

ADVERTISEMENT CAKE 2015

Advertising Revenue Survey of the
Hungarian Television Market 2015

18 February 2016



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- ▶ Methodology follows the practice of recent years.
- ▶ The data used to determine the size of the advertising market was provided directly by television companies, members of the Association of the Hungarian Electronic Broadcasters (hereinafter referred to as MEME).
- ▶ 56 television channels provided data.
- ▶ Data collection and analysis was performed by EY.
- ▶ All collected data have been destroyed after the analysis.

List of data providers: 56 channels

- ▶ ATV
- ▶ AXN
- ▶ Cartoon Network
- ▶ CBS Reality
- ▶ Comedy Central
- ▶ Cool
- ▶ Discovery Channel
- ▶ Disney Channel
- ▶ DOQ
- ▶ Duna
- ▶ Duna World
- ▶ FEM3
- ▶ Film Café
- ▶ Film Mánia
- ▶ Film+
- ▶ Film+2
- ▶ FOX
- ▶ Galaxy
- ▶ ID Investigation
- ▶ LifeNetwork
- ▶ M1
- ▶ M2
- ▶ M3
- ▶ M4 Sport
- ▶ Minimax
- ▶ Megamax*
- ▶ MTV
- ▶ Music Channel
- ▶ Muzsika
- ▶ Nat Geo Wild
- ▶ National Geographic
- ▶ Nickelodeon
- ▶ OzoneNetwork
- ▶ Paramount Channel
- ▶ PRO4
- ▶ PV TV*
- ▶ RTL II
- ▶ RTL Klub
- ▶ RTL +
- ▶ Sláger TV
- ▶ Sorozat+
- ▶ Spektrum
- ▶ Spektrum Home
- ▶ Sport 1
- ▶ Sport 2
- ▶ SportM*
- ▶ Sport Klub
- ▶ Story 4
- ▶ Story 5
- ▶ SUPERTV2
- ▶ TV Paprika
- ▶ TV2
- ▶ Universal
- ▶ Viasat3
- ▶ Viasat6
- ▶ Viva

* No advertising sales

Net-net revenue was used for our analysis

- ▶ Net-net revenue, i.e. revenue after deducting discounts and agency commissions, was used.
- ▶ No barter revenue was included.
- ▶ No other revenue data were included (e.g. premium rate calls or text message charges, revenues from events or merchandise).
- ▶ Sponsorship contained revenue from product placement but in the case of sponsored programs it did not contain production costs.
- ▶ All data are presented in million HUF.

A 51.6 billion adcake in year 2015

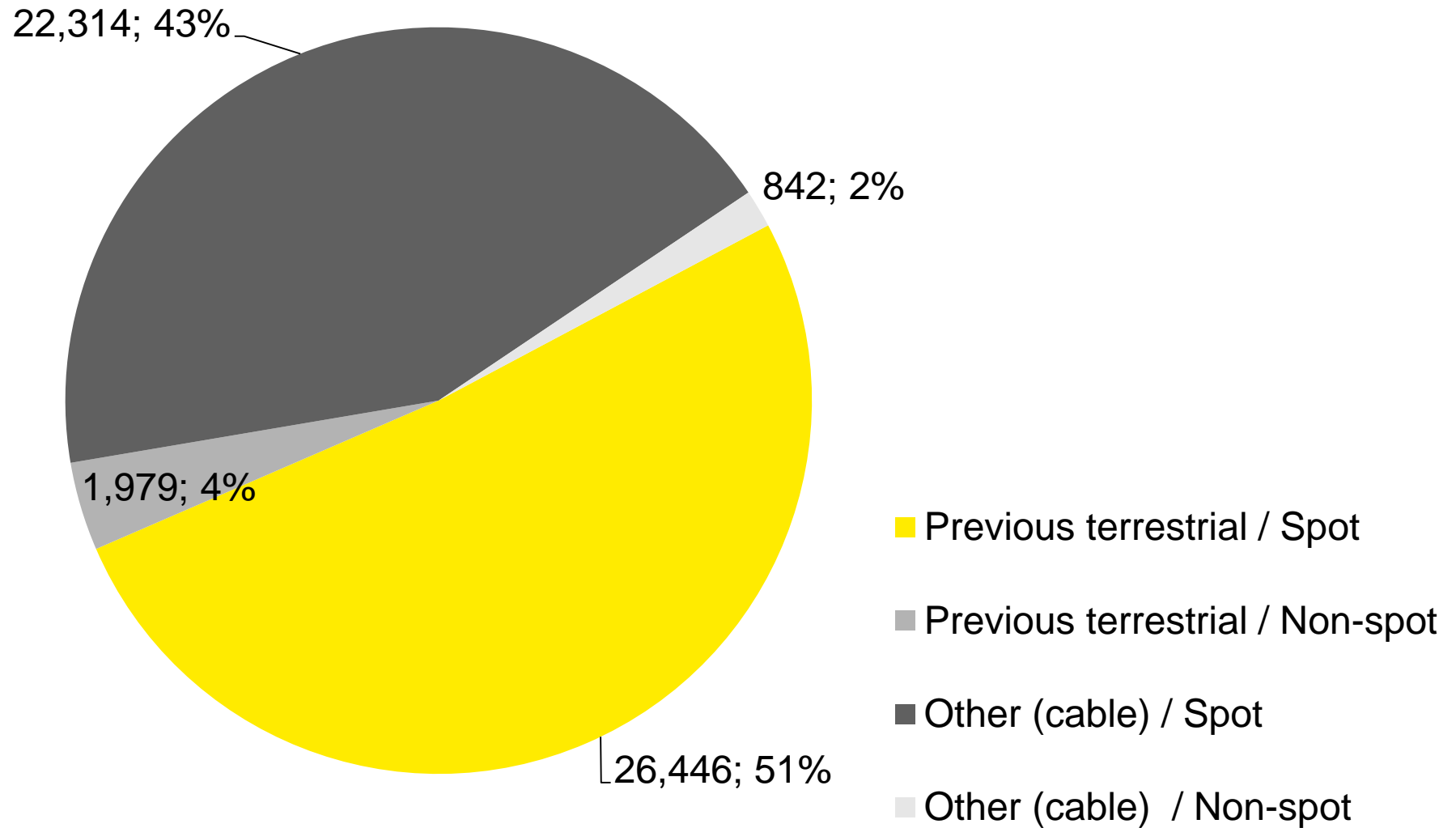
- ▶ Based on the calculation of EY, the total revenue of the television advertising market in 2015 is:

51,581
MILLION HUF

- ▶ The market share of the participating television companies based on television viewership data is approximately 99%.*

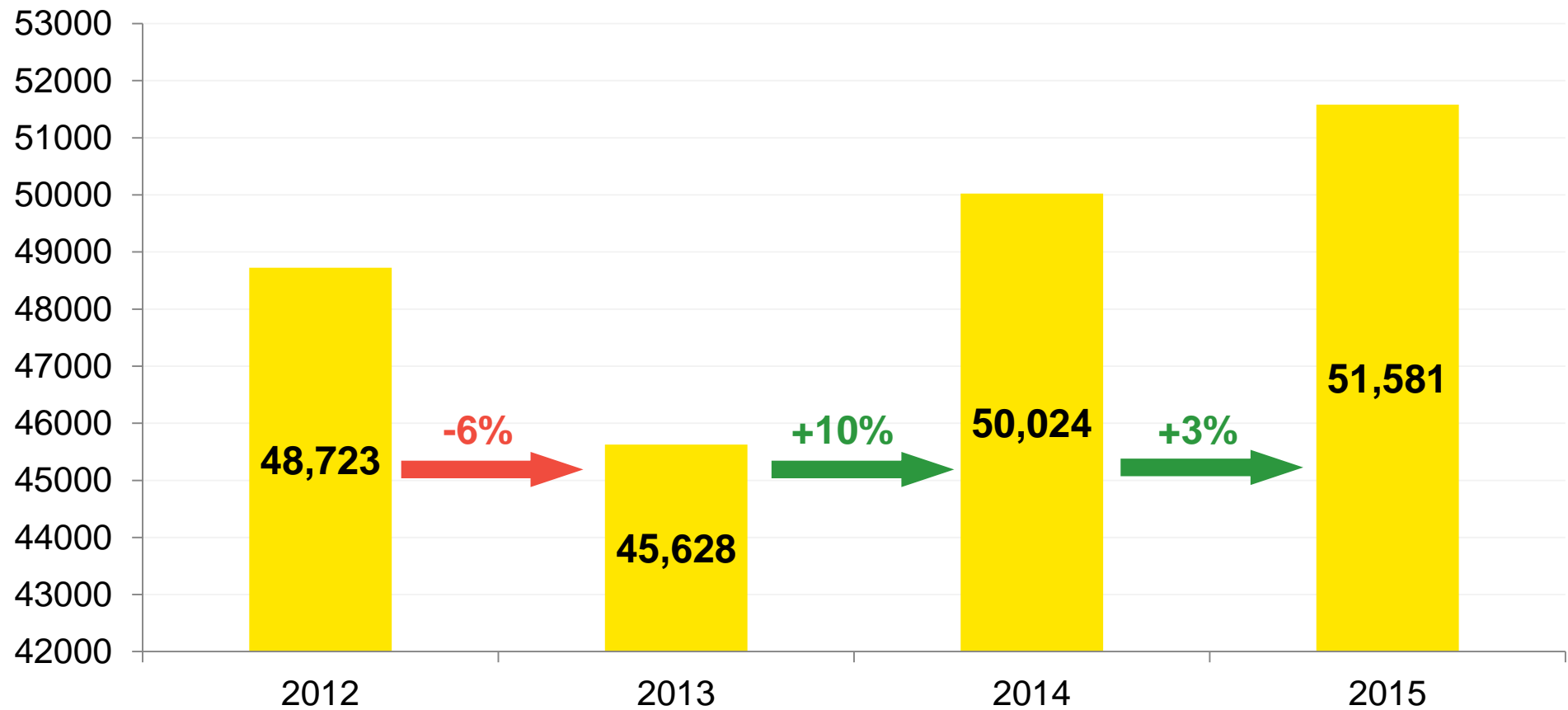
* Within the 18-49 age range, 2-26 hours range (data provided by MEME)

Adcake 2015 (in million HUF and percentage)



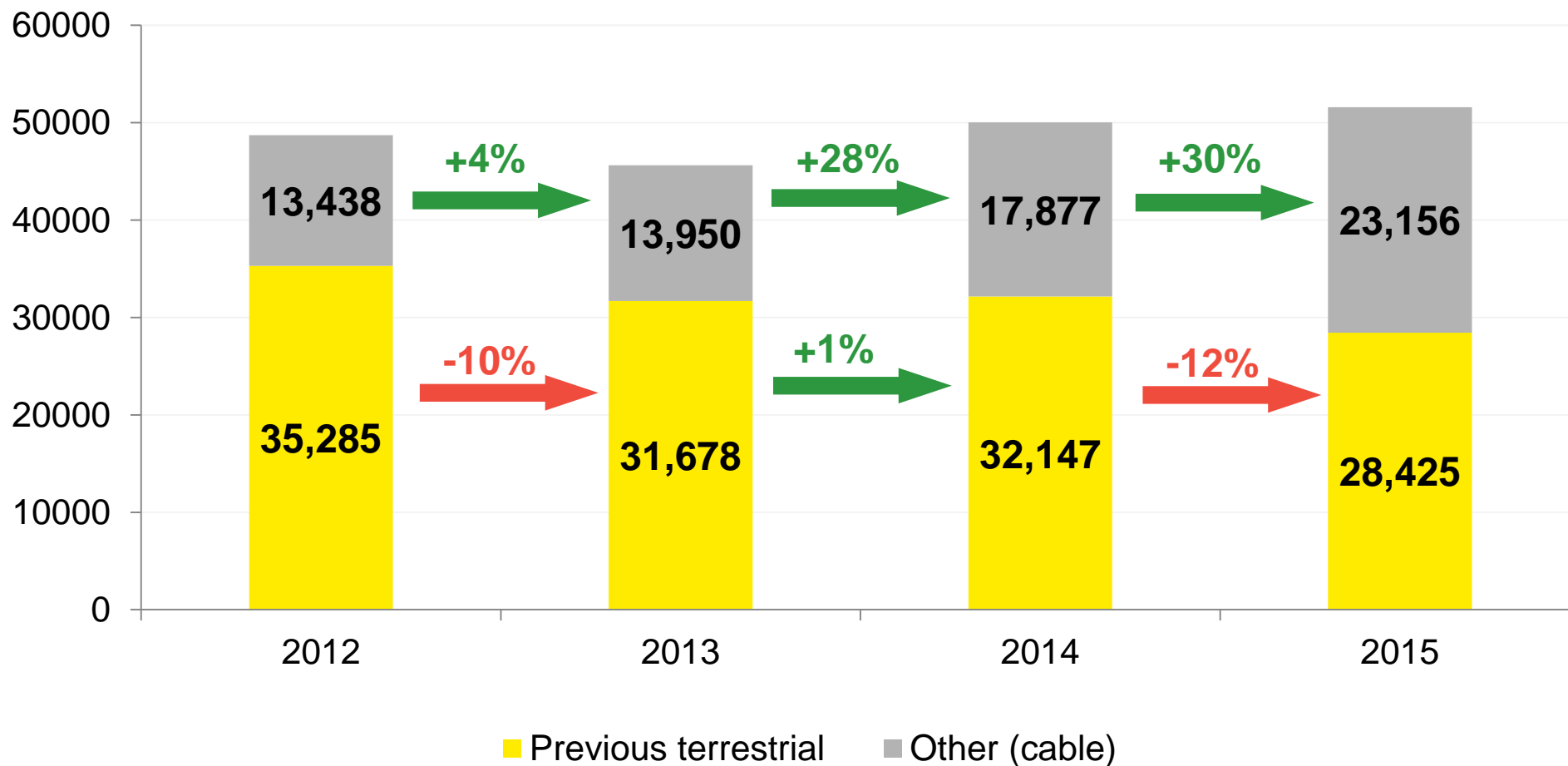
Television advertising revenue increased by 3%

Advertising revenue of the last years (million HUF)



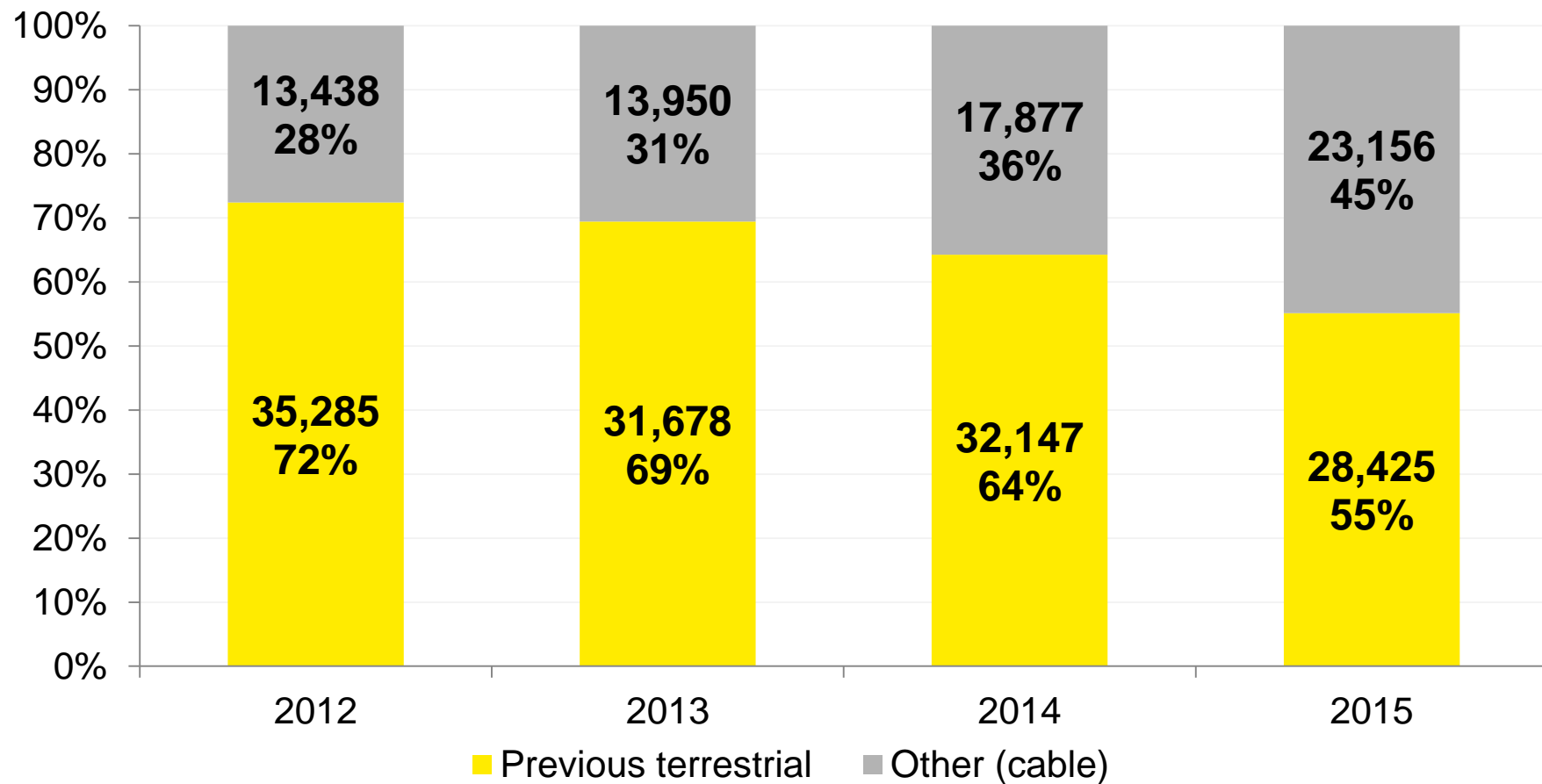
30% growth at the other (cable) channels

Television Advertising Revenue by Type of Broadcasting
Previous terrestrial vs. Other (cable) broadcasting (in million HUF)



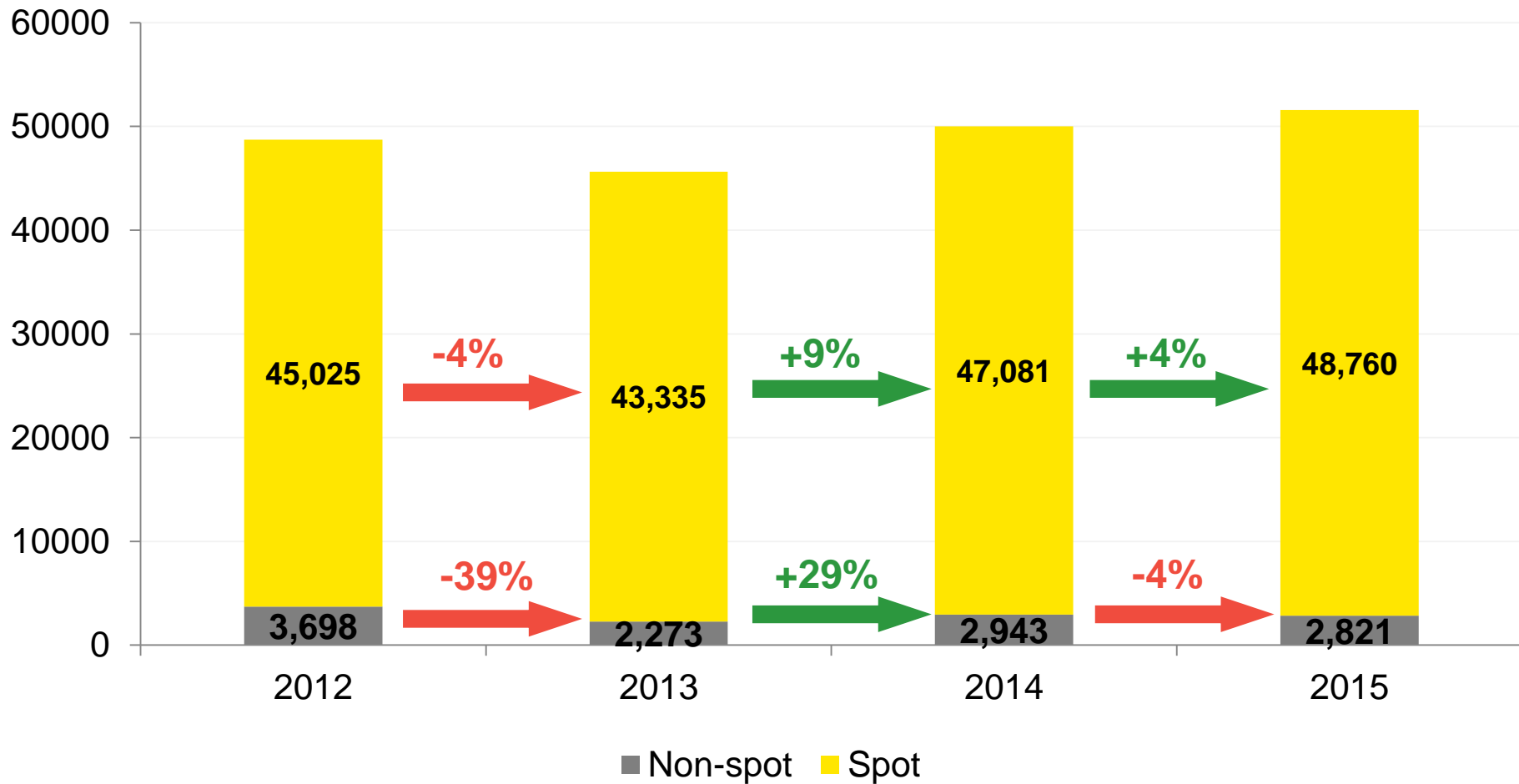
Increased advertising revenue share of the other (cable) channels

Television Advertising Revenue by Type of Broadcasting
Previous terrestrial vs. Other (cable) broadcasting
(in million HUF)



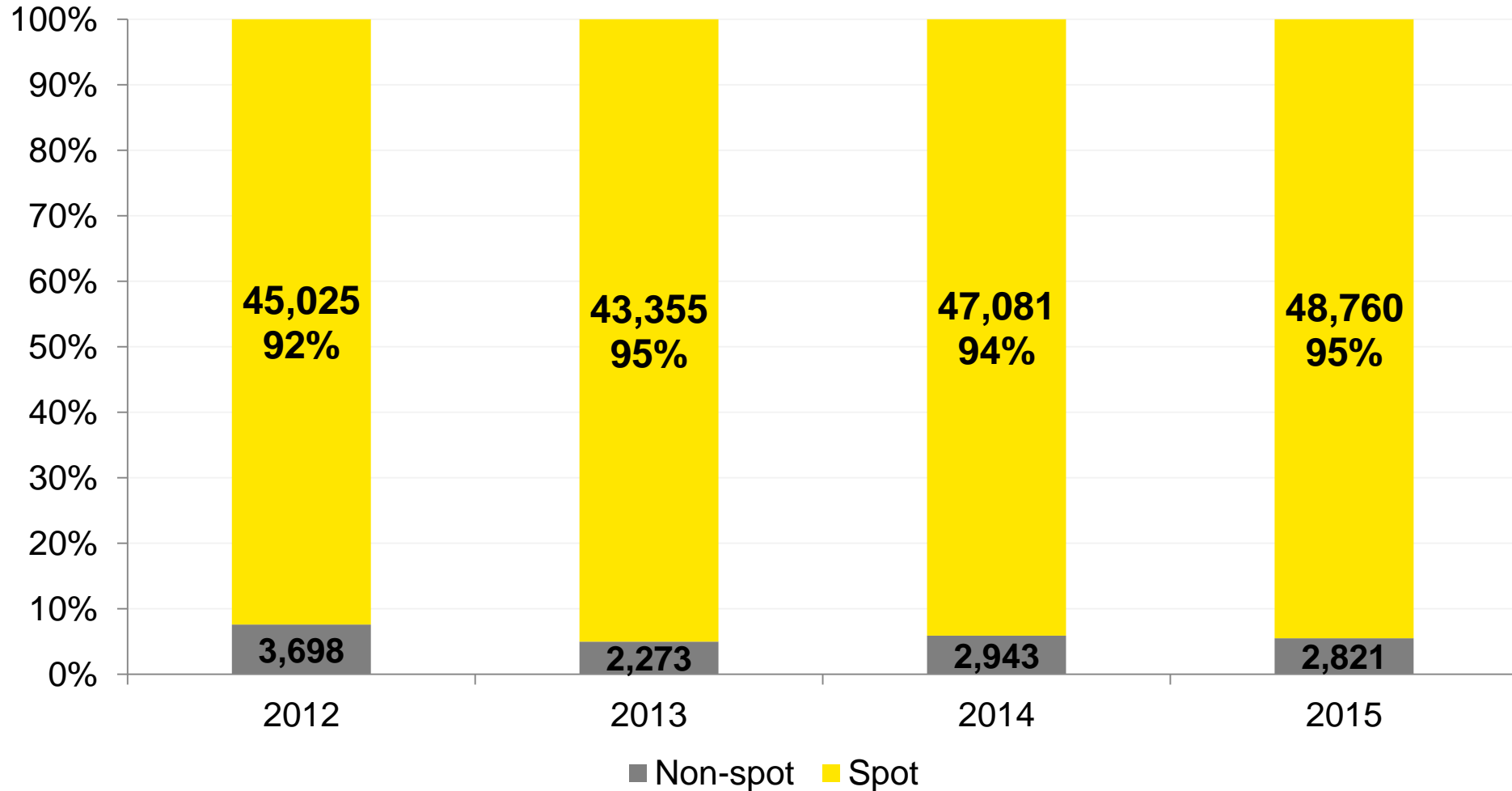
Non-spot advertising revenue decreased by 4% compared to last year

Television Advertising Revenue by Type of Advertisement
Spot vs. Non-spot advertising (in million HUF)



Share of advertising revenue generated by spots increased by 1 % within the advertisement cake

Television Advertising Revenue by Type of Advertisement
Spot vs. Non-spot advertising (in million HUF)



Summary

- ▶ In 2015 the television advertising revenue exceeded 51.5 billion HUF.
- ▶ Advertising revenue increased by 1,557 million HUF in 2015, which is equivalent to 3% growth.
- ▶ 55% of the advertising revenue in 2015 is coming from advertising of the previous terrestrial channels and 45% from the ads of the other (cable) broadcasting televisions.
- ▶ Regarding the split of advertising revenue a shift can be observed between the previous terrestrial and other (cable) televisions for the benefit of the other (cable) channels. These channels increased their advertising revenues by 30%.
- ▶ After the 29% increase of non-spot advertising revenue in 2014, this year showed its relapse by 4% compared to the previous year.

**Thank you for your
attention!**

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