Q1 2023 RESULTS

TELEVISAUNIVISION ANNOUNCES FIRST QUARTER 2023 RESULTS

Financial and operational highlights

- Total revenue grew 6% to $1.1 billion, driven by growth across all major revenue streams in both geographies
- Total advertising revenue grew 6%, which was led by Mexico advertising growth of 14% that was driven by record volume in its 2023 Upfront as well as a benefit from foreign exchange rates. U.S. advertising revenue grew 2%, or 5% excluding political and advocacy, driven primarily by demand for ViX
- Global subscription and licensing revenue grew 7%, driven primarily by the launch of ViX's premium subscription tier
- Engagement on ViX continued to grow, with 26% growth in total streaming hours per user over the course of the quarter
- The Company's flagship network in Mexico, Las Estrellas, continued leading the free-to-air market with its highest Q1 share in the last seven years
- Streaming losses improved sequentially as the Company continued to make progress toward profitability

NEW YORK, NY – April 25, 2023 – TelevisaUnivision, the world's leading Spanish-language media and content company, today announced financial results for the first quarter ended March 31, 2023.

"I'm very happy with the start of 2023 from both an operational and financial perspective. We grew revenue across all lines of business and all geographies. In the U.S., ad sales continues to outpace the market, reflecting growing advertiser appreciation of the power and value of our audience as they shift share away from over-spent general market," said Wade Davis, Chief Executive Officer of TelevisaUnivision. "Having just closed a record Upfront in Mexico, we are excited to carry our momentum into the coming U.S. Upfront. ViX continues to be an engine of growth and I am very pleased with the significant increases in engagement and consumption on the platform as well as the continued narrowing of losses as we progress towards profitability."

Discussion of financial and operational results

The "As Reported" numbers in the tables below include only legacy Univision through January 31, 2022; The "Pro Forma" numbers are adjusted to include the Televisa content business for January of 2022. The Company has decided that for comparable purposes, all explanations will be made on a pro forma basis.

Three Months Ended March 31, 2023 (Unaudited, in millions)

	US			Mexico			Total pro forma			Total, as reported		
	1Q 23	1Q 22	Change	1Q 23	1Q 22	Change	1Q 23	1Q 22	Change	1Q 23	1Q 22	Change
Advertising	$ 398.4	$ 391.8	2%	$ 209.0	$ 182.8	14%	$ 607.4	$ 574.6	6%	$ 607.4	$ 522.3	16%
Subscription & Licensing	326.1	309.7	5%	110.0	97.0	13%	436.1	406.7	7%	436.1	375.4	16%
Other	14.6	11.9	23%	12.8	17.4	(26%)	27.4	29.3	(6%)	27.4	27.0	1%
Total Revenue	$ 739.1	$ 713.4	4%	$ 331.8	$ 297.2	12%	1,070.9	1,010.6	6%	1,070.9	924.7	16%
Total Operating Expenses							709.9	609.0	17%	709.9	558.5	27%
Adjusted OIBDA [1]							$ 361.0	$ 401.6	(10%)	$ 361.0	$ 366.2	(1%)

Unless stated otherwise, all comparisons are for the first quarter, pro forma for the TelevisaUnivision transaction[2]

Revenue

Consolidated total revenue grew 6% to $1.1 billion.

Advertising revenue increased 6%. In the U.S., advertising revenue increased 2%, or 5% excluding political and advocacy. This reflects continued momentum in streaming and increased pricing as the company leverages its new ad formats and its proprietary Hispanic Household data graph. In Mexico, advertising revenue increased 14%, or 4% excluding the impact of foreign exchange, driven by strength in both linear and streaming as well as the first quarter that benefitted from the 2023 calendar year Upfront, where the Company secured record volume commitments.

Subscription and licensing revenue increased 7%, which was primarily driven by the launch of ViX's premium subscription streaming tier. In the U.S., growth of 5% also reflected subscriber declines in traditional MVPDs, partially offset by virtual MVPDs. In Mexico, growth of 13%, or 4% excluding the impact of foreign exchange, was also driven by modest growth in linear subscribers as well as pricing growth.

Expenses and profitability

Total operating expenses grew 17% to $710 million, reflecting investments in ViX, including new original premium content, sports rights, marketing and technology. These investments led Adjusted OIBDA to decrease 10% to $361 million, driven by increased costs related to ViX which had not yet launched in the year-ago quarter.

Cash flow and balance sheet

Cash flows used in operating activities were $95 million, compared to $78 million in the prior year quarter. Investing activities included capital expenditures of $52 million compared to $26 million in the prior year quarter. The Company ended the quarter with $364 million in cash on its balance sheet. The leverage ratio, or net debt to OIBDA, increased to 5.9X from 5.6X as of December 31, 2022.

TelevisaUnivision Combination

On January 31, 2022, Grupo Televisa, S.A.B ("Televisa"; NYSE:TV; BMV:TLEVISA CPO) and Univision Holdings II, Inc. ("UH Holdco") (together with its wholly owned subsidiary, Univision Communications Inc., "Univision") announced the completion of the transaction between Televisa's media content and production assets and Univision. The new company, named TelevisaUnivision, Inc. (the "Company" or "TelevisaUnivision"), creates the world's leading Spanish-language media and content company. TelevisaUnivision produces and delivers premium content for its own platforms and for others, while also providing innovative solutions for advertisers and distributors globally. During the quarter, the Company completed the purchase accountings for the TelevisaUnivision combination.

Forward-Looking Statements / Safe Harbor

Certain statements contained within this press release constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. In some cases you can identify forward looking statements by terms such as “anticipate,” “plan,” “may,” “intend,” “will,” “expect,” “believe,” “optimistic” or the negative of these terms, and similar expressions intended to identify forward-looking statements. These forward-looking statements reflect our current views with respect to future events and are based on assumptions and are subject to risks and uncertainties. Also, these forward-looking statements present our estimates and assumptions only as of the date of this press release. We undertake no obligation to modify or revise any forward-looking statements to reflect events or circumstances occurring after the date that the forward-looking statement was made.

Factors that could cause actual results to differ materially from those expressed or implied by the forward-looking statements include: risks and uncertainties related to, and disruptions to the Company’s business and operations caused by, the ongoing integration of the Televisa content business following the closing of the TelevisaUnivision Business Combination risks and uncertainties with respect to our ability to execute our growth strategy; risks and uncertainties as to the evolving and uncertain nature of the COVID-19 pandemic and its impact on the Company, the media industry, and the economy in general, including interference with, or increased cost of, the Company’s or its partners’ production and programming, changes in advertising revenue, suspension of sporting and other live events, and disruptions to the Company’s operations; and other factors as described under “Forward-Looking Statements” in the Company’s Reporting Package. Actual results may differ materially due to these risks and uncertainties. The Company undertakes no obligation to modify or revise any forward-looking statements to reflect events or circumstances occurring after the date that the forward-looking statement was made.

Conference call

TelevisaUnivision will conduct a conference call today to discuss its financial results at 10:00 a.m. Eastern Time / 7:00 a.m. Pacific Time. The call will be available via webcast at investors.televisaunivision.com or by dialing (800) 225-9448 (within U.S.) or (203) 518-9708 (outside U.S.).

About TelevisaUnivision, Inc.

TelevisaUnivision is the world’s leading Spanish-language media company. Powered by the largest library of owned Spanish-language content and a prolific production capability, TelevisaUnivision is the top producer of original content in Spanish across news, sports and entertainment verticals. This original content powers all of TelevisaUnivision’s platforms, which include market-leading broadcast networks Univision, Las Estrellas, Canal 5 and UniMas, and a portfolio of 38 cable networks, which include TUDN, Galavision, Distrito Comedia and TL Novelas. The Company also operates the leading Mexican movie studio, Videocine, and owns and operates the largest Spanish-language audio platform in the U.S. across 39 terrestrial stations and the Uforia digital platform. TelevisaUnivision is also the owner of ViX, the largest Spanish-language streaming platform in the world. For more information, please visit televisaunivision.com.

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CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited and in millions)

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
Revenue	$ 1,070.9	$ 924.7
Direct operating expenses	409.1	342.8
Selling, general and administrative expenses	334.2	247.9
Impairment loss	0.2	—
Restructuring, severance and related charges	4.3	13.7
Depreciation and amortization	135.8	114.9
Loss (gain) on dispositions	0.8	(11.9)
Operating income	186.5	217.3
Other expense (income):		
Interest expense	160.7	114.8
Interest income	(2.7)	(0.5)
Amortization of deferred financing costs	3.7	2.4
Other, net	(13.5)	44.4
Income before income taxes	38.3	56.2
Provision for income taxes	41.3	20.2
Net (loss) income	$ (3.0)	$ 36.0

CONSOLIDATED BALANCE SHEETS
(In millions, except share and per-share data)

ASSETS	March 31, 2023 (Unaudited)	December 31, 2022 (Audited)
Current assets:		
Cash and cash equivalents	$ 363.8	$ 538.6
Accounts receivable, less allowance for doubtful accounts of $15.8 in 2023 and $25.8 in 2022	1,113.6	971.2
Program rights and prepayments	87.7	68.8
Income taxes	161.2	143.1
Prepaid expenses and other	381.9	327.4
Total current assets	2,108.2	2,049.1
Property and equipment, net	1,192.1	1,113.0
Intangible assets, net	6,599.8	6,579.2
Goodwill	6,489.0	6,319.8
Program rights and prepayments	914.0	731.5
Investments	263.9	239.1
Operating lease right-of-use assets	169.4	176.0
Deferred tax assets	180.4	131.3
Other assets	132.3	155.4
Total assets	$ 18,049.1	$ 17,494.4
LIABILITIES AND STOCKHOLDER'S EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	$ 1,104.8	$ 1,072.0
Deferred revenue	363.2	204.1
Current operating lease liabilities	41.8	45.9
Current portion of long-term debt and finance lease obligations	439.3	113.8
Total current liabilities	1,949.1	1,435.8
Long-term debt and finance lease obligations	9,600.1	9,911.4
Deferred tax liabilities, net	879.6	844.2
Deferred revenue	62.0	70.8
Noncurrent operating lease liabilities	167.3	171.8
Other long-term liabilities	203.1	186.5
Total liabilities	12,861.2	12,620.5
Stockholder's equity:		
Common Stock, $0.01 par value; 100,000 shares authorized in 2023 and 2022, 1,000 shares issued and outstanding at March 31, 2023 and December 31, 2022	-	-
Additional paid-in-capital	5,826.7	5,809.5
Accumulated deficit	(1,424.1)	(1,421.1)
Accumulated other comprehensive income	785.3	485.5
Total stockholder's equity	5,187.9	4,873.9
Total liabilities and stockholder's equity	$ 18,049.1	$ 17,494.4

CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited and in millions)

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
Cash flows from operating activities:		
Net (loss) income	$ (3.0)	$ 36.0
Adjustments to reconcile net (loss) income to net cash used in operating activities:		
Depreciation	49.9	42.1
Amortization of intangible assets	85.9	72.8
Amortization of deferred financing costs	3.7	2.3
Amortization of program rights and prepayments	184.1	178.9
Deferred income taxes	0.2	4.2
Non-cash deferred advertising commitments	(4.1)	(2.9)
Impairment loss	0.2	—
Share-based compensation	27.5	18.5
Loss (gain) on dispositions	0.8	(11.9)
Other non-cash items	(26.4)	(13.4)
Changes in assets and liabilities:		
Accounts receivable, net	(131.0)	56.0
Program rights and prepayments	(361.4)	(229.5)
Prepaid expenses and other	(60.9)	10.6
Accounts payable and accrued liabilities	(12.3)	(158.0)
Deferred revenue	144.0	(93.5)
Other long-term liabilities	4.1	5.5
Other assets	4.2	3.9
Net cash used in operating activities	(94.5)	(78.4)
Cash flows from investing activities:		
Capital expenditures	(51.8)	(26.4)
Proceeds on sale of investment and other assets	(0.4)	12.6
Investments and other acquisitions	(20.6)	(14.7)
Acquisition of businesses, net of cash acquired	(1.1)	(3,034.1)
Net cash used in investing activities	(73.9)	(3,062.6)
Cash flows from financing activities:		
Proceeds from issuance of long-term debt	—	1,050.0
Payments of long-term debt and finance leases	(28.2)	(11.0)
Payments of refinancing fees	(0.1)	(47.8)
Proceeds from (payments of) swap interest	14.3	(9.4)
Dividend payments on behalf of TelevisaUnivision, Inc.	—	(6.9)
Repurchase of common stock on behalf of TelevisaUnivision, Inc.	—	(2.1)
Tax payment related to net share settlement	—	(1.8)
Capital contribution from Parent, net of fees	—	1,002.4
Net cash (used in) provided by financing activities	(14.0)	1,973.4
Net decrease in cash, cash equivalents, and restricted cash	(182.4)	(1,167.6)
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	7.6	3.8
Cash, cash equivalents, and restricted cash, beginning of period	545.2	1,720.1
Cash, cash equivalents, and restricted cash, end of period[3]	$ 370.4	$ 556.3

RECONCILIATION OF OPERATING INCOME TO ADJUSTED OIBDA[1]

Management of the Company evaluates operating performance for planning and forecasting future business operations by considering Adjusted OIBDA (as described below) and Bank Credit Adjusted OIBDA (as described below). Management also uses Bank Credit Adjusted OIBDA to assess the Company's ability to satisfy certain financial covenants contained in the Company's senior secured credit facilities and the indentures governing its senior notes. Adjusted OIBDA and Bank Credit Adjusted OIBDA eliminate the effects of certain items that the Company does not consider indicative of its core operating performance. Adjusted OIBDA represents operating income (loss) before depreciation, amortization, and certain additional adjustments to operating income (loss). Bank Credit Adjusted OIBDA represents Adjusted OIBDA with certain additional adjustments permitted under the Company's senior secured credit facilities, new term loan and indentures governing the senior notes that include add-backs and/or deductions, as applicable, for specified business optimization expenses, and income (loss) from equity investments in entities, the results of which are consolidated in the Company's operating income (loss), that are not treated as subsidiaries, and certain other expenses. Adjusted OIBDA and Bank Credit Adjusted OIBDA are not, and should not be used as, indicators of or alternatives to operating income (loss) as reflected in the consolidated financial statements. They are not measures of financial performance under GAAP and they should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP. Since the definition of Adjusted OIBDA and Bank Credit Adjusted OIBDA may vary among companies and industries, neither should be used as a measure of performance among companies. The Company is providing a reconciliation of the non-GAAP terms Adjusted OIBDA and Bank Credit Adjusted OIBDA to operating income, which is the most directly comparable GAAP financial measure.

The tables below set forth a reconciliation of the non-GAAP terms Adjusted OIBDA and Bank Credit Adjusted OIBDA to operating income.

	Three Months Ended March 31,	
	2023	**2022**
(Unaudited, in millions)		
Operating income	$ 186.5	$ 217.3
Less expenses included in operating income but excluded from Adjusted OIBDA:		
Depreciation and amortization	135.8	114.9
Impairment loss[4]	0.2	—
Restructuring, severance and related charges	4.3	13.7
Loss (gain) on dispositions[5]	0.8	(11.9)
Share-based compensation	27.5	18.5
Purchase price adjustments[6]	5.0	11.6
Other adjustments[7]	0.9	2.1
Adjusted OIBDA	$ 361.0	$ 366.2

	2023	2022
Adjusted OIBDA	$ 361.0	$ 366.2
Less expenses included in Adjusted OIBDA but excluded from Bank Credit Adjusted OIBDA:[8]	4.4	4.4
Bank Credit Adjusted OIBDA[9]	$ 365.4	$ 370.6

[1] See page 7 for a description of the non-GAAP term Adjusted OIBDA, a reconciliation to operating income and limitations on its use.

[2] Pro Forma results assume that the Televisa content business acquisition occurred on January 31, 2022. Prior to the completion of the TelevisaUnivision Transaction certain adjustments have been made to the Televisa content business as part of finalizing the purchase accounting.

[3] Restricted cash included within Prepaid expenses and other and Other assets was $6.6 million at both March 31, 2023 and December 31, 2022. The 2023 and 2022 Restricted cash balance pertain to escrow amounts for certain lease, grant payments and transition service agreement on the non-strategic radio stations sold on December 30, 2022.

[4] Impairment loss in 2023 relates to the write down of program rights.

[5] Loss on dispositions in 2023 primarily relates to the retirement of fixed assets. Gain on disposition in 2022 primarily relates to the sell of certain assets and write-off of facility-related assets.

[6] Purchase price adjustment relates to amortization of the step-up balance of the Televisa program rights acquired on January 31, 2022.

[7] Other adjustments in 2023 and 2022 to operating income are primarily comprised of unusual and infrequent items as permitted by our credit agreement and operating expenses in connection with COVID-19.

[8] Under the Company's credit agreement governing the Company's senior secured credit facilities, the new term loan facility and indentures governing the Company's senior notes, Bank Credit Adjusted OIBDA permits the add-back and/or deduction, as applicable, for specified income (loss) from equity investments in entities, the results of which are consolidated in the Company's operating income, that are not treated as subsidiaries, in each case under such credit facilities and indentures, and certain other expenses. The amounts for certain entities that are not treated as subsidiaries under the Company's senior secured credit facilities, new term loan facility and indentures governing the Company's senior notes above represent the residual elimination after the other permitted exclusions from Bank Credit Adjusted OIBDA. In addition, certain contractual adjustments under the Company's senior secured credit facilities, new loan term facility and indentures are permitted to operating income under the Company's senior secured credit facilities, new term loan and indentures governing the Company's senior notes in all periods related to the treatment of the accounts receivable facility under GAAP that existed when the senior secured credit facilities were originally entered into and other miscellaneous items.

[9] The Bank Credit Adjusted OIBDA above does not include the revenue and cost synergies expected from the Televisa content business acquisition.