UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 20-F

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2019

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☐ **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of event requiring this shell company report

FOR THE TRANSITION PERIOD FROM TO

COMMISSION FILE NUMBER 1-12610

Grupo Televisa, S.A.B.

(Exact name of Registrant as specified in its charter)

N/A

(Translation of Registrant's name into English)

United Mexican States

(Jurisdiction of incorporation or organization)

Av. Vasco de Quiroga No. 2000
Colonia Santa Fe
01210 Mexico City
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(Address of principal executive offices)

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(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Series "A" Shares, without par value ("Series "A" Shares")		New York Stock Exchange (for listing purposes only)
Series "B" Shares, without par value ("Series "B" Shares")		New York Stock Exchange (for listing purposes only)
Series "L" Shares, without par value ("Series "L" Shares")		New York Stock Exchange (for listing purposes only)
Dividend Preferred Shares, without par value ("Series "D" Shares")		New York Stock Exchange (for listing purposes only)
Global Depositary Shares ("GDSs"), each representing five Ordinary Participation Certificates (Certificados de Participación Ordinarios) ("CPOs")	TV	New York Stock Exchange
CPOs, each representing twenty-five Series "A" Shares, twenty-two Series "B" Shares, thirty-five Series "L" Shares and thirty-five Series "D" Shares		New York Stock Exchange (for listing purposes only)

Securities registered or to be registered pursuant to Section 12(g) of the Act: **None.**

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: **None.**

The number of outstanding shares of each of the issuer's classes of capital or common stock as of December 31, 2019 was:

116,223,846,867 Series "A" Shares
52,852,735,297 Series "B" Shares
84,083,838,841 Series "L" Shares
84,083,838,841 Series "D" Shares

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

☒ Yes ☐ No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

☐ Yes ☒ No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See definition of "large accelerated filer," "accelerated filer," and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Emerging Growth Company ☐

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act. ☐

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☐ International Financial Reporting Standards as issued by the International Accounting Standards Board ☒ Other ☐

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.

☐ Item 17 ☐ Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

☐ Yes ☒ No

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We publish our financial statements in accordance with International Financial Reporting Standards, or IFRS, as issued by the International Accounting Standards Board, or IASB, which differ in some significant respects from generally accepted accounting principles in the United States, or U.S. GAAP, and accounting procedures adopted in other countries.

Unless otherwise indicated, (i) information included in this annual report is as of December 31, 2019 and (ii) references to "Ps." or "Pesos" in this annual report are to Mexican Pesos and references to "Dollars," "U.S. Dollars," "U.S. dollars," "$" or "U.S.$" are to United States dollars.

In this annual report, "we," "us," "our" or "Company" refer to Grupo Televisa, S.A.B. and, where the context requires, its consolidated entities. "Group" refers to Grupo Televisa, S.A.B. and its consolidated entities.

Part I

Item 1. Identity of Directors, Senior Management and Advisers

Not applicable.

Item 2. Offer Statistics and Expected Timetable

Not applicable.

Item 3. Key Information

Selected Financial Data

The following tables present our selected consolidated financial information as of and for each of the periods indicated. This information is qualified in its entirety by reference to, and should be read together with, our audited consolidated year-end financial statements. The following data for each of the years ended December 31, 2019, 2018, 2017, 2016 and 2015 has been derived from our audited consolidated year-end financial statements, including the consolidated statements of financial position as of December 31, 2019 and 2018, the related consolidated statements of income, comprehensive income, changes in stockholders' equity and cash flows for the years ended December 31, 2019, 2018 and 2017, and the accompanying notes appearing elsewhere in this annual report.

The selected consolidated financial information as of December 31, 2019, 2018, 2017, 2016 and 2015, and for the years ended December 31, 2019, 2018, 2017, 2016 and 2015, was prepared in accordance with IFRS, as issued by the IASB.

The exchange rate used in translating Pesos into U.S. Dollars for calculating the convenience translations included in the following tables, except capital expenditures, is determined by reference to the interbank free market exchange rate, or the Interbank Rate, as reported by Banco Nacional de México, S.A., or CitiBanamex, as of December 31, 2019, which was Ps.18.8838 per U.S. Dollar. This annual report contains translations of certain Peso amounts into U.S. Dollars at specified rates solely for the convenience of the reader. The exchange rate translations contained in this annual report should not be construed as representations that the Peso amounts actually represent the U.S. Dollar amounts presented or that they could be converted into U.S. Dollars at the rate indicated. The interbank free market rate, or the Interbank Rate, as reported by Banco Nacional de Mexico, S.A., or Citibanamex, as of March 31, 2020, was Ps.23.8642 per U.S. Dollar.

	Year Ended December 31,					
	2019	2019	2018	2017	2016	2015
	(Millions of U.S. Dollars or millions of Pesos)[1]					
Income Statement Data:						
Net sales	U.S.$ 5,389	Ps. 101,757	Ps. 101,282	Ps. 94,274	Ps. 96,287	Ps. 88,052
Operating income	901	17,005	20,253	14,243	16,598	18,745
Finance expense net[2]	(467)	(8,811)	(8,780)	(5,305)	(9,532)	(123)
Net income	323	6,107	7,615	6,578	5,333	12,325
Net income attributable to stockholders of the Company	245	4,626	6,009	4,524	3,721	10,899
Net income attributable to non-controlling interests	78	1,481	1,606	2,053	1,612	1,426
Basic earnings per CPO attributable to stockholders of the Company[3]	—	1.60	2.07	1.54	1.28	3.77

	Year Ended December 31					
	2019	2019	2018	2017	2016	2015
Diluted earnings per CPO attributable to stockholders of the Company[3]	—	1.53	1.96	1.46	1.20	3.52
Weighted-average number of shares outstanding (in millions)[3][4]	—	338,375	340,445	344,033	341,017	338,291
Cash dividend per CPO[3]	—	0.35	0.35	0.35	0.35	0.35
Comprehensive Income Data:						
Total comprehensive income	U.S.$ 202	Ps. 3,816	Ps. 6,594	Ps. 7,162	Ps. 4,144	Ps. 11,982
Total comprehensive income attributable to stockholders of the Company	125	2,357	5,010	5,162	2,426	10,478
Total comprehensive income attributable to non-controlling interests	77	1,459	1,584	2,000	1,718	1,504

	Year Ended December 31					
	2019	**2019**	**2018**	**2017**	**2016**	**2015**
Financial Position Data:						
Cash and cash equivalents	U.S.$ 1,454	Ps. 27,452	Ps. 32,068	Ps. 38,735	Ps. 47,546	Ps. 49,397
Temporary investments	—	—	31	6,014	5,498	5,330
Total assets	15,375	290,344	297,171	297,220	309,054	281,474
Short-term debt and current portion of long-term debt (5)	26	492	988	307	851	2,980
Interest payable(5)	103	1,944	1,120	1,797	1,827	1,184
Long-term debt, net of current portion(6)	6,378	120,445	120,984	121,993	126,147	107,431
Customer deposits and advances	306	5,780	13,638	18,798	21,709	20,985
Capital stock	260	4,908	4,908	4,978	4,978	4,978
Total equity (including non-controlling interests)	5,582	105,404	104,531	99,657	96,284	99,522
Shares outstanding (in millions)(4)	—	337,244	338,329	342,337	341,268	338,468

	Year Ended December 31					
	2019	**2019**	**2018**	**2017**	**2016**	**2015**
Cash Flow Data:						
Net cash provided by operating activities	U.S.$ 1,444	Ps. 27,269	Ps. 33,714	Ps. 25,100	Ps. 36,657	Ps. 31,286
Net cash used in investing activities	(901)	(17,005)	(23,898)	(17,331)	(29,000)	(23,782)
Net cash (used in) provided by financing activities	(757)	(14,302)	(16,505)	(16,469)	(9,991)	12,033
(Decrease) increase in cash and cash equivalents	(217)	(4,098)	(6,667)	(8,811)	(1,851)	19,668
Other Financial Information:						
Capital expenditures[7]	U.S.$ 1,012	Ps. 19,108	Ps. 18,500	Ps. 16,760	Ps. 27,942	Ps. 25,524
Other Data (unaudited):						
Magazine circulation (millions of copies)[8]	—	32	51	72	90	103
Number of employees (at year end)	—	42,900	39,100	39,900	42,200	43,900
Number of Sky RGUs (in thousands at year end)[9]	—	7,817	7,729	8,003	8,027	7,284
Number of Pay Television RGUs (in thousands at year end)[10]	—	4,319	4,384	4,185	4,206	4,061
Number of Broadband Internet RGUs (in thousands at year end)[10]	—	4,696	4,479	3,797	3,412	3,067
Number of Digital Telephony RGUs (in thousands at year end)[10]	—	3,638	2,979	2,122	2,113	1,891

Notes to Selected Consolidated Financial Information:

(1) Except per *Certificado de Participación Ordinario*, or CPO, magazine circulation, employees, Revenue Generating Units, or RGUs. An RGU is defined as individual service subscriber who is billable under each service (satellite pay television, broadband internet and voice).

(2) Includes interest expense, interest income, foreign exchange loss or gain, net, and other finance income or expense, net. See Note 23 to our consolidated year-end financial statements.

(3) For further analysis of net earnings per CPO (as well as corresponding amounts per Series "A" Share not traded as CPOs), see Note 25 to our consolidated year-end financial statements. In April 2019, 2018, 2017, 2016 and 2015 the Company's stockholders approved the payment of a dividend of Ps.0.35 per CPO, respectively. To further maximize liquidity and as a precautionary measure, the Company's Board of Directors did not propose the payment of a 2020 dividend for approval of the Company's general stockholders' meeting held on April 28, 2020.

(4) As of December 31, 2019, 2018, 2017, 2016 and 2015, we had four classes of common stock: Series “A” Shares, Series “B” Shares, Series “D” Shares and Series “L” Shares. Our shares are publicly traded in the United Mexican States, or Mexico, primarily in the form of CPOs, each CPO representing 117 shares comprised of 25 Series “A” Shares, 22 Series “B” Shares, 35 Series “D” Shares and 35 Series “L” Shares; and in the United States in the form of Global Depositary Shares, or GDSs, each GDS representing five CPOs. As of December 31, 2019, there were approximately 2,402.4 million CPOs issued and outstanding, each of which was represented by 25 Series “A” Shares, 22 Series “B” Shares, 35 Series “D” Shares and 35 Series “L” Shares, and an additional number of approximately 56,164.2 million Series “A” Shares, 0.2 million Series “B” Shares, 0.2 million Series “D” Shares and 0.2 million Series “L” Shares issued and outstanding (not in the form of CPO units). See Note 17 to our consolidated year-end financial statements.

(5) The figures set forth in this line item are presented at amortized cost (principal amount, net of finance costs). Interest payable is included in current portion of long-term debt in the consolidated statements of financial position as of December 31, 2019 and 2018. See Notes 2(o) and 14 to our consolidated year-end financial statements.

(6) The figures set forth in this line item are presented at amortized cost (principal amount, net of finance costs). See “Operating and Financial Review and Prospects — Results of Operations — Liquidity, Foreign Exchange and Capital Resources — Indebtedness” and Note 14 to our consolidated year-end financial statements.

(7) Capital expenditures are those investments made by us in property, plant and equipment. The exchange rate used in translating Pesos into U.S. Dollars for calculating the convenience translation for capital expenditures is determined by reference to the Interbank Rate on the dates on which a given capital expenditure was made. See “Information on the Company — Capital Expenditures”.

(8) The figures set forth in this line item represent total circulation of magazines that we publish independently and through joint ventures and other arrangements and do not represent magazines distributed on behalf of third parties.

(9) Sky has operations in Mexico, the Dominican Republic and Central America. The figures set forth in this line item represent the total number of RGUs for Innova, S. de R.L. de C.V., or Innova, at the end of each year presented. For a description of Innova’s business and results of operations and financial condition, see “Information on the Company — Business Overview — Our Operations — Sky”.

(10) An RGU provided by Empresas Cablevisión, S.A.B. de C.V., or Cablevisión, Cablemás, S.A. de C.V., or Cablemás, Televisión Internacional, S.A. de C.V., or TVI, Grupo Cable TV, S.A. de C.V., or Cablecom, Cablevisión Red, S.A. de C.V., or Telecable and FTTH de México, S.A. de C.V., or FTTH (pay television, or pay-TV, broadband internet and digital telephony). For example, a single subscriber paying for cable television, broadband internet and digital telephony services represents three RGUs. We believe it is appropriate to use the number of RGUs as a performance measure for Cablevisión, Cablemás, TVI, Cablecom, Telecable and FTTH given that these businesses provide other services in addition to pay-TV. See “Operating and Financial Review and Prospects — Results of Operations — Total Segment Results — Cable” and “Information on the Company — Business Overview — Our Operations — Cable”.

Dividends

Decisions regarding the payment and amount of dividends are subject to approval by holders of a majority of the Series “A” Shares and Series “B” Shares voting together, generally, but not necessarily, on the recommendation of the Board of Directors, as well as a majority of the Series “A” Shares voting separately. Emilio Azcárraga Jean indirectly controls the voting of the majority of the Series “A” Shares and, as a result of such control, both the amount and the payment of dividends require his affirmative vote. See “Major Stockholders and Related Party Transactions — The Major Stockholders”. On March 25, 2004, our Board of Directors approved a dividend policy under which we currently intend to pay an annual ordinary dividend of Ps.0.35 per CPO. On April 28, 2016, at our general stockholders’ meeting, our stockholders approved a cash distribution to stockholders of up to Ps.1,084.2 million, which represents the payment of our ordinary dividend of Ps.0.35 per CPO, equivalent to Ps.0.002991452991 per share. On April 28, 2017, at our general stockholders’ meeting, our stockholders approved a cash distribution to stockholders of up to Ps.1,084.2 million, which represents the payment of our ordinary dividend of Ps.0.35 per CPO, equivalent to Ps.0.002991452991 per share. On April 27, 2018, at our general stockholders’ meeting, our stockholders approved a cash distribution to stockholders of up to Ps.1,073.4 million, which represents the payment of our ordinary dividend of Ps.0.35 per CPO, equivalent to Ps.0.002991452991 per share. On April 29, 2019, at our general stockholders’ meeting, our stockholders approved a cash distribution to stockholders of up to Ps1,068.9 million, which represents the payment of our ordinary dividend of Ps.0.35 per CPO, equivalent to Ps.0.002991452991 per share. To further maximize liquidity and as a precautionary measure, the Company's Board of Directors did not propose the payment of a 2020 dividend for approval of the Company's general stockholders’ meeting held on April 28, 2020. All of the recommendations of the Board of Directors related to the payment and amount of dividends were voted on and approved at the applicable general stockholders’ meetings.

Exchange Rate Information

Since 1991, Mexico has had a free market for foreign exchange and, since 1994, the Mexican government has allowed the Peso to float freely against the U.S. Dollar. There can be no assurance that the government will maintain its current policies with regard to the Peso or that the Peso will not depreciate or appreciate significantly in the future.

In the past, the Mexican economy has had balance of payment deficits and decreases in foreign exchange reserves. While the Mexican government does not currently restrict the ability of Mexican or foreign persons or entities to convert Pesos to U.S. Dollars, we cannot assure you that the Mexican government will not institute restrictive exchange control policies in the future, as has occurred from time to time in the past. To the extent that the Mexican government institutes restrictive exchange control policies in the future, our ability to transfer or to convert Pesos into U.S. Dollars and other currencies for the purpose of making timely payments of interest and principal of indebtedness, as well as to obtain foreign programming and other goods, would be adversely affected. See "— Risk Factors — Risk Factors Related to Mexico — Currency Fluctuations or the Devaluation and Depreciation of the Peso Could Limit the Ability of Our Company and Others to Convert Pesos into U.S. Dollars or Other Currencies, Which Could Adversely Affect Our Business, Financial Condition or Results of Operations".

Risk Factors

The following is a discussion of risks associated with our company and an investment in our securities. Some of the risks of investing in our securities are general risks associated with doing business in Mexico. Other risks are specific to our business. The discussion below contains information, among other things, about the Mexican government and the Mexican economy obtained from official statements of the Mexican government as well as other public sources. We have not independently verified this information. Any of the following risks, if they actually occur, could materially and adversely affect our business, financial condition, results of operations or the price of our securities.

Risk Factors Related to the COVID-19 Pandemic

The COVID-19 Pandemic May Have a Material Adverse Effect on Our Business, Financial Position and Results of Operations

The COVID-19 pandemic may have a material adverse effect on our business, financial position and results of operations, although it is currently difficult to predict the degree of the impact. The COVID-19 pandemic is significantly affecting the global economy due to the disruption or slowdown of supply chains and the increase in economic uncertainty, as evidenced by the increase in volatility of asset prices, exchange rates and decreases in long-term interest rates.

We cannot guarantee that conditions in the bank lending, capital and other financial markets will not continue to deteriorate as a result of the pandemic, or that our access to capital and other sources of funding will not become constrained, which could adversely affect the availability and terms of future borrowings, renewals or refinancings. In addition, the deterioration of global economic conditions as a result of the pandemic may ultimately reduce the demand of our products across our segments as our clients and customers reduce or defer their spending.

The social distancing, shelter-in-place and other policies to limit the spread of the COVID-19 pandemic that have been implemented or recommended by governmental entities in Mexico and other areas around the world have been affecting the ability of our employees, suppliers and customers to conduct their functions and businesses in their typical manner. The Mexican Government ordered the suspension of all non-essential economic activities from March 30, 2020 through April 30, 2020, and later extended such suspension until May 30, 2020 for most parts of Mexico, including the largest metropolitan areas. Media and telecommunications are not included in the suspension as they are considered essential economic activities. Notwithstanding the foregoing, we have continued operating our essential businesses promoting the "stay at home" policy whenever possible, in order to take safety and cautionary measures for our employees, along with the corporate campaign "Televisa is with you/Stay at Home with Televisa." We have taken strict health controls and precautions for the personnel who need to work on-site for the operation of our essential businesses. For more details on the Company's efforts related to this, please see "Information on the Company—Business Overview—Business Strategy—Commitment to Sustainability."

Furthermore, as the pandemic evolves in Mexico, additional restrictions are being and may continue to be enacted, such as, among others, the reduction of public transportation as well as restrictions on private transportation, recently enacted in the Mexico City metropolitan area, in which we operate most of our businesses.

As a result of the social distancing policies implemented or recommended by governmental entities in Mexico, our Cable and Sky operations have shown, during the first days of the recommended restrictions, an increase in gross additions and/or sales, which may or may not be temporary. Notwithstanding the foregoing, we may see a decline in these businesses if there are adverse macroeconomic conditions in Mexico and the rest of the markets where we operate.

With regards to our content business, the demand for advertising has been and may continue to be affected by the reduction in the level of economic activity in the jurisdictions in which our customers are located, as well as by the uncertainty caused by the pandemic and its duration. We are partially dependent on the demand for advertising from consumer-focused companies, and the COVID-19 pandemic has caused, and could further cause, advertisers to reduce, postpone or, in a few cases, eliminate their advertisement spending on our platforms, or to re-negotiate the terms and conditions of their existing agreements with us. Much of our production of new content has been curtailed or suspended in response to social distancing and shutdown requirements and health guidelines.

In addition, sporting or other entertainment events for which we have broadcast rights, or which we organize, promote and/or are located in venues we own, have been, or may be, cancelled or postponed. Moreover, local authorities have enacted several rules pursuant to which they have instructed the temporary closing of non-essential businesses, including casinos, and as a result our gaming operations have been suspended until the cancellations of governmental measures imposed in the regions where our casinos are located.

The magnitude of the impact on our business will depend on the duration and extent of the COVID-19 pandemic and the impact of federal, state, local and foreign governmental actions, including continued or future social distancing, and consumer behavior in response to the COVID-19 pandemic and such governmental actions. Due to the evolving and uncertain nature of this situation, we are not able to estimate the full extent of the impact of the COVID-19 pandemic, but it may have a material adverse effect on our business, financial position and results of operations over the near, medium or long-term.

To the extent the COVID-19 pandemic and the measures adopted by the authorities to contain it adversely affect our business and financial results, they may also have the effect of heightening many of the other risks described in this “Risk Factors” section.

We cannot predict what effects the COVID-19 relief plan recently announced by the Mexican Federal Government will have in our results of operations and the overall economy

On March 30, 2020, the Mexican General Health Council declared a public health emergency, and on March 31, 2020, the Mexican Ministry of Health announced extraordinary actions to deal with the health emergency caused by the outbreak of the COVID-19 virus. The announcement by the Mexican Ministry of Health ordered the suspension of all non-essential economic activities from March 30, 2020 through April 30, 2020 and was later extended until May 30, 2020 for most parts of Mexico, including the largest metropolitan areas. Media and telecommunications are not included in the suspension as they are considered essential economic activities. Such suspension has already caused negative impacts on the Mexican economy that cannot currently be quantified, and as a result of such, many of our customers’ businesses will be materially and negatively affected and will encounter significant difficulties in terms of maintaining profitability.

On April 6, 2020, Mexico’s Federal Government unveiled a plan to provide relief from the COVID-19 crisis. This plan consists mainly of increases in public investment and social spending, providing loans to small businesses and individuals and adopting additional austerity measures. However, there remains substantial uncertainty as to the mechanics and processes necessary to implement this plan. Furthermore, the plan currently does not include bailouts, tax cuts or increases in public debt, although such measures could be adopted in the future. The success of these strategies is uncertain as well as the effect that the pandemic will have on our customers and on our business, financial position and results of operations over the near, medium or long-term.

Risk Factors Related to Mexico

Economic and Political Developments in Mexico May Adversely Affect Our Business

Most of our operations and assets are located in Mexico. As a result, our financial condition, results of operations and business may be affected by the general condition of the Mexican economy, the depreciation or appreciation of the Peso as compared to the U.S. Dollar and other currencies, Mexican inflation, interest rates, regulation, taxation, social instability and other political, social and economic developments in or affecting Mexico over which we have no control.

Mexico Has Experienced Adverse Economic Conditions, Which Could Have a Negative Impact on Our Results of Operations and Financial Condition

Mexico has historically experienced uneven periods of economic growth. Mexican gross domestic product, or GDP, increased by 2.0% in 2017, increased by 2.0% in 2018 and decreased by 0.1% in 2019. Mexican GDP growth fell short of Mexican government forecasts in 2019 and, according to analysts, Mexican GDP is expected to decrease in a range between -3.7% – 9.0% in 2020. We cannot assure you that these estimates and forecasts will prove to be accurate.

Any future economic downturn, including downturns in the United States, Europe, Asia or anywhere else in the world, could affect our financial condition and results of operations. For example, demand for advertising may decrease both because consumers may reduce expenditures for our advertisers' products and because advertisers may reduce advertising expenditures and demand for publications, cable television, direct-to-home, or DTH, satellite services, pay-per-view programming, telecommunications services and other services and products may decrease because consumers may find it difficult to pay for these services and products. Additionally, there can be no assurance that the recent Mexican sovereign debt rating downgrade will not adversely affect our business, financial condition, results of operations or the price of our securities.

Developments and the Perception of Risk in other Countries, Especially in Europe, China, the United States and Emerging Market Countries, May Materially Adversely Affect the Mexican Economy, the Market Value of Our Securities and Our Results of Operations

The market value of securities of Mexican companies, the social, economic and political situation in Mexico and our financial condition and results of operations are, to varying degrees, affected by economic and market conditions in other countries, including the United States, China and other Latin American and emerging market countries. Therefore, investors' reactions to developments in any of these other countries may have an adverse effect on the market value or trading price of securities of Mexican issuers. Crises in the United States, Europe, China or emerging market countries may reduce investor interest in securities issued by Mexican companies, including those issued by us.

Recent turmoil in other large economies, such as those in Europe, China and the United States could have the effect of a downturn in the global economy, such as the recession in 2008. Further, our operations, including the demand for our products or services, and the price of our securities, have also historically been adversely affected by increases in interest rates in the United States and elsewhere.

Any of these factors, would negatively affect the market value of our securities and make it more difficult for us to access capital markets and finance our operations in the future, which could have a material adverse effect on our business, financial condition, results of operations, cash flows, prospects and the market price of our securities.

In addition, in recent years economic conditions in Mexico have become increasingly correlated with economic conditions in the United States as a result of the North American Free Trade Agreement, or NAFTA, and increased economic activity between the two countries. Adverse economic conditions in the United States or other related events could have a significant adverse effect on the Mexican economy, which could adversely affect our business. As a result of talks to renegotiate NAFTA, on November 30, 2018 (and as amended on December 10, 2019), the United States, Canada, and Mexico signed the United States-Mexico-Canada Agreement (USMCA). The USMCA was finally approved by the Mexican Senate on June 19, 2019, by the U.S. Senate on January 16, 2020, and by Canada on March 13, 2020. In addition, increased or perceptions of increased economic protectionism in the United States and other countries could potentially lead to lower levels of trade and investment and economic growth, which could have a similarly negative impact on the Mexican economy. These economic and political consequences could adversely affect our business and our results of operations.

We cannot assure you that events in other emerging market countries, in the United States or elsewhere will not materially adversely affect our business, financial condition, results of operations, cash flows, prospects and the market price of our shares. In addition, there is uncertainty in global markets stemming from the United Kingdom's exit from the European Union ("Brexit"). The formal notification by the United Kingdom to the European Council under Article 50 of the Treaty on European Union was made on March 29, 2017, triggering a two-year period during which the terms of Brexit were negotiated. On January 21, 2020, the agreement of transitional provisions for Brexit prepared under European Union law was approved in the British Parliament and, with this vote, the United Kingdom officially began its departure from the European Union on January 31, 2020. Trade laws of the European Union will continue to apply until the expiration of the transition period, which will take place on December 31, 2020. This deadline may be extended in light of COVID-19 disruptions to the European Union/United Kingdom trade negotiations. Brexit is likely to have a significant impact on the macroeconomic conditions of the United Kingdom, the European Union and the rest of the world. In the days following Brexit, the performance of global financial markets, particularly international stock markets, could be significantly affected, since immediately following the Brexit vote, there were significant devaluations of the British pound. The long-term effects of Brexit on capital markets, foreign exchange markets and on the overall political and macroeconomic situation globally remain uncertain and, as a consequence, there will likely continue to be a period of instability and volatility in global financial markets. As a result, Brexit may adversely affect political regulatory, economic and market conditions and contribute to the instability of global political institutions, regulatory agencies and financial markets, negatively impacting our business, results of operations and financial condition.

Our profitability is affected by numerous factors including reductions in demand for the services provided in our cable and sky divisions, changes in viewing preferences, priorities of advertisers and reductions in advertisers' budgets. Historically, advertising in most forms of media has correlated positively with the general condition of the economy and thus, is subject to the risks that arise from adverse changes in domestic and global economic conditions, consumer confidence and spending. The demand for our products and services in Mexico, the U.S. and in the other countries in which we operate may be adversely affected by the tightening of credit markets and economic downturns. As a global company, we depend on the demand from customers in Mexico, the U.S. and the other countries in which we operate, and reduced consumer spending that falls short of our projections could adversely impact our revenues and profitability.

Uncertainty in Global Financial Markets Could Adversely Affect Our Financing Costs and Exposure to Our Customers and Counterparties

The global financial markets continue to be uncertain and it is hard to predict for how long the effects of the global financial stress of recent years will persist and what impact it will have on the global economy in general, or the economies in which we operate, in particular, and whether slowing economic growth in any countries could result in decreased consumer spending affecting our products and services. If access to credit tightens further and borrowing costs rise, our borrowing costs could be adversely affected. Difficulties in financial markets may also adversely affect some of our customers. In addition, we enter into derivative transactions with large financial institutions, including contracts to hedge our exposure to interest rates and foreign exchange, and we could be affected by severe financial difficulties faced by our counterparties.

Currency Fluctuations or the Devaluation and Depreciation of the Peso Could Limit the Ability of Our Company and Others to Convert Pesos into U.S. Dollars or Other Currencies, Which Could Adversely Affect Our Business, Financial Condition or Results of Operations

The Peso has been subject to significant depreciation against the U.S. Dollar in the past and may be subject to significant fluctuations in the future. A significant portion of our indebtedness and a significant amount of our costs are U.S. Dollar-denominated, while our revenues are primarily Peso-denominated. As a result, decreases in the value of the Peso against the U.S. Dollar could cause us to incur foreign exchange losses, which could reduce our net income.

Severe devaluation or depreciation of the Peso may also result in governmental intervention, or disruption of international foreign exchange markets. This may limit our ability to transfer or convert Pesos into U.S. Dollars and other currencies for the purpose of making timely payments of interest and principal on our indebtedness and adversely affect our ability to obtain foreign programming and other imported goods. The Mexican economy has suffered current account balance of payment deficits and shortages in foreign exchange reserves in the past. While the Mexican government does not currently restrict the right or ability of Mexican or foreign persons or entities to convert Pesos into U.S. Dollars or to transfer other currencies outside of Mexico, there can be no assurance that the Mexican government will not institute restrictive exchange control policies in the future. To the extent that the Mexican government institutes restrictive exchange control policies in the future, our ability to transfer or convert Pesos into U.S. Dollars or other currencies for the purpose of making timely payments of interest and principal on indebtedness, as well as to obtain imported goods would be adversely affected. Devaluation or depreciation of the Peso against the U.S. Dollar or other currencies may also adversely affect U.S. Dollar or other currency prices for our debt securities or the cost of imported goods.

The public decisions and announcements of the presidential administration in the United States have had, and may continue to have, an adverse effect on the value of the Peso against other currencies, particularly the U.S. Dollar. The decision by the U.S. Federal Reserve to increase applicable interest rates for bank reserves could also affect the exchange rate of the Peso relative to the U.S. Dollar. The economic instability caused by the COVID-19 pandemic has resulted in a high volatility of the foreign exchange rate, including a significant devaluation of the Peso with respect to the U.S. Dollar. See "— Risk Factors Related to the COVID-19 Pandemic—The COVID-19 Pandemic May Have a Material Adverse Effect on Our Business, Financial Position and Results of Operations."

An Increase in Interest Rates in the United States Could Adversely Impact the Mexican Economy and May Have a Negative Effect on Our Financial Condition or Performance

A decision by the U.S. Federal Reserve to increase applicable interest rates for banks' reserves may lead to a general increase in interest rates in the United States. This, in turn, may redirect the flow of capital from emerging markets into the United States because investors may be able to obtain greater risk-adjusted returns in larger or more developed economies than in Mexico. Thus, companies in emerging market economies such as Mexico could find it more difficult and expensive to borrow capital and refinance existing debt. This may negatively affect our potential for economic growth and our ability to refinance our existing debt and could materially adversely affect our business, financial condition, results of operations, cash flows, prospects and the market price of our shares.

Renegotiation of the Trade Agreements or Other Changes in Foreign Policy by the New or Current Presidential Administration in the United States Could Adversely Affect Imports and Exports Between Mexico and the United States and Other Economic and Geopolitical Effects may Adversely Affect Us

During the last few years there has been uncertainty regarding U.S. policies related to trade, tariffs, immigration and foreign affairs, including with respect to Mexico. The presidential election to be held on November 3, 2020 in the United States and the new U.S. administration either stemming from President Trump's possible re-election or from a new president, in the event of a Democratic party victory, could lead to a number of changes in the relationship between Mexico and the United States.

Additionally, other government policies in the United States that the current Trump administration may adopt could also adversely affect economic conditions in Mexico. The current relationship between the Mexican and U.S. governments, as well as political and economic factors in each country, could lead to changes in international trade and investment policies, including new or higher taxes on products imported from Mexico to the United States. The events described above could affect our activities, financial situation, operating results, cash flows and/or prospects, as well as the market price of our shares. Other economic and geopolitical effects could adversely affect us.

Given that the Mexican economy is heavily influenced by the economy of the United States, the implementation of the USMCA and/or other government policies in the United States that the Federal administration may adopt could adversely affect economic conditions in Mexico. On September 30, 2018, Mexico, Canada and the United States reached an agreement on the terms and conditions of the USMCA, replacing NAFTA. On June 19, 2019, Mexico became the first country to ratify the USMCA, followed by the United States on January 16, 2020 and Canada on March 13, 2020. The USMCA includes a 16-year sunset clause, under which the terms of the agreement expire, or are suspended, after 16 years and is subject to review every six years, at which time the United States, Mexico and Canada may decide whether to extend the USMCA. The implementation of the new terms of the USMCA could have an adverse effect on the Mexican economy, including the level of imports and exports, which could in turn adversely affect our business and operating results. Other economic and geopolitical effects, including those related to United States policy on trade, tariffs and immigration, may also adversely affect us.

In addition, in June 2019, the Trump administration announced plans to impose an escalating series of tariffs on Mexico unless the Mexican government enacted certain immigration policy changes. While the Mexican and U.S. governments were able to reach an understanding, we cannot assure you that such understanding will remain in place or that the U.S. government will not impose other tariffs on Mexico in the future and that we will not be materially adversely affected by such tariffs or policies.

High Inflation Rates in Mexico May Decrease Demand for Our Services While Increasing Our Costs

In the past, Mexico has experienced high levels of inflation. The annual rate of inflation, as measured by changes in the Mexican National Consumer Price Index, or NCPI, was 6.8% in 2017, 4.8% in 2018, 2.8% in 2019 and is projected to be 3.2% in 2020. An adverse change in the Mexican economy may have a negative impact on price stability and result in higher inflation than its main trading partners, including the United States. High inflation rates can adversely affect our business and results of operations in, among others, the following ways:

- inflation can adversely affect consumer purchasing power, thereby adversely affecting consumer and advertiser demand for our services and products; and
- to the extent inflation exceeds our price increases, our prices and revenues will be adversely affected in "real" terms.

High Interest Rates in Mexico Could Increase Our Financing Costs

In the past, Mexico had, and may in the future have, high real and nominal interest rates. The interest rates on 28-day Mexican government treasury securities averaged 6.7%, 7.6% and 7.8% for 2017, 2018 and 2019, respectively. High interest rates in Mexico could increase our financing costs and thereby impair our financial condition, results of operations and cash flow.

Political Events in Mexico Could Affect Mexican Economic Policy and Our Business, Financial Condition and Results of Operations

The last Mexican presidential and congressional elections took place in July 2018. Andrés Manuel López Obrador, presidential candidate for the National Regeneration Movement Party (Movimiento de Regeneración Nacional) ("Morena"), was elected President of Mexico and took office on December 1, 2018. Additionally, Mexican congressional elections took place in July 2018, resulting in Morena being part of the coalition "Together we will make history" (Juntos Haremos Historia), together with the Labor Party (Partido del Trabajo) and the Social Encounter Party (Partido Encuentro Social), obtaining an absolute majority. Mexico's next federal legislative election will be in July 2021.

The Mexican government reduced public spending in 2019. On July 2, 2019, the new Mexican Republican Austerity Law (Ley de Austeridad Republicana) was approved by the Mexican Senate. Our business, financial condition and results of operations may be adversely affected by changes in governmental policies or regulations involving or affecting our management, operations and tax regime. Tax policy in Mexico, in particular, is subject to continuous change.

We cannot predict the government's future policies, considering that the coalition which has control of an absolute majority of congress could implement substantial changes in law, policies and regulations in Mexico, which could have a significant effect on our business, activities, financial condition, operating results, cash flows and/or prospects. As happens with any new governmental policies and regulations, we cannot ascertain whether, and to what extent, such policies and regulations may affect our operations, financial condition, results of operations or the legal framework in which we operate.

Mexico has Experienced a Period of Increased Criminal Activity and Such Activities Could Adversely Affect Our Financing Costs and Exposure to Our Customers and Counterparties

During recent years, Mexico has experienced a period of increased criminal activity and violence, primarily due to organized crime. These activities, their escalation and the violence associated with them could have a negative impact on the business environment in which we operate, and therefore on our financial condition and results of operations.

Imposition of Fines by Regulators and Other Authorities Could Adversely Affect Our Financial Condition and Results of Operations

A significant portion of our business, activities and investments occur in heavily regulated sectors. The Mexican regulators and other authorities, including tax authorities, have increased their supervision and the frequency and amounts of fines and assessments have increased significantly. Although we intend to defend our positions vigorously when procedures are brought or fines are imposed by authorities, there can be no assurance that we will be successful in such defense. Accordingly, we may in the future be required to pay fines and assessments that could be significant in amount, which could materially and adversely affect our financial condition and results of operations.

Existing Mexican Laws and Regulations or Changes Thereto or the Imposition of New Ones May Negatively Affect Our Operations and Revenue

Our business, activities and investments are subject to various Mexican federal, state and local statutes, rules, regulations, policies and procedures, which are subject to change and are affected by the actions of various Mexican federal, state and local government authorities. Such changes could materially adversely affect our operations and our revenue.

Mexico's Federal Antitrust Law and the *Ley Federal de Telecomunicaciones y Radiodifusión*, or Telecommunications and Broadcasting Federal Law, or LFTR, including their regulations, may affect some of our activities, including our ability to introduce new products and services, enter into new or complementary businesses or joint ventures and complete acquisitions. In addition, the Federal Antitrust Law and its regulations, as well as the conditions and measures imposed by the *Instituto Federal de Telecomunicaciones*, or Federal Telecommunications Institute, or IFT, an institute with constitutional autonomy responsible for overseeing the broadcasting (radio and television) and telecommunications industries and their antitrust matters, or by the *Comisión Federal de Competencia Económica*, or Mexican Antitrust Commission, or COFECE, may adversely affect our ability to determine the rates we charge for our services and products or the manner in which we provide our products or services. Approval of IFT or the COFECE, as applicable, is required to acquire certain businesses or enter into certain joint ventures. There can be no assurance that in the future IFT or the COFECE, as the case may be, will authorize certain acquisitions or joint ventures related to our businesses, the denial of which may adversely affect our business strategy, financial condition and results of operations. IFT or COFECE, as applicable, may also impose conditions, obligations and fines that could adversely affect some of our activities, our business strategy, our financial condition and results of operations. See "— Imposition of Fines by Regulators and Other Authorities Could Adversely Affect Our Financial Condition and Results of Operations".

As a result of the amendments to the Mexican Constitution and the LFTR relating to telecommunications, television, radio and antitrust, concessions for the use of spectrum are now only granted through public bid processes.

In March 2015, IFT issued a ruling announcing Grupo Radio Centro, S.A.B. de C.V., or Grupo Radio Centro, and Cadena Tres I, S.A. de C.V., or Imagen Television as winning bidders for two free to air broadcasting licenses with separate national coverage. Imagen Television has completed the process, has received its license and began broadcasting on October 17, 2016. However, since Grupo Radio Centro failed to pay the amount they bid for their free to air broadcasting license, the IFT's ruling announcing them as a winning bidder was declared null and void and they did not receive the license. As a result, the auction of the portion of the spectrum that was going to be assigned to Grupo Radio Centro took place during 2017. The new bid was for 148 channels for Digital Terrestrial Television, including at least 123 channels that were not allocated in the IFT-1 bidding process for the two national digital broadcast television networks. At the end of the process, offers were received for 32 channels located in 29 different coverage areas located in 17 States and covering about 45 percent of the country's total population. The bidding process concluded in December 2017 with the issuance of the corresponding concession titles in favor of Compañía Periodística Sudcaliforniana, S.A. de C.V., Comunicación 2000, S.A. de C.V., Francisco de Jesús Aguirre Gómez, Intermedia de Chihuahua, S.A. de C.V., José Guadalupe Manuel Trejo García, Multimedios Televisión, S.A. de C.V., Quiero Media, S.A. de C.V., Radio Comunicación Gamar, S.A. de C.V., Radio Operadora Pegasso, S.A. de C.V., Radio-Televisión de Nayarit, S.A. de C.V., Tele Saltillo, S.A. de C.V., Televisión Digital, S.A. de C.V. and Telsusa Televisión México, S.A. de C.V.

Article 15-A of the *Ley del Seguro Social*, or the Social Security Law, could materially adversely affect our financial condition and results of operations. Article 15-A provides that a company that receives personnel services from a third party on any of the company's premises with such personnel under its control, is jointly bound to comply with the obligations related to social security that have to be fulfilled by such personnel services providers for the benefit of their respective employees. Article 15-A also requires the Company to send a list to the *Instituto Mexicano del Seguro Social*, or the Social Security Mexican Institute, of all agreements entered into with personnel services providers.

In addition to the foregoing, certain provisions of the *Ley Federal del Trabajo*, or the Federal Labor Law, could materially adversely affect our financial condition and results of operations. The Federal Labor Law, as amended in November 2012, provides, among other things, that personnel outsourcing agreements must meet certain requirements. If these requirements are not met, the company that receives the benefit of the outsourced services might be deemed to be the employer of the personnel performing the services and thus required to comply with all the obligations applicable to employers pursuant to the Federal Labor Law in respect of such personnel.

In December 2018, the Mexican Federal Congress approved the economic plan for 2019. The new plan did not include material changes in the tax legislation like tax amnesty or new taxes. The tax reforms revoked the ability to offset overpayments of different type of taxes and granted some incentives for certain taxpayers, as follows:

Limitation to use overpayments of VAT and income tax to offset other taxes: Prior to December 2018, taxpayers were able to offset overpayments of different type of taxes against each other and against taxes withheld. With the tax reform, this ability was eliminated and taxpayers are only allowed to offset tax overpayments that derive from the same type of tax. This limitation may affect some of our subsidiaries that recurrently have VAT or Income Tax overpayments but could offset those overpayments against each other (i.e. VAT against income tax). As of January 2019, taxpayers will only be able to (i) request a refund of the overpayment or (ii) offset tax overpayments against the same type of tax.

*Tax incentives for taxpayers operating in the Northern Border Region of Mexico***:** The objective of these incentives is to promote productivity and create new sources of employment in the Northern Border Region of Mexico. These tax incentives became effective on January 1, 2019 and will remain in force until December 2020.

Income tax reduction: Mexican individuals and entities, and residents abroad with permanent establishment in Mexico that receive income exclusively in the Northern Border Region of Mexico from their business activities will be able to apply a tax credit equal to one-third of the income tax corresponding to that income. In order to apply this tax incentive, an authorization must be obtained from the corresponding tax authority. Once the authorization is obtained, several rules shall be taken into consideration in order to retain the tax incentive.

VAT rate reduction: Mexican individuals and entities that sell goods, render independent services or grant the temporary use of goods in establishments located within the Northern Border Region of Mexico, may apply a tax credit equivalent to 50% of the VAT ordinary rate (16% to be reduced to 8%). In order to be able to apply the tax credit, taxpayers must submit an application notice to the corresponding tax authority.

In December 2019, the Mexican Federal Congress approved some additional reforms to the economic plan for 2020. These 2020 tax reforms include amendments to the Income Tax Law, the Value Added Tax Law, the Special Tax on Production and Services Law and the Federal Tax Code, they became effective as of January 2020. Some of the most relevant changes to the Mexican tax legislation incorporated some of the Actions included in the Base Erosion and Profit Shifting Final Report (BEPS) published by the Organisation for Economic Co-operation and Development (OECD) in February 2013, such as: (i) limitations to the deduction of interests as well as to some other deductions, (ii) update of the Controlled Foreign Corporation (CFC) Rules, (iii) new provisions to tax transparent entities, (iv) modification of the definition of permanent establishment, and (v) incorporation of new rules to tax digital economy. Some other relevant amendments to avoid tax evasion include (i) a new obligation of tax advisors and taxpayers to disclose reportable schemes and (ii) inclusion of general anti-avoidance rule. The following are some of such tax reforms, which some of them impact us:

Limitation of the deductibility of net interest expense. In accordance with the recommendations of Action 4 "Limiting Base Erosion Involving Interest Deductions and Other Financial Payments" of the BEPS Final Project and in addition to the existing thin capitalization rules, the interest deduction is limited to 30% of the adjusted tax profit. The limitation applies to the amount of interests that derive from debt exceeding Ps.20 million considering all interests of all companies that are members of the same corporate group. This limitation applies regardless of whether the debt or loan was acquired before January 2020. The amount of interest not deductible in a given year because of this limitation can be carried forward to the following 10 years, provided that certain requirements are met. There are some exceptions provided in this rule for debt financing public infrastructure work projects, real estate construction, and productive governmental enterprises.

Controlled foreign companies rules. The complete provisions of this regime were changed to apply some of the recommendations included in the Action 3 "Designing Effective Controlled Foreign Company Rules". The changes include a new definition of effective control and the strengthening of the requirements needed for not considering income subject to a preferential tax regime. In addition, new provisions were added to set new rules for taxing income obtained through foreign transparent entities or figures, and therefore avoid differing the payment of tax derived from this type of vehicle.

New rules to tax digital economy. As part of the measures to increase the efficiency in the collection of VAT and according to the recommendations of Action 1 "Tax Changes Arising from Digitalization" of the BEPS Final Project, a new chapter was included in the Value Added Tax Law to include the VAT treatment applicable to certain digital services provided in Mexico from non-Mexican residents with no permanent establishment. Beginning June 2020, non-Mexican residents providing digital services in Mexico will have to collect the VAT derived from such services and will have several obligations, among others, registering in the Federal Taxpayers Registry, filling periodical VAT returns and issuing invoices.

Reportable schemes. Taxpayers and their tax advisors will be required to disclose to tax authorities certain reportable schemes that are listed in the Federal Tax Code. Tax advisors will be required to register and to disclose any reportable scheme in case they participate in its design, organization, implementation or management. Taxpayers will be required to disclose a reportable scheme if the scheme is designed, organized, managed or implemented by themselves and if the tax advisor does not report the scheme.

General anti-avoidance rule. A general anti-avoidance rule was enacted to identify transactions that lack a business reason and that generate a tax benefit, once it identifies the transactions, the authority could consider them as non-existent or characterize them as a different transaction for tax purposes only. A transaction is considered lacking a business reason when (i) the expected quantifiable economic benefit is lower than the tax benefit received and (ii) when the expected quantifiable economic benefit could have been obtained through fewer transactions and the tax effect may result in a higher tax burden. A tax benefit includes any reduction, deferral or elimination of a contribution.

The Amendment to the Regulations of the General Health Law on Advertising Could Materially Affect Our Business, Results of Operations and Financial Condition

On February 14, 2014, the Mexican Ministry of Health published in the Official Gazette of the Federation an amendment to the Regulations of the General Health Law on Advertising, pursuant to which advertisers of certain high-caloric foods and non-alcoholic beverages are required to obtain prior permission from the health authorities in order to advertise their products on radio, broadcast television, pay-TV and in movie theaters (the "Health Law Amendment"). The Health Law Amendment became effective on April 16, 2014 and comprehensive guidelines entitled "Guidelines with nutritional and advertising criteria for advertisers of food and non-alcoholic beverages for obtaining permission for the advertising of their products with respect to the provisions of Articles 22 bis and 79 of the Regulations of the General Health Law on Advertising" (the "Health Law Guidelines") were published in the Official Gazette of the Federation on April 15, 2014 and became effective on July 7, 2014 for the advertisement of the following products: snacks, flavored drinks, candies, chocolates, or foods similar to chocolates and became effective for the remaining products on January 1, 2015.

The Health Law Guidelines restrict the hours that certain high-caloric foods and non-alcoholic drinks can be advertised. These restrictions do not apply when the advertisement is aired during certain programs such as sports, dramas, news programs, series officially rated as unsuitable for children, films with ratings of B, B15, C and D, and programs where the advertiser certifies through audience research that people between the ages of 4 and 12 represent no more than 35% of the audience and receives the prior consent from the Federal Commission for the Protection Against Health Risks.

We cannot predict the impact or effect that such Health Law Amendment might continue to have on our results of operations in the future.

The Reform and Addition of Various Provisions of the Mexican Constitution Related to Telecommunications, the LFTR, and Other Recent Actions of IFT May Significantly and Adversely Affect the Business, Results of Operations and Financial Results of Some of Our Business Segments

Any regulations related to the LFTR that could be issued by the President of Mexico and IFT, as applicable, or amendments to the LFTR and certain actions recently taken by IFT, or to be taken by IFT from time to time, affect or could significantly and adversely affect the business, results of operations and financial condition of certain of our subsidiaries that provide services in the areas of broadcasting, cable and telecommunications.

The LFTR provides that measures taken or decisions issued by IFT are not subject to judicial stay. Therefore, subject to limited exceptions, until a decision, action or omission by IFT is declared void or unconstitutional by a competent court through a binding and final judgment, IFT's decision, action or omission will be valid and will have full legal effect.

As a result of the reforms to the Mexican Constitution and the must-offer and must-carry regulations issued by IFT, starting on September 10, 2013, our concessionaries of broadcast services have been required to permit pay-TV concessionaries to retransmit broadcast signals, free of charge and on a non-discriminatory basis, within the same geographic coverage area simultaneously and without modifications, including advertising, and with the same quality of the broadcast signal, except in certain specific cases provided in the transitory Articles of the June 2013 Telecom Reform (the "Telecom Reform"). Also, since September 10, 2013, our pay-TV concessionaires are required to retransmit broadcast signals of free television concessionaires, free of charge and on a non-discriminatory basis, subject to certain exceptions and additional requirements provided for in the Telecom Reform.

Certain pay-TV concessionaries benefit from the free use of broadcast for retransmission to their subscribers. Consequently, the business that licenses to pay-TV concessionaires our television signals and our subsidiary that is the owner and/or licensor of the audiovisual works that we have produced or distributed, jointly or separately by us and some of our subsidiaries, have ceased receiving significant income from licensing retransmission rights, which has affected and will continue to affect their results of operations.

On February 27, 2014, the "General Guidelines Regarding the Provisions of Section 1 of the Eighth Article of the Transitory Decree Amending and Supplementing a Number of Provisions of Articles 6, 7, 27, 28, 73, 78, 94 and 105 of the Mexican Constitution in Telecommunications," or the Guidelines, were published in the Official Gazette of the Federation, which include, among other obligations, the obligation of concessionaires of broadcast television licenses to permit the retransmission of their broadcast signals and the obligation of pay-TV concessionaires to perform such retransmission (without requiring the prior consent of the broadcast television concessionaires) in the same geographic coverage zone for free (subject to certain exceptions) and in a non-discriminatory manner in its entirety, simultaneously and without modifications, including advertising, and with the same quality of the broadcast signal without requiring consent from the broadcast television concessionaires.

On March 6, 2014, IFT issued a decision (the "Preponderance Decision") whereby it determined that we, together with other entities with concessions to provide broadcast television, including some of our subsidiaries, are preponderant economic agents in the broadcasting sector in Mexico (together, the "Preponderant Economic Agent"). The Preponderance Decision imposes on the Preponderant Economic Agent various measures, terms, conditions and restrictive obligations, some of which are described below, that may significantly and adversely affect the activities and businesses of our broadcasting businesses, as well as the results of operations and financial condition:

- *Infrastructure sharing* — The Preponderant Economic Agent must make its passive broadcasting infrastructure available to third-party concessionaires of broadcast television for commercial purposes in a non-discriminatory and non-exclusive manner, with the exception of broadcasters that, at the time the measures enter into force, have 12 MHz or more of radio-electric spectrum in the geographic area concerned. Such passive broadcasting infrastructure includes, among others, non-electronic elements at transmitting locations, rights of way, ducts, masts, trenches, towers, poles, security, sites, land, energy sources and air conditioning system elements. This action may result in the Preponderant Economic Agent being bound to incur substantial additional costs and obligations in complying with this requirement, as well as affecting the results of operations. Furthermore, this measure will facilitate the entry and expansion of new competitors in the broadcasting industry without such competitors having to incur costs or investment expenses that new businesses in this industry otherwise would have made and which we incurred in the past and will continue incurring in the future in order to remain competitive. A first infrastructure offer with the terms and conditions to make our passive broadcasting infrastructure available to third-party concessionaires was published on our website on December 19, 2014 and was valid until December 31, 2016. This was succeeded by a second infrastructure offer, which we published on our website on November 30, 2016 and which was effective as of January 1, 2017. This was succeeded by a third infrastructure offer, which we published on our website on November 30, 2017 and was valid from January 1, 2018 until December 31, 2019, which was declared unconstitutional by the Supreme Court on November 26, 2019. This was succeeded by a fourth infrastructure offer, which we published on our website on November 30, 2019, to be effective from January 1, 2020 through December 31, 2021. The fourth infrastructure offer includes the offer of the signal emissions in terms set forth in the new Preponderance Measures described below. The price to be paid by the concessionaires for the use of our infrastructure is subject to the tariffs approved by IFT, applicable to the fourth infrastructure offer. As of this date, we have not received any request from third-party concessionaries regarding such infrastructure offer; however, we are unable to predict the impact of the use of the fourth infrastructure offer on our businesses, results of operations and financial conditions of certain of our subsidiaries that provide services in the areas of broadcasting and telecommunications.

- *Advertising sales* — According to the Preponderance Decision, the Preponderant Economic Agent must deliver to IFT the terms and conditions of its broadcast advertising services and fee structures, including commercials, packages, discount plans and any other commercial offerings and publish them on its webpage. The Preponderant Economic Agent also must make publicly available on its website its forms of contracts and terms of sale for each service. Based on this decision, the Preponderant Economic Agent is expressly prohibited from refusing to sell advertising and/or discriminate with respect to the advertising spaces being offered. If IFT considers that the Preponderant Economic Agent has failed to comply with the foregoing, IFT may order the Preponderant Economic Agent to make its advertising spaces available, which, in turn, could affect the ability of the Preponderant Economic Agent to carry out its advertising sales plans in an efficient and competitive manner, affecting its operating results. This provision may also affect the ability of the Preponderant Economic Agent to offer competitive rates to its customers. This provision, may give a competitive advantage to, among others, our broadcast television competitors, TV Azteca, S.A.B. de C.V., or TV Azteca, Imagen Television, and new concessionaires of broadcast television spectrum.

- *Prohibition on acquiring certain exclusive content* — The Preponderant Economic Agent may not acquire transmission rights, on an exclusive basis, for any location within Mexico with respect to certain relevant content, determined by IFT in the "Ruling whereby IFT identifies the relevant audiovisual contents in terms and for the purposes of the fourth measure and the second transitory article of the fourth attachment of the Telecommunication Preponderance Decision and the Broadcasting Preponderance Decision", or the Relevant Content Ruling, which list may be updated every two years by IFT. Relevant content is defined as programs with a high expected level of regional or national audience and with unique characteristics that in the past have generated high levels of national or regional audiences. The Relevant Content Ruling identified certain programs that would be considered relevant content, namely, Mexican national soccer team games, the opening and closing ceremonies of the Olympic Games, the opening and closing ceremonies and semifinals and finals of the FIFA World Cup, and the finals of the Mexican Soccer League. Also on November 14, 2018, IFT updated the list, eliminating the opening and closing ceremonies of the Olympic Games and adding 16 matches of the FIFA World Cup, semifinals of the Mexican Soccer League and the Super Bowl. This Ruling applies to broadcasting Preponderant Economic Agents and may limit the ability of Preponderant Economic Agents to negotiate and have access to this content and could affect its ability to acquire content in the medium and long term, which could significantly and adversely affect its revenues and results of operations from the sale of advertising, as well as the quality of the programming offered for its audiences. These audiences may move to other broadcast television transmissions or other technological platforms that transmit such content, or to other leisure activities such as browsing the internet or playing videogames, among others.

- *Over-the-air channels* — When the Preponderant Economic Agent offers any of its over-the-air channels, or channels that have at least 50% of the programming that is broadcast daily between 6:00 a.m. and midnight on such channels, to its affiliates, subsidiaries, related parties or third parties, for distribution through a different technological platform than over-the-air broadcast television, the Preponderant Economic Agent must offer these channels to any other person that asks for distribution over the same platform as the Preponderant Economic Agent has offered, on the same terms and conditions. Also, if the Preponderant Economic Agent offers a package of two or more of these channels, it must also offer them in an unpackaged form upon request. This may significantly affect our ability to commercialize our programming, including programming that is not produced for broadcast television, which could affect our revenues and results of operations. Likewise, our ability to make more efficient use of other technological platforms could be significantly affected.

- *Prohibition on participating in "buyers' clubs" or syndicates to acquire audiovisual content, without IFT's prior approval* — The Preponderant Economic Agent may not enter into or remain a member of any "buyers' club" or syndicates of audiovisual content unless it has received the prior approval of IFT. A "buyers' club" is defined as any arrangement between two or more economic agents to jointly acquire broadcast rights to audiovisual content in order to obtain better contractual terms. This may result in the Preponderant Economic Agent not having exclusive access to certain audiovisual content and consequently its audiences may move to other broadcast television transmissions or other technological platforms that transmit such content. It may also result in its acquisition costs significantly increasing, which can affect business strategy, financial condition and results of operations. This provision, when applied, will award a competitive advantage to, among others, our broadcast television competitors, TV Azteca, Imagen Television, and to new licensees of broadcast television spectrum. This measure will also prevent other domestic players and the Preponderant Economic Agent from obtaining content together at competitive prices and taking advantage of economies of scale which may be available to international players.

On February 27, 2017, as part of the biannual review of the broadcasting sector preponderance rules, IFT amended various measures, terms, conditions and restrictive obligations (the "New Preponderance Measures") as follows:

- *Infrastructure sharing* — In addition to the previously imposed obligations regarding the sharing of passive infrastructure, the New Preponderance Measures have (i) included the service of signal emissions in the event that no passive infrastructure exists on the relevant requested site, which was declared unconstitutional by the Supreme Court on November 26, 2019; (ii) strengthened the supervision of services provided by the Preponderant Economic Agent and tariff arrangements made with its clients; (iii) included certain rules relating to publicity of its tariffs; and (iv) included a new electronic management system. Under the new Preponderance Measures, the IFT determined specific tariffs for our third and fourth infrastructure offers.

- *Prohibition on acquiring certain exclusive content* — This measure has been modified by enabling the Preponderant Economic Agent to acquire relevant content under certain circumstances as long as it obtains the sublicense of such transmission rights to the other broadcasters of over-the-air television in Mexico on non-discriminatory terms.

- *Advertising sales* — IFT modified this measure by including specific requirements to the Preponderant Economic Agent in its provision of over the air advertising services, particularly to telecommunications companies, which include (i) publishing and delivering to IFT specific information regarding tariffs, discount plans, contracting and sales terms and conditions, contract forms and other relevant practices; and (ii) prohibiting discrimination, refusals to deal, conditioned sales and other conditions that inhibit competition. The Preponderant Economic Agent also has to provide very detailed information to IFT on a recurrent basis of over the air advertising services related to telecommunications companies.

- *Accounting separation* — We, as the Preponderant Economic Agent, are required to implement an accounting separation methodology following the criteria defined by IFT for those purposes, which criteria were published in the Diario Oficial de la Federación, or the Official Gazette of the Federation, on December 29, 2017. Such criteria were amended by a first amendment published on October 29, 2018, where IFT simplified some reporting obligations for accounting separation for entities that are part of the Preponderant Economic Agent, other than our subsidiaries. Furthermore, a second amendment was published on December 19, 2019, where IFT deferred the deadline for the filing of the accounting separation exercises for the fiscal years 2017 and 2018 to July 31, 2019, which we filed timely. We have begun the process of the accounting separation methodology for fiscal year 2019, which will be filed with IFT later in 2020.

The most recent biannual review of the broadcasting sector preponderance rules began in 2019 and a new resolution, which may amend the New Preponderance Measures, will be issued in 2020.

On March 28, 2014, we, together with our subsidiaries determined to be the Preponderant Economic Agent in the broadcasting sector, filed an *amparo* proceeding challenging the constitutionality of the Preponderance Decision. On November 21, 2019, the Supreme Court resolved the *amparo* proceeding. The Court declared the constitutionality of the Preponderance Decision, which, therefore, remains in force.

Additionally, on March 31, 2017, we, together with our subsidiaries, filed an *amparo* proceeding challenging the constitutionality of the New Preponderance Measures. The final resolution is still pending.

The Telecom Reform provided for a public bid or auction to grant licenses to establish the National Digital Networks. The "Auction Program for Digital Television Broadcast Frequencies" took place in 2014 and the first part of 2015. See "— Existing Mexican Laws and Regulations or Changes Thereto or the Imposition of New Ones May Negatively Affect Our Operations and Revenue".

Imagen Television's National Digital Networks and the new 148 channels of Digital Terrestrial Television compete and will compete with our broadcasting subsidiaries for advertising revenues, which together with the measures previously described, can affect revenues and operating results and our ability to have access to competitive content or content of interest to advertisers and audiences. As a result, these advertisers and audiences may move to other broadcast television stations or other technological platforms, and our audience share may be reduced. Likewise, we may incur additional costs in order to meet other obligations of IFT as previously described and which may be imposed on us as a result of the LFTR and the secondary regulations issued by the executive power and IFT, as applicable.

In addition to competition from the National Digital Networks, we could also be subject to additional competition from new competitors in the broadcast, cable and telecommunications markets in which we participate, including pay-TV, broadband, telephone services, cable providers, DTH television, telephone operators and other participants as a result of the elimination on the restrictions on foreign investment in telecommunications services and satellite communication, the increase in the maximum permitted foreign-ownership in broadcasting (television and radio) to 49%, as well as from online video distributors ("OVDs"), as a result of the advancement of technology.

The LFTR provides that integrated sole concessions will be renewed for terms equal to the maximum terms for which they could be granted, namely, up to 30 years. To request the renewal of a concession, a concession holder must: (i) file its request with IFT one year prior to the beginning of the fifth period of the term of the concession; (ii) comply with its obligations established in the applicable laws and in the concession title; and (iii) accept the new conditions that IFT may impose. In such cases, IFT will issue its ruling within 180 days following the date the concession holder files the renewal request. If IFT does not issue its ruling within 180 days the renewal will be automatically granted.

In the case of concessions for the use of radio-electric spectrum, the maximum term of renewal is 20 years. Renewal of concessions for the use of spectrum require, among others: (i) to request such renewal to IFT in the year prior to the last fifth period of the fixed term of the related concession; (ii) to be in compliance with the concession holder's obligations under the LFTR, other applicable regulations, and the concession title; (iii) a declaration by IFT that there is no public interest in recovering the spectrum granted under the related concession; and (iv) the acceptance by the concession holder of any new conditions for renewing the concession as set forth by IFT, including the payment of a related fee. To our knowledge, no spectrum granted for broadcasting services in Mexico has been recovered by the Mexican government in the past several years for public interest reasons; however, the Company is unable to predict the outcome of any action by IFT in this regard.

IFT has approved the renewal of the concession titles for the use of spectrum for the broadcast television signals known as Las Estrellas, Canal 5, NU9VE, Foro TV and other local television stations, for a term of 20 years after the existing expiration dates, as well as the issuance of concessions that grant the authorization to provide digital broadcasting television services.

As part of our expansion of our cable business, on December 17, 2018, we acquired FTTH under the provisions set forth in transitory Article 9 of LFTR. On May 8, 2019, the IFT launched an investigation in order to analyze if, as a result of the transaction, the Company acquired substantial power in the market of telecommunications networks providing voice, data or video services. On September 4, 2019, the IFT Investigative Authority issued a preliminary opinion, whereby it assessed that there were elements to determine that the Company had substantial power in 35 relevant markets of the telecommunications networks that provide restricted television and audio services. Those 35 relevant markets comprise the following States: Aguascalientes, Chihuahua, Ciudad de México, Estado de México, Jalisco, Nuevo León and San Luis Potosí. As a response to the preliminary opinion, the Company presented its position and provided evidence to prove that the Company does not hold substantial power in the relevant markets established in the preliminary opinion. The final resolution is still pending. Therefore, we are unable to predict the outcome of this proceeding. If the Governing Board (Plenum) of the IFT determines that the Company has substantial power in the restricted television and audio services market, the IFT may conduct a new procedure in order to establish specific obligations to the Company in accordance with the LFTR. We may take legal actions against both final decisions, including the measures, conditions, terms and restrictive covenants with which agents with substantial power shall comply; however, there can be no assurance that the outcome of such actions will be favorable to us.

Overall, the Telecom Reform, the LFTR and secondary regulations already issued and to be issued by the executive power or IFT, as applicable, as well as any actions taken by IFT, may increase our operating costs and interfere with our ability to provide, or prevent us from offering, some of our current or future services. Moreover, the entry of new market participants (including OVDs) and the introduction of new products (including over-the-top ("OTT") services) could result in an impairment to the prices of some of our products and/or costs and adversely affect our results in some business segments in future periods.

The resolutions issued by IFT under the Telecom Reform significantly and adversely affect certain areas related to some of our activities, including broadcasting, cable and telecommunications, as well as our ability to introduce new products, infrastructure and services, to enter into new businesses or complementary businesses, to consummate acquisitions or joint ventures, to determine the rates we charge for our products, services and use of our infrastructure, to acquire broadcast rights to exclusive content, and to charge market rates for the licensing of copyrights we hold.

See "Information on the Company — Business Overview — Regulation — Telecom Reform and Broadcasting Regulations".

Risk Factors Related to Our Major Stockholders

Emilio Azcárraga Jean Has and Will Have Substantial Influence Over Our Management and the Interests of Mr. Azcárraga Jean may Differ from Those of Other Stockholders

We have four classes of common stock: Series "A" Shares, Series "B" Shares, Series "D" Shares, and Series "L" Shares. A trust for the benefit of Emilio Azcárraga Jean, or the Azcárraga Trust, currently holds 43.8% of the outstanding Series "A" shares, 0.1% of the outstanding Series "B" shares, 0.1% of the outstanding Series "D" shares and 0.1% of the outstanding Series "L" shares of the Company. As a result, Emilio Azcárraga Jean controls the vote of most of the shares held through the Azcárraga Trust. The Series "A" Shares held through the Azcárraga Trust constitute a majority of the Series "A" Shares whose holders are entitled to vote because non-Mexican holders of CPOs and GDSs are not permitted to vote the underlying Series "A" Shares in accordance with the trust agreement governing the CPOs and the Company's bylaws. Accordingly, and so long as non-Mexicans own more than a minimal number of Series "A" Shares, Emilio Azcárraga Jean will have the ability to direct the election of 11 out of 20 members of our Board of Directors, as well as prevent certain actions by the stockholders, including dividend payments, mergers, spin-offs, changes in corporate purpose, changes of nationality and amendments to the anti-takeover provisions of our bylaws. See "Major Stockholders and Related Party Transactions — The Major Stockholders".

As Controlling Stockholder, Emilio Azcárraga Jean Has the Ability to Limit Our Ability to Raise Capital, Which Would Require Us to Seek Other Financing Arrangements

Emilio Azcárraga Jean has the voting power to prevent us from raising money through equity offerings. Mr. Azcárraga Jean has informed us that if we conduct a primary sale of our equity, he would consider exercising his pre-emptive rights to purchase a sufficient number of additional Series "A" Shares in order to maintain such power. In the event that Mr. Azcárraga Jean is unwilling to subscribe for additional shares and/or prevents us from raising money through equity offerings, we would need to raise money through a combination of debt or other forms of financing, which we may not obtain, or if so, possibly not on favorable terms.

Risk Factors Related to Our Business

The Operation of Our Business May Be Adversely Affected if the Mexican Government Does Not Renew or Revokes Our Broadcast or Other Concessions

In June 2013, the Mexican Federal Congress passed the Telecom Reform which, among other things, created IFT. IFT has the authority to grant concessions for radio and television stations as well as for telecommunications services.

Under Mexican law, we need concessions from IFT (previously from SCT) to broadcast our programming over our television stations and Radiópolis' radio stations (classified as a held-for-sale operation), and to provide telecommunication services. In November 2018, all of our digital broadcast television concessions were renewed until 2042. The expiration dates for the concessions for Radiópolis' radio stations, which have been classified as a held-for-sale operation as described in "Information on the Company — Business Overview — Our Operations — Held-for-Sale Operations," range from 2020 to 2046. See "— Risk Factors Related to Mexico — Existing Mexican Laws and Regulations or Changes Thereto or the Imposition of New Ones May Negatively Affect Our Operations and Revenue". The expiration dates of our Cable and Telecommunications concessions range from 2022 to 2048 and our DTH concessions expire between 2021 and 2027. Cablevisión obtained a telecommunications concession that expires in 2029, which changed to an integrated sole concession in 2019, but keeping its original term. Before the Telecom Reform in 2013, the SCT typically renewed the concessions of those concessionaires that complied with the applicable renewal procedures under Mexican law and with their obligations under the concession. In July 2014, the Mexican Federal Congress enacted the LFTR, which provides that integrated sole concessions will be renewed for terms equal to the maximum terms for which they could be granted, namely, up to 30 years, except for spectrum which will be renewed for terms of 20 years, and in case of concessions for the use of radio-spectrum, the maximum term for renewal is 20 years.

Under Mexican law, we need a permit, or Gaming Permit, from the *Secretaría de Gobernación*, or Mexican Ministry of the Interior, to operate our gaming business. The operation of our gaming business may be terminated or interrupted if the Mexican Government does not renew or revokes our Gaming Permit. The Gaming Permit was granted to us on May 25, 2005 and its expiration date is May 24, 2030. We are unable to predict if we will obtain a renewal of the Gaming Permit.

See "— Risk Factors Related to Mexico — Existing Mexican Laws and Regulations or Changes Thereto or the Imposition of New Ones May Negatively Affect Our Operations and Revenue" and "— Risk Factors Related to Mexico — The Reform and Addition of Various Provisions of the Mexican Constitution Related to Telecommunications, the LFTR, and Other Recent Actions of IFT May Significantly and Adversely Affect the Business, Results of Operations and Financial Results of Some of Our Business Segments".

We Face Competition in Each of Our Markets That We Expect Will Intensify

We face competition in all of our businesses, including broadcasting, advertising sales, cable, pay-TV, telecommunications and all other businesses. The entities in which we have strategic investments and the joint ventures in which we participate also face competition. We expect that competition in our different businesses will intensify.

This competition arises in part from the growth of the convergent market, pursuant to which certain concessionaries of telecommunication services are allowed to provide other services not included in their original concessions.

In television broadcasting, we face substantial competition from TV Azteca and other broadcasters such as Imagen Television and Multimedios, among others. See "Information on the Company — Business Overview — Our Operations — Content — Television Industry in Mexico" and "Information on the Company — Business Overview — Our Operations — Programming — Television Networks".

Over-the-air broadcasting television also faces increased competition from other audiovisual platforms, including a great variety of pay-television channels distributed in Mexico, OTT providers, and audiovisual content distributed over the internet and videogame systems.

At the end of 2017, IFT completed the auction process for several local over-the-air television licenses in Mexico. As a result, 13 groups and/or individuals have a license (concession) to operate in different cities throughout Mexico. This has resulted in additional competition for our local channels.

In radio broadcasting, classified as a held-for-sale operation, as described in "Information on the Company — Business Overview — Our Operations — Held-for-Sale Operations," Radiópolis competes with other radio stations in their respective markets. Among the main competitors in the radio broadcast business are Grupo Radio Centro S.A.B. de C.V., NRM Comunicaciones, S.A. de C.V. and Grupo Acir, S.A. de C.V.

With respect to advertising, our television stations and Radiópolis' radio stations (classified as a held-for-sale operation) compete with other radio and television stations in their respective markets, as well as with other advertising media, such as pay-TV, newspapers, magazines, internet and outdoor advertising.

Our DTH satellite business faces competition from various competitors, including Dish Mexico, a DTH satellite pay-TV platform which launched its services in Mexico at the end of 2008, Star TV, a Dish Satellite pay-TV platform, Mega Cable Comunicaciones, S.A. de C.V., or Megacable, Total Play, cable television companies which are subsidiaries of the Company, as well as from Digital TV and OTT platforms. In addition, the DTH market competes with other media with respect to advertising and sales, including Pay-TV, outdoor advertising and publishing, among others.

In addition, the entertainment and telecommunications industries in which we operate are changing rapidly because of new participants and evolving distribution technologies, including the internet.

The cable industry in Mexico has become highly competitive and we face significant competition. Most cable operators are authorized to provide pay-TV, internet broadband services and voice services, including Voice over Internet Protocol, or VoIP, which poses a risk to us. We also face competition from the Preponderant Economic Agent in telecommunications, particularly in the provision of data and fixed telephony services. The cable business is also capital intensive.

Our pay-TV companies face competition from IPTV or OTT providers such as Netflix, Claro Video and Prime Video (Amazon), as well as from other pay-TV operators such as Dish Mexico, Total Play, Megacable and other cable television companies. Additionally, our cable television companies face competition from Sky.

We also face competition in our publishing business, where each of our magazine publications competes for readership and advertising revenues with other magazines of a general character and with other forms of print and non-print media.

The production and distribution of feature films is a highly competitive and complex business in Mexico. The various producers compete for the services of recognized talent and for film rights to scripts and other literary property. We compete with other feature film producers, Mexican and non-Mexican, and global distributors such as Amazon, Disney and Netflix in the distribution of films in Mexico, the U.S. and in Latin America. We also face competition in our other businesses. See "Information on the Company — Business Overview — Competition".

Our principal competitors in the gaming industry are Codere S.A., or Codere, Grupo Caliente S.A. de C.V., or Grupo Caliente, Grupo Cirsa, S.A. de C.V., or Grupo Cirsa, Atracciones y Emociones Vallarta, S.A. de C.V., or Grupo Logrand and Palacio de los Números, S.A. de C.V., or Palacio de los Números.

Our future success will be affected by changes in the broadcasting, advertising sales, cable, telecommunications, entertainment, gaming and other industries where we participate, which we cannot predict, and consolidation in such industries could further intensify competitive pressures. We expect to face competition from an increasing number of sources in Mexico, including emerging technologies that provide new services to pay-TV customers and new entrants in the public and pay-TV industries, which will require us to make significant capital expenditures in new technologies and will result in higher costs in the acquisition of content or may impair our ability to renew rights to special events, including sporting and entertainment events. Our business may require substantial capital to pursue additional acquisitions and capital expenditures, which may result in additional incurrence of leverage, issuance of additional capital or a combination thereof.

The Seasonal Nature of Our Business Affects Our Revenue and a Significant Reduction in Fourth Quarter Net Sales Could Impact Our Results of Operations

Our business reflects seasonal patterns of advertising expenditures, which is common in the television broadcast industry, as well as cyclical patterns in periodic events such as the FIFA World Cup and the Olympic Games. We typically recognize a disproportionately large percentage of our Content advertising net sales in the fourth quarter in connection with the holiday shopping season. For example, in 2017, 2018 and 2019 we recognized 32.9%, 31.0% and 34.0% respectively, of our net sales in the fourth quarter of the year. Accordingly, a significant reduction in fourth quarter advertising revenue could adversely affect our business, financial condition and results of operations.

DIRECTV Has Certain Governance and Veto Rights Over Some Operations of Innova

We own a 58.7% interest in Innova, our DTH venture in Mexico, Central America and the Dominican Republic. The remaining balance of Innova's equity is indirectly owned by The DIRECTV Group, Inc., or DIRECTV, through its subsidiaries DTH (Mexico) Investment, LTD, DIRECTV Latin America Holdings LLC and DIRECTV MPR Holdings, LLC. Although we hold a majority of Innova's equity and designate a majority of the members of Innova's Board of Directors, DIRECTV has certain governance and veto rights in Innova, including the right to block certain transactions between us and Innova. DIRECTV was acquired by AT&T Inc. in July 2015.

Loss of Transmission or Loss of the Use of Satellite Transponders Could Cause a Business Interruption in Innova, Which Would Adversely Affect Our Net Income

Media and telecom companies, including Innova, rely on satellite transmissions to conduct their day-to-day business. Any unforeseen and sudden loss of transmission or non-performance of the satellite for Innova can cause huge losses to Innova's business. The unforeseen loss of transmission may be caused due to the satellite's loss of the orbital slot or the reduction in the satellite's functional life.

The size of the business interruption impact for Innova in the case of a satellite loss exceeds the insurance we have acquired to cover this risk. In order to reduce the possibility of financial consequences resulting from an unforeseen loss of transmission, Innova entered into an agreement to launch a backup satellite jointly with Sky Brasil Servicos Ltda., or Sky Brasil, which was launched in the first quarter of 2010. In the third quarter of 2013, Sky entered into an agreement with DirecTV for the acquisition and launch of a satellite named SM-1, which started operations in June 2015. In the future, we may have to invest in additional satellite capacity. We cannot predict the extent of losses to Innova in the case of current or new satellite loss or the effectiveness of any alternative strategy.

Any Incidents Affecting Our Network and Information Systems or Other Technologies Could Have an Adverse Impact on Our Business, Reputation and Results of Operations

Our business operations rely heavily on network and information systems and other technology systems. Incidents affecting these systems, including cyber-attacks, viruses, other destructive or disruptive software or activities, process breakdowns, outages, or accidental release of information could result in a disruption of our operations, improper disclosure of personal data of clients, subscribers, or employees, or other privileged or confidential information, or unauthorized access to our digital content or any other type of intellectual property. It is common for a company such as ours to be subjected to continuous attempted cyber-attacks or other malicious efforts to cause a cybersecurity incident. Any such incident could damage our reputation and may require us to expend substantial resources on litigation, regulatory investigation, and remediation costs, and could therefore have a material adverse effect on our business and results of operations. We continue to work closely with our outside advisors to prevent cybersecurity incidents, and to invest in maintaining and improving cybersecurity resilience. The company's cybersecurity risks and mitigation actions are monitored by our Audit Committee and reported to our Board of Directors. Nevertheless, because of the nature of the threats, there can be no assurance that our preventative efforts can fully prevent or mitigate all such incidents or be successful in avoiding harm to our business in the future.

The Results of Operations of Univision Holdings, Inc. May Affect Our Results of Operations and the Value of Our Investment in that Company

We have a substantial investment in Univision Holdings, Inc., or UHI (formerly known as Broadcasting Media Partners, Inc., or BMP), the parent company of Univision Communications Inc., or Univision. However, we do not control and do not consolidate the results of UHI. Our investment in UHI is currently held in the form of common stock and warrants that are exercisable for shares of common stock. The value of the common stock of UHI may fluctuate and could materially increase or decrease the value of our investment in UHI, including the carrying value of the warrants. In addition, the results of operations of UHI and Univision may affect the value of our investment in UHI and our reported results of operations. The business, financial condition and results of operations of Univision could be materially and adversely affected by risks including, but not limited to: (i) failure to service debt; (ii) cancellation, reductions or postponements of advertising; (iii) adverse global economic conditions; (iv) an increase in the preference among Hispanics for English-language programming; (v) an increase in the cost of, and decrease in the supply, quality of and demand for, Univision's content; (vi) changes in the rules and regulations of the Federal Communications Commission, or the FCC as well as other federal, state and local regulations; (vii) competitive pressures from other broadcasters, media distributors and other entertainment and news media; (viii) failure to retain the rights to popular programming, including sports programming; (ix) failure to renew existing carriage agreements or reach new carriage agreements with MVPDs; (x) possible strikes or other union job actions; and (xi) the impact of new technologies.

The COVID-19 pandemic had, and will continue to have, an adverse impact on Univision, due to, among other things, the negative impact on advertising trends and advertising revenue, suspension of sporting events and curtailment or suspension of other programming production that Univision has broadcast rights to, reductions or delays in the production of programming by Univision's partners, including Televisa, and general COVID-19 related disruptions to business and operations. Due to the evolving and uncertain nature of developments related to the COVID-19 pandemic, we cannot estimate the impact on Univision´s business, financial condition or near or longer-term financial or operational results with certainty.

There can be no assurance that the results of operations of UHI and its respective subsidiaries will be sufficient to maintain or increase the value of our investment in such company, or that such results will not materially and adversely affect our results of operations. For a discussion of our investment in UHI, see "Information on the Company— Business Overview — Univision".

We May Identify Material Weaknesses in Our Internal Controls Over Financial Reporting in the Future, and Any Future Material Weaknesses or Failure to Achieve an Effective System of Internal Controls, May Cause Us Not To Be Able to Report Our Financial Results Accurately. In Addition, the Trading Price of Our Securities May Be Adversely Affected by a Related Negative Market Reaction.

In connection with the preparation of our financial statements, we may identify material weaknesses (as defined under standards established by the Public Company Accounting Oversight Board) in our internal controls over financial reporting in the future. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

If any future material weaknesses occur, it could affect the accuracy of our reporting on the future results of operations and our ability to make our required filings with government authorities, including the SEC. Furthermore, our business and operating results and the price of our securities may be adversely affected by related negative market reactions. While we have no reason to believe there will be any future material weaknesses identified, we cannot be certain that in the future additional material weaknesses will not exist or otherwise be discovered.

Changes in U.S. Tax Law Might Adversely Affect the Results of Operations of Our U.S. Subsidiaries and Joint Venture Entities

On December 22, 2017, the United States enacted into law Public Law No. 115-97 (the "Tax Act"). The Tax Act introduced significant changes to U.S. federal income tax laws applicable to our U.S. subsidiaries, affiliates and joint venture entities including the reduction of the U.S. federal corporate income tax rate from a maximum rate of 35% to a flat rate of 21%, limitation of the tax deduction for interest expense, limitation of the tax deduction for net operating losses, enactment of an immediate deduction for certain new investments, repeal of the corporate alternative minimum tax, and modification or elimination of many business deductions and credits.

The Tax Act also imposes a new minimum tax called the Base Erosion and Anti-Abuse Tax (the "BEAT") on certain U.S. corporations. The BEAT is imposed on certain deductible amounts paid by a U.S. corporation that (i) has aggregate gross receipts of at least $1.5 billion over its three prior taxable years and (ii) is at least 25%-owned by a non-U.S. person (or otherwise related to a non-U.S. person in specified circumstances). The BEAT taxes "modified taxable income" of a U.S. corporation described above at a rate of 5% beginning in 2018, increasing to 10% in 2019 and 12.5% in 2026. In general, modified taxable income is calculated by adding back to the U.S. corporation's regular taxable income the amount of certain "base erosion tax benefits" with respect to payments to foreign affiliates, as well as the "base erosion percentage" of any net operating loss deductions. The BEAT applies only to the extent it exceeds the U.S. corporation's regular corporate income tax liability (determined without regard to certain tax credits). At present, we do not expect the BEAT to apply to our U.S. subsidiaries, affiliates and joint ventures, however, it is possible that the BEAT could apply in future years.

There is significant uncertainty regarding how these and other provisions of the Tax Act will be interpreted, and guidance in certain areas may not be forthcoming. Any changes to, clarifications of, or guidance under the Tax Act could add significant expense and have an adverse effect on the results of operations of our U.S. subsidiaries, affiliates and joint venture entities. Further, it is unclear how foreign governments and U.S. state and local jurisdictions will incorporate the U.S. federal income tax law changes and such jurisdictions may enact tax laws in response to the Tax Act that could result in further changes to global taxation and adversely affect our financial position and results of operations.

Risk Factors Related to Our Securities

Any Actions Stockholders May Wish to Bring Concerning Our Bylaws or the CPO Trust Must Be Brought in a Mexican Court

Our bylaws provide that a stockholder must bring any legal actions concerning our bylaws in courts located in Mexico City. All parties to the trust agreement governing the CPOs, including the holders of CPOs, have agreed to submit any legal actions concerning the trust agreement only to Mexican courts.

Non-Mexicans May Not Hold Series "A" Shares, Series "B" Shares or Series "D" Shares Directly and Must Have Them Held in a Trust at All Times

Although, as a result of the Telecom Reform, the regulatory framework for foreign direct investment allows foreign investors to hold up to 100% of the equity interest of Mexican companies doing business in telecommunications and satellite communications, and up to 49% in the broadcasting sector, subject to reciprocity from the country of the ultimate investor. The trust governing the CPOs and our bylaws nevertheless restrict non-Mexicans from directly owning Series "A" Shares, Series "B" Shares or Series "D" Shares. Non-Mexicans may hold Series "A" Shares, Series "B" Shares or Series "D" Shares indirectly through the CPO Trust, which will control the voting of such shares. Under the terms of the CPO Trust, a non-Mexican holder of CPOs or GDSs may instruct the CPO Trustee to request that we issue and deliver certificates representing each of the shares underlying its CPOs so that the CPO Trustee may sell, to a third party entitled to hold the shares, all of these shares and deliver to the holder any proceeds derived from the sale.

Non-Mexican Holders of Our Securities Forfeit Their Securities if They Invoke the Protection of Their Government

Pursuant to Mexican law, our bylaws provide that non-Mexican holders of CPOs and GDSs may not ask their government to interpose a claim against the Mexican government regarding their rights as stockholders. If non-Mexican holders of CPOs and GDSs violate this provision of our bylaws, they will automatically forfeit the Series "A" Shares, Series "B" Shares, Series "L" Shares and Series "D" Shares underlying their CPOs and GDSs to the Mexican government.

Non-Mexican Holders of Our Securities Have Limited Voting Rights

In accordance with the bylaws and trust governing the CPOs of the Company, non-Mexican holders of CPOs or GDSs are not entitled to vote the Series "A" Shares, Series "B" Shares and Series "D" Shares underlying their securities. The Series "L" Shares underlying CPOs or GDSs, the only series of our Shares that can be voted by non-Mexican holders of CPOs or GDSs, have limited voting rights. These limited voting rights include the right to elect two directors and limited rights to vote on extraordinary corporate actions, including the delisting of the Series "L" Shares and other actions which are adverse to the holders of the Series "L" Shares. For a brief description of the circumstances under which holders of Series "L" Shares are entitled to vote, see "Additional Information — Bylaws — Voting Rights and Stockholders' Meetings".

Our Antitakeover Protections May Deter Potential Acquirers and May Depress Our Stock Price

Certain provisions of our bylaws could make it substantially more difficult for a third party to acquire control of us. These provisions in our bylaws may discourage certain types of transactions involving the acquisition of our securities. These provisions may also limit our stockholders' ability to approve transactions that may be in their best interests and discourage transactions in which our stockholders might otherwise receive a premium for their Shares over the then current market price and could possibly adversely affect the trading volume in our equity securities. As a result, these provisions may adversely affect the market price of our securities. Holders of our securities who acquire Shares in violation of these provisions will not be able to vote, or receive dividends, distributions or other rights in respect of these securities and would be obligated to pay us a penalty. For a description of these provisions, see "Additional Information — Bylaws — Antitakeover Protections".

GDS Holders May Face Disadvantages When Attempting to Exercise Voting Rights as Compared to Other Holders of Our Securities

In situations where we request that The Bank of New York Mellon, the depositary for the securities underlying the GDSs, ask GDS holders for voting instructions, the holders may instruct the depositary to exercise their voting rights, if any, pertaining to the deposited securities. The depositary will attempt, to the extent practical, to arrange to deliver voting materials to these holders. We cannot assure holders of GDSs that they will receive the voting materials in time to ensure that they can instruct the depositary how to vote the deposited securities underlying their GDSs, or that the depositary will be able to forward those instructions and the appropriate proxy request to the CPO Trustee in a timely manner. For stockholders' meetings, if the depositary does not receive voting instructions from holders of GDSs or does not forward such instructions and appropriate proxy request in a timely manner, if requested in writing from us, it will provide a proxy to a representative designated by us to exercise these voting rights. If no such written request is made by us, the depositary will not represent or vote, attempt to represent or vote any right that attaches to, or instruct the CPO Trustee to represent or vote, the shares underlying the CPOs in the relevant meeting and, as a result, the underlying shares will be voted in the manner described under "Additional Information — Bylaws — Voting Rights and Stockholders' Meetings — Holders of CPOs". For CPO Holders' meetings, if the depositary does not timely receive instructions from a Mexican or non-Mexican holder of GDSs as to the exercise of voting rights relating to the underlying CPOs in the relevant CPO holders' meeting, the depositary and the custodian will take such actions as are necessary to cause such CPOs to be counted for purposes of satisfying applicable quorum requirements and, unless we in our sole discretion have given prior written notice to the depositary and the custodian to the contrary, vote them in the same manner as the majority of the CPOs are voted at the relevant CPOs holders' meeting.

This means that holders of GDSs may not be able to exercise their right to vote and there may be nothing they can do if the deposited securities underlying their GDSs are not voted as they request.

The Interests of Our GDS Holders Will Be Diluted if We Issue New Shares and These Holders Are Unable to Exercise Preemptive Rights for Cash

Under Mexican law and our bylaws, our stockholders have preemptive rights with respect to capital increases. This means that in the event that we issue new Shares for cash, our stockholders will have a right to subscribe and pay the number of Shares of the same series necessary to maintain their existing ownership percentage in that series. U.S. holders of our GDSs cannot exercise their preemptive rights unless we register any newly issued Shares under the U.S. Securities Act of 1933, as amended, or the Securities Act, or qualify for an exemption from registration. If U.S. holders of GDSs cannot exercise their preemptive rights, the interests of these holders will be diluted in the event that we issue new Shares for cash. We intend to evaluate at the time of any offering of preemptive rights the costs and potential liabilities associated with registering any additional Shares. We cannot assure you that we will register under the Securities Act any new Shares that we issue for cash. In addition, although the Deposit Agreement provides that the depositary may, after consultation with us, sell preemptive rights in Mexico or elsewhere outside the U.S. and distribute the proceeds to holders of GDSs, under current Mexican law these sales are not possible. See "Directors, Senior Management and Employees — Stock Purchase Plan and Long-Term Retention Plan" and "Additional Information — Bylaws — Preemptive Rights".

The Protections Afforded to Minority Stockholders in Mexico Are Different from Those in the U.S.

Under Mexican law, the protections afforded to minority stockholders are different from those in the U.S. In particular, the law concerning fiduciary duties of directors is not well developed, there is no procedure for class actions or stockholder derivative actions and there are different procedural requirements for bringing stockholder lawsuits. As a result, in practice, it may be more difficult for our minority stockholders to enforce their rights against us or our directors or major stockholders than it would be for stockholders of a U.S. company.

The *Ley del Mercado de Valores*, or the Mexican Securities Market Law, provides additional protection to minority stockholders, such as (i) providing stockholders of a public company representing 5% or more of the capital stock of the public company, an action for liability against the members and secretary of the Board and relevant management of the public company, and (ii) establishing additional responsibilities on the audit committee in all issues that have or may have an effect on minority stockholders and their interests in an issuer or its operations.

It May Be Difficult to Enforce Civil Liabilities Against Us or Our Directors, Executive Officers and Controlling Persons

We are organized under the laws of Mexico. Substantially all of our directors, executive officers and controlling persons reside outside the U.S., all or a significant portion of the assets of our directors, executive officers and controlling persons, and substantially all of our assets, are located outside of the U.S., and some of the parties named in this annual report also reside outside of the U.S. As a result, it may be difficult for you to effect service of process within the United States upon these persons or to enforce against them or us in U.S. courts judgments predicated upon the civil liability provisions of the federal securities laws of the U.S. We have been advised by our Mexican counsel, Mijares, Angoitia, Cortés y Fuentes, S.C., that there is doubt as to the enforceability, in original actions in Mexican courts, of liabilities predicated solely on U.S. federal securities laws and as to the enforceability in Mexican courts of judgments of U.S. courts obtained in actions predicated upon the civil liability provisions of U.S. federal securities laws.

Forward-Looking Statements

This annual report and the documents incorporated by reference into this annual report contain forward-looking statements. In addition, we may from time to time make forward-looking statements in reports to the SEC, on Form 6-K, in annual reports to stockholders, in prospectuses, press releases and other written materials and in oral statements made by our officers, directors or employees to analysts, institutional investors, representatives of the media and others. Words such as "believe", "anticipate", "plan", "expect", "intend", "seek", "potential", "target", "estimate", "project", "predict", "forecast", "guideline", "may", "should", "could", "will" and similar words and expressions are intended to identify forward-looking statements, but are not the exclusive means of identifying these statements. Examples of these forward-looking statements include, but are not limited to:

- estimates and projections of financial results, cash flows, capital expenditures, dividends, capital structure, financial position or other financial items or ratios;
- statements of our plans, objectives or goals, including those relating to anticipated trends, competition, regulation and rates;
- statements concerning our current and future plans regarding our online and wireless content division, Televisa Digital;
- statements concerning our current and future plans regarding our investment in Grupo de Telecomunicaciones de Alta Capacidad, S.A.P.I. de C.V., or GTAC;
- statements concerning our current and future plans regarding our gaming business;
- statements concerning our future plans, including capital expenditures, regarding the pay-TV, broadband and/or telephony services provided by our subsidiaries;
- statements concerning our transactions with Univision and our current and future plans regarding our investment in common stock and the warrants exercisable for common stock of UHI, the parent company of Univision;
- statements concerning our current and future plans, including capital expenditures, regarding our investment in Innova and our transactions and relationship with DIRECTV;
- statements concerning our transactions with NBC Universal's Telemundo Communications Group, or Telemundo;
- statements about our future economic performance or statements concerning general economic, political or social conditions in Mexico or other countries in which we operate or have investments;
- statements concerning the general uncertainty related to the COVID-19 pandemic and its possible adverse effects; and
- statements or assumptions underlying these statements.

We have based these forward-looking statements on our current expectations, assumptions, estimates and projections. While we believe these expectations, assumptions, estimates and projections are reasonable, such forward-looking statements are only predictions and involve known and unknown risks and uncertainties, many of which are beyond our control. We caution you that a number of important factors, including those discussed under "— Risk Factors", could cause actual results to differ materially from those expressed in or implied by these forward-looking statements. Some of the factors that could cause actual results to differ materially from those expressed in or implied by the forward-looking statements include:

- economic and political developments and conditions and government policies in Mexico or elsewhere;
- uncertainty in global financial markets;
- the impact of the COVID-19 pandemic;
- currency fluctuations or the depreciation of the Peso;
- changes in inflation rates;
- changes in interest rates;
- the impact of existing laws and regulations, changes thereto or the imposition of new laws and regulations affecting our businesses, activities and investments;
- the risk that our concessions may not be renewed;
- the risk of loss of transmission or loss of the use of satellite transponders or incidents affecting our network and information systems or other technologies;
- changes in customer demand; and
- effects of competition.

We caution you that the foregoing list of factors is not exhaustive and that other risks and uncertainties may cause actual results to differ materially from those in forward-looking statements. You should evaluate any statements made by us in light of these important factors and you are cautioned not to place undue reliance on any forward-looking statements. Forward-looking statements speak only as of the date they are made, and we do not undertake any obligation to update them in light of new information, future developments or other factors.

Item 4. Information on the Company

History and Development of the Company

Grupo Televisa, S.A.B. is a *sociedad anónima bursátil*, or limited liability stock corporation, which was organized under the laws of Mexico in accordance with the *Ley General de Sociedades Mercantiles*, or Mexican Companies Law. Grupo Televisa was incorporated under Public Deed Number 30,200, dated December 19, 1990, granted before Notary Public Number 73 of Mexico City, and registered with the Public Registry of Commerce in Mexico City on Commercial Page (*folio mercantil*) Number 142,164. Pursuant to the terms of our *estatutos sociales*, or bylaws, our corporate existence continues through 2106. Our principal executive offices are located in Mexico City at Avenida Vasco de Quiroga, No. 2000, Colonia Santa Fe, 01210 Ciudad de México, México. Our telephone number at that address is (52) (55) 5261-2000.

Capital Expenditures

The table below sets forth our expected capital expenditures for the year ended December 31, 2020 and our actual capital expenditures, investments in joint ventures and associates, and acquisitions for the years ended December 31, 2019, 2018 and 2017.

	Year Ended December 31,[1][2]			
	2020 (Expected)	2019 (Actual)	2018 (Actual)	2017 (Actual)
	(Millions of U.S. Dollars)			
Capital expenditures	U.S.$ 750.0	U.S.$ 992.2	U.S.$ 969.9	U.S.$ 884.7
GTAC[3]	6.7	8.8	3.0	11.1
Acquisition of assets of Axtel	—	—	272.1	—
Other acquisitions and investments[4]	—	—	281.7	9.9
Total capital expenditures and investments	U.S.$ 756.7	U.S.$ 1,001.0	U.S.$ 1,526.7	U.S.$ 905.7

(1) Amounts in respect of some of the capital expenditures, investments and acquisitions we made in 2019, 2018 and 2017 were paid for in Pesos. These Peso amounts were translated into U.S. Dollars at the Interbank Rate in effect on the dates on which a given capital expenditure, investment or acquisition was made. See "Key Information — Selected Financial Data".

(2) See "Operating and Financial Review and Prospects — Results of Operations — Liquidity, Foreign Exchange and Capital Resources —Capital Expenditures, Acquisitions and Investments, Distributions and Other Sources of Liquidity."

(3) See "— Business Overview — Our Operations—Cable", and "— Business Overview — Investments" for a discussion of GTAC, Cablecom, Telecable and TVI.

(4) In November 2018, we paid for the renewal of our broadcasting concessions in the aggregate cash equivalent amount of U.S.$281.7 million.

In 2019, 2018 and 2017, we relied on a combination of operating revenues, borrowings and net proceeds from dispositions to fund our capital expenditures, acquisitions and investments. We expect to fund our capital expenditures in 2020 and potential capital expenditures, investments and/or acquisitions going forward, which could be substantial in size, through a combination of cash from operations, cash on hand, equity securities, and/or the incurrence of debt, or a combination thereof.

For a more detailed description of our capital expenditures, investments and acquisitions in prior years, see "Operating and Financial Review and Prospects — Results of Operations — Liquidity, Foreign Exchange and Capital Resources — Liquidity" and "Operating and Financial Review and Prospects — Results of Operations — Liquidity, Foreign Exchange and Capital Resources — Capital Expenditures, Acquisitions and Investments, Distributions and Other Sources of Liquidity".

Business Overview

Televisa is a leading media company in the Spanish-speaking world, an important cable operator, an operator of a leading direct-to-home satellite pay television system and a broadband provider in Mexico.

Televisa distributes the content it produces through several broadcast channels in Mexico and in over 70 countries through 25 pay-tv-brands, television networks, cable operators and over-the-top or "OTT" services.

In the United States, Televisa's audiovisual content is distributed through Univision Communications Inc. ("Univision") the leading media company serving the Hispanic market. Univision broadcasts Televisa's audiovisual content through multiple platforms in exchange for a royalty payment. In addition, Televisa has equity and warrants which upon their exercise would represent approximately 36% on a fully-diluted, as-converted basis of the equity capital in Univision Holdings, Inc., the controlling company of Univision.

Televisa's cable business offers integrated services, including video, high-speed data and voice services to residential and commercial customers as well as managed services to domestic and international carriers.

Televisa owns a majority interest in Sky, a leading direct-to-home satellite pay television system and broadband provider in Mexico, operating also in the Dominican Republic and Central America.

Televisa also has interests in magazine publishing and distribution, professional sports and live entertainment, feature-film production and distribution, and gaming.

Business Strategy

We intend to leverage our position as a leading media company in the Spanish-speaking world to continue expanding our business while maintaining profitability and financial discipline. We intend to do so by maintaining our leading position in the Mexican television market, by continuing to produce high quality programming and by improving our sales and marketing efforts while maintaining high operating margins and expanding our cable business.

We also intend to continue developing and expanding Sky, our DTH platform, and our cable business. We will continue to strengthen our position and will

continue making additional investments, which could be substantial in size, in the cable industry in accordance with the consolidation of the cable market in Mexico.

We intend to continue to expand our business by developing new business initiatives and/or through business acquisitions and investments. However, we continue to evaluate our portfolio of assets, in order to determine whether to dispose of select non-core operations.

Maintaining Our Leading Position in the Mexican Television Market

Continuing to Produce High Quality Programming. We aim to continue producing the type of high quality television programming that in the past has propelled many of our programs to be among the most watched in Mexico. We have launched a number of initiatives in creative development, program scheduling and on-air promotion. These initiatives include improved production of our highly rated dramas, new comedy and game show formats and the development of reality shows and new series. We have improved our scheduling to be better aligned with viewer habits by demographic segment while improving viewer retention through more dynamic on-air graphics and pacing. We have enhanced tune-in promotion both in terms of creative content and strategic placement. We also plan to continue expanding and leveraging our Spanish-language video library, rights to soccer games and other events, as well as cultural, musical and show business productions. In addition, our strategic alliance with Telemundo allows us to broadcast more than 1,170 hours per year of Telemundo's original programming on Channel 9 and distribute Telemundo content in Mexico on an exclusive basis across multiple platforms including broadcast television, pay television and our emerging digital platforms.

Maintaining High Operating Segment Income Margins. Our Content operating segment income margins for 2017, 2018 and 2019 were 37.7%, 37.9% and 36.1%, respectively. We aim to continue maintaining high operating segment income margins in our Content businesses by increasing revenues and controlling costs and expenses to the extent that we can without impacting the quality and appeal of our content.

Continue Building Our Cable and DTH Platforms

Cable. We are a shareholder of several Mexican cable companies. For example:

- we own a controlling stake in Cablevisión, which operates in Mexico City and its metropolitan area, where it offers cable television, high speed internet and IP telephony services;
- we own TVI, which offers cable television, data and voice services in the metropolitan area of Monterrey and other areas of northern Mexico; it also offers specific data and voice services in the metropolitan area of Mexico City;
- we own Cablemás, which operates in approximately 105 cities in Mexico where it offers cable television, high speed internet and telephony services;
- we own Cablecom, which offers cable television, telephony, value added services and virtual networks to corporate customers around 15 states of Mexico;
- we own Telecable, a cable company that provides video, data and telephony services in Mexico, primarily in the states of Guanajuato, Jalisco, Aguascalientes, Queretaro, Tamaulipas, and Colima, among others; and
- since December 17, 2018, we own the residential fiber-to-the-home business, and related assets, acquired from Axtel in Mexico City, Zapopan, Monterrey, Aguascalientes, San Luis Potosi and Ciudad Juarez, through the acquisition of 100% of the equity interests of FTTH.

With a consolidated 5.8 million subscriber base and 15.3 million homes passed as of December 31, 2019, these companies are important service providers in Mexico. "Homes passed" refers to any residential homes or businesses that are connected to telecommunications systems, or those prepared to be connected to telecommunications systems but are not currently connected or require some type of investment in order to be connected. For instance, each apartment located in a building that is prepared to be connected to telecommunications systems represents one home passed. It is generally understood that a home or business counts as a home passed when it can be connected to a telecommunications network without additional extensions to the main transmission lines. Our cable strategy aims to increase our subscriber base, average monthly revenues per subscriber and penetration rate by:

- continuing to offer high quality programming;
- continuing to upgrade our existing cable network into a broadband or fiber-optic bidirectional network;
- aiming to provide digital services in order to stimulate new subscriptions, substantially reduce piracy and offer new value-added services;
- increasing the penetration of our high-speed internet access and other multimedia services as well as providing a platform to offer internet protocol, or IP, and telephony services;

- continuing the roll out of advanced digital set-top boxes which allow the transmission of high definition programming and recording capability, including OTT services; and

- continuing to leverage our strengths and capabilities to develop new business opportunities and expand through additional investments and/or acquisitions, which can be substantial in size.

Our cable companies have introduced a variety of new services over the past years, such as interactive television and other enhanced program services, including high-speed internet access through cable modem and fiber-to-the-home, as well as IP telephony. In November 2014, we launched a unified commercial offer under the izzi brand for residential customers. Currently, izzi offers telecommunication services packages including unlimited telephony services, high-speed data access and pay-TV programming for residential customers and micro and small-sized enterprises. In June 2016, we launched "izzi TV", a new entertainment platform, which among other services, provides customers live channels, SVOD (Subscription Video on Demand), as well as access to all of the Company's content. Recently the bundle packages include access to Netflix and blim. izzi TV is available through the "izzi TV" set-top-box and through "izzi go", which is a TV Everywhere application for authenticated subscribers that enables users to access TV channels, movies and series on demand, compatible with iOS and Android platforms. izzi go also features remote control functions compatible with our izzi TV set-top-boxes, and allows subscribers to rent additional content through the application, all for a fixed price. For an additional cost, subscribers can choose from different add-ons to the "izzi TV" service, such as TVOD (Transactional Video on Demand) titles, HBO and Fox Premium, among others. In addition to the izzi brand, our cable companies also provide telecommunication services under the wizz and wizzplus brands in certain municipalities. In July 2018, our cable companies launched "afizzionados", our first proprietary sports channel dedicated to soccer, broadcasting selected sport content and exclusive matches. In November 2018, we launched "izzi flex" (wireless internet for homes) and "izzi pocket" (mobile internet), which offer speeds of 5 Mbps and up to 20 Mbps. In 2018 and 2019, we renewed our triple play product with packaging benefits of voice, broadband and video.

As of December 31, 2019, our cable companies had 4.3 million cable television, or video RGUs, 4.7 million broadband RGUs and 3.6 million IP telephone lines in service, or voice RGUs. The growth in our subscriber base has been driven primarily by the upgrade of our networks and the launch of competitive broadband offerings.

DTH. We believe that Ku-band DTH satellite services offer an enhanced opportunity for expansion of pay television services into households seeking to upgrade reception of broadcasting signals and in areas not currently serviced by operators of cable or multi-channel, multi-point distribution services. We own a 58.7% interest in Innova, or Sky, our venture with DIRECTV. Innova is a DTH company with services in Mexico, Central America and the Dominican Republic with more than 7.4 million video subscribers, of which 2.8% were commercial subscribers as of December 31, 2019.

The key components of our DTH strategy include:

- offering high quality programming, including rights to our four over-the-air broadcast channels, exclusive broadcasts of sporting events, such as certain Mexican Soccer League matches, and most of the Spanish Soccer League, La Liga and La Copa del Rey, the English Premier League, the Carabao Cup, the NFL Sunday Ticket, MLB Extra Innings, the NHL, bullfighting, World Equestrian Games, marathons, Diamond League, the Mexican Baseball League (LMB), UEFA Nations League and FIFA tournaments in Central America and exclusive matches in Mexico qualifying and friendly matches of the Brazilian national team, as well as special coverage of Grand Slam tennis tournaments;

- capitalizing on our relationship with DIRECTV and local operators in terms of technology, distribution networks, infrastructure and cross-promotional opportunities;

- capitalizing on the low penetration of pay-TV services in Mexico;

- providing superior digital Ku-band DTH satellite services and emphasizing customer service quality;

- providing aggressive HD offerings and continuously expanding our programming in HD; and

- providing single play broadband services as well as video-broadband bundles to complement our product offering.

Continue Expanding the Portfolio of Channel Offerings in Mexico and Abroad

Network Subscription. Through our 25 pay-TV brands and 74 national and international feeds, we reached more than 46 million subscribers throughout Latin America, the Caribbean, the United States, Canada, Europe, Africa and Australia in 2019. Our pay-TV channels include, among others, three music channels, five movie channels, eight variety and entertainment channels, three sports channels and one news channel. All of our sports channels offer 24 hour a day programming 365 days a year. Popular channels include, among others, De Película, Distrito Comedia, TLNovelas and Golden.

Transforming Our Publishing Business

Despite the continuing challenges facing the industry, we continue to be among the leaders of the publishing business and maintained a total approximate circulation of 31.5 million magazines during 2019. We believe our subsidiary, Editorial Televisa, S.A. de C.V., or Editorial Televisa, is the most important Spanish-speaking publishing company in the world in number of magazines distributed. Editorial Televisa publishes 60 titles, with 13 wholly-owned trademarks and 25 licensed trademarks from world renowned publishing houses, including Spanish language editions of some of the most prestigious brands in the world. Editorial Televisa distributes its titles to seven countries, including Mexico, the United States and countries throughout Latin America.

Increasing Our International Programming Sales Worldwide and Strengthening Our Position in the Growing U.S.-Hispanic Market

We license our programs to television broadcasters and pay-TV providers in the United States, Latin America, Asia, Europe and Africa. Excluding the United States, in 2019, we licensed 84,565 hours of programming in 71 countries throughout the world. We intend to continue exploring ways of expanding our international programming sales.

According to the "Annual Estimates of the Resident Population by Sex, Age, Race, and Hispanic Origin for the United States: April 1, 2010 to July 1, 2018" issued by the U.S. Census Bureau Population Division, the U.S.-Hispanic population is estimated to be 59.87 million, or approximately 18.2% of the U.S. population, and is currently one of the fastest growing segments in the U.S. population, with the growth among Hispanics responsible for over half of the U.S. population gains between 2000 and 2010. The U.S. Census Bureau projects that the Hispanic population will be approximately 21% of the U.S. population by the year 2030.

We intend to leverage our unique and exclusive content, media assets and long-term associations with others to benefit from the growing demand for entertainment among the U.S.-Hispanic population.

We supply television programming for the U.S.-Hispanic market through Univision, the leading media company serving Hispanic America. In exchange for this programming, during 2017, 2018 and 2019, Univision paid us U.S.$313.9 million, U.S.$383.6 million and U.S.$389.1 million respectively, in royalties. For a description of our arrangements with Univision, see "— Univision".

Developing New Businesses and Expanding through Acquisitions

We plan to continue leveraging our strengths and capabilities to develop new business opportunities and expand through acquisitions. We are constantly seeking investment opportunities that complement our business strategy. We may identify and evaluate opportunities for strategic acquisitions of complementary businesses, technologies or companies. We may also consider joint ventures, minority investments and other collaborative projects and investments. Any such acquisition or investment could be funded using cash on hand, our equity securities and/or the incurrence of debt, or a combination thereof.

Our recent acquisitions and investments include our acquisition on December 17, 2018 of the residential fiber-to-the-home business and related assets from Axtel in Mexico City, Zapopan, Monterrey, Aguascalientes, San Luis Potosi and Ciudad Juarez, through the acquisition of 100% of the equity interests of FTTH.

For a further discussion of some of our recent investments, see "— Investments".

We have grown our gaming business, which consists of casinos and an online gaming site. As of December 31, 2019, we had 18 casinos in operation, under the brand name "PlayCity". In accordance with our permit, we may continue to open casinos. In 2017, we launched our online sports betting site. The casinos and the online sports betting site are operated under the Gaming Permit obtained from the Mexican Ministry of the Interior, to establish, among other things, up to 45 casinos and number draws throughout Mexico.

Notwithstanding the foregoing, the Company continues to evaluate its portfolio of assets in order to determine if it should dispose select non-core operations.

Expanding Our Business in the Mexican Telecommunications Markets by Taking Advantage of the Telecom Reform and Implementing Legislation

Pursuant to the Telecom Reform (see "— Regulation — Telecom Reform and Broadcasting Regulations"), a "preponderant economic agent" (*agente económico preponderante*) in the telecommunications market means an economic agent that has, directly or indirectly, more than 50% of the national market share in telecommunications services, calculated based on the number of users, subscribers, network traffic or used capacity according to the data available to IFT. We are aware from the public records that, on March 7, 2014, IFT notified América Móvil, S.A.B. de C.V., or América Móvil, of a resolution which determined that América Móvil and its operating subsidiaries Radiomóvil Dipsa, S.A de C.V., or Telcel, and Teléfonos de México, S.A.B. de C.V., or Telmex, Telefonos del Noreste, S.A. de C.V. or Telnor, as well as Grupo Carso, S.A.B. de C.V. and Grupo Financiero Inbursa, S.A.B. de C.V., are a preponderant economic agent in the telecommunications market, and imposed on them certain specific asymmetrical regulations which América Móvil reported publicly in the following areas:

- Interconnection: Regulation on interconnection, including the imposition of (a) asymmetric rates to be determined by IFT and (b) the implementation of an interconnection framework agreement (*convenio marco de interconexión*);

- Sharing of Infrastructure: Regulation on the access and use of passive infrastructure, including towers, sites, and ducts, at rates to be negotiated amongst the operators and, where agreement cannot be reached, to be determined by IFT using a methodology of long average incremental costs;

- Local Loop Unbundling: Regulation on local loop unbundling, including the imposition of rates to be determined by IFT using a methodology of long average incremental costs;

- Resale: Resale of wholesale voice, broadband and dual-play packages that replicate packages provided by the preponderant economic agent, at retail level, at rates to be negotiated among the operators and, where an agreement cannot be reached, to be determined by IFT using a methodology of retails minus;

- Indirect Access to the Local Loop: Regulation on the wholesale bitstream access to the preponderant economic agent's access network at rates to be negotiated among the operators and, where an agreement cannot be reached, to be determined by IFT using a methodology of retail minus;

- Wholesale Leased Lines: Regulation on wholesale leased lines for interconnection, local and domestic and international long distance, at rates to be negotiated among the operators and, where agreement cannot be reached, to be determined by IFT using a methodology of retail minus, except for leased lines for interconnection services where the methodology to be used for determining the applicable rates will be of long average incremental costs;

- Roaming: Regulation on the provision of wholesale roaming services, at rates to be negotiated amongst the operators and, where agreement cannot be reached, to be determined by IFT using a methodology of long average incremental costs;

- Elimination of National Roaming Charges: IFT has imposed the elimination of national roaming charges to the preponderant economic agent's subscribers;

- Mobile Virtual Network Operators: Regulation on wholesale access to mobile virtual operators to services provided by the preponderant economic agent to its subscribers, at rates to be negotiated among the operators and, where agreement cannot be reached, to be determined by IFT using a methodology of retail minus (for the reseller business model);

- Certain Obligations on the Provision of Services: Certain rates for the provision of telecommunications services to the subscribers of the preponderant economic agent shall be subject to rate control and/or authorization by IFT, by using a series of methodologies related to maximum prices and replicability. Also, a series of obligations relating to the sale of services and products, including the obligation to offer individually all services that are offered under a bundle scheme; limited exclusivity on handsets and tablets; and the obligation of eliminating the sim-lock on handsets;

- Content: IFT has issued the Relevant Content Ruling applicable for Preponderant Economic Agents, which contains a prohibition to acquire transmission rights for any territory within Mexico on an exclusive basis, relating to relevant content (*contenidos audiovisuales relevantes*), including without limitation national soccer play-offs (*liguilla*), FIFA world cup soccer finals and, any other event where high-audiences are expected at a national or regional level. The IFT may update the relevant content list every two years; and

- Information and Quality of Service Obligations: Several obligations related to information and quality of service, including the publication of a series of reference terms (*ofertas públicas de referencia*) of the wholesale and interconnection services subject of the asymmetric regulation imposed by IFT and accounting separation.

On March 8, 2017, IFT issued a resolution to the preponderant economic agent in the telecommunications market that modifies the asymmetrical regulations described above. The most relevant modifications are the following:

- Wholesale Leased Lines: the methodology to be used by IFT in case an agreement cannot be reached in wholesale leased lines for interconnection, local and domestic and international long distance, is limited to long average incremental costs;

- Functional separation: the preponderant economic agent in the telecommunications market will have to functionally separate the provision of wholesale services through the creation of a new legal entity and a wholesale division; which entity will solely and exclusively provide wholesale services related to access network elements, dedicated links and passive infrastructure, among other wholesale services;

  The wholesale division within the existing companies will provide the other wholesale services subject to the aforementioned measures that are not provided by the newly created legal entity;

- Equivalence of Supplies and Inputs, Technical and Economic Replicability: The preponderant economic agent in the telecommunications market must guarantee the equivalence of inputs, the technical replicability of the services that it commercializes to its end users, and equal access to technical and commercial information;

- Fiber disaggregation Regulation on unbundling of P2P (point-to-point), fiber was added to the local loop unbundling regulation. Unbundling of passive optical networks (PON), is not considered under this service and remains accessible through the Indirect Access to the Local Loop service; and

- The preponderant economic agent in the telecommunications market must also guarantee the economic replicability of the services that it commercializes to its end users for which it will validate the economic replicability of the services "ex-post" based on the methodology, terms and conditions that the IFT determines.

According to public records, América Móvil and its operating subsidiaries, Telcel, Inbursa, Telmex and Telnor, filed amparo proceedings against IFT's original resolution. The courts issued a ruling confirming the constitutionality of IFT's resolution, with the exception of Telcel's proceeding that is pending before the Supreme Court.

In March 2018, América Móvil received a resolution from IFT determining the terms under which Telmex and Telnor shall, legally and functionally, separate the provision of wholesale regulated fixed services by incorporating new legal entities with their own corporate governance, independent from those of América Móvil's subsidiaries holding a concession, and by creating a wholesale business unit within Telmex and Telnor. Telmex and Telnor will have two years to implement the separation ordered by the IFT. The resolution establishes a calendar for implementation and obligations to deliver periodic information to the IFT.

The measures imposed on the preponderant economic agent, if properly implemented, will represent an opportunity for us to increase our coverage and product diversity, while reducing our costs and capital expenditures requirements as a result of the access to the network of the preponderant economic agent and the regulation of the terms and conditions, on competitive terms, of such access. Moreover, asymmetric regulations may create a beneficial economic and regulatory environment in the telephony and broadband markets and may further enhance our ability to compete in the telecommunications industry.

All of these measures, if properly implemented, could create a beneficial economic and regulatory environment, level the playing field for all participants in the telecommunications market and foster competition, representing an opportunity for the growth of our Sky and cable businesses; nevertheless, in the Company's view, the preponderant economic agent is not complying with its obligations under such measures and the Company has filed several complaints before IFT.

In August 2017, the Supreme Court of Justice of the Nation (SCJN) determined that the interconnection rate regime relating to mobile termination by the Preponderant Economic Agent in Telecommunications Network, which contained a limitation on the Preponderant Economic Agent's ability to charge for traffic termination in its mobile network, was unconstitutional. As a result, the SCJN ordered that the IFT issue a tariff. In November 2017, IFT resolved that the tariff for traffic termination in the mobile network of the Preponderant Economic Agent will be Ps.0.028562 per minute of interconnection from January 1 to December 31, 2018. For 2019, the IFT determined a lower tariff for traffic termination in the mobile network of the Preponderant Economic Agent being Ps.0.028313 per minute of interconnection.

In April 2018, the SCJN determined that the interconnection rate regime relating to fixed termination by the Preponderant Economic Agent in Telecommunications Network, which contained a limitation on the Preponderant Economic Agent's ability to charge for traffic termination in its fixed network, was unconstitutional. As a result, the SCJN ordered the IFT to issue a tariff for traffic termination in the fixed network of the Preponderant Economic Agent applicable from January 1 to December 31, 2019. In November 2018, the IFT determined that the tariff for traffic termination in the fixed network of the Preponderant Economic Agent will be Ps.0.003151 per minute of interconnection from January 1, 2019 to December 31, 2019. For 2020, the tariff for traffic termination in the fixed network of the Preponderant Economic Agent will be Ps.0.003331 per minute of interconnection.

In January 2020, IFT imposed a fine on Telnor in the amount of Ps.1,311.8 million for a breach of the availability of information of certain passive infrastructure (post, duct) in the electronic management system (Sistema Electrónico de Gestión, or "SEG"), used to request wholesale services from Telnor.

Additionally, the Telecom Reform (1) permits 100% foreign ownership in satellite and telecommunications services and increases to up to 49% the level of permitted foreign ownership in television and radio services, subject to reciprocity of the originating foreign investment country, and (2) provides that the Mexican government will build a national network to facilitate effective access for the Mexican population to broadband and other telecommunications services. These amendments may provide opportunities for us to enter into joint ventures with foreign investors with proven international experience in these markets and also to work with the Mexican government in the development of this new network.

Commitment to Sustainability

At Televisa, we are committed to taking the lead on sustainability through tangible and measurable sustainability programs that improve the environment and our corporate governance. At the same time, we have been focused on strengthening communities while working to inspire and develop human potential through innovative education and cultural initiatives.

This commitment to sustainability begins with our philanthropic arm, Fundación Televisa, which has developed a range of social programs designed to benefit society. At the same time, we have made sustainable development a key part of our offerings and commercial strategy as a way to create value and better meet the expectations of our shareholders.

We have concentrated on ways to limit greenhouse gas emissions, strengthen alliances with renewable energy generators and meet or exceed compliance with the General Law on Climate Change, with a special focus on making sustainability gains through our in-house Environmental Management Systems (EMS).

Another one of our strengths is the depth of experience possessed by our sustainability team members. Through their leadership, we leverage our corporate structure to embed sustainability throughout our lines of businesses.

Our achievements in sustainability are the result of a regular review and enhancement of internal policies, procedures and management systems to improve corporate performance. Key performance indicators are continually refined and monitored in environmental, social and corporate governance spheres and the impact of the programs is constantly evaluated in a culture of continuous improvement.

But perhaps most importantly, we understand the crucial need to gain the support of key constituencies for our sustainability efforts by offering key stakeholders regular reports on the progress of our environmental, social and corporate governance programs. As part of that communications effort, we put special effort into producing a comprehensive and compelling annual sustainability report.

During 2019, we continued our sustainability efforts in order to be recognized around the world. For example:

- We were selected for the 2019 Dow Jones Sustainability (DJSI) MILA Pacific Alliance Index and were one of only three Mexican companies selected for the 2019 DJSI Emerging Markets Index.
- We were included as a constituent of the 2019 FTSE4Good Emerging Markets and Emerging Latin America Indices.
- We were selected as one of only four Mexican companies included in the 2019 Bloomberg Gender-Equality Index.

- We were confirmed as a constituent of the IPC Sustainable (Sustainability Index) of the *Bolsa Mexicana de Valores* (Mexican Stock Exchange).

- We were confirmed as a signatory of the United Nations Global Compact, the world's largest corporate sustainability initiative.

Sustainability is a high priority for us and a key component in the formulation of our business strategy.

Our notable achievements in advancing the cause of sustainability are the result of the consistent review and continual enhancement of our programs, our emphasis on corporate social responsibility as a critical business focus and the establishment of key performance indicators in the environment, social and corporate governance matters. To sum up, we view our deep and abiding commitment to sustainability as more than just an effort to do good, but as a central part of our business that will contribute to our growth and success. Never satisfied, we remain firmly committed to continually improving and aligning our operations with international standards and best practices for the long-term.

We reaffirm the Company's steadfast commitment to ensuring the health and safety of our employees, collaborators, partners, and the greater community, as we closely monitor the quickly evolving novel coronavirus (COVID-19) pandemic.

Throughout our corporate operations and facilities, we continue to refine and implement detailed policies, procedures, and protocols closely aligned with guidelines issued by the Government of Mexico and the World Health Organization (WHO). This includes aggressively maintaining proper hygiene measures and upgraded security and health screenings at entrances to all properties and minimizing the number of individuals present at all facilities at any given time.

We have also adopted new labor practices to help restrict public movements and stem the spread of the virus, including imposing flexible hours and work-at-home arrangements for nearly all employees. Highly trained members of the Company's medical service are also closely monitoring the health and well-being of the entire workforce and are positioned to assist anyone presenting symptoms of the virus.

Since media and telecommunications have been considered by the Mexican Government as essential economic activities under regulations enacted for purposes of the COVID-19 pandemic, we have continued operating our essential businesses uninterrupted to continue benefiting the country with connectivity, entertainment and information during the COVID-19 pandemic, while also promoting the "stay at home" policy whenever possible, in order to take safety and cautionary measures for our employees. We have taken strict health controls and precautions for the personnel who need to work on-site for the operation of our essential businesses. Notwithstanding the foregoing, some of our activities, such as the production of new content, have been curtailed or suspended in response to social distancing and shutdown requirements and health guidelines.

As Mexico's leading provider of television news, we are serious about our responsibility to keep the country's citizens well-informed about the spread of the virus and its serious implications. We also recognize the important role we play in providing high-quality educational and entertainment content across our many platforms to best serve the millions of families who are avoiding nonessential outside contact. Over the years, we have invested deeply in improving and maintaining our connectivity systems and will continue to do all that we can to maintain our services to all of our customers in homes, businesses and public institutions.

The "Televisa is with you/Stay at home with Televisa" action plan aims to provide a comprehensive solution for two basic society member groups: audiences and Televisa's brands and sub-brands. It promotes solidarity and support through promoting serenity, entertainment, and social union; facilitating staying at home.

We will continue to do everything we can to assist during these extraordinary times. In the meantime, we will rely on our platforms and maintain high-quality service for our customers and business partners.

Commitment to Social Responsibility

At Fundación Televisa (or "Fundación") we aim to enhance the potential of people in Mexico and the United States while inspiring others to join forces. Our innovative programs in education, culture, entrepreneurship, and environmental protection provide an empowering platform for hundreds of thousands of people to improve their lives, transform their communities and build better and more sustainable societies. Our approach combines an effective leverage of Televisa communication channels with state of the art digital tools, financial support and on-the-ground multidisciplinary teams.

In 2019 we impacted the life of 991,017 children, youth and adults in both Mexico and the United States, investing with our allies together more than Ps.388 million. We directly contributed to the following 11 of 17 of the United Nations Sustainable Development Goals:

- No poverty.

- Zero hunger.

- Good health and well-being.

- Quality education.

- Gender equality.
- Clean water and sanitation.
- Decent work and economic growth.
- Industry, innovation and infrastructure.
- Reduced inequalities.
- Sustainable cities and communities.
- Peace, justice and strong institutions.

We managed to have more than 19 million of media impacts. We have reached more than 153 million people with our messages, benefiting more than 77 institutions and organizations through communication campaigns with television spaces.

Our causes generated more than 1.5 million followers on social networks and more than 6 million people to our platforms.

Fundación programs work along different life stages. Empieza Temprano focuses on early childhood development by providing parents and families information and practical tips. To enhance the skills of K-12 students, Fundación has a civic values program called Valores. Aprende con el Chavo is a free platform for online learning and Cuantrix teaches computer science and coding. Technolochicas empowers young women through STEAM (Science, Technology, Engineering, Art and Mathematics) and Bécalos works to increase high-school and college completion while improving the student's employability. POSiBLE helps to expand high impact innovation-driven entrepreneurship through training, networking, resources, visibility and acceleration for high potential startups. In addition, Fundación's cultural and environmental programs cut across ages serving the general public in specific locations and more broadly through the digital and media space.

Our numbers:

- Over 3.8 million users of Aprende con el Chavo, the free online learning application for language and STEAM.
- More than 100,000 students from public schools in six states across Mexico learned basic coding skills through more than 700 teachers and instructors trained by Cuantrix.
- More than 3,800 middle-school girls attended Technolochicas STEAM activities in Mexico and the United States.
- More than 37,000 recipients of Bécalos scholarships including 4,920 for students and teachers developing employability competencies, 143 for participants of an international exchange program with community colleges in the United States and 50 for students attending a program for talented youth.
- With these numbers, Bécalos reached a historic sum of 326,637 beneficiaries and 2,753 attendees in its international mobility efforts.
- 21,066 entrepreneurs with business models developed in POSiBLE with a percentage of 53% women.
- We participate with far reaching communication campaigns including Valores promoting civic values.
- More than 50,378 parents receive practical tips weekly via SMS through our Empieza Temprano program.
- More than 41,176 new aid in health, nutrition, development and dwelling, from which 7,100 were destined to women in subjects of health, women empowerment and protection, reaching more than 1,250,000 benefiters in 16 years.
- Nearly 5,000 voluntary collaborators from Grupo Televisa recollected more than 40 tons of waste in 11 different states of Mexico, thanks to a corporate initiative focused on environmental care.
- We participated in six photography fairs in Mexico and other countries with the attendance of more than 350,000 people.

- We received the following awards:
    - Caracol de Plata Award for the "Aprende a Decir Que No", a Valores program's campaign. The Caracol de Plata Awards promote publicity messages to create awareness and finding solutions to social problems.
    - Silver Effie Award for the "Una Oportunidad Lleva a la Otra", a Bécalos program's campaign. The Effie Awards are the most relevant awards in the marketing and publicity industry. They recognize great ideas that achieve real life results and the strategies that originated them.

By responsibly leveraging media, talent, partnerships and financial assets, the efforts led by Fundación reflect the commitment of Televisa to make a strategic contribution to building a more empowered, prosperous and democratic society where all people have a platform to succeed.

Our Operations

As of December 31, 2019, we classify our operations into four business segments: Cable, Sky, Content and Other Businesses. Through the third quarter of 2019, the Radio business was classified as part of the Other Businesses segment, and beginning in the fourth quarter of 2019, it was classified as held-for-sale operations in the business segment information.

Cable

The Cable Television Industry in Mexico. Cable television offers multiple channels of entertainment, news and informational programs to subscribers who pay a monthly fee. These fees are based on the package of channels the subscribers receive. According to IFT, there were approximately 915 pay-TV concessions in Mexico, including 482 integrated sole concessions, as of the date of their report, serving approximately 19.6 million subscribers (including cable and DTH).

Digital Cable Television Services. Our cable companies offer on-screen interactive programming guide with direct access to blim and Netflix through the "izzi TV" platform, video on demand, high definition channels as well as other services throughout Mexico. Along with their digital pay-TV service, our cable companies offer high speed internet and a competitive digital telephone service. Through their network, they are able to distribute high quality video content, new services, interactivity with video on demand, 1080i high definition, impulse and order pay-per-view, a-la-carte programming, among other products and services, with added value features and premium solutions for consumers, and telephony and internet. Likewise, our cable companies offer mobile applications such as "izzi go", which is a TV Everywhere application for authenticated subscribers through compatible PCs, iOS and Android platforms, that enables subscribers to access channels, movies and series on demand. "izzi go" also features remote control functionalities compatible with our "izzi TV" set-top-boxes, and allows subscribers to watch additional content through the application.

Revenues. Our cable companies generate revenues from their pay-TV, broadband and telephony services, from additional services such as video on demand, and from sales of advertising to local and national advertisers. Subscriber revenues come from monthly service and rental fees and, to a lesser extent, one-time installation fees.

Cable Initiatives. Our cable companies plan to continue offering the following services to their subscribers:

- Enhanced programming services, including video on demand, subscription video on demand, high definition and bundled packages;
- Broadband internet services, including fixed/mobile solutions; and
- IP telephony services.

Cablevisión. We own a 51% controlling stake in Cablevisión, one of the most important cable television operators in Mexico, which operates in Mexico City and its metropolitan area, where it offers cable television, high speed internet access and IP telephony services.

TVI. In March 2016, we acquired the remaining 50% of the equity interest of TVI and its subsidiaries and as a result, TVI is a wholly-owned subsidiary of the Company. The transaction amounted to Ps.6,750 million, including the assumption of long-term liabilities in the aggregate amount of Ps.4,750.0 million, with maturities between 2017 and 2020, and a cash payment of Ps.2,000.0 million. TVI offers cable television, internet access, telephony services and bidirectional data transmission in the metropolitan area of Monterrey and other areas of northern Mexico.

Cablemás. We own Cablemás, which operates in approximately 105 cities in Mexico where it offers cable television, high speed internet access and telephony services.

Cablecom. On July 31, 2013, we invested Ps.7,000 million in convertible debt instruments, which in August 2014 we converted into 95% of the equity interest in Ares, the owner of 51% of the equity interest in Cablecom, a cable company that offers cable television, internet access and telephony services in Mexico. As part of the 2013 transaction, we also invested U.S.$195 million in a debt instrument issued by Ares. In August 2014, we acquired, pursuant to applicable regulations, the remaining 5% of the equity interest in Ares and the remaining 49% of the equity interest of Cablecom for an additional consideration of Ps.8,550 million, which consisted of the capitalization of the U.S. dollar debt instrument issued by Ares in the amount of Ps.2,642 million, and cash in the amount of Ps.5,908 million.

Telecable. On January 8, 2015, through a series of transactions, we acquired 100% of the equity interest of Telecable for an aggregate consideration of Ps.10,002 million. Telecable is a cable company that provides cable television, internet access and telephony services in Mexico, primarily in the states of Guanajuato, Jalisco, Aguascalientes, Queretaro, Tamaulipas, and Colima, among others.

Bestel. Currently, the Company indirectly holds 66.1% of the equity of Bestel (35.3% through Cablevision and 30.8% through CVQ), which provides voice, data, and managed services to domestic and international carriers and to the enterprise, corporate, and government segments, cloud and other services in Mexico. Through Bestel (USA), Inc., Bestel provides cross-border services to U.S. carriers including internet protocol, or IP, transit, collocation, international private lines, virtual private networks, or VPNs, and voice services, as well as access to the Internet backbone via companies or carriers classified as "TIER 1" which are networks that can reach every other network on the internet without purchasing internet protocol address transit or paying settlements and "TIER 2" which are networks that peer with some networks, but purchase internet protocol address transit or pay settlements to reach at least some portion of the internet. Bestel operates approximately 32,000 kilometers of a fiber-optic network, including the fiber-optic network it owns. This fiber-optic network covers several important cities and economic regions in Mexico and has direct crossing of its network into San Antonio, Laredo, McAllen, El Paso and Dallas in Texas, Nogales in Arizona, Miami in Florida and San Diego and Los Angeles in California in the United States. This enables the Company to provide high capacity connectivity between the United States and Mexico.

FTTH. On December 17, 2018, we acquired from Axtel its residential fiber-to-the-home business and related assets in Mexico City, Zapopan, Monterrey, Aguascalientes, San Luis Potosi and Ciudad Juarez, through our FTTH subsidiary. The acquired assets comprise 553,226 RGUs, consisting of 97,622 video, 227,802 broadband and 227,802 voice RGUs. The total value of the transaction amounts to Ps.4,713 million.

Sky

Background. We operate "Sky", our DTH satellite venture in Mexico, Central America and the Dominican Republic, through Innova. We indirectly own 58.7% of this venture. The remaining 41.3% of Innova is owned by DIRECTV. For a description of capital contributions and loans we have made to Innova, see "Operating and Financial Review and Prospects — Results of Operations — Liquidity, Foreign Exchange and Capital Resources — Capital Expenditures, Acquisitions and Investments, Distributions and Other Sources of Liquidity".

Innova's Social Part Holders Agreement provides that neither we nor News Corp. nor DIRECTV may directly or indirectly operate or acquire an interest in any business that operates a DTH satellite system in Mexico, Central America and the Dominican Republic (subject to limited exceptions).

As of December 31, 2017, 2018 and 2019, Innova's DTH satellite pay-TV service had 8,002,526, 7,637,040 and 7,429,351 gross active video subscribers, respectively. Innova primarily attributes its success to its superior programming content, its exclusive transmission of the largest coverage sporting events such as soccer tournaments and special events, its high quality customer service and its nationwide distribution network with approximately 864 points of sale. In addition to the above, Innova also attributes its success to VeTV, our low-end package in Mexico. Sky continues to offer the highest quality and exclusive content in the Mexican pay-TV industry. Its programming packages combine our over-the-air channels with other exclusive content.

During 2019, Sky offered exclusive content, which included certain Mexican Soccer League matches and most of the Spanish Soccer League, La Liga and La Copa del Rey, the English Premier League, the Carabao Cup, the NFL Sunday Ticket, MLB Extra Innings, the NHL, bullfighting, World Equestrian Games, marathons, Diamond League, coverage of the Mexican Baseball League (LMB), UEFA Nations League and FIFA tournaments in Central America and some exclusive matches in Mexico, qualifying and friendly matches of the Brazilian national team, as well as special coverage of Grand Slam tennis tournaments. In addition to new programming contracts, Sky continues to operate under arrangements with a number of third party programming providers to provide additional channels to its subscribers. Sky also has arrangements with the major programming studios and sports federations.

In 2019, the Sky HD Package comprised 161 channels, as well as nine additional channels for pay-per-view. We expect to continue broadening our HD offering in the coming years for which we may need additional transponder capacity.

As of December 31, 2019, the standard definition programming packages monthly fees for residential subscribers, net of a prompt payment discount if the subscriber pays within 12 days of the billing date, are the following: Basic Ps.159, Fun Ps.319, Fox+ Ps.494, HBO Ps.489, Universe Ps.724 and monthly fees for high definition programming packages are: Gold Ps.219, Platinum Ps.309 and Black Ps.704. Monthly fees for each programming package do not reflect a monthly rental fee in the amount of Ps.184 for standard definition, Ps.204 for Gold and Ps.234 for Platinum and Black packages for the decoder necessary to receive the service (or Ps.160 for standard definition, Ps.180 for Gold and Ps.220 for Platinum and Black packages if the subscriber pays within 12 days of the billing date) and a one-time activation fee which depends on the number of decoders and payment method. The monthly fees with respect to our prepaid programming package are the following: VeTV Ps.104, VeTV PLUS Ps.154 and the monthly rental fee for the decoder necessary to receive the service is Ps.105.

Sky devotes nine pay-per-view channels to family entertainment and movies and four channels are devoted to adult entertainment. In addition, Sky assigns 15 extra channels exclusively for special events, known as Sky Events, which include concerts and sports. Sky provides some Sky Events at no additional cost while it sells others on a pay-per-view basis.

The installation fee is based on the number of set up boxes and the method of payment chosen by the subscriber. The monthly cost consists of a programming fee plus a rental fee for each additional box.

In 2018, Sky launched Fixed Wireless Broadband services under the brand name Blue Telecomm. Sky offers five or ten mega single-play broadband services as well as video-broadband bundles. These services are limited to certain areas in Mexico. Sky closed 2019 with 386,114 broadband customers.

Programming. We are a major source of programming content for our DTH venture and have granted our DTH venture DTH satellite service broadcast rights to most of our existing and future program services (including pay-per-view services on DTH), subject to some pre-existing third party agreements and other exceptions and conditions. Through its relationships with us and DIRECTV, we expect that the DTH satellite service in Mexico will be able to continue to negotiate favorable terms for programming both with third parties in Mexico and with international suppliers from the United States, Europe and Latin America.

Content

Television Industry in Mexico

General. There are 18 television stations operating in Mexico City and approximately 584 other television stations elsewhere in Mexico. Most of the stations outside of Mexico City rebroadcast programming originating from the Mexico City stations. We own and operate four of the 18 television stations in Mexico City, Channels 2, 4, 5 and 9. Some of these stations are affiliated with 212 repeater stations and 20 local stations outside of Mexico City. See "— Programming — Television Networks". Our major competitor, TV Azteca, owns and operates Channels 7 and 1 (formerly 13) in Mexico City, which we believe are affiliated with 177 stations outside of Mexico City. Likewise, TV Azteca owns the concession for Channel 40, or ADN 40, an ultra-high radioelectric frequency, or UHF, channel that broadcasts throughout the Mexico City metropolitan area, Grupo Imagen owns the concession for Channel 27 or Excelsior and Channel 29 or Cadena 3 or Imagen Television, and Multimedios owns a concession for virtual channel 6.1. in Mexico City. The Mexican government currently operates seven stations in Mexico City, Channel 11 (IPN), which has 12 repeater stations, Channel 21, Channel 22, Channel 20 (TVUNAM), Channel 34, Channel 45 (Congress), Channel 30, an anchor station of Sistema Público de Radiodifusión del Estado Mexicano, which, we believe, has 25 repeater stations outside Mexico City, 25 stations (State Governments), and eight other university stations. There are 44 local television stations affiliated with Imagen Television, outside of Mexico City. There are also 37 independent stations which are unaffiliated with any other stations, 14 stations of Multimedios and 11 stations of Telsusa outside of Mexico City. See "— Programming — Television Networks".

We estimate that approximately 31.3 million Mexican households have television sets, representing approximately 93.1% of all households in Mexico as of December 31, 2019. We believe that approximately 97.6% of all households in Mexico City and the surrounding area have television sets.

Programming

Programming We Produce. We produce a significant part of the Spanish-language television programming in the world. In 2017, 2018 and 2019, we produced approximately 87,900 hours, 83,712 hours and 88,370 hours respectively, of programming for broadcast on our network stations; including programming produced by our local stations, which represented 58.2%, 64.1% and 66.3% of our total hours produced in the same years, respectively. Programming and videos for broadcast on our pay-TV channels, through our cable operations and DTH satellite ventures, represented 29.1%, 22.1% and 20.6% of our total hours produced in 2017, 2018 and 2019, respectively.

We produce a variety of programs, including dramas, newscasts, situation comedies, game shows, reality shows, children's programs, comedy and variety programs, musical and cultural events, movies and educational programming. Our dramas are broadcast either dubbed or subtitled in a variety of languages throughout the world.

Our programming also includes broadcasts of special events and sports events in Mexico promoted by us and others. Among the sports events that we broadcast are soccer games and professional wrestling matches. See "— Other Businesses — Sports and Show Business Promotions". In 2017, we broadcast FIFA Confederations Cup Russia 2017, Beach Soccer World Cup Bahamas 2017, CONCACAF Gold Cup 2017, FIFA World Cup Under 17 India 2017 and FIFA U-20 World Cup Korea Republic 2017. In 2018, we broadcast the FIFA World Cup Russia 2018, the FIFA Women's World Cup Under 20 France 2018 and the FIFA Women's World Cup Under 17 Uruguay 2018. In 2019, we broadcast the FIFA Women's World Cup 2019, the FIFA U-20 World Cup 2019, the FIFA U-17 World Cup 2019 Draw, FIFA The Best Football Awards 2019, the FIFA U-17 World Cup 2019, the FIFA Beach Soccer World Cup 2019, the CONCACAF Gold Cup 2019, the CONMEBOL Copa America 2019 and the XVIII Pan American Games Lima 2019. We have secured the rights to broadcast the FIFA World Cup Qatar 2022 and the Canada, Mexico and USA 2026 World Cup and 2030 FIFA World Cup for Mexico and other territories in Latin America. In October 2019, we secured from the International Olympic Committee ("IOC") the broadcasting rights for the Olympic Games to be held in Tokyo originally scheduled for July 2020. However, due to the ongoing COVID-19 global pandemic, the IOC decided to postpone the games to a later date, tentatively July 2021.

Our programming is produced primarily at our 32 studios in Mexico City. We also operate 23 fully equipped remote control units (*OB Vans*). Some of our local television stations also produce their own programming. These local stations operate 46 studios and 34 fully equipped remote control units. See " — Local Affiliates".

Foreign-Produced Programming. We license and broadcast television programs produced by third parties outside Mexico. Most of this foreign programming is from the United States and includes television series, movies and sports events, including coverage of Major League Baseball games and National Football League games. Foreign-produced programming represented approximately 35.6%, 28.7% and 30.9% of the programming broadcast on our four television networks in 2017, 2018 and 2019, respectively. A substantial majority of the foreign-produced programming aired on our networks was dubbed into Spanish and was aired on Channel 5, with the remaining aired on Channel 9.

Talent Promotion. We operate Centro de Educación Artística, a school in Mexico City, to develop and train actors. We provide instruction free of charge, and a substantial number of the actors appearing on our programs have attended the school. We also promote writers and directors through a writers' school as well as various contests and scholarships.

Television Networks. We operate three television networks that can be viewed throughout parts of Mexico depending on the schedules and programming on our affiliated television stations through Channels 2, 5 and 9 in Mexico City. The following table indicates the total number of operating television stations in Mexico affiliated with each of our three networks, as well as the total number of local affiliates, as of December 31, 2019.

	Wholly Owned Mexico City Anchor Stations	Wholly Owned Affiliates	Majority Owned Affiliates	Minority Owned Affiliates	Independent Affiliates	Total Stations
Channel 2	1	124	2	—	1	128
Channel 5	1	62	—	—	2	65
Channel 9	1	16	—	—	5	22
Subtotal	3	202	2	—	8	215
Local (Stations) Affiliates	—	17	—	1	2	20
Total	3	219	2	1	10	235

Channel 2 Network. Channel 2, which is known as "*Las Estrellas*", or "The Stars", together with its affiliated stations, is the leading television network in Mexico and the leading Spanish-language television network in the world, as measured by the size of the audience capable of receiving its signal. Channel 2's programming is broadcast 24 hours a day, seven days a week, on 128 television stations located throughout parts of Mexico. The affiliate stations generally retransmit the programming and advertising transmitted to them by Channel 2 without interruption. Such stations are referred to as "repeater" stations. We estimate that the Channel 2 Network reaches approximately 30.7 million households, representing 98% of the households with television sets in Mexico. The Channel 2 Network accounted for a majority of our national television advertising sales in each of 2017, 2018 and 2019.

The Channel 2 Network targets the average Spanish-speaking family as its audience. Its programs include dramas, news, entertainment, comedy and variety programs, movies, game shows, reality shows and sports. The dramas make up the bulk of the prime time lineup and consist of romantic dramas that unfold over the course of 70 to 120 half-hour episodes. Substantially all of Channel 2's programming is aired on a first-run basis and much of it is produced by us.

Channel 5 Network. In addition to its anchor station, Channel 5 is affiliated with 64 repeater stations located throughout parts of Mexico. We estimate that the Channel 5 Network reaches approximately 28.1 million households, representing approximately 89.8% of households with television sets in Mexico. We believe that Channel 5 offers the best option to reach the 18-34 year old demographic, and we have extended its reach into this key group by offering new content. Channel 5 offers a combination of reality shows, national and international soccer, sitcoms, dramas, movies, cartoons and other children's programming. The majority of Channel 5's programs are produced outside of Mexico, primarily in the United States. Most of these programs are produced in English.

Channel 9 Network. In addition to its anchor station, Channel 9 is affiliated with 21 repeater stations, approximately 45% of which are located in central Mexico. We estimate that Channel 9 reaches approximately 18.9 million households, representing approximately 60.5% of households with television sets in Mexico.

The Channel 9 Network targets viewers 30 years and older. Its programs include movies, sports, sitcoms, game shows, dramas produced by third parties, news, an entertainment newscast and re-runs of popular programs from Channel 2.

Channel 4. Channel 4 broadcasts in the Mexico City metropolitan area and to some other areas of the country through a network of repeater stations, and according to our estimates, reached over 22.8 million households in Mexico in 2019. As described above, as part of our plan to attract medium-sized and local Mexico City advertisers and some of the areas covered by the repeater stations, we focused the reach of this network throughout Mexico and revised the format of Channel 4 to create ForoTV in an effort to target viewers in those areas. We currently sell local advertising time on ForoTV to medium-sized and local advertisers at rates comparable to those charged for advertising on local, non-television media, such as radio, newspapers and billboards. However, by purchasing local advertising time on ForoTV, medium-sized and local advertisers are able to reach a wider audience than they would reach through local, non-television media.

ForoTV targets young adults between 30 and 40 years old, and adults more than 55 years old. Its programs consist primarily of journalist content, news, and round table programs in which the participants analyze the national and international news.

Local Affiliates. There are currently 20 local television stations affiliated with our networks, of which 17 stations are wholly owned, one station is minority owned and two stations are independent affiliated stations. These stations receive part of their programming from Channels 4 and 9. See "— Channel 4". The remaining programs aired consist primarily of programs licensed from our program library and locally produced programs. The locally produced programs include news, game shows, musicals and other cultural programs and programs offering professional advice. In 2017, 2018 and 2019, the local television stations owned by us produced 51,100 hours, 53,600 hours and 58,600 hours, respectively, of programming. Each of the local affiliates maintains its own sales department and sells advertising time during broadcasts of programs that it produces and/or licenses. Generally, we pay the affiliate stations that we do not wholly own a fixed percentage of advertising sales for network affiliation.

Network Subscription. We produce or license a suite of Spanish and English-language television channels for pay-TV systems in Mexico, Latin America, the Caribbean, Europe, the United States, Canada, Africa and Australia. These channels include programming such as general entertainment, dramas, movies, news and music-related shows, interviews and videos. Some of the programming included in these channels is produced by us while other programming is acquired or commissioned from third parties. We commercialize 25 pay-TV brands through over 74 domestic and international feeds, which reach over 46 million subscribers worldwide, averaging six networks per subscriber.

In 2017, 2018 and 2019, we produced approximately 25,500 hours, 18,500 hours and 18,100 hours, respectively, of programming and videos, for broadcast on our pay-TV channels. The names and brands of our standard definition channels include: *Telehit*, *Telehit Urbano (formerly RMS)*, *Bandamax*, *De Película*, *TLN (Portugues), Unicable*, *Golden*, *Golden Edge*, *Golden Latinoamérica*, *TLNovelas*, *BitMe (formerly Tiin), Estrellas Latinoamérica*, *Estrellas Delay-2hrs*, *Estrellas Delay-1hr*, *Distrito Comedia*, *Adrenalina Sports Network (formerly Fighting Sports Network, FSN), TUDN (formerly TDN), and Unicable Internacional (formerly UTDN)*. The brands of our high definition channels include: *Golden HD*, *Telehit HD, TUDN HD (formerly TDN HD), De Película HD, Unicable HD, Golden Premier HD, Foro TV HD*.

Licensing and Syndication. We license our programs and our rights to programs produced by other television broadcasters and pay-TV providers in the United States, Canada, Latin America, Asia, Europe and Africa. We collect licensing fees based on the size of the market for which the license is granted or on a percentage of the advertising sales generated from the programming. In addition to the programming licensed to Univision, we licensed 85,098 hours, 83,563 hours and 84,565 hours of programming in 2017, 2018 and 2019, respectively. See "Business Overview — Univision" and "Operating and Financial Review and Prospects — Results of Operations — Total Segment Results — Content". As of December 31, 2019, we had 275,508 half-hours of television programming in our library available for licensing.

Expansion of Programming Reach. Our programs can be seen in the United States, Canada, Latin America, Asia, Europe, Africa and Australia. We intend to continue to expand our sales of Spanish-language programming internationally through pay-TV services.

Televisa Digital. Televisa Digital is Mexico's leading creator of premium video content. The digital division consists of a collection of world-class online properties that deliver compelling content to diverse audiences across a network of websites, applications, OTT services, and third-party platforms. With our flagship site, Televisa.com, and the digital extensions of household brands such as Las Estrellas, Televisa News, Televisa Sports, Canal 5 and Televisa Networks, Televisa Digital is the hub for Mexico's most popular TV shows, live coverage, and premium original content. With unparalleled insights into audience behaviors and preferences across platforms, Televisa Digital is uniquely positioned to offer brand advertisers a premium advertising experience with content they trust.

In addition to its suite of owned and operated properties, Televisa has a massive following on social media with over 200 social accounts, combined followers of more than 150 million, and double-digit growth in video views. Televisa has cultivated strong alliances with Facebook, Google, and most recently Amazon with the development of premium content series and innovative product partnerships that reach new and niche audiences. With the ability to tailor ads based on a user's demographics, interests and/or viewing behavior, Televisa offers a brand-safe environment where advertisers can reach their target audience at scale.

We have license agreements to distribute Telemundo's original content on digital platforms in Mexico. As part of the agreements, Telemundo provides us with original content, including its highly popular dramas currently broadcast on our Channel 9 and on all of our digital platforms. The agreements complement and are part of the strategic alliance to distribute Telemundo's original content in Mexico across multiple platforms, including broadcast television, pay-TV and emerging digital platforms.

Televisa Digital has emerged as a top player in the advertising industry by offering its clients a curated slate of products ranging from traditional digital inventory to advanced programmatic solutions, targeted audience buying, TV extension video strategies, social media amplification and custom branded content development.

OTT Platform. In January 2014, we launched an over-the-top platform under the brand "VEO", which in February 2016 was relaunched as "blim" and recently renamed "blim tv". Blim tv is fully operated by Televisa, S.A. de C.V. and it provides a Subscription Video-On-Demand ("SVOD") service and TV Everywhere in Mexico, with an extensive catalogue of domestic and foreign entertainment (including a library of original productions, movies, series, documentaries, programs, dramas and children's content; and recently carrying 31 linear channels) and has been positioned as an important Spanish-language premium content provider in Mexico. Blim tv is accessible through a growing number of internet connected electronic devices. Blim tv service can be purchased on a monthly basis through recurring payment with credit card, debit card, prepaid gift cards and codes, payment aggregators, packaged subscriptions through carrier and MSO billing and direct billing with other third parties' app stores. Blim tv is currently the third largest SVOD service provider in Mexico.

Advertising Sales Plan. Our sales force is organized into separate teams, each of which focuses on groups of clients, in order to provide multi-platform offers that include free-to-air television, pay television, local stations and digital services. In 2018, we began billing our clients on a cost-per-rating-point basis rather than on a fixed pricing scheme. Most of our sales were made through "Modular 2.0" or "packages" that have a pre-determined allocation through national channels and dayparts through which we optimize the use of our inventory while committing to deliver certain amounts of gross rating points. The majority of our sales were made through these mechanisms. We sell commercial time in two ways: upfront and on a scatter basis. Advertisers that elect the upfront option lock in prices on a cost-per-rating-point basis for most of our commercial inventory for the upcoming year, regardless of future price changes. Advertisers that choose the upfront option make annual prepayments, with cash or short-term notes, and are charged lower rates than those charged on a scatter basis for their commercial time, given the highest priority in schedule placement, and given a first option in advertising during special programs. Scatter advertisers, or advertisers who choose not to make upfront payments but rather advertise from time to time, risk both higher prices and limited access to choose commercial time slots. Under our cost-per-rating-point approach, all advertisers are billed based on actual gross rating points delivered. For 2018, we had successfully migrated most of our sales to a pricing mechanism based on ratings. For a description of our advertising sales plan, see "Operating and Financial Review and Prospects — Results of Operations — Total Segment Results — Content — Advertising Rates and Sales".

This strategy remained unchanged in 2019.

In 2020, we began billing our clients on a cost-per-thousand-basis, rather than a cost-per-rating-point basis, while keeping the Modular 2.0 Strategy. We also changed the closing period for the upfront option to 2020, from the end of 2019, as in previous years. As a result, we have not yet completed all negotiations.

We currently sell a significant portion of our available television advertising time. We use the remaining portion of our television advertising time primarily to satisfy our legal obligation to the Mexican government to provide up to 18 minutes per day of our broadcast time between 6:00 a.m. and midnight for public service announcements and 30 minutes per day for public programming (referred to in this annual report as Official Television Broadcast Time), and our remaining available television advertising time to promote, among other things, our products. See "Regulation — Television — Mexican Television Regulations — Government Broadcast Time". We sold approximately 35%, 46% and 55% of total available national advertising time on our networks during prime time broadcasts in 2017, 2018 and 2019, respectively, and approximately 29%, 38% and 49% of total available national advertising time during all time periods in 2017, 2018 and 2019, respectively. See "Operating and Financial Review and Prospects — Results of Operations — Total Segment Results — Content".

Other Businesses

Publishing. Notwithstanding the challenges facing the publishing industry, we believe we have maintained our position as the most important publisher and distributor of magazines in Mexico and of Spanish-language magazines in the world, as measured by circulation.

With a total circulation of approximately 31.5 million copies in 2019, we publish 60 titles that are distributed in 7 countries, including the United States, Mexico, Colombia, Chile, Argentina, Peru and Panama, among others. See "— Publishing Distribution". Our main publications in Mexico include *TV y Novelas*, a weekly entertainment and dramas magazine; *Vanidades*, a popular bi-weekly magazine for women; and *Caras*, a monthly leading lifestyle and socialite magazine. Our other main publications in Latin America and the United States include *Vanidades* and *Caras* Colombia and Chile.

We publish the Spanish-language edition of several magazines, including *Cosmopolitan*, *Harper's Bazaar*, *Seventeen*, and *Esquire* through a joint venture with Hearst Communications, Inc.; *Men's Health, Women's Health* and *Runner's World*, pursuant to a license agreement with Rodale, Inc.; *Marie Claire*, pursuant to a license agreement with Marie Claire Album; *Sport Life* and *Automóvil Panamericano*, as well as other special editions of popular automotive magazines, through a licensing agreement with Motorpress Ibérica, S.A.; *Muy Interesante* and *Padres e Hijos* pursuant to a joint venture with Zinet Media Global, S.L. We also publish a Spanish-language edition of *National Geographic* and *National Geographic Traveler* in Latin America and in the United States through a licensing agreement with National Geographic Partners, LLC. In addition, we publish several comics pursuant to license agreements with Marvel Brands LLC., Mediatoon Licensing, Kodansha Ltd. and DC Comics.

Our digital advertising revenue increased from 16% of the total advertising revenue of the publishing business in 2018 to 18% in 2019.

Publishing Distribution. We estimate that we distribute more than 50%, in terms of volume, of the magazines circulated in Mexico through our subsidiary, Distribuidora Intermex, S.A. de C.V., or Intermex. We believe that our distribution network, including independent distributors, reaches over 270 million Spanish-speaking people in approximately 7 countries, including the United States, Mexico, Colombia, Chile, Costa Rica, Puerto Rico and Panama. We also estimate that such distribution network reaches more than 18,500 points of sale in Mexico. Our publications are also sold in the United States, the Caribbean and elsewhere through independent distributors. In Mexico, in 2017, 2018 and 2019, 58.6%, 62.0% and 66% respectively, of the publications distributed by our company were published by our Publishing division. In addition, our distribution network sells a number of publications published by joint ventures and independent publishers, as well as sticker albums, novelties and other consumer products.

Sports and Show Business Promotions. We actively promote a wide variety of sports events and cultural, musical and other entertainment productions in Mexico. Most of these events and productions are broadcast on our television stations, cable television system and DTH satellite services, as well as in Radiópolis' radio stations. See " Our Operations — Programming", "Our Operations — Cable — Digital Cable Television Services", "Our Operations — Held-for-Sale Operations — Radio Stations" and "Our Operations — Sky".

Soccer. We own Club de Fútbol América S.A. de C.V., or Club América, which currently plays in the Mexican First Division and is one of the most popular and successful soccer teams in Mexico. In the Mexican First Division, each team plays two tournaments of 17 games per regular annual season. The best teams of each regular season engage in post-season championship play.

We own the Azteca Stadium, which has hosted two World Cup Inaugurations and Final Games (1970 and 1986). In 2016, the Azteca Stadium underwent major renovations, adding new premier zones (suites and club seats). The stadium currently has a total seating capacity of approximately 84,500 fans. The Azteca Stadium hosts the home games of Club América as well as the qualifying matches of the Mexican National Team. Also since the second half of 2018, the Azteca Stadium became host for the home games of the soccer team known as Cruz Azul, which also participates in the first division of the Professional Mexican Soccer League. In addition, the Azteca Stadium has been confirmed by FIFA to host soccer matches during the 2026 World Cup, which will be held in Canada, Mexico and the United States of America.

National Football League. The Company entered into a contract with the National Football League, or the NFL, to host one regular season game each year beginning in 2016 through 2018. Due to field conditions, the 2018 NFL game was relocated to Los Angeles and postponed. It took place in 2019. The parties agreed for the stadium to host two regular season games in Mexico City during the 2020 and 2021 seasons, subject to certain conditions being met.

Promotions. We promote a wide variety of concerts and other shows, including beauty pageants, song festivals and shows of popular Mexican and international artists.

Feature Film Production and Distribution. We produce and co-produce first-run Spanish- and English-language feature films, some of which are among Mexico's top films based on box office receipts.

We distribute our films to movie theaters in Mexico, the United States and Latin America, and later release them for broadcast on video on demand, cable and network television; some of those films have been partially financed by us and are among the highest grossing Mexican films in Mexico, such as *No Manches Frida, Hazlo Como Hombre, 3 Idiotas, La Boda De Valentina, No Manches Frida 2, Mirreyes vs Godinez* and the Spanish language film that broke audience and box office records in Mexico and the United States during its release year, *Instructions Not Included*, which became the second highest film in Mexico in terms of number of viewers. We distribute feature films produced by non-Mexican producers in Mexico. In 2017, 2018, 2019 and up to February 10, 2020, we distributed 20, 22, 13 and two feature films, respectively, including several U.S. box office hits.

At December 31, 2019, we owned or had rights to 456 Spanish-language theatrical films, 169 theatrical films in other languages, 25 Spanish-language video titles and 27 video titles in other languages. Many of these films and titles have been shown on our television networks, cable system, DTH and subscription video on demand services.

Gaming Business. In 2006, we launched our gaming business, which consists of casinos and an online gaming site. As of December 31, 2019, we had 18 casinos in operation, under the brand name "PlayCity". In accordance with our permit, we may continue to open casinos. In 2017, we launched our online sports betting site. The casinos and our online sports betting site are operated under the Gaming Permit obtained from the Mexican Ministry of the Interior, to establish, among other things, up to 45 casinos and number draws throughout Mexico. During 2017, our management decided to begin an internal process to close Multijuegos, our lottery business, and in December 2017, we obtained an authorization from the Mexican Ministry of the Interior, to suspend such business operations.

Held-for-Sale Operations

Radio Stations. The radio business, Sistema Radiópolis, S.A. de C.V., or Radiópolis, which has been classified as a held-for-sale operation for accounting purposes, has been operated under a joint venture with Promotora de Informaciones, S.A., or Grupo Prisa, a leading Spanish communications group.

Radiópolis owns and operates 17 radio stations in Mexico, including three AM and three FM radio stations in Mexico City, three AM and two FM radio stations in Guadalajara, one AM/FM combo station in Monterrey, one FM radio station in Mexicali, one AM/FM combo station in San Luis Potosí, one FM radio station in Veracruz, one FM radio station in Ensenada and one FM radio station in Puerto Vallarta. The IFT authorized the migration to the FM band of one of the AM radio stations in Guadalajara. This station will begin its FM transmission in 2020, and, as a result, Radiópolis will operate two AM, two FM and one AM/FM combo stations in that city. Including owned and affiliated stations, Radiópolis has 89 stations. We estimate that Radiópolis' radio stations reach 23 states in Mexico. Radiópolis' programs aired through its radio stations network reach more than 50% of Mexico's population.

According to Investigadores Internacionales Asociados, S.C., or INRA, in 2017, 2018 and 2019, XEW-AM ranked, on average, fourteenth, twelfth and twelfth, respectively, among the 29 stations in the Mexico City metropolitan area AM market, XEQ-FM, ranked, on average, first, first and first respectively, among the 31 stations in the Mexico City metropolitan area FM market, and XEBA ranked, on average, second, second and first respectively, among the 32 stations in the Guadalajara City metropolitan FM market. INRA conducts daily door-to-door and automobiles interviews in the Mexico City metropolitan area to determine radio listeners' preferences. Outside Mexico City, INRA conducts periodic surveys.

Radiópolis' radio stations use various program formats, which target specific audiences and advertisers, and cross-promote the talent, content and programming of many of our other businesses, including television, sports and news. Radiópolis produces some of Mexico's top-rated radio formats, including W Radio (News-talk), W Deportes (Sports), Ke Buena (Mexican music) and Los 40 (Pop music). These radio stations are also broadcast through the internet.

The successful radio broadcasting in 2019 of the Juegos Panamericanos Lima 2019, Copa Oro, Copa América, FIFA U-17 World Cup, FIFA Women's World Cup, UEFA Champions League, Liga Mx, NFL Super Bowl LIII and MLB World Series placed Radiópolis among the highest rating sports-broadcasting radio stations in Mexico.

During the last five years, Radiópolis has organized 27 massive live musical events with leading artists, gathering an attendance of 84,396 people in aggregate for the last two events, which were performed at the Foro Sol in Mexico City. The events organized by Radiópolis have become among the most popular music-related events among the musical radio stations in Mexico.

Radiópolis sells both national and local advertising on its radio stations. Radiópolis' radio advertising sales force sells advertising time primarily on a scatter basis. See "— Our Operations — Programming — Advertising Sales Plan". In addition, Radiópolis uses some of its available radio advertising time to satisfy its legal obligation to the Mexican government to provide up to 35 minutes per day of our broadcast time, between 6:00 a.m. and midnight for public service announcements, and 30 minutes per day for official programming (referred to in this annual report as "Official Radio Broadcast Time").

On July 17, 2019, we entered into a stock purchase agreement with Corporativo Coral, S.A. de C.V. ("Coral"), by which we agreed to sell to Coral, subject to certain conditions, our 50% equity participation in Radiópolis. The conditions precedent subject to which the purchase and sale of the equity stake in Radiópolis was to become effective were satisfied (except for those conditions which were supposed to occur simultaneously with the initial payment of the purchase price) in August 2019 and the transfer of our equity participation in Radiópolis was consummated for legal and tax purposes.

Notwithstanding the above, Coral failed to make the initial payment of Ps.624 million on the closing date as agreed under the stock purchase agreement. Consequently, the Group initiated legal actions against Coral, as buyer, and Mr. Miguel Aleman Magnani, as guarantor, seeking payment of the purchase price under the stock purchase agreement and the corresponding contractual penalty.

On March 6, 2020, we entered into a settlement agreement with Coral, whereby we agreed to: (i) modify the payment terms of the purchase price under the stock purchase agreement, to allow for payment in several installments, and (ii) terminate all legal actions initiated by the Company against Coral and Mr. Aleman Magnani once all payment obligations under the stock purchase agreement and the settlement agreement are satisfied in full. As of today, Coral has paid to the Company an aggregate amount of Ps.603.4 million; and a final payment is expected to be paid by June 8, 2020. If Coral and/or the guarantor fail to make the final payment under the settlement agreement, such agreement and the termination and dismissal of legal actions agreed under the settlement agreement shall no longer be effective, and a contractual penalty will be enforceable.

Since August 2019 and until the purchase price is paid in full by Coral as required by the related stock purchase agreement, and the shares representing our equity interest in Radiópolis have been endorsed "in property" (*endoso en propiedad*) to Coral, our Radio business has been and will be classified as a held-for-sale operation for financial reporting purposes. Accordingly, we have classified the assets and related liabilities of our radio business as held-for-sale in our consolidated statement of financial position as of December 31, 2019, and our Radio operations were classified as held-for-sale operations in the segment information of our consolidated statements of income for the years ended December 31, 2019, 2018 and 2017. The radio operations were previously classified in the "Other Businesses" segment through the third quarter of 2019.

Investments

OCEN. We own a 40% stake in OCEN, a subsidiary of CIE, which owns all of the assets related to CIE's live entertainment business unit in Mexico. OCEN's business includes the production and promotion of a wide variety of live entertainment events such as concerts, theatrical, family and cultural events, as well as the operation of entertainment venues, the sale of entrance tickets (under an agreement with Ticketmaster Corporation), food, beverages and merchandising, and the booking and management of Latin artists. OCEN is ranked as the number three live show promoter in the world, according to Pollstar Magazine.

During 2017, 2018 and 2019, OCEN promoted 2,986, 3,109 and 3,490 events, respectively, and during 2019, it managed 13 entertainment venues in Mexico City, Guadalajara and Monterrey, providing an entertainment platform that established OCEN as one of the principal live entertainment companies in Mexico.

During 2019, 19.6 million entrance tickets were issued by OCEN's subsidiary Ticketmaster, compared to 21.8 million in 2018.

On July 24, 2019, we announced that Live Nation Entertainment, Inc. ("Live Nation") had agreed to purchase our unconsolidated 40% equity participation in OCEN. In consideration for the sale, we will receive Ps.5,206 million. We also received Ps.320 million in dividends on November 8, 2019. The regulatory approvals for the transaction have been obtained. However, the transaction is subject to the closing of the sale by Corporación Interamericana de Entretenimiento, S.A.B. de C.V. to Live Nation of a portion of its stake in OCEN, which is expected to take place during the first weeks of May 2020.

Imagina. We owned equity participations equivalent to 19.05% of the capital stock of Imagina Media Audiovisual S.L., or Imagina, one of the main providers of content and audiovisual services for the media and entertainment industry in Spain. On June 26, 2018, we closed on the sale of our 19.05% stake in Imagina. From the total proceeds paid to us of approximately U.S.$341.0 million, 11% was retained in escrow. In December 2018, approximately U.S.$18.2 million (approximately 43% of the relevant amount) was released from escrow, plus an additional U.S.$1.7 million that were paid to Imagina's controlling shareholders as part of the agreement. In 2019, an additional U.S.$12.1 million were released. By December 2019, approximately U.S.$6 million remained in escrow. The amount remaining in escrow will be released over time subject to customary terms and conditions under such escrow agreements.

Grupo de Telecomunicaciones de Alta Capacidad, S.A.P.I. de C.V. In March 2010, Telefónica, Editora Factum, S.A. de C.V., a wholly-owned subsidiary of the Company which was merged into CVQ in May 2015, and Megacable agreed to jointly participate, through a consortium known as Grupo de Telecomunicaciones de Alta Capacidad, S.A.P.I. de C.V. ("GTAC"), in the public bid for a pair of dark fiber wires held by the CFE (Comisión Federal de Electricidad). In June 2010, the SCT granted GTAC a favorable award in the bidding process for a 20 year contract for the lease of up to 19,457 kilometers of dark fiber-optic capacity, along with a corresponding concession, granted in July 2010, to operate a public telecommunications network using DWDM technology. In June 2010, one of our subsidiaries entered into a long-term credit facility agreement to provide financing to GTAC in an amount up to Ps.688.2 million. Under the terms of this agreement, principal and interest are payable at dates agreed by the parties, between 2013 and 2021. In addition, a subsidiary of the Company entered into supplementary long-term loans to provide additional financing to GTAC for an aggregate principal amount of Ps.813.2 million. By the end of 2019, GTAC had in operation 175 links and 153 nationwide nodes, and the services for customers grew to 2,440, of which 95% have a capacity of 10 Gbps. The overall capacity per link is approximately 3.2 Tbps (80 optical channels x 10, 40 and 100 Gbps each channel). In addition, GTAC maintains four of its own routes (1,839 kilometers), three third-party dark fiber IRU (2,326 kilometers) and local loops (518 kilometers). This fiber-optic network represents for us an alternative to access data transportation services, increasing competition in the Mexican telecommunications market and therefore improving the quality of the services offered. The fiber-optic network aims to increase broadband internet access for businesses as well as households in Mexico.

We have investments in several other businesses. See Notes 3 and 10 to our consolidated year-end financial statements.

Univision

We have a number of arrangements with Univision, the leading Spanish-language media company in the United States that owns and operates the following: Univision Network, which is among the most-watched Spanish-language television networks in the United States; UniMás Network; Univision Cable Networks, including Galavisión and TUDN; 65 local television stations and 58 radio stations in major Hispanic markets within the United States and Puerto Rico; Univision Now, a direct-to-consumer, on demand and live streaming subscription service; Univision.com, their flagship digital property; and Uforia, a music application featuring multimedia music content.

On December 20, 2010, Univision, we, UHI and other parties affiliated with the other investor groups that owned a majority of the shares of UHI (the "Univision Sponsor Group"), entered into various agreements and completed certain transactions previously announced in October 2010. As a result, in December 2010, we (1) made a cash investment of U.S.$1,255 million in UHI (formerly known as BMP), in exchange for an initial 5% equity stake in UHI, and U.S.$1,125 million aggregate principal amount of 1.5% Convertible Debentures of UHI due 2025 which were convertible at our option into additional shares then equivalent to an approximately 30% equity stake of UHI, subject to applicable laws and regulations in the United States and other conditions, (2) acquired an option to purchase at fair value certain additional equity in UHI, subject to applicable laws and regulations in the United States, and other terms and conditions, and (3) sold to Univision our 50% equity interest in TuTv, our previous joint venture with Univision engaged in satellite and cable pay-TV programming distribution in the United States, for an aggregate cash amount of U.S.$55 million. In connection with this investment, (1) we entered into an amended program license agreement, or PLA, with Univision, pursuant to which Univision has the exclusive right to broadcast certain Televisa content in the United States, (2) we entered into a new program license agreement with Univision, the Mexico License Agreement, or MLA, under which we have received the exclusive Spanish-language broadcast and digital rights to Univision's audiovisual programming (subject to certain exceptions) in Mexico during the term of the PLA, and (3) three designees of the Company joined Univision's then 20-member Board of Directors, which was later increased to four designees of the Company on Univision's expanded 22-member Board of Directors, on which there are currently 18 directors serving.

As part of our investment in Univision, we agreed, together with the Univision Sponsor Group, to certain incentive arrangements with Saban Capital Group that could result in the Company reducing its stake in Univision by approximately 3% (on a fully diluted basis) or paying an equivalent amount in cash.

Under the PLA, we granted Univision exclusive Spanish-language broadcast and digital rights to our audiovisual programming (subject to certain exceptions) in the United States and all territories and possessions of the United States, including Puerto Rico, which includes the right to use our online, network and pay-television programming on current and future Spanish-language television networks (with certain exceptions), including the Univision, UniMás and Galavision cable television networks, owned or controlled by Univision and current and future Univision Spanish-language online and interactive platforms (such as Univision Now, Univision.com and Video on Demand). Univision also has rights under the PLA to broadcast in the United States Mexican First Division soccer league games for which we own or control the United States rights, which began with select teams in 2011 and which expanded in 2015 to all teams to which we own or control United States rights. We have agreed to provide Univision with at least 8,531 hours of programming per year for the term of the PLA.

In connection with the December 20, 2010 transactions with Univision, we and Univision entered into the MLA, under which we have received the exclusive Spanish-language broadcast and digital rights to Univision's audiovisual programming (subject to certain exceptions) in Mexico during the term of the PLA.

We have an international program rights agreement, or IPRA, with Univision that previously required Univision to grant us and Venevision International Corporation, or Venevision, the right to broadcast outside the United States programs produced by Univision for broadcast on the Univision Network or the Galavision Network under this agreement. On December 20, 2010, we and Univision entered into an amendment to the IPRA pursuant to which, subject to the MLA and certain existing agreements with Venevision, our broadcast rights over certain Univision programs reverted back to Univision without affecting Venevision's rights under the IPRA. We have been informed that certain of Venevision's agreements with Univision have now been terminated and others have been amended. We also entered into an international sales agency agreement with Univision, pursuant to which Univision grants us the right to act as Univision's sales agent during the term of the MLA to sell or license worldwide outside the United States and Mexico Univision's Spanish-language programming, to the extent Univision makes such programming available in other territories and Univision owns or controls rights in these territories, and subject to limited exceptions.

In December 2011, we made an additional investment of U.S.$49.1 million in cash in common stock of UHI by which we increased our interest in UHI from 5% to 7.1%. In August 2012, we made an additional investment of U.S.$22.5 million in cash in common stock of UHI by which we increased our interest in UHI from 7.1% to 8.0%. On January 30, 2014, a group of institutional investors made a capital contribution to UHI. As a result of this transaction, our equity stake in UHI decreased from 8.0% to 7.8%. On July 15 2015, we exercised 267,532 warrants to increase our equity stake from 7.8% to 10% (as discussed further below).

On July 1, 2015, the Company, UHI and Univision, together with Univision's major shareholders, entered into a Memorandum of Understanding (the "MOU") and Univision and a subsidiary of the Company entered into an amendment to the existing PLA (the "PLA Amendment").

Under the PLA Amendment, the terms of the existing strategic relationship between Univision and the Company were amended, including as follows:

(i) Revised Royalty Computation—In exchange for Univision agreeing to make certain additional sources of revenue subject to the royalty, effective January 1, 2015 and through December 2017, the royalty rate on substantially all of Univision's Spanish-language media networks revenue was decreased to 11.84%, compared to 11.91% under the previous terms of the PLA. On January 1, 2018, the royalty rate increased from 11.84% to 16.13%, compared to 16.22% under the prior terms. Additionally, the Company will continue to receive an incremental 2% in royalty payments on such media networks' revenues above an increased revenue base of $1.66 billion, compared to the prior revenue base of $1.65 billion. Given that Univision was unable to secure the Broadcast rights in the United States for the World Cup, the royalty rate increased to 16.45% starting on June 1, 2018 and until the month prior to the next World Cup for which Univision is able to secure such rights, from 16.13%, compared to 16.54% under the previous terms of the PLA. With this second rate increase, the Company receives an incremental 2% in royalty payments above a reduced revenue base of $1.63 billion. The royalty base generally includes all Univision revenues from the exploitation or operation of its Spanish-language audiovisual platforms, sublicensing arrangements, licenses of content to network affiliates or multichannel video programming distributors, and Univision-branded online platforms, whether those revenues are derived on an advertising, subscription, distribution, interactive media, or transactional basis.

(ii) Term Extension— In March 2018, UHI announced that it had determined not to utilize the registration statement initially filed on July 2, 2015 for an initial public offering in the United States. Given that Univision did not complete a public offering of its common stock that resulted in net proceeds to Univision of a minimum agreed upon amount by July 1, 2019, and no change of control occurred, the PLA Amendment did not extend the term of the PLA from its current expiration date of the later of 2025 and 90 months after the Company voluntarily sells two-thirds of its equity interests in UHI, to the later of 2030 and 90 months after the Company voluntarily sells two-thirds of its equity interests in UHI. Univision's exclusive U.S. broadcast and digital rights (with limited exceptions) to the Company's programming including premium Spanish-language dramas, sports, sitcoms, reality series, new programming and feature films, remains substantially unchanged.

As consideration for the PLA Amendment, the MOU and other agreements entered into at the same time, Univision made a one-time payment of $4.5 million to the Company on July 6, 2015.

At the same time, the Company and Univision amended the MLA to conform to the PLA Amendment.

In addition, under the terms of the MOU, Univision, the Company and the major shareholders of Univision agreed to the following:

(i) Equity Capitalization Amendment — The equity capitalization of Univision would be adjusted to realign the economic and voting interest of the Company and Univision's other stockholders. As a result, the Company holds common stock that, upon an initial public offering of Univision, would have approximately 22% of the voting rights of Univision's common stock. The classes of Univision shares of common stock held by the Company would provide the right to designate a minimum number of directors to Univision's board of directors.

(ii) Conversion of Debentures — In July 2015, the Company exchanged $1.125 billion principal amount of Univision's convertible debentures into warrants that are exercisable for certain classes of UHI's common stock. In connection with the conversion, Univision made a one-time payment to the Company of $135.1 million on July 15, 2015 to induce the conversion. In July 2015, the Company exercised 267,532 warrants to increase its equity stake in UHI from 7.8% to 10%. On December 31, 2019, the Company held 4,590,953 warrants exercisable for shares of Univision.

Given that Univision did not complete a public offering of its common stock that resulted in net proceeds to Univision of the minimum agreed upon amount by July 1, 2019, and no change of control occurred, the MOU, including the equity capitalization amendment described above and Univision's obligations to file certain FCC applications may be terminated by any of the parties at any time. However, the PLA Amendment (other than the term extension) will not be affected by any such termination.

On February 24, 2020, the Univision Sponsor Group that collectively owned a majority of the shares of UHI, but not the Company, agreed to sell a majority of the shares of UHI to Searchlight Capital Partners, LP and ForgeLight LLC. Liberty Global plc, through its venture investment vehicle, has also agreed to acquire a small preferred equity interest in UHI. We will retain all our equity interests in UHI, and our commercial arrangements with UHI and Univision, including the PLA, MLA and IPRA, will remain in effect unchanged. As part of the terms of the sale, the 2015 MOU (but not the PLA Amendment) will be terminated and the incentive arrangements with Saban Capital Group will be unwound. We also expect to enter into a new governance arrangement with respect to UHI. The sale transaction is subject to a number of closing conditions including receipt of regulatory approvals, and there can be no assurance as to whether the sale will be completed or the timing of such completion.

FCC Matters

On January 3, 2017, the FCC (a) approved an increase in the authorized aggregate foreign ownership of Univision's issued and outstanding shares of common stock from 25% to 49%; and (b) authorized the Company to hold up to 40% of the voting interests and 49% of the equity interests of Univision. As a result of such authorization, the Company would be able to increase its current equity stake in Univision.

For additional information regarding our relationship with Univision, see Notes 9, 10, 14, 20 and 29 to our consolidated year-end financial statements.

Competition

We compete with various forms of media, entertainment and telecommunications companies in Mexico, both Mexican and non-Mexican. See "Key Information — Risk Factors — Risk Factors Related to Our Business — We Face Competition in Each of Our Markets That We Expect Will Intensify".

Cable

Cablevisión, Cablemás, TVI, Cablecom, Telecable and FTTH face intense competition from several media, internet, OTT, cable, pay-TV and telecommunications companies throughout Mexico.

The telecommunications industry in Mexico has become highly competitive. New technologies and technical innovations have been implemented in the telecommunications sector, resulting in a significant increase in competition. We believe that there is a strong correlation between the increase in competition and the adoption of new technologies.

Our cable operators face intense competition in the Internet services market and in the fixed telephony services market from several service providers such as Totalplay and other cable companies, but also importantly from the preponderant economic agent in the telecommunications sector, which holds a significant market share, as well as other competitors in fixed-mobile solutions.

Our cable operators also face tough competition from other cable companies and from other pay-TV operators such as Dish Mexico, Total Play, Megacable, Sky and other cable operator companies. Recently, competition in this market has increased due to the growth of IPTV or OTT providers such as Netflix, Claro Video and Prime Video (Amazon).

Our cable operators compete as well with other media with respect to advertising sales, including DTH, social media, outdoor advertising and publishing among others. The information technologies are changing and we expect will continue to change the consumption of advertising in the communications media.

Sky

Innova currently competes with, or expects to compete with, among others, cable television operators, MMDS systems, national broadcast networks (including our three free-to-air networks and Channel 4), regional and local broadcast stations, OTT content providers, internet video websites and other DTH concessions such as Dish Mexico, which as of the third quarter of 2019 had approximately 2.6 million subscribers, according to IFT. Currently, Dish Mexico offers not only low-priced packages, but also high-end products such as High Definition Packages. Innova also faces competition from: (a) unauthorized C-band and Ku-band television signals provided by third parties without authorization of the Mexican government; and (b) illegal streaming services that facilitate access to television channels and content through set up boxes and applications. Other competitors include radio, movie theaters, video rental stores, IPTV, video games and other entertainment sources. We also face significant competition from new entrants in pay-TV services as well as from the new public television networks. The consolidation in the entertainment and broadcast industries could further intensify competitive pressures. As the pay-TV market in Mexico matures, and as the offering of bundled services that include pay-TV, broadband and telephony increases, Innova expects to face competition from an increasing number of sources. Emerging technologies that provide new services to pay-TV customers as well as new competitors in the DTH field or cable, telecommunication and internet players entering into video services would require us to make significant capital expenditures in new technologies and additional transponder capacity.

In October 2008, Dish Mexico, a subsidiary of a U.S. based DTH company operating with certain arrangements with Telmex, started operations in Mexico through a DTH concession. Dish Mexico currently operates nationwide.

Content

Our television stations compete for advertising revenues and for the services of recognized talent and qualified personnel with other television stations (including the stations owned by TV Azteca and Imagen Television) in their markets, as well as with other advertising media, such as pay television networks, radio, newspapers, magazines, outdoor advertising, cable television and a multi-channel, multi-point distribution system, or MMDS, OTT content providers, internet websites and DTH satellite services. Our content also competes with other forms of entertainment and leisure time activities. We generally compete with 289 channels throughout Mexico, including the channels of our major competitor, TV Azteca, which owns and operates Channels 7 and 1 (formerly 13) in Mexico City, which we believe are affiliated with 177 stations outside of Mexico City. In addition, TV Azteca holds one concession title for Channel 40 or ADN 40.

In addition to the foregoing channels, there are additional operating channels in Mexico with which we also compete, including Channel 11, which has 12 repeater stations, and Channel 22, which has 25 repeater stations in Mexico, which are operated by the Mexican government, as well as Imagen Television that operates as a concession holder to broadcast on a national digital network. Our television stations are the leading television stations in their respective markets. See "— Our Operations — Programming — Television Networks".

We are a major supplier of Spanish-language programming in the United States and throughout the world. We face competition from other international producers of Spanish-language and English-language programming and other types of programming.

Other Businesses

Publishing

Each of our magazine publications competes for readership and advertising revenues with other magazines of a general character and with other forms of print and non-print media. Competition for advertising is based on circulation levels, reader demographics and advertising rates.

Feature Film Production and Distribution

Production and distribution of feature films is a highly competitive business in Mexico. The various producers compete for the services of recognized talent and for film rights to scripts and other literary property. We compete with other feature film producers, Mexican and non-Mexican, and distributors in the distribution of films in Mexico, the U.S. and in Latin America. See "— Other Businesses — Feature Film Production and Distribution". Our films also compete with other forms of entertainment and leisure time activities.

Gaming Business

Our principal competitors in the gaming industry are, with respect to casinos, Codere, Grupo Caliente, Grupo Cirsa, Grupo Logrand or Palacio de los Números. We also face competition from several illegal casino and bingo parlors throughout Mexico.

Held-for-Sale Operations

Radio

The radio broadcast business is highly competitive in Mexico as well. Radiópolis' radio stations, which are classified as a held-for-sale operation, as described in "— Our Operations — Held-for-Sale Operations," compete with other radio stations in their respective markets, as well as with other advertising media, such as television, newspapers, magazines and outdoor advertising. Among Radiópolis' principal competitors in the radio broadcast business are Grupo Radio Centro, S.A.B. de C.V., which owns or operates six radio stations in Mexico City, Grupo Acir, S.A. de C.V., which owns or operates six radio stations in Mexico City, and has a presence in 25 cities in Mexico, and NRM Comunicaciones, S.A. de C.V., which owns six radio stations in Mexico City. Competition for audience share in the radio broadcasting industry in Mexico occurs primarily in individual geographic markets. Radiópolis' radio stations are located in highly competitive areas.

Regulation

Our business, activities and investments are subject to various Mexican federal, state and local statutes, rules, regulations, policies and procedures, which are constantly subject to change and are affected by the actions of various Mexican federal, state and local governmental authorities. See "Key Information — Risk Factors — Risk Factors Related to Mexico — Imposition of Fines by Regulators and Other Authorities Could Adversely Affect Our Financial Condition and Results of Operations", "Key Information — Risk Factors — Risk Factors Related to Mexico — Existing Mexican Laws and Regulations or Changes Thereto or the Imposition of New Ones May Negatively Affect Our Operations and Revenue" and "Key Information — Risk Factors — Risk Factors Related to Mexico — The Reform and Addition of Various Provisions of the Mexican Constitution Related to Telecommunications, the LFTR, and Other Recent Actions of IFT May Significantly and Adversely Affect the Business, Results of Operations and Financial Results of Some of Our Business Segments". The material Mexican federal, state and local statutes, rules, regulations, policies and procedures to which our business, activities and investments are subject are summarized below. These summaries do not purport to be complete and should be read together with the full texts of the relevant statutes, rules, regulations, policies and procedures described therein.

Cable

Concessions. Cable television operators apply for a concession from IFT in order to operate their networks and provide cable television services and other multimedia communications services. Applications are submitted to IFT and, after a formal review process, a concession is granted for an initial term of up to 30 years. Cablevisión obtained a telecommunications concession, which expires in 2029; in 2019 such concession became an integrated sole concession. Pursuant to its public telecommunications concession, Cablevisión can provide any telecommunication services in Mexico, including cable television, limited audio transmission services, bidirectional internet access and unlimited data transmission services in Mexico City and surrounding areas in the State of Mexico (*Estado de México*). The scope of Cablevisión's integrated sole concession is much broader than the scope of its former public telecommunications concession, which covered certain telecommunications services in Mexico City and its metropolitan area.

Cablemás operates under 62 concessions, which cover 20 Mexican states. Through these concessions, Cablemás provides cable television services, internet access and bidirectional data transmission services. Cablemás provides local and long distance telephony services. Each concession granted by the SCT and/or IFT allows Cablemás to install and operate a public telecommunications network. The expiration dates for Cablemás' concessions range from 2023 to 2046. Cablemás holds a concession title that allows it to provide any telecommunications service all around Mexico.

TVI operates under seven concessions, which cover primarily six Mexican states. Through these concessions, TVI provides cable television services, bidirectional data transmission and internet and telephony services. Each concession granted by the SCT and/or IFT allows TVI to install and operate a public telecommunications network. The expiration dates for TVI's concessions range from 2025 to 2045. TVI holds a concession title that allows it to provide any telecommunications service all around Mexico.

Cablecom and its affiliates operate under 25 concessions, which cover 15 Mexican states. Through these concessions, Cablecom provides cable television services, bidirectional data transmission and internet and telephony services. Each concession granted by the SCT or IFT allows Cablecom to install and operate a public telecommunications network. The expiration dates for Cablecom's concessions range from 2025 to 2045. Cablecom holds two concession titles that allows it to provide any telecommunications service all around Mexico.

Telecable operates under 32 concessions, which cover 10 Mexican states. Through these concessions, Telecable provides cable television services, bidirectional data transmission and internet and telephony services. Each concession granted by the SCT or IFT allows Telecable to install and operate a public telecommunications network. The expiration dates for Telecable's concessions range from 2022 to 2040. Telecable holds a concession title that allows it to provide any telecommunications service all around Mexico.

FTTH operates under one concession, which covers six Mexican states. Through this concession, FTTH provides cable television services, bidirectional data transmission and internet and telephony services. This concession granted by IFT allows FTTH to install and operate a public telecommunications network. The expiration date for FTTH's concession is 2046. This concession title allows for the provision of any telecommunications service all around Mexico.

According to the LFTR, a public telecommunications concession may be renewed upon its expiration, or revoked or terminated prior to its expiration for a variety of circumstances, including:

- unauthorized interruption or termination of service;
- interference by the concessionaire with services provided by other operators;
- non-compliance with the terms and conditions of the public telecommunications concession (which has expressly established that failure to comply will result in the revocation of the concession);
- the concessionaire's refusal to interconnect with other operators;
- loss of the concessionaire's Mexican nationality;
- unauthorized assignment, transfer or encumbrance, in whole or in part, of the concession or any rights or assets;
- the liquidation or bankruptcy of the concessionaire; and
- ownership or control of the capital stock of the concessionaire by a foreign government.

In addition, IFT may establish under any public telecommunications concession further events which could result in revocation of the concession. Under current Mexican laws and regulations, upon the expiration or termination of a public telecommunications concession, the Mexican government has the right to purchase those assets of the concessionaire that are directly related to the concession, at market value.

Cable television operators are subject to the LFTR. Under current Mexican law, cable television operators are classified as public telecommunications networks, and must conduct their business in accordance with Mexican laws and regulations applicable to public telecommunications networks.

Under the applicable Mexican law, the Mexican government, through the SCT, may also temporarily seize or even expropriate all of a public telecommunications concessionaire's assets in the event of a natural disaster, war, significant public disturbance or threats to internal peace and for other reasons related to preserving public order or for economic reasons. The Mexican government is obligated by Mexican law to compensate the concessionaire, both for the value of the assets seized and related profits.

Supervision of Operations. IFT regularly inspects the operations of cable systems and cable television operators must file annual reports with IFT.

Under Mexican law, programming broadcast on cable networks is not subject to judicial or administrative censorship. However, this programming is subject to various regulations, including prohibitions on foul language, programming which is against good manners and customs or programming which is against the national security or against public order.

Mexican law also requires cable television operators to broadcast programming that promotes Mexican culture, although cable television operators are not required to broadcast a specified amount of this type of programming.

In addition to broadcasting programming that promotes Mexican culture, Mexican law also requires cable television operators to carry all air broadcast channels and *Señales de Instituciones Públicas Federales* or Public Federal Institutions Channels provided by the Mexican government according to the applicable regulations.

Restrictions on Advertising. Mexican law restricts the type of advertising that may be broadcast on cable television. These restrictions are similar to those applicable to advertising broadcast on over-the-air Channels 2, 4, 5 and 9. See "— Regulation — Television — Mexican Television Regulations — Restrictions on Advertising".

Forfeiture of Assets. Under Mexican regulations, at the end of the term of a public telecommunications concession, assets of concessionaires may be purchased by the Mexican government at market value.

Non-Mexican Ownership of Public Telecommunications Networks

Under current Mexican law, non-Mexicans may currently own up to 49%, subject to reciprocity by the relevant foreign country, of the outstanding voting stock of Mexican companies with a broadcast television or radio concession. However, non-Mexicans may currently own up to all of the outstanding voting stock of Mexican companies with a public telecommunications concession to provide cellular telephone, fixed-line telephone, pay-TV and data services.

Application of Existing Regulatory Framework to Internet Access and IP Telephony Services

Cablevisión, TVI, Cablecom, Telecable Cablemás and FTTH may be required, under Mexican law, to permit other concessionaires to connect their network to its network in a manner that enables its customers to choose the network by which the services are carried.

To the extent that a cable television operator has any available capacity on its network, as a public telecommunications network, Mexican law requires the operator to offer third party providers access to its network. Our cable operators currently do not have any capacity available on their networks to offer to third party providers and do not expect that they will have capacity available in the future given the broad range of services they plan to provide over their networks.

Satellite Communications

Mexican Regulation of DTH Satellite Services. Under LFTR, concessions to broadcast DTH satellite services are for an initial term of up to 30 years, and are renewable for up to 30 years. We received a 30-year concession to operate DTH satellite services in Mexico utilizing SatMex satellites in May 1996. In November 2018, such concession transitioned into a unique concession which authorizes Sky to render the following services: DTH Pay TV; Private Satellite Link Services; and Fixed Telephony and Internet Access.

In November 2000, we received an additional 20-year concession to operate our DTH satellite service in Mexico using the IS-9 satellite system, a foreign-owned satellite system. Our use of the IS-16, IS-21 and SM-1 satellites has been authorized by the competent Mexican authorities.

Like a public telecommunications network concession, a DTH concession may be revoked or terminated by IFT prior to the end of its term in certain circumstances, which for a DTH concession include:

- The failure to use the concession within 180 days after it was granted;
- A declaration of bankruptcy of the concessionaire;
- Failure to comply with the obligations or conditions specified in the concession;
- Unlawful assignments of, or encumbrances on, the concession; or
- Failure to pay to the government the required fees.

At the termination of a concession, the Mexican government has the preemptive right to acquire the assets of a DTH satellite service concessionaire. In the event of a natural disaster, war, significant public disturbance or for reasons of public need or interest, the Mexican government may temporarily seize and expropriate all assets related to a concession, but must compensate the concessionaire for such seizure. The Mexican government may collect fees based on DTH satellite service revenues of a satellite concessionaire.

Under the LFTR, DTH satellite service concessionaires may freely set customer fees but must notify IFT of the amount, except that if a concessionaire has substantial market power, IFT may determine fees that may be charged by such concessionaire. The LFTR specifically prohibits cross-subsidies.

There is currently no limitation on the level of non-Mexican ownership of voting equity of DTH satellite system concessionaires.

Regulation of DTH Satellite Services in Other Countries. Our current and proposed DTH ventures in other countries are and will be governed by laws, regulations and other restrictions of such countries, as well as treaties that such countries have entered into, regulating the delivery of communications signals to, or the uplink of signals from, such countries. In addition, the laws of some other countries establish restrictions on our ownership interest in some of these DTH ventures as well as restrictions on programming that may be broadcast by these DTH ventures.

Television

Mexican Television Regulations

Concessions. The LFTR regulates, on a convergent basis, the use and exploitation of the radio-electric spectrum, and the telecommunications networks, as well as the rendering of broadcasting, cable, satellite pay-TV and telecommunications services.

Concessions for the commercial use of spectrum are granted through public bid processes. Such concessions are granted for a fixed term, subject to renewal in accordance with LFTR. Renewal of concessions for the use of spectrum require, among others: (i) to request such renewal to IFT in the year prior to the last fifth period of the fixed term of the related concession; (ii) to be in compliance with the concession holder's obligations under the LFTR, other applicable regulations, and the concession title; (iii) a declaration by IFT that there is no public interest in recovering the spectrum granted under the related concession; and (iv) the acceptance by the concession holder of any new conditions for renewing the concession as set forth by IFT, including the payment of a related fee. To our knowledge, no spectrum granted for broadcasting services in Mexico has been recovered by the Mexican government in the past several years for public interest reasons, however, the Company is unable to predict any future action by IFT.

Pursuant to the Telecommunications and Broadcasting Federal Law, concessionaires will now only have one integrated sole concession to provide telecommunication and broadcasting services. Integrated sole concessions will be granted for a term of up to 30 years with the possibility to renew them, for the same term originally granted. Renewal of integrated sole concessions require, among others: (i) to request its renewal to IFT within the year prior to the last fifth period of the fixed term of the related concession; (ii) to be in compliance with the concession holder's obligations under the LFTR, other applicable regulations, and the concession title; and (iii) the acceptance by the concession holder of any new conditions for renewing the concession as set forth by IFT. IFT shall resolve any request for renewal of the telecommunications concessions within 180 business days of its request. Failure by IFT to respond within such period of time shall be interpreted as if the request for renewal has been granted.

In May 2018, applications for the renewal of the Group´s 70 broadcasting concessions (comprising 225 TV stations), were timely filed under the LFTR and the terms set on the concessions, and as part of the renewal process, the Company regrouped its concessions to create (i) three concessionaires, each one specialized on broadcasting the National TV Networks of Las Estrellas, Canal 5 and Canal Nu9ve, respectively, and (ii) three concessionaires specialized on local TV content.

On November 6, 2018, IFT notified the Company the grant of the renewal of its concessions, the new conditions under which they will operate, as well as the relevant fee to be paid for such renewals.

On November 26, 2018, the Company timely accepted the new conditions for the renewal of the concessions and performed the payment of the relevant fee for a total amount of Ps.5,753 million, as a consequence, the IFT delivered to the Company (i) 23 concessions for the use of spectrum that comprise the Company 225 TV stations, for a term of 20 years, starting in January 2022, and ending in January 2042, and (ii) six concessions that grant the authorization to provide digital broadcasting television services of such 225 TV stations, for a term of 30 years, starting in January 2022 and ending in January 2052.

On March 7, 2014, IFT published in the Official Gazette of the Federation an invitation to a public auction for the concession for the two new National Digital Networks. The invitation provided that the concessions for the National Digital Networks would be granted for a term of 20 years for the operation of stations with, among other characteristics, mandatory geographic coverage in 123 locations corresponding to 246 channels within the Mexican territory.

The Company was prevented from participating as a bidder in the 2014 public auction. See "Key Information — Risk Factors Related to Mexico — The Reform and Addition of Various Provisions of the Mexican Constitution Related to Telecommunications, the LFTR, and Other Recent Actions of IFT May Significantly and Adversely Affect the Business, Results of Operations and Financial Results of Some of Our Business Segments" and "Key Information — Risk Factors Related to Our Business — The Operation of Our Business May Be Adversely Affected if the Mexican Government Does Not Renew or Revokes Our Broadcast or Other Concessions". In March 2015, IFT issued its ruling announcing Grupo Radio Centro and Imagen Television as winning bidders for two free to air broadcasting licenses with separate national coverage. Imagen Television has completed the process and received its license. However, since Grupo Radio Centro failed to pay the amount they bid for their free to air broadcasting license, the IFT's ruling announcing them as a winning bidder was declared null and void and they will not receive the license. As a result, the auction of the portion of the spectrum that was going to be assigned to Grupo Radio Centro took place during 2017. The new bid was for 148 channels for Digital Terrestrial Television, including at least 123 channels that were not allocated in the IFT-1 bidding process for the two national digital broadcast television networks. At the end of the process, offers were received for 32 channels located in 29 different coverage areas, located in 17 States and covering about 45 percent of the country's total population. The bidding process concluded in December 2017 with the issuance of the corresponding concession titles in favor of Compañía Periodística Sudcalifornia, S.A. de C.V., Comunicación 2000, S.A. de C.V., Francisco de Jesús Aguirre Gómez, Intermedia de Chihuahua, S.A. de C.V., José Guadalupe Manuel Trejo García, Multimedios Televisión, S.A. de C.V., Quiero Media, S.A. de C.V., Radio Comunicación Gamar, S.A. de C.V., Radio Operadora Pegasso, S.A. de C.V., Radio-Televisión de Nayarit, S.A. de C.V., Tele Saltillo, S.A. de C.V., Televisión Digital, S.A. de C.V. and Telsusa Televisión México, S.A. de C.V. See "Key Information — Risk Factors — Risk Factors Related to Mexico — The Reform and Addition of Various Provisions of the Mexican Constitution Related to Telecommunications, the LFTR, and Other Recent Actions of IFT May Significantly and Adversely Affect the Business, Results of Operations and Financial Results of Some of Our Business Segments".

None of our over-the-air television concessions has ever been revoked or otherwise terminated and, except for an immaterial concession to transmit an UHF restricted television service which expired in November 2010, all of our concessions have been renewed. See "Information on the Company — Business Overview — Regulation — Cable — Concessions".

We believe that we have operated our television concessions substantially in compliance with their terms and applicable Mexican law. If a concession is revoked or terminated, the concessionaire could be required to forfeit to the Mexican government all of its assets or the Mexican government could have the right to purchase all the concessionaire's assets. In our case, the assets of our licensee subsidiaries generally consist of transmitting facilities and antennas. See "Key Information — Risk Factors — Risk Factors Related to Our Business — The Operation of Our Business May Be Adversely Affected if the Mexican Government Does Not Renew or Revokes Our Broadcast or Other Concessions".

As a result of the Telecom Reform, certain provisions of the LFTR and Guidelines related to the distribution of more than one channel of programming on the same transmission channel, or multiplexing, were passed. Such provisions optimize the use of the spectrum; for example, where the 6MHz spectrum was used entirely to broadcast only one channel of programming analog standard, now based on new technologies, more than one channel of programming digital standard on the same transmission channel can be broadcast. The Company, as a Preponderant Economic Agent has a restrictive obligation related to multiplexing. The IFT shall not authorize the Preponderant Economic Agent to broadcast channels in excess of 50% of the total channels authorized to other broadcasters in the same geographic coverage. The IFT has granted 89 multiplexing authorizations to the Company: 35 authorizations for multiplexing the Channel 5 Network, 27 authorizations for multiplexing the Channel *Nu9ve Network*, one authorization for multiplexing the Channel 2 Network, 23 authorizations for multiplexing Channel *Foro TV Network* and three authorizations for multiplexing the Channel CV Shopping. Further filings for new authorizations are still under evaluation.

Supervision of Operations. To ensure that broadcasting is performed in accordance with the provisions established in the concession title, the LFTR and Guidelines, IFT is entitled to monitor compliance by exercising powers of supervision and verification: for example, the IFT can perform technical inspections of the television stations and the concessionaire must file annual reports with IFT.

On August 21, 2018, the Mexican Ministry of Interior published in the Official Gazette of the Federation an amendment to the regulations of broadcast television and pay-TV programming guidelines that provides for different age classifications for programming (the "Programming Guidelines Amendment"), which became effective on August 22, 2018, substituting in full force and effect the previous amendment published on February 15, 2017. The Programming Guidelines Amendment for broadcast television is as follows: (i) programs classified "D" extreme and adult only may broadcast after midnight to 5:00 am; (ii) programs classified "C" not suitable for people under the age of 18 may broadcast only after 9:00 p.m. to 5:59 am; (iii) programs classified "B15" for teenagers over 15 years old may be broadcast only after 7:00 p.m. to 5:59 am; (iv) programs classified "B" for teenagers may be broadcast only after 4:00 p.m. to 5:59 am; and (v) programs classified "A" and "AA" suitable for all age groups may be broadcast at any time. The same age classifications apply for pay-TV programming and the age classifications must be shown to the audience, but there are no applicable broadcasting time limitations.

Content for Children and Teenagers. The LFTR includes new criteria for programming addressed for children and teenagers. Each concessionaire is also required to transmit each day, free of charge, up to 30 minutes of programming promoting cultural, educational, family counseling and other social matters, using programming provided by the Mexican government. Historically, the Mexican government has not used a significant portion of this time.

Restrictions on Advertising. Mexican law regulates the type and content of advertising broadcast on television. In order to prevent the transmission of misleading advertising, without affecting freedom of expression and dissemination, the broadcasting of advertisements presented as journalistic news or information is prohibited. Under current law, advertisements of alcoholic beverages (other than beer and wine) may be broadcast only after 9:00 p.m. and advertisements for tobacco products are prohibited. Advertising for alcoholic beverages must not be excessive and must be combined with general promotions of nutrition and general hygiene. Health Law Guidelines were published in the Official Gazette of the Federation on April 15, 2014 and became effective on July 7, 2014, for the advertisement of the following products: snacks, flavored drinks, candies, chocolates, or foods similar to chocolates and became effective for the remaining products on January 1, 2015. See "Key Information — Risk Factors — Risk Factors Related to Mexico — The Amendment to the Regulations of the General Health Law on Advertising Could Materially Affect Our Business, Results of Operations and Financial Condition". Moreover, the Mexican government must approve any advertisement of lotteries and other sweepstakes games.

TV advertisement will not take up more than 18% of the broadcast time on any day in TV. However, this percentage can be increased by an additional 2% when at least 20% of the content programmed is national production. Another 5% of advertisement time can be added when at least 20% of the content programmed is independent national production. There are no restrictions on maximum rates. See "Key Information — Risk Factors — Risk Factors Related to Mexico — Existing Mexican Laws and Regulations or Changes Thereto or the Imposition of New Ones May Negatively Affect Our Operations and Revenue", "— The Amendment to the Regulations of the General Health Law on Advertising Could Materially Affect Our Business, Results of Operations and Financial Situation" and "— The Reform and Addition of Various Provisions of the Mexican Constitution Related to Telecommunications, the LFTR, and Other Recent Actions of IFT May Significantly and Adversely Affect the Business, Results of Operations and Financial Results of Some of Our Business Segments".

Additional Rights for Audiences. Among others, the LFTR imposes new obligations on concessionaires. On November 29, 2016, IFT issued the Guidelines for the Defense of the Audiences, which were published on December 21, 2016, in the Federal Official Gazette. These guidelines and some related provisions of the LFTR were constitutionally challenged by the Executive Branch and the Senate particularly for concerns that they restrict freedom of speech. These procedures were dismissed by the Supreme Court of Justice by the entry into force of the reform of the LFTR published in the Official Gazette on October 31, 2017. The amendment to the LFTR includes among other things: (i) restricts the power of the IFT to regulate a large portion of the provisions established by the Guidelines for the Defense of the Audience; (ii) increases the ability of all broadcasting and telecommunications concessionaries to self-regulate themselves by granting them the ability to regulate their programming content and the way in which they decide to respect and promote the rights of the audiences through their code of ethics without being subject to IFT's approval; (iii) removes the obligation to make sure that, when broadcasting news, the reporting of factual material is clearly distinguished from commentaries and personal analysis; and (iv) makes clear that the appointment of an Ombudsman is not subject to special specifications and procedures set by IFT. As a result, the legal provisions that are contrary to this amendment were repealed.

Government Broadcast Time. Radio and television stations have to provide to the Mexican government up to 18 minutes per day of the television broadcast time and 35 minutes per day of the radio broadcast time between 6:00 a.m. and midnight, in each case distributed in an equitable and proportionate manner. Any time not used by the Mexican government on any day is forfeited. Generally, the Mexican government uses all or substantially all of the broadcast time available to it under this tax.

In April 2020, the President of Mexico issued a decree amending the rules on government broadcast time starting on May 2020. For the periods where no electoral pre-campaigns and campaigns are in place, radio and television stations will have to provide to the Mexican government up to 11 minutes per day of television broadcast time and 21 minutes per day of radio broadcast time between 6:00 am and midnight, in each case distributed in a proportionate manner. Another significant difference is that under the terms of the prior rules the unused minutes by the government were forfeited and could be used by the broadcasters, while in the new Decree, the Secretaría de Gobernación, or Mexican Ministry of Interior, may reassign the unused minutes for the use by the Mexican government for an indefinite term.

Foreign Ownership. Non-Mexican ownership of shares of Mexican enterprises is restricted in some economic sectors, including broadcast television, and radio. As a result of the Telecom Reform, the participation of foreign investors can be up to 49% in free to air radio and television, subject to reciprocity requirements, and up to 100% in telecommunications services and satellite communications. Such amendments are reflected in the LFTR and Mexico's Ley de Inversión Extranjera, or Foreign Investment Law, and the Reglamento de la Ley de Inversión Extranjera y del Registro Nacional de Inversiones Extranjeras, or the Regulation of the Foreign Investment Law and the Foreign Investment National Registry. See "— Satellite Communications — Mexican Regulation of DTH Satellite Services".

Mexican Gaming Regulations

Pursuant to Mexico's *Ley Federal de Juegos y Sorteos*, or Federal Law of Games and Draws, or Gaming Law, and its accompanying regulations, the *Reglamento de la Ley Federal de Juegos y Sorteos*, or Gaming Regulations, the Mexican Ministry of the Interior has the authority to permit the operation of games and lotteries that involve betting. This administrative authorization is defined as a permit under the Gaming Regulations. Under the Gaming Regulations, each permit establishes the terms and conditions for the operation of the respective activities authorized under the permit and the specific periods for operation of those activities. Permits for games and lotteries that involve betting have a maximum term of 25 years. The holder of the relevant permit must comply with all the terms provided in the permit, the Gaming Law and the Gaming Regulations. We were granted a Gaming Permit on May 25, 2005, which expires on May 24, 2030.

Radio

The regulations applicable to the operation of radio stations in Mexico are identical in all material respects to those applicable to television stations. The expiration dates of Radiópolis' radio concessions range from 2020 to 2039 and the expiration dates of our integrated sole concessions range from 2020 to 2046. The concession for the radio station in the city of Mexicali will expire in 2020. A renewal application was timely filed, but is still pending as certain related matters of the applicable regulations are being reviewed by the corresponding authorities. See "Our Operations — Held-for-Sale Operations — Radio Stations" and "Key Information — Risk Factors — Risk Factors Related to Our Business — The Operation of Our Business May Be Adversely Affected if the Mexican Government Does Not Renew or Revokes Our Broadcast or Other Concessions".

In February 2017, Radiópolis participated in Bid No. IFT-4 to obtain the concession of new FM radio stations, and IFT awarded two stations in the cities of Ensenada and Puerto Vallarta. These two stations began operations in 2019.

In August 2017, IFT authorized the migration of two of our AM radio stations operating in Monterrey and Guadalajara to the FM band. The radio station in Monterrey began operations in the new band in 2019.

Mexican Antitrust Law

The Federal Antitrust Law became effective on July 7, 2014. It should be noted that IFT is entitled to review antitrust matters related to the telecommunications and broadcasting sectors, while the COFECE is in charge of all other antitrust matters. IFT or COFECE must authorize mergers and acquisitions before they take place. In addition, one of the thresholds was modified to only apply to sales or assets of economic agents in Mexico and not worldwide economic agents.

The Antitrust Law provides that the following reportable transactions, among others, are exempt from being reviewed by IFT or COFECE:

(i) Corporate restructurings.

(ii) Transactions where the acquirer has control over the target from its incorporation or from the date the last reported transaction was approved by IFT or COFECE.

(iii) Trusts in which the trustor contributes assets without intending to transfer, or causing the actual transfer of, assets to another company that is not part of the corporate structure of the trustor.

(iv) Transactions that have effect in Mexico involving non-Mexican participants, if the participants will not take control of Mexican legal entities, or acquire assets in Mexico, in addition to those previously controlled or owned by such participants.

(v) When the acquirer is a Brokerage House, whose operation involves the acquisition of stock, obligations, securities or assets, in order to place them among the investing public, except when the Brokerage House obtains a significant influence in the decisions of the company.

(vi) Acquisitions of equity securities (or convertible securities) through stock markets that represent less than 10% of such securities, and the acquirer is not entitled to: (w) appoint board members; (x) control a shareholders meeting decision; (y) vote more than 10% of voting rights of the issuer; or (z) direct or influence the management, operation, strategy or principal policies of the issuer.

(vii) When the acquisition of stock, assets, obligations or securities is made by one or more investment funds with speculative purposes that have no investments in companies or assets that participate or are occupied in the same relevant market of the acquired company.

According to transitory Article 9 of the LFTR, as long as there is a Preponderant Economic Agent in the telecommunications and broadcasting sectors, in order to promote competition and develop viable competitors in the future, it is not required to obtain IFT approval of mergers and acquisitions carried out by concession holders when the following requirements are met:

(a) The transaction reduces the Dominance Index in the sector and the Hirschman-Herfindahl Index does not increase by more than 200 points.

(b) As a result of the transaction, the economic agent involved has a sector share percentage of less than 20%.

(c) The Preponderant Economic Agent of the sector in which the transaction is taking place is not involved in the transaction.

(d) The transaction does not effectively diminish, harm or hinder the free competition and concurrency in the applicable sector.

Notwithstanding the above, concession holders involved in the transaction shall inform IFT of the transaction within ten days following the completion of the transaction and IFT will then have 90 calendar days to investigate the transaction and in case it determines the existence of substantial market power in the relevant market, it may impose the necessary measures to protect and encourage free competition and concurrency in such market.

As part of our expansion of our cable business, on December 17, 2018, we acquired FTTH under the provisions set forth in transitory Article 9 of LFTR. On May 8, 2019, the IFT launched an investigation in order to analyze if, as a result of the transaction, the Company acquired substantial market power in the pay television and audio services market. On September 4, 2019, the IFT Investigative Authority issued a preliminary opinion, whereby it assessed that there were elements to determine that GTV had substantial power in 35 relevant markets of the telecommunications networks that provide restricted television and audio services. Those 35 relevant markets comprise the following States: Aguascalientes, Chihuahua, Ciudad de México, Estado de México, Jalisco, Nuevo León and San Luis Potosí. As a response to the preliminary opinion, GTV presented its position and provided evidence to prove that the Company does not hold substantial power in the relevant markets established in the preliminary opinion. The final resolution is still pending. Therefore, we are unable to predict the outcome of this proceeding. If the Governing Board of the IFT determines the existence of agents with substantial power in the restricted television and audio services market, the IFT may conduct a new procedure in order to establish the specific obligations of such agents in accordance with the LFTR. We may take legal action against both final decisions, including the measures, conditions, terms and restrictive covenants with which agents with substantial power shall comply; however, there can be no assurance that the outcome of such actions will be favorable to us.

Other relevant provisions provided in the Antitrust Law, are the following:

a) Granting the *Autoridad Investigadora*, or Prosecutor Authority, authority to investigate the commission of monopolistic practices, forbidden mergers, barriers to competition, essential facilities or substantial market power.

b) Enhancement of the legal power of the authorities for conducting its investigations (such as requesting written evidence and testimonies and performing verification visits).

c) Significantly increased monetary fines for the commission of illegal conduct.

d) IFT or COFECE, as applicable, may determine the existence of essential facilities when the following conditions are met: (i) one or several economic agents with substantial market power control a good; (ii) the reproduction of such good by other economic agents is unviable, now or in the future, due to technical, legal or economic reasons; (iii) the good is indispensable for the provision of other goods or services in other markets and does not have close substitutes.

e) IFT or COFECE, as applicable, may determine the existence of barriers to competition and free markets, when an element is found that either: (i) hinders the access of new entrants; (ii) limits competition; or (iii) hinders or distorts competition and the free market process.

f) The resolutions issued by IFT or COFECE, as applicable, can only be challenged by an *amparo* claim, which will be ruled by the Antitrust, Telecommunications and Broadcasting federal courts, without any judicial stay that can suspend the execution of the resolution.

The above mentioned provisions may significantly and adversely affect our business, results of operations and financial condition.

Mexican Electoral Amendment

In 2007, the Mexican Federal Congress published an amendment to the Mexican Constitution (referred to in this annual report as the 2007 Constitutional Amendment), pursuant to which, among other things, the *Instituto Federal Electoral*, or the Federal Electoral Institute, or IFE, has the exclusive right to manage and use the Official Television Broadcast Time and the Official Radio Broadcast Time (jointly referred to in this annual report as Official Broadcast Time). In February 2014, the Mexican Federal Congress approved a Constitutional amendment creating the *Instituto Nacional Electoral*, or the National Electoral Institute, or INE, which replaced the IFE. The INE has the same functions and capabilities as the former IFE and regulates the services of radio and television in the same manner, except that the INE has a relevant participation in the electoral campaigns in federal, state and local procedures by distributing the Official Broadcast Time among the political parties. For a description of the Official Broadcast Time, see "Information on the Company — Business Overview — Our Operations — Programming — Advertising Sales Plan" and "Information on the Company — Business Overview — Our Operations — Held-for-Sale Operations — Radio Stations". The INE has the exclusive right to use the Official Broadcast Time for its own purposes and for the use of political parties in Mexico (as provided in the Mexican Constitution) for self-promotion and, when applicable, to promote their electoral campaigns during election day, pre-campaign and campaign periods.

The INE and the political parties must comply with certain requirements included in the 2007 Constitutional Amendment for the use of Official Broadcast Time. During federal electoral periods, the INE will be granted, per the 2007 Constitutional Amendment, 48 minutes per day in each radio station and television channel, to be used during pre-campaign periods in two and up to three minutes per broadcast hour in each radio station and television channel, of which all the political parties will be jointly entitled to use one minute per broadcast hour. During campaign periods, at least 85% of the 48 minutes per day, shall be allocated among the political parties, and the remaining 15% may be used by the INE for its own purposes. During non-electoral periods, the INE will be assigned with up to 12% of the Official Broadcast Time, half of which shall be allocated among the political parties. In the event that local elections are held simultaneously with federal elections, the broadcast time granted to the INE shall be used for the federal and the local elections. During any other local electoral periods, the allocation of broadcast time will be made pursuant to the criteria established by the 2007 Constitutional Amendment and as such criteria are reflected in applicable law.

In addition to the foregoing, pursuant to the 2007 Constitutional Amendment political parties are forbidden to purchase or acquire advertising time directly or through third parties, from radio or television stations; likewise, third parties shall not acquire advertising time from radio or television stations for the broadcasting of advertisements which may influence the electoral preferences of Mexican citizens, nor in favor or against political parties or candidates to offices elected by popular vote.

Telecom Reform and Broadcasting Regulations

On June 12, 2013, the Telecom Reform came into force. The Telecom Reform, the LFTR and secondary regulations issued by the President and IFT, as applicable, and certain actions recently taken by IFT, an organization with constitutional autonomy responsible for overseeing the radio and television broadcasting industries and telecommunications, including all aspects of economic competition, affect or could significantly and adversely affect our business, results of operations and financial position. See "Key Information — Risk Factors — Risk Factors Related to Mexico — The Reform and Addition of Various Provisions of the Mexican Constitution Related to Telecommunications, the LFTR, and Other Recent Actions of IFT May Significantly and Adversely Affect the Business, Results of Operations and Financial Results of Some of Our Business Segments".

The Telecom Reform created two regulatory bodies that are independent from the executive branch of government: COFECE (which assumed the functions of the former Mexican Antitrust Commission, except in the areas of telecommunications and broadcasting (television and radio)) and IFT (which oversees the Mexican telecommunications and broadcasting (television and radio) industries, including all antitrust matters relating to those industries). In addition, specialized federal courts empowered to review all rulings, actions and omissions of these independent regulatory bodies were created. No stay or injunction will suspend any measure or action taken by these regulatory bodies. Therefore, subject to limited exceptions, until any decision, action or omission by these regulatory bodies is declared void by a competent court through a binding and final judgment, COFECE's or IFT's decision, action or omission will be valid and will have full force and legal effect.

IFT is empowered, among other things, to (i) oversee the Mexican telecommunications (including cable and satellite pay-TV) and broadcasting (television and radio) industries, including all antitrust matters related to these industries; (ii) set limits to national and regional frequencies that can be exploited by a concession holder, or to the cross-ownership of telecommunications, television or radio businesses that serve the same market or geographical zone that may include the divestment of certain assets to comply with such limits; (iii) issue asymmetric regulation; (iv) grant and revoke telecommunications, television and radio concessions; (v) approve any assignment or transfer of control of such concessions; (vi) revoke a concession for various reasons, including in the case of a breach by a concessionaire of a non-appealable decision confirming the existence of illegal antitrust conduct ("*practica monopólica*"); and (vii) determine the payment to be made to the government for the granting of concessions.

Concessions for the use of spectrum will only be granted through public bid processes. On March 7, 2014, IFT published in the Official Gazette of the Federation an invitation to a public auction for the concession for the two National Digital Networks which would be granted for a term of 20 years for the operation of stations with, among other characteristics, mandatory geographic coverage in 123 locations corresponding to 246 channels within the Mexican territory.

In March 2015, IFT issued its ruling announcing Grupo Radio Centro and Imagen Television as winning bidders for two free to air broadcasting licenses with separate national coverage. Imagen Television has completed the process and received its license. However, since Grupo Radio Centro failed to pay the amount they bid for their free to air broadcasting license, the IFT's ruling announcing them as a winning bidder was declared null and void and they will not receive the license. As a result, the auction of the portion of the spectrum that was going to be assigned to Grupo Radio Centro took place during 2017. The new bid was for 148 channels for Digital Terrestrial Television, including at least 123 channels that were not allocated in the IFT-1 bidding process for the two national digital broadcast television networks. At the end of the process, offers were received for 32 channels located in 29 different coverage areas, located in 17 States and covering about 45% of the country's total population. The bidding process concluded in December 2017 with the issuance of the corresponding concession titles in favor of Compañía Periodística Sudcaliforniana, S.A. de C.V., Comunicación 2000, S.A. de C.V., Francisco de Jesús Aguirre Gómez, Intermedia de Chihuahua, S.A. de C.V., José Guadalupe Manuel Trejo García, Multimedios Televisión, S.A. de C.V., Quiero Media, S.A. de C.V., Radio Comunicación Gamar, S.A. de C.V., Radio Operadora Pegasso, S.A. de C.V., Radio-Televisión de Nayarit, S.A. de C.V., Tele Saltillo, S.A. de C.V., Televisión Digital, S.A. de C.V. and Telsusa Televisión México, S.A. de C.V. See "Key Information — Risk Factors — Risk Factors Related to Mexico — The Reform and Addition of Various Provisions of the Mexican Constitution Related to Telecommunications, the LFTR, and Other Recent Actions of IFT May Significantly and Adversely Affect the Business, Results of Operations and Financial Results of Some of Our Business Segments."

Access to information and communication technologies, as well as broadcasting and telecommunications services (including broadband), is established as a constitutional right. The Telecom Reform further requires that such information be diverse and timely, and that any person may search, receive and disclose information and ideas of any kind through any media. Among other things, the LFTR contemplates the right of audiences to be able to receive content that reflects ideological pluralism, and to have the right to replicate the news.

The Telecom Reform permits 100% foreign ownership in satellite and telecommunications services and increases to up to 49% the level of permitted foreign ownership in television and radio services, subject to reciprocity of the originating foreign investment country.

As a result of the Telecom Reform and LFTR, starting on September 10, 2013, concessionaries of broadcast services have been required to permit pay-TV concessionaries to retransmit broadcast signals, free of charge and without discrimination, within the same geographic coverage area simultaneously and without modifications, including advertising, and with the same quality of the broadcast signal, except in certain specific cases provided in the Telecom Reform. Also, since September 10, 2013, our pay-TV licensees are required to retransmit broadcast signals of others, free of charge and on a non-discriminatory basis, subject to certain exceptions and additional requirements provided for in the Telecom Reform.

On February 27, 2014, the Guidelines were published in the Official Gazette of the Federation, which include, among other obligations, the obligation of concessionaries of broadcast television licenses to permit the retransmission of their broadcast signals and the obligation of pay-TV concessionaries to allow such retransmission (without requiring the prior consent of the broadcast television concessionaries) in the same geographic coverage zone for free (subject to certain exceptions) and in a non-discriminatory manner in its entirety, simultaneously and without modifications by the broadcasting concessionaire, including advertising, and with the same quality of the broadcast signal without requiring consent from the broadcast television concessionaries.

The Telecom Reform calls for the National Development Plan. The National Development Plan includes a program for installing broadband connections in public facilities, which would identify the number of sites to be connected per year to promote access to broadband in public buildings dedicated to investigation, health, education, social services and in other facilities owned by the government. See "Key Information — Risk Factors — Risk Factors Related to Mexico — The Reform and Addition of Various Provisions of the Mexican Constitution Related to Telecommunications, the LFTR, and Other Recent Actions of IFT May Significantly and Adversely Affect the Business, Results of Operations and Financial Results of Some of Our Business Segments".

The LFTR establishes a renewal procedure that would result in the granting of a renewal of an integrated sole concession (when involving radio-electric spectrum or orbital resources, a concession to exploit such spectrum is required) in order to provide telecommunications and broadcasting services. The integrated sole concession would be awarded for renewable 30 year terms. Renewal of integrated sole concessions require, among others: (i) to request its renewal to IFT within the year prior to the last fifth period of the fixed term of the related concession; (ii) to be in compliance with the concession holder's obligations under the LFTR, other applicable regulations, and the concession title; and (iii) the acceptance by the concession holder of any new conditions for renewing the concession as set forth by IFT. IFT shall resolve any request for renewal of the concessions within 180 business days of its request. Failure by IFT to respond within such period of time shall be interpreted as if the request for renewal has been granted.

The LFTR also contemplates that concession holders that operate a public network of telecommunications must: (i) abstain from charging long distance fees for calls made by users to any national destination; (ii) if there was no other concession holder providing similar services in a certain territory, the concession holder providing the service in such territory shall have to continue providing the services; and (iii) concession holders must adopt the open architecture designs for the network to guarantee the interconnection and interoperation of their network.

The LFTR establishes the maximum amount of time that a concession holder providing broadcasting services with commercial purposes can use for commercial advertising. The maximum amount of advertising time is set at 18% of the total broadcasting time for each television channel, and the maximum amount for radio stations shall not exceed 40% of the total broadcasting time for each channel (such percentages may be increased as described in "— Television — Mexican Television Regulations — Restrictions on Advertising").

The LFTR establishes that those concession holders providing broadcasting services shall offer broadcasting services and advertising spaces to any person or corporation that requires them on a non-discriminatory basis and on market terms granting the terms, packages, conditions, and rates in force at the time of the request. Additionally, the law provides that balance shall be maintained between advertising and programming. Advertising shall be subject to several rules, including the maximum time allowed for advertising (i.e. 18% of the total available time per channel in free to air television; 40% in radio; and six minutes per hour on pay-television and audio). However, in free to air television, the time allowed for advertising can be increased by an additional 2% when at least 20% of the content aired is national production. Another 5% of advertisement time can be added when at least 20% of the content aired is independent national production. There are no restrictions on maximum rates.

Significant Subsidiaries

The table below sets forth our significant subsidiaries as of December 31, 2019.

Name of Significant Subsidiary	Jurisdiction of Organization or Incorporation	Percentage Ownership[1]
Corporativo Vasco de Quiroga, S.A. de C.V. (CVQ)[3]	Mexico	100.0%
Cablemás subsidiaries [2] [4]	Mexico	100.0%
Telecable subsidiaries [2] [7]	Mexico	100.0%
Empresas Cablevisión, S.A.B. de C.V. [2] [5] [17]	Mexico	51.2%
Milar, S.A. de C.V.[2]	Mexico	51.2%
Cablevisión, S.A. de C.V.	Mexico	51.2%
Arretis S.A.P.I. de C.V.[2] [5]	Mexico	100.0%
TV Cable de Oriente, S.A. de C.V.[2]	Mexico	100.0%
FTTH de México, S.A. de C.V. [2] [5]	Mexico	100.0%
Sky DTH, S. de R.L. de C.V. [2] [9]	Mexico	100.0%
Innova Holdings, S. de R.L. de C.V. [2] [9]	Mexico	58.7%
Innova, S. de R.L. de C.V. (Innova)[10]	Mexico	58.7%
Televisión Internacional, S.A. de C.V. (TVI) [2] [5]	Mexico	100.0%
Editorial Televisa, S.A. de C.V.[2] [6] [8]	Mexico	100.0%
Grupo Distribuidoras Intermex, S.A. de C.V.[2] [6] [11]	Mexico	100.0%
Grupo Telesistema , S.A. de C.V. [12]	Mexico	100.0%
Grupo Bissagio, S.A. de C.V. [2]	Mexico	100.0%
Multimedia Telecom, S.A. de C.V. [13]	Mexico	100.0%
Villacezán, S.A. de C.V. [2] [6]	Mexico	100.0%
Televisa, S.A. de C.V.[14]	Mexico	100.0%
Televisión Independiente de México, S.A. de C.V.[2]	Mexico	100.0%
Sistema Radiópolis, S.A. de C.V.[2] [6] [15]	Mexico	50.0%
Controladora de Juegos y Sorteos de México, S.A. de C.V.[2] [6] [16]	Mexico	100.0%
Ulvik, S.A. de C.V.[2] [18]	Mexico	100.0%

(1) Percentage of equity owned by us directly or indirectly through subsidiaries.

(2) While each of these subsidiaries is not a significant subsidiary within the meaning of Rule 1-02(w) of Regulation S-X under the Securities Act, we have included these subsidiaries in the table above to provide a more complete description of our operations.

(3) Direct subsidiary through which we conduct the operations of our Cable segment and parent company of Innova.

(4) The Cablemás subsidiaries are directly or indirectly owned by CVQ.

(5) One of four indirect subsidiaries through which, together with the Cablemás and Telecable subsidiaries, we conduct the operations of our Cable segment.

(6) One of five subsidiaries through which we conduct the operations of our Other Businesses segment.

(7) The Telecable subsidiaries are directly owned by CVQ.

(8) Direct subsidiary through which we conduct the operations of our Publishing business.

(9) One of two subsidiaries through which we own our equity interest in Innova.

(10) Indirect subsidiary through which we conduct the operations of our Sky segment. We currently own a 58.7% interest in Innova.

(11) Direct subsidiary through which we conduct the operations of our Publishing Distribution business.

(12) Direct subsidiary through which we conduct the operations of our Content segment and certain operations of our Other Businesses segment.

(13) Indirect subsidiary through which we own 10% of the capital stock of UHI and maintain our investment in warrants that are exercisable for capital stock of UHI.

(14) Indirect subsidiary through which we conduct certain operations of our Content segment.

(15) Direct subsidiary through which operations of the radio business are conducted, which is classified as held for sale for financial reporting purposes beginning in the fourth quarter of 2019.

(16) Direct subsidiary through which we conduct the operations of our Gaming business.

(17) A direct majority-owned subsidiary of CVQ.

(18) Direct subsidiary through which we conduct certain operations of our Content segment and certain operations of our Other Businesses segments.

Property, Plant and Equipment

Broadcasting, Office and Production Facilities. Our properties consist primarily of broadcasting, production facilities, television and repeater stations, technical operations facilities, workshops, studios and office facilities, most of which are located in Mexico. We own most of our properties or lease offices and facilities through indirect wholly owned and majority owned subsidiaries. There are no major encumbrances on any of our properties and we currently do not have any significant plans to construct any new properties or expand or improve our existing properties. Our principal offices, which we own, are located in Santa Fe in Mexico City. Each of our television stations has individual transmission facilities located in Mexico, substantially all of which we own. Our television production operations are concentrated in four locations in Mexico City, 14 studios in San Angel, 12 studios located in Chapultepec, three studios in Santa Fe and one studio in Rojo Gomez. We own substantially all of these studios. The local television stations wholly or majority owned by us have in the aggregate 45 production studios. We own other properties used in connection with our operations, including a training center, technical operations facilities, studios, workshops, television and repeater stations, and office facilities. We beneficially own Azteca Stadium, which seats approximately 84,500 people, through a trust arrangement that was renewed in 1993 for a term of 30 years and that may be extended for additional periods. In the aggregate, these properties, excluding Azteca Stadium, currently represent approximately 6.2 million square feet of space, of which over 4.4 million square feet are located in Mexico City and the surrounding areas, and approximately 1.8 million square feet are located outside of Mexico City and the surrounding areas.

Our cable television, publishing and Mexican DTH satellite service businesses, as well as Radiópolis' radio business are located in Mexico City. Radiópolis also owns the transmission and production equipment and facilities of the radio stations located outside Mexico City.

We also own or lease over a total of 170,012 square feet in properties in the United States, Latin America, Spain and Switzerland in connection with our operations there. We own or lease all of these properties through indirect wholly owned and majority owned subsidiaries. The following table summarizes our real estate and lease agreements in the United States, Latin America, Spain and Switzerland.

Operations	Number of Properties	Location
Television and news activities		
Owned properties	1	San Diego, California(1)
Leased properties	2	Madrid, Spain(1)
		Zug, Switzerland(1)
Publishing activities		
Owned properties	3	Miami, Florida(1)
		Caracas, Venezuela (1)
		Bogota, Colombia(1)
Publishing distribution and other activities		
Leased properties	2	Lima, Peru (2)
DTH		San José, Costa Rica(1)
Leased properties	7	Guatemala(1)
		Nicaragua(1)
		Panama(1)
		San Salvador(1)
		Honduras(1)
		Dominicana(1)
Telephony		San Antonio, Texas(2)
Leased properties	6	Dallas, Texas(1)
		Laredo, Texas(1)
		McAllen, Texas(1)
		Mission, Texas (1)

Satellites. We currently use transponder capacity on ten satellites: Eutelsat 117 West A (formerly Satmex 8), which reaches Mexico, the United States, Latin America, and the Caribbean; Eutelsat 115 West A (formerly Satmex 5), which reaches Mexico, the United States and Latin America; Intelsat IS-11, replacement of PAS 3-R (renamed in February 2007 IS-3R), which started operations in July 2009 and reaches North America, Western Europe, Latin America and the Caribbean; Galaxy 16 (formerly Galaxy IVR), which reaches Mexico, the United States and Canada; Galaxy 19, which reaches Mexico, the United States and Canada; Intelsat IS-35e, replacement of IS-905, which reaches Western and Eastern Europe; SES-14 (formerly NSS-806), which reaches North America, Western Europe, Latin America and the Caribbean; IS-21, which reaches Central America, Mexico, the Southern United States and the Caribbean; IS-16, which reaches Central America, Mexico, the Southern United States and the Caribbean; and SM-1, which reaches Central America, Mexico, the Southern United States and the Caribbean. In March 2010, Sky reached an agreement with a subsidiary of Intelsat to lease 24 transponders on the Intelsat IS-21 satellite which is mainly used for signal reception and retransmission services over the satellite's estimated 15-year service life. IS-21 started service in the third quarter of 2012, replacing Intelsat IS-9 as Sky's primary transmission satellite. In April 2010, Intelsat released the IS-16 satellite, where Sky has an additional twelve transponders to deliver new DTH-HD channels and more DTH SD channels; this satellite is also a back-up satellite for our DTH venture operations. For a description of guarantees related to our DTH venture transponder obligations, see Note 14 to our consolidated year-end financial statements.

Since 1996, we have been working with PanAmSat (now Intelsat) as our satellites services provider, which provided to Televisa five Ku band transponders on Satellite PAS-3R, three of which were intended to be for DTH to Spain. We were required to pay an annual fee for each transponder of U.S. $3.1 million. Due to an exchange with three of five 54 Mhz ku Band transponders, until April 2, 2016, we had capacity on two 36 Mhz C band transponders on Galaxy 16.

In December 2005, we signed an extension with PanAmSat, for the use of three transponders on the PAS-3R satellite until 2009 and 2012 and two transponders on the Galaxy IVR (replaced by Galaxy 16) satellite until 2016. In October 2015, we signed a new contract with SES S.A. until June 2019 for the replacement of two transponders of Galaxy 16. The new contract included three transponders and a full service migration to the new satellite, AMC-9. On June 17, 2017, AMC-9 experienced a technical issue that impacted the satellite and thus, we entered into a new contract until June 30, 2022 to transition the full service of 147 Mhz to Intelsat's satellites, Galaxy 16 and Galaxy 19.

In February 2007, Intelsat renamed some of its satellite fleet acquired with its 2006 merger with PanAmSat: current names for PAS-9 and PAS-3R are IS-9 and IS-3R, respectively. Intelsat kept the name of Galaxy 16. In December 2007, Sky and Sky Brasil reached an agreement with Intelsat Corporation and Intelsat LLC to build and launch a new 24-transponder satellite, IS-16, for which service will be dedicated to Sky and Sky Brasil over the satellite's estimated 15-year life. The satellite was successfully launched in February 2010 and started operations in April 2010. In the third quarter of 2013, Sky entered into an agreement with DirecTV for the acquisition and launch of the SM-1 satellite, which was successfully launched in May 2015 and started operations on June 2015. See Note 12 to our consolidated year-end financial statements.

In August 2009, the contract on two remaining transponders of the IS-3R satellite expired (end of life of the satellite). We negotiated a new contract for the transponder on the IS-905 satellite until August 31, 2015, for the distribution of our content in Europe. In September 2015, the contract was renewed with Intelsat until August 2018. Migration from IS-905 to IS-35e took place from June to August 2018, and we renewed the contract with Intelsat from November 1, 2018 until October 31, 2021.

In February 2012, we renewed the contract with Satélites Mexicanos, S.A. de C.V., or Satmex, on Satmex 5 until January 31, 2015. In March 2014, Satélites Mexicanos, S.A. de C.V. was renamed Eutelsat Americas, as a part of Eutelsat Group. In February 2015, we renewed our contracts with Eutelsat Americas until January 2018, and also contracted for a new transponder on Eutelsat 117 West A from April 2015 until March 2018. In February and April 2018, we renewed our contracts with Eutelsat America until December 2022. In January 2019, we contracted for a new transponder on Eutelsat 117 West A from January 2019 until December 2021.

On October 31, 2012, the contract on one of the three transponders of the Galaxy 16 satellite expired. In November 2012, we entered into a new contract with SES, S.A., or SES, for a new transponder on the AMC-9 satellite until October 31, 2017, as a replacement of the previous one. In November 2015, this contract was extended until December 2018.

On November 15, 2016, we contracted a half transponder on SES NSS-806 until January 31, 2018. On September 5, 2018, SES NSS-806 was replaced with SES-14 and the contract was renewed with SES until January 31, 2019. On February 1, 2019, the contract with SES was renewed until January 31, 2020. In this renewal, the bandwidth was decreased from 18 MHz to 6 MHz. On February 1, 2020, the contract was renewed with SES until January 31, 2021. The bandwidth remained at 6 Mhz.

With several new domestic and international satellites having been launched recently, and with several others scheduled for launch in the next few years, including those scheduled for launch by Intelsat, Eutelsat Americas (formerly Satmex) and SES, we believe that we will be able to secure satellite capacity to meet our needs in the future, although no assurance can be given in this regard.

Insurance. We maintain comprehensive insurance coverage for our offices, equipment, transmission lines networks and other property for risks including fire, earthquake, flooding, storm, and other similar events and the resulting business interruption losses, subject to some limitations. In addition, we maintain a cyber-insurance policy that covers certain types of cyber-related losses. We do not maintain insurance for our DTH business in case of loss of satellite transmission. We cannot provide any assurance that our insurance coverage is sufficient to cover any losses that we may sustain, or that we will be able to successfully claim our losses under our insurance policies on a timely basis or at all. If we incur any loss not covered by our insurance policies, or the compensated amount is significantly less than our actual loss or is not timely paid, our business, financial condition and results of operations could be materially and adversely affected.

Item 5. Operating and Financial Review and Prospects.

You should read the following discussion together with our consolidated year-end financial statements and the accompanying notes, which appear elsewhere in this annual report. This annual report contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to these differences include, but are not limited to, those discussed below and elsewhere in this annual report, particularly in "Key Information — Risk Factors". See "Key Information — Forward-Looking Statements" for further discussion of the risks and uncertainties inherent in forward-looking statements. In addition to the other information in this annual report, investors should consider carefully the following discussion and the information set forth under "Key Information — Risk Factors" before evaluating us and our business.

COVID-19 Impact

The COVID-19 pandemic has affected our business, financial position and results of operations for the first quarter ended March 31, 2020, and it is currently difficult to predict the degree of the impact on the second quarter and the remainder of 2020.

We cannot guarantee that conditions in the bank lending, capital and other financial markets will not continue to deteriorate as a result of the pandemic, or that our access to capital and other sources of funding will not become constrained, which could adversely affect the availability and terms of future borrowings, renewals or refinancings. In addition, the deterioration of global economic conditions as a result of the pandemic may ultimately reduce the demand of our products across our segments as our clients and customers reduce or defer their spending.

The social distancing, shelter-in-place and other policies to limit the spread of the COVID-19 pandemic that have been implemented or recommended by governmental entities in Mexico and other areas around the world have been affecting the ability of our employees, suppliers and customers to conduct their functions and businesses in their typical manner. The Mexican Government has ordered the suspension of all non-essential economic activities from March 30, 2020 through May 30, 2020 for most parts of Mexico, including the largest metropolitan areas. Media and telecommunications are not included in the suspension as they are considered essential economic activities. We have continued operating our essential businesses uninterrupted to continue benefiting the country with connectivity, entertainment and information, while also promoting the "stay at home" policy whenever possible, in order to take safety and cautionary measures for our employees.

Our Content business has seen a reduction in the demand for advertising during the quarter ended March 31, 2020, which may continue to be affected by the reduction in the level of economic activity in the jurisdictions in which our customers are located. We are partially dependent on the demand for advertising from consumer-focused companies, and the COVID-19 pandemic has caused, and could further cause, advertisers to reduce, postpone or, in a few cases, eliminate their advertisement spending on our platforms. In addition, much of our production of new content has been curtailed or suspended in response to social distancing and shutdown requirements and health guidelines.

In our Other Businesses segment, sporting and other entertainment events for which we have broadcast rights, or which we organize, promote and/or are located in venues we own, have been cancelled or postponed. Moreover, local authorities have enacted several rules pursuant to which they have instructed the temporary closing of non-essential businesses, including casinos, and as a result our gaming operations have been suspended until the cancellations of governmental measures imposed in the regions where our casinos are located.

On March 24, 2020, we announced that we drew down Ps.14,771 million from our RCF as a prudent and precautionary measure in order to increase our cash position and preserve financial flexibility in light of current uncertainty in the global and local markets resulting from the COVID-19 outbreak. To further maximize liquidity and as a precautionary measure, the Company's Board of Directors did not propose the payment of a 2020 dividend for approval of the Company's general stockholders' meeting held on April 28, 2020.

The magnitude of the impact on our business will depend on the duration and extent of the COVID-19 pandemic and the impact of federal, state, local and foreign governmental actions, including continued or future social distancing, and consumer behavior in response to the COVID-19 pandemic and such governmental actions. Due to the evolving and uncertain nature of this situation, we are not able to estimate the full extent of the impact of the COVID-19 pandemic, but it may continue affecting our business, financial position and results of operations over the near, medium or long-term.

Preparation of Financial Statements

As required by regulations issued by *Comisión Nacional Bancaria y de Valores*, or the Mexican Banking and Securities Commission, for listed companies in Mexico, our financial information is presented in accordance with the IFRS as issued by the IASB for financial reporting purposes.

	Year Ended December 31,		
	2019	**2018**	**2017**
		(Millions of Pesos)(1)	
Net sales	Ps. 101,757.2	Ps. 101,282.3	Ps. 94,274.2
Cost of sales	59,067.4	57,839.3	53,534.6
Selling expenses	11,099.0	11,023.4	10,554.1
Administrative expenses	13,269.2	13,729.3	13,556.0
Other (expense) income, net	(1,316.6)	1,562.3	(2,386.3)
Operating income	17,005.0	20,252.6	14,243.2
Finance expense, net	8,810.8	8,779.7	5,304.9
Share of income of joint ventures and associates, net	581.1	532.9	1,913.3
Income taxes	2,668.5	4,390.5	4,274.1
Net income	6,106.8	7,615.3	6,577.5
Net income attributable to non-controlling interests	1,480.7	1,605.9	2,053.0
Net income attributable to stockholders of the Company	Ps. 4,626.1	Ps. 6,009.4	Ps. 4,524.5

(1) 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, 2019, 2018 and 2017 included in this annual report due to differences in rounding.

Results of Operations

For segment reporting purposes, our consolidated cost of sales, selling expenses and administrative expenses for the years ended December 31, 2019, 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,		
	2019	**2018**	**2017**
		(Millions of Pesos) (1)	
Net sales[2]	Ps. 100,915.8	Ps. 100,362.3	Ps. 93,423.1
Cost of sales[2][3]	43,141.9	43,732.2	40,354.5
Selling expenses[2][3]	9,279.5	9,191.4	9,164.2
Administrative expenses[2][3]	7,534.5	7,103.3	6,791.2
Intersegment operations[4]	72.2	—	—
Total Operating segment income	**41,032.1**	**40,335.4**	**37,113.2**
Corporate expenses	1,888.4	2,154.7	2,291.0
Depreciation and amortization	21,008.8	19,834.2	18,536.3
Other (expense) income, net	(1,316.6)	1,562.3	(2,386.3)
Intersegment operations[4]	(72.2)	—	—
Held-for-sale operations[2]	258.9	343.8	343.6

Operating income	**Ps. 17,005.0**	**Ps. 20,252.6**	**Ps. 14,243.2**

(1) 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, 2019, 2018 and 2017 included in this annual report due to differences in rounding.

(2) The assets and related liabilities of the radio business are classified as held-for-sale in the Company's consolidated statement of financial position as of December 31, 2019. Accordingly, the net sales, cost of sales, operating expenses and the operating segment income associated with the radio business, which was part of the Company's Other Businesses segment, are presented separately as held-for-sale operations for the years ended December 31, 2019, 2018 and 2017. Notwithstanding the foregoing, the transaction was consummated for legal and tax purposes.

(3) Excluding corporate expenses and depreciation and amortization.

(4) As a result of the adoption of IFRS 16 Leases ("IFRS 16"), intersegment operations related to intercompany leases were not eliminated on the Operating Segment Income level as in prior years.

The following table sets forth our segment net sales data for the indicated periods as a percentage of total segment net sales:

	Year Ended December 31,[1]		
	2019	2018	2017
Segment Net Sales			
Cable	39.2%	34.5%	34.2%
Sky	20.1	20.9	22.9
Content	33.0	37.3	35.1
Other Businesses	7.7	7.3	7.8
Total segment net sales	100.0%	100.0%	100.0%
Intersegment operations	(5.1)	(4.6)	(3.5)
Held-for-sale operations	0.8	0.9	0.9
Total consolidated net sales	95.7%	96.3%	97.4%

The following table sets forth our consolidated operating income as a percentage of our total consolidated net sales:

	Year Ended December 31,[1]		
	2019	2018	2017
Net Sales			
Cost of sales[2]	42.8%	43.6%	43.2%
Selling expenses[2]	9.2	9.2	9.8
Administrative and corporate expenses[2]	9.3	9.1	9.7
Depreciation and amortization	20.7	19.6	19.7
Other expense (income), net	1.3	(1.5)	2.5
Consolidated operating income	16.7	20.0	15.1
Total consolidated net sales	100.0%	100.0%	100.0%

(1) Certain segment data set forth in these tables may vary from the corresponding data set forth in our consolidated year-end financial statements due to differences in rounding. The segment net sales and total segment net sales data set forth in this annual report include sales from intersegment operations in all periods presented. See Note 26 to our consolidated year-end financial statements.

(2) Excluding depreciation and amortization.

Summary of Business Segment Results

The following tables set forth the net sales and operating segment income of each of our reportable business segments and intersegment operations, corporate expenses, depreciation and amortization, other (expense) income, net and held-for-sale operations for the years ended December 31, 2019, 2018 and 2017. Reportable segments are those that are based on our method of internal reporting to senior management for making operating decisions and evaluating performance of operating segments, and certain qualitative, grouping and quantitative criteria. As of December 31, 2019, we classified our operations into four business segments: Cable, Sky, Content and Other Businesses.

	Year Ended December 31,		
	2019	2018	2017
	(Millions of Pesos)[1]		
Segment Net Sales			
Cable	Ps. 41,702.0	Ps. 36,233.0	Ps. 33,048.3
Sky	21,347.1	22,002.2	22,196.6
Subtotal Content	35,060.5	36,490.1	33,997.2
World Cup Rights	—	2,733.6	—
Total Content	35,060.5	39,223.7	33,997.2
Other Businesses[2]	8,200.3	7,715.5	7,525.2
Total Segment Net Sales	106,309.9	105,174.4	96,767.3
Intersegment Operations[1]	(5,394.1)	(4,812.1)	(3,344.2)
Held-for-sale Operations[2]	841.4	920.0	851.1
Total Consolidated Net Sales	Ps. 101,757.2	Ps. 101,282.3	Ps. 94,274.2
Operating Segment Income			
Cable	Ps. 17,797.6	Ps. 15,302.5	Ps. 14,034.8

Sky	9,121.2	9,767.3	10,106.6
Subtotal Content	12,649.1	13,444.6	12,825.3
World Cup Rights	—	1,410.5	—
Total Content	12,649.1	14,855.1	12,825.3
Other Businesses[2]	1,464.2	410.5	146.5
Total Operating Segment Income[3]	41,032.1	40,335.4	37,113.2
Corporate Expenses[3]	(1,888.4)	(2,154.7)	(2,291.0)
Depreciation and Amortization[3]	(21,008.8)	(19,834.2)	(18,536.3)
Other (Expense) Income, net	(1,316.6)	1,562.3	(2,386.3)
Intersegment Operations[4]	(72.2)	—	—
Held-for-sale Operations[2]	258.9	343.8	343.6
Consolidated Operating Income[5]	Ps. 17,005.0	Ps. 20,252.6	Ps. 14,243.2

(1) Certain segment data set forth in these tables may vary from the corresponding data set forth in our consolidated year-end financial statements due to differences in rounding. The segment net sales and total segment net sales data set forth in this annual report include sales from intersegment operations in all years presented. See Note 26 to our consolidated year-end financial statements.

(2) The assets and related liabilities of the radio business are classified as held-for-sale in the Company's consolidated statement of financial position as of December 31, 2019. Accordingly, the net sales and the operating segment income associated with the radio business, which was part of the Company's Other Businesses segment, are presented separately as held-for-sale operations for the years ended December 31, 2019, 2018 and 2017. Notwithstanding the foregoing, the transaction was consummated for legal and tax purposes.

(3) The total operating segment income data set forth in this annual report do not include corporate expenses nor depreciation and amortization in any year presented, but are presented herein to facilitate the discussion of segment results.

(4) As a result of the adoption of IFRS 16, intersegment operations related to intercompany leases were not eliminated on the Operating Segment Income level as in prior years.

(5) Consolidated operating income reflects corporate expenses, depreciation and amortization, other (expense) income, net, intersegment operations and held-for-sale operations in the years presented. See Note 26 to our consolidated year-end financial statements.

During the fourth quarter of 2017, we disposed of certain operations related to our publishing and gaming businesses, the effects of these operations on net sales for 2017 amounted to Ps.688.0 million and on the operating income amounted to a loss of Ps.67.2 million. These effects are presented in the Other Businesses segment.

Seasonality

Our results of operations are seasonal. We typically recognize a disproportionately large percentage of our overall consolidated net sales (principally advertising) in the fourth quarter in connection with the holiday shopping season. For example, in 2019, 2018 and 2017, we recognized 27.8%, 26.4% and 27.7%, respectively, of our consolidated net sales in the fourth quarter of the year. Our costs, in contrast to our revenues, are more evenly incurred throughout the year and generally do not correlate to the amount of advertising sales.

Preponderant Economic Agent Status

For a discussion of the consequences regarding IFT's March 6, 2014 decision determining that we, together with other entities with concessions to provide broadcast television, are preponderant economic agents in the broadcasting sector in Mexico see "Key Information — Risk Factors — Risk Factors Related to Mexico — The Reform and Addition of Various Provisions of the Mexican Constitution Related to Telecommunications, the LFTR and Other Recent Actions of IFT May Significantly and Adversely Affect the Business, Results of Operations and Financial Results of Some of Our Business Segments". For a discussion regarding the opportunities and options for us as a result of IFT's determination that Grupo Carso, S.A.B de C.V., Grupo Financiero Inbursa, S.A.B. de C.V., and other entities are preponderant economic agents in the telecommunications market in Mexico see "Information on the Company — Business Overview — Business Strategy — Expanding our Business in the Mexican Telecommunications Markets by Taking Advantage of the Telecom Reform and Implementing Legislation".

Results of Operations for the Year Ended December 31, 2019
Compared to the Year Ended December 31, 2018

Total Segment Results

Net Sales

Net sales increased by Ps.474.9 million, or 0.5%, to Ps.101,757.2 million for the year ended December 31, 2019 from Ps.101,282.3 million for the year ended December 31, 2018. This increase was mainly attributable to revenue growth in the Cable segment.

Cost of Sales

Cost of sales decreased by Ps.573.1 million, or 1.3%, to Ps.43,563.6 million for the year ended December 31, 2019 from Ps.44,136.7 million for the year ended December 31, 2018. This decrease was due to lower costs primarily in our Content segment.

Selling Expenses

Selling expenses increased by Ps.74.9 million, or 0.8%, to Ps.9,403.4 million for the year ended December 31, 2019 from Ps.9,328.5 million for the year ended December 31, 2018. This increase was attributable to higher selling expenses, primarily in our Cable segment.

Administrative and Corporate Expenses

Administrative and corporate expenses increased by Ps.167.2 million, or 1.8%, to Ps.9,459.8 million for the year ended December 31, 2019 from Ps.9,292.6 million for the year ended December 31, 2018. The growth reflects an increase in administrative expenses, primarily in our Cable segment.

Corporate expenses decreased by Ps.266.3 million, or 12.4%, to Ps.1,888.4 million in 2019, from Ps.2,154.7 million in 2018. The decrease reflected primarily a lower share-based compensation expense.

Share-based compensation expense in 2019 and 2018 amounted to Ps.1,129.6 million and Ps.1,327.5 million, respectively, and was accounted for as corporate expenses. 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.

Cable

Cable net sales are derived from the provision of cable and telecommunication services, as well as advertising sales. Net sales relating to pay-TV services generally consist of monthly subscription fees for basic and premium service packages, fees charged for pay-per-view programming and, to a significantly lesser extent, monthly rental and one-time installation fees, broadband internet and telephone services subscription. The voice and data business derives revenues from providing data and long-distance services solutions to carriers and other telecommunications service providers through its fiber-optic network. Net sales relating to pay-TV advertising consist of revenues from the sale of advertising on Cablevisión, Cablemás, TVI, Cablecom and Telecable. Rates are based on the day and time the advertising is aired, as well as the type of programming in which the advertising is aired. Pay-TV subscription and advertising rates are adjusted periodically in response to inflation and in accordance with market conditions.

Cable net sales, representing 39.2% and 34.5% of our segment net sales for the years ended December 31, 2019 and 2018, respectively, increased by Ps.5,469.0 million, or 15.1%, to Ps.41,702.0 million for the year ended December 31, 2019 from Ps.36,233.0 million for the year ended December 31, 2018.

Total RGUs reached 12.7 million, the net additions for the year were approximately 811,137.

Cable operating segment income increased by Ps.2,495.1 million, or 16.3%, to Ps.17,797.6 million for the year ended December 31, 2019 from Ps.15,302.5 million for the year ended December 31, 2018, and the operating segment income margin reached 42.7%, 50 basis points (“bps”) above the margin reached in 2018. These favorable variances were partially offset by higher programming 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, 2019 and 2018.

	2019	2018
Video	**4,318,863**	**4,384,247**
Broadband (data)	**4,696,054**	**4,479,017**
Voice	**3,637,992**	**2,978,508**
RGUs	**12,652,909**	**11,841,772**

Sky

Sky net sales are primarily derived from program services, activation fees and equipment rental to subscribers, and national advertising sales. As of the fourth quarter of 2017, Sky provides broadband internet services, and as of 2019 it provides telephone services to its subscribers.

Sky net sales, representing 20.1% and 20.9% of our segment net sales for the years ended December 31, 2019 and 2018, respectively, decreased by Ps.655.1 million, or 3.0%, to Ps.21,347.1 million for the year ended December 31, 2019 from Ps.22,002.2 million for the year ended December 31, 2018. At the end of 2019, the number of video RGUs had decreased by 207,689, compared with 2018. This is mainly due to a lower number of video RGUs given the disconnections in the fourth quarter of 2018 and first quarter of 2019 that followed Sky’s transmission of the FIFA World Cup in 2018. Subsequent to this effect, Sky added video RGUs in each of the last three quarters of 2019 and closed 2019 with 7.4 million. In addition, Sky closed 2019 with 169,692 video RGUs in Central America and the Dominican Republic.

During 2019, Sky continued expanding its broadband operations with the addition of 294,273 broadband RGUs. It closed the year with 386 thousand broadband RGUs.

The following table sets forth the breakdown of RGUs per service type for Sky as of December 31, 2019 and 2018.

	2019	2018
Video	**7,429,351**	**7,637,040**
Broadband (data)	**386,114**	**91,841**
Voice	**1,145**	**—**
RGUs	**7,816,610**	**7,728,881**

Sky operating segment income decreased by Ps.646.1 million, or 6.6%, to Ps.9,121.2 million for the year ended December 31, 2019 from Ps.9,767.3 million for the year ended December 31, 2018, and the operating segment income margin was 42.7%. The decrease in operating segment income, was due to the decrease in revenues and an increase in programming and broadband costs.

Content

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

- Advertising,
- Network Subscription, and
- Licensing and Syndication.

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

The Advertising revenue is derived primarily from the sale of advertising time on our television broadcast operations, which include the production of television programming and broadcasting of Channels 2, 4, 5 and 9 ("television networks"), as well as the sale of advertising time on programs provided to pay television companies in Mexico and in our internet business, and the production of television programming and broadcasting for local television stations in Mexico and the United States. The broadcasting of television networks is performed by television repeater stations in Mexico which are wholly-owned, majority-owned or minority-owned by the Group or otherwise affiliated with our networks.

The Network Subscription revenue is derived from domestic and international programming services provided to independent cable television systems in Mexico and our direct-to-home ("DTH") satellite and cable television businesses. These programming services for cable and pay-per-view television companies are provided in Mexico, other countries in Latin America, the United States and Europe. The programming services consist of both programming produced by us and programming produced by third parties.

The Licensing and Syndication revenue is derived from international program licensing and syndication fees. Our television programming is licensed and syndicated to customers abroad, including Univision.

The following table presents net sales and operating segment income in our Content segment, and the percentage of change when comparing 2019 with 2018:

	Year Ended December 31,		
	2019	2018	Change
	(Millions of Pesos)		(%)
Net Sales			
Advertising	Ps. 19,459.4	Ps. 21,154.9	(8.0)%
Network Subscription Revenue	4,993.2	4,814.3	3.7%
Licensing and Syndication	10,607.9	10,520.9	0.8%
Subtotal Net Sales	**Ps. 35,060.5**	**Ps. 36,490.1**	**(3.9)%**
World Cup Rights	—	2,733.6	n/a
Total Net Sales	**Ps. 35,060.5**	**Ps. 39,223.7**	**(10.6)%**
Subtotal Operating Segment Income	**Ps. 12,649.1**	**Ps. 13,444.6**	**(5.9)%**
World Cup Rights	—	1,410.5	n/a
Operating Segment Income	**Ps. 12,649.1**	**Ps. 14,855.1**	**(14.9)%**

Content net sales, representing 33.0% and 37.3% of our total segment net sales for the years ended December 31, 2019 and 2018, respectively, decreased by Ps.4,163.2 million, or 10.6%, to Ps.35,060.5 million for the year ended December 31, 2019 from Ps.39,223.7 million for the year ended December 31, 2018.

Advertising revenue decreased by 8.0%. The decrease is substantially explained by a significant drop in government advertising. Core private sector advertising sales were down by 1.8%.

Network Subscription Revenue increased by 3.7%. The increase is mainly due to a price increase.

Licensing and Syndication revenue increased by 0.8%. The increase was due to higher royalties from Univision by 1.4%, reaching U.S.$389.1 million dollars, achieving a record high; and was partially offset by lower contract revenues in Europe and Asia. In 2018, Content net sales benefited from the sublicensing of certain broadcasting and digital rights for the FIFA World Cup Russia 2018 in Latin American markets, by Ps.2,733.6 million; and the income for this operation was Ps.1,410.5 million.

Content operating segment income decreased by Ps.2,206.0 million, or 14.9%, to Ps.12,649.1 million for the year ended December 31, 2019 compared with Ps.14,855.1 million for the year ended December 31, 2018. Excluding the non-recurring licensing revenue, content operating segment income decreased by 5.9% to Ps.12,649.1 million compared with Ps.13,444.6 million in 2018. The margin was 36.1%, in line with the previous year.

Advertising Rates and Sales

We sell commercial time in two ways: upfront and scatter basis. Our sales force is organized into separate teams, each of which focuses on groups of clients, in order to provide single platform and multi-platform offers that include free-to-air television, pay television, local stations and digital services.

During 2017, advertisers that elected the upfront option locked-in prices for most of our commercial inventory for the upcoming year, regardless of future price changes or changes in ratings. Advertisers that chose the upfront option made annual prepayments, with cash or short-term notes, were charged lower rates than those charged on a scatter basis for their commercial time, were given the highest priority in schedule placement, and were given a first option in advertising during special programs. Scatter advertisers, or advertisers who chose not to make upfront payments but rather advertise from time to time, risked both higher prices and lack of access to choice commercial time slots. We billed our advertising customers based on fixed pricing rather than on a cost-per-rating-point basis. Advertising revenues were recognized at the time the advertising services were rendered (i.e., the advertising was broadcast). Upon broadcast of the corresponding advertising, advertisers were charged based on the price tariff previously agreed with them. Any upfront payments were recorded as liabilities until such time as the revenue was recognized. We were not committed with advertisers to achieve a certain rating upon broadcast and we did not charge on estimates but rather on actual agreed prices. Therefore, we did not have to account for any deficiency or provide any price adjustment.

In 2018, we began billing our clients on a cost-per-rating-point basis rather than on a fixed pricing scheme. Most of our sales were done through “Modular 2.0” or “packages” that have a pre-determined distribution through national channels and dayparts through which we optimize the use of our inventory while committing to deliver certain amounts of gross rating points. The majority of our sales were made through these mechanisms. We expect to continue to sell commercial time in two ways: upfront and scatter basis. Advertisers that elect the upfront option lock-in prices on a cost-per-rating basis for most of our commercial inventory for the upcoming year, regardless of future price changes. Advertisers that choose the upfront option make annual prepayments, with cash or short-term notes, are charged lower rates than those charged on a scatter basis for their commercial time and are given a first option in advertising during special programs. Scatter advertisers, or advertisers who choose not to make upfront payments but rather advertise from time to time, risk both higher prices and limited access to commercial time slots. Under our cost-per-rating-point approach, all advertisers are billed based on actual gross rating points delivered. See “Information on the Company — Business Overview — Our Operations — Programming — Advertising Sales Plan”.

For 2018, we successfully migrated to a pricing mechanism based on ratings, which we kept through 2019.

In 2020 we changed the pricing mechanism to a cost-per-thousand basis. We believe this will allow us to have a better monetization of our inventory. We kept the modular packages, through which we sell most of our advertising.

The Mexican government does not restrict our ability to set our advertising rates. In setting advertising rates and terms, we consider, among other factors, the likely effect of rate increases on the volume of advertising sales. We have historically been flexible in setting rates and terms for our television advertising. Nominal rate increases have traditionally varied across daytime hours, and the same price increases have not been implemented for all programs, with higher increases for certain programs as a result of higher demand for advertising during certain hours.

We sold approximately 35%, 46% and 55% of total available national advertising time on our networks during prime time broadcasts in 2017, 2018 and 2019, respectively, and approximately 29%, 38% and 49% of total available national advertising time during all time periods in 2017, 2018 and 2019, respectively. Television broadcasting advertising time that is not sold to the public is primarily used to satisfy our legal obligation to the Mexican government to provide Official Television Broadcast Time and to promote, among other things, our products.

As of December 31, 2018 and 2017, we had received Ps.10,917.0 million and Ps.16,072.3 million, respectively, of advertising deposits and advances for advertising time in all of our Content platforms and in our other segments, for 2019 and 2018, respectively, representing approximately U.S.$554.9 million and U.S.$815.6 million, respectively, at the applicable year-end exchange rates. Approximately 87.5% and 90.0% of these deposits as of December 31, 2018 and 2017, respectively, were in the form of short-term, non-interest bearing notes, with the remainder in each of these years consisting of cash deposits. The weighted average maturity of these notes at December 31, 2018 and 2017 was 5.9, and 4.7 months, respectively.

We moved the closing of the 2020 up-front plan from the last quarter of 2019 to the first months of 2020. In light of this change, the results cannot be compared to those obtained in previous years. As of April 27, 2020, we had received $14,611 million of advertising deposits and advances for advertising time in all of our Content platforms and in other segments, and we are still in negotiations with some clients. As of April 27, 2020, we had collected 26% of this amount. The rest is in the form of short-term, non-interest bearing notes. The weighted average maturity of this notes as of April 27, 2020 was 3.7 months.

Other Businesses

Other Businesses net sales are primarily derived from the promotion of sports and special events in Mexico, the distribution of feature films, gaming, publishing and publishing distribution.

Other Businesses net sales, representing 7.7% and 7.3% of our segment net sales for the years ended December 31, 2019 and 2018, respectively, increased by Ps.484.8 million, or 6.3%, to Ps.8,200.3 million for the year ended December 31, 2019 from Ps.7,715.5 million for the year ended December 31, 2018. The increase in revenues was mainly driven by performance in our soccer and gaming businesses, partially offset by our publishing and film distribution businesses.

Other Businesses operating segment income increased by Ps.1,053.7 million, or 256.7%, to Ps.1,464.2 million for the year ended December 31, 2019 from Ps.410.5 million for the year ended December 31, 2018, mainly reflecting an increase in soccer, gaming and film distribution businesses, partially offset by the performance of our publishing business.

The assets and related liabilities of the radio business are classified as held-for-sale in the Company's consolidated statement of financial position as of December 31, 2019. Accordingly, the net sales and the operating segment income associated with the radio business, which was part of the Company's Other Businesses segment, are presented separately as held-for-sale operations for the years ended December 31, 2019 and 2018. Notwithstanding the foregoing, the transaction was consummated for legal and tax purposes.

Depreciation and Amortization

Depreciation and amortization expense increased Ps.1,174.6 million, or 5.9%, to Ps.21,008.8 million for the year ended December 31, 2019 from Ps.19,834.2 million for the year ended December 31, 2018. 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.2,878.9 million to other expense, net of Ps.1,316.6 million for the year ended December 31, 2019, from other income, net of Ps.1,562.3 million for the year ended December 31, 2018. This unfavorable change reflected primarily: (i) the absence in 2019 of a Ps.3,513.8 million pre-tax gain due to the disposition of our 19.9% stake in Imagina Media Audiovisual, S.L. ("Imagina"), a Spanish media group, the sale of which closed in June 2018, and (ii) a higher expense related to legal, financial and accounting advisory and professional services. These unfavorable variances were mainly offset by: (i) the absence in 2019 of other taxes paid by Sky in Central America in 2018; (ii) a lower loss on disposition of property and equipment, and (iii) interest income on asset tax recovered from prior years.

Non-operating Results

Finance Income or Expense, Net

Finance income or expense, net, significantly impacts our consolidated financial statements in periods of currency fluctuations. 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 income or 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 Peso to the other currencies in which our monetary assets or liabilities are denominated varies.

Finance expense, net, increased by Ps.31.1 million to Ps.8,810.8 million for the year ended December 31, 2019, from Ps.8,779.7 million for the year ended December 31, 2018. This increase reflected primarily: (i) a Ps.694.7 million increase in interest expense, primarily due to a higher average principal amount of debt in 2019, as well as interest expense in the amount of Ps.426.5 million related to additional lease liabilities recognized beginning on January 1, 2019, in connection with the adoption of IFRS 16, which became effective on that date; (ii) a Ps.38.0 million decrease in interest income, primarily explained by a lower average amount of cash equivalents and (iii) a Ps.13.6 million increase in other finance expense, net, resulting primarily from changes in fair value of our derivative contracts. These unfavorable variances were partially offset by a Ps.715.2 million increase in foreign exchange gain, net, resulting primarily from the effect of a 4.0% appreciation of the Mexican peso against the U.S. dollar in 2019, in comparison with a 0.2% appreciation in 2018, on our average net U.S. dollar liability position.

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 we have made guaranteed commitments in respect of obligations incurred by associates and joint ventures.

Share of income of associates and joint ventures, net, increased by Ps.48.2 million, or 9.0%, to Ps.581.1 million in 2019, from Ps.532.9 million in 2018. This increase reflected mainly a higher share of income of Univision Holdings, Inc. or UHI, the controlling company of Univision Communications Inc., which was partially offset by the absence of the share of income from Ocesa Entretenimiento, S.A. de C.V. ("OCEN"), for the last five months of 2019, as we classified our investment in OCEN as current assets held for sale, in connection with a related sale agreement.

Investments in warrants and shares of UHI as of March 31, 2020

In conjunction with the acquisition of the majority stock of UHI by a group of investors, which was announced on February 25, 2020, we reviewed the assumptions and inputs related to our discounted cash flow model used to determine the fair value of our investment in warrants and shares of UHI as of March 31, 2020. In addition, we retained the services of a third party to perform a valuation analysis. Based on these assessments and reviews, we recognized:

I. a decline in the estimated fair value of our investment in warrants exercisable for shares of UHI as of March 31, 2020, in the amount of Ps.21,937.1 million, which was accounted for in accumulated other comprehensive income or loss ("OCI"), net of income tax of Ps.6,581.1 million, in our consolidated statement of financial position as of March 31, 2020; and

II. a decrease in the carrying value of our investment in shares of UHI as of March 31, 2020, in the amount of Ps.5,455.4 million, which was accounted for in share of income or loss of associates and joint ventures in our consolidated statement of income ("IS") for the three months ended March 31, 2020.

The following table summarizes the carrying value of the investments in UHI as of March 31, 2020, and December 31, 2019, before and after the change in estimated fair value ("FV"), in millions of Mexican pesos.

Investments in UHI	Carrying Value at December 31, 2019	Carrying Value before FV Change at March 31, 2020[1]	FVChange	Carrying value at March 31, 2020	FV Change Accounted for in
Warrants, at fair value	33,775.4	42,683.3	(21,937.1)	20,746.2	OCI
Shares, at equity method	8,189.7	10,476.6	(5,455.4)	5,021.2	IS
Total	41,965.1	53,159.9	(27,392.5)	25,767.4	

(1) This carrying value takes into account the positive impact that the depreciation of the Mexican peso had, during first quarter 2020, on this U.S. dollar-denominated investment.

For additional information regarding our relationship with UHI, see Notes 9, 10, 14, 20 and 29 to our consolidated year-end financial statements.

Income Taxes

Income taxes decreased by Ps.1,722.0 million, or 39.2%, to Ps.2,668.5 million in 2019, compared with Ps.4,390.5 million in 2018. This decrease reflected mainly a lower income tax base, as well as a reduction in effective income tax rate.

The Mexican corporate income tax rate was 30% in each of the years 2019, 2018 and 2017, and will be 30% in 2020.

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.125.2 million, or 7.8%, to Ps.1,480.7 million in 2019, compared with Ps.1,605.9 million in 2018. This decrease reflected primarily a lower portion of net income attributable to non-controlling interests in our Sky segment.

Net Income Attributable to Stockholders of the Company

Net income attributable to stockholders of the Company reached the amount of Ps.4,626.1 million for the year ended December 31, 2019, compared with Ps.6,009.4 million for the year ended December 31, 2018. The net decrease of Ps.1,383.3 million reflected:

- a Ps.2,878.9 million unfavorable changes in other income or expense, net; and
- a Ps.1,174.6 million increase in depreciation and amortization.

These changes were partially offset by:

- a Ps.1,722.0 million decrease in income taxes;
- a Ps.805.9 million increase in operating income before depreciation and amortization and other income or expenses, net; and
- a Ps.125.2 million decrease in net income attributable to non-controlling interests.

Results of Operations for the Year Ended December 31, 2018
Compared to the Year Ended December 31, 2017

Total Segment Results

Net Sales

Net sales increased by Ps.7,008.1 million, or 7.4%, to Ps.101,282.3 million for the year ended December 31, 2018 from Ps.94,274.2 million for the year ended December 31, 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, primarily 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 Cable, Sky and Content 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, primarily in our Cable and Content segments.

Corporate expenses 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 expenses. 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.

Cable

Cable net sales, representing 34.5% and 34.2% 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 RGUs reached 11.8 million, including the RGUs acquired in the acquisition of part of the residential fiber-to-the-home business of Axtel through our FTTH subsidiary. 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 operating segment income 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[(1)]	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**

(1) Includes 553,226 RGUs acquired from Axtel in December 2018.

Sky

Sky net sales, representing 20.9% and 22.9% 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 net video RGUs is mainly explained by the subscription cancellations 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 (data)	**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 operating segment income 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.

Content

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,		
	2018	2017	Change
	(Millions of Pesos)		(%)
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%**
World Cup Rights	1,410.5	—	n/a
Operating Segment Income	**Ps. 14,855.1**	**Ps. 12,825.3**	**15.8%**

Content net sales, representing 37.3% and 35.1% of our total 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 by 2.1%. This increase was partially offset by a substantial decrease in advertising sold to governmental entities. We concluded the negotiation of the upfront options 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 a step up in the royalty rate, partially offset 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; and the income for this operation was Ps.1,410.5 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 operating segment income 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.

Other Businesses

Other Businesses net sales, representing 7.3% and 7.8% of our segment net sales for the years ended December 31, 2018 and 2017, respectively, increased by Ps.190.3 million, or 2.5%, to Ps.7,715.5 million for the year ended December 31, 2018 from Ps.7,525.2 million for the year ended December 31, 2017. The increase in revenues was mainly driven by performance in our film distribution and soccer businesses.

Other Businesses operating segment income increased by Ps.264.0 million, or 180.2%, to Ps.410.5 million for the year ended December 31, 2018 from Ps.146.5 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.

The assets and related liabilities of the radio business are classified as held-for-sale in the Company's consolidated statement of financial position as of December 31, 2019. Accordingly, the net sales and the operating segment income associated with the radio business, which was part of the Company's Other Businesses segment, are presented separately as held-for-sale operations for the years ended December 31, 2018 and 2017. Notwithstanding the foregoing, the transaction was consummated for legal and tax purposes.

Depreciation and Amortization

Depreciation and amortization expense increased 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 for the year ended December 31, 2018, from other expense, net of Ps.2,386.3 million for the year ended December 31, 2017. This favorable change reflected primarily: (i) 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 closed in June 2018, and (ii) 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.

Non-operating Results

Finance Income or Expense, Net

Finance income or expense, net, significantly impacts our consolidated financial statements in periods of currency fluctuations. 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 income or 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 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 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 Mexican 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, lease liabilities 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 ("FVOCIL"), 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 we have made guaranteed commitments 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 to Ps.532.9 million for the year ended December 31, 2018, from Ps.1,913.3 million for the year ended December 31, 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, 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 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 to Ps.1,605.9 million for the year ended December 31, 2018, compared with Ps.2,053.0 million for the year ended December 31, 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 for the year ended December 31, 2018, compared with Ps.4,524.5 million for the year ended December 31, 2017. The net increase of Ps.1,484.9 million 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.

Effects of Depreciation and Inflation

The following table sets forth, for the periods indicated:

- the percentage that the Peso depreciated or appreciated against the U.S. Dollar;
- the Mexican inflation rate;
- the U.S. inflation rate; and
- the percentage change in Mexican GDP compared to the prior period.

	Year Ended December 31,		
	2019	**2018**	**2017**
(Appreciation) depreciation of the Peso as compared to the U.S. Dollar[(1)]	(4.0)%	(0.2)%	(4.5)%
Mexican inflation rate[(2)]	2.8	4.8	6.8
U.S. inflation rate	2.3	1.9	2.1
Increase (decrease) in Mexican GDP[(3)]	(0.1)	2.0	2.0

(1) Based on changes in the Interbank Rates, as reported by CitiBanamex, at the end of each period, which were as follows: Ps.19.7051 as of December 31, 2017, Ps.19.6730 as of December 31, 2018 and Ps.18.8838 as of December 31, 2019.

(2) Based on changes in the NCPI from the previous period, as reported by the Mexican Central Bank, which were as follows: 98.3 in 2017; 103.0 in 2018 and 105.9 in 2019.

(3) As estimated by the *Instituto Nacional de Estadística, Geografía e Informática*, or INEGI.

The general condition of the Mexican economy, the depreciation of the Peso as compared to the U.S. Dollar, inflation and high interest rates have in the past adversely affected, and may in the future adversely affect, our:

- Advertising and Other Revenues. Inflation in Mexico adversely affects consumers. As a result, our advertising customers may purchase less advertising, which would reduce our advertising revenues, and consumers may reduce expenditures for our other products and services, including pay-TV services.
- Foreign Currency-Denominated Revenues and Operating Costs and Expenses. We have substantial operating costs and expenses denominated in foreign currencies, primarily in U.S. Dollars. These costs are principally due to our activities in the United States, the costs of foreign-produced programming and publishing supplies and the leasing of satellite transponders. The following table sets forth our foreign currency-denominated revenues and operating costs and expenses stated in millions of U.S. Dollars for 2019, 2018 and 2017:

	Year Ended December 31,		
	2019	**2018**	**2017**
		(Millions of U.S. Dollars)	
Revenues	U.S.$ 823	U.S.$ 933	U.S.$ 788
Operating costs and expenses	677	750	690

On a consolidated basis, in 2019, 2018 and 2017, our foreign-currency-denominated costs and expenses did not exceed our foreign-currency-denominated revenues but there can be no assurance that they will continue not to do so in the future. As a result, we will continue to remain exposed to future depreciation of the Peso, which would increase the Peso equivalent of our foreign-currency-denominated costs and expenses.

- Finance Expense, Net. The depreciation of the Peso as compared to the U.S. Dollar generates foreign exchange losses relating to our net U.S. Dollar-denominated liabilities and increases the Peso equivalent of our interest expense on our U.S. Dollar-denominated indebtedness. Foreign exchange losses, derivatives used to hedge foreign exchange risk and increased interest expense increase our finance expense, net.

We have also entered into and will continue to consider entering into additional financial instruments to hedge against Peso depreciation and reduce our overall exposure to the depreciation of the Peso as compared to the U.S. Dollar, inflation and high interest rates. We cannot assure you that we will be able to enter into financial instruments to protect ourselves from the effects of the depreciation of the Peso as compared to the U.S. Dollar, inflation and increases in interest rates, or if so, on favorable terms. In the past, we have designated, and from time to time in the future we may designate, certain of our investments or other assets as effective hedges against Peso depreciations. See "Key Information — Risk Factors — Risk Factors Related to Mexico", "Quantitative and Qualitative Disclosures About Market Risk — Market Risk Disclosures" and Note 4 to our consolidated year-end financial statements.

IFRS

Our consolidated financial information as of December 31, 2019 and 2018 and for the years ended December 31, 2019, 2018 and 2017, was prepared in accordance with IFRS as issued by the IASB.

New and Amended IFRS Standards

Below is a list of the new and amended standards that have been issued by the IASB and are effective for annual periods starting on or after January 1, 2020. Our management does not expect the pronouncements effective for annual periods beginning on January 1, 2020 to have a material impact on our consolidated financial statements. Our management is in the process of assessing the potential impact those pronouncements effective for annual periods beginning on or after January 1, 2020 will have on our consolidated financial statements. Some amendments and improvements to certain IFRS standards became effective on January 1, 2019, and they did not have any significant impact on our consolidated financial statements.

New or Amended IFRS Standard	Title of the IFRS Standard	Effective for Annual Periods Beginning On or After
Amendments to IFRS 10 and IAS 28[(1)]	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Postponed
IFRS 17[(2)]	*Insurance Contracts*	January 1, 2021
IFRS Conceptual Framework	*Conceptual Framework for Financial Reporting*	January 1, 2020
Amendments to IFRS 3[(1)]	*Definition of a Business*	January 1, 2020
Amendments to IAS 1 and IAS 8[(1)]	*Definition of Material*	January 1, 2020
Amendments to IFRS 9, IAS 39 and IFRS 7[(2)]	*Interest Rate Benchmark Reform*	January 1, 2020
Amendments to IAS 1 [(1)]	*Classification of Liabilities as Current or Non-current*	January 1, 2022

(1) This new or amended IFRS standard is not expected to have a significant impact on our consolidated financial statements.

(2) This new or amended IFRS standard is not expected to be applicable to our consolidated financial statements.

Amendments to IFRS 10 and IAS 28 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* were issued in September 2014 and address and acknowledge inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involved a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involved assets that do not constitute a business, even if these assets are housed in a subsidiary. In December 2015, the IASB postponed the effective date of these amendments indefinitely pending the outcome of its research project on the equity method of accounting.

IFRS 17 *Insurance Contracts* ("IFRS 17") was issued in May 2017 and supersedes IFRS 4 *Insurance Contracts* ("IFRS 4"), which has given companies dispensation to carry on accounting for insurance contracts using national accounting standards, resulting in a multitude of different approaches. IFRS 17 establishes principles for the recognition, measurement, presentation and disclosures of insurance contracts issued. It also requires similar principles to be applied to reinsurance contracts with discretionary participation features issued. IFRS 17 solves the comparison problems created by IFRS 4 by requiring all insurance contracts to be accounted for in a consistent manner. Under the provisions of IFRS 17, insurance obligations will be accounted for using current values instead of historical cost. IFRS 17 is effective on January 1, 2021, and earlier application is permitted.

Conceptual Framework for Financial Reporting ("Conceptual Framework") was issued in March 2018, replacing the previous version of the Conceptual Framework issued in 2010. The Conceptual Framework describes the objective of, and the concepts for, general purpose financial reporting. The purpose of the Conceptual Framework is to: (a) assist the IASB to develop IFRS standards that are based on consistent concepts; (b) assist preparers to develop consistent accounting policies when no Standard applies to a particular transaction or other event, or when a Standard allows a choice of accounting policy; and (c) assist all parties to understand and interpret the IFRS standards. The Conceptual Framework is not an IFRS standard. Nothing in the Conceptual Framework overrides any IFRS standard or any requirement in an IFRS standard. The revised Conceptual Framework is effective immediately for the IASB and the IFRIC and has an effective date of January 1, 2020, with earlier application permitted, for companies that use the Conceptual Framework to develop accounting policies when no IFRS standard applies to a particular transaction.

Amendments to IFRS 3 *Definition of a Business* were issued in October 2018. The amended definition emphasizes that the output of a business is to provide goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others. Distinguishing between a business and a group of assets is important because an acquirer recognizes goodwill only when acquiring a business. Amendments to IFRS 3 are effective on January 1, 2020, and earlier application is permitted.

Amendments to IAS 1 and IAS 8 *Definition of Material* was issued in October 2018. The definition of material helps a company determine whether information about an item, transaction or other event should be provided to users of financial statements. However, companies sometimes experienced difficulties using the previous definition of material when making materiality judgements in the preparation of financial statements. Consequently, the IASB issued *Definition of Material* (Amendments to IAS 1 and IAS 8) in October 2018. Amendments to IAS 1 and IAS 8 is effective on January 1, 2020, and earlier application is permitted.

Amendments to IFRS 9, IAS 39 and IFRS 7 *Interest Rate Benchmark Reform* were issued in September 2019. These amendments modify some specific hedge accounting requirements to provide relief from potential effects of the uncertainty caused by interest rate benchmarks such as interbank offered rates. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties. The amendments are effective for annual reporting periods beginning on or after 1 January 2020. Earlier application is permitted

Amendments to IAS 1 *Classification of Liabilities as Current or Non-current* were issued in January 2020, the amendments clarify one of the criteria in IAS 1 for classifying a liability as non-current that is, the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendments are effective for annual reporting periods beginning on or after 1 January 2022. Earlier application is permitted.

Critical Accounting Estimates and Assumptions

We have identified certain key accounting policies upon which our consolidated financial condition and results of operations are dependent. The application of these key accounting policies often involves complex considerations and assumptions and the making of subjective judgments or decisions on the part of our management. In the opinion of our management, our most critical accounting policies under IFRS are those related to the accounting for programming, goodwill and other indefinite—lived intangible assets, long-lived assets, deferred income taxes, financial assets and liabilities measured at fair value and warrants issued by UHI. For a full description of these and other accounting policies, see Note 2 to our consolidated year-end financial statements.

(a) Accounting for Programming

We produce a significant portion of programming for initial broadcast over our television networks in Mexico, our primary market. Following the initial broadcast of this programming, we then license some of this programming for broadcast in secondary markets, such as Mexico, the United States, Latin America, Asia, Europe and Africa. Under IFRS, in order to properly capitalize and subsequently amortize production costs related to this programming, we must estimate the expected future benefit period over which a given program will generate revenues (generally, over a five-year period). We then amortize the production costs related to a given program over the expected future benefit period. Under this policy, we generally expense approximately 70% of the production costs related to a given program in our initial broadcast run and defer and expense the remaining production costs over the remainder of the expected future benefit period (see Note 2 (g) to our consolidated year-end financial statements).

We estimate the expected future benefit periods based on past historical revenue patterns and usage for similar types of programming and any potential future events, such as new outlets through which we can exploit or distribute our programming, including our consolidated subsidiaries and equity investees. To the extent that a given future expected benefit period is shorter than the estimate, we may have to accelerate capitalized production costs sooner than anticipated. Conversely, to the extent that a given future expected benefit period is longer than the estimate, we may have to extend the amortization schedule for the remaining capitalized production costs.

We also enter into license arrangements with various third party programming producers and providers, pursuant to which we receive the rights to broadcast programming produced by third parties over our television networks in Mexico. For programming licensed from third parties, we estimate the expected future benefit period based upon the term of the license. In addition, we may purchase programming from third parties, from time to time. In this case, we estimate that the expected future benefit period based on the anticipated number of showings in Mexico. To the extent that a given future expected benefit period is shorter than the estimate, we may have to accelerate the amortization of the purchase price or the license fee sooner than anticipated. Conversely, to the extent that a given future expected benefit period is longer than the estimate, we may have to extend the amortization schedule for the remaining portion of the purchase price or the license fee.

Assuming a hypothetical 10% decrease in expected future revenue from programming as of December 31, 2019, the balance of such programming would decrease in the amount of Ps.418,525, with a corresponding increase in programming amortization expense.

(b) Goodwill and Other Indefinite-lived Intangible Assets

Goodwill and other intangible assets with indefinite useful lives are reviewed for impairment at least annually. When an impairment test is performed, the recoverable amount is assessed by reference to the higher of the net present value of the expected future cash flows (value in use) of the relevant cash generating unit and the fair value less cost to sell.

The recoverable amount of cash generating units has been determined based on the higher of value in use and fair value less costs to disposal calculations. These calculations require the use of estimates, including management's expectations of future revenue growth, operating costs, profit margins and operating cash flows for each cash-generating unit, long-term growth rates and discount rates based on weighted average cost of capital, among others.

During 2019 and 2018, we recorded impairment adjustments for other indefinite-lived intangible assets (trademarks) related to our Publishing business. See Note 2 (b) and (l) to our consolidated year-end financial statements for disclosure regarding concession intangible assets.

(c) Long-lived Assets

We present certain long-lived assets other than goodwill and indefinite-lived intangible assets in our consolidated statement of financial position. Long-lived assets are tested for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may no longer be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Recoverability is analyzed based on projected cash flows. Estimates of future cash flows involve considerable management judgment. These estimates are based on historical data, future revenue growth, anticipated market conditions, management plans, and assumptions regarding projected rates of inflation and currency fluctuations, among other factors. If these assumptions are not correct, we would have to recognize a write-off or write-down or accelerate the amortization schedule related to the carrying value of these assets (see Notes 2 (m), 13 and 22 to our consolidated year-end financial statements). We have not recorded any significant impairment charges over the past few years.

(d) Deferred Income Taxes

We record our deferred tax assets based on the likelihood that these assets are realized in the future. This likelihood is assessed by taking into consideration the future taxable income. In the event we were to determine that we would be able to realize our deferred tax assets in the future in excess of the net recorded amount, an adjustment to the deferred tax asset would increase income in the period such determination was made. Should we determine that we would not be able to realize all or part of our net deferred tax asset in the future, an adjustment to the deferred tax asset would be charged to income in the period such determination was made.

(e) Financial Assets Measured at Fair Value

We have a significant amount of financial assets which are measured at fair value on a recurring basis. The degree of management's judgment involved in determining the fair value of a financial asset varies depending upon the availability of quoted market prices. When observable quoted market prices exist, that is the fair value estimate we use. To the extent such quoted market prices do not exist, management uses other means to determine fair value (see Notes 4 and 15 to our consolidated year-end financial statements).

(f) Warrants issued by UHI

Our management applied significant judgment to determine the classification of the warrants issued by UHI. These warrants did not comply with the definition of a derivative financial instrument because the initial investment that we paid to acquire the original instrument (Convertible Debentures) was significant and a derivative requires no initial investment or one that is smaller than would be required for a contract with similar response to changes in market factors; therefore, we classified the warrants issued by UHI as equity instrument with changes in fair value recognized in other comprehensive income or loss in our consolidated equity. Significant judgment was applied by our management in assessing that the characteristics of the warrants issued by UHI are closer to an equity instrument in accordance with the IAS 32 *Financial Instruments: Presentation* and IFRS 9 (see Notes 5(f), 9, 10 and 15 to our consolidated year-end financial statements).

Financial assets and liabilities measured at fair value as of December 31, 2019, 2018 and 2017 (in thousands of Pesos):

	Balance as of December 31, 2019	Quoted Prices in Active Markets for Identical Assets (Level 1)	Internal Models with Significant Observable Inputs (Level 2)	Internal Models with Significant Unobservable Inputs (Level 3)
Assets:				
At FVOCIL:				
Open Ended Fund	Ps. 4,688,202	Ps. —	Ps. 4,688,202	Ps. —
Other equity instruments	5,751,001	5,751,001	—	—
Warrants issued by UHI	33,775,451	—	—	33,775,451
Derivative financial instruments	4,592	—	4,592	—
Total	Ps. 44,219,246	Ps. 5,751,001	Ps. 4,692,794	Ps. 33,775,451
Liabilities:				
Derivative financial instruments	Ps. 915,290	Ps. —	Ps. 915,290	Ps. —
Total	Ps. 915,290	Ps. —	Ps. 915,290	Ps. —

	Balance as of December 31, 2018	Quoted Prices in Active Markets for Identical Assets (Level 1)	Internal Models with Significant Observable Inputs (Level 2)	Internal Models with Significant Unobservable Inputs (Level 3)
Assets:				
Temporary investments	Ps. 30,992	Ps. 30,992	Ps. —	Ps. —
At FVOCIL:				
Open Ended Fund	7,662,726	—	7,662,726	—
Other equity instruments	6,545,625	6,545,625	—	—
Other financial assets	72,612	72,612	—	—
Warrants issued by UHI	34,921,530	—	—	34,921,530
Derivative financial instruments	1,035,522	—	1,035,522	—
Total	Ps. 50,269,007	Ps. 6,649,229	Ps. 8,698,248	Ps. 34,921,530
Liabilities:				
Derivative financial instruments	Ps. 148,061	Ps. —	Ps. 148,061	Ps. —
Total	Ps. 148,061	Ps. —	Ps. 148,061	Ps. —

	Balance as of December 31, 2017	Quoted Prices in Active Markets for Identical Assets (Level 1)	Internal Models with Significant Observable Inputs (Level 2)	Internal Models with Significant Unobservable Inputs (Level 3)
Assets:				
Temporary investments	Ps. 6,013,678	Ps. 6,013,678	Ps. —	Ps. —
At FVOCIL:				
Open Ended Fund	7,297,577	—	7,297,577	—
Warrants issued by UHI	36,395,183	—	—	36,395,183
Derivative financial instruments	2,263,874	—	2,263,874	—
Total	Ps. 51,970,312	Ps. 6,013,678	Ps. 9,561,451	Ps. 36,395,183

The table below presents the reconciliation for all assets and liabilities measured at fair value using internal models with significant unobservable inputs (Level 3) during the years ended December 31, 2019, 2018 and 2017.

	2019	2018	2017
Balance at beginning of year	Ps. 34,921,530	Ps. 36,395,183	Ps. 38,298,606
Included in other comprehensive income	(1,146,079)	(1,473,653)	(1,903,423)
Balance at the end of year	Ps. 33,775,451	Ps. 34,921,530	Ps. 36,395,183

Temporary Investments

Temporary investments include highly liquid securities, including without limitation debt with a maturity of three months, or over, and up to one year at the date of the consolidated statement of financial position, stock and other financial instruments, or a combination thereof, denominated principally in U.S. Dollars and Pesos (see Notes 2(f) and 6 to our consolidated year-end financial statements).

Temporary investments are generally valued using quoted market prices or alternative pricing sources with reasonable levels of price transparency. The types of instruments valued based on quoted market prices in active markets include mostly fixed short-term deposits, equities and corporate fixed income securities denominated in U.S. Dollars and Pesos. Such instruments are classified in Level 1 or Level 2 depending on the observability of the significant inputs.

Non-current Financial Assets

Investments in debt securities or with readily determinable fair values, are classified as non-current investments in financial instruments, and are recorded at fair value with unrealized gains and losses included in consolidated stockholders' equity as accumulated other comprehensive result.

Non-current financial assets are generally valued using quoted market prices or alternative pricing sources with reasonable levels of price transparency. Such instruments are classified in Level 1, Level 2, and Level 3, depending on the observability of the significant inputs.

As of December 31, 2017, we made judgments and used several estimates and assumptions for determining the fair value calculations of the shares of common stock of Imagina. These estimates and assumptions included, among others, expected long-term growth rates and operating margins, which were used to calculate projected future cash flows. We also utilized risk-adjusted discount rates to determine weighted average cost of capital. All of our estimates were based on historical data, internal estimates and observable external sources when available, and were consistent with the strategic plans of the underlying business.

Open Ended Fund

We have an investment in an Open Ended Fund that has as a primary objective to achieve capital appreciation by using a broad range of strategies through investments in securities, including without limitation stock, debt and other financial instruments, a principal portion of which are considered as Level 1 financial instruments, in telecom, media and other sectors across global markets, including Latin America and other emerging markets. Shares may be redeemed on a quarterly basis at the NAV per share as of such redemption date (see Notes 4 and 9).

UHI Warrants

In July 2015, we exchanged our investment in U.S.$1,125 million principal amount of Convertible Debentures due 2025 issued by UHI for 4,858,485 warrants that are exercisable for UHI's common stock, and exercised 267,532 of these warrants to increase our equity stake in UHI from 7.8% to 10% (see Notes 9 and 10 to our consolidated year-end financial statements).

We determined the fair value of our investment in warrants by using the income approach based on post-tax discounted cash flows. The income approach requires management to make judgments and involves the use of significant estimates and assumptions. These estimates and assumptions include long-term growth rates and operating margins used to calculate projected future cash flows, risk-adjusted discount rates based on weighted average cost of capital within a range of 8% to 9%, among others. Our estimates for market growth were based on historical data, various internal estimates and observable external sources when available, and are based on assumptions that are consistent with the strategic plans and estimates used to manage the underlying business. Since the described methodology is an internal model with significant unobservable inputs, the UHI warrants are classified as Level 3. Additionally, we determined the fair value of our investment in warrants by using the Black-Scholes model ("BSPM"). The BSPM involves the use of significant estimates and assumptions. The assumptions used as of December 31, 2019, 2018 and 2017, included UHI stock's spot price of U.S.$390, U.S.$387 and U.S.$402 per share on a fully-diluted, as–converted basis, respectively, and UHI stock's expected volatility of 40%, 36% and 32%, respectively.

Disclosures for Each Class of Assets and Liabilities Subject to Recurring Fair Value Measurements Categorized Within Level 3

Our Corporate Finance Department has established rules for a proper portfolio asset classification according to the fair value hierarchy defined by the IFRSs. On a monthly basis, any new assets recognized in the portfolio are classified according to this criterion. Subsequently, there is a quarterly review of the portfolio in order to analyze the need for a change in classification of any of these assets.

Sensitivity analysis is performed on our investments with significant unobservable inputs (Level 3) in order to obtain a reasonable range of possible alternative valuations. This analysis is carried out by our Corporate Finance Department.

As of December 31, 2019, 2018 and 2017 the effect on consolidated income and consolidated equity of changing the main assumptions used for the measurement of Level 3 financial instruments for other reasonably possible models, taking the highest or lowest value of the range reasonably possible, would be as follows:

			Potential Impact on Consolidated Income Statement		Potential Impact on Consolidated Equity	
Financial Assets Level 3	**Main Assumptions Used**	**Sensitivity**	**Most Favorable Assumptions 2019**	**Least Favorable Assumptions 2019**	**Most Favorable Assumptions 2019**	**Least Favorable Assumptions 2019**
Warrants issued by UHI	Price per Share	+/-10%	Ps. —	Ps. —	Ps. 3,377,623	Ps. (3,377,623)
Total			Ps. —	Ps. —	Ps. 3,377,623	Ps. (3,377,623)

			Potential Impact on Consolidated Income Statement		Potential Impact on Consolidated Equity	
Financial Assets Level 3	**Main Assumptions Used**	**Sensitivity**	**Most Favorable Assumptions 2018**	**Least Favorable Assumptions 2018**	**Most Favorable Assumptions 2018**	**Least Favorable Assumptions 2018**
Warrants issued by UHI	Price per Share	+/-10%	Ps. —	Ps. —	Ps. 3,492,229	Ps. (3,492,229)
Total			Ps. —	Ps. —	Ps. 3,492,229	Ps. (3,492,229)

			Potential Impact on Consolidated Income Statement		Potential Impact on Consolidated Equity	
Financial Assets Level 3	**Main Assumptions Used**	**Sensitivity**	**Most Favorable Assumptions 2017**	**Least Favorable Assumptions 2017**	**Most Favorable Assumptions 2017**	**Least Favorable Assumptions 2017**
Warrants issued by UHI	Price per Share	+/-10%	Ps. —	Ps. —	Ps. 3,639,595	Ps. (3,639,595)
Total			Ps. —	Ps. —	Ps. 3,639,595	Ps. (3,639,595)

Derivative Financial Instruments

Derivative financial instruments include swaps, forwards and options (see Notes 2(w), 4 and 15 to our consolidated year-end financial statements).

Our derivative portfolio is entirely over-the-counter ("OTC"). Our derivatives are valued using industry standard valuation models; projecting future cash flows discounted to present value, using market-based observable inputs including interest rate curves, foreign exchange rates, and forward and spot prices for currencies.

When appropriate, valuations are adjusted for various factors such as liquidity, bid/offer spreads and credit spreads considerations. Such adjustments are generally based on available market evidence. In the absence of such evidence, management's best estimate is used. All derivatives are classified in Level 2.

Assets and Liabilities Measured at Fair Value on a Non-Recurring Basis

The majority of our non-financial instruments, which include goodwill, intangible assets, inventories, transmission rights and programming and property, plant and equipment, are not required to be carried at fair value on a recurring basis. However, if certain triggering events occur (or at least annually in the fourth quarter for goodwill and indefinite-lived intangible assets) such that a non-financial instrument is required to be evaluated for impairment, a resulting asset impairment would require that the non-financial instrument be recorded at the lower of carrying amount or its fair value.

The impairment test for goodwill involves a comparison of the estimated fair value of each of our reporting units to its carrying amount, including goodwill. We determine the fair value of a reporting unit using a combination of a discounted cash flow analysis and a market-based approach, which utilize significant unobservable inputs (Level 3) within the fair value hierarchy. The impairment test for intangible assets not subject to amortization involves a comparison of the estimated fair value of the intangible asset with its carrying value. We determine the fair value of the intangible asset using a discounted cash flow analysis, which utilizes significant unobservable inputs (Level 3) within the fair value hierarchy. Determining fair value requires the exercise of significant judgment, including judgment about appropriate discount rates, perpetual growth rates, the amount and timing of expected future cash flows for a period of time that comprises five years, as well as relevant comparable company earnings multiples for the market-based approach.

Once an asset has been impaired, it is not remeasured at fair value on a recurring basis; however, it is still subject to fair value measurements to test for recoverability of the carrying amount.

Liquidity, Foreign Exchange and Capital Resources

Liquidity. We generally rely on a combination of cash on hand, operating revenues, borrowings and net proceeds from dispositions to fund our working capital needs, capital expenditures, acquisitions and investments. Historically, we have received most of our advertising revenues in the form of upfront advertising deposits in the fourth quarter of a given year, which we in turn have used to fund our cash requirements during the rest of the quarter in which the deposits were received and for the first three quarters of the following year. As of December 31, 2018 and 2017, we had received Ps.10,917 million and Ps.16,072.3 million, respectively, of advertising deposits and advances for advertising time on all of our Content platforms and in our other segments, representing U.S.$0.6 billion and U.S.$0.8 billion, respectively, at the applicable year-end exchange rates. The deposits as of December 31, 2018, represented a 32.1% decrease, as compared to year-end 2017. Approximately 87.5% and 90.0% of the advance payment deposits as of December 31, 2018 and 2017, respectively, were in the form of short-term, non-interest bearing notes, with the remaining deposits in each of those years consisting of cash deposits. The weighted average maturity of these notes at December 31, 2018 and 2017, was 5.9 months and 4.7 months, respectively.

We moved the closing of the 2020 up-front plan from the last quarter of 2019 to the first months of 2020. In light of this change, the results cannot be compared to those obtained in previous years. As of April 27, 2020, we had closed $14,611 million of advertising deposits and advances for advertising time in all of our Content platforms and in other segments, and are still in negotiations with some clients. As of April 27, 2020, we had collected 26% of this amount. The rest is in the form of short-term, non-interest bearing notes. The weighted average maturity of this notes as of April 27, 2020 was 3.7 months.

During the year ended December 31, 2019, we had a net decrease in cash and cash equivalents of Ps. 4,098.3 million, as compared to a net decrease in cash and cash equivalents of Ps.6,666.7 million during the year ended December 31, 2018.

Net cash provided by operating activities for the year ended December 31, 2019, amounted to Ps.27,269.1 million. Adjustments to reconcile income before income taxes to net cash provided by operating activities are overall due to depreciation and amortization of Ps.21,008.8 million, interest expense of Ps.10,402.0 million, loss on disposition of property and equipment of Ps.270.4 million, loss on derivatives in other finance expense, net of Ps.872.3 million, other amortization of Ps.531.4 million and provision for deferred compensation of Ps.199.2 million; and partially offset by net unrealized foreign exchange gain of Ps.1,121.0 million, share of income of associates and joint ventures of Ps.581.0 million, interest receivable for Asset Tax from prior years of Ps.140.0 million, interest income of Ps.102.7 million and gain on disposition of investments of Ps.1.0 million. Income taxes paid for the year ended December 31, 2019 amounted to Ps.8,816.6 million.

Net cash used in investing activities for the year ended December 31, 2019, amounted to Ps.17,005.1 million, and was primarily used for investments in property, plant and equipment of Ps.19,108.3 million; and other investments in intangible assets of Ps.2,106.8 million; partially offset by cash provided from disposition of investments in financial instruments of Ps.2,301.7 million; investments in associates and other investments of Ps.149.4 million; temporary investments of Ps.31.0 million; and disposition of property, plant and equipment of Ps.981.5 million.

Net cash used in financing activities for the year ended December 31, 2019, amounted to Ps.14,301.9 million, and was primarily used for prepayment of all of the outstanding Notes due 2020, 2021 and 2022 in the aggregate principal amount of Ps.21,000 million; issuance of Ps.14,247.5 Senior Notes due 2049; long-term loans from Mexican banks of Ps.10,000.0 million; interest payment of Ps.9,180.1 million; repayment of debt and lease payments of Ps.2,432.2 million; dividends paid to noncontrolling interest of Ps.1,594.6 million; repurchases of CPOs under a share repurchase program of Ps.1,385.8 million; repayment of other notes payable of Ps.1,294.4 million; and dividends paid of Ps.1,066.2 million; which effect was partially offset by cash provided by derivative financial instruments of Ps.596.0 million.

We expect to fund our operating cash needs during 2020, other than cash needs in connection with any potential investments and acquisitions, through a combination of cash from operations and cash on hand. We intend to finance our potential investments or acquisitions in 2020 through available cash from operations, cash on hand, equity securities and/or the incurrence of debt, or a combination thereof. The amount of borrowings required to fund these cash needs in 2020 will depend upon the timing of such transactions and the timing of cash payments from advertisers under our advertising sales plan.

During the year ended December 31, 2018, we had a net decrease in cash and cash equivalents of Ps.6,666.7 million, as compared to a net decrease in cash and cash equivalents of Ps.8,811.1 million during the year ended December 31, 2017.

Net cash provided by operating activities for the year ended December 31, 2018, amounted to Ps.33,714.5 million. Adjustments to reconcile income before income taxes to net cash provided by operating activities primarily included among others: depreciation and amortization of Ps.19,834.2 million; net unrealized foreign exchange gain of Ps.318.1 million; interest expense of Ps.9,707.3 million; other amortization of Ps.444.7 million; provision for related party transactions of Ps.251.8 million; loss on disposition of property and equipment of Ps.912.3 million; loss in other finance expense, net of Ps.859.6 million; interest income of Ps.120.1 million; gain on disposition of investments of Ps.3,553.5 million; and share of income of associates and joint ventures of Ps.532.9 million. Income taxes paid for the year ended December 31, 2018 amounted to Ps.6,722.8 million.

Net cash used for investing activities for the year ended December 31, 2018, amounted to Ps.23,898.2 million, and was primarily used for investments in property, plant and equipment of Ps.18,499.7 million; payment for renewal of television broadcasting concessions of Ps.5,754.0 million; acquisition of net assets of Axtel of Ps.5,465.9 million; investments in financial instruments of Ps.72.7 million; and investments in other intangible assets of Ps.2,020.2 million; which effect was partially offset by a disposition of our investment in Imagina of Ps.6,256.9 million; disposition of investments in financial instruments of Ps.287.6 million; investments in associates and other investments of Ps.209.8 million; temporary investments of Ps.40.2 million; and disposition of property, plant and equipment of Ps.1,024.7 million.

Net cash used for financing activities for the year ended December 31, 2018, amounted to Ps.16,504.9 million, and was primarily used for dividends of Ps.1,068.9 million; interest paid of Ps.10,129.3 million; repayment of debt and lease payments of Ps.847.9 million; repayment of other notes payable of Ps.1,184.0 million; dividends paid to non-controlling interest of Ps.1,270.7 million; contributions to the trust for the Long-term Retention Plan of Ps.1,100.0 million; and repurchases of CPOs under a share repurchase program of Ps.1,541.2 million; which effect was partially offset by cash provided by derivative financial instruments of Ps.691.3 million.

Capital Expenditures, Acquisitions and Investments, Distributions and Other Sources of Liquidity

During 2020, we:

- expect to make aggregate capital expenditures for property, plant and equipment totaling approximately U.S.$750.0 million, of which approximately U.S.$491.0 million and approximately U.S.$192.0 million are for the expansion and improvements of our Cable and Sky segments, respectively, and the remaining amount is for our Content and Other Businesses segments; and

- expect to provide financing to GTAC in connection with long-term credit facilities and our 33.3% interest in Grupo de Telecomunicaciones de Alta Capacidad, S.A.P.I. de C.V. (“GTAC”) in the aggregate principal amount of Ps.133.0 million (U.S.$6.7 million).

During 2019, we:

- made aggregate capital expenditures for property, plant and equipment totaling approximately U.S.$992.2 million, of which approximately U.S.$675.3 million and approximately U.S.$209.1 million are for the expansion and improvements of our Cable and Sky segments, respectively, and the remaining amount is for our Content and Other Businesses segments; and

- provided financing to GTAC in connection with long-term credit facilities and our 33.3% interest in GTAC in the aggregate principal amount of Ps.172.2 million (U.S.$8.8 million).

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 were for our Cable segment, U.S.$209.6 million are for our Sky segment, and the remaining U.S.$94.8 million were for our Content and Other Businesses segments;

- provided financing to 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 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.

- 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, Televisa paid Ps.5,753.0 million (U.S.$281.7 million).

Refinancings. In October 2017, we concluded the offering of Ps.4,500 million aggregate principal amount of local bonds (*Certificados Bursátiles*) due 2027 with an interest rate of 8.79%. We used the net proceeds of the offering for general corporate purposes and working capital. In December 2017, we redeemed in full the U.S.$500 million aggregate principal amount of our 6.0% Senior Notes due 2018.

In March 2016, (i) our Sky segment entered into long-term debt agreements with two Mexican banks in the aggregate principal amount of Ps.5,500 million, with maturities between 2021 and 2023, and interest payable on a monthly basis at an annual rate in the range of 7.0% and 7.13%, and prepaid an intercompany long-term loan in the principal amount of Ps.3,500 million; and (ii) we prepaid a portion of our Mexican peso outstanding long-term loans with original maturities between 2016 and 2017 in the aggregate principal amount of Ps.3,532 million.

In November and December 2017, we entered into long-term debt agreements with three Mexican banks in the aggregate principal amount of Ps.6,000 million, with maturities between 2022 and 2023, and interest payable on a monthly basis at an annual rate of 28-day Equilibrium Interbank Interest Rate ("Tasa de Interés Interbancaria de Equilibrio" or "TIIE") plus a range between 125 and 130 basis points.

In May 2019, we concluded the offering of U.S.$750 million aggregate principal amount of 5.25% Senior Notes due 2049. The net proceeds of the offering were used for general corporate purposes, which may include repayment or repurchase of existing indebtedness.

In June 2019, we entered into a credit agreement for a five-year term loan with a syndicate of banks in the aggregate principal amount of Ps.10,000 million. The funds from this loan were used for general corporate purposes, including the refinancing of the Company's indebtedness. This loan bears interest at a floating rate based on a spread of 105 or 130 basis points over the 28-day TIIE rate depending on the Company's net leverage ratio.

In July 2019, we prepaid all of the outstanding local bonds (*Certificados Bursátiles*) due 2021 and 2022, in the aggregate principal amount of Ps.11,000 million.

In October 2019, we prepaid all of the outstanding local bonds (*Certificados Bursátiles*) due 2020, in the aggregate principal amount of Ps.10,000.0 million. Accordingly, we classified this debt as current as of September 30, 2019, net of related finance costs, in the amount of Ps.9,992.4 million.

Indebtedness. As of December 31, 2019, our consolidated long-term portion of debt amounted to Ps.120,444.7 million and our consolidated current portion of debt was Ps.2,435.8 million. 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. The consolidated debt is presented net of unamortized finance costs as of December 31, 2019 and 2018, in the aggregate amount of Ps.1,441.6 million and Ps.1,152.7 million, respectively, and interest payable in the aggregate amount of Ps.1,943.9 million and Ps.1,120.0 million in 2019 and 2018, respectively.

In March 2018, the Company entered into a Revolving Credit Facility ("RCF") with a syndicate of banks for U.S.$583.0 million payable in Mexican pesos, for a three-year term. In December 2018, this facility was increased by U.S.$35.0 million reaching a total amount of U.S.$618.0 million. The funds may be used for the repayment of existing indebtedness and other general corporate purposes as may be authorized by our Board of Directors. In August 2019, the Company extended the RCF for one more year to maintain the total 3-year term. This RCF was available as of December 31, 2019. In March 2020, the Company drew down the RCF as a prudent and precautionary measure in order to increase our cash position and preserve financial flexibility in light of current uncertainty in the global and local markets resulting from the COVID-19 outbreak; the aggregate principal amount was Ps.14,771.0 million, with maturity in the first quarter of 2022, this facility bears interest at a floating rate based on a spread of 87.5 or 112.5 basis points over the 28-day TIIE rate depending on our net leverage ratio, the Company may prepay such amount on the last day of any interest period without penalty.

We may from time to time incur additional indebtedness or repurchase, redeem or repay outstanding indebtedness.

	2019[1]				
	Principal	Finance Costs	Principal, Net of Finance Costs	Interest Payable	Total	Effective Interest Rate
U.S. dollar Senior Notes:						
6.625% Senior Notes due 2025 [2]	Ps. 11,330.3	Ps. (201.1)	Ps. 11,129.2	Ps. 212.7	**Ps. 11,341.9**	7.60%
4.625% Senior Notes due 2026 [2]	5,665.1	(29.4)	5,635.7	131.0	**5,766.7**	5.03%
8.50% Senior Notes due 2032 [2]	5,665.1	(21.6)	5,643.5	147.1	**5,790.6**	9.00%
6.625% Senior Notes due 2040 [2]	11,330.3	(126.9)	11,203.4	408.7	**11,612.1**	7.05%
5% Senior Notes due 2045 [2]	18,883.8	(429.9)	18,453.9	136.4	**18,590.3**	5.39%
6.125% Senior Notes due 2046 [2]	16,995.4	(124.1)	16,871.3	520.5	**17,391.8**	6.47%
5.25% Senior Notes due 2049 [2]	14,162.9	(304.5)	13,858.4	74.3	**13,932.7**	5.59%
Total U.S. dollar debt	84,032.9	(1,237.5)	82,795.4	1,630.7	**84,426.1**	
Mexican peso debt:						
8.79% Notes due 2027 [3]	4,500.0	(18.5)	4,481.5	93.4	**4,574.9**	8.84%
8.49% Senior Notes due 2037 [2]	4,500.0	(12.6)	4,487.4	31.8	**4,519.2**	8.94%
7.25% Senior Notes due 2043 [2]	6,500.0	(55.5)	6,444.5	73.3	**6,517.8**	7.92%
Bank loans [4]	16,000.0	(116.2)	15,883.8	88.2	**15,972.0**	9.04%
Bank loans (Sky) [5]	5,500.0	—	5,500.0	25.2	**5,525.2**	7.11%
Bank loans (TVI) [6]	1,345.4	(1.3)	1,344.1	1.3	**1,345.4**	8.92%
Total Mexican peso debt	38,345.4	(204.1)	38,141.3	313.2	**38,454.5**	
Total debt	122,378.3	(1,441.6)	120,936.7	1,943.9	**122,880.6**	
Less: Current portion of long-term debt	492.5	(.5)	492.0	1,943.9	**2,435.9**	
Long-term debt, net of current portion	Ps. 121,885.8	Ps. (1,441.1)	Ps. 120,444.7	Ps. —	**Ps. 120,444.7**	
Lease liabilities:						
Satellite transponder lease liabilities[7]	Ps. 4,014.6	Ps. —	Ps. 4,014.6	Ps. —	**Ps. 4,014.6**	7.30%
Other lease liabilities [8]	707.2	—	707.2	—	**707.2**	6.79%
Lease liabilities recognized as of January 1, 2019[8]	4,641.7	—	4,641.7	—	**4,641.7**	
Total lease liabilities	9,363.5	—	9,363.5	—	**9,363.5**	
Less: Current portion	1,257.8	—	1,257.8	—	**1,257.8**	
Lease liabilities, net of current portion	Ps. 8,105.8	Ps. —	Ps. 8,105.8	Ps. —	**Ps. 8,105.8**	
Other notes payable:						
Total other notes payable [9]	Ps. 1,324.1	Ps. —	Ps. 1,324.1	Ps. —	**Ps. 1,324.1**	3.00%
Less: Current portion	1,324.1	—	1,324.1	—	**1,324.1**	
Other notes payable, net of current portion	Ps. —	Ps. —	Ps. —	Ps. —	**Ps. —**	

(1) U.S. Dollar-denominated debt is translated into Pesos at an exchange rate of Ps.18.8838 per U.S. Dollar, the Interbank Rate, as reported by CitiBanamex, as of December 31, 2019.

(2) The Senior Notes due between 2025 and 2049, in the aggregate outstanding principal amount of U.S.$4,450 million and Ps.11,000 million are unsecured obligations of the Company, rank equally in right of payment with all existing and future unsecured and unsubordinated indebtedness of the Company, and are junior in right of payment to all of the existing and future liabilities of the Company's subsidiaries. Interest rate on the Senior Notes due 2025, 2026, 2032, 2037, 2040, 2043, 2045, 2046 and 2049, including additional amounts payable in respect of certain Mexican withholding taxes, is 6.97%, 4.86%, 8.94%, 8.93%, 6.97%, 7.62%, 5.26%, 6.44% and 5.52% per annum, respectively, and is payable semi-annually. These Senior Notes may not be redeemed prior to maturity, except: (i) in the event of certain changes in law affecting the Mexican withholding tax treatment of certain payments on the securities, in which case the securities will be redeemable, in whole or in part, at the option of the Company; and (ii) in the event of a change of control, in which case the Company may be required to redeem the securities at 101% of their principal amount. Also, the Company may, at its own option, redeem the Senior Notes due 2025, 2026, 2037, 2040, 2043, 2046 and 2049, in whole or in part, at any time at a redemption price equal to the greater of the principal amount of these Senior Notes or the present value of future cash flows, at the redemption date, of principal and interest amounts of the Senior Notes discounted at a fixed rate of comparable U.S. or Mexican sovereign bonds. The Senior Notes due 2026, 2032, 2040, 2043, 2045, 2046 and 2049 were priced at 99.385%, 99.431%, 98.319%, 99.733%, 96.534%, 99.677% and 98.588%, respectively, for a yield to maturity of 4.70%, 8.553%, 6.755%, 7.27%, 5.227%, 6.147% and 5.345%, respectively. The Senior Notes due 2025 were issued in two aggregate principal amounts of U.S.$400 million and U.S.$200 million, and were priced at 98.081% and 98.632%, respectively, for a yield to maturity of 6.802% and 6.787%, respectively. The agreement of these Senior Notes contains covenants that limit the ability of the Company and certain restricted subsidiaries engaged in the Group's Content segment, to incur or assume liens, perform sale and leaseback transactions, and consummate certain mergers, consolidations and similar transactions. The Senior Notes due 2025, 2026, 2032, 2037, 2040, 2045, 2046 and 2049 are registered with the U.S. Securities and Exchange Commission ("SEC"). The Senior Notes due 2043 are registered with both the SEC and the Mexican Banking and Securities Commission ("Comisión Nacional Bancaria y de

Valores"). In December 2017, the Company prepaid the principal outstanding amount of U.S.$500 million Senior Notes due 2018 at an aggregate redemption price of Ps.9,841.7 million (U.S.$511.7 million), which included related fees and accrued and unpaid interest at the redemption date (see Note 23).

(3) In 2010, 2014, 2015 and October 2017, the Company issued Notes ("Certificados Bursátiles") due 2020, 2021, 2022 and 2027, respectively, through the BMV in the aggregate principal amount of Ps.10,000 million, Ps.6,000 million, Ps.5,000 million and Ps.4,500 million, respectively. In July 2019, the Company prepaid all of the outstanding Notes due 2021 and 2022 in the aggregate principal amount of Ps.11,000 million. On October 3, 2019, the Company prepaid all of the outstanding Notes due 2020 in the aggregate principal amount of Ps.10,000 million. Interest rate on the Notes due 2020 was 7.38% per annum and was payable semi-annually. Interest rate on the Notes due 2021 and 2022 was the TIIE plus 35 basis points per annum and was payable every 28 days. Interest rate on the Notes due 2027 is 8.79% per annum and is payable semi-annually. The Company may, at its own option, redeem the Notes due 2027, in whole or in part, at any semi-annual interest payment date at a redemption price equal to the greater of the principal amount of the outstanding Notes and the present value of future cash flows, at the redemption date, of principal and interest amounts of the Notes discounted at a fixed rate of comparable Mexican sovereign bonds. The agreement of the Notes contains covenants that limit the ability of the Company and certain restricted subsidiaries appointed by the Company's Board of Directors, and engaged in the Group's Content segment, to incur or assume liens, perform sale and leaseback transactions, and consummate certain mergers, consolidations and similar transactions.

(4) In November and December 2017, the Company entered into long-term credit agreements with three Mexican banks, in the aggregate principal amount of Ps.6,000 million, and an annual interest rate payable on a monthly basis of 28-day TIIE plus a range between 125 and 130 basis points, and principal maturities between 2022 and 2023. The proceeds of these loans were used primarily for the prepayment in full of the Senior Notes due 2018. Under the terms of these loan agreements, the Company is required to: (a) maintain certain financial coverage ratios related to indebtedness and interest expense; and (b) comply with the restrictive covenant on spin-offs, mergers and similar transactions. In 2016, the Company entered into a long-term credit agreement with a Mexican bank in the principal amount of Ps.1,250 million with principal maturities between 2017 and 2018, and an annual interest rate payable on a monthly basis of 28-day TIIE plus 117.5 basis points. The Company prepaid the remaining principal amount under this credit agreement in the fourth quarter of 2017, in the aggregate amount of Ps.629.3 million, which included accrued and unpaid interest. In June 2019, the Company entered into a credit agreement for a five-year term loan with a syndicate of banks in the aggregate principal amount of Ps.10,000 million. The funds from this loan were used for general corporate purposes, including the refinancing of the Company's indebtedness. This loan bears interest at a floating rate based on a spread of 105 or 130 basis points over the 28-day TIIE rate depending on the net leverage ratio for the Group and its subsidiaries. The credit agreement for this loan requires the maintenance of financial ratios related to indebtedness and interest expense.

(5) In March 2016, Sky entered into long-term credit agreements with two Mexican banks in the aggregate principal amount of Ps.5,500 million, with maturities between 2021 and 2023, and interest payable on a monthly basis with an annual interest rate in the range of 7.0% and 7.13%. Under the terms of these credit agreements, the Company is required to: (a) maintain certain financial coverage ratios related to indebtedness and interest expense and (b) comply with the restrictive covenant on spin-offs, mergers and similar transactions.

(6) Includes outstanding balances in 2019 in the aggregate principal amount of Ps.1,345.4 million, in connection with credit agreements entered into by TVI with Mexican banks, with maturities between 2019 and 2022, bearing interest at an annual rate of TIIE plus a range between 100 and 125 basis points, which is payable on a monthly basis. This TVI long-term indebtedness is guaranteed by the Company. Under the terms of these credit agreements, TVI is required to comply with certain restrictive covenants and financial coverage ratios.

(7) Under a capital lease agreement entered into with Intelsat Global Sales & Marketing Ltd. ("Intelsat") in March 2010, Sky is obligated to pay, at an annual interest rate of 7.30%, a monthly fee through 2027 of U.S.$3.0 million for satellite signal reception and retransmission service from 24 KU-band transponders on satellite IS-21, which became operational in October 2012. The service term for IS-21 will end at the earlier of: (a) the end of 15 years or; (b) the date IS-21 is taken out of service (see Note 12).

(8) Includes lease liabilities recognized beginning on January 1, 2019 under IFRS 16 for an aggregate amount of Ps.4,797.3 million. Includes minimum lease payments of property and equipment under leases that qualify as lease liabilities. Also includes Ps.699.1 million in 2019, in connection with a lease agreement entered into by a subsidiary of the Company and GTAC, for the right to use certain capacity of a telecommunications network through 2029 (see Note 20). This lease agreement provides for annual payments through 2029. Other finance liabilities have terms which expire at various dates between 2019 and 2020.

(9) Notes payable issued by the Group in 2016, in connection with the acquisition of a non-controlling interest in TVI. In 2019 and 2018, cash payments to be made between 2018 and 2020 related to these notes payable amounted to an aggregate of Ps.1,330.0 million and Ps.2,624.4 million, respectively, including interest of Ps.142.5 million and Ps.249.4 million, respectively (see Note 3). Accumulated accrued interest for this transaction amounted to Ps.136.6 million and Ps.201.9 million, as of December 31, 2019 and 2018, respectively. This was regarded as a Level 2 debt, which was fair valued using a discounted cash flow approach, which discounts the contractual cash flows using discount rates derived from observable market price of other quoted debt instruments. In March 2017, the Group prepaid a portion of the other outstanding notes payable with original maturities in August 2017 and 2018, for an aggregate amount of Ps.1,292.4 million, which included accrued interest at the payment date. In February 2020, the Group repaid all of its outstanding other notes payable as of December 31, 2019.

Interest Expense. Interest expense for the years ended December 31, 2019, 2018 and 2017 was Ps.10,402.0 million, Ps.9,707.3 million and Ps.9,245.7 million, respectively.

The following table sets forth our interest expense for the years indicated (in millions of U.S. Dollars and millions of Pesos):

	Year Ended December 31,[1]		
	2019	2018	2017
Interest payable in U.S. Dollars	U.S.$ 265.2	U.S.$ 252.7	U.S.$ 287.6
Amounts currently payable under Mexican withholding taxes[2]	12.8	12.0	13.1
Total interest payable in U.S. Dollars	U.S.$ 278.0	U.S.$ 264.7	U.S.$ 300.7
Peso equivalent of interest payable in U.S. Dollars	Ps. 5,396.5	Ps. 5,095.9	Ps. 5,691.8
Interest payable in Pesos	5,005.5	4,611.4	3,553.9
Total interest expense	Ps. 10,402.0	Ps. 9,707.3	Ps. 9,245.7

(1) U.S. Dollars are translated into Pesos at the rate prevailing when interest was recognized as an expense for each period.

(2) See "Additional Information — Taxation — Federal Mexican Taxation".

Contractual Obligations and Commercial Commitments

Our contractual obligations and commercial commitments consist primarily of long-term debt, as described above, satellite transponder obligations and transmission rights obligations.

Contractual Obligations on the Balance Sheet

The following table summarizes our contractual obligations on the balance sheet as of December 31, 2019 (these amounts do not include future interest payments):

	Payments Due by Period				
	Total	Less Than 12 Months January 1, 2020 to December 31, 2020	12-36 Months January 1, 2021 to December 31, 2022	36-60 Months January 1, 2023 to December 31, 2024	Maturities Subsequent to December 31, 2024
	(Thousands of U.S. Dollars)				
6.625% Senior Notes due 2025	U.S.$ 600,000	U.S.$ —	U.S.$ —	U.S.$ —	U.S.$ 600,000
8.5% Senior Notes due 2032	300,000	—	—	—	300,000
8.49% Senior Notes due 2037	238,299	—	—	—	238,299
6.625% Senior Notes due 2040	600,000	—	—	—	600,000
8.79% Notes due 2027	238,299	—	—	—	238,299
7.25% Senior Notes due 2043	344,211	—	—	—	344,211
5.0% Senior Notes due 2045	1,000,000	—	—	—	1,000,000
4.625% Senior Notes due 2026	300,000	—	—	—	300,000
6.125% Senior Notes due 2046	900,000	—	—	—	900,000
5.250% Senior Notes due 2049	750,000	—	—	—	750,000
Syndicate loan due 2024	529,555	—	—	529,555	—
Scotiabank loan due 2023	132,389	—	—	132,389	—
HSBC loan due 2022	105,911	—	105,911	—	—
Santander loan due 2022	79,433	—	79,433	—	—
Santander loan due 2020	13,239	13,239	—	—	—
Banorte loan due 2022	58,006	12,841	45,165	—	—
HSBC loan due 2023	132,389	—	99,292	33,097	—
Scotiabank loan due 2023	158,866	—	139,008	19,858	—
Long-term debt	6,480,597	26,080	468,809	714,899	5,270,809
Accrued Interest	102,938	102,938	—	—	—
Satellite transponder lease liabilities	212,593	21,180	47,278	54,685	89,450
Other lease liabilities	37,453	17,186	7,650	6,203	6,414
Lease liabilities recognized as of January 1,2019	245,803	28,239	77,013	65,241	75,310
Other notes payable	70,116	70,116	—	—	—
Transmission rights[1]	230,688	118,318	78,187	34,183	—
Total contractual obligations	U.S.$ 7,380,188	U.S.$ 384,057	U.S.$ 678,937	U.S.$ 875,211	U.S.$ 5,441,983

(1) This liability reflects our transmission rights obligations related to programming acquired or licensed from third party producers and suppliers, and special events, which are reflected in our consolidated balance sheet within trade accounts payable (current liabilities) and other long-term liabilities.

Contractual Obligations off the Balance Sheet

The following table summarizes our contractual obligations off the balance sheet as of December 31, 2019:

	Payments Due by Period				
	Total	Less Than 12 Months January 1, 2020 to December 31, 2020	12-36 Months January 1, 2021 to December 31, 2022	36-60 Months January 1, 2023 to December 31, 2024	Maturities Subsequent to December 31, 2024
	(Thousands of U.S. Dollars)				
Interest on debt[1]	U.S.$ 6,845,984	U.S.$ 347,674	U.S.$ 865,919	U.S.$ 762,791	U.S.$ 4,869,600
Interest on lease liabilities	205,953	38,742	75,076	52,108	40,027
Interest on other notes payable	314	314	—	—	—
Programming[2]	118,398	65,649	35,935	14,555	2,259
Transmission rights[2]	925,911	138,668	173,171	229,822	384,250
Capital expenditures commitments	118,525	118,525	—	—	—
Satellite transponder commitments[3]	17,952	7,928	9,950	74	—
Committed financing to GTAC[4]	6,650	6,650	—	—	—
Total contractual obligations	U.S.$ 8,239,687	U.S.$ 724,150	U.S.$ 1,160,051	U.S.$ 1,059,350	U.S.$ 5,296,136

(1) Interest to be paid in future years on outstanding debt as of December 31, 2019, was estimated based on contractual interest rates and exchange rates as of that date.

(2) These line items reflect our obligations related to programming to be acquired or licensed from third party producers and suppliers, and transmission rights for special events to be acquired from a third party.

(3) Reflects our minimum commitments for the use of satellite transponders under operating lease contracts.

(4) In connection with a long-term credit facility, we agreed to provide financing to GTAC in 2020 in the aggregate principal amount of Ps.133.0 million (U.S.$6.65 million).

Item 6. Directors, Senior Management and Employees

Board of Directors

The following table sets forth the names of our current directors and their alternates, their dates of birth, their principal occupation, their business experience, including other directorships, and their years of service as directors or alternate directors. The general annual stockholders' meeting takes place annually in order to, among other matters, elect and/or ratify the Company's directors. Our current Board of Directors is composed as follows:

Name and Date of Birth	Principal Occupation	Business Experience	First Elected
Emilio Fernando Azcárraga Jean (02/21/68)	Executive Chairman of the Board and Chairman of the Executive Committee of Grupo Televisa. Member and Chairman of the Board and Member 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. Member and Chairman of the Board of Managers and Member and Chairman of the Executive Committee of Innova. Member of Consejo Mexicano de Hombres de Negocios and Fundacion Teletón.	December 1990

Name and Date of Birth	Principal Occupation	Business Experience	First Elected
In alphabetical order:			
Alfonso de Angoitia Noriega (01/17/62)	Co-Chief Executive Officer, 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, Liberty Latin America, Grupo Financiero Banorte, Fomento Económico Mexicano (FEMSA) and Grupo Axo. Member of the Board of Managers and Member of the Executive Committee of Innova. Chairman of the Board of Trustees of Fundación Kardias, Member of the Board of Trustees of Fundación Mexicana para la Salud and Fundación UNAM. Member of the Board of Trustees of The Paley Center for Media. Former Executive Vice President and Chief Financial Officer of Grupo Televisa.	April 1997
Alberto Baillères González (08/22/31)	Chairman of Grupo Bal and Chairman of the Board of Directors of Industrias Peñoles, Fresnillo plc, Grupo Palacio de Hierro, Grupo Nacional Provincial, Grupo Profuturo, Profuturo Afore, PetroBal, Energía Eléctrica BAL, EnerAB and Tane.	Member of the Boards of Directors of Dine, Grupo Kuo, Grupo Financiero BBVA Bancomer, BBVA Bancomer, Fomento Económico Mexicano and member of Consejo Mexicano de Negocios, A.C. Chairman of the Board of Trustees of Instituto Tecnológico Autónomo de México (ITAM) and Founder and President of Fundación Alberto Bailléres.	April 2004
José Antonio Chedraui Eguía	Member of the Board of Directors and Chief Executive Officer of Grupo Comercial Chedraui, S.A.B. de C.V.	Former Chief Executive Officer of the Galos division of Grupo Comercial Chedraui, S.A.B. de C.V.	April 2019
Francisco José Chevez Robelo (07/03/29)	In-house advisor, co-founder and retired partner of Chevez, Ruiz, Zamarripa y Cía, S.C., Chairman of the Audit Committee of Grupo Televisa. Member of the Board of Directors and Member and Chairman of the Audit and Corporate Practices Committee of Empresas Cablevisión.	Member of the Board of Directors of Apuestas Internacionales. Former Managing Partner of Arthur Andersen & Co. (Mexico City). Member of the Board of Directors and Chairman of the Audit Committees of Regiomontana de Perfiles y Tubos, S.A. de C.V. and Pytco, S.A. de C.V.	April 2003

Name and Date of Birth	Principal Occupation	Business Experience	First Elected
Jon Feltheimer (09/02/51)	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, Celestial Tiger Entertainment, Pantelion and Pilgrim Media Group.	April 2015
José Luis Fernández Fernández (05/18/59)	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 Boards 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.	April 2002
Salvi Rafael Folch Viadero (08/16/67)	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 and former Vice Chairman of Banking Supervision of the National Banking and Securities Commission. Member of the Board of Directors and Alternate Member of the Executive Committee of Empresas Cablevision.	April 2002
Michael Thomas Fries (02/06/63)	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.	April 2015

Name and Date of Birth	Principal Occupation	Business Experience	First Elected
Marcos Eduardo Galperin (10/31/71)	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 Associate of Futures and Options of YPF S.A.	April 2017
Guillermo García Naranjo Álvarez (07/02/56)	Member of the Audit and the Corporate Practices Committees of Grupo Televisa.	Former Chairman of the Board of Directors of Consejo Mexicano de Normas de Información Financiera. Former Chief Executive Officer and Former Audit Partner of KPMG Cárdenas Dosal, S.C. Member of the Audit Committee of Banco de Mexico, 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 Corporate Practices Committee and Chairman of the Audit Committee of Grupo Posadas. Statutory Auditor of Total Systems de México. Member of the Board and the Audit Commission of Fundación Pro-Empleo D.F., A.C. (a non-profit organization) and Statutory Auditor of Banco Nacional de México, S.A. and subsidiaries.	April 2018
Bernardo Gómez Martínez (07/24/67)	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 Axo and Innova. Former Executive Vice President and Deputy Director of the President of Grupo Televisa and Former President of Cámara Nacional de la Industria de Radio y Televisión.	April 1999
Carlos Hank González (09/01/71)	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.	Former Chief Executive Officer of Grupo Financiero Interacciones, Banco Interacciones and Interacciones Casa de Bolsa. Former Deputy General Manager of Grupo Financiero Banorte. Member of the Boards of Directors of Bolsa Mexicana de Valores and Grupo Hermes.	April 2017

Name and Date of Birth	Principal Occupation	Business Experience	First Elected
Roberto Hernández Ramírez (03/24/42)	Honorary Chairman of the Board of Banco Nacional de México.	Honorary Member of the Board of Grupo Financiero Banamex Accival.	April 1992
Enrique Krauze Kleinbort (09/16/47)	Chief Executive Officer, Chairman of the Board of Directors and Co-Founder of Editorial Clío, Libros y Videos, S.A. de C.V. and Letras Libres, S.A. de C.V.	Member of Academia Mexicana de la Historia and Colegio Nacional.	April 1996
Lorenzo Alejandro Mendoza Giménez (10/05/65)	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), Ashoka Fellow and Member of the World Economic Forum (named a Global Young leader in 2005).	April 2009
Fernando Senderos Mestre (03/03/50)	Executive President and Chairman of the Boards of Directors of Grupo Kuo, S.A.B. de C.V. and Dine, S.A.B de C.V. Chairman of the Board of Directors of Grupo Desc, S.A. de C.V.	Member of the Boards of Kimberly-Clark de México, Industrias Peñoles and Grupo Nacional Provincial. Member of Consejo Mexicano de Hombres de Negocios and Member of Fundación para las Letras Mexicanas.	April 1992
Enrique Francisco José Senior Hernández (08/03/43)	Managing Director of Allen & Company LLC.	Member of the Boards of Directors of Univision, Coca-Cola FEMSA, Cinemark and FEMSA.	April 2001
Eduardo Tricio Haro (08/05/63)	Chairman of the Board of Directors of Grupo Lala. Chairman of the Executive Committee of Aeromexico and Member of the Corporate Practices Committee of Grupo Televisa.	Chairman of Fundación Lala. Member of the Boards of Directors of Grupo Aeroméxico, Grupo Financiero Banamex, Mexichem, Aura Solar, Centro Cultural Arocena Laguna, Hospital Infantil de México “Federico Gómez” and Instituto Tecnológico y de Estudios Superiores de Monterrey. Vice-President of Consejo Mexicano de Hombres de Negocios. Member of the Board of Instituto Nacional de Ciencias Médicas y Nutrición “Salvador Zubirán”, Mexicanos Primero, A.C., the Latin America Conservation Council - The Nature Conservancy (LACC) and U.S. - Mexico Foundation.	April 2012

Name and Date of Birth	Principal Occupation	Business Experience	First Elected
David M. Zaslav (01/15/60)	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, Mt. Sinai Medical Center, the USC Shoah Foundation, the Partnership for New York City and the Paley Center for Media.	April 2015
Alternate Directors:			
In alphabetical order:			
Herbert A. Allen III (06/08/67)	President of Allen & Company LLC.	Former Executive Vice-President and Managing Director of Allen & Company Incorporated and Alternate Director of Coca Cola FEMSA.	April 2002
Félix José Araujo Ramírez (03/20/51)	Vice President of Digital and Broadcast Television and Televisa Regional.	Former Chief Executive Officer of Telesistema Mexicano. Chairman of the Board of Directors of Televisión Independiente de México and Televimex.	April 2002
Joaquín Balcárcel Santa Cruz (01/04/69)	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.	April 2000
Julio Barba Hurtado (05/20/33)	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.	December 1990
Leopoldo Gómez González Blanco (04/06/59)	Vice-President of News of Grupo Televisa.	Former Director of Information to the Presidency of Grupo Televisa.	April 2003
Jorge Agustín Lutteroth Echegoyen (01/24/53)	Vice-President and Corporate Controller of Grupo Televisa.	Former Senior Partner of Coopers & Lybrand, Despacho Roberto Casas Alatriste, S.C. and former Controller of Televisa Corporación. Alternate Member of the Board of Empresas Cablevision. Alternate Member of the Board of Managers and the Executive Committee of Innova.	April 2000

Name and Date of Birth	Principal Occupation	Business Experience	First Elected
Alberto Javier Montiel Castellanos (11/22/45)	Director of Montiel Font y Asociados, S.C. and Member of the Audit Committee of Grupo Televisa and Member of Board of Directors 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.	April 2002
Raúl Morales Medrano (05/12/70)	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.	April 2002
Guadalupe Phillips Margain (02/07/71)	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 and Treasurer of the Board of Managers and Alternate Member of the Executive Committee of Innova. Alternate Member of the Board of Directors of Grupo Financiero Banorte and Banco Mercantil del Norte. Member of the Board of Directors of Empresas ICA, Grupo Aeroportuario del Centro Norte and Grupo Axo.	April 2012

Our Board of Directors

General. The management of our business is vested in our Board of Directors. Our bylaws currently provide for a Board of Directors of 20 members, at least 25% of which must be "independent directors" under Mexican law (as described below). The Mexican Securities Market Law provides that the following persons, among others, do not qualify as independent:

- our principals, employees or managers, as well as the statutory auditors, or *comisarios*, of our subsidiaries, including those individuals who have occupied any of the described positions within a period of 12 months preceding the appointment;
- individuals who have significant influence over our decision making processes;
- controlling stockholders, in our case, the beneficiary of the Azcárraga Trust;
- partners or employees of any company which provides advisory services to us or any company that is part of the same economic group as we are and that receives 10% or more of its income from us;
- significant clients, suppliers, debtors or creditors, or members of the Board or executive officers of any such entities; or
- spouses, family relatives up to the fourth degree, or cohabitants of any of the aforementioned individuals.

Our bylaws prohibit the appointment of individuals to our Board of Directors who: (i) are members of the board of directors or other management boards of a company (other than the Company or its subsidiaries) that has one or more concessions to operate telecommunications networks in Mexico; or (ii) directly or indirectly, are shareholders or partners of companies (other than the Company or its subsidiaries), that have one or more concessions to operate telecommunications networks in Mexico, with the exception of ownership stakes that do not allow such individuals to appoint one or more members of the management board or any other operation or decision making board.

Election of Directors. A majority of the members of our Board of Directors must be Mexican nationals and must be elected by Mexican stockholders. All of our current Series "A", Series "B" and Series "D" directors and alternate directors were appointed and/or ratified in their positions by our 2020 Series "D" special stockholders' meeting and our 2020 annual stockholders' meeting, which were held on April 28, 2020. Since there was no quorum for the Series "L" stockholders' meeting to be held also on April 28, 2020, Series "L" directors and alternate directors will continue to serve in their positions pursuant to our bylaws and applicable law. A majority of the holders of the Series "A" Shares voting together elected eleven of our directors and corresponding alternates and a majority of the holders of the Series "B" Shares voting together elected five of our directors and corresponding alternates. At our Series "D" special stockholders' meeting, a majority of the holders of the Series "D" Shares elected two of our directors and alternate directors, each of which must be an independent director. Our Series "L" directors and alternate directors must also be independent directors. Each alternate director may vote in the absence of a corresponding director. Our stockholders' meetings held on April 28, 2020 resolved that our directors and alternate directors be elected annually for a term that will expire when new appointments are approved by our stockholders as provided by our bylaws and applicable law. In addition, if any director is elected for a specific term and such term expires or any director resigns from his or her position, any such director will continue to serve in his or her position for up to a 30-day term; in this case, the Board of Directors is entitled to appoint provisional directors without the approval of the stockholders' meeting.

Quorum; Voting. In order to have a quorum for a meeting of the Board of Directors, generally at least 50% of the directors or their corresponding alternates must be present. However, in the case of a meeting of the Board of Directors to consider certain proposed acquisitions of our capital stock, at least 75% of the directors or their corresponding alternates must be present. In the event of a deadlock of our Board, our Chairman will have the deciding vote.

Meetings; Actions Requiring Board Approval. Our bylaws provide that our Board must meet at least quarterly, and that our Chairman, 25% of the Board members, our Secretary, alternate Secretary, the Chairman of the Audit Committee or the Chairman of the Corporate Practices Committee may call for a Board meeting.

Pursuant to the Mexican Securities Market Law and our bylaws, our Board of Directors must approve, among other matters:

- our general strategy;
- with input from the Audit Committee, on an individual basis: (i) our financial statements; (ii) unusual or non-recurrent transactions and any transactions or series of related transactions during any calendar year that involve (a) the acquisition or sale of assets with a value equal to or exceeding 5% of our consolidated assets, or (b) the giving of collateral or guarantees or the assumption of liabilities, equal to or exceeding 5% of our consolidated assets; (iii) agreements with our external auditors; and (iv) accounting policies within IFRS;
- with input from the Corporate Practices Committee, on an individual basis: (i) any material transactions with related parties, in accordance with the criteria set forth in the Mexican Securities Market Law, subject to certain limited exceptions and (ii) the appointment of our Co-Chief Executive Officers and their compensation;
- creation of special committees and granting them the power and authority, provided that the committees will not have the authority, which by law or under our bylaws is expressly reserved for the stockholders or the Board;
- matters related to antitakeover provisions provided for in our bylaws; and
- the exercise of our general powers in order to comply with our corporate purpose.

Duty of Care and Duty of Loyalty. The Mexican Securities Market Law imposes a duty of care and a duty of loyalty on directors. The duty of care requires our directors to act in good faith and in the best interests of the Company. In carrying out this duty, our directors are required to obtain the necessary information from the Co-Chief Executive Officers, the executive officers, the external auditors or any other person to act in the best interests of the Company. Our directors are liable for damages and losses caused to us and our subsidiaries as a result of violating their duty of care.

The duty of loyalty requires our directors to preserve the confidentiality of information received in connection with the performance of their duties and to abstain from discussing or voting on matters in which they have a conflict of interest. In addition, the duty of loyalty is breached if a stockholder or group of stockholders is knowingly favored or if, without the express approval of the Board of Directors, a director takes advantage of a corporate opportunity. The duty of loyalty is also breached, among other things, by (i) failing to disclose to the Audit Committee or the external auditors any irregularities that the director encounters in the performance of his or her duties; or (ii) disclosing information that is false or misleading or omitting to record any transaction in our records that could affect our financial statements. Directors are liable for damages and losses caused to us and our subsidiaries for violations of this duty of loyalty. This liability also extends to damages and losses caused as a result of benefits obtained by the director or directors or third parties, as a result of actions of such directors.

Our directors may be subject to criminal penalties of up to 12 years imprisonment for certain illegal acts involving willful misconduct that result in losses to us. Such acts include the alteration of financial statements and records.

Liability actions for damages and losses resulting from the violation of the duty of care or the duty of loyalty may be exercised solely for our benefit and may be brought by us, or by stockholders representing 5% or more of our capital stock, and criminal actions only may be brought by the Mexican Ministry of Finance, after consulting with the Mexican National Banking and Securities Commission. As a safe harbor for directors, the liabilities specified above (including criminal liability) will not be applicable if the director acting in good faith: (i) complied with applicable law, (ii) made the decision based upon information provided by our executive officers or third-party experts, the capacity and credibility of which could not be subject to reasonable doubt, (iii) selected the most adequate alternative in good faith or if the negative effects of such decision could not have been foreseeable, and (iv) complied with stockholders' resolutions provided the resolutions do not violate applicable law.

The members of the board are liable to our stockholders only for the loss of net worth suffered as a consequence of disloyal acts carried out in excess of their authority or in violation of our bylaws.

In accordance with the Mexican Securities Market Law, supervision of our management is entrusted to our Board of Directors, which shall act through the Audit and the Corporate Practices Committees for such purposes, and to our external auditor.

Audit Committee. The Audit Committee is currently composed of four independent members: Francisco José Chevez Robelo, the Chairman, Alberto Javier Montiel Castellanos, José Luís Fernández Fernández and Guillermo García Naranjo Álvarez. The Chairman of the Audit Committee was ratified at our annual stockholders' meeting held on April 28, 2020, and our Board of Directors appointed the remaining members.

The Audit Committee is responsible for, among other things: (i) submit to the Board of Director's approval, the annual designation and/or ratification of the firm engaged to perform the external audit, as well as the engagement of services other than those related to the external audit to be performed by the external auditors; (ii) evaluating the performance of our external auditors and analyzing their reports, (iii) discussing our financial statements with the persons in charge of their preparation, and based on such discussions, recommending their approval to the Board of Directors, (iv) informing the Board of Directors of the status of our internal controls and their adequacy, (v) requesting reports of executive officers whenever it deems appropriate, (vi) informing the Board of any irregularities that it may encounter as part of the performance of its duties, (vii) receiving and analyzing recommendations and observations made by the stockholders, directors, executive officers, our external auditors or any third party and taking the necessary actions, (viii) review and approve, if applicable, certain related party transactions that are not considered material in accordance with the Mexican Securities Market Law; (ix) calling stockholders' meetings when requested, (x) providing opinions to our Board of Directors with respect to specific matters required under the Mexican Securities Market Law, (xi) requesting and obtaining opinions from independent third parties, as it deems convenient, in connection with the performance of its duties and (xii) assisting the Board in the preparation of annual reports rendered by the Board to the shareholders and other reporting obligations.

The Chairman of the Audit Committee shall prepare an annual report to our Board of Directors with respect to the activities of the Audit Committee, which shall include, among other things: (i) the status of the internal controls and internal audits and any deviations and deficiencies thereof, taking into consideration the reports of external auditors and independent experts, (ii) the results of any preventive and corrective measures taken based on results of investigations in respect of non-compliance of operating and accounting policies, (iii) the evaluation of external auditors, (iv) the main results from the review of our financial statements and those of our subsidiaries, (v) the description and effects of changes to accounting policies, (vi) the measures adopted as result of observations of stockholders, directors, executive officers and third parties relating to accounting, internal controls, and internal or external audits, and (vii) compliance with stockholders' and directors' resolutions.

Corporate Practices Committee. The Corporate Practices Committee is currently composed of the following independent members: José Luis Fernández Fernández, the Chairman, Guillermo García Naranjo Álvarez and Eduardo Tricio Haro. The Chairman of the Corporate Practices Committee was ratified at our annual stockholders' meeting held on April 28, 2020, and our Board of Directors appointed the remaining members.

The Corporate Practices Committee is responsible for, among other things: (i) reviewing and approving corporate goals and objectives relevant to the compensation of the Co-Chief Executive Officers, and reviewing the evaluations of the Co-Chief Executive Officers' performance in light of those goals and objectives, (ii) reviewing and approving the annual base salaries and annual incentive opportunities of the relevant executive, reviewing the parameters evaluating the executive officers' performance and recommending executive officer compensation policies and guidelines to our Board of Directors, (iii) reviewing all other incentive awards and opportunities (cash-based and equity-based), any employment agreements, any change in control agreements and change in control provisions affecting compensation and benefits and any special or supplemental compensation and benefits for the relevant executive and individuals who formerly served as executive officers, and (iv) reviewing and recommending certain material transactions entered into with related parties, in accordance with the Mexican Securities Market Law.

The Chairman of the Corporate Practices Committee shall prepare an annual report to the Board of Directors with respect to the activities of the Corporate Practices Committee, which shall include, among other things: (i) observations with respect to the performance of the relevant executive, (ii) material related party transactions entered into during the course of the fiscal year, and (iii) the compensation packages of the relevant executive.

Executive Committee of Our Board of Directors. Our Board of Directors has an Executive Committee. Each member is appointed for a one-year term at each annual general stockholders' meeting. Our bylaws provide that the Executive Committee may generally exercise the powers of the Board of Directors, except those expressly reserved for the Board in our bylaws or by applicable law. The Executive Committee currently consists of Emilio Azcárraga Jean, Alfonso de Angoitia Noriega and Bernardo Gómez Martínez.

Executive Officers

The following table sets forth the names of our executive officers, their dates of birth, their current position, their prior business experience and the years in which they were appointed to their current positions:

Name and Date of Birth	Principal Occupation	Business Experience	First Elected
Emilio Fernando Azcárraga Jean (02/21/68)	Executive Chairman of the Board and Chairman of the Executive Committee of Grupo Televisa. Member and Chairman of the Board and Member 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. Member and Chairman of the Board of Managers and Member and Chairman of the Executive Committee of Innova, Member of Consejo Mexicano de Hombres de Negocios and Fundación Teletón.	December 1990
In alphabetical order:			
Alfonso de Angoitia Noriega (01/17/62)	Co-Chief Executive Officer, 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, Liberty Latin America, Grupo Financiero Banorte, Fomento Económico Mexicano (FEMSA) and Grupo Axo. Member of the Board of Managers and Member of the Executive Committee of Innova. Chairman of the Board of Trustees of Fundación Kardias, Member of the Board of Trustees of Fundación Mexicana para la Salud and Fundación UNAM. Member of the Board of Trustees of The Paley Center for Media. Former Executive Vice President and Chief Financial Officer of Grupo Televisa.	April 1997

Name and Date of Birth	Principal Occupation	Business Experience	First Elected
Bernardo Gómez Martínez (07/24/67)	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 Axo and Innova. Former Executive Vice President and Deputy Director of the President of Grupo Televisa and Former President of Cámara Nacional de la Industria de Radio y Televisión.	April 1999
Carlos Ferreiro Rivas (11/19/68)	Corporate Vice President of Finance of Grupo Televisa.	Former Chief Financial Officer of Grupo Televisa's Cable Division, Former Chief Financial Officer of Sky, Former Chief Financial Officer of GSF Telecom and Alternate Member of the Board and Alternate Member of the Executive Committee of Empresas Cablevisión and Member of the Board of Managers of Innova.	October 2017
José Antonio Lara del Olmo (09/02/70)	Corporate Vice President of Administration of Grupo Televisa.	Former Chief Accounting and Tax Officer of Grupo Televisa, Former Vice President of Taxes of Grupo Televisa and Alternate Member of the Board of Managers of Innova.	October 2017

Compensation of Directors and Officers

For the year ended December 31, 2019, we paid our directors, alternate directors and officers for services in all capacities aggregate compensation of approximately Ps.869.6 million (U.S.$46.0 million using the Interbank Rate, as reported by CitiBanamex, as of December 31, 2019). This compensation included certain amounts related to the use of assets and services of the Company, as well as travel expenses reimbursed to directors and officers. See "— Use of Certain Assets and Services" below.

On April 28, 2020, at our general stockholders' meeting, our stockholders approved a remuneration of U.S.$15,000 to be paid to the members of our Board of Directors, the Secretary of the Board of Directors and the members of the Audit and Corporate Practices Committees, for each meeting of the Board and/or the Audit and Corporate Practices Committees to which they attend (except for Board members traveling from outside of Mexico to attend Board meetings, who will receive U.S.$25,000 for each Board meeting they attend).

As of December 31, 2019, we have made Ps.82.8 million in contributions to our pension and seniority premium plans on behalf of our directors, alternate directors and officers. Projected benefit obligations as of December 31, 2019 were approximately Ps.170.9 million.

Certain of our officers are entitled to receive performance bonuses. The amount and rules applicable vary among the different divisions and/or officers. The amounts payable under the performance bonus depend on the results achieved, and include certain qualitative and/or quantitative objectives that can be related to revenues and/or EBITDA, budgets, market share and others.

We have entered into certain Compensation and Retention Agreements with several executive officers. Such agreements were originally signed in late 2014 and substituted before their original termination with new agreements that will expire in December 2022. The conditions applicable to such contracts were approved by the Board of Directors and include, among other conditions, salary, an annual retention bonus and a performance bonus. In order to be entitled to the performance bonus, certain qualitative and quantitative targets must be met, including parameters related to the growth of revenues and EBITDA. If targets are not met, the amounts to be paid decline, and if targets are exceeded, the bonus can reach up to 120% of the target bonus. The target bonus is set at approximately two times the fixed component established in the relevant agreements.

We have a deferred compensation plan for certain officers of our Cable Division, payable in the event that certain revenue and EBITDA targets of a five-year plan are met. Twenty percent of such deferred compensation was paid in 2020, and the remainder may be payable in 2021. In the event that the established targets in the plan are fully met, the annual cost during the five years of the deferred compensation plan will amount on average to approximately U.S.$25 million.

At this date, we anticipate that the maximum targets established for 2020 will not be met, which will result in a lower compensation than the maximum established by the plan. We estimate that the provisions that have been created in the period since the plan was established up to this date should be sufficient to cover any pending payment to be made under the deferred compensation plan.

In addition, we have granted our executive officers and directors rights to purchase CPOs under the Stock Purchase Plan and the Long-Term Retention Plan. See "— Stock Purchase Plan and Long-Term Retention Plan" below.

Use of Certain Assets and Services

We maintain an overall security program for Mr. Azcárraga and for certain executive officers, as well as, in some cases, for their families, and for other specific employees and service providers, as permitted under our "*Política de Seguridad*", or Security Policy, due to business-related security concerns. We refer to the individuals described above as Key Personnel. Our security program includes the use of our personnel, assets and services to accomplish security objectives.

In accordance with this program, we require, under certain circumstances, that certain authorized Key Personnel use aircrafts, either owned or leased by us, for non-business, as well as business travel for our benefit rather than as a personal benefit. The use of such aircrafts is carried out in accordance with, among others, our "*Política de Seguridad*" policy, which establishes guidelines under which authorized Key Personnel may use such aircrafts for personal purposes. If the use of such aircrafts for personal purposes exceeds the specified number of hours, the relevant Key Personnel must reimburse us for the cost of operating the aircrafts during the excess time of use. The aggregate amount of compensation set forth in "— Compensation of Directors and Officers" does include the cost to us of providing this service.

In addition, certain Key Personnel are provided with security systems and equipment for their residences and/or automobiles and with security advice and personal protection services at their residences. The use of these security services is provided in accordance with our "*Política de Seguridad*" policy. The cost of these systems and services are incurred as a result of business-related concerns and are not considered for their personal benefit. As a result, the Company has not included such cost in "— Compensation of Directors and Officers".

Further, certain Key Personnel are provided with advisory services, including legal, tax and accounting services, through approved company providers.

Stock Purchase Plan and Long-Term Retention Plan

The stock purchase plan has been implemented in several stages since 1999, through a series of conditional sales to plan participants of CPOs. At our general extraordinary and ordinary stockholders' meeting held on April 30, 2002, our stockholders authorized the creation and implementation of a Long-Term Retention Plan, as well as the creation of one or more special purpose trusts to implement the Long-Term Retention Plan. Pursuant to our Long-Term Retention Plan, we have granted eligible participants, who consist of unionized and non-unionized employees, including key personnel ("Plan Participants"), awards as conditional sales. As of October 2010, our stock purchase plan and our Long-Term Retention Plan were consolidated under a single special purpose trust. Pursuant to the resolutions adopted by our stockholders, we have not, and do not intend to, register shares under the Securities Act that are allocated to the Long-Term Retention Plan.

The CPOs, CPO equivalents and underlying shares that are part of the stock purchase plan will be held by the special purpose trust and will be voted with the majority of the CPOs, CPO equivalents and underlying shares are represented at the relevant meeting until these securities are transferred to Plan Participants or otherwise sold in the open market. In accordance with the stock purchase plan, our President and the technical committee of the special purpose trust have broad discretion to make decisions related to, and amendments to, the stock purchase plan, including the ability to accelerate vesting terms, to modify the purchase price, to grant, release or transfer CPOs and/or CPO equivalents, subject to conditional sale agreements, to Plan Participants in connection with sales for purposes of making the payment of the related purchase price.

Unless modified as referred in the preceding paragraph, the price at which the conditional sales of the CPOs will be made to beneficiaries is based on the lowest of (i) the closing price on March 31 of the year in which the CPOs are awarded, and (ii) the average price of the CPOs during the first three months of the year in which the CPOs are awarded. The resulting price shall be reduced by dividends, a liquidity discount and by the growth of the consolidated or relevant segment Operating Income Before Depreciation and Amortization, or OIBDA, (including OIBDA affected by acquisitions) between the date of award and the vesting date, among others.

In April 2007, the Board of Directors, with input from the then Audit and Corporate Practices Committee, reviewed the compensation of our former Chief Executive Officer and decided to include our former Chief Executive Officer in our Long-Term Retention Plan as well as in any other plan granted to our employees in the future. See "— Compensation of Directors and Officers".

At our annual general ordinary stockholders' meeting held on April 2, 2013, our stockholders approved that the number of CPOs that may be granted annually under the Long-Term Retention Plan shall be up to 1.5% of the capital of the Company. As of December 31, 2019, approximately 32.0 million CPOs or CPO equivalents that were transferred to Plan Participants were sold in the open market during 2017, 2018 and 2019. Additional sales will continue to take place during or after 2020.

In October 2019, some of our outstanding awards under our Long-Term Retention Plan (the "Awards") had purchase prices that exceeded the current market price of the underlying CPOs or CPO equivalents. In order to provide long-term incentives, align our officers' and employees' interests with those of our stockholders and retain officers and employees, the Board of Directors, with the favorable opinion of the Corporate Practices Committee, which oversees executive compensation, authorized us to terminate certain Awards, subject to the consent of their respective holders, and to grant an award for half the number of CPOs or CPO equivalents that were terminated, with an initial price of Ps.38.36. This action terminated Awards for 81.1 million CPOs or CPO equivalents in the aggregate. This will represent a non-cash cost for us of up to approximately U.S.$30 million in the aggregate over a period of three years.

Also, as of March 31, 2020, the special purpose trust created to implement the Long-Term Retention Plan owned approximately 188.7 million CPOs or CPO equivalents. This figure is net of approximately 42.5 million, 34.3 million and 32.3 million CPOs or CPO equivalents vested in 2017, 2018 and 2019, respectively and the return of CPOs or CPO equivalents as a result of terminated Awards. Of such 188.7 million CPOs or CPO equivalents, approximately 73.8% are in the form of CPOs and the remaining 26.2% are in the form of A, B, D and/or Series "L" Shares. As of March 31, 2020, approximately 104.5 million CPOs or CPO equivalents have been reserved and will become vested between 2020 and 2022 at prices ranging from Ps.38.36 to Ps.90.59 per CPO which may be reduced by dividends, a liquidity discount and the growth of the consolidated or relevant segment OIBDA (including OIBDA affected by acquisitions) between the date of award and the vesting date, among others.

As we have done in the past, we may consider further capital increases, among other alternatives, to continue replenishing the Long-Term Retention Plan. Any such capital increases would be subject to the appropriate corporate approvals, including stockholders' preemptive rights as well as the authorization by our stockholders at the stockholders' meeting.

Share Ownership of Directors and Officers

Share ownership of our directors, alternate directors and executive officers is set forth in the table under "Major Stockholders and Related Party Transactions". Except as set forth in such table, none of our directors, alternate directors or executive officers is currently the beneficial owner of more than 1% of any class of our capital stock or conditional sale agreements or options representing the right to purchase more than 1% of any class of our capital stock.

Employees and Labor Relations

The following table sets forth the number of employees and a breakdown of employees by main category of activity and geographic location as of the end of each year in the three-year period ended December 31, 2019:

	Year Ended December 31,		
	2019	**2018**	**2017**
Employees excluding held-for-sale operations	42,702	38,918	39,733
Employees of held-for-sale operations (Radio business)	246	247	255
Total number of employees	42,948	39,165	39,988
Category of activity:			
Employees	42,875	39,098	39,915
Executives	73	67	73
Geographic location:			
Mexico	42,884	38,956	39,733
Latin America (other than Mexico)	3	131	157
U.S.	52	69	88
Europe	9	9	10

As of December 31, 2019, 2018 and 2017, approximately 41%, 40% and 40% of our employees, respectively, were represented by unions. We believe that our relations with our employees are good. Under Mexican law, the agreements between us and most of our television and cable television union employees as well as Radiópolis' radio union employees are subject to renegotiation on an annual basis in January of each year. We also have union contracts with artists, musicians and other employees, which are also renegotiated on an annual basis.

Item 7. Major Stockholders and Related Party Transactions

The following table sets forth information about the beneficial ownership of our capital stock by our directors, alternate directors, executive officers and each person who is known by us to own more than 5% of the currently outstanding Series "A" Shares, Series "B" Shares, Series "L" Shares or Series "D" Shares as of April 15, 2020. Except as set forth below, we are not aware of any holder of more than 5% of any class of our Shares.

	Shares Beneficially Owned(1)(2)								Aggregate Percentage of Outstanding Shares
	Series "A" Shares		Series "B" Shares		Series "D" Shares		Series "L" Shares		
Identity of Owner	Number	Percentage of Class	Number	Percentage of Class	Number	Percentage of Class	Number	Percentage of Class	Beneficially Owned
Azcárraga Trust(3)	52,991,825,705	43.8%	67,814,604	0.1%	107,886,870	0.1%	107,886,870	0.1%	15.1%
Harris Associates, L.P.(4)	8,133,028,500	6.7%	7,157,065,080	12.5%	11,386,239,900	13.1%	11,386,239,900	13.1%	10.8%
Dodge & Cox (5)	8,356,565,000	6.9%	7,353,777,200	12.9%	11,699,191,000	13.4%	11,699,191,000	13.4%	11.1%
William H. Gates III(6)	5,994,363,375	5.0%	5,275,039,770	9.2%	8,392,108,725	9.6%	8,392,108,725	9.6%	8.0%
BlackRock, Inc.(7)	5,060,960,650	4.2%	4,453,645,372	7.8%	7,085,344,910	8.1%	7,085,344,910	8.1%	6.7%
FPR Partners, LLC(8)	4,915,988,625	4.1%	4,326,069,990	7.6%	6,882,384,075	7.9%	6,882,384,075	7.9%	6.5%

(1) Unless otherwise indicated, the information presented in this section is based on the number of shares authorized, issued and outstanding as of March 31, 2020. The number of shares issued and outstanding for legal purposes as of March 31, 2020 was 62,147,379,825 Series A Shares 54,689,694,246 Series B Shares, 87,006,331,755 Series D Shares and 87,006,331,755 Series L Shares, in the form of CPOs, and an additional 58,926,613,375 Series A Shares, 2,357,207,692 Series B Shares, 238,595 Series D Shares and 238,595 Series L Shares not in the form of CPOs. For financial reporting purposes under IFRS only, the number of shares authorized, issued and outstanding as of March 31, 2020 was 58,667,265,575 Series A Shares, 51,627,193,706 Series B Shares, 82,134,171,805 Series D Shares and 82,134,171,805 Series L Shares in the form of CPOs, and an additional 55,497,232,367 Series A Shares, 186,537 Series B Shares, 238,541 Series D Shares and 238,541 Series L Shares not in the form of CPOs. The number of shares authorized, issued and outstanding for financial reporting purposes under IFRS as of March 31, 2020 does not include 139,204,570 CPOs and an additional 3,429,381,008 Series A Shares, 2,357,021,155 Series B Shares, 54 Series D Shares and 54 Series L Shares not in the form of CPOs acquired by the special purpose trust we created to implement our long-term retention plan. See Note 17 to our consolidated year-end financial statements

(2) Except through the Azcárraga Trust, none of our directors and executive officers currently beneficially owns more than 1% of our outstanding Series "A" Shares, Series "B" Shares, Series "D" Shares or Series "L" Shares. See "Directors, Senior Management and Employees — Share Ownership of Directors and Officers". This information is based on information provided by directors and executive officers.

(3) For a description of the Azcárraga Trust, see "— The Major Stockholders" below.

(4) Based solely on information included in the report on Schedule 13G by Harris Associates L.P. as of February 14, 2020.

(5) Based solely on information included in the report on Schedule 13G by Dodge & Cox, as of February 13, 2020.

(6) Based solely on information included in (i) the Schedule V "Report of participation in the capital stock of issuers" of the Comisión Nacional Bancaria y de Valores, commonly known as the CNBV regulations for issuers as of April 29, 2019 by Cascade Investment, L.L.C. with respect to holdings by Cascade Investment, L.L.C., and (ii) the report on Form 13F filed on February 14, 2020 by the Bill and Melinda Gates Foundation Trust.

(7) Based solely on information included in the report on Schedule 13G by Blackrock, Inc. as of February 4, 2020.

(8) Based solely on information included in the report on Schedule 13G by FPR Partners LLC as of February 14, 2020.

The Major Stockholders

The Azcárraga Trust, a trust for the benefit of Emilio Azcárraga Jean, currently holds 43.8% of the outstanding Series "A" Shares, 0.1% of the outstanding Series "B" shares, 0.1% of the outstanding Series "D" Shares and 0.1% of the outstanding Series "L" Shares of the Company. As a result, Emilio Azcárraga Jean currently controls the vote of such shares through the Azcárraga Trust. The Series "A" Shares held through the Azcárraga Trust constitute a majority of the Series "A" Shares whose holders are entitled to vote because non-Mexican holders of CPOs and GDSs are not permitted to vote the underlying Series "A" Shares in accordance with the trust agreement governing the CPOs and the Company's bylaws. Accordingly, and so long as non-Mexicans own more than a minimal number of Series "A" Shares, Emilio Azcárraga Jean will have the ability to direct the election of 11 out of 20 members of our Board of Directors, as well as prevent certain actions by the stockholders, including dividend payments, mergers, spin-offs, changes in corporate purpose, changes of nationality and amendments to the anti-takeover provisions of our bylaws.

Pursuant to our bylaws, holders of Series "B" Shares are entitled to elect five out of 20 members of our Board of Directors.

Because the Azcárraga Trust only holds a limited number of Series "B" Shares, there can be no assurance that individuals nominated by the Azcárraga Trust appointees will be elected to our Board.

We believe that as of March 31, 2020, approximately 309.3 million of GDSs were held of record by 69 persons with U.S. addresses. Those GDSs represent 31.9% of the outstanding Series "A" Shares, 59.6% of the outstanding Series "B" Shares, 62.2% of the outstanding Series "D" Shares and 62.2% of the outstanding Series "L" Shares of the Company. Before giving effect to the 2004 recapitalization, substantially all of the outstanding Series "A" Shares not held through CPOs were owned by Televicentro and a special purpose trust created for our Long-Term Retention Plan, as described under "Major Stockholders and Related Party Transactions" and "Directors, Senior Management and Employees — Stock Purchase Plan and Long-Term Retention Plan". For more information regarding our 2004 recapitalization, please refer to our Form 6-K filed with the SEC on March 25, 2004.

Related Party Transactions

Transactions and Arrangements with Univision. We have in the past and on an ongoing basis enter into transactions with Univision in the ordinary course of business. In December 2010, the Company and Univision announced the completion of certain agreements among related parties by which, among other transactions, the Company made an investment in BMP (now known as Univision Holdings, Inc., or UHI) the parent company of Univision, and the PLA between Televisa and Univision was amended and extended through the later of 2025 or 90 months after the Company voluntarily sells two-thirds of its equity interests in UHI. Univision became a related party to the Company as of December 2010 as a result of these transactions. For a description of our arrangements with Univision, see "Information on the Company — Business Overview — Univision".

Transactions and Arrangements With Our Directors and Officers. During 2017, we entered into contracts leasing office space directly or indirectly from certain of our directors and officers. These leases have aggregate annual lease payments for 2020 equal to approximately Ps.33.4 million. We believe that the terms of these leases are comparable to terms that we would have entered into with third parties for similar leases.

Certain of our executive officers have in the past, and from time to time in the future may, purchase debt securities issued by us and/or our subsidiaries from third parties in negotiated transactions. Certain of our executive officers and directors participate in our stock purchase plan and Long-Term Retention Plan. See "Directors, Senior Management and Employees — Stock Purchase Plan and Long-Term Retention Plan".

Transactions and Arrangements With Affiliates and Related Parties of Our Directors, Officers and Major Stockholders

Consulting Services. Instituto de Investigaciones Sociales, S.C., a consulting firm which is controlled by Ariana Azcárraga De Surmont, the sister of Emilio Azcárraga Jean, has from time to time during 2019 provided consulting services and research in connection with the effects of our programming, especially dramas, on our viewing audience. Instituto de Investigaciones Sociales, S.C. provided us with such services in 2019, and we expect to continue these arrangements through 2020.

Citibanamex participation in Syndicated Loan. In June 2019, the Company entered into a long-term credit agreement with a syndicate of banks, including Citibanamex with maturity in 2024. An affiliate of Citibanamex also acted as joint lead arranger and joint book runner with other banks. This loan was made on terms substantially similar to those offered by Citibanamex to third parties. Emilio Azcárraga Jean, our Executive Chairman of the Board, is a member of the Board of Citibanamex. One of our directors, Roberto Hernández Ramírez, is the Honorary Chairman of the Board of Citibanamex. Mr. Hernández was also a member of the Board of, and the beneficial owner of less than 1% of the outstanding capital stock of, Citigroup, Inc., the entity that indirectly controls Citibanamex. For a description of amounts outstanding under, and the terms of, our existing credit facilities with Citianamex, see "Operating and Financial Review and Prospects — Results of Operations — Liquidity, Foreign Exchange and Capital Resources — Indebtedness".

Loans from Banorte. In 2015, Banorte and TVI entered into a loan agreement with a maturity date of 2022. This loan was made on terms substantially similar to those offered by Banorte to third parties. Alfonso de Angoitia Noriega, our Executive Vice President, Member of the Board, Guadalupe Phillips Margain, Alternate Member of the Board, and Carlos Hank González, Member of the Board of the Company, are members and Carlos Hank González is President of the Board of Banorte. For a description of amounts outstanding under, and the terms of, our existing credit facilities with Banorte, see "Operating and Financial Review and Prospects — Results of Operations — Liquidity, Foreign Exchange and Capital Resources — Indebtedness".

Advertising Services. Several members of our current Board serve as members of the Boards and/or are stockholders of other companies. See "Directors, Senior Management and Employees". Some of these companies, including Grupo Comercial Chedraui, Grupo Nacional Provincial, Grupo Palacio de Hierro, Mercadolibre, Grupo Financiero Banorte, Grupo Lala, Kimberly-Clark de México, CitiBanamex and Grupo Axo, among others, purchased advertising services from us in connection with the promotion of their respective products and services from time to time in 2019, and we expect that this will continue to be the case in the future.

Legal and Advisory Services. During 2019, Mijares, Angoitia, Cortés y Fuentes, S.C., a Mexican law firm, provided us with legal and advisory services, and we expect that this will continue to be the case in the future. Ricardo Maldonado Yáñez, a partner from the law firm of Mijares, Angoitia, Cortés y Fuentes, S.C., serves also as Secretary of our Board of Directors and Secretary to the Executive Committee of our Board of Directors. We believe that the fees we paid for these services were comparable to those that we would have paid another law firm for similar services.

Since 2011, we have had agreements with Allen & Company to provide the Company with advisory services related to an investment in the television segment outside of Mexico, and have continued to engage Allen & Company with other advisory services over the past years related to strategic investments of the Company. Two of our directors are directors of Allen & Company as well. These agreements were entered into on an arm's length basis. We believe that the amounts paid and to be paid under these agreements to Allen & Company are comparable to those paid to third parties for these types of services.

For further information about our related party transactions, see Note 20 to our consolidated year-end financial statements.

Item 8. Financial Information

See "Financial Statements" and pages F-1 through F-70, which are incorporated in this Item 8 by reference.

Item 9. The Offer and Listing

Trading Information

Since December 1993, the GDSs have been traded on the New York Stock Exchange, or NYSE, under the symbol "TV" and the CPOs have been traded on the Mexican Stock Exchange under the symbol "TLEVISACPO". In September 2007, we removed JPMorgan Chase Bank, N.A. as the depository for the GDSs and appointed The Bank of New York Mellon pursuant to a new deposit agreement.

Trading prices of the CPOs and the GDSs are influenced by our results of operations, financial condition, cash requirements, future prospects and by economic, financial and other factors and market conditions. See "Key Information — Risk Factors — Risk Factors Related to Mexico — Economic and Political Developments in Mexico May Adversely Affect Our Business". We believe that as of March 31, 2020, approximately 309.3 million GDSs were held of record by 69 persons with U.S. addresses.

Trading on the Mexican Stock Exchange

Overview

The Mexican Stock Exchange, located in Mexico City, operating continuously since 1907, is one of the two stock exchanges in Mexico. The other stock exchange in Mexico is the Bolsa Institucional de Valores S.A. de C.V., which began operations in July 2018 (the "Institutional Stock Exchange" and together with the Mexican Stock Exchange, the "Stock Exchanges in Mexico"). The Mexican Stock Exchange is organized as a *sociedad anónima bursátil de capital variable*, or publicly-traded corporation with variable capital. Securities trading on the Mexican Stock Exchange occurs from 8:30 a.m. to 3:00 p.m., Mexico City time, each business day. All trading on the Mexican Stock Exchange is effected electronically. The Mexican Stock Exchange may impose a number of measures to promote an orderly and transparent trading price of securities, including the operation of a system of automatic suspension of trading in shares of a particular issuer when price fluctuation exceeds certain limits. The Mexican Stock Exchange may also suspend trading in shares of a particular issuer as a result of the disclosure of a material event, or when the changes in the volume traded or share price are not consistent with either the historic performance or information publicly available. The Mexican Stock Exchange may resume trading in the shares when it deems that the material events have been adequately disclosed to public investors or when it deems that the issuer has adequately explained the reasons for the changes in the volume traded or prevailing share price. Under current regulations, in certain cases when the relevant securities are simultaneously traded on a stock exchange outside of Mexico, the Mexican Stock Exchange or the Institutional Stock Exchange, as the case may be, may consider the measures adopted by the other stock exchange in order to suspend and/or resume trading in the issuer's shares. Furthermore, now that the Institutional Stock Exchange has also begun operations, the suspension of trading of a series of a company's securities on one exchange will automatically trigger the suspension of its trading on the other exchange.

Settlement is effected in two business days after a share transaction on both Stock Exchanges in Mexico. Deferred settlement, even by mutual agreement, is not permitted without the approval of the CNBV. Most securities traded on the Mexican Stock Exchange or the Institutional Stock Exchange, including the CPOs, are on deposit with S.D. Indeval, Institución para el Depósito de Valores, S.A. de C.V., or Indeval, a privately owned securities depositary that acts as a clearinghouse, depositary and custodian, as well as a settlement, transfer and registration agent for transactions of the Stock Exchanges in Mexico, eliminating the need for physical transfer of securities.

Although the Mexican Securities Market Law provides for the existence of an over-the-counter market, no such market for securities in Mexico has been developed.

Market Regulation and Registration Standards

To offer securities to the public in Mexico, an issuer must meet specific qualitative and quantitative requirements, and generally only securities for which an application for registration in the National Registry of Securities, or NRS, maintained by the CNBV has been approved by the CNBV may be listed on the Mexican Stock Exchange or on the Institutional Stock Exchange. As of this date, we are only listed on the Mexican Stock Exchange, and therefore we must only comply with the CNBV´s and the Mexican Stock Exchange´s rules and regulations for approval. This approval does not imply any kind of certification or assurance related to the merits or the quality of the securities or the solvency of the issuer.

The CNBV has also issued general rules, or General CNBV Rules, applicable to issuers and other securities market participants that govern issuers and issuer activity, among other things.

The General CNBV Rules have mandated that the Stock Exchanges in Mexico adopt minimum requirements for issuers to be registered with the CNBV and have their securities listed on the Mexican Stock Exchange or on the Institutional Stock Exchange. Pursuant to the internal rules of the Stock Exchanges in Mexico, in order to be registered, issuers will be required to have, among other things:

- a minimum number of years of operating history;
- a minimum financial condition;
- a minimum number of shares or CPOs to be publicly offered to public investors;
- a minimum price for the securities to be offered;
- a minimum of 15% of the capital stock placed among public investors (which percentage may be lowered under certain circumstances);
- a minimum of 100 holders of shares or of shares represented by CPOs, who are deemed to be public investors under the General CNBV Rules, upon the completion of the offering; and
- complied with certain corporate governance requirements.

To maintain its registration, an issuer will be required to have, among other things:

- a minimum of 12% of the capital stock held by public investors;
- a minimum of 100 holders of shares or of shares represented by CPOs who are deemed to be public investors under the General CNBV Rules; and
- complied with certain corporate governance requirements.

The CNBV has the authority to waive some of these requirements in some circumstances. Also, some of these requirements are applicable for each series of shares of the relevant issuer.

The Stock Exchanges in Mexico must review annually compliance with the foregoing and other requirements, some of which may be further reviewed on a quarterly or semi-annual basis. The Stock Exchanges in Mexico must inform the CNBV of the results of its review and this information must, in turn, be disclosed to investors. If an issuer fails to comply with any of the foregoing requirements, the Stock Exchange in Mexico on which it is listed will request that the issuer propose a plan to cure the violation. If the issuer fails to propose such plan, if the plan is not satisfactory to the relevant Stock Exchange in Mexico or if the issuer does not make substantial progress with respect to the corrective measures, trading of the relevant series of shares on the relevant Stock Exchange in Mexico will be temporarily suspended until the situation is corrected. In addition, if the issuer fails to propose the plan or ceases to follow such plan once proposed, the CNBV may suspend or cancel the registration of the shares. In such event, the issuer must evidence the mechanisms to protect the rights of public investors and market in general.

Issuers of listed securities are required to file unaudited quarterly financial statements and audited annual financial statements as well as various periodic reports with the CNBV and the Stock Exchange in Mexico on which it is listed. Issuers of listed securities must prepare and disclose their financial information by an approved system for each Stock Exchange in Mexico known as *Sistema Electrónico de Envío y Difusión de Información* or SEDI and to the CNBV through the *Sistema de Transferencia de Información sobre Valores*, or STIV-2. Immediately upon its receipt, the relevant Stock Exchange in Mexico makes that information available to the public.

The General CNBV Rules and the internal regulations of the Stock Exchanges in Mexico require issuers of listed securities to file through EMISNET for the BMV, through DIV for the Institutional Stock Exchange and through and STIV-2 the information on the occurrence of material events affecting the relevant issuer. Material events include, but are not limited to, as long as they have, or could potentially have, an effect on the price of the issuer's securities:

- the entering into or termination of joint venture agreements or agreements with key suppliers;
- the creation of new lines of businesses or services;
- significant deviations in expected or projected operating performance;
- the restructuring or payment of significant indebtedness;
- material litigation or labor conflicts;
- changes in dividend policy;
- the commencement of any insolvency, suspension or bankruptcy proceedings;
- changes in the directors; and
- any other event that may have a material adverse effect on the results, financial condition or operations of the relevant issuer.

If there is unusual price volatility of the securities listed, the issuer would be obliged to immediately inform the CNBV and the corresponding Stock Exchange in Mexico of the causes of such volatility or, if the issuer is unaware of such causes, make a statement to that effect, in order for the corresponding Stock Exchange in Mexico to immediately convey that information to the public. In addition, the corresponding Stock Exchange in Mexico must immediately request that issuers disclose any information relating to relevant material events, when it deems the information currently disclosed to be insufficient, as well as instruct issuers to clarify such information when it deems the information to be confusing. The corresponding Stock Exchange in Mexico may request issuers to confirm or deny any material events that have been disclosed to the public by third parties when it deems that the material event may affect or influence the securities being traded. The corresponding Stock Exchange in Mexico must immediately inform the CNBV of any requests made to issuers. The CNBV may also make any of these requests directly to issuers. An issuer may delay the disclosure of material events under some circumstances, including where the information being offered is not related to transactions that have been completed.

The CNBV and any of the Stock Exchanges in Mexico may suspend the dealing in securities of an issuer:

- if the issuer does not adequately disclose a material event; or
- upon price or volume volatility or changes in the offer or demand in respect of the relevant securities, which are not consistent with the historic performance of the securities and could not be explained solely by the information made publicly available under the General CNBV Rules.

The Stock Exchanges in Mexico must immediately inform the CNBV and the general public of any such suspension. An issuer may request that the CNBV or the relevant Stock Exchange in Mexico resume trading, provided it demonstrates that the causes triggering the suspension have been resolved and that it is in full compliance with the periodic reporting requirements under the applicable law. If its request has been granted, the corresponding Stock Exchange in Mexico will determine the appropriate mechanism to resume trading in its securities. If trading of an issuer is suspended for more than 20 business days and the issuer is authorized to resume trading without conducting a public offering, the issuer must disclose through EMISNET or DIV, as the case may be, and STIV-2, before trading resumes, a description of the causes that resulted in the suspension and reasons why it is now authorized to resume trading.

Likewise, if the securities of an issuer are traded on any of the Stock Exchanges in Mexico and additionally on a foreign securities market, then that issuer must file with the CNBV and the corresponding Stock Exchange in Mexico on a simultaneous basis the information that it is required to file pursuant to the laws and regulations of the relevant other jurisdiction.

Pursuant to the Mexican Securities Market Law, stockholders of issuers listed on any of the Stock Exchanges in Mexico must disclose any transactions, through or outside of any of the Stock Exchanges in Mexico that result in a 10% or more ownership stake of an issuer's capital stock. These stockholders must also inform the CNBV of the results of these transactions the day after their completion. See "Additional Information — Mexican Securities Market Law".

Additionally, related parties of an issuer who increase or decrease their ownership stake, in one or more transactions, by 5% or more, shall disclose such transactions. The Mexican Securities Market Law also requires stockholders holding 10% or more of the capital stock of companies listed in the registry to notify the CNBV of certain ownership changes in shares of the company. Moreover, the CNBV regulations for issuers, require issuers to disclose to the CNBV on an annual basis on or before June 30 of each year: (i) the name and ownership percentage of any Board members and relevant officers that maintain 1% or more of the capital stock of an issuer, (ii) the names and ownership percentage of any other individual or entity that maintains 5% or more of the capital stock of an issuer (regardless of whether such stockholder is an officer or director) and (iii) the names and ownership percentage of the 10 (ten) stockholders with the largest direct ownership stake in an issuer (regardless of the ownership percentage or whether such stockholder is an officer, director, related party or private investor with no relationship to the issuer). Based on the foregoing, Mexican Securities Regulations require that (i) Board members and relevant officers that own 1% or more of the capital stock of an issuer, (ii) any other individual or entity that owns 5% or more of the capital stock of an entity, and (iii) individuals that own 1% of the capital stock of an entity, provide this information to the relevant issuer on or before May 15 of each year.

In addition, in April 2018, the CNBV issued general rules applicable to entities and issuers supervised by the CNBV that use external auditors in connection with the preparation of their basic financial statements (*Disposiciones de carácter general aplicables a las entidades y emisoras supervisadas por la Comisión Nacional Bancaria y de Valores que contraten servicios de auditoría externa de estados financieros básicos*) (as amended from time to time, the "Mexican Auditors Regulations"). The Mexican Auditors Regulations establish certain rules for external auditors and set forth obligations owed among issuers, their Board of Directors and Audit Committees and the external auditors for their services.

Item 10. Additional Information

Mexican Securities Market Law

On December 30, 2005, the Mexican Securities Market Law was enacted and published in the Official Gazette of the Federation. The new Securities Market Law became effective on June 28, 2006 and in some cases allowed an additional period of 180 days (late December 2006) for issuers to incorporate in their bylaws the new corporate governance and other requirements derived from the new law.

Under the Mexican Securities Market Law insiders must abstain from purchasing or selling securities of the issuer within 90 days from the last sale or purchase, respectively.

In addition, under the Mexican Securities Market Law, tender offers may be voluntary or mandatory. All tender offers must be open for at least 20 business days and purchases thereunder are required to be made pro-rata to all tendering stockholders. Any intended purchase resulting in a 30% or greater holding requires the tender to be made for the greater of 10% of the company's capital stock or the share capital intended to be acquired; if the purchase is aimed at obtaining control, the tender must be made for 100% of the outstanding shares. In calculating the intended purchase amount, convertible securities, warrants and derivatives the underlying security of which are such shares must be considered. The law also permits the payment of certain amounts to controlling stockholders over and above the offering price if these amounts are fully disclosed, approved by the board of directors and paid in connection with non-compete or similar obligations. The law also contemplates exceptions to the mandatory tender offer requirements and specifically provides for the consequences, to a purchaser, of not complying with these tender offer rules (lack of voting rights, possible annulment of purchases, etc.) and other rights available to prior stockholders of the issuer.

The Mexican Securities Market Law permits public companies to insert provisions in their bylaws pursuant to which the acquisition of control of the company, by the company's stockholders or third parties, may be prevented, if such provisions (i) are approved by stockholders without the negative vote of stockholders representing 5% or more of the outstanding shares, (ii) do not exclude any stockholder or group of stockholders, and (iii) do not restrict, in an absolute manner, the change of control.

Bylaws

Set forth below is a brief summary of some relevant provisions of our bylaws and Mexican law. This description does not purport to be complete, and is qualified by reference in its entirety to our bylaws, which have been filed as an exhibit to this annual report, and Mexican law. For a description of the provisions of our bylaws relating to our Board of Directors, Executive Committee, Audit Committee and Corporate Practices Committee, see "Directors, Senior Management and Employees".

Organization and Register

Televisa is a *sociedad anónima bursátil*, or limited liability stock corporation, organized under the laws of Mexico in accordance with the Mexican Companies Law. Televisa was incorporated under Public Deed Number 30,200, dated December 19, 1990, granted before Notary Public Number 73 of Mexico City, and registered with the Public Registry of Commerce of Mexico City, under Commercial Page (*folio mercantil*) Number 142,164. We have a general corporate purpose, the specifics of which can be found in Article Four of our bylaws.

Our stock registry is maintained by Indeval, and in accordance with Mexican law, we only recognize those holders listed in our stock registry as our stockholders. Our stockholders may hold their share in the form of physical certificates or through book-entries with institutions that have accounts with Indeval. The CPO Trustee is the holder of record for Shares represented by CPOs. Accounts may be maintained at Indeval by brokers, banks and other entities approved by the CNBV.

Voting Rights and Stockholders' Meetings

Holders of Series "A" Shares. Holders of Series "A" Shares have the right to vote on all matters subject to stockholder approval at any general stockholders' meeting and have the right, voting as a class, to appoint eleven members of our Board of Directors and the corresponding alternate directors. In addition to requiring approval by a majority of all Shares entitled to vote together on a particular corporate matter, certain corporate matters must be approved by a majority of the holders of Series "A" Shares voting separately. These matters include mergers, dividend payments, spin-offs, changes in corporate purpose, changes of nationality and amendments to the anti-takeover provisions of our bylaws.

Holders of Series "B" Shares. Holders of Series "B" Shares have the right to vote on all matters subject to stockholder approval at any general stockholders' meeting and have the right, voting as a class, to appoint five members of our Board of Directors and the corresponding alternate directors. The five directors and corresponding alternate directors elected by the holders of the Series "B" Shares are elected at a stockholders' meeting that must be held within the first four months after the end of each year.

Holders of Series "D" Shares and Series "L" Shares. Holders of Series "D" Shares, voting as a class, are entitled to vote at special meetings to elect two of the members of our Board of Directors and the corresponding alternate directors, each of which must be an independent director. In addition, holders of Series "D" Shares are entitled to vote on the following matters at extraordinary general meetings:

- our transformation from one type of company to another;
- any merger (even if we are the surviving entity);
- extension of our existence beyond our prescribed duration;
- our dissolution before our prescribed duration (which is currently 99 years from January 30, 2007);
- a change in our corporate purpose;
- a change in our nationality; and
- the cancellation from registration of the Series "D" Shares or the securities which represent the Series "D" Shares with the securities or special section of the NRS and with any other Mexican or foreign stock exchange in which such shares or securities are registered.

Holders of Series "L" Shares, voting as a class, are entitled to vote at special meetings to elect two of the members of our Board of Directors and the corresponding alternate directors, each of which must be an independent director. Holders of Series "L" Shares are also entitled to vote at extraordinary general meetings on the following matters:

- our transformation from one type of company to another;
- any merger in which we are not the surviving entity; and
- the cancellation from registration of the Series "L" Shares or the securities that represent the Series "L" Shares with the special section of the NRS.

The two directors and corresponding alternate directors elected by each of the holders of the Series "D" Shares and the Series "L" Shares are elected at a special meeting of those holders which takes place annually. Special meetings of holders of Series "D" Shares and Series "L" Shares must also be held to approve the cancellation from registration of the Series "D" Shares or Series "L" Shares or the securities representing any of such shares with the NRS, as the case may be, and in the case of Series "D" Shares, with any other Mexican or foreign stock exchange in which such shares or securities are registered. All other matters on which holders of Series "L" Shares or Series "D" Shares are entitled to vote must be considered at an extraordinary general meeting. Holders of Series "L" Shares and Series "D" Shares are not entitled to attend or to address meetings of stockholders at which they are not entitled to vote. Under Mexican law, holders of Series "L" Shares and Series "D" Shares are entitled to exercise certain minority protections. See "— Other Provisions — Appraisal Rights and Other Minority Protections".

Minority shareholders holding at least ten percent of the capital stock represented by Series "A" Shares, will be entitled to appoint one director and its corresponding alternate for each such ten percent. Minority shareholders holding at least ten percent of the capital stock represented by Series "B" Shares, will be entitled to appoint one director and its corresponding alternate for each such ten percent. Minority shareholders holding at least ten percent of the capital stock represented by Series "D" Shares or Series "L" Shares, will be entitled to appoint one director and its corresponding alternate for each such ten percent. Any such appointments by minority shareholders will be counted towards the number of directors that the holders of each such Series is entitled to appoint.

Other Rights of Stockholders. Under Mexican law, holders of shares of any series are also entitled to vote as a class in a special meeting governed by the same rules that apply to extraordinary general meetings, as described below, on any action that would prejudice the rights of holders of shares of such series, but not rights of holders of shares of other series, and a holder of shares of such series would be entitled to judicial relief against any such action taken without such a vote. Generally, the determination of whether a particular stockholder action requires a class vote on these grounds could initially be made by the Board of Directors or other party calling for stockholder action. In some cases, under the Mexican Securities Market Law and the Mexican Companies Law, the Board of Directors, the Audit Committee, the Corporate Practices Committee, or a Mexican court on behalf of those stockholders representing 10% of our capital stock could call a special meeting. A negative determination would be subject to judicial challenge by an affected stockholder, and the necessity for a class vote would ultimately be determined by a court. There are no other procedures for determining whether a particular proposed stockholder action requires a class vote, and Mexican law does not provide extensive guidance on the criteria to be applied in making such a determination.

General stockholders' meetings may be ordinary general meetings or extraordinary general meetings. Extraordinary general meetings are those called to consider specific matters specified in Article 182 of the Mexican Companies Law and our bylaws, including, among others, amendments to our bylaws, our dissolution, liquidation or split-up, our merger and transformation from one form of company to another, increases and reductions in our capital stock, the approval of certain acquisitions of shares, including a change of control, as set forth in the antitakeover provisions in our bylaws and any action for civil liabilities against the members of our Board of Directors, its Secretary, or members of our Audit Committee or Corporate Practices Committee. In addition, our bylaws require an extraordinary general meeting to consider the cancellation of registration of the Series "D" Shares or Series "L" Shares or the securities representing these Shares with the NRS, as the case may be, and in the case of Series "D" Shares, with any other Mexican or foreign stock exchange in which such Shares or securities are registered. General meetings called to consider all other matters are ordinary meetings which are held at least once each year within four months following the end of each fiscal year. Stockholders may be represented at any stockholders' meeting by completing a form of proxy provided by us, which proxy is available within fifteen days prior to such meeting, and designating a representative to vote on their behalf. The form of proxy must comply with certain content requirements as set forth in the Mexican Securities Market Law and in our bylaws.

Holders of CPOs. Holders of CPOs who are Mexican nationals or Mexican corporations whose bylaws exclude foreign ownership of their shares are entitled to exercise voting rights with respect to the Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares underlying their CPOs. The CPO Trustee will vote such shares as directed by Mexican holders of CPOs, which must provide evidence of Mexican nationality. Non-Mexican holders of CPOs may only vote the Series "L" Shares held in the CPO Trust and are not entitled to exercise any voting rights with respect to the Series "A" Shares, Series "B" Shares and Series "D" Shares held in the CPO Trust. Voting rights in respect of these Series "A" Shares, Series "B" Shares and Series "D" Shares may only be exercised by the CPO Trustee. Series "A" Shares, Series "B" Shares and Series "D" Shares underlying the CPOs of non-Mexican holders or holders that do not give timely instructions as to voting of such Shares, (a) will be voted at special meetings of Series "A" Shares, Series "B" Shares or Series "D" Shares, as the case may be, as instructed by the CPO Trust's Technical Committee (which consists of members of the Board of Directors and/or Executive Committee, who must be Mexican nationals), and (b) will be voted at any general meeting where such series has the right to vote in the same manner as the majority of the outstanding Series "A" Shares held by Mexican nationals or Mexican corporations (directly, or through the CPO Trust, as the case may be) are voted at the relevant meeting. Series "L" Shares underlying the CPOs of any holders that do not give timely instructions as to the voting of such Shares will be voted, at special meetings of Series "L" Shares and at general extraordinary meetings where Series "L" Shares have voting rights, as instructed by the Technical Committee of the CPO Trust. The CPO Trustee must receive voting instructions five business days prior to the stockholders' meeting. Holders of CPOs that are Mexican nationals or Mexican corporations whose bylaws exclude foreign ownership of their Shares also must provide evidence of nationality, such as a copy of a valid Mexican passport or birth certificate, for individuals, or a copy of the bylaws, for corporations.

As described in "Major Stockholders and Related Party Transactions," Series "A" Shares held through the Azcárraga Trust constitute a majority of the Series "A" Shares whose holders are entitled to vote them, because non-Mexican holders of CPOs and GDSs are not permitted to vote the underlying Series "A" Shares. Accordingly, the vote of Series "A" Shares held through the Azcárraga Trust generally will determine how the Series "A" Shares underlying our CPOs are voted.

Holders of GDRs. Global Depositary Receipts, or GDRs, evidencing GDSs are issued by The Bank of New York Mellon, the Depositary, pursuant to the Deposit Agreement we entered into with the Depositary and all holders from time to time of GDSs. Each GDR evidences a specified number of GDSs. A GDR may represent any number of GDSs. Only persons in whose names GDRs are registered on the books of the Depositary will be treated by us and the Depositary as owners and holders of GDRs. Each GDS represents the right to receive five CPOs which will be credited to the account of BBVA Bancomer, S.A., Institución de Banca Múltiple Grupo Financiero BBVA Bancomer, the Custodian, maintained with Indeval for such purpose. Each CPO represents financial interests in, and limited voting rights with respect to, 25 Series "A" Shares, 22 Series "B" Shares, 35 Series "L" Shares and 35 Series "D" Shares held pursuant to the CPO Trust.

The Depositary will mail information on stockholders' meetings to all holders of GDRs. At least six business days prior to the relevant stockholders' meeting, GDR holders may instruct the Depositary as to the exercise of the voting rights, if any, pertaining to the CPOs represented by their GDSs, and the underlying Shares. Since the CPO Trustee must also receive voting instructions five business days prior to the stockholders' meeting, the Depositary may be unable to vote the CPOs and underlying Shares in accordance with any written instructions. Holders that are Mexican nationals or Mexican corporations whose bylaws exclude foreign ownership of their Shares are entitled to exercise voting rights with respect to the Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares underlying the CPOs represented by their GDSs. Such Mexican holders also must provide evidence of nationality, such as a copy of a valid Mexican passport or birth certificate, for individuals, or a copy of the bylaws, for corporations.

Non-Mexican holders may exercise voting rights only with respect to Series "L" Shares underlying the CPOs represented by their GDSs. They may not direct the CPO Trustee as to how to vote the Series "A" Shares, Series "B" Shares or Series "D" Shares represented by CPOs or attend stockholders' meetings. Under the terms of the CPO Trust Agreement, the CPO Trustee will vote the Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares represented by CPOs held by non-Mexican holders (including holders of GDRs) as described under "— Holders of CPOs". If the Depositary does not timely receive instructions from a Mexican or non-Mexican holder of GDRs as to the exercise of voting rights relating to the Series "A" Shares, Series "B" Shares, Series "D" Shares or Series "L" Shares underlying the CPOs, as the case may be, in the relevant stockholders' meeting then, if requested in writing by us, the Depositary will give a discretionary proxy to a person designated by us to vote the Shares. If no such written request is made by us, the Depositary will not represent or vote, attempt to represent or vote any right that attaches to, or instruct the CPO Trustee to represent or vote, the Shares underlying the CPOs in the relevant stockholders' meeting and, as a result, the underlying shares will be voted in the same manner described under "— Holders of CPOs" with respect to shares for which timely instructions as to voting are not given.

If the Depositary does not timely receive instructions from a Mexican or non-Mexican holder of GDRs as to the exercise of voting rights relating to the underlying CPOs in the relevant CPO holders' meeting, the Depositary and the Custodian will take such actions as are necessary to cause such CPOs to be counted for purposes of satisfying applicable quorum requirements and, unless we in our sole discretion have given prior written notice to the Depositary and the Custodian to the contrary, vote them in the same manner as the majority of the CPOs are voted at the relevant CPOs holders' meeting.

Under the terms of the CPO Trust, beginning in December 2008, a non-Mexican holder of CPOs or GDSs may instruct the CPO Trustee to request that we issue and deliver certificates representing each of the Shares underlying its CPOs so that the CPO Trustee may sell, to a third party entitled to hold the Shares, all of those Shares and deliver to the holder any proceeds derived from the sale.

Limitation on Appointment of Directors. Our bylaws prohibit the appointment of individuals to our Board of Directors: who (i) are members of the board of directors or other management boards of a company (other than the Company or its subsidiaries) that has one or more concessions to operate telecommunication networks in Mexico; or (ii) directly or indirectly, are shareholders or partners of companies (other than the Company or its subsidiaries), that have one or more concessions to operate telecommunication networks in Mexico, with the exception of ownership stakes that do not allow such individuals to appoint one or more members of the management board or any other operation or decision making board.

Dividend Rights

At our annual ordinary general stockholders' meeting, our Board of Directors is required to submit our financial statements from the previous fiscal year to the holders of our Series "A" Shares and Series "B" Shares. Once our stockholders approve these financial statements, they must then allocate our net profits for the previous fiscal year. Under Mexican law, at least 5% of our net profits must be allocated to a legal reserve, until the amount of this reserve equals 20% of our paid-in capital stock. Thereafter, our stockholders may allocate our net profits to any special reserve, including a reserve for share repurchases. After this allocation, the remainder of our net profits will be available for distribution as dividends. The vote of the majority of the Series "A" Shares and Series "B" Shares is necessary to approve dividend payments. As described below, in the event that dividends are declared, holders of Series "D" Shares will have preferential rights to dividends as compared to holders of Series "A" Shares, Series "B" Shares and Series "L" Shares. Holders of Series "A" Shares, Series "B" Shares and Series "L" Shares have the same financial or economic rights, including the participation in any of our profits.

Preferential Rights of Series "D" Shares

Holders of Series "D" Shares are entitled to receive a preferred annual dividend in the amount of Ps.0.00034412306528 per Series "D" Share before any dividends are payable in respect of Series "A" Shares, Series "B" Shares and Series "L" Shares. If we pay any dividends in addition to the Series "D" Share fixed preferred dividend, then such dividends shall be allocated as follows:

- first, to the payment of dividends with respect to the Series "A" Shares, the Series "B" Shares and the Series "L" Shares, in an equal amount per share, up to the amount of the Series "D" Share fixed preferred dividend; and

- second, to the payment of dividends with respect to the Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares, such that the dividend per share is equal.

Upon any dissolution or liquidation of our company, holders of Series "D" Shares are entitled to a liquidation preference equal to:

- accrued but unpaid dividends in respect of their Series "D" Shares; plus

- the theoretical value of their Series "D" Shares as set forth in our bylaws. See "— Other Provisions — Dissolution or Liquidation".

Limitation on Capital Increases

Our bylaws provide that, in the event shares of a given series are issued as a result of a capital increase (in respect of a cash capital contribution), each holder of shares of that series will have a preferential right to subscribe to new shares of that series, in proportion to the number of such holder's existing Shares of that series. In addition, primary issuances of Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares in the form of CPOs may be limited under the Mexican Securities Market Law. As a result of grandfathering provisions, our existing CPO structure will not be affected by such limitations. However, in the case of primary issuances of additional Series "A" Shares, Series "B" Shares, Series "L" Shares and Series "D" Shares in the form of CPOs, any new Series "L" Shares and Series "D" Shares may be required to be converted into Series "A" Shares or other voting stock within a term specified by the CNBV, which in no event shall exceed five years. Moreover, under the Mexican Securities Market Law, the aggregate amount of shares of an issuer with limited or non-voting rights may not exceed 25% of the total shares held by public investors. The vote of the holders of a majority of the Series "A" Shares is necessary to approve capital increases.

Preemptive Rights

In the event of a capital increase, a holder of existing shares of a given series has a preferential right to subscribe to a sufficient number of shares of the same series in order to maintain the holder's existing proportionate holdings of shares of that series. Stockholders must exercise their preemptive rights within the time period fixed by our stockholders at the meeting approving the issuance of additional shares. This period must continue for at least fifteen days following the publication of notice of the issuance in the Official Gazette of the Federation and in a newspaper of general circulation in Mexico City. Under Mexican law, stockholders cannot waive their preemptive rights in advance or be represented by an instrument that is negotiable separately from the corresponding share.

U.S. holders of GDSs may exercise preemptive rights only if we register any newly issued shares under the Securities Act, as amended, or qualify for an exemption from registration. We intend to evaluate at the time of any offering of preemptive rights the costs and potential liabilities associated with registering additional shares. In addition, if our stockholders' meeting approves the issuance of shares of a particular series, holders of shares of other series may be offered shares of that particular series.

Limitations on Share Ownership

Through our bylaws and the trust governing the CPOs, we have limited the ownership of our Series "A" Shares and Series "B" Shares to Mexican individuals, Mexican companies whose charters contain a foreign exclusion clause, credit institutions acting as trustees (such as the CPO Trustee) in accordance with the Foreign Investment Law and the Foreign Investment Law Regulations, and trusts or stock purchase, investment and retirement plans for Mexican employees. A holder that acquires Series "A" Shares or Series "B" Shares in violation of the restrictions in our bylaws regarding non-Mexican ownership will have none of the rights of a stockholder with respect to those Series "A" Shares or Series "B" Shares. The Series "D" Shares are subject to the same restrictions on ownership as the Series "A" Shares and Series "B" Shares. However, the foregoing limitations do not affect the ability of non-Mexican investors to hold Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares through CPOs, or Series "L" Shares directly. The sum of the total outstanding number of Series "A" Shares and Series "B" Shares is required to exceed at all times the sum of the total outstanding Series "L" Shares and Series "D" Shares.

Non-Mexican states and governments are prohibited under our bylaws and the LFTR from owning Shares of Televisa and are, therefore, prohibited from being the beneficial or record owners of Series "A" Shares, Series "B" Shares, Series "D" Shares, Series "L" Shares, CPOs and GDSs. We have been advised by our Mexican counsel, Mijares, Angoitia, Cortés y Fuentes, S.C., that ownership of Series "A" Shares, Series "B" Shares, Series "D" Shares, Series "L" Shares, CPOs and GDSs by pension or retirement funds organized for the benefit of employees of non-Mexican state, municipal or other governmental agencies will not be considered as ownership by non-Mexican states or governments for the purpose of our bylaws or the LFTR.

The LFTR eliminated the restrictions on foreign investment in telecommunications services and satellite communication and increased the maximum permitted foreign-ownership in broadcasting (television and radio) to 49% subject to reciprocity.

We may restrict transfers or, to the extent permitted under applicable law, cause the mandatory sale or disposition of CPOs and GDRs where such transfer or ownership, as the case may be, might result in ownership of CPOs or GDRs exceeding the limits under applicable law or our bylaws, the CPO Trust Agreement or the CPO indenture. Non-Mexican states and governments are prohibited under our bylaws and the LFTR from owning our Shares and are, therefore, prohibited from being beneficial or record owners of GDRs.

Other Provisions

Forfeiture of Shares. As required by Mexican law, our bylaws provide that for Series "L" Shares and CPOs, our non-Mexican stockholders formally agree with the Foreign Affairs Ministry:

- to be considered as Mexicans with respect to the Series "L" Shares and CPOs that they acquire or hold, as well as to the property, rights, concessions, participations or interests owned by us or to the rights and obligations derived from any agreements we have with the Mexican government; and

- not to invoke the protection of their own governments with respect to their ownership of Series "L" Shares and CPOs.

Failure to comply is subject to a penalty of forfeiture of such a stockholder's capital interests in favor of Mexico. In the opinion of Mijares, Angoitia, Cortés y Fuentes, S.C., our Mexican counsel, under this provision a non-Mexican stockholder is deemed to have agreed not to invoke the protection of its own government by asking such government to interpose a diplomatic claim against the Mexican government with respect to the stockholder's rights as a stockholder, but is not deemed to have waived any other rights it may have, including any rights under the U.S. securities laws, with respect to its investment in Televisa. If the stockholder should invoke governmental protection in violation of this agreement, its shares could be forfeited to the Mexican government.

Exclusive Jurisdiction. Our bylaws provide that legal action relating to the execution, interpretation or performance of the bylaws shall be brought only in federal courts located in Mexico City.

Duration. Our corporate existence under our bylaws continues until 2106.

Dissolution or Liquidation. Upon any dissolution or liquidation of our company, our stockholders will appoint one or more liquidators at an extraordinary general stockholders' meeting to wind up our affairs. The approval of holders of the majority of the Series "A" Shares is necessary to appoint or remove any liquidator. Upon a dissolution or liquidation, holders of Series "D" Shares will be entitled to both accrued but unpaid dividends in respect of their Series "D" Shares, plus the theoretical value of their Series "D" Shares (as set forth in our bylaws). The theoretical value of our Series "D" Shares is Ps.0.00688246130560 per share. Thereafter, a payment per share will be made to each of the holders of Series "A" Shares, Series "B" Shares and Series "L" Shares equivalent to the payment received by each of the holders of Series "D" Shares. The remainder will be distributed equally among all stockholders in proportion to their number of Shares and amount paid.

Redemption. Our bylaws provide that we may redeem our Shares with distributable profits without reducing our capital stock by way of a stockholder resolution at an extraordinary stockholders' meeting. In accordance with Mexican law and our bylaws:

- any redemption shall be made on a pro-rata basis among all of our stockholders;
- to the extent that a redemption is effected through a public tender offer on the Mexican Stock Exchange, the stockholders' resolution approving the redemption may empower our Board to specify the number of shares to be redeemed and appoint the related intermediary or purchase agent; and
- any redeemed shares must be cancelled.

Share Repurchases. As provided by Mexican law, our bylaws allow us to repurchase our Shares on the Mexican Stock Exchange at then prevailing market prices. The amount of capital stock allocated to share repurchases and the amount of the corresponding reserve created for this purpose is determined annually by our stockholders at an ordinary general stockholders' meeting. The aggregate amount of resources allocated to share repurchases in any given year cannot exceed the total amount of our net profits in any given year, including retained earnings. Share repurchases must be charged to either our net worth if the repurchased Shares remain in our possession or our capital stock if the repurchased Shares are converted into treasury shares, in which case our capital stock is reduced automatically in an amount equal to the theoretical value of any repurchased Shares, if any. Any surplus is charged to the reserve for share repurchases. If the purchase price of the Shares is less than the theoretical value of the repurchased Shares, our capital stock account will be affected by an amount equal to the theoretical value of the repurchased Shares. Under Mexican law, we are not required to create a special reserve for the repurchase of shares, nor do we need the approval of our Board to effect share repurchases. In addition, any repurchased Shares cannot be represented at any stockholders' meeting.

Conflicts of Interest. Under Mexican Law, any stockholder that votes on a transaction in which his, her or its interests conflict with our interests may be liable for damages, but only if the transaction would not have been approved without his, her or its vote. In addition, any member of the Board of Directors that votes on a transaction in which his, her or its interests conflict with our interests may be liable for damages. The Securities Market Law also imposes a duty of care and a duty of loyalty on directors as described in "Directors, Senior Management and Employees — Our Board of Directors — Duty of Care and Duty of Loyalty". In addition, pursuant to the Mexican Securities Market Law, the Board of Directors, with input from the Corporate Practices Committee, must review and approve transactions and arrangements with related parties. See "Directors, Senior Management and Employees — Our Board of Directors — Meetings; Actions Requiring Board Approval".

Appraisal Rights and Other Minority Protections. Whenever our stockholders approve a change in our corporate purpose or jurisdiction of organization or our transformation from one type of company to another, any stockholder entitled to vote that did not vote in favor of these matters has the right to receive payment for its Series "A" Shares, Series "B" Shares, Series "D" Shares or Series "L" Shares in an amount calculated in accordance with Mexican law. However, stockholders must exercise their appraisal rights within fifteen days after the stockholders' meeting at which the matter was approved. Because the holders of Series "L" Shares and Series "D" Shares may only vote in limited circumstances, appraisal rights are generally not available to them. See "— Voting Rights and Stockholders' Meetings".

Because the CPO Trustee must vote at a general stockholders' meeting, the Series "A" Shares, Series "B" Shares and Series "D" Shares held by non-Mexicans through the CPO Trust will be voted in the same manner as the majority of the Series "A" Shares held by Mexican nationals (directly, or through the CPO Trust, as the case may be). As a result, the Series "A" Shares, Series "B" Shares and Series "D" Shares underlying CPOs held by non-Mexicans will not be voted against any change that triggers the appraisal rights of the holders of these Shares. Therefore, these appraisal rights will not be available to holders of CPOs (or GDRs) with respect to Series "A" Shares, Series "B" Shares or Series "D" Shares. The CPO Trustee will exercise such other corporate rights at special stockholders' meetings with respect to the underlying Series "A" Shares, Series "B" Shares and Series "D" Shares as may be directed by the Technical Committee of the CPO Trust.

The Mexican Securities Market Law and our bylaws include provisions that permit:

- holders of at least 10% of our outstanding capital stock to request our Chairman of the Board or of the Audit Committee or Corporate Practices Committee to call a stockholders' meeting in which they are entitled to vote;

- subject to the satisfaction of certain requirements under Mexican law, holders of at least 5% of our outstanding capital stock to bring an action for civil liabilities against our directors;

- holders of at least 10% of our Shares that are entitled to vote and are represented at a stockholders' meeting to request postponement of resolutions with respect to any matter on which they were not sufficiently informed; and

- subject to the satisfaction of certain requirements under Mexican law, holders of at least 20% of our outstanding capital stock to contest and suspend any stockholder resolution.

See "Key Information — Risk Factors — Risk Factors Related to Our Securities — The Protections Afforded to Minority Stockholders in Mexico Are Different From Those in the U.S.". In addition, in accordance with the Mexican Securities Market Law, we are also subject to certain corporate governance requirements, including the requirement to maintain an audit committee and a corporate practices committee, and to elect independent directors. The protections afforded to minority stockholders under Mexican law are generally different from those in the U.S. and many other jurisdictions. Substantive Mexican law concerning fiduciary duties of directors has not been the subject of extensive judicial interpretation in Mexico, unlike many states in the U.S. where duties of care and loyalty elaborated by judicial decisions help to shape the rights of minority stockholders. Furthermore, despite the fact that recent amendments to the Mexican Federal Code of Civil Procedures have provided for certain types of class actions, these actions are limited to subject matters related to the use of goods or the provision of public or private services, as well as environmental matters. Therefore, Mexican civil procedure does not contemplate class actions or stockholder derivative actions, which permit stockholders in U.S. courts to bring actions on behalf of other stockholders or to enforce rights of the corporation itself. Stockholders in Mexico also cannot challenge corporate actions taken at stockholders' meetings unless they meet stringent procedural requirements. See "— Voting Rights and Stockholders' Meetings". As a result of these factors, it is generally more difficult for our minority stockholders to enforce rights against us or our directors or Major Stockholders than it is for stockholders of a corporation established under the laws of a state of the U.S. In addition, under U.S. securities laws, as a foreign private issuer we are exempt from certain rules that apply to domestic U.S. issuers with equity securities registered under the Securities Exchange Act of 1934, as amended, or the Exchange Act, including the proxy solicitation rules. We are also exempt from many of the corporate governance requirements of the New York Stock Exchange.

Antitakeover Protections

General. Our bylaws provide that, subject to certain exceptions: (i) any person, entity or group of persons and/or entities that intends to acquire beneficial ownership of ordinary Shares (as defined below) which, when coupled with ordinary Shares previously beneficially owned by such persons or their affiliates, represent 10% or more of our outstanding ordinary Shares; (ii) any competitor, or group including one or more competitors, that intends to acquire beneficial ownership of ordinary Shares which, when coupled with Shares previously beneficially owned by such competitor, group or their affiliates, represent 5% or more of our outstanding capital stock; (iii) any person, entity or group of persons and/or entities that wishes to acquire beneficial ownership of ordinary Shares representing 10% or more of our outstanding ordinary Shares; and (iv) any competitor, or group including one or more competitors, that intends to acquire beneficial ownership of ordinary Shares representing 5% or more of our capital stock, must obtain the prior approval of our Board of Directors and/or of our stockholders, as the case may be, subject to certain exceptions summarized below. Holders that acquire Shares in violation of these requirements will not be registered in our stock registry. Accordingly, these holders will not be able to vote such Shares or receive any dividends, distributions or other rights in respect of these Shares. In addition, pursuant to our bylaws, these holders will be obligated to pay us a penalty in an amount equal to the market value of the Shares so acquired. Pursuant to our bylaws, "Shares" are defined as the shares (of any class or series) representing our capital stock, and any instruments or securities that represent such shares or that grant any right with respect to or are convertible into those shares, expressly including CPOs; our Series "A" Shares and Series "B" Shares are our ordinary Shares.

Pursuant to our bylaws, a "competitor" is generally defined as any person or entity dedicated, directly or indirectly, to any of the following businesses or activities: television production and broadcasting, pay-TV production, program licensing, direct-to-home satellite services, publishing (newspaper and/or magazine), publishing distribution, music recording, cable television, the transmission of programming and/or other content by any other means known or to be known, radio broadcasting and production, the promotion of professional sports and other entertainment events, paging services, production, feature film/motion picture production and distribution, dubbing and/or the operation of an Internet portal. A "competitor" is also defined to include any person, entity and/or group that is engaged in any type of business or activity in which we may be engaged from time to time and from which we derive 5% or more of our consolidated income.

Board Notices, Meetings, Quorum Requirements and Approvals. To obtain the prior approval of our Board, a potential acquiror must properly deliver a written notice that states, among other things: (i) the number and class/type of our Shares it beneficially owns; (ii) the percentage of Shares it beneficially owns with respect to both our outstanding capital stock and the respective class/type of our Shares; (iii) the number and class/type of Shares it intends to acquire; (iv) the number and class/type of Shares it intends to grant or share a common interest or right; (v) its identity, or in the case of an acquiror which is a corporation, trust or legal entity, its stockholders or beneficiaries as well as the identity and nationality of each person effectively controlling such corporation, trust or legal entity; (vi) its ability to acquire our Shares in accordance with our bylaws and Mexican law, (vii) its source of financing the intended acquisition; (viii) if it has obtained any financing from one of its related parties for the payment of the Shares; (ix) the purpose of the intended acquisition; (x) if it intends to acquire additional common Shares in the future; which coupled with the current intended acquisition of common Shares and the common Shares previously beneficially owned by the potential acquiror, would result in ownership of 20% or more of our common Shares; (xi) if it intends to acquire control of us in the future; (xii) if the acquiror is our competitor or if it has any direct or indirect economic interest in or family relationship with one of our competitors; and (xiii) the identity of the financial institution, if any, that will act as the underwriter or broker in connection with any tender offer.

Either the Chairman, the Secretary or the Alternate Secretary of our Board of Directors must call a Board meeting within 10 calendar days following the receipt of the written notice and the Board meeting must be held within 45 calendar days following the call. Action by written consent is not permitted. With the exception of acquisitions that must be approved by the general extraordinary stockholders' meeting as described below in "— Stockholder Notices, Meetings, Quorum Requirements and Approvals," in order to proceed with any acquisition of Shares that require Board authorization as set forth in our bylaws, such acquisition must be approved by at least the majority of the members of our Board present at a meeting at which at least 75% of the members of our Board are present. Such acquisitions must be acted upon by our Board within 60 calendar days following the receipt of the written notice described above, unless the Board determines that it does not have sufficient information upon which to base its decision. In such case, the Board shall deliver a written request to the potential acquiror for any additional information that it deems necessary to make its determination. The 60 calendar days referred to above will commence following the receipt of the additional information from the potential acquiror to render its decision.

Stockholder Notices, Meetings, Quorum Requirements and Approvals. In the event: (i) of a proposed acquisition of Shares that would result in a "change of control,"; (ii) that our Board cannot hold a Board meeting for any reason; (iii) of a proposed acquisition by a competitor and having certain characteristics; or (iv) that the Board determines that the proposed acquisition must be approved by our stockholders at a general extraordinary stockholders' meeting, among others, then the proposed acquisition must be approved by the holders of at least 75% of our outstanding common Shares at a general extraordinary stockholders' meeting (both in the case of first and subsequent calls) at which the holders of at least 85% of our outstanding common Shares are present. In addition, any proposed merger, spin-off, or capital increase or decrease which results in a change of control must also be approved by the holders of at least 75% of our outstanding common Shares at a general extraordinary stockholders' meeting (both in the case of first and subsequent calls) at which the holders of at least 85% of our outstanding common Shares are present. Pursuant to our bylaws, a "change of control" is defined as the occurrence of any of the following: (i) the acquisition or transfer of ownership of a majority of our outstanding common Shares; (ii) the ability of a person, entity or group, other than the person who currently has the ability to, directly or indirectly, elect a majority of the members of our Board of Directors, to elect a majority of the members of our Board of Directors; or (iii) the ability of a person, entity or group, other than the person who currently has the ability to, directly or indirectly, determine our administrative decisions or policies, to determine our administrative decisions or policies. In the event that the general extraordinary stockholders' meeting must approve the proposed acquisition, either the Chairman, the Secretary or the Alternate Secretary of our Board of Directors must publish a call for a general extraordinary stockholders' meeting in the Official Gazette of the Federation and two other newspapers of general circulation in Mexico City at least 30 calendar days prior to such meeting (both in the case of first and subsequent calls). Once the call for the general extraordinary stockholders' meeting has been published, all information related to the agenda for the meeting must be available for review by the holders of common Shares at the offices of our Secretary.

Mandatory Tender Offers in the Case of Certain Acquisitions. If either our Board of Directors or our stockholders at a general extraordinary stockholders' meeting, as the case may be, authorize an acquisition of common Shares which increases the acquiror's ownership to 20% or more, but not more than 50%, of our outstanding common Shares, without such acquisition resulting in a change of control, then the acquiror must effect its acquisition by way of a cash tender offer for a specified number of Shares equal to the greater of (x) the percentage of common Shares intended to be acquired or (y) 10% of our outstanding capital stock. In the event that our stockholders approve an acquisition that would result in a change of control, the acquiror must effect its acquisition by way of a cash tender offer for 100% of our total outstanding capital stock at a price which cannot be lower than the highest of the following: (i) the book value of the common Shares and CPOs as reported on the last quarterly income statement approved by the Board of Directors, (ii) the highest closing price of the common Shares, on any stock exchange during any of the three hundred-sixty-five (365) days preceding the date of the stockholders' resolution approving the acquisition; or (iii) the highest price paid for any Shares, at any time by the acquiror. All tender offers must be made in Mexico and the U.S. within 60 days following the date on which the acquisition was approved by our Board of Directors or stockholders' meeting, as the case may be. All holders must be paid the same price for their common Shares. The provisions of our bylaws summarized above regarding mandatory tender offers in the case of certain acquisitions are generally more stringent than those provided for under the Mexican Securities Market Law. In accordance with the Mexican Securities Market Law, bylaw provisions regarding mandatory tender offers in the case of certain acquisitions may differ from the requirements set forth in such law, provided that those provisions are more protective to minority stockholders than those afforded by law. In these cases, the relevant bylaw provisions, and not the relevant provisions of the Mexican Securities Market Law, will apply to certain acquisitions specified therein.

Exceptions. The provisions of our bylaws summarized above will not apply to (i) transfers of common Shares and/or CPOs by operation of the laws of inheritance, (ii) acquisitions of common Shares and/or CPOs by any person who, directly or indirectly, is entitled to appoint the greatest number of members to our Board of Directors, as well as by (A) entities controlled by such person, (B) affiliates of such person, (C) the estate of such person, (D) certain family members of such person, and (E) such person, when such person acquires any common Shares and/or CPOs from any entity, affiliate, person or family member referred to in (A), (B) and (D) above, and (iii) acquisitions or transfers of common Shares and/or CPOs by us, our subsidiaries or affiliates, or any trust created by us or any of our subsidiaries.

Amendments to the Antitakeover Provisions. Any amendments to these antitakeover provisions must be authorized by the CNBV and registered before the Public Registry of Commerce at our corporate domicile.

Enforceability of Civil Liabilities

We are a publicly traded corporation (*sociedad anónima bursátil*) organized under the laws of Mexico. Substantially all of our directors, executive officers and controlling persons reside outside of the United States, all or a significant portion of the assets of our directors, executive officers and controlling persons, and substantially all of our assets, are located outside of the U.S. and some of the experts named in this annual report also reside outside of the U.S. As a result, it may not be possible for investors to effect service of process within the U.S. upon these persons or to enforce against them or us in U.S. courts judgments predicated upon the civil liability provisions of the federal securities laws of the United States. We have been advised by our Mexican counsel, Mijares, Angoitia, Cortés y Fuentes, S.C., that there is doubt as to the enforceability, in original actions in Mexican courts, of liabilities predicated solely on U.S. federal securities laws and as to the enforceability in Mexican courts of judgments of U.S. courts obtained in actions predicated upon the civil liability provisions of U.S. federal securities laws. In the past, Mexican courts have enforced judgments rendered in the U.S. by virtue of the legal principles of reciprocity and comity, consisting of the review in Mexico of the U.S. judgment in order to ascertain whether Mexican legal principles of due process and public policy (*orden público*) have been complied with, without reviewing the merits of the subject matter of the case. See "Key Information — Risk Factors — Risks Factors Related to Our Securities — It May Be Difficult to Enforce Civil Liabilities Against Us or Our Directors, Executive Officers and Controlling Persons".

Material Contracts

We have been granted a number of concessions by the Mexican government that authorizes us to broadcast our programming over our television stations and Radiópolis' radio stations and our cable and DTH systems. These concessions are described under "Information on the Company — Business Overview — Regulation". If we are unable to renew, or if the Mexican government revokes, any of the concessions for our significant television stations, our business would be materially adversely affected. See "Key Information — Risk Factors — Risk Factors Related to Our Business — The Operation of Our Business May Be Adversely Affected if the Mexican Government Does Not Renew or Revokes Our Broadcast or Other Concessions".

We operate our DTH satellite service in Mexico, Central America and the Dominican Republic through a partnership with DIRECTV. See "Information on the Company — Business Overview — Our Operations — Sky".

In October 2017, we issued Ps.4,500 million aggregate principal amount of 8.79% local bonds (*Certificados Bursátiles*) due 2027. In November and December 2017, we entered into long-term debt bilateral agreements, with Scotiabank, HSBC and Santander in the aggregate principal amount of Ps.$2,500, Ps.$2,000 and Ps.$1,500 million, respectively, with maturities between 2022 and 2023 bearing interest at an annual rate of TIIE plus a range between 125 and 130 basis points. In March 2018, the Company entered into a RCF with a syndicate of banks for up to an amount equivalent to U.S.$583 million payable in Mexican pesos, for a three-year term. The RCF was subsequently upsized to U.S.$618 million payable in Mexican pesos, and extended by a year. This facility bears interest at a floating rate based on a spread of 87.5 or 112.5 basis points over the 28-day TIIE rate depending on our net leverage ratio. In March 2020, the Company drew down the RCF as a prudent and precautionary measure in order to increase our cash position and preserve financial flexibility in light of current uncertainty in the global and local markets resulting from the COVID-19 outbreak. The aggregate principal amount was Ps.14,770.7 million, with maturity in the first quarter of 2022. In May 2019, we issued U.S.$750 million aggregate principal amount of 5.25% Senior Notes due 2049. In June 2019, we entered into a credit agreement for a five-year term loan with a syndicate of banks in an amount of Ps.$10,000 million. For a description of the material terms of the amended indentures related to our 6.625% Senior Notes due 2025, our 4.625% Senior Notes due 2026, our 8.5% Senior Notes due 2032, our 8.49% Senior Notes due 2037, our 6.625% Senior Notes due 2040, our 7.38% local bonds (*Certificados Bursátiles*) due 2020, our 7.25% Senior Notes due 2043, our 28-day TIIE plus 0.35% local bonds (*Certificados Bursátiles*) due 2021 and 2022, our 5.0% Senior Notes due 2045, our 6.125% Senior Notes due 2046 and our 8.79% local bonds due 2027, as well as the description of the material terms for the Company's subsidiaries debt and lease liabilities see "Operating and Financial Review and Prospects — Results of Operations — Liquidity, Foreign Exchange and Capital Resources — Refinancings" and "Operating and Financial Review and Prospects — Results of Operations — Liquidity, Foreign Exchange and Capital Resources — Indebtedness".

Our transactions and arrangements with related parties are described under "Major Stockholders and Related Party Transactions — Related Party Transactions".

For a description of our material transactions and arrangements with Univision, see "Information on the Company — Business Overview — Univision".

Legal Proceedings

On March 5, 2018, a purported stockholder class action lawsuit was filed in the United States District Court for the Southern District of New York alleging securities law violations in connection with allegedly misleading statements and/or omissions in Televisa's public disclosures. The lawsuit alleges that Televisa and two of its executives failed to disclose alleged involvement in bribery activities relating to certain executives of Fédération Internationale de Football Association ("FIFA"), and wrongfully failed to disclose weaknesses in Televisa's internal control over its financial reporting as of December 31, 2016. On May 17, 2018, the Court appointed a lead plaintiff for the putative stockholder class. On August 6, 2018, the lead plaintiff filed an amended complaint. Televisa thereupon filed a motion to dismiss the amended complaint. On March 25, 2019, the Court issued a decision denying Televisa's motion to dismiss, holding that plaintiff's allegations, if true, were sufficient to support a claim. Televisa believes that the lawsuit, and the material allegations and claims therein, are without merit and intends to vigorously defend against the lawsuit. With regard to plaintiff's allegations regarding FIFA, outside counsel long previously investigated the circumstances surrounding Televisa's acquisition of the Latin American media rights for the Canada, Mexico and USA 2026 FIFA World Cup and 2030 FIFA World Cup and uncovered no credible evidence that would form the basis for liability for Televisa or for any executive, employee, agent or subsidiary thereof. In particular, Televisa itself made no payment to any FIFA person and in no way knew of, or condoned, any payment by any third party to any FIFA person. Televisa also notes that no proceedings have been initiated against it by any governmental agency.

There are several legal actions and claims pending against us which are filed in the ordinary course of business. In our opinion, none of these actions and claims is expected to have a material adverse effect on our financial statements as a whole; however, we are unable to predict the outcome of any of these legal actions and claims.

Exchange Controls

For a description of exchange controls and exchange rate information, see "Key Information — Exchange Rate Information".

Taxation

U.S. Taxes

General. The following is a summary of the anticipated material U.S. federal income tax consequences of the purchase, ownership and disposition of GDSs, CPOs and the Series "A" Shares, Series "B" Shares, Series "L" Shares and Series "D" Shares underlying the CPOs (referred to herein as the "Underlying Shares"), in each case, except as otherwise noted, by U.S. Holders (as defined below). This discussion does not address all aspects of U.S. federal income taxation that may be relevant to a particular beneficial owner of GDSs, CPOs or Underlying Shares based on the beneficial owner's particular circumstances. For example, with respect to U.S. Holders, the following discussion does not address the U.S. federal income tax consequences to a U.S. Holder:

- that owns, directly, indirectly or through attribution, 2% or more of the total voting power or value of our outstanding Underlying Shares (including through ownership of GDSs and CPOs);

- that is a dealer in securities, insurance company, financial institution, tax-exempt organization, U.S. expatriate, broker-dealer or trader in securities; or

- whose functional currency is not the U.S. Dollar.

Also, this discussion does not consider:

- the tax consequences to the stockholders, partners or beneficiaries of a U.S. Holder; or

- special tax rules that may apply to a U.S. Holder that holds GDSs, CPOs or Underlying Shares as part of a "straddle," "hedge," "conversion transaction," "synthetic security" or other integrated investment.

U.S. Holders that use an accrual method of accounting for U.S. federal income tax purposes generally are required to include certain amounts in income no later than the time such amounts are reflected on certain applicable financial statements. The application of this rule may require the accrual of income earlier than would be the case under the general U.S. federal income tax rules described below. U.S. Holders that use an accrual method of accounting for U.S. federal income tax purposes should consult with their tax advisors regarding the potential applicability of this rule to their particular situation.

In addition, the following discussion does not address any aspect of state, local or non-U.S. tax laws other than Mexican tax laws. Further, this discussion generally applies only to U.S. Holders that hold the CPOs, GDSs or Underlying Shares as capital assets within the meaning of Section 1221 of the U.S. Internal Revenue Code of 1986, as amended (referred to herein as the "Code").

The discussion set forth below is based on the U.S. federal income tax laws as in force on the date of this annual report, including:

- the Code, applicable U.S. Treasury regulations and judicial and administrative interpretations; and

- the convention between the Government of the United States of America and the Government of the United Mexican States for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income, including the applicable protocols, collectively referred to herein as the "U.S.-Mexico Tax Treaty."

The discussion is subject to changes to those laws and the U.S.-Mexico Tax Treaty subsequent to the date of this annual report, which changes could be made on a retroactive basis, and is also based, in part, on the representations of the Depositary with respect to the GDSs and on the assumption that each obligation in the Deposit Agreement relating to the GDSs and any related agreements will be performed in accordance with their terms.

As used in this section, the term "U.S. Holder" means a beneficial owner of CPOs, GDSs or Underlying Shares that is, for U.S. federal income tax purposes:

- a citizen or individual resident of the United States;

- a corporation (or entity treated as a corporation for such purposes) created or organized in or under the laws of the United States, or any State thereof or the District of Columbia;

- an estate the income of which is included in gross income for U.S. federal income tax purposes regardless of source; or

- a trust, if either (x) it is subject to the primary supervision of a court within the United States and one or more "United States persons" has the authority to control all substantial decisions of the trust or (y) it has a valid election in effect under applicable U.S. Treasury regulations to be treated as a "United States person".

If a partnership (or an entity or arrangement classified as a partnership for U.S. federal income tax purposes) holds CPOs, GDSs or Underlying Shares, the U.S. federal income tax treatment of a partner in the partnership generally will depend on the status of the partner, the activities of the partnership and certain determinations made at the partner level. Partnerships holding CPOs, GDSs or Underlying Shares, and partners in such partnerships, should consult their own tax advisors regarding the U.S. federal income tax consequences of purchasing, owning and disposing of CPOs, GDSs or Underlying Shares.

An individual may be treated as a resident of the United States in any calendar year for U.S. federal income tax purposes by being present in the United States on at least 31 days in that calendar year and for an aggregate of at least 183 days during a three-year period ending at the close of that year. For purposes of this calculation, all of the days present in the current year, one-third of the days present in the immediately preceding year and one-sixth of the days present in the second preceding year would be counted. Residents are taxed for U.S. federal income purposes as if they were U.S. citizens.

The application of the U.S.-Mexico Tax Treaty to U.S. Holders is conditioned upon, among other things, the assumptions that the U.S. Holder:

- is not a resident of Mexico for purposes of the U.S.-Mexico Tax Treaty;
- is an individual who has a "substantial presence" (within the meaning of the U.S.-Mexico Tax Treaty) in the United States;
- is entitled to the benefits of the U.S.-Mexico Tax Treaty under the limitation on benefits provision contained in Article 17 of the U.S.-Mexico Tax Treaty; and
- does not have a fixed place of business or a permanent establishment in Mexico with which its ownership of CPOs, GDSs or Underlying Shares is effectively connected.

For U.S. federal income tax purposes, U.S. Holders of GDSs and CPOs will be treated as the beneficial owners of the Underlying Shares represented by the GDSs and CPOs.

Dividends. The U.S. Dollar value of any distribution paid by us, including the amount of any Mexican taxes withheld from such distribution, will be included in the gross income of a U.S. Holder as a dividend, treated as ordinary income, to the extent that the distribution is paid out of our current and/or accumulated earnings and profits, as determined under U.S. federal income tax principles. U.S. Holders will not be entitled to claim a dividends received deduction for dividends received from us. Distributions that are treated as dividends received from us by a non-corporate U.S. Holder who meets certain eligibility requirements will qualify for U.S. federal income taxation at a preferential rate of 20% (or lower) if we are a "qualified foreign corporation". We generally will be a "qualified foreign corporation" if either (i) we are eligible for benefits under the U.S.-Mexico Tax Treaty or (ii) the Underlying Shares or GDSs are listed on an established securities market in the United States. As we are eligible for benefits under the U.S.-Mexico Tax Treaty and the GDSs are listed on the New York Stock Exchange, we presently are a "qualified foreign corporation," and we generally expect to be a "qualified foreign corporation" in future taxable years, but no assurance can be given that a change in circumstances will not affect our treatment as a "qualified foreign corporation" in any future taxable years. A non-corporate U.S. Holder will not be eligible for the reduced rate (a) if the U.S. Holder has not held the Underlying Shares, CPOs or GDSs for at least 61 days of the 121-day period beginning on the date which is 60 days before the ex-dividend date, (b) to the extent the U.S. Holder is under an obligation to make related payments on substantially similar or related property or (c) with respect to any portion of a dividend that is taken into account as investment income under Section 163(d)(4)(B) of the Code. Any days during which a U.S. Holder has diminished the U.S. Holder's risk of loss with respect to the Underlying Shares, CPOs or GDSs (for example, by holding an option to sell such Underlying Shares, CPOs or GDSs) are not counted towards meeting the 61-day holding period. Special rules apply in determining the foreign tax credit limitation with respect to dividends subject to U.S. federal income taxation at the reduced rate. U.S. Holders should consult their own tax advisors concerning whether dividends received by them qualify for the reduced rate. In addition, a 3.8% tax may apply to certain investment income recognized by a U.S. Holder. See "— Medicare Tax" below.

To the extent, if any, that the amount of a distribution exceeds our current and/or accumulated earnings and profits, the distribution will first reduce the U.S. Holder's adjusted tax basis in its Underlying Shares, CPOs or GDSs and, to the extent the distribution exceeds the U.S. Holder's adjusted tax basis, it will be treated as gain from the sale of the U.S. Holder's Underlying Shares, CPOs or GDSs. We do not maintain calculations of our earnings and profits under U.S. federal income tax principles. Therefore, a U.S. Holder should expect that a distribution paid by us will be treated as a dividend, even if that distribution would otherwise be treated as reducing such U.S. Holder's adjusted tax basis in its Underlying Shares, CPOs or GDSs or as gain from the sale of the U.S. Holder's Underlying Shares, CPOs or GDSs under the rules described above.

The U.S. Dollar value of any distributions paid in Pesos, including the amount of any Mexican taxes withheld, will be calculated by reference to the interbank exchange rate in effect on the date of receipt by the U.S. Holder or, with respect to the GDSs, The Bank of New York Mellon, in its capacity as Depositary, regardless of whether the payment is in fact converted into U.S. Dollars. U.S. Holders should consult their own tax advisors regarding the treatment of any foreign currency gain or loss on any distributions paid in Pesos that are not converted into U.S. Dollars on the day the Pesos are received. For U.S. foreign tax credit purposes, dividends distributed by us on CPOs, GDSs or Underlying Shares generally will constitute foreign source "passive income" or, in the case of some U.S. Holders, foreign source "general category income".

In general, pro rata distributions of additional shares with respect to the Underlying Shares that are part of a pro rata distribution to all of our stockholders generally (including U.S. Holders of GDSs) will not be subject to U.S. federal income tax.

A beneficial owner of CPOs, GDSs or Underlying Shares that is not a U.S. Holder and is not a partnership (or an entity or arrangement classified as a partnership for U.S. federal income tax purposes) will not be subject to U.S. federal income or withholding tax on a dividend paid with respect to the CPOs, GDSs or the Underlying Shares, unless the dividend is effectively connected with the conduct by the beneficial owner of a trade or business in the United States.

Capital Gains. Gain or loss recognized by a U.S. Holder on a taxable sale or exchange of CPOs, GDSs or Underlying Shares will be subject to U.S. federal income taxation as capital gain or loss in an amount equal to the difference between the amount realized on the sale or exchange and the U.S. Holder's adjusted tax basis in the CPOs, GDSs or Underlying Shares. Such capital gain or loss generally will be long-term capital gain or loss if the CPOs, GDSs or Underlying Shares have been held for more than one year at the time of disposition. Long-term capital gain of non-corporate U.S. Holders, including individual U.S. Holders, is subject to U.S. federal income tax at a preferential rate of 20% (or lower). In addition, a 3.8% tax may apply to certain investment income recognized by a U.S. Holder on a sale or exchange of CPOs, GDSs or Underlying Shares. See "— Medicare Tax" below. The deductibility of capital losses is subject to significant limitations.

Such capital gains generally will be U.S. source income, unless the gains are subject to Mexican taxation, in which case such gains generally will be treated as arising in Mexico under the U.S.-Mexico Tax Treaty. If capital gains are subject to Mexican taxation under the U.S.-Mexico Tax Treaty, a U.S. Holder generally may elect to treat such gains as foreign source income for U.S. foreign tax credit limitation purposes. However, any such Mexican taxes may not be used to offset U.S. federal income tax on any other item of income, and foreign taxes on any other item of income cannot be used to offset U.S. federal income tax on such gains. U.S. Holders should consult their tax advisors regarding the potential applicability of this rule to their particular situation.

Capital losses recognized on the sale or exchange of CPOs, GDSs or Underlying Shares generally will offset U.S. source income. Deposits and withdrawals of CPOs for GDSs and of Underlying Shares for CPOs by U.S. Holders will not be subject to U.S. federal income tax.

A beneficial owner of CPOs, GDSs or Underlying Shares that is not a U.S. Holder and is not a partnership (or an entity or arrangement classified as a partnership for U.S. federal income tax purposes) generally will not be subject to U.S. federal income tax on gain recognized on a sale or exchange of CPOs, GDSs or Underlying Shares unless:

- the gain is effectively connected with the beneficial owner's conduct of a trade or business in the United States; or
- the beneficial owner is an individual who holds CPOs, GDSs or Underlying Shares as a capital asset, is present in the United States for 183 days or more in the taxable year of the sale or exchange and meets other requirements.

Medicare Tax. A U.S. Holder that is an individual or estate, or a trust that does not fall into a special class of trusts that is exempt from such tax, will generally be subject to a 3.8% tax on the lesser of (i) the U.S. Holder's "net investment income" for a taxable year and (ii) the excess of the U.S. Holder's modified adjusted gross income for such taxable year over U.S.$200,000 (U.S.$250,000 in the case of joint filers). For these purposes, "net investment income" will generally include dividends paid with respect to CPOs, GDSs or Underlying Shares and net gain attributable to the disposition of CPOs, GDSs or Underlying Shares (in each case, unless such CPOs, GDSs or Underlying Shares are held in connection with certain trades or businesses), but will be reduced by any deductions properly allocable to such income or net gain.

U.S. Backup Withholding. A U.S. Holder may be subject to U.S. information reporting and U.S. backup withholding on dividends paid on Underlying Shares, and on proceeds from the sale or other disposition of CPOs, GDSs or Underlying Shares, unless the U.S. Holder:

- comes within an exempt category and, if required, certifies its exempt status; or
- provides the applicable withholding agent with the U.S. Holder's taxpayer identification number, certifies as to no loss of exemption from backup withholding tax and otherwise complies with the applicable requirements of the backup withholding rules.

The amount of any backup withholding will be allowed as a credit against the U.S. Holder's U.S. federal income tax liability and may entitle such holder to a refund, provided, however, that certain required information is timely furnished to the U.S. Internal Revenue Service ("IRS"). A beneficial owner of CPOs, GDSs or Underlying Shares that is not a U.S. Holder may be required to comply with certification and identification procedures in order to establish its exemption from backup withholding.

Certain Reporting Requirements. U.S. Holders that are individuals (and to the extent specified in applicable U.S. Treasury regulations, certain U.S. Holders that are entities and certain individuals that are not U.S. Holders) and hold "specified foreign financial assets" (as defined in section 6038D of the Code) are required to file a report on IRS Form 8938 with information relating to such assets for each taxable year in which the aggregate value of all such assets exceeds U.S.$75,000 at any time during the taxable year or U.S.$50,000 on the last day of the taxable year (or such higher dollar amount as prescribed by applicable U.S. Treasury regulations). Specified foreign financial assets would include, among other assets, GDSs, CPOs and Underlying Shares that are not held through an account maintained with a U.S. "financial institution" (as defined). Substantial penalties apply to any failure to timely file IRS Form 8938, unless the failure is shown to be due to reasonable cause and not due to willful neglect. Additionally, in the event a U.S. Holder that is required to file IRS Form 8938 does not file such form, the statute of limitations on the assessment and collection of U.S. federal income taxes of such U.S. Holder for the related tax year may not close until three years after the date that the required information is filed. Beneficial owners of GDSs, CPOs or Underlying Shares should consult their own tax advisors regarding their reporting obligations with respect to "specified foreign financial assets".

Federal Mexican Taxation

General. The following is a general summary of the main tax consequences under the Mexican Income Tax Law, Federal Tax Code and rules as currently in effect (the "Mexican Tax Legislation"), all of which are subject to change or interpretation, and under the U.S.-Mexico Tax Treaty, of the purchase, ownership and disposition of CPOs, GDSs or underlying Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares by a person that is not a resident of Mexico for tax purposes, as defined below.

U.S. Holders should consult with their own tax advisors as to their entitlement to benefits afforded by the U.S.-Mexico Tax Treaty. Mexico has also entered into and is negotiating with various countries regarding other tax treaties that may have an effect on the tax treatment of CPOs, GDSs or underlying Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares. Holders should consult with their tax advisors as to their entitlement to the benefits afforded by these treaties.

This discussion does not constitute, and shall not be considered as, legal or tax advice to holders.

According to the Mexican Tax Legislation:

- an individual is a Mexican tax resident if the individual has established his permanent home in Mexico. When an individual, in addition to his permanent home in Mexico, has a permanent home in another country, the individual will be a Mexican tax resident if his center of vital interests is located in Mexico. This will be deemed to occur if, among other circumstances, either (i) more than 50% of the total income obtained by the individual in the calendar year is Mexican source or (ii) when the individual's center of professional activities is located in Mexico. Mexican nationals who filed a change of tax residence to a country or jurisdiction that does not have a comprehensive exchange of information agreement with Mexico in which her/his income is subject to a preferred tax regime pursuant to the provisions of the Mexican Income Tax Law, will be considered Mexican residents for tax purposes during the year of filing of the notice of such residence change and during the following three years. Unless otherwise proven, a Mexican national is considered a Mexican tax resident;

- a legal entity is considered a Mexican tax resident if it maintains the main administration of its head office, business, or the effective location of its management in Mexico.

- a foreign person with a permanent establishment in Mexico will be required to pay taxes in Mexico in accordance with the Mexican Tax Legislation for income attributable to such permanent establishment; and

- a foreign person without a permanent establishment in Mexico will be required to pay taxes in Mexico in respect of revenues proceeding from sources of wealth located in national territory.

Dividends. Beginning in 2014, dividends, either in cash or in any other form, coming from our "previously taxed net earnings account", or "*cuenta de utilidad fiscal neta*", generated up to 2013 and paid with respect to the shares underlying the CPOs, including those CPOs represented by GDSs, will not be subject to Mexican withholding tax. On the other hand, the dividends coming from our previously taxed net earnings account generated during or after 2014 will be subject to a 10% Mexican withholding tax. We must first utilize the previously taxed net earnings account generated up to 2013 and when this account no longer has a balance, we must utilize the previously taxed net earnings account generated during or after 2014. The latter dividends will be subject to the 10% Mexican withholding tax.

However, under the U.S.-Mexico Tax Treaty, any U.S. Holder that is eligible to claim the benefits of the U.S.-Mexico Tax Treaty may be exempt from or subject to a lower withholding tax rate on dividends paid with respect to the shares underlying the CPOs, including those CPOs represented by GDSs. The U.S. Holder may be subject to a lower withholding tax rate (5%) under the U.S.-Mexico Tax Treaty if the U.S. Holder is a company that owns directly at least 10% of our voting outstanding shares.

On the other hand, the U.S. Holder may be exempt from withholding tax under the U.S.-Mexico Tax Treaty if the U.S. Holder is either (a) a company that has owned shares representing 80 percent or more of our voting outstanding shares for a 12-month period ending on the date the dividend is declared and that (1) prior to October 1, 1998 owned, directly or indirectly, shares representing 80 percent or more of our voting outstanding shares; or (2) is entitled to the benefits of the U.S.-Mexico Tax Treaty under clauses (i) or (ii) of subparagraph d) of paragraph 1 of Article 17 (Limitation on Benefits); or (3) is entitled to the benefits of the U.S.-Mexico Tax Treaty with respect to the dividends under subparagraph g) of paragraph 1 of Article 17; or (4) has received a determination from the relevant competent authority pursuant to paragraph 2 of Article 17; or (b) a trust, company, or other organization constituted and operated exclusively to administer or provide benefits under one or more plans established to provide pension, retirement or other employee benefits and its income is generally exempt from tax in the United States, provided that such dividends are not derived from the carrying on of a business, directly or indirectly, by such trust, company or organization.

Dividends paid to other Holders that are eligible to receive benefits pursuant to other income tax treaties to which Mexico is a party may be exempt from or subject to a lower withholding tax rate in whole or in part. Non-U.S. Holders should consult their own tax advisors as to their possible eligibility under such other income tax treaties. Appropriate tax residence certifications must be obtained by Holders eligible for tax treaty benefits.

When dividends are paid from our previously taxed net earnings account we will not be required to pay any Mexican corporate income tax on the dividends. During 2020, if dividends are not paid from our previously taxed net earnings account we will be required to pay a 30% Mexican corporate income tax ("CIT") on the grossed-up dividends with the factor 1.4286.

Sales or Other Dispositions. Deposits and withdrawals of CPOs for GDSs and of underlying Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares for CPOs will not give rise to Mexican tax or transfer duties.

Beginning on January 1, 2014, the gains on the sale or other disposition of CPOs, GDSs or underlying Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares will be subject to a 10% Mexican withholding tax if the sale is carried out through the Mexican Stock Exchange. This withholding tax will not apply if the Holder is a tax resident of a country that has in effect a Tax Treaty with Mexico, as is the case with the United States; in order to obtain this benefit the Holder must deliver to the withholding agent a letter stating, under oath, (i) that the Holder is resident for purposes of the specific Tax Treaty and (ii) the Holder's tax identification number.

Sales or other dispositions of CPOs, GDSs or underlying Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares made in other circumstances also would be subject to Mexican income tax. However, under the U.S.-Mexico Tax Treaty, any U.S. Holder that is eligible to claim the benefits of the U.S.-Mexico Tax Treaty may be exempt from Mexican tax on gains realized on a sale or other disposition of CPOs and shares underlying the CPOs in a transaction that is not carried out through the Mexican Stock Exchange. The U.S. Holder will be exempt under the U.S.-Mexico Tax Treaty if the U.S. Holder did not own directly or indirectly 25% or more of the our outstanding shares within the 12-month period preceding such sale or disposition. Gains realized by other Holders that are eligible to receive benefits pursuant to other income tax treaties to which Mexico is a party may be exempt from Mexican income tax in whole or in part. Non-U.S. Holders should consult their own tax advisors as to their possible eligibility under such other income tax treaties. Appropriate tax residence certifications must be obtained by Holders eligible for tax treaty benefits.

Other Mexican Taxes. There are no estate, gift, or succession taxes applicable to the ownership, transfer or disposition of CPOs, GDSs or underlying Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares. However, a gratuitous transfer of CPOs, GDSs or underlying Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares may, in some circumstances, result in the imposition of a Mexican federal tax upon the recipient. There are no Mexican stamp, issuer, registration or similar taxes or duties payable by holders of GDSs, CPOs, or underlying Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares.

Documents on Display

For further information with respect to us and our CPOs and GDSs, we refer you to the filings we have made with the SEC. Statements contained in this annual report concerning the contents of any contract or any other document are not necessarily complete. If a contract or document has been filed as an exhibit to any filing we have made with the SEC, we refer you to the copy of the contract or document that has been filed. Each statement in this annual report relating to a contract or document filed as an exhibit to any filing we have made with the SEC is qualified in its entirety by the filed exhibit.

The Company is subject to the informational requirements of the Exchange Act and in accordance therewith files reports and other information with the SEC. Reports and other information filed by the Company with the SEC are available at the SEC's website at www.sec.gov. We maintain a website at http://www.televisair.com/en and make all of our annual, quarterly and current reports and other publicly filed information available, free of charge, on or through our website.

We furnish The Bank of New York Mellon, the depositary for our GDSs, with annual reports in English. These reports contain audited consolidated financial statements that, starting with the annual report for year ended December 31, 2012, have been prepared in accordance with IFRS. The historical financial statements included in these reports have been examined and reported on, with an opinion expressed by, an independent registered public accounting firm. The depositary is required to mail our annual reports to all holders of record of our GDSs. The Deposit Agreement for the GDSs also requires us to furnish the depositary with English translations of all notices of stockholders' meetings and other reports and communications that we send to holders of our CPOs. The depositary is required to mail these notices, reports and communications to holders of record of our GDSs.

As a foreign private issuer, we are not required to furnish proxy statements to holders of our CPOs or GDSs in the United States.

Item 11. Quantitative and Qualitative Disclosures About Market Risk

Market Risk Disclosures

Market risk is the exposure to an adverse change in the value of financial instruments caused by market factors including changes in equity prices, interest rates, foreign currency exchange rates, commodity prices and inflation rates. The following information includes "forward-looking statements" that involve risks and uncertainties. Actual results could differ from those presented.

Risk Management. We are exposed to market risks arising from changes in equity prices, interest rates, foreign currency exchange rates and inflation rates, in both the Mexican and U.S. markets. Our risk management activities are monitored by our Investments, Risk Management and Treasury Committee.

We monitor our exposure to interest rate risk by: (i) evaluating differences between interest rates on our outstanding debt and short-term investments and market interest rates on similar financial instruments; (ii) reviewing our cash flow needs and financial ratios (indebtedness and interest coverage); (iii) assessing current and forecasted trends in the relevant markets; and (iv) evaluating peer group and industry practices. This approach allows us to establish the interest rate "mix" between variable and fixed rate debt.

Foreign currency exchange risk is monitored by assessing our net monetary liability position in U.S. Dollars and our forecasted cash flow needs for anticipated U.S. Dollar investments and servicing our U.S. Dollar-denominated debt. Equity price risk is assessed by evaluating the long-term value of our investment in both domestic and foreign affiliates, versus comparable investments in the marketplace. We classify our equity investments in affiliates, both domestic and foreign, as long-term assets.

In compliance with the procedures and controls established by our Investments, Risk Management and Treasury Committee, in 2017, 2018 and 2019, we entered into certain derivative transactions with certain financial institutions in order to manage our exposure to market risks resulting from changes in interest rates, foreign currency exchange rates, and inflation rates. Our objective in managing foreign currency and inflation fluctuations is to reduce earnings and cash flow volatility. See Notes 2(w), 4 and 15 to our consolidated year-end financial statements.

Foreign Currency Exchange Rate Risk and Interest Rate Risk

During March 2011, in connection with the amortizable variable rate loan with HSBC due 2018, we entered into interest rate swap agreements on a notional amount of Ps.2,500.0 million. These agreements involve the exchange of interest payments based on a variable interest rate for amounts based on fixed rates. These agreements allowed us to fix the coupon payments for a period of seven years at an interest rate of 8.6075%. In March 2016, the variable rate bank loan was partially prepaid and this agreement was partially unwound in the equivalent amount. In December 2017, the bank loan was fully prepaid and the interest rate swap was unwound.

During January and April 2012, in connection with TVI's variable rate bank loan with Banorte due 2016, TVI entered into interest rate swap agreements on a notional amount of Ps.500.0 million and Ps.800.0 million, respectively. These agreements involve the exchange of interest payments based on a variable interest rate for amounts based on fixed rates. These agreements allowed us to fix the coupon payments for a period of four years at an interest rate of 6.9315%. In May 2015, the variable rate bank loan was prepaid but this agreement continued because a new variable rate bank loan with Banorte due 2022 was agreed and it covered the same exposure until February 2016. In October 2016, Televisa entered as a guarantor on the bank loan due 2022 with Banorte, and as a consequence, the interest rate payable decreased 30 bps as of October 2016. In August 2015 and March 2017, TVI entered into interest rate swap agreements on a notional amount of Ps.250.0 million and Ps.750.0 million, respectively. These agreements also involved the exchange of interest payments based on a variable interest rate for amounts based on fixed rates. These agreements allowed us to fix the coupon payments at an interest rate of 7.8469%. On April 5, 2017, TVI entered into an interest rate swap agreement on a notional amount of Ps.742.0 million that allowed us to fix all coupon payments at an interest rate of 8.0250%.

The net fair value of the interest rate swap was a liability of Ps.19.8 million as of March 31, 2020, Ps.6.0 million as of December 31 2019 and an asset of Ps.44.5 million as of December 31, 2018. The potential loss in fair value for such instruments from a hypothetical 50 bps adverse change in market interest rates would be approximately Ps.7.8 million as of March 31, 2020 and Ps.8.6 million as of December 31, 2019. This sensitivity analysis assumes a downward parallel shift in the Mexican interest rate swaps yield curve.

During the second semester of 2013 and the second semester of 2014, in connection with TVI's variable rate bank loans with HSBC due 2019, TVI entered into interest rate swap agreements on notional amounts of Ps.500.0 million and Ps.300.0 million, respectively. These agreements involve the exchange of interest payments based on a variable interest rate for amounts based on fixed rates. In December 2016, Televisa entered as a guarantor on the bank loans with HSBC, and as a consequence, the interest rate payable decreased by 30 bps as of December 2016. These agreements allowed us to fix the coupon payments for a period of five years at an interest rate of 6.3640%. In the second half of 2019, the bank loan and the interest rate swaps matured.

During April 2014 and March 2015, in connection with the local bonds (*Certificados Bursátiles*) issued by Televisa due 2021, we entered into interest rate swap agreements on a notional amount of Ps.3,000.0 million and Ps.3,000.0 million, respectively. These agreements involve the exchange of interest payments based on a variable interest rate for amounts based on fixed rates. These agreements allowed us to fix the coupon payments for a period of seven years at an interest rate of 6.2851%. In the second half of 2019, the bond was fully prepaid and the interest rate swap was unwound.

During June 2015, the first quarter of 2016 and the first quarter of 2017, in connection with the local bonds (*Certificados Bursátiles*) issued by Televisa due 2022, we entered into interest rate swap agreements on a notional amount of Ps.1,000.0 million, Ps.1,500 million and Ps.2,500 million respectively. These agreements involve the exchange of interest payments based on a variable interest rate for amounts based on fixed rates. These agreements allowed us to fix the coupon payments at an interest rate of 6.9216%. In the second half of 2019, the bond was fully prepaid and the interest rate swap was unwound.

During the second half of 2015, in connection with two of TVI's variable rate bank loans with Santander due 2019 and 2020, TVI entered into interest rate swap agreements on notional amounts of Ps.250.0 million each. These agreements involve the exchange of interest payments based on a variable interest rate for amounts based on fixed rates. In September 2016, Televisa entered as a guarantor on the bank loans with Santander, and as a consequence, the interest rate payable decreased 10 bps as of September 2016. These agreements allowed us to fix the coupon payments at an interest rate of 6.3975% and 6.68%, respectively. In the third quarter of 2019, one of the loans with a notional amount of Ps.250.0 million and the related interest rate swaps matured.

The net fair value of the interest rate swap was an asset of Ps.0.3 million as of March 31, 2020, Ps.1.7 million as of December 2019 and Ps.16.8 million as of December 31, 2018. The potential loss in fair value for such instruments from a hypothetical 50 bps adverse change in market interest rates would be approximately Ps.0.0 million as of March 31, 2020 and Ps.0.4 million as of December 31, 2019. This sensitivity analysis assumes a downward parallel shift in the Mexican interest rate swaps yield curve.

During 2017, in connection with all the Senior Notes issued by Televisa in U.S. Dollars, we entered into forward exchange rate agreements on a notional amount of U.S.$239.0 million. These agreements allowed us to fix the exchange rate of coupon payments due in 2018 on an average of Ps.19.71 per U.S.$1.00. During 2018, we entered into forward exchange rate agreements on a notional amount of U.S.$224.0 million. These agreements allowed us to fix the exchange rate of coupon payments due in the 2019 on an average of Ps.19.68 per U.S.$1.00. During 2019 we entered into forward exchange rate agreements on a notional amount of U.S.$218.7 million. These agreements allowed us to fix the exchange rate of coupon payments due until October 2020 on an average of Ps.19.93 per U.S.$1.00.

As of March 31, 2020, the notional amount outstanding for these agreements was U.S.$131.7 million that allowed us to fix the exchange rate on an average of Ps.19.81 per U.S.$1.00. The net fair value of the forward exchange rate agreements was an asset of Ps.534.4 million as of March 31, 2020 and a liability of Ps.144.5 million as of December 31, 2019. The potential loss in fair value for such instruments from a hypothetical 3.0% adverse change in market exchange rate would be approximately Ps.40.8 million as of March 31, 2020 and Ps.131.3 million as of December 31, 2019. This sensitivity analysis assumes a downward parallel shift in the Mexican Peso.

During 2019, the Company entered into forward exchange rate agreements primarily for capital expenditures expected to be made during 2020. As of March 31, 2020 and December 31, 2019, the notional amount outstanding was U.S.$242.7 million and U.S.$361.6 million, respectively, the net fair value of these agreements was an asset of Ps.976.9 million and a liability of Ps.242.8 million, respectively. The potential loss in fair value for such instruments from a hypothetical 3.0% adverse change in market exchange rate would be approximately Ps.72.3 million as of March 31, 2020 and Ps.216.4 million as of December 31, 2019. This sensitivity analysis assumes a downward parallel shift in the Mexican Peso.

During the last quarter of 2017, in connection with the variable rate bank loan with HSBC due 2022, the Company entered into interest rate swap agreements on notional amounts of Ps.2,000.0 million. These agreements involve the exchange of interest payments based on a variable interest rate for amounts based on fixed rates. These agreements allowed us to fix the coupon payments for a period of five years at an interest rate of 8.6275%

The net fair value of the interest rate swap was a liability of Ps.73.4 million as of March 31, 2020, Ps.38.5 million as of December 31, 2019 and an asset of Ps.85.1 million as of December 31, 2018. The potential loss in fair value for such instruments from a hypothetical 50 bps adverse change in market interest rates would be approximately Ps.21.7 million as of March 31, 2020 and Ps.23.8 million as of December 31, 2019. This sensitivity analysis assumes a downward parallel shift in the Mexican interest rate swaps yield curve.

During the last quarter of 2017, in connection with the variable rate bank loan with Santander due 2022, the Company entered into interest rate swap agreements on notional amounts of Ps.1,500.0 million. These agreements involve the exchange of interest payments based on a variable interest rate for amounts based on fixed rates. These agreements allowed us to fix the coupon payments for a period of five years at an interest rate of 8.6%.

The net fair value of the interest rate swap was a liability of Ps.57.0 million as of March 31, 2020, Ps.30.7 million as of December 31, 2019 and an asset of Ps.63.4 million as of December 31, 2018. The potential loss in fair value for such instruments from a hypothetical 50 bps adverse change in market interest rates would be approximately Ps.17.0 million as of March 31, 2020 and Ps.18.6 million as of December 31, 2019. This sensitivity analysis assumes a downward parallel shift in the Mexican interest rate swaps yield curve.

During the last quarter of 2017 and the first quarter of 2018, in connection with the variable rate bank loan with Scotiabank due 2023, the Company entered into interest rate swap agreements on notional amounts of Ps.1,000.0 million and Ps.1,500.0 million respectively. These agreements involve the exchange of interest payments based on a variable interest rate for amounts based on fixed rates. These agreements allowed us to fix the coupon payments for a period of five years at an interest rate of 9.0485%.

The net fair value of the interest rate swap was a liability of Ps.128.0 million as of March 31, 2020, Ps.83.1 million as of December 2019 and an asset of Ps.76.9 million as of December 31, 2018. The potential loss in fair value for such instruments from a hypothetical 50 bps adverse change in market interest rates would be approximately Ps.31.5 million as of March 31, 2020 and Ps.34.9 million as of December 31, 2019. This sensitivity analysis assumes a downward parallel shift in the Mexican interest rate swaps yield curve.

During the third quarter of 2019, in connection with the variable rate syndicate loan due 2024, the Company entered into three interest rate swap agreements on notional amounts of Ps.2,000.0 million each. These agreements involve the exchange of interest payments based on a variable interest rate for amounts based on fixed rates. These agreements allowed us to fix the coupon payments for a period of five years at an interest rate of 7.3873%.

The net fair value of the interest rate swap was a liability of Ps.275.8 million as of March 31, 2020, and Ps.185.2 million as of December 2019. The potential loss in fair value for such instruments from a hypothetical 50 bps adverse change in market interest rates would be approximately Ps.121.6 million as of March 31, 2020 and Ps.133.9 million as of December 31, 2019. This sensitivity analysis assumes a downward parallel shift in the Mexican interest rate swaps yield curve.

During the first quarter of 2020, the Company drew down from its RCF for an amount of Ps.14,771 million due 2022. In connection with the RCF, the company entered into interest rate swap agreements for the full amount. These agreements involve the exchange of interest payments based on a variable interest rate for amounts based on fixed rates. These agreements allowed us to fix the coupon payments for a two year period at an interest rate of 6.0738%.

The net fair value of the interest rate swap was a liability of Ps.96.7 million as of March 31, 2020. The potential loss in fair value for such instruments from a hypothetical 50 bps adverse change in market interest rates would be approximately Ps.54.2 million as of March 31, 2020. This sensitivity analysis assumes a downward parallel shift in the Mexican interest rate swaps yield curve.

During 2019, Empresas Cablevisión entered into forward exchange rate agreements primarily for capital expenditures expected to be made during 2020. As of March 31, 2020 and December 31, 2019, the notional amount outstanding was U.S.$48.0 million and U.S.$73.0 million, respectively, the net fair value of these agreements was an asset of Ps.196.0 million, and a liability of Ps.48.5 million, respectively. The potential loss in fair value for such instruments from a hypothetical 3.0% adverse change in market exchange rate would be approximately Ps.17.8 million as of March 31, 2020 and Ps.45.8 million as of December 31, 2019. This sensitivity analysis assumes a downward parallel shift in the Mexican Peso.

During 2019, TVI entered into forward exchange rate agreements primarily for capital expenditures expected to be made during 2020. As of March 31, 2020 and December 31, 2019, the notional amount outstanding was U.S.$43.5 million and U.S.$66.0 million, respectively, the net fair value of these agreements was an asset of Ps.171.4 million and a liability of Ps.46.0 million, respectively. The potential loss in fair value for such instruments from a hypothetical 3.0% adverse change in market exchange rate would be approximately Ps.10.2 million as of March 31, 2020 and Ps.39.6 million as of December 31, 2019. This sensitivity analysis assumes a downward parallel shift in the Mexican Peso.

During 2019, Corporación Novavision entered into forward exchange rate agreements primarily for capital expenditures expected to be made during 2020. As of March 31, 2020 and December 31, 2019, the notional amount outstanding is U.S.$94.8 million and U.S.$127.8 million respectively, the net fair value of these agreements was an asset of Ps.378.7 million and a liability of Ps.87.1 million, respectively. The potential loss in fair value for such instruments from a hypothetical 3.0% adverse change in market exchange rate would be approximately Ps.37.8 million as of March 31, 2020 and Ps.80.1 million as of December 31, 2019. This sensitivity analysis assumes a downward parallel shift in the Mexican Peso.

Sensitivity and Fair Value Analyses

The sensitivity analyses that follow are intended to present the hypothetical change in fair value or loss in earnings due to changes in interest rates, inflation rates, foreign currency exchange rates and debt and equity market prices as they affect our financial instruments at December 31, 2019 and 2018. These analyses address market risk only and do not present other risks that we face in the ordinary course of business, including country risk and credit risk. The hypothetical changes reflect our view of changes that are reasonably possible over a one-year period. For purposes of the following sensitivity analyses, we have made conservative assumptions of expected near-term future changes in U.S. interest rates, Mexican interest rates, inflation rates and Peso to U.S. Dollar exchange rates of 10%. The results of the analyses do not purport to represent actual changes in fair value or losses in earnings that we will incur.

December 31, 2019	Carrying value[3]	Fair value[4]	Increase (decrease) of fair value over carrying value	Increase (decrease) of fair value over carrying value assuming a hypothetical 10% increase in fair value
Assets:				
Warrants issued by UHI	Ps. 33,775.4	Ps. 33,775.4	Ps. —	Ps. 3,377.5
Long-term loan and interest receivable from GTAC	872.3	875.6	3.3	90.8
Open Ended Fund	4,688.2	4,688.2	—	468.8
Other equity instruments	5,751.0	5,751.0	—	575.1
Derivative financial instruments [2]	4.6	4.6	—	—
Liabilities:				
U.S. dollar-denominated debt:				
Senior Notes due 2025	11,330.3	13,243.6	1,913.3	3,237.7
Senior Notes due 2026	5,665.1	6,079.9	414.8	1,022.7
Senior Notes due 2032	5,665.1	7,571.3	1,906.2	2,663.3
Senior Notes due 2040	11,330.3	14,139.3	2,809.0	4,222.9
Senior Notes due 2045	18,883.8	19,739.0	855.2	2,829.1
Senior Notes due 2046	16,995.4	20,565.3	3,569.9	5,626.4
Senior Notes due 2049	14,162.9	15,364.4	1,201.5	2,738.0
Peso-denominated debt:				
Notes due 2027	4,500.0	4,656.4	156.4	622.0
Senior Notes due 2037	4,500.0	4,133.4	(366.6)	46.7
Senior Notes due 2043	6,500.0	4,853.5	(1,646.5)	(1,161.2)
Long-term notes payable to Mexican Banks	22,845.4	23,012.7	167.3	2,468.6
Lease Liabilities	9,363.5	9,120.9	(242.6)	669.5
Other notes payable	1,324.1	1,295.8	(28.3)	101.3
Derivative financial instruments [2]	915.3	915.3	—	—

December 31, 2018	Carrying value[3]	Fair value[4]	Increase (decrease) of fair value over carrying value	Increase (decrease) of fair value over carrying value assuming a hypothetical 10% increase in fair value
Assets:				
Temporary investments [1]	Ps. 31.0	Ps. 31.0	Ps. —	Ps. —
Warrants issued by UHI	34,921.5	34,921.5	—	3,492.2
Long-term loan and interest receivable from GTAC	817.6	824.5	6.9	89.4
Open Ended Fund	7,662.7	7,662.7	—	766.3
Other equity instruments	6,545.6	6,545.6	—	654.6
Other financial assets	72.6	72.6	—	7.3
Derivative financial instruments [2]	1,035.5	1,035.5	—	—
Liabilities:				
U.S. dollar-denominated debt:				
Senior Notes due 2025	11,803.8	12,970.4	1,166.6	2,463.6
Senior Notes due 2026	5,901.9	5,849.1	(52.8)	532.2
Senior Notes due 2032	5,901.9	7,405.8	1,503.9	2,244.5
Senior Notes due 2040	11,803.8	12,733.8	930.0	2,203.4
Senior Notes due 2045	19,673.0	17,317.7	(2,355.3)	(623.5)
Senior Notes due 2046	17,705.7	18,202.0	496.3	2,316.5
Peso-denominated debt:				
Notes due 2020	10,000.0	9,605.7	(394.3)	566.3
Notes due 2021	6,000.0	5,956.5	(43.5)	552.2
Notes due 2022	5,000.0	4,941.4	(58.6)	435.6
Notes due 2027	4,500.0	4,027.3	(472.7)	(70.0)
Senior Notes due 2037	4,500.0	3,586.1	(914.0)	(555.3)
Senior Notes due 2043	6,500.0	4,319.6	(2,180.4)	(1,748.5)
Long-term notes payable to Mexican Banks	13,834.5	13,551.6	(282.9)	1,072.2
Lease Liabilities	5,317.9	5,121.5	(196.4)	315.7
Other notes payable	2,576.9	2,430.7	(146.2)	96.9
Derivative financial instruments [2]	148.1	148.1	—	—

(1) At December 31, 2018, the Group's temporary investments consisted of highly liquid securities, including without limitation debt securities and equity instruments held for trading (primarily denominated in Mexican pesos and U.S. dollars). Given the short-term nature of these investments, an increase in U.S. and/or Mexican interest rates would not significantly decrease the fair value of these investments.

(2) Given the nature and the tenor of these derivatives, an increase of 10% in the interest and/or exchange rates would not be an accurate sensitivity analysis.

(3) The carrying value of debt is stated in this table at its principal amount.

(4) The fair value of the Senior Notes and Notes due by the Group are within Level 1 of the fair value hierarchy as there is a quoted market price for them. The fair value of the lease liabilities are within Level 2 of the fair value hierarchy and has been estimated based on cash flows discounted using an estimated weighted average cost of capital. The fair value of held-to-maturity securities are within Level 1 of the fair value hierarchy, and were based on market interest rates to the listed securities.

We are also subject to the risk of foreign currency exchange rate fluctuations, resulting from the net monetary position in U.S. Dollars of our Mexican operations, as follows:

	Year Ended December 31,	
	2019	2018
	(In millions of U.S. Dollars)	
U.S. Dollar-denominated and U.S. Dollar-equivalent monetary assets, primarily cash and cash equivalents, and non-current investments in financial instruments(1)	U.S.$ 1,253.3	U.S.$ 1,362.6
U.S. Dollar-denominated and U.S. Dollar-equivalent monetary liabilities, primarily trade accounts payable, Senior debt securities, lease liabilities, and other liabilities(2)(3)	(5,231.8)	(4,533.6)
Net liability position	U.S.$ (3,978.5)	U.S.$ (3,171.0)

(1) In 2019 and 2018, include U.S. Dollar equivalent amounts of U.S.$57.6 million and U.S.$68.9 million, respectively, related to other foreign currencies, primarily Euros.

(2) In 2019 and 2018, include U.S. Dollar equivalent amounts of U.S$5.0 million and U.S.$15.0 million, respectively, related to other foreign currencies, primarily Euros.

(3) In 2019 and 2018, monetary liabilities included U.S.$2,470.6 million (Ps.46,653.3 million) and U.S.$2,585.8 million (Ps.50,869.5 million), respectively, related to long-term debt designed as a hedging instrument of the Group's investments in UHI and the initial investment in Open Ended Fund (see Note 14 to our consolidated year-end financial statements).

At December 31, 2019, a hypothetical 10% appreciation/depreciation in the U.S. dollar to Mexican peso exchange rate would result in a foreign exchange gain/loss, net of hedge, of Ps.2,847.5 million. At December 31, 2018, a hypothetical 10% appreciation/depreciation in the U.S. dollar to Mexican peso exchange rate would result in a foreign exchange gain/loss, net of hedge, of Ps.1,151.4 million.

Item 12. Description of Securities Other than Equity Securities

Global Depositary Shares

The Bank of New York Mellon, the depositary for the securities underlying our GDSs, collects its fees for delivery and surrender of GDSs directly from investors depositing shares or surrendering GDSs for the purpose of withdrawal or from intermediaries acting for them. The depositary collects fees for making distributions to investors by deducting those fees from the amounts distributed or by selling a portion of distributable property to pay the fees. The depositary may collect its annual fee for depositary services by deductions from cash distributions or by directly billing investors or by charging the book-entry system accounts of participants acting for them. The depositary may generally refuse to provide fee-attracting services until its fees for those services are paid.

The following table summarizes the fees and charges that a GDS holder may be required to pay, directly or indirectly, to the depositary pursuant to the terms of the Deposit Agreement, which was filed with the SEC as an exhibit to our Registration Statement on Form F-6 filed on September 17, 2007:

Fee	Depositary Service
U.S.$5.00 (or less) per 100 GDSs (or portion of 100 GDSs)	• Issuance of GDSs, including issuances resulting from a distribution of shares or rights or other property • Cancellation of GDSs for the purpose of withdrawal, including if the deposit agreement terminates
U.S.$0.02 (or less) per GDS	• Any cash distribution to GDS registered holders
A fee equivalent to the fee that would be payable if securities distributed to holders had been CPOs and the CPOs had been deposited for issuance of GDSs	• Distribution of securities distributed to holders of deposited securities which are distributed by the depositary to GDS registered holders
U.S.$0.02 (or less) per GDS per calendar year	• Depositary services
Registration or transfer fees	• Transfer and registration of CPOs on our CPO register to or from the name of the depositary or its agent when holders deposit or withdraw CPOs
Expenses of the depositary	• Cable and facsimile transmissions (when expressly provided in the deposit agreement) • Converting foreign currency to U.S. dollars
Taxes and other governmental charges the depositary or the custodian have to pay on any GDS or share underlying an GDS, for example, stock transfer taxes, stamp duty or withholding taxes	• As necessary
Any charges incurred by the depositary or its agents for servicing the deposited	• As necessary

securities

Note that the actual amounts charged by the depositary may differ from those set out in the table above, but may not exceed these levels.

The Bank of New York Mellon, as depositary, pays us an agreed amount as reimbursement for certain expenses we incur related to our being a publicly-listed entity in the United States, including, but not limited to, internal and out-of-pocket investor relations expenses, corporate finance and accounting expenses, legal expenses, annual NYSE listing fees, Sarbanes-Oxley compliance, travel expenses related to presentations to rating agencies and investors, road show presentations, or any other similar or related expenses. There are limits on the amount of expenses for which the depositary will reimburse us, but the amount of reimbursement available to us is not necessarily tied to the amount of fees the depositary collects from investors. In 2019, we received a reimbursement of U.S.$2.9 million.

Part II

Item 13. Defaults, Dividend Arrearages and Delinquencies

Not applicable.

Item 14. Material Modifications to the Rights of Security Holders and Use of Proceeds

Not applicable.

Item 15. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Based on the evaluation as of December 31, 2019, our Co-Chief Executive Officers and Principal Financial Officer of the Company have concluded that the Company's disclosure controls and procedures (as defined under Exchange Act Rules 13a-15(e) and 15d-15(e)) are effective to provide reasonable assurance that the information required to be disclosed by the Company in the reports that it files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to management, including our Co-Chief Executive Officers and the Principal Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Management's Annual Report on Internal Control Over Financial Reporting

The Company's management, including our Co-Chief Executive Officers and Principal Financial Officer, is responsible for establishing and maintaining adequate internal control over financial reporting and is responsible for the assessment of the effectiveness of internal control over financial reporting as such terms are defined in Rule 13a-15(f) of the Exchange Act.

Management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2019. In making this assessment, management used the criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Internal control over financial reporting has inherent limitations. Internal control over financial reporting is a process that involves human diligence and compliance and is subject to lapses in judgment and breakdowns resulting from human failures. Internal control over financial reporting also can be circumvented by collusion or improper management override. Because of such limitations, there is a risk that material misstatements will not be prevented or detected on a timely basis by internal control over financial reporting. However, these inherent limitations are known features of the financial reporting process. Therefore, it is possible to design into the process safeguards to reduce, though not eliminate, this risk.

Management concluded that the Company maintained effective internal control over financial reporting as of December 31, 2019.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2019 has been audited by KPMG Cárdenas Dosal, S.C., an independent registered public accounting firm, as stated in their report which appears herein.

Changes in Internal Control Over Financial Reporting

There has been no change in the Company's internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended) that occurred during the year ended December 31, 2019 that has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting.

Item 16.A. Audit Committee Financial Expert

Our board of directors has determined that Mr. Francisco José Chevez Robelo is our audit committee financial expert. Mr. Francisco José Chevez Robelo is "independent" and meets the requisite qualifications as defined in Item 16A of Form 20-F.

Item 16.B. Code of Ethics

We have adopted a written code of ethics that applies to all of our employees, including our principal executive officers, principal financial officer and principal accounting officer.

You may request a copy of our code of ethics, at no cost, by writing to or telephoning us as follows:

Grupo Televisa, S.A.B.
Avenida Vasco de Quiroga, No. 2000
Colonia Santa Fe, 01210 Mexico City, Mexico.
Telephone: (+52) 55 5261-2000.

In addition, the English version of the code of ethics can be found at http://www.televisair.com/en/governance/codes-and-bylaws and the Spanish version at http://www.televisair.com/es-ES/governance/codes-and-bylaws.

Item 16.C. Principal Accountant Fees and Services

KPMG Cárdenas Dosal, S.C. acted as our independent registered public accounting firm for the fiscal years ended December 31, 2018 and 2019.

The chart below sets forth the total amount billed by our independent registered public accounting firms for services performed in the years 2019 and 2018, and breaks down these amounts by category of service[(1)]:

	2019	2018
	(in millions of Pesos)	
Audit Fees	Ps. 103.6	Ps. 92.7
Audit-Related Fees	5.3	1.2
Tax Fees	5.8	13.5
Other Fees	6.0	2.2
Total	Ps. 120.7	Ps. 109.6

(1) On July 10, 2018, we adopted the recommendation of the Audit Committee to engage KPMG Cárdenas Dosal, S.C. as our independent public accountant. They replaced our former independent public accountant, PricewaterhouseCoopers, S.C., and commenced their engagement with the audit of our financial results for the year ended December 31, 2018 and 2019.

"Audit Fees" are the aggregate fees billed by our Independent Registered Public Accounting Firms for the audit of our consolidated annual financial statements, services related to regulatory financial filings with the SEC and attestation services that are provided in connection with statutory and regulatory filings or engagements.

"Audit-Related Fees" are fees charged by our Independent Registered Public Accounting Firm for assurance and related services that are reasonably related to the performance of the audit or review of our financial statements and are not reported under "Audit Fees". This category comprises fees billed for independent accountant review of our interim financial statements in connection with the offering of our debt securities, advisory services associated with our financial reporting, and due diligence reviews in connection with potential acquisitions and business combinations.

"Tax Fees" are fees for professional services rendered by the Company's Independent Registered Public Accounting Firm for tax compliance in connection with our subsidiaries and interests in the United States, as well as tax advice on actual or contemplated transactions.

"Other Fees" are fees charged by our Independent Registered Public Accounting Firm in connection with services rendered other than audit, audit-related and tax services.

We have procedures for the review and pre-approval of any services performed by KPMG Cárdenas Dosal, S.C. or, prior to July 10, 2018, PricewaterhouseCoopers, S.C. The procedures require that all proposed engagements of KPMG Cárdenas Dosal, S.C. or, prior to July 10, 2018, PricewaterhouseCoopers, S.C., for audit and non-audit services are submitted to the Board of Directors for approval, with the favorable opinion of the audit committee, prior to the beginning of any such services.

Audit Committee Pre-approval Policies and Procedures

Our audit committee is responsible, among other things, for the oversight of our external auditors. On the other hand, our Board of Directors, with the support of our audit committee, is responsible, among other things, for the appointment and compensation of our external auditors. All services other than the audit related services must receive a specific approval from our Board of Directors, with the favorable opinion of the audit committee. Our external auditor periodically provides a report to our audit committee in order for our audit committee to review the services that our external auditor is providing, as well as the status and cost of those services.

During 2018, KPMG, with the prior approval by our Board of Directors and the favorable opinion of our audit committee, rendered additional services in our favor and in favor of certain of our subsidiaries consisting on the analysis of transfer prices, tax consulting regarding the sale of certain assets, tax consulting and advisory services, accounting advisory services for a financial instrument, and social security and local contributions related services, which were for concepts other than the audit of our Financial Statements. KPMG billed us for such services an amount of Ps.$11.8 million, which represents 9.7% of the total amounts that KPMG billed us for on services rendered in 2019.

Item 16.D. Exemptions from the Listing Standards for Audit Committees

Not applicable.

Item 16.E. Purchases of Equity Securities by the Issuer and Affiliated Purchasers

The following table sets forth, for the periods indicated, information regarding purchases of any of our equity securities registered pursuant to Section 12 of the Exchange Act made by us or on our behalf or by or on behalf of any affiliated purchaser (as that term is defined in Rule 10b-18(a)(3) under the Exchange Act):

Purchases of Equity Securities by the Company

Purchase Date	Total Number of CPOs Purchased	Average Price Paid per CPO(1)	Total Number of CPOs Purchased as part of Publicly Announced Plans or Programs(2)	Maximum Number (or Appropriate Peso Value) of CPOs that May Yet Be Purchased Under the Plans or Programs(2)
January 1 to January 31		Ps.	295,757,300	Ps. 20,000,000,000
February 1 to February 28			295,757,300	20,000,000,000
March 1 to March 31			295,757,300	20,000,000,000
April 1 to April 30			295,757,300	20,000,000,000
May 1 to May 31	9,748,107	35.8749	305,505,407	19,650,287,613
June 1 to June 30	20,902,585	35.6120	326,407,992	18,905,903,792
July 1 to July 31	7,000,000	35.7016	333,407,992	18,665,992,310
August 1 to August 31	1,300,000	32.1095	334,707,992	18,614,249,915
September 1 to September 30			334,707,992	18,614,249,915
October 1 to October 31			334,707,992	18,614,249,915
November 1 to November 30			334,707,992	18,614,249,915
December 1 to December 31			334,707,992	18,614,249,915
Total	38,950,692	Ps 35.5770		

(1) The values have not been restated in constant Pesos and therefore represent nominal historical figures.

(2) Our share repurchase program was announced in September 2002 and does not have an expiration date. On November 13, 2017, we announced our intention to reactivate our share repurchase program. Accordingly, we may, from time to time, at management's discretion, seek to acquire shares of the Company's common stock subject to legal, market and other business conditions at the time of purchase. The total amount of our share repurchase program is currently limited to Ps.20,000,000,000, as updated in accordance with a resolution that our stockholders approved in a general meeting of our stockholders held on April 28, 2020.

Purchases of Equity Securities by Special Purpose Trust
Formed in Connection with Long-Term Retention Plan[1]

Purchase Date	Total Number of CPOs Purchased[2]	Average Price Paid per CPO[3]	Total Number of CPOs Purchased as part of Publicly Announced Plans or Programs	Maximum Number (or Appropriate Peso Value) of CPOs that May Yet Be Purchased Under the Plans or Programs
January 1 to January 31		Ps.	296,008,478	
February 1 to February 28	268,300	45.1513	296,276,778	
March 1 to March 31	497,073	41.2129	296,773,851	
April 1 to April 30			296,773,851	
May 1 to May 31	1,680,000	36.2713	298,453,851	
June 1 to June 30	180,000	37.2784	298,633,851	
July 1 to July 31			298,633,851	
August 1 to August 31			298,633,851	
September 1 to September 30			298,633,851	
October 1 to October 31			298,633,851	
November 1 to November 30			298,633,851	
December 1 to December 31			298,633,851	
Total	2,625,373	Ps. 38.1835		

(1) See "Directors, Senior Management and Employees — Stock Purchase Plan and Long-Term Retention Plan" for a description of the implementation, limits and other terms of our Long-Term Retention Plan.

(2) Represents open-market purchases by the special purpose trust formed in connection with our Long-Term Retention Plan.

(3) The values have not been restated in constant Pesos and therefore represent nominal historical figures.

Item 16.F. Change in Registrant's Certifying Accountant

Not applicable.

Item 16.G. Corporate Governance

As a foreign private issuer with shares listed on the NYSE, we are subject to different corporate governance requirements than a U.S. company under the NYSE listing standards. With certain exceptions, foreign private issuers are permitted to follow home country practice standards. Pursuant to Rule 303.A11 of the NYSE listed company manual, we are required to provide a summary of the significant ways in which our corporate governance practices differ from those required for U.S. companies under the NYSE listing standards.

We are a Mexican corporation with shares, in the form of CPOs listed on the *Bolsa Mexicana de Valores*, or Mexican Stock Exchange. Our corporate governance practices are governed by our bylaws, the Mexican Securities Market Law, and the regulations issued by the CNBV and the Mexican Stock Exchange. Although compliance is not mandatory, we also substantially comply with the Mexican Code of Best Corporate Practices (*Código de Mejores Prácticas Corporativas*), which was created in January 1999 by a group of Mexican business leaders and was endorsed by the CNBV. See "Additional Information — Bylaws" for a more detailed description of our corporate governance practices.

The table below sets forth a description of the significant differences between corporate governance practices required for U.S. companies under the NYSE listing standards and the Mexican corporate governance standards that govern our practices.

NYSE rules	Mexican rules
Listed companies must have a majority of independent directors.	The Mexican Securities Market Law requires that listed companies have at least 25% of independent directors. Our stockholder's meeting is required to assess the independence of the directors. The definition of "independent" under the Mexican Securities Market Law differs in some aspects from the one applicable to U.S. issuers under the NYSE standard and prohibits, among other relationships, an independent director from being an employee or officer of the company or a stockholder that may have influence over our officers, relevant clients and contractors, as well as certain relationships between the independent director and family members of the independent director. In addition, our bylaws broaden the definition of independent director. Our bylaws provide for an executive committee of our board of directors. The executive committee is currently composed of three members, and there are no applicable Mexican rules that require any of the members to be independent. The executive committee may generally exercise the powers of our board of directors, subject to certain exceptions. Our Co-Chief Executive Officers are members of our board of directors and the executive committee.
Listed companies must have a nominating/corporate governance committee composed entirely of independent directors.	The Mexican Securities Law requires that listed companies must have a corporate practices committee. The corporate practices committee of publicly traded corporations (*sociedades anónimas bursátiles*) which are controlled by a person or group of persons that own 50% (fifty percent) or more of the capital stock of a company, must be composed of a majority of independent members. Otherwise, the Chairman and all the members must be independent.
Listed companies must have a compensation committee composed entirely of independent directors.	The Mexican Code of Best Corporate Practices recommends listed companies to have a compensation committee. While these rules are not legally binding, companies failing to comply with the Mexican Code of Best Business Practices' recommendation must disclose publicly why their practices differ from those recommended by the Mexican Code of Best Business Practices.
Listed companies must have an audit committee with a minimum of three members and must be independent.	The Mexican Securities Market Law requires that listed companies must have an audit committee. The Chairman and the members must be independent.

NYSE rules	Mexican rules
Non-management directors must meet at regularly scheduled executive sessions without management.	Our non-management directors are not required to meet at executive sessions. The Mexican Code of Best Corporate Practices does not expressly recommend executive sessions.
Listed companies must require shareholder approval for equity compensation plans, subject to limited exemptions.	Companies listed on the Mexican Stock Exchange are required to obtain shareholder approval for equity compensation plans, provided that such plans are subject to certain conditions.
Listed companies must adopt and disclose a code of business conduct and ethics for directors, officers and employees, and promptly disclose any waivers of the code for directors or executive officers.	Companies listed on the Mexican Stock Exchange are not required to adopt a code of ethics. However, we have adopted a code of ethics which is available free of charge through our offices. See "— Code of Ethics" for directions on how to obtain a copy of our code of ethics. Waivers involving any of our executive officers or directors will be made only by our Board of Directors or a designated committee of the Board.

Item 16.H. Mine Safety Disclosure

Not applicable.

Part III

Item 17. Financial Statements

We have responded to Item 18 in lieu of Item 17.

Item 18. Financial Statements

See pages F-1 through F-70, which are incorporated in this Item 18 by reference.

Item 19. Exhibits

Documents filed as exhibits to this annual report appear on the following

(a) Exhibits.

EXHIBIT INDEX

Exhibit Number	Description of Exhibits
1.1	— English translation of Amended and Restated Bylaws (Estatutos Sociales) of the Registrant, dated as of April 30, 2009 (previously filed with the Securities and Exchange Commission as Exhibit 1.1 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2008, and incorporated herein by reference).
2.1	— Indenture relating to Senior Debt Securities, dated as of August 8, 2000, between the Registrant, as Issuer, and The Bank of New York, as Trustee (previously filed with the Securities and Exchange Commission as Exhibit 4.1 to the Registrant's Registration Statement on Form F-4 (File number 333-12738), as amended, and incorporated herein by reference).
2.2	— Fourth Supplemental Indenture relating to the 8.5% Senior Exchange Notes due 2032 between the Registrant, as Issuer, and The Bank of New York and Dexia Banque Internationale à Luxembourg (previously filed with the Securities Exchange Commission as Exhibit 4.5 to the Registrant's Registration Statement on Form F-4 (the "2002 Form F-4") and incorporated herein by reference).
2.3	— Sixth Supplemental Indenture relating to the 8.5% Senior Notes due 2032 between Registrant, as Issuer, and The Bank of New York and Dexia Banque Internationale à Luxembourg (previously filed with the Securities and Exchange Commission as Exhibit 4.7 to the 2002 Form F-4 and incorporated herein by reference).
2.4	— Seventh Supplemental Indenture relating to the 6 5/8% Senior Notes due 2025 between Registrant, as Issuer, and The Bank of New York and Dexia Banque Internationale à Luxembourg, dated March 18, 2005 (previously filed with the Securities and Exchange Commission as Exhibit 2.8 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2004 (the "2004 Form 20-F") and incorporated herein by reference).
2.5	— Eighth Supplemental Indenture relating to the 6 5/8% Senior Notes due 2025 between Registrant, as Issuer, and The Bank of New York and Dexia Banque Internationale à Luxembourg, dated May 26, 2005 (previously filed with the Securities and Exchange Commission as Exhibit 2.9 to the 2004 Form 20-F and incorporated herein by reference).
2.6	— Ninth Supplemental Indenture relating to the 6.625% Senior Notes due 2025 between Registrant, as Issuer, The Bank of New York and Dexia Banque Internationale à Luxembourg, dated September 6, 2005 (previously filed with the Securities and Exchange Commission as Exhibit 2.8 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2005 (the "2005 Form 20-F") and incorporated herein by reference).
2.7	— Tenth Supplemental Indenture related to the 8.49% Senior Notes due 2037 between Registrant, as Issuer, The Bank of New York and The Bank of New York (Luxembourg) S.A., dated as of May 9, 2007 (previously filed with the Securities and Exchange Commission as Exhibit 2.9 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2006, and incorporated herein by reference).
2.8	— Eleventh Supplemental Indenture relating to the 8.49% Senior Exchange Notes due 2037 between Registrant, as Issuer, The Bank of New York and The Bank of New York (Luxembourg) S.A., dated as August 24, 2007 (previously filed with the Securities and Exchange Commission as Exhibit 4.12 to the Registrant's Registration Statement on Form F-4 (File number 333-144460), as amended, and incorporated herein by reference).
2.9	— Form of Deposit Agreement between the Registrant, The Bank of New York, as depositary and all holders and beneficial owners of the Global Depositary Shares, evidenced by Global Depositary Receipts (previously filed with the Securities and Exchange Commission as an Exhibit to the Registrant's Registration Statement on Form F-6 (File number 333-146130) and incorporated herein by reference).
2.10	— Fourteenth Supplemental Indenture relating to the 6.625% Senior Notes due 2040 between Registrant, as Issuer, The Bank of New York Mellon and The Bank of New York (Luxembourg) S.A., dated as of November 30, 2009 (previously filed with the Securities and Exchange Commission as Exhibit 4.15 to the Registrant's Registration Statement on Form F-4 (File number 333-164595), as amended, and incorporated herein by reference).
2.11	— Fifteenth Supplemental Indenture relating to the 6.625% Senior Exchange Notes due 2040 between Registrant, as Issuer, The Bank of New York Mellon and The Bank of New York (Luxembourg) S.A., dated as of March 22, 2010 (previously filed with the Securities and Exchange Commission as Exhibit 2.15 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2009 and incorporated herein by reference).
2.12	— Sixteenth Supplemental Indenture relating to the 7.25% Peso Denominated Senior Notes due 2043 among the Registrant, The Bank of New York Mellon, as Trustee, Registrar, Paying Agent and Transfer Agent, the Bank of New York Mellon, London Branch, as London Paying Agent and the Bank of New York Mellon (Luxembourg) S.A., as Luxembourg Paying Agent and Transfer Agent, dated as of May 14, 2013 (previously filed with the Securities and Exchange Commission as Exhibit 4.1 to the Registrant's Form 6-K filed on May 14, 2013 and incorporated herein by reference).

Exhibit Number	Description of Exhibits
2.13	— Seventeenth Supplemental Indenture relating to the 5.000% Senior Notes due 2045 among the Registrant, The Bank of New York Mellon, as Trustee, Registrar, Paying Agent and Transfer Agent and the Bank of New York Mellon (Luxembourg) S.A., as Luxembourg Paying Agent and Transfer Agent, dated as of May 13, 2014 (previously filed with the Securities and Exchange Commission as Exhibit 4.1 to the Registrant's Form 6-K filed on May 13, 2014 and incorporated herein by reference).
2.14	— Eighteenth Supplemental Indenture relating to the 4.625% Senior Notes due 2026 among the Registrant, The Bank of New York Mellon, as Trustee, Registrar, Paying Agent and Transfer Agent and the Bank of New York Mellon (Luxembourg) S.A., as Luxembourg Paying Agent and Transfer Agent, dated as of November 24, 2015 (previously filed with the Securities and Exchange Commission as Exhibit 4.1 to the Registrant's Form 6-K filed on November 24, 2015 and incorporated herein by reference).
2.15	— Nineteenth Supplemental Indenture relating to the 6.125% Senior Notes due 2046 among the Registrant, The Bank of New York Mellon, as Trustee, Registrar, Paying Agent and Transfer Agent and the Bank of New York Mellon (Luxembourg) S.A., as Luxembourg Paying Agent and Transfer Agent, dated as of November 24, 2015 (previously filed with the Securities and Exchange Commission as Exhibit 4.2 to the Registrant's Form 6-K filed on November 24, 2015 and incorporated herein by reference).
2.16	—Twentieth Supplemental Indenture relating to the 5.250% Senior Notes due 2049 among the Registrant, The Bank of New York Mellon, as Trustee, Registrar, Paying Agent and Transfer Agent and The Bank of New York Mellon SA/NV, Luxembourg Branch, as Luxembourg, as Luxembourg Paying Agent and Transfer Agent , dated as of May 24, 2019 (previously filed with the Securities and Exchange Commission as Exhibit 4.1 to the Registrant's Form 6-K filed on May 24, 2019 and incorporated herein by reference).
2.17	— Description of the rights of each class of securities registered under Section 12 of the Exchange Act.
4.1	— Form of Indemnity Agreement between the Registrant and its directors and executive officers (previously filed with the Securities and Exchange Commission as Exhibit 10.1 to the Registrant's Registration Statement on Form F-4 (File number 33-69636), as amended, and incorporated herein by reference).
4.2	— Amended and Restated Collateral Trust Agreement, dated as of June 13, 1997, as amended, among PanAmSat Corporation, Hughes Communications, Inc., Satellite Company, LLC, the Registrant and IBJ Schroder Bank and Trust Company (previously filed with the Securities and Exchange Commission as an Exhibit to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2001 and incorporated herein by reference).
4.3	— Amended and Restated Bylaws (Estatutos Sociales) of Innova, S. de R.L. de C.V. ("Innova") dated as of December 22, 1998 (previously filed with the Securities and Exchange Commission as an Exhibit to Innova's Annual Report on Form 20-F for the year ended December 31, 2004 and incorporated herein by reference).
4.4	— Administration Trust Agreement relating to Trust No. 80375, dated as of March 23, 2004, by and among Nacional Financiera, S.N.C., as trustee of Trust No. 80370, Banco Inbursa, S.A., as trustee of Trust No. F/0553, Banco Nacional de México, S.A., as trustee of Trust No. 14520-1, Nacional Financiera, S.N.C., as trustee of Trust No. 80375, Emilio Azcárraga Jean, Promotora Inbursa, S.A. de C.V., the Registrant and Grupo Televicentro, S.A. de C.V. (as previously filed with the Securities and Exchange Commission as an Exhibit to Schedules 13D or 13D/A in respect of various parties' to the Trust Agreement (File number 005-60431) and incorporated herein by reference).
4.5	— Third Amended and Restated Program License Agreement, dated as of January 22, 2009, by and between Televisa, S.A. de C.V., as successor in interest to Televisa Internacional, S.A. de C.V. and Univision Communications Inc. (previously filed with the Securities and Exchange Commission on February 2, 2009 (File number 001-12610) and incorporated herein by reference).
4.6	— Full-Time Transponder Service Agreement, dated as of November ___, 2007, by and among Intelsat Corporation, Intelsat LLC, Corporación de Radio y Televisión del Norte de México, S. de R. L. de C.V. and SKY Brasil Serviços Ltda (previously filed with the Securities and Exchange Commission as Exhibit 4.16 to the 2007 Form 20-F and incorporated herein by reference).
4.7	— Investment Agreement, dated as of December 20, 2010 (the "Investment Agreement"), by and among the Registrant, Televisa, S.A. de C.V., Univision Communications Inc., Broadcasting Media Partners, Inc., and UCI's direct and indirect licensee subsidiaries named therein (previously filed with the Securities and Exchange Commission as Exhibit 4.19 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.8	— Amendment, dated as of February 28, 2011, to the Investment Agreement, dated as of December 20, 2010, by and among Broadcasting Media Partners, Inc., BMPI Services II, LLC, Univision Communications Inc., the Registrant and Pay-TV Venture, Inc. (previously filed with the Securities and Exchange Commission as Exhibit 4.20 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).

Exhibit Number	Description of Exhibits
4.9	— $1,125 million aggregate principal amount of 1.5% Convertible Debentures due 2025 issued by Broadcasting Media Partners, Inc. pursuant to the Investment Agreement, dated as of December 20, 2010 (previously filed with the Securities and Exchange Commission as Exhibit 4.21 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.10	— Amended and Restated Certificate of Incorporation of Broadcasting Media Partners, Inc. (previously filed with the Securities and Exchange Commission as Exhibit 4.22 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.11	— Amended and Restated Bylaws of Broadcasting Media Partners, Inc. dated as of December 20, 2010 (previously filed with the Securities and Exchange Commission as Exhibit 4.23 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.12*	— Amended and Restated Stockholders Agreement, dated as of December 20, 2010, by and among Broadcasting Media Partners, Inc., Broadcast Media Partners Holdings, Inc., Univision Communications Inc., and certain stockholders of Broadcasting Media Partners, Inc. (previously filed with the Securities and Exchange Commission as Exhibit 4.24 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.13	— Amendment, dated as of February 28, 2011, to the Amended and Restated Stockholders Agreement, dated as of December 20, 2010, by and among Broadcasting Media Partners, Inc., Broadcast Media Partners Holdings, Inc., Univision Communications Inc., and certain stockholders of Broadcasting Media Partners, Inc. (previously filed with the Securities and Exchange Commission as Exhibit 4.25 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.14*	— Amended and Restated Principal Investor Agreement, dated as of December 20, 2010, by and among Broadcasting Media Partners, Inc., Broadcast Media Partners Holdings, Inc., Univision Communications Inc., the Registrant and certain investors (previously filed with the Securities and Exchange Commission as Exhibit 4.26 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.15*	— Amended and Restated 2011 Program License Agreement, dated as of February 28, 2011, by and among Televisa, S.A. de C.V. and Univision Communications Inc. (previously filed with the Securities and Exchange Commission as Exhibit 4.27 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.16*	— Second Amended and Restated 2011 Program License Agreement, dated as of July 1, 2015, by and among Televisa, S.A. de C.V. and Univision Communications Inc (previously filed with the Securities and Exchange Commission as Exhibit 4.18 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2015 and incorporated herein by reference).
4.17	— Amendment to International Program Rights Agreement, dated as of December 20, 2010, by and among Univision Communications Inc. and the Registrant (previously filed with the Securities and Exchange Commission as Exhibit 4.28 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.18*	— Amended and Restated 2011 Mexico License Agreement, dated as of February 28, 2011, by and among Univision Communications Inc. and Videoserpel, Ltd. (previously filed with the Securities and Exchange Commission as Exhibit 4.29 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.19*	— Amendment to Amended and Restated 2011 Mexico License Agreement, dated as of July 1, 2015, by and among Univision Communications Inc. and Mountrigi Management Group Limited (f/k/a Videoserpel, Ltd.) (previously filed with the Securities and Exchange Commission as Exhibit 4.21 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2015 and incorporated herein by reference).
4.20	— Letter Agreement, dated as of February 28, 2011, by and among Televisa, S.A. de C.V., the Registrant and Univision Communications Inc. (previously filed with the Securities and Exchange Commission as Exhibit 4.30 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.21*	— Purchase and Assignment and Assumption Agreement, dated as of December 20, 2010, by and among Pay-TV Venture, Inc., TuTv LLC and Univision Communications Inc., solely for purposes of Section 1.4, Televisa, S.A. de C.V., as successor to Visat, S.A. de C.V. and Televisa Internacional, S.A. de C.V., and, solely for purposes of Section 1.5, the Registrant (previously filed with the Securities and Exchange Commission as Exhibit 4.31 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).

Exhibit Number	Description of Exhibits
4.22	— English summary of Irrevocable Guaranty Trust Agreement, dated as of December 16, 2010 (and amended on December 16, 2010 and April 7, 2011), by and among Grupo Salinas Telecom, S.A. de C.V., México Media Investments, S.L., GSF Telecom Holdings, S.A.P.I. de C.V. and Banco Invex, S.A., Institución de Banca Múltiple, Invex Grupo Financiero and Assignment Agreement with respect to the Irrevocable Guaranty Trust Agreement, dated as of April 7, 2011, by and among Mexico Media Investments S.L., Sociedad Unipersonal, as assignor and Corporativo Vasco de Quiroga, S.A. de C.V., as assignee, with the consent of Grupo Salinas Telecom, S.A. de C.V., GSF Telecom Holdings, S.A.P.I. de C.V. and Banco Invex, S.A., Institución de Banca Múltiple, Invex Grupo Financiero (previously filed with the Securities and Exchange Commission as Exhibit 4.33 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.23	— English summary of Amendment and Restatement of the Indenture, dated April 7, 2011, relating to the issuance of the Series 1 and Series 2 Debentures by GSF Telecom Holdings, Sociedad Anónima Promotora de Inversión de Capital Variable with the consent of Deutsche Bank México, Sociedad Anónima, Institución de Banca Múltiple, División Fiduciaria and Assignment Agreement with respect to the Series 1 and Series 2 Debentures, dated April 7, 2011, by and among Mexico Media Investments S.L., Sociedad Unipersonal, as assignor and Corporativo Vasco de Quiroga, S.A. de C.V., as assignee, with the consent of GSF Telecom Holdings, S.A.P.I. de C.V. and Deutsche Bank México, S.A., Institución de Banca Múltiple, División Fiduciaria (previously filed with the Securities and Exchange Commission as Exhibit 4.34 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.24	— English summary of Ps.2,500 million credit agreement, dated as of March 28, 2011, between the Registrant and HSBC México, S.A., Institución de Banca Múltiple, Grupo Financiero HSBC (previously filed with the Securities and Exchange Commission as Exhibit 4.39 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2010 and incorporated herein by reference).
4.25	— English summary of indenture, dated July 31, 2013, related to the issuance of Ps.7,000 million convertible debentures, by Tenedora Ares, S.A.P.I de C.V., together with Banco Invex, Sociedad Anónima, Institución de Banca Múltiple, Invex Grupo Financiero, Fiduciario, in its capacity as common representative for the holders of the debentures (previously filed with the Securities and Exchange Commission as Exhibit 4.30 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2013 and incorporated herein by reference).
4.26	— English summary of call and put option agreement, dated July 31, 2013, by and among Tenedora Ares, S.A.P.I. de C.V., Thomas Stanley Heather Rodríguez, Vamole Inversiones 2013, S.L. Sociedad Unipersonal and Arretis, S.A.P.I. de C.V. (previously filed with the Securities and Exchange Commission as Exhibit 4.32 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2013 and incorporated herein by reference).
4.27	— English summary of conversion of debentures, dated August 13, 2014, by and between Arretis, S.A.P.I. de C.V and Tenedora Ares, S.A.P.I. de C.V. (previously filed with the Securities and Exchange Commission as Exhibit 4.33 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2014 and incorporated herein by reference).
4.28	— English summary of share purchase agreement, dated August 13, 2014, by and among Vamole Inversiones 2013, S.L., Sociedad Unipersonal, Thomas Stanley Heather Rodriguez, Arretis, S.A.P.I. de C.V. and San Ángel Telecom, S.A. de C.V. (previously filed with the Securities and Exchange Commission as Exhibit 4.34 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2014 and incorporated herein by reference).
4.29	— English summary of share purchase agreement, dated August 13, 2014, by and among Dafel Investments B.V., Mexico Media Investments, S.L., Sociedad Unipersonal, Cable TV Investments, S.L., Sociedad Unipersonal, Tenedora Ares, S.A.P.I. de C.V. and San Ángel Telecom, S.A. de C.V. (previously filed with the Securities and Exchange Commission as Exhibit 4.35 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2014 and incorporated herein by reference).
4.30	— English summary of share purchase agreement, dated July 9, 2014, by and among Invex Grupo Financiero, as trustee of Trust F/1017 and Grupo Salinas Telecom, S.A. de C.V., with the acknowledgement of GSF Telecom Holdings, S.A.P.I. de C.V. and Corporativo Vasco de Quiroga, S.A. de C.V. (previously filed with the Securities and Exchange Commission as Exhibit 4.36 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2014 and incorporated herein by reference).
4.31	— English summary of merger agreement, dated January 8, 2015, by and among Consorcio Nekeas, S.A. de C.V., Galavisión DTH, S. de R.L. de C.V. and Inmobiliaria Hevi, S.A. de C.V. (previously filed with the Securities and Exchange Commission as Exhibit 4.37 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2014 and incorporated herein by reference).

Exhibit Number	Description of Exhibits
4.32	— English summary of stock purchase agreement, dated January 8, 2015, by and among Mara del Carmen Ordóñez Valverde, Axel Eduardo Vielma Ordóñez, Héctor Vielma Ordóñez, José Francisco Vielma Ordóñez, Luis Edmundo Vielma Ordóñez and Corporativo Vasco de Quiroga, S.A. de C.V. (previously filed with the Securities and Exchange Commission as Exhibit 4.38 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2014 and incorporated herein by reference).
4.33	English summary of merger agreement, dated March 4, 2016, by and among Corporativo Vasco de Quiroga, S.A. de C.V. and Grupo TVI Telecom, S.A. de C.V. (previously filed with the Securities and Exchange Commission as Exhibit 4.41 to the Registrant's Annual Report on Form 20-F for the year ended December 31, 2015 and incorporated herein by reference)
8.1	— List of Subsidiaries of Registrant.
12.1	— Co-CEO Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, dated April 30, 2020.
12.2	— Co-CEO Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, dated April 30, 2020.
12.3	— Principal Financial Officer Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, dated April 30, 2020.
13.1	— Co-CEO Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, dated April 30, 2020.
13.2	— Co-CEO Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, dated April 30, 2020.
13.3	— Principal Financial Officer Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, dated April 30, 2020.
23.1	— Consent of KPMG Cárdenas Dosal, S.C.
23.2	— Consent of PricewaterhouseCoopers, S.C.
101	— The following materials from the Company's Annual Report on Form 20-F for the fiscal year ended December 31, 2019, formatted in eXtensible Business Reporting Language (XBRL): (i) Consolidated Statements of Financial Position as of December 31, 2019 and 2018; (ii) Consolidated Statements of Income for the Years Ended December 31, 2019, 2018 and 2017; (iii) Consolidated Statements of Comprehensive Income for the Years Ended December 31, 2019, 2018 and 2017; (iv) Consolidated Statements of Changes in Equity for the Years ended December 31, 2019, 2018 and 2017; (v) Consolidated Statements of Cash Flows for the Years Ended December 31, 2019, 2018 and 2017; and (vi) Notes to Consolidated Financial Statements for the Years Ended December 31, 2019, 2018 and 2017.

* Portions of this exhibit have been omitted and filed separately with the SEC pursuant to a request for confidential treatment.

Instruments defining the rights of holders of certain issues of long-term debt of the Registrant and its consolidated subsidiaries have not been filed as exhibits to this Form 20-F because the authorized principal amount of any one of such issues does not exceed 10% of the total assets of the Registrant and its subsidiaries on a consolidated basis. The Registrant agrees to furnish a copy of each such instrument to the SEC upon request.

(b) Financial Statement Schedules

All financial statement schedules relating to the Registrant are omitted because they are not required or because the required information, if material, is contained in the audited year-end financial statements or notes thereto.

SIGNATURE

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

GRUPO TELEVISA, S.A.B.

By: /s/ Carlos Ferreiro Rivas
Name: Carlos Ferreiro Rivas
Title: Corporate Vice President of Finance

By: /s/ José Antonio Lara Del Olmo
Name: José Antonio Lara Del Olmo
Title: Corporate Vice President of Administration

Date: April 30, 2020

GRUPO TELEVISA, S. A. B. AND SUBSIDIARIES

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DECEMBER 31, 2019 AND 2018

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Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
Grupo Televisa, S.A.B. :

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated statements of financial position of Grupo Televisa, S.A.B. and subsidiaries (the "Group") as of December 31, 2019 and 2018, the related consolidated statements of income, comprehensive income, changes in equity, and cash flows for each of the years in the two-year period ended December 31, 2019, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as of December 31, 2019 and 2018, and the results of its operations and its cash flows for each of the years in the two-year period ended December 31, 2019, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS).

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Group's internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated April 30, 2020 expressed an unqualified opinion on the effectiveness of the Group's internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of the Group's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Group in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing a separate opinion on the critical audit matters or on the accounts or disclosures to which they relate.

Evaluation of the Goodwill impairment analysis of a cash-generating units of the Cable segment

As discussed in notes 2(l), 2(m) 5(b) and 13 to the consolidated financial statements, the goodwill balance as of December 31, 2019 was Ps. 14,113,626, of which Ps. 4,885,471 related to one specific cash-generating unit (CGU) of the Cable segment. The Group reviews for impairment the carrying amounts at least once a year, or whenever events or changes in business circumstances indicate that these carrying amounts may not be recoverable. The recoverable amount of cash generating units has been determined based on the higher of the value in use (VIU) and fair value less costs to disposal calculations. The determination of VIU require the use of estimates, these estimates and assumptions include the Group's expectations of future cash flows for each CGU, long-term growth rates and discount rates based on weighted average cost of capital.

We identified the valuation of goodwill for one specific CGU of the Cable segment as a critical audit matter because the analysis of the estimated VIU used to determine whether impairment exists, involved a high degree of judgment. Specifically, the forecasted future revenue growth, long-term growth rate and discount rate assumptions used to calculate the VIU of the CGU were challenging to test as minor changes to these assumptions have a significant effect on the Group's assessment of the carrying value of the goodwill. We involved professionals with specialized skill and knowledge to assist in performing procedures and evaluating the audit evidence obtained.

The primary procedures we performed to address this critical audit matter included the following:

- *We tested certain internal controls over the Company's goodwill impairment assessment process, including controls related to the determination of the VIU of the CGU, including those controls related to the review of future cash flows, long-term growth rates and discount rate based on weighted average cost of capital assumptions.*
- *We performed sensitivity analyses over the long-term growth rate and the discount rate assumptions to assess their impact on the Group's determination that the VIU of the CGU of the Cable segment exceeded its carrying value.*
- *We compared the Group's historical cash flow forecasts for the CGU to actual results to assess the Group's ability to accurately forecast.*
- *We involved valuation professionals with specialized industry knowledge and experience who assisted in evaluating the discount rate used in the valuation, by comparing it against a discount rate range that was independently developed using publicly available data for comparable entities.*

Assessment of the fair value measurement of Warrants classified as level 3 in the fair value hierarchy

As discussed in notes 5(e) and 9 to the consolidated financial statements, the Group holds warrants convertible into shares of Univision Holdings, Inc. ("UHI") which fair value has been measured at Ps. 33,775,451 as of December 31, 2019. As observable data is not readily available, the valuation of the warrants is a level 3 fair value measurement according to IFRS. The Group has developed a discounted cash flow valuation in order to determine the fair value of this instrument. This model involves significant management judgment, especially in relation to the forecasting of future cash flows generated by UHI and the selection of an appropriate long-term growth rate and a discount rate to be applied to discount those future cash flows to present value. In addition, the occurrence of a subsequent event disclosed in note 29 to the financial statements relating to a market transaction involving shares underlying these warrants required the Group to evaluate and confirm the reasonableness of the fair value measurement of the warrants as of the reporting date.

We have identified the assessment of the fair value of the warrants as a critical audit matter. The valuation methodology involved significant judgement by management when developing the fair value measurement of the warrants. This in turn led to a high degree of auditor judgement, subjectivity, and effort in performing procedures to evaluate management's fair value estimates and significant assumptions, which require the involvement of a valuation professional with specialized skills and knowledge. Specifically, the discount rate assumption used to calculate the fair value of the warrants was challenging to test as minor changes to this assumption have a significant effect on the Company's determination of the fair value of the warrants. To a lesser extent, the cash flow projections also involved significant judgment by management which in turn led to a high degree of auditor judgement in order to assess the company's estimates of future cash flows.

The primary procedures we performed to address this critical audit matter included the following:

- *We tested certain internal controls over the Company's process to measure the fair value of the warrants. This included controls related to the review of the projected cash flows and the calculation and review of key assumptions.*

- *We obtained an understanding of UHI's business activities and evaluated the Group's ability and historical accuracy in preparing projections of future cash flows by comparing forecasts of future cash flows prepared in prior years to actual cash flows and assessing the accuracy of the Group's projections.*

- *We involved professionals with more seniority and experience and a professional with specialized skills and knowledge in corporate valuations, who assisted in evaluating inputs, such as the forecasting of revenues and margins, and assumptions, such as the discount rate. This was accomplished by:*

  - *comparing prior year expectations to current year actuals and obtaining an understanding of future year projections and the economic drivers underlying such projections;*

  - *comparing the assumptions used in the development of the discount rate to market information; and*

  - *assessing the valuation model used by the Company as compared to valuation models used according to valuation standards.*

- *We involved professionals with specialized skills and knowledge in corporate valuations, who assisted in assessing the Group's evaluation of the subsequent events disclosed. This was accomplished by:*

  - *obtaining the Group's evaluation, prepared by third-party specialists engaged by the Group, where key assumptions, such as the discount rate and long-term growth rate as of December 31, 2019 were included and compared those key assumptions to the assumptions utilized by the Group in developing their estimation of the fair value of the warrants.*

  - *challenging the Group's evaluation by comparing the relevant assumptions to the assumptions developed by our corporate valuation professionals and assessed whether those assumptions reflected events and conditions as of the reporting date.*

/s/ KPMG Cárdenas Dosal S.C.

KPMG Cárdenas Dosal S.C.

We have served as the Group's auditor since 2018.

Mexico City, Mexico
April 30, 2020

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
Grupo Televisa, S.A.B.

Opinion on Internal Control Over Financial Reporting

We have audited Grupo Televisa S.A.B. and subsidiaries (the Group) internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Group maintained, in all material respects, effective internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated statements of financial position of the Group as of December 31, 2019 and 2018, the related consolidated statements of income, comprehensive income, changes in equity, and cash flows for each of the years in the two-year period ended December 31, 2019, and the related notes (collectively, the consolidated financial statements), and our report dated April 30, 2019, expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Group's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Group's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Group in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the group's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG Cárdenas Dosal S.C.

KPMG Cárdenas Dosal, S.C.

Mexico City, Mexico
April 30, 2020

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of Grupo Televisa, S. A. B.:

Opinion on the Financial Statements

We have audited the consolidated statements of income, of comprehensive income, of changes in equity and of cash flows of Grupo Televisa, S. A. B. and its subsidiaries (the "Company") for the year ended December 31, 2017, including the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the results of its operations and its cash flows for the year ended December 31, 2017 in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit of these consolidated financial statement in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud.

Our audit included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audit provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers, S. C.
/s/ C.P.C. Claudia Stela Guzmán Reyes
Audit Partner
Mexico City, Mexico
April 30, 2018
We served as the Company's auditor from 1993 to 2018.

Consolidated Statements of Financial Position

As of December 31, 2019 and 2018
(In thousands of Mexican pesos)
(Notes 1, 2 and 3)

	Notes	2019	2018
ASSETS			
Current assets:			
Cash and cash equivalents	6	**Ps. 27,451,997**	Ps. 32,068,291
Temporary investments	6	**—**	30,992
Trade notes and accounts receivable, net	7	**14,486,184**	19,748,850
Other accounts, taxes and notes receivable, net		**10,692,774**	6,376,614
Derivative financial instruments	15	**1,715**	115,679
Due from related parties	20	**814,427**	1,078,327
Transmission rights and programming	8	**6,479,258**	7,785,723
Inventories		**1,151,421**	1,026,428
Contract costs	28	**1,379,400**	1,142,956
Assets held for sale	3	**2,369,665**	—
Other current assets		**3,298,061**	2,679,008
Total current assets		**68,124,902**	72,052,868
Non-current assets:			
Derivative financial instruments	15	**2,877**	919,843
Transmission rights and programming	8	**7,901,590**	9,229,815
Investments in financial instruments	9	**44,265,899**	49,203,430
Investments in associates and joint ventures	10	**9,068,462**	10,546,728
Property, plant and equipment, net	11	**83,329,232**	87,342,530
Right-of-use assets, net	12	**7,553,052**	—
Intangible assets and goodwill, net	13	**43,328,954**	43,063,516
Deferred income tax assets	24	**24,185,148**	22,181,779
Contract costs	28	**2,311,837**	2,227,703
Other assets		**271,847**	402,381
Total non-current assets		**222,218,898**	225,117,725
Total assets		**Ps. 290,343,800**	Ps. 297,170,593
LIABILITIES			
Current liabilities:			
Current portion of long-term debt and interest payable	14	**Ps. 2,435,814**	Ps. 2,108,371
Current portion of lease liabilities	14	**1,257,766**	651,832
Current portion of other notes payable	14	**1,324,063**	1,288,437
Derivative financial instruments	15	**568,775**	148,061
Trade accounts payable and accrued expenses		**20,909,655**	22,029,548
Customer deposits and advances		**5,779,758**	13,637,580
Income taxes payable	24	**2,470,249**	3,054,790
Other taxes payable		**3,448,005**	1,280,334
Employee benefits		**911,935**	1,067,245
Due to related parties	20	**644,251**	714,450
Liabilities related to assets held for sale	3	**432,812**	—
Other current liabilities		**2,202,767**	2,550,795
Total current liabilities		**42,385,850**	48,531,443
Non-current liabilities:			
Long-term debt, net of current portion	14	**120,444,744**	120,983,615
Lease liabilities, net of current portion	14	**8,105,754**	4,666,112
Other notes payable, net of current portion	14	**—**	1,288,437
Derivative financial instruments	15	**346,515**	—
Income taxes payable	24	**1,759,719**	3,141,394
Deferred income tax liabilities	24	**7,052,233**	8,390,522
Post-employment benefits	16	**1,468,112**	962,497
Other long-term liabilities		**3,376,640**	4,675,882
Total non-current liabilities		**142,553,717**	144,108,459
Total liabilities		**184,939,567**	192,639,902
EQUITY			
Capital stock	17	**4,907,765**	4,907,765
Additional paid-in-capital		**15,889,819**	15,889,819
Retained earnings	18	**82,431,278**	78,510,909
Accumulated other comprehensive income, net	18	**1,320,451**	4,427,487

Shares repurchased	17	**(14,018,847)**	(14,219,060)
Equity attributable to stockholders of the Company		**90,530,466**	89,516,920
Non-controlling interests	19	**14,873,767**	15,013,771
Total equity		**105,404,233**	104,530,691
Total liabilities and equity		**Ps. 290,343,800**	Ps. 297,170,593

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Income

For the years ended December 31, 2019, 2018 and 2017
(In thousands of Mexican pesos, except per CPO amounts)
(Notes 1, 2 and 3)

	Notes	2019	2018	2017
Net sales	26	**Ps. 101,757,181**	Ps. 101,282,333	Ps. 94,274,235
Cost of sales	21	**59,067,362**	57,839,268	53,534,553
Selling expenses	21	**11,099,011**	11,023,466	10,554,113
Administrative expenses	21	**13,269,191**	13,729,325	13,556,033
Income before other expense	26	**18,321,617**	18,690,274	16,629,536
Other (expense) income, net	22	**(1,316,587)**	1,562,284	(2,386,334)
Operating income		**17,005,030**	20,252,558	14,243,202
Finance expense	23	**(11,275,198)**	(10,566,966)	(9,245,671)
Finance income	23	**2,464,403**	1,787,249	3,940,838
Finance expense, net		**(8,810,795)**	(8,779,717)	(5,304,833)
Share of income of associates and joint ventures, net	10	**581,023**	532,933	1,913,273
Income before income taxes		**8,775,258**	12,005,774	10,851,642
Income taxes	24	**2,668,445**	4,390,504	4,274,120
Net income		**Ps. 6,106,813**	Ps. 7,615,270	Ps. 6,577,522
Net income attributable to:				
Stockholders of the Company		**Ps. 4,626,139**	Ps. 6,009,414	Ps. 4,524,496
Non-controlling interests	19	**1,480,674**	1,605,856	2,053,026
Net income		**Ps. 6,106,813**	Ps. 7,615,270	Ps. 6,577,522
Basic earnings per CPO attributable to stockholders of the Company	25	**Ps. 1.60**	Ps. 2.07	Ps. 1.54
Diluted earnings per CPO attributable to stockholders of the Company	25	**Ps. 1.53**	Ps. 1.96	Ps. 1.46

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2019, 2018 and 2017
(In thousands of Mexican pesos)
(Notes 1, 2 and 3)

	Notes	2019	2018	2017
Net income		**Ps. 6,106,813**	Ps. 7,615,270	Ps. 6,577,522
Other comprehensive (loss) income:				
Items that will not be reclassified to income:				
Remeasurement of post-employment benefit obligations	16	**(247,092)**	(97,086)	(283,106)
Remeasurement of post-employment benefit obligations of assets held for sale		**(3,445)**	—	—
Warrants issued by UHI, net of hedge	9	**257,306**	(1,347,698)	(280,447)
Open Ended Fund, net of hedge	9	**(351,202)**	215,957	1,008,675
Other equity instruments	9	**(794,624)**	603,766	—
Items that may be subsequently reclassified to income:				
Exchange differences on translating foreign operations		**(98,422)**	(859,032)	334,097
Cash flow hedges		**(1,521,912)**	174,532	231,758
Other financial assets	9	**111**	(111)	—
Share of other comprehensive loss of associates and joint ventures	10	**(236,159)**	(47,313)	(60,340)
Other comprehensive (loss) income before income taxes		**(2,995,439)**	(1,356,985)	950,637
Income tax benefit (expense)	24	**704,164**	336,102	(366,036)
Other comprehensive (loss) income		**(2,291,275)**	(1,020,883)	584,601
Total comprehensive income		**Ps. 3,815,538**	Ps. 6,594,387	Ps. 7,162,123
Total comprehensive income attributable to:				
Stockholders of the Company		**Ps. 2,356,623**	Ps. 5,009,822	Ps. 5,161,859
Non-controlling interests	19	**1,458,915**	1,584,565	2,000,264
Total comprehensive income		**Ps. 3,815,538**	Ps. 6,594,387	Ps. 7,162,123

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Changes in Equity

For the years ended December 31, 2019, 2018 and 2017
(In thousands of Mexican pesos)
(Notes 1, 2 and 3)

	Capital Stock Issued (Note 17)	Additional Paid-in Capital	Retained Earnings (Note 18)	Accumulated Other Comprehensive Income (Note 18)	Shares Repurchased (Note 17)	Equity Attributable to Stockholders of the Company	Non-controlling Interests (Note 19)	Total Equity
Balance at January 1, 2017	Ps. 4,978,126	Ps. 15,889,819	Ps. 70,395,669	Ps. 3,961,784	Ps. (11,433,482)	Ps. 83,791,916	Ps. 12,492,484	Ps. 96,284,400
Funding for acquisition of shares under the Long-term Retention Plan	—	—	—	—	(2,500,000)	(2,500,000)	—	(2,500,000)
Dividends	—	—	(1,084,192)	—	—	(1,084,192)	(497,617)	(1,581,809)
Repurchase of CPOs	—	—	—	—	(383,808)	(383,808)	—	(383,808)
Other costs for sale of shares	—	—	—	—	(792,348)	(792,348)	—	(792,348)
Shares repurchased	—	—	—	—	(2,301,918)	(2,301,918)	—	(2,301,918)
Sale of shares	—	—	(320,654)	—	2,622,572	2,301,918	—	2,301,918
Share-based compensation	—	—	1,468,337	—	—	1,468,337	—	1,468,337
Other adjustments to non-controlling interests	—	—	—	—	—	—	19	19
Comprehensive income	—	—	4,524,496	637,363	—	5,161,859	2,000,264	7,162,123
Balance at December 31, 2017	4,978,126	15,889,819	74,983,656	4,599,147	(14,788,984)	85,661,764	13,995,150	99,656,914
Cumulative adjustment for adoption of IFRS 9-Expected credit losses (see Note 28)	—	—	(167,028)	—	—	(167,028)	(35,436)	(202,464)
Cumulative adjustment for adoption of IFRS 9-New classification of Financial instruments (see Note 28)	—	—	(827,932)	827,932	—	—	—	—
Cumulative adjustment for adoption of IFRS 15 (see Note 28)	—	—	1,599,452	—	—	1,599,452	785,203	2,384,655
Funding for acquisition of shares under the Long-term Retention Plan	—	—	—	—	(1,100,000)	(1,100,000)	—	(1,100,000)
Acquisition of non-controlling interests	—	—	(183,041)	—	—	(183,041)	(39,149)	(222,190)
Dividends	—	—	(1,068,868)	—	—	(1,068,868)	(1,276,562)	(2,345,430)
Share cancellation	(70,361)	—	(2,694,201)	—	2,764,562	—	—	—
Repurchase of CPOs	—	—	—	—	(1,541,180)	(1,541,180)	—	(1,541,180)
Shares repurchased	—	—	—	—	(1,954,312)	(1,954,312)	—	(1,954,312)
Sale of shares	—	—	(446,542)	—	2,400,854	1,954,312	—	1,954,312
Share-based compensation	—	—	1,305,999	—	—	1,305,999	—	1,305,999
Comprehensive income	—	—	6,009,414	(999,592)	—	5,009,822	1,584,565	6,594,387
Balance at December 31, 2018	4,907,765	15,889,819	78,510,909	4,427,487	(14,219,060)	89,516,920	15,013,771	104,530,691
Acquisition of non-controlling interests	—	—	766	—	—	766	(766)	—
Dividends	—	—	(1,066,187)	—	—	(1,066,187)	(1,598,153)	(2,664,340)
Reclassification due to partial disposition of Open Ended Fund	—	—	837,520	(837,520)	—	—	—	—
Repurchase of CPOs	—	—	—	—	(1,385,750)	(1,385,750)	—	(1,385,750)
Shares repurchased	—	—	—	—	(100,246)	(100,246)	—	(100,246)
Sale of shares	—	—	(1,585,963)	—	1,686,209	100,246	—	100,246
Share-based compensation	—	—	1,108,094	—	—	1,108,094	—	1,108,094
Comprehensive income	—	—	4,626,139	(2,269,516)	—	2,356,623	1,458,915	3,815,538
Balance at December 31, 2019	**Ps. 4,907,765**	**Ps. 15,889,819**	**Ps. 82,431,278**	**Ps. 1,320,451**	**Ps. (14,018,847)**	**Ps. 90,530,466**	**Ps. 14,873,767**	**Ps. 105,404,233**

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Cash Flows

For the years ended December 31, 2019, 2018 and 2017
(In thousands of Mexican pesos)
(Notes 1, 2 and 3)

	2019	2018	2017
Operating Activities:			
Income before income taxes	**Ps. 8,775,258**	Ps. 12,005,774	Ps. 10,851,642
Adjustments to reconcile income before income taxes to net cash provided by operating activities:			
Share of income of associates and joint ventures	**(581,023)**	(532,933)	(1,913,273)
Depreciation and amortization	**21,008,796**	19,834,202	18,536,274
Other amortization of assets	**531,426**	444,679	504,674
Impairment of long-lived assets	**67,574**	135,750	89,597
Loss on disposition of property and equipment	**270,381**	912,317	947,699
Loss on disposition of other intangible assets	**—**	—	280,013
Impairment loss on trade notes and accounts receivable, and other receivables	**1,446,568**	1,479,511	1,245,334
Post-employment benefits	**259,064**	171,156	158,905
Interest income	**(102,675)**	(120,134)	(885,516)
Share-based compensation expense	**1,129,644**	1,327,549	1,489,884
Expense on Senior Notes prepayment	**—**	—	158,496
Provision for deferred compensation	**199,195**	251,787	308,814
Interest receivable for Asset Tax from prior years	**(139,995)**	—	—
Other finance loss (income), net	**872,291**	859,642	(903,204)
(Gain) loss on disposition of investments	**(627)**	(3,553,463)	295,194
Interest expense	**10,402,021**	9,707,324	9,087,175
Unrealized foreign exchange gain, net	**(1,120,958)**	(318,087)	(2,396,317)
	43,016,940	42,605,074	37,855,391
Decrease (increase) in trade notes and accounts receivable	**4,785,389**	3,483,695	(1,064,810)
Decrease (increase) in transmission rights and programming	**2,632,696**	(2,968,579)	478,565
Decrease (increase) in due from related parties, net	**204,166**	(555,418)	135,730
(Increase) decrease in inventories	**(128,327)**	444,790	360,563
(Increase) decrease in other accounts and notes receivable and other current assets	**(2,789,811)**	(1,144,721)	47,406
(Decrease) increase in trade accounts payable and accrued expenses	**(1,885,865)**	2,087,404	(2,696,279)
(Decrease) increase in customer deposits and advances	**(7,778,497)**	(5,176,499)	(2,878,358)
(Decrease) increase in other liabilities and taxes payable	**(1,848,714)**	1,579,450	(385,451)
(Decrease) increase in post-employment benefits	**(122,261)**	82,070	(333,026)
Income taxes paid	**(8,816,632)**	(6,722,770)	(6,419,995)
	(15,747,856)	(8,890,578)	(12,755,655)
Net cash provided by operating activities	**27,269,084**	33,714,496	25,099,736
Investing activities:			
Temporary investments	**30,992**	40,186	271,839
Investments in financial instruments	**—**	(72,723)	(262,401)
Disposition of investments in financial instruments	**2,301,682**	287,605	310,629
Disposition or investment in associates and other investments	**149,390**	209,775	(147,110)
Investment or disposition of investment in associates	**(26,010)**	95,161	(14,357)
Dividends received	**772,400**	—	136,000
Acquisition of net assets of Axtel, net of acquired cash and cash equivalents	**—**	(5,465,872)	—
Disposition of investment in Imagina	**—**	6,256,874	—
Investments in property, plant and equipment	**(19,108,284)**	(18,499,662)	(16,759,566)
Disposition of property, plant and equipment	**981,503**	1,024,702	911,471
Payment for renewal of television broadcasting concessions	**—**	(5,754,038)	—
Other investments in intangible assets	**(2,106,750)**	(2,020,243)	(1,777,590)
Net cash used in investing activities	**(17,005,077)**	(23,898,235)	(17,331,085)
Financing activities:			
Long-term loans from Mexican banks	**10,000,000**	—	5,973,000
Issuance of Notes due 2027	**—**	—	4,476,958
Repayment of Mexican peso debt	**(989,156)**	(307,489)	(851,659)
Issuance of Senior Notes due 2049	**14,247,544**	—	—
Prepayment of Notes due 2020, 2021 and 2022	**(21,000,000)**	—	—
Prepayment of Mexican peso debt	**—**	—	(625,000)
Prepayment of Senior Notes due 2018	**—**	—	(9,775,996)
Payments of lease liabilities	**(559,623)**	(540,448)	(569,711)
Right-of-Use assets	**(883,533)**	—	—

Repayment and prepayment of other notes payable	**(1,294,375)**	(1,184,020)	(1,292,438)
Interest paid	**(9,180,141)**	(10,129,304)	(8,860,881)
Funding for acquisition of shares of the Long-term Retention Plan	**—**	(1,100,000)	(2,500,000)
Repurchases of CPOs under a share repurchase program	**(1,385,750)**	(1,541,180)	(383,808)
Repurchase of capital stock	**(100,246)**	(1,954,312)	(2,301,918)
Sale of capital stock	**100,246**	1,954,312	2,301,918
Dividends paid	**(1,066,187)**	(1,068,868)	(1,084,192)
Dividends paid and reduction of capital of non-controlling interests	**(1,594,629)**	(1,270,652)	(488,961)
Acquisition of non-controlling interests	**—**	(54,256)	—
Derivative financial instruments	**(596,046)**	691,303	(486,650)
Net cash used in financing activities	**(14,301,896)**	(16,504,914)	(16,469,338)
Effect of exchange rate changes on cash and cash equivalents	**(60,449)**	21,995	(110,447)
Net decrease in cash and cash equivalents	**(4,098,338)**	(6,666,658)	(8,811,134)
Cash and cash equivalents related to assets held for sale	**(517,956)**	—	—
Cash and cash equivalents at beginning of year	**32,068,291**	38,734,949	47,546,083
Cash and cash equivalents at end of year	**Ps. 27,451,997**	Ps. 32,068,291	Ps. 38,734,949

The accompanying notes are an integral part of these consolidated financial statements.

Notes to Consolidated Financial Statements

For the Years Ended December 31, 2019, 2018 and 2017
(In thousands of Mexican pesos, except per CPO, per share and exchange rate amounts, unless otherwise indicated)

1. Corporate Information

Grupo Televisa, S.A.B. (the "Company") is a limited liability public stock corporation ("Sociedad Anónima Bursátil" or "S.A.B."), incorporated under the laws of Mexico. Pursuant to the terms of the Company's bylaws ("Estatutos Sociales"), its corporate existence continues through 2106. The shares of the Company are listed and traded in the form of "Certificados de Participación Ordinarios", or "CPOs", on the Mexican Stock Exchange ("Bolsa Mexicana de Valores" or "BMV") under the ticker symbol TLEVISA CPO, and in the form of Global Depositary Shares, or "GDSs", on the New York Stock Exchange, or "NYSE", under the ticker symbol TV. The Company's principal executive offices are located at Av. Vasco de Quiroga No. 2000, Colonia Santa Fe, 01210, Mexico City, Mexico.

Grupo Televisa, S.A.B., together with its subsidiaries (collectively, the "Group"), is a leading media company in the Spanish-speaking world, an important cable operator in Mexico, and an operator of a leading direct-to-home satellite pay television system in Mexico. The Group distributes the content it produces through several broadcast channels in Mexico and in over 70 countries through 25 pay-tv brands and television networks, cable operators and over-the-top or "OTT" services. In the United States, the Group´s audiovisual content is distributed through Univision Communications Inc. ("Univision") the leading media company serving the Hispanic market. Univision broadcasts the Group's audiovisual content through multiple platforms, in exchange for a royalty payment. In addition, the Group has equity and warrants that upon their exercise would represent approximately 36% on a fully-diluted, as-converted basis of the equity capital in Univision Holdings, Inc. or "UHI", the controlling company of Univision. The Group's cable business offers integrated services, including video, high-speed data and voice services to residential and commercial customers as well as managed services to domestic and international carriers. The Group owns a majority interest in Sky, a leading direct-to-home satellite pay television system and broadband provider in Mexico, operating also in the Dominican Republic and Central America. The Group also has interests in magazine publishing and distribution, professional sports and live entertainment, feature- film production and distribution, and gaming.

2. Accounting Policies

The principal accounting policies followed by the Group and used in the preparation of these consolidated financial statements are summarized below.

(a) Basis of Presentation

The consolidated financial statements of the Group as of December 31, 2019 and 2018, and for the years ended December 31, 2019, 2018 and 2017, are presented in accordance with International Financial Reporting Standards ("IFRS Standards"), as issued by the International Accounting Standards Board ("IASB"). IFRS Standards comprise: (i) IFRS Standards; (ii) International Accounting Standards ("IAS Standards"); (iii) IFRS Interpretations Committee ("IFRIC") Interpretations; and (iv) Standing Interpretations Committee ("SIC") Interpretations.

The consolidated financial statements have been prepared on a historical cost basis, except for the measurement at fair value of temporary investments, derivative financial instruments, financial assets, equity financial instruments, plan assets of post-employment benefits and share-based payments, as described below.

The preparation of consolidated financial statements in conformity with IFRS Standards, requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. Changes in assumptions may have a significant impact on the consolidated financial statements in the period the assumptions changed. Management believes that the underlying assumptions are appropriate. The areas involving a higher degree of judgment or complexity, or areas where estimates and assumptions are significant to the Group's financial statements are disclosed in Note 5 to these consolidated financial statements.

These consolidated financial statements were authorized for issuance on April 13, 2020, and were also authorized for issuance on April 30, 2020 including the additions disclosed in Note 29, by the Group's Principal Financial Officer.

(b) Consolidation

The financial statements of the Group are prepared on a consolidated basis and include the assets, liabilities and results of operations of all companies in which the Company has a controlling interest (subsidiaries). All intercompany balances and transactions have been eliminated from the consolidated financial statements.

Subsidiaries

Subsidiaries are all entities over which the Company has control. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The existence and effects of potential voting rights that are currently exercisable or convertible are considered when assessing whether or not the Company controls another entity. The subsidiaries are consolidated from the date on which control is obtained by the Company and cease to consolidate from the date on which said control is lost.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquiree on an acquisition-by-acquisition basis at the non-controlling interest's proportionate share of the recognized amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in

income or loss.

Changes in Ownership Interests in Subsidiaries without Change of Control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the interest acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals of non-controlling interests are also recorded in equity.

Loss of Control of a Subsidiary

When the Company ceases to have control of a subsidiary, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognized in income or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This means that amounts previously recognized in other comprehensive income are reclassified to income or loss except for certain equity financial instruments designated irrevocably with changes in other comprehensive income or loss.

At December 31, 2019 and 2018, the main direct and indirect subsidiaries of the Company were as follows:

Subsidiaries	**Company's Ownership Interest** [1]	**Business Segment** [2]
Empresas Cablevisión, S.A.B. de C.V. and subsidiaries (collectively, "Empresas Cablevisión") [3]	51.2%	Cable
Subsidiaries engaged in the Cablemás business (collectively, "Cablemás") [4]	100%	Cable
Televisión Internacional, S.A. de C.V. and subsidiaries (collectively, "TVI") [5]	100%	Cable
Cablestar, S.A. de C.V. and subsidiaries (collectively, "Bestel") [6]	66.2%	Cable
Arretis, S.A.P.I. de C.V. and subsidiaries (collectively, "Cablecom") [7]	100%	Cable
Subsidiaries engaged in the Telecable business (collectively, "Telecable") [8]	100%	Cable
FTTH de México, S.A. de C.V. [9]	100%	Cable
Corporativo Vasco de Quiroga, S.A. de C.V. ("CVQ") and subsidiaries [10]	100%	Cable and Sky
Innova, S. de R.L. de C.V. ("Innova") and subsidiaries (collectively, "Sky") [11]	58.7%	Sky
Grupo Telesistema, S.A. de C.V. ("Grupo Telesistema") and subsidiaries	100%	Content and Other Businesses
Televisa, S.A. de C.V. ("Televisa") [12]	100%	Content
Televisión Independiente de México, S.A. de C.V. ("TIM") [12]	100%	Content
G.Televisa-D, S.A. de C.V. [12]	100%	Content
Multimedia Telecom, S.A. de C.V. ("Multimedia Telecom") and subsidiary [13]	100%	Content
Ulvik, S.A. de C.V. [14]	100%	Content and Other Businesses
Controladora de Juegos y Sorteos de México, S.A. de C.V. and subsidiaries	100%	Other Businesses
Editorial Televisa, S.A. de C.V. and subsidiaries	100%	Other Businesses
Grupo Distribuidoras Intermex, S.A. de C.V. and subsidiaries	100%	Other Businesses
Villacezán, S.A. de C.V. ("Villacezán") and subsidiaries [15]	100%	Other Businesses
Sistema Radiópolis, S.A. de C.V. ("Radiópolis") and subsidiaries [16]	50%	Held-for-sale operations

(1) Percentage of equity interest directly or indirectly held by the Company.

(2) See Note 26 for a description of each of the Group's business segments.

(3) Empresas Cablevisión, S.A.B. de C.V., is a direct majority-owned subsidiary of CVQ.

(4) Some Cablemás subsidiaries are directly owned by CVQ and some other Cablemás subsidiaries are indirectly owned by CVQ.

(5) Televisión Internacional, S.A. de C.V., is a direct subsidiary of CVQ.

(6) Cablestar, S.A. de C.V., is an indirect majority-owned subsidiary of CVQ and Empresas Cablevisión, S.A.B. de C.V.

(7) Arretis, S.A.P.I. de C.V.; is a direct subsidiary of CVQ.

(8) The Telecable subsidiaries are directly owned by CVQ.

(9) FTTH de México, S. A. de C.V., is an indirect subsidiary of CVQ.

(10) CVQ is a direct subsidiary of the Company and the parent company of Empresas Cablevisión, Cablemás, TVI, Bestel, Cablecom, Telecable and Innova.

(11) Innova is an indirect majority-owned subsidiary of the Company, CVQ and Sky DTH, S.A. de C.V. ("Sky DTH"), and a direct majority-owned subsidiary of Innova Holdings, S. de R.L. de C.V. ("Innova Holdings"). Sky is a satellite television provider in Mexico, Central America and the Dominican Republic. Although the Company holds a majority of Innova's equity and designates a majority of the members of Innova's Board of Directors, the non-controlling interest has certain governance and veto rights in Innova, including the right to block certain transactions between the companies in the Group and Sky. These veto rights are protective in nature and do not affect decisions about relevant business activities of Innova.

(12) Televisa, TIM and G.Televisa-D, S.A. de C.V., are direct subsidiaries of Grupo Telesistema.

(13) Multimedia Telecom and its direct subsidiary, Comunicaciones Tieren, S.A. de C.V. ("Tieren"), are indirect wholly-owned subsidiaries of Grupo Telesistema, through which the Company owns shares of the capital stock of UHI and maintains an investment in warrants that are exercisable for shares of common stock of UHI. As of December 31, 2019 and 2018, Multimedia Telecom and Tieren have investments representing 95.3% and 4.7%, respectively, of the Group's aggregate investment in shares of common stock and share warrants issued by UHI (see Notes 9, 10 and 20).

(14) Direct subsidiary through which we conduct certain operations of our Content segment and certain operations of our Other Businesses segments.

(15) Villacezán is an indirect subsidiary of Grupo Telesistema.

(16) Radiópolis is a direct subsidiary of the Company through which the Group conducts the operations of its Radio business. The Company controls Radiópolis as it has the right to appoint the majority of the members of the Board of Directors of Radiópolis. The Group has classified the assets and related liabilities of its Radio business as held-for-sale in its consolidated statement of financial position as of December 31, 2019, and its Radio operations as held-for-sale operations in the Group's segment information for the years ended December 31, 2019, 2018 and 2017. Through the third quarter of 2019, the Radio business was included as part of the Group's Other Businesses segment (see Notes 3 and 26).

The Group's Cable, Sky and Content segments, as well as the Group's Radio business, which is a held-for-sale operations (see Note 3 and 26), require governmental concessions and special authorizations for the provision of broadcasting and telecommunications services in Mexico. Such concessions are granted by the Mexican Institute of Telecommunications ("Instituto Federal de Telecomunicaciones" or "IFT") for a fixed term, subject to renewal in accordance with the Mexican Telecommunications and Broadcasting Law ("Ley Federal de Telecomunicaciones y Radiodifusión" or "LFTR").

Renewal of concessions for the Content segment (Broadcasting) and the Radio business require, among others: (i) to request such renewal to IFT prior to the last fifth period of the fixed term of the related concession; (ii) to be in compliance with the concession holder's obligations under the LFTR, other applicable regulations, and the concession title; (iii) a declaration by IFT that there is no public interest in recovering the spectrum granted under the related concession; and (iv) the acceptance by the concession holder of any new conditions for renewing the concession as set forth by IFT, including the payment of a related fee. IFT shall resolve within the year following the presentation of the request, if there is public interest in recovering the spectrum granted under the related concession, in which case it will notify its determination and proceed with the termination of the concession at the end of its fixed term. If IFT determines that there is no public interest in recovering the spectrum, it will grant the requested extension within 180 business days, provided that the concessionaire accepts, in advance, the new conditions set by IFT, which will include the payment of the fee referred to above. Such fee will be determined by IFT for the relevant concessions, considering the following elements: (i) the frequency band; (ii) the amount of spectrum; (iii) coverage of the frequency band; (iv) domestic and international benchmark regarding the market value of frequency bands; and (v) upon request of IFT, an opinion issued by the Ministry of Finance and Public Credit of IFT´s proposal for calculation of the fee.

Renewal of concessions for the Sky and Cable segments require, among others: (i) to request its renewal to IFT prior to the last fifth period of the fixed term of the related concession; (ii) to be in compliance with the concession holder's obligations under the LFTR, other applicable regulations, and the concession title; and (iii) the acceptance by the concession holder of any new conditions for renewing the concession as set forth by IFT. IFT shall resolve any request for renewal of the telecommunications concessions within 180 business days of its request. Failure to respond within such period of time shall be interpreted as if the request for renewal has been granted.

The regulations of the broadcasting and the telecommunications concessions (including satellite pay TV) establish that at the end of the concession, the frequency bands or spectrum attached to the services provided in the concessions shall return to the Mexican government. In addition, at the end of the concession, the Mexican government will have the preferential right to acquire infrastructure, equipment and other goods directly used in the provision of the concession. If the Mexican government were to exercise its right to acquire infrastructure, equipment and other goods, it would be required to pay a price that is equivalent to a formula that is similar to fair value. To the knowledge of the Company's management, no spectrum granted for broadcasting services in Mexico has been recovered by the Mexican government in at least the past three decades for public interest reasons. However, the Company's management is unable to predict the outcome of any action by IFT in this regard. In addition, these assets, by themselves, would not be enough to immediately begin broadcasting or offering satellite pay TV services or telecommunications services, as no content producing assets or other equipment necessary to operate the business would be included.

Also, the Group's Gaming business, which is reported in the Other Businesses segment, requires a permit granted by the Mexican Federal Government for a fixed term, subject to renewal in accordance with Mexican law. Additionally, the Group's Sky businesses in Central America and the Dominican Republic require concessions or permits granted by local regulatory authorities for a fixed term, subject to renewal in accordance with local laws.

The accounting guidelines provided by IFRIC 12 *Service Concession Arrangements,* are not applicable to the Group due primarily to the following factors: (i) the Mexican government does not substantially control the Group's infrastructure, what services are provided with the infrastructure and the price at which such services are offered; (ii) the Group's broadcasting service does not constitute a public service as per the definition in IFRIC 12; and (iii) the Group is unable to divide its infrastructure among the public (telephony and possibly Internet services) and non-public (pay TV) service components.

At December 31, 2019, the expiration dates of the Group's concessions and permits were as follows:

Segments	**Expiration Dates**
Cable	Various from 2022 to 2048
Sky	Various from 2020 to 2028
Content (broadcasting concessions) (1)	In 2021 and the relevant renewals start in 2022 ending in 2042
Other Businesses:	
Gaming	In 2030
Held-for-sale operations:	
Radio (2)	Various from 2020 to 2039

(1) In November 2018, the IFT approved the renewal of the Group's broadcasting concessions for all of its television stations in Mexico, for a term of 20 years after the existing expiration date in 2021. In November 2018, the Group paid in cash for such renewal an aggregate amount of Ps.5,754,543, which includes a payment of Ps.1,194 for administrative expenses and recognized this payment as an intangible asset in its consolidated statement of financial position. This amount will be amortized in a period of 20 years beginning on January 1, 2022, by using the straight-line method (see Note 13).

(2) The amounts paid by the Group for renewal of certain Radio concessions in 2017 amounted to an aggregate of Ps.37,848. In addition, IFT granted in 2017 two new concessions to the Group in Ensenada and Puerto Vallarta. The amount paid by the Group for obtaining these concessions amounted to an aggregate of

Ps.85,486. The Group recognized the amounts for renewal and obtaining these concessions as intangible assets in its consolidated statement of financial position, and are amortized in a period of 20 years by using the straight-line method (see Note 13).

The concessions or permits held by the Group are not subject to any significant pricing regulations in the ordinary course of business.

(c) Investments in Associates and Joint Ventures

Associates are those entities over which the Group has significant influence but not control, generally those entities with a shareholding of between 20% and 50% of the voting rights. Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. Joint ventures are those joint arrangements where the Group exercises joint control with other stockholder or more stockholders without exercising control individually, and have rights to the net assets of the joint arrangements. Investments in associates and joint ventures are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the net assets of the investee after the date of acquisition.

The Group's investments in associates include an equity interest in UHI represented by approximately 10% of the outstanding total shares of UHI as of December 31, 2019 and 2018 (see Notes 9 and 10).

If the Group's share of losses of an associate or a joint venture equals or exceeds its interest in the investee, the Group discontinues recognizing its share of further losses. The interest in an associate or a joint venture is the carrying amount of the investment in the investee under the equity method together with any other long-term investment that, in substance, form part of the Group's net investment in the investee. After the Group's interest is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

(d) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Group's chief executive officers ("chief operating decision makers") who are responsible for allocating resources and assessing performance for each of the Group's operating segments.

(e) Foreign Currency Translation

Functional and Presentation Currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The presentation and reporting currency of the Group's consolidated financial statements is the Mexican peso, which is used for compliance with its legal and tax obligations.

Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or measurement where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of income as part of finance income or expense, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges.

Changes in the fair value of monetary securities denominated in foreign currency classified as investments in financial instruments are analyzed between exchange differences resulting from changes in the amortized cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortized cost are recognized in income or loss, and other changes in carrying amount are recognized in other comprehensive income or loss.

Translation of Foreign Operations

The financial statements of the Group's foreign entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows: (a) assets and liabilities are translated at the closing rate at the date of the statement of financial position; (b) income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and (c) all resulting translation differences are recognized in other comprehensive income or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Translation differences arising are recognized in other comprehensive income or loss.

Assets and liabilities of non-Mexican subsidiaries that use the Mexican Peso as a functional currency are initially converted to Mexican Pesos by utilizing the exchange rate of the statement of financial position date for monetary assets and liabilities, and historical exchange rates for non-monetary items, with the related adjustment included in the consolidated statement of income as finance income or expense.

A portion of the Group's outstanding principal amount of its U.S. dollar denominated long-term debt (hedging instrument, disclosed in the line "Long-term debt, net of current portion" of the consolidated statement of financial position) has been designated as a hedge of a net investment in a foreign operation in connection with the Group's investment in shares of common stock of UHI (hedged item), which amounted to U.S.$433.7 million (Ps.8,189,662) and U.S.$421.2 million (Ps.8,285,286) as of December 31, 2019 and 2018, respectively. Consequently, any foreign exchange gain or loss attributable to this designated hedging long-term debt is credited or charged directly to other comprehensive income or loss as a cumulative result from foreign currency translation (see Note 10).

A portion of the Group's outstanding principal amount of its U.S. dollar denominated long-term debt (hedging instrument, disclosed in the line "Long-term debt, net of current portion" of the consolidated statement of financial position) has been designated as a fair value hedge of foreign exchange exposure related to: (i) its investment in warrants exercisable for common stock of UHI and (ii) its initial investment in Open Ended Fund until March 31, 2018, and its entire investment in Open Ended Fund beginning in the second quarter of 2018 (hedged items), which amounted to Ps.33,775,451 (U.S.$1,788.6 million) and Ps.4,688,202 (U.S.$248.3 million), respectively, as of December 31, 2019, and Ps.34,921,530 (U.S.$1,775.1 million) and Ps.7,662,726 (U.S.$389.5 million), respectively, as of December 31, 2018.

Consequently, any foreign exchange gain or loss attributable to this designated hedging long-term debt is credited or charged directly to other comprehensive income or loss, along with the recognition in the same line item of any foreign currency gain or loss of these investments in warrants and Open Ended Fund designated as hedged items (see Notes 9, 14 and 18).

Beginning on January 1, 2018, the Group adopted the hedge accounting requirements of IFRS 9 *Financial Instruments*, ("IFRS 9") for all of its hedging relationships. This IFRS Standard became effective on that date.

(f) Cash and Cash Equivalents and Temporary Investments

Cash and cash equivalents consist of cash on hand and all highly liquid investments with an original maturity of three months or less at the date of acquisition. Cash is stated at nominal value and cash equivalents are measured at fair value, and the changes in the fair value are recognized in the statement of income.

Temporary investments consist of short-term investments in securities, including without limitation debt with a maturity of over three months and up to one year at the date of acquisition, stock and other financial instruments, or a combination thereof, as well as current maturities of non-current investments in financial instruments. Temporary investments are measured at fair value with changes in fair value recognized in finance income in the consolidated statement of income, except securities which are measured at amortized cost.

As of December 31, 2019 and 2018, cash equivalents and temporary investments primarily consisted of fixed short-term deposits and corporate fixed income securities denominated in U.S. dollars and Mexican pesos, with an average yield of approximately 2.20% for U.S. dollar deposits and 8.09% for Mexican peso deposits in 2019, and approximately 1.77% for U.S. dollar deposits and 7.69% for Mexican peso deposits in 2018.

(g) Transmission Rights and Programming

Programming is comprised of programs, literary works, production talent advances and films.

Transmission rights and literary works are valued at the lesser of acquisition cost and net realizable value. Programs and films are valued at the lesser of production cost, which consists of direct production costs and production overhead, and net realizable value. Payments for production talent advances are initially capitalized and subsequently included as direct or indirect costs of program production. Transmission rights are recognized from the point of which the legally enforceable license period begins. Until the license term commences and the programming rights are available, payments made are recognized as prepayments.

The Group's policy is to capitalize the production costs of programs which benefit more than one annual period and amortize them over the expected period of future program revenues based on the Company's historical revenue patterns and usage for similar productions.

Transmission rights, programs, literary works, production talent advances and films are recorded at acquisition or production cost. Cost of sales is calculated and recorded for the month in which such transmission rights, programs, literary works, production talent advances and films are matched with related revenues.

Transmission rights are recognized in income over the lives of the contracts. Transmission rights in perpetuity are amortized on a straight-line basis over the period of the expected benefit as determined by past experience, but not exceeding 25 years.

(h) Inventories

Inventories of paper, magazines, materials and supplies for maintenance of technical equipment are recorded at the lower of cost or its net realization value. The net realization value is the estimated selling price in the normal course of business, less estimated costs to conduct the sale. Cost is determined using the average cost method.

(i) Financial Assets

Through December 31, 2017, the Group classified its financial assets in the following categories: loans and receivables, held-to-maturity investments, financial assets at fair value through income or loss ("FVIL") and available-for-sale financial assets. The classification depended on the purpose for which the financial assets were acquired. Management determined the classification of its financial assets at initial recognition.

Beginning on January 1, 2018, the Group classifies its financial assets in accordance with IFRS 9 which became effective on that date. Under the guidelines of IFRS 9, the Group classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or loss ("FVOCIL"), or FVIL, based on the Company's business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

Financial Assets Measured at Amortized Cost

Financial assets are measured at amortized cost when the objective of holding such financial assets is to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are only payments of principal and interest on the principal amount outstanding. These financial assets are initially recognized at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest rate method, with changes in carrying value recognized in the consolidated statement of income in the line which most appropriately reflects the nature of the item or transaction. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period that are included in non-current assets. The Group's financial assets measured at amortized costs are primarily presented as "trade notes and accounts receivable", "other accounts and notes receivable", and "due from related parties" in the consolidated statement of financial position (see Note 7).

Financial Assets Measured at FVOCIL

Financial assets are measured at FVOCIL when the objective of holding such financial assets is both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group's investments in certain equity instruments have been designated to be measured at FVOCIL, as permitted by IFRS 9 (see Note 28). In connection with this designation, any amounts presented in consolidated other comprehensive income are not subsequently transferred to consolidated income. Dividends from these equity instruments are recognized in consolidated income when the right to receive payment of the dividend is established, and such dividend is probable to be paid to the Group.

Financial Assets at FVIL

Financial assets at FVIL are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorized as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months, otherwise they are classified as non-current.

Impairment of Financial Assets

From January 1, 2018, the Group assesses on a forward looking basis the expected credit losses associated with its financial assets carried at fair value through other comprehensive income or loss. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the receivables, see Note 7 for further details.

Offsetting of Financial Instruments

Financial assets are offset against financial liabilities and the net amount reported in the consolidated statement of financial position if, and only when the Group: (i) currently has a legally enforceable right to set off the recognized amounts; and (ii) intends either to settle on a net basis, or to realize the assets and settle the liability simultaneously.

(j) Property, Plant and Equipment

Property, plant and equipment are recorded at acquisition cost.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to income or loss during the financial period in which they are incurred.

Land is not depreciated. Depreciation of property, plant and equipment is based upon the carrying value of the assets in use and is computed using the straight-line method over the estimated useful lives of the asset, as follows:

	Estimated Useful Lives
Buildings	20-65 years
Building improvements	5-20 years
Technical equipment	3-30 years
Satellite transponders	15 years
Furniture and fixtures	3-10 years
Transportation equipment	4-8 years
Computer equipment	3-6 years
Leasehold improvements	5-30 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within other income or expense in the consolidated statement of income.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

(k) Right-of-use assets

Right-of-use assets are measured at cost comprising the following: the amount of the initial measurement of lease liability, any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs and restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight – line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and mostly leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

(l) Intangible Assets and Goodwill

Intangible assets and goodwill are recognized at acquisition cost. Intangible assets and goodwill acquired through business combinations are recorded at fair value at the date of acquisition. Intangible assets with indefinite useful lives, which include, trademarks, concessions, and goodwill, are not amortized, and subsequently recognized at cost less accumulated impairment losses. Intangible assets with finite useful lives are amortized on a straight-line basis over their estimated useful lives, as follows:

	Estimated Useful Lives
Trademarks with finite useful lives	4 years
Licenses	3-14 years

Subscriber lists	4-10 years
Payments for renewal of concessions	20 years
Other intangible assets	3-20 years

Trademarks

The Group determines its trademarks to have an indefinite life when they are expected to generate net cash inflows for the Group indefinitely. Additionally, the Group considers that there are no legal, regulatory or contractual provisions that limit the useful lives of trademarks. The Group has not capitalized any amounts associated with internally developed trademarks.

In 2015, the Company's management evaluated trademarks in its Cable segment to determine whether events and circumstances continue to support an indefinite useful life for these intangible assets. As a result of such evaluation, the Company identified certain businesses and locations that began migrating from an acquired trademark to an internally developed trademark between 2015 and 2016, in connection with enhanced service packages offered to current and new subscribers, and estimated that this migration process will take approximately four years. Accordingly, in 2015, the Group changed the useful life assessment from indefinite to finite for acquired trademarks in certain businesses and locations in its Cable segment, and began to amortize on a straight line basis the related carrying value of these trademarks when the migration to the new trademark started using an estimated useful life of four years.

Concessions

The Group defined concessions to have an indefinite life due to the fact that the Group has a history of renewing its concessions upon expiration, has maintained the concessions granted by the Mexican government, and has no foreseeable limit to the period over which the assets are expected to generate net cash inflows. In addition, the Group is committed to continue to invest for the long term to extend the period over which the broadcasting and telecommunications concessions are expected to continue to provide economic benefits.

Any fees paid by the Group to regulatory authorities for concessions renewed are determined to have finite useful lives and are amortized on a straight-live basis over the fixed term of the related concession.

Goodwill

Goodwill arises on the acquisition of a business and represents the excess of the consideration transferred over the Group's interest in net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash generating units ("CGUs"), or groups of CGUs, that are expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher between the value in use and the fair value less costs to sell. Any impairment of goodwill is recognized as an expense in the consolidated statement of income and is not subject to be reversed in subsequent periods.

(m) Impairment of Long-lived Assets

The Group reviews for impairment the carrying amounts of its long-lived assets, tangible and intangible, including goodwill (see Note 13), at least once a year, or whenever events or changes in business circumstances indicate that these carrying amounts may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. To determine whether an impairment exists, the carrying value of the reporting unit is compared with its recoverable amount. Fair value estimates are based on quoted market values in active markets, if available. If quoted market prices are not available, the estimate of fair value is based on various valuation techniques, including discounted value of estimated future cash flows, market multiples or third-party appraisal valuations. Any impairment of long-lived assets other than goodwill may be subsequently reversed under certain circumstances.

(n) Trade Accounts Payable and Accrued Expenses

Trade accounts payable and accrued expenses are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade accounts payable and accrued expenses are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade accounts payable and accrued expenses are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

Trade accounts payable and accrued expenses are presented as a single item of consolidated current liabilities in the consolidated statements of financial position as of December 31, 2019 and 2018.

(o) Debt

Debt is recognized initially at fair value, net of transaction costs incurred. Debt is subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the consolidated statement of income over the period on which the debt is outstanding using the effective interest method.

Fees paid on the establishment of debt facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

Current portion of long-term debt and interest payable are presented as a single line item of consolidated current liabilities in the consolidated statements of financial

position as of December 31, 2019 and 2018.

Debt early redemption costs are recognized as finance expense in the consolidated statement of income.

(p) Customer Deposits and Advances

Customer deposits and advance agreements for advertising services provide that customers receive prices that are fixed for the contract period for advertising time in the Group's platforms based on rates established by the Group. Such rates vary depending on when the advertisement is made, including the season, hour, day and type of programming.

The Group recognizes customer deposits and advance agreements for advertising services in the consolidated statement of financial position when these agreements are executed either with a consideration in cash paid by customers or with short-term non-interest bearing notes received from customers in connection with annual ("upfront basis") and from time to time ("scatter basis") prepayments (see Note 7). In connection with the initial adoption of IFRS 15 *Revenues from Contracts with Customers* ("IFRS 15") in the first quarter of 2018 (see Note 2 (s)), customer deposits and advances agreements are presented by the Group as a contract liability in the consolidated statement of financial position when a customer pays consideration, or the Group has a right to an amount of consideration that is unconditional, before the Group transfers services to the customer. Under the guidelines of this standard, a contract liability is a Group's obligation to transfer services or goods to a customer for which the Group has received consideration, or an amount of consideration is due, from the customer. In addition, the Group recognizes contract asset upon the approval of non-cancellable contracts that generate an unconditional right to receive cash consideration prior to services being rendered. The Company's management has consistently recognized that an amount of consideration is due, for legal, finance and accounting purposes, when a short-term non- interest bearing note is received from a customer in connection with a deposit or advance agreement entered into with the customer for advertising services to be rendered by the Group in the short term.

(q) Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provisions due to passage of time is recognized as interest expense.

(r) Equity

The capital stock and other equity accounts include the effect of restatement through December 31, 1997, determined by applying the change in the Mexican National Consumer Price Index between the dates capital was contributed or net results were generated and December 31, 1997, the date through which the Mexican economy was considered hyperinflationary under the guidelines of IFRS Standards. The restatement represented the amount required to maintain the contributions and accumulated results in Mexican Pesos in purchasing power as of December 31, 1997.

Where any company in the Group purchases shares of the Company's capital stock (shares repurchased), the consideration paid, including any directly attributable incremental costs is deducted from equity attributable to stockholders of the Company until the shares are cancelled, reissued, or sold. Where such shares repurchased are subsequently reissued or sold, any consideration received, net of any directly attributable incremental transaction costs, is included in equity attributable to stockholders of the Company.

(s) Revenue Recognition

In connection with the initial adoption of IFRS 15, in the first quarter of 2018, the Company's management: (i) reviewed significant revenue streams and identified certain effects on revenue recognition in the Group's Cable and Sky segments, as discussed below; (ii) used the retrospective cumulative effect, which consists in recognizing any cumulative adjustment resulting from the new standard at the date of initial adoption in consolidated equity; and (iii) did not restate the comparative information for the years ended December 31, 2017 and 2016, which was reported under the revenue recognition IFRS Standard in effect in those periods (see Note 28).

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for services provided. The Group recognizes revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Group's activities, as described below. The Group bases its estimate of return on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

The Group derives the majority of its revenues from media and entertainment-related business activities both in Mexico and internationally. Revenues are recognized when the service is provided and collection is probable. A summary of revenue recognition policies by significant activity is as follows:

- Cable television, internet and telephone subscription, and pay-per-view and installation fees are recognized in the period in which the services are rendered. Through December 31, 2017, commissions for obtaining contracts with customers in the Group's Cable segment were accounted for as they were incurred. Beginning on January 1, 2018, in accordance with IFRS 15, incremental costs for obtaining contracts with customers, primarily commissions, are recognized as assets in the Group's consolidated statement of financial position and amortized in the expected life of contracts with customers.

- Revenues from other telecommunications and data services are recognized in the period in which these services are provided. Other telecommunications services include long distance and local telephony, as well as leasing and maintenance of telecommunications facilities.

- Sky program service revenues, including advances from customers for future direct-to-home ("DTH") program services, are recognized at the time the service is provided. Through December 31, 2017, commissions for obtaining contracts with customers in the Group's Sky segment were accounted for as they were incurred. Beginning on January 1, 2018, in accordance with IFRS 15, certain incremental costs for obtaining contracts with customers, primarily commissions, are recognized as assets in the Group's consolidated statement of financial position and amortized in the expected life of contracts with customers.

- Advertising revenues, including deposits and advances from customers for future advertising, are recognized at the time the advertising services are rendered.

- Revenues from program services for network subscription and licensed and syndicated television programs are recognized when the programs are sold and become available for broadcast.

- Revenues from magazine subscriptions are initially deferred and recognized proportionately as products are delivered to subscribers. Revenues from the sales of magazines are recognized on the date of circulation of delivered merchandise, net of a provision for estimated returns.

- Revenues from publishing distribution are recognized upon distribution of the products.

- Revenues from attendance to soccer games, including revenues from advance ticket sales for soccer games and other promotional events, are recognized on the date of the relevant event.

- Motion picture production and distribution revenues are recognized as the films are exhibited.

- Gaming revenues consist of the net win from gaming activities, which is the difference between amounts wagered and amounts paid to winning patrons and are recognized at the time of such net win.

In respect to sales of multiple products or services, the Group evaluates whether it has fair value evidence for each deliverable in the transaction. For example, the Group sells cable television, internet and telephone subscription to subscribers in a bundled package at a rate lower than if the subscriber purchases each product on an individual basis. Subscription revenues received from such subscribers are allocated to each product in a pro-rata manner based on the fair value of each of the respective services.

(t) Interest Income

Interest income is recognized using the effective interest method. When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables is recognized using the original effective interest rate.

(u) Employee Benefits

Pension and Seniority Premium Obligations

Plans exist for pensions and seniority premiums (post-employment benefits), for most of the Group's employees funded through irrevocable trusts. Increases or decreases in the consolidated liability or asset for post-employment benefits are based upon actuarial calculations. Contributions to the trusts are determined in accordance with actuarial estimates of funding requirements. Payments of post-employment benefits are made by the trust administrators. The defined benefit obligation is calculated annually using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

Remeasurement of post-employment benefit obligations related to experience adjustments and changes in actuarial assumptions of post- employment benefits are recognized in the period in which they are incurred as part of other comprehensive income or loss in consolidated equity.

Profit Sharing

The employees' profit sharing required to be paid under certain circumstances in Mexico, is recognized as a direct benefit to employees in the consolidated statements of income in the period in which it is incurred.

Termination Benefits

Termination benefits, which mainly represent severance payments by law, are recorded in the consolidated statement of income. The Group recognizes termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that involves the payment of termination benefits.

(v) Income Taxes

The income tax expense for the period comprises current and deferred income tax. Income tax is recognized in the consolidated statement of income, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the income tax is recognized in other comprehensive income.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred income tax liabilities are not recognized if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction (other than in a business combination) that at the time of the transaction affects neither accounting nor taxable income or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences and tax loss carryforwards can be utilized. For this purpose, the Group takes into consideration all available positive and negative evidence, including factors such as market conditions, industry analysis, projected taxable income, carryforward periods, current tax structure, potential changes or adjustments in tax structure, and future reversals of existing temporary differences.

Deferred income tax liabilities are provided on taxable temporary differences associated with investments in subsidiaries, joint ventures and associates, except for

deferred income tax liabilities where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax assets are provided on deductible temporary differences associated with investments in subsidiaries, joint ventures and associates, to the extent that it is probable that there will be sufficient taxable income against which to utilize the benefit of the temporary difference and it is expected to reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

(w) Derivative Financial Instruments

The Group recognizes derivative financial instruments as either assets or liabilities in the consolidated statements of financial position and measures such instruments at fair value. The accounting for changes in the fair value of a derivative financial instrument depends on the intended use of the derivative financial instrument and the resulting designation. For a derivative financial instrument designated as a cash flow hedge, the effective portion of such derivative's gain or loss is initially reported as a component of other comprehensive income or loss and subsequently reclassified into income when the hedged exposure affects income. The ineffective portion of the gain or loss is reported in income immediately. For a derivative financial instrument designated as a fair value hedge, the gain or loss is recognized in income in the period of change together with the offsetting loss or gain on the hedged item attributed to the risk being hedged. When a hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument that has been recognized in other comprehensive income remains in equity until the forecast transaction occurs. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately reclassified to income or loss. For derivative financial instruments that are not designated as accounting hedges, changes in fair value are recognized in income in the period of change. During the years ended December 31, 2019, 2018 and 2017, certain derivative financial instruments qualified for hedge accounting (see Note 15).

(x) Comprehensive Income

Comprehensive income for the period includes the net income for the period presented in the consolidated statement of income plus other comprehensive income for the period reflected in the consolidated statement of comprehensive income.

(y) Share-based Payment Agreements

Key officers and employees of certain subsidiaries of the Company have entered into agreements for the conditional sale of Company's shares under the Company's Long-Term Retention Plan. The share-based compensation expense is measured at fair value at the date the equity benefits are conditionally sold to these officers and employees, and is recognized as a charge to consolidated income (administrative expense) over the vesting period. The Group recognized a share-based compensation expense of Ps.1,129,644, Ps.1,327,549 and Ps.1,489,884 for the years ended December 31, 2019, 2018 and 2017, respectively, of which Ps.1,108,094, Ps.1,305,999 and Ps.1,468,337 was credited in consolidated stockholders' equity for those years, respectively (see Note 17).

(z) Leases

Through December 31, 2018:

- The determination of whether an arrangement was, or contained, a lease was based on the substance of the arrangement and required an assessment of whether the fulfillment of the arrangement was dependent on the use of a specific asset or assets and whether the arrangement conveyed the right to use the asset.

- Leases of property, plant and equipment and other assets where the Group held substantially all the risks and rewards of ownership were classified as finance leases. Finance lease assets were capitalized at the commencement of the lease term at the lower of the present value of the minimum lease payments or the fair value of the lease asset. The obligations relating to finance leases, net of finance charges in respect of future periods, were recognized as liabilities. The interest element of the finance cost was charged to the consolidated statement of income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases was depreciated over the shorter of the useful life of the asset and the lease term.

- Leases where a significant portion of the risks and rewards were held by the lessor were classified as operating leases. Rentals were charged to the consolidated statement of income on a straight line basis over the period of the lease.

- Leasehold improvements were depreciated at the lesser of its useful life or contract term.

In the first quarter of 2019, the Group adopted IFRS 16 *Leases* ("IFRS 16"), which became effective for annual periods beginning on January 1, 2019 (see Note 28). The Group does not apply this new IFRS Standard to short-term leases and leases for which the underlying asset is of low value, as permitted by the guidelines of IFRS 16.

On adoption of IFRS 16, the Group recognized lease liabilities in relation to leases which had previously been classified as operating leases under the principles of IAS 17 *Leases* ("IAS 17"). These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee´s incremental borrowing rate as of January 1, 2019. The average lessee's incremental borrowing rate applied to the lease liabilities on January 1, 2019 was 4.7% and 10.6% for U.S. dollars leases and Mexican pesos leases, respectively.

(aa) New and Amended IFRS Standards

The Group adopted IFRS 16 in 2019, which became effective on January 1, 2019 (see Notes 2 (k), 2 (z) and 28). The Group adopted IFRS 15 and IFRS 9 in 2018, which became effective on January 1, 2018 (see Notes 2 (i), 2 (t) and 28). Some other amendments and improvements to certain IFRS Standards became effective on January 1, 2019 and 2018, and they did not have any significant impact on the Group's consolidated financial statements.

Below is a list of the new and amended IFRS Standards that have been issued by the IASB and are effective for annual periods starting on or after January 1, 2020.

New or Amended IFRS Standard	Title of the IFRS Standard	Effective for Annual Periods Beginning On or After
Amendments to IFRS 10 and IAS 28 (1)	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Postponed
IFRS 17 (2)	*Insurance Contracts*	January 1, 2021
IFRS Conceptual Framework	*Conceptual Framework for Financial Reporting*	January 1, 2020
Amendments to IFRS 3 (1)	*Definition of a Business*	January 1, 2020
Amendments to IAS 1 and IAS 8 (1)	*Definition of Material*	January 1, 2020
Amendments to IFRS 9, IAS 39 and IFRS 7 (2)	*Interest Rate Benchmark Reform*	January 1, 2020
Amendments to IAS 1 (1)	*Classification of Liabilities as Current or Non-current*	January 1, 2022

(1) This new or amended IFRS Standard is not expected to have a significant impact on the Group's consolidated financial statements.

(2) This new or amended IFRS Standard is not expected to be applicable to the Group's consolidated financial statements.

Amendments to IFRS 10 and IAS 28 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*, were issued in September 2014 and address and acknowledge inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involved a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involved assets that do not constitute a business, even if these assets are housed in a subsidiary. In December 2015, the IASB postponed the effective date of these amendments indefinitely pending the outcome of its research project on the equity method of accounting.

IFRS 17 *Insurance Contracts* ("IFRS 17") was issued in May 2017 and supersedes IFRS 4 *Insurance Contracts* ("IFRS 4"), which has given companies dispensation to carry on accounting for insurance contracts using national accounting standards, resulting in a multitude of different approaches. IFRS 17 establishes principles for the recognition, measurement, presentation and disclosures of insurance contracts issued. It also requires similar principles to be applied to reinsurance contracts with discretionary participation features issued. IFRS 17 solves the comparison problems created by IFRS 4 by requiring all insurance contracts to be accounted for in a consistent manner. Under the provisions of IFRS 17, insurance obligations will be accounted for using current values instead of historical cost. IFRS 17 is effective on January 1, 2021, and earlier application is permitted.

Conceptual Framework for Financial Reporting ("Conceptual Framework") was issued in March 2018, replacing the previous version of the Conceptual Framework issued in 2010. The Conceptual Framework describes the objective of, and the concepts for, general purpose financial reporting. The purpose of the Conceptual Framework is to: (a) assist the IASB to develop IFRS Standards that are based on consistent concepts; (b) assist preparers to develop consistent accounting policies when no Standard applies to a particular transaction or other event, or when a Standard allows a choice of accounting policy; and (c) assist all parties to understand and interpret the IFRS Standards. The Conceptual Framework is not an IFRS Standard. Nothing in the Conceptual Framework overrides any IFRS Standard or any requirement in an IFRS Standard. The revised Conceptual Framework is effective immediately for the IASB and the IFRIC, and has an effective date of January 1, 2020, with earlier application permitted, for companies that use the Conceptual Framework to develop accounting policies when no IFRS Standard applies to a particular transaction.

Amendments to IFRS 3 *Definition of a Business* was issued in October 2018. The amended definition emphasizes that the output of a business is to provide goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others. Distinguishing between a business and a group of assets is important because an acquirer recognizes goodwill only when acquiring a business. Amendments to IFRS 3 is effective on January 1, 2020, and earlier application is permitted.

Amendments to IAS 1 and IAS 8 *Definition of Material* was issued in October 2018. The definition of material helps a company determine whether information about an item, transaction or other event should be provided to users of financial statements. However, companies sometimes experienced difficulties using the previous definition of material when making materiality judgements in the preparation of financial statements. Consequently, the IASB issued *Definition of Material* (Amendments to IAS 1 and IAS 8) in October 2018. Amendments to IAS 1 and IAS 8 is effective on January 1, 2020, and earlier application is permitted.

Amendments to IFRS 9, IAS 39 and IFRS 7 *Interest Rate Benchmark Reform* were issued in September 2019. These amendments modify some specific hedge accounting requirements to provide relief from potential effects of the uncertainty caused by interest rate benchmarks such as interbank offered rates. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties. The amendments are effective for annual reporting periods beginning on or after January 1, 2020. Earlier application is permitted.

Amendments to IAS 1 *Classification of Liabilities as Current or Non-current* was issued in January 2020, the amendments clarify one of the criteria in IAS 1 for classifying a liability as non-current that is, the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendments are effective for annual reporting periods beginning on or after January 1, 2022. Earlier application is permitted.

3. Acquisitions, Investments, Dispositions and Assets Held for Sale

In March 2017, the Group entered into a joint venture agreement with Periódico Digital Sendero, S.A.P.I. de C.V. ("PDS"), an internet company that operates an online news website in Mexico City, and acquired a 50% equity interest in this joint venture for an aggregate cash amount of Ps.120,000. In September 2017, the Group made an additional cash contribution in the amount of Ps.42,500 in connection with its 50% equity interest in this joint venture (see Note 10).

In February 2018, the Company announced an agreement to sell its 19.9% stake in Imagina Media Audiovisual, S.L. (together with its subsidiaries, "Imagina"), a media and telecom company in Spain, which was subject to the fulfillment of certain conditions and regulatory approvals. In June 2018, this transaction was closed and

the Company sold its stake in Imagina and received proceeds in the aggregate amount of €284.5 million (Ps.6,603,751), of which €251.3 million (Ps.5,832,360) were in cash and €33.2 million (Ps.771,391) were held in escrow, and will be paid to the Company over time subject to customary terms and conditions under escrow agreements. In the fourth quarter of 2018, a cash amount of €16.1 million (Ps.366,354) was released from escrow and an amount of €1.5 million (Ps.33,558) was used for escrow purposes. As of December 31, 2019 and 2018, the amount held in escrow from this transaction was €5.4 million (Ps.114,127) and €15.6 million (Ps.351,913), respectively.

On December 17, 2018, the Group acquired from Axtel, S.A.B. de C.V. ("Axtel") its residential fiber-to-home business and related assets in Mexico City, Zapopan, Monterrey, Aguascalientes, San Luis Potosi and Ciudad Juárez. The assets acquired comprise 553,226 revenue generating units consisting of 97,622 video, 227,802 broadband and 227,802 voice, revenue generating units. This transaction was paid in cash by the Group in the aggregate amount of Ps.5,466,872, including value added tax. Through this acquisition, the Group continues with its strategy to consolidate a cable company with national coverage that delivers more and better services for the benefit of end users. The following table summarizes the allocation of the total amount of cash paid by the Group in connection with the purchase of tangible and identifiable intangible assets acquired and liabilities assumed at the acquisition date. The excess of the purchase price over those fair values was allocated to goodwill in the Cable segment. The Company's management completed a final purchase price allocation for this acquisition in the first half of 2019, and there was no changes with the preliminary purchase price allocation made as of December 31, 2018.

		December 17, 2018
Cash and cash equivalents	Ps.	1,000
Trade notes and accounts receivables		169,036
Other accounts receivable primarily value-added tax		875,331
Total current assets		1,045,367
Property and equipment		2,130,108
Intangible assets and goodwill		2,582,713
Total assets		5,758,188
Other current liabilities		291,316
Total liabilities		291,316
Total net assets	Ps.	5,466,872

In July 2019, the Company announced an agreement with Live Nation Entertainment, Inc. ("Live Nation") to dispose of its 40% equity interest in OCESA Entretenimiento, S.A. de C.V. ("OCEN"), a live entertainment company with operations in Mexico, Central America and Colombia. OCEN is (i) a direct associate of OISE Entretenimiento, S.A. de C.V. ("OISE Entretenimiento"), a wholly-owned subsidiary of the Company; and (ii) a subsidiary of Compañía Interamericana de Entretenimiento, S.A.B. de C.V. ("CIE"). The proposed disposal of OCEN is expected to be completed by the parties in the first half of 2020, through the sale of all of the outstanding shares of OISE Entretenimiento, which net assets are comprised primarily of the 40% equity stake in OCEN. This transaction is subject to customary closing conditions, including regulatory approvals and certain notifications, and to the closing of the proposed sale by CIE to Live Nation of a portion of its stake in OCEN. In consideration for the sale of the shares of OISE Entretenimiento, the Company expects to receive cash proceeds in the aggregate amount of Ps.5,206,000. Also, the Group expects to receive a dividend from OCEN on or before the closing of this transaction, in the aggregate amount of approximately Ps.350,000, of which a significant part was paid in the second half of 2019. As a result of this proposed transaction, beginning on July 31, 2019, the Group classifies the assets of OISE Entretenimiento, including the carrying value of its investment in OCEN as current assets held for sale in its consolidated statement of financial position. As of December 31, 2019, the carrying value of current assets held for sale in connection with this proposed transaction amounted to Ps.694,239, of which Ps.693,970 are related to the carrying value of the investment in OCEN (see Notes 10 and 20).

In July 2019, the Company announced a stock purchase agreement with Corporativo Coral, S.A. de C.V. ("Coral") and Miguel Alemán Magnani as Obligor to dispose of its 50% equity interest in Radiópolis, a direct subsidiary of the Company engaged in the Radio business, for an aggregate amount of Ps.1,248,000. While the sale of the Company's equity interest in the Radio business has been consummated for legal and tax purposes as of December 31, 2019, this transaction is considered as held for sale for financial reporting purposes, as the voting interest of the Company in Radiópolis continue to be in place until the full payment of the purchase price is made by the acquirer. Accordingly, the Group has classified the assets (Ps.1,675,426) and related liabilities (Ps.432,812) of its Radio business as held for sale in its consolidated statement of financial position as of December 31, 2019, and its Radio operations as held for sale in the segment information of its consolidated statements of income for the years ended December 31, 2019, 2018 and 2017. The Group did not classify its Radio operations as discontinued operations in its consolidated statements of income for the years ended December 31, 2019, 2018 and 2017, as these operations did not represent a separate major line of business for those years, based on a materiality assessment performed by management. In March 2020, the Group entered into an agreement with Coral and its Obligor to complete this transaction by, among other things, the payment of an initial amount of Ps.603,395 in March 2020, and the remaining amount of Ps.644,605 in June 2020, as well as the payment of a dividend by Radiópolis to the Company by the closing date of this transaction in June 2020, in the amount of approximately Ps.300,000 (see Note 26).

4. Financial Risk Management

(a) Market Risk

Market risk is the exposure to an adverse change in the value of financial instruments caused by market factors including changes in equity prices, interest rates, foreign currency exchange rates, commodity prices and inflation rates.

The Group is exposed to market risks arising from changes in equity prices, interest rates, foreign currency exchange rates and inflation rates, in both the Mexican and U.S. markets. Market risk management activities are monitored by the Investments, Risk Management and Treasury Committee on a quarterly basis.

(i) Foreign Exchange Risk

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the U.S. dollar and the Mexican peso. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations.

Foreign currency exchange risk is monitored by assessing the net monetary liability position in U.S. dollars and the forecasted cash flow needs for anticipated U.S. dollar investments and servicing the Group's U.S. dollar-denominated debt.

Management has set up a policy to require Group companies to manage their foreign exchange risk against their functional currency. To manage their foreign exchange risk arising from future commercial transactions and recognized assets and liabilities, entities in the Group use forward contracts. In compliance with the procedures

and controls established by the Risk Management Committee, in 2019 and 2018, the Group entered into certain derivative transactions with certain financial institutions in order to manage its exposure to market risks resulting from changes in interest rates and foreign currency exchange rates. The objective in managing foreign currency fluctuations is to reduce earnings and cash flow volatility.

Foreign Currency Position

The foreign currency position of monetary items of the Group at December 31, 2019, was as follows:

	Foreign Currency Amounts (Thousands)	Year-End Exchange Rate	Mexican Pesos
Assets:			
U.S. dollars	**1,258,623**	**Ps. 18.8838**	**Ps. 23,767,585**
Euros	**51,398**	**21.1995**	**1,089,612**
Swiss francs	**3,071**	**19.5345**	**59,990**
Colombian pesos	**2,744,483**	**0.0058**	**15,918**
Argentinean pesos	**28,269**	**0.3154**	**8,916**
Chilean pesos	**110,984**	**0.0254**	**2,819**
Other currencies	**—**	**—**	**5,832**
Liabilities:			
U.S. dollars [(1)]	**5,257,954**	**Ps. 18.8838**	**Ps. 99,290,152**
Swiss francs	**4,069**	**19.5345**	**79,486**
Euros	**912**	**21.1995**	**19,334**
Chilean pesos	**689,094**	**0.0254**	**17,503**
Colombian pesos	**4,195,172**	**0.0058**	**24,332**
Other currencies	**—**	**—**	**3,075**

The foreign currency position of monetary items of the Group at December 31, 2018, was as follows:

	Foreign Currency Amounts (Thousands)	Year-End Exchange Rate	Mexican Pesos
Assets:			
U.S. dollars	1,359,524	Ps. 19.6730	Ps. 26,745,916
Euros	58,869	22.5126	1,325,294
Swiss francs	5,474	19.9910	109,431
Chilean pesos	3,102,339	0.0282	87,486
Colombian pesos	3,222,821	0.0060	19,337
Argentinean pesos	22,518	0.5218	11,750
Other currencies	—	—	31,500
Liabilities:			
U.S. dollars [(1)]	4,569,137	Ps. 19.6730	Ps. 89,888,632
Euros	4,449	22.5126	100,159
Swiss francs	9,871	19.9910	197,331
Chilean pesos	3,418,223	0.0282	96,394
Colombian pesos	11,769,323	0.0060	70,616
Other currencies	—	—	11,744

[(1)] As of December 31, 2019 and 2018, monetary liabilities include U.S.$2,470.6 million (Ps.46,653,315) and U.S.$2,585.8 million (Ps.50,869,542), respectively, related to long-term debt designated as a hedging instrument of the Group's investments in UHI and the investment in Open Ended Fund (see Note 14).

As of April 13, 2020, the exchange rate was Ps.23.7001 per U.S. dollar, which represents the interbank free market exchange rate on that date as reported by Banco Nacional de México, S.A. or Citibanamex.

The Group is subject to the risk of foreign currency exchange rate fluctuations, resulting primarily from the net monetary position in U.S. dollars and U.S. dollar equivalent amounts of the Group's Mexican operations, as follows (in millions of U.S. dollars):

	December 31,	
	2019	2018
U.S. dollar-denominated and U.S. dollar-equivalent monetary assets, primarily cash and cash equivalents, and non-current investments in financial instruments (1)	**U.S.$ 1,253.3**	U.S.$ 1,362.6
U.S. dollar-denominated and U.S. dollar-equivalent monetary liabilities, primarily trade accounts payable, Senior debt securities, lease liabilities, and other liabilities (2) (3)	**(5,231.8)**	(4,533.6)
Net liability position	**U.S.$ (3,978.5)**	U.S.$ (3,171.0)

[(1)] As of December 31, 2019 and 2018, this line includes U.S. dollar equivalent amounts of U.S.$57.6 million and U.S.$68.9 million, respectively, related to other

foreign currencies, primarily Euros.

(2) As of December 31, 2019 and 2018, this line includes U.S. dollar equivalent amounts of U.S.$5.0 million and U.S.$15.0 million, respectively, related to other foreign currencies, primarily Euros.

(3) As of December 31, 2019 and 2018, monetary liabilities include U.S.$2,470.6 million (Ps.46,653,315) and U.S.$2,585.8 million (Ps.50,869,542), respectively, related to long-term debt designated as a hedging instrument of the Group's investments in UHI and the investment in Open Ended Fund (see Note 14).

At December 31, 2019, a hypothetical 10% appreciation/depreciation in the U.S. dollar to Mexican peso exchange rate would result in a foreign exchange gain/loss, net of hedge, of Ps.2,847,471, in the consolidated statement of income. At December 31, 2018, a hypothetical 10% appreciation/ depreciation in the U.S. dollar to Mexican peso exchange rate would result in a foreign exchange gain/loss, net of hedge, of Ps.1,151,406, in the consolidated statement of income.

(ii) Cash Flow Interest Rate Risk

The Group monitors the exposure to interest rate risk by: (i) evaluating differences between interest rates on its outstanding debt and short-term investments and market interest rates on similar financial instruments; (ii) reviewing its cash flow needs and financial ratios (indebtedness and interest coverage); (iii) assessing current and forecasted trends in the relevant markets; and (iv) evaluating peer Group and industry practices. This approach allows the Group to determine the interest rate "mix" between variable and fixed rate debt.

The Group's interest rate risk arises from long-term debt. Debt issued at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash and cash equivalents held at variable rates. Debt issued at fixed rates expose the Group to fair value interest rate risk. During recent years the Group has maintained most of its debt in fixed rate instruments (see Note 14).

Based on various scenarios, the Group manages its cash flow interest rate risk by using cross-currency interest rate swaps, exchange rate agreements and floating-to-fixed interest rate swaps. Cross-currency interest rate swap agreements allow the Group to hedge against Mexican peso depreciation on the interest payments for medium-term periods. Interest rate swaps have the economic effect of converting borrowings from floating rates to fixed rates.

Sensitivity and Fair Value Analyses

The sensitivity analyses that follow are intended to present the hypothetical change in fair value or loss in earnings due to changes in interest rates, inflation rates, foreign currency exchange rates and debt and equity market prices as they affect the Group's financial instruments at December 31, 2019 and 2018. These analyses address market risk only and do not take into consideration other risks that the Group faces in the ordinary course of business, including country risk and credit risk. The hypothetical changes reflect management view of changes that are reasonably possible over a one-year period. For purposes of the following sensitivity analyses, the Group has made assumptions of a hypothetical change in fair value of 10% for expected near-term future changes in the United States interest rates, Mexican interest rates, inflation rates and Mexican peso to U.S. dollar exchange rate. The results of the analyses do not purport to represent actual changes in fair value or losses in earnings that the Group will incur.

December 31, 2019	**Carrying Value**	**Fair Value**	**Difference between Fair Value and Carrying Value**	**Difference between Fair Value and Carrying Value Assuming a Hypothetical 10% Increase in Fair Value**
Assets:				
Warrants issued by UHI	**Ps. 33,775,451**	**Ps. 33,775,451**	**Ps. —**	**Ps. 3,377,545**
Long-term loan and interest receivable from GTAC	**872,317**	**875,585**	**3,268**	**90,827**
Open Ended Fund	**4,688,202**	**4,688,202**	**—**	**468,820**
Other equity instruments	**5,751,001**	**5,751,001**	**—**	**575,100**
Derivative financial instruments [2]	**4,592**	**4,592**	**—**	**—**
Liabilities [3] [4]:				
U.S. dollar-denominated debt:				
Senior Notes due 2025	**11,330,280**	**13,243,624**	**1,913,344**	**3,237,706**
Senior Notes due 2026	**5,665,140**	**6,079,885**	**414,745**	**1,022,734**
Senior Notes due 2032	**5,665,140**	**7,571,346**	**1,906,206**	**2,663,341**
Senior Notes due 2040	**11,330,280**	**14,139,283**	**2,809,003**	**4,222,931**
Senior Notes due 2045	**18,883,800**	**19,739,047**	**855,247**	**2,829,152**
Senior Notes due 2046	**16,995,420**	**20,565,308**	**3,569,888**	**5,626,419**
Senior Notes due 2049	**14,162,850**	**15,364,426**	**1,201,576**	**2,738,019**
Peso-denominated debt:				
Notes due 2027	**4,500,000**	**4,656,375**	**156,375**	**622,013**
Senior Notes due 2037	**4,500,000**	**4,133,385**	**(366,615)**	**46,724**
Senior Notes due 2043	**6,500,000**	**4,853,485**	**(1,646,515)**	**(1,161,167)**
Notes payable to Mexican banks	**22,845,382**	**23,012,707**	**167,325**	**2,468,596**
Lease liabilities	**9,363,520**	**9,120,903**	**(242,617)**	**669,473**
Other notes payable	**1,324,063**	**1,295,780**	**(28,283)**	**101,295**
Derivative financial instruments [2]	**915,290**	**915,290**	**—**	**—**

December 31, 2018	Carrying Value	Fair Value	Difference between Fair Value and Carrying Value	Difference between Fair Value and Carrying Value Assuming a Hypothetical 10% Increase in Fair Value
Assets:				
Temporary investments [1]	Ps. 30,992	Ps. 30,992	Ps. —	Ps. —
Warrants issued by UHI	34,921,530	34,921,530	—	3,492,153
Long-term loan and interest receivable from GTAC	817,605	824,540	6,935	89,389
Open Ended Fund	7,662,726	7,662,726	—	766,273
Other equity instruments	6,545,625	6,545,625	—	654,563
Other financial assets	72,612	72,612	—	7,261
Derivative financial instruments [2]	1,035,522	1,035,522	—	—
Liabilities [3] [4]:				
U.S. dollar-denominated debt:				
Senior Notes due 2025	11,803,800	12,970,370	1,166,570	2,463,607
Senior Notes due 2026	5,901,900	5,849,137	(52,763)	532,151
Senior Notes due 2032	5,901,900	7,405,822	1,503,922	2,244,504
Senior Notes due 2040	11,803,800	12,733,821	930,021	2,203,403
Senior Notes due 2045	19,673,000	17,317,748	(2,355,252)	(623,477)
Senior Notes due 2046	17,705,700	18,201,991	496,291	2,316,490
Peso-denominated debt:				
Notes due 2020	10,000,000	9,605,700	(394,300)	566,270
Notes due 2021	6,000,000	5,956,506	(43,494)	552,157
Notes due 2022	5,000,000	4,941,430	(58,570)	435,573
Notes due 2027	4,500,000	4,027,275	(472,725)	(69,998)
Senior Notes due 2037	4,500,000	3,586,050	(913,950)	(555,345)
Senior Notes due 2043	6,500,000	4,319,575	(2,180,425)	(1,748,468)
Notes payable to Mexican banks	13,834,538	13,551,620	(282,918)	1,072,243
Lease liabilities	5,317,944	5,121,534	(196,410)	315,743
Other notes payable	2,576,874	2,430,667	(146,207)	96,860
Derivative financial instruments [2]	148,061	148,061	—	—

[1] At December 31, 2018, the Group´s temporary investments consisted of highly liquid securities, including without limitation debt securities and equity instruments held for trading (primarily denominated in Mexican pesos and U.S. dollars). Given the short-term nature of these investments, an increase in U.S. and/or Mexican interest rates would not significantly decrease the fair value of these investments.

[2] Given the nature and the tenor of these derivative financial instruments, an increase of 10% in the interest and/or exchange rates would not be an accurate sensitivity analysis on the fair value of these financial instruments.

[3] The carrying value of debt is stated in this table at its principal amount.

[4] The fair value of the Senior Notes and Notes due by the Group are within Level 1 of the fair value hierarchy as there is a quoted market price for them. The fair value of the lease liabilities are within Level 2 of the fair value hierarchy and has been estimated based on cash flows discounted using an estimated weighted average cost of capital. The fair value of securities are within Level 1 of the fair value hierarchy, and were based on market interest rates to the listed securities.

(iii) Price Risk

The Group is exposed to equity securities price risk because of investments held by the Group and classified in the consolidated statements of financial position as non-current investments in financial instruments. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group. The Group is not exposed to commodity price risk.

(b) Credit Risk

Credit risk is managed on a Group basis, except for credit risk relating to accounts receivable balances. Each local entity is responsible for managing and analyzing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposure to customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum rating of “AA” in local scale for domestic institutions and “BBB” in global scale for foreign institutions are accepted. If customers are independently rated, these ratings are used. If there is no independent rating, the Group’s risk control function assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Company’s management. See Note 7 for further disclosure on credit risk.

No credit limits were exceeded during the reporting period, and management does not expect any losses from non-performance by the counterparties.

The Group historically has not had significant credit losses arising from customers.

(c) Liquidity Risk

Cash flow forecasting is performed in the operating entities of the Group and aggregated by corporate management. Corporate management monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal statement of financial position ratio targets and, if applicable external regulatory or legal requirements.

Surplus cash held by the operating entities over and above balance required for working capital management are transferred to the Group treasury. Group treasury invests surplus cash in interest bearing current accounts, time deposits, money market deposits and marketable securities, choosing investments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the above-mentioned forecasts. At December 31, 2019 and 2018, the Group held cash and cash equivalents of Ps.27,451,997 and Ps.32,068,291, respectively, and temporary investments of Ps.30,992, in 2018, that are expected to readily generate cash inflows for managing liquidity risk (see Note 6).

The table below analyses the Group's non-derivative and derivative financial liabilities as well as related contractual interest on debt and lease liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. Derivative financial liabilities are included in the analysis if their contractual maturities are essential for an understanding of the timing of the cash flows. The amounts disclosed in the table are the contractual undiscounted cash flows.

At December 31, 2019	Less Than 12 Months January 1, 2020 to December 31, 2020	12-36 Months January 1, 2021 to December 31, 2022	36-60 Months January 1, 2023 to December 31, 2024	Maturities Subsequent to December 31, 2024	Total
Debt [1]	**Ps. 492,489**	**Ps. 8,852,893**	**Ps. 13,500,000**	**Ps. 99,532,910**	**Ps. 122,378,292**
Lease liabilities	**1,257,766**	**2,491,539**	**2,381,812**	**3,232,403**	**9,363,520**
Other notes payable	**1,324,063**	**—**	**—**	**—**	**1,324,063**
Trade and other liabilities	**31,588,449**	**3,426,610**	**1,035,998**	**2,488,379**	**38,539,436**
Interest on debt [2]	**6,565,402**	**16,351,837**	**14,404,394**	**91,956,556**	**129,278,189**
Interest on lease liabilities	**731,591**	**1,417,722**	**984,003**	**755,862**	**3,889,178**
Interest on other notes payable	**5,938**	**—**	**—**	**—**	**5,938**

At December 31, 2018	Less Than 12 Months January 1, 2019 to December 31, 2019	12-36 Months January 1, 2020 to December 31, 2021	36-60 Months January 1, 2022 to December 31, 2023	Maturities Subsequent to December 31, 2023	Total
Debt [1]	Ps. 989,156	Ps. 18,484,978	Ps. 15,360,404	Ps. 88,290,100	Ps. 123,124,638
Lease liabilities	651,832	1,130,429	1,096,006	2,439,677	5,317,944
Other notes payable	1,288,437	1,288,437	—	—	2,576,874
Trade and other liabilities	30,697,162	5,185,357	1,595,863	2,001,185	39,479,567
Interest on debt [2]	7,502,935	15,737,245	12,646,361	82,849,121	118,735,662
Interest on lease liabilities	394,168	592,606	444,736	409,367	1,840,877
Interest on other notes payable	41,562	5,938	—	—	47,500

[1] The amounts of debt are disclosed on a principal amount basis (see Note 14).

[2] Interest to be paid in future years on outstanding debt as of December 31, 2019 and 2018, based on contractual interest rate and exchange rates as of that date.

Capital Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for stockholders and benefits for other stakeholders and to maintain an optimal capital structure in order to minimize the cost of capital.

5. Critical Accounting Estimates and Assumptions

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. By definition, the resulting accounting estimates will seldom equal the related actual results. The estimates and assumptions that have a risk of causing a material adjustment to the carrying amounts of consolidated assets and liabilities within the next financial year are addressed below:

(a) Accounting for Programming

The Group produces a significant portion of programming for initial broadcast over its television networks in Mexico, its primary market. Following the initial broadcast of this programming, the Group then licenses some of this programming for broadcast in secondary markets, such as Mexico, the United States, Latin America, Asia, Europe and Africa. Under IFRS, in order to properly capitalize and subsequently amortize production costs related to this programming, the Group must estimate the expected future benefit period over which a given program will generate revenues (generally, over a five-year period). The Group then amortizes the production costs related to a given program over the expected future benefit period. Under this policy, the Group generally expenses approximately 70% of the production costs related to a given program in its initial broadcast run and defers and expenses the remaining production costs over the remainder of the expected future benefit period (see Note 2 (g)).

The Group estimates the expected future benefit periods based on past historical revenue patterns and usage for similar types of programming and any potential future events, such as new outlets through which the Group can exploit or distribute its programming, including its consolidated subsidiaries and equity investees. To the extent that a given future expected benefit period is shorter than the estimate, the Group may have to accelerate capitalized production costs sooner than anticipated. Conversely, to the extent that a given future expected benefit period is longer than the estimate, the Group may have to extend the amortization schedule for the

remaining capitalized production costs.

The Group also enters into license arrangements with various third party programming producers and providers, pursuant to which it receives the rights to broadcast programming produced by third parties over its television networks in Mexico. For programming licensed from third parties, the Group estimates the expected future benefit period based upon the term of the license. In addition, the Group may purchase programming from third parties, from time to time. In this case, the Group estimates the expected future benefit period based on the anticipated number of showings in Mexico. To the extent that a given future expected benefit period is shorter than the estimate, the Group may have to accelerate the amortization of the purchase price or the license fee sooner than anticipated. Conversely, to the extent that a given future expected benefit period is longer than the estimate, the Group may have to extend the amortization schedule for the remaining portion of the purchase price or the license fee.

Assuming a hypothetical 10% decrease in expected future revenue from the Group's programming as of December 31, 2019, the balance of such programming would decrease in the amount of Ps.418,525, with a corresponding increase in programming amortization expense.

(b) Goodwill and Other Indefinite-lived Intangible Assets

Goodwill and other intangible assets with indefinite useful lives are reviewed for impairment at least annually. When an impairment test is performed, the recoverable amount is assessed by reference to the higher of the net present value of the expected future cash flows (value in use) of the relevant CGU and the fair value less cost to sell.

The recoverable amount of CGUs has been determined based on the higher of value in use and fair value less costs to disposal calculations. These calculations require the use of estimates, these estimates and assumptions include management's expectations of future revenue growth, operating costs, profit margins and operating cash flows for each CGU, long-term growth rates and discount rates based on weighted average cost of capital, among others.

During 2019 and 2018, the Group recorded impairment adjustments for other indefinite-lived intangible assets (trademarks) related to its Publishing business. See Note 2 (b) and (l) for disclosure regarding concession intangible assets.

(c) Long-lived Assets

The Group presents certain long-lived assets other than goodwill and indefinite-lived intangible assets in its consolidated statement of financial position. Long-lived assets are tested for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may no longer be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Recoverability is analyzed based on projected cash flows. Estimates of future cash flows involve considerable management judgment. These estimates are based on historical data, future revenue growth, anticipated market conditions, management plans, and assumptions regarding projected rates of inflation and currency fluctuations, among other factors. If these assumptions are not correct, the Group would have to recognize a write-off or write-down or accelerate the amortization schedule related to the carrying value of these assets (see Notes 2 (m), 13 and 22). The Group has not recorded any significant impairment charges during any of the years presented herein.

(d) Deferred Income Taxes

The Group records its deferred tax assets based on the likelihood that these assets are realized in the future. This likelihood is assessed by taking into consideration the future taxable income. In the event the Group were to determine that it would be able to realize its deferred tax assets in the future in excess of the net recorded amount, an adjustment to the deferred tax asset would increase income in the period such determination was made. Should the Group determine that it would not be able to realize all or part of its net deferred tax asset in the future, an adjustment to the deferred tax asset would be charged to income in the period such determination was made.

(e) Financial Assets Measured at Fair Value

The Group has a significant amount of financial assets that are measured at fair value on a recurring basis. The degree of management's judgment involved in determining the fair value of a financial asset varies depending upon the availability of quoted market prices. When observable quoted market prices exist, that is the fair value estimate the Group uses. To the extent such quoted market prices do not exist, management uses other means to determine fair value (see Notes 4 and 15).

(f) Warrants issued by UHI

The Company's management applied significant judgment to determine the classification of the warrants issued by UHI. These warrants did not comply with the definition of a derivative financial instrument because the initial investment that the Group paid to acquire the original instrument (Convertible Debentures) was significant and a derivative requires no initial investment or one that is smaller than would be required for a contract with similar response to changes in market factors; therefore, the Group classified the warrants issued by UHI as equity instrument with changes in fair value recognized in other comprehensive income or loss in consolidated equity. Significant judgment was applied by the Company's management in assessing that the characteristics of the warrants issued by UHI are closer to an equity instrument in accordance with the IAS 32 *Financial Instruments: Presentation* and IFRS 9 (see Notes 3, 9, 10 and 15).

6. Cash and Cash Equivalents and Temporary Investments

Cash and cash equivalents as of December 31, 2019 and 2018, consisted of:

		2019		2018
Cash and bank accounts	**Ps.**	**1,758,262**	Ps.	1,961,106
Short-term investments [(1)]		**25,693,735**		30,107,185
Total cash and cash equivalents	**Ps.**	**27,451,997**	Ps.	32,068,291

(1) Highly-liquid investments with an original maturity of three months or less at the date of acquisition.

Temporary investments as of December 31, 2019 and 2018, consisted of:

	2019	2018
Short-term investments (2)	**Ps.** —	Ps. 27,988
Current maturities of non-current financial assets	—	3,004
Total temporary investments	**Ps.** —	Ps. 30,992

(2) Short-term investments with a maturity of over three months and up to one year at the date of acquisition.

7. Trade Notes and Accounts Receivable, Net

Trade notes and accounts receivable, net as of December 31, 2019 and 2018, consisted of:

		2019		2018
Non-interest bearing notes received from customers as deposits and advances mainly in connection with annual ("upfront basis") and from time to time ("scatter basis") prepayments (see Note 2 (p))	**Ps.**	**4,188,293**	Ps.	12,676,363
Trade accounts receivable		**15,144,534**		11,451,803
Loss allowance		**(4,846,643)**		(4,379,316)
	Ps.	**14,486,184**	Ps.	19,748,850

As of December 31, 2019 and 2018, the aging analysis of the trade notes and accounts receivable that were past due is as follows:

		2019		2018
1 to 90 days	**Ps.**	**4,180,830**	Ps.	4,104,913
91 to 180 days		**1,182,634**		1,291,493
More than 180 days		**4,706,908**		4,638,228

The carrying amounts of the Group's trade notes and account receivables denominated in other than peso currencies are as follows:

		2019		2018
U.S. dollar	**Ps.**	**3,610,639**	Ps.	2,829,234
Other currencies		**45,114**		107,510
At December 31	**Ps.**	**3,655,753**	Ps.	2,936,744

Movements on the Group for loss allowance of trade notes and account receivables are as follows:

		2019		2018
At January 1	**Ps.**	**(4,379,316)**	Ps.	(3,657,079)
Impairment provision		**(1,549,801)**		(1,402,555)
Initial adoption of IFRS 9 (see Note 28)		**—**		(281,594)
Write-off of receivables		**996,185**		961,912
Reclassification to current assets to held for sale		**86,289**		**—**
At December 31	**Ps.**	**(4,846,643)**	Ps.	(4,379,316)

The maximum exposure to credit risk of the trade notes and accounts receivable as of December 31, 2019 and 2018 is the carrying value of each class of receivables mentioned above.

8. Transmission Rights and Programming

At December 31, 2019 and 2018, transmission rights and programming consisted of:

		2019		2018
Transmission rights	**Ps.**	**8,671,434**	Ps.	10,292,207
Programming		**5,709,414**		6,723,331
		14,380,848		17,015,538
Non-current portion of:				
Transmission rights		**4,630,513**		5,903,917
Programming		**3,271,077**		3,325,898
		7,901,590		9,229,815
Current portion of transmission rights and programming	**Ps.**	**6,479,258**	Ps.	7,785,723

Transmission rights and programming charged to consolidated cost of sales for the years ended December 31, 2019, 2018 and 2017, amounted to Ps.14,515,285, Ps.18,009,554 and Ps.15,296,563, respectively (see Note 21).

9. Investments in Financial Instruments

At December 31, 2019 and 2018, the Group had the following investments in financial instruments:

	2019	2018
Equity instruments measured at FVOCIL:		
Warrants issued by UHI [1]	**Ps. 33,775,451**	Ps. 34,921,530
Open Ended Fund [2]	**4,688,202**	7,662,726
Other equity instruments [3]	**5,751,001**	6,545,625
Other financial assets [4]	**—**	72,612
	44,214,654	49,202,493
Other	**51,245**	937
	Ps. 44,265,899	Ps. 49,203,430

(1) Investment in warrants issued by UHI that are exercisable for UHI's common stock, in whole or in part, at an exercise price of U.S.$0.01 per warrant share. The warrants do not entitle the holder to any voting rights or other rights as a stockholder of UHI. The warrants shall expire and no longer be exercisable after the tenth anniversary of the date of issuance (the "Expiration Date"); provided, however, the Expiration Date shall automatically be extended for nine successive ten-year periods unless the Group provides written notice to UHI of its election not to so extend the Expiration Date. The warrants do not bear interest. As of December 31, 2019 and 2018, the number of warrants owned by the Group amounted to 4,590,953, which upon their exercise and together with the current investment in shares of UHI, would represent approximately 36% on a fully-diluted, as-converted basis of the equity capital in UHI. The carrying amount of these warrants includes the original value of U.S.$1,063.1 million invested by the Group in December 2010 in the form of Convertible Debentures issued by UHI that were then exchanged for these warrants in July 2015. The fair value of these warrants at the date of exchange was U.S.$1,843.6 million (Ps.28,886,903). In January 2017, in a Declaratory Ruling, the U.S. Federal Communications Commission ("FCC") approved an increase in the authorized aggregate foreign ownership of UHI's issued and outstanding shares of common stock from 25% to 49%, and authorized the Group to hold up to 40% of the voting interest and 49% of the equity interest of UHI. Through December 31, 2017, these warrants were classified as available-for-sale financial assets with changes in fair value recognized in accumulated other comprehensive income or loss in consolidated equity. Beginning on January 1, 2018, in connection with the adoption of IFRS 9, which became effective on that date, these warrants are classified as equity instruments (financial assets) and measured at FVOCIL recognized in consolidated equity (see Notes 2 (i), 10 and 15).

(2) The Group has an investment in an Open Ended Fund that has as a primary objective to achieve capital appreciation by using a broad range of strategies through investments in securities, including without limitation stock, debt and other financial instruments, a principal portion of which are considered as Level 1 financial instruments, in telecom, media and other sectors across global markets, including Latin America and other emerging markets. Shares may be redeemed on a quarterly basis at the Net Asset Value ("NAV") per share as of such redemption date. The fair value of this fund is determined by using the NAV per share. The NAV per share is calculated by determining the value of the fund assets, all of which are measured at fair value, and subtracting all of the fund liabilities and dividing the result by the total number of issued shares. Beginning on January 1, 2018, in connection with the adoption of IFRS 9, which became effective on that date, this Open Ended Fund is classified as an equity instrument measured at FVOCIL in consolidated equity (see Note 2 (i)). In July and November 2019, the Company redeemed a portion of its investment in Open Ended Fund at the aggregate fair value amount of U.S.$121.6 million (Ps.2,301,682) and recognized cash proceeds from this redemption for such aggregate amount (see Note 2 (i)).

(3) Other financial assets include equity instruments (publicly traded instruments) and the fair value is based on quoted market prices. In connection with these equity instruments, for which an irrevocable election was made by the Group under the guidelines of IFRS 9 to recognize any changes in fair value in other comprehensive income or loss in consolidated equity (see Notes 2 and 28).

(4) In 2018, the Company invested in corporate fixed income securities with long-term maturities, which were classified as other financial assets with changes in fair value in other comprehensive income or loss in consolidated equity, in accordance with the Group's business model to manage these financial instruments and their contractual cash flows characteristics.

A roll forward of investments in financial assets at FVOCIL for the years ended December 31, 2019 and 2018 is presented as follows:

	Warrants Issued by UHI	Open Ended Fund	Other Equity Instruments	Other Financial Assets	Total
At January 1, 2019	**Ps. 34,921,530**	**Ps. 7,662,726**	**Ps. 6,545,625**	**Ps. 72,612**	**Ps. 49,202,493**
Disposition of investments	**—**	**(2,331,785)**	**—**	**(72,723)**	**(2,404,508)**
Change in fair value in other comprehensive income (1)	**(1,146,079)**	**(642,739)**	**(794,624)**	**111**	**(2,583,331)**
At December 31, 2019	**Ps. 33,775,451**	**Ps. 4,688,202**	**Ps. 5,751,001**	**Ps. —**	**Ps. 44,214,654**

	Warrants Issued by UHI	Open Ended Fund	Other Equity Instruments	Other Financial Assets	Total
At January 1, 2018	Ps. 36,395,183	Ps. 7,297,577	Ps. 5,942,500	Ps. —	Ps. 49,635,260
Investments	—	—	—	72,723	72,723
Disposition of investments	—	(167,934)	(641)	—	(168,575)
Change in fair value in other comprehensive income (1)	(1,473,653)	533,083	603,766	(111)	(336,915)
At December 31, 2018	Ps. 34,921,530	Ps. 7,662,726	Ps. 6,545,625	Ps. 72,612	Ps. 49,202,493

(1) The foreign exchange loss in 2019 derived from the hedged warrants issued by UHI and the investment in Open Ended Fund was hedged by foreign exchange gain in the consolidated statement of income for the year ended December 31, 2019, in the amount of Ps.1,403,384 and Ps.289,298, respectively. The foreign exchange loss or gain in 2018 derived from the hedged warrants issued by UHI and the investment in Open Ended Fund was hedged by foreign exchange gain (loss) in the consolidated statement of income for the year ended December 31, 2018 in the amount of Ps.125,955 and Ps.(317,126), respectively (see Notes 14 and 23).

The maximum exposure to credit risk of the investments in financial instruments as of December 31, 2019 and 2018 is the carrying value of the financial assets mentioned above.

10. Investments in Associates and Joint Ventures

At December 31, 2019 and 2018, the Group had the following investments in associates and joint ventures accounted for by the equity method:

	Ownership as of December 31, 2019	2019	2018
Associates:			
UHI [1]	**10.0%**	**Ps. 8,189,662**	Ps. 8,285,286
OCEN and subsidiaries [2]	**—**	**—**	1,385,622
Other		**115,161**	111,603
Joint ventures:			
Grupo de Telecomunicaciones de Alta Capacidad, S.A.P.I. de C.V. and subsidiaries ("GTAC") [3]	**33.3%**	**567,165**	568,327
Periódico Digital Sendero, S.A.P.I. de C.V. and subsidiary (collectively, "PDS")[4]	**50.0%**	**196,474**	195,890
		Ps. 9,068,462	Ps. 10,546,728

(1) The Group accounts for its investment in common stock of UHI, the parent company of Univision, under the equity method due to the Group's ability to exercise significant influence, as defined under IFRS Standards, over UHI's operations. The Group has the ability to exercise significant influence over the operating and financial policies of UHI because: (i) it owns 1,110,382 Class "C" shares of common stock of UHI, representing approximately 10% of the outstanding total shares of UHI as of December 31, 2019 and 2018, and 4,590,953 warrants issued by UHI that upon their exercise would represent approximately 36% of the equity capital of UHI on a fully-diluted, as-converted basis, subject to certain conditions, laws and regulations; (ii) as of December 31, 2019 and 2018, it has three officers and one director of the Company designated as members of the Board of Directors of UHI, which is composed of 19 directors of 22 available Board seats; (iii) it is a party to a Program Licensing Agreement or "PLA," as amended, with Univision, and indirect wholly-owned subsidiary of UHI, pursuant to which Univision has the right to broadcast certain Televisa content in the United States, and to another program license agreement pursuant to which the Group has the right to broadcast certain Univision's content in Mexico, in each case through 7.5 years after the Group has voluntarily sold two-thirds of its initial investment in UHI made in December 2010. On February 25, 2020, UHI, Searchlight Capital Partners, LP ("Searchlight"), a global private investment firm, and ForgeLight LLC ("ForgeLight"), an operating and investment company focused on the media and consumer technology sectors, announced a definitive agreement in which Searchlight and ForgeLight will acquire a majority ownership interest in UHI from all stockholders of UHI other than the Group. Terms of the transaction were not disclosed. The Group has elected to retain its approximately 36% stake in UHI's equity capital on a fully-diluted, as-converted basis. Under the terms of the acquisition, Searchlight and ForgeLight will purchase the remaining 64% ownership interest from the other stockholders of UHI. The transaction, which is subject to customary closing conditions including receipt of regulatory approvals, is expected to close later in 2020 (see Notes 9, 15, 20 and 23).

(2) OCEN is a majority-owned subsidiary of CIE, and is engaged in the live entertainment business in Mexico, Central America and Colombia. In July 2019, the Group announced the sale of its 40% equity interest in OCEN to Live Nation Entertainment, Inc., and classified this non-current investment as current assets held for sale. As a result, the Group discontinued the use of the equity method to account for the investment in this associate beginning on August 1, 2019. In 2019, the stockholders of OCEN approved the payment of dividends in the aggregate amount of Ps.1,931,000, of which Ps.772,400 were paid to the Group, as well as a capital reduction in the amount of Ps.200,466, of which Ps.80,186 were paid to the Group. In 2018, the stockholders of OCEN did not pay any dividends. In 2017, the stockholders of OCEN approved the payment of a dividend in the amount of Ps.340,000, of which Ps.136,000 were paid to the Group (see Notes 3 and 20).

(3) GTAC was granted a 20-year contract for the lease of a pair of dark fiber wires held by the Mexican Federal Electricity Commission and a concession to operate a public telecommunications network in Mexico with an expiration date in 2030. GTAC is a joint venture in which a subsidiary of the Company, a subsidiary of Grupo de Telecomunicaciones Mexicanas, S.A. de C.V. and a subsidiary of Megacable, S.A. de C.V. have an equal equity participation of 33.3%. In June 2010, a subsidiary of the Company entered into a long-term credit facility agreement to provide financing to GTAC for up to Ps.688,217, with an annual interest rate of the Mexican Interbank Interest Rate ("Tasa de Interés Interbancaria de Equilibrio" or "TIIE") plus 200 basis points. Under the terms of this agreement, principal and interest are payable at dates agreed by the parties, between 2013 and 2021. As of December 31, 2019 and 2018, GTAC had used a principal amount of Ps.688,183, under this credit facility. During the year ended December 31, 2019, GTAC paid principal and interest to the Group in connection with this credit facility in the aggregate amount of Ps.114,574. During the year ended December 31, 2018, GTAC paid principal and interest to the Group in connection with this credit facility in the aggregate amount of Ps.112,293. Also, a subsidiary of the Company entered into supplementary long-term loans to provide additional financing to GTAC for an aggregate principal amount of Ps.813,201, with an annual interest of TIIE plus 200 basis points computed on a monthly basis and payable on an annual basis or at dates agreed by the parties. Under the terms of these supplementary loans, principal amounts can be prepaid at dates agreed by the parties before their maturities between 2023 and 2029. During 2019, GTAC paid principal and interest to the Group in connection with these supplementary loans in the aggregate amount of Ps.86,321. During 2018, GTAC paid principal and interest to the Group in connection with these supplementary loans in the aggregate amount of Ps.139,541. The net investment in GTAC as of December 31, 2019 and 2018, included amounts receivable in connection with this long-term credit facility and supplementary loans to GTAC in the aggregate amount of Ps.872,317 and Ps.817,605, respectively. These amounts receivable are in substance a part of the Group's net investment in this investee (see Note 15).

(4) The Group accounts for its investment in PDS under the equity method, due to its 50% interest in this joint venture. In September 2017, PDS acquired substantially all of the equity interest in Now New Media, S.A.P.I. de C.V., an online news website in Mexico City, in the aggregate amount of Ps.81,749. As of December 31, 2019 and 2018, the Group's investment in PDS included intangible assets and goodwill in the aggregate amount of Ps.113,837 (see Note 3).

A roll forward of investments in associates and joint ventures for the years ended December 31, 2019 and 2018, is presented as follows:

	2019	2018
At January 1	Ps. **10,546,728**	Ps. 14,110,752
Share of income of associates and joint ventures, net	**581,023**	532,933
Dividends from OCEN	**(772,400)**	—
Long-term loans granted to GTAC, net	**172,223**	58,243
Foreign currency translation adjustments	**(337,742)**	(71,650)
GTAC payments of principal and interest	**(200,895)**	(251,834)
Capital stock reduction in OCEN	**(80,186)**	—
Reclassification of OCEN investment to current assets held for sale	**(693,970)**	—
Disposition of Imagina	**—**	(3,773,762)
Disposition of The Second Screen	—	(51,413)
Other	**(146,319)**	(6,541)
At December 31	**Ps. 9,068,462**	Ps. 10,546,728

Combined condensed balance sheet information related to the Group's share in associates and joint ventures as of December 31, 2019 and 2018, including adjustments made by the Group when using the equity method, such as fair value adjustments made at the time of acquisition, is set forth below:

	2019	2018
Current assets	Ps. **3,250,162**	Ps. 4,916,041
Non-current assets	**23,785,783**	25,818,848
Total assets	**27,035,945**	30,734,889
Current liabilities	**1,063,128**	2,157,473
Non-current liabilities	**17,014,528**	17,779,961
Total liabilities	**18,077,656**	19,937,434
Total net assets	**Ps. 8,958,289**	Ps. 10,797,455

The Group recognized its share of comprehensive income (loss) of associates and joint ventures for the years ended December 31, 2019, 2018 and 2017, as follows:

	2019	2018	2017
Share of income of associates and joint ventures, net	Ps. 581,023	Ps. 532,933	Ps. 1,913,273
Share of other comprehensive (loss) income of associates and joint ventures:			
Foreign currency translation adjustments, net	**(2,941)**	2,987	(9,587)
Other items of comprehensive loss, net	**(233,218)**	(50,300)	(50,753)
	(236,159)	(47,313)	(60,340)
Share of comprehensive income of associates and joint ventures	**Ps. 344,864**	Ps. 485,620	Ps. 1,852,933

11. Property, Plant and Equipment, Net

The analysis of the changes in property, plant and equipment is as follows:

	Buildings and Land	Technical Equipment	Satellite Transponders	Furniture and Fixtures	Transportation Equipment	Computer Equipment	Leasehold Improvements	Construction in Progress	Total
Cost:									
January 1, 2018	Ps. 14,433,129	Ps. 117,466,054	Ps. 10,301,713	Ps. 1,121,639	Ps. 2,830,108	Ps. 7,665,913	Ps. 2,747,307	Ps. 13,485,066	Ps. 170,050,929
Additions	42,118	12,171,500	—	50,689	104,310	506,628	33,034	5,800,212	18,708,491
Acquisition of Axtel	—	2,053,153	—	—	76,955	—	—	—	2,130,108
Retirements	(5,239)	(3,617,769)	—	(22,594)	(89,465)	(120,959)	(103)	(55,806)	(3,911,935)
Transfers to intangibles assets	—	—	—	—	—	—	—	(702,562)	(702,562)
Transfers and reclassifications	171,395	5,216,887	—	55,111	164,128	799,126	436,674	(6,843,321)	—
Effect of translation	(5,799)	(118,638)	—	(903)	(274)	(2,253)	(1,673)	(409)	(129,949)
December 31, 2018	14,635,604	133,171,187	10,301,713	1,203,942	3,085,762	8,848,455	3,215,239	11,683,180	186,145,082
Additions	25,132	11,152,691	—	55,434	74,684	199,749	37,213	7,563,381	19,108,284
Dismantling cost	—	797,176	—	—	—	—	—	—	797,176
Retirements and reclassifications to other accounts	(266,687)	(2,332,091)	—	(163,756)	(199,494)	(965,029)	(36,943)	(1,967,705)	(5,931,705)
Transfers to right-of-use assets	—	(1,896,682)	(4,275,619)	—	—	—	—	—	(6,172,301)
Transfers to intangibles assets	—	—	—	—	—	—	—	(1,487,056)	(1,487,056)
Transfers and reclassifications	94,791	1,188,429	—	64,380	39,724	470,161	220,219	(2,077,704)	—
Effect of translation	20,366	(114,068)	—	(1,255)	(354)	(5,071)	(1,354)	272	(101,464)
December 31, 2019	Ps. **14,509,206**	Ps. **141,966,642**	Ps. **6,026,094**	Ps. **1,158,745**	Ps. **3,000,322**	Ps. **8,548,265**	Ps. **3,434,374**	Ps. **13,714,368**	Ps. **192,358,016**
Depreciation:									

January 1, 2018	Ps. **(4,694,867)**	Ps. (66,035,021)	Ps. (4,620,294)	Ps. (558,497)	Ps. (1,473,149)	Ps. (5,206,124)	Ps. (1,743,167)	Ps. —	Ps. (84,331,119)
Depreciation of the year	(272,593)	(14,593,244)	(567,455)	(110,137)	(281,662)	(1,074,707)	(334,745)	—	(17,234,543)
Retirements	27,005	2,440,505	—	19,525	77,621	112,719	103	—	2,677,478
Reclassifications	—	19	—	—	26,270	(26,289)	—	—	—
Effect of translation	1,259	79,463	—	845	252	2,152	1,661	—	85,632
December 31, 2018	(4,939,196)	(78,108,278)	(5,187,749)	(648,264)	(1,650,668)	(6,192,249)	(2,076,148)	—	(98,802,552)
Depreciation of the year	(239,066)	(15,272,635)	(282,414)	(114,382)	(309,376)	(956,985)	(262,942)	—	(17,437,800)
Retirements	102,538	2,955,945	—	157,477	153,235	941,061	27,925	—	4,338,181
Transfers to right-of-use assets	—	987,924	1,781,508	—	—	—	—	—	2,769,432
Reclassifications	—	27,103	—	—	1,481	(28,584)	—	—	—
Effect of translation	3,648	92,902	—	1,210	324	4,534	1,337	—	103,955
December 31, 2019	Ps. **(5,072,076)**	**Ps. (89,317,039)**	Ps. **(3,688,655)**	Ps. **(603,959)**	Ps. **(1,805,004)**	Ps. **(6,232,223)**	**Ps. (2,309,828)**	**Ps. —**	**Ps.(109,028,784)**
Carrying value:									
At January 1, 2018	Ps. 9,738,262	Ps. 51,431,033	Ps. 5,681,419	Ps. 563,142	Ps. 1,356,959	Ps. 2,459,789	Ps. 1,004,140	Ps. 13,485,066	Ps. 85,719,810
At December 31, 2018	Ps. 9,696,408	Ps. 55,062,909	Ps. 5,113,964	Ps. 555,678	Ps. 1,435,094	Ps. 2,656,206	Ps. 1,139,091	Ps. 11,683,180	Ps. 87,342,530
At December 31, 2019	**Ps. 9,437,130**	**Ps. 52,649,603**	**Ps. 2,337,439**	**Ps. 554,786**	**Ps. 1,195,318**	**Ps. 2,316,042**	**Ps. 1,124,546**	**Ps. 13,714,368**	**Ps. 83,329,232**

Depreciation charges are presented in Note 21.

Property, plant and equipment include the following technical equipment leased to subscribers in the Cable and Sky segments as of December 31:

	2019	2018
Subscriber leased set-top equipment	Ps. **34,923,489**	Ps. 31,021,716
Accumulated depreciation	**(22,269,138)**	(18,130,189)
	Ps. 12,654,351	Ps. 12,891,527

12. Right-of-use assets, net

The analysis of the changes of right-of-use assets, net is as follows:

	Buildings	Satellite Transponders	Technical Equipment	Others	Total
Cost:					
January 1, 2019	Ps. 4,758,787	Ps. 4,275,619	Ps. 1,896,682	Ps. 38,525	Ps. 10,969,613
Additions	480,222	—	82,568	25,263	588,053
Retirements	(153,888)	—	(290,421)	(5,767)	(450,076)
Effect of translation	121	—	—	—	121
December 31, 2019	**Ps. 5,085,242**	**Ps. 4,275,619**	**Ps. 1,688,829**	**Ps. 58,021**	**Ps. 11,107,711**
Depreciation:					
January 1, 2019	Ps. —	Ps. (1,781,508)	Ps. (987,924)	Ps. —	Ps. (2,769,432)
Depreciation of the year	(618,374)	(285,041)	(134,775)	(32,160)	(1,070,350)
Retirements	9,714	—	275,262	—	284,976
Effect of translation	147	—	—	—	147
December 31, 2019	**Ps. (608,513)**	**Ps. (2,066,549)**	**Ps. (847,437)**	**Ps. (32,160)**	**Ps. (3,554,659)**
Carrying value:					
At January 1, 2019	Ps. 4,758,787	Ps. 2,494,111	Ps. 908,758	Ps. 38,525	Ps. 8,200,181
At December 31, 2019	**Ps. 4,476,729**	**Ps. 2,209,070**	**Ps. 841,392**	**Ps. 25,861**	**Ps. 7,553,052**

Depreciation charges are presented in Note 21.

13. Intangible Assets and Goodwill, Net

As of December 31, 2019 and 2018, intangible assets and goodwill are summarized as follows:

	2019			2018		
	Cost	Accumulated Amortization	Carrying Value	Cost	Accumulated Amortization	Carrying Value
Intangible assets and goodwill with indefinite useful lives:						
Trademarks	**Ps. 175,444**	**Ps. —**	**Ps. 175,444**	Ps. 479,409	Ps. —	Ps. 479,409
Concessions	**15,166,067**	**—**	**15,166,067**	15,166,067	—	15,166,067
Goodwill	**14,113,626**	**—**	**14,113,626**	14,113,626	—	14,113,626
	29,455,137	**—**	**29,455,137**	29,759,102	—	29,759,102
Intangible assets with finite useful lives:						
Trademarks	**2,127,697**	**(1,899,187)**	**228,510**	1,891,306	(1,569,786)	321,520
Concessions	**553,505**	**(332,103)**	**221,402**	553,505	(221,402)	332,103
Licenses	**10,858,388**	**(6,843,169)**	**4,015,219**	9,065,582	(5,934,647)	3,130,935
Subscriber lists	**8,782,852**	**(6,632,419)**	**2,150,433**	8,785,423	(6,108,251)	2,677,172
Payments for renewal of concessions	**5,821,828**	**—**	**5,821,828**	5,993,891	(15,454)	5,978,437
Other intangible assets	**5,198,960**	**(3,762,535)**	**1,436,425**	4,099,750	(3,235,503)	864,247
	33,343,230	**(19,469,413)**	**13,873,817**	30,389,457	(17,085,043)	13,304,414
	Ps. 62,798,367	**Ps. (19,469,413)**	**Ps. 43,328,954**	Ps. 60,148,559	Ps. (17,085,043)	Ps. 43,063,516

Changes in intangible assets and goodwill with indefinite useful lives in 2019 and 2018, were as follows:

	2019			
	Trademarks	Concessions	Goodwill	Total
Cost:				

Balance at beginning of period	**Ps.**	**479,409**	**Ps.**	**15,166,067**	**Ps.**	**14,113,626**	**Ps.**	**29,759,102**
Impairment adjustments		**(67,574)**		**—**		**—**		**(67,574)**
Transfers and reclassifications		**(236,391)**		**—**		**—**		**(236,391)**
Balance at end of period	**Ps.**	**175,444**	**Ps.**	**15,166,067**	**Ps.**	**14,113,626**	**Ps.**	**29,455,137**

	2018			
	Trademarks	Concessions	Goodwill	Total
Cost:				
Balance at beginning of period	Ps. 615,147	Ps. 15,166,067	Ps. 14,112,626	Ps. 29,893,840
Additions	—	—	1,000	1,000
Impairment adjustments	(135,750)	—	—	(135,750)
Effect of translation	12	—	—	12
Balance at end of period	Ps. 479,409	Ps. 15,166,067	Ps. 14,113,626	Ps. 29,759,102

Changes in intangible assets with finite useful lives in 2019 and 2018, were as follows:

	2019						
	Trademarks	Concessions	Licenses	Subscriber Lists	Payments for Renewal of Concessions	Other Intangible Assets	Total
Cost:							
Balance at beginning of period	**Ps. 1,891,306**	**Ps. 553,505**	**Ps. 9,065,582**	**Ps. 8,785,423**	**Ps. 5,993,891**	**Ps. 4,099,750**	**Ps. 30,389,457**
Additions	**—**	**—**	**913,108**	**—**	**67,285**	**1,126,357**	**2,106,750**
Transfers from property, plant and equipment	**—**	**—**	**1,487,056**	**—**	**—**	**—**	**1,487,056**
Retirements	**—**	**—**	**(526,166)**	**—**	**(239,348)**	**(90,324)**	**(855,838)**
Transfers and reclassifications	**236,391**	**—**	**(68,641)**	**1,162**	**—**	**67,479**	**236,391**
Effect of translation	**—**	**—**	**(12,551)**	**(3,733)**	**—**	**(4,302)**	**(20,586)**
Balance at end of period	**2,127,697**	**553,505**	**10,858,388**	**8,782,852**	**5,821,828**	**5,198,960**	**33,343,230**
Amortization:							
Balance at beginning of period	**(1,569,786)**	**(221,402)**	**(5,934,647)**	**(6,108,251)**	**(15,454)**	**(3,235,503)**	**(17,085,043)**
Amortization of the year	**(329,401)**	**(110,701)**	**(1,490,841)**	**(530,013)**	**(7,773)**	**(31,917)**	**(2,500,646)**
Other amortization of the year [1]	**—**	**—**	**—**	**—**	**—**	**(531,426)**	**(531,426)**
Retirements	**—**	**—**	**529,403**	**—**	**23,227**	**79,108**	**631,738**
Reclassifications	**—**	**—**	**44,824**	**2,112**	**—**	**(46,936)**	**—**
Effect of translation	**—**	**—**	**8,092**	**3,733**	**—**	**4,139**	**15,964**
Balance at end of period	**(1,899,187)**	**(332,103)**	**(6,843,169)**	**(6,632,419)**	**—**	**(3,762,535)**	**(19,469,413)**
	Ps. 228,510	**Ps. 221,402**	**Ps. 4,015,219**	**Ps. 2,150,433**	**Ps. 5,821,828**	**Ps. 1,436,425**	**Ps. 13,873,817**

	2018						
	Trademarks	Concessions	Licenses	Subscriber Lists	Payments for Renewal of Concessions	Other Intangible Assets	Total
Cost:							
Balance at beginning of period	Ps. 1,891,306	Ps. 553,505	Ps. 7,470,669	Ps. 6,203,875	Ps. 244,692	Ps. 3,696,000	Ps. 20,060,047
Additions	—	—	895,187	—	5,754,543	428,448	7,078,178
Transfers from property, plant and equipment	—	—	702,562	—	—	—	702,562
Acquisition of Axtel	—	—	—	2,581,713	—	—	2,581,713
Retirements	—	—	(2,625)	—	(5,344)	(24,563)	(32,532)
Effect of translation	—	—	(211)	(165)	—	(135)	(511)
Balance at end of period	1,891,306	553,505	9,065,582	8,785,423	5,993,891	4,099,750	30,389,457
Amortization:							
Balance at beginning of period	(1,096,959)	(110,701)	(4,672,961)	(5,404,722)	(7,703)	(2,774,407)	(14,067,453)
Amortization of the year	(472,827)	(110,701)	(1,264,172)	(703,694)	(8,140)	(40,125)	(2,599,659)
Other amortization of the year [1]	—	—	—	—	—	(444,679)	(444,679)
Retirements	—	—	2,320	—	389	23,365	26,074
Effect of translation	—	—	166	165	—	343	674
Balance at end of period	(1,569,786)	(221,402)	(5,934,647)	(6,108,251)	(15,454)	(3,235,503)	(17,085,043)
	Ps. 321,520	Ps. 332,103	Ps. 3,130,935	Ps. 2,677,172	Ps. 5,978,437	Ps. 864,247	Ps. 13,304,414

[1] Other amortization of the year relates primarily to amortization of soccer player rights, which is included in consolidated cost of sales.

All of the amortization charges are presented in Note 21.

The changes in the net carrying amount of goodwill, indefinite-lived trademarks and concessions for the year ended December 31, 2019 and 2018, were as follows:

	Balance as of January 1, 2019	Acquisitions	Retirements	Foreign Currency Translation Adjustments	Impairment Adjustments	Transfers	Balance as of December 31, 2019
Goodwill:							
Cable	Ps. 13,794,684	Ps. —	Ps. —	Ps. —	Ps. —	Ps. —	**Ps. 13,794,684**
Content	241,973	—	—	—	—	—	**241,973**
Other Businesses	76,969	—	—	—	—	—	**76,969**
	Ps. 14,113,626	Ps. —	Ps. —	Ps. —	Ps. —	Ps. —	**Ps. 14,113,626**
Indefinite-lived trademarks (see Note 3):							
Cable	Ps. 368,603	Ps. —	Ps. —	Ps. —	Ps. —	Ps. (236,391)	**Ps. 132,212**
Other Businesses	110,806	—	—	—	(67,574)	—	**43,232**
	Ps. 479,409	Ps. —	Ps. —	Ps. —	Ps. (67,574)	Ps. (236,391)	**Ps. 175,444**
Indefinite-lived concessions (see Note 3):							
Cable	Ps. 15,070,025	Ps. —	Ps. —	Ps. —	Ps. —	Ps. —	**Ps. 15,070,025**
Sky	96,042	—	—	—	—	—	**96,042**
	Ps. 15,166,067	Ps. —	Ps. —	Ps. —	Ps. —	Ps. —	**Ps. 15,166,067**

	Balance as of January 1, 2018	Acquisitions	Retirements	Foreign Currency Translation Adjustments	Impairment Adjustments	Transfers	Balance as of December 31, 2018
Goodwill:							
Cable	Ps. 13,793,684	Ps. 1,000	Ps. —	Ps. —	Ps. —	Ps. —	Ps. 13,794,684
Content	241,973	—	—	—	—	—	241,973
Other Businesses	76,969	—	—	—	—	—	76,969
	Ps. 14,112,626	Ps. 1,000	Ps. —	Ps. —	Ps. —	Ps. —	Ps. 14,113,626
Indefinite-lived trademarks (see Note 3):							
Cable	Ps. 368,603	Ps. —	Ps. —	Ps. —	Ps. —	Ps. —	Ps. 368,603
Other Businesses	246,544	—	—	12	(135,750)	—	110,806
	Ps. 615,147	Ps. —	Ps. —	Ps. 12	Ps. (135,750)	Ps. —	Ps. 479,409
Indefinite-lived concessions (see Note 3):							
Cable	Ps. 15,070,025	Ps. —	Ps. —	Ps. —	Ps. —	Ps. —	Ps. 15,070,025
Sky	96,042	—	—	—	—	—	96,042
	Ps. 15,166,067	Ps. —	Ps. —	Ps. —	Ps. —	Ps. —	Ps. 15,166,067

During the second half of 2019 and 2018, the Group monitored the market associated with its Publishing business, which is classified into the Other Businesses segment, which has experienced a general slow-down in Latin America. Accordingly, the Group reduced its cash flow expectations for some of its foreign operations. As a result, the Group compared the fair value of the intangible assets in the reporting units with the related carrying value and recorded an aggregate impairment charge in connection with trademarks of Ps.67,574 and Ps.135,750, in other expense, net, in the consolidated statements of income for the years ended December 31, 2019 and 2018, respectively.

The key assumptions used for fair value calculations of goodwill and intangible assets in 2019, were as follows (see Note 15):

	Cable		Other Businesses	
	Minimum	Maximum	Minimum	Maximum
Long-term growth rate	**3.50%**	**3.50%**	**3.50%**	**3.50%**
Discount rate	**10.90%**	**11.20%**	**14.60%**	**15.60%**

The key assumptions used for fair value calculations of goodwill and intangible assets in 2018, were as follows (see Note 15):

	Cable		Other Businesses	
	Minimum	Maximum	Minimum	Maximum
Long-term growth rate	3.50%	3.50%	1.00%	5.90%
Discount rate	11.00%	11.50%	14.30%	14.60%

Management has identified that a reasonably possible change in the key assumptions identified above could cause the carrying amount to exceed in 2019, the recoverable amount of one of the five CGUs with indefinite-life intangible assets tested for impairment. The change required for the carrying amount to equal the recoverable amount is a 3.6% increase in the discount rate (equivalent to a 36 basis point change) or a 14.0% decrease in the long term growth rate (equivalent to a 50 basis point change).

As described in Note 2 (l), in 2015, the Company's management estimated the remaining useful life of four years for acquired trademarks in specific locations of Mexico, in connection with the migration to an internally developed trademark in the Group's Cable segment. Amortization of trademarks with a finite useful life amounted to Ps.321,520 and Ps.472,827, for each of the years ended December 31, 2019 and 2018, respectively.

In the fourth quarter of 2017, the Company's management reviewed the useful life of certain Group's television concessions accounted for as intangible assets in conjunction with the payment made in 2018 for renewal of concessions expiring in 2021, which amount was determined by the IFT before the renewal date (see Note 2 (b)). Based on such review, the Group classified these concessions as intangible assets with a finite useful life and began to amortize the related net carrying amount of Ps.553,505 in a period ending in 2021. Amortization of these concessions with a finite useful life amounted to Ps.110,701 for each of the years ended December 31, 2019 and 2018. Assuming a remaining useful life of five years, amortization of these concessions in future years is estimated in the following amounts:

	Year ended December 31,
2020	Ps. 110,701
2021	110,701

14. Debt, Lease Liabilities and Other Notes Payable

Debt, lease liabilities and other notes payable outstanding as of December 31, 2019 and 2018, were as follows:

	2019					Effective Interest Rate	2018
	Principal	Finance Costs	Principal, Net of Finance Costs	Interest Payable	Total		Total
U.S. dollar Senior Notes:							
6.625% Senior Notes due 2025 [1]	Ps. 11,330,280	Ps. (201,124)	Ps. 11,129,156	Ps. 212,679	**Ps. 11,341,835**	7.60%	Ps. 11,785,933
4.625% Senior Notes due 2026 [1]	5,665,140	(29,392)	5,635,748	131,006	**5,766,754**	5.03%	5,867,541
8.50% Senior Notes due 2032 [1]	5,665,140	(21,636)	5,643,504	147,136	**5,790,640**	9.00%	6,031,784
6.625% Senior Notes due 2040 [1]	11,330,280	(126,853)	11,203,427	408,677	**11,612,104**	7.05%	11,705,333
5% Senior Notes due 2045 [1]	18,883,800	(429,880)	18,453,920	136,384	**18,590,304**	5.39%	19,368,289
6.125% Senior Notes due 2046 [1]	16,995,420	(124,072)	16,871,348	520,485	**17,391,833**	6.47%	17,831,360
5.25% Senior Notes due 2049 [1]	14,162,850	(304,564)	13,858,286	74,355	**13,932,641**	5.59%	—
Total U.S. dollar debt	84,032,910	(1,237,521)	82,795,389	1,630,722	**84,426,111**		72,590,240
Mexican peso debt:							
7.38% Notes due 2020 [2]	—	—	—	—	**—**	0.00%	10,105,969
TIIE + 0.35% Notes due 2021 [2]	—	—	—	—	**—**	0.00%	5,995,173
TIIE + 0.35% Notes due 2022 [2]	—	—	—	—	**—**	0.00%	4,994,111
8.79% Notes due 2027 [2]	4,500,000	(18,481)	4,481,519	93,394	**4,574,913**	8.84%	4,571,455
8.49% Senior Notes due 2037 [1]	4,500,000	(12,628)	4,487,372	31,837	**4,519,209**	8.94%	4,518,485
7.25% Senior Notes due 2043 [1]	6,500,000	(55,460)	6,444,540	73,305	**6,517,845**	7.92%	6,481,443
Bank loans [3]	16,000,000	(116,183)	15,883,817	88,143	**15,971,960**	9.04%	5,971,497
Bank loans (Sky) [4]	5,500,000	—	5,500,000	25,212	**5,525,212**	7.11%	5,524,133
Bank loans (TVI) [5]	1,345,382	(1,324)	1,344,058	1,250	**1,345,308**	8.92%	2,339,480
Total Mexican peso debt	38,345,382	(204,076)	38,141,306	313,141	**38,454,447**		50,501,746
Total debt [6]	122,378,292	(1,441,597)	120,936,695	1,943,863	**122,880,558**		123,091,986
Less: Current portion of long-term debt	492,489	(538)	491,951	1,943,863	**2,435,814**		2,108,371
Long-term debt, net of current portion	Ps. 121,885,803	Ps. (1,441,059)	Ps. 120,444,744	Ps. —	**Ps. 120,444,744**		Ps. 120,983,615
Lease liabilities:							
Satellite transponder lease liabilities [7]	Ps. 4,014,567	Ps. —	Ps. 4,014,567	Ps. —	**Ps. 4,014,567**	7.30%	Ps. 4,569,773
Other lease liabilities [8]	707,248	—	707,248	—	**707,248**	6.79%	748,171
Lease liabilities recognized as							

of January 1, 2019[8]		4,641,705		—		4,641,705		—		**4,641,705**		—
Total lease liabilities		9,363,520		—		9,363,520		—		**9,363,520**		5,317,944
Less: Current portion		1,257,766		—		1,257,766		—		**1,257,766**		651,832
Lease liabilities, net of current portion	Ps.	8,105,754	Ps.	—	Ps.	8,105,754	Ps.	—	**Ps.**	**8,105,754**		Ps. 4,666,112
Other notes payable:												
Total other notes payable [9]	Ps.	1,324,063	Ps.	—	Ps.	1,324,063	Ps.	—	**Ps.**	**1,324,063**	3.00%	Ps. 2,576,874
Less: Current portion		1,324,063		—		1,324,063		—		**1,324,063**		1,288,437
Other notes payable, net of current portion	Ps.	—	Ps.	—	Ps.	—	Ps.	—	**Ps.**	**—**		Ps. 1,288,437

[1] The Senior Notes due between 2025 and 2049, in the aggregate outstanding principal amount of U.S.$4,450 million and Ps.11,000,000, are unsecured obligations of the Company, rank equally in right of payment with all existing and future unsecured and unsubordinated indebtedness of the Company, and are junior in right of payment to all of the existing and future liabilities of the Company's subsidiaries. Interest rate on the Senior Notes due 2025, 2026, 2032, 2037, 2040, 2043, 2045, 2046 and 2049, including additional amounts payable in respect of certain Mexican withholding taxes, is 6.97%, 4.86%, 8.94%, 8.93%, 6.97%, 7.62%, 5.26%, 6.44% and 5.52% per annum, respectively, and is payable semi-annually. These Senior Notes may not be redeemed prior to maturity, except: (i) in the event of certain changes in law affecting the Mexican withholding tax treatment of certain payments on the securities, in which case the securities will be redeemable, in whole or in part, at the option of the Company; and (ii) in the event of a change of control, in which case the Company may be required to redeem the securities at 101% of their principal amount. Also, the Company may, at its own option, redeem the Senior Notes due 2025, 2026, 2037, 2040, 2043, 2046 and 2049, in whole or in part, at any time at a redemption price equal to the greater of the principal amount of these Senior Notes or the present value of future cash flows, at the redemption date, of principal and interest amounts of the Senior Notes discounted at a fixed rate of comparable U.S. or Mexican sovereign bonds. The Senior Notes due 2026, 2032, 2040, 2043, 2045, 2046 and 2049 were priced at 99.385%, 99.431%, 98.319%, 99.733%, 96.534%, 99.677% and 98.588%, respectively, for a yield to maturity of 4.70%, 8.553%, 6.755%, 7.27%, 5.227%, 6.147% and 5.345%, respectively. The Senior Notes due 2025 were issued in two aggregate principal amounts of U.S.$400 million and U.S.$200 million, and were priced at 98.081% and 98.632%, respectively, for a yield to maturity of 6.802% and 6.787%, respectively. The agreement of these Senior Notes contains covenants that limit the ability of the Company and certain restricted subsidiaries engaged in the Group's Content segment, to incur or assume liens, perform sale and leaseback transactions, and consummate certain mergers, consolidations and similar transactions. The Senior Notes due 2025, 2026, 2032, 2037, 2040, 2045, 2046 and 2049, are registered with the U.S. Securities and Exchange Commission ("SEC"). The Senior Notes due 2043 are registered with both the SEC and the Mexican Banking and Securities Commission ("Comisión Nacional Bancaria y de Valores" or "CNBV"). In December 2017, the Company prepaid the principal outstanding amount of U.S.$500 million Senior Notes due 2018 at an aggregate redemption price of Ps.9,841,716 (U.S.$511.7 million), which included related fees and accrued and unpaid interest at the redemption date (see Note 23).

(2) In 2010, 2014, 2015 and October 2017, the Company issued Notes ("Certificados Bursátiles") due 2020, 2021, 2022 and 2027, respectively, through the BMV in the aggregate principal amount of Ps.10,000,000, Ps.6,000,000, Ps.5,000,000 and Ps.4,500,000, respectively. In July 2019, the Company prepaid all of the outstanding Notes due 2021 and 2022 in the aggregate principal amount of Ps.11,000,000. In October 2019, the Company prepaid all of the outstanding Notes due 2020 in the aggregate principal amount of Ps.10,000,000. Interest rate on the Notes due 2020 was 7.38% per annum and was payable semi-annually. Interest rate on the Notes due 2021 and 2022 was the TIIE plus 35 basis points per annum and was payable every 28 days. Interest rate on the Notes due 2027 is 8.79% per annum and is payable semi-annually. The Company may, at its own option, redeem the Notes due 2027, in whole or in part, at any semi-annual interest payment date at a redemption price equal to the greater of the principal amount of the outstanding Notes and the present value of future cash flows, at the redemption date, of principal and interest amounts of the Notes discounted at a fixed rate of comparable Mexican sovereign bonds. The agreement of the Notes contains covenants that limit the ability of the Company and certain restricted subsidiaries appointed by the Company's Board of Directors, and engaged in the Group's Content segment, to incur or assume liens, perform sale and leaseback transactions, and consummate certain mergers, consolidations and similar transactions.

(3) In November and December 2017, the Company entered into long-term credit agreements with three Mexican banks, in the aggregate principal amount of Ps.6,000,000, and an annual interest rate payable on a monthly basis of 28-day TIIE plus a range between 125 and 130 basis points , and principal maturities between 2022 and 2023. The proceeds of these loans were used primarily for the prepayment in full of the Senior Notes due 2018. Under the terms of these loan agreements, the Company is required to: (a) maintain certain financial coverage ratios related to indebtedness and interest expense; and (b) comply with the restrictive covenant on spin-offs, mergers and similar transactions. In 2016 includes a long-term credit agreement entered into by the Company with a Mexican bank in the principal amount of Ps.1,250,000 with principal maturities between 2017 and 2018, and an annual interest rate payable on a monthly basis of 28-day TIIE plus 117.5 basis points. The Company prepaid the remaining principal amount of this credit agreement in fourth quarter of 2017, in the aggregate amount of Ps.629,311, which included accrued and unpaid interest. In July 2019, the Company entered into a credit agreement for a five-year term loan with a syndicate of banks in the aggregate principal amount of Ps.10,000,000. The funds from this loan were used for general corporate purposes, including the refinancing of the Company's indebtedness. This loan bears interest at a floating rate based on a spread of 105 or 130 basis points over the 28-day TIIE rate depending on the Group's net leverage ratio. The credit agreement of this loan requires the maintenance of financial ratios related to indebtedness and interest expense.

(4) In March 2016, Sky entered into long-term credit agreements with two Mexican banks in the aggregate principal amount of Ps.5,500,000, with maturities between 2021 and 2023, and interest payable on a monthly basis with an annual interest rate in the range of 7.0% and 7.13%. Under the terms of these credit agreements, the Company is required to: (a) maintain certain financial coverage ratios related to indebtedness and interest expense; and (b) comply with the restrictive covenant on spin-offs, mergers and similar transactions.

(5) In 2019 and 2018, included outstanding balances in the aggregate principal amount of Ps.1,345,382 and Ps.2,334,538, respectively, in connection with credit agreements entered into by TVI with Mexican banks, with maturities between 2019 and 2022, bearing interest at an annual rate of TIIE plus a range between 100 and 125 basis points, which is payable on a monthly basis. This TVI long-term indebtedness is guaranteed by the Company. Under the terms of these credit agreements, TVI is required to comply with certain restrictive covenants and financial coverage ratios.

(6) Total debt as of December 31, 2018, is presented net of unamortized finance costs in the aggregate amount of Ps.1,152,661, interest payable in the aggregate amount of Ps.1,120,009.

(7) Under a capital lease agreement entered into with Intelsat Global Sales & Marketing Ltd. ("Intelsat") in March 2010, Sky is obligated to pay at an annual interest rate of 7.30%, a monthly fee through 2027 of U.S.$3.0 million for satellite signal reception and retransmission service from 24 KU-band transponders on satellite IS-21, which became operational in October 2012. The service term for IS-21 will end at the earlier of: (a) the end of 15 years or; (b) the date IS-21 is taken out of service (see Note 12).

(8) In 2019, includes lease liabilities recognized beginning on January 1, 2019 under IFRS 16 for an aggregate amount of Ps.4,797,312. Also, includes minimum lease payments of property and equipment under leases that qualify as lease liabilities. In 2019 and 2018, includes Ps.699,066 and Ps.691,591, respectively, in connection with a lease agreement entered into by a subsidiary of the Company and GTAC for the right to use certain capacity of a telecommunications network through 2029 (see Note 20). This lease agreement provides for annual payments through 2029. Other lease liabilities have terms which expire at various dates between 2019 and 2020.

(9) Notes payable issued by the Group in 2016, in connection with the acquisition of a non-controlling interest in TVI. In 2019 and 2018, cash payments to be made between 2018 and 2020 related to these notes payable amounted to an aggregate of Ps.1,330,000 and Ps.2,624,375, respectively, including interest of Ps.142,500 and Ps.249,375, respectively (see Note 3). Accumulated accrued interest for this transaction amounted to Ps.136,563 and Ps.201,874, as of December 31, 2019 and 2018, respectively. This was regarded as a Level 2 debt, which was fair valued using a discounted cash flow approach, which discounts the contractual cash flows using discount rates derived from observable market price of other quoted debt instruments. In March 2017, the Group prepaid a portion of the outstanding other notes payable with original maturities in August 2017 and 2018, for an aggregate amount of Ps.1,292,438, which included accrued interest at the payment date. In February 2020, the Group repaid all of its outstanding other notes payable as of December 31, 2019.

As of December 31, 2019 and 2018, the outstanding principal amounts of Senior Notes of the Company that have been designated as hedging instruments of the Group's investments in UHI and the investment in Open Ended Fund (hedged items) were as follows (see Notes 2 (e) and 4):

	December 31, 2019		December 31, 2018	
Hedged Items	**Millions of U.S. dollars**	**Thousands of Mexican pesos**	**Millions of U.S. dollars**	**Thousands of Mexican pesos**
Investment in shares of UHI (net investment hedge)	**U.S.$ 433.7**	**Ps. 8,189,662**	U.S.$ 421.2	Ps. 8,285,286
Warrants issued by UHI (foreign currency fair value hedge)	**1,788.6**	**33,775,451**	1,775.1	34,921,530
Open Ended Fund (foreign currency fair value hedge)	**248.3**	**4,688,202**	389.5	7,662,726
Total	**U.S.$ 2,470.6**	**Ps. 46,653,315**	U.S.$ 2,585.8	Ps. 50,869,542

The foreign exchange gain or loss derived from the Company's U.S. dollar denominated long-term debt designated as a hedge, for the years ended December 31, 2019 and 2018, is analyzed as follows (see Notes 9 and 23):

Foreign Exchange Gain or Loss Derived from Senior Notes Designated as Hedging Instruments	**Year Ended December 31, 2019**	**Year Ended December 31, 2018**
Recognized in:		
Comprehensive income	**Ps. 2,030,424**	Ps. (189,213)
Total foreign exchange gain (loss) derived from hedging Senior Notes	**Ps. 2,030,424**	Ps. (189,213)
Offset against:		
Foreign currency translation loss derived from the hedged net investment in shares of UHI	**Ps. (337,742)**	Ps. (1,958)
Foreign exchange loss derived from hedged warrants issued by UHI	**(1,403,384)**	(125,955)
Foreign exchange (loss) gain derived from the hedged Open Ended Fund	**(289,298)**	317,126
Total foreign currency translation and foreign exchange (loss) gain derived from hedged assets	**Ps. (2,030,424)**	Ps. 189,213

Maturities of Debt and Lease Liabilities

Debt maturities for the years subsequent to December 31, 2019, are as follows:

	Nominal	**Unamortized Finance Costs**
2020	Ps. 492,489	Ps. (538)
2021	1,992,489	(497)
2022	6,860,404	(12,454)
2023	3,500,000	(9,194)
2024	10,000,000	(94,824)
Thereafter	99,532,910	(1,324,090)
	Ps. 122,378,292	Ps. (1,441,597)

Future minimum payments under lease liabilities for the years subsequent to December 31, 2019, are as follows:

2020	Ps. 1,989,358
2021	1,657,949
2022	1,576,272
2023	2,522,860
2024	2,300,744
Thereafter	9,043,322
	19,090,505
Less: Amount representing interest	9,726,985
	Ps. 9,363,520

A reconciliation of long-term debt and lease liabilities arising from financing activities in the Group's consolidated statement of cash flows for the year ended December 31, 2019 and 2018, is as follows:

		Cash Flow		**Non-Cash Changes**			
	Balance as of January 1, 2019	**New Debt**	**Payments**	**New Debt and Leases**	**Foreign Exchange Income**	**Interest**	**Balance as of December 31, 2019**
Debt	Ps. 123,124,638	Ps. 24,298,075	Ps. (21,989,156)	Ps. —	Ps. (3,055,265)	Ps. —	**Ps. 122,378,292**
Finance Costs	—	—	(50,531)	—	—	—	**(50,531)**
Satellite transponder lease liabilities	4,569,773	—	(387,428)	—	(167,778)	—	**4,014,567**
Other lease liabilities	748,171	—	(172,195)	82,597	—	48,675	**707,248**
Lease liabilities recognized as of January 1, 2019	4,797,312	—	(883,533)	762,910	(34,984)	—	**4,641,705**
Total debt and lease liabilities	Ps. 133,239,894	Ps. 24,298,075	Ps. (23,482,843)	Ps. 845,507	Ps. (3,258,027)	Ps. 48,675	**Ps. 131,691,281**

	Balance as of January 1, 2018	Cash Flow		Non-Cash Changes			Balance as of December 31, 2018
		New Debt	Payments	New Debt and Leases	Foreign Exchange Income	Interest	
Debt	Ps. 123,550,897	Ps. —	Ps. (307,489)	Ps. —	Ps. (118,770)	Ps. —	Ps. 123,124,638
Satellite transponder lease liabilities	4,938,049	—	(360,820)	—	(7,456)	—	4,569,773
Other lease liabilities	684,725	—	(179,628)	208,828	—	34,246	748,171
Total debt and lease liabilities	Ps. 129,173,671	Ps. —	Ps. (847,937)	Ps. 208,828	Ps. (126,226)	Ps. 34,246	Ps. 128,442,582

During 2018, the Company executed a revolving credit facility with a syndicate of banks, for up to an amount equivalent to U.S.$618 million payable in Mexican pesos, for a three-year term. The funds may be used for the repayment of existing indebtedness and such other general corporate purposes as may be authorized by the Board of Directors of the Company. This revolving credit facility was available as of December 31, 2019. In March 2020, the Company drew down Ps.14,770,694 under this credit facility, with maturity in the first quarter of 2022, which may be prepaid on the last day of any interest period without penalty.

15. Financial Instruments

The Group's financial instruments presented in the consolidated statements of financial position included cash and cash equivalents, temporary investments, accounts and notes receivable, a long-term loan receivable from GTAC, warrants that are exercisable for UHI's common stock, non-current investments in debt and equity securities, and in securities in the form of an open-ended fund, accounts payable, outstanding debt, lease liabilities, other notes payable, and derivative financial instruments. For cash and cash equivalents, temporary investments, accounts receivable, accounts payable, and short-term notes payable due to banks and other financial institutions, the carrying amounts approximate fair value due to the short maturity of these instruments. The fair value of the Group's long-term debt securities are based on quoted market prices.

The fair value of long-term loans that the Group borrowed from leading Mexican banks (see Note 14), has been estimated using the borrowing rates currently available to the Group for bank loans with similar terms and average maturities. The fair value of non-current investments in financial instruments, and currency option and interest rate swap agreements were determined by using valuation techniques that maximize the use of observable market data.

The carrying and estimated fair values of the Group's non-derivative financial instruments as of December 31, 2019 and 2018, were as follows:

	2019		2018	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Assets:				
Cash and cash equivalents	**Ps. 27,451,997**	**Ps. 27,451,997**	Ps. 32,068,291	Ps. 32,068,291
Temporary investments	**—**	**—**	30,992	30,992
Trade notes and accounts receivable, net	**14,486,184**	**14,486,184**	19,748,850	19,748,850
Warrants issued by UHI (see Note 9)	**33,775,451**	**33,775,451**	34,921,530	34,921,530
Long-term loan and interest receivable from GTAC (see Note 10)	**872,317**	**875,585**	817,605	824,540
Open Ended Fund (see Note 9)	**4,688,202**	**4,688,202**	7,662,726	7,662,726
Other equity instruments (see Note 9)	**5,751,001**	**5,751,001**	6,545,625	6,545,625
Other financial assets (see Note 9)	**—**	**—**	72,612	72,612
Liabilities:				
Senior Notes due 2025, 2032 and 2040	**Ps. 28,325,700**	**Ps. 34,954,254**	Ps. 29,509,500	Ps. 33,110,013
Senior Notes due 2045	**18,883,800**	**19,739,047**	19,673,000	17,317,748
Senior Notes due 2037 and 2043	**11,000,000**	**8,986,870**	11,000,000	7,905,625
Senior Notes due 2026 and 2046	**22,660,560**	**26,645,193**	23,607,600	24,051,128
Senior Notes due 2049	**14,162,850**	**15,364,426**	—	—
Notes due 2020	**—**	**—**	10,000,000	9,605,700
Notes due 2021	**—**	**—**	6,000,000	5,956,506
Notes due 2022	**—**	**—**	5,000,000	4,941,430
Notes due 2027	**4,500,000**	**4,656,375**	4,500,000	4,027,275
Short and long-term notes payable to Mexican banks	**22,845,382**	**23,012,707**	13,834,538	13,551,620
Lease liabilities	**9,363,520**	**9,120,903**	5,317,944	5,121,534
Other notes payable	**1,324,063**	**1,295,780**	2,576,874	2,430,667

The carrying values (based on estimated fair values), notional amounts, and maturity dates of the Group's derivative financial instruments as of December 31, 2019 and 2018, were as follows:

December 31, 2019: Derivative Financial Instruments		Carrying Value		Notional Amount (U.S. Dollars in Thousands)	Maturity Date
Assets:					
Derivatives recorded as accounting hedges (cash flow hedges):					
TVI's interest rate swap [(a)]	**Ps.**	**4,592**	Ps.	407,200	May 2020 through May 2022
Total assets	**Ps.**	**4,592**			
Liabilities:					
Derivatives recorded as accounting hedges (cash flow hedges):					
TVI's interest rate swap [(b)]	**Ps.**	**8,943**	Ps.	938,182	April 2022
Interest rate swap [(c)]		**38,543**	Ps.	2,000,000	October 2022
Interest rate swap [(d)]		**30,702**	Ps.	1,500,000	October 2022
Interest rate swap [(e)]		**83,122**	Ps.	2,500,000	February 2023
Interest rate swap [(f)]		**185,205**	Ps.	6,000,000	June 2024
Forward [(g)]		**144,466**	U.S.$	218,688	January 2020 through September 2020
Derivatives not recorded as accounting hedges:					
TVI's forward [(h)]		**45,968**	U.S.$	66,000	January 2020 through October 2020
Empresas Cablevisión's forward [(i)]		**48,474**	U.S.$	73,000	January 2020 through October 2020
Sky's forward [(j)]		**87,090**	U.S.$	127,850	January 2020 through September 2020
Forward [(k)]		**242,777**	U.S.$	361,550	January 2020 through October 2020
Total liabilities	**Ps.**	**915,290**			

December 31, 2018: Derivative Financial Instruments		Carrying Value		Notional Amount (U.S. Dollars in Thousands)	Maturity Date
Assets:					
Derivatives recorded as accounting hedges (cash flow hedges):					
TVI's interest rate swap [(a)]	Ps.	37,251	Ps.	1,188,667	April 2019 through May 2022
TVI's interest rate swap [(b)]		32,267	Ps.	1,145,871	April 2022
Interest rate swap [(l)]		340,153	Ps.	6,000,000	April 2021
Interest rate swap [(m)]		299,560	Ps.	5,000,000	May 2022
Interest rate swap [(c)]		85,073	Ps.	2,000,000	October 2022
Interest rate swap [(d)]		63,420	Ps.	1,500,000	October 2022
Interest rate swap [(e)]		76,876	Ps.	2,500,000	February 2023
Forward [(g)]		100,922	U.S.$	224,000	January 2019 through November 2019
Total assets	Ps.	1,035,522			
Liabilities:					
Derivatives not recorded as accounting hedges:					
TVI's forward [(h)]	Ps.	10,255	U.S.$	75,000	January 2019 through October 2019
Empresas Cablevisión's forward [(i)]		10,518	U.S.$	82,000	January 2019 through October 2019
Sky's forward [(j)]		27,309	U.S.$	38,600	January 2019 through August 2019
Forward [(k)]		99,979	U.S.$	491,400	January 2019 through October 2019
Total liabilities	Ps.	148,061			

(a) TVI has entered into several derivative transaction agreements (interest rate swaps) with two financial institutions from August 2013 through May 2022 to hedge the variable interest rate exposure resulting from Mexican peso loans of a total principal amount of Ps.407,200 and Ps.1,188,667, as of December 31, 2019 and 2018, respectively. Under these agreements, the Company receives monthly payments based on aggregate notional amounts of Ps.407,200 and Ps.1,188,667 and makes payments based on the same notional amount at an annual weighted average fixed rate of 5.508%. TVI has recognized the change in fair value of this transaction as an accounting hedge, and recorded a loss of Ps.54,383 and Ps.21,722 in other comprehensive income or loss as of December 31, 2019 and 2018, respectively. In the years ended as of December 31, 2019 and 2018, TVI recorded a gain of Ps.26,962 and Ps.33,692, respectively, in consolidated other finance income or expense.

(b) In March and April 2017, TVI entered into several derivative transaction agreements (interest rate swaps) with two financial institutions through April 2022 to hedge the variable interest rate exposure resulting from Mexican peso loan of a total principal amount of Ps.938,182 and Ps.1,145,871, as of December 31, 2019 and 2018, respectively. Under these agreements, the Company receives monthly payments based on aggregate notional amounts of Ps.938,182 and Ps.1,145,871, as of December 31, 2019 and 2018, respectively, at an annual variable rate of 28-days TIIE and makes monthly payments based on the same notional amounts at an annual weighted average fixed rate of 7.2663%. The Company has recognized the change in fair value of this transaction as an accounting hedge, and recorded a (loss) gain of Ps.(8,943) and Ps.32,267 in other comprehensive income or loss as of December 31, 2019 and 2018, respectively. TVI recorded a gain of Ps.11,738 and Ps.8,881 for this transaction agreement in consolidated other finance income or expense as of December 31, 2019 and 2018, respectively.

(c) In November 2017, the Company entered into a derivative transaction agreement (interest rate swap) through October 2022, to hedge the variable interest rate exposure resulting from a Mexican peso loan of a total principal amount of Ps.2,000,000. Under this transaction, the Company receives monthly payments based on an aggregate notional amount of Ps.2,000,000, at an annual variable rate of 28 days of TIIE and makes monthly payments based on the same notional amount at an annual fixed rate of 7.3275%. The Company has recognized the change in fair value of this transaction as an accounting hedge, and recorded a cumulative (loss) gain of Ps.(38,543) and Ps.85,073 in other comprehensive income or loss as of December 31, 2019 and 2018, respectively. In 2019 and 2018, the Company recorded a gain of Ps.20,933 and Ps.12,374, respectively, in consolidated other finance income or expense.

(d) In November and December 2017, the Company entered into a derivative transaction agreement (interest rate swap) through October 2022, to hedge the variable interest rate exposure resulting from a Mexican peso loan of a total principal amount of Ps.1,500,000. Under this transaction, the Company receives monthly payments based on an aggregate notional amount of Ps.1,500,000, at an annual variable rate of 28 days of TIIE and makes monthly payments based on the same notional amount at an annual fixed rate of 7.35%. The Company has recognized the change in fair value of this transaction as an accounting hedge, and recorded a cumulative (loss) gain of Ps.(30,702) and Ps.63,420, in other comprehensive income or loss as of December 31, 2019 and 2018, respectively. In 2019, the Company recorded a gain of Ps.15,472 in consolidated other finance income or expense.

(e) In January 2018, the Company entered into a derivative transaction agreement (interest rate swap) through February 2023, to hedge the variable interest rate exposure resulting from a Mexican peso loan of a total principal amount of Ps.2,500,000. Under this transaction, the Company receives monthly payments based on aggregate notional amounts of Ps.2,500,000, at an annual variable rate of 28 days of TIIE and makes monthly payments based on the same notional amount at an annual fixed rate of 7.7485%. The Company has recognized the change in fair value of this transaction as an accounting hedge, and recorded a cumulative (loss) gain of Ps.(83,122) and Ps.76,876 in other comprehensive income or loss as of December 31, 2019 and 2018, respectively. In 2019, the Company recorded a gain of Ps.16,167 in consolidated other finance income or expense.

(f) In June and July 2019, the Company entered into a derivative transaction agreement (interest rate swap) through June 2024, to hedge the variable interest rate exposure resulting from a Mexican peso loan of a total principal amount of Ps.6,000,000. Under this transaction, the Company receives monthly payments based on aggregate notional amounts of Ps.6,000,000, at an annual variable rate of 28 days of TIIE and makes monthly payments based on the same notional amount at an annual fixed rate of 7.3873%. The Company has recognized the change in fair value of this transaction as an accounting hedge, and recorded a cumulative loss of Ps.185,205 in other comprehensive income or loss as of December 31, 2019. In 2019, the Company recorded a gain of Ps.21,488 in consolidated other finance income or expense.

(g) As of December 31, 2019 and 2018, the Company had entered into derivative contracts of foreign currency (forward) to fix the exchange rate for the purchase of U.S.$218.7 million and U.S.$224.0 million, respectively at an average exchange rate of Ps.19.9256 and Ps.19.6767, respectively. The Company has recognized the change in fair value of this transaction as an accounting hedge, and recorded a cumulative (loss) gain of Ps.(144,466) and Ps.100,922 for this transaction agreement in other comprehensive income or loss as of December 31, 2019, and 2018, respectively. In 2019 and 2018, the Company recorded a loss of Ps.107,440 and Ps.153,853 in consolidated other finance income or expense, respectively.

(h) As of December 31, 2019, TVI had foreign currency contracts (forward) in the aggregate notional amount of U.S.$66.0 million at an average rate of Ps.20.0094. As a result of the change in fair value of these agreements, in the year ended December 31, 2019, the Company recorded a loss of Ps.149,389, in consolidated other finance income or expense.

(i) As of December 31, 2019, Empresas Cablevisión had foreign currency contracts (forward) in the aggregate notional amount of U.S.$73.0 million at an average rate of Ps.20.0049. As a result of the change in fair value of these agreements, in the year ended December 31, 2019, the Company recorded a loss of Ps.147,383, in consolidated other finance income or expense.

(j) As of December 31, 2019, Sky had foreign currency contracts (forward) in the aggregate notional amount of U.S.$127.8 million at an average rate of Ps.20.0001. As a result of the change in fair value of these agreements, in the year ended December 31, 2019, the Company recorded a loss of Ps.115,189, in consolidated other finance income or expense.

(k) As of December 31, 2019 and 2018, the Company had foreign currency contracts (forward) in the aggregate notional amount of U.S.$361.5 million and U.S.$491.4 million at an average rate of Ps.19.9898 and Ps.20.3561, respectively. As a result of the change in fair value of these agreements, in the years ended December 31, 2019 and 2018, the Company recorded a loss of Ps.820,585 and Ps.331,946, in consolidated other finance income or expense, respectively.

(l) The Company entered into derivative transaction agreements (interest rate swaps) through April 2021 to hedge the variable interest rate exposure resulting from TIIE plus 0.35% Notes due 2021. Under these transactions, the Company received 28-day TIIE payments based on a principal amount of Ps.6,000,000, as of December 31, 2018, and made 28-day payments based on the same notional amount at an annual weighted average fixed rate of 5.9351%. The Company recognized the change in fair value of these transactions as an accounting hedge, and recorded a cumulative gain of Ps.340,153 in other comprehensive income or loss as of December 31, 2018. In connection with the prepayment in July 2019 of the TIIE plus 0.35% Notes with an original maturity in 2021, the Company terminated these agreements early for a notional amount of Ps.6,000,000, and recorded a net gain of Ps.152,415, in consolidated other finance income. In the years ended December 31, 2019, 2018 and 2017, the Company recorded a gain of Ps.248,420, Ps.119,975 and Ps.58,278, respectively, for these transaction agreements in consolidated other finance income or expense.

(m) In 2017, 2016, and 2015, the Company entered into derivative transaction agreements (interest rate swaps) through May 2022 to hedge the variable interest rate exposure resulting from TIIE plus 0.35% Notes due 2022. Under these transactions, the Company received 28-day TIIE payments based on a principal amount of Ps.5,000,000, as of December 31, 2018, and made 28-day payments based on the same notional amount at an annual weighted average fixed rate of 6.5716%. The Company recognized the change in fair value of these transactions as an accounting hedge, and recorded a cumulative gain of Ps.299,560 in other comprehensive income or loss as of December 31, 2018. In connection with the prepayment in July 2019 of the TIIE plus 0.35% Notes with an original maturity in 2022, the Company terminated these agreements early for a notional amount of Ps.5,000,000, and recorded a net gain of Ps.44,333, in consolidated other finance income. In the years ended December 31, 2019, 2018 and 2017, the Company recorded a gain of Ps.106,515, Ps.69,483 and Ps.26,457, respectively, for these transaction agreements in consolidated other finance income or expense.

Fair Value Measurement

Assets and Liabilities Measured at Fair Value on a Recurring Basis

All fair value adjustments as of December 31, 2019 and 2018, represent assets or liabilities measured at fair value on a recurring basis. In determining fair value, the Group's financial instruments are separated into three categories: temporary investments, investments in financial assets at FVOCIL and derivative financial

instruments.

Financial assets and liabilities measured at fair value as of December 31, 2019 and 2018:

	Balance as of December 31, 2019	Quoted Prices in Active Markets for Identical Assets (Level 1)	Internal Models with Significant Observable Inputs (Level 2)	Internal Models with Significant Unobservable Inputs (Level 3)
Assets:				
At FVOCIL:				
Open Ended Fund	**Ps. 4,688,202**	Ps. —	Ps. 4,688,202	Ps. —
Other equity instruments	**5,751,001**	5,751,001	—	—
Warrants issued by UHI	**33,775,451**	—	—	33,775,451
Derivative financial instruments	**4,592**	—	4,592	—
Total	**Ps. 44,219,246**	Ps. 5,751,001	Ps. 4,692,794	Ps. 33,775,451
Liabilities:				
Derivative financial instruments	**Ps. 915,290**	Ps. —	Ps. 915,290	Ps. —
Total	**Ps. 915,290**	Ps. —	Ps. 915,290	Ps. —

	Balance as of December 31, 2018	Quoted Prices in Active Markets for Identical Assets (Level 1)	Internal Models with Significant Observable Inputs (Level 2)	Internal Models with Significant Unobservable Inputs (Level 3)
Assets:				
Temporary investments	Ps. 30,992	Ps. 30,992	Ps. —	Ps. —
At FVOCIL:				
Open Ended Fund	7,662,726	—	7,662,726	—
Other equity instruments	6,545,625	6,545,625	—	—
Other financial assets	72,612	72,612	—	—
Warrants issued by UHI	34,921,530	—	—	34,921,530
Derivative financial instruments	1,035,522	—	1,035,522	—
Total	Ps. 50,269,007	Ps. 6,649,229	Ps. 8,698,248	Ps. 34,921,530
Liabilities:				
Derivative financial instruments	Ps. 148,061	Ps. —	Ps. 148,061	Ps. —
Total	Ps. 148,061	Ps. —	Ps. 148,061	Ps. —

The table below presents the reconciliation for all assets and liabilities measured at fair value using internal models with significant unobservable inputs (Level 3) during the years ended December 31, 2019 and 2018:

	2019	2018
Balance at beginning of year	**Ps. 34,921,530**	Ps. 36,395,183
Included in other comprehensive income	**(1,146,079)**	(1,473,653)
Balance at the end of year	**Ps. 33,775,451**	Ps. 34,921,530

Temporary Investments

Temporary investments include highly liquid securities, including without limitation debt with a maturity of three months, or over, and up to one year at the consolidated statement of financial position date, stock and other financial instruments, or a combination thereof, denominated principally in U.S. dollars and Mexican pesos (see Notes 2 (f) and 6).

Temporary investments are generally valued using quoted market prices or alternative pricing sources with reasonable levels of price transparency. The types of instruments valued based on quoted market prices in active markets include mostly fixed short-term deposits, equities and corporate fixed income securities denominated in U.S. dollars and Mexican pesos. Such instruments are classified in Level 1 or Level 2 depending on the observability of the significant inputs.

Non-current Financial Assets

Investments in debt securities or with readily determinable fair values, are classified as non-current investments in financial instruments, and are recorded at fair value with unrealized gains and losses included in consolidated stockholders' equity as accumulated other comprehensive result.

Non-current financial assets are generally valued using quoted market prices or alternative pricing sources with reasonable levels of price transparency. Such instruments are classified in Level 1, Level 2, and Level 3, depending on the observability of the significant inputs.

As of December 31, 2017, the Group made judgments and used several estimates and assumptions for determining the fair value calculations of the shares of common stock of Imagina (see Note 3). These estimates and assumptions included, among others, expected long-term growth rates and operating margins, which were used to calculate projected future cash flows. The Group also utilized risk-adjusted discount rates to determine weighted average cost of capital. All of the Group´s estimates were based on historical data, internal estimates and observable external sources when available, and were consistent with the strategic plans of the underlying business.

Open Ended Fund

The Group has an investment in an Open Ended Fund that has as a primary objective to achieve capital appreciation by using a broad range of strategies through investments in securities, including without limitation stock, debt and other financial instruments, a principal portion of which are considered as Level 1 financial instruments, in telecom, media and other sectors across global markets, including Latin America and other emerging markets. Shares may be redeemed on a quarterly basis at the NAV per share as of such redemption date (see Notes 4 and 9).

UHI Warrants

In July 2015, the Group exchanged its investment in U.S.$1,125 million principal amount of Convertible Debentures due 2025 issued by UHI for 4,858,485 warrants that are exercisable for UHI's common stock, and exercised 267,532 of these warrants to increase its equity stake in UHI from 7.8% to 10% (see Notes 9 and 10).

The Group determined the fair value of its investment in warrants by using the income approach based on post-tax discounted cash flows. The income approach requires management to make judgments and involves the use of significant estimates and assumptions. These estimates and assumptions include long-term growth rates and operating margins used to calculate projected future cash flows, risk-adjusted discount rates based on weighted average cost of capital within a range of 8% to 9%, among others. The Group´s estimates for market growth were based on historical data, various internal estimates and observable external sources when available, and are based on assumptions that are consistent with the strategic plans and estimates used to manage the underlying business. Since the described methodology is an internal model with significant unobservable inputs, the UHI warrants are classified as Level 3. Additionally, the Group determined the fair value of its investment in warrants by using the Black-Scholes model ("BSPM"). The BSPM involves the use of significant estimates and assumptions. The assumptions used as of December 31, 2019, 2018 and 2017, included the UHI stock´s spot price of U.S.$390, U.S.$387 and U.S.$402 per share on a fully-diluted, as–converted basis, respectively, and the UHI stock's expected volatility of 40%, 36% and 32%, respectively.

Disclosures for Each Class of Assets and Liabilities Subject to Recurring Fair Value Measurements Categorized Within Level 3

The Corporate Finance Department of the Company has established rules for a proper portfolio asset classification according to the fair value hierarchy defined by the IFRS Standards. On a monthly basis, any new assets recognized in the portfolio are classified according to this criterion. Subsequently, there is a quarterly review of the portfolio in order to analyze the need for a change in classification of any of these assets.

Sensitivity analysis is performed on the Group's investments with significant unobservable inputs (Level 3) in order to obtain a reasonable range of possible alternative valuations. This analysis is carried out by the Corporate Finance Department of the Company.

As of December 31, 2019 and 2018, the effect on consolidated income and consolidated equity of changing the main assumptions used for the measurement of Level 3 financial instruments for other reasonably possible models, taking the highest or lowest value of the range reasonably possible, would be as follows:

			Potential Impact on Consolidated Income Statement		**Potential Impact on Consolidated Equity**	
Financial Assets Level 3	**Main Assumptions Used**	**Sensitivity**	**Most Favorable Assumptions 2019**	**Least Favorable Assumptions 2019**	**Most Favorable Assumptions 2019**	**Least Favorable Assumptions 2019**
Warrants issued by UHI	Price per Share	**+/-10%**	**Ps. —**	**Ps. —**	**Ps. 3,377,623**	**Ps. (3,377,623)**
Total			**Ps. —**	**Ps. —**	**Ps. 3,377,623**	**Ps. (3,377,623)**

			Potential Impact on Consolidated Income Statement		**Potential Impact on Consolidated Equity**	
Financial Assets Level 3	**Main Assumptions Used**	**Sensitivity**	**Most Favorable Assumptions 2018**	**Least Favorable Assumptions 2018**	**Most Favorable Assumptions 2018**	**Least Favorable Assumptions 2018**
Warrants issued by UHI	Price per Share	+/-10%	Ps. —	Ps. —	Ps. 3,492,229	Ps. (3,492,229)
Total			Ps. —	Ps. —	Ps. 3,492,229	Ps. (3,492,229)

Derivative Financial Instruments

Derivative financial instruments include swaps, forwards and options (see Notes 2 (w) and 4).

The Group's derivative portfolio is entirely over-the-counter ("OTC"). The Group's derivatives are valued using industry standard valuation models; projecting future cash flows discounted to present value, using market-based observable inputs including interest rate curves, foreign exchange rates, and forward and spot prices for currencies.

When appropriate, valuations are adjusted for various factors such as liquidity, bid/offer spreads and credit spreads considerations. Such adjustments are generally based on available market evidence. In the absence of such evidence, management's best estimate is used. All derivatives are classified in Level 2.

Assets and Liabilities Measured at Fair Value on a Non-Recurring Basis

The majority of the Group's non-financial instruments, which include goodwill, intangible assets, inventories, transmission rights and programming, property, plant and

equipment and right-of-use assets are not required to be carried at fair value on a recurring basis. However, if certain triggering events occur (or at least annually in the fourth quarter for goodwill and indefinite-lived intangible assets) such that a non-financial instrument is required to be evaluated for impairment, a resulting asset impairment would require that, the non-financial instrument be recorded at the lower of carrying amount or its recoverable amount.

The impairment test for goodwill involves a comparison of the estimated fair value of each of the Group's reporting units to its carrying amount, including goodwill. The Group determines the fair value of a reporting unit using the higher between the value in use and the fair value less costs to sell, which utilize significant unobservable inputs (Level 3) within the fair value hierarchy. The impairment test for intangible assets not subject to amortization involves a comparison of the estimated fair value of the intangible asset with its carrying value. The Group determines the fair value of the intangible asset using a discounted cash flow analysis, which utilizes significant unobservable inputs (Level 3) within the fair value hierarchy. Determining fair value requires the exercise of significant judgment, including judgment about appropriate discount rates, perpetual growth rates, the amount and timing of expected future cash flows for a period of time that comprise five years, as well as relevant comparable company earnings multiples for the market-based approach.

Once an asset has been impaired, it is not remeasured at fair value on a recurring basis; however, it is still subject to fair value measurements to test for recoverability of the carrying amount.

16. Post-employment Benefits

Certain companies in the Group have collective bargaining contracts which include defined benefit pension plans and other retirement benefits for substantially all of their employees. Additionally, the Group has defined benefit pension plans for certain eligible executives and employees. All pension benefits are based on salary and years of service rendered.

Under the provisions of the Mexican Labor Law, seniority premiums are payable based on salary and years of service to employees who resign or are terminated prior to reaching retirement age. Some companies in the Group have seniority premium benefits which are greater than the legal requirement. After retirement age employees are no longer eligible for seniority premiums.

Post-employment benefits are actuarially determined by using nominal assumptions and attributing the present value of all future expected benefits proportionately over each year from date of hire to age 65.

The Group used actuarial assumptions to determine the present value of defined benefit obligations, as follows:

	2019	2018
Discount rate	**7.0%**	8.4%
Salary scale	**5.0%**	5.2%
Inflation rate	**3.5%**	3.7%

Had the discount rate of 7.02% used by the Group in 2019 been decreased by 50 basis points, the impact on defined benefit obligation would have been an increase to Ps.3,037,398 as of December 31, 2019.

Had the discount rate of 8.37% used by the Group in 2018 been decreased by 50 basis points, the impact on defined benefit obligation would have been an increase to Ps.2,601,278 as of December 31, 2018.

The reconciliation between defined benefit obligations and post-employment benefit liability (asset) in the consolidated statements of financial position as of December 31, 2019 and 2018, is presented as follows:

	Pensions	Seniority Premiums	2019
Vested benefit obligations	Ps. 449,752	Ps. 338,962	**Ps. 788,714**
Unvested benefit obligations	1,890,108	168,786	**2,058,894**
Defined benefit obligations	2,339,860	507,748	**2,847,608**
Fair value of plan assets	1,051,076	328,420	**1,379,496**
Underfunded status of the plan assets	Ps. 1,288,784	Ps. 179,328	**Ps. 1,468,112**
Post-employment benefit liability	Ps. 1,288,784	Ps. 179,328	**Ps. 1,468,112**

	Pensions	Seniority Premiums	2018
Vested benefit obligations	Ps. 312,454	Ps. 305,475	Ps. 617,929
Unvested benefit obligations	1,721,772	137,826	1,859,598
Defined benefit obligations	2,034,226	443,301	2,477,527
Fair value of plan assets	1,108,176	406,854	1,515,030
Underfunded status of the plan assets	Ps. 926,050	Ps. 36,447	Ps. 962,497
Post-employment benefit liability	Ps. 926,050	Ps. 36,447	Ps. 962,497

The components of net periodic pensions and seniority premiums cost for the years ended December 31, consisted of the following:

	2019	2018
Service cost	**Ps. 131,662**	Ps. 129,707
Interest cost	**193,344**	170,653
Prior service cost for plan amendments	**46,846**	(8,613)
Interest on plan assets	**(112,788)**	(120,591)
Net periodic cost	**Ps. 259,064**	Ps. 171,156

The Group's defined benefit obligations, plan assets, funded status and balances in the consolidated statements of financial position as of December 31, 2019 and 2018, associated with post-employment benefits, are presented as follows:

	Pensions	Seniority Premiums	2019	2018
Defined benefit obligations:				
Beginning of year	Ps. 2,034,226	Ps. 443,301	**Ps. 2,477,527**	Ps. 2,419,153
Service cost	81,483	50,179	**131,662**	129,707
Interest cost	158,065	35,279	**193,344**	170,653
Benefits paid	(136,962)	(78,512)	**(215,474)**	(183,496)
Remeasurement of post-employment benefit obligations	165,775	47,928	**213,703**	(49,877)
Past service cost	37,273	9,573	**46,846**	(8,613)
End of year	2,339,860	507,748	**2,847,608**	2,477,527
Fair value of plan assets:				
Beginning of year	1,108,176	406,854	**1,515,030**	1,703,058
Return on plan assets	82,002	30,786	**112,788**	120,591
Remeasurement on plan assets	(17,227)	(16,162)	**(33,389)**	(146,963)
Benefits paid	(121,875)	(93,058)	**(214,933)**	(161,656)
End of year	1,051,076	328,420	**1,379,496**	1,515,030
Unfunded status of the plan assets	Ps. 1,288,784	Ps. 179,328	**Ps. 1,468,112**	Ps. 962,497

The changes in the net post-employment liability (asset) in the consolidated statements of financial position as of December 31, 2019 and 2018, are as follows:

	Pensions	Seniority Premiums	2019	2018
Beginning of net post-employment liability (asset)	Ps. 926,050	Ps. 36,447	**Ps. 962,497**	Ps. 716,095
Net periodic cost	194,819	64,245	**259,064**	171,156
Remeasurement of post-employment benefits	183,002	64,090	**247,092**	97,086
Benefits paid	(15,087)	14,546	**(541)**	(21,840)
Ending net post-employment liability	Ps. 1,288,784	Ps. 179,328	**Ps. 1,468,112**	Ps. 962,497

The post-employment benefits as of December 31, 2019 and 2018 and remeasurements adjustments for the years ended December 31, 2019 and 2018, are summarized as follows:

	2019	2018
Pensions:		
Defined benefit obligations	**Ps. 2,339,860**	Ps. 2,034,226
Plan assets	**1,051,076**	1,108,176
Unfunded status of plans	**1,288,784**	926,050
Remeasurements adjustments [(1)]	**183,002**	70,861
Seniority premiums:		
Defined benefit obligations	**Ps. 507,748**	Ps. 443,301
Plan assets	**328,420**	406,854
Unfunded status of plans	**179,328**	36,447
Remeasurements adjustments [(1)]	**64,090**	26,225

[(1)] On defined benefit obligations and plan assets.

Pensions and Seniority Premiums Plan Assets

The plan assets are invested according to specific investment guidelines determined by the technical committees of the pension plan and seniority premiums trusts and in accordance with actuarial computations of funding requirements. These investment guidelines require a minimum investment of 30% of the plan assets in fixed rate instruments, or mutual funds comprised of fixed rate instruments. The plan assets that are invested in mutual funds are all rated "AA" or "AAA" by at least one of the main rating agencies. These mutual funds vary in liquidity characteristics ranging from one day to one month. The investment goals of the plan assets are to preserve principal, diversify the portfolio, maintain a high degree of liquidity and credit quality, and deliver competitive returns subject to prevailing market conditions.

Currently, the plan assets do not engage in the use of financial derivative instruments. The Group's target allocation in the foreseeable future is to maintain approximately 20% in equity securities and 80% in fixed rate instruments.

The weighted average asset allocation by asset category as of December 31, 2019 and 2018, was as follows:

	2019	2018
Equity securities [1]	**28.6%**	29.1%
Fixed rate instruments	**71.4%**	70.9%
Total	**100.0%**	100.0%

(1) Included within plan assets at December 31, 2019 and 2018, are shares of the Company held by the trust with a fair value of Ps.136,963 and Ps.152,367, respectively.

The weighted average expected long-term rate of return of plan assets of 7.02% and 8.37% were used in determining net periodic pension cost in 2019 and 2018, respectively. The rate used reflected an estimate of long-term future returns for the plan assets. This estimate was primarily a function of the asset classes (equities versus fixed income) in which the plan assets were invested and the analysis of past performance of these asset classes over a long period of time.

This analysis included expected long-term inflation and the risk premiums associated with equity investments and fixed income investments.

The following table summarizes the Group's plan assets measured at fair value on a recurring basis as of December 31, 2019 and 2018:

	Balance as of December 31, 2019	Quoted Prices in Active Markets for Identical Assets (Level 1)	Internal Models with Significant Observable Inputs (Level 2)	Internal Models with Significant Unobservable Inputs (Level 3)
Common Stocks [1]	**Ps. 136,963**	Ps. 136,963	Ps. —	Ps. —
Mutual funds (fixed rate instruments) [2]	**218,269**	218,269	—	—
Money market securities [3]	**766,181**	766,181	—	—
Other equity securities	**258,083**	258,083	—	—
Total investment assets	**Ps. 1,379,496**	Ps. 1,379,496	Ps. —	Ps. —

	Balance as of December 31, 2018	Quoted Prices in Active Markets for Identical Assets (Level 1)	Internal Models with Significant Observable Inputs (Level 2)	Internal Models with Significant Unobservable Inputs (Level 3)
Common Stocks [1]	Ps. 152,367	Ps. 152,367	Ps. —	Ps. —
Mutual funds (fixed rate instruments) [2]	208,565	208,565	—	—
Money market securities [3]	880,808	880,808	—	—
Other equity securities	273,290	273,290	—	—
Total investment assets	Ps. 1,515,030	Ps. 1,515,030	Ps. —	Ps. —

[1] Common stocks are valued at the closing price reported on the active market on which the individual securities are traded. All common stock included in this line item relate to the Company's CPOs.

[2] Mutual funds consist of fixed rate instruments. These are valued at the net asset value provided by the administrator of the fund.

[3] Money market securities consist of government debt securities, which are valued based on observable prices from the new issue market, benchmark quotes, secondary trading and dealer quotes.

The Group did not make contributions to its plan assets in 2019 and 2018, and does not expect to make significant contributions to its plan assets in 2020.

The weighted average durations of the defined benefit plans as of December 31, 2019 and 2018, were as follows:

	2019	2018
Seniority Premiums	**8.2 years**	8.4 years
Pensions	**7.0 years**	8.0 years

17. Capital Stock and Long-term Retention Plan

Capital Stock

The Company has four classes of capital stock: Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares, with no par value. The Series "A" Shares and Series "B" Shares are common shares. The Series "D" Shares are limited-voting and preferred dividend shares, with a preference upon liquidation. The Series "L" Shares are limited-voting shares.

The Company's shares are publicly traded in Mexico, primarily in the form of Ordinary Participation Certificates ("CPOs"), each CPO representing 117 shares comprised of 25 Series "A" Shares, 22 Series "B" Shares, 35 Series "D" Shares and 35 Series "L" Shares; and in the United States in the form of Global Depositary Shares ("GDS"), each GDS representing five CPOs. Non-Mexican holders of CPOs do not have voting rights with respect to the Series "A", Series "B" and Series "D" Shares.

At December 31, 2019, shares of capital stock and CPOs consisted of (in millions):

	Authorized and Issued [1] [4]	Repurchased by the Company [2] [4]	Held by a Company's Trust [3] [4]	Outstanding
Series "A" Shares	122,179.4	(973.7)	(4,981.8)	116,223.9
Series "B" Shares	58,019.7	(856.9)	(4,310.0)	52,852.8
Series "D" Shares	88,554.1	(1,363.3)	(3,107.0)	84,083.8
Series "L" Shares	88,554.1	(1,363.3)	(3,107.0)	84,083.8
Total	357,307.3	(4,557.2)	(15,505.8)	337,244.3
Shares in the form of CPOs	296,023.0	(4,557.2)	(10,386.3)	281,079.5
Shares not in the form of CPOs	61,284.3	—	(5,119.5)	56,164.8
Total	357,307.3	(4,557.2)	(15,505.8)	337,244.3
CPOs	2,530.1	(38.9)	(88.8)	2,402.4

(1) As of December 31, 2019, the authorized and issued capital stock amounted to Ps.4,907,765 (nominal Ps.2,459,154).

(2) In 2019 and 2018, the Company repurchased, 4,557.2 million shares and 2,977.6 million shares, respectively, in the form of 38.9 million CPOs and 25.5 million CPOs, respectively, in the amount of Ps.1,385,750 and Ps.1,541,180, respectively, in connection with a share repurchase program that was approved by the Company's stockholders and is exercised at the discretion of management.

(3) In connection with the Company's Long-Term Retention Plan described below.

(4) On April 27, 2018, the Company's stockholders approved to cancel in May 2018, 5,122.6 million shares of the Company's capital stock in the form of 43.8 million CPOs, which were repurchased or acquired by the Company in 2017 and 2018.

A reconciliation of the number of shares and CPOs outstanding for the years ended December 31, 2019 and 2018, is presented as follows (in millions):

	Series "A" Shares	Series "B" Shares	Series "D" Shares	Series "L" Shares	Shares Outstanding	CPOs Outstanding
As of January 1, 2018	116,787.7	53,935.8	85,806.8	85,806.8	342,337.1	2,451.6
Repurchased [1]	(636.3)	(559.9)	(890.7)	(890.7)	(2,977.6)	(25.5)
Acquired [2]	(1,074.2)	(945.3)	(1,503.8)	(1,503.8)	(5,027.1)	(42.9)
Released [2]	1,130.0	685.5	1,090.6	1,090.6	3,996.7	31.2
As of December 31, 2018	116,207.2	53,116.1	84,502.9	84,502.9	338,329.1	2,414.4
Repurchased [1]	(973.7)	(856.9)	(1,363.3)	(1,363.3)	(4,557.2)	(38.9)
Acquired [2]	(65.6)	(57.7)	(91.9)	(91.9)	(307.1)	(2.7)
Released [2]	1,056.0	651.3	1,036.1	1,036.1	3,779.5	29.6
As of December 31, 2019	**116,223.9**	**52,852.8**	**84,083.8**	**84,083.8**	**337,244.3**	**2,402.4**

[1] In connection with a share repurchase program.

[2] By a Company's trust in connection with the Company's Long-Term Retention Plan described below.

Under the Company's bylaws, the Company's Board of Directors consists of 20 members, of which the holders of Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares, each voting as a class, are entitled to elect eleven members, five members, two members and two members, respectively.

Holders of Series "D" Shares are entitled to receive a preferred dividend equal to 5% of the nominal capital attributable to those Shares (nominal Ps.0.00034412306528 per share) before any dividends are payable in respect of Series "A" Shares, Series "B" Shares or Series "L" Shares. Holders of Series "A" Shares, Series "B" Shares and Series "L" Shares are entitled to receive the same dividends as holders of Series "D" Shares if stockholders declare dividends in addition to the preferred dividend that holders of Series "D" Shares are entitled to. If the Company is liquidated, Series "D" Shares are entitled to a liquidation preference equal to the nominal capital attributable to those Shares nominal Ps.0.00688246130560 per share before any distribution is made in respect of Series "A" Shares, Series "B" Shares and Series "L" Shares.

At December 31, 2019, the restated for inflation tax value of the Company's common stock was Ps.50,954,808. In the event of any capital reduction in excess of the tax value of the Company's common stock, such excess will be treated as dividends for income tax purposes (see Note 18).

Long-Term Retention Plan

The Company has adopted a Long-Term Retention Plan for the conditional sale of the Company's capital stock to key Group officers and employees under a special purpose trust.

At the Company's annual general ordinary stockholders' meeting held on April 2, 2013, the Company's stockholders approved that the number of CPOs that may be granted annually under the Long-Term Retention Plan shall be up to 1.5% of the capital of the Company. As of December 31, 2019, approximately 32.0 million CPOs or CPO equivalents that were transferred to Plan Participants were sold in the open market during 2017, 2018 and 2019. Additional sales will continue to take place during or after 2020.

The special purpose trust created to implement the Long-Term Retention Plan as of December 31, 2019 had approximately 132.5 million CPOs or CPO equivalents. This figure is net of approximately 42.5, 34.3 and 32.3 million CPOs or CPO equivalents vested in 2017, 2018 and 2019, respectively. Of the 132.5 million CPOs or CPO equivalents approximately 67% are in the form of CPOs and the remaining 33% are in the form of Series "A", Series "B", Series "D" and Series "L" Shares. As of December 31, 2019, approximately 132.6 million CPOs or CPO equivalents are held by a company trust and will become vested between 2020 and 2022 at prices ranging from Ps.90.59 to Ps.38.36 per CPO which may be reduced by dividends, a liquidity discount and the growth of the consolidated or relevant segment Operating Income Before Depreciation and Amortization, or OIBDA (including OIBDA affected by acquisitions) between the date of award and the vesting date, among others. During the year ended December 31, 2018, the Company made a funding for acquisition of shares in the aggregate amount of Ps.1,100,000 to the trust held for the Company's Long-Term Retention Plan.

In the fourth-quarter of 2019, the Company agreed to: (i) cancel 9,490.5 million shares that were conditionally sold to our officers and employees in 2015, 2016 and 2017, which conditions had not been complied with in full yet; and (ii) conditionally sell 4,745.3 million shares to the same officers and employees at a lower price and additional vesting periods of two and three years. In connection with these events, the Company recognized an additional expense that is included in the cost for the year ended December 31, 2019 (see Note 2 (y)).

As of December 31, 2019, the designated Retention Plan trust owned approximately 0.8 million CPOs or CPOs equivalents, which have been reserved to a group of employees, and may be sold at a price at least of Ps.36.52 per CPO, subject to certain conditions, in vesting periods between 2020 and 2023.

The Group has determined its share-based compensation expense (see Note 2 (y)) by using the BSPM at the date on which the stock was conditionally sold to personnel under the Company's Long-Term Retention Plan, on the following arrangements and weighted-average assumptions:

	Long-Term Retention Plan				
Arrangements:					
Year of grant	2015	2016	2017	2018	2019
Number of CPOs or CPOs equivalent granted	39,000	39,000	37,000	32,500	72,558

Contractual life	3 years	3 years	3 years	3 years	2.67 years
Assumptions:					
Dividend yield	0.33%	0.38%	0.38%	0.55%	0.82%
Expected volatility [(1)]	26.92%	27.60%	24.58%	25.38%	30.47%
Risk-free interest rate	4.61%	4.83%	7.04%	7.17%	6.88%
Expected average life of awards	3.00 years	3.00 years	2.96 years	3.00 years	2.67 years

[(1)] Volatility was determined by reference to historically observed prices of the Company's CPOs.

A summary of the stock conditionally sold to employees as of December 31, is presented below (in Mexican pesos and thousands of CPOs):

	2019		2018	
	CPOs or CPOs Equivalent	Weighted-Average Exercise Price	CPOs or CPOs Equivalent	Weighted-Average Exercise Price
Long-Term Retention Plan:				
Outstanding at beginning of year	**179,051**	**75.77**	157,915	79.75
Conditionally sold	**72,558**	**38.50**	32,500	52.05
Paid by employees	**(3,107)**	**33.75**	(6,897)	41.09
Forfeited	**(5,030)**	**73.20**	(4,467)	79.38
Outstanding at end of year	**243,472**	**65.19**	179,051	75.77
To be paid by employees at end of year	**110,828**	**81.26**	81,631	78.48

As of December 31, 2019 and 2018, the weighted-average remaining contractual life of the stock conditionally sold to employees under the Long- Term Retention Plan is 1.70 years and 1.28 years respectively.

18. Retained Earnings and Accumulated Other Comprehensive Income

(a) Retained Earnings:

	Legal Reserve	Unappropriated Earnings	Net Income for the Year	Retained Earnings
Balance at January 1, 2018	Ps. 2,139,007	Ps. 68,320,153	Ps. 4,524,496	Ps. 74,983,656
Appropriation of net income relating to 2017	—	4,524,496	(4,524,496)	—
Cumulative adjustment for adoption of IFRS 9- Expected credit losses (see Note 28)	—	(167,028)	—	(167,028)
Cumulative adjustment for adoption of IFRS 9-New classification of financial instruments (see Note 28)	—	(827,932)	—	(827,932)
Cumulative adjustment for adoption of IFRS 15 (see Note 28)	—	1,599,452	—	1, 599,452
Acquisition of non-controlling interests	—	(183,041)	—	(183,041)
Dividends paid relating to 2017	—	(1,068,868)	—	(1,068,868)
Share cancellation	—	(2,694,201)	—	(2,694,201)
Sale of repurchased shares	—	(446,542)	—	(446,542)
Share—based compensation	—	1,305,999	—	1,305,999
Net income for the year 2018	—	—	6,009,414	6,009,414
Balance at December 31, 2018	2,139,007	70,362,488	6,009,414	78,510,909
Appropriation of net income relating to 2018	—	6,009,414	(6,009,414)	—
Acquisition of non-controlling interests	—	766	—	766
Dividends paid relating to 2018	—	(1,066,187)	—	(1,066,187)
Net gain on partial disposition of Open Ended Fund	—	837,520	—	837,520
Sale of repurchased shares	—	(1,585,963)	—	(1,585,963)
Share—based compensation	—	1,108,094	—	1,108,094
Net income for the year 2019	—	—	4,626,139	4,626,139
Balance at December 31, 2019	**Ps. 2,139,007**	**Ps. 75,666,132**	**Ps. 4,626,139**	**Ps. 82,431,278**

In accordance with Mexican law, the legal reserve must be increased by 5% of annual net profits until it reaches 20% of the capital stock amount. As of December 31, 2019 and 2018, the Company's legal reserve amounted to Ps.2,139,007 and Ps.2,139,007, respectively and was classified into retained earnings in consolidated equity. As the legal reserve reached 20% of the capital stock amount, no additional increases were required in 2019, 2018 and 2017. This reserve is not available for dividends, but may be used to reduce a deficit or may be transferred to stated capital. Other appropriations of profits require the vote of the Company's stockholders.

In April 2017, the Company's stockholders approved the payment of a dividend of Ps.0.35 per CPO and Ps.0.002991452991 per share of Series "A", "B", "D" and "L" Shares, not in the form of a CPO, which was paid in cash in May 2017 in the aggregate amount of Ps.1,084,192 (see Note 17).

In April 2018, the Company's stockholders approved for the payment of a dividend of Ps.0.35 per CPO and Ps.0.002991452991 per share of Series "A", "B", "D" and "L" Shares, not in the form of a CPO, which was paid in May 2018 in the aggregate amount of Ps.1,068,868 (see Note 17).

In April 2019, the Company's stockholders approved for the payment of a dividend of Ps.0.35 per CPO and Ps.0.002991452991 per share of Series "A," "B," "D" and "L" Shares, not in the form of a CPO, which was paid in May 2019 in the aggregate amount of Ps.1,066,187 (see Note 17).

Dividends, either in cash or in other forms, paid by the Mexican companies in the Group will be subject to income tax if the dividends are paid from earnings that have not been subject to Mexican income tax computed on an individual company basis under the provisions of the Mexican Income Tax Law. In this case, dividends will be taxable by multiplying such dividends by a 1.4286 factor and applying to the resulting amount the income tax rate of 30%. This income tax will be paid by the company paying the dividends.

In addition, the entities that distribute dividends to its stockholders who are individuals or foreign residents must withhold 10% thereof for income tax purposes, which will be paid in Mexico. The foregoing will not be applicable when distributed dividends arise from the "taxed net earnings account" computed on an individual

company basis generated through December 31, 2013.

As of December 31, 2019, cumulative earnings that have been subject to income tax and can be distributed by the Company free of Mexican income tax amounted to Ps.70,758,656.

(b) Accumulated Other Comprehensive Income:

Changes	Open Ended Fund	Other Equity Instruments	Other Financial Assets	Warrants Exercisable for Common Stock of UHI	Exchange Differences on Translating Foreign Operations	Remeasurement of Post-Employment Benefit Obligations	Derivative Financial Instruments Cash Flow Hedges	Share of Income (Loss) of Associates and Joint Ventures	Income Tax	Total
Accumulated at January 1, 2018	Ps. 3,750,658	Ps. —	Ps. —	Ps. (612,664)	Ps. 1,651,047	Ps. (665,739)	Ps. 802,017	Ps. 208,057	Ps. (534,229)	Ps. 4,599,147
Cumulative adjustment for adoption of IFRS 9-New classification of financial instruments (see Note 28)	—	1,182,760	—	—	—	—	—	—	(354,828)	827,932
Changes in other comprehensive income	215,957	603,766	(111)	(1,347,698)	(836,740)	(98,096)	174,532	(47,313)	336,111	(999,592)
Accumulated at December 31, 2018	3,966,615	1,786,526	(111)	(1,960,362)	814,307	(763,835)	976,549	160,744	(552,946)	4,427,487
Partial disposition of Open Ended Fund	(1,186,130)	—	—	—	—	—	—	—	348,610	(837,520)
Remeasurement of post-employment benefit obligations of assets held for sale	—	—	—	—	—	(1,721)	—	—	516	(1,205)
Changes in other comprehensive income	(351,202)	(794,624)	111	257,306	(79,631)	(244,576)	(1,521,912)	(236,159)	702,376	(2,268,311)
Accumulated at December 31, 2019	**Ps. 2,429,283**	**Ps. 991,902**	**Ps. —**	**Ps. (1,703,056)**	**Ps. 734,676**	**Ps. (1,010,132)**	**Ps. (545,363)**	**Ps. (75,415)**	**Ps. 498,556**	**Ps. 1,320,451**

19. Non-controlling Interests

Non-controlling interests as of December 31, 2019 and 2018, consisted of:

	2019	2018
Capital stock	**Ps. 1,155,998**	Ps. 1,157,533
Additional paid-in capital	**3,001,681**	3,001,681
Legal reserve	**164,832**	164,849
Retained earnings from prior years (1) (2)	**8,930,063**	8,921,574
Net income for the year	**1,480,674**	1,605,856
Accumulated other comprehensive income (loss):		
Cumulative result from foreign currency translation	**148,318**	167,109
Remeasurement of post-employment benefit obligations on defined benefit plans	**(7,799)**	(4,831)
	Ps. 14,873,767	Ps. 15,013,771

(1) In 2019, 2018 and 2017, the holding companies of the Sky segment paid a dividend to its equity owners in the aggregate amount of Ps.3,800,000, Ps.3,000,000 and Ps.1,000,000, respectively, of which Ps.1,570,659, Ps.1,240,002 and Ps.413,334, respectively, were paid to its non-controlling interest.

(2) In 2017, the stockholders of Radiópolis approved the payment of a dividend in the amount of Ps.90,000, of which Ps.45,000, were paid to its non-controlling interest.

Amounts of consolidated current assets, non-current assets, current liabilities and non-current liabilities of Empresas Cablevisión and Sky as of December 31, 2019 and 2018, are set forth as follows:

	Empresas Cablevisión		Sky	
	2019	2018	2019	2018
Assets:				
Current assets	**Ps. 5,035,670**	Ps. 5,324,452	**Ps. 9,891,514**	Ps. 12,508,441
Non-current assets	**19,371,687**	18,158,208	**17,930,006**	19,003,827
Total assets	**24,407,357**	23,482,660	**27,821,520**	31,512,268
Liabilities:				
Current liabilities	**5,565,268**	4,603,918	**3,586,272**	4,948,165
Non-current liabilities	**1,326,812**	2,447,627	**9,319,812**	9,699,401

Total liabilities	**6,892,080**	7,051,545	**12,906,084**	14,647,566
Net assets	**Ps. 17,515,277**	Ps. 16,431,115	**Ps. 14,915,436**	Ps. 16,864,702

Amounts of consolidated net sales, net income and total comprehensive income of Empresas Cablevisión and Sky for the years ended December 31, 2019 and 2018, are set forth as follows:

	Empresas Cablevisión		Sky	
	2019	**2018**	**2019**	**2018**
Net sales	**Ps. 14,465,512**	Ps. 13,392,428	**Ps. 21,347,241**	Ps. 22,002,216
Non-income	**1,085,880**	1,062,045	**1,880,607**	2,287,313
Total comprehensive income	**1,084,162**	1,060,834	**1,850,735**	2,237,380

As of December 31, 2019, the Group did not have dividends payable.

Amounts of consolidated summarized cash flows of Sky and Empresas Cablevisión for the years ended December 31, 2019 and 2018, are set forth as follows:

	Empresas Cablevisión		Sky	
	2019	**2018**	**2019**	**2018**
Cash flows from operating activities	**Ps. 3,756,935**	Ps. 4,390,549	**Ps. 8,118,541**	Ps. 9,122,533
Cash flows from investing activities	**(3,301,043)**	(3,423,332)	**(4,006,732)**	(3,827,245)
Cash flows from financing activities	**(1,855,636)**	(472,995)	**(5,172,976)**	(3,962,763)
Net increase in cash and cash equivalents	**Ps. (1,399,744)**	Ps. 494,222	**Ps. (1,061,167)**	Ps. 1,332,525

20. Transactions with Related Parties

The principal transactions carried out by the Group with affiliated companies, including equity investees, stockholders and entities in which stockholders have an equity interest, for the years ended December 31, 2019, 2018 and 2017, were as follows:

	2019	2018	2017
Revenues, other income and interest income:			
Royalties (Univision) [a]	**Ps. 7,527,364**	Ps. 7,383,540	Ps. 5,930,238
Programming production and transmission rights [b]	**485,157**	960,052	1,102,470
Telecom services [c]	**71,979**	17,951	—
Administrative services [d]	**20,598**	34,653	86,649
Advertising [e]	**151,296**	44,625	58,637
Interest income [f]	**83,625**	84,987	80,397
	Ps. 8,340,019	Ps. 8,525,808	Ps. 7,258,391
Costs and expenses:			
Donations	**Ps. 26,285**	Ps. 32,111	Ps. 143,470
Administrative services [d]	**24,899**	20,403	15,816
Technical services [g]	**465,250**	138,262	67,752
Programming production, transmission rights and telecom [h]	**666,312**	1,298,197	490,698
	Ps. 1,182,746	Ps. 1,488,973	Ps. 717,736

[a] The Group receives royalties from Univision for programming provided pursuant to an amended PLA, pursuant to which Univision has the right to broadcast certain Televisa content in the United States for a term that commenced on January 1, 2011 and ends 7.5 after the Group has sold two-thirds of its initial investment in UHI made in December 2010. The amended PLA includes a provision for certain yearly minimum guaranteed advertising, with a value of U.S.$32.3 million (Ps.625,410), U.S.$46.6 million (Ps.891,990) and U.S.$44.8 million (Ps.849,557), for the fiscal years 2019, 2018 and 2017, respectively, to be provided by Univision, at no cost, for the promotion of certain Group businesses. This advertising does not have commercial substance for the Group, as it is related to activities that are considered ancillary to Group's normal operations in the United States (see Notes 3, 9 and 10).

[b] Services rendered to Univision in 2019, 2018 and 2017, and to Televisa CJ Grand in 2017.

[c] Services rendered to a subsidiary of AT&T, Inc. ("AT&T") in 2019, 2018 and 2017, and Univision in 2018.

[d] The Group receives revenue from and is charged by affiliates for various services, such as: equipment rental, security and other services, at rates which are negotiated. The Group provides management services to affiliates, which reimburse the Group for the incurred payroll and related expenses.

[e] Advertising services rendered to OCEN, Univision and Editorial Clío, Libros y Videos, S.A. de C.V. ("Editorial Clío") in 2019, 2018 and 2017, and Televisa CJ Grand in 2017.

[f] Includes mainly interest income from GTAC.

[g] In 2019, 2018 and 2017, Sky received services from a subsidiary of AT&T, Inc. for play-out, uplink and downlink of signals.

[h] Paid mainly to Univision and GTAC in 2019, 2018 and 2017. The Group pays royalties to Univision for programming provided pursuant to a Mexico License Agreement, under which the Group has the right to broadcast certain Univision's content in Mexico for the same term as that of the PLA (see Notes 3, 9 and 10). It also includes payments by telecom services to GTAC in 2019, 2018 and 2017. In 2018 includes payments by transmission rights to AT&T.

Other transactions with related parties carried out by the Group in the normal course of business include the following:

(1) A consulting firm controlled by a relative of one of the Company's directors, has provided consulting services and research in connection with the effects of the Group's programming on its viewing audience. Total fees for such services during 2019, 2018 and 2017 amounted to Ps.19,758, Ps.15,414 and Ps.2,581, respectively.

(2) From time to time, two Mexican banks have made loans to the Group, on terms substantially similar to those offered by the banks to third parties. Some members of the Company's Board serve as Board members of these banks.

(3) Several other current members of the Company's Board serve as members of the Boards and/or are stockholders of other companies, some of which purchased advertising services from the Group in connection with the promotion of their respective products and services, paying rates applicable to third-party advertisers for these advertising services.

(4) During 2019, 2018 and 2017, a professional services firm in which the current Secretary of the Company´s Board maintains an interest, provided legal advisory services to the Group in connection with various corporate matters. Total fees for such services amounted to Ps.34,603, Ps.26,547 and Ps.33,316, respectively.

(5) During 2019, 2018 and 2017, a professional services firm in which two current directors of the Company maintain an interest provided finance advisory services to the Group in connection with various corporate matters. Total fees for such services amounted to Ps.20,554, Ps.19,431 and Ps.97,272, respectively.

(6) A current member of the Company's Board serves as a member of the Board of a Mexican company, which controls the principal chain of convenience stores in Mexico. Such company entered into an agreement with the Group to sell online lottery tickets from the Group's gaming business in its convenience stores. Total fees for such services during 2017 amounted to Ps.2,391. This agreement concluded in November 2017.

(7) In 2019, 2018 and 2017, the Group entered into contracts leasing office space directly or indirectly from certain of our directors and officers for an aggregate annual amount of Ps.29,613, Ps.28,155 and Ps.26,963, respectively.

During 2019, 2018 and 2017, the Group paid to its directors, alternate directors and officers an aggregate compensation of Ps.869,556, Ps.568,347 and Ps.892,769, respectively, for services in all capacities. This compensation included certain amounts related to the use of assets and services of the Group, as well as travel expenses reimbursed to directors and officers. Projected benefit obligations related to the Group's directors, alternate directors and officers amounted to Ps.170,856, Ps.148,651 and Ps.164,018 as of December 31, 2019, 2018 and 2017, respectively. Cumulative contributions made by the Group to the pension and seniority premium plans on behalf of these directors and officers amounted to Ps.82,768, Ps.90,901 and Ps.115,467 as of December 31, 2019, 2018 and 2017, respectively. In addition, the Group has made conditional sales of the Company's CPOs to its directors and officers under the Long-term Retention Plan.

In 2015, the Group established a deferred compensation plan for certain officers of its Cable segment, which will be payable in the event that certain revenue and EBITDA targets (as defined) of a five-year plan are met. The present value of this long-term employee benefit obligation as of December 31, 2019 and 2018 amounted to Ps.1,258,013 and Ps.1,058,818, respectively, and the related service net cost for the years ended December 31, 2019, 2018 and 2017, amounted to Ps.199,195, Ps.251,787 and Ps.302,801, respectively. In 2019 and 2018, the Group made contributions to a trust (plan assets) for funding in the aggregate amount of Ps.700,000 and Ps.350,000, respectively. This deferred compensation obligation is presented net of related plan asset, in other long-term liabilities in the Group's consolidated statement of financial position, and the related expense is classified in other expense in the Group's consolidated statement of income (see Note 22).

The balances of receivables and payables between the Group and related parties as of December 31, 2019 and 2018, were as follows:

		2019		2018
Current receivables:				
UHI, including Univision [1]	**Ps.**	**748,844**	Ps.	954,754
OCEN		**3,968**		35,590
Editorial Clío		**2,933**		6,399
Other		**58,682**		81,584
	Ps.	**814,427**	Ps.	1,078,327
Current payables:				
UHI, including Univision [1]	**Ps.**	**594,254**	Ps.	614,388
AT&T		**25,447**		70,187
Other		**24,550**		29,875
	Ps.	**644,251**	Ps.	714,450

(1) As of December 31, 2019 and 2018, the Group recognized a provision in the amount of Ps.594,254 and Ps.614,388, respectively, associated with a consulting arrangement entered into by the Group, UHI and an entity controlled by the chairman of the Board of Directors of UHI, by which upon consummation of a qualified initial public offering of the shares of UHI or an alternative exit plan for the main current investors in UHI, the Group would pay the entity a portion of a defined appreciation in excess of certain preferred returns and performance thresholds of UHI. In March 2018, UHI announced that it has determined not to utilize the registration statement initially filed on July 2, 2015 for an initial public offering in the United States. Since the existing obligations contemplate other scenarios under which payment may be required, and such scenarios remain probable, the Company has maintained this payment reserved. As of December 31, 2019 and 2018, receivables from UHI related primarily to the PLA amounted to Ps.748,844 and Ps.954,754, respectively.

All significant account balances included in amounts due from affiliates bear interest. In 2019 and 2018, average interest rates of 9.6% and 9.9% were charged, respectively. Advances and receivables are short-term in nature; however, these accounts do not have specific due dates.

Customer deposits and advances as of December 31, 2019 and 2018, included deposits and advances from affiliates and other related parties, in an aggregate amount of Ps.144,672 and Ps.123,672, respectively, which were primarily made by UHI, including Univision.

In 2012, a subsidiary of the Company entered into an amended lease contract with GTAC for the right to use certain capacity in a telecommunication network. This amended lease agreement contemplates annual payments to GTAC in the amount of Ps.41,400 through 2029, with an annual interest rate of the lower of TIIE plus 122 basis points or 6% (see Notes 10, 11 and 14).

21. Cost of Sales, Selling Expenses and Administrative Expenses

Cost of sales represents primarily the production cost of programming, acquired programming and transmission rights at the moment of broadcasting or at the time the produced programs are sold and became available for broadcast (see Note 8). Such cost of sales also includes benefits to employees and post-employment benefits, network maintenance and interconnections, satellite links, paper and printing, depreciation of property, plant and equipment, leases of real estate property, and amortization of intangible assets.

Selling expenses and administrative expenses include primarily benefits to employees, sale commissions, postemployment benefits, share-based compensation to employees, depreciation of property, plant and equipment, leases of real estate property, and amortization of intangibles.

The amounts of depreciation, amortization and other amortization included in cost of sales, selling expenses and administrative expenses for the years ended December 31, 2019, 2018 and 2017, were as follows:

		2019		2018		2017
Cost of sales	**Ps.**	**16,035,227**	Ps.	14,147,169	Ps.	13,329,335
Selling expenses		**1,695,616**		1,694,966		1,270,529
Administrative expenses		**3,809,379**		4,436,746		4,441,084
	Ps.	**21,540,222**	Ps.	20,278,881	Ps.	19,040,948

The amounts of expenses related to IFRS 16 included in cost of sales, selling expenses and administrative expenses for the year ended December 31, 2019, were as follow:

		2019
Expenses relating to variable lease payment not included in the measurement of the lease liability	**Ps.**	**410,354**
Expenses relating to short-term leases and leases of low-value assets		**213,390**
Total	**Ps.**	**623,744**

Expenses related to short-term employee benefits, share-based compensation and post-employment benefits and incurred by the Group for the years ended December 31, 2019, 2018 and 2017, were as follows:

		2019		2018		2017
Short-term employee benefits	**Ps.**	**16,821,651**	Ps.	16,000,255	Ps.	16,124,608
Other short-term employee benefits		**1,210,671**		949,294		1,775,854
Share-based compensation		**1,129,644**		1,327,549		1,489,884
Post-employment benefits		**259,064**		171,156		158,905
	Ps.	**19,421,030**	Ps.	18,448,254	Ps.	19,549,251

22. Other Income or Expense, Net

Other income (expense) for the years ended December 31, 2019, 2018 and 2017, is analyzed as follows:

		2019		2018		2017
Gain (loss) on disposition of investments [1]	**Ps.**	**627**	Ps.	3,553,463	Ps.	(295,194)
Donations (see Note 20)		**(27,786)**		(56,019)		(159,605)
Legal, financial, and accounting advisory and professional services [2]		**(353,937)**		(212,527)		(269,385)
Loss on disposition of property and equipment		**(158,658)**		(268,532)		(118,817)
Impairment adjustments [3]		**(67,574)**		(135,750)		(89,597)
Deferred compensation (see Note 20)		**(199,195)**		(251,787)		(302,801)
Dismissal severance expense [4]		**(533,233)**		(530,560)		(984,816)
Other taxes paid by Sky in Central America		**—**		(148,271)		—
Interest receivable for Asset Tax from prior years		**139,995**		**—**		—
Other, net [5]		**(116,826)**		(387,733)		(166,119)
	Ps.	**(1,316,587)**	Ps.	1,562,284	Ps.	(2,386,334)

[1] In 2018, included a gain of Ps.3,513,829 on disposition of the Group's equity stake in Imagina, and a gain of Ps.85,000 on disposition of the Group's 50% equity in Televisa CJ Grand, a joint venture for a home shopping channel in Mexico (see Notes 3 and 10). In 2017, included a loss on disposition of a Publishing business in Argentina, which was classified in the Group's Other Business segment.

[2] Includes primarily advisory and professional services in connection with certain litigation and other matters (see Notes 3 and 20).

[3] Includes impairment adjustments in connection with trademarks in the Group's Publishing business (see Note 13).

[4] Includes severance expense in connection with the dismissals of personnel in the Group's Cable, Content and Other Businesses segments, as a part of a continued cost reduction plan. In 2019 includes Ps.150,000 related to an accrual for restructuring certain administrative areas in the first quarter of 2020.

[5] In 2018, included a loss on disposition of obsolete infrastructure in the Group´s Cable segment, in the amount of Ps.249,688.

23. Finance Expense, Net

Finance (expense) income, net, for the years ended December 31, 2019, 2018 and 2017, included:

		2019		2018		2017
Interest expense [1]	**Ps.**	**(10,402,021)**	Ps.	(9,707,324)	Ps.	(9,245,671)
Other finance expense, net [3]		**(873,177)**		(859,642)		—
Finance expense		**(11,275,198)**		(10,566,966)		(9,245,671)
Interest income [4]		**1,529,112**		1,567,100		2,268,711
Foreign exchange gain, net [2]		**935,291**		220,149		768,923
Other finance income, net [3]		**—**		—		903,204
Finance income		**2,464,403**		1,787,249		3,940,838
Finance expense, net	**Ps.**	**(8,810,795)**	Ps.	(8,779,717)	Ps.	(5,304,833)

[1] In 2019, interest expense included interest in the aggregate amount of Ps.426,541 related to additional lease liabilities recognized beginning on January 1, 2019, in connection with the adoption of IFRS 16, which became effective on that date. In 2017, interest expense included fees for the prepayment in full of the Senior Notes

due 2018, in the amount of Ps.158,496 (see Notes 2 and 14).

(2) In 2019, 2018 and 2017, foreign exchange gain, net, included: (i) foreign exchange gain or loss resulted primarily from the appreciation or depreciation of the Mexican peso against the U.S. dollar on the Group's U.S. dollar-denominated monetary liability position, excluding long-term debt designated as hedging instrument of the Group's investments in UHI and Open Ended Fund, during the years ended December 31, 2019, 2018 and 2017; and (ii) foreign exchange gain or loss resulted primarily from the appreciation or depreciation of the Mexican peso against the U.S. dollar on the Group's U.S. dollar-denominated monetary asset position during the years ended December 31, 2019, 2018 and 2017 (see Notes 2 (e), 4 and 14). The exchange rate of the Mexican peso against the U.S. dollar as of December 31, 2019, 2018 and 2017 was of Ps.18.8838, Ps.19.6730 and Ps.19.7051, respectively.

(3) In 2019, 2018 and 2017, other finance income or expense, net, included gain or loss from derivative financial instruments (see Note 15) and a loss from changes on fair value in other financial instruments in 2019.

(4) In 2019, 2018 and 2017, included primarily interest income from cash equivalents and temporary investments. In 2017, also included interest income of certain temporary investments at FVIL in the amount of Ps.787,298, which were classified as investments at FVOCIL beginning on January 1, 2018, in connection with the adoption of IFRS 9, which became effective on that date.

24. Income Taxes

The income tax provision for the years ended December 31, 2019, 2018 and 2017 was comprised of:

	2019	2018	2017
Income taxes, current (1)	**Ps. 5,267,157**	Ps. 6,448,961	Ps. 5,382,865
Income taxes, deferred	**(2,598,712)**	(2,058,457)	(1,108,745)
	Ps. 2,668,445	Ps. 4,390,504	Ps. 4,274,120

(1) The current income tax of Mexican companies payable in Mexico represented 95%, 91% and 93% of total current income taxes in 2019, 2018 and 2017, respectively.

The Mexican corporate income tax rate was 30% in 2019, 2018 and 2017, and will be 30% in 2020.

2014 Tax Reform

As a result of a 2014 Mexican Tax Reform (the "2014 Tax Reform"), which included the elimination of the tax consolidation regime allowed for Mexican controlling companies, beginning on January 1, 2014, the Company is no longer allowed to consolidate income or loss of its Mexican subsidiaries for income tax purposes and: (i) accounted for an additional income tax liability for the elimination of the tax consolidation regime in the aggregate amount of Ps.6,813,595 as of December 31, 2013; (ii) recognized a benefit from tax loss carryforwards of Mexican companies in the Group in the aggregate amount of Ps.7,936,044 as of December 31, 2013; and (iii) adjusted the carrying amount of deferred income taxes from temporary differences by recognizing such effects on a separate company basis by using the enacted corporate income tax rate as of December 31, 2013.

The income tax payable as of December 31, 2019 and 2018, in connection with the 2014 Tax Reform, is as follows:

	2019	2018
Tax losses of subsidiaries, net	**Ps. 3,230,248**	Ps. 4,959,130
Less: Current portion (a)	**1,470,529**	1,817,736
Non-current portion (b)	**Ps. 1,759,719**	Ps. 3,141,394

(a) Accounted for as current income taxes payable in the consolidated statement of financial position as of December 31, 2019 and 2018.

(b) Accounted for as non-current income taxes payable in the consolidated statement of financial position as of December 31, 2019 and 2018.

Maturities of income tax payable as of December 31, 2019, in connection with the 2014 Mexican Tax Reform, are as follows:

2020	Ps. 1,470,529
2021	1,016,035
2022	623,545
2023	120,139
	Ps. 3,230,248

The following items represent the principal differences between income taxes computed at the statutory rate and the Group's provision for income taxes.

	% 2019	% 2018	% 2017
Statutory income tax rate	**30**	30	30
Differences between accounting and tax bases, includes tax inflation gain that is not recognized for accounting purposes	**5**	5	10
Asset tax	**(2)**	—	—
Tax loss carryforwards	**(13)**	(4)	(2)
2014 Tax Reform	**1**	2	1
Foreign operations	**8**	3	5
Disposition of investment	**3**	2	—
Share of income in associates and joint ventures, net	**(2)**	(1)	(5)
Effective income tax rate	**30**	37	39

The Group has recognized the benefits from tax loss carryforwards of Mexican companies in the Group as of December 31, 2019 and 2018. The years of expiration of tax loss carryforwards as of December 31, 2019, are as follows:

Year of Expiration	Tax Loss Carryforwards for Which Deferred Taxes Were Recognized
2020	Ps. 91,050
2021	174,278
2022	2,051,839
2023	233,434
2024	972,878
Thereafter	24,806,403
	Ps. 28,329,882

As of December 31, 2019, tax loss carryforwards of Mexican companies in the Group for which deferred tax assets were not recognized amounted to Ps.1,780,793, and will expire between 2020 and 2028.

During 2019, 2018 and 2017, certain Mexican subsidiaries utilized operating tax loss carryforwards in the amounts of Ps.6,457,550, Ps.14,072,331 and Ps.5,806,602, respectively.

In addition to the tax loss carryforwards of Mexican companies in the Group referred as of December 31, 2019, the Group has tax loss carryforwards derived from the disposal in 2014 of its former investment in GSF Telecom Holdings, S.A.P.I. de C.V. ("GSF") in the amount of Ps.15,086,807. As of December 31, 2019, tax loss carryforwards derived from this disposal for which deferred taxes were recognized amounted to Ps.15,086,807, and will expire in 2025.

As of December 31, 2019, tax loss carryforwards of subsidiaries in South America, the United States, and Europe amounted to Ps.2,496,982, and will expire between 2020 and 2037.

The deferred income taxes as of December 31, 2019 and 2018, were principally derived from the following temporary differences and tax loss carryforwards:

	2019	2018
Assets:		
Accrued liabilities	**Ps. 4,352,021**	Ps. 3,619,288
Loss allowance	**1,550,482**	1,344,425
Customer advances	**1,499,462**	1,799,330
Derivative financial instruments	**273,210**	—
Property, plant and equipment, net	**1,650,860**	1,570,890
Prepaid expenses and other items	**3,700,673**	1,125,387
Tax loss carryforwards:		
Operating	**7,433,425**	8,677,220
Capital[(1)]	**5,591,581**	4,338,177
Liabilities:		
Investments	**(6,676,401)**	(7,812,896)
Derivative financial instruments	—	(248,547)
Intangible assets and transmission rights	**(2,406,145)**	(843,409)
Deferred income tax assets of Mexican companies	**16,969,168**	13,569,865
Deferred income tax assets of certain foreign subsidiaries	**163,747**	221,392
Deferred income tax assets, net	**Ps. 17,132,915**	Ps. 13,791,257

(1) Net of the benefit from tax loss carryforwards derived from the disposal in 2014 of the Group's investment in GSF, in the amount of Ps.4,526,042 and Ps.3,301,222 in 2019 and 2018, respectively.

The deferred tax assets are in tax jurisdictions in which the Group considers that based on financial projections of its cash flows, results of operations and synergies between subsidiaries, will generate taxable income in subsequent periods.

The gross rollforward of deferred income tax assets, net, is as follows:

	2019	2018
At January 1	**Ps. 13,791,257**	Ps. 12,317,531
Statement of income credit	**2,598,712**	2,058,457
Other comprehensive income ("OCI") credit	**1,154,097**	336,689
Retained earnings charge	**(342,420)**	—
Charged to retained earnings in connection with the adoption of new IFRS Standards	**—**	(921,420)
Reclassification to current assets (liabilities) held for sale	**(68,731)**	—

At December 31	**Ps. 17,132,915**	Ps. 13,791,257

The rollforward of deferred income tax assets and liabilities for the year 2019, was as follows:

	At January 1, 2019	Credit (Charge) to Consolidated Statement of Income	Credit (Charge) to OCI and Retained Earnings	Reclassification to Current Assets (Liabilities) Held for Sale	At December 31, 2019
Assets:					
Accrued liabilities	Ps. 3,619,288	Ps. 732,733	Ps. —	Ps. —	**Ps. 4,352,021**
Loss allowance	1,344,425	206,057	—	—	**1,550,482**
Customer advances	1,799,330	(299,868)	—	—	**1,499,462**
Derivative financial instruments	—	(183,364)	456,574	—	**273,210**
Property, plant and equipment, net	1,570,890	79,970	—	—	**1,650,860**
Prepaid expenses and other items	1,125,387	2,586,763	57,254	(68,731)	**3,700,673**
Tax loss carryforwards	13,015,397	334,122	(324,513)	—	**13,025,006**
Deferred income tax assets of foreign subsidiaries	221,392	(57,645)	—	—	**163,747**
Liabilities:					
Investments	(7,812,896)	514,133	622,362	—	**(6,676,401)**
Derivative financial instruments	(248,547)	248,547	—	—	**—**
Intangible assets and transmission rights	(843,409)	(1,562,736)	—	—	**(2,406,145)**
Deferred income tax assets, net	Ps. 13,791,257	Ps. 2,598,712	Ps. 811,677	Ps. (68,731)	**Ps. 17,132,915**

The rollforward of deferred income tax assets and liabilities for the year 2018, was as follows:

	At January 1, 2018	Credit (Charge) to Consolidated Statement of Income	Credit (Charge) to OCI and Equity	At December 31, 2018
Assets:				
Accrued liabilities	Ps. 3,388,289	Ps. 230,999	Ps. —	Ps. 3,619,288
Loss allowance	1,115,990	149,305	79,130	1,344,425
Customer advances	2,230,958	(431,628)	—	1,799,330
Property, plant and equipment, net	1,159,085	411,805	—	1,570,890
Prepaid expenses and other items	—	1,785,820	(660,433)	1,125,387
Tax loss carryforwards	15,558,120	(2,542,723)	—	13,015,397
Deferred income tax assets of foreign subsidiaries	257,769	73,117	(109,494)	221,392
Liabilities:				
Investments	(7,117,306)	(854,016)	158,426	(7,812,896)
Derivative financial instruments	(355,051)	158,864	(52,360)	(248,547)
Intangible assets and transmission rights	(2,646,267)	1,802,858	—	(843,409)
Prepaid expenses and other items	(1,274,056)	1,274,056	—	—
Deferred income tax assets, net	Ps. 12,317,531	Ps. 2,058,457	Ps. (584,731)	Ps. 13,791,257

The tax (charge) credit relating to components of other comprehensive income is as follows:

	2019		
	Before Tax	Tax (Charge) Credit	After Tax
Remeasurement of post-employment benefit obligations	**Ps. (247,092)**	**Ps. 74,128**	**Ps. (172,964)**
Remeasurement of post-employment benefit obligations of assets held for sale	**(3,445)**	**1,033**	**(2,412)**
Exchange differences on translating foreign operations	**(98,422)**	**(101,323)**	**(199,745)**
Derivative financial instruments cash flow hedges	**(1,521,912)**	**456,574**	**(1,065,338)**
Warrants exercisable for common stock of UHI	**257,306**	**(77,192)**	**180,114**
Open Ended Fund	**(351,202)**	**112,590**	**(238,612)**
Other equity instruments	**(794,624)**	**238,387**	**(556,237)**
Other financial assets	**111**	**(33)**	**78**
Share of loss of associates and joint ventures	**(236,159)**	**—**	**(236,159)**
Other comprehensive loss	**Ps. (2,995,439)**	**Ps. 704,164**	**Ps. (2,291,275)**
Current tax		**Ps. (449,933)**	
Deferred tax		**1,154,097**	
		Ps. 704,164	

	2018		
	Before Tax	Tax (Charge) Credit	After Tax
Remeasurement of post-employment benefit obligations [1]	Ps. (97,086)	Ps. 230,623	Ps. 133,537
Exchange differences on translating foreign operations	(859,032)	(587)	(859,619)
Derivative financial instruments cash flow hedges	174,532	(52,359)	122,173
Warrants exercisable for common stock of UHI	(1,347,698)	404,309	(943,389)
Open Ended Fund	215,957	(64,787)	151,170
Other equity instruments	603,766	(181,130)	422,636
Other financial assets	(111)	33	(78)
Share of loss of associates and joint ventures	(47,313)	—	(47,313)
Other comprehensive loss	Ps. (1,356,985)	Ps. 336,102	Ps. (1,020,883)
Current tax		Ps. (587)	
Deferred tax		336,689	
		Ps. 336,102	

[1] During 2018, the Group recognized a deferred income tax benefit of Ps.201,497, related to remeasurement of post-employment benefit obligations of prior years.

	2017		
	Before Tax	Tax (Charge) Credit	After Tax
Remeasurement of post-employment benefit obligations	Ps. (283,106)	Ps. —	Ps. (283,106)
Exchange differences on translating foreign operations	334,097	(78,040)	256,057
Derivative financial instruments cash flow hedges	231,758	(69,527)	162,231
Warrants exercisable for common stock of UHI	(280,447)	84,134	(196,313)
Open Ended Fund	1,008,675	(302,603)	706,072
Share of loss of associates and joint ventures	(60,340)	—	(60,340)
Other comprehensive income	Ps. 950,637	Ps. (366,036)	Ps. 584,601
Current tax		Ps. (78,040)	
Deferred tax		(287,996)	
		Ps. (366,036)	

The Group does not recognize deferred income tax liabilities related to its investments in associates and joint ventures, as the Group is able to control the timing of the reversal of temporary differences arising from these investments, and it is probable that these temporary differences will not reverse in the foreseeable future. As of December 31, 2019 and 2018, the deferred tax liabilities in connection with the Group's investments in associates and joint ventures amounted to an aggregate of Ps.1,029,209 and Ps.993,402, respectively.

In December 2018 the Mexican Federal Congress approved the economic plan for 2019, which did not include relevant changes in the Mexican tax legislation, except for the limitation to use overpayments of taxes against the same kind of tax (Value Added Taxes ("VAT") against VAT), and some incentives for taxpayers operating in the Northern border region of Mexico.

Until December 2018, taxpayers were able to offset overpayments of different type of taxes against each other and against taxes withheld. With the tax reform, this ability was eliminated and taxpayers are only allowed to offset tax overpayments that derive from the same tax. This limitation may affect some of our subsidiaries that recurrently have VAT or Income Tax overpayments but could offset those overpayments against each other (i.e. VAT against Income Tax). Beginning on January 1, 2019, they will only be able to: (i) to request a refund of the overpayment or (ii) to offset tax overpayments against the same tax.

In December 2019, the Mexican Federal Congress approved some additional reforms to the Economic Plan for 2020. These tax reforms include amendments to the Mexican Income Tax Law, Value Added Tax Law, Special Tax on Production and Services Law, and Federal Tax Code, and they became effective as of January 1, 2020. Some of the most relevant changes to the Mexican tax legislation incorporated some of the Actions included in the Base Erosion and Profit Shifting Final Report (BEPS) published by the OCDE in February 2013, such as: (i) limitations to the deduction of net interest paid by companies as well as to some other deductions, (ii) update of the Controlled Foreign Corporation (CFC) Rules, (iii) new provisions to tax transparent entities, (iv) modification of the definition of permanent establishment, and (v) incorporation of new rules to tax digital economy. Some other relevant amendments to avoid tax evasion include: (i) a new obligation of tax advisors and taxpayers to disclose reportable schemes, and (ii) inclusion of general anti-avoidance rule.

25. Earnings per CPO/Share

At December 31, 2019 and 2018, the weighted average of outstanding total shares, CPOs and Series "A", Series "B", Series "D" and Series "L" Shares (not in the form of CPO units), was as follows (in thousands):

	2019	2018
Total Shares	**338,375,192**	340,445,277
CPOs	**2,412,794**	2,433,270
Shares not in the form of CPO units:		
Series "A" Shares	**56,077,584**	55,752,068
Series "B" Shares	**187**	187
Series "D" Shares	**239**	239
Series "L" Shares	**239**	239

Basic earnings per CPO and per each Series “A”, Series “B”, Series “D” and Series “L” Share (not in the form of a CPO unit) for the years ended December 31, 2019, 2018 and 2017, are presented as follows:

	2019		2018		2017	
	Per CPO	Per Share (*)	Per CPO	Per Share (*)	Per CPO	Per Share (*)
Net income attributable to stockholders of the Company	**Ps. 1.60**	**Ps. 0.01**	Ps. 2.07	Ps. 0.02	Ps. 1.54	Ps. 0.01

(*) Series “A”, “B”, “D” and “L” Shares not in the form of CPO units.

Diluted earnings per CPO and per Share attributable to stockholders of the Company calculated in connection with CPOs and shares in the LTRP, are as follows:

	2019	2018
Total Shares	**354,827,433**	358,998,776
CPOs	**2,508,916**	2,544,568
Shares not in the form of CPO units:		
Series “A” Shares	**58,926,613**	58,926,613
Series “B” Shares	**2,357,208**	2,357,208
Series “D” Shares	**239**	239
Series “L” Shares	**239**	239

Diluted earnings per CPO and per each Series “A”, Series “B”, Series “D” and Series “L” Share (not in the form of a CPO unit) for the years ended December 31, 2019, 2018 and 2017, are presented as follows:

	2019		2018		2017	
	Per CPO	Per Share (*)	Per CPO	Per Share (*)	Per CPO	Per Share (*)
Net income attributable to stockholders of the Company	**Ps. 1.53**	**Ps. 0.01**	Ps. 1.96	Ps. 0.02	Ps. 1.46	Ps. 0.01

(*) Series “A”, “B”, “D” and “L” Shares not in the form of CPO units.

26. Segment Information

Reportable segments are those that are based on the Group’s method of internal reporting.

The Group is organized on the basis of services and products. The Group’s segments are strategic business units that offer different entertainment services and products. The Group’s reportable segments are as follows:

Cable

The Cable segment includes the operation of cable multiple systems covering the Mexico City metropolitan area, Monterrey and suburban areas, and over 200 other cities of Mexico; and the operation of telecommunication facilities through a fiber-optic network that covers the most important cities and economic regions of Mexico and the cities of San Antonio and San Diego in the United States (Bestel).

The cable multiple system businesses derive revenues from cable subscribers, principally from basic and premium television services subscription, pay- per-view fees, installation fees, Internet services subscription and telephone services subscription as well as from local and national advertising sales.

The telecommunication facilities business derives revenues from providing data and long-distance services solutions to carriers and other telecommunications service providers through its fiber-optic network.

Sky

The Sky segment includes DTH broadcast satellite pay television services in Mexico, Central America and the Dominican Republic. Sky revenues are primarily derived from program services, installation fees and equipment rental to subscribers, and national advertising sales.

Content

The Content segment categorizes the Group’s sources of content revenue as follows: (a) Advertising; (b) Network Subscription Revenue; and (c) Licensing and Syndication. Given the cost structure of the Group’s Content business, operating segment income is reported as a single line item.

The Advertising revenue is derived primarily from the sale of advertising time on the Group’s television broadcast operations, which include the production of television programming and broadcasting of Channels 2, 4, 5 and 9 (“television networks”), as well as the sale of advertising time on programs provided to pay television companies in Mexico and advertising revenue in the Group’s Internet business and the production of television programming and broadcasting for local

television stations in Mexico and the United States. The broadcasting of television networks is performed by television repeater stations in Mexico, which are wholly-owned, majority-owned or minority-owned by the Group or otherwise affiliated with the Group's networks.

The Network Subscription revenue is derived from domestic and international programming services provided to independent cable television systems in Mexico and the Group's direct-to-home ("DTH") satellite and cable television businesses. These programming services for cable and pay- per-view television companies are provided in Mexico, other countries in Latin America, the United States and Europe. The programming services consist of both programming produced by the Group and programming produced by others.

The Licensing and Syndication revenue is derived from international program licensing and syndication fees. The Group's television programming is licensed and syndicated to customers abroad, including Univision.

Other Businesses

The Other Businesses segment includes the Group's domestic operations in sports and show business promotion, soccer, feature film production and distribution, gaming, publishing and publishing distribution. Through the third quarter of 2019, the Radio business was classified in the Group's Other Businesses segment. Beginning in the fourth quarter of 2019, the Radio operations are classified as held-for-sale operations (see Note 3).

The table below presents information by segment and a reconciliation to consolidated total for the years ended December 31, 2019, 2018 and 2017:

	Total Revenues	Intersegment Revenues	Consolidated Revenues	Segment Income
2019:				
Cable	**Ps. 41,701,982**	**Ps. 591,618**	**Ps. 41,110,364**	**Ps. 17,797,571**
Sky	**21,347,078**	**437,275**	**20,909,803**	**9,121,221**
Content	**35,060,534**	**3,589,407**	**31,471,127**	**12,649,135**
Other Businesses	**8,200,212**	**772,793**	**7,427,419**	**1,464,249**
Segment totals	**106,309,806**	**5,391,093**	**100,918,713**	**41,032,176**
Reconciliation to consolidated amounts:				
Held-for-sale operations (see Note 3)	**841,437**	**2,969**	**838,468**	**258,885**
Eliminations and corporate expenses	**(5,394,062)**	**(5,394,062)**	**—**	**(1,960,648)**
Depreciation and amortization expense	**—**	**—**	**—**	**(21,008,796)**
Consolidated net sales and income before other expense	**101,757,181**	**—**	**101,757,181**	**18,321,617**(1)
Other expense, net	**—**	**—**	**—**	**(1,316,587)**
Consolidated net sales and operating income	**Ps. 101,757,181**	**Ps. —**	**Ps. 101,757,181**	**Ps. 17,005,030**(2)

	Total Revenues	Intersegment Revenues	Consolidated Revenues	Segment Income
2018:				
Cable	Ps. 36,233,042	Ps. 560,186	Ps. 35,672,856	Ps. 15,302,500
Sky	22,002,216	420,979	21,581,237	9,767,329
Content	39,223,668	3,162,091	36,061,577	14,855,109
Other Businesses (3)	7,715,489	661,422	7,054,067	410,486
Segment totals	105,174,415	4,804,678	100,369,737	40,335,424
Reconciliation to consolidated amounts:				
Held-for-sale operations (see Note 3)	920,009	7,413	912,596	343,799
Eliminations and corporate expenses	(4,812,091)	(4,812,091)	—	(2,154,747)
Depreciation and amortization expense	—	—	—	(19,834,202)
Consolidated net sales and income before other expense	101,282,333	—	101,282,333	18,690,274(1)
Other income, net	—	—	—	1,562,284
Consolidated net sales and operating income	Ps. 101,282,333	Ps. —	Ps. 101,282,333	Ps. 20,252,558(2)

	Total Revenues	Intersegment Revenues	Consolidated Revenues	Segment Income
2017:				
Cable	Ps. 33,048,310	Ps. 225,755	Ps. 32,822,555	Ps. 14,034,796
Sky	22,196,629	127,129	22,069,500	10,106,623
Content	33,997,220	2,445,233	31,551,987	12,825,259
Other Businesses (3)	7,525,130	535,948	6,989,182	146,546
Segment totals	96,767,289	3,334,065	93,433,224	37,113,224
Reconciliation to consolidated amounts:				
Held-for-sale operations (see Note 3)	851,140	10,129	841,011	343,560
Eliminations and corporate expenses	(3,344,194)	(3,344,194)	—	(2,290,974)
Depreciation and amortization expense	—	—	—	(18,536,274)
Consolidated net sales and income before other expense	94,274,235	—	94,274,235	16,629,536(1)
Other expense, net	—	—	—	(2,386,334)
Consolidated net sales and operating income	Ps. 94,274,235	Ps. —	Ps. 94,274,235	Ps. 14,243,202(2)

(1) This amount represents income before other expense, net.

(2) This amount represents consolidated operating income. In 2017, included a net loss reported as part of the Group's Other Businesses segment in the amount of Ps.67,238, related to a Publishing business in Argentina and an online lottery business in Mexico, which were disposed of and discontinued, respectively, by the Group in the fourth quarter of 2017.

(3) In 2018 and 2017, the Radio operations were previously reported as part of the Other Businesses segment. In 2019, the Radio operations for 2018 and 2017, were classified as held-for-sale operations for comparison purposes.

Accounting Policies

The accounting policies of the segments are the same as those described in the Group's summary of significant accounting policies (see Note 2). The Group evaluates the performance of its segments and allocates resources to them based on operating income before depreciation and amortization.

Intersegment Revenue

Intersegment revenue consists of revenues derived from each of the segments principal activities as provided to other segments.

The Group accounts for intersegment revenues as if the revenues were from third parties, that is, at current market prices.

Allocation of Corporate Expenses

Non-allocated corporate expenses primarily include share-based compensation expense for certain key officers and employees in connection with the Company's Long-term Retention Plan, as well as other general expenses that because of their nature and characteristics are not subject to be allocated within the Group's business segments.

The table below presents segment information about assets, liabilities, and additions to property, plant and equipment as of and for the years ended December 31, 2019, 2018 and 2017:

	Segment Assets at Year-End	Segment Liabilities at Year-End	Additions to Property, Plant and Equipment
2019:			
Continuing operations:			
Cable	**Ps. 105,841,104**	**Ps. 21,637,395**	**Ps. 12,995,448**
Sky	**27,755,967**	**12,902,845**	**4,039,020**
Content	**79,030,557**	**31,775,978**	**1,690,805**
Other Businesses	**10,268,185**	**4,530,712**	**383,011**
Total	**Ps. 222,895,813**	**Ps. 70,846,930**	**Ps. 19,108,284**
2018:			
Continuing operations:			
Cable	Ps. 99,678,509	Ps. 21,294,108	Ps. 12,835,918
Sky	30,350,221	13,680,854	4,020,405
Content	83,525,004	39,960,653	1,349,954
Other Businesses	9,753,075	3,564,429	502,214
Total	Ps. 223,306,809	Ps. 78,500,044	Ps. 18,708,491
2017:			
Continuing operations:			
Cable	Ps. 89,803,959	Ps. 22,675,417	Ps. 10,615,147
Sky	27,977,530	13,333,944	4,020,282
Content	96,867,918	44,129,769	1,627,250
Other Businesses	10,350,464	3,261,984	496,887
Total	Ps. 224,999,871	Ps. 83,401,114	Ps. 16,759,566

Segment assets reconcile to total assets as of December 31, 2019 and 2018, as follows:

	2019	2018
Segment assets	**Ps. 222,895,813**	Ps. 223,306,809
Investments attributable to:		
Cable	**567,435**	568,597
Content (1)	**52,570,452**	58,985,671
Other Businesses	**196,474**	195,890
Goodwill attributable to:		
Cable	**13,794,684**	13,794,684
Content	**241,973**	241,973
Other Businesses	**76,969**	76,969
Total assets	**Ps. 290,343,800**	Ps. 297,170,593

(1) Includes goodwill attributable to equity investments of Ps.359,613 in 2019 and 2018 (see Note 10).

Equity method loss recognized in income for the years ended December 31, 2019, 2018 and 2017, attributable to equity investments in Cable, was Ps.62,329, Ps.47,024

and Ps.61,930, respectively.

Equity method gain recognized in income for the years ended December 31, 2019, 2018 and 2017, attributable to equity investments in Content, was Ps.642,768, Ps.564,226 and Ps.1,957,544, respectively.

Equity method gain recognized in income for the years ended December 31, 2019, 2018 and 2017, attributable to equity investments in Other Businesses, was Ps.584, Ps.15,731 and Ps.17,659, respectively.

Segment liabilities reconcile to total liabilities as of December 31, 2019 and 2018, as follows:

	2019	2018
Segment liabilities	**Ps. 70,846,930**	Ps. 78,500,044
Debt not allocated to segments	**114,092,637**	114,139,858
Total liabilities	**Ps. 184,939,567**	Ps. 192,639,902

Geographical segment information:

	Total Net Sales	Segment Assets at Year-End	Additions to Property, Plant and Equipment
2019:			
Mexico	**Ps. 88,388,569**	**Ps. 212,286,865**	**Ps. 18,804,629**
Other countries [1]	**13,368,612**	**10,608,948**	**303,655**
	Ps. 101,757,181	**Ps. 222,895,813**	**Ps. 19,108,284**
2018:			
Mexico	Ps. 85,011,567	Ps. 216,146,757	Ps. 18,696,116
Other countries [1]	16,270,766	7,160,052	12,375
	Ps. 101,282,333	Ps. 223,306,809	Ps. 18,708,491
2017:			
Mexico	Ps. 81,308,749	Ps. 219,206,662	Ps. 16,709,852
Other countries [1]	12,965,486	5,793,209	49,714
	Ps. 94,274,235	Ps. 224,999,871	Ps. 16,759,566

[1] The United States is the largest country from which revenue is derived.

Net sales are attributed to geographical segment based on the location of customers.

Disaggregation of Total Revenues

The table below present total revenues for each reportable segment disaggregated by major service/product lines and primary geographical market for the years ended December 31, 2019, 2018 and 2017:

	Domestic	Export	Abroad	Total
2019:				
Cable:				
Digital TV Service [a]	**Ps. 16,298,079**	**Ps. —**	**Ps. —**	**Ps. 16,298,079**
Advertising	**1,507,831**	**—**	**—**	**1,507,831**
Broadband Services [a]	**14,544,473**	**—**	**—**	**14,544,473**
Telephony [a]	**3,658,121**	**—**	**—**	**3,658,121**
Other Services	**801,937**	**—**	**—**	**801,937**
Enterprise Operations	**4,626,396**	**—**	**265,145**	**4,891,541**
Sky:				
DTH Broadcast Satellite TV [a]	**18,918,077**	**—**	**1,359,079**	**20,277,156**
Advertising	**953,634**	**—**	**—**	**953,634**
Pay-Per-View	**98,539**	**—**	**17,749**	**116,288**
Content:				
Advertising	**19,236,014**	**223,434**	**—**	**19,459,448**
Network Subscription Revenue	**3,832,716**	**1,160,459**	**—**	**4,993,175**
Licensing and Syndication	**1,794,636**	**8,813,275**	**—**	**10,607,911**
Other Businesses:				
Gaming	**2,974,284**	**—**	**—**	**2,974,284**
Soccer, Sports and Show Business Promotion	**1,821,605**	**1,182,972**	**—**	**3,004,577**
Publishing - Magazines	**393,763**	**—**	**18,076**	**411,839**
Publishing - Advertising	**246,309**	**—**	**23,461**	**269,770**
Publishing Distribution	**337,685**	**—**	**—**	**337,685**
Feature Film Production and Distribution	**890,927**	**787**	**310,343**	**1,202,057**
Segment total	**92,935,026**	**11,380,927**	**1,993,853**	**106,309,806**
Held-for-sale operations: Radio - Advertising (see Note 3)	**841,437**	**—**	**—**	**841,437**
Intersegment eliminations	**(5,387,894)**	**—**	**(6,168)**	**(5,394,062)**

Consolidated total revenues	**Ps. 88,388,569**	**Ps. 11,380,927**	**Ps. 1,987,685**	**Ps. 101,757,181**

	Domestic	Export	Abroad	Total
2018:				
Cable:				
Digital TV Service [a]	Ps. 14,281,536	Ps. —	Ps. —	Ps. 14,281,536
Advertising	1,260,117	—	—	1,260,117
Broadband Services [a]	13,034,172	—	—	13,034,172
Telephony [a]	2,588,767	—	—	2,588,767
Other Services	544,347	—	—	544,347
Telecommunications Networks	4,361,586	—	162,517	4,524,103
Sky:				
DTH Broadcast Satellite TV [a]	19,478,307	—	1,374,849	20,853,156
Advertising	968,853	—	—	968,853
Pay-Per-View	152,129	—	28,078	180,207
Content:				
Advertising	20,932,533	222,369	—	21,154,902
Network Subscription Revenue	3,500,375	1,313,907	—	4,814,282
Licensing and Syndication	1,437,081	11,817,403	—	13,254,484
Other Businesses:				
Gaming	2,676,384	—	—	2,676,384
Soccer, Sports and Show Business Promotion	1,639,073	145,462	—	1,784,535
Publishing - Magazines	550,777	—	104,281	655,058
Publishing - Advertising	482,943	—	181,514	664,457
Publishing Distribution	270,624	—	40,148	310,772
Feature Film Production and Distribution	735,928	3,569	884,786	1,624,283
Segment total	88,895,532	13,502,710	2,776,173	105,174,415
Held-for-sale operations: Radio - Advertising (see Note 3)	920,009	—	—	920,009
Intersegment eliminations	(4,803,974)	—	(8,117)	(4,812,091)
Consolidated total revenues	Ps. 85,011,567	Ps. 13,502,710	Ps. 2,768,056	Ps. 101,282,333

	Domestic	Export	Abroad	Total
2017:				
Cable:				
Digital TV Service [a]	Ps. 12,978,715	Ps. —	Ps. —	Ps. 12,978,715
Advertising	817,330	—	—	817,330
Broadband Services [a]	11,357,448	—	—	11,357,448
Telephony [a]	2,944,263	—	—	2,944,263
Other Services	522,003	—	—	522,003
Telecommunications Networks	4,173,146	—	255,405	4,428,551
Sky:				
DTH Broadcast Satellite TV [a]	19,810,392	—	1,534,681	21,345,073
Advertising	651,689	—	—	651,689
Pay-Per-View	199,867	—	—	199,867
Content:				
Advertising	20,366,184	262,734	90,164	20,719,082
Network Subscription Revenue	2,704,998	1,353,090	—	4,058,088
Licensing and Syndication	949,440	8,270,610	—	9,220,050
Other Businesses:				
Gaming	2,852,013	—	—	2,852,013
Soccer, Sports and Show Business Promotion	1,447,731	118,424	—	1,566,155
Publishing - Magazines	460,045	—	366,897	826,942
Publishing - Advertising	614,478	—	454,886	1,069,364
Publishing Distribution	286,500	—	62,177	348,677
Feature Film Production and Distribution	647,730	45,250	168,999	861,979
Segment total	83,783,972	10,050,108	2,933,209	96,767,289
Held-for-sale operations: Radio - Advertising (see Note 3)	851,140	—	—	851,140
Intersegment eliminations	(3,326,363)	—	(17,831)	(3,344,194)
Consolidated total revenues	Ps. 81,308,749	Ps. 10,050,108	Ps. 2,915,378	Ps. 94,274,235

[a] Digital TV Service revenues include revenue from leasing set-top equipment to subscribers in the Cable segment in the amount of Ps.5,289,996, Ps.4,577,513 and Ps.3,062,826, for the years ended December 31, 2019, 2018 and 2017, respectively. DTH Broadcast Satellite TV revenues include revenue from leasing set-top

equipment to subscribers in the Sky segment in the amount of Ps.9,232,152, Ps.9,971,318 and Ps.9,894,292, for the years ended December 31, 2019, 2018 and 2017, respectively. Revenue from leasing set-top equipment to subscribers is recognized when services are rendered to such subscribers. Set-top equipment is part of the Group's property, plant and equipment and is leased to subscribers through operating lease contracts.

Net sales from external customers for the years ended December 31, 2019, 2018 and 2017 are presented by sale source, as follows:

	2019	2018	2017
Services	**Ps. 75,988,820**	Ps. 72,737,313	Ps. 70,408,764
Royalties	**10,005,977**	12,600,061	8,533,751
Goods	**932,198**	1,163,836	2,133,122
Leases [1]	**14,830,186**	14,781,123	13,198,598
Total	**Ps. 101,757,181**	Ps. 101,282,333	Ps. 94,274,235

[1] This line includes primarily revenue from leasing set-top equipment to subscribers in the Cable and Sky segments, which is recognized when services are rendered to such subscribers. Set-top equipment is part of the Group's property and equipment and is leased to subscribers through operating lease contracts.

27. Commitments and Contingencies

Commitments

As of December 31, 2019, the Group had commitments for programming and transmission rights to be acquired or licensed from third party producers and suppliers, mainly related to special events, in the aggregate amount of U.S.$118.4 million (Ps.2,235,811) and U.S.$925.9 million (Ps.17,484,723), respectively, with various payment commitments to be made between 2020 and 2030.

As of December 31, 2019 the Group had third party commitments for transmission rights to be sublicensed by the Group in the aggregate amount of U.S.$121.5 million (Ps.2,294,437) with various cash payments to be received by the Group between 2020 and 2030.

At December 31, 2019, the Group had commitments in an aggregate amount of Ps.2,238,199, of which Ps.65,817, were commitments related to gaming operations, Ps.210,246, were commitments to acquire television technical equipment, Ps.944,229, were commitments for the acquisition of software and related services, and Ps.1,017,907, were construction commitments for building improvements and technical facilities.

In connection with a long-term credit facility, the Group expects to provide financing to GTAC in 2020 in the principal amount of Ps.133,000 (see Note 10).

At December 31, 2019, the Group had the following aggregate minimum annual commitments (undiscounted) for the use of satellite transponders:

		Thousands of U.S. Dollars
2020	U.S.$	7,928
2021		6,635
2022		3,315
2023 and thereafter		74
	U.S.$	17,952

A reconciliation of the non-cancellable lease commitments as of December 31, 2018 and the initial measurement of the lease liabilities under IFRS 16 were as follow:

Operating lease commitments disclosed under IAS 17 in the Group's consolidated financial statements as of December 31, 2018	Ps.	7,160,431
Discounted using the incremental borrowing rate at January 1, 2019		(2,669,751)
Finance lease liabilities recognized at December 31, 2018		5,317,944
Adjustments as a result of a different treatment of extension, termination options and short term and low value exemptions		306,632
Lease liabilities recognized at January 1, 2019	Ps.	10,115,256

On March 6, 2014, the IFT issued a decision whereby it determined that the Company, together with certain subsidiaries with concessions that provide broadcast television, are preponderant economic agents in the broadcasting sector in Mexico (together, the "Preponderant Economic Agent"). The preponderance decision imposes on the Preponderant Economic Agent various measures, terms, conditions and restrictive obligations, some of which may adversely affect the activities and businesses of the Group's broadcasting businesses, as well as their results of operations and financial condition. Among these measures, terms, conditions and restrictive obligations are included the following:

Infrastructure sharing – The Preponderant Economic Agent must make its passive broadcasting infrastructure (as defined in the preponderance decision) available to third-party concessionaries of broadcast television (as defined in the preponderance decision) for commercial purposes in a non-discriminatory and non-exclusive manner, with the exception of broadcasters that, at the time the measures enter into force, have 12 MHz or more of radio-electric spectrum in the geographic area concerned.

Advertising sales – The Preponderant Economic Agent must deliver to IFT and publish the terms and conditions of certain broadcast advertising services and fee structures, including, without limitation, commercials, packages, bonuses and discount plans and any other commercial practice, and publish them on its webpage.

Prohibition on acquiring certain exclusive content – The Preponderant Economic Agent may not acquire transmission rights, on an exclusive basis, for any location within Mexico with respect to certain relevant content, determined by IFT in the Ruling whereby IFT identifies the relevant audiovisual contents in terms and for the purposes of the fourth measure and the second transitory article of the fourth attachment whereby the Preponderant Economic Agent in the telecommunication sector was resolved and the eighteenth and thirteenth transitory articles of the first attachment of the resolution whereby the Preponderant Economic Agent in the broadcasting sector as resolved (the "Relevant Content Ruling"), which may be updated every two years by IFT.

Over-the-air channels – When the Preponderant Economic Agent offers any of its over-the-air channels, or channels that have at least 50% of the programming broadcasted between 6:00 a.m. and midnight on such channels in the same day, to its affiliates, subsidiaries, related partiers and third parties, for distribution through a different technological platform than over-the-air-broadcast television, the Preponderant Economic Agent must offer these channels to any other person that asks for distribution over the same platform as the Preponderant Economic Agent has offered, on the same terms and conditions.

Prohibition on participating in "buyers' clubs" or syndicates to acquire audiovisual content, without IFT's prior approval - The Preponderant Economic Agent may not enter into or remain in any "buyers' club" or syndicates of audiovisual content unless it has received the prior approval of IFT.

There are currently no resolution from the IFT, judgments or orders that would require the Group to divest any of the assets as a result of being declared a Preponderant Economic Agent in the broadcasting sector.

On February 27, 2017, as part of a biennial review of the broadcasting sector preponderance rules, the IFT issued a ruling that amended some of the existing preponderance rules in broadcasting and included some additional obligations on the Company and some of its subsidiaries (the "New Preponderance Measures"), as follows:

Infrastructure sharing – In addition to the previously imposed obligations regarding the sharing of passive infrastructure, the New Preponderance Measures have included the service of signal emissions only in the event that no passive infrastructure exists on the requested site. In addition, the New Preponderance Measures strengthen the supervision of the infrastructure services provided by the Group, including certain rules relating to the publicity of its tariffs. In addition, more specifications for the Electronic Management System as part of the new measures, are included. Likewise, the IFT determined specific tariffs for our infrastructure offer.

Prohibition to acquire certain exclusive content for broadcasting – This measure has been modified by enabling the Group to acquire relevant content under certain circumstances, as long as it obtains the right to sublicense such transmission rights to the other broadcasters in Mexico on non-discriminatory terms. In December 2018, the Relevant Content Ruling was updated.

Advertising sales – IFT modified this measure mainly by including specific requirements to the Group in its provision of over-the-air advertising services, particularly, to telecommunications companies. Such requirements include, among others: a) publishing and delivering to IFT specific information regarding tariffs, discount plans, contracting and sales terms and conditions, contract forms and other relevant practices; and b) terms and conditions that prohibit discrimination or refusal to deal, conditioned sales and other conditions that inhibit competition. The Group began the process of providing very detailed information to IFT on a recurrent basis of over the air advertising services related to telecommunications companies.

Accounting separation – The Group, as Preponderant Economic Agent, is required to implement an accounting separation methodology under the criteria defined by IFT, published in the Official Gazette of the Federation on December 29, 2017, as amended.

The new bi-annual review of the preponderances measures for the broadcast sector began on 2019 and a new resolution amending measures, if applicable, will be issued on 2020.

On March 28, 2014, the Company, together with its subsidiaries determined to be the Preponderant Economic Agent in the broadcasting sector, filed an *amparo* proceeding challenging the constitutionality of the Preponderance Decision. The Supreme Court resolved the *amparo* proceeding, resolving the constitutionality of the Preponderance Resolution and therefore, it is still valid.

Additionally, on March 31, 2017, the Company, together with its subsidiaries, filed an *amparo* proceeding challenging the constitutionality of the New Preponderance Measures. The final resolution is still pending.

The Company will continue to assess the extent and impact of the various measures, terms, conditions and restrictive obligations in connection with its designation by IFT as Preponderant Economic Agent, including the New Preponderance Measures, and will analyze carefully any actions and/or remedies (legal, business and otherwise) that the Company should take and/or implement regarding these matters.

Contingencies

On March 5, 2018, a purported stockholder class action lawsuit was filed in the United States District Court for the Southern District of New York alleging securities law violations in connection with allegedly misleading statements and/or omissions in the Company's public disclosures. The lawsuit alleges that the Company and two of its executives failed to disclose alleged involvement in bribery activities relating to certain executives of Fédération Internationale de Football Association ("FIFA"), and wrongfully failed to disclose weaknesses in the Company's internal control over its financial reporting as of December 31, 2016. On May 17, 2018, the Court appointed a lead plaintiff for the putative stockholder class. On August 6, 2018, the lead plaintiff filed an amended complaint. The Company thereupon filed a motion to dismiss the amended complaint. On March 25, 2019, the court issued a decision denying the Company's motion to dismiss, holding that plaintiff's allegations, if true, were sufficient to support a claim. The parties have begun to exchange discovery materials, and the discovery process will continue throughout 2020. Separately, the parties are presently litigating class certification issues. The Company believes that the lawsuit, and the material allegations and claims therein, are without merit and intends to vigorously defend against the lawsuit. With regard to plaintiff's allegations regarding FIFA, outside counsel long previously investigated the circumstances surrounding the Company's acquisition of the Latin American media rights for the Canada, Mexico and USA 2026 FIFA World Cup and 2030 FIFA World Cup and uncovered no credible evidence that would form the basis for liability for the Company or for any executive, employee, agent or subsidiary thereof. In particular, the Company itself made no payment to any FIFA person and in no way knew of, or condoned, any payment by any third party to any FIFA person. The Company also notes that no proceedings have been initiated against it by any governmental agency.

On April 27, 2017, the tax authorities, initiated a tax audit to the Company, with the purpose of verifying compliance with tax provisions for the fiscal period from January 1, to December 31, 2011, regarding federal taxes as direct subject of Income Tax (Impuesto sobre la Renta or ISR), Flat tax (Impuesto Empresarial a Tasa Única) and Value Added Tax (Impuesto al Valor Agregado). On April 25, 2018, the authorities informed the observations determined as a result of such audit, that could entail a default on the payment of the abovementioned taxes. On May 25, 2018, by a document submitted before the authority, the Company asserted arguments

and offered evidence to undermine the authority's observations. On June 27, 2019, the Company was notified of the outcome of the audit, in which a tax liability was determined for an amount of Ps.682 million for ISR, penalties, surcharges and inflation adjustments. On August 22, 2019, the Company filed an administrative proceeding (*recurso de revocación*) against such tax liability, before the Legal area of the Tax Authorities, which is in the process of being resolved. As of the date of this report, there are no elements to determine if the outcome would be adverse to the Company's interests.

On June 1, 2016, the tax authority initiated a tax audit to a Company's indirect subsidiary that carries out operations in the Gaming business, which is presented in the Other Businesses segment, with the purpose of verifying compliance with tax provisions for the period from January 1, to December 31, 2014, regarding federal taxes as direct subject, as well as withholder. On April 24, 2017, the authorities informed the facts and omissions detected during the development of the verification process, that could entail a default on the payment of the abovementioned taxes. On May 30, 2017, by a document submitted before the authorities, the Company's subsidiary asserted arguments and offered evidence to undermine the facts and omissions included in the authority's last partial record. On June 21, 2019, such entity was notified of the outcome of the audit, in which a tax liability was determined for an amount of Ps.1,334 million, essentially related to IEPS (Impuesto Especial sobre Producción y Servicios or Excise Tax); on August 16, 2019, an administrative proceeding (*recurso de revocación*) was filed before the Legal area of the Tax Authorities, which is in the process of being resolved. As of the date of this report, there are no elements to determine if the outcome would be adverse to the Company's interests.

The matters discussed in the three paragraphs referred to above did not require the recognition of a provision as of December 31, 2019.

There are several legal actions and claims pending against the Group, which are filed in the ordinary course of business. In the opinion of the Company's management, none of these actions and claims is expected to have a material adverse effect on the Group's financial statements as a whole; however, the Company's management is unable to predict the outcome of any of these legal actions and claims.

28. Changes in Accounting Policies Required by the Initial Application of IFRS 9, IFRS 15 and IFRS 16

(a) IFRS 9

IFRS 9 addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 requires financial assets to be classified into two measurement categories: those measured at amortized cost and those measured at fair value, with changes in fair value either through income or loss, or through other comprehensive income or loss. The determination is made at initial recognition. The basis of classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the financial assets. For financial liabilities, this IFRS Standard retained most of the IAS 39 *Financial Instruments: Recognition and Measurement* requirements. IFRS 9 considers under a new impairment approach that is no longer necessary for a credit event to have occurred before credit losses are recognized, instead, an entity always accounts for expected credit losses, and change in those expected losses to profit or loss; in respect to hedging activities, IFRS 9 aligns hedge accounting more closely with an entity's risk management through a principles-based approach, by means of which the range from 0.8 to 1.25 to declare a maintaining hedge is eliminated an in its place, an effective hedging instrument will be declared only if it supports the entity's risk management strategy and maintain an effective hedge, and in lieu thereof, an instrument of effective hedge could be deemed this way if it is aligned with the entity's management risks strategy; IFRS 9 establishes that an entity making an irrevocable election to present in other comprehensive income changes in fair value of an investment in an equity instrument that is not held for trading, should not transfer to profit or loss any amounts presented in other comprehensive income, but may transfer the cumulative gain or loss within equity. The Company's management used the retrospective cumulative effect, which consists in recognizing any cumulative adjustment resulting from the new standard at the date of initial adoption in consolidated equity.

In connection with the initial adoption of IFRS 9 in the first quarter of 2018, and based on the Group's exist in financial instruments, related contracts on hedge relationships as of December 31, 2017, the implementation of the new standard did not have a material impact on the Group's consolidated financial statements upon adoption.

(i) Recognition of certain cumulative adjustments

The adoption of IFRS 9 *Financial Instruments* from January 1, 2018 resulted in changes in accounting policies and adjustments to the amounts recognized in the financial statements. The new accounting policies are set out in Note 2 (i) and (w) above.

In connection with expected credit losses of trade notes and accounts receivable, in conformity with the guidelines provided by IFRS 9, the Group applied the IFRS 9 simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables, and the Group recognized cumulative adjustments that decreased consolidated retained earnings as of January 1, 2018, as follows:

	Earnings (Losses)	Income Tax Benefit	Net
Controlling interest	Ps. (234,129)	Ps. 67,101	Ps. (167,028)
Non-controlling interests	(47,465)	12,029	(35,436)
Effect on equity at January 1, 2018	Ps. (281,594)	Ps. 79,130	Ps. (202,464)

In connection with the initial adoption of IFRS 9 which became effective on January 1, 2018, the Company classified financial assets as current temporary investments with changes in fair value through income or loss. Beginning on January 1, 2018, the Company classified these financial assets as non-current financial instruments with changes in fair value through other comprehensive income, based on its business model for managing financial assets and the contractual cash flow characteristics of these financial assets. In accordance with IFRS 9, this new classification the Group recognized cumulative adjustments in consolidated retained earnings as of January 1, 2018, as follows:

	Earnings (Losses)	Income Tax Benefit	Net
Effect on equity at January 1, 2018	Ps. (1,182,760)	Ps. 354,828	Ps. (827,932)

(ii) Classification and measurement of financial instruments

On January 1, 2018 (the date of initial application of IFRS 9), the Group's management assessed which business models applied to the financial assets held by the Group and classified its financial instruments into the appropriate IFRS 9 categories. The main effects resulting from this reclassification were as follows:

	Measurement Category		Carrying Amount		
	Original (IAS 39)	New (IFRS 9)	Original (IAS 39)	New (IFRS 9)	Difference
Current assets					
Cash and cash equivalents:					
Cash and bank accounts			Ps. 1,761,260	Ps. 1,761,260	Ps. —
Short-term investments	FVIL	FVIL	37,021,338	37,021,338	—
Other financial assets (classified as non-current financial assets)	FVIL	FVOCIL	5,942,500	5,942,500	—
Current maturities of non-current financial assets	Amortized cost	Amortized cost	23,529	23,529	—
Trade notes and accounts receivable:					
Trade notes and accounts receivable	Amortized cost	Amortized cost	24,727,073	24,727,073	—
Derivative financial instruments:					
TVI's options	FVIL	FVIL	100,700	100,700	—
Empresas Cablevisión' options	FVIL	FVIL	110,137	110,137	—
Options	FVIL	FVIL	795,010	795,010	—
Forward	FVIL	FVIL	397,037	397,037	—
Non-current assets					
Derivative financial instruments:					
TVI's interest rate swaps	Hedge accounting	Hedge accounting	84,109	84,109	—
Interest rate swaps	Hedge accounting	Hedge accounting	664,724	664,724	—
Forward	Hedge accounting	Hedge accounting	112,157	112,157	—
Investments in financial instruments:					
Warrants issued by UHI	FVOCIL	FVOCIL	36,395,183	36,395,183	—
Open Ended Fund	FVOCIL	FVOCIL	7,297,577	7,297,577	—
Financial assets held to maturity	Amortized cost	Amortized cost	287,605	287,605	—
Other			16,487	16,487	—
Current liabilities					
Debt, lease liabilities and other notes payable:					
Current portion of long-term debt	Amortized cost	Amortized cost	2,103,870	2,103,870	—
Non-current liabilities					
Debt, lease liabilities and other notes payable:					
Long-term debt	Amortized cost	Amortized cost	121,993,128	121,993,128	—

(b) IFRS 15

IFRS 15 provides a single, comprehensive revenue recognition model for all contracts with customers to improve comparability within industries, across industries, and across capital markets. This IFRS Standard contains principles that an entity applies to determine the measurement of revenue and timing of when it is recognized. The underlying principle is that an entity recognizes revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services.

In connection with the initial adoption of IFRS 15 in the first quarter of 2018, the Company's management: (i) reviewed significant revenue streams and identified certain effects on the Group's revenue recognition in the Cable and Sky segments; (ii) used the retrospective cumulative effect, which consists in recognizing any cumulative adjustment resulting from the new standard at the date of initial adoption in consolidated equity; and (iii) did not restate the comparative information for the years ended December 31, 2017 and 2016, which was reported under the financial reporting standards in effect in those periods. Based on the Group's existing customer contracts and relationships, the implementation of the new standard did not have a material impact on the Group's consolidated financial statements upon adoption. The more significant effects to the Group's revenue recognition are described as follows:

(i) Recognition of certain cumulative adjustments

Cable

Through December 31, 2017, commissions for obtaining contracts with customers in this segment were accounted for in the consolidated statement of income as they were incurred. Beginning on January 1, 2018, in accordance with the new standard, incremental costs of obtaining contracts with customers, primarily commissions, are recognized as assets in the Group's consolidated statement of financial position and amortized in the expected life of contracts with customers. In the telecommunications business of this segment, as required by the new standard, the Company's management reviewed the terms and conditions of the most significant contracts on an individual basis, and concluded that the effects of applying IFRS 15 were not significant at the adoption date.

Sky

Through December 31, 2017, commissions for obtaining contracts with customers in this segment were accounted for in the consolidated statement of income as they were incurred. Beginning on January 1, 2018, in accordance with the new standard, incremental costs of obtaining contracts with customers, primarily commissions, are recognized as assets in the Group´s consolidated statement of financial position and amortized in the expected life of contracts with customers.

Content

The Group recognizes customer deposits and advance agreements for advertising services in the consolidated statement of financial position when these agreements are executed either with a consideration in cash paid by customers or with short-term non-interest bearing notes received from customers in connection with annual ("upfront basis") and from time to time ("scatter basis") prepayments. In connection with the initial adoption of IFRS 15, customer deposits and advances agreements are presented by the Group as a contract liability in the consolidated statement of financial position when a customer pays consideration, or the Group has a right to an amount of consideration that is unconditional, before the Group transfers advertising services to the customer. Under the guidelines of IFRS 15, a contract liability is a Group's obligation to transfer services or goods to a customer for which the Group has received consideration, or an amount of consideration is due, from the customer. The Company's management has consistently recognized that an amount of consideration is due, for legal, finance and accounting purposes, when a short-term non-interest bearing note is received from a customer in connection with a deposit or advance agreement entered into with the customer for advertising services to be rendered by the Group in the short term. Accordingly, there was no effect in the recognition of a contract liability for deposits and advances agreements with customers in the Group's consolidated statement of financial position at the adoption date of IFRS 15.

The Group has recognized assets from incremental costs of obtaining a contract with customers, primarily commissions, which are classified as current and non-current other assets in its consolidated financial statements as of January 1 and December 31, 2019 and 2018, as follows:

	Cable	Sky	Total
Contract costs:			
At January 1, 2019	Ps. 1,133,727	Ps. 2,236,932	Ps. 3,370,659
Additions	753,473	1,017,006	1,770,479
Amortization	(450,442)	(999,459)	(1,449,901)
Total Contract Costs at December 31, 2019	**1,436,758**	**2,254,479**	**3,691,237**
Less:			
Current Contract Costs	477,167	902,233	1,379,400
Total Non-current Contract Costs	Ps. 959,591	Ps. 1,352,246	Ps. 2,311,837

	Cable	Sky	Total
Contract costs:			
At January 1, 2018	Ps. 932,664	Ps. 2,452,540	Ps. 3,385,204
Additions	594,658	800,766	1,395,424
Amortization	(393,595)	(1,016,374)	(1,409,969)
Total Contract Costs at December 31, 2018	1,133,727	2,236,932	3,370,659
Less:			
Current Contract Costs	233,166	909,790	1,142,956
Total Non-current Contract Costs	Ps. 900,561	Ps. 1,327,142	Ps. 2,227,703

In connection with the assets from incremental costs of obtaining a contract with customers referred to above and the initial adoption of IFRS 15, the Group recognized cumulative adjustments that increased consolidated retained earnings as of January 1, 2018, as follows:

	Retained Earnings	Income Taxes	Net
Controlling interest	Ps. 2,272,350	Ps. (672,898)	Ps. 1,599,452
Non-controlling interests	1,112,854	(327,651)	785,203
Effect on equity at January 1, 2018	Ps. 3,385,204	Ps. (1,000,549)	Ps. 2,384,655

(c) IFRS 16

IFRS 16 *Leases* was issued in January 2016, replaced IAS 17, and became effective on January 1, 2019. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases. IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the former IFRS Standard: lessors continue to classify leases as finance or operating leases.

Beginning in the first quarter of 2019, the Group adopted the guidelines of IFRS 16 by using the retrospective cumulative effect, which consists of recognizing any cumulative adjustment due to the new IFRS Standard at the date of initial adoption in consolidated assets and liabilities. Accordingly, as a lessee, the Group recognized lease liabilities as of January 1, 2019, for leases classified as operating leases through December 31, 2018, and measured these lease liabilities at the present value of the remaining lease payments, discounted using the incremental borrowing rate as of January 1, 2019. The carrying amounts of leases classified as a finance leases through December 31, 2018, became the initial carrying amounts of right-of-use assets and lease liabilities under the guidelines of IFRS 16 beginning on January 1, 2019.

The initial impact of recording lease liabilities, and the corresponding right-of-use assets in accordance with the guidelines of IFRS 16, increased the Group's consolidated total assets and liabilities as of January 1, 2019, as described below. Also, as a result of the adoption of IFRS 16, the Group recognizes a depreciation of rights-of-use assets for long-term lease agreements, and a finance expense for interest from related lease liabilities, instead of affecting consolidated operating costs and expenses for lease payments made, as they were recognized through December 31, 2018, under the guidelines of the former IFRS Standard.

The Company's management has concluded the analysis and assessment of any changes to be made in the Group's accounting policies for long-term lease agreements as a lessee, including the implementation of controls over financial reporting in the different business segments of the Group, in connection with the measurement and disclosures required by IFRS 16.

As a result of the adoption of IFRS 16, the Group recognized as right-of-use assets and lease liabilities in its consolidated statements of financial position as of December 31 and January 1, 2019, long-term lease agreements that were recognized as operating leases through December 31, 2018, as follows:

Long-term Lease Agreements	**December 31, 2019 Assets (Liabilities)**	**January 1, 2019 Assets (Liabilities)**
Right-of-use assets, net	**Ps. 4,502,590**	Ps. 4,797,312
Lease liabilities [1]	**(4,641,705)**	(4,797,312)
Net effect	**Ps. (139,115)**	Ps. —

(1) Current portion of lease liabilities as of December 31 and January 1, 2019, amounted to Ps.533,260 and Ps.462,513, respectively.

Depreciation of right-of-use assets referred to in the table above and charged to income for the year ended December 31, 2019, amounted to Ps.651,675.

The Group also classified as right-of-use assets and lease liabilities in its consolidated statements of financial position as of December 31 and January 1, 2019,property and equipment and obligations under long-term lease agreements that were recognized as finance leases through December 31, 2018, as follows:

Long-term Lease Agreements	**December 31, 2019 Assets (Liabilities)**	**January 1, 2019 Assets (Liabilities)**
Right-of-use assets, net	**Ps. 3,050,462**	Ps. 3,402,869
Lease liabilities [1]	**(4,721,815)**	(5,317,944)
Net effect	**Ps. (1,671,353)**	Ps. (1,915,075)

(1) Current portion of lease liabilities as of December 31 and January 1, 2019, amounted to Ps.724,506 and Ps.651,800, respectively.

Depreciation of right-of-use assets referred to in the table above and charged to income for the years ended December 31, 2019 and 2018, amounted to Ps.418,675 and Ps.481,885, respectively.

In applying IFRS 16 for the first time, the Group has used the following practical expedients permitted by the standard:

- Applying a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relying on previous assessments on whether leases are onerous as an alternative to performing an impairment review – there were no onerous contracts as at January 1, 2019
- Accounting for operating leases with a remaining lease term of less than 12 months as at January 1, 2019 as short-term leases
- Excluding initial direct cost for the measurement of the right-of-use asset at the date of initial application, and
- Using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The Group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Group relied on its assessment made applying IAS 17 and IFRIC 4 *Determining whether an Arrangement contains a Lease.*

29. Events after the Reporting Period

On March 11, 2020, the World Health Organization declared the outbreak of Coronavirus ("COVID19") as pandemic. Most governments in the world are implementing different restrictive measures to contain the spread of this pandemic. This situation is significantly affecting the global economy, including Mexico, due to the disruption or slowdown of supply chains and the increase in economic uncertainty, as evidenced by the increase in volatility of asset prices, exchange rates and decreases in long-term interest rates. The consequences derived from COVID-19 are events after the reporting period not requiring an adjustment to the Group's consolidated financial statements for the year ended December 31, 2019, and these consequences will be recognized as required in the consolidated financial statements for periods ending in the year 2020. The COVID-19 pandemic has affected the Group's business, financial position and results of operations for the first quarter ended March 31, 2020, which was reported by the Company on April 27, 2020, and it is currently difficult to predict the degree of the impact on the second quarter and the remainder of 2020. Due to the evolving and uncertain nature of the COVID-19 pandemic, the Company's management is not able to estimate the full extent of the impact of this situation, but it may continue affecting the Group's business, financial position and results of operations over the near, medium or long term. As of the authorization date of these consolidated financial statements, the Company's management cannot predict the adverse impact of COVID-19 pandemic on the Group's

consolidated financial statements for any remaining period in the year ending December 31, 2020.

In connection with the acquisition of the majority stock of UHI by a group of investors, which was announced on February 25, 2020, the Company's management analyzed and considered this event, as well as other relevant information after the reporting period ended December 31, 2019, to assess whether fair value measurement of the Group's investment in warrants of UHI as of December 31, 2019, reflected information and assumptions that market participants would have considered as of that date. Based on this assessment, the Company's management has concluded that (i) fair value measurement of these warrants as of December 31, 2019, incorporated assumptions about risk inherent to the valuation technique used (discounted cash flow model) and inputs in this valuation technique based on available information at the measurement date; and (ii) information obtained after the measurement date did not constitute evidence of a condition that existed as of the measurement date. In April 2020, the Company's management reviewed the assumptions and inputs related to its discounted cash flow model used to determine the fair value of the Group's investments in warrants of UHI as of March 31, 2020. On April 27, 2020, as a result of this review, the Group reported its consolidated financial information for the first quarter of 2020, which included a decline in the estimated fair value of the Group's investment in warrants exercisable for shares of UHI as of March 31, 2020, in the amount of Ps.21,937.1 million, which was accounted for in accumulated other comprehensive income or loss, net of income tax of Ps.6,581.1 million, in the Group's consolidated statement of financial position as of March 31, 2020 (see Notes 9 and 15).

On April 28, 2020, the Company´s stockholders approved, among other resolutions, the audited consolidated financial statements as of December 31, 2019, and for the year ended on that date. To further maximize liquidity and as a precautionary measure, the Company's Board of Directors did not propose the payment of a 2020 dividend for approval of the Company's general stockholders' meeting held on April 28, 2020.

Exhibit 2.17

DESCRIPTION OF THE RIGHTS OF EACH CLASS OF SECURITIES

REGISTERED UNDER SECTION 12 OF THE EXCHANGE ACT

The following summary is a brief description of the securities registered under Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") of Grupo Televisa S.A.B., a limited liability public stock corporation *(sociedad anónima bursátil*) organized under the laws of the United Mexican States. Unless the context requires otherwise, references to "we," "us," "our" or "Company" refer to Grupo Televisa, S.A.B. and, where the context requires, its consolidated entities. "Group" refers to Grupo Televisa, S.A.B. and its consolidated entities. Capitalized terms used and not defined herein have the meaning ascribed to them in our annual report on Form 20-F for the fiscal year ended December 31, 2019, to which this description of securities is an exhibit (the "Form 20-F").

The following description sets forth certain material provisions of these securities. The following summary does not purport to be complete and is subject to, and is qualified in its entirety by reference to, the applicable provisions of (i) the Company's Amended and Restated Bylaws (the "Bylaws"); and (ii) the Deposit Agreement between the Company, The Bank of New York, as depositary and all holders and beneficial owners of the GDSs, evidenced by Global Depositary Receipts ("GDRs"). We encourage you to refer to the Bylaws and the Deposit Agreement, as applicable, for additional information.

Capital Stock

We have four classes of capital stock: Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares. Our shares are publicly traded in Mexico in the form of certificados de participacion ordinarios ("CPOs"), each representing 117 shares--25 Series "A" Shares, 22 Series "B" Shares, 35 Series "D" Shares and 35 Series "L" Shares, which are held in the CPO Trust. Our shares also are publicly traded in the United States in the form of global depositary shares ("GDSs"), each of which represents five CPOs.

The Series "A" Shares and the Series "B" Shares are common or ordinary shares, with no par value, no dividend preference and no preference upon liquidation. The Series "D" Shares are limited-voting and preferred shares, with no par value, with the limited voting rights as described under "Voting Rights and Shareholders' Meetings— Holders of Series "D" Shares and Series "L" Shares" below, and the dividend preference and liquidation preference described under "Preferential Rights of Series "D" Shares" below.

The L Shares are limited-voting shares, with no par value, no dividend preference, no preference upon liquidation and limited voting rights, as described under "Voting Rights and Shareholders' Meetings—Holders of Series "D" Shares and Series "L" Shares" below.

As of December 31, 2019, our outstanding capital stock consisted of 116,223,846,867 Series "A" Shares, 52,852,735,297 Series "B" Shares, 84,083,838,841 Series "D" Shares and 84,083,838,841 Series "L" Shares.

Major Shareholders

The Azcárraga Trust, a trust for the benefit of Emilio Azcárraga Jean, currently holds 43.8% of the outstanding Series "A" Shares, 0.1% of the outstanding Series "B" shares, 0.1% of the outstanding Series "D" Shares and 0.1% of the outstanding Series "L" Shares of the Company. As a result, Emilio Azcárraga Jean currently controls the vote of such shares through the Azcárraga Trust. The Series "A" Shares held through the Azcárraga Trust constitute a majority of the Series "A" Shares whose holders are entitled to vote because non-Mexican holders of CPOs and GDSs are not permitted to vote the underlying Series "A" Shares in accordance with the trust agreement governing the CPOs and the Company's bylaws. Accordingly, and so long as non-Mexicans own more than a minimal number of Series "A" Shares, Emilio Azcárraga Jean will have the ability to direct the election of 11 out of 20 members of our Board of Directors, as well as prevent certain actions by the stockholders, including dividend payments, mergers, spin-offs, changes in corporate purpose, changes of nationality and amendments to the anti-takeover provisions of our bylaws.

Pursuant to our bylaws, holders of Series "B" Shares are entitled to elect five out of 20 members of our Board of Directors.

Because the Azcárraga Trust only holds a limited number of Series "B" Shares, there can be no assurance that individuals nominated by the Azcárraga Trust appointees will be elected to our Board.

We believe that as of March 31, 2020, approximately 309.3 million of GDSs were held of record by 69 persons with U.S. addresses. Those GDSs represent 31.9% of the outstanding Series "A" Shares, 59.6% of the outstanding Series "B" Shares, 62.2% of the outstanding Series "D" Shares and 62.2% of the outstanding Series "L" Shares of the Company.

Voting Rights and Stockholders' Meetings

Holders of Series "A" Shares. Holders of Series "A" Shares have the right to vote on all matters subject to stockholder approval at any general stockholders' meeting and have the right, voting as a class, to appoint 11 members of our Board of Directors and the corresponding alternate directors. In addition to requiring approval by a majority of all Shares entitled to vote together on a particular corporate matter, certain corporate matters must be approved by a majority of the holders of Series "A" Shares voting separately. These matters include mergers, dividend payments, spin-offs, changes in corporate purpose, changes of nationality and amendments to the anti-takeover provisions of our bylaws.

Holders of Series "B" Shares. Holders of Series "B" Shares have the right to vote on all matters subject to stockholder approval at any general stockholders' meeting and have the right, voting as a class, to appoint five members of our Board of Directors and the corresponding alternate directors. The five directors and corresponding alternate directors elected by the holders of the Series "B" Shares will be elected at a stockholders' meeting that must be held within the first four months after the end of each year.

Holders of Series "D" Shares and Series "L" Shares. Holders of Series "D" Shares, voting as a class, are entitled to vote at special meetings to elect two of the members of our Board of Directors and the corresponding alternate directors, each of which must be an independent director. In addition, holders of Series "D" Shares are entitled to vote on the following matters at extraordinary general meetings:

- our transformation from one type of company to another;
- any merger (even if we are the surviving entity);
- extension of our existence beyond our prescribed duration;
- our dissolution before our prescribed duration (which is currently 99 years from January 30, 2007);
- a change in our corporate purpose;
- a change in our nationality; and

- the cancellation from registration of the Series "D" Shares or the securities which represent the Series "D" Shares with the securities or special section of the NRS and with any other Mexican or foreign stock exchange in which such shares or securities are registered.

Holders of Series "L" Shares, voting as a class, are entitled to vote at special meetings to elect two of the members of our Board of Directors and the corresponding alternate directors, each of which must be an independent director. Holders of Series "L" Shares are also entitled to vote at extraordinary general meetings on the following matters:

- our transformation from one type of company to another;
- any merger in which we are not the surviving entity; and
- the cancellation from registration of the Series "L" Shares or the securities that represent the Series "L" Shares with the special section of the NRS.

The two directors and corresponding alternate directors elected by each of the holders of the Series "D" Shares and the Series "L" Shares are elected annually at a special meeting of those holders. Special meetings of holders of Series "D" Shares and Series "L" Shares must also be held to approve the cancellation from registration of the Series "D" Shares or Series "L" Shares or the securities representing any of such shares with the NRS, as the case may be, and in the case of Series "D" Shares, with any other Mexican or foreign stock exchange in which such shares or securities are registered. All other matters on which holders of Series "L" Shares or Series "D" Shares are entitled to vote must be considered at an extraordinary general meeting. Holders of Series "L" Shares and Series "D" Shares are not entitled to attend or to address meetings of stockholders at which they are not entitled to vote. Under Mexican law, holders of Series "L" Shares and Series "D" Shares are entitled to exercise certain minority protections. See " Other Provisions — Appraisal Rights and Other Minority Protections" below.

Minority shareholders holding at least ten percent of the capital stock represented by Series "A" Shares, will be entitled to appoint one director and its corresponding alternate for each such ten percent. Minority shareholders holding at least ten percent of the capital stock represented by Series "B" Shares, will be entitled to appoint one director and its corresponding alternate for each such ten percent. Minority shareholders holding at least ten percent of the capital stock represented by Series "D" Shares or Series "L" Shares, will be entitled to appoint one directors and its corresponding alternate for each such ten percent. Any such appointments by minority shareholders will be counted towards the number of directors that the holders of each such Series is entitled to appoint.

Other Rights of Stockholders. Under Mexican law, holders of shares of any series are also entitled to vote as a class in a special meeting governed by the same rules that apply to extraordinary general meetings, as described below, on any action that would prejudice the rights of holders of shares of such series, but not rights of holders of shares of other series, and a holder of shares of such series would be entitled to judicial relief against any such action taken without such a vote. Generally, the determination of whether a particular stockholder action requires a class vote on these grounds could initially be made by the Board of Directors or other party calling for stockholder action. In some cases, under the Mexican Securities Market Law and the Mexican Companies Law, the Board of Directors, the Audit Committee, the Corporate Practices Committee, or a Mexican court on behalf of those stockholders representing 10% of our capital stock could call a special meeting. A negative determination would be subject to judicial challenge by an affected stockholder, and the necessity for a class vote would ultimately be determined by a court. There are no other procedures for determining whether a particular proposed stockholder action requires a class vote, and Mexican law does not provide extensive guidance on the criteria to be applied in making such a determination.

General stockholders' meetings may be ordinary general meetings or extraordinary general meetings. Extraordinary general meetings are those called to consider specific matters specified in Article 182 of the Mexican Companies Law and our bylaws, including, among others, amendments to our bylaws, our dissolution, liquidation or split-up, our merger and transformation from one form of company to another, increases and reductions in our capital stock, the approval of certain acquisitions of shares, including a change of control, as set forth in the antitakeover provisions in our bylaws and any action for civil liabilities against the members of our Board of Directors, its Secretary, or members of our Audit Committee or Corporate Practices Committee. In addition, our bylaws require an extraordinary general meeting to consider the cancellation of registration of the Series "D" Shares or Series "L" Shares or the securities representing these Shares with the NRS, as the case may be, and in the case of Series "D" Shares, with any other Mexican or foreign stock exchange in which such Shares or securities are registered. General meetings called to consider all other matters are ordinary meetings which are held at least once each year within four months following the end of each fiscal year. Stockholders may be represented at any stockholders' meeting by completing a form of proxy provided by us, which proxy is available within fifteen days prior to such meeting, and designating a representative to vote on their behalf. The form of proxy must comply with certain content requirements as set forth in the Mexican Securities Market Law and in our bylaws.

Holders of CPOs. Holders of CPOs who are Mexican nationals or Mexican corporations whose bylaws exclude foreign ownership of their shares are entitled to exercise voting rights with respect to the Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares underlying their CPOs. The CPO Trustee will vote such shares as directed by Mexican holders of CPOs, which must provide evidence of Mexican nationality. Non-Mexican holders of CPOs may only vote the Series "L" Shares held in the CPO Trust and are not entitled to exercise any voting rights with respect to the Series "A" Shares, Series "B" Shares and Series "D" Shares held in the CPO Trust. Voting rights in respect of these Series "A" Shares, Series "B" Shares and Series "D" Shares may only be exercised by the CPO Trustee. Series "A" Shares, Series "B" Shares and Series "D" Shares underlying the CPOs of non-Mexican holders or holders that do not give timely instructions as to voting of such Shares, (a) will be voted at special meetings of Series "A" Shares, Series "B" Shares or Series "D" Shares, as the case may be, as instructed by the CPO Trust's Technical Committee (which consists of members of the Board of Directors and/or Executive Committee, who must be Mexican nationals), and (b) will be voted at any general meeting where such series has the right to vote in the same manner as the majority of the outstanding Series "A" Shares held by Mexican nationals or Mexican corporations (directly, or through the CPO Trust, as the case may be) are voted at the relevant meeting. Series "L" Shares underlying the CPOs of any holders that do not give timely instructions as to the voting of such Shares will be voted, at special meetings of Series "L" Shares and at general extraordinary meetings where Series "L" Shares have voting rights, as instructed by the Technical Committee of the CPO Trust. The CPO Trustee must receive voting instructions five business days prior to the stockholders' meeting. Holders of CPOs that are Mexican nationals or Mexican corporations whose bylaws exclude foreign ownership of their Shares also must provide evidence of nationality, such as a copy of a valid Mexican passport or birth certificate, for individuals, or a copy of the bylaws, for corporations.

As described in "Major Stockholders" above, Series "A" Shares held through the Azcárraga Trust constitute a majority of the Series "A" Shares whose holders are entitled to vote them, because non-Mexican holders of CPOs and GDSs are not permitted to vote the underlying Series "A" Shares. Accordingly, the vote of Series "A" Shares held through the Azcárraga Trust generally will determine how the Series "A" Shares underlying our CPOs are voted.

Holders of GDRs. Global Depositary Receipts, or GDRs, evidencing GDSs are issued by The Bank of New York Mellon, the Depositary, pursuant to the Deposit Agreement we entered into with the Depositary and all holders from time to time of GDSs. Each GDR evidences a specified number of GDSs. A GDR may represent any number of GDSs. Only persons in whose names GDRs are registered on the books of the Depositary will be treated by us and the Depositary as owners and holders of GDRs. Each GDS represents the right to receive five CPOs which will be credited to the account of Banco Inbursa, S.A., the Custodian, maintained with Indeval for such purpose. Each CPO represents financial interests in, and limited voting rights with respect to, 25 Series "A" Shares, 22 Series "B" Shares, 35 Series "L" Shares and 35 Series "D" Shares held pursuant to the CPO Trust.

The Depositary will mail information on stockholders' meetings to all holders of GDRs. At least six business days prior to the relevant stockholders' meeting, GDR holders may instruct the Depositary as to the exercise of the voting rights, if any, pertaining to the CPOs represented by their GDSs, and the underlying Shares. Since the CPO Trustee must also receive voting instructions five business days prior to the stockholders' meeting, the Depositary may be unable to vote the CPOs and underlying Shares in accordance with any written instructions. Holders that are Mexican nationals or Mexican corporations whose bylaws exclude foreign ownership of their Shares are entitled to exercise voting rights with respect to the Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares underlying the CPOs represented by their GDSs. Such Mexican holders also must provide evidence of nationality, such as a copy of a valid Mexican passport or birth certificate, for individuals, or a copy of the bylaws, for corporations.

Non-Mexican holders may exercise voting rights only with respect to Series "L" Shares underlying the CPOs represented by their GDSs. They may not direct the CPO Trustee as to how to vote the Series "A" Shares, Series "B" Shares or Series "D" Shares represented by CPOs or attend stockholders' meetings. Under the terms of the CPO Trust Agreement, the CPO Trustee will vote the Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares represented by CPOs held by non-Mexican holders (including holders of GDRs) as described under "— Holders of CPOs". If the Depositary does not timely receive instructions from a Mexican or non-Mexican holder of GDRs as to the exercise of voting rights relating to the Series "A" Shares, Series "B" Shares, Series "D" Shares or Series "L" Shares underlying the CPOs, as the case may be, in the relevant stockholders' meeting then, if requested in writing by us, the Depositary will give a discretionary proxy to a person designated by us to vote the Shares. If no such written request is made by us, the Depositary will not represent or vote, attempt to represent or vote any right that attaches to, or instruct the CPO Trustee to represent or vote, the Shares underlying the CPOs in the relevant stockholders' meeting and, as a result, the underlying shares will be voted in the same manner described under "— Holders of CPOs" with respect to shares for which timely instructions as to voting are not given.

If the Depositary does not timely receive instructions from a Mexican or non-Mexican holder of GDRs as to the exercise of voting rights relating to the underlying CPOs in the relevant CPO holders' meeting, the Depositary and the Custodian will take such actions as are necessary to cause such CPOs to be counted for purposes of satisfying applicable quorum requirements and, unless we in our sole discretion have given prior written notice to the Depositary and the Custodian to the contrary, vote them in the same manner as the majority of the CPOs are voted at the relevant CPOs holders' meeting.

Under the terms of the CPO Trust, beginning in December 2008, a non-Mexican holder of CPOs or GDSs may instruct the CPO Trustee to request that we issue and deliver certificates representing each of the Shares underlying its CPOs so that the CPO Trustee may sell, to a third party entitled to hold the Shares, all of those Shares and deliver to the holder any proceeds derived from the sale.

Limitation on Appointment of Directors. Our bylaws prohibit the appointment of individuals to our Board of Directors: who (i) are members of the board of directors or other management boards of a company (other than the Company or its subsidiaries) that has one or more concessions to operate telecommunication networks in Mexico; or (ii) directly or indirectly, are shareholders or partners of companies (other than the Company or its subsidiaries), that have one or more concessions to operate telecommunication networks in Mexico, with the exception of ownership stakes that do not allow such individuals to appoint one or more members of the management board or any other operation or decision making board.

Dividend Rights

At our annual ordinary general stockholders' meeting, our Board of Directors is required to submit our financial statements from the previous fiscal year to the holders of our Series "A" Shares and Series "B" Shares. Once our stockholders approve these financial statements, they must then allocate our net profits for the previous fiscal year. Under Mexican law, at least 5% of our net profits must be allocated to a legal reserve, until the amount of this reserve equals 20% of our paid-in capital stock. Thereafter, our stockholders may allocate our net profits to any special reserve, including a reserve for share repurchases. After this allocation, the remainder of our net profits will be available for distribution as dividends. The vote of the majority of the Series "A" Shares and Series "B" Shares is necessary to approve dividend payments. As described below, in the event that dividends are declared, holders of Series "D" Shares will have preferential rights to dividends as compared to holders of Series "A" Shares, Series "B" Shares and Series "L" Shares. Holders of Series "A" Shares, Series "B" Shares and Series "L" Shares have the same financial or economic rights, including the participation in any of our profits.

Preferential Rights of Series "D" Shares

Holders of Series "D" Shares are entitled to receive a preferred annual dividend in the amount of Ps.0.00034412306528 per Series "D" Share before any dividends are payable in respect of Series "A" Shares, Series "B" Shares and Series "L" Shares. If we pay any dividends in addition to the Series "D" Share fixed preferred dividend, then such dividends shall be allocated as follows:

- first, to the payment of dividends with respect to the Series "A" Shares, the Series "B" Shares and the Series "L" Shares, in an equal amount per share, up to the amount of the Series "D" Share fixed preferred dividend; and

- second, to the payment of dividends with respect to the Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares, such that the dividend per share is equal.

Upon any dissolution or liquidation of our company, holders of Series "D" Shares are entitled to a liquidation preference equal to:

- accrued but unpaid dividends in respect of their Series "D" Shares; plus

- the theoretical value of their Series "D" Shares as set forth in our bylaws. See "Other Provisions — Dissolution or Liquidation" below.

Limitation on Capital Increases

Our bylaws provide that, in the event shares of a given series are issued as a result of a capital increase (in respect of a cash capital contribution), each holder of shares of that series will have a preferential right to subscribe to new shares of that series, in proportion to the number of such holder's existing Shares of that series. In addition, primary issuances of Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares in the form of CPOs may be limited under the Mexican Securities Market Law. As a result of grandfathering provisions, our existing CPO structure will not be affected by such limitations. However, in the case of primary issuances of additional Series "A" Shares, Series "B" Shares, Series "L" Shares and Series "D" Shares in the form of CPOs, any new Series "L" Shares and Series "D" Shares may be required to be converted into Series "A" Shares or other voting stock within a term specified by the CNBV, which in no event shall exceed five years. Moreover, under the Mexican Securities Market Law, the aggregate amount of shares of an issuer with limited or non-voting rights may not exceed 25% of the total shares held by public investors. The vote of the holders of a majority of the Series "A" Shares is necessary to approve capital increases.

Preemptive Rights

In the event of a capital increase, a holder of existing shares of a given series has a preferential right to subscribe to a sufficient number of shares of the same series in order to maintain the holder's existing proportionate holdings of shares of that series. Stockholders must exercise their preemptive rights within the time period fixed by our stockholders at the meeting approving the issuance of additional shares. This period must continue for at least fifteen days following the publication of notice of the issuance in the Official Gazette of the Federation and in a newspaper of general circulation in Mexico City. Under Mexican law, stockholders cannot waive their preemptive rights in advance or be represented by an instrument that is negotiable separately from the corresponding share.

U.S. holders of GDSs may exercise preemptive rights only if we register any newly issued shares under the Securities Act of 1933, as amended, or qualify for an exemption from registration. We intend to evaluate at the time of any offering of preemptive rights the costs and potential liabilities associated with registering additional shares. In addition, if our stockholders' meeting approves the issuance of shares of a particular series, holders of shares of other series may be offered shares of that particular series.

Limitations on Share Ownership

Ownership by non-Mexicans of shares of Mexican enterprises is regulated by the Foreign Investment Law and the accompanying Foreign Investment Regulations. The Economics Ministry and the Foreign Investment Commission are responsible for the administration of the Foreign Investment Law and the Foreign Investment Regulations. The Foreign Investment Law reserves certain economic activities exclusively for the Mexican State, certain other activities exclusively for Mexican individuals or Mexican corporations, and limits the participation of non-Mexican investors to certain percentages in regard to other enterprises engaged in activities specified therein. Foreign investors may freely participate in up to 100% of the capital stock of Mexican companies or entities except for those existing companies engaged in specific activities, as described below and those with assets exceeding specified amounts established annually by the Foreign Investment Commission, in which case an approval from the Foreign Investment Commission will be necessary in order for foreign investment to exceed 49% of the capital stock. Non-Mexican ownership of shares of Mexican enterprises is restricted in some economic sectors, including broadcast television, and radio. As a result of the Telecom Reform, the participation of foreign investors can be up to 49% in free to air radio and television, subject to reciprocity requirements, and up to 100% in telecommunications services and satellite communications. Such amendments are reflected in the LFTR and Mexico's Ley de Inversión Extranjera, or Foreign Investment Law, and the Reglamento de la Ley de Inversión Extranjera y del Registro Nacional de Inversiones Extranjeras, or the Regulation of the Foreign Investment Law and the Foreign Investment National Registry.

Through our bylaws and the trust governing the CPOs, we have limited the ownership of our Series "A" Shares and Series "B" Shares to Mexican individuals, Mexican companies whose charters contain a foreign exclusion clause, credit institutions acting as trustees (such as the CPO Trustee) in accordance with the Foreign Investment Law and the Foreign Investment Law Regulations, and trusts or stock purchase, investment and retirement plans for Mexican employees. A holder that acquires Series "A" Shares or Series "B" Shares in violation of the restrictions in our bylaws regarding non-Mexican ownership will have none of the rights of a stockholder with respect to those Series "A" Shares or Series "B" Shares. The Series "D" Shares are subject to the same restrictions on ownership as the Series "A" Shares and Series "B" Shares. However, the foregoing limitations do not affect the ability of non-Mexican investors to hold Series "A" Shares, Series "B" Shares, Series "D" Shares and Series "L" Shares through CPOs, or Series "L" Shares directly. The sum of the total outstanding number of Series "A" Shares and Series "B" Shares is required to exceed at all times the sum of the total outstanding Series "L" Shares and Series "D" Shares.

Non-Mexican states and governments are prohibited under our bylaws and the Telecommunications and Broadcasting Federal Law ("LFTR") from owning Shares of Televisa and are, therefore, prohibited from being the beneficial or record owners of Series "A" Shares, Series "B" Shares, Series "D" Shares, Series "L" Shares, CPOs and GDSs. We have been advised by our Mexican counsel, Mijares, Angoitia, Cortés y Fuentes, S.C., that ownership of Series "A" Shares, Series "B" Shares, Series "D" Shares, Series "L" Shares, CPOs and GDSs by pension or retirement funds organized for the benefit of employees of non-Mexican state, municipal or other governmental agencies will not be considered as ownership by non-Mexican states or governments for the purpose of our bylaws or the LFTR.

The LFTR eliminated the restrictions on foreign investment in telecommunications services and satellite communication and increased the maximum permitted foreign-ownership in broadcasting (television and radio) to 49% subject to reciprocity.

Ownership Restrictions

We may restrict transfers or, to the extent permitted under applicable law, cause the mandatory sale or disposition of CPOs and GDRs where such transfer or ownership, as the case may be, might result in ownership of CPOs or GDRs exceeding the limits under applicable law or our bylaws, the CPO Trust Agreement or the CPO indenture. Non-Mexican states and governments are prohibited under our bylaws and the LFTR from owning our Shares and are, therefore, prohibited from being beneficial or record owners of GDRs.

Other Provisions

Forfeiture of Shares. As required by Mexican law, our bylaws provide that for Series "L" Shares and CPOs, our non-Mexican stockholders formally agree with the Foreign Affairs Ministry:

- to be considered as Mexicans with respect to the Series "L" Shares and CPOs that they acquire or hold, as well as to the property, rights, concessions, participations or interests owned by us or to the rights and obligations derived from any agreements we have with the Mexican government; and

- not to invoke the protection of their own governments with respect to their ownership of Series "L" Shares and CPOs.

Failure to comply is subject to a penalty of forfeiture of such a stockholder's capital interests in favor of Mexico. In the opinion of Mijares, Angoitia, Cortés y Fuentes, S.C., our Mexican counsel, under this provision a non-Mexican stockholder is deemed to have agreed not to invoke the protection of its own government by asking such government to interpose a diplomatic claim against the Mexican government with respect to the stockholder's rights as a stockholder, but is not deemed to have waived any other rights it may have, including any rights under the U.S. securities laws, with respect to its investment in Televisa. If the stockholder should invoke governmental protection in violation of this agreement, its shares could be forfeited to the Mexican government.

Exclusive Jurisdiction. Our bylaws provide that legal action relating to the execution, interpretation or performance of the bylaws shall be brought only in federal courts located in Mexico City.

Duration. Our corporate existence under our bylaws continues until 2106.

Dissolution or Liquidation. Upon any dissolution or liquidation of our company, our stockholders will appoint one or more liquidators at an extraordinary general stockholders' meeting to wind up our affairs. The approval of holders of the majority of the Series "A" Shares is necessary to appoint or remove any liquidator. Upon a dissolution or liquidation, holders of Series "D" Shares will be entitled to both accrued but unpaid dividends in respect of their Series "D" Shares, plus the theoretical value of their Series "D" Shares (as set forth in our bylaws). The theoretical value of our Series "D" Shares is Ps.0.00688246130560 per share. Thereafter, a payment per share will be made to each of the holders of Series "A" Shares, Series "B" Shares and Series "L" Shares equivalent to the payment received by each of the holders of Series "D" Shares. The remainder will be distributed equally among all stockholders in proportion to their number of Shares and amount paid.

Redemption. Our bylaws provide that we may redeem our Shares with distributable profits without reducing our capital stock by way of a stockholder resolution at an extraordinary stockholders' meeting. In accordance with Mexican law and our bylaws:

- any redemption shall be made on a pro-rata basis among all of our stockholders;
- to the extent that a redemption is effected through a public tender offer on the Mexican Stock Exchange, the stockholders' resolution approving the redemption may empower our Board to specify the number of shares to be redeemed and appoint the related intermediary or purchase agent; and
- any redeemed shares must be cancelled.

Share Repurchases. As provided by Mexican law, our bylaws allow us to repurchase our Shares on the Mexican Stock Exchange at then prevailing market prices. The amount of capital stock allocated to share repurchases and the amount of the corresponding reserve created for this purpose is determined annually by our stockholders at an ordinary general stockholders' meeting. The aggregate amount of resources allocated to share repurchases in any given year cannot exceed the total amount of our net profits in any given year, including retained earnings. Share repurchases must be charged to either our net worth if the repurchased Shares remain in our possession or our capital stock if the repurchased Shares are converted into treasury shares, in which case our capital stock is reduced automatically in an amount equal to the theoretical value of any repurchased Shares, if any. Any surplus is charged to the reserve for share repurchases. If the purchase price of the Shares is less than the theoretical value of the repurchased Shares, our capital stock account will be affected by an amount equal to the theoretical value of the repurchased Shares. Under Mexican law, we are not required to create a special reserve for the repurchase of shares, nor do we need the approval of our Board to effect share repurchases. In addition, any repurchased Shares cannot be represented at any stockholders' meeting.

Conflicts of Interest. Under the Mexican Securities Market Law, any stockholder that votes on a transaction in which his, her or its interests conflict with our interests may be liable for damages, but only if the transaction would not have been approved without his, her or its vote. In addition, any member of the Board of Directors that votes on a transaction in which his, her or its interests conflict with our interests may be liable for damages. The Mexican Securities Market Law also imposes a duty of care and a duty of loyalty on directors as described in "Directors, Senior Management and Employees — Our Board of Directors — Duty of Care and Duty of Loyalty" in the Form 20-F. In addition, pursuant to the Mexican Securities Market Law, the Board of Directors, with input from the Corporate Practices Committee, must review and approve transactions and arrangements with related parties.

Appraisal Rights and Other Minority Protections. Whenever our stockholders approve a change in our corporate purpose or jurisdiction of organization or our transformation from one type of company to another, any stockholder entitled to vote that did not vote in favor of these matters has the right to receive payment for its Series "A" Shares, Series "B" Shares, Series "D" Shares or Series "L" Shares in an amount calculated in accordance with Mexican law. However, stockholders must exercise their appraisal rights within fifteen days after the stockholders' meeting at which the matter was approved. Because the holders of Series "L" Shares and Series "D" Shares may only vote in limited circumstances, appraisal rights are generally not available to them. See "Voting Rights and Stockholders' Meetings" above.

Because the CPO Trustee must vote at a general stockholders' meeting, the Series "A" Shares, Series "B" Shares and Series "D" Shares held by non-Mexicans through the CPO Trust will be voted in the same manner as the majority of the Series "A" Shares held by Mexican nationals (directly, or through the CPO Trust, as the case may be). As a result, the Series "A" Shares, Series "B" Shares and Series "D" Shares underlying CPOs held by non-Mexicans will not be voted against any change that triggers the appraisal rights of the holders of these Shares. Therefore, these appraisal rights will not be available to holders of CPOs (or GDRs) with respect to Series "A" Shares, Series "B" Shares or Series "D" Shares. The CPO Trustee will exercise such other corporate rights at special stockholders' meetings with respect to the underlying Series "A" Shares, Series "B" Shares and Series "D" Shares as may be directed by the Technical Committee of the CPO Trust.

The Mexican Securities Market Law and our bylaws include provisions that permit:

- holders of at least 10% of our outstanding capital stock to request our Chairman of the Board or of the Audit Committee or Corporate Practices Committee to call a stockholders' meeting in which they are entitled to vote;
- subject to the satisfaction of certain requirements under Mexican law, holders of at least 5% of our outstanding capital stock to bring an action for civil liabilities against our directors;
- holders of at least 10% of our Shares that are entitled to vote and are represented at a stockholders' meeting to request postponement of resolutions with respect to any matter on which they were not sufficiently informed; and
- subject to the satisfaction of certain requirements under Mexican law, holders of at least 20% of our outstanding capital stock to contest and suspend any stockholder resolution.

In addition, in accordance with the Mexican Securities Market Law, we are also subject to certain corporate governance requirements, including the requirement to maintain an audit committee and a corporate practices committee, and to elect independent directors. The protections afforded to minority stockholders under Mexican law are generally different from those in the U.S. and many other jurisdictions. Substantive Mexican law concerning fiduciary duties of directors has not been the subject of extensive judicial interpretation in Mexico, unlike many states in the U.S. where duties of care and loyalty elaborated by judicial decisions help to shape the rights of minority stockholders. Furthermore, despite the fact that recent amendments to the Mexican Federal Code of Civil Procedures have provided for certain types of class actions, these actions are limited to subject matters related to the use of goods or the provision of public or private services, as well as environmental matters. Therefore, Mexican civil procedure does not contemplate class actions or stockholder derivative actions, which permit stockholders in U.S. courts to bring actions on behalf of other stockholders or to enforce rights of the corporation itself. Stockholders in Mexico also cannot challenge corporate actions taken at stockholders' meetings unless they meet stringent procedural requirements. See "Voting Rights and Stockholders' Meetings" above. As a result of these factors, it is generally more difficult for our minority stockholders to enforce rights against us or our directors or Major Stockholders than it is for stockholders of a corporation established under the laws of a state of the U.S. In addition, under U.S. securities laws, as a foreign private issuer we are exempt from certain rules that apply to domestic U.S. issuers with equity securities registered under the Securities Exchange Act of 1934, as amended, or the Exchange Act, including the proxy solicitation rules. We are also exempt from many of the corporate governance requirements of the New York Stock Exchange.

Antitakeover Protections

General. Our bylaws provide that, subject to certain exceptions: (i) any person, entity or group of persons and/or entities that intends to acquire beneficial ownership of ordinary Shares (as defined below) which, when coupled with ordinary Shares previously beneficially owned by such persons or their affiliates, represent 10% or more of our outstanding ordinary Shares; (ii) any competitor, or group including one or more competitors, that intends to acquire beneficial ownership of ordinary Shares which, when coupled with Shares previously beneficially owned by such competitor, group or their affiliates, represent 5% or more of our outstanding capital stock; (iii) any person, entity or group of persons and/or entities that wishes to acquire beneficial ownership of ordinary Shares representing 10% or more of our outstanding ordinary Shares; and (iv) any competitor, or group including one or more competitors, that intends to acquire beneficial ownership of ordinary Shares representing 5% or more of our capital stock, must obtain the prior approval of our Board of Directors and/or of our stockholders, as the case may be, subject to certain exceptions summarized below. Holders that acquire Shares in violation of these requirements will not be registered in our stock registry. Accordingly, these holders will not be able to vote such Shares or receive any dividends, distributions or other rights in respect of these Shares. In addition, pursuant to our bylaws, these holders will be obligated to pay us a penalty in an amount equal to the market value of the Shares so acquired. Pursuant to our bylaws, "Shares" are defined as the shares (of any class or series) representing our capital stock, and any instruments or securities that represent such shares or that grant any right with respect to or are convertible into those shares, expressly including CPOs; our Series "A" Shares and Series "B" Shares are our ordinary Shares.

Pursuant to our bylaws, a "competitor" is generally defined as any person or entity dedicated, directly or indirectly, to any of the following businesses or activities: television production and broadcasting, pay-TV production, program licensing, direct-to-home satellite services, publishing (newspaper and/or magazine), publishing distribution, music recording, cable television, the transmission of programming and/or other content by any other means known or to be known, radio broadcasting and production, the promotion of professional sports and other entertainment events, paging services, production, feature film/motion picture production and distribution, dubbing and/or the operation of an Internet portal. A "competitor" is also defined to include any person, entity and/or group that is engaged in any type of business or activity in which we may be engaged from time to time and from which we derive 5% or more of our consolidated income.

Board Notices, Meetings, Quorum Requirements and Approvals. To obtain the prior approval of our Board, a potential acquiror must properly deliver a written notice that states, among other things: (i) the number and class/type of our Shares it beneficially owns; (ii) the percentage of Shares it beneficially owns with respect to both our outstanding capital stock and the respective class/type of our Shares; (iii) the number and class/type of Shares it intends to acquire; (iv) the number and class/type of Shares it intends to grant or share a common interest or right; (v) its identity, or in the case of an acquiror which is a corporation, trust or legal entity, its stockholders or beneficiaries as well as the identity and nationality of each person effectively controlling such corporation, trust or legal entity; (vi) its ability to acquire our Shares in accordance with our bylaws and Mexican law, (vii) its source of financing the intended acquisition; (viii) if it has obtained any financing from one of its related parties for the payment of the Shares; (ix) the purpose of the intended acquisition; (x) if it intends to acquire additional common Shares in the future; which coupled with the current intended acquisition of common Shares and the common Shares previously beneficially owned by the potential acquiror, would result in ownership of 20% or more of our common Shares; (xi) if it intends to acquire control of us in the future; (xii) if the acquiror is our competitor or if it has any direct or indirect economic interest in or family relationship with one of our competitors; and (xiii) the identity of the financial institution, if any, that will act as the underwriter or broker in connection with any tender offer.

Either the Chairman, the Secretary or the Alternate Secretary of our Board of Directors must call a Board meeting within 10 calendar days following the receipt of the written notice and the Board meeting must be held within 45 calendar days following the call. Action by written consent is not permitted. With the exception of acquisitions that must be approved by the general extraordinary stockholders' meeting as described below in "Stockholder Notices, Meetings, Quorum Requirements and Approvals," in order to proceed with any acquisition of Shares that require Board authorization as set forth in our bylaws, such acquisition must be approved by at least the majority of the members of our Board present at a meeting at which at least 75% of the members of our Board are present. Such acquisitions must be acted upon by our Board within 60 calendar days following the receipt of the written notice described above, unless the Board determines that it does not have sufficient information upon which to base its decision. In such case, the Board shall deliver a written request to the potential acquiror for any additional information that it deems necessary to make its determination. The 60 calendar days referred to above will commence following the receipt of the additional information from the potential acquiror to render its decision.

Stockholder Notices, Meetings, Quorum Requirements and Approvals. In the event: (i) of a proposed acquisition of Shares that would result in a "change of control,"; (ii) that our Board cannot hold a Board meeting for any reason; (iii) of a proposed acquisition by a competitor and having certain characteristics; or (iv) that the Board determines that the proposed acquisition must be approved by our stockholders at a general extraordinary stockholders' meeting, among others, then the proposed acquisition must be approved by the holders of at least 75% of our outstanding common Shares at a general extraordinary stockholders' meeting (both in the case of first and subsequent calls) at which the holders of at least 85% of our outstanding common Shares are present. In addition, any proposed merger, spin-off, or capital increase or decrease which results in a change of control must also be approved by the holders of at least 75% of our outstanding common Shares at a general extraordinary stockholders' meeting (both in the case of first and subsequent calls) at which the holders of at least 85% of our outstanding common Shares are present. Pursuant to our bylaws, a "change of control" is defined as the occurrence of any of the following: (i) the acquisition or transfer of ownership of a majority of our outstanding common Shares; (ii) the ability of a person, entity or group, other than the person who currently has the ability to, directly or indirectly, elect a majority of the members of our Board of Directors, to elect a majority of the members of our Board of Directors; or (iii) the ability of a person, entity or group, other than the person who currently has the ability to, directly or indirectly, determine our administrative decisions or policies, to determine our administrative decisions or policies. In the event that the general extraordinary stockholders' meeting must approve the proposed acquisition, either the Chairman, the Secretary or the Alternate Secretary of our Board of Directors must publish a call for a general extraordinary stockholders' meeting in the Official Gazette of the Federation and two other newspapers of general circulation in Mexico City at least 30 calendar days prior to such meeting (both in the case of first and subsequent calls). Once the call for the general extraordinary stockholders' meeting has been published, all information related to the agenda for the meeting must be available for review by the holders of common Shares at the offices of our Secretary.

Mandatory Tender Offers in the Case of Certain Acquisitions. If either our Board of Directors or our stockholders at a general extraordinary stockholders' meeting, as the case may be, authorize an acquisition of common Shares which increases the acquiror's ownership to 20% or more, but not more than 50%, of our outstanding common Shares, without such acquisition resulting in a change of control, then the acquiror must effect its acquisition by way of a cash tender offer for a specified number of Shares equal to the greater of (x) the percentage of common Shares intended to be acquired or (y) 10% of our outstanding capital stock. In the event that our stockholders approve an acquisition that would result in a change of control, the acquiror must effect its acquisition by way of a cash tender offer for 100% of our total outstanding capital stock at a price which cannot be lower than the highest of the following: (i) the book value of the common Shares and CPOs as reported on the last quarterly income statement approved by the Board of Directors, (ii) the highest closing price of the common Shares, on any stock exchange during any of the three hundred-sixty-five (365) days preceding the date of the stockholders' resolution approving the acquisition; or (iii) the highest price paid for any Shares, at any time by the acquiror. All tender offers must be made in Mexico and the U.S. within 60 days following the date on which the acquisition was approved by our Board of Directors or stockholders' meeting, as the case may be. All holders must be paid the same price for their common Shares. The provisions of our bylaws summarized above regarding mandatory tender offers in the case of certain acquisitions are generally more stringent than those provided for under the Mexican Securities Market Law. In accordance with the Mexican Securities Market Law, bylaw provisions regarding mandatory tender offers in the case of certain acquisitions may differ from the requirements set forth in such law, provided that those provisions are more protective to minority stockholders than those afforded by law. In these cases, the relevant bylaw provisions, and not the relevant provisions of the Mexican Securities Market Law, will apply to certain acquisitions specified therein.

Exceptions. The provisions of our bylaws summarized above will not apply to (i) transfers of common Shares and/or CPOs by operation of the laws of inheritance, (ii) acquisitions of common Shares and/or CPOs by any person who, directly or indirectly, is entitled to appoint the greatest number of members to our Board of Directors, as well as by (A) entities controlled by such person, (B) affiliates of such person, (C) the estate of such person, (D) certain family members of such person, and (E) such person, when such person acquires any common Shares and/or CPOs from any entity, affiliate, person or family member referred to in (A), (B) and (D) above, and (iii) acquisitions or transfers of common Shares and/or CPOs by us, our subsidiaries or affiliates, or any trust created by us or any of our subsidiaries.

Amendments to the Antitakeover Provisions. Any amendments to these antitakeover provisions must be authorized by the CNBV and registered before the Public Registry of Commerce at our corporate domicile.

Exhibit 8.1

Subsidiaries, Associates and Joint Ventures
as of December 31, 2019

Name of Company	Country of Incorporation
Alektis Consultores, S. de R.L. de C.V.	Mexico
TVU Enterprises, Inc.	United States of America
ET Publishing International, LLC	United States of America
Sunny Isle, LLC	United States of America
M&M Media, Inc D/B/A Trebel (3)	United States of America
Televisa Alternative Originals, LLC (2)	United States of America
Televisa Internacional, LLC	United States of America
Televisa International Marketing Group, Inc.	United States of America
W-TV Studios, LLC	United States of America
Coisa, Consultores Industriales, S.A. de C.V.	Mexico
Corporación Kante, S.A. de C.V.	Mexico
Controladora de Juegos y Sorteos de México, S.A. de C.V.	Mexico
Apuestas Internacionales, S.A. de C.V.	Mexico
Magical Entertainment, S. de R.L. de C.V.	Mexico
Sattora, S.A. de C.V.	Mexico
Corporativo Vasco de Quiroga, S.A. de C.V.	Mexico
Administradora de Sistemas de Comunicación, S.A. de C.V.	Mexico
Alvafig Holdings, S.A. de C.V.	Mexico
Aryadeba, S.A. de C.V.	Mexico
Cable y Comunicación de Morelia, S.A. de C.V.	Mexico
Cablemás Telecomunicaciones, S.A. de C.V.	Mexico
Cablemás International Telecomm, LLC (1)	United States of America
CM Equipos y Soporte, S.A. de C.V.	Mexico
Equipos e Insumos de Telecomunicaciones, S.A. de C.V.	Mexico
Grupo Mapsani, S.A. de C.V.	Mexico
Sumant, S.A. de C.V.	Mexico
Apocali, S.A. de C.V.	Mexico
Apoyo Telefónico Cablemás, S.A. de C.V.	Mexico
Arretis, S.A.P.I. de C.V.	Mexico
Cable Administradora, S.A. de C.V.	Mexico
Grupo Cable Asesores, S.A. de C.V.	Mexico
Cable Servicios Corporativos, S.A. de C.V.	Mexico
México Red de Telecomunicaciones, S. de R.L. de C.V.	Mexico
Corp MR II, S. de R.L. de C.V.	Mexico
Metrored Telecom Services, Inc.	United States of America
Televicable Regional, S.A. de C.V.	Mexico
TIN, S.A. de C.V.	Mexico
TV Cable de Oriente, S.A. de C.V.	Mexico
FTTH de México, S.A. de C.V.	Mexico
Wuru Telecom, Inc. (1)	United States of America
Cable TV Internacional, S.A. de C.V.	Mexico
Cablemás Holdings, S.A. de C.V.	Mexico
Cablevisión Red, S.A. de C.V.	Mexico
Caredteletv Servicios Administrativos FTTH de México, S.A. de C.V.	Mexico
Constructora Cablemás, S.A. de C.V.	Mexico
Digital TV, S.A. de C.V. (2)	Mexico
Empresas Cablevisión, S.A.B. de C.V.	Mexico

Milar, S.A. de C.V.	Mexico
Cablebox, S.A. de C.V.	Mexico
Cablestar, S.A. de C.V.	Mexico
Bestel USA, Inc.	United States of America
Letseb, S.A. de C.V.	Mexico
Operbes, S.A. de C.V.	Mexico
Servicios Letseb, S.A. de C.V.	Mexico
Servicios Operbes, S.A. de C.V.	Mexico
Cablevisión, S.A. de C.V.	Mexico
Grupo Mexicano de Cable, S.A. de C.V.	Mexico
Integravisión de Occidente, S.A. de C.V.	Mexico
Servicios Cablevisión, S.A. de C.V.	Mexico
Servicios Técnicos Cablevisión, S.A. de C.V.	Mexico
Telestar del Pacífico, S.A. de C.V.	Mexico
Gerit Profesionales, S.A. de C.V.	Mexico
Grupo de Telecomunicaciones de Alta Capacidad, S.A.P.I. de C.V. and subsidiary (*)	Mexico
Inmobiliaria Cablemás, S.A. de C.V.	Mexico
Bekyc Apoyo y Servicios de Ventas, S.A. de C.V.	Mexico
IZZI GT, S.A. de C.V. (1)	Mexico
Mega Com-M Servicios, S.A. de C.V.	Mexico
Operadora de Redes, S.A. de C.V. (*) (1)	Mexico
Profesionales en Ventas y Mercadeo, S.A. de C.V.	Mexico
San Ángel Telecom, S.A. de C.V.	Mexico
Servicios Administrativos Cablemás, S.A. de C.V.	Mexico
Servicios Integrales para Sistemas de Cable, S.A. de C.V.	Mexico
Sky DTH, S.A. de C.V.	Mexico
Innova Holdings, S. de R.L. de C.V.	Mexico
Innova, S. de R.L. de C.V.	Mexico
Corporación Novaimagen, S. de R.L. de C.V.	Mexico
Corporación Novavisión, S. de R.L. de C.V.	Mexico
Novavision Group, Inc.	United States of America
Novavisión Honduras, S.A. de C.V.	Honduras
Novavisión Panamá, S.A.	Panama
Media Visión de Panamá, S.A.	Panama
Ridge Manor, S.R.L.	Spain
Galaxy Nicaragua, S.A.	Nicaragua
Servicios Directos de Satélite, S.A.	Costa Rica
Sky El Salvador, S.A. de C.V.	El Salvador
Televisión Novavisión de Guatemala, S.A.	Guatemala
Corporación de Radio y Televisión del Norte de México, S. de R.L. de C.V.	Mexico
Corporación Satelital Novavisión Dominicana, S.A.S.	Dominican Republic
Innovación Sistemática y Comercial, S. de R.L. de C.V.	Mexico
Novabox, S. de R.L. de C.V.	Mexico
Nova Call-Center, S. de R.L. de C.V.	Mexico
Servicios Corporativos de Telefonía, S. de R.L. de C.V.	Mexico
Servicios Novasat, S. de R.L. de C.V.	Mexico
Tele Cable de Michoacán, S.A. de C.V.	Mexico
Televisión Internacional, S.A. de C.V.	Mexico
Grupo Servicomunicación, S.A. de C.V.	Mexico
Multibip, S.A. de C.V. (1)	Mexico
R.H. Servicios Administrativos, S.A. de C.V.	Mexico
R.H. Servicios Ejecutivos, S.A. de C.V.	Mexico
Servicios Telum, S.A. de C.V.	Mexico
Sintonia Fina, S.A. de C.V. (1)	Mexico

Técnica Avanzada en Cableados, S.A. de C.V.	Mexico
Telum, S.A. de C.V. (1)	Mexico
Unisat Mexicana, S.A. de C.V.	Mexico
DTH Europa, S.A.U.	Spain
Editorial Televisa, S.A. de C.V.	Mexico
Auto Rent Acuario, S. de R.L. de C.V.	Mexico
Televisa Argentina, S.A. (2)	Argentina
Editorial Televisa Colombia, S.A. (2)	Colombia
Editorial Televisa Colombia Cultural, S.A. (2)	Colombia
Distribuidoras Unidas, S.A. (2)	Colombia
Editorial Televisa Puerto Rico, Inc. (2)	Puerto Rico
Editorial Televisa Venezuela, S.A. (1)	Venezuela
Editorial Zinet Televisa, S.A. de C.V.	Mexico
VeneTel Servicios Publicitarios, S.A. (1)	Venezuela
Factum Más, S.A. de C.V.	Mexico
Grupo Distribuidoras Intermex, S.A. de C.V.	Mexico
Editorial Televisa Chile, S.A. (2)	Chile
Distribuidora Bolivariana, S.A. (2)	Peru
Distribuidora Intermex, S.A. de C.V.	Mexico
Distribuidora Panamex, S.A. (1)	Panama
Gonarmex, S.A. de C.V.	Mexico
Samra, S.A. (1)	Ecuador
Distribuidora Los Andes, S.A. (1)	Ecuador
Vanipubli Ecuatoriana, S.A. (1)	Ecuador
Grupo Telesistema, S.A. de C.V.	Mexico
Altavista Sur Inmobiliaria, S.A. de C.V.	Mexico
Argos Comunicación, S.A. de C.V. and subsidiaries (*)	Mexico
Corporativo TD Sports, S.A. de C.V.	Mexico
Servicios Administrativos Coapa, S.A. de C.V.	Mexico
En Vivo Espectáculos, S. de R.L. de C.V. (1)	Mexico
G. Televisa-D, S.A. de C.V.	Mexico
Grupo Bissagio, S.A. de C.V.	Mexico
Multimedia Telecom, S.A. de C.V.	Mexico
Comunicaciones Tieren, S.A. de C.V.	Mexico
Univision Holdings, Inc. and subsidiaries (including Univision Communications Inc.)(*)	United States of America
Villacezán, S.A. de C.V.	Mexico
Corporativo Bosque de Acacias, S.A. de C.V.	Mexico
CVQ Espectáculos, S.A. de C.V.	Mexico
Club de Fútbol América, S.A. de C.V.	Mexico
Gyali S.A. de C.V.	Mexico
Cedecom, S.A. de C.V. (3)	Mexico
Periódico Digital Sendero, S.A.P.I. de C.V. and subsidiary (*)	Mexico
Teatro de los Insurgentes, S.A. de C.V.	Mexico
Videocine, S.A. de C.V.	Mexico
Coyoacán Films, S.A. de C.V.	Mexico
Pantelion, LLC	United States of America
CVQ Series, S.A. de C.V. (1)	Mexico
Editorial Clío, Libros y Videos, S.A. de C.V. and subsidiaries (*)	Mexico
Fútbol del Distrito Federal, S.A. de C.V.	Mexico
Grupo Comunicación y Esfuerzo Comercial, S.A. de C.V. (1)	Mexico

Intellectus Comunicación, S.C.	Mexico
Marcas y Desarrollos, S.A. de C.V. (*) (1)	Mexico
Mednet, S.A. de C.V. (*) (2)	Mexico
Plataforma OTT, S.A. de C.V.	Mexico
Productora Contadero, S.A. de C.V. (*) (1)	Mexico
Promo-Certamen, S.A. de C.V.	Mexico
Truxillos Publicidad, S.A. de C.V.	Mexico
Inmobiliaria Amber, S.A. de C.V.	Mexico
Medios y Estrategias Promocionales, S.A. de C.V.	Mexico
Mexvisa, Ltd.	Switzerland
Mountrigi Management Group, Ltd.	Switzerland
Ollin VFX, S.A.P.I. de C.V. and subsidiary (*)	Mexico
Ollin VFX Servicios, S.A. de C.V. (*)	Mexico
Operadora Dos Mil, S.A. de C.V. (1)	Mexico
Producciones Deportivas TUDN, S.A. de C.V. (1)	Mexico
Publicidad Virtual, S.A. de C.V.	Mexico
Rodium, A.C. (1)	Mexico
Teleinmobiliaria, S. de R.L. de C.V.	Mexico
Televisa, S.A. de C.V.	Mexico
Centros de Conocimiento Tecnológico, S.A. de C.V. and subsidiary (3)	Mexico
Endemol México, S.A. de C.V. (*)	Mexico
Espacio de Vinculación, A.C. (1)	Mexico
Televisa Music Publishing, S.A. de C.V.	Mexico
Televisa Transmedia, S.A. de C.V.	Mexico
Televisión Independiente de México, S.A. de C.V.	Mexico
Canal XXI, S.A. de C.V.	Mexico
Canales de Televisión Populares, S.A. de C.V.	Mexico
Desarrollo Milaz, S.A. de C.V.	Mexico
Radio Televisión, S.A. de C.V.	Mexico
Radiotelevisora de México Norte, S.A. de C.V.	Mexico
T.V. de los Mochis, S.A. de C.V.	Mexico
Teleimagen del Noroeste, S.A. de C.V.	Mexico
Telemercado Alameda, S. de R.L. de C.V. (*) (2)	Mexico
Televimex, S.A. de C.V.	Mexico
Televisión de Puebla, S.A. de C.V.	Mexico
Televisora de Mexicali, S.A. de C.V.	Mexico
Televisora de Navojoa, S.A.	Mexico
Televisora de Occidente, S.A. de C.V.	Mexico
Televisora del Yaqui, S.A. de C.V. (3)	Mexico
Televisora Peninsular, S.A. de C.V.	Mexico
Torali, S.A. de C.V.	Mexico
Terma, S.A. de C.V.	Mexico
Todos los Jugadores, S.A. de C.V. (*)	Mexico
Idzumedia, S.A. de C.V. (1)	Mexico
Kapa Capital, S.A. de C.V.	Mexico
Multimedia CTI, S.A. de C.V.	Mexico
OISE Entretenimiento, S.A. de C.V.	Mexico
OCESA Entretenimiento, S.A. de C.V. and subsidiaries (*)	Mexico
PI Metropolitanas, S.A. de C.V.	Mexico
Telestar de Occidente, S.A. de C.V.	Mexico

Promo-Industrias Metropolitanas, S.A. de C.V.	Mexico
Servicios Administrativos DYE, S.A. de C.V.	Mexico
Sistema Radiópolis, S.A. de C.V.	Mexico
Cadena Radiodifusora Mexicana, S.A. de C.V.	Mexico
Radio Melodía, S.A. de C.V.	Mexico
Radio Tapatía, S.A. de C.V.	Mexico
XEZZ, S.A. de C.V.	Mexico
Servicios XEZZ, S.A. de C.V.	Mexico
Cadena Radiópolis, S.A. de C.V.	Mexico
Radio Comerciales, S.A. de C.V.	Mexico
Radiotelevisora de Mexicali, S.A. de C.V.	Mexico
Servicios Radiópolis, S.A. de C.V.	Mexico
Telesistema Mexicano, S.A. de C.V. (2)	Mexico
Ulvik, S.A. de C.V.	Mexico
Cadena de las Américas, S.A. de C.V.	Mexico
Corporatel, S.A. de C.V.	Mexico
Corporativo Bosque de Canelos, S.A. de C.V.	Mexico
Desarrollo Vista Hermosa, S.A. de C.V.	Mexico
ECO Producciones, S.A. de C.V.	Mexico
Empresas Baluarte, S.A. de C.V.	Mexico
Grupo Montdoval, S.A. de C.V.	Mexico
Intellectus T, S.A. de C.V.	Mexico
Intellectus Técnico, S.C.	Mexico
Servicios Deportivos Amec, S.A. de C.V.	Mexico
Servicios Deportivos Luportas, S.A. de C.V.	Mexico
SOC Servicio Operativo Centralizado, S.A. de C.V.	Mexico
Televisa Corporación, S.A. de C.V.	Mexico
Administradora de Prestaciones Sociales, S.C.	Mexico
Televisa Producciones, S.A. de C.V.	Mexico
Televisa Talento, S.A. de C.V.	Mexico
Transmisiones Nacionales de Televisión, S.A. de C.V.	Mexico
TV Conceptos, S.A. de C.V.	Mexico

(*) Associate or Joint Venture.
(1) Without current operations.
(2) In process of liquidation.
(3) Equity financial instrument.

Exhibit 12.1

CERTIFICATION OF CO-CHIEF EXECUTIVE OFFICER
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Alfonso de Angoitia Noriega, certify that:

1. I have reviewed this annual report on Form 20-F of Grupo Televisa, S.A.B.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: April 30, 2020

By: /s/ Alfonso de Angoitia Noriega
Name: Alfonso de Angoitia Noriega
Title: Co-Chief Executive Officer

Exhibit 12.2

CERTIFICATION OF CO-CHIEF EXECUTIVE OFFICER
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Bernardo Gómez Martínez, certify that:

1. I have reviewed this annual report on Form 20-F of Grupo Televisa, S.A.B.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: April 30 , 2020

By: /s/ Bernardo Gómez Martínez
Name: Bernardo Gómez Martínez
Title: Co-Chief Executive Officer

Exhibit 12.3

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Carlos Ferreiro Rivas, certify that:

1. I have reviewed this annual report on Form 20-F of Grupo Televisa, S.A.B.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal controls over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: April 30, 2020

By: /s/ Carlos Ferreiro Rivas
Name: Carlos Ferreiro Rivas
Title: Corporate Vice President of Finance
(Principal Financial Officer)

Exhibit 13.1

GRUPO TELEVISA, S.A.B.
SECTION 906 CERTIFICATION OF CO-CHIEF EXECUTIVE OFFICER

I, Alfonso de Angoitia Noriega, Co-Chief Executive Officer of Grupo Televisa, S.A.B. (the "Company"), hereby certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

1. The Company's annual report on Form 20-F for the fiscal year ended December 31, 2019, to which this statement is filed as an exhibit (the "Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 30, 2020

By: /s/ Alfonso de Angoitia Noriega
Name: Alfonso de Angoitia Noriega
Title: Co-Chief Executive Officer

Exhibit 13.2

GRUPO TELEVISA, S.A.B.
SECTION 906 CERTIFICATION OF CO-CHIEF EXECUTIVE OFFICER

I, Bernardo Gómez Martínez, Co-Chief Executive Officer of Grupo Televisa, S.A.B. (the "Company"), hereby certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

1. The Company's annual report on Form 20-F for the fiscal year ended December 31, 2019, to which this statement is filed as an exhibit (the "Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 30, 2020

By: /s/ Bernardo Gómez Martínez
Name: Bernardo Gómez Martínez
Title: Co-Chief Executive Officer

Exhibit 13.3

GRUPO TELEVISA, S.A.B.
SECTION 906 CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER

I, Carlos Ferreiro Rivas, the Corporate Vice President of Finance (Principal Financial Officer) of Grupo Televisa, S.A.B. (the "Company"), hereby certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

1. The Company's annual report on Form 20-F for the fiscal year ended December 31, 2019, to which this statement is filed as an exhibit (the "Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 30, 2020

By: /s/ Carlos Ferreiro Rivas
Name: Carlos Ferreiro Rivas
Title: Corporate Vice President of Finance
(Principal Financial Officer)

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

The Board of Directors
Grupo Televisa, S. A. B.:

We consent to the incorporation by reference in the registration statement on Form S-8 (No. 333-126827) and Form F-3 (No. 333-231344) of Grupo Televisa, S.A.B. of our reports dated April 30, 2020, with respect to the consolidated statements of financial position of Grupo Televisa, S.A.B. as of December 31, 2019 and 2018, the related consolidated statements of income, comprehensive income, changes in equity, and cash flows for each of the years in the two-year period ended December 31, 2019, and the related notes, and the effectiveness of internal control over financial reporting as of December 31, 2019, which reports appear in the December 31, 2019 annual report on Form 20-F of Grupo Televisa, S.A.B.

/s/KPMG Cardenas Dosal, S. C.
KPMG Cardenas Dosal, S. C.
Mexico City, Mexico
April 30, 2020

Exhibit 23.2

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-8 (No. 333-126827) and Form F-3 (No. 333-231344) of Grupo Televisa, S.A.B. of our report dated April 30, 2018 relating to the financial statements, which appears in this Form 20-F.

/s/ PricewaterhouseCoopers, S.C.

/s/ Claudia Stela Guzmán Reyes
C.P.C. Claudia Stela Guzmán Reyes
Audit Partner
Mexico City, Mexico
April 30, 2020