



UNIVISION COMMUNICATIONS INC. ANNOUNCES 2018 FOURTH QUARTER RESULTS

MIAMI, FL – February 14, 2019 – Univision Communications Inc. (the “Company”), the leading media company serving Hispanic America, today announced financial results for the fourth quarter and year ended December 31, 2018.

Continuing Operations Results - Fourth Quarter 2018 Compared to Fourth Quarter 2017¹

- Total revenue decreased 8.9% to \$688.5 million from \$755.5 million. Total core revenue² decreased 8.7% to \$659.0 million from \$721.5 million.
- (Loss) income from continuing operations³ was a loss of \$40.2 million compared to income of \$390.0 million.
- Adjusted OIBDA⁴ decreased 34.0% to \$229.0 million from \$346.8 million. Adjusted Core OIBDA⁵ decreased 28.2% to \$205.8 million from \$286.6 million.
- The Company continued to deleverage and has reduced total indebtedness, net of cash and cash equivalents by \$210.5 million for the fourth quarter of 2018.

Continuing Operations Results – Full Year 2018 Compared to Full Year 2017

- Total revenue decreased 7.6% to \$2,713.8 million from \$2,937.3 million. Total core revenue decreased 5.4% to \$2,674.2 million from \$2,827.3 million.
- Income from continuing operations was \$149.7 million compared to \$672.5 million.
- Adjusted OIBDA decreased 21.9% to \$1,022.8 million from \$1,310.2 million. Adjusted Core OIBDA decreased 11.8% to \$990.6 million from \$1,123.5 million.
- The Company continued to deleverage and has reduced total indebtedness, net of cash and cash equivalents by \$547.0 million for the full year 2018.

“Univision serves a unique audience,” said Vince Sadusky, CEO of Univision. “Hispanic America is driving population and GDP growth and will continue to do so for decades. Our strategic focus on serving this core audience has recently resulted in viewership growth, as from the third to fourth quarter, we saw increases in our primetime ratings in all key demographics at a time when all other major networks experienced declines. Our ratings resurgence was fueled by a more diversified, modernized programming line-up, which has provided Univision with a powerful springboard in 2019 to offer our distribution and advertising partners even greater value. I’m grateful to all our teams across Univision for their dedication, focus and passion to serve our audience.”

PRESS RELEASE

UNIVISION COMMUNICATIONS INC.

The following tables set forth the Company's financial performance for the three months ended December 31, 2018 and 2017 from continuing operations unless otherwise noted. The second table below sets forth the Company's Media Networks advertising revenue for the three months ended December 31, 2018 and 2017.

(Unaudited, in thousands)

Total Revenue

	Consolidated			Media Networks			Radio		
	Three months ended December 31,			Three months ended December 31,			Three months ended December 31,		
	2018	2017	% Var	2018	2017	% Var	2018	2017	% Var
Total revenue	\$688,500	\$755,500	(8.9)%	\$616,600	\$676,500	(8.9)%	\$71,900	\$79,000	(9.0)%
Political/advocacy ⁶	(30,900)	(13,100)	135.9%	(23,400)	(9,200)	154.3%	(7,500)	(3,900)	92.3%
Content/intellectual property licensing ⁷	(22,600)	(20,900)	8.1%	(22,600)	(9,100)	148.4%	—	(11,800)	(100)%
Contractual revenue adjustment ⁸	24,000	—	—	24,000	—	—	—	—	—
Total core revenue	\$659,000	\$721,500	(8.7)%	\$594,600	\$658,200	(9.7)%	\$64,400	\$63,300	1.7%
Advertising Revenue									
Advertising revenue	\$403,200	\$424,200	(5.0)%	\$337,000	\$360,800	(6.6)%	\$66,200	\$63,400	4.4%
Political/advocacy	(30,900)	(13,100)	135.9%	(23,400)	(9,200)	154.3%	(7,500)	(3,900)	92.3%
Core advertising revenue⁹	\$372,300	\$411,100	(9.4)%	\$313,600	\$351,600	(10.8)%	\$58,700	\$59,500	(1.3)%
Non-Advertising Revenue									
Non-advertising revenue	\$285,300	\$331,300	(13.9)%	\$279,600	\$315,700	(11.4)%	\$5,700	\$15,600	(63.5)%
Content/intellectual property licensing	(22,600)	(20,900)	8.1%	(22,600)	(9,100)	148.4%	—	(11,800)	(100)%
Contractual revenue adjustment	24,000	—	—	24,000	—	—	—	—	—
Core non-advertising revenue¹⁰	\$286,700	\$310,400	(7.6)%	\$281,000	\$306,600	(8.3)%	\$5,700	\$3,800	50.0%

(Unaudited, in thousands)

Media Networks Advertising Revenue

	Consolidated Media Networks			Television			Digital		
	Three months ended December 31,			Three months ended December 31,			Three months ended December 31,		
	2018	2017	% Var	2018	2017	% Var	2018	2017	% Var
Advertising revenue	\$337,000	\$360,800	(6.6)%	\$314,800	\$340,300	(7.5)%	\$22,200	\$20,500	8.3%
Political/advocacy	(23,400)	(9,200)	154.3%	(21,700)	(8,600)	152.3%	(1,700)	(600)	183.3%
Core advertising revenue	\$313,600	\$351,600	(10.8)%	\$293,100	\$331,700	(11.6)%	\$20,500	\$19,900	3.0%

(Unaudited, in thousands)

	Adjusted OIBDA			Adjusted Core OIBDA			Bank Credit Adjusted OIBDA ¹¹		
	Three months ended December 31,			Three months ended December 31,			Three months ended December 31,		
	2018	2017	% Var	2018	2017	% Var	2018	2017	% Var
Media Networks (excluding PLA rate adjustment)	\$226,900	\$335,100	(32.3)%	\$210,600	\$321,200	(34.4)%	\$242,400	\$337,000	(28.1)%
PLA rate adjustment ¹²	—	—	—	—	(30,800)	(100)%	—	—	—
Media Networks	226,900	335,100	(32.3)%	210,600	290,400	(27.5)%	242,400	337,000	(28.1)%
Radio	24,600	35,900	(31.5)%	17,700	20,400	(13.2)%	24,900	36,700	(32.2)%
Corporate	(22,500)	(24,200)	(7.0)%	(22,500)	(24,200)	(7.0)%	(16,800)	(21,700)	(22.6)%
Consolidated	\$229,000	\$346,800	(34.0)%	\$205,800	\$286,600	(28.2)%	\$250,500	\$352,000	(28.8)%

Revenue

Total revenue for the fourth quarter 2018 decreased 8.9% to \$688.5 million compared to \$755.5 million for the same prior period. Total core revenue for the fourth quarter 2018 decreased 8.7% to \$659.0 million compared to \$721.5 million for the same prior period. Below is a discussion of the Company's fourth quarter revenue by reporting segment.

Media Networks

Total revenue for our Media Networks segment for the fourth quarter 2018 decreased 8.9% to \$616.6 million compared to \$676.5 million for the same prior period. Total core revenue for our Media Networks segment decreased 9.7% to \$594.6 million from \$658.2 million.

Media Networks advertising revenue for the fourth quarter 2018 decreased 6.6% to \$337.0 million compared to \$360.8 million for the same prior period primarily due to viewership declines arising from the impact of a lapse in a distributor's carriage agreement and reduced advertising spending primarily in the retail, telecommunications and automotive sectors partially offset by increases in scatter advertising pricing and growth in local station's advertising revenue. A portion of these declines in Media Networks advertising revenue was attributable to the non-cash impact of audience guarantees from viewership declines. These audience guarantees are expected to be fulfilled in subsequent periods and excluding the effect of these audience guarantees, Media Network's advertising revenue for the fourth quarter 2018 would have been comparable with the same prior period.

Media Networks non-advertising revenue (which is comprised of subscriber fee revenue, content licensing revenue and other revenue which is primarily contractual revenue, "other revenue") was \$279.6 million for the fourth quarter 2018 compared to \$315.7 million for the same prior period, a decrease of \$36.1 million or 11.4%. Subscriber fee revenue was \$219.2 million for the fourth quarter 2018 compared to \$266.2 million for the same prior period, a decrease of \$47.0 million, or 17.7% primarily due to the lapse of a distributor's carriage agreement and an estimated revenue adjustment from a contractual obligation which is not expected to impact revenues in 2019 partially offset by the timing of certain distribution agreement renewals and contractual rate increases. Content licensing revenue was \$22.6 million for the fourth quarter 2018 compared to \$9.1 million for the same prior period, an increase of \$13.5 million primarily due to the timing of revenue recognition of certain content licensing agreements. Other revenue was \$37.8 million for the fourth quarter 2018 compared to \$40.4 million for the same prior period, a decrease of \$2.6 million. Core non-advertising revenue was \$281.0 million for the fourth quarter 2018 compared to \$306.6 million for the same prior period, a decrease of \$25.6 million or 8.3%.

Radio

Total revenue for our Radio segment for the fourth quarter 2018 decreased 9.0% to \$71.9 million compared to \$79.0 million for the same prior period primarily due to a decrease in non-advertising revenue. Total core revenue for our Radio segment increased 1.7% to \$64.4 million from \$63.3 million.

Advertising revenue for the Radio segment for the fourth quarter 2018 increased 4.4% to \$66.2 million from \$63.4 million for the same prior period. Core advertising revenue for our Radio segment decreased 1.3% to \$58.7 million from \$59.5 million.

Non-advertising revenue for the Radio segment for the fourth quarter 2018 (primarily contractual revenue) decreased to \$5.7 million from \$15.6 million for the same prior period and in 2017 included the recognition of \$11.8 million related to an intellectual property license.

Expenses

Below is a discussion of the Company's fourth quarter expenses on a consolidated basis.

Direct operating expenses related to programming, excluding variable program license fees, for the fourth quarter 2018 increased \$13.1 million or 8.1% to \$175.5 million from \$162.4 million for the same prior period. The increase was primarily due to an increase in sports programming of \$26.1 million as a result of the newly acquired UEFA rights and an increased number of Liga MX matches, offset by an overall reduction in other programming costs of \$13.0 million.

Direct operating expenses related to the variable program license fees for the fourth quarter 2018 increased \$17.9 million or 24.5% to \$91.0 million from \$73.1 million for the same prior period, due to contractual increases in the program license fee rate. Assuming the 2018 contractual PLA base rate was in effect for the fourth quarter of 2017 on the same basis as 2018, variable program license fees would have decreased \$12.9 million or 12.4% from the prior year attributable to reduced revenue.

Other direct operating expenses for the fourth quarter 2018 decreased \$3.4 million or 13.9% to \$21.1 million from \$24.5 million for the same prior period, primarily due to a decrease in technical costs.

Selling, general and administrative expenses for the fourth quarter 2018 increased \$17.9 million or 11.3% to \$176.5 million from \$158.6 million for the same prior period. The increase was primarily due to higher selling costs, the lapse of certain state business incentives and higher property taxes. Selling costs increased due to higher employee compensation driven by incentive compensation payments primarily tied to the political cycle.

Income from Continuing Operations

(Loss) income from continuing operations for the fourth quarter of 2018 was a loss of \$40.2 million compared to income of \$390.0 million for the same prior period. In the fourth quarter of 2017, the Company recognized a pretax net gain on sale of assets of \$167.2 million primarily related to the sale of a portion of spectrum assets in the Federal Communications Commission ("FCC") broadcast incentive auction and a tax benefit arising from the Tax Cuts and Jobs Act of 2017 of \$243.9 million.

(Loss) income from continuing operations for the fourth quarter of 2018 and 2017 included non-cash pretax impairment losses of \$106.0 million and \$85.6 million, respectively, primarily related to the write down of Radio broadcast licenses; pretax restructuring/severance charges of \$8.1 million and \$30.4 million, respectively; and in the fourth quarter of 2017 a pretax loss on extinguishment of debt of \$25.4 million.

Selected Cash Flow/Balance Sheet Information

For the year ended December 31, 2018, cash flows provided by operating activities from continuing operations were \$669.0 million compared to \$580.9 million for the same prior period. For the year ended December 31, 2018, investing activities included capital expenditures of \$56.7 million compared to \$86.4 million for the same prior period. As of December 31, 2018, total indebtedness, net of cash and cash equivalents was \$7.4 billion, a \$547.0 million decrease for the year ended December 31, 2018.

English Language Digital Businesses

As part of an overall strategic review, in 2018 the Company initiated a process to sell its English-language digital businesses including the *Gizmodo Media Group*, *The Onion* and *Fusion Digital* collectively referred to as the English-language digital assets or businesses. The *Gizmodo Media Group* is comprised principally of *Gizmodo*, *Deadspin*, *Lifehacker*, *Jezebel*, *Splinter*, *The Root*, *Kotaku*, *Earther* and *Jalopnik*. In accordance with the applicable accounting guidance for the disposal of long-lived assets and discontinued operations, the results of the English-language digital businesses have been excluded from both continuing operations and operating segments results for all periods presented. Loss from discontinued operations, net of income taxes for the fourth quarter 2018 was \$32.5 million compared to \$3.0 million for the same prior period.

CONFERENCE CALL

Univision will conduct a conference call to discuss its fourth quarter financial results at 11:00 a.m. ET/8:00 a.m. PT on Thursday, February 14, 2019. To participate in the conference call, please dial (877) 317-3841 (within U.S.) or (409) 202-2999 (outside U.S.) fifteen minutes prior to the start of the call and provide the following pass code: 7297575. A playback of the conference call will be available beginning at 2:00 p.m. ET, Thursday, February 14, 2019, through Thursday, February 28, 2019. To access the playback, please dial (855) 859-2056 (within U.S.) or (404) 537-3406 (outside U.S.) and enter reservation number 7297575.

About Univision Communications Inc.

Univision is the leading media company serving Hispanic America. The Company includes Univision Network, one of the top networks in the U.S. regardless of language and the most-watched Spanish-language broadcast television network in the country, available in approximately 81% of U.S. Hispanic television households; UniMás, among the leading Spanish-language broadcast television networks; Univision Local Media, which owns and/or operates 65 television stations and 58 radio stations in major U.S. Hispanic markets and Puerto Rico; Univision Cable Networks, including Univision Deportes Network (UDN), the most-watched Spanish-language sports cable network among U.S. Hispanics in the U.S.; Galavisión, the most-watched U.S. Spanish-language entertainment cable network among U.S. Hispanics; Univision tlnovelas, a 24-hour Spanish-language cable network dedicated to telenovelas; ForoTV, a 24-hour Spanish-language cable network dedicated to international news; and an additional suite of cable offerings – De Película, De Película Clásico, Bandamax, Ritmoson and Telehit; FUSION TV, an English-language news and lifestyle cable network; an investment in El Rey Network, a general entertainment English-language cable network; Univision Now, the Company's direct-to-consumer, on-demand and live streaming subscription service; Univision.com, the Company's flagship digital property and the #1 most visited Spanish-language website among U.S. Hispanics; and Uforia, a music application featuring multimedia music content. Please visit corporate.univision.com for more information.

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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 the Company’s current views with respect to future events, 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. 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.

Factors that could cause actual results to differ materially from those expressed or implied by the forward-looking statements include: cancellations, reductions or postponements of advertising or other changes in advertising practices among the Company’s advertisers; any impact of adverse economic conditions on the Company’s industry, business and financial condition, including reduced advertising revenue; changes in the size of the U.S. Hispanic population, including the impact of federal and state immigration legislation and policies on both the U.S. Hispanic population and persons emigrating from Latin America; lack of audience acceptance of the Company’s content; varying popularity for programming, which the Company cannot predict at the time the Company may incur related costs; the failure to renew existing carriage agreements or reach new carriage agreements with multichannel video programming distributors (“MVPD”) on acceptable terms or otherwise and the impact of such failure on pricing terms of, and contractual obligations under, carriage agreements with other MVPDs; consolidation in the cable or satellite MVPD industry; the impact of increased competition from new technologies; changes in the Company’s strategy going forward; competitive pressures from other broadcasters and other entertainment and news media; damage to the Company’s brands, particularly the Univision brand, or reputation; fluctuations in the Company’s quarterly results, making it difficult to rely on period-to-period comparisons; failure to retain the rights to sports programming to attract advertising revenue; the loss of the Company’s ability to rely on Televisa for a significant amount of its network programming; the failure of the Company’s new or existing businesses to produce projected revenues or cash flows; failure to monetize the Company’s content on its digital platforms; the Company’s success in acquiring, investing in and integrating complementary businesses; the potential sale of the Company’s English-language digital businesses; failure to further monetize the Company’s spectrum assets; the failure or destruction of satellites or transmitter facilities that the Company depends on to distribute its programming; disruption of the Company’s business due to network and information systems-related events, such as computer hackings, viruses, or other destructive or disruptive software or activities; inability to realize the full value of the Company’s intangible assets; failure to utilize the Company’s net operating loss carryforwards; the impact from the Tax Cuts and Jobs Act; the loss of key executives; possible strikes or other union job actions; piracy of the Company’s programming and other content; environmental, health and safety laws and regulations; FCC media ownership rules; compliance with, and/or changes in, the rules and regulations of the FCC; new laws or regulations concerning retransmission consent or “must carry” rights; increased enforcement or enhancement of FCC indecency and other programming content rules; the impact of legislation on the reallocation of broadcast spectrum which may result in additional costs and affect the Company’s ability to provide competitive services; net losses in the future and for an extended period of time; the Company’s substantial indebtedness; failure to service the Company’s debt or inability to comply with the agreements contained in the Company’s senior secured credit facilities and indentures, including any financial covenants and ratios; the Company’s dependency on lenders to execute its business strategy and its inability to secure financing on suitable terms or at all; any impact from the discontinuance of the London Interbank Offered Rate; volatility and weakness in the capital markets; and risks relating to the Company’s ownership. Actual results may differ materially due to these risks and uncertainties. The Company assumes no obligation to update forward-looking information contained in this press release.

UNIVISION COMMUNICATIONS INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited and in thousands)

	Three Months Ended	
	December 31,	
	2018	2017
Revenue	\$688,500	\$755,500
Direct operating expenses	287,600	260,000
Selling, general and administrative expenses	176,500	158,600
Impairment loss	106,000	85,600
Restructuring, severance and related charges	8,100	30,400
Depreciation and amortization	40,600	43,500
Loss (gain) on sale of assets, net	1,100	(167,200)
Operating income	68,600	344,600
Other expense (income):		
Interest expense	98,000	98,400
Interest income	(3,400)	(3,100)
Amortization of deferred financing costs	1,900	2,000
Loss on extinguishment of debt	—	25,400
Other	19,700	2,900
(Loss) income before income taxes	(47,600)	219,000
Benefit for income taxes	(7,400)	(171,000)
(Loss) income from continuing operations	(40,200)	390,000
Loss from discontinued operations, net of income taxes	(32,500)	(3,000)
Net (loss) income	(72,700)	387,000
Net income attributable to noncontrolling interest	400	300
Net (loss) income attributable to Univision Communications Inc. and subsidiaries	\$(73,100)	\$386,700

UNIVISION COMMUNICATIONS INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
For the Years Ended December 31,
(In thousands)

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Revenue	\$2,713,800	\$2,937,300	\$2,998,800
Direct operating expenses	1,030,700	978,300	997,800
Selling, general and administrative expenses	681,000	686,900	683,800
Impairment loss	143,400	88,900	204,500
Restructuring, severance and related charges	104,800	52,300	27,500
Depreciation and amortization	166,300	180,400	180,400
Gain on sale of assets, net	(23,300)	(183,300)	—
Operating income	610,900	1,133,800	904,800
Other expense (income):			
Interest expense	391,200	422,700	493,900
Interest income	(12,900)	(12,000)	(11,000)
Amortization of deferred financing costs	7,600	10,100	15,800
Loss on extinguishment of debt	—	41,500	26,500
Other	22,700	7,900	30,000
Income before income taxes	202,300	663,600	349,600
Provision (benefit) for income taxes	52,600	(8,900)	120,400
Income from continuing operations	149,700	672,500	229,200
Loss from discontinued operations, net of income taxes	(148,900)	(24,200)	(13,500)
Net income	800	648,300	215,700
Net loss attributable to noncontrolling interest	(4,000)	(6,600)	(3,200)
Net income attributable to Univision Communications Inc. and subsidiaries	\$4,800	\$654,900	\$218,900

UNIVISION COMMUNICATIONS INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per-share data)

ASSETS	December 31, 2018	December 31, 2017
Current assets:		
Cash and cash equivalents	\$128,300	\$59,600
Accounts receivable, less allowance for doubtful accounts of \$4,100 in 2018 and \$5,700 in 2017	614,700	666,800
Program rights and prepayments	135,700	167,000
Prepaid expenses and other	81,700	39,600
Current assets held for sale	26,400	32,400
Total current assets	986,800	965,400
Property and equipment, net	594,600	653,300
Intangible assets, net	2,639,200	2,836,800
Goodwill	4,591,800	4,591,800
Program rights and prepayments	85,000	130,100
Investments	120,100	79,000
Noncurrent assets held for sale	—	189,500
Other assets	154,600	157,600
Total assets	<u>\$9,172,100</u>	<u>\$9,603,500</u>
LIABILITIES AND STOCKHOLDER'S EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	\$417,700	\$386,400
Deferred revenue	85,900	70,800
Current liabilities held for sale	3,500	1,700
Current portion of long-term debt and capital lease obligations	117,700	37,000
Total current liabilities	624,800	495,900
Long-term debt and capital lease obligations	7,440,900	7,999,900
Deferred tax liabilities, net	455,400	435,700
Deferred revenue	388,400	445,700
Noncurrent liabilities held for sale	—	7,000
Other long-term liabilities	125,800	147,200
Total liabilities	<u>9,035,300</u>	<u>9,531,400</u>
Redeemable noncontrolling interests	—	32,500
Stockholder's equity:		
Common stock, \$0.01 par value; 100,000 shares authorized in 2018 and 2017; 1,000 shares issued and outstanding at December 31, 2018 and December 31, 2017	—	—
Additional paid-in-capital	5,292,500	5,283,100
Accumulated deficit	(5,122,800)	(5,195,800)
Accumulated other comprehensive loss	(35,500)	(49,200)
Total Univision Communications Inc. and subsidiaries stockholder's equity	134,200	38,100
Noncontrolling interest	2,600	1,500
Total stockholder's equity	<u>136,800</u>	<u>39,600</u>
Total liabilities, redeemable noncontrolling interests and stockholder's equity	<u>\$9,172,100</u>	<u>\$9,603,500</u>

UNIVISION COMMUNICATIONS INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Years Ended December 31,		
	2018	2017	2016
Cash flows from operating activities:			
Net income	\$800	\$648,300	\$215,700
Less: Loss from discontinued operations, net of tax	(148,900)	(24,200)	(13,500)
Income from continuing operations	149,700	672,500	229,200
Adjustments to reconcile income from continuing operations to net cash provided by operating activities:			
Depreciation	112,300	126,500	126,500
Amortization of intangible assets	54,000	53,900	53,900
Amortization of deferred financing costs	7,600	10,100	15,800
Deferred income taxes	63,100	(43,400)	105,000
Non-cash deferred advertising revenue	(56,200)	(60,200)	(60,100)
Impairment loss	143,400	88,900	204,500
Share-based compensation	18,700	29,200	20,900
Gain on sale of assets, net	(23,300)	(183,300)	—
Other non-cash items	12,500	(9,500)	16,900
Changes in assets and liabilities:			
Accounts receivable, net	53,100	22,700	24,600
Program rights and prepayments	26,200	(44,000)	(95,300)
Prepaid expenses and other	(16,700)	(6,400)	14,700
Accounts payable and accrued liabilities	101,900	(46,700)	(23,200)
Deferred revenue	14,100	79,300	(23,900)
Other long-term liabilities	(1,300)	(8,600)	(8,700)
Other assets	9,900	(100,100)	3,500
Net cash provided by operating activities from continuing operations	669,000	580,900	604,300
Net cash used in operating activities from discontinued operations	(13,200)	(21,400)	(26,200)
Net cash provided by operating activities	655,800	559,500	578,100
Cash flows from investing activities:			
Capital expenditures	(56,700)	(86,400)	(98,900)
Advance on monetization of spectrum assets	—	411,200	—
Proceeds from sale of fixed assets and other	12,600	49,400	102,300
Proceeds from sale of investment	1,200	—	2,200
Investments	(2,300)	(5,400)	(6,600)
Acquisition of businesses, net of cash	—	—	9,900
Acquisition of broadcast licenses and other intangible assets	(6,100)	(25,600)	—
Net cash (used in) provided by investing activities from continuing operations	(51,300)	343,200	8,900
Net cash used in investing activities from discontinued operations	(2,700)	(2,800)	(160,400)
Net cash (used in) provided by investing activities	(54,000)	340,400	(151,500)
Cash flows from financing activities:			
Proceeds from issuance of long-term debt	—	4,463,500	—
Proceeds from revolving debt	519,000	1,329,000	1,281,000
Payments of long-term debt and capital leases	(55,100)	(5,362,600)	(869,600)
Payments of revolving debt	(953,000)	(1,320,000)	(856,000)
Repurchase of common stock on behalf of Univision Holdings, Inc.	(9,000)	(17,800)	—
Tax payment related to net share settlement on Univision Holdings, Inc. equity awards to Univision Communications Inc. employees	(6,000)	(9,300)	(7,100)
Acquisition of noncontrolling interests	(28,700)	—	—
Funding for discontinued operations	(15,900)	(24,200)	(190,500)
Other	(400)	(1,600)	(5,200)
Net cash used in financing activities from continuing operations	(549,100)	(943,000)	(647,400)
Net cash provided by financing activities from discontinued operations	15,900	24,200	186,700
Net cash used in financing activities	(533,200)	(918,800)	(460,700)
Net increase (decrease) in cash, cash equivalents and restricted cash	68,600	(18,900)	(34,100)
Cash, cash equivalents and restricted cash, beginning of period	61,400	80,300	114,400
Cash, cash equivalents and restricted cash, end of period ¹³	\$130,000	\$61,400	\$80,300
Supplemental disclosure of cash flow information:			
Interest paid	\$400,200	\$444,300	\$503,000
Income taxes paid	\$1,100	\$28,600	\$8,500
Capital lease obligations incurred to acquire assets	\$5,900	\$300	\$6,000

RECONCILIATION OF (LOSS) INCOME FROM CONTINUING OPERATIONS

Management of the Company evaluates operating performance for planning and forecasting future business operations by considering Adjusted OIBDA (as described below), Adjusted Core 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, Adjusted Core 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 and Adjusted Core OIBDA represent operating income before depreciation, amortization and certain additional adjustments to operating income. Adjusted Core OIBDA also excludes the impact of certain items that have been excluded to allow for comparability between the periods because such items do not occur in every period. In calculating Adjusted OIBDA and Adjusted Core OIBDA the Company's operating income (loss) is adjusted for share-based compensation and other non-cash charges, restructuring and severance charges, as well as other non-operating related items. Bank Credit Adjusted OIBDA represents Adjusted OIBDA with certain additional adjustments permitted under the Company's senior secured credit facilities and its indentures governing the senior notes that include add-backs and/or deductions, as applicable, for specified business optimization expenses, unusual, infrequent items, 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 from subsidiaries designated as unrestricted subsidiaries, in each case under such credit facilities and indentures, and certain other expenses. Bank Credit Adjusted OIBDA is further adjusted for such purposes to give effect to the redesignation of unrestricted subsidiaries as restricted subsidiaries for the 12 month period then ended upon such redesignation. Adjusted OIBDA, Adjusted Core OIBDA and Bank Credit Adjusted OIBDA are not, and should not be used as, indicators of or alternatives to operating income or (loss) income from continuing operations 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, Adjusted Core 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, Adjusted Core OIBDA and Bank Credit Adjusted OIBDA to (loss) income from continuing operations, which is the most directly comparable GAAP financial measure.

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UNIVISION COMMUNICATIONS INC.

The tables below set forth a reconciliation of the non-GAAP terms Adjusted OIBDA, Adjusted Core OIBDA and Bank Credit Adjusted OIBDA to (loss) income from continuing operations.

(Unaudited, in thousands)

Three Months Ended December 31, 2018

	Media Networks	Radio	Corporate	Consolidated
Loss from continuing operations				\$(40,200)
Benefit for income taxes				(7,400)
Loss from continuing operations before income taxes				(47,600)
Other expense (income):				
Interest expense				98,000
Interest income				(3,400)
Amortization of deferred financing costs				1,900
Loss on extinguishment of debt ¹⁴				—
Other ¹⁵				19,700
Operating income (loss)	\$173,800	\$(70,000)	\$(35,200)	68,600
Less expenses included in operating income (loss) but excluded from Adjusted OIBDA:				
Depreciation and amortization	33,200	1,500	5,900	40,600
Impairment loss ¹⁶	13,900	92,100	—	106,000
Restructuring, severance and related charges	3,400	700	4,000	8,100
Loss on sale of assets, net ¹⁷	900	100	100	1,100
Share-based compensation	1,700	200	2,700	4,600
Other adjustments to operating income (loss) ¹⁸	—	—	—	—
Adjusted OIBDA	\$226,900	\$24,600	\$(22,500)	\$229,000

(Unaudited, in thousands)

Three Months Ended December 31, 2018

	Media Networks	Radio	Corporate	Consolidated
Adjusted OIBDA	\$226,900	\$24,600	\$(22,500)	\$229,000
Political/advocacy ¹⁹	(17,300)	(6,900)	—	(24,200)
Content/intellectual property licensing ²⁰	(18,600)	—	—	(18,600)
Contractual revenue adjustment ²¹	19,600	—	—	19,600
Adjusted Core OIBDA	\$210,600	\$17,700	\$(22,500)	\$205,800

(Unaudited, in thousands)

Three Months Ended December 31, 2018

	Media Networks	Radio	Corporate	Consolidated
Adjusted OIBDA	\$226,900	\$24,600	\$(22,500)	\$229,000
Less expenses included in Adjusted OIBDA but excluded from Bank Credit Adjusted OIBDA:				
Adjustments for certain entities not treated as subsidiaries and subsidiaries designated as unrestricted subsidiaries under senior secured credit facilities and indentures ²²	(5,800)	—	—	(5,800)
Contractual adjustments under senior secured credit facilities and indentures ²³	21,300	300	5,700	27,300
Bank Credit Adjusted OIBDA	\$242,400	\$24,900	\$(16,800)	\$250,500

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UNIVISION COMMUNICATIONS INC.

(Unaudited, in thousands)

Year Ended December 31, 2018

	Media Networks	Radio	Corporate	Consolidated
Income from continuing operations				\$149,700
Provision for income taxes				52,600
Income from continuing operations before income taxes				202,300
Other expense (income):				
Interest expense				391,200
Interest income				(12,900)
Amortization of deferred financing costs				7,600
Loss on extinguishment of debt				—
Other				22,700
Operating income (loss)	\$820,500	\$(29,700)	\$(179,900)	610,900
Less expenses included in operating income (loss) but excluded from Adjusted OIBDA:				
Depreciation and amortization	135,500	6,700	24,100	166,300
Impairment loss	51,200	92,100	100	143,400
Restructuring, severance and related charges	50,100	4,400	50,300	104,800
(Gain) loss on sale of assets, net	(27,100)	600	3,200	(23,300)
Share-based compensation	7,900	800	10,000	18,700
Other adjustments to operating income (loss)	—	600	1,400	2,000
Adjusted OIBDA	\$1,038,100	\$75,500	\$(90,800)	\$1,022,800

(Unaudited, in thousands)

Year Ended December 31, 2018

	Media Networks	Radio	Corporate	Consolidated
Adjusted OIBDA	\$1,038,100	\$75,500	\$(90,800)	\$1,022,800
Political/advocacy	(38,900)	(16,500)	—	(55,400)
Content/intellectual property licensing	(29,900)	—	—	(29,900)
Contractual revenue adjustment	53,100	—	—	53,100
Adjusted Core OIBDA	\$1,022,400	\$59,000	\$(90,800)	\$990,600

(Unaudited, in thousands)

Year Ended December 31, 2018

	Media Networks	Radio	Corporate	Consolidated
Adjusted OIBDA	\$1,038,100	\$75,500	\$(90,800)	\$1,022,800
Less expenses included in Adjusted OIBDA but excluded from Bank Credit Adjusted OIBDA:				
Adjustments for certain entities not treated as subsidiaries and subsidiaries designated as unrestricted subsidiaries under senior secured credit facilities and indentures	(4,700)	—	—	(4,700)
Contractual adjustments under senior secured credit facilities and indentures	58,500	1,700	16,700	76,900
Bank Credit Adjusted OIBDA	\$1,091,900	\$77,200	\$(74,100)	\$1,095,000

PRESS RELEASE

UNIVISION COMMUNICATIONS INC.

(Unaudited, in thousands)

Three Months Ended December 31, 2017

	Media Networks	Radio	Corporate	Consolidated
Income from continuing operations				\$390,000
Benefit for income taxes				(171,000)
Income from continuing operations before income taxes				219,000
Other expense (income):				
Interest expense				98,400
Interest income				(3,100)
Amortization of deferred financing costs				2,000
Loss on extinguishment of debt				25,400
Other				2,900
Operating income (loss)	\$427,300	\$(45,400)	\$(37,300)	344,600
Less expenses included in operating income (loss) but excluded from Adjusted OIBDA:				
Depreciation and amortization	35,400	1,900	6,200	43,500
Impairment loss	7,500	78,100	—	85,600
Restructuring, severance and related charges	29,200	1,200	—	30,400
Gain on sale of assets, net	(166,700)	(500)	—	(167,200)
Share-based compensation	1,900	300	5,100	7,300
Other adjustments to operating income (loss)	500	300	1,800	2,600
Adjusted OIBDA	\$335,100	\$35,900	\$(24,200)	\$346,800

(Unaudited, in thousands)

Three Months Ended December 31, 2017

	Media Networks	Radio	Corporate	Consolidated
Adjusted OIBDA	\$335,100	\$35,900	\$(24,200)	\$346,800
Political/advocacy	(6,400)	(3,700)	—	(10,100)
Content/intellectual property licensing	(7,500)	(11,800)	—	(19,300)
PLA rate adjustment ²⁴	(30,800)	—	—	(30,800)
Adjusted Core OIBDA	\$290,400	\$20,400	\$(24,200)	\$286,600

(Unaudited, in thousands)

Three Months Ended December 31, 2017

	Media Networks	Radio	Corporate	Consolidated
Adjusted OIBDA	\$335,100	\$35,900	\$(24,200)	\$346,800
Less expenses included in Adjusted OIBDA but excluded from Bank Credit Adjusted OIBDA:				
Adjustments for certain entities not treated as subsidiaries and subsidiaries designated as unrestricted subsidiaries under senior secured credit facilities and indentures	200	—	—	200
Contractual adjustments under senior secured credit facilities and indentures	1,700	800	2,500	5,000
Bank Credit Adjusted OIBDA	\$337,000	\$36,700	\$(21,700)	\$352,000

PRESS RELEASE

UNIVISION COMMUNICATIONS INC.

(Unaudited, in thousands)

Year Ended December 31, 2017

	Media Networks	Radio	Corporate	Consolidated
Income from continuing operations				\$672,500
Benefit for income taxes				(8,900)
Income from continuing operations before income taxes				663,600
Other expense (income):				
Interest expense				422,700
Interest income				(12,000)
Amortization of deferred financing costs				10,100
Loss on extinguishment of debt				41,500
Other				7,900
Operating income (loss)	\$1,299,200	\$(3,200)	\$(162,200)	1,133,800
Less expenses included in operating income (loss) but excluded from Adjusted OIBDA:				
Depreciation and amortization	146,300	8,000	26,100	180,400
Impairment loss	10,800	78,100	—	88,900
Restructuring, severance and related charges	39,300	2,800	10,200	52,300
Gain on sale of assets, net	(183,300)	—	—	(183,300)
Share-based compensation	10,200	700	18,300	29,200
Other adjustments to operating income (loss)	400	300	8,200	8,900
Adjusted OIBDA	\$1,322,900	\$86,700	\$(99,400)	\$1,310,200

(Unaudited, in thousands)

Year Ended December 31, 2017

	Media Networks	Radio	Corporate	Consolidated
Adjusted OIBDA	\$1,322,900	\$86,700	\$(99,400)	\$1,310,200
Major soccer ²⁵	4,500	—	—	4,500
Political/advocacy	(24,800)	(11,200)	—	(36,000)
Content/intellectual property licensing	(24,200)	(11,800)	—	(36,000)
PLA rate adjustment	(119,200)	—	—	(119,200)
Adjusted Core OIBDA	\$1,159,200	\$63,700	\$(99,400)	\$1,123,500

(Unaudited, in thousands)

Year Ended December 31, 2017

	Media Networks	Radio	Corporate	Consolidated
Adjusted OIBDA	\$1,322,900	\$86,700	\$(99,400)	\$1,310,200
Less expenses included in Adjusted OIBDA but excluded from Bank Credit Adjusted OIBDA:				
Business optimization expense ²⁶	800	—	—	800
Adjustments for certain entities not treated as subsidiaries and subsidiaries designated as unrestricted subsidiaries under senior secured credit facilities and indentures	5,300	—	—	5,300
Contractual adjustments under senior secured credit facilities and indentures	4,500	1,500	13,400	19,400
Bank Credit Adjusted OIBDA	\$1,333,500	\$88,200	\$(86,000)	\$1,335,700

PRESS RELEASE

UNIVISION COMMUNICATIONS INC.

The following tables set forth the Company's financial performance for the years ended December 31, 2018 and 2017 from continuing operations unless otherwise noted. The second table below sets forth the Company's Media Networks advertising revenue for the years ended December 31, 2018 and 2017.

(Unaudited, in thousands)

Total Revenue

Consolidated		
Years ended December 31,		
2018	2017	% Var
Total revenue	\$2,713,800	\$2,937,300 (7.6)%
Major soccer	—	(26,700) (100)%
Political/advocacy	(68,200)	(43,000) 58.6%
Content/intellectual property licensing	(36,500)	(40,300) (9.4)%
Contractual revenue adjustment	65,100	—
Total core revenue	\$2,674,200	\$2,827,300 (5.4)%

Advertising Revenue

Advertising revenue	\$1,549,700	\$1,709,800 (9.4)%
Major soccer	—	(26,700) (100)%
Political/advocacy	(68,200)	(43,000) 58.6%
Core advertising revenue	\$1,481,500	\$1,640,100 (9.7)%

Non-Advertising Revenue

Non-advertising revenue	\$1,164,100	\$1,227,500 (5.2)%
Content/intellectual property licensing	(36,500)	(40,300) (9.4)%
Contractual revenue adjustment	65,100	—
Core non-advertising revenue	\$1,192,700	\$1,187,200 0.5%

Media Networks		
Years ended December 31,		
2018	2017	% Var
Total revenue	\$2,458,500	\$2,671,700 (8.0)%
Major soccer	—	(26,700) (100)%
Political/advocacy	(50,400)	(31,100) 62.1%
Content/intellectual property licensing	(36,500)	(28,500) 28.1%
Contractual revenue adjustment	65,100	—
Total core revenue	\$2,436,700	\$2,585,400 (5.8)%
Advertising revenue	\$1,308,600	\$1,467,200 (10.8)%
Major soccer	—	(26,700) (100)%
Political/advocacy	(50,400)	(31,100) 62.1%
Core advertising revenue	\$1,258,200	\$1,409,400 (10.7)%
Non-advertising revenue	\$1,149,900	\$1,204,500 (4.5)%
Content/intellectual property licensing	(36,500)	(28,500) 28.1%
Contractual revenue adjustment	65,100	—
Core non-advertising revenue	\$1,178,500	\$1,176,000 0.2%

Radio		
Years ended December 31,		
2018	2017	% Var
Total revenue	\$255,300	\$265,600 (3.9)%
Major soccer	—	—
Political/advocacy	(17,800)	(11,900) 49.6%
Content/intellectual property licensing	—	(11,800) (100)%
Contractual revenue adjustment	—	—
Total core revenue	\$237,500	\$241,900 (1.8)%
Advertising revenue	\$241,100	\$242,600 (0.6)%
Major soccer	—	—
Political/advocacy	(17,800)	(11,900) 49.6%
Core advertising revenue	\$223,300	\$230,700 (3.2)%
Non-advertising revenue	\$14,200	\$23,000 (38.3)%
Content/intellectual property licensing	—	(11,800) (100)%
Contractual revenue adjustment	—	—
Core non-advertising revenue	\$14,200	\$11,200 26.8%

(Unaudited, in thousands)

Media Networks Advertising Revenue

Consolidated Media Networks		
Years ended December 31,		
2018	2017	% Var
Advertising revenue	\$1,308,600	\$1,467,200 (10.8)%
Major soccer	—	(26,700) (100)%
Political/advocacy	(50,400)	(31,100) 62.1%
Core advertising revenue	\$1,258,200	\$1,409,400 (10.7)%

Television		
Years ended December 31,		
2018	2017	% Var
Advertising revenue	\$1,237,700	\$1,396,200 (11.4)%
Major soccer	—	(24,700) (100)%
Political/advocacy	(46,800)	(28,200) 66.0%
Core advertising revenue	\$1,190,900	\$1,343,300 (11.3)%

Digital		
Years ended December 31,		
2018	2017	% Var
Advertising revenue	\$70,900	\$71,000 (0.1)%
Major soccer	—	(2,000) (100)%
Political/advocacy	(3,600)	(2,900) 24.1%
Core advertising revenue	\$67,300	\$66,100 1.8%

(Unaudited, in thousands)

Media Networks (excluding PLA rate adjustment)

PLA rate adjustment

Media Networks

Radio

Corporate

Consolidated

Adjusted OIBDA			Adjusted Core OIBDA		
Years ended December 31,			Years ended December 31,		
2018	2017	% Var	2018	2017	% Var
\$1,038,100	\$1,322,900	(21.5)%	\$1,022,400	\$1,278,400	(20.0)%
—	—	—	—	(119,200)	(100)%
1,038,100	1,322,900	(21.5)%	1,022,400	1,159,200	(11.8)%
75,500	86,700	(12.9)%	59,000	63,700	(7.4)%
(90,800)	(99,400)	(8.7)%	(90,800)	(99,400)	(8.7)%
\$1,022,800	\$1,310,200	(21.9)%	\$990,600	\$1,123,500	(11.8)%

Bank Credit Adjusted OIBDA		
Years ended December 31,		
2018	2017	% Var
\$1,091,900	\$1,333,500	(18.1)%
—	—	—
1,091,900	1,333,500	(18.1)%
77,200	88,200	(12.5)%
(74,100)	(86,000)	(13.8)%
\$1,095,000	\$1,335,700	(18.0)%

Income from Continuing Operations

Income from continuing operations for the year ended December 31, 2018 was \$149.7 million compared to \$672.5 million for the same prior period. For the year ended December 31, 2017, the Company recognized a pretax net gain on sale of assets of \$183.3 million primarily related to the sale of a portion of spectrum assets in the FCC's broadcast incentive auction and a tax benefit arising from the Tax Cuts and Jobs Act of 2017 of \$243.9 million.

Income from continuing operations for the year ended December 31, 2018 and 2017 included a non-cash pretax impairment loss of \$143.4 million and \$88.9 million, respectively, primarily related to the write down of Radio broadcast licenses; pretax restructuring/severance charges of \$104.8 million and \$52.3 million, respectively; and for the year ended 2017 a pretax loss on extinguishment of debt of \$41.5 million.

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- ¹ As part of an overall strategic review, in 2018 the Company initiated a process to sell its English-language digital assets. In accordance with the applicable accounting guidance for the disposal of long-lived assets and discontinued operations, the results of the English-language digital assets have been excluded from both continuing operations and operating segments results for all periods presented.
- ² For the fourth quarter and full year total core revenue excludes political/advocacy advertising and content/intellectual property licensing revenue in both periods, an estimated revenue adjustment in 2018 from a contractual obligation which is not expected to impact revenues in 2019 and for the full-year period the estimated incremental impact of major soccer in 2017. These items have been excluded to allow for comparability between both periods.
- ³ See pages 4 and 17 for a description of certain significant items affecting the comparability of (Loss) Income from continuing operations for the fourth quarter and year ended December 31, 2018 against the respective prior year periods.
- ⁴ See pages 11-15 for a description of the non-GAAP term Adjusted OIBDA, a reconciliation to (Loss) Income from continuing operations and limitations on its use.
- ⁵ For the fourth quarter and full year adjusted Core OIBDA excludes political /advocacy advertising and content/intellectual property licensing revenue in both periods, an estimated revenue adjustment in 2018 from a contractual obligation which is not expected to impact revenues in 2019 and for the full-year period the estimated incremental impact of major soccer in 2017 to allow for comparability between both periods. To further allow for comparability between both periods, Adjusted Core OIBDA for the 2017 periods are further adjusted to reflect the 2018 contractual base rates in the program license agreement with Grupo Televisa S.A.B. and its affiliates (“Televisa”) (the “PLA”) on the basis they were in effect in 2017 for the same relevant periods as in 2018. Under its PLA, Univision Communications Inc. pays a percentage of substantially all of its Spanish-language media networks revenue to Televisa. Beginning January 1, 2018, the royalty base rate increased to 16.13%, and on June 1, 2018, the rate further increased to 16.45%.
- ⁶ Political/advocacy revenue is subject to political cycles and the timing of advocacy campaigns. These items have been excluded to allow for comparability between both periods.
- ⁷ Content/intellectual property licensing revenue is subject to the timing of revenue recognition of certain licensing agreements as content/intellectual property is delivered. These items have been excluded to allow for comparability between both periods.
- ⁸ 2018 includes an estimated revenue adjustment from a contractual obligation which is not expected to impact revenues in 2019. This item has been excluded to allow for comparability between both periods.
- ⁹ For the fourth quarter and full year, core advertising revenue excludes political/advocacy advertising revenue in both periods and for the full year period the estimated incremental impact of major soccer in 2017. These items have been excluded to allow for comparability between both periods.
- ¹⁰ For the fourth quarter and full year core non-advertising revenue excludes content/intellectual property licensing revenue in both periods and an estimated revenue adjustment in 2018 from a contractual obligation which is not expected to impact revenues in 2019. These items have been excluded to allow for comparability between both periods.
- ¹¹ See pages 11-15 for a description of the non-GAAP term Bank Credit Adjusted OIBDA, a reconciliation to (Loss) Income from continuing operations and limitations on its use.
- ¹² Under its PLA with Televisa, Univision Communications Inc. pays a percentage of substantially all of its Spanish-language media networks revenue to Televisa. Beginning January 1, 2018, the royalty base rate increased to 16.13%, and on June 1, 2018, the rate further increased to 16.45%. To further allow for comparability between both periods, Adjusted Core OIBDA for the 2017 periods are further adjusted to reflect the 2018 contractual PLA base rate for the relevant period on the basis it was in effect as of January 1 and June 1, 2017.
- ¹³ Restricted cash was \$1.7 million and \$1.8 million at December 31, 2018 and 2017, respectively.
- ¹⁴ Loss of extinguishment of debt is a result of the Company’s refinancing transactions.
- ¹⁵ Other is primarily comprised of (income) loss arising from the Company’s investments.
- ¹⁶ Impairment loss is primarily comprised of non-cash impairments related to the write-down of broadcast licenses in the Radio segment and program rights in the Media Networks segment.
- ¹⁷ (Gain) loss on sale of assets, net primarily pertains to the gains related to the sale of a portion of the Company’s spectrum assets in the FCC’s broadcast incentive auction as well as gains and losses associated with miscellaneous real estate and other asset sales.
- ¹⁸ Other adjustments to operating income (loss) is primarily comprised of letter of credit fees and costs associated with the renewal of certain contracts.
- ¹⁹ The OIBDA effect of political/advocacy revenue is subject to political cycles and the timing of advocacy campaigns. These items have been excluded to allow for comparability between both periods.
- ²⁰ The OIBDA effect of content/intellectual property licensing revenue is subject to the timing of revenue recognition of certain licensing agreements as content is delivered. These items have been excluded to allow for comparability between both periods.
- ²¹ The OIBDA effect of this unusual and infrequent revenue adjustment in 2018 from a contractual obligation is not expected to impact revenues in future years. This item has been excluded to allow for comparability between both periods.

- ²² Under the Company's credit agreement governing the Company's senior secured credit facilities 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 (loss), that are not treated as subsidiaries, and from subsidiaries designated as unrestricted subsidiaries, in each case under such credit facilities and indentures, and certain other expenses. "Unrestricted Subsidiaries" are several wholly owned early stage ventures. The amounts for subsidiaries designated as unrestricted subsidiaries and certain entities that are not treated as subsidiaries under the Company's senior secured credit facilities and indentures governing the Company's senior notes above represent the residual elimination after the other permitted exclusions from Bank Credit Adjusted OIBDA. The Company may redesignate unrestricted subsidiaries as restricted subsidiaries at any time at its option, subject to compliance with the terms of the credit agreement and indentures. Bank Credit Adjusted OIBDA is further adjusted when giving effect to the redesignation of an unrestricted subsidiary as a restricted subsidiary for the 12 month period then ended upon such redesignation.
- ²³ Contractual adjustments under the Company's senior secured credit facilities and indentures relate to adjustments to operating income (loss) permitted under the Company's senior secured credit facilities and indentures governing the Company's senior notes in both periods related to the treatment of the accounts receivable facility under GAAP that existed when the credit facilities were originally entered into as well as an estimated revenue adjustment from a contractual obligation in 2018 which is not expected to impact revenues in 2019 and other miscellaneous items.
- ²⁴ Under its PLA with Televisa, Univision Communications Inc. pays a percentage of substantially all of its Spanish-language media networks revenue to Televisa. Beginning January 1, 2018, the royalty base rate increased to 16.13%, and on June 1, 2018, the rate further increased to 16.45%. To further allow for comparability between both periods, Adjusted Core OIBDA for 2017 periods are further adjusted to reflect the 2018 contractual PLA base rate for the relevant period on the basis it was in effect as of January 1 and June 1, 2017.
- ²⁵ 2017 includes the estimated OIBDA impact from the Gold Cup soccer tournament. Major soccer tournaments, including Gold Cup, generate estimated incremental revenue in the periods in which the programming airs from advertisers who purchase both major soccer and other advertising, and result in such advertising shifting the timing within a year for their purchase of other advertising from periods in which the major soccer programming does not air. Major soccer tournaments, including Gold Cup also incur expenses in the periods in which the programming airs. The estimated OIBDA impact from the Gold Cup has been excluded to allow for comparability between both periods.
- ²⁶ Under the Company's credit agreement governing the Company's senior secured credit facilities and indentures governing the Company's senior notes, Bank Credit Adjusted OIBDA permits the add-back and/or deduction, as applicable, for specified business optimization expenses. Business optimization expense includes legal, consulting and advisory fees.