



GRUPPO  MONDADORI

**VIRTUAL STAR
CONFERENCE -
2021 FALL EDITION**

Investors Presentation

Milan, October 12th - 2021

AGENDA

- 1. Mondadori Group in a nutshell**
2. DeA Scuola acquisition
3. H1 2021 Results
4. FY 2021 Outlook

Mondadori Group in a nutshell

GRUPPO MONDADORI



Businesses

 **MONDADORI LIBRI**

 **MONDADORI RETAIL**

 **MONDADORI MEDIA**

LIBRI

RETAIL

MEDIA

Brands



% on 2020 Revenues

55%

20%

25%

% on 2020 EBITDA

90%

2%

8%

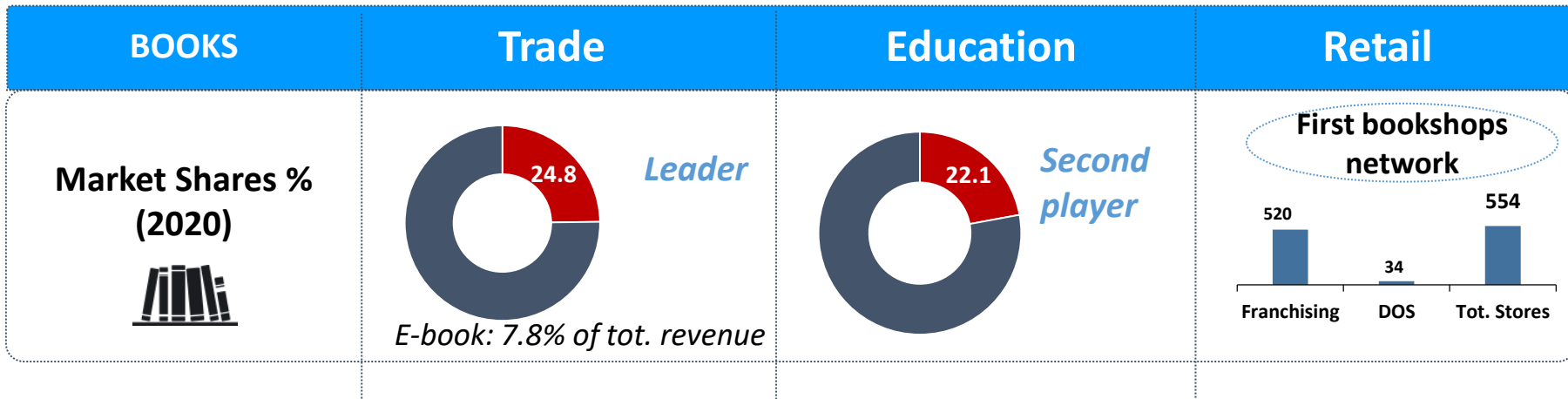
2020 EBITDA Margin

20,7%

0,8%

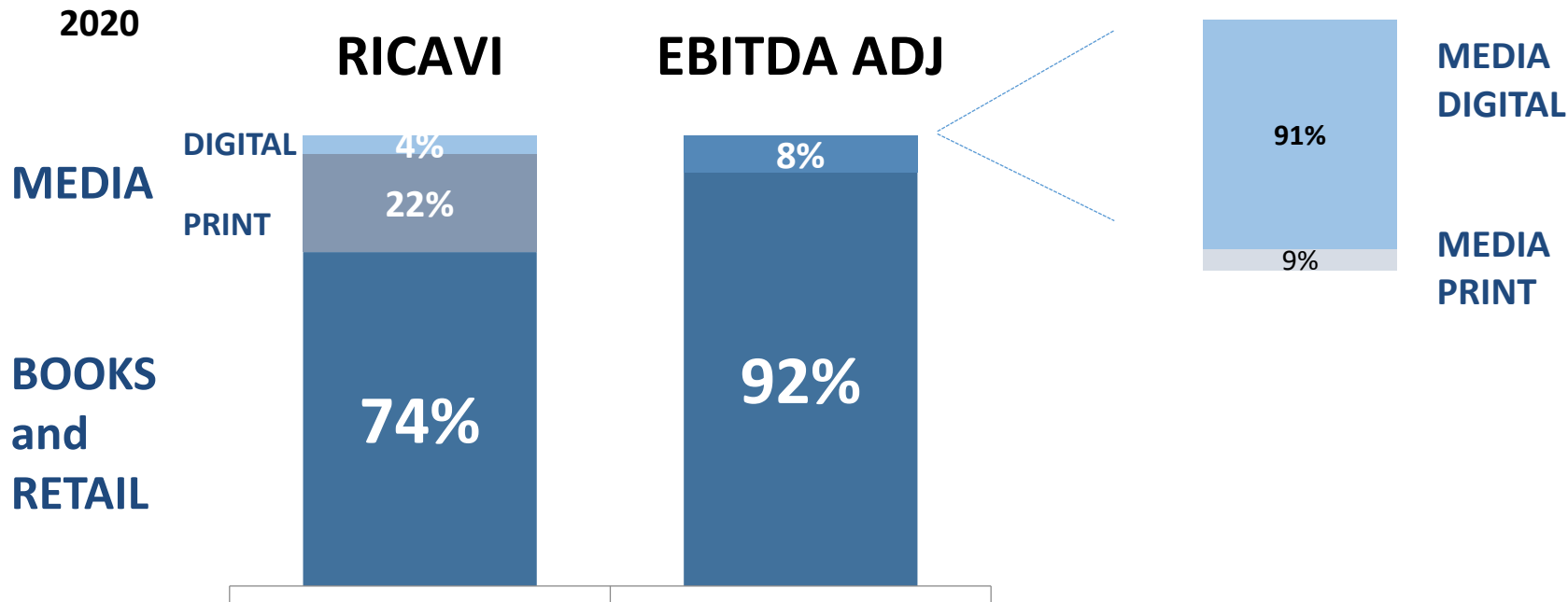
4,0%

Mondadori Group in a nutshell



Strategic repositioning ongoing...

Major business model de-risking path



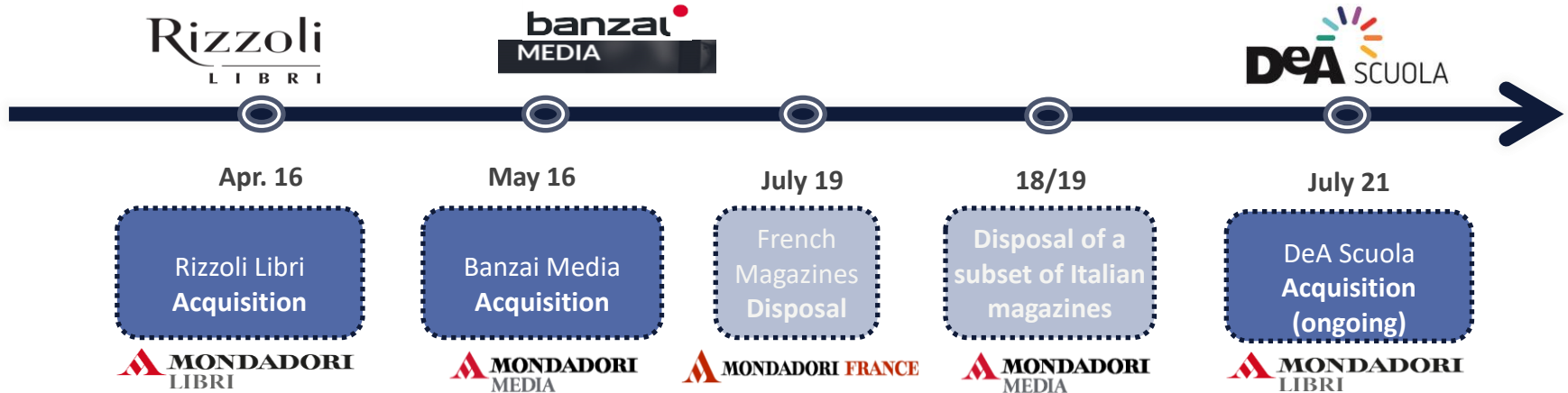
Books make for over 90% of Group margins...


... the rest is generated by digital

.... through an active M&A strategy

Focus on **core business - Books and Digital**

- Competitive strengthening also through M&A
 - Divestiture of non-core asset

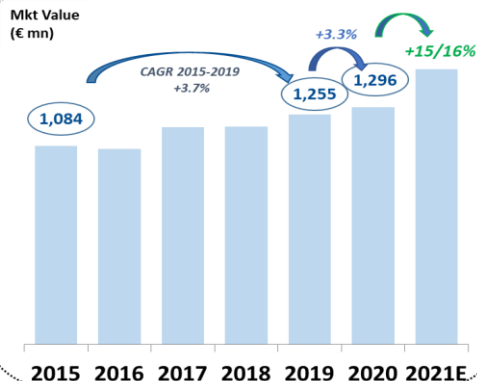


 Disposals aimed at portfolio review

 Core business strengthening

Mondadori leadership in a dynamic book market

Market Trends



Source: GfK, Dec 2020 (sell-out market value data); 2021: Mondadori estimates

TRADE

2020 Market Shares

GRUPPO MONDADORI 24.8% 26.0%



2020 2019

Update 2021

9M 2020 9M 2021

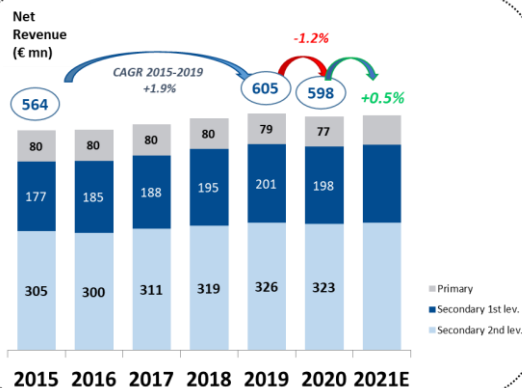


9M 2019 9M 2021



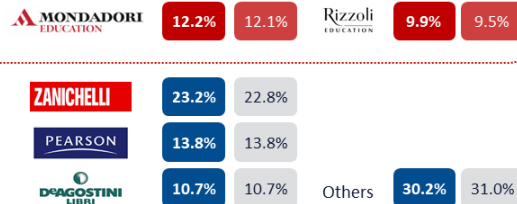
Source: GfK, sell-out market value data, 39 weeks

EDUCATION



Source: Databank 2020, ESAIE 2020; 2021: Databank estimates

GRUPPO MONDADORI 22.1% 21.7%



The Trade Book Market has proved to be:

- Resilient through the pandemic
- Dynamic and fast growing in the post-crisis landscape

Mondadori Key Investment Proposition



**Almost a «pure»
Book player**



**Strong Cash
Generation**



**Continued
profitability
improvement**



**Return to a stable
Dividend Policy**




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Key Highlights - The strategic rationale

Stronger foothold in Education publishing

SHORT TERM...

-  Enhancement of the catalogue breadth and quality
-  Exploitation of portfolio complementarity
-  Strengthening of Group's profitability and cash generation

...MEDIUM/LONG TERM

-  Achievement of an increased efficiency through exploiting operating and structure cost synergies
-  Acceleration in the development of innovative tools and in the adoption of interactive digital content

 hub
SCUOLA

Shareholder Value Creation

Ongoing transformation of the Group into an almost "pure" book player

EPS and Free Cash Flow increase

Fully consistent with ongoing strategic repositioning

Key Highlights - The transaction

Deal Structure

- Acquisition of 100% of the share capital of **De Agostini Scuola S.p.A.**
- The **price** will be fully settled in **cash** at Closing Date

Price

- Enterprise Value € 157.5 million
- Multiple of 7.4x EBITDA in 2020
- The **final price** will be based on the Enterprise Value net of the average normalized net financial position for the 12 months prior to the Closing Date

Financing

- The transaction will be funded by the **Acquisition line** that is part of the recently renegotiated credit lines (Loan Agreement)
- Line spread: **60 bps**

Value Creation

- Expected **run-rate synergies** of approximately € **4/5 million** (within 24 months from acquisition)
- EPS** and **FCF accretive deal** from first year (starting 2022)
- Improved financial structure after acquisition: on a pro-forma 2020 basis, the **NFP/Adj. EBITDA ratio (no IFRS16) is expected below 1.5 (1.1x in 2021)**

Timing

- Closing** subject to approval by Antitrust authority

DeAgostini Scuola – Key Figures

€ mn

FY 2020

REVENUES	€ 70.8 mn
EBITDA	€ 21.4 mn
NET PROFIT	€ 12.2 mn
OPERATING CF*	€ 16.2 mn
NFP at 31/12	Cash € 20.8 mn
HEADCOUNT**	128

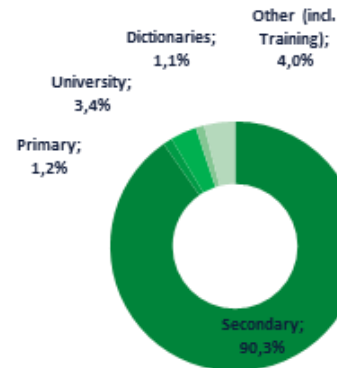
* Cash Flow before interests and taxes

** Average data FY 2020

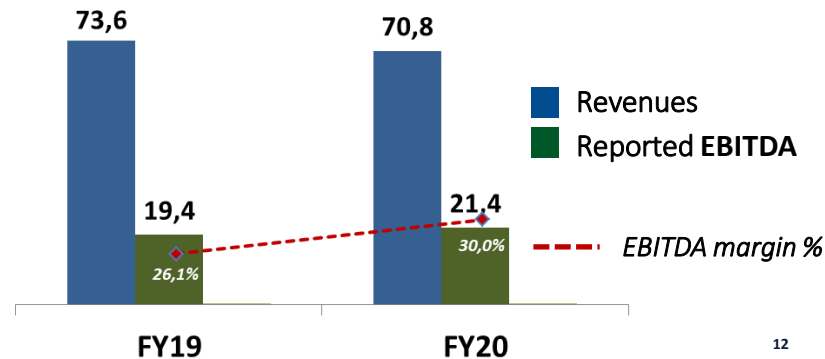
Revenue Breakdown FY 2020

ITA GAAP

K-12 Segment:
91.5%





FY19-20 Trend



Mondadori Post Deal – Key Financials FY20

€ mn

Increasing contribution from Books

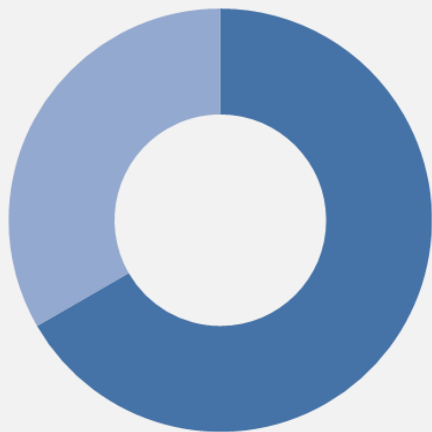
				
	Books (incl. Retail)	Mondadori + DeA Pro-forma	Group	Mondadori + DeA Pro-forma
NET REVENUES	577	~ 647	744	~ 815
Adjusted EBITDA	89	~ 111	98	~ 120
EBITDA margin %	15%	17%	13%	15%
NFP IFRS16			98	~ 234
NFP				~ 152

Books + Retail = 93%

NFP/Adj. EBITDA (no IFRS16) < 1.5x (1.1x FY2021)

Mondadori Post Deal - Expected synergies

Cost Synergies Breakdown



■ Operating Costs

■ Structure costs

Highlights

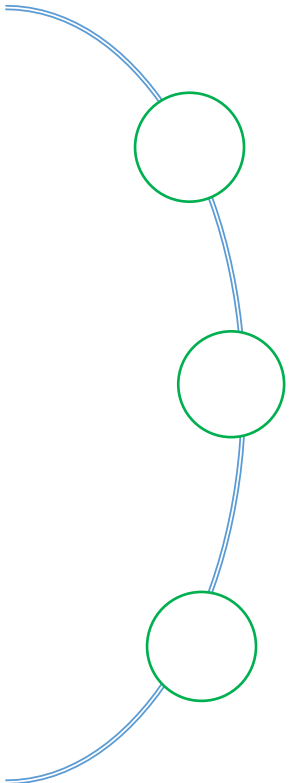
- ▲ **€4/5 million in run-rate synergies** (within 24 months from acquisition)
- ▲ Expected **synergies** refer to **efficiencies/economies of scale and scope**:
 - in structure costs;
 - in production costs (purchase of raw materials...);
 - in investments in the development of digital content.
- ▲ **Transaction costs** < € 1 million in FY2021

Expected **annual synergies** of approximately **€ 4/5 million**
(run-rate by 2023)

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Growing EBITDA and revenue in all business areas *Strong increase in profitability*



Extraordinary performance of the Books market in first-half

+36.8% vs 1H 2020

+23% vs 1H 2019

Continued improvement of Group results:

- Revenue **+10.9%** vs 1H20

- Adj. EBITDA **+10.6 mn** versus 1H20 (+96.3%)

Further increase in cash generation....

- LTM Ordinary Cash Flow at **€ 68.5 mn** (vs € 51.2 mn at December 2020)

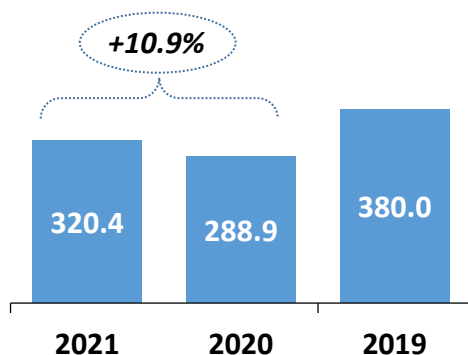
...resulting in a stronger capital/financial position

- NFP before IFRS 16 **€ -68.3 mn** (vs -130.1 mn at June 2020)

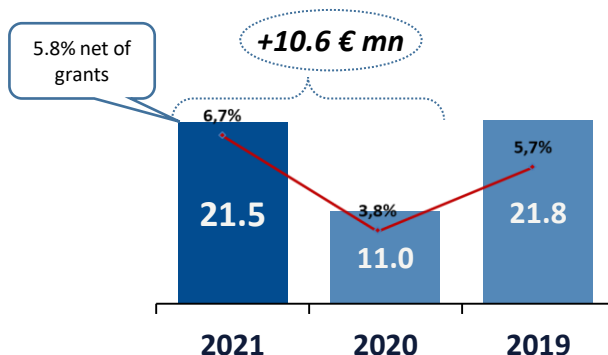
Highlights – 1H21 vs 1H20-1H19

€ mn

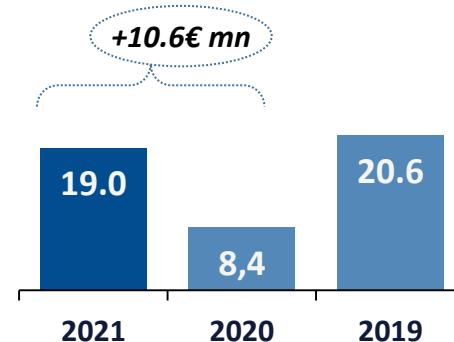
Revenue



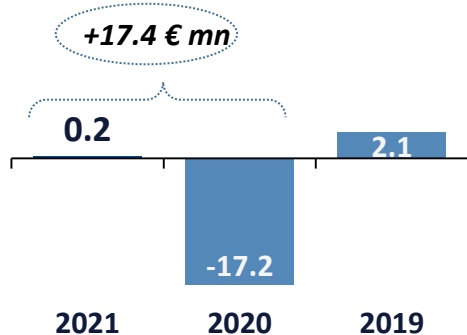
Adj. EBITDA



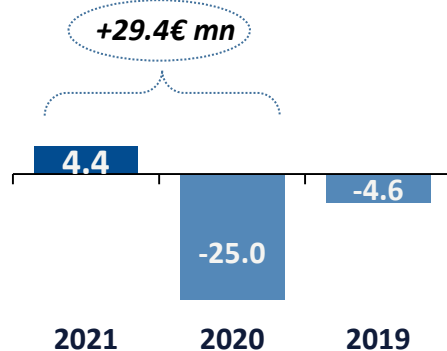
Rep. EBITDA



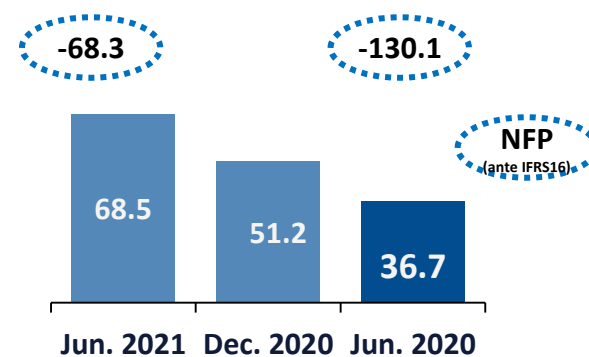
EBIT



Consolidated Net Result



LTM Ordinary Cash flow



1H21 Revenue and Adjusted EBITDA by Business

€ mn

Revenue

	1H 21	1H 20	Var. %	2Q 21	2Q 20	Var. %
Books	168.9	145.9	15.8	97.3	87.7	11.0
Retail	69.8	59.0	18.3	36.4	27.9	30.4
Media	97.4	95.8	1.7	50.6	45.2	12.0
Corporate & Shared Services	19.7	22.1	(11.0)	9.9	11.0	(9.7)
Intercompany	(35.3)	(33.8)	4.3	(18.7)	(18.2)	n.s.
Total	320.4	288.9	10.9	175.6	153.6	14.3

Adj. EBITDA

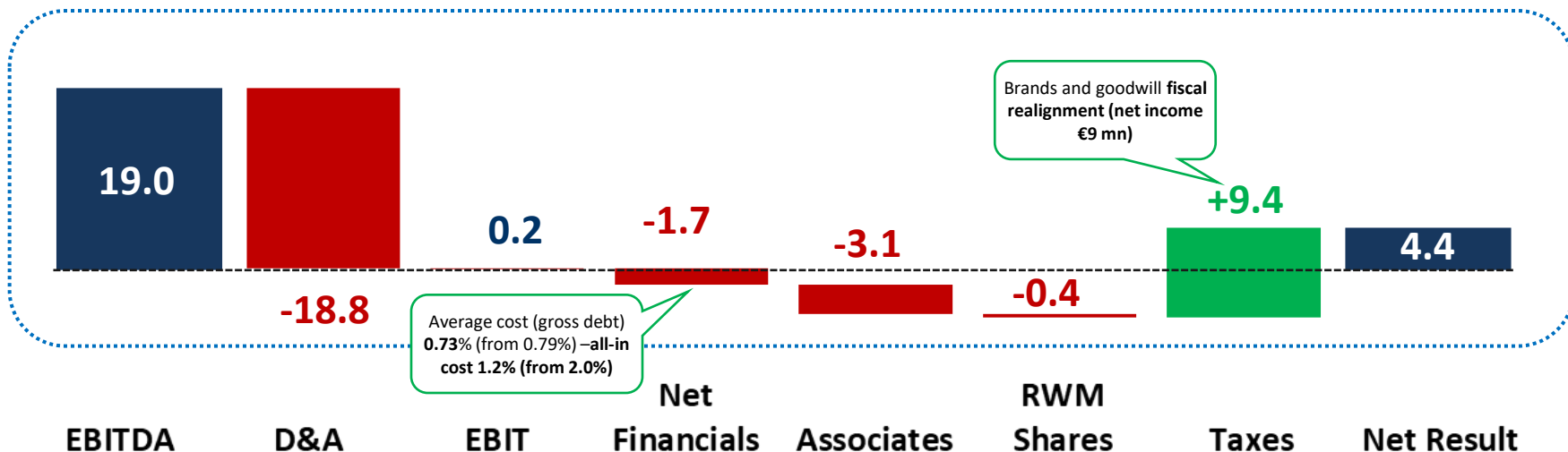
	1H 21	1H 20	Var.	2Q 21	2Q20	Var.
Books	19.8	10.9	8.9	19.2	15.5	3.7
Retail	0.4	(2.8)	3.2	0.8	(1.6)	2.4
Media	4.5	2.0	2.6	2.5	(0.1)	2.6
Corporate & Shared Services	(2.6)	(0.2)	-2.4	(1.6)	(0.2)	-1.4
Intercompany	(0.6)	1.0	-1.7	(0.5)	0.3	-0.9
Total	21.5	11.0	10.6	20.4	14.0	6.4
EBITDA Margin %	6.7%	3.8%		11.6%	9.1%	

Different corporate charges allocation criteria

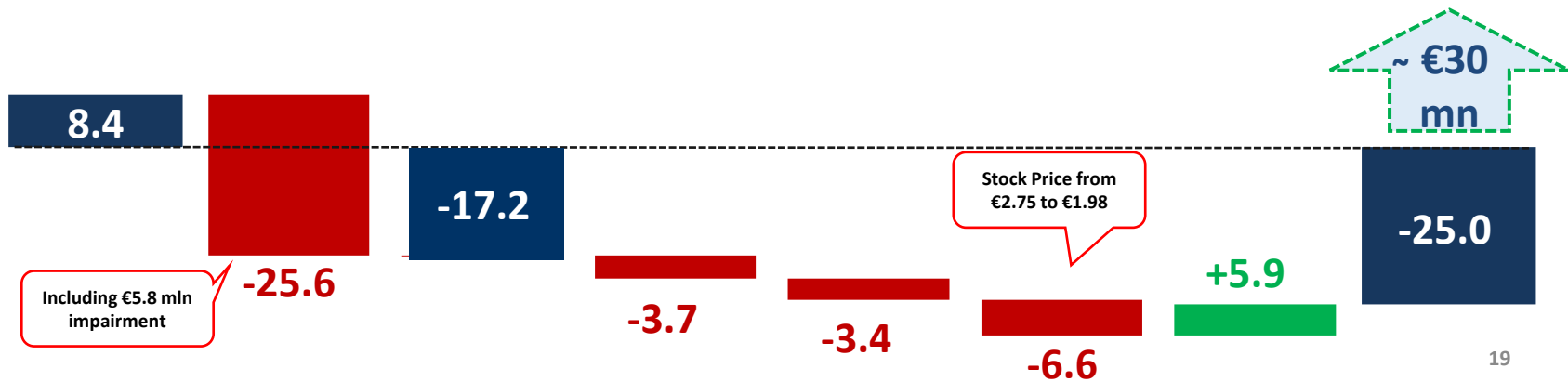
From EBITDA to Net Result 1H21

€ mn

1H 2021



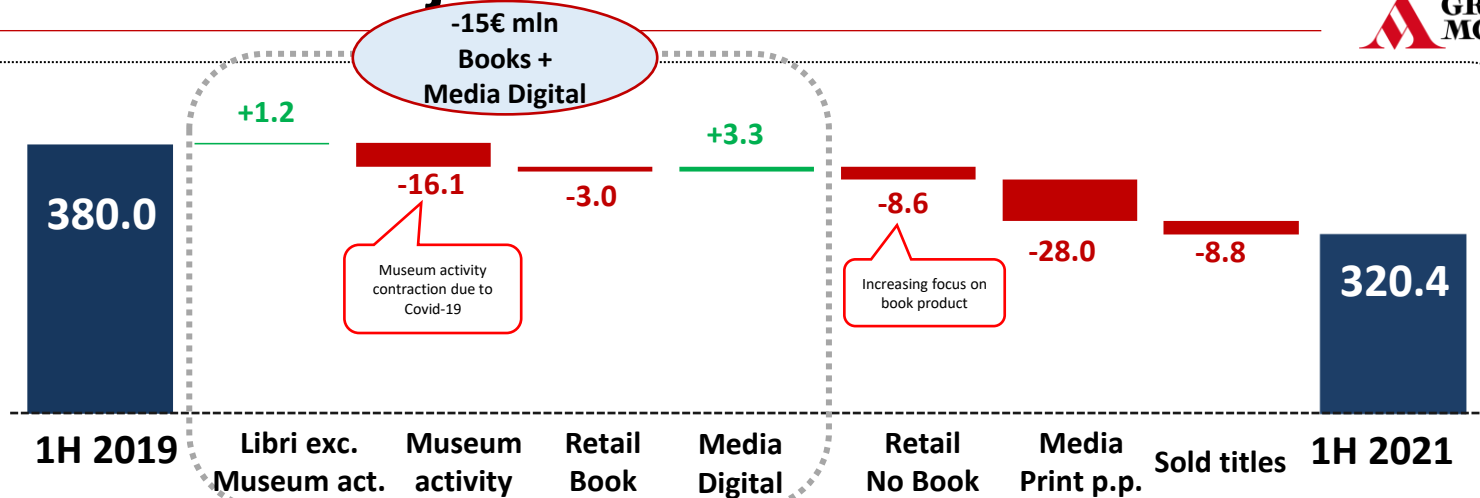
1H 2020



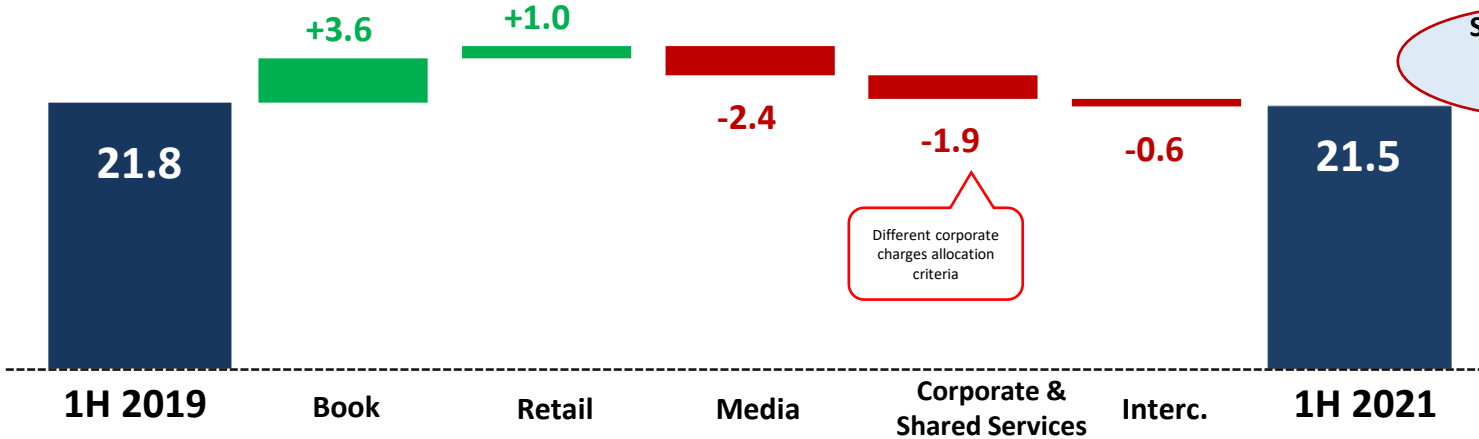
Revenue and Adjusted EBITDA 1H 21 vs 1H 19

€ mn

Revenue



Adj. EBITDA.



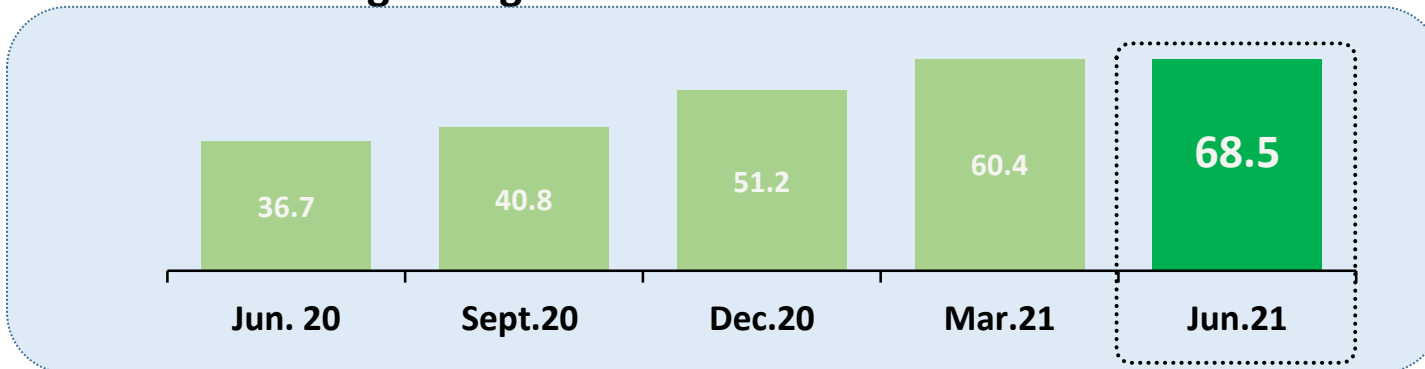
Stable despite decreasing revenue

Cash Flow & NFP June 21

€ mn

Strong cash generation confirmed

Ordinary Cash Flow



Ordinary Cash Flow = Operating CF net of taxes and financial charges; LTM in the quarterly results

Net Debt Evolution (no IFRS16)

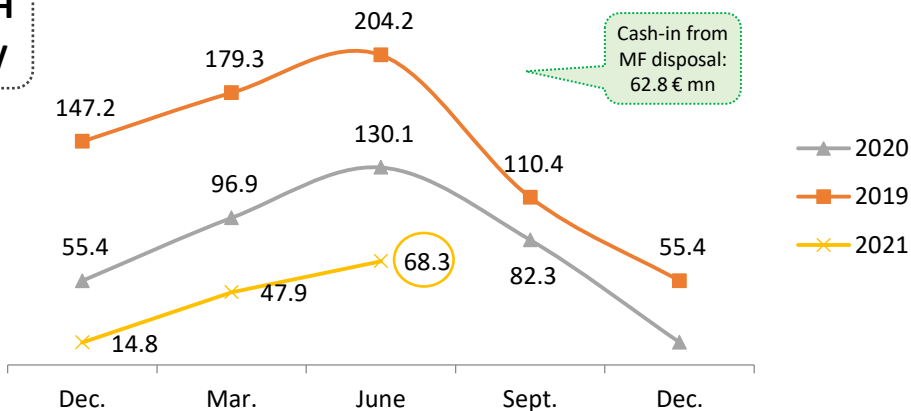
Net Debt 1H Seasonality

+57.0

+74.7

+53.5

incl. 6,6 mln cash-out M&A



Jun 2021

Decrease by
+61.9€ mn
(before IFRS16)

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**2021 GUIDANCE
(current scope)**

REVENUE

**Low single
digit growth vs FY20**

Adj. EBITDA

~ 12% Margin

Net Result

**Strong growth
(also thanks to «one-off» effects)**

Ordinary Cash Flow

€50-55 million

NFP*

Positive (net cash) excl. IFRS16

**Possible return to a Shareholders
Remuneration policy**

Strategy focus on consolidation and growth of the core business, also through extraordinary transactions

- **Strong commitment on pursuit of M&A opportunities with focus on**
 - **core business Books and Digital**
 - **new segments in or adjacent to Book publishing**
- **Preservation of financial flexibility with a target leverage < 2.0/2.5x (no IFRS 16)***



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BACK-UP

2014 – 2020: the key corporate highlights

2014-2016

First step of Strategic Repositioning

- ✓ Rizzoli Libri acquisition
- ✓ Banzai Media acquisition

Financial rebalancing

- ✓ EBITDA growing from €32 mn to **83 mn** (margine da 3 a 8%)
- ✓ NFP decreasing from € -363 to **-264 mn**

2017 - 2019

Second step of Strategic Repositioning

- ✓ **Constant portfolio review** (reduction of print activities in Media area & Mondadori France disposal)
- ✓ **Digital business development**

Operating and financial Consolidation

- ✓ EBITDA growing from 83 to **110 mn** (margin from 8 to 12%)
- ✓ NFP decreasing from € -264 to **-55 mn**

2020

Group Resiliency during pandemic emergency

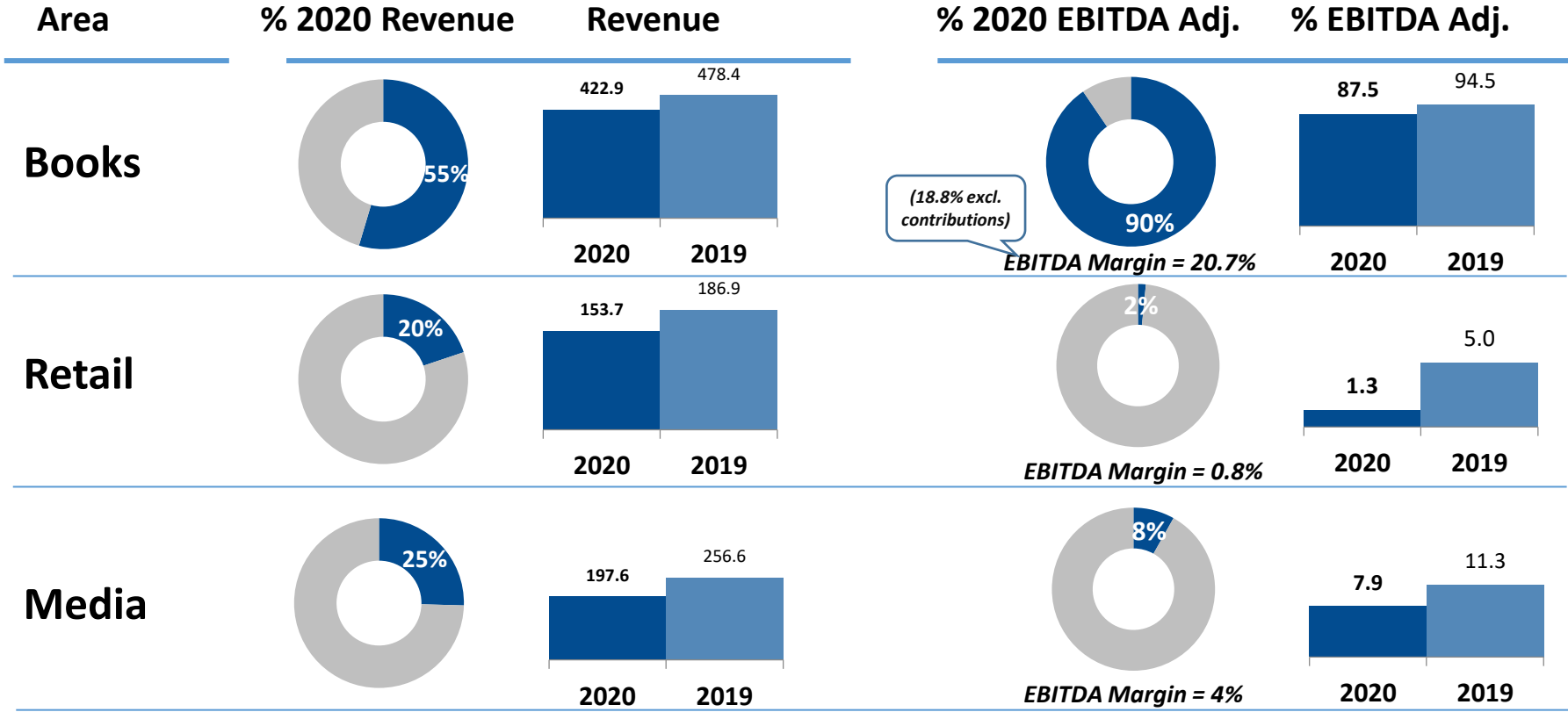
- ✓ **Management ready and effective response to guarantee:**
 - business continuity and safety conditions in the workplace
 - protection of profitability through effective cost containment actions
- ✓ **Books: over 90% of Group margin**

Increased efficiency and further financial deleverage

- ✓ EBITDA margin (€98 mn) > **13%**
- ✓ NFP at € **-15 mn**

FY 2020 Highlights - Business Area Snapshot

€ mln



Group

13.2% (12.5% excl. Contrib.)

Funding Overview

€ mn

New pool Loan Agreement

**450
mn**

Term Loan = 95 mn

Revolving (RCF) = 125 mn

Acquisition line = 230 mn*

**Committed
lines**

2021

	OLD		NEW	
	Refunds	Availabilities 31/12	Refunds	Availabilities 31/12
2021	-27.5	167.5	-15.8	434.2
2022	-167.5	-	-15.8	418.4
2023			-15.8	402.6
2024			-92.5	310.0
2025			-92.5	217.5
2026			-217.5	-

2022

2023

2024

2025

2026

* Undrawn availabilities until May 2023

Funding Overview

Covenant

NFP/EBITDA
before IFRS16

NFP before
IFRS16 at 06/30

OLD

NEW

3.25x

3.25x

Year	OLD	NEW
2021	385.0	385.0
2022	350.0	350.0
2023		315.0
2024		280.0
2025		245.0
2026		210.0

Spread

OLD

NEW

Initial
spread

95 bps

120
bps

130
bps

165
bps

200
bps

70
bps

80
bps

95
bps

120
bps

135
bps

150 bps

NFP / EBITDA
before IFRS16
year-end

1.0

1.5

2.0

2.5

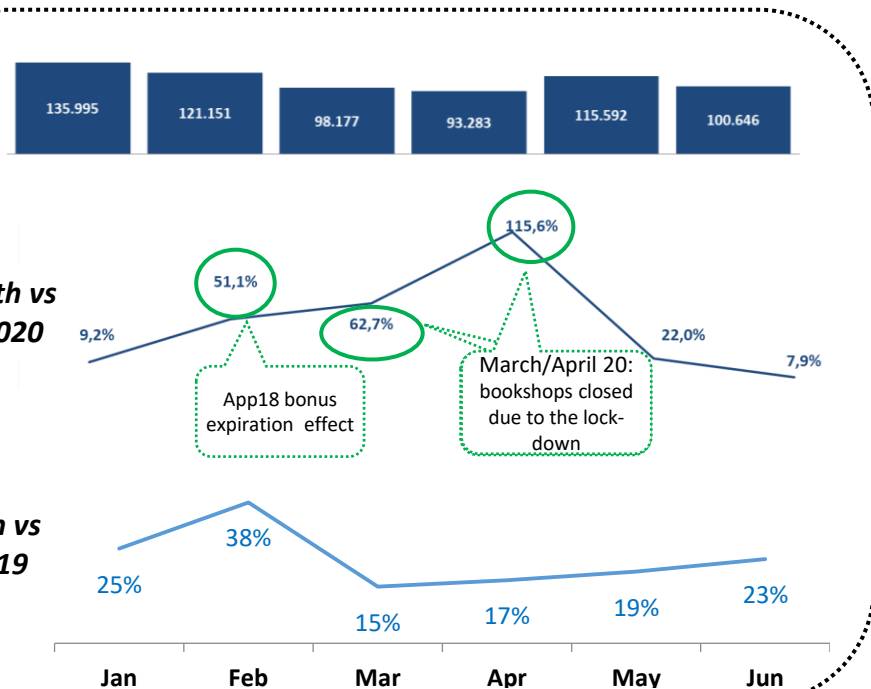
3.0

3.5

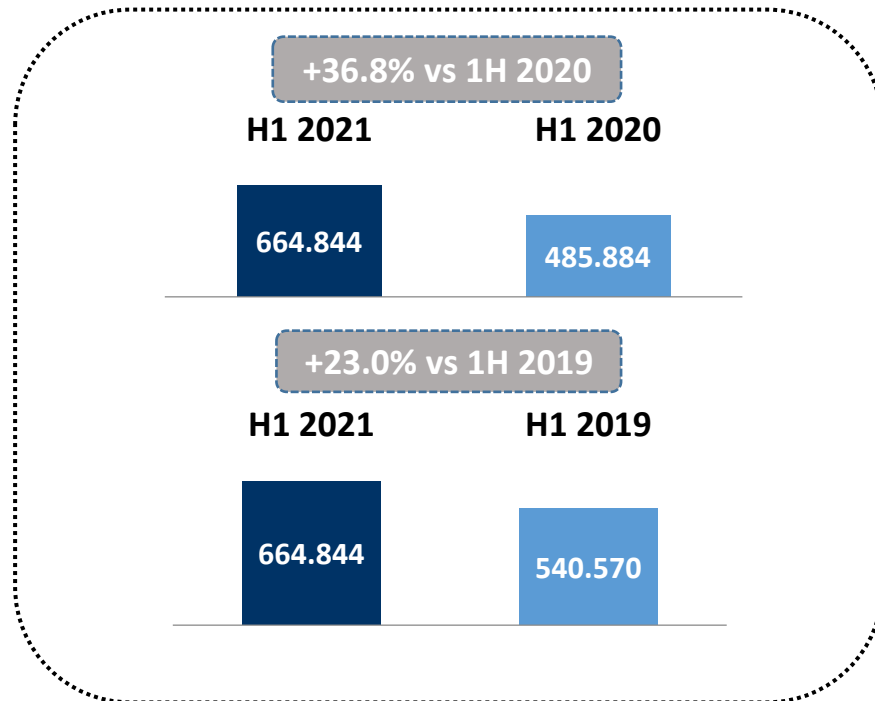
Markets – Trade Books 1H 2021

Continuation of the extraordinary performance of the Trade Books market

2021 Monthly Trend vs 2020/2021



1H 2021 Trend vs 2020/2019



Markets – Trade Books 1H 2021

June 2021 Best Sellers Ranking

4 titles in the Top10

7 titles in the Top20



Finalist in the Premio Strega LXXV Edition



June 2021 Market Shares

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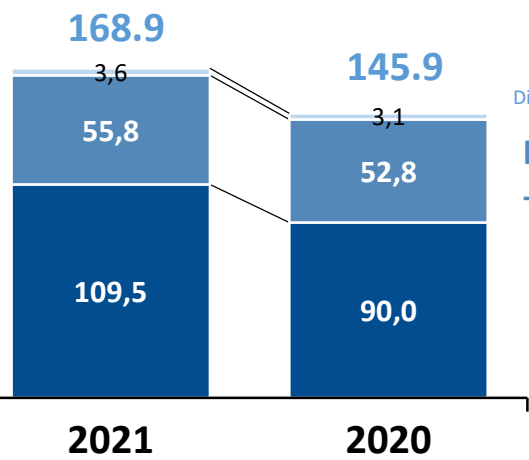
23.7%

24.8%

	11.3%	10.9%	Sellerio	1.1%	1.4%
	7.2%	7.7%		1.3%	1.5%
	6.0%	6.0%	Altri editori	49.3%	47.7%
				2021	2020

Business 1H21 - Books

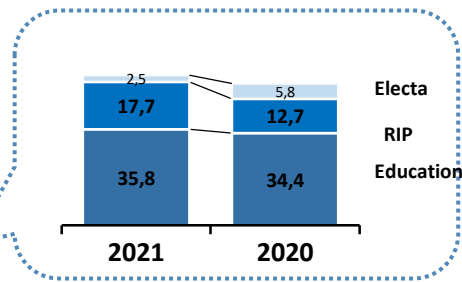
€ mn
Revenue +15.8%



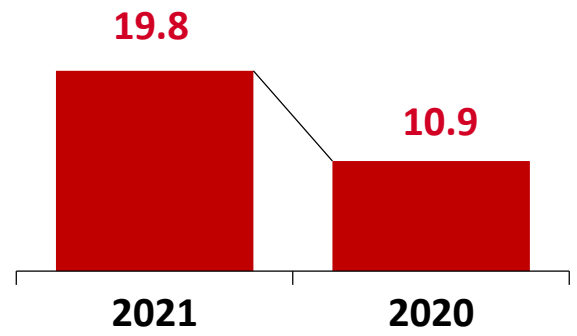
Distribution and services

Educational +5.7%

Trade +21.7% (+2.5% vs 1H 2019)



Adj. EBITDA +8.9 € mn



REVENUE

- **Trade:** +21.7% YoY, as a result of the extraordinary growth of the Book market and the quality of the publishing houses' editorial plans in 2021
 - E-books/Audiobooks =7.3 % of the total (-4.4% yoy and +31.7% vs 2019)
- **Educational:** +5.7% YoY, as a results of a significant increase in RIP revenue, which has greatly compensated the contraction of the museum segment
 - Preliminary **positive results of the adoption campaign** in the 2021 Education market

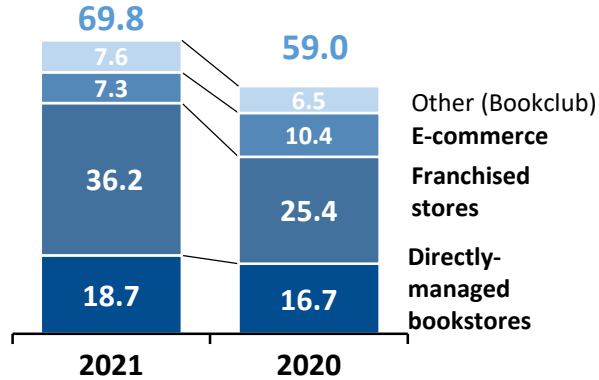
Adj. EBITDA

- **Adjusted EBITDA** of € 19.8 mn, **improving by approximately € 9 mn** as a result of the Trade segment's performance, of RIP improvement as well as of the grants received by Electa in the museum segment

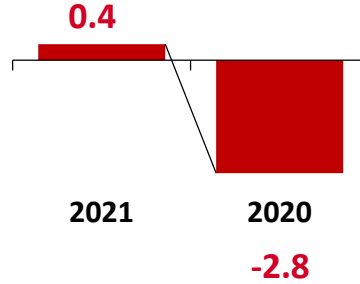
Business 1H 21 - Retail

€ mn

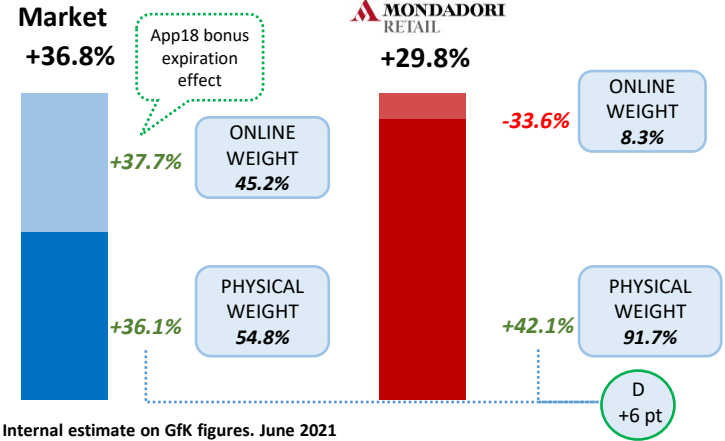
Revenue +18.3%



Adj. EBITDA +3.2€
mn



Books Market 1H 2021



Source: Internal estimate on GfK figures. June 2021

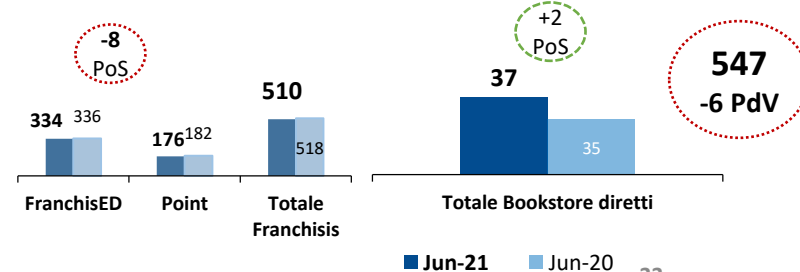
REVENUE

- **Book (84% of the total):** revenue increasing by 22%
- **June:** +3% vs June 19, Book +11%, despite a reduction of the network of 42 PoS due to the **ongoing rationalization process**
- Greater performance of **Franchised PoS (+42.3%)** versus Direct stores (12%), which in any case registered a net revenue increase in the second quarter as a result of the Covid restrictions slackening

Adj. EBITDA

Adjusted EBITDA improves significantly thanks to revenue recovery, effective cost containment actions, renewal and development of the physical store network

PoS network: ongoing rationalization



The Social Multimedia Company

Leader on Print, Web, Social

MAGAZINE

21
MAGAZINES



10.2 mn
readers

SOCIAL

+110
SOCIAL
MEDIA



42 mn
fanbase

WEB

14
DIGITAL
BRANDS



32 mn
unique
audience

EVENTS



NEW
EVENTS &
PHYGITAL
EXPERIENCE

Business - Media

21
TITLES

14
DIGITAL
BRANDS



Leader in 5 verticals

Readers

Unique Audience

TV



2.2 mn

2.9 mn

Cooking



1.0 mn

19.7 mn

Ranked in the worldwide Top 10 of food websites

Women / Lifestyle



1.2 mn

8.1 mn

Health & Wellness



16.3 mn

Tech & Science



3.2 mn

6.2 mn

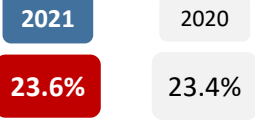
Sources: Audipress I/2021, comsCore Aug. 2021 (unique audience/month)

Markets – Media

€ mn

2021 Circulations Trend

-6.9%



HEARST magazines



File Italia Edizioni



CONDÉ NAST

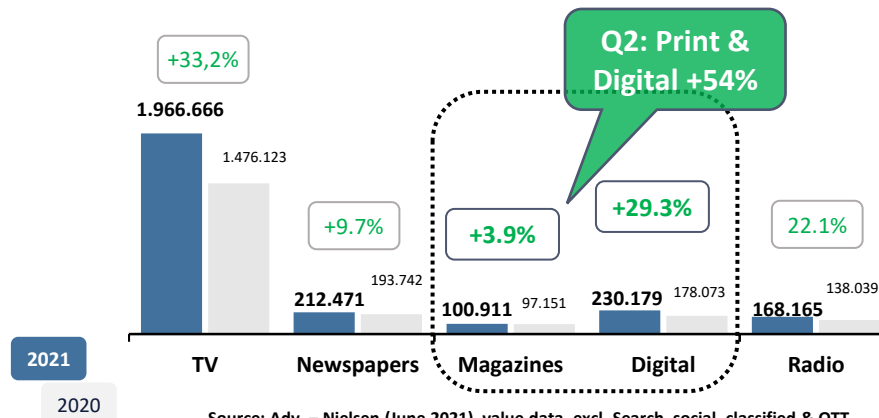


Altri



2021 ADV Market

+26.7%

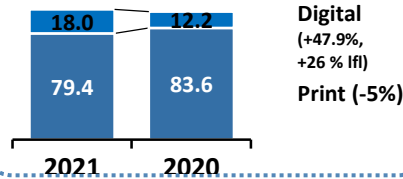
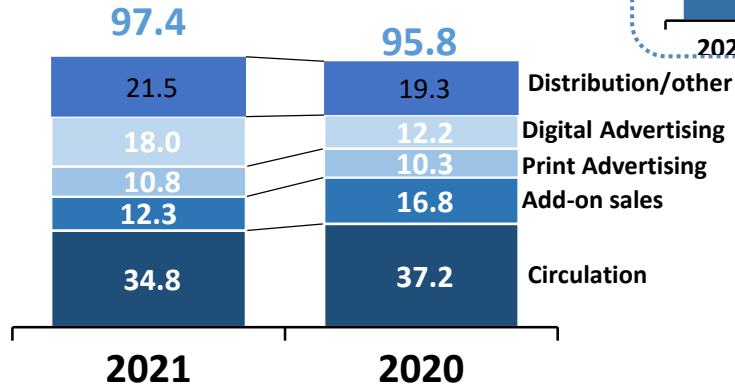


Source: Adv. – Nielsen (June 2021), value data, excl. Search, social, classified & OTT

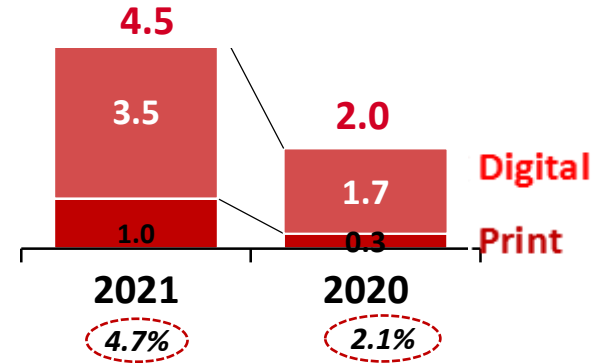
Business 1H 21 - Media

€ mn

Revenue +1.7%



Adj. EBITDA +2.6 mn



REVENUE

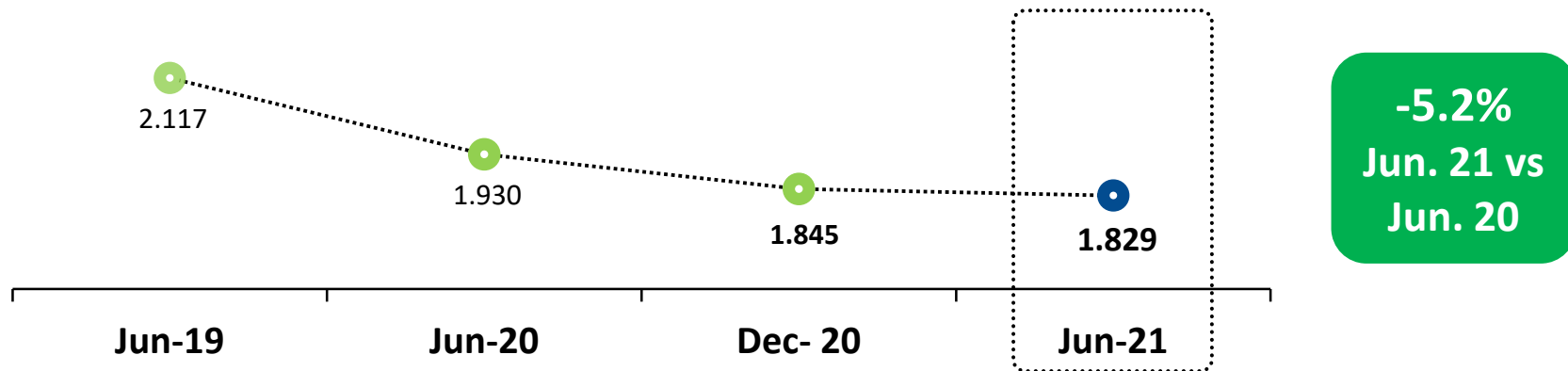
- **Advertising revenue:** strong progress during the quarter (+55%) which brings the first-half's growth to +28% (+16% like-for-like); weight of digital advertising revenue ≈63% (vs 54% in 1H20). Consolidation of tech-advertising following acquisition of Hej!
- **Circulation revenue:** -6.4% YoY, with an improving trend (-3%) for the TV guides segment
- **Revenue from add-on sales:** -27% (-16,6% during Q2), also due to reduced availability of DVD
- **Distribution and others:** +11.1%

Adj. EBITDA

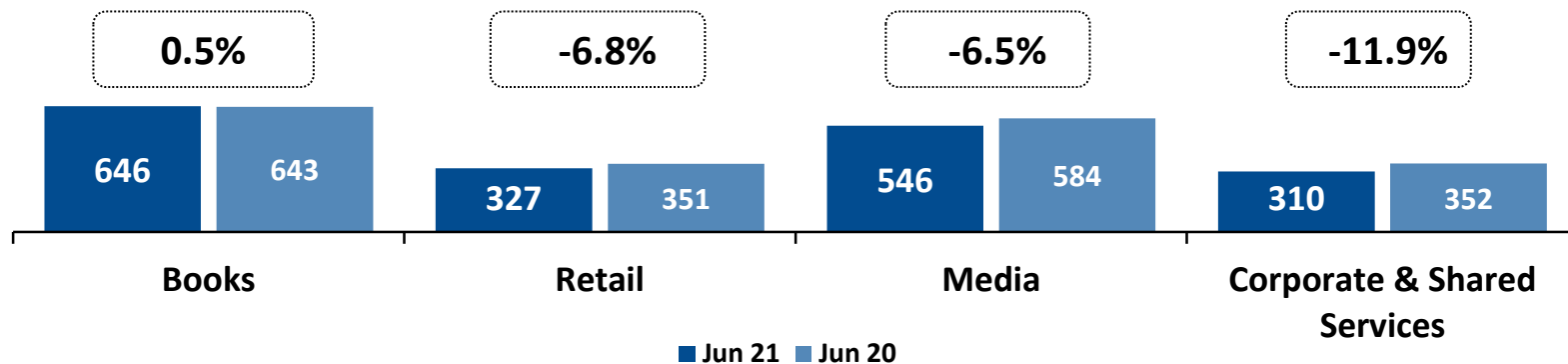
- Adj. EBITDA significantly increasing to 4.5mn – with profitability from 2% to 5%, as a result of:
- stronger contribution from digital (19% of the total versus 13% in June 2020), which doubled its EBITDA
 - continued effective cost cutting policy, which curbed the negative impact of the decline in print activities

Headcount evolution 1H21

Group Headcount



Headcount by BU



1H2021 P&L

€ millions	June 2021		June 2020		% chg.
REVENUE	320.4		288.9		10.9%
INDUSTRIAL PRODUCT COST	94.6	29.5%	84.8	29.4%	11.5%
VARIABLE PRODUCT COSTS	50.7	15.8%	42.9	14.9%	18.1%
OTHER VARIABLE COSTS	66.2	20.6%	60.7	21.0%	8.9%
STRUCTURAL COSTS	24.6	7.7%	24.2	8.4%	1.7%
EXTENDED LABOUR COST	67.8	21.2%	65.5	22.7%	3.4%
OTHER EXPENSE (INCOME)	(4.9)	(1.5%)	(0.2)	(0.1%)	n.s.
ADJUSTED EBITDA	21.5	6.7%	11.0	3.8%	96.3%
RESTRUCTURING COSTS	1.7	0.5%	1.6	0.6%	2.6%
EXTRAORDINARY EXPENSE (INCOME)	0.8	0.3%	0.9	0.3%	(11.3%)
EBITDA	19.0	5.9%	8.4	2.9%	126.1%
AMORTIZATION AND DEPRECIATION	11.9	3.7%	12.4	4.3%	(4.0%)
IMPAIRMENT AND WRITE-DOWNS	0.3	0.1%	5.8	2.0%	(94.8%)
AMORTIZATION AND DEPRECIATION IFRS 16	6.6	2.1%	7.4	2.5%	(9.9%)
EBIT	0.2	0.1%	(17.2)	(6.0%)	n.s.
FINANCIAL EXPENSE (INCOME)	0.6	0.2%	2.4	0.8%	(73.7%)
FINANCIAL EXPENSE IFRS 16	1.1	0.3%	1.3	0.5%	(17.9%)
FINANCIAL EXPENSE (INCOME) FROM SECURITIES VALUATIO	0.4	0.1%	6.6	2.3%	(93.2%)
EXPENSE (INCOME) FROM INVESTMENTS	3.1	1.0%	3.4	1.2%	(8.7%)
EBT	(5.1)	(1.6%)	(30.9)	(10.7%)	n.s.
TAX EXPENSE (INCOME)	(9.4)	(2.9%)	(5.9)	(2.0%)	n.s.
RESULT FROM CONTINUING OPERATIONS	4.4	1.4%	(25.0)	(8.7%)	n.s.
MINORITIES	0.0	0.0%	(0.0)	(0.0%)	n.s.
GROUP NET RESULT	4.4	1.4%	(25.0)	(8.7%)	n.s.

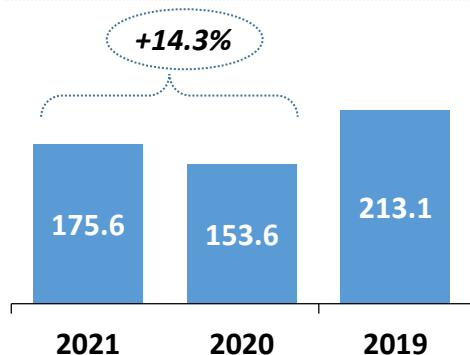
2Q2021 P&L

€ millions	Q2 2021		Q2 2020		% chg.
REVENUE	175.6		153.6		14.3%
INDUSTRIAL PRODUCT COST	51.3	29.2%	40.3	26.2%	27.4%
VARIABLE PRODUCT COSTS	26.0	14.8%	23.7	15.4%	9.6%
OTHER VARIABLE COSTS	37.5	21.4%	33.8	22.0%	11.1%
STRUCTURAL COSTS	12.1	6.9%	12.2	8.0%	(0.8%)
EXTENDED LABOUR COST	32.7	18.6%	29.6	19.3%	10.2%
OTHER EXPENSE (INCOME)	(4.5)	(2.5%)	(0.1)	(0.1%)	n.s.
ADJUSTED EBITDA	20.4	11.6%	14.0	9.1%	45.6%
RESTRUCTURING COSTS	0.7	0.4%	1.1	0.7%	(30.9%)
EXTRAORDINARY EXPENSE (INCOME)	0.9	0.5%	0.3	0.2%	184.8%
EBITDA	18.8	10.7%	12.7	8.2%	48.6%
AMORTIZATION AND DEPRECIATION	6.0	3.4%	6.3	4.1%	(5.9%)
IMPAIRMENT AND WRITE-DOWNS	0.3	0.2%	5.8	3.8%	(94.8%)
AMORTIZATION AND DEPRECIATION IFRS 16	3.4	1.9%	3.7	2.4%	(8.1%)
EBIT	9.2	5.2%	(3.2)	(2.1%)	n.s.
FINANCIAL EXPENSE (INCOME)	0.0	0.0%	1.4	0.9%	n.s.
FINANCIAL EXPENSE IFRS 16	0.6	0.3%	0.6	0.4%	(10.3%)
FINANCIAL EXPENSE (INCOME) FROM SECURITIES VALUATIO	0.0	0.0%	(0.3)	(0.2%)	n.s.
EXPENSE (INCOME) FROM INVESTMENTS	1.5	0.9%	2.1	1.4%	(28.1%)
EBT	7.1	4.0%	(7.1)	(4.6%)	n.s.
TAX EXPENSE (INCOME)	(7.5)	(4.3%)	(1.2)	(0.8%)	n.s.
NET RESULT FOR THE PERIOD (GROUP AND NON-CONTROLL	14.5	8.3%	(5.9)	(3.8%)	n.s.
MINORITIES	0.0	0.0%	0.0	0.0%	n.s.
GROUP NET RESULT	14.5	8.3%	(5.9)	(3.8%)	n.s.

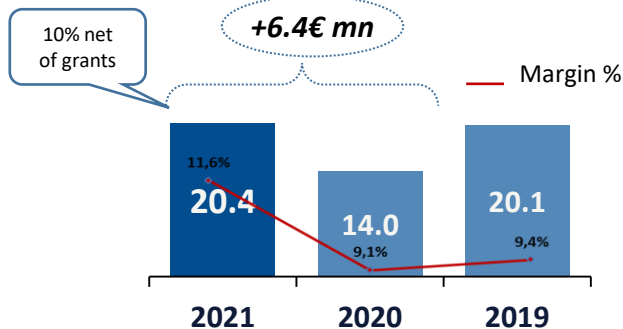
Highlights – 2Q21 vs 2Q20-2Q19

€ mln

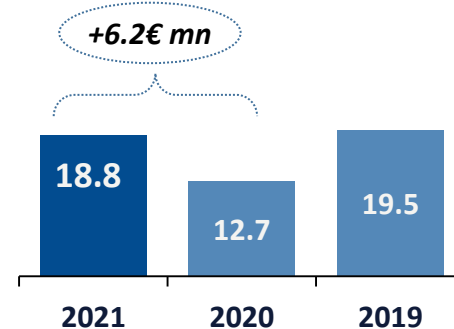
Revenue



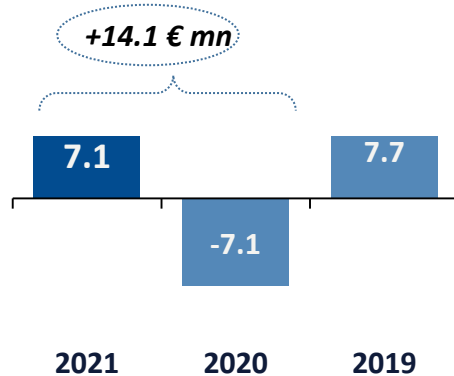
Adj. EBITDA



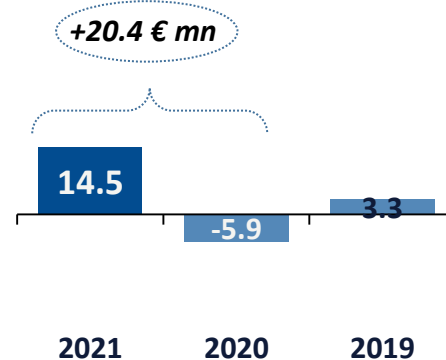
Rep. EBITDA



EBIT



Consolidated Net Result



1H2021 Balance Sheet

€ millions	June 2021	June 2020	% chg.
TRADE RECEIVABLES	163.5	181.4	(9.9%)
INVENTORY	132.4	143.5	(7.8%)
TRADE PAYABLES	199.2	231.1	(13.8%)
OTHER ASSETS (LIABILITIES)	0.3	9.0	(96.8%)
NET WORKING CAPITAL	96.9	102.8	(5.8%)
INTANGIBLE ASSETS	192.5	211.6	(9.0%)
PROPERTY, PLANT AND EQUIPMENT	16.5	17.9	(7.6%)
INVESTMENTS	16.6	23.7	(29.8%)
NET FIXED ASSETS WITH NO RIGHTS OF USE IFRS 16	225.7	253.2	(10.9%)
ASSETS FROM RIGHTS OF USE IFRS 16	83.9	86.7	(3.3%)
NET FIXED ASSETS WITH RIGHTS OF USE IFRS 16	309.5	339.9	(8.9%)
PROVISIONS FOR RISKS	43.5	46.1	(5.7%)
POST-EMPLOYMENT BENEFITS	29.8	32.1	(7.2%)
PROVISIONS	73.3	78.2	(6.3%)
NET INVESTED CAPITAL	333.1	364.5	(8.6%)
SHARE CAPITAL	68.0	68.0	0.0%
RESERVES	105.7	102.0	3.6%
PROFIT (LOSS) FOR THE PERIOD	4.4	(25.0)	n.s.
GROUP EQUITY	178.0	144.9	22.8%
NON-CONTROLLING INTERESTS' EQUITY	0.0	0.1	n.s.
EQUITY	178.0	145.0	22.8%
NET FINANCIAL POSITION NO IFRS 16	68.3	130.1	(47.5%)
NET FINANCIAL POSITION IFRS 16	86.8	89.4	(2.9%)
NET FINANCIAL POSITION	155.1	219.5	(29.3%)
SOURCES	333.1	364.5	(8.6%)

1H2021 LTM Cash Flow

€ millions	LTM Jun 21	2020
INITIAL NFP IFRS 16	(219.5)	(151.3)
FINANCIAL LIABILITIES APPLICATION OF IFRS 16	(89.4)	(95.9)
INITIAL NFP NO IFRS 16	(130.1)	(55.4)
ADJUSTED EBITDA (NO IFRS 16)	93.7	82.4
NWC AND PROVISIONS	10.1	1.2
CAPEX NO IFRS 16	(22.4)	(21.8)
CASH FLOW FROM OPERATIONS	81.4	61.9
FINANCIAL INCOME (EXPENSE) NO IFRS 16	(2.4)	(3.7)
TAX	(10.5)	(6.9)
CASH FLOW FROM ORDINARY OPERATIONS CONTINUING OPERATION	68.5	51.2
CF FROM ORDINARY OPERATIONS DISCONTINUED OR DISCONTINUING	0.0	0.0
CASH FLOW FROM ORDINARY OPERATIONS	68.5	51.2
RESTRUCTURING COSTS	(5.3)	(5.2)
EXTRAORDINARY TAX	3.7	0.1
SHARE CAPITAL INCREASE/DIVIDENDS NON CONTROLLING INTERESTS	(0.2)	(1.1)
PURCHASE/DISPOSAL	(6.9)	(0.5)
OTHER INCOME AND EXPENDITURE	2.1	(3.8)
CASH FLOW FROM EXTRAORDINARY OPERATIONS	(6.5)	(10.5)
TOTAL CASH FLOW	61.9	40.7
NET FINANCIAL POSITION NO IFRS 16	(68.3)	(14.8)
IFRS 16 EFFECTS IN THE PERIOD	2.4	13.0
FINAL NET FINANCIAL POSITION	(155.1)	(97.6)

- ▶ **EBITDA**

is equal to earnings before interest, tax, depreciation and amortization. The Group also provides information on the percentage of EBITDA on net sales.

EBITDA computed by the Group allows operating results to be compared with those of other companies, net of any effects from financial and tax items, and of depreciation and amortization, which may vary from company to company for reasons unrelated to general operating performance.
- ▶ **Adjusted EBITDA**

is gross operating profit as explained above, net of income and expenses of a non-ordinary nature such as

 - (i) income and expenses from restructuring, reorganization and business combinations;
 - (ii) clearly identified income and expenses not directly related to the ordinary course of business;
 - (iii) as well as any income and expenses from nonrecurring events and transactions as set out in Consob communication DEM6064293 of 28/07/2006.
- ▶ **EBIT**

net result for the period before income tax, and other income and expenses.
- ▶ **EBT**

net result for the period before income tax.
- ▶ **Net Invested Capital**

is equal to the algebraic sum of Fixed Capital, which includes non-current assets and non-current liabilities (net of non-current financial liabilities included in the Net Financial Position) and Net Working Capital, which includes current assets (net of cash and cash equivalents and current financial assets included in the Net Financial Position), and current liabilities (net of current financial liabilities included in the Net Financial Position).
- ▶ **Operating Cash Flow**

adjusted EBITDA, as explained above, plus or minus the decrease/(increase) in working capital in the period, minus capital expenditure (CAPEX/Investment).
- ▶ **Ordinary Cash Flow**

is cash flow from operations as explained above, net of financial expenses, taxes paid in the period, and income/expenses from investments in associates.
- ▶ **LTM Ordinary Cash Flow**

cash flow from ordinary operations in the last twelve months.
- ▶ **Non ord. Cash Flow**

cash flow generated/used in transactions that are not considered ordinary, such as company restructuring and reorganization, share capital transactions and acquisitions/disposals.

2021 Financial Reporting

November 11, 2021 Interim Management Statement at 30 September 2021

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