

# **9M2022 Results**

Investors Presentation

*Antonio Porro – CEO*

*Alessandro Franzosi – CFO*

*November 10<sup>th</sup> 2022*

**AGENDA**

- 1. 9M 2022 Highlights**
2. 9M 2022 Results
3. FY 2022 Outlook
4. Annexes/9M 2022 Business Areas

# 9M 22 Highlights – Executive Summary




***Group results further improve***

On an overall basis, all KPIs grow strongly:

	3Q 22	9M 22
- Revenue	+20%	+15%
- Adj. EBITDA	+38%	+36%
- EBIT	+44%	+50%
- Adj. Net Profit	+54%	+90%

On a like-for-like basis, revenue and EBITDA grow across all business areas



***Group financial structure continues to strengthen***

Solid cash generation of the business with a  
LTM Ordinary Cash Flow above €70 mn



***Strategic portfolio review ongoing***

- **Further development of book publishing activities:** 51% of Edizioni Star Comics acquisition
- **Further reduction in its exposure to the magazines segment:**
  - ✓ 51% of Press-di disposal (active in the national distribution of newspapers and magazines)
  - ✓ Put option for the sale of *Grazia* & *Icon*

# 9M22 Highlights – Trend EBITDA / EBIT

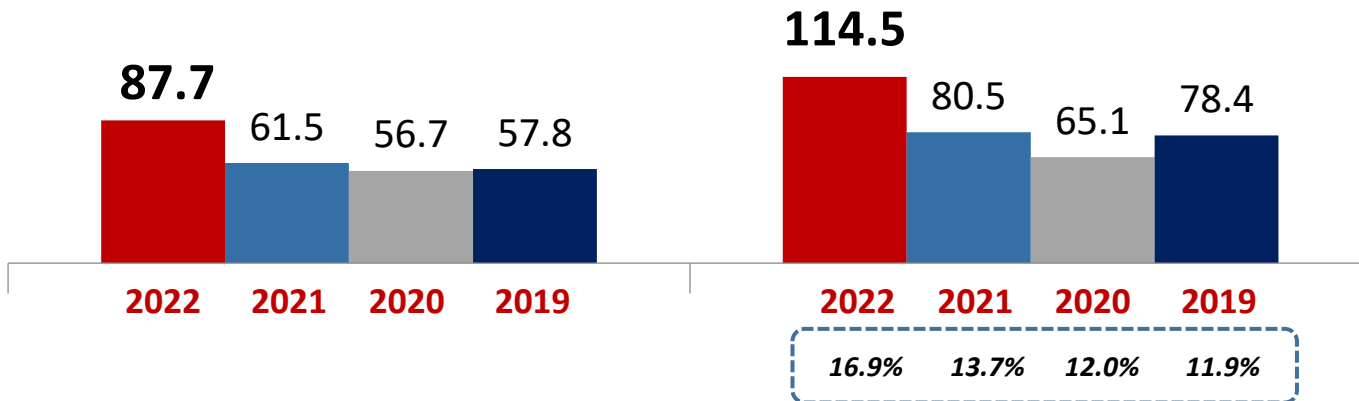
€ mn

## 3Q

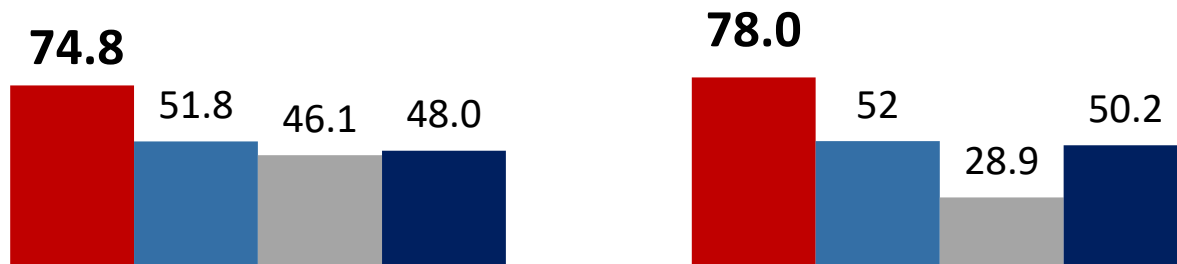
## 9M

**EBITDA**

*EBITDA  
margin*



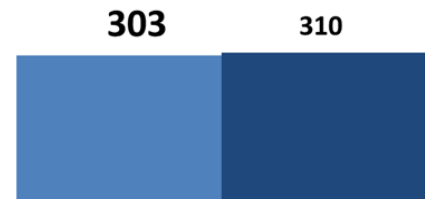
**EBIT**



## Comeback to growth after a first half of consolidation

### TREND 2Q

Value data – Sell out (€ mn)



-2.0%

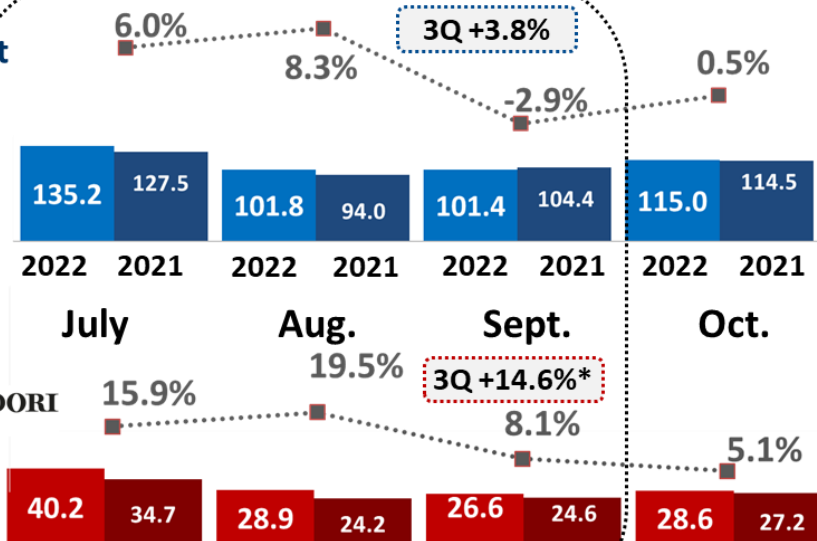
Comics:  
+12%



+0.9%

### Market

### TREND 3Q



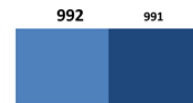
3Q +3.8%

3Q +14.6%\*

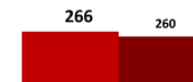
### TREND 9M

+0.1%

Comics: +18%

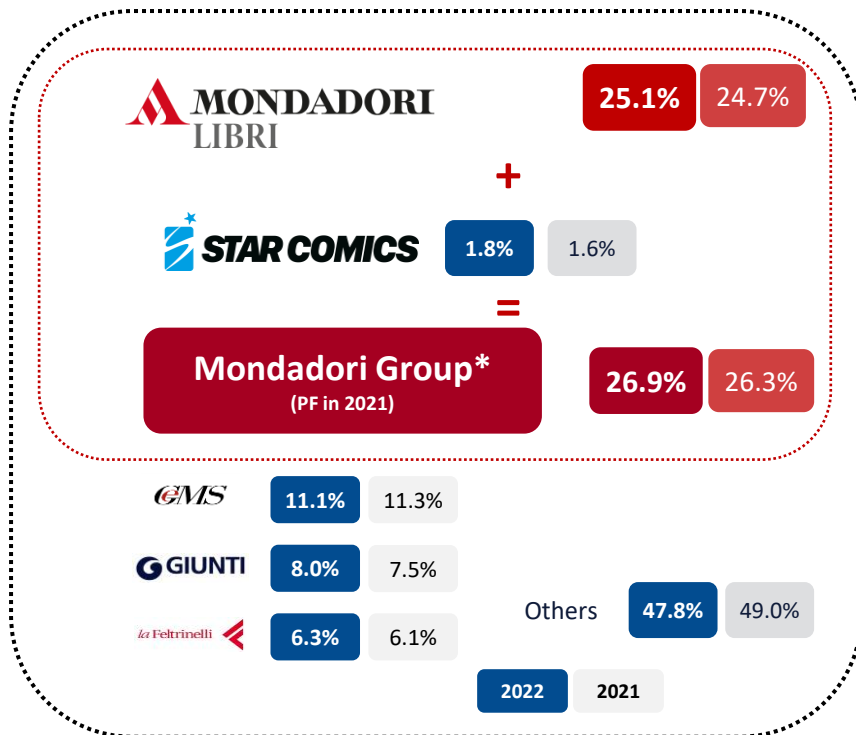


+2.4%



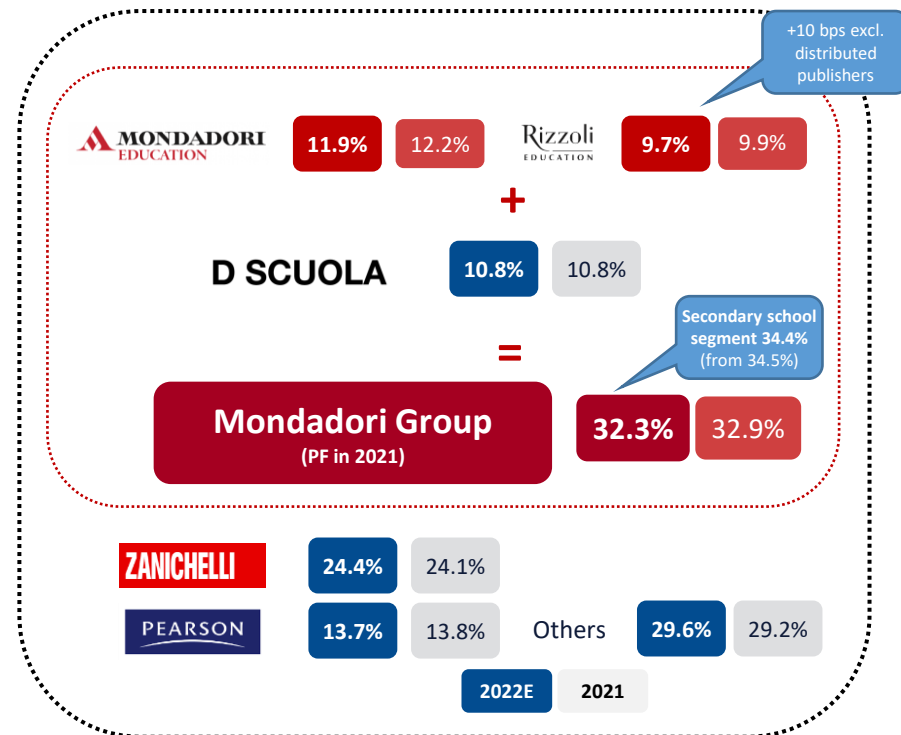
# Market shares Books - 9M 22

## Trade - Market Share in organic and inorganic growth



Source: GFK, September 2022, figures in terms of market value

## Education - Market Share in selective strengthening



Source: AIE, Oct. 2022

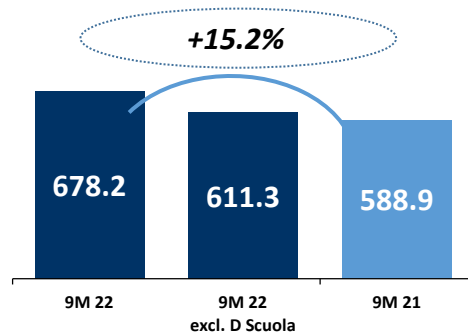
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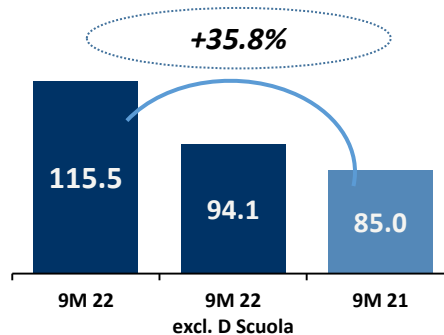
# Highlights – 9M 22

€ mn

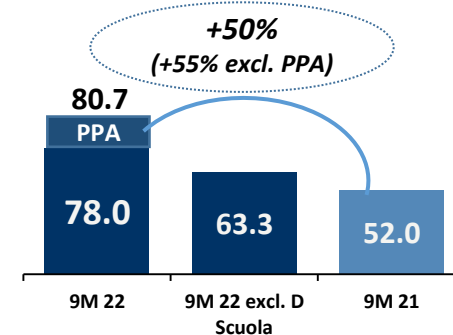
## Revenue



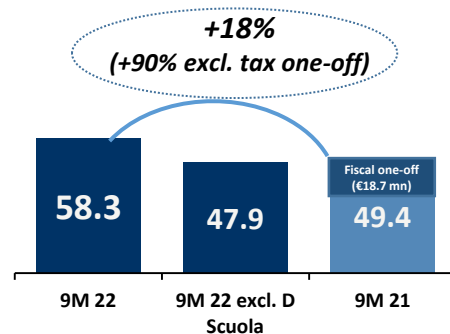
## Adj. EBITDA



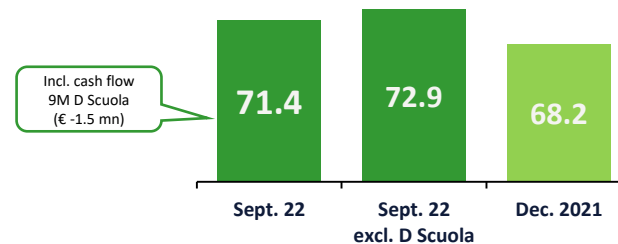
## EBIT



## Net Profit



## LTM Ordinary Cash Flow





# Revenue & Adjusted EBITDA by Business - 9M 22

€ mn

## Revenue

	9M 22	9M 22 excl. D Scuola	9M 21	Var. %	Var. % LFL*
<b>Books</b>	443.4	376.0	348.7	+27.2%	+5.5%
<b>Retail</b>	126.0		114.3	+10.2%	
<b>Media</b>	135.3		150.0	(9.8%)	+3.1%
<b>Corporate &amp; Shared Services</b>	29.6		29.6	+0.2%	
<i>Intercompany</i>	(56.1)	(55.6)	(53.7)	+4.5%	
<b>Total</b>	<b>678.2</b>	<b>611.3</b>	<b>588.9</b>	<b>+15.2%</b>	<b>+5.8%</b>

+14% yoy Book product

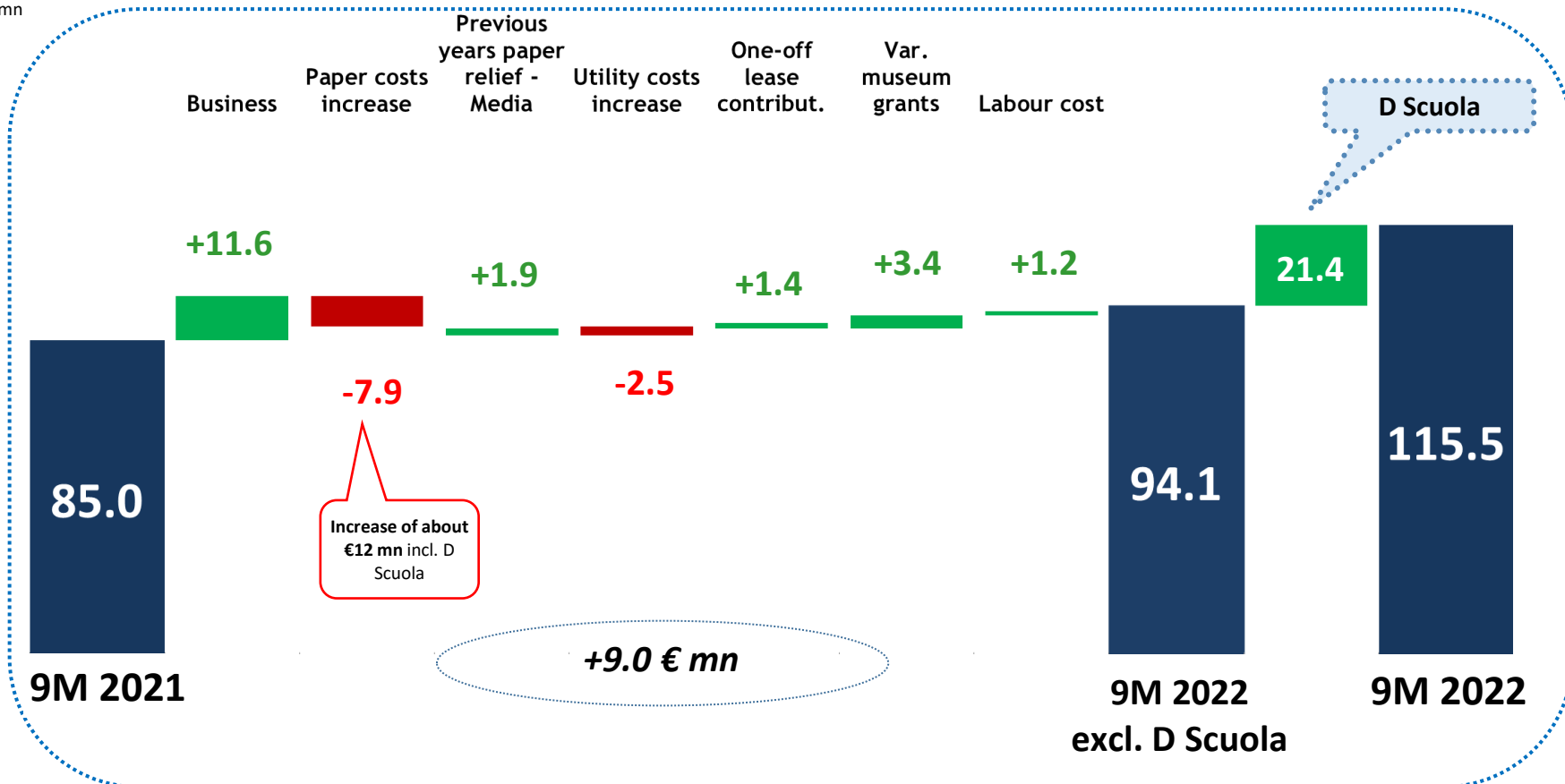
## Adj. EBITDA

€ mn	9M 22	9M 22 excl. D Scuola	9M 21	Var.	Var. excl. D Scuola
<b>Books</b>	107.9	86.4	79.4	+28.5	+7.0
<b>Retail</b>	4.1		1.7	+2.4	
<b>Media</b>	9.3		7.8	+1.6	
<b>Corporate &amp; Shared Services</b>	(4.0)		(3.3)	(0.8)	
<i>Intercompany</i>	(1.8)		(0.6)	(1.2)	
<b>Total</b>	<b>115.5</b>	<b>94.1</b>	<b>85.0</b>	<b>+30.5</b>	<b>+9.0</b>

\* The like-for-like change neutralizes all scope changes: in addition to D Scuola, Star Comics and DeAgostini Libri in the Books area, and the disposals of titles and assets in the Media area

# Adjusted EBITDA – 9M 22

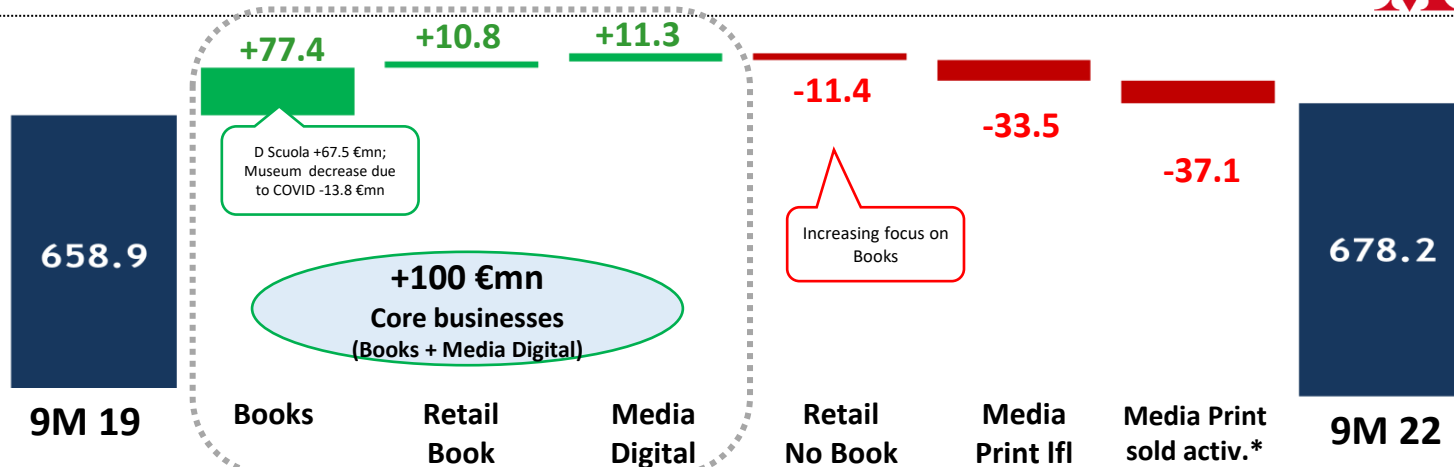
€ mn



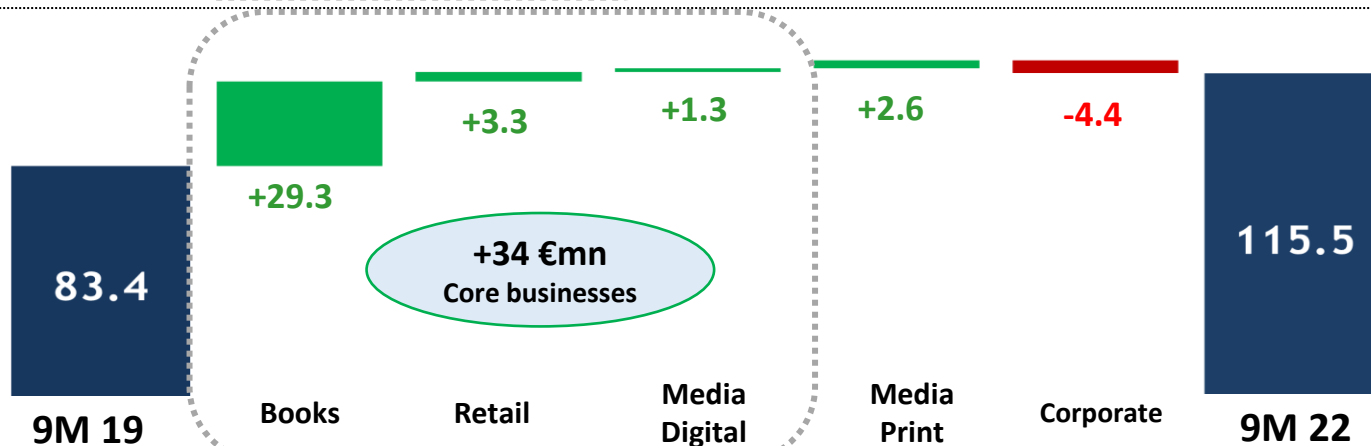
# Revenue & Adjusted EBITDA 9M 22 vs 9M 19

€ mn

Revenue



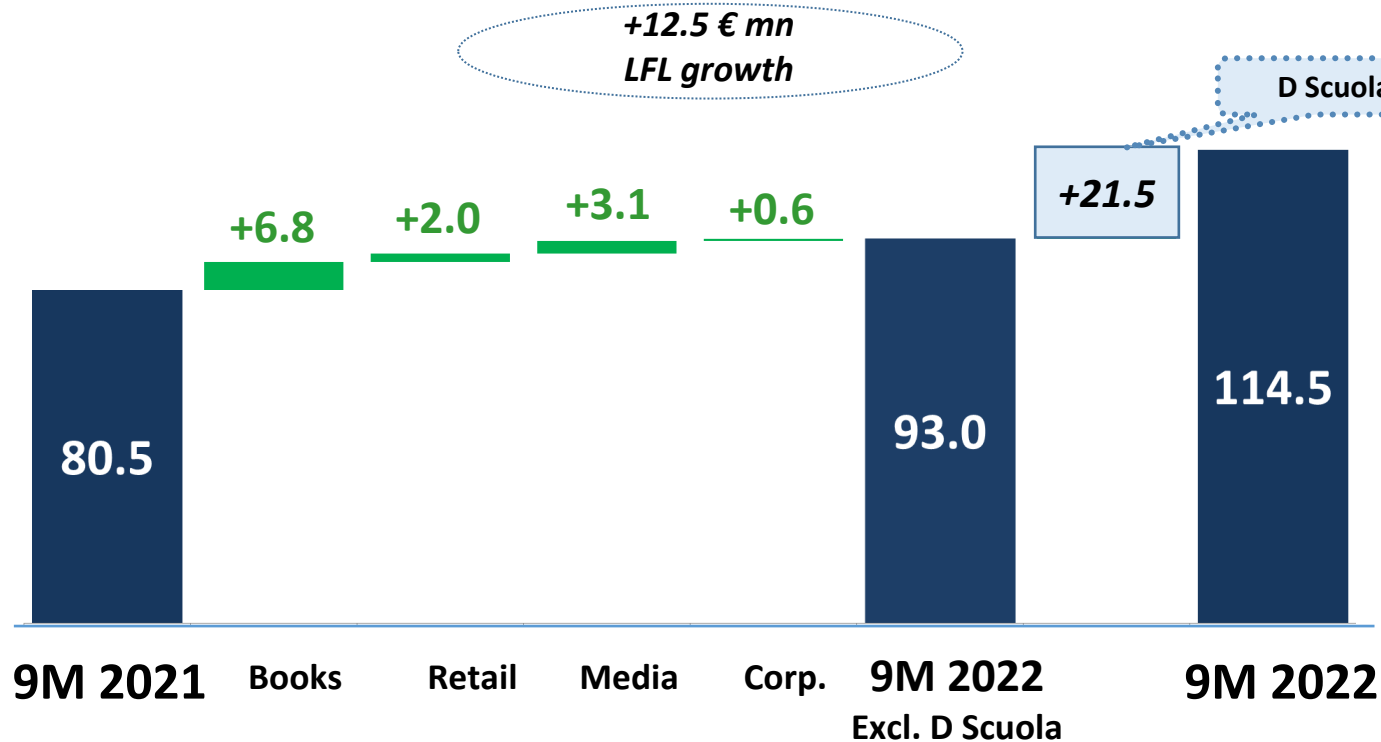
Adj.EBITDA



\* TuStyle, Confidenze, Starbene, Sale e Pepe, Cucina Moderna, CasaFacile, Donna Moderna, 51% Press-di

# Reported EBITDA by Business Area – 9M 22

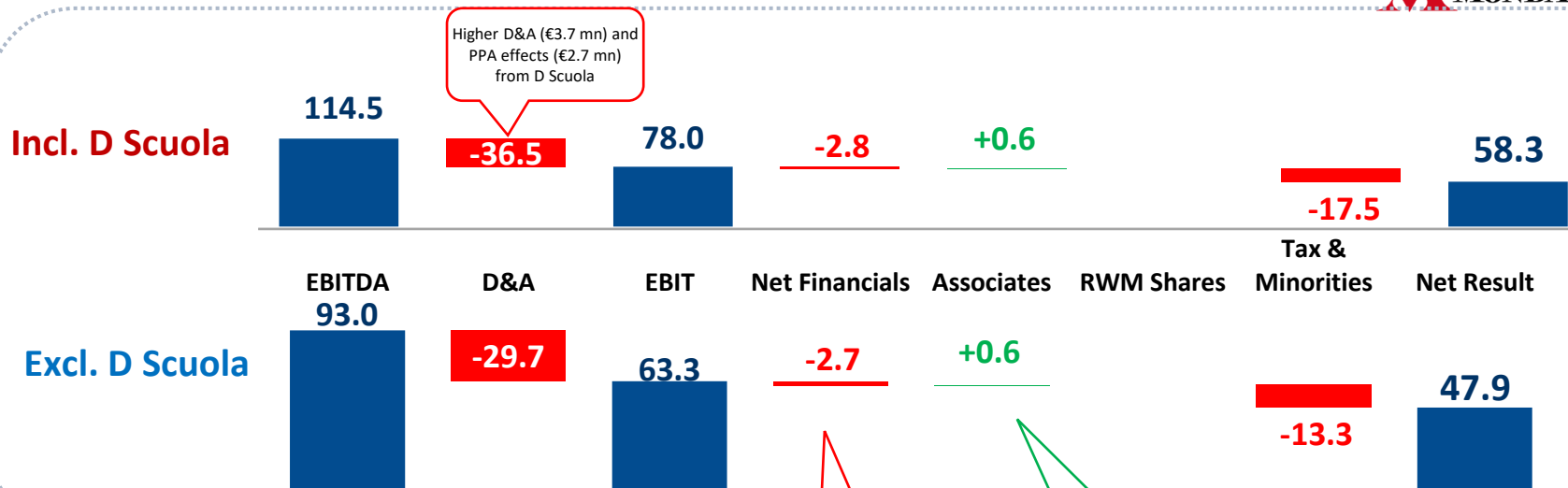
€ mn



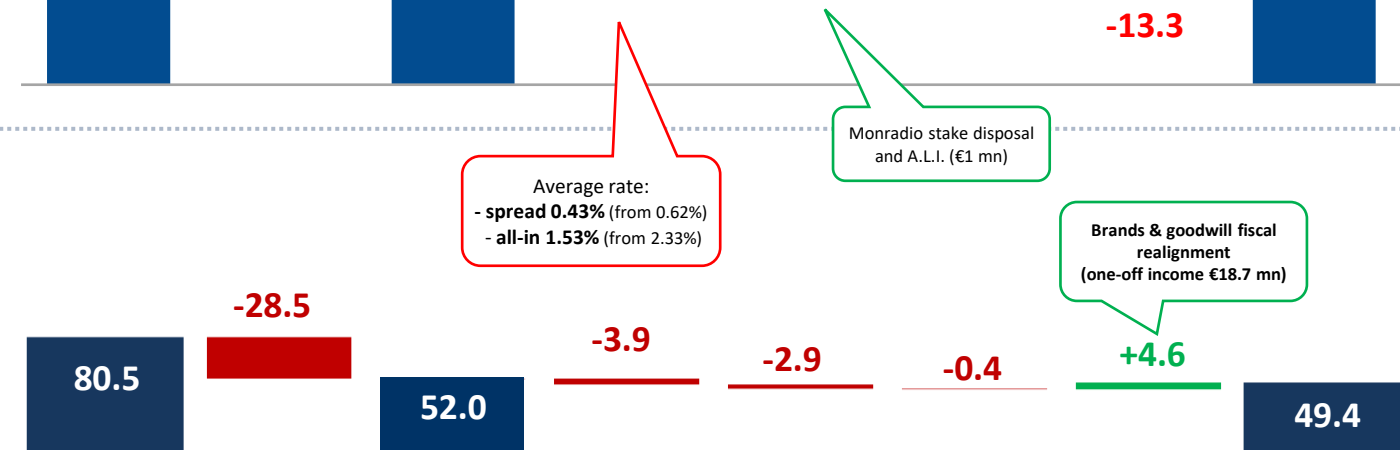
# From EBITDA to Net Result - 9M 22

€ mn

9M 2022



9M 2021

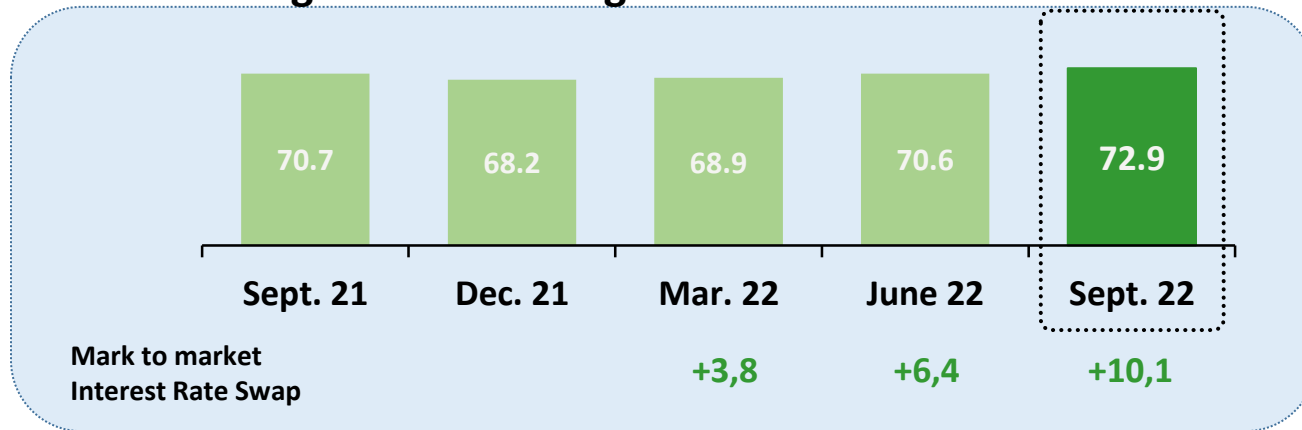


# LTM Cash Flow & NFP - September 22

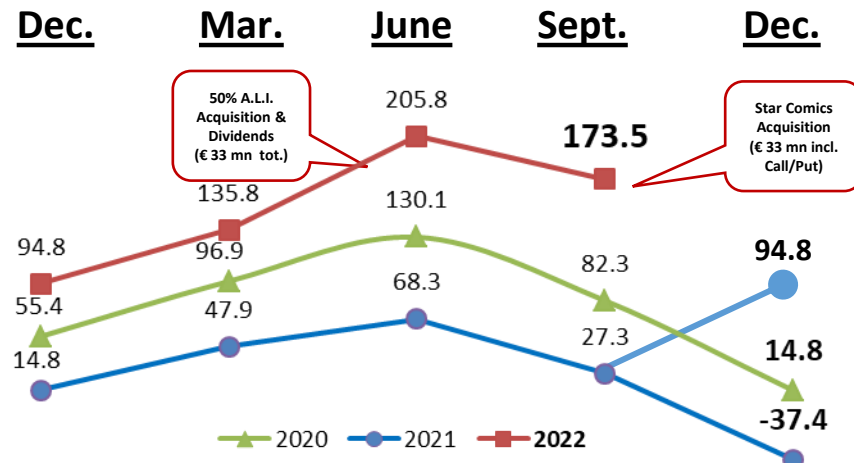
€ mn

## Strong business cash generation confirmed

### Ordinary Cash Flow (excl. D Scuola)



### Group NFP Evolution (no IFRS16)



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# FY22 Outlook – Guidance improved

	OLD	NEW	Vs Previous Estimate
REVENUE	Mid single digit growth	High single Digit growth	↑
Adj. EBITDA	Increase $\geq 20\%$	Increase $\geq 25\%$	↑
NET RESULT	Double-digit growth		==
ORDINARY CASH FLOW	Flat (due to higher one-off capex)		==
FREE CASH FLOW (before dividends)	€10-15 million		==
	↓		
NFP/Adj. EBITDA IFRS16	= 1.3x		==





**BACK-UP**

**AGENDA**

1. 9M 2022 Highlights

2. 9M 2022 Results

3. FY 2022 Outlook

4. **Annexes/9M 2022 Business Areas**

**Books**

Retail

Media

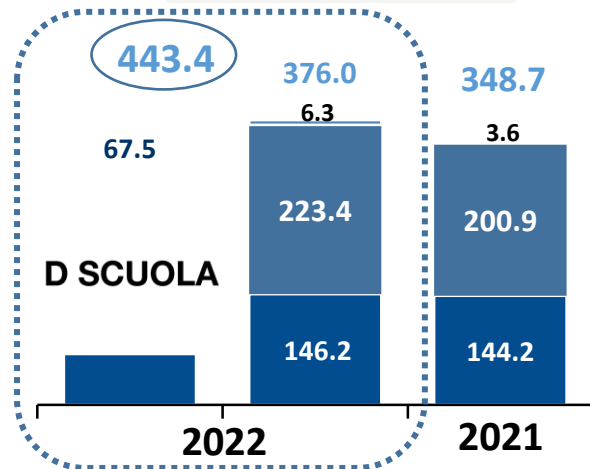
# 9M22 Business - Books

€ mn



Revenue +27.1%

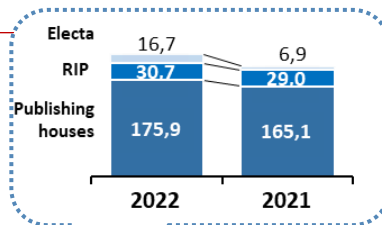
+5.5% lfl



Distribution and services

Trade +22.5 mn

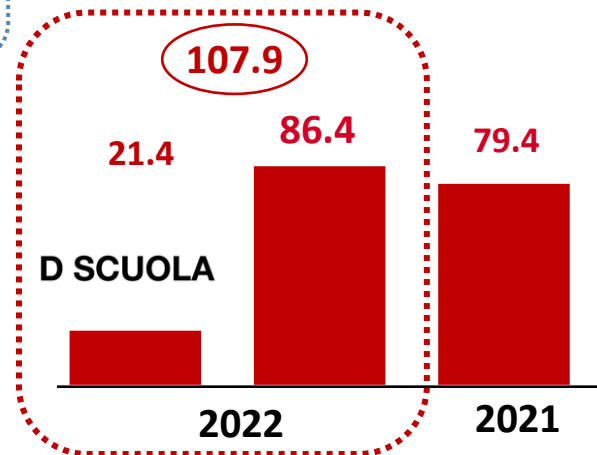
Education +2.0 mn



STAR COMICS

DEAGOSTINI LIBRI

Adj. EBITDA +28.5 mn



## REVENUE

- Trade +11.2% yoy: +6.6% publishing houses (+1.7% lfl), increase of RIP (+6%) and strong upswing in museum and concession-related activities
  - E-books/Audiobooks: 7.7% of total (+2.3% yoy thanks to growth of audio books)
- Education +48.2% yoy with contribution from D Scuola; on a like-for-like basis, +1.4% thanks to the early availability of a number of textbooks

## Adj. EBITDA

- Adjusted EBITDA: +€ 28.5 mn; on a like-for-like basis improved by € 7 million (+9% yoy) thanks to the growth in revenue from Trade publishers and the upswing in revenue from the management of museums and concessions (due also to the greater amount of relief granted versus 2021)

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Books

Retail

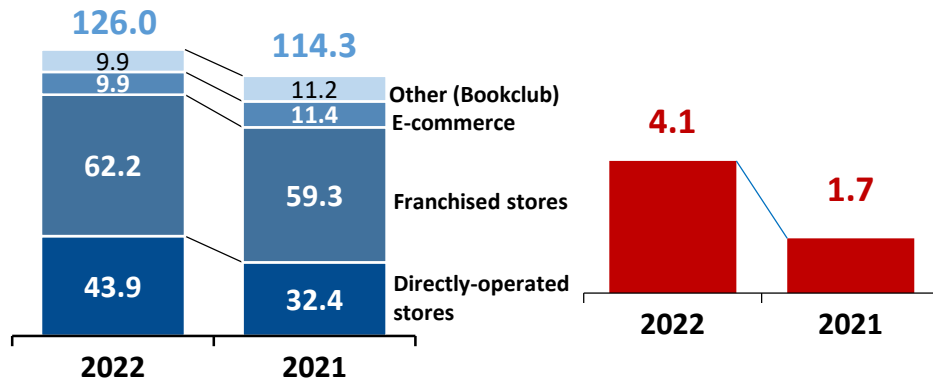
Media

# 9M22 Business - Retail

€ mn

Revenue +10.2%

Adj. EBITDA +2.4 mn



REVENUE

- **Books (85% of store revenue):** revenue **up** by approximately 14%
- **Directly-operated PoS (+35%)** reported a **sharp recovery in revenue** following the lifting of restrictions and the development of the network
- **Franchised PoS (+5%)** continued their upward trend
- **Online** on a downward trend, as the related market segment

Adj.  
EBITDA

**Adjusted EBITDA improved significantly**, thanks to the growth in revenue and development of the physical store network, as well as to continued cost containment actions, despite higher utility and rental costs of € 1.1 million

MONDADORI  
RETAIL

## Books market 9M 2022

Market

+0.1%

MONDADORI  
RETAIL

+12.3%

Market  
Share  
12.6%

-8.2%

ONLINE  
WEIGHT  
39%

-18.2%

ONLINE  
WEIGHT  
5.0%

+6.1%

PHYSICAL  
WEIGHT  
61%

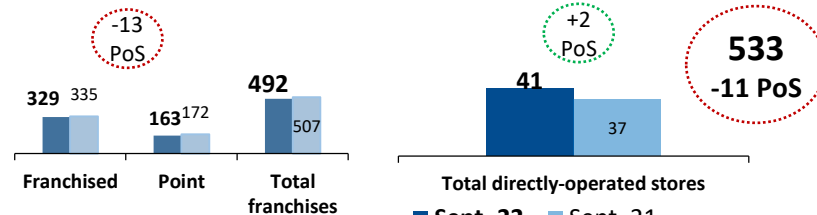
+14.6%

PHYSICAL  
WEIGHT  
95.0%

Δ  
+8.5 pt

Source: internal estimate on GfK figures in terms of market value, Sept. 2022

## PoS network: ongoing rationalization



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Books

Retail

Media

# Markets - 9M 2022 Media

€ mn

## Magazines circulation market 2022

-6.0%



-7.4%

Market



2022

21.0%

2021

20.5%

P.F. (titles sold at 2021 year-end)

2022

2021



22.8%

22.6%

HEARST magazines

5.3%

5.3%



5.9%

5.9%

File Italia Edizioni

7.2%

7.6%



12.3%

12.8%

CONDÉ NAST

2.5%

2.5%

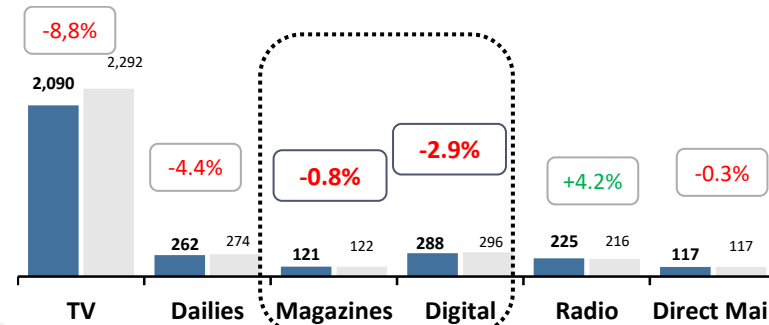
Other

23.0%

22.9%

## Advertising market 2022

-4.5%



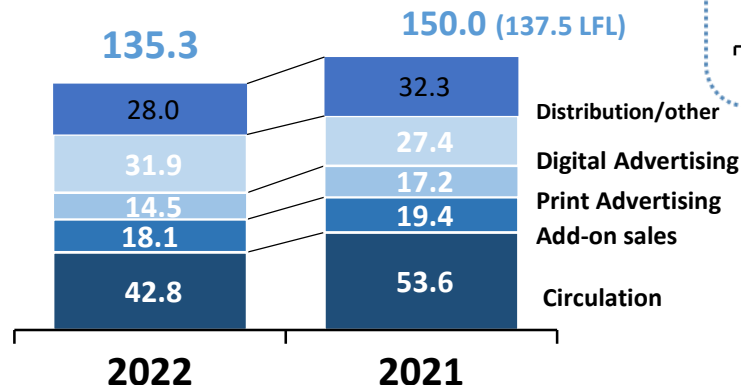
Source: advertising - Nielsen (Aug. 2022), figures in terms of value, excluding search, social, classified and OTT

# 9M22 Business - Media

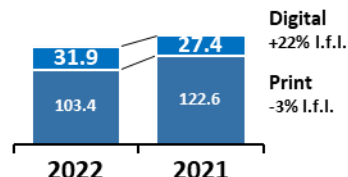
€ mn

**Revenue -9.8%**

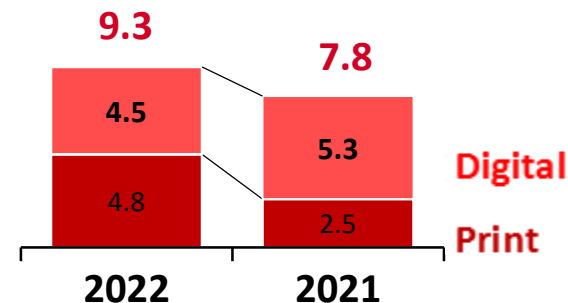
(+3.1% lfl)



**24% digital revenue**



**Adj. EBITDA +1.6 mn**



## REVENUE

- **Advertising revenue up by 16%** on a like-for-like basis of portfolio; weight of **digital advertising** revenue: ≈69% (vs. 61% in 9M21), which **grew by 21.8% (l.f.l.)** thanks to Adkaora
- **Circulation revenue**: -8.2% yoy on a like-for-like basis of portfolio, thanks to the performance of television titles (-5.2%)
- **Revenue from add-on sales**: -3% yoy on a like-for-like basis of portfolio, due mainly to the decline in music products
- **Distribution and others**: +9.5% l.f.l.

## Adj. EBITDA

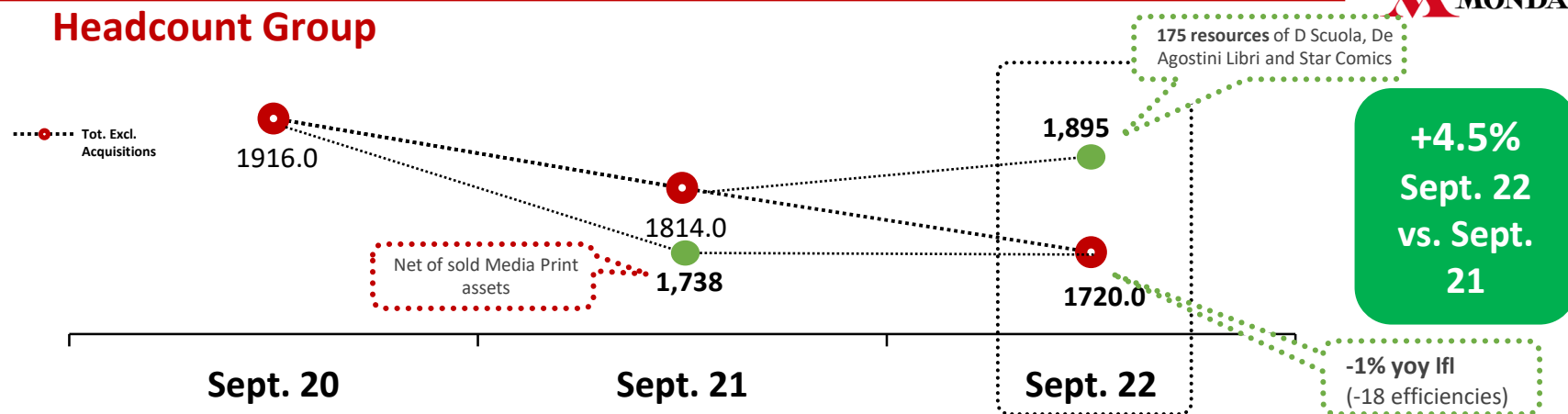
**Adj. EBITDA up strongly** as a result of:

- the continuing **measures to contain operating costs**
- the paper consumption tax receivable, which offset the increase in industrial costs
- the higher result of the Fuori Salone 2022 event

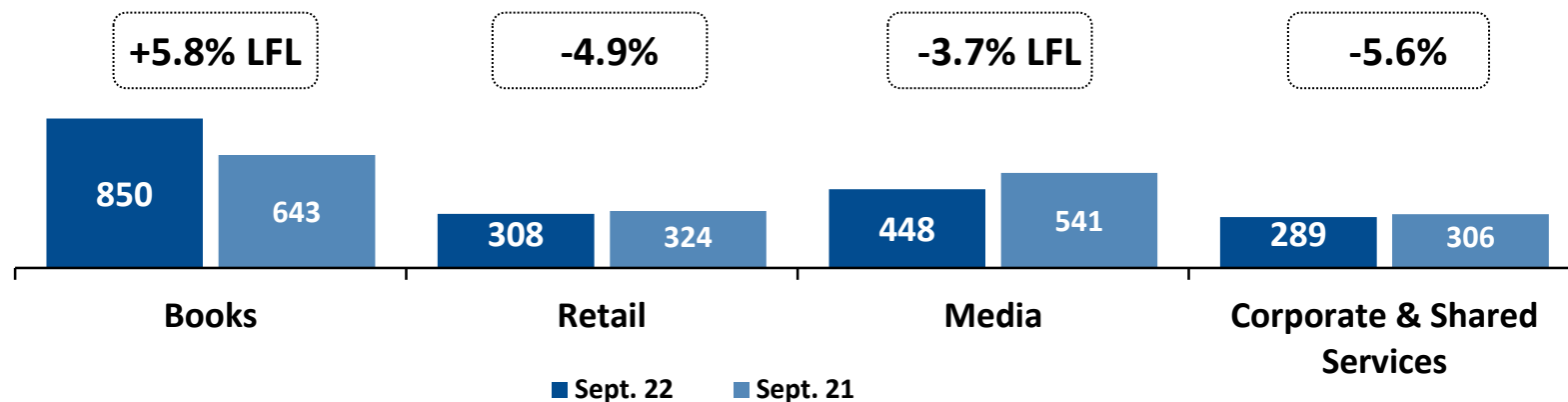


# Headcount trend 9M22

## Headcount Group



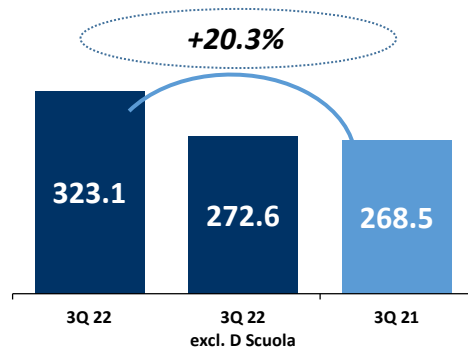
## Headcount by BU



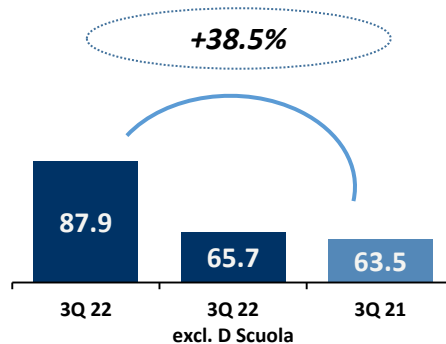
# Highlights 3Q 22

€ mn

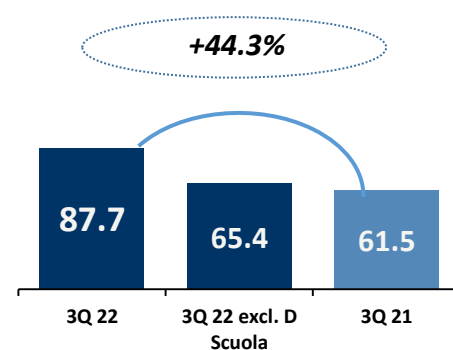
## Revenue



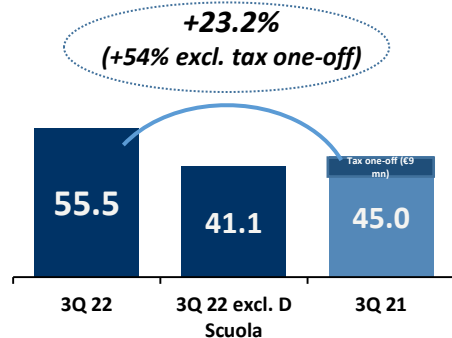
## Adj. EBITDA



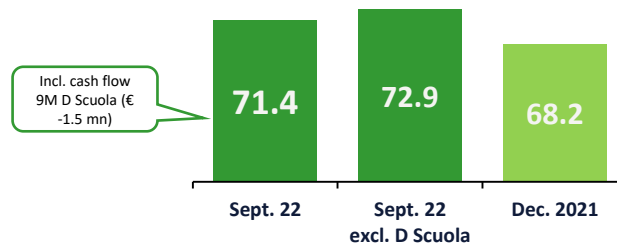
## EBIT



## Net Profit



## LTM Ordinary Cash Flow



# Revenue and Adjusted EBITDA by Business - 3Q 22

€ mn

## Revenue

	3Q 22	3Q 22 excl. D Scuola	3Q 21	Var. %	Var. % LFL *
<b>Books</b>	247.4	196.7	179.8	+37.6%	+5.0%
<b>Retail</b>	48.4		44.6	+8.6%	
<b>Media</b>	37.1		52.6	(29.6%)	(9.4% net of disposals)
<b>Corporate &amp; Shared Services</b>	10.0		9.9	+0.6%	
<b>Intercompany</b>	(19.7)	(19.5)	(18.4)	+7.1%	+6.0%
<b>Total</b>	<b>323.1</b>	<b>272.6</b>	<b>268.5</b>	<b>+20.3%</b>	<b>+3.4%</b>

+12% yoy trend  
Books

## Adj. EBITDA

€ mn	3Q 22	3Q 22 excl. D Scuola	3Q 21	Var.	Var. excl. D Scuola
<b>Books</b>	84.1	61.8	59.6	+24.5	+2.2
<b>Retail</b>	2.8		1.3	+1.5	
<b>Media</b>	1.6		3.2	(1.7)	
<b>Corporate &amp; Shared Services</b>	(0.3)		(0.6)	+0.3	
<b>Intercompany</b>	(0.2)		0.0	(0.2)	
<b>Total</b>	<b>87.9</b>	<b>65.7</b>	<b>63.5</b>	<b>+24.4</b>	<b>+2.1</b>

\* The like-for-like change neutralizes all scope changes: in addition to D Scuola, Star Comics and DeAgostini Libri in the Books area, and the disposals of titles and assets in the Media area

€ millions	9M 2022		9M 2022 excl. D Scuola		9M 2021		% chg.	% chg. excl. D Scuola
<b>REVENUE</b>	<b>678.2</b>		<b>611.3</b>		<b>588.9</b>		<b>15.2%</b>	<b>3.8%</b>
INDUSTRIAL PRODUCT COST	211.1	31.1%	195.2	31.9%	173.2	29.4%	21.9%	12.7%
VARIABLE PRODUCT COSTS	82.1	12.1%	77.1	12.6%	82.6	14.0%	(0.7%)	(6.7%)
OTHER VARIABLE COSTS	129.2	19.1%	113.4	18.6%	117.7	20.0%	9.8%	(3.6%)
STRUCTURAL COSTS	43.0	6.3%	40.6	6.6%	35.9	6.1%	20.0%	13.3%
EXTENDED LABOUR COST	105.4	15.5%	98.8	16.2%	100.0	17.0%	5.4%	(1.2%)
OTHER EXPENSE (INCOME)	(8.1)	(1.2%)	(7.9)	(1.3%)	(5.5)	(0.9%)	47.5%	44.7%
<b>ADJUSTED EBITDA</b>	<b>115.5</b>	<b>17.0%</b>	<b>94.1</b>	<b>15.4%</b>	<b>85.0</b>	<b>14.4%</b>	<b>35.8%</b>	<b>10.6%</b>
RESTRUCTURING COSTS	1.0	0.2%	1.0	0.2%	3.2	0.5%	(67.9%)	(67.9%)
EXTRAORDINARY EXPENSE (INCOME)	0.0	0.0%	0.0	0.0%	1.4	0.2%	n.s.	n.s.
<b>EBITDA</b>	<b>114.5</b>	<b>16.9%</b>	<b>93.0</b>	<b>15.2%</b>	<b>80.5</b>	<b>13.7%</b>	<b>42.2%</b>	<b>15.6%</b>
AMORTIZATION AND DEPRECIATION	26.1	3.8%	19.7	3.2%	18.2	3.1%	43.3%	8.3%
IMPAIRMENT AND WRITE-DOWNS	0.0	0.0%	0.0	0.0%	0.3	0.1%	n.s.	n.s.
AMORTIZATION AND DEPRECIATION IFRS 16	10.4	1.5%	10.0	1.6%	10.0	1.7%	4.2%	0.3%
<b>EBIT</b>	<b>78.0</b>	<b>11.5%</b>	<b>63.3</b>	<b>10.4%</b>	<b>52.0</b>	<b>8.8%</b>	<b>50.0%</b>	<b>21.7%</b>
FINANCIAL EXPENSE (INCOME)	2.8	0.4%	2.7	0.4%	2.2	0.4%	24.8%	21.7%
FINANCIAL EXPENSE IFRS 16	0.0	0.0%	(0.0)	(0.0%)	1.7	0.3%	n.s.	n.s.
FINANCIAL EXPENSE (INCOME) FROM SECURITIES VAL.	0.0	0.0%	0.0	0.0%	0.4	0.1%	n.s.	n.s.
EXPENSE (INCOME) FROM INVESTMENTS	(0.6)	(0.1%)	(0.6)	(0.1%)	2.9	0.5%	n.s.	n.s.
<b>EBT</b>	<b>75.8</b>	<b>11.2%</b>	<b>61.2</b>	<b>10.0%</b>	<b>44.8</b>	<b>7.6%</b>	<b>69.3%</b>	<b>36.7%</b>
TAX EXPENSE (INCOME)	17.6	2.6%	13.4	2.2%	(4.6)	(0.8%)	n.s.	n.s.
<b>NET RESULT FOR THE PERIOD</b>	<b>58.2</b>	<b>8.6%</b>	<b>47.8</b>	<b>7.8%</b>	<b>49.4</b>	<b>8.4%</b>	<b>17.8%</b>	<b>(3.2%)</b>
MINORITIES	(0.1)	(0.0%)	(0.1)	(0.0%)	0.0	0.0%	n.s.	n.s.
<b>GROUP NET RESULT</b>	<b>58.3</b>	<b>8.6%</b>	<b>47.9</b>	<b>7.8%</b>	<b>49.4</b>	<b>8.4%</b>	<b>18.0%</b>	<b>(3.0%)</b>

The item *Extended Labour Cost* includes costs for collaborations and temporary employment

# P&L 3Q2022

€ millions	3Q 2022		3Q 2022 excl. D Scuola		3Q 2021		% chg.	% chg. excl. D Scuola
<b>REVENUE</b>	<b>323.1</b>		<b>272.6</b>		<b>268.5</b>		<b>20.3%</b>	<b>1.5%</b>
INDUSTRIAL PRODUCT COST	98.8	30.6%	87.1	31.9%	78.6	29.3%	25.6%	10.7%
VARIABLE PRODUCT COSTS	35.8	11.1%	32.0	11.7%	31.9	11.9%	12.1%	0.2%
OTHER VARIABLE COSTS	55.2	17.1%	45.3	16.6%	51.5	19.2%	7.1%	(12.0%)
STRUCTURAL COSTS	13.8	4.3%	12.9	4.7%	12.0	4.5%	14.4%	6.9%
EXTENDED LABOUR COST	31.7	9.8%	29.7	10.9%	31.4	11.7%	0.7%	(5.5%)
OTHER EXPENSE (INCOME)	(0.0)	(0.0%)	(0.0)	(0.0%)	(0.6)	(0.2%)	n.s.	n.s.
<b>ADJUSTED EBITDA</b>	<b>87.9</b>	<b>27.2%</b>	<b>65.7</b>	<b>24.1%</b>	<b>63.5</b>	<b>23.7%</b>	<b>38.5%</b>	<b>3.4%</b>
RESTRUCTURING COSTS	0.5	0.2%	0.5	0.2%	1.5	0.6%	(64.4%)	(64.4%)
EXTRAORDINARY EXPENSE (INCOME)	(0.3)	(0.1%)	(0.3)	(0.1%)	0.6	0.2%	n.s.	n.s.
<b>EBITDA</b>	<b>87.7</b>	<b>27.2%</b>	<b>65.4</b>	<b>24.0%</b>	<b>61.5</b>	<b>22.9%</b>	<b>42.7%</b>	<b>6.5%</b>
AMORTIZATION AND DEPRECIATION	9.5	3.0%	7.4	2.7%	6.3	2.3%	51.3%	16.7%
IMPAIRMENT AND WRITE-DOWNS	0.0	0.0%	0.0	0.0%	0.0	0.0%		
AMORTIZATION AND DEPRECIATION IFRS 16	3.4	1.1%	3.3	1.2%	3.3	1.2%	2.1%	(1.8%)
<b>EBIT</b>	<b>74.8</b>	<b>23.1%</b>	<b>54.8</b>	<b>20.1%</b>	<b>51.8</b>	<b>19.3%</b>	<b>44.3%</b>	<b>5.8%</b>
FINANCIAL EXPENSE (INCOME)	1.0	0.3%	1.0	0.4%	1.6	0.6%	n.s.	n.s.
FINANCIAL EXPENSE IFRS 16	(1.1)	(0.3%)	(1.1)	(0.4%)	0.6	0.2%	n.s.	n.s.
EXPENSE (INCOME) FROM INVESTMENTS	(0.5)	(0.2%)	(0.5)	(0.2%)	(0.2)	(0.1%)	n.s.	n.s.
<b>EBT</b>	<b>75.4</b>	<b>23.3%</b>	<b>55.4</b>	<b>20.3%</b>	<b>49.8</b>	<b>18.6%</b>	<b>n.s.</b>	<b>n.s.</b>
TAX EXPENSE (INCOME)	19.4	6.0%	13.8	5.1%	4.8	1.8%	n.s.	n.s.
<b>RESULT FROM CONTINUING OPERATIONS</b>	<b>56.0</b>	<b>17.3%</b>	<b>41.6</b>	<b>15.3%</b>	<b>45.0</b>	<b>16.8%</b>	<b>24.3%</b>	<b>(7.6%)</b>
MINORITIES	0.4	0.1%	0.4	0.2%	(0.0)	(0.0%)		
<b>GROUP NET RESULT</b>	<b>55.5</b>	<b>17.2%</b>	<b>41.1</b>	<b>15.1%</b>	<b>45.0</b>	<b>16.8%</b>	<b>23.2%</b>	<b>(8.6%)</b>

The item *Extended Labour Cost* includes costs for collaborations and temporary employment

# Balance Sheet 9M2022

€ millions	9M 2022	9M 2022 excl. D Scuola	9M 2021	% chg.	% chg. excl. D Scuola
TRADE RECEIVABLES	215.1	190.0	195.6	10.0%	(2.9%)
INVENTORY	159.9	150.9	121.8	31.3%	23.9%
TRADE PAYABLES	252.3	221.3	199.9	26.2%	10.7%
OTHER ASSETS (LIABILITIES)	(29.4)	(13.6)	(12.9)	n.s.	5.1%
<b>NET WORKING CAPITAL CONTINUING OPERATIONS</b>	<b>93.4</b>	<b>106.1</b>	<b>104.6</b>	<b>(10.7%)</b>	<b>1.4%</b>
DISCONTINUED OR DISCONTINUING ASSETS (LIABILITIES)	0.0	0.0	(2.7)	n.s.	n.s.
<b>NET WORKING CAPITAL</b>	<b>93.4</b>	<b>106.1</b>	<b>101.9</b>	<b>(8.3%)</b>	<b>4.1%</b>
INTANGIBLE ASSETS	376.0	213.8	189.4	98.6%	12.9%
PROPERTY, PLANT AND EQUIPMENT	19.4	19.4	16.4	18.3%	18.0%
INVESTMENTS	29.5	29.5	16.4	80.0%	79.9%
<b>NET FIXED ASSETS WITH NO RIGHTS OF USE IFRS 16</b>	<b>425.0</b>	<b>262.8</b>	<b>222.2</b>	<b>91.3%</b>	<b>18.2%</b>
ASSETS FROM RIGHTS OF USE IFRS 16	59.3	57.6	80.9	(26.7%)	(28.9%)
<b>NET FIXED ASSETS WITH RIGHTS OF USE IFRS 16</b>	<b>484.3</b>	<b>320.3</b>	<b>303.1</b>	<b>59.8%</b>	<b>5.7%</b>
PROVISIONS FOR RISKS	43.0	41.2	41.1	4.6%	0.2%
POST-EMPLOYMENT BENEFITS	29.2	25.5	29.1	0.1%	(12.5%)
<b>PROVISIONS</b>	<b>72.2</b>	<b>66.7</b>	<b>70.3</b>	<b>2.8%</b>	<b>(5.1%)</b>
<b>NET INVESTED CAPITAL</b>	<b>505.5</b>	<b>359.7</b>	<b>334.7</b>	<b>51.0%</b>	<b>7.4%</b>
SHARE CAPITAL	68.0	68.0	68.0	0.0%	0.0%
RESERVES	141.3	141.2	105.8	33.5%	33.5%
PROFIT (LOSS) FOR THE PERIOD	58.3	47.9	49.4	18.0%	(3.0%)
<b>GROUP EQUITY</b>	<b>267.5</b>	<b>257.1</b>	<b>223.1</b>	<b>19.9%</b>	<b>15.2%</b>
NON-CONTROLLING INTERESTS' EQUITY	2.3	2.3	0.0	n.s.	n.s.
<b>EQUITY</b>	<b>269.9</b>	<b>259.4</b>	<b>223.1</b>	<b>20.9%</b>	<b>16.2%</b>
NET FINANCIAL POSITION NO IFRS 16	173.4	39.8	27.3	n.s.	45.6%
NET FINANCIAL POSITION IFRS 16	62.3	60.4	84.2	(26.1%)	(28.3%)
<b>NET FINANCIAL POSITION</b>	<b>235.7</b>	<b>100.3</b>	<b>111.6</b>	<b>111.2%</b>	<b>(10.2%)</b>
<b>SOURCES</b>	<b>505.5</b>	<b>359.6</b>	<b>334.7</b>	<b>51.0%</b>	<b>7.4%</b>

# LTM Cash Flow - September 2022

€ mn	9M 2022	9M 2022 Excl. D Scuola	2021 Excl. D Scuola
<b>INITIAL NFP IFRS 16</b>	<b>(111.6)</b>	<b>(111.6)</b>	<b>(97.6)</b>
FINANCIAL LIABILITIES APPLICATION OF IFRS 16	(84.2)	(84.2)	(82.8)
<b>INITIAL NFP NO IFRS 16</b>	<b>(27.3)</b>	<b>(27.3)</b>	<b>(14.8)</b>
ADJUSTED EBITDA (NO IFRS 16)	121.1	100.1	91.0
NWC AND PROVISIONS	10.6	24.2	10.3
CAPEX NO IFRS 16	(33.7)	(29.6)	(22.0)
<b>CASH FLOW FROM OPERATIONS</b>	<b>98.0</b>	<b>94.7</b>	<b>79.3</b>
FINANCIAL INCOME (EXPENSE) NO IFRS 16	(2.7)	(2.7)	(2.4)
TAX	(21.1)	(16.4)	(13.9)
<b>CASH FLOW FROM ORDINARY OPERATIONS CONTINUING OPERATIONS</b>	<b>74.2</b>	<b>75.7</b>	<b>62.9</b>
ORDINARY CF FROM DISCONTINUED OR DISCONTINUING OPERATIONS	(2.8)	(2.8)	5.3
<b>CASH FLOW FROM ORDINARY OPERATIONS</b>	<b>71.4</b>	<b>72.9</b>	<b>68.2</b>
RESTRUCTURING COSTS	(10.2)	(10.2)	(6.9)
EXTRAORDINARY TAX	(0.3)	(0.3)	3.4
SHARE CAPITAL INCREASE/DIVIDENDS ASSOCIATES	(1.5)	3.5	(0.1)
M&A	(179.7)	(52.5)	(8.6)
OTHER INCOME AND EXPENDITURE	(3.7)	(3.7)	(3.5)
EXTRAORDINARY CF FROM DISCONTINUED OR DISCONTINUING OPERATIONS	(0.1)	(0.1)	(0.3)
<b>CASH FLOW FROM EXTRAORDINARY OPERATIONS</b>	<b>(195.6)</b>	<b>(63.4)</b>	<b>(16.1)</b>
<b>FREE CASH FLOW</b>	<b>(124.1)</b>	<b>9.5</b>	<b>52.1</b>
DIVIDENDS PAID	(22.2)	(22.2)	
<b>TOT. CASH FLOW</b>	<b>(146.3)</b>	<b>(12.7)</b>	<b>52.1</b>
<b>NET FINANCIAL POSITION NO IFRS 16</b>	<b>(173.5)</b>	<b>(39.8)</b>	<b>37.4</b>
IFRS 16 EFFECTS IN THE PERIOD	22.2	24.0	0.7
<b>FINAL NET FINANCIAL POSITION</b>	<b>(235.7)</b>	<b>(100.3)</b>	<b>(44.7)</b>

- ▶ **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.
- ▶ **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
- ▶ **Free Cash Flow**

the sum of cash flow from ordinary and non-ordinary operations in the reporting period (excluding payment of dividends, if any).





## Investor Relations

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