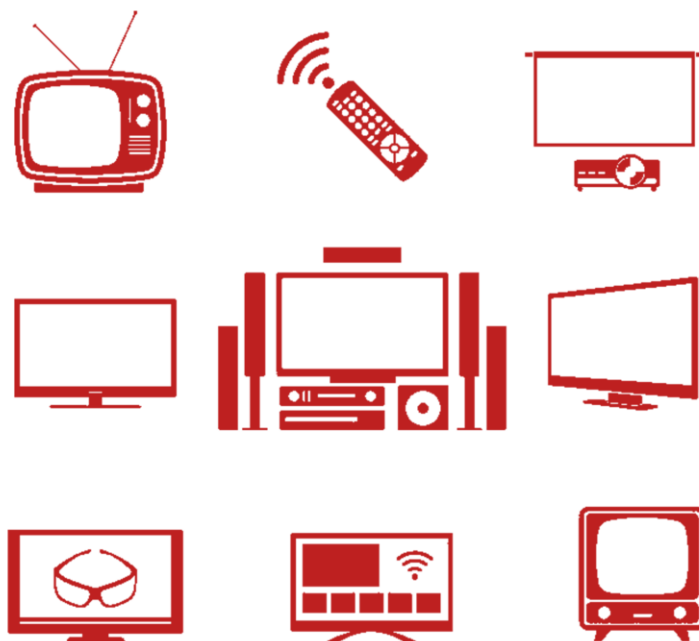


# Focus on the balance sheets of the main market operators



## Television sector (Financial years 2013 – 2017)

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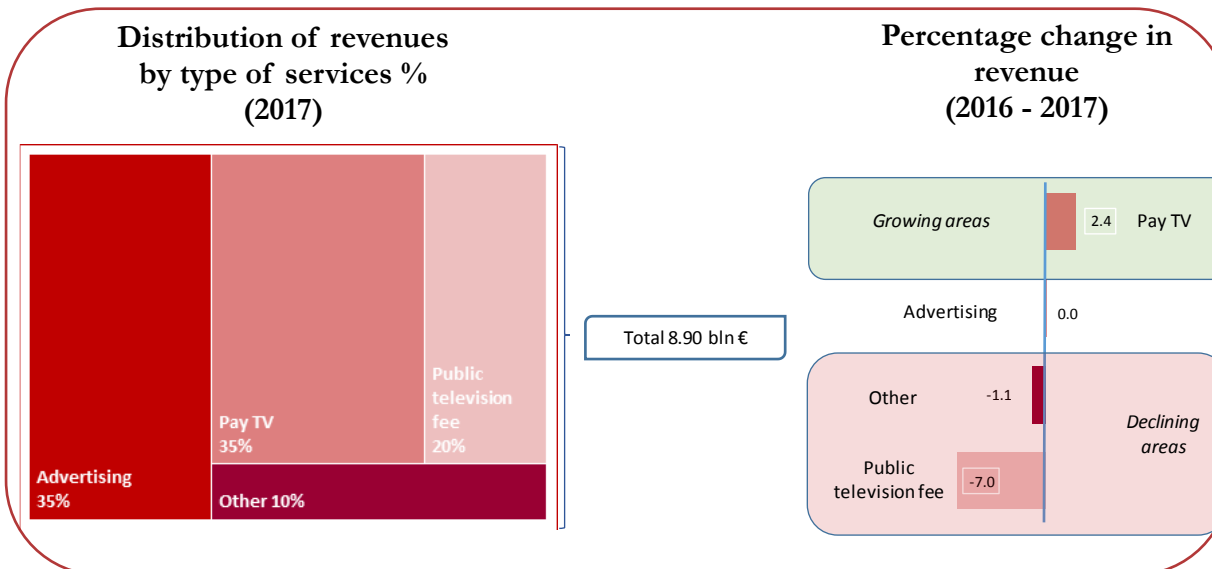
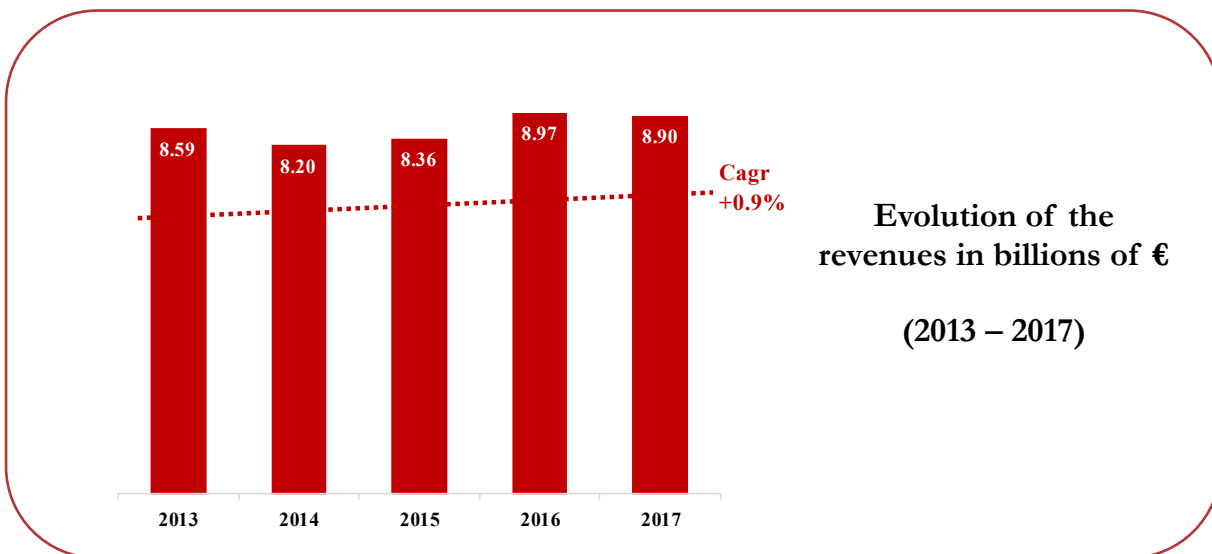
*This Focus is based on the accounting information of the main companies in the **Television** sector for the period 2013-2017*

# Revenues and number of employees

## Revenues

**i** At the end of 2017, the overall value of revenues is estimated around **8.9** billion of € (+**3.6%** compared to 2013).

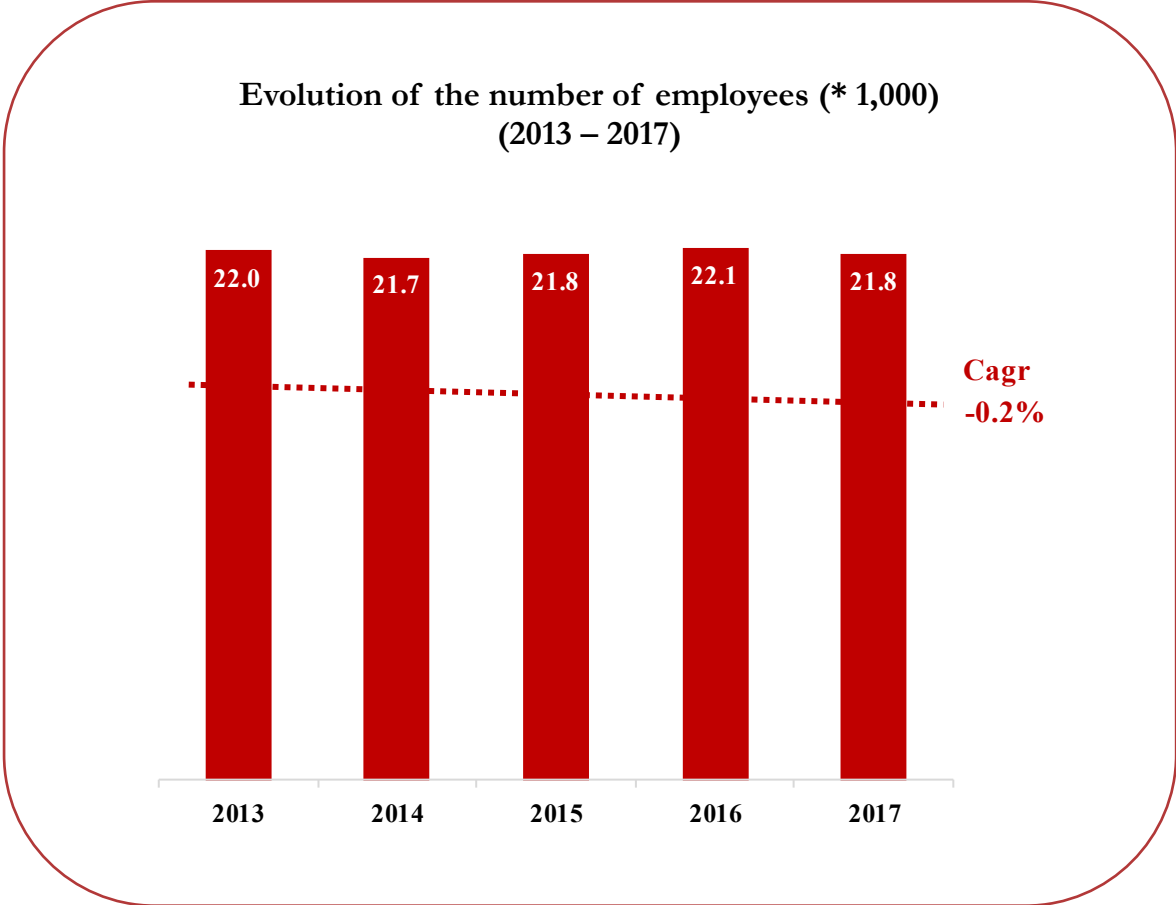
Revenues deriving from advertising and Pay TV now accounts for **35%** of total revenues, while public television fee accounts for **20%**.



## Number of employess



In the period under examination (2013 - 2017), the number of employees decreased at the average annual rate of **0.2%** with a reduction of the workforce of **250** units.



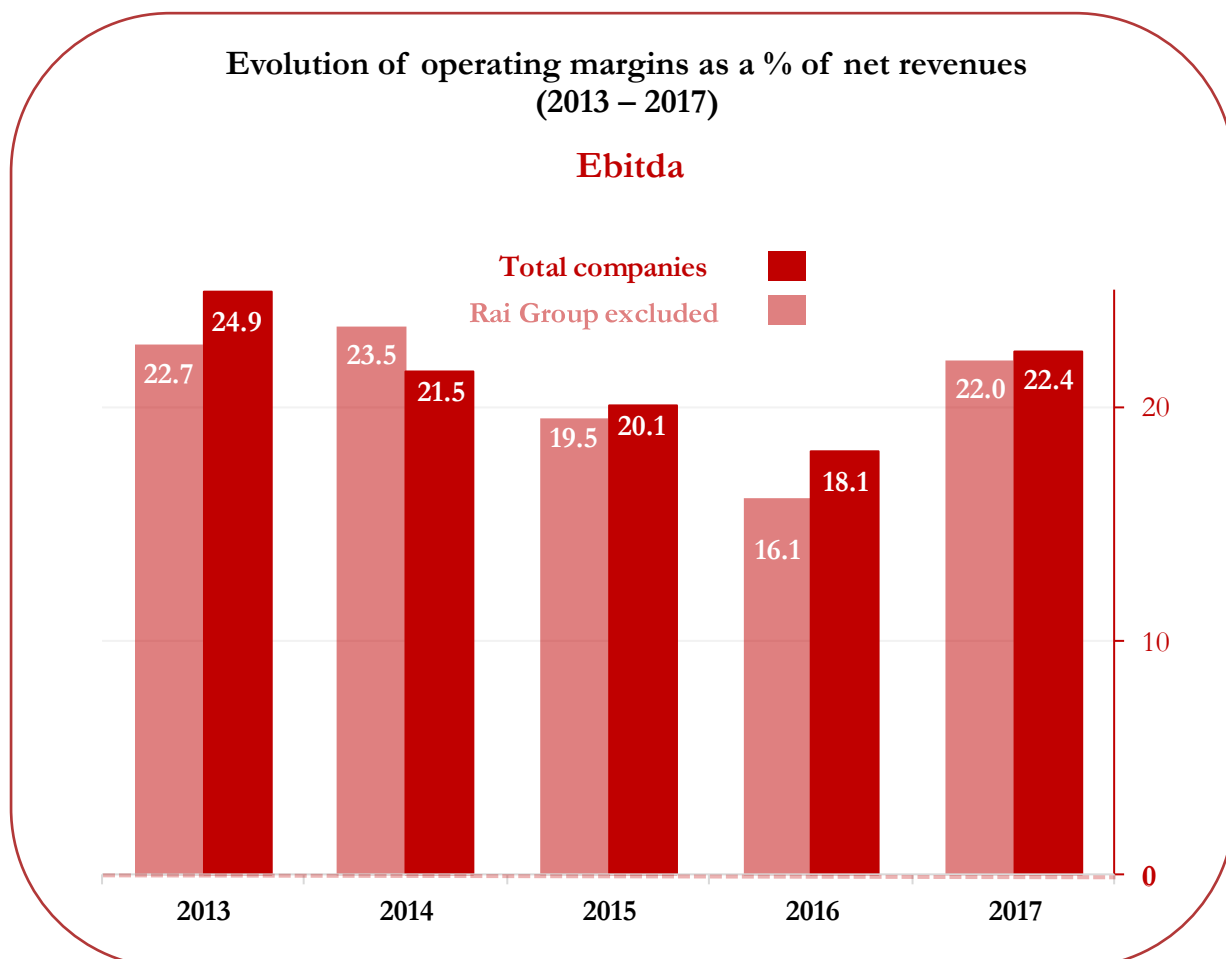
# Profitability analysis

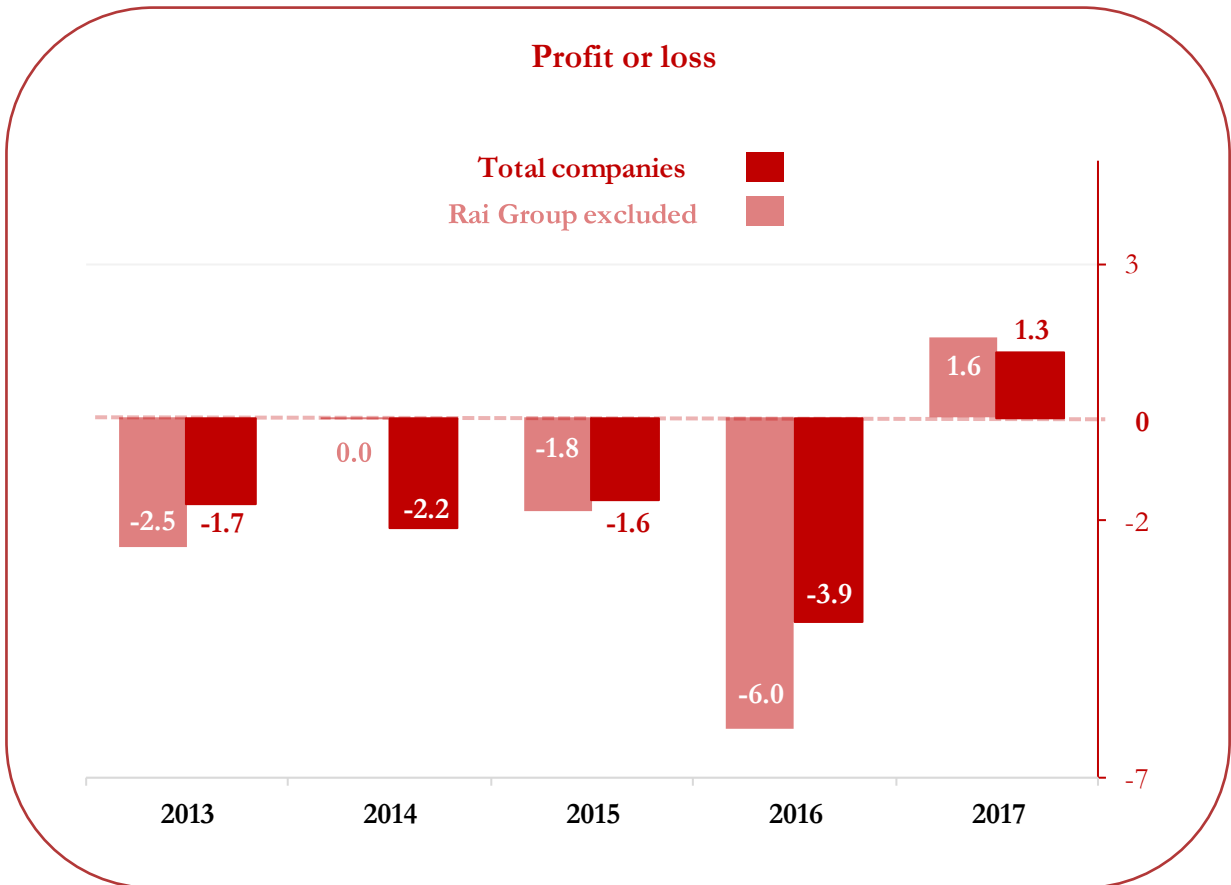
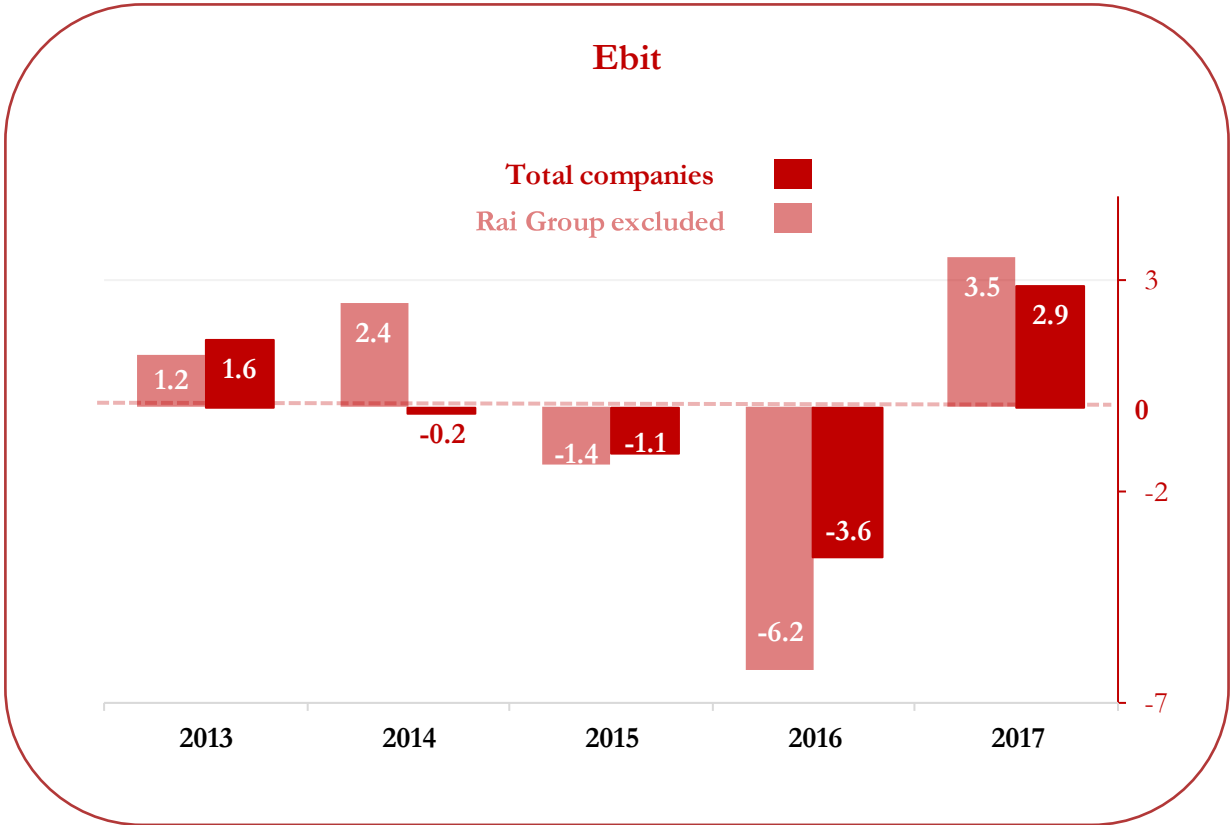
## Operating margins

**i** NB: It is worth noting that Rai, the public service company, presents a business model in which the non-commercial objectives are prevailing; the result is a profitability target that diverges from that of operators with a purely commercial nature.

The evolution of the operating margins (**Ebitda** and **Ebit**) of the main companies in the television sector shows, during the period considered, an initial negative trend, between 2013 and 2015, followed by a growth phase between 2016 and 2017.

The operating results (**Profit or loss**) turned positive in 2017 at **114** mln of €, after a negative trend between 2014 and 2016.

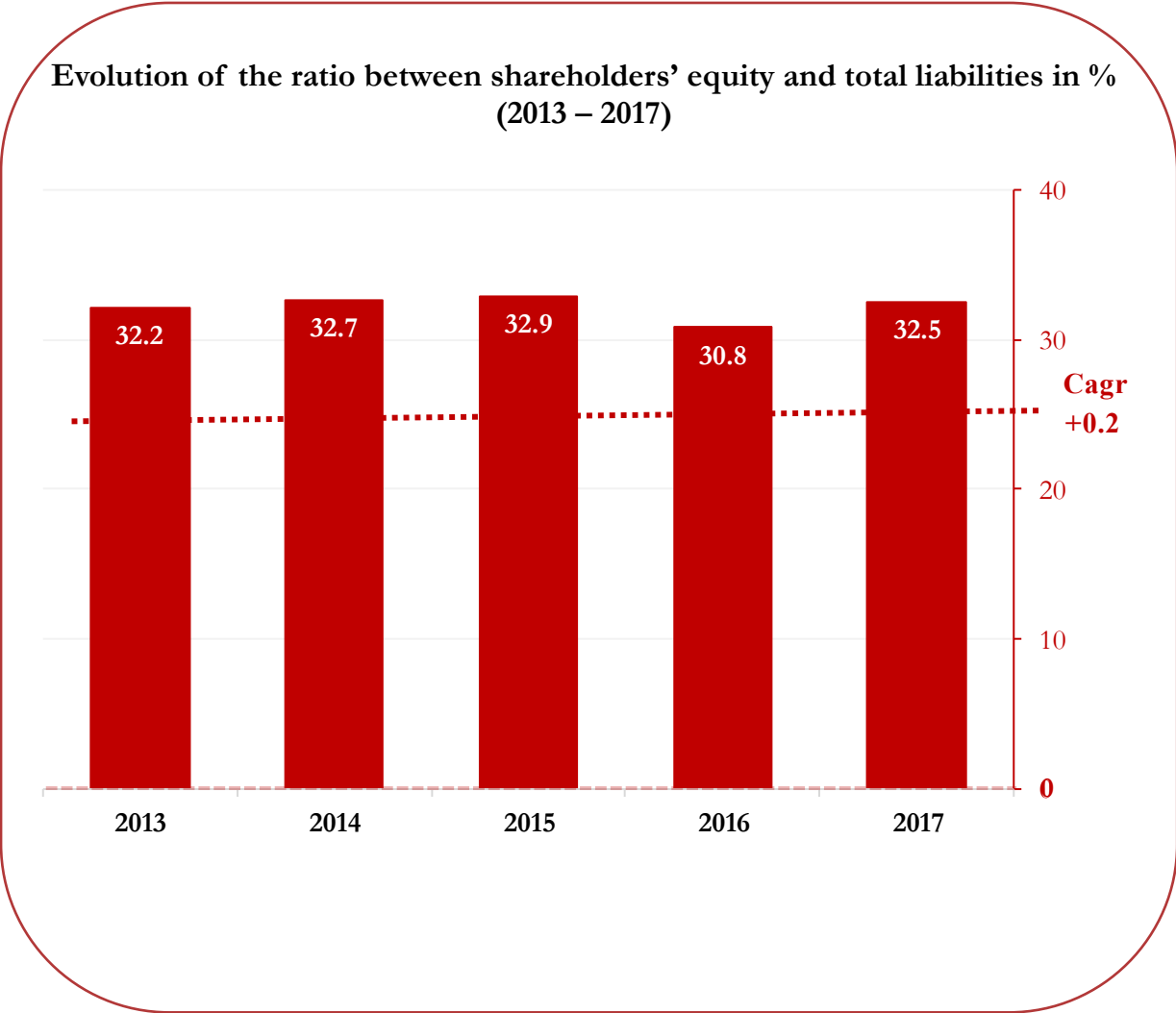




# Level of capitalization and investments

## Ratio between shareholders' equity and total liabilities

**i** During the period considered, the use of equity (**net capital**) of the main companies in the sector remained stable compared: **32.2** in 2013 compared to **32.5** in 2017.



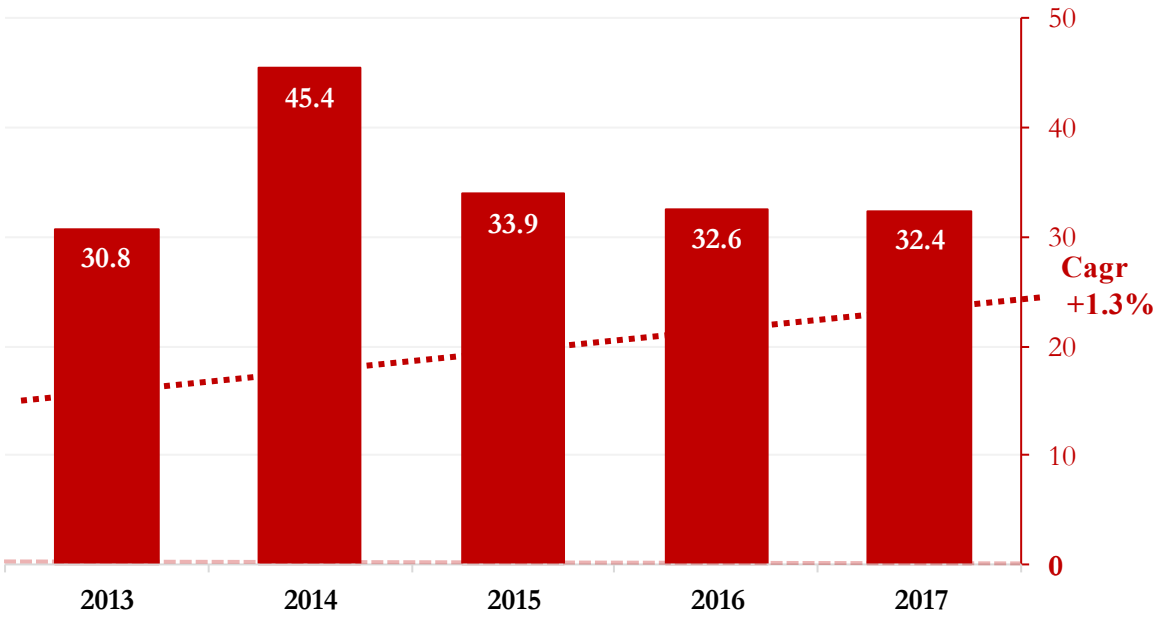
### Ratio between investments and revenues

**i** **N.B.** It is worth noting that the companies use different ways to account for the acquisition of television rights, as investments or operating costs.

Between 2013 and 2017, the **investments** of the main operators were, on average, equal to **7.3%** of revenues.

For example, 2014 was characterized by a significant increase in the investments, due to the periodical new allocation of television football rights (Uefa Champions League) for an amount of 1,500 mln. €.

**Evolution of the ratio between investments and revenues in%  
(2013 – 2017)**





## Methodological note

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*This analysis, which is based on the accounting information available from the financial statements of the main companies of the sector, provides a set of documents differing from similar analyses carried out by the Italian Communications Authority (AGCOM) and by other research entities.*

*In particular, there are considerable differences in terms of purpose and information collection within the detailed studies proposed in the Focus by other analysis carried out for regulatory purposes (e.g. "market analysis") or, for instance, in preparing the AGCOM "Annual Report".*

*The main objective of the Budgets Focus is to provide a synthetic representation of the "health status" (income, assets and employment) of the sector by using duly elaborated information, derived from the statutory financial statements of the companies analysed. In other words, the findings of the Focus are obtained on the basis of all the activities carried out by the main subjects operating in the sector under consideration rather than on the subdivision of these activities by product group.*

*In particular, there are at least three main elements to be considered:*

- the different sample size;*
- the different timing of data collection;*
- the request for off-accounts information characterising most of the specific requests for information that the AGCOM addresses to companies and which, therefore, are not always attributable to specific budget resources in compliance with the Italian Civil Code.*

*The **companies** analysed for this Focus are:*

***Canale Italia, Chili TV, Discovery, La7, Mediaset (Italia), MTV (2013), NSTI (2014-2017), QVC Italia, Rai, Sky Italia, Telecity, Telelombardia, Telenorba, Triveneto, Viacom IMNs Italia.***