

# MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATION

Set forth below are our consolidated results for the years ended December 31, 2018 and 2017. As required by regulations issued by Comisión Nacional Bancaria y de Valores, or the Mexican Bank and Securities Commission, for listed companies in Mexico, our financial information is presented in accordance with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") for financial reporting purposes. The financial information set forth below should be read in conjunction with our audited consolidated financial statements as of and for the years ended December 31, 2018 and 2017 included in this annual report.



	Year ended December 31,	
(Millions of Mexican Pesos) <sup>1</sup>	2018	2017 <sup>2</sup>
Net sales	Ps. 101,282.3	Ps. 94,274.2
Cost of sales	57,839.3	53,534.6
Selling expenses	11,023.4	10,554.1
Administrative expenses	13,729.3	13,556.0
Other income (expense), net	1,562.3	(2,386.3)
Operating income	20,252.6	14,243.2
Finance expense, net	8,779.7	5,304.9
Share of income of associates and joint ventures, net	532.9	1,913.3
Income taxes	4,390.5	4,274.1
Net income	7,615.3	6,577.5
Net income attributable to non-controlling interests	1,605.9	2,053.0
Net income attributable to stockholders of the Company	Ps. 6,009.4	Ps. 4,524.5

<sup>1</sup> Certain data set forth in the table above may vary from the corresponding data set forth in our consolidated statements of income for the years ended December 31, 2018 and 2017 included in this annual report due to differences in rounding.

<sup>2</sup> In accordance with IFRS 9 Financial Instruments, which became effective on January 1, 2018, we have restated, for comparison purposes, the previously reported presentation and recognition of changes in fair value of certain financial assets in our consolidated financial statements as of December 31, 2017 and for the year ended on that date, as if this new standard had been applied beginning on January 1, 2017.



## RESULTS OF OPERATIONS

For segment reporting purposes, our consolidated cost of sales, selling expenses and administrative expenses for the years ended December 31, 2018 and 2017 exclude corporate expenses and depreciation and amortization, which are presented as separate line items. The following table sets forth the reconciliation between our operating segment income and the consolidated operating income according to IFRS:

	Year ended December 31,	
(Millions of Mexican Pesos) <sup>1</sup>	2018	2017
Net sales	Ps. 101,282.3	Ps. 94,274.2
Cost of sales <sup>2</sup>	44,136.7	40,709.9
Selling expenses <sup>2</sup>	9,328.5	9,283.6
Administrative expenses <sup>2</sup>	7,137.9	6,823.9
Operating segment income	40,679.2	37,456.8
Corporate expenses	2,154.7	2,291.0
Depreciation and amortization	19,834.2	18,536.3
Other income (expense), net	1,562.3	(2,386.3)
Operating income	Ps. 20,252.6	Ps. 14,243.2

<sup>1</sup> Certain data set forth in the table above may vary from the corresponding data set forth in our consolidated statements of income for the years ended December 31, 2018 and 2017 included in this annual report due to differences in rounding.

<sup>2</sup> Excluding corporate expenses and depreciation and amortization.



## OVERVIEW OF OPERATING SEGMENT RESULTS

The following table sets forth the net sales and operating segment income of each of our business segments and intersegment sales, corporate expenses, depreciation and amortization, and other income (expense), net, for the years ended December 31, 2018 and 2017:

Year ended December 31,			
(Millions of Mexican Pesos)	2018	2017	% Contribution to 2018 total segment net sales
<b>Segment net sales</b>			
Subtotal Content	Ps. 36,490.1	Ps. 33,997.2	34.4%
World Cup Rights	2,733.6	–	2.6
Total Content	39,223.7	33,997.2	37.0
Sky	22,002.2	22,196.6	20.7
Cable	36,233.0	33,048.3	34.2
Other Businesses	8,635.5	8,376.3	8.1
Segment net sales	106,094.4	97,618.4	100.0
Intersegment operations <sup>1</sup>	(4,812.1)	(3,344.2)	(4.5)
Net sales	Ps. 101,282.3	Ps. 94,274.2	95.5%
<b>Operating segment income</b>			
Subtotal Content	Ps. 13,444.6	Ps. 12,825.3	
World Cup Rights	1,410.5	–	
Total Content	14,855.1	12,825.3	
Sky	9,767.3	10,106.6	
Cable	15,302.5	14,034.8	
Other Businesses	754.3	490.1	
Operating segment income <sup>2</sup>	40,679.2	37,456.8	
Corporate expenses <sup>2</sup>	(2,154.7)	(2,291.0)	
Depreciation and amortization <sup>2</sup>	(19,834.2)	(18,536.3)	
Other income (expense), net	1,562.3	(2,386.3)	
Operating income <sup>3</sup>	Ps. 20,252.6	Ps. 14,243.2	

<sup>1</sup> For segment reporting purposes, intersegment revenues are included in each of the segment operations.

<sup>2</sup> The operating segment income data set forth in this annual report do not reflect corporate expenses nor depreciation and amortization in any year presented, but are presented herein to facilitate the discussion of segment results.

<sup>3</sup> Operating income reflects corporate expenses, depreciation and amortization, and other income (expense), net in the years presented. See Note 25 to our consolidated year-end financial statements.



During the fourth quarter of 2017, we suspended certain operations related to our publishing and gaming businesses, the effects of these operations on net sales for 2017 and 2016 amounted to Ps.688.0 million and Ps.902.6 million, respectively; and in the operating segment income or loss for 2017 and 2016 amounted to losses of Ps.35.7 million and Ps.35.5 million, respectively. These effects are presented in the Other Businesses segment.

## OVERVIEW OF RESULTS OF OPERATIONS

### Net Sales

Net sales increased by Ps.7,008.1 million, or 7.4% to Ps.101,282.3 million in 2018 compared with Ps.94,274.2 million in 2017. This increase was attributable to the increase in revenues in our Content and Cable segments.

### Cost of Sales

Cost of sales increased by Ps.3,426.8 million, or 8.4%, to Ps.44,136.7 million for the year ended December 31, 2018 from Ps.40,709.9 million for the year ended December 31, 2017. This increase was due to higher costs principally in our Content and Cable segments.

### Selling Expenses

Selling expenses increased by Ps.44.9 million, or 0.5%, to Ps.9,328.5 million for the year ended December 31, 2018 from Ps.9,283.6 million for the year ended December 31, 2017. This increase was attributable to higher selling expenses, primarily in our Content, Cable and Sky segments.





### Administrative and Corporate Expenses

Administrative and corporate expenses increased by Ps.177.7 million, or 1.9%, to Ps.9,292.6 million for the year ended December 31, 2018 from Ps.9,114.9 million for the year ended December 31, 2017. The growth reflects an increase in administrative expenses, principally in our Cable and Content segments.

Corporate expense decreased by Ps.136.3 million, or 5.9%, to Ps.2,154.7 million in 2018, from Ps.2,291.0 million in 2017. The decrease reflected primarily a lower share-based compensation expense.

Share-based compensation expense in 2018 and 2017 amounted to Ps.1,327.5 million and Ps.1,489.9 million, respectively, and was accounted for as corporate expense. Share-based compensation expense is measured at fair value at the time the equity benefits are conditionally sold to officers and employees, and is recognized over the vesting period.

### Content

We categorize our sources of revenue in our Content segment as follows:

- a) Advertising,
- b) Network Subscription Revenue, and
- c) Licensing and Syndication.

Given the cost structure of our Content segment, operating segment income is reported as a single line item.

The following table presents net sales and operating segment income in our Content segment, and the percentage of change when comparing 2018 with 2017:

	Year ended December 31,		
(Millions of Mexican Pesos)	2018	2017	Chg %
Net sales			
Advertising	Ps. 21,154.9	Ps. 20,719.1	2.1%
Network Subscription Revenue	4,814.3	4,058.1	18.6
Licensing and Syndication	10,520.9	9,220.0	14.1
Subtotal net sales	Ps. 36,490.1	Ps. 33,997.2	7.3%
World Cup Rights	2,733.6	-	n/a
Total net sales	Ps. 39,223.7	Ps. 33,997.2	15.4%
Subtotal operating segment income	Ps. 13,444.6	Ps. 12,825.3	4.8%
Income World Cup Rights	1,410.5	-	n/a
Total operating segment income	Ps. 14,855.1	Ps. 12,825.3	15.8%

Content net sales, representing 37.0% and 34.8% of our segment net sales for the years ended December 31, 2018 and 2017, respectively, increased by Ps.5,226.5 million, or 15.4%, to Ps.39,223.7 million for the year ended December 31, 2018 from Ps.33,997.2 million for the year ended December 31, 2017.

Advertising revenue increased 2.1%. The increase was partially compensated by a decrease in advertising sold to government entities. We concluded the negotiation of the upfront for a total amount of Ps.16.4 billion, in line with that of the prior year.

Network Subscription Revenue increased by 18.6%. The increase is mainly explained by the new offerings of our networks which now includes additional rights that resulted in higher overall price. This came into effect in the fourth quarter of 2017.

Licensing and Syndication revenue increased by 14.1%. For the year 2018 royalties from Univision reached U.S.\$383.6 million. The increase of 22.2% in royalties is mainly explained by the step up in the royalty rate, partially compensated by lower revenues of Univision, primarily due to the loss of the carriage of Univision networks by Dish.

In 2018, Content net sales benefited from the sublicensing of certain broadcast and digital rights of the FIFA World Cup Russia 2018 in Mexico and other Latin American markets, by Ps.2,733.6 million.

Content operating segment income increased by Ps.2,029.8 million, or 15.8%, to Ps.14,855.1 million for the year ended December 31, 2018 compared with Ps.12,825.3 million for the year ended December 31, 2017. The margin was 37.9%. The increase in operating segment income was due to the increase in net sales, partially offset by an increase in cost of sales and operating expenses.

## Sky

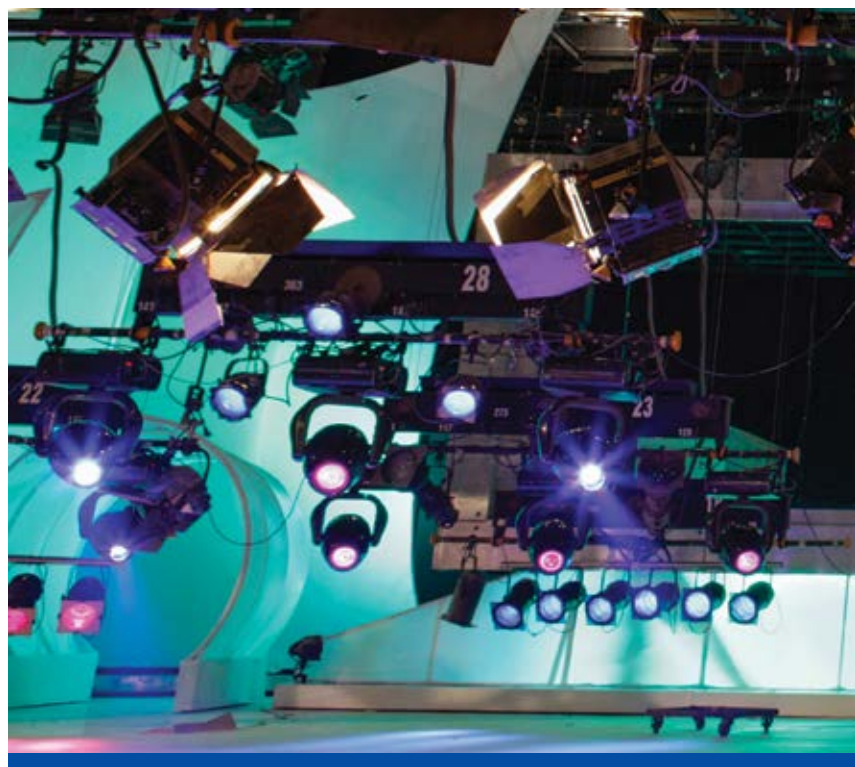
Sky net sales, representing 20.7% and 22.7% of our segment net sales for the years ended December 31, 2018 and 2017, respectively, decreased by Ps.194.4 million, or 0.9%, to Ps.22,002.2 million for the year ended December 31, 2018 from Ps.22,196.6 million for the year ended December 31, 2017.

The number of net video RGUs decreased by 365,486 during the year to 7,637,040 as of December 31, 2018. Sky ended the year with 159,027 video RGUs in Central America and the Dominican Republic.

The loss of video RGUs is mainly explained by the disconnections of some customers following our transmission of the FIFA World Cup in the second and third quarters of 2018. On the other hand, during 2018, Sky added 91,841 broadband RGUs.

The following table sets forth the breakdown of RGUs per service type for Sky as of December 31, 2018 and 2017.

	2018	2017
Video	7,637,040	8,002,526
Broadband	91,841	-
RGUs	7,728,881	8,002,526



Sky operating segment income decreased by Ps.339.3 million, or 3.4%, to Ps.9,767.3 million for the year ended December 31, 2018 from Ps.10,106.6 million for the year ended December 31, 2017 and the margin was 44.4%. The decrease in operating segment income, was due to the decrease in revenues and an increase in programming costs and promotional expenses.

## Cable

Cable net sales, representing 34.2% and 33.9% of our segment net sales for the years ended December 31, 2018 and 2017, respectively, increased by Ps.3,184.7 million, or 9.6%, to Ps.36,233.0 million for the year ended December 31, 2018 from Ps.33,048.3 million for the year ended December 31, 2017.

Total revenue generating units or RGUs reached 11.8 million including the acquisition of part of the residential fiber-to-the-home business of Axtel. Annual organic growth was mainly driven by 626,643 of voice net additions. Broadband net additions were 451,768 and video net additions were 102,467, for total annual organic net additions of approximately 1.2 million RGUs.





Cable operating segment income increased by Ps.1,267.7 million, or 9.0%, to Ps.15,302.5 million for the year ended December 31, 2018 from Ps.14,034.8 million for the year ended December 31, 2017, and the margin reached 42.2%.

These favorable variances were partially offset by higher programming, maintenance and personnel costs and expenses.

The following table sets forth the breakdown of RGUs per service type for our Cable segment as of December 31, 2018 and 2017:

	2018 <sup>1</sup>	2017
Video	4,384,247	4,185,150
Broadband (data)	4,479,017	3,797,336
Voice	2,978,508	2,121,952
RGUs	11,841,772	10,104,438

<sup>1</sup> Includes 553,226 RGUs acquired from Axtel.

## Other Businesses

Other Businesses net sales, representing 8.1% and 8.6% of our segment net sales for the years ended December 31, 2018 and 2017, respectively, increased by Ps.259.2 million, or 3.1%, to Ps.8,635.5 million for the year ended December 31, 2018 from Ps.8,376.3 million for the year ended December 31, 2017. The increase in revenues was mainly driven by performance in our film distribution, soccer and radio businesses.

Other Businesses operating segment income increased by Ps.264.2 million, or 53.9%, to Ps.754.3 million for the year ended December 31, 2018 from Ps.490.1 million for the year ended December 31, 2017, mainly reflecting a decrease in the loss of our publishing business and an increase in operating segment income of our gaming business.

## Depreciation and Amortization

Depreciation and amortization expense increased by Ps.1,297.9 million, or 7.0%, to Ps.19,834.2 million for the year ended December 31, 2018 from Ps.18,536.3 million for the year ended December 31, 2017. This change primarily reflected an increase in depreciation and amortization expense in our Cable and Content segments.

### Other Income or Expense, Net

Other income or expense, net, changed by Ps.3,948.6 million to other income, net of Ps.1,562.3 million in 2018, from other expense, net of Ps.2,386.3 million in 2017. This favorable change reflected primarily a Ps.3,513.8 million pre-tax gain on disposition of our 19.9% stake in Imagina Media Audiovisual, S.L. ("Imagina"), a Spanish media group, which sale was closed in June 2018, as well as a decrease in non-recurrent severance expense and donations. These favorable variances were partially offset by an impairment adjustment in connection with trademarks in our Publishing business.

### Operating Income

Operating Income increased by Ps.6,009.4 million, or 42.2%, to Ps.20,252.6 million for the year ended December 31, 2018 from to Ps.14,243.2 million for the year ended December 31, 2017. This increase reflects higher net sales and other income, net; partially offset by the increase in cost of sales, operating expenses and depreciation and amortization.

## NON-OPERATING RESULTS

### Finance Income or Expense, Net

Finance income or expense, net, significantly impacts our consolidated financial statements in periods of currency fluctuations. Under IFRS, finance income or expense, net, reflects:

- interest expense;
- interest income;
- foreign exchange gain or loss attributable to monetary assets and liabilities denominated in foreign currencies; and
- other finance expense, net, including gains or losses from derivative instruments.



Our foreign exchange position is affected by our assets or liabilities denominated in foreign currencies, primarily U.S. dollars. We record a foreign exchange gain or loss if the exchange rate of the Mexican Peso to the other currencies in which our monetary assets or liabilities are denominated varies.

Finance expense, net, increased by Ps.3,474.8 million, or 65.5%, to Ps.8,779.7 million for the year ended December 31, 2018, from Ps.5,304.9 million for the year ended December 31, 2017. This increase reflected primarily: (i) a Ps.1,762.8 million unfavorable change in other finance income or expense, net, resulting primarily from a net loss in fair value of our derivative contracts; (ii) a Ps.548.8 million decrease in foreign exchange gain, net, resulting primarily from a 0.2% appreciation of the Mexican peso against the U.S. dollar in 2018, compared with a 4.5% appreciation in 2017, on a higher average net U.S. dollar liability position; (iii) a Ps.461.6 million increase in interest expense, primarily due to the interest rate applicable to our average Mexi-



can peso debt position, as well as an average annual depreciation of the Mexican peso against the U.S. dollar in connection with our U.S. dollar debt position, which effect was partially offset by a lower average principal amount of debt, finance lease obligations and other notes payable during 2018; and (iv) a Ps.701.6 million decrease in interest income, primarily as a result of the recognition in other comprehensive income of interest income of Ps.787.3 million for the year ended December 31, 2018, related to certain investments for which interest income was recognized in the statement of income until December 31, 2017, as they were classified as investments at fair value through other comprehensive income, in connection with the adoption of IFRS 9 *Financial Instruments*, beginning on January 1, 2018.

#### **Share of Income of Associates and Joint Ventures, Net**

This line item reflects our equity participation in the operating results and net assets of unconsolidated businesses in which we maintain an interest, but which we do not control. We recognize equity in losses of associates and joint ventures up to the amount of our initial investment, subsequent capital contributions and long-term loans, or beyond that amount when guaranteed commitments have been made by us in respect of obligations incurred by associates and joint ventures.

Share of income of associates and joint ventures, net, decreased by Ps.1,380.4 million, or 72.1%, to Ps.532.9 million in 2018, from Ps.1,913.3 million in 2017. This decrease reflected mainly the absence of share of income of Imagina, which investment we sold in June 2018; and a lower share of income of Univision Holdings, Inc., or UHI, the controlling

company of Univision Communications Inc., resulting from both a decrease in UHI's income before income taxes, and the absence of a non-recurring tax benefit recognized by UHI in 2017.

#### **Income Taxes**

Income taxes increased by Ps.116.4 million, or 2.7%, to Ps.4,390.5 million in 2018, compared with Ps.4,274.1 million in 2017. This increase resulted from a higher tax base, which was partially offset by a lower taxable inflationary gain resulting from the annual inflationary adjustment applied to the net monetary liability position of the Company and a 4.8% inflation in 2018, compared with a 6.8% inflation in 2017.

The Mexican corporate income tax rate was 30% in each of the years 2018, 2017 and 2016, and will be 30% in 2019.

#### **Net Income Attributable to Non-controlling Interests**

Net income attributable to non-controlling interests reflects that portion of operating results attributable to the interests held by third parties in the businesses which are not wholly-owned by us, including our Cable and Sky segments, as well as our Radio business.

Net income attributable to non-controlling interests decreased by Ps.447.1 million, or 21.8%, to Ps.1,605.9 million in 2018, compared with Ps.2,053.0 million in 2017. This decrease reflected primarily a lower portion of net income attributable to non-controlling interests in our Cable and Sky segments.





### Net Income Attributable to Stockholders of the Company

Net income attributable to stockholders of the Company reached the amount of Ps.6,009.4 million in 2018, compared with Ps.4,524.5 million in 2017 the net increase of Ps.1,484.9 million, or 32.8%, reflected:

- a Ps.6,009.4 million increase in operating income; and
- a Ps.447.1 million decrease in net income attributable to non-controlling interests.

These changes were partially offset by:

- a Ps.3,474.8 million increase in finance expense, net;
- a Ps.1,380.4 million decrease in share of income of associates and joint ventures, net; and
- a Ps.116.4 million increase in income taxes.

### Capital Expenditures and Investments

During 2018, we:

- made aggregate capital expenditures for property, plant and equipment totaling approximately U.S.\$969.9 million, of which approximately U.S.\$665.5 million are for our Cable segment, U.S.\$209.6 million are for our Sky segment, and the remaining U.S.\$94.8 million are for our Content and Other Businesses segments;
- provided financing to Grupo de Telecomunicaciones de Alta Capacidad, S.A.P.I. de C.V. ("GTAC") in connection with long-term credit facilities and our 33.3% interest in GTAC in the aggregate principal amount of Ps.58.2 million (U.S.\$3.0 million);
- acquired from Axtel, S.A.B. de C.V. its residential fiber-to-the-home business and related assets in Mexico City, Zapopan, Monterrey, Aguascalientes, San Luis Potosí and Ciudad Juárez. The total cash value of the

transaction amounted to Ps.5,466.9 million (U.S.\$272.1 million), including Ps.753.9 million (U.S.\$37.5 million) of value added tax; and

- renewed our concession titles for the broadcast television signals known as Las Estrellas, Canal 5, Canal 9, Foro TV and other local television stations, for a term of 20 years after the existing expiration dates. For this renewal, we paid Ps.5,753.0 million (U.S.\$281.7 million).

During 2017, we:

- made aggregate capital expenditures for property, plant and equipment totaling approximately U.S.\$884.7 million, of which approximately U.S.\$559.7 million are for our Cable segment, U.S.\$211.4 million are for our Sky segment, and the remaining U.S.\$113.6 million are for our Content and Other Businesses segments; and
- provided financing to Grupo de Telecomunicaciones de Alta Capacidad, S.A.P.I. de C.V. ("GTAC") in connection with long-term credit facilities and our 33.3% interest in GTAC in the aggregate principal amount of Ps.222.8 million (U.S.\$11.1 million).

### Indebtedness

As of December 31, 2018, our consolidated long-term portion of debt amounted to Ps.120,983.6 million, and our consolidated current portion of debt was Ps.2,108.4 million. As of December 31, 2018, our total consolidated debt was denominated in U.S. dollars (59%) and Mexican pesos (41%). Additionally, as of December 31, 2018, our consolidated long-term portion of capital lease obligations amounted to Ps.4,666.1 million, and our consolidated current portion of capital lease obligations was Ps.651.8 million.



The major components of our total consolidated indebtedness as of December 31, 2018, were as follows:

- 6.625% Senior Notes due 2025 for a principal amount of U.S.\$600.0 million;
- 8.5% Senior Notes due 2032 for a principal amount of U.S.\$300.0 million;
- 8.49% Senior Notes due 2037 for a principal amount of Ps.4,500.0 million ;
- 6.625% Senior Notes due 2040 for a principal amount of U.S.\$600.0 million;
- 7.38% Notes due 2020 for a principal amount of Ps.10,000.0 million;
- 7.25% Notes due 2043 for a principal amount of Ps.6,500.0 million;
- 5.0% Senior Notes due 2045 for a principal amount of U.S.\$1,000.0 million;
- TIIE+0.35% Notes due 2021 for a principal amount of Ps.6,000.0 million;
- TIIE+0.35% Notes due 2022 for a principal amount of Ps.5,000.0 million;
- 4.625% Senior Notes due 2026 for a principal amount of U.S.\$300.0 million;
- 6.125% Senior Notes due 2046 for a principal amount of U.S.\$900.0 million;
- 8.79% Notes due 2027 for a principal amount of Ps.4,500.0 million;
- Long-term loan facility due 2023 for a principal amount of Ps.2,500.0 million with an average annual rate of 7.13%;
- Long-term loan facility due 2023 for a principal amount of Ps.3,000.0 million with an average annual rate of 7.0%;
- Long-term loan facility due 2022 for a principal amount of Ps.1,500.0 million with an average annual rate of 9.6337%;
- Long-term loan facility due 2022 for a principal amount of Ps.2,000.0 million with an average annual rate of 9.6837%;
- Long-term loan facility due 2023 for a principal amount of Ps.2,500.0 million with an average annual rate of 9.6350%;
- Long-term loan facility due 2022 for a principal amount of Ps.1,337.9 million with an average annual interest rate of TIIE plus 100 basis points (TVI);
- Long-term loan facilities due 2019 for an aggregate principal amount of Ps.746.7 million with an average annual interest rate of TIIE plus 125 basis points (TVI);
- Long-term loan facility due 2020 for an aggregate principal amount of Ps.250.0 million with an average annual interest rate of TIIE plus 125 basis points (TVI);
- Satellite transponder lease obligation with maturities through 2027 for an amount equivalent to U.S.\$232.3 million with an average annual interest rate of 7.3%;
- Lease obligation for right to use a certain capacity telecommunications network with maturities through 2027 for an amount of Ps.691.6 million with an annual interest rate of 6.0%;
- Other capital lease obligations with maturities through 2020 for an aggregate amount of Ps.56.6 million with an annual interest rate a range between of 7.20% and 15.6787%; and
- Other notes payable with maturities in 2019 and 2020 for an aggregate amount of Ps.2,576.9 million.

The amounts of debt in our consolidated statement of financial position as of December 31, 2018 are presented net of unamortized finance costs in the aggregate amount of Ps.1,152.7 million and interest payable in the aggregate amount of Ps.1,120.0 million.

For a further description of this indebtedness, see Note 13 to the consolidated financial statements.

# BOARD OF DIRECTORS

## EMILIO FERNANDO AZCÁRRAGA JEAN (P) <sup>1</sup>

Executive Chairman of the Board and Chairman of the Executive Committee of Grupo Televisa. Chairman of the Board and Chairman of the Executive Committee of Empresas Cablevisión. Former President and Chief Executive Officer of Grupo Televisa. Member of the Boards of Grupo Financiero Banamex, Univision and Grupo Axo. Chairman of the Board of Managers and Chairman of the Executive Committee of Innova, S de R.L. de C.V. Member of the Mexican Council of Businessmen and Fundación Teleton. Member since December 1990.

## ALFONSO DE ANGOITIA NORIEGA <sup>1</sup>

Co-Chief Executive Officer and Member of the Executive Committee of Grupo Televisa. Member of the Board and Member of the Executive Committee of Empresas Cablevisión. Member of the Boards of Univision, Grupo Financiero Banorte, Fomento Económico Mexicano (FEMSA), Liberty Latin America and Grupo Axo. Member of the Board of Managers and member of the Executive Committee of Innova, S. de R.L. de C.V. Chairman of the Board of Trustees of Fundación Kardias, Member of the Board of Trustees of the Mexican Foundation for Health and of the UNAM Foundation. Member of the Board of Trustees of The Paley Center for Media Former Executive Vice President and Chief Financial Officer of Grupo Televisa. Member of Member since April 1997.

## ALBERTO BAILLÉRES GONZÁLEZ <sup>2</sup>

Chairman of the Boards of Directors of Grupo Bal, Industrias Peñoles, Fresnillo PLC, Grupo Palacio de Hierro, Grupo Nacional Provincial, Grupo Profuturo, Controladora Petrol, Energía Eléctrica BAL, and Tane. Chairman of the Board of Trustees of Instituto Tecnológico Autónomo de México (ITAM) and Founder and President of Fundación Alberto Baillères. Member of the Boards of Directors of Dine, Grupo Kuo, Grupo Financiero BBVA Bancomer, BBVA Bancomer, Fomento Económico Mexicano and member of the Mexican Council of Business. Member since April 2005.

## FRANCISCO JOSÉ CHÉVEZ ROBELLO <sup>2</sup>

Chairman of the Audit Committee of Grupo Televisa, S.A.B. Member of the Board of Directors and Chairman of the Audit and Corporate Practices Committee of Empresas Cablevisión, S.A.B. de C.V. Co-founder and retired Partner of Chévez, Ruíz, Zamarripa y Cía., S.C., and Former Managing Partner of Arthur Andersen & Co. (Mexico City). Member of the Board of Directors of Apuestas Internacionales, S.A. de C.V., Regiomontana de Perfiles y Tubos, S.A. de C.V. and de Pytco, S.A. de C.V. Member since April 2003.

## JON FELTHEIMER <sup>2</sup>

Chief Executive Officer of Lionsgate. Former President of Columbia TriStar Television Group, former Executive Vice President of Sony Pictures Entertainment. Member of the Boards of Lionsgate, Pop Media Group, Celestial Tiger Entertainment, Pantelion and Pilgrim Media Group. Member since April 2015.

## JOSÉ LUIS FERNÁNDEZ FERNÁNDEZ <sup>2</sup>

Managing Partner of Chévez, Ruíz, Zamarripa y Cía., S.C., Member of the Audit Committee and Chairman of the Corporate Practices Committee of Grupo Televisa. Member of the Board of Directors of Unifin Financiera, Controladora Vuela Compañía de Aviación, Grupo Financiero Banamex, Banco Nacional de México and Apuestas Internacionales. Alternate member of the Board of Directors of Arca Continental Corporativo. Alternate Member of the Board of Directors and Alternate Member of the Audit and Corporate Practices Committee of Empresas Cablevisión. Member since April 2002.

## SALVI RAFAEL FOLCH VIADERO <sup>1</sup>

Chief Executive Officer of Grupo Televisa's Cable Division. Former Chief Financial Officer of Grupo Televisa. Former Vice President of Financial Planning of Grupo Televisa, former Chief Executive Officer and Chief Financial Officer of Comercio Más, S.A. de C.V. and former Vice Chairman of Banking Supervision of the National Banking and Securities Commission. Alternate Member of Board of Directors and Alternate Member of the Executive Committee of Empresas Cablevisión. Member since April 2002.

## GUILLERMO GARCÍA NARANJO ÁLVAREZ <sup>2</sup>

Member of the Audit Committee of Grupo Televisa. Former Chief Executive Officer and Former Audit Partner of KPMG Cárdenas Dosal, S.C. Member of the Audit Committee of Banco de México, Member of the Board and the Audit Committee of Nacional Monte de Piedad I.A.P., Member of the Board of Directors, Member of the Practices Committee and Chairman of the Audit Committee of Grupo Posadas, Statutory Auditor ("Comisario") of Total Systems de México, Member of the Finance Committee of Fomento Educativo, A.C. (Non-profit organization), Member of the Board and the Audit Commission of Fundación Pro-Emprego D.F. A.C. (Non-profit organization). Member since April 2018.

## MICHAEL THOMAS FRIES <sup>2</sup>

President and Chief Executive Officer of Liberty Global, plc. Vice Chairman of the Board of Liberty Global, Executive Chairman of the Board of Liberty Latin America, Member of the Boards of Directors of Lionsgate and Cable Television Labs, Trustee of the Board of The Paley Center for Media, Chairman of the Boards of Directors of Museum of Contemporary Art Denver and Biennial of the Americas, Digital Communications Governor and Steering Committee Member of the World Economic Forum, Member of Young Presidents' Organization. Member since April 2015.

## MARCOS EDUARDO GALPERÍN <sup>2</sup>

Chairman, President, Chief Executive Officer, Co-Founder, and Director of Mercadolibre, Inc. Member of the Boards of Directors of Endeavor, Fundación Universidad de San Andrés, Globant, S.A. and Onapsis. Former Futures and Options Associate of YPF S.A. Member since April 2017.

## BERNARDO GÓMEZ MARTÍNEZ <sup>1</sup>

Co-Chief Executive Officer and Member of the Executive Committee of Grupo Televisa. Member of the Board and Member of the Executive Committee of Empresas Cablevisión. Member of the Board of Univision, Grupo Axo and Innova, S. de R.L. de C.V., Former Executive Vice President and Deputy Director of the President of Grupo Televisa and Former President of the Mexican Chamber of Television and Radio Broadcasters. Member since April 1999.

## CARLOS HANK GONZÁLEZ <sup>2</sup>

Chairman of the Board of Directors of Grupo Financiero Banorte and Banco Mercantil del Norte. Vice-President of the Board of Directors of Gruma. Chief Executive Officer of Grupo Hermes, Member of the Board of Directors of Mexican Stock Exchange and Chairman of the Board of Directors of Cerrey. Former General Manager of Grupo Financiero Interacciones, Banco Interacciones, Interacciones Casa de Bolsa; Former Deputy General Manager of Grupo Financiero Banorte. Member since April 2017.

## ROBERTO HERNÁNDEZ RAMÍREZ <sup>2</sup>

Honorary Chairman of the Board of Banco Nacional de México, Member of the Corporate Practices Committee of Grupo Televisa. Honorary Member of the Board of Grupo Financiero Banamex Acival. Member since April 1992.



#### ENRIQUE KRAUZE KLEINBORT <sup>1</sup>

Chief Executive Officer, Director and Partner of Editorial Clío, Libros y Videos and Editorial Vuelta. Member of the Mexican History Academy and the National Academy. Member since April 1996.

#### LORENZO ALEJANDRO MENDOZA GIMÉNEZ <sup>2</sup>

Chief Executive Officer, Member of the Board of Directors and Chairman of the Executive Committee of Empresas Polar. Former Member of the Boards of AES La Electricidad de Caracas, CANTV-Verizon and BBVA Banco Provincial. Member of the Board of Grupo GEPP, Member of the MIT Sloan Board, the Latin American, Board of Georgetown University, Group of Fifty (G-50), the Latin America Conservation Council (LACC), the Latin American Business Council, the Board of Trustees of Universidad Metropolitana, the Board of Trustees of Instituto de Estudios Superiores de Administración (IESA), Dean's Council of Harvard Kennedy School. Ashoka Fellow and Member of the World Economic Forum (named a Global Young leader in 2005). Member since April 2009.

#### FERNANDO SENDEROS MESTRE <sup>2</sup>

Chairman of the Board and Executive President of Grupo Kuo, S.A.B. de C.V., and Dine, S.A.B de C.V., Chairman of the Board of Grupo DESC. Member of the Boards of Kimberly-Clark de México, Industrias Peñoles and Grupo Nacional Provincial. Member of the Mexican Council of Businessmen and Member of the Foundation for Mexican Letters. Member since April 1992.

#### ENRIQUE F. SENIOR HERNÁNDEZ <sup>2</sup>

Managing Director of Allen & Company LLC. Member of the Boards of Directors of Univision, Coca-Cola FEMSA, Cinemark and FEMSA. Member since April 2001.

#### EDUARDO TRICIO HARO <sup>2</sup>

Chairman of the Board of Directors of Grupo Lala and Chairman of the Executive Committee of Aeromexico. Member of the Corporate Practices Committee of Grupo Televisa, S.A.B. President of Fundación Lala, Member of the Boards of Grupo Aeroméxico, Grupo Financiero Banamex, Mexichem, Corporación Aura Solar, Centro Cultural Arocena Laguna, Hospital Infantil de México "Federico Gómez" and Instituto Tecnológico de Estudios Superiores de Monterrey. Board Member of the National Institute of Medical Sciences and Nutrition "Salvador Zubirán", Mexicanos Primero and the Latin American Conservation Council of the Nature Conservancy. Member since April 2012.

#### DAVID M. ZASLAV <sup>2</sup>

President, Chief Executive Officer and Director of Discovery, Inc. Member of the Boards of Sirius XM Radio, Inc., Lionsgate Entertainment Corp., the National Cable & Telecommunications Association, The Cable Center, Center for Communications, Mt. Sinai Medical Center, the USC Shoah Foundation, the Partnership for New York City and the Paley Center for Media. Member since April 2015.

#### ALTERNATE DIRECTORS

##### HERBERT ALLEN III <sup>2</sup>

President of Allen & Company LLC. Former Executive Vice President and Managing Director of Allen & Company Incorporated and Alternate Director of Coca Cola FEMSA. Member since April 2002.

##### FÉLIX JOSÉ ARAUJO RAMÍREZ <sup>1</sup>

Vice President of Digital Television and Broadcasting. Former Chief Executive Officer of Telesistema Mexicano. President of the Board of Directors of Televisión Independiente de México and Televimex. Member since April 2002.

#### JOAQUÍN BALCÁRCEL SANTA CRUZ <sup>1</sup>

Chief of Staff of the Executive Chairman of the Board of Directors of Grupo Televisa. Former Vice President - Legal and General Counsel of Grupo Televisa. Former Vice President and General Counsel of Television Division. Former Legal Director of Grupo Televisa. Member since April 2000.

#### JULIO BARBA HURTADO <sup>1</sup>

Legal Advisor of Grupo Televisa and Secretary of the Audit and Corporate Practices Committee of Empresas Cablevisión. Former Legal Advisor to the Board of Grupo Televisa. Alternate member of the Board of Directors of Editorial Televisa Colombia. Member since December 1990.

#### LEOPOLDO GÓMEZ GONZÁLEZ BLANCO <sup>1</sup>

Vice President — News of Grupo Televisa. Former Director of Information to the Presidency of Grupo Televisa. Member since April 2003.

#### JORGE AGUSTÍN LUTTEROTH ECHEGOYEN <sup>1</sup>

Vice President and Corporate Controller of Grupo Televisa. Former Senior Partner of Coopers & Lybrand, Despacho Roberto Casas Alatríste, S.C., and former Controller of Televisa Corporation. Alternate Member of the Board of Empresas Cablevisión. Alternate Member of the Board of Directors and the Executive Committee of Innova, S. de R.L. de C.V. Member since April 2000.

#### ALBERTO JAVIER MONTIEL CASTELLANOS <sup>2</sup>

Director of Montiel Font y Asociados, S.C. and Member of the Audit Committee of Grupo Televisa and Member of Board and the Audit and Corporate Practices Committee of Empresas Cablevisión. Member of the Board and Audit Committee of Blazki, Advisor to the Association of Graduates of the Faculty of Accounting and Administration of the Universidad Nacional Autónoma de México and Former Tax Vice President of Grupo Televisa and former Tax Director of Wal-Mart de México. Member since April 2002.

#### RAÚL MORALES MEDRANO <sup>2</sup>

Partner of Chévez, Ruiz, Zamarripa y Cia., S.C. Member of the Audit and Corporate Practices Committee and Alternate Member of the Board of Directors of Empresas Cablevisión. Member since April 2002.

#### GUADALUPE PHILLIPS MARGAIN <sup>2</sup>

Chief Executive Officer of Empresas ICA, S.A.B. de C.V. Former Chief Restructuring Officer of Empresas ICA, S.A.B. de C.V., Former Vice President of Finance and Risk of Grupo Televisa and Former Chief Financial Officer of Empresas Cablevisión. Member of the Board of Directors of Empresas ICA, Grupo Aeroportuario del Centro Norte and Grupo Axo. Alternate Member of the Board of Directors of Grupo Financiero Banorte and Banco Mercantil del Norte. Member of the Board of Managers and Alternate Member of the Executive Committee of Innova and Innova Holdings. Member since April 2012.

#### Secretary

##### RICARDO MALDONADO YAÑEZ

#### Audit Committee

##### FRANCISCO JOSÉ CHÉVEZ ROBELO (P) <sup>2</sup>

##### ALBERTO JAVIER MONTIEL CASTELLANOS <sup>2</sup>

##### JOSÉ LUIS FERNÁNDEZ FERNÁNDEZ <sup>2</sup>

##### GUILLERMO GARCÍA NARANJO ÁLVAREZ <sup>2</sup>

#### Corporate Practices Committee

##### JOSÉ LUIS FERNÁNDEZ FERNÁNDEZ (P) <sup>2</sup>

##### ROBERTO HERNÁNDEZ RAMÍREZ <sup>2</sup>

##### EDUARDO TRICIO HARO <sup>2</sup>

(P) President

<sup>1</sup> Related

<sup>2</sup> Independent  
Information as of  
March 31, 2019