
Classifieds	2,358	1,928	430	22.3%
Gastronomy and Others	830	626	204	32.6%
Corporate & adjustments	(5,920)	(5,517)	(402)	(7.3%)
Total EBITDA	15,959	6,574	9,385	n.r.
Comparable EBITDA				
Newspapers	14,208	8,255	5,952	72.1%
Audiovisual	4,483	4,723	(239)	(5.1%)
Classifieds	2,358	1,993	365	18.3%
Gastronomy and Others	830	662	168	25.3%
Corporate & adjustments	(5,920)	(4,733)	(1,186)	(25.1%)
Total comparable EBITDA	15,959	10,900	5,060	46.4%
EBIT				
Newspapers	16,708	(3,217)	19,926	n.r.
Audiovisual	4,377	4,555	(178)	(3.9%)
Classifieds	1,555	1,121	434	38.8%
Gastronomy and Others	344	160	185	n.r.
Corporate & adjustments	(6,167)	(5,759)	(407)	(7.1%)
Total EBIT	16,819	(3,140)	19,960	n.r.

Newspapers (print and online)

IFRS Thousand Euro	1H21	1H20	Var Abs	Var %
Total Revenues				
Regionals	95,078	93,373	1,705	1.8%
ABC	37,332	36,314	1,019	2.8%
Supplements & Magazines	8,095	8,471	(376)	(4.4%)
Adjustments intersegment	(6,233)	(5,974)	(259)	(4.3%)
Total Revenues	134,273	132,184	2,089	1.6%
EBITDA				
Regionals	12,542	5,815	6,727	n.r.
ABC	1,001	(741)	1,742	n.r.
Supplements & Magazines	665	(258)	922	n.r.
Total EBITDA	14,208	4,816	9,392	n.r.
Comparable EBITDA				
Regionals	12,542	9,110	3,433	37.7%
ABC	1,001	(741)	1,742	n.r.
Supplements & Magazines	665	(113)	778	n.r.
Total comparable EBITDA	14,208	8,255	5,952	72.1%
EBIT				
Regionals	18,986	1,714	17,271	n.r.
ABC	(2,725)	(4,382)	1,657	37.8%
Supplements & Magazines	447	(550)	997	n.r.
Total EBIT	16,708	(3,217)	19,926	n.r.

Note: The main eliminations are the result of: a) sales from TESA to the Regional Press and ABC, and b) distribution revenues at Beralán. Figures are rounded to the nearest thousand euros. Figures are rounded to the nearest thousand euro.

The profitability of the [Regional](#) press was positively affected by a +1,779 thousand euros increase in advertising revenues, by the increase in the margin on readers of +838 thousand euros and by the recovery in the margin on printing and distribution by +558 thousand euros. As a result, EBITDA increased by +558 thousand euros to 12,542 thousand euros in 1H21.

At [ABC](#), EBITDA has been supported by a rise in advertising revenues of +708 thousand euros and by an increase in the margin on readers of +1,975 thousand euros. These factors have offset a decrease in the margin on printing (-974 thousand euros).

Finally, at [Supplements and Magazines](#) there was an increase of +778 thousand euros in comparable EBITDA to 665 thousand euros, driven by the gradual return of events such as WomenNow.

Audiovisual

IFRS Thousand Euro	1H21	1H20	Var Abs	Var %
Total revenues				
DTT	12,425	12,624	(199)	(1.6%)
Radio	1,530	1,605	(76)	(4.7%)
Content	788	1,114	(326)	(29.3%)
Adjustments intersegment	(105)	(116)	12	10.2%
Total revenues	14,638	15,226	(589)	(3.9%)
EBITDA				
DTT	2,597	2,613	(17)	(0.6%)
Radio	1,298	1,238	60	4.8%
Content	589	870	(282)	(32.4%)
Total EBITDA	4,483	4,722	(239)	(5.1%)
Comparable EBITDA				
DTT	2,597	2,614	(17)	(0.7%)
Radio	1,298	1,238	60	4.8%
Content	589	870	(282)	(32.4%)
Total comparable EBITDA	4,483	4,723	(239)	(5.1%)
EBIT				
DTT	2,602	2,554	48	1.9%
Radio	1,276	1,232	44	3.5%
Content	500	769	(270)	(35.0%)
Total EBIT	4,377	4,555	(178)	(3.9%)

Note: figures are rounded to the nearest thousand euro.

The decrease in EBITDA in this area is mainly the result of the lower level of activity in Content distribution.

Classifieds

IFRS thousand euros	1H21	1H20	Var Abs	Var %
Total revenues				
Classifieds	12,207	10,807	1,400	13.0%
Total revenues	12,207	10,807	1,400	13.0%
EBITDA				
Classifieds	2,358	1,928	430	22.3%
Total EBITDA	2,358	1,928	430	22.3%
Comparable EBITDA				
Classifieds	2,358	1,993	365	18.3%
Total comparable EBITDA	2,358	1,993	365	18.3%
EBIT				
Classifieds	1,555	1,121	434	38.8%
Total EBIT	1,555	1,121	434	38.8%

Note: figures are rounded to the nearest thousand euro.

EBITDA increased by +22.3% vs 1H20 to reach 2,358 thousand euros, thanks to the gradual recovery of the automotive and real estate markets.

Gastronomy and Agencies

IFRS Thousand Euro	1H21	1H20	Var Abs	Var %
Total Revenues				
Gastronomy	3,793	3,130	663	21.2%
Agencies & Others	5,777	4,271	1,506	35.3%
Total Revenues	9,570	7,401	2,169	29.3%
EBITDA				
Gastronomy	820	625	195	31.2%
Agencies & Others	10	1	9	n.r.
Total EBITDA	830	626	204	32.6%
Comparable EBITDA				
Gastronomy	820	626	194	31.0%
Agencies & Others	10	37	(26)	(71.6%)
Total comparable EBITDA	830	662	168	25.3%
EBIT				
Gastronomy	792	619	173	28.0%
Agencies & Others	(447)	(459)	12	2.5%
Total EBIT	344	160	185	n.r.

Note: figures are rounded to the nearest thousand euro.

At [Gastronomy](#), following the success of the in-person MadridFusión event, revenues in the first half of the year increased by +663 thousand euros and EBITDA rose by +31.2% compared with 1H20.

In the [Agencies and Others](#) division, activity is steadily recovering. As in 2020, most activity is expected to be concentrated in Q4.

Operational data

Newspapers

Average Circulation Data

	1H21	1H20	Var Abs	%
National Press - ABC	50,289	56,431	(6,142)	(10.9%)
Regional Press				
El Correo	45,968	50,975	(5,007)	(9.8%)
El Diario Vasco	37,259	39,740	(2,481)	(6.2%)
El Diario Montañés	15,333	16,565	(1,232)	(7.4%)
Ideal	9,567	12,128	(2,561)	(21.1%)
La Verdad	7,141	7,816	(675)	(8.6%)
Hoy	5,691	6,368	(677)	(10.6%)
Sur	6,933	8,417	(1,484)	(17.6%)
La Rioja	6,173	6,921	(748)	(10.8%)
El Norte de Castilla	11,180	12,782	(1,602)	(12.5%)
El Comercio	10,466	10,732	(266)	(2.5%)
Las Provincias	7,940	9,716	(1,776)	(18.3%)
TOTAL Regional Press	163,651	182,159	(18,508)	(10.2%)

Sources:OJD. 2021 non audited data.

Audience	2 nd Survey 21	1 st Survey 20	Var Abs	%
National Press - ABC	384,000	444,000	(60,000)	(13.5%)
Regional Press	1,100,000	1,576,000	(476,000)	(30.2%)
El Correo	241,000	301,000	(60,000)	(19.9%)
El Diario Vasco	128,000	166,000	(38,000)	(22.9%)
El Diario Montañés	98,000	109,000	(11,000)	(10.1%)
Ideal	114,000	182,000	(68,000)	(37.4%)
La Verdad	72,000	148,000	(76,000)	(51.4%)
Hoy	62,000	83,000	(21,000)	(25.3%)
Sur	72,000	150,000	(78,000)	(52.0%)
La Rioja	60,000	69,000	(9,000)	(13.0%)
El Norte de Castilla	67,000	144,000	(77,000)	(53.5%)
El Comercio	106,000	137,000	(31,000)	(22.6%)
Las Provincias	80,000	87,000	(7,000)	(8.0%)
Supplements				
XL Semanal	1,150,000	1,374,000	(224,000)	(16.3%)
Mujer Hoy	615,000	783,000	(168,000)	(21.5%)

Source: EGN

Appendix I: Alternative Performance Measures

On 20 October 2015, the CNMV stated its intention to comply with the Guidelines on Alternative Performance Measures published by the European Securities and Market Authority (ESMA) on 30 June 2015 in accordance with Article 16 of EU Regulation 1095/2010 of the European Parliament and Council.

The APMs used in this report include the following:

EBITDA represents the net result of the period before financial income and expenses, other results from financial instruments, tax on profits, amortization, depreciation, the impairment and sale of fixed and non-fixed assets, the writedown of goodwill in the period, excluding (a) the net result from the sale of current financial assets and (b) the results from equity-accounted subsidiaries

Comparable EBITDA is the adjustment of EBITDA for all non-recurring exceptional revenues and costs, in order to facilitate the comparison between EBITDA in different periods.

Exceptional non-recurring costs include the costs of compensation for dismissals incurred in each period.

EBIT is EBITDA less amortization and depreciation and the result from the impairment or sale of fixed and non-fixed assets.

Net Financial Debt (NFD) represents long-term and short-term debt with an explicit financial cost, either with financial institutions or other third parties, plus debt from the issue of bonds, commercial paper, securities convertible into shares or similar financial instruments plus the collateral or guarantees provided to third parties as part of the debt with a financial cost and which are not recorded as liabilities with payment obligations, minus cash plus the mark-to-market value of any hedging instruments apart from hedging for trading. Cash includes cash and other liquid equivalents, plus other current and non-current financial assets held either at financial institutions or with other third parties. The amount of the item of 'debt with credit institutions' is the nominal value and not its amortized cost, i.e. it does not include the impact of deferred arrangement costs. Guarantees of technical and financial capacity are not included in Net Financial Debt.

Comparable Net Financial Debt (NFD) is NFD adjusted for exceptional and non-recurring receivables and payables for comparative purposes.

Ordinary cash generation represents the difference between the NFD at the beginning and end of the period, adjusted for non-recurring and exceptional receivables and payables for comparative purposes.

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Reconciliation of accounting data and APMs

Thousand Euros	June 2021	June 2020
Net result of the year	10,247	-9,105
Financial income	-433	-118
Financial expenses	1,607	1,414
Other results from financial instruments	0	30
Tax on profits of continued operations	3,269	759
Amortization and depreciation	9,839	9,771
Impairment of goodwill	1,000	4,007
Impairment and result from sale of fixed and non-fixed assets	-10,699	-56
Result from equity-accounted subsidiaries	207	-346
Net result of sale of non-current financial assets	922	218
EBITDA	15,959	6,574
Compensations payments	0	4,326
Other one-off costs	0	0
Comparable EBITDA	15,959	10,900
 Comparable EBITDA	 15,959	 10,900
Amortization related to long term lease (IFRS 16)	1,566	1,471
Financial cost related to long term lease (IFRS 16)	233	58
Comparable EBITDA without the effect of IFRS 16	14,160	9,371
 EBITDA	 15,959	 6,574
Amortization and depreciation	(9,839)	(9,771)
Impairment and result from sale of fixed and non-fixed assets	10,699	56
EBIT	16,819	(3,140)
Compensations payments	0	4,326
Others one-off costs	0	0
Impairment and result from sale of fixed and non-fixed assets	(10,699)	(56)
Comparable EBIT	6,120	1,129

Thousand Euros	June 2021	June 2020
Long term financial debt with credit institutions	28,694	29,306
Other liabilities with long term financial cost	3,598	496
Long term liabilities related to lease contracts	16,677	19,036
Short term financial debt with credit institutions	316	4,848
Other liabilities with short term financial cost	24,902	36,170
Short term liabilities related to lease contracts	3,044	2,453
Cash and cash equivalents	-39,223	-25,424
Other non-current payables with financial cost	-1,167	-366
Arrangement fee for syndicated loan	0	999
Net financial debt (NFD)	36,841	67,516
Long term liabilities related to lease contracts	-16,677	-19,036
Short term liabilities related to lease contracts	-3,044	-2,453
Net financial debt without the effect of IFRS 16	17,121	46,027
Net financial debt (NFD)	36,841	67,516
Compensation payments in the period	-4,840	-4,453
Taxes and expenses from sale of buildings	27,845	251
Capex in new buildings	-4,356	0
IFRS 16 effect	-599	-15,477
Payment for renegotiation of put options and others	0	0
Acquisitions of financial assets, subsidiaries and associates	-2,589	-1,274
Vocento dividends paid	0	-400
Variations from the scope of consolidation	0	0
Comparable net financial debt	52,302	46,163
NFD at start period	67,280	52,811
NFD at end of period	-36,841	-67,516
Compensation payments in the period	4,840	4,453
Taxes and expenses from sale of buildings	-27,845	-251
Capex in new buildings	4,356	0
IFRS 16 effect	599	15,477
Payment for renegotiation of put options and others	0	0
Business purchase	2,589	1,274
Vocento dividends paid	0	400
Variations from the scope of consolidation	0	0
Ordinary cash generation	14,977	6,647
Net financial Debt	36,841	67,516
Effect of IFRS 16	-19,721	-21,489
Net Financial debt excluding IFRS 16 effect	17,121	46,027

Thousand euros

	2021			2020		
	EBITDA	Compensations & one-offs	Comparable EBITDA	EBITDA	Compensations & one-offs	Comparable EBITDA
Regionals	12.542	0	12.542	5.815	3.295	9.110
ABC	1.001	0	1.001	(741)	0	(741)
Supplements & Magazines	665	0	665	(258)	145	(113)
Newspapers	14.208	0	14.208	4.816	3.439	8.255
DTT	2.597	0	2.597	2.613	1	2.614
Radio	1.298	0	1.298	1.238	0	1.238
Contents	589	0	589	870	0	870
Audiovisual	4.483	0	4.483	4.722	1	4.723
Classified	2.358	0	2.358	1.928	65	1.993
Classified	2.358	0	2.358	1.928	65	1.993
Gastronomy	820	0	820	625	1	626
Agencies & Others	10	0	10	1	36	37
Gastronomy & Agencies	830	0	830	626	36	662
Corporate	(5.920)	0	(5.920)	(5.517)	784	(4.733)
Total	15.959	0	15.959	6.574	4.326	10.900

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