

# Univision: TPG Capital’s and other owners’ \$180m termination fee hits anniversary, but no exit

*Private equity sponsors collected over \$570 million in fees*

Over the nine years that buyout firm TPG Capital and a consortium of other private equity firms have owned Spanish-language broadcaster Univision, they have collected fees of over \$570 million.

One year ago, Univision paid a \$180 million “termination fee” to its owners – on April 14, 2015.<sup>1</sup> Of that, \$112.4 million went to its private equity sponsors.<sup>2</sup> TPG Capital is one of the larger sponsors, and collected a pro rata share of \$26.2 million.<sup>3</sup>

More than two months later, Univision filed for an IPO on July 2, 2015<sup>4</sup> with a goal of a public offering in the fall in what was anticipated to be one of the year’s largest first offerings.<sup>5</sup> Yet, Univision had not yet held a public offering, with delays attributed to market volatility.<sup>6</sup>

The termination fee, also known as an accelerated monitoring fee, was the culmination of fee collection by TPG and the private equity sponsors (“PE sponsors”) since the 2007 leveraged buyout of Univision. Over the ensuing years, TPG with other PE sponsors and owners have also collected ongoing management fees and expenses of at least \$193 million<sup>7</sup> and at least \$200 million in transaction fees.<sup>8</sup>

### FEES COLLECTED SINCE 2007 (in millions)

Termination fee	April 14, 2015	\$180	\$180
Transaction fee	March 1, 2007	\$200	\$200
PE sponsors Management fee & expenses	2007-1Q 2015	\$139	
PE sponsors tail period fee & expenses	2Q-4Q 2015	\$14	
Televisa management fee	2010-1Q 2015	\$32	
Televisa tail period fee	2Q-4Q 2015	\$8	
		Total	\$573

## Questions:

- Why did TPG and the other sponsors collect a termination fee in advance of exiting Univision?
- How did TPG and the owners calculate the \$180 million termination fee?
- Did TPG and the other sponsors disclose the fee arrangements at Univision to limited partners in the funds that own the company?
- How has paying \$570 million in fees to its sponsors helped Univision’s strength as a company? How did such fees benefit private equity limited partners?
- Will TPG continue utilizing accelerated monitoring fees/termination fees for TPG Partners VII, despite SEC scrutiny of the practice? What about other TPG funds?

## Termination fee originates in 2007 buyout agreement

The \$180 million termination fee that TPG and other Univision owners collected in 2015 is tied to Univision's 2007 leveraged buyout, when TPG and the other private equity sponsors set annual management fees at a rate of 2% of EBITDA. The original Sponsor Management Agreement had a "10-year evergreen term" through 2017 and a provision to pay all unpaid management fees upon termination of the agreement, known as accelerated monitoring fees.<sup>9</sup>

Univision's private equity sponsors are:<sup>10</sup>

TPG Capital	23.31%
Thomas H Lee Partners (THL VII)	23.31%
Madison Dearborn Partners V	13.05%
Madison Dearborn Partners IV	10.26%
Providence Equity Partners V	13.71%
Providence Equity Partners VI	6.74%

KSF Corp (Saban Capital Group) holds a 6.74% stake.<sup>11</sup>

The Management Agreement was updated in 2010 with the same termination fee arrangement, amending the term to end in 2020, but with annual automatic extensions for subsequent years "so that the remaining term is always 10 years."<sup>12</sup>

In April 2015, Univision negotiated a Management Termination Agreement that paid \$112 million to the PE sponsors<sup>13</sup> plus an additional \$67.6 million to Mexican broadcaster Televisa<sup>14</sup> for a total termination fee of \$180 million.

The Termination Agreement does not detail how the termination fee was calculated. It notes that Univision's managers are due "acceleration and payment of future fees," and mentions the negotiation of a "reduced termination fee" and a "discounted amount."<sup>15</sup> It is not clear what the \$180 million was discounted from.

The 2010 Management Agreement stipulated the termination fee would be calculated assuming at least "a compounded annual growth rate of 10%."<sup>16</sup>

Univision's EBITDA grew at a compound growth rate of 0.36% since TPG and its PE partners took over Univision.<sup>17</sup>

The Management Agreement was updated in 2010 with annual automatic extensions for subsequent years ***"so that the remaining term is always 10 years."***



Photo credit: NASA HQ Photo

Comparing Univision's EBITDA in 2015<sup>18</sup> to the last year of the predecessor ownership in 2006 shows the company hasn't grown much, but has experienced volatility in its cash flow.<sup>19</sup>

#### EBITDA 2006 – 2015 (in thousands)

	2015	2014	2013	2012	2011	2010	2009	2008	2007	Predecessor – 2006
Operating Income	611,000	634,000	427,900	628,800	672,100	248,200	416,400	-5,396,800	535,000	666,374
D&A	171,100	163,800	145,900	130,300	124,900	117,800	125,200	122,900	120,000	90,791
EBITDA	782,100	797,800	573,800	759,100	797,000	366,000	541,600	-5,273,900	655,000	757,165
EBITDA growth	-2.0%	39.0%	-24.4%	-4.8%	117.8%	-32.4%	-110.3%	-905.2%	-13.5%	

### TPG's use of accelerated monitoring fees persists

The practice of collecting accelerated monitoring fees has fallen into disfavor. Blackstone announced in November 2014 it would no longer collect such fees going forward,<sup>20</sup> and in October 2015 reached a \$39 million settlement with the SEC over failure to adequately inform investors about its use of accelerated monitoring fees.<sup>21</sup>

The *Wall Street Journal* reported in November 2014 that TPG would return accelerated monitoring fees to LPs in a fee offset for its current buyout fund, TPG Partners VII.<sup>22</sup>

In May 2015, Mark Wyatt, now Director of the SEC's Office of Compliance Inspections and Examinations<sup>23</sup> commended the private equity industry saying, "The practice of accelerating monitoring fees when a portfolio company is sold or taken public appears to be falling out of favor and the use of evergreen provisions in monitoring agreements, which often enable advisers to take large monitoring agreement termination payments, appears to be declining."<sup>24</sup>

However TPG's 2015 ADV discloses the firm's use of accelerated monitoring fees (emphasis added):<sup>25</sup>

Because the agreements with the portfolio companies providing for such fees typically have prolonged terms (often exceeding ten years and/or subject to automatic extensions and renewals), the **effect of such acceleration is often substantial, particularly ... in the event the extension or renewal mechanism causes the term to remain at ten years or otherwise for a prolonged period.**

Univision is a recent example of TPG's collection of an accelerated monitoring fee after the practice was criticized by regulators. A previous report<sup>26</sup> noted that TPG has maintained accelerated monitoring fees provisions in its management agreements with some portfolio companies in 2015.

For example, when TPG-owned Par Pharmaceuticals filed for IPO in May 2015, Par owed TPG a \$30 million accelerated monitoring fee equal to around 10 years of annual fees.<sup>27</sup>

When TPG sold half its stake in American Tire Distributors to Ares Management in January 2015, the two firms extended the original provision for a \$12.5 million accelerated monitoring fee for an additional 10 years, through 2025.<sup>28</sup>

## Univision's annual management fees

As part of the 2007 buyout, Univision's sponsors set annual management fees at 2% of EBITDA as detailed in the original Management Agreement to cover management, consulting and advisory services.<sup>29</sup>

The agreement stated that TPG and other sponsors wouldn't be obligated to commit any minimum amount of time to such services:<sup>30</sup>

“Each of the Managers shall devote such time and efforts to the performance of services contemplated hereby as such Manager deems reasonably necessary or appropriate; provided, however, that no minimum number of hours is required to be devoted by any Manager on a weekly, monthly, annual or other basis.”

In 2010, Univision entered into an “Amended and Restated Management Agreement” to reflect a deal with Mexican broadcaster Televisa. The agreement brought Univision a cash infusion from Televisa to aid with the debt burden from the 2007 leveraged buyout (it also extended the content licensing agreement through 2025). Under the terms of the deal, Televisa picked up an initial 5% ownership stake in Univision that could grow.<sup>31</sup>

Univision has long relied on Televisa to provide the bulk of its content. When TPG and its partners took over Univision in 2007, they extended a programming license agreement through 2017, but it was tied up in litigation through at least 2009.<sup>32</sup>

The 2010 amended Management Agreement set the management fee rate at 2%, but changed the split of that 2% among the private equity sponsors to reflect an allocation for Televisa.<sup>33</sup>

In practice, the split reported in filings reflects a 1.3% management fee rate paid to TPG and PE sponsors (with 0.7% collected by Televisa), plus reimbursement for out-of-pocket expenses over the past several years.<sup>34</sup>

As shown in the table below, TPG and the sponsors collected a management fee in excess of 1.3% of unadjusted EBITDA from 2010 through 2014, before expense reimbursements.<sup>35</sup> Similarly, in the period from 2007 to 2009, the management fee collected by TPG and the PE sponsors exceeded 2% of unadjusted EBITDA.<sup>36</sup>

#### Management fees & expenses (in thousands)

	2014	2013	2012	2011	2010	2009	2008	2007 (9 months)
EBITDA	\$797,800	\$573,800	\$759,100	797,000	366,000	541,600	-5,273,900	655,000
<b>TPG &amp; PE fees collected</b>	<b>\$16,300</b>	<b>\$14,600</b>	<b>\$13,000</b>	<b>\$12,300</b>	<b>\$19,700</b>	<b>\$19,700</b>	<b>\$16,000</b>	<b>\$14,400</b>
1.3% of EBITDA	\$10,371	\$7,459	\$9,868	\$10,361	\$4,758	-	-	-
2.0% of EBITDA	-	-	-	-	-	\$10,832	-\$105,478	\$13,100
TPG & PE expenses collected	\$1,000	\$800	\$1,000	\$800	\$1,000	\$900	\$2,000	\$1,200
Total PE fees & expenses reported	\$17,300	\$15,400	\$14,000	\$13,100	\$20,700	\$20,600	\$18,000	\$15,600

In the April 2015 termination agreement, the PE sponsors extended ongoing management fees in the “tail period” subsequent to the termination fee, equal to 1.26% of EBITDA to be collected through no later than Dec. 31, 2015.<sup>37</sup> Televisa collected an additional 0.74% of EBITDA during the tail period.<sup>38</sup> The combined fee rate is 2.0% of EBITDA, matching the original 2007 agreement and the 2010 amended agreement.

The tail period covered the last three quarters of 2015, and Univision paid its owners \$21.4 million in fees.<sup>39</sup> Unadjusted EBITDA over the same three quarters was \$712.4 million,<sup>40</sup> which would have yielded a management fee of \$14.2 million at the 2% rate.

## Transaction fee exceeds industry average

In addition to the ongoing annual management fees and expenses, the termination fee, and the tail period management fee, Univision has paid its sponsors transaction fees.

The 2007 Management Agreement stipulated that the sponsors would advise Univision on acquisitions, dispositions and financing transactions. In connection with such transactions, Univision would pay an aggregate fee equal to 1% of the gross transaction value.<sup>41</sup>

According to a Preqin and Dechert report on transaction and monitoring fees, for private equity deals over \$1 billion between 2005 and 2010, the median one-time transaction fee was 0.95% of deal size.<sup>42</sup>

The 2007 buyout of Univision by TPG and other partners was priced at \$13.7 billion.<sup>43</sup> A transaction fee of 1%, as stipulated in the agreement (slightly above the industry mean of 0.95%)

would have been \$137 million. Univision paid its sponsors a transaction fee of \$200 million, or 1.46% of deal size. TPG collected its pro rata share of the fee, or \$50 million, according to the management agreement.<sup>44</sup>

## Univision's Substantial Debt Burden

When Univision was taken private in 2007, the \$10 billion debt load earned the firm credit rating cuts to below investment grade<sup>45</sup> and was characterized as an “extremely onerous burden.”<sup>46</sup>

Nine years later, Univision's debt load also complicates its IPO. Long-term debt has hovered above \$10 billion since the PE takeover.<sup>47</sup>

Univision's liabilities have outstripped its assets in all years dating back to 2008. Assets were greater than liabilities in 2006, the year before the private equity buyout of Univision.<sup>48</sup>

### STOCKHOLDERS' DEFICIT

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Total assets	\$10,126,400	\$10,386,300	\$10,584,700	\$10,248,600	\$10,213,000	\$11,471,400	\$10,416,600	\$11,247,600	Not Available	\$8,166,395
Total liabilities	\$10,921,200	\$12,174,000	\$12,504,500	\$11,412,200	\$11,370,600	\$12,524,000	\$12,096,700	\$12,747,400		\$483,708
Stockholders' deficit	-\$794,800	-\$1,787,700	-\$1,919,800	-\$1,163,600	-\$1,157,600	-\$1,052,600	-\$1,680,100	-\$1,499,800		\$5,561,499

Based on the planned \$1 billion IPO<sup>49</sup> and intent to trade \$1.125 billion in debt for stock, Moody's upgraded Univision's credit rating to B2 from B3 in July 2015. However, The B2 rating is still a full five notches into junk territory.<sup>50</sup>

Univision's interest payments on long-term debt have frequently exceeded operating income since the 2007 buyout by TPG and other PE firms, including the years 2007 through 2010, and 2013.<sup>51</sup> Univision experienced negative net income in seven of the nine years since the PE buyout.<sup>52</sup>

### NET OPERATING INCOME (in thousands)

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Operating Income	\$611,000	\$634,000	\$427,900	\$628,800	\$672,100	\$248,200	\$416,400	-\$5,396,800	\$535,000	\$666,374
Interest Expense	\$539,700	\$587,200	\$618,200	\$573,200	\$531,300	\$585,500	\$692,400	\$753,500	\$588,800	\$88,105
Difference	\$71,300	\$46,800	-\$190,300	\$55,600	\$140,800	-\$337,300	-\$276,000	-\$6,150,300	-\$53,800	\$578,269
Net (Loss) Income	-\$45,500	\$900	\$216,000	-\$14,400	-\$72,400	-\$556,000	-\$252,100	-\$5,127,300	-\$247,900	\$349,174

## Thorny Market Timings for IPO

The planned IPO is key to the gradual exit strategy for Univision's sponsors, including TPG.<sup>53</sup>

The *Los Angeles Times* reported:

Univision has “to go out — even if they take a haircut on the price that they were looking for,” said Sam Hamadeh, chief executive of research firm Privco. He also pointed out that Univision's private equity owners have held their stakes for nearly a decade — an unusually long time.<sup>54</sup>

Plans for a 2015 IPO emerged following an unsuccessful effort to sell Univision to media giants Time Warner and CBS in 2014 after “talks collapsed when the companies separately balked at Univision's \$20-billion price.”<sup>55</sup> Prior to that, in 2013 Univision had begun contemplating a public offering, with the original intent of going public in 2014.<sup>56</sup>

Univision had hoped to go public in the fall of 2015 to capitalize on a strong stock market and “in advance of the 2016 presidential election cycle, which is expected to produce a bounty of campaign cash for Univision as politicians turn to Spanish-language media in an effort to woo Latino voters,” the *Los Angeles Times* reported.<sup>57</sup>

The *Los Angeles Times* reported that TPG and other sponsors' collection of the \$180 million termination fee may have impacted the IPO saying, “Univision's own financial condition may also have contributed to the delay.” It added, “The company posted a net operating loss of nearly \$178 million during the first six months of the year, which was partially because of management fees paid to its private equity owners.”<sup>58</sup>

In December the public offering was postponed until 2016, which the company ascribed to slumping media stocks and an unfavorable IPO market.<sup>59</sup>

According to Renaissance Capital, by the end of 2015 the number of IPOs had dropped by 38% from 2014 and the proceeds raised dove by 64% to \$30 billion. Although the first half of 2015 was robust for IPOs, the market “went into a tailspin in August and September that wiped out positive performance, drove abnormally high IPO discounts and brought issuance to a near halt by year-end.”<sup>60</sup>

The year 2016 started with a “frigid January for initial public offerings is pointing to a hard winter for fledgling firms seeking to go public,” the *Wall Street Journal* said.<sup>61</sup> It was the first dry January for IPOs since 2011.

Univision faces additional uncertainty after the Federal Reserve announced Dec. 16, 2015 it would raise interest rates by a quarter of a percent.<sup>62</sup> “A particular challenge for Univision and other private-equity owned IPOs has been investor uncertainty about interest rates,” the *Wall Street Journal* reported, “investors worry that the huge debt loads of these companies, a legacy of their buyouts, could become more expensive or difficult to refinance.”<sup>63</sup>

## Endnotes

- 1 Univision Holdings, [SEC filing S-1/A](#), Sept. 4, 2015, pg. 62
- 2 Univision Holdings, [SEC filing S-1/A](#), Sept. 4, 2015, pg. 62
- 3 Univision Holdings, [SEC filing S-1/A, Sept. 4, 2015, Exhibit 10.12\(a\)](#), Schedule 1
- 4 Univision Holdings, [SEC filing S-1](#), July 2, 2015
- 5 Los Angeles Times, [Univision beset by media world turbulence as it plans IPO](#), Oct. 20, 2015
- 6 Wall Street Journal, [Univision Postpones IPO](#), Dec. 2, 2015
- 7 Univision's [4<sup>th</sup> quarter 2015 report](#) says on page 26, "Prior to entering into the termination agreement effective March 31, 2015, the quarterly aggregate service fee was 1.3% of operating income, and commencing with the second quarter of 2015, 1.26% of operating income, in each case before depreciation and amortization, subject to certain adjustments, as well as reimbursement of out-of-pocket expenses." The management agreements from 2007 ([Management Agreement, Exhibit 10.11](#)) and 2010 ([SEC filing S-1/A, Sept. 4, 2015, Exhibit 10.12](#)) refer to the management fee based on EBITDA. We calculated EBITDA as operating income + depreciation and amortization to derive the relevant fee percentage e.g. for the tail period.  
Sources: 2015 data: [http://s2.q4cdn.com/417187916/files/doc\\_news/2016/feb/FINAL-Earnings-Release-Q4-2015.pdf](http://s2.q4cdn.com/417187916/files/doc_news/2016/feb/FINAL-Earnings-Release-Q4-2015.pdf)  
2011-2015 data: Univision [S-1/A amendment, filed January 12, 2016](#) pg. 53; 2010 data: [http://s2.q4cdn.com/417187916/files/doc\\_financials/2012/q4/4q\\_2012\\_reporting\\_package1.pdf](http://s2.q4cdn.com/417187916/files/doc_financials/2012/q4/4q_2012_reporting_package1.pdf); 2009 -2007 data: [http://s2.q4cdn.com/417187916/files/doc\\_financials/2009/q4/4q\\_2009\\_reporting\\_package.pdf](http://s2.q4cdn.com/417187916/files/doc_financials/2009/q4/4q_2009_reporting_package.pdf)
- 8 Univision, [Management Agreement, Exhibit 10.11](#), dated March 29, 2007, pg. 2 (\$200m transaction fee)
- 9 Univision, [Management Agreement, Exhibit 10.11](#), dated March 29, 2007, pg. 2-3
- 10 Univision, [Management Agreement, Exhibit 10.11](#), dated March 29, 2007, pg. 19; Univision Holdings, [SEC filing S-1/A, Sept. 4, 2015, Exhibit 10.12](#), Schedule 1; Univision Holdings, [SEC filing S-1/A, Sept. 4, 2015, Exhibit 10.12\(a\)](#), Schedule 2.
- 11 Univision Holdings, [SEC filing S-1/A, Sept. 4, 2015, Exhibit 10.12](#), Schedule 1
- 12 Univision Holdings, [SEC filing S-1/A, Sept. 4, 2015, Exhibit 10.12](#), pg. 4
- 13 Univision Holdings, [SEC filing S-1/A](#), Sept. 4, 2015, pg. 62
- 14 Univision Holdings, [SEC filing S-1/A, Sept. 4, 2015, Exhibit 10.13](#), pg. 2
- 15 Univision Holdings, [SEC filing S-1/A, Sept. 4, 2015, Exhibit 10.12\(a\)](#), pg. 1
- 16 EBITDA calculated as operating income + debt & amortization. Growth rate calculated from 2006 through 2015.  
Sources: 2015 data: [http://s2.q4cdn.com/417187916/files/doc\\_news/2016/feb/FINAL-Earnings-Release-Q4-2015.pdf](http://s2.q4cdn.com/417187916/files/doc_news/2016/feb/FINAL-Earnings-Release-Q4-2015.pdf); 2011-2014 data: Univision [S-1/A amendment, filed January 12, 2016](#) pg. 53; 2010 data: [http://s2.q4cdn.com/417187916/files/doc\\_financials/2012/q4/4q\\_2012\\_reporting\\_package1.pdf](http://s2.q4cdn.com/417187916/files/doc_financials/2012/q4/4q_2012_reporting_package1.pdf); 2009 -2007 data: [http://s2.q4cdn.com/417187916/files/doc\\_financials/2009/q4/4q\\_2009\\_reporting\\_package.pdf](http://s2.q4cdn.com/417187916/files/doc_financials/2009/q4/4q_2009_reporting_package.pdf)  
2006 data: [https://www.sec.gov/Archives/edgar/data/1017008/000110465907009336/a06-26640\\_110k.htm](https://www.sec.gov/Archives/edgar/data/1017008/000110465907009336/a06-26640_110k.htm)
- 17 Compound growth rate was calculated from 2006 through 2015. See table on page 3 and footnote 19 for data and sources
- 18 We calculated EBITDA as operating income + debt & amortization. In its earnings releases, Univision also uses Adjusted OIBDA, which is operating income + debt and amortization and other expenses like impairment loss, restructuring charges, share-based compensation and management fees. [http://s2.q4cdn.com/417187916/files/doc\\_news/2016/feb/FINAL-Earnings-Release-Q4-2015.pdf](http://s2.q4cdn.com/417187916/files/doc_news/2016/feb/FINAL-Earnings-Release-Q4-2015.pdf) pg. 13.
- 19 EBITDA calculated as operating income + debt & amortization. Sources: 2015 data: [http://s2.q4cdn.com/417187916/files/doc\\_news/2016/feb/FINAL-Earnings-Release-Q4-2015.pdf](http://s2.q4cdn.com/417187916/files/doc_news/2016/feb/FINAL-Earnings-Release-Q4-2015.pdf); 2011-2014 data: Univision [S-1/A amendment, filed January 12, 2016](#) pg. 53; 2010 data: [http://s2.q4cdn.com/417187916/files/doc\\_financials/2012/q4/4q\\_2012\\_reporting\\_package1.pdf](http://s2.q4cdn.com/417187916/files/doc_financials/2012/q4/4q_2012_reporting_package1.pdf); 2009 -2007 data: [http://s2.q4cdn.com/417187916/files/doc\\_financials/2009/q4/4q\\_2009\\_reporting\\_package.pdf](http://s2.q4cdn.com/417187916/files/doc_financials/2009/q4/4q_2009_reporting_package.pdf)  
2006 data: [https://www.sec.gov/Archives/edgar/data/1017008/000110465907009336/a06-26640\\_110k.htm](https://www.sec.gov/Archives/edgar/data/1017008/000110465907009336/a06-26640_110k.htm)
- 20 "Blackstone to curb controversial fee practice," Wall Street Journal, Oct 7, 2014.
- 21 SEC press release, [Blackstone charged with disclosure failures](#), Oct. 7, 2015
- 22 "Blackstone to curb controversial fee practice," Wall Street Journal, Oct 7, 2014.
- 23 In May 2015, Wyatt was the Acting Director of the SEC's OCIE, he was subsequently named Director [https://www.sec.gov/about/offices/ocie/ocie\\_org.htm](https://www.sec.gov/about/offices/ocie/ocie_org.htm)
- 24 "Private Equity: A Look Back and a Glimpse Ahead," Marc Wyatt, Acting Director, Office of Compliance Inspections and Examinations, SEC, May 13, 2015.
- 25 TPG Capital Advisors form ADV, March 31, 2015, pg. 6

26 <http://www.pecloserlook.org/wp-content/uploads/TPGFees-UNITEHERE-073115.pdf>

27 [Par Pharmaceuticals SEC S-1/A filed May 12, 2015 p. 108](#)

28 [American Tire Distributors Holdings Inc. SEC 10-K filed March 18, 2015 p. 89](#)

29 Univision, [Management Agreement, Exhibit 10.11](#), dated March 29, 2007, pg. 1-2

30 Univision, [Management Agreement, Exhibit 10.11](#), dated March 29, 2007, pg. 2

31 Wall Street Journal, “[TV’s hottest couple: Univision and Televisa strengthen ties](#),” Oct. 5, 2010

32 Adweek: [Univision, Grupo Televisa Agree to Settle Lawsuit](#) January 22, 2009

33 Univision Holdings, [SEC filing S-1/A, Sept. 4, 2015, Exhibit 10.12](#), pg. 3 and 8

34 Univision [S-1/A filed Jan. 12, 2015](#) pg. F-29 – EBITDA calculated as operating income + debt & amortization.

35 Univision [S-1/A amendment filed Jan. 12, 2016](#) pg. F-29 – EBITDA calculated as operating income + debt & amortization.

36 [http://s2.q4cdn.com/417187916/files/doc\\_financials/2009/q4/4q\\_2009\\_reporting\\_package.pdf](http://s2.q4cdn.com/417187916/files/doc_financials/2009/q4/4q_2009_reporting_package.pdf)

37 Univision Holdings, [SEC filing S-1/A, Sept. 4, 2015, Exhibit 10.12\(a\), MANAGEMENT TERMINATION AGREEMENT dated April 12, 2015](#)

38 Univision Holdings, [SEC filing S-1/A, Sept. 4, 2015, Exhibit 10.13](#), pg. 2

39 1q15: [http://s2.q4cdn.com/417187916/files/doc\\_financials/2015/q1/Reporting-Package-FINAL.pdf](http://s2.q4cdn.com/417187916/files/doc_financials/2015/q1/Reporting-Package-FINAL.pdf) pg 5,17-18;  
 2q15: [http://s2.q4cdn.com/417187916/files/doc\\_financials/2015/q2/2q\\_2015\\_reporting\\_package.pdf](http://s2.q4cdn.com/417187916/files/doc_financials/2015/q2/2q_2015_reporting_package.pdf) pg 18-19;  
 3q15: [http://s2.q4cdn.com/417187916/files/doc\\_financials/2015/q3/Reporting-Package-Final.pdf](http://s2.q4cdn.com/417187916/files/doc_financials/2015/q3/Reporting-Package-Final.pdf) pg 5, 19 & 21;  
 4q15: [http://s2.q4cdn.com/417187916/files/doc\\_financials/2015/q4/FINAL-UCI-2015-Year-End-Reporting-Package.pdf](http://s2.q4cdn.com/417187916/files/doc_financials/2015/q4/FINAL-UCI-2015-Year-End-Reporting-Package.pdf) pg 7, 26 & 28

40 From April 1, 2015 through Dec. 31, 2015, operating income was \$583.9 million plus depreciation & amortization of \$128.5 million equals EBITDA of \$712.4 million. Univision 1q15: [http://s2.q4cdn.com/417187916/files/doc\\_financials/2015/q2/2q\\_2015\\_reporting\\_package.pdf](http://s2.q4cdn.com/417187916/files/doc_financials/2015/q2/2q_2015_reporting_package.pdf) pg 18-19; 3q15: [http://s2.q4cdn.com/417187916/files/doc\\_financials/2015/q3/Reporting-Package-Final.pdf](http://s2.q4cdn.com/417187916/files/doc_financials/2015/q3/Reporting-Package-Final.pdf) pg 5, 19 & 21; 4q15: [http://s2.q4cdn.com/417187916/files/doc\\_financials/2015/q4/FINAL-UCI-2015-Year-End-Reporting-Package.pdf](http://s2.q4cdn.com/417187916/files/doc_financials/2015/q4/FINAL-UCI-2015-Year-End-Reporting-Package.pdf) pg 7, 26 & 28

41 Univision, [Management Agreement, Exhibit 10.11](#), dated March 29, 2007, pg. 3

42 [https://www.preqin.com/docs/reports/Dechert\\_Preqin\\_Transaction\\_and\\_Monitoring\\_Fees.pdf](https://www.preqin.com/docs/reports/Dechert_Preqin_Transaction_and_Monitoring_Fees.pdf)

43 Wall Street Journal, [Univision Postpones IPO](#), Dec. 2, 2015

44 Univision, [Management Agreement, Exhibit 10.11](#), dated March 29, 2007, pg. 2

45 Reuters, [S&P cuts Univision deeper into junk on LBO financing](#), Thu Feb 15, 2007

46 [http://www.themiddlemarket.com/maj/2008\\_10/186000-1.html](http://www.themiddlemarket.com/maj/2008_10/186000-1.html), Univision: After The LBO, Sept. 26, 2008

47 Marketwatch, [5 things to know about Univision before its IPO](#), July 10, 2015

48 2015 data: [http://s2.q4cdn.com/417187916/files/doc\\_news/2016/feb/FINAL-Earnings-Release-Q4-2015.pdf](http://s2.q4cdn.com/417187916/files/doc_news/2016/feb/FINAL-Earnings-Release-Q4-2015.pdf);  
 2011-2014 data: Univision [S-1/A amendment, filed January 12, 2016](#) pg. 53; 2012 - 2010 data: [http://s2.q4cdn.com/417187916/files/doc\\_financials/2012/q4/4q\\_2012\\_reporting\\_package1.pdf](http://s2.q4cdn.com/417187916/files/doc_financials/2012/q4/4q_2012_reporting_package1.pdf); 2009 -2007 data: [http://s2.q4cdn.com/417187916/files/doc\\_financials/2009/q4/4q\\_2009\\_reporting\\_package.pdf](http://s2.q4cdn.com/417187916/files/doc_financials/2009/q4/4q_2009_reporting_package.pdf)  
 2006 data: [https://www.sec.gov/Archives/edgar/data/1017008/000110465907009336/a06-26640\\_110k.htm](https://www.sec.gov/Archives/edgar/data/1017008/000110465907009336/a06-26640_110k.htm)

49 Renaissance Capital, [¡Bienvenido! Univision files for a US IPO that could raise \\$1.0 billion](#), July 2, 2015

50 [Moody’s upgrades Univision rating by a notch on \\$1.125 billion debt reduction](#), July 7, 2015

51 2015 data: [http://s2.q4cdn.com/417187916/files/doc\\_news/2016/feb/FINAL-Earnings-Release-Q4-2015.pdf](http://s2.q4cdn.com/417187916/files/doc_news/2016/feb/FINAL-Earnings-Release-Q4-2015.pdf);  
 2011-2014 data: Univision [S-1/A amendment, filed January 12, 2016](#) pg. 53; 2012 - 2010 data: [http://s2.q4cdn.com/417187916/files/doc\\_financials/2012/q4/4q\\_2012\\_reporting\\_package1.pdf](http://s2.q4cdn.com/417187916/files/doc_financials/2012/q4/4q_2012_reporting_package1.pdf); 2009 -2007 data: [http://s2.q4cdn.com/417187916/files/doc\\_financials/2009/q4/4q\\_2009\\_reporting\\_package.pdf](http://s2.q4cdn.com/417187916/files/doc_financials/2009/q4/4q_2009_reporting_package.pdf)  
 2006 data: [https://www.sec.gov/Archives/edgar/data/1017008/000110465907009336/a06-26640\\_110k.htm](https://www.sec.gov/Archives/edgar/data/1017008/000110465907009336/a06-26640_110k.htm)

52 2015 data: [http://s2.q4cdn.com/417187916/files/doc\\_news/2016/feb/FINAL-Earnings-Release-Q4-2015.pdf](http://s2.q4cdn.com/417187916/files/doc_news/2016/feb/FINAL-Earnings-Release-Q4-2015.pdf);  
 2011-2014 data: Univision [S-1/A amendment, filed January 12, 2016](#) pg. 53; 2012 - 2010 data: [http://s2.q4cdn.com/417187916/files/doc\\_financials/2012/q4/4q\\_2012\\_reporting\\_package1.pdf](http://s2.q4cdn.com/417187916/files/doc_financials/2012/q4/4q_2012_reporting_package1.pdf); 2009 -2007 data: [http://s2.q4cdn.com/417187916/files/doc\\_financials/2009/q4/4q\\_2009\\_reporting\\_package.pdf](http://s2.q4cdn.com/417187916/files/doc_financials/2009/q4/4q_2009_reporting_package.pdf)  
 2006 data: [https://www.sec.gov/Archives/edgar/data/1017008/000110465907009336/a06-26640\\_110k.htm](https://www.sec.gov/Archives/edgar/data/1017008/000110465907009336/a06-26640_110k.htm)

53 Wall Street Journal, [Univision Postpones IPO](#), Dec. 2, 2015

54 Los Angeles Times, [Univision beset by media world turbulence as it plans IPO](#), Oct. 20, 2015

55 Los Angeles Times, [Univision beset by media world turbulence as it plans IPO](#), Oct. 20, 2015

56 Reuters, [Exclusive: Univision in talks with banks about 2014 IPO – sources](#), Sept. 19, 2013

57 Los Angeles Times, [Moody’s upgrades Univision credit rating, easing path to IPO](#), Dec. 31, 2014

58 Los Angeles Times, [Univision beset by media world turbulence as it plans IPO](#), Oct. 20, 2015

- 59 Wall Street Journal, [Univision Postpones IPO](#), Dec. 2, 2015
- 60 Investor's Business Daily: [Final IPO Of 2015, Yirendai, Closes Door On Tough Year](#), Dec. 18, 2015
- 61 Wall Street Journal, [IPO Market Comes to a Standstill](#), Jan. 30, 2016
- 62 New York Times, [Fed Raises Key Interest Rate for First Time in Almost a Decade](#), Dec. 16, 2015
- 63 Wall Street Journal, [Univision Postpones IPO](#), Dec. 2, 2015