



**TV AZTECA ANNOUNCES 15% GROWTH IN EBITDA
TO Ps.1,219 MILLION IN 4Q19**

**—Solid 24% increase in operating income,
to Ps.958 million in the period—**

**—Growing demand for advertising spaces on TV Azteca’s platforms,
resulted into a 16% increase in net sales, to Ps.4,082 million—**

Mexico City, February 25, 2020—TV Azteca, S.A.B. de C.V. (BMV: AZTECACPO; Latibex: XTZA), one of the two largest producers of Spanish-language television programming in the world, today announced fourth quarter 2019 and full year 2019 financial results.

"People are watching TV Azteca more than ever, as a result of agile, dynamic content with the best quality," commented Benjamín Salinas, CEO of TV Azteca; "this is reflected in the fact that 40% of Mexicans with the highest purchasing power are tuning in TV Azteca's prime time, and with the increased advertising demand in the quarter, we will boost a new commercialization model with enhanced screens," he concluded.

Fourth Quarter Results

Net revenue for the period was Ps.4,082 million, 16% higher than the Ps.3,516 million for the same quarter of last year. Total costs and expenses were Ps.2,863 million, in comparison to Ps.2,458 million for the previous year.

As a result, TV Azteca reported EBITDA of Ps.1,219 million, from Ps.1,058 million a year ago. The EBITDA margin for the quarter was 30%, constant from a year ago. Operating income was Ps.958 million, 24% higher from Ps.771 million a year ago.

The company registered a net income of Ps.1,132 million, from a net loss of Ps.113 million for the same period in 2018.

	4Q 2018	4Q 2019	Change	
			Ps.	%
Net sales	\$3,516	\$4,082	\$566	16%
EBITDA	\$1,058	\$1,219	\$161	15%
Operating income	\$771	\$958	\$186	24%
Net result	\$(113)	\$1,132	\$1,245	----
Net result per CPO	\$(0.04)	\$0.38	\$0.42	----

Figures in millions of pesos.

EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortization.

The number of CPOs outstanding as of December 31, 2018 was 2,987 million and as of December 31, 2019 was 2,984 million.

Net sales

Advertising sales in Mexico increased 17%, to Ps.3,927 million, from Ps.3,345 million the previous year, as a result of solid advertising spending from domestic advertisers in the framework of successful programming of TV Azteca in the quarter.

During this period, content sales to other countries were Ps.27 million in comparison with Ps.42 million from the previous year. Revenue for the quarter resulted mainly from the commercialization of the shows *La fiscal de hierro*, *Vuélveme a querer* and *Las Bravo* in Europe, as well as the sale of TV Azteca's signals to the rest of the world.

Revenue from TV Azteca Guatemala and TV Azteca Honduras was Ps.30 million, in comparison with Ps.32 million of the previous year.

Azteca Comunicaciones Perú reported revenue of Ps.98 million, in comparison to Ps.97 million a year ago. Revenue resulted from telecommunications services and reimbursements from the Peruvian government for maintenance and operation of the fiber optic network.

Costs and SG&A Expenses

Total costs and expenses increased 16% in the quarter as a result of a 18% increase in production, programming, transmission and telecommunications services costs to Ps.2,443 million, from Ps.2,070 million a year ago, and an 8% increase in sales and administrative expenses, to Ps.421 million, compared to Ps.388 million in the previous year.

The increase in costs results from efforts to produce higher quality programs that have a positive impact on net sales.

The costs of Azteca Comunicaciones Perú were Ps.87 million, from Ps.93 million a year ago. The lower costs derive from transmission infrastructure rent reduction, operations efficiencies and lower advisory fees.

The increase in expenses at TV Azteca reflects higher service and operating expenses, partially offset by lower personnel expenses this quarter.

EBITDA and net results

Consolidated EBITDA of the company was Ps.1,219 million, compared to Ps.1,058 million for the same period of the prior year. Operating profit was Ps.958 million, from Ps.771 million a year ago.

Significant variations below EBITDA were the following:

An increase of Ps.84 million in other financial expenses, due to operating costs from factoring and coverage of financial instruments in the period.

A foreign exchange gain of Ps.306 million this quarter in comparison to a loss in foreign exchange for Ps.269 million a year ago, as a result of a net liability monetary balance in dollars in the company, along with appreciation of the peso this quarter, compared with a depreciation a year ago.

A benefit in tax provision for Ps.631 million this period, in comparison with a charge of Ps.220 million a year ago. The benefit this quarter derives from the partial release of the deferred tax asset reserve, based on an analysis of the company's tax loss recovery, which considers the financial and fiscal estimate of future results.

Growth of Ps.268 million in discontinued operations, as a result of the deconsolidation of the Atlas soccer team in the results of TV Azteca, which was previously announced.

TV Azteca registered net income of Ps.1,132 million for the quarter, compared to a net loss of Ps.113 million for the same period a year ago.

Cash Flow

During the period that ended on December 31, 2019, TV Azteca generated net cash flow from operations of Ps.2,544 million, in comparison to Ps.3,845 million of the previous year.

Once the flows of investment and financing activities were included, the generation of cash and cash equivalents of the company was Ps.581 million in the period, which contributed to strengthening TV Azteca's balance sheet.

Debt

As of December 31, 2019, TV Azteca's outstanding debt was Ps.13,114 million, in comparison to Ps.13,396 million in the previous year.

The cash and cash equivalents balance at the end of the quarter, summed up at Ps.2,283 million, 34% above the Ps.1,702 million a year ago. Net debt of the company as of December 31, 2019 was Ps.10,831 million, in comparison to Ps.11,694 million in the previous year.

Twelve-month results

Net sales for 2019 were Ps.12,814 million, in comparison with Ps.13,680 million for the previous year. The reduction results from lower advertising investment by the federal government this period, as well as revenues related to the Soccer World Cup, a year ago.

Total costs and expenses were Ps.10,231 million, a 6% reduction from Ps.10,866 million for the same period of the previous year, mainly from costs related to the transmission of the Soccer World Cup in Russia in 2018.

TV Azteca reported EBITDA of Ps.2,584 million, compared to Ps.2,814 million from the previous year. EBITDA margin for 2019 was 20%. Operating profit was Ps.1,525 million, from Ps.1,647 million a year ago. The company reported a net gain of Ps.1,050 million, compared to a net loss of Ps.652 million in 2018.

	2018	2019	Change	
			Ps.	%
Net sales	\$13,680	\$12,814	\$(866)	-6%
EBITDA	\$2,814	\$2,584	\$(230)	-8%
Operating profit	\$1,647	\$1,525	\$(122)	-7%
Net result	\$(652)	\$1,050	\$1,702	----
Net result per CPO	\$(0.22)	\$0.35	\$0.57	----

Figures in millions of pesos.

EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortization.

The number of CPOs outstanding as of December 31, 2018 was 2,987 million and as of December 31, 2019 was 2,984 million.

About TV Azteca

TV Azteca is one of the two largest producers of Spanish-language television programming in the world, operating four television networks in Mexico: Azteca uno, Azteca 7, adn40 and a+, through more than 300 owned and operated stations across the country. The company also operates TV Azteca Digital, the operator of several Mexico's most visited websites and social media platforms.

TV Azteca is a Grupo Salinas company (www.gruposalinas.com), a group of dynamic, fast growing, and technologically advanced companies focused on creating: economic value through market innovation and goods and services that improve standards of living; social value to improve community wellbeing; and environmental value by reducing the negative impact of its business activities. Created by Mexican entrepreneur Ricardo B. Salinas (www.ricardosalinas.com), Grupo Salinas operates as a management development and decision forum for the top leaders of member companies. These companies include TV Azteca (www.TVazteca.com; www.irtvazteca.com), Grupo Elektra (www.grupoelektra.com.mx), Banco Azteca (www.bancoazteca.com.mx), Advance America (www.advanceamerica.net), Afore Azteca (www.aforeazteca.com.mx), Seguros Azteca (www.segurosazteca.com.mx), Punto Casa de Bolsa (www.puntocasadebolsa.mx), Totalplay (www.totalplay.com.mx) and Totalplay Empresarial (totalplayempresarial.com.mx). TV Azteca and Grupo Elektra trade shares on the Mexican Stock Market and in Spains' Latibex market. Each of the Grupo Salinas companies operates independently, with its own management, board of directors and shareholders. Grupo Salinas has no equity holdings. The group of companies shares a common vision, values and strategies for achieving rapid growth, superior results and world-class performance.

Except for historical information, the matters discussed in this press release are concepts about the future that involve risks and uncertainty that may cause actual results to differ materially from those projected. Other risks that may affect TV Azteca and its subsidiaries are presented in documents sent to the securities authorities.

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TV AZTECA, S.A.B. DE C.V. AND SUBSIDIARIES
CONSOLIDATED RESULTS OF OPERATIONS
(Millions of Mexican pesos of December 31 of 2018 and 2019)

	Fourth Quarter of :					
	2018		2019		Change	
Net revenue	Ps 3,516	100%	Ps 4,082	100%	Ps 566	16%
Programming, production and transmission costs	2,070	59%	2,443	60%	372	18%
Selling and administrative expenses	388	11%	421	10%	33	8%
Total costs and expenses	2,458	70%	2,863	70%	405	16%
EBITDA	1,058	30%	1,219	30%	161	15%
Depreciation and amortization	171		187		16	
Other expense -Net	116		75		(41)	
Operating profit	771	22%	958	23%	186	24%
Equity in income from affiliates	(27)		(21)		6	
Comprehensive financing result:						
Interest expense	(343)		(337)		6	
Other financing expense	(18)		(102)		(84)	
Interest income	75		47		(28)	
Exchange loss -Net	(269)		306		575	
	(555)		(86)		469	
Income before the following provision	189	5%	851	21%	662	
Provision for income tax	(220)		631		851	
Profit (Loss) from continuing operations	(31)		1,482		1,513	
Profit (loss) from discontinued operations	(82)		(350)		(268)	
Net income	Ps (113)		Ps 1,132		Ps 1,245	
Non-controlling share in net profit	Ps (4)		Ps 0		Ps 4	
Controlling share in net profit	Ps (109)	-3%	Ps 1,132	28%	Ps 1,241	

TV AZTECA, S.A.B. DE C.V. AND SUBSIDIARIES
CONSOLIDATED RESULTS OF OPERATIONS
(Millions of Mexican pesos of December 31 of 2018 and 2019)

	<u>Period ended December 31,</u>					
	<u>2018</u>		<u>2019</u>		<u>Change</u>	
Net revenue	Ps 13,680	100%	Ps 12,814	100%	Ps (866)	-6%
Programming, production and transmission costs	9,395	69%	8,676	68%	(719)	-8%
Selling and administrative expenses	1,472	11%	1,555	12%	83	6%
Total costs and expenses	10,866	79%	10,231	80%	(636)	-6%
EBITDA	2,814	21%	2,584	20%	(230)	-8%
Depreciation and amortization	721		761		40	
Other expense -Net	446		298		(148)	
Operating profit	1,647	12%	1,525	12%	(122)	-7%
Equity in income from affiliates	(36)		(43)		(7)	
Comprehensive financing result:						
Interest expense	(1,310)		(1,353)		(43)	
Other financing expense	(166)		(236)		(70)	
Interest income	194		143		(51)	
Exchange Gain -Net	44		272		228	
	(1,237)		(1,173)		64	
Income before the following provision	374	3%	309	2%	(65)	
Provision for income tax	(940)		1,251		2,191	
Profit (Loss) from continuing operations	(565)		1,560		2,126	
Profit (loss) from discontinued operations	(86)		(510)		(423)	
Net income	Ps (652)		Ps 1,050		Ps 1,702	
Non-controlling share in net profit	Ps (5)		Ps 0		Ps 5	
Controlling share in net profit	Ps (647)	-5%	Ps 1,050	8%	Ps 1,697	

TV AZTECA, S.A.B. DE C.V. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Millions of Mexican pesos of December 31 of 2018 and 2019)

	At December 31				Change
	2018	2019			
Current assets:					
Cash and cash equivalents	Ps 1,702	Ps 2,283	Ps 581		
Accounts receivable	3,703	3,588	(115)		
Other current assets	4,504	3,344	(1,160)		
Total current assets	9,909	9,215	(694)		-7%
Accounts receivable	76	22	(54)		
Exhibition rights	2,115	2,405	290		
Property, plant and equipment-Net	3,533	3,726	193		
Television concessions-Net	9,427	9,444	17		
Other assets	2,140	1,318	(822)		
Deferred income tax asset	788	2,551	1,763		
Total long term assets	18,079	19,466	1,387		8%
Total assets	Ps 27,988	Ps 28,681	Ps 693		2%
Current liabilities:					
Short-term debt	Ps -	Ps 1,708	Ps 1,708		
Other current liabilities	5,015	5,937	922		
Total current liabilities	5,015	7,645	2,630		52%
Long-term debt:					
Securities Certificates	3,960	3,975	15		
Long-term debt	9,436	7,431	(2,005)		
Total long-term debt	13,396	11,406	(1,990)		-15%
Other long term liabilities:					
Advertising advances	5,180	4,956	(224)		
Deferred income tax	721	529	(192)		
Other long term liabilities	199	499	300		
Total other long-term liabilities	6,100	5,984	(116)		-2%
Total liabilities	24,511	25,035	524		2%
Total stockholders' equity	3,477	3,646	169		5%
Total liabilities and equity	Ps 27,988	Ps 28,681	Ps 693		2%

TV AZTECA, S.A.B. DE C.V. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Millions of Mexican pesos of December 31 of 2018 and 2019)

	Period ended December 31,	
	2018	2019
Operating activities:		
Cash flow generated before taxes to income	Ps 2,220	Ps 2,058
Accounts receivable	1,685	200
Inventories and performance rights	565	459
Accounts payable, accrued expenses and taxes on earnings	<u>(625)</u>	<u>(173)</u>
Net cash flow from operating activities	<u>3,845</u>	<u>2,544</u>
 Investing activities:		
Acquisitions of property and equipment, intangibles and others	(288)	(348)
Renewal of Concessions	<u>(3,940)</u>	<u>-</u>
Net cash flows from investing activities	<u>(4,228)</u>	<u>(348)</u>
 Financing activities:		
Proceeds from borrowings	626	-
Interest paid	(1,310)	(1,353)
Others	<u>(14)</u>	<u>(261)</u>
Net cash flows from financing activities	<u>(698)</u>	<u>(1,614)</u>
Increase in cash and cash equivalents	(1,081)	581
Cash and cash equivalents at beginning of year	<u>2,783</u>	<u>1,702</u>
Cash and cash equivalents at end of year	<u>Ps</u> 1,702	<u>Ps</u> 2,283