Q2 2024 RESULTS

TELEVISAUNIVISION ANNOUNCES SECOND QUARTER 2024 RESULTS

Financial and operational highlights

- Total revenue grew 3% to $1.3 billion, reflecting growth in both Mexico and U.S.
- Total advertising revenue grew 6%. U.S. advertising revenue growth accelerated while Mexico posted double-digit growth for the sixth consecutive quarter
- 2024 Copa America drove record-setting viewership across networks and ViX in both the U.S. and Mexico
- ViX saw strong audience growth and engagement across both free and paid tiers, surpassing 50 million global monthly active users on the free tier
- Adjusted OIBDA declined 3%, representing an improvement over the prior quarter
- Refinanced $1 billion of debt, eliminating more than half of the company's 2026 maturities

MIAMI – July 23, 2024 – TelevisaUnivision, the world's leading Spanish-language media and content company, today announced financial results for the second quarter ended June 30, 2024.

"Q2 was an exciting quarter for us in which we saw building momentum in most areas of our business and delivered some historic milestones," said Wade Davis, CEO of TelevisaUnivision. "We leveraged the combined power of our linear and streaming platforms to deliver the most watched Spanish language soccer tournament in the U.S. in many years, outperforming the 2022 World Cup. Our DTC business continues to pace ahead of plan and is over-delivering across all of its major KPIs. Global ad sales momentum accelerated, driven by a strong marketplace in Mexico and success in the U.S. in attracting new advertisers to our platform. We are looking forward to the second half of the year where the benefits from DTC's turn to profitability, the U.S. presidential election cycle, and execution across the rest of our business, should yield a great next couple of quarters."

Three Months Ended June 30, 2024 (Unaudited, in millions)

	US			Mexico			Total		
	2Q 24	2Q 23	Change	2Q 24	2Q 23	Change	2Q 24	2Q 23	Change
Advertising	$ 462.4	$ 452.6	2%	$ 322.6	$ 284.9	13%	$ 785.0	$ 737.5	6%
Subscription & Licensing	320.6	324.8	(1%)	124.1	128.5	(3%)	444.7	453.3	(2%)
Other	16.4	16.2	1%	11.6	12.8	(9%)	28.0	29.0	(3%)
Total Revenue	$ 799.4	$ 793.6	1%	$ 458.3	$ 426.2	8%	1,257.7	1,219.8	3%
Total Operating Expenses							895.7	845.9	6%
Adjusted OIBDA							$ 362.0	$ 373.9	(3%)

Six Months Ended June 30, 2024 (Unaudited, in millions)

	US			Mexico			Total		
	2Q 24	2Q 23	Change	2Q 24	2Q 23	Change	2Q 24	2Q 23	Change
Advertising	$ 861.8	$ 851.0	1%	$ 571.1	$ 493.9	16%	$ 1,432.9	$ 1,344.9	7%
Subscription & Licensing	647.1	650.9	(1%)	271.0	238.5	14%	918.1	889.4	3%
Other	30.4	30.8	(1%)	25.3	25.6	(1%)	55.7	56.4	(1%)
Total Revenue	$ 1,539.3	$ 1,532.7	0%	$ 867.4	$ 758.0	14%	2,406.7	2,290.7	5%
Total Operating Expenses							1,716.2	1,555.8	10%
Adjusted OIBDA							$ 690.5	$ 734.9	(6%)

Discussion of financial and operational results for the second quarter

Income statement

Consolidated total revenue grew 3% to $1.3 billion. Favorable foreign exchange rates produced a 100bps benefit to consolidated total revenue growth. In the U.S., total revenue grew 1% to $799 million. In Mexico, total revenue grew 8% to $458 million. Excluding the impact of FX rates, Mexico revenue grew 5%.

Advertising revenue increased 6% to $785 million. In the U.S., advertising revenue growth accelerated to 2% to $462 million as growth in DTC more than offset some softness in linear networks. In Mexico, advertising revenue increased 13% to $323 million, reflecting growth in the private sector, predominantly driven by linear networks.

Subscription and licensing revenue decreased 2% to $445 million. In the U.S. it declined 1% to $321 million. In Mexico, it declined 3% to $124 million. These declines were driven by a decline in content licensing and linear platform subscribers, partially offset by growth in ViX's premium tier.

Operating expenses grew 6% to $896 million, driven by continued investments in ViX, investments in the expansion of our third-party advertising sales business in Mexico, and higher sports-related costs with two major soccer tournaments. As a result, adjusted OIBDA of $362 million declined 3%, reflecting an improvement over the prior quarter.

Cash flow and balance sheet

For the three months ended June 30, 2024, cash provided by operating activities was $88 million, compared to $74 million in the prior year. Investing activities for the three months ended June 30, 2024 included capital expenditures of $23 million compared to $45 million in the prior year. The Company ended the quarter with $240 million cash on its balance sheet, representing an increase of $15 million versus the prior quarter.

During the quarter the company refinanced $1.0 billion of debt, representing more than half of its 2026 maturities, through the issuance of $500 million of new 2031 Senior Secured Notes, and $500 million of new 2029 Term Loans.

The leverage ratio, or net debt to adjusted OIBDA remained flat with the prior quarter at 6.1x.

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.

Factors that could cause actual results to differ materially from those expressed or implied by the forward-looking statements in this press release include: (1) cancellations, reductions or postponements of advertising or other changes in advertising practices among our advertisers; (2) any impact of adverse economic or political conditions on our industry, business and financial condition, including inflationary pressures, increases in interest rates, decreases in consumer spending, recessionary fears and reduced advertising revenue and volatility and weakness in the capital markets; (3) failure to renew existing carriage agreements or reach new carriage agreements with multichannel video programming distributors (“MVPDs”) on acceptable terms or otherwise and the impact of such failure on pricing terms of, and contractual obligations under, carriage agreements with other MVPDs; (4) changes in the size of the U.S. Hispanic population, including the impact of U.S. federal and state immigration legislation and policies on both the U.S. Hispanic population and persons emigrating from Latin America; (5) failure to continue our content and programming strategy, including for our sports programming and the content we obtain from Grupo Televisa, as well as lack of audience acceptance of our content or varying popularity of programming; (6) competition in the media industry, including effects of consolidation in the cable or satellite MVPD industry; (7) risks and uncertainties related to, and disruptions to our business and operations caused by, the TelevisaUnivision Transaction and the combination of the companies’ content business; (8) failure of our subscription video-on-demand (“SVOD”) or ad-supported video-on-demand (“AVOD”) services as part of our strategy to provide streaming channels and on-demand Spanish-language programming to Hispanic audiences throughout the world; (9) disruption of our business due to network and information systems-related events, such as computer system or network breaches, hackings or other security incidents, viruses, or other destructive or disruptive software or activities; (10) failure to protect our intellectual property, including piracy of our programming and other content, or other infringement or violation of our intellectual property rights, (11) the impact of U.S. and Mexican regulations including Federal Communications Commission regulations and other U.S. and Mexican communications laws; (12) risks related to our substantial indebtedness and ability to pay our debt; and (13) other factors that may be set forth in the Forward Looking Statements accompanying our annual audited and interim unaudited financial statements from time to time. 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 10:30 a.m. Eastern Time / 7:30 a.m. Pacific Time. The call will be available via webcast at investors.televisaunivision.com or by dialing (800) 245-3047 (within U.S.) or (203) 518-9765 (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 35 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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UNIVISION COMMUNICATIONS INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited and in millions)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	**2023**	**2024**	**2023**
Revenue	$ 1,257.7	$ 1,219.8	$ 2,406.7	$ 2,290.7
Direct operating expenses	524.1	496.6	1,003.8	905.7
Selling, general and administrative expenses	397.9	366.8	772.7	701.0
Impairment loss	9.4	0.2	10.4	0.4
Restructuring, severance and related charges	5.0	14.1	11.6	18.4
Depreciation and amortization	134.7	148.4	288.5	284.2
Loss (gain) on dispositions	5.9	(0.2)	4.7	0.6
Operating income	180.7	193.9	315.0	380.4
Other expense (income):				
Interest expense	180.1	170.3	359.2	331.0
Interest income	(6.1)	(7.2)	(10.1)	(9.9)
Amortization of deferred financing costs	4.7	3.6	9.3	7.3
Loss on refinancing of debt	6.2	—	4.5	—
Other, net	(11.4)	16.7	11.7	3.2
Income (loss) before income taxes	7.2	10.5	(59.6)	48.8
(Benefit) provision for income taxes	(6.9)	8.7	(21.7)	50.0
Net income (loss)	$ 14.1	$ 1.8	$ (37.9)	$ (1.2)

UNIVISION COMMUNICATIONS INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Amounts in millions, except share and per share data)

	June 30, 2024	December 31, 2023
	Unaudited	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 240.1	$ 220.9
Accounts receivable, net	1,081.4	1,160.6
Program rights and prepayments	147.9	116.0
Income taxes	343.1	186.3
Prepaid expenses and other	361.7	327.9
Total current assets	2,174.2	2,011.7
Property and equipment, net	1,074.9	1,202.6
Intangible assets, net	5,921.9	6,234.6
Goodwill	5,762.0	5,911.2
Program rights and prepayments	1,237.5	1,165.4
Investments	288.3	279.3
Operating lease right-of-use assets	121.7	136.5
Deferred tax assets	264.5	248.5
Other assets	100.4	106.1
Total assets	$ 16,945.4	$ 17,295.9
LIABILITIES AND STOCKHOLDER'S EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	$ 937.9	$ 1,174.6
Deferred revenue	493.5	284.1
Current operating lease liabilities	40.1	34.7
Current portion of long-term debt and finance lease obligations	201.4	308.5
Total current liabilities	1,672.9	1,801.9
Long-term debt and finance lease obligations	9,601.9	9,571.1
Deferred tax liabilities, net	961.4	836.5
Deferred revenue	96.4	78.3
Non-current operating lease liabilities	107.3	126.3
Other long-term liabilities	281.7	289.1
Total liabilities	12,721.6	12,703.2
Stockholder's equity:		
Common Stock, $0.01 par value; 100,000 shares authorized in 2024 and 2023, 1,000 shares issued and outstanding at June 30, 2024 and December 31, 2023	—	—
Additional paid-in-capital	5,875.9	5,854.9
Accumulated deficit	(2,325.9)	(2,288.0)
Accumulated other comprehensive income	673.8	1,025.8
Total stockholder's equity	4,223.8	4,592.7
Total liabilities and stockholder's equity	$ 16,945.4	$ 17,295.9

UNIVISION COMMUNICATIONS INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited and in millions)

	Six Months Ended June 30,	
	2024	**2023**
Cash flows from operating activities:		
Net loss	$ (37.9)	$ (1.2)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation	112.1	111.3
Amortization of intangible assets	176.4	172.9
Amortization of deferred financing costs	9.3	7.3
Amortization of program rights and prepayments	476.1	429.1
Deferred income taxes	65.9	(7.8)
Non-cash deferred advertising commitments	(32.3)	(10.7)
Impairment loss	10.4	0.4
Loss on refinancing of debt	4.5	—
Share-based compensation	41.7	43.5
Loss on dispositions	4.7	0.6
Other non-cash items	(6.4)	(25.8)
Changes in assets and liabilities:		
Accounts receivable, net	49.3	(130.2)
Program rights and prepayments	(621.6)	(710.5)
Prepaid expenses and other	(54.7)	(66.6)
Accounts payable and accrued liabilities	(344.2)	(96.3)
Deferred revenue	263.9	250.5
Other long-term liabilities	20.2	8.4
Other assets	12.2	4.1
Net cash provided by (used in) operating activities	149.6	(21.0)
Cash flows from investing activities:		
Capital expenditures	(62.7)	(96.7)
Investments and other, net	8.7	(45.1)
Acquisition of businesses, net of cash acquired	—	0.1
Net cash used in investing activities	(54.0)	(141.7)
Cash flows from financing activities:		
Proceeds from issuance of long-term debt	1,338.1	100.0
Payments of long-term debt and finance leases	(1,413.3)	(144.8)
Payments of refinancing fees	(10.0)	(0.7)
Proceeds from swap interest	39.3	31.7
Dividend payments on behalf of TelevisaUnivision, Inc.	(20.7)	(21.7)
Net cash used in financing activities	(66.6)	(35.5)
Net increase (decrease) in cash, cash equivalents, and restricted cash	29.0	(198.2)
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	(14.8)	5.3
Cash, cash equivalents, and restricted cash, beginning of period	227.5	545.2
Cash, cash equivalents, and restricted cash, end of period[1]	$ 241.7	$ 352.3

RECONCILIATION OF OPERATING INCOME TO ADJUSTED OIBDA[2]

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.

Adjustments to Adjusted OIBDA do not include any adjustments described elsewhere in this press release relating to bad debt expenses incurred in the first quarter of 2023. Such amounts are not excluded from Adjusted OIBDA but are presented herein solely for informational purposes.

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,	
	2024	2023	2024	2023
(Unaudited, in millions)				
Operating income	$ 180.7	$ 193.9	$ 315.0	$ 380.4
Less expenses included in operating income but excluded from Adjusted OIBDA:				
Depreciation and amortization	134.7	148.4	288.5	284.2
Impairment loss[3]	9.4	0.2	10.4	0.4
Restructuring, severance and related charges	5.0	14.1	11.6	18.4
Loss (gain) on dispositions[4]	5.9	(0.2)	4.7	0.6
Share-based compensation	20.7	16.0	41.7	43.5
Purchase price adjustments[5]	1.3	1.4	2.7	6.4
Other adjustments[6]	4.3	0.1	15.9	1.0
Adjusted OIBDA	$ 362.0	$ 373.9	$ 690.5	$ 734.9
Adjusted OIBDA	$ 362.0	$ 373.9	$ 690.5	$ 734.9
Less expenses included in Adjusted OIBDA but excluded from Bank Credit Adjusted OIBDA:[7]	8.2	4.6	13.1	9.0
Bank Credit Adjusted OIBDA[8]	$ 370.2	$ 378.5	$ 703.6	$ 743.9

[1] Restricted cash included within Prepaid expenses and other and Other assets was $1.6 million as of June 30, 2024 and pertain to escrow amounts for certain lease and grant payments. Restricted cash included within Prepaid expenses and other and Other assets was $6.6 million as of December 31, 2023 and pertain to escrow amounts for certain lease, grant payments and transition service agreement on the non-strategic radio stations sold on December 30, 2022.

[2] See page 8 for a description of the non-GAAP term Adjusted OIBDA, a reconciliation to operating income and limitations on its use.

[3] Impairment loss in 2024 and 2023 relates to the write down of program rights.

[4] Loss on dispositions in 2024 relates mainly to retirement of fixed assets, partially offset by gain related to lease modification. Loss (gain) on dispositions in 2023 relates to the retirement of fixed assets.

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

[6] Other adjustments in 2024 and 2023 to operating income are primarily comprised of unusual and infrequent items as permitted by our credit agreement.

[7] 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.

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