



# Q2 2023 RESULTS

## TELEVISAUNIVISION ANNOUNCES SECOND QUARTER 2023 RESULTS

### Financial and operational highlights

- Total revenue grew 11% to \$1.2 billion, driven by growth across all major revenue streams in both geographies
- Total advertising revenue grew 10%, which was led by 29% advertising growth in Mexico that included a benefit from foreign exchange rates
- Global subscription and licensing revenue grew 14%, driven primarily by ViX's premium subscription tier
- Adjusted OIBDA held flat with the Company's core linear business continuing to fully fund investments in ViX
- Engagement on ViX continued to grow, with 17% sequential growth in total streaming hours
- The company expanded its market-leading soccer portfolio and secured the rights to two key Liga MX teams this quarter, now holding rights to 17 out of the 18 teams in both the U.S. and Mexico

**NEW YORK, NY – July 20, 2023** – TelevisaUnivision, the world's leading Spanish-language media and content company, today announced financial results for the second quarter ended June 30, 2023.

*"This was a fantastic quarter for TelevisaUnivision, accelerating our revenue growth into double digits and continuing to drive our leadership position in Spanish-language streaming with ViX— all through a disciplined approach in which our core business continues to offset our investments in streaming," said Wade Davis, Chief Executive Officer of TelevisaUnivision. "Leading our portfolio this quarter was extraordinary growth in Mexico, where we strategically programmed across linear and the ad-supported and premium subscription tiers of ViX to drive 22% revenue growth. This is a terrific example of the components of our ecosystem working together to deliver amazing financial performance."*

### Discussion of financial and operational results

We completed the acquisition of the Televisa content business on January 31, 2022; The "Pro Forma" numbers in the tables below 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 June 30, 2023 (Unaudited, in millions)**

	US			Mexico			Total		
	2Q 23	2Q 22	Change	2Q 23	2Q 22	Change	2Q 23	2Q 22	Change
Advertising	\$ 452.6	\$ 447.7	1%	\$ 284.9	\$ 220.9	29%	\$ 737.5	\$ 668.6	10%
Subscription & Licensing	324.8	296.6	10%	128.5	100.8	27%	453.3	397.4	14%
Other	16.2	3.2	406%	12.8	27.0	(53%)	29.0	30.2	(4%)
Total Revenue	\$ 793.6	\$ 747.5	6%	\$ 426.2	\$ 348.7	22%	1,219.8	1,096.2	11%
Total Operating Expenses							845.9	722.9	17%
Adjusted OIBDA <sup>1</sup>							\$ 373.9	\$ 373.3	0%

**Six Months Ended June 30, 2023 (Unaudited, in millions)<sup>2</sup>**

	US			Mexico			Total pro forma			Total, as reported		
	2Q 23	2Q 22	Change	2Q 23	2Q 22	Change	2Q 23	2Q 22	Change	2Q 23	2Q 22	Change
Advertising	\$ 851.0	\$ 839.5	1%	\$ 493.9	\$ 403.7	22%	\$ 1,344.9	\$1,243.2	8%	\$1,344.9	\$1,190.9	13%
Subscription & Licensing	650.9	606.3	7%	238.5	197.8	21%	889.4	804.1	11%	889.4	772.8	15%
Other	30.8	15.1	104%	25.6	44.4	(42%)	56.4	59.5	(5%)	56.4	57.2	(1%)
Total Revenue	\$1,532.7	\$1,460.9	5%	\$ 758.0	\$ 645.9	17%	2,290.7	2,106.8	9%	2,290.7	2,020.9	13%
Total Operating Expenses							1,555.8	1,331.9	17%	1,555.8	1,281.4	21%
Adjusted OIBDA <sup>1</sup>							\$ 734.9	\$ 774.9	(5%)	\$ 734.9	\$ 739.5	(1%)

**Revenue**

Consolidated total revenue grew 11% to \$1.2 billion.

Advertising revenue increased 10%. In the U.S., advertising revenue increased 1%. This reflects strength in national advertising and momentum in streaming where the Company continues to see demand from advertisers and increased pricing as the Company leverages its new ad formats. In Mexico, advertising revenue increased 29%, or 14% excluding the impact of foreign exchange, driven by growth across all sectors in both linear and streaming.

Subscription and licensing revenue increased 14%. In the U.S., growth of 10% was driven by the success of ViX's premium tier along with pricing growth on linear subscribers, partially offset by linear subscriber declines. In Mexico, growth of 27%, or 16% excluding the impact of foreign exchange, was driven by ViX's premium tier, as well as growth in linear subscribers and pricing.

**Expenses and profitability**

Adjusted OIBDA held flat, despite absorbing significant investments in the company's streaming service, ViX. Operating expenses reflect these investments in ViX, including new original premium content, sports rights, marketing and technology, and grew 17% to \$846 million.

**Cash flow and balance sheet**

Cash flows used in operating activities were \$21 million, compared to \$187 million of cash provided in the prior year quarter. Investing activities for the six months ended June 30, 2023 included capital expenditures of \$97 million compared to \$52 million in the prior year. The Company ended the quarter with \$346 million in cash on its balance sheet. The leverage ratio, or net debt to OIBDA, remained flat at 5.9X compared with the prior quarter ended March 31, 2023.

## 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 first quarter of 2023, the Company completed the purchase accounting 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 11:00 a.m. Eastern Time / 8:00 a.m. Pacific Time. The call will be available via webcast at [investors.televisaunivision.com](https://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](https://televisaunivision.com).

## Contacts

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**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Unaudited and in millions)

	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022
Revenue	\$ 1,219.8	\$ 1,096.2
Direct operating expenses	496.6	459.0
Selling, general and administrative expenses	366.8	337.9
Impairment loss	0.2	—
Restructuring, severance and related charges	14.1	31.1
Depreciation and amortization	148.4	134.2
Gain on dispositions	(0.2)	(0.3)
Operating income	193.9	134.3
Other expense (income):		
Interest expense	170.3	124.8
Interest income	(7.2)	(2.8)
Amortization of deferred financing costs	3.6	3.0
Gain on refinancing of debt	—	(5.3)
Other, net	16.7	23.3
Income (loss) before income taxes	10.5	(8.7)
Provision (benefit) for income taxes	8.7	(1.2)
Net income (loss)	\$ 1.8	\$ (7.5)

	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022
Revenue	\$ 2,290.7	\$ 2,020.9
Direct operating expenses	905.7	801.8
Selling, general and administrative expenses	701.0	585.8
Impairment loss	0.4	—
Restructuring, severance and related charges	18.4	44.8
Depreciation and amortization	284.2	249.1
Loss (gain) on dispositions	0.6	(12.2)
Operating income	380.4	351.6
Other expense (income):		
Interest expense	331.0	239.6
Interest income	(9.9)	(3.3)
Amortization of deferred financing costs	7.3	5.4
Gain on refinancing of debt	—	(5.3)
Other, net	3.2	67.7
Income before income taxes	48.8	47.5
Provision for income taxes	50.0	19.0
Net (loss) income	\$ (1.2)	\$ 28.5

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

ASSETS	June 30, 2023 (Unaudited)	December 31, 2022 (Audited)
Current assets:		
Cash and cash equivalents	\$ 345.7	\$ 538.6
Accounts receivable, less allowance for doubtful accounts of \$14.5 in 2023 and \$25.8 in 2022	1,186.4	971.2
Program rights and prepayments	127.2	68.8
Income taxes	198.7	143.1
Prepaid expenses and other	398.7	327.4
Total current assets	2,256.7	2,049.1
Property and equipment, net	1,219.2	1,113.0
Intangible assets, net	6,604.8	6,579.2
Goodwill	6,635.1	6,319.8
Program rights and prepayments	1,000.3	731.5
Investments	304.4	239.1
Operating lease right-of-use assets	155.2	176.0
Deferred tax assets	180.5	131.3
Other assets	141.2	155.4
<b>Total assets</b>	<b>\$ 18,497.4</b>	<b>\$ 17,494.4</b>
<b>LIABILITIES AND STOCKHOLDER'S EQUITY</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 1,156.6	\$ 1,072.0
Deferred revenue	500.9	204.1
Current operating lease liabilities	38.9	45.9
Current portion of long-term debt and finance lease obligations	342.7	113.8
Total current liabilities	2,039.1	1,435.8
Long-term debt and finance lease obligations	9,724.4	9,911.4
Deferred tax liabilities, net	865.2	844.2
Deferred revenue	74.0	70.8
Noncurrent operating lease liabilities	153.7	171.8
Other long-term liabilities	215.5	186.5
<b>Total liabilities</b>	<b>13,071.9</b>	<b>12,620.5</b>
Stockholder's equity:		
Common Stock, \$0.01 par value; 100,000 shares authorized in 2023 and 2022, 1,000 shares issued and outstanding at June 30, 2023 and December 31, 2022	-	-
Additional paid-in-capital	5,831.3	5,809.5
Accumulated deficit	(1,422.3)	(1,421.1)
Accumulated other comprehensive income	1,016.5	485.5
<b>Total stockholder's equity</b>	<b>5,425.5</b>	<b>4,873.9</b>
<b>Total liabilities and stockholder's equity</b>	<b>\$ 18,497.4</b>	<b>\$ 17,494.4</b>

**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Unaudited and in millions)

	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022
Cash flows from operating activities:		
Net (loss) income	\$ (1.2)	\$ 28.5
Adjustments to reconcile net (loss) income to net cash (used in) provided by operating activities:		
Depreciation	111.3	94.5
Amortization of intangible assets	172.9	154.6
Amortization of deferred financing costs	7.3	5.4
Amortization of program rights and prepayments	437.5	472.4
Deferred income taxes	(7.8)	5.9
Non-cash deferred advertising commitments	(10.7)	(5.2)
Impairment loss	0.4	—
Debt extinguishment expense	—	17.6
Share-based compensation	43.5	58.3
Loss (gain) on dispositions	0.6	(12.2)
Other non-cash items	(25.8)	(33.4)
Changes in assets and liabilities:		
Accounts receivable, net	(190.0)	57.9
Program rights and prepayments	(718.9)	(534.4)
Prepaid expenses and other	(47.0)	5.9
Accounts payable and accrued liabilities	(56.1)	(129.6)
Deferred revenue	250.5	21.8
Other long-term liabilities	8.4	4.7
Other assets	4.1	(26.0)
Net cash (used in) provided by operating activities	(21.0)	186.7
Cash flows from investing activities:		
Capital expenditures	(96.7)	(51.8)
Proceeds on sale of investment and other assets	1.3	9.6
Investments and other acquisitions	(46.4)	(32.6)
Acquisition of businesses, net of cash acquired	0.1	(3,034.6)
Net cash used in investing activities	(141.7)	(3,109.4)
Cash flows from financing activities:		
Proceeds from issuance of long-term debt	100.0	2,531.3
Payments of long-term debt and finance leases	(144.8)	(1,521.8)
Payments of refinancing fees	(0.7)	(76.6)
Proceeds from (payments of) swap interest	31.7	(18.3)
Dividend on behalf of TelevisaUnivision, Inc.	(21.7)	(17.1)
Repurchase of common stock on behalf of TelevisaUnivision, Inc.	—	(3.8)
Tax payment related to net share settlement	—	(3.3)
Capital contribution from Parent, net of fees	—	1,002.4
Net cash (used in) provided by financing activities	(35.5)	1,892.8
Net decrease in cash, cash equivalents, and restricted cash	(198.2)	(1,029.9)
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	5.3	2.6
Cash, cash equivalents, and restricted cash, beginning of period	545.2	1,720.1
Cash, cash equivalents, and restricted cash, end of period <sup>3</sup>	\$ 352.3	\$ 692.8

## RECONCILIATION OF OPERATING INCOME TO ADJUSTED OIBDA<sup>1</sup>

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 generally accepted accounting principles ("GAAP") in the United States 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 June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
<i>(Unaudited, in millions)</i>				
Operating income	\$ 193.9	\$ 134.3	\$ 380.4	\$ 351.6
Less expenses included in operating income but excluded from Adjusted OIBDA:				
Depreciation and amortization	148.4	134.2	284.2	249.1
Impairment loss <sup>4</sup>	0.2	—	0.4	—
Restructuring, severance and related charges	14.1	31.1	18.4	44.8
(Gain) loss on dispositions <sup>5</sup>	(0.2)	(0.3)	0.6	(12.2)
Share-based compensation	16.0	39.8	43.5	58.3
Purchase price adjustments <sup>6</sup>	1.4	32.5	6.4	44.1
Other adjustments <sup>7</sup>	0.1	1.7	1.0	3.8
Adjusted OIBDA	\$ 373.9	\$ 373.3	\$ 734.9	\$ 739.5
Adjusted OIBDA	\$ 373.9	\$ 373.3	\$ 734.9	\$ 739.5
Less expenses included in Adjusted OIBDA but excluded from Bank Credit Adjusted OIBDA: <sup>8</sup>	4.6	4.3	9.0	8.7
Bank Credit Adjusted OIBDA <sup>9</sup>	\$ 378.5	\$ 377.6	\$ 743.9	\$ 748.2



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<sup>1</sup> See page 8 for a description of the non-GAAP term Adjusted OIBDA, a reconciliation to operating income and limitations on its use.

<sup>2</sup> Pro Forma results assume that the Televisa content business acquisition occurred on January 1, 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.

<sup>3</sup> Restricted cash included within Prepaid expenses and other and Other assets was \$6.6 million at both June 30, 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.

<sup>4</sup> Impairment loss in 2023 relates to the write down of program rights.

<sup>5</sup> (Gain) loss on dispositions in 2023 primarily relates to the retirement of fixed assets. Gain on disposition in 2022 primarily relates to the sale of certain assets and write-off of facility-related assets.

<sup>6</sup> Purchase price adjustment relates to amortization of the step-up balance of the Televisa program rights acquired on January 31, 2022.

<sup>7</sup> 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.

<sup>8</sup> 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.

<sup>9</sup> The Bank Credit Adjusted OIBDA above does not include the revenue and cost synergies expected from the Televisa content business acquisition.