

GRUPPO  MONDADORI

5th Italian Mid Cap Conference

Investors Presentation

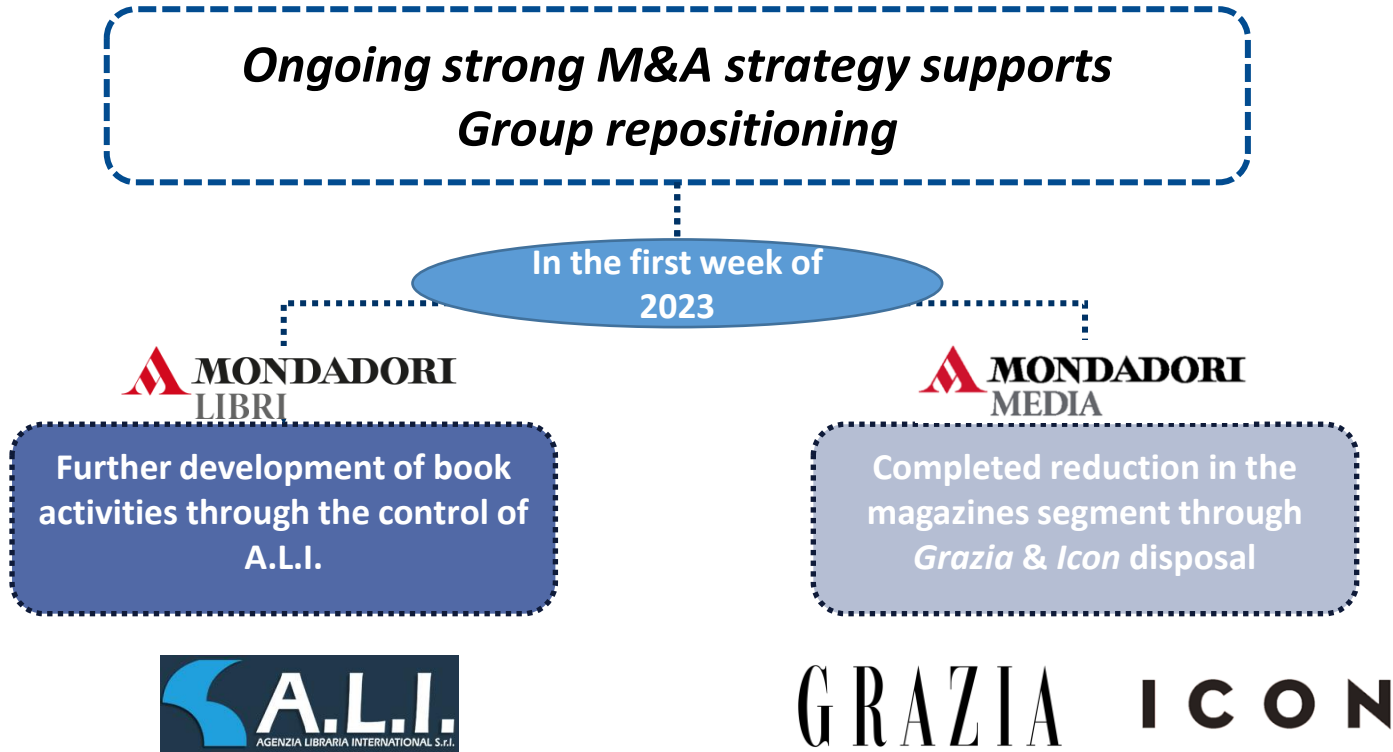



MEDIOBANCA


Milan, 19th January 2023

AGENDA

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



 Core business competitive strengthening

 Disposal of non-core asset

Transaction structure

- Acquisition of an **additional 25% of the share capital**
- Put&call agreements:** Mondadori has the option to acquire the remaining 25% from the approval of the 2024 financial statements (by 30 July 2025)

Price - Financials Target

- Price (25%) € 9.5 million;** the additional 25% will be based on average EBITDA 2023-2024
- FY 2021 (€ mn, ITA GAAP):**

Revenue	65.8
EBITDA	8.9
Net profit	6.0

Expected FY 2022 NFP (€ mn): cash at €17.9



Impact on the Group	FY 22	FY 23
Consolidation effect	At equity as from 1 May	Full as from 1 January
PFN Impact	- € 10.8 mn	- € 19.0 mn * + € 17.9 mn = - € 1.0 mn

* Includes the current valuation of the Put&Call option to be eventually exercised in FY 2025

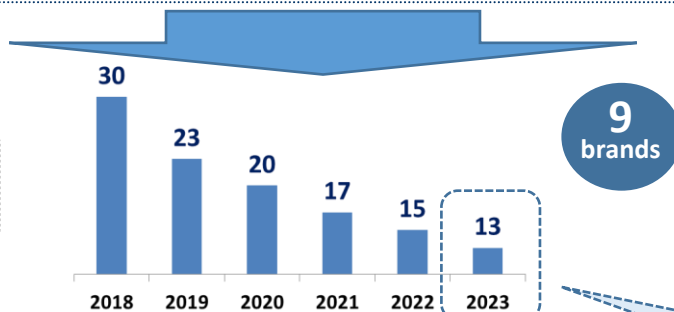
Transaction structure

- Disposal of the **print and digital** publishing operations of **Grazia** and **Icon** brands including their **international licensing network**
- Transfer of the business operations disposed of to a NewCo and concurrent disposal to **Reworld Media** of 100% of its share capital

Price - Financials Target

- Enterprise Value € 11 million** including € 2 million as earn-out conditioned to the achievement of certain 2023 financial results
- Price € 8.5 million** (incl. earn-out, € 6.5 million cashed-in at the closing date), net of the difference between average NWC of the last 12M and the NWC at the closing date
- FY 2021 Revenue : € 18 million**

2018-2023 Media titles trend



9 brands

2018-2023 Print Adv Rev. on Tot. Rev.

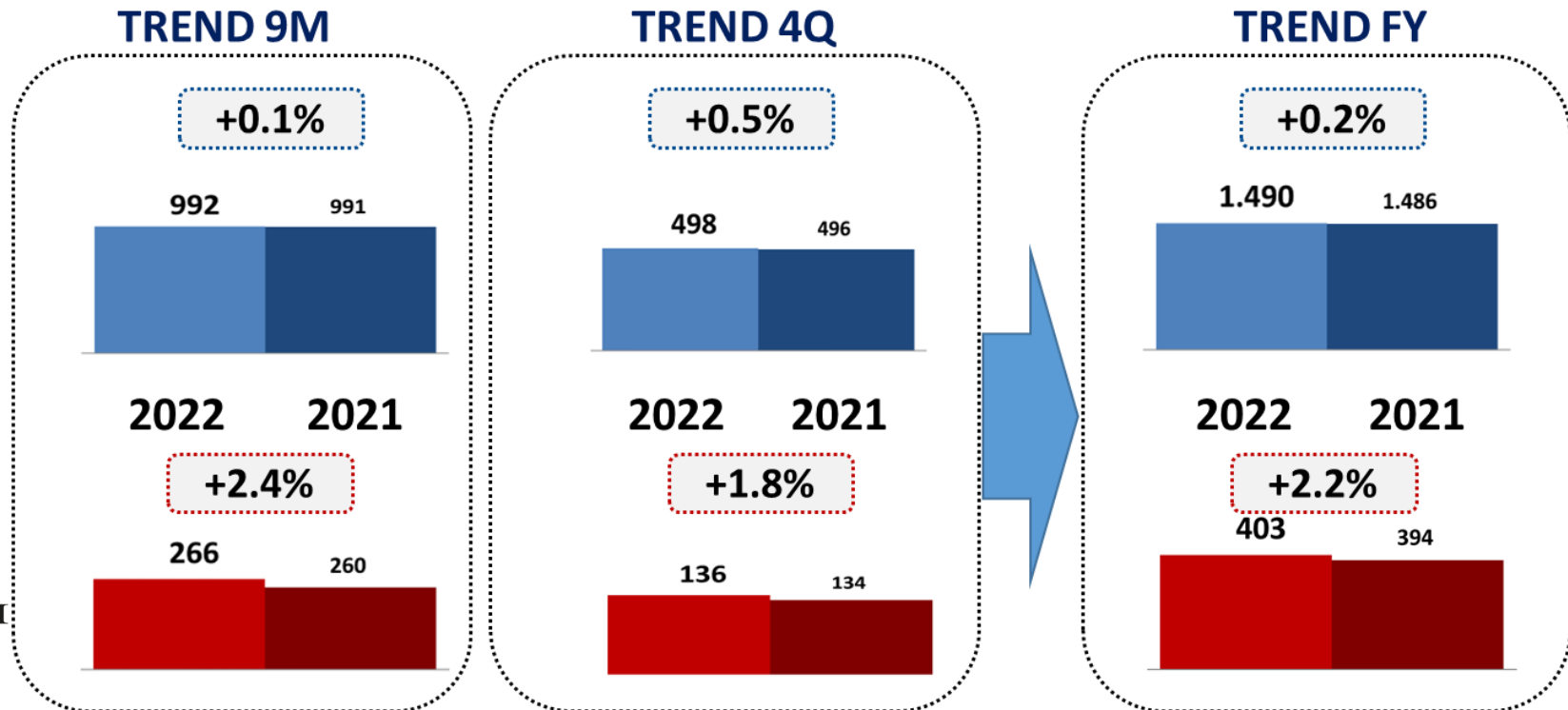


Media Print: from 30% to < 10% of Group Revenues

After a strong growth, a year of consolidation

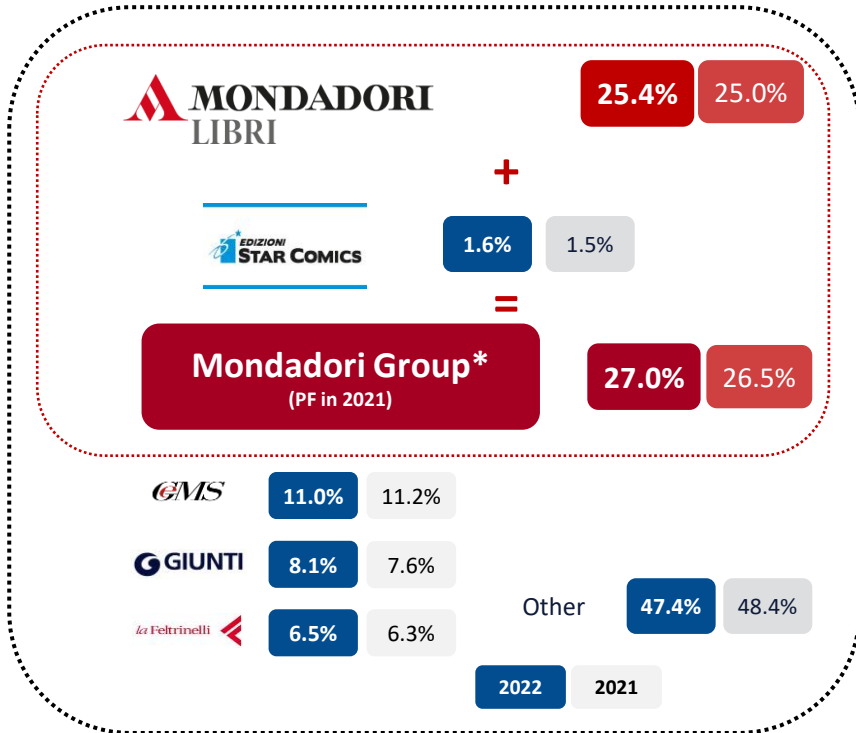
Value data – Sell out
(€ mn)

Market

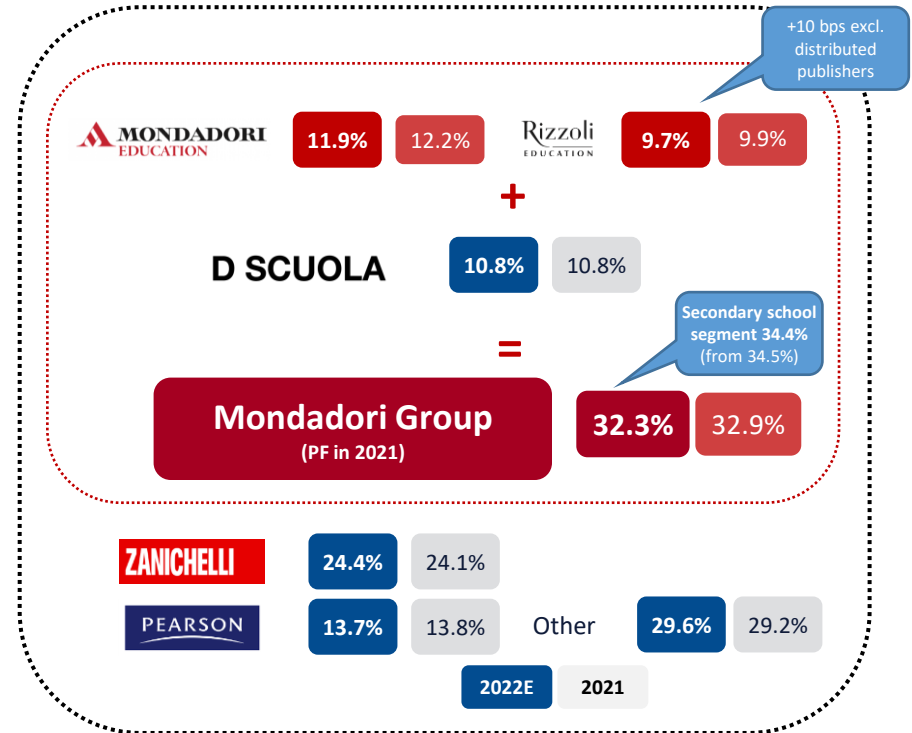


Market shares Books - FY 22

Trade - Market Share in organic and inorganic growth



Education - Market Share in selective strengthening




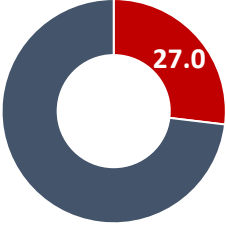
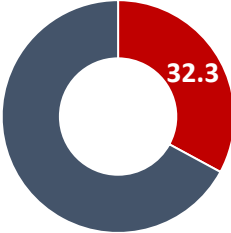
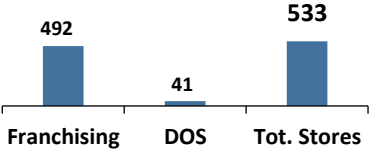
Source: GFK, December 2022, market value data

Source: AIE, Oct. 2022

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Mondadori Group in a nutshell – Our positioning

BOOKS	Trade	Education	Retail
<p>Market Shares % (2022)</p> 	 <p><i>Leader</i></p> <p><i>E-book: 7.7% of editorial rev.</i></p>	 <p><i>Leader</i></p>	<p>First bookshops network</p> 

MEDIA	Areas	Print	Digital				
 <p>Multimedia publisher, leader in Italy</p>	<p><i>Leadership</i></p> <table border="1"> <tr> <td>TV</td> <td>Food</td> </tr> <tr> <td>Tech & Science</td> <td>Health & Wellness</td> </tr> </table>	TV	Food	Tech & Science	Health & Wellness	 <p>13 TITLES</p>	 <p>12 DIGITAL BRANDS</p> <p>+110 Social Accounts</p>
TV	Food						
Tech & Science	Health & Wellness						

Mondadori Group – Key Investment Proposition



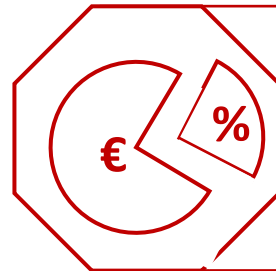
**1. Almost a
«pure» Book
player**



**2. Continued
profitability
improvement**



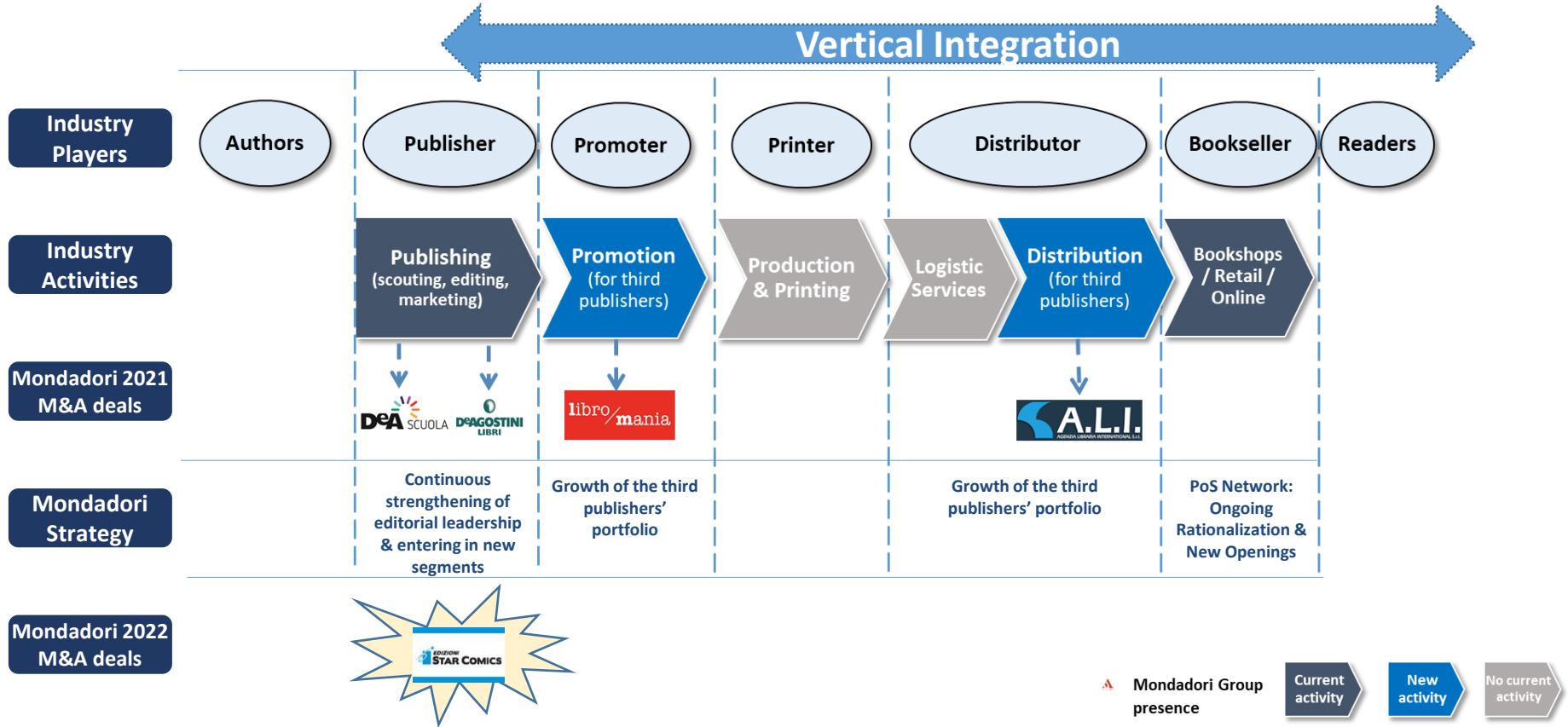
**3. Strong &
Steady Cash
Generation**



**4. Return to a
stable Dividend
Policy**

1. Almost a «pure» Book player

Thanks to a strong M&A strategy that supported a strategic repositioning....



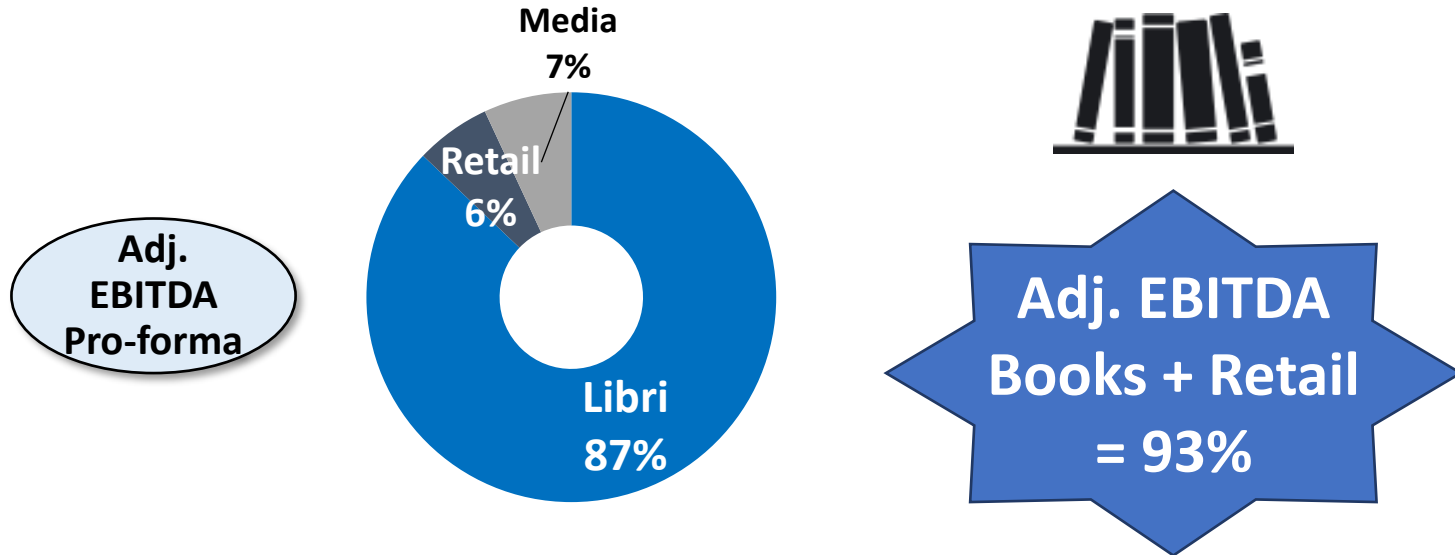
1. Almost a «pure» Book player

€ mn

... the Group is increasingly focusing on Books

The “new Mondadori”

*Pro-forma Mondadori Group (IFRS16) incl. M&A**



* Incl. fully 12-months consolidation of Edizioni STAR COMICS and A.L.I.

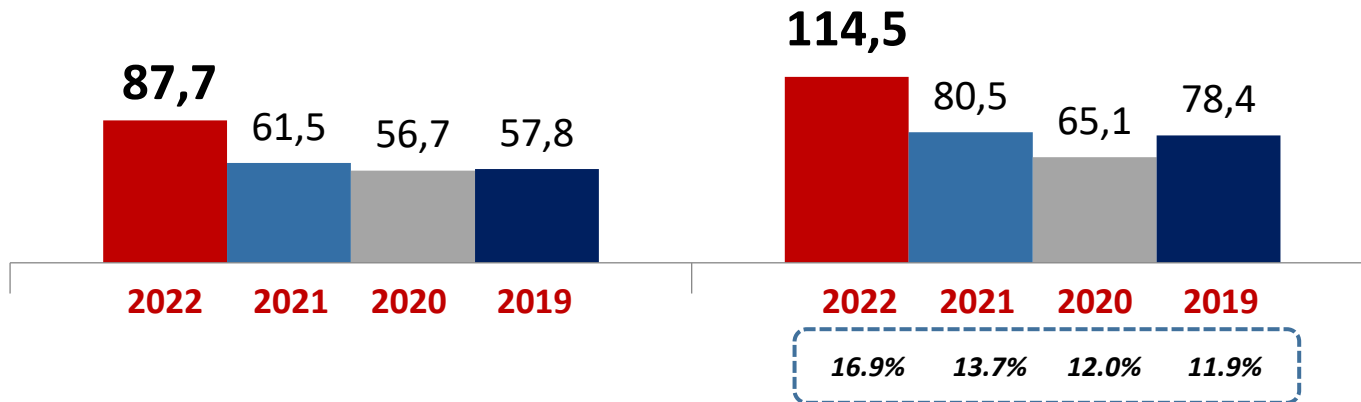
2. Continued profitability improvement

€ mn

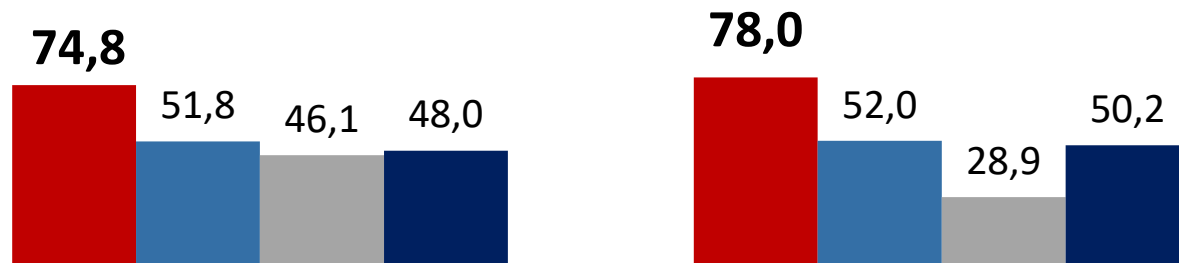
3Q

9M

EBITDA



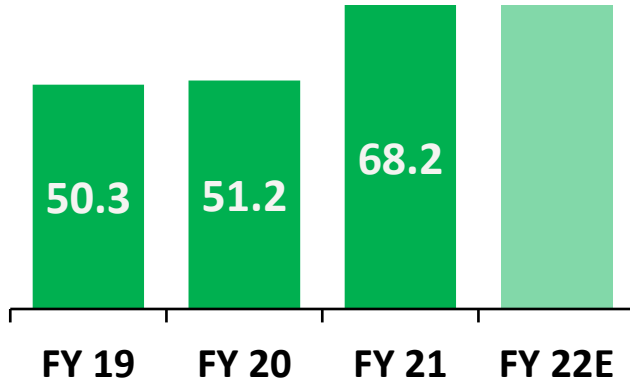
EBIT



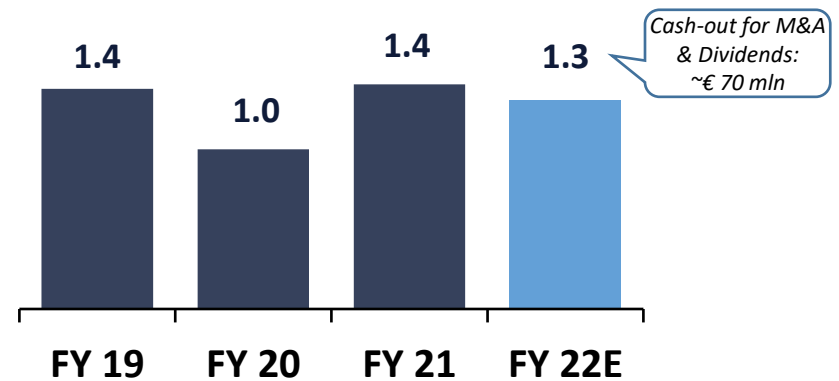
3. Strong Cash Flow & Balance Sheet

€ mn

Ordinary Cash Flow



Net Debt to EBITDA



Cash Conversion*



Pro-forma post D Scuola acquisition (cash-out €131 mln)

* OCF / Adj. EBITDA

4. Capital Allocation Strategy

Strategic Priorities -

active investment policy and steady return on capital
through a solid capital and financial structure

A. Invest in the business

- **Investment in organic growth and business consolidation:**

- ✓ Content development in school textbook publishing
- ✓ Selective strengthening of the Retail network

B. Value enhancing acquisitions

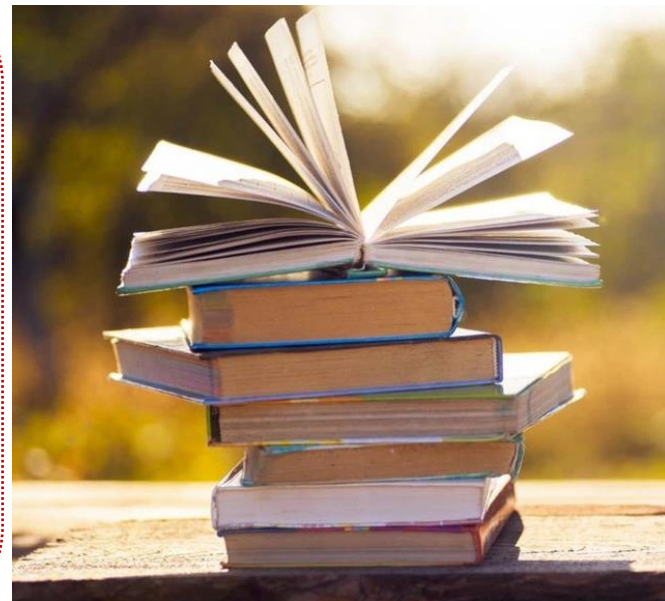
- **M&A (Focus on Books and Digital Media)**

- ✓ Pursuit of opportunities in Book publishing segments still untapped by the Group
- ✓ Completion of the rationalization process of the titles held in portfolio

C. Return to Shareholders

- **Growing and sustainable Dividend Policy over three years 2021/2023 = 40% Ordinary Cash Flow**




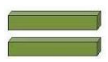


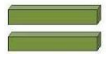
(floor min. DPS 2021 = € 8.5 cents - Dividend Yield 22E > 6%)



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FY22 Outlook – Guidance improved in 9M results

	OLD	NEW	<i>Vs Previous Estimate</i>
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		

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Group results further improve



Group financial structure continues to strengthen

On an overall basis, all KPIs grow strongly:

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

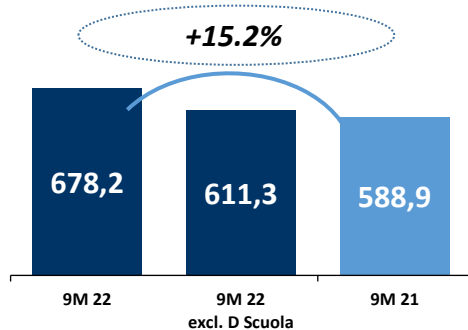
On a like-for-like basis, revenue and EBITDA grow across all business areas

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

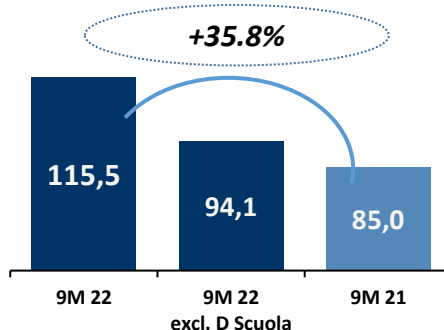
Highlights – 9M 22

€ mn

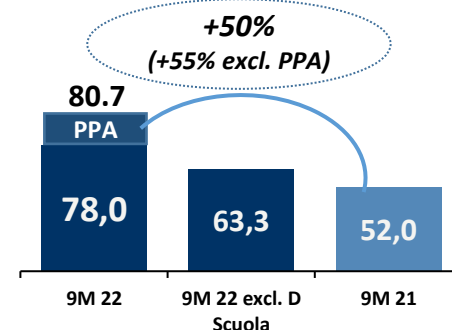
Revenue



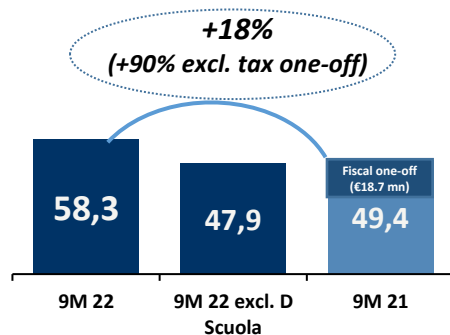
Adj. EBITDA



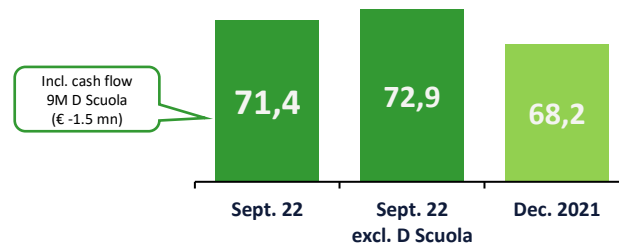
EBIT



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*
Books	443.4	376.0	348.7	+27.2%	+5.5%
Retail	126.0		114.3	+10.2%	
Media	135.3		150.0	(9.8%)	+3.1%
Corporate & Shared Services	29.6		29.6	+0.2%	
Intercompany	(56.1)	(55.6)	(53.7)	+4.5%	
Total	678.2	611.3	588.9	+15.2%	+5.8%

+14% yoy Book product

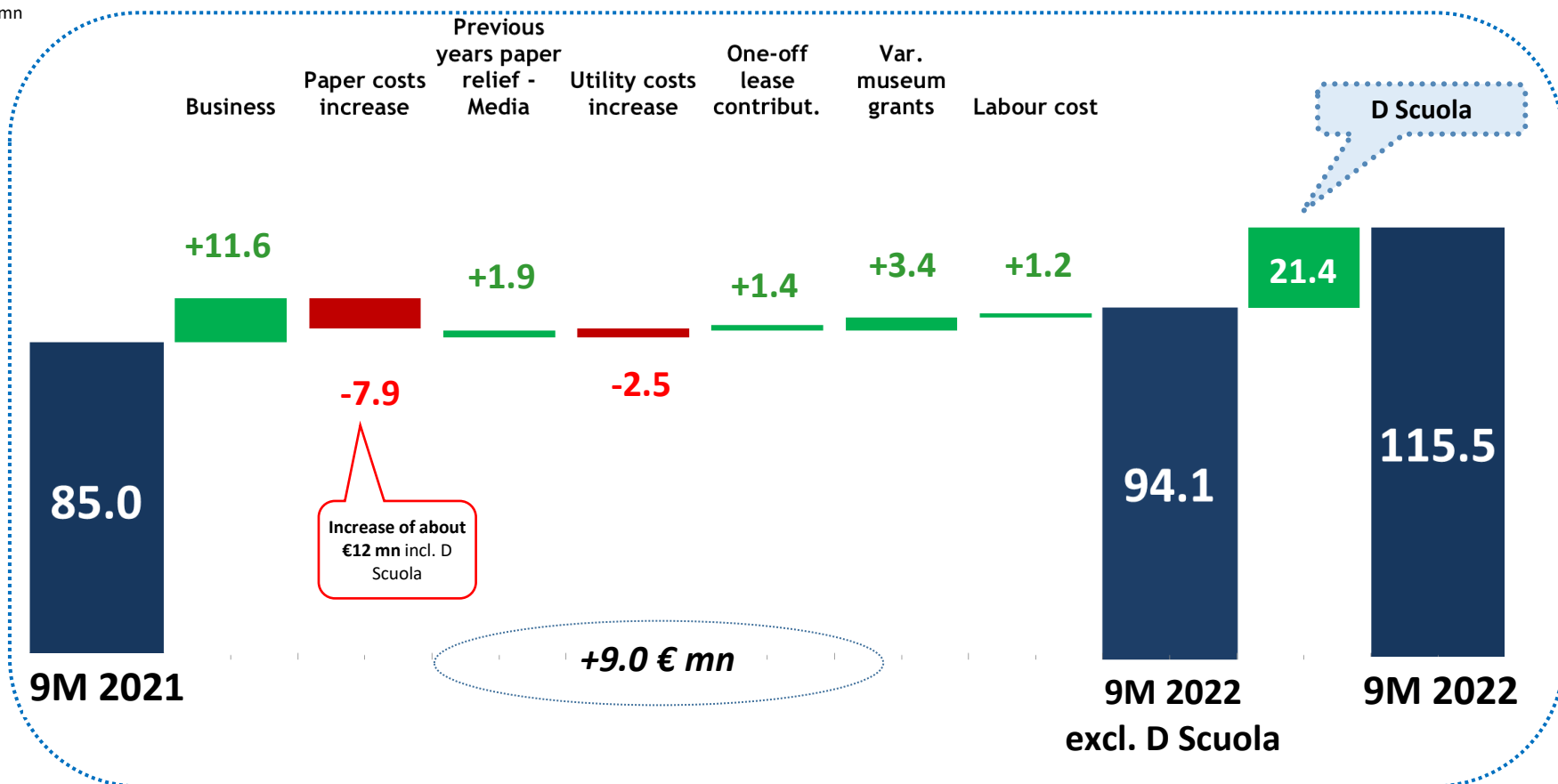
Adj. EBITDA

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

* 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

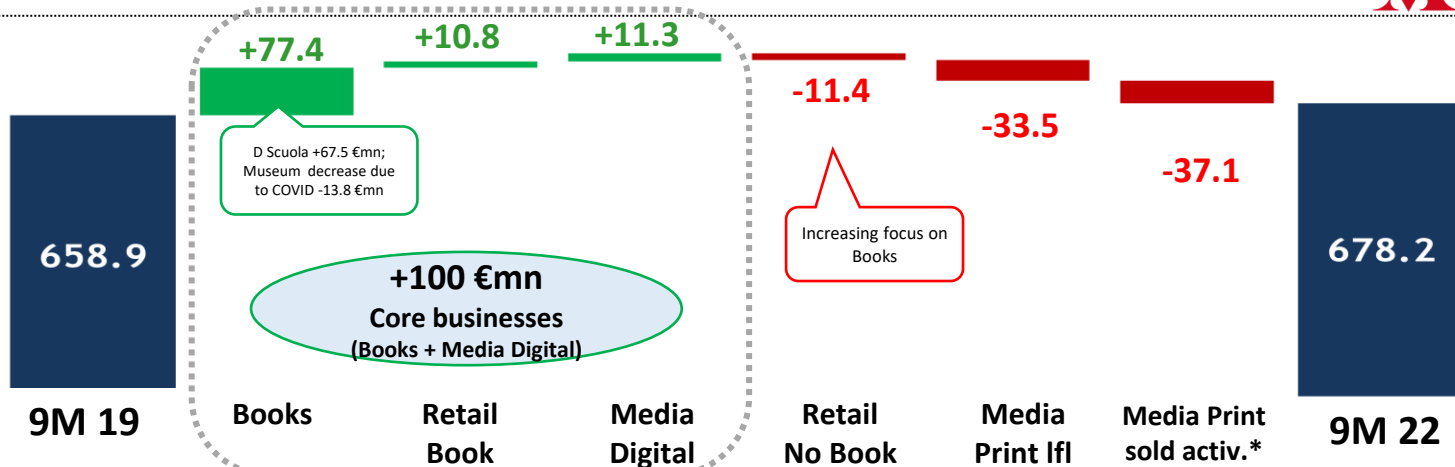
€ mn



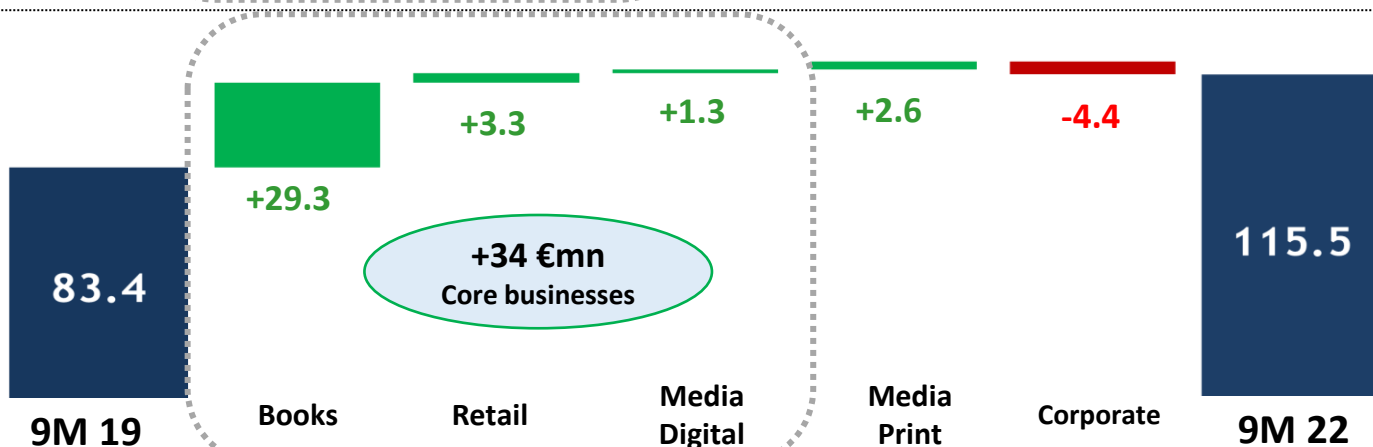
Revenue & Adjusted EBITDA 9M 22 vs 9M 19

€ mn

Revenue



Adj.EBITDA

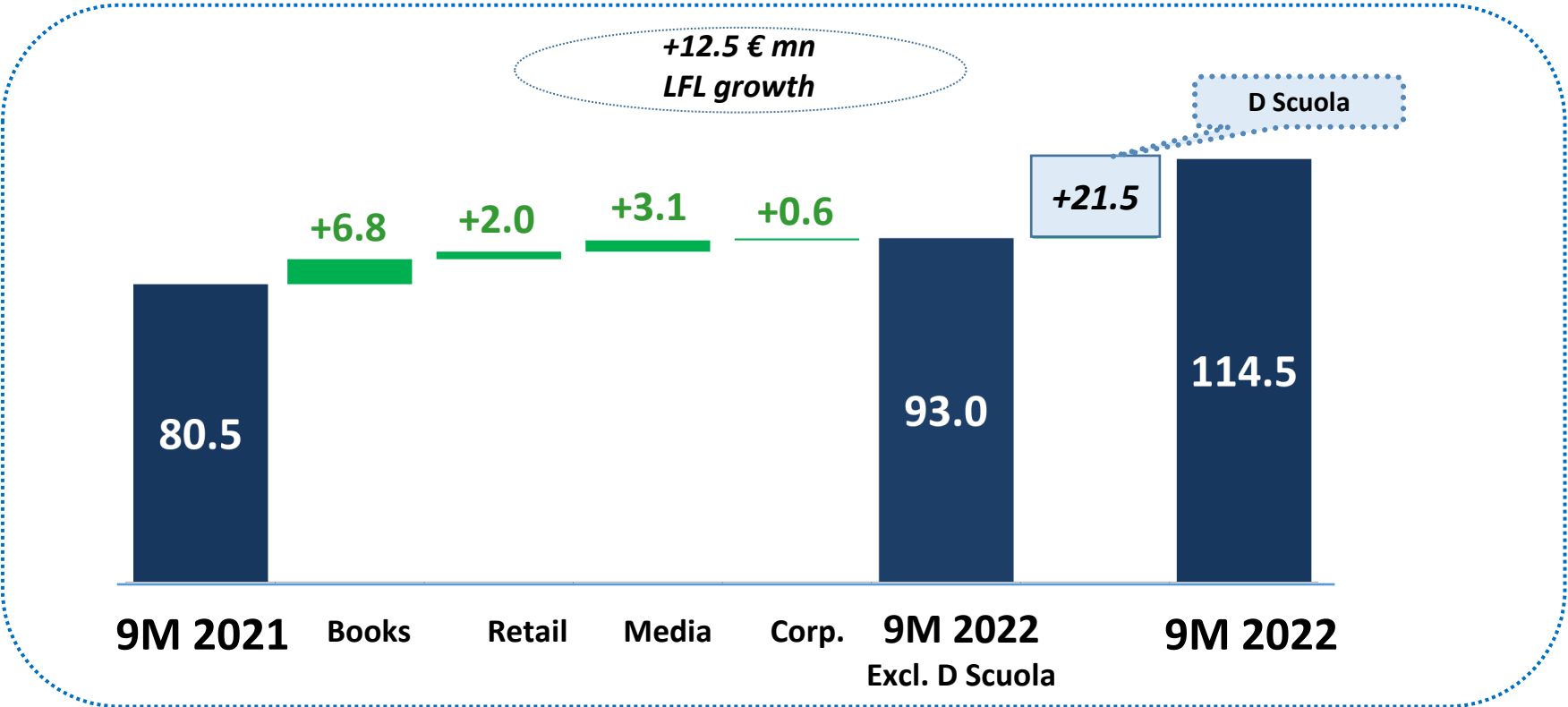


* TuStyle, Confidenze, Starbene, Sale e Pepe, Cucina Moderna, CasaFacile, Donna Moderna, 51% Press-di

Reported EBITDA by Business Area – 9M 22



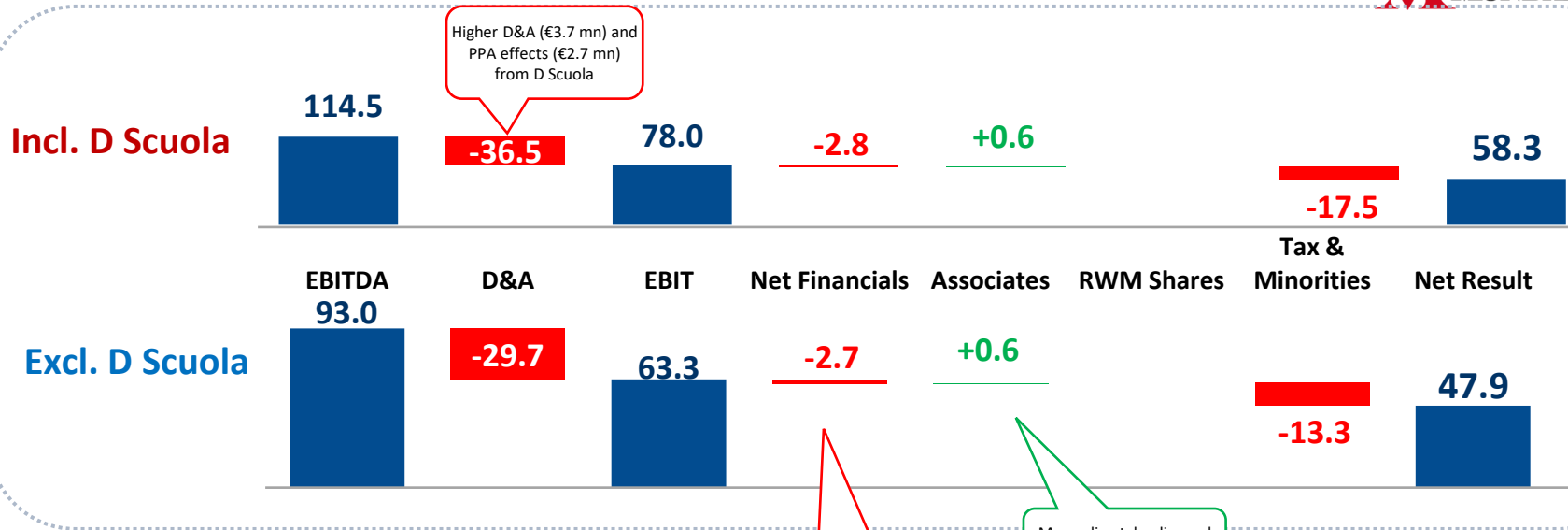
€ mn



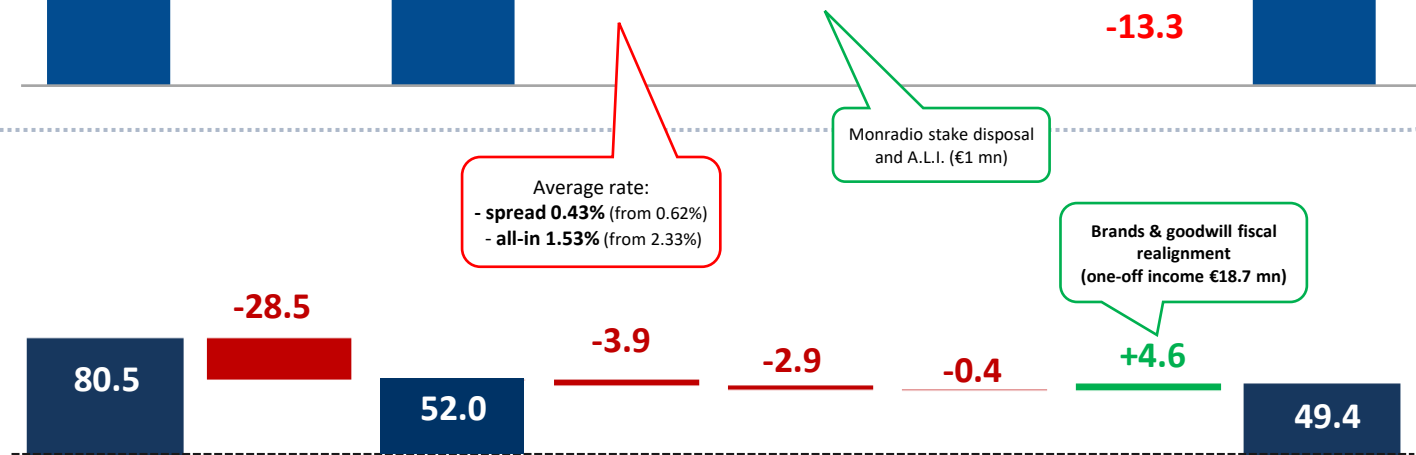
From EBITDA to Net Result - 9M 22

€ mn

9M 2022



9M 2021

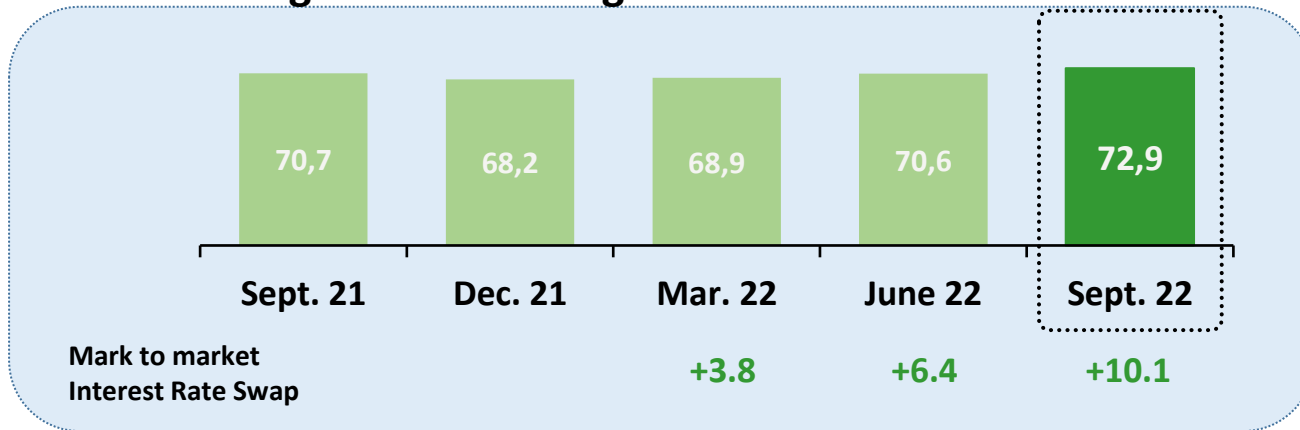


LTM Cash Flow & NFP - September 22

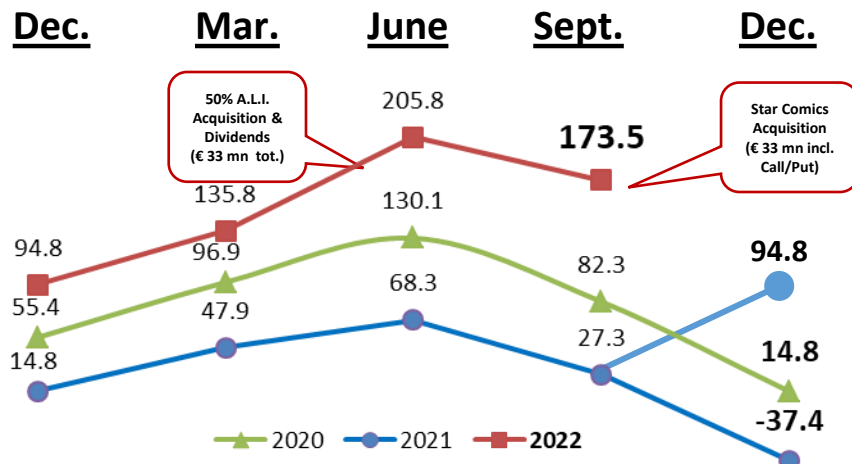
€ mn

Strong business cash generation confirmed

Ordinary Cash Flow
(excl. D Scuola)



Group NFP Evolution
(no IFRS16)



Incl. D Scuola Acquisition



BACK-UP

Mondadori Group in a nutshell – FY 2021 Snapshot

€ mn

Area

% 2021 Revenues

Revenues

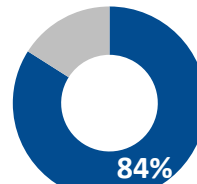
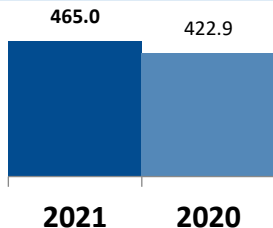
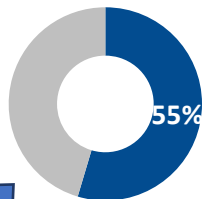
% 2021 Adj. EBITDA

Adj. EBITDA



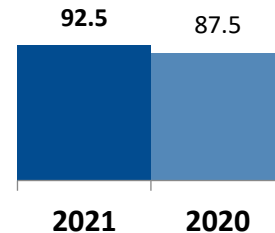
MONDADORI LIBRI

Books = 76%

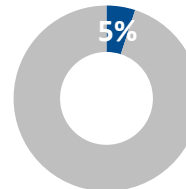
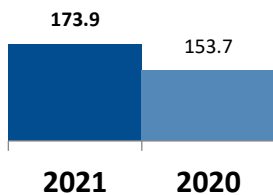
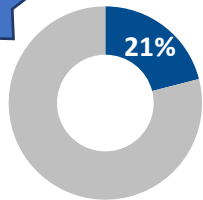


Books = 89%

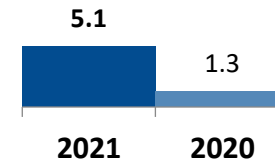
EBITDA Margin = 20%



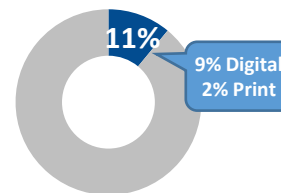
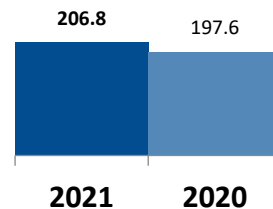
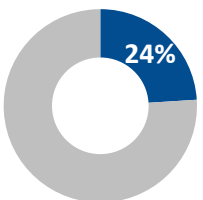
MONDADORI RETAIL



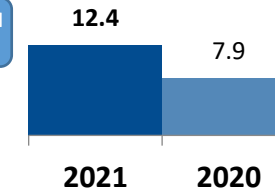
EBITDA Margin = 3%



MONDADORI MEDIA



EBITDA Margin = 6%



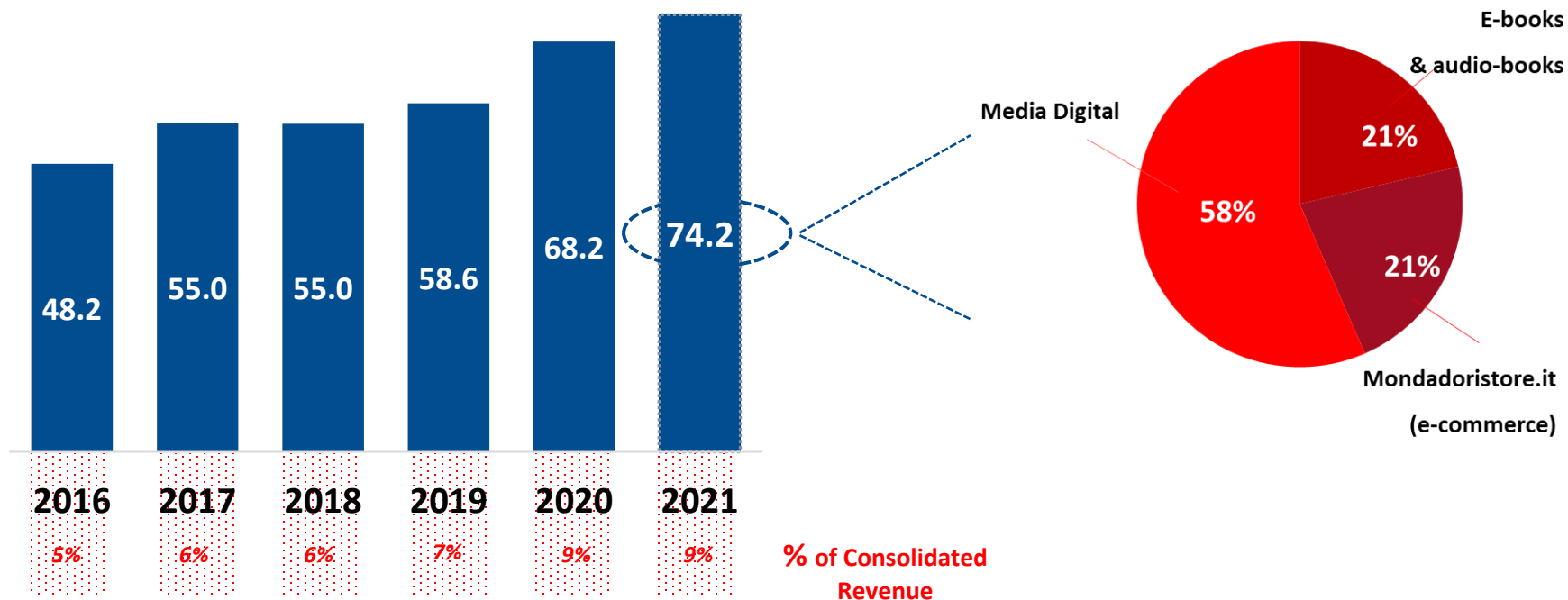
Group

13,1%

Mondadori Group – the digital business

€ mn

2021 DIGITAL REVENUE



ESG strategy in Mondadori



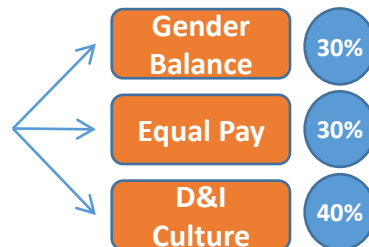
Our tangible commitment is to leverage on Diversity to be innovative, competitive, and to attract and retain talent, in short, to create long-term value.

Governance structured through creation of a D&I function (reporting directly to the CEO), aimed at the:

- Promotion of change and an **inclusive culture**
- Implementation of a **KPI system** to oversee the effectiveness of actions taken
- Reshaping of the main **company policies** (selection, promotion and incentives)

2021 first results ...

- Definition of an **Impact Inclusion Index**
- Inclusion of this index as a target in the **Top Management remuneration plans (LTI)**



... in line with
UN 2030 Agenda targets



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all



Achieve gender equality and empower all women and girls



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Markets – Trade Books 2021

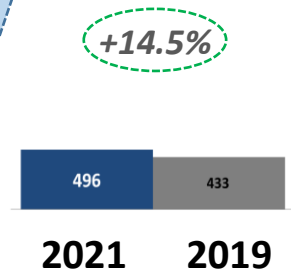
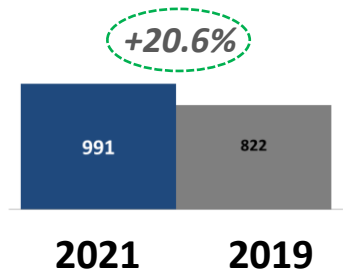
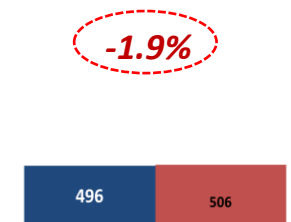
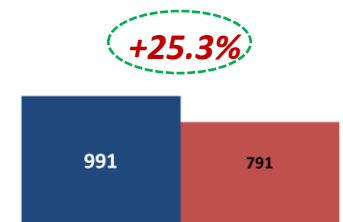
Extraordinary Market Growth vs 2020 and 2019

€ mn

9M Trend

4Q Trend

FY trend

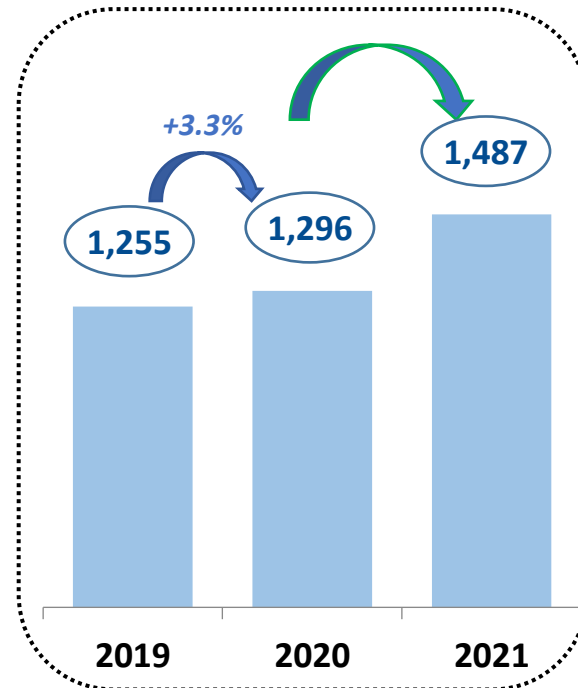


**2021 vs
2020
growth**

+14.7%
(+12.5% net of
Professional &
Comics)

**2021 vs
2019
growth**

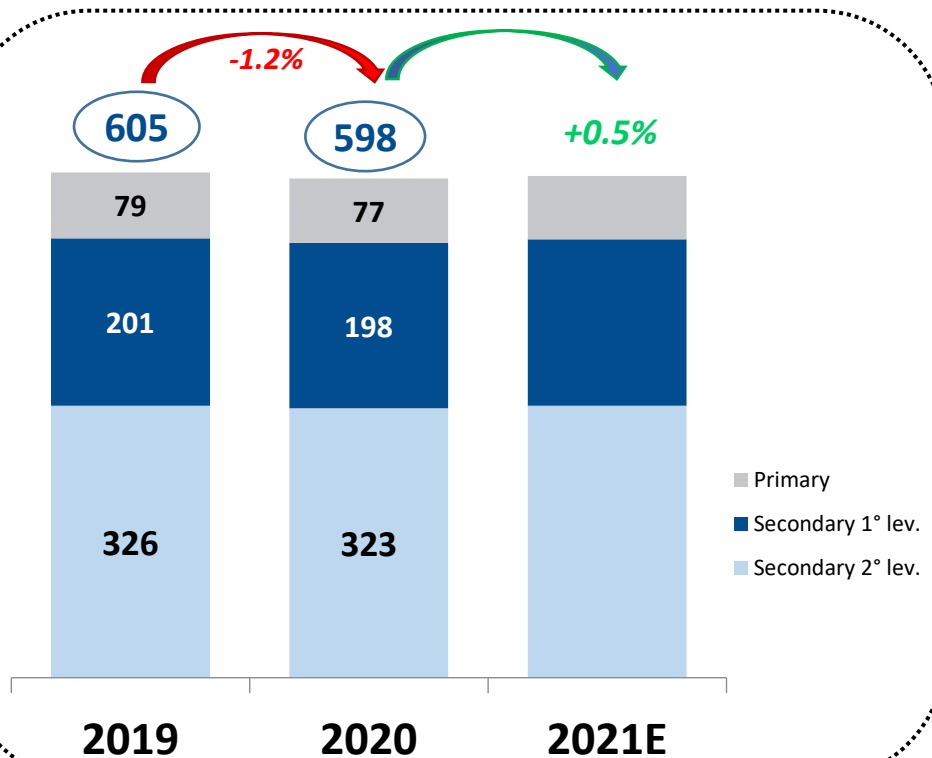
+18.5%
(+13.1% net of
Professional &
Comics)



Markets – Education Books 2021

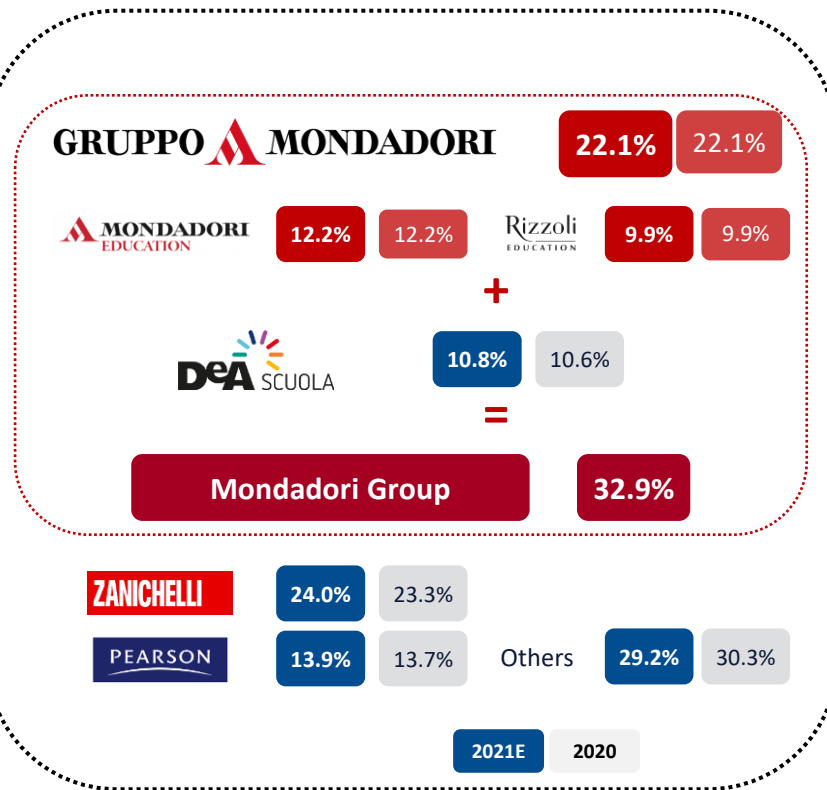
€ mn

2019-2021E Trend



Source: Databank 2020, ESAIE 2020; 2021: Databank recent estimate (July 2021)

2021 Market Shares



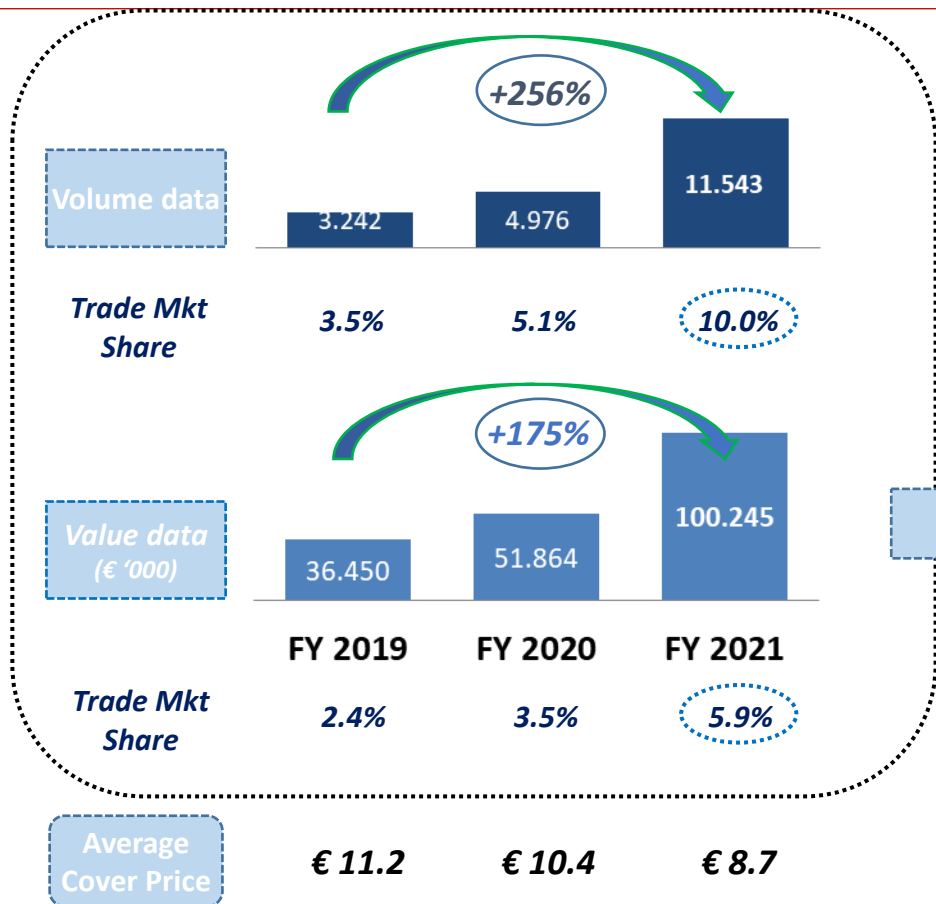
Source: AIE, Oct. 2021

A relevant step to enter the growing Comics market

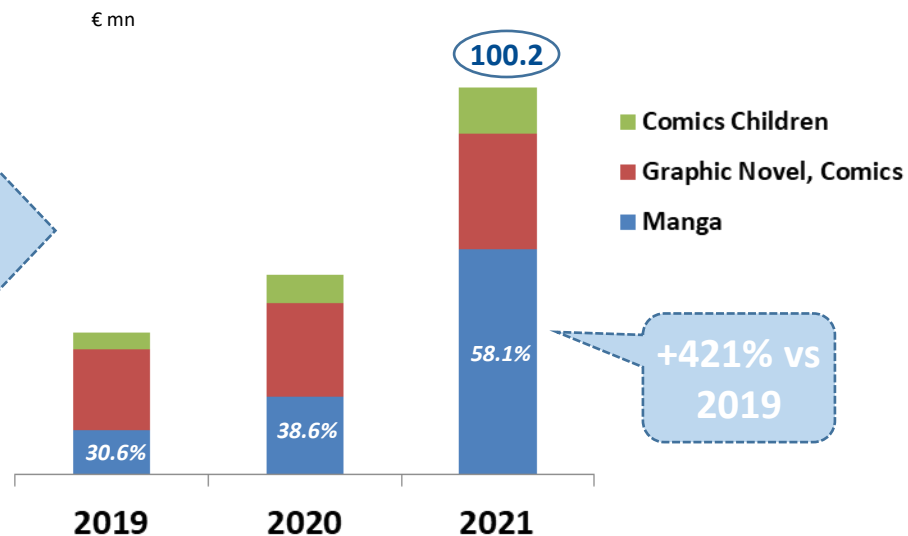
Mkt Share in the
Comics:
from 4% to 30%

- 🚩 **Strengthening** of the publishing business through the acquisition of a leadership position in the **Comics** that represents the **most dynamic and growing segment** of the Books market
- 🚩 Potential **synergies / opportunities** through a greater access to the largest bookshops network in Italy, in which **Mondadori Retail** is developing a growing number of Comics corner

Key Highlights – The Italian Comics Market



2021:
 extraordinary growth vs 2020 and 2019,
driven by Manga



Source: AIE 2022

Key Highlights – Financial Snapshot

Deal Structure

- Acquisition of **51% of the share capital** of **Edizioni Star Comics S.r.l.**
- Put&call agreements:** Mondadori has the option to acquire the remaining 49% in two tranches from approval of the 2024 financial statements and approval of the 2027 financial statements, at a price based on the relative 3-years average EBITDA
- The scope of the transaction also includes Grafiche Bovini S.r.l. (captive printing company)

Pricing

- Enterprise Value 100% = 28 Euro millions**
- The **final price** will be based on the Enterprise Value (14.3 € millions for 51%) net of the Net Financial Position at the Closing date

Financing

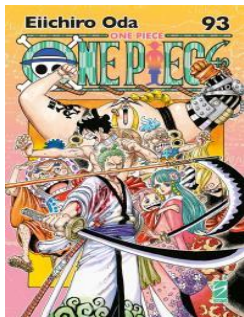
- The transaction will be financed by the currently **available credit line**

Timing

- Closing** subject to:
 - spin-off of the real estate assets
 - waiver from Japanese & Korean licensors, owners of some publications' rights
- Completion** of the transaction estimated **by end of June 2022**

Edizioni STAR COMICS – Key Figures

Overview



Perugia

Headcount

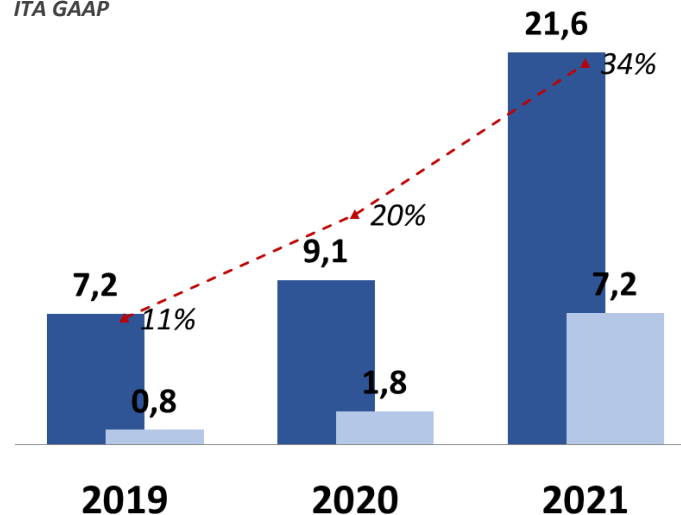
18

- ✓ A long-standing Italian publisher specialized in international comic books publications, currently the **Italian leader in its segment**
- ✓ The Company was founded by Giovanni Bovini in **1987**, when the Italian edition of “Spider-Man” came out, specializing from the onset in the publication in Italy of both manga and comics of Japanese origin and US comics (e.g., Marvel Comics)

Trend FY 2019-2021

ITA GAAP

€ mn



■ Revenues
■ EBITDA Reported

--- EBITDA margin %

AGENDA

1. Latest Highlights

2. Investment Case

3. FY 2022 Outlook

4. 9M 2022 Results

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

Books

Retail

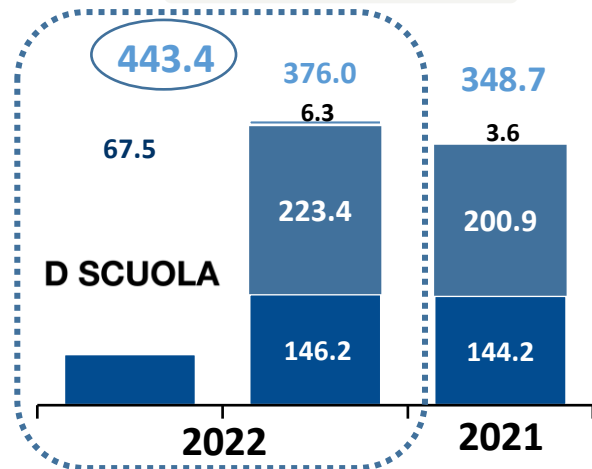
Media

9M22 Business - Books

€ mn

Revenue +27.1%

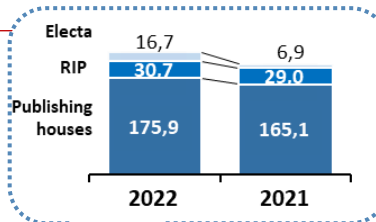
+5.5% lfl



Distribution and services

Trade +22.5 mn

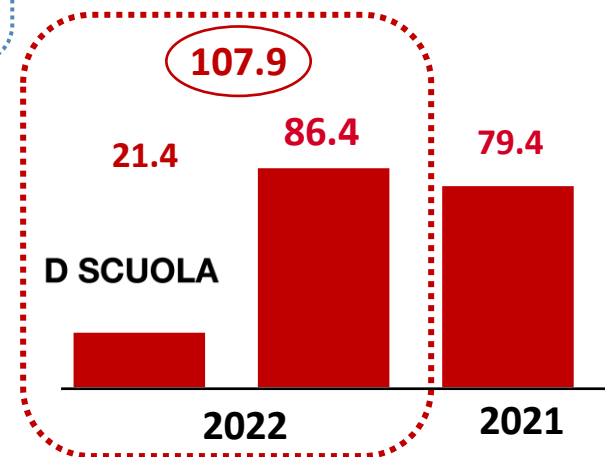
Education +2.0 mn



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)

AGENDA

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

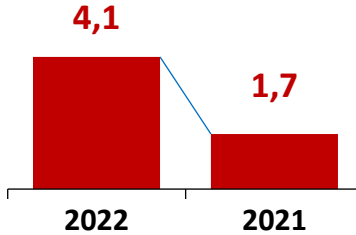
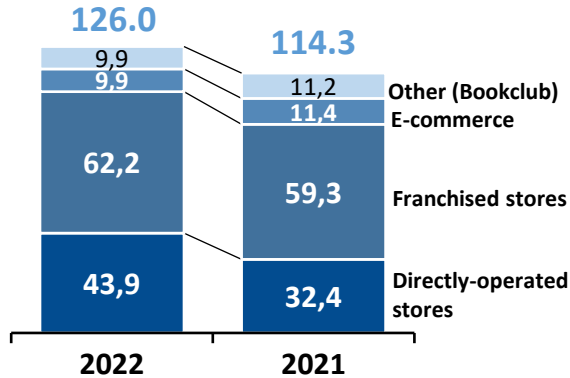
Books
Retail
Media

9M22 Business - Retail

€ mn

Revenue +10.2%

Adj. EBITDA +2.4 mn

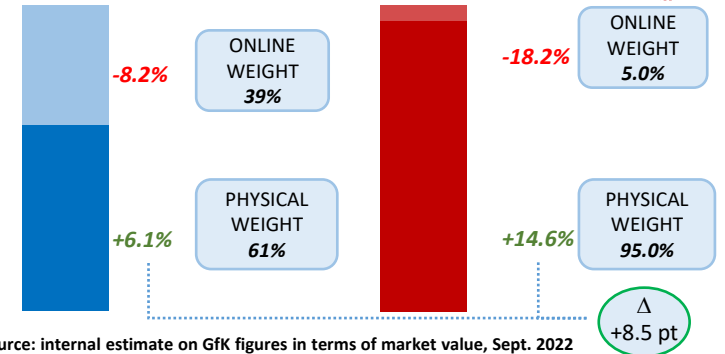


Books market 9M 2022

Market +0.1%

MONDADORI RETAIL +12.3%

Market Share 12.6%



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

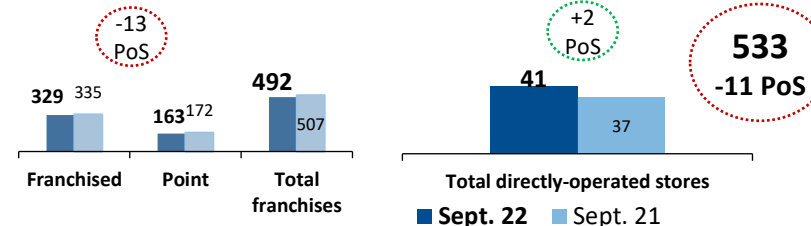
REVENUE

- **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

PoS network: ongoing rationalization



AGENDA

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5. Annexes/9M 2022 Business Areas

Books
Retail
Media

Markets - 9M 2022 Media

€ mn

Magazines circulation market 2022

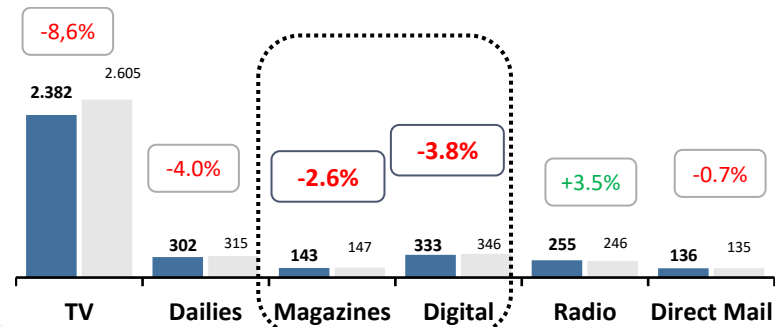


-6.2%
-7.6% Market

Oct. – Nov. – 6.8%

Advertising market 2022

-4.5%



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

Oct. – Nov.
 Magazines: -7.8%
 Digital: -2.8%



Company	2022	2021	2022	2021
MONDADORI MEDIA	20.9%	20.6%		
CAIRO EDITORE	22.8%	22.5%	HEARST magazines	5.3%
RCS	6.0%	6.0%	File Italia Edizioni	7.2%
GSA Edizione UNIVERSO	12.4%	12.7%	CONDÉ NAST	2.5%
			Other s	22.9%

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

Source: circulation in terms of value (newsstand channel+subs.) - Press-di (Sept. 2022)

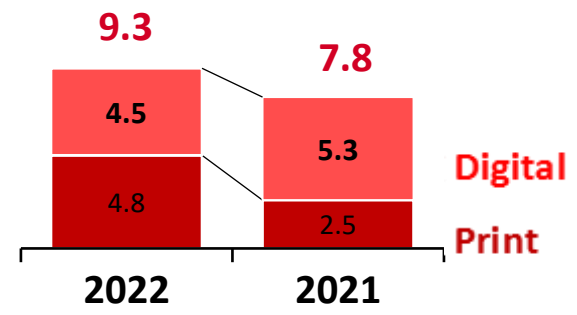
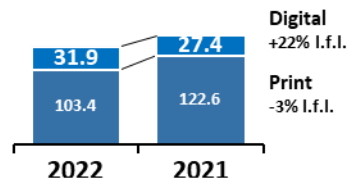
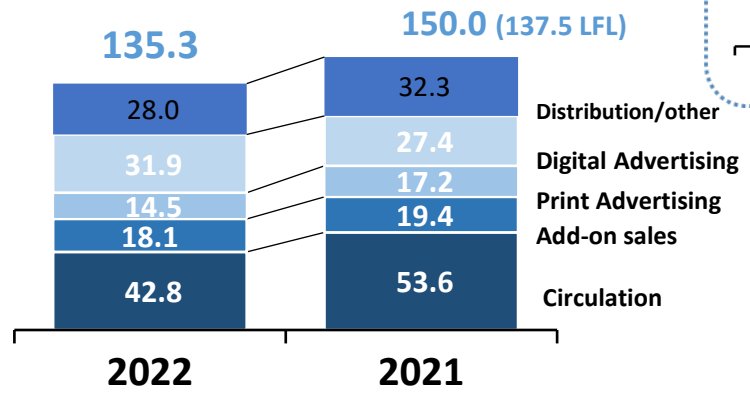
9M22 Business - Media

€ mn

Revenue -9.8%
(+3.1% lfl)

24% digital revenue

Adj. EBITDA +1.6 mn



REVENUE

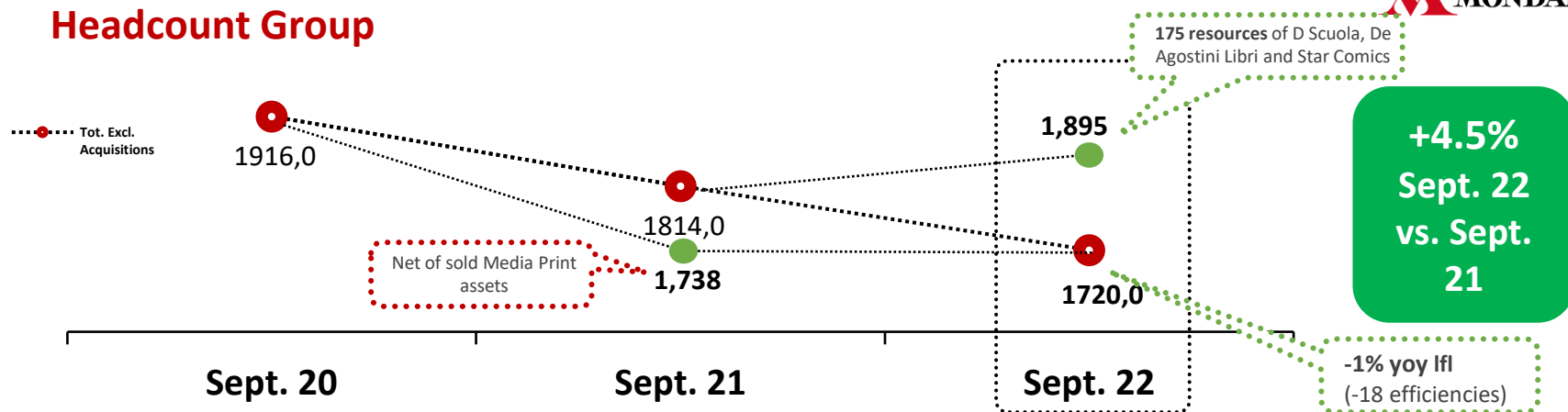
- **Advertising revenue up by 16%** on a like-for-like basis of portfolio; weight of **digital advertising** revenue: ≈69% (vs. 61% in 9M21), which **grew by 21.8% (l.f.l.)** thanks to Adkaora
- **Circulation revenue: -8.2%** yoy on a like-for-like basis of portfolio, thanks to the performance of television 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

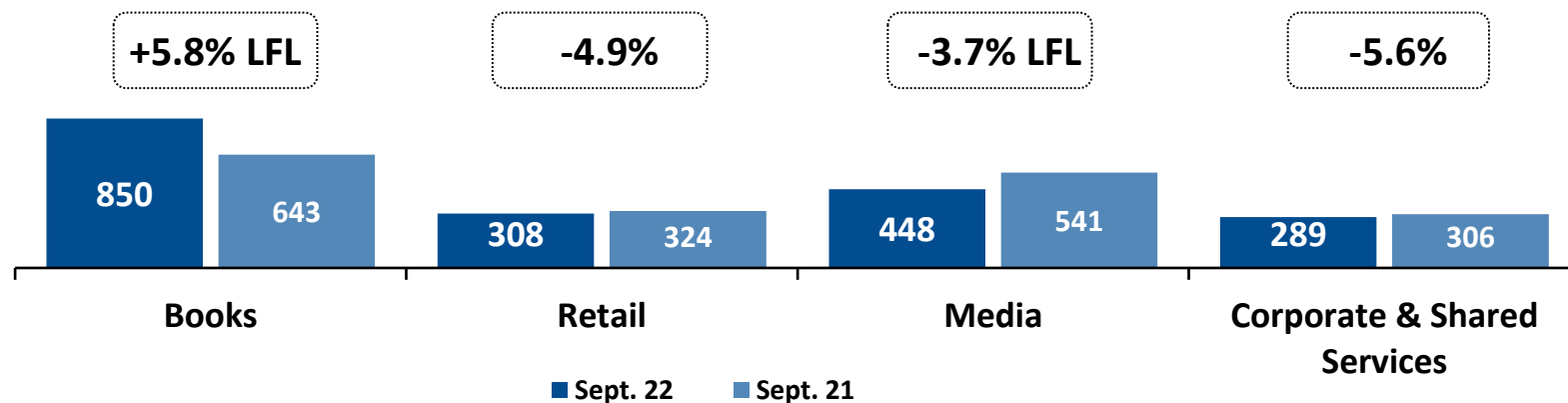
- Adj. EBITDA up strongly** as a result of:
- the continuing **measures to contain operating costs**
 - the paper consumption tax receivable, which offset the increase in industrial costs
 - the higher result of the Fuori Salone 2022 event

Headcount trend 9M22

Headcount Group



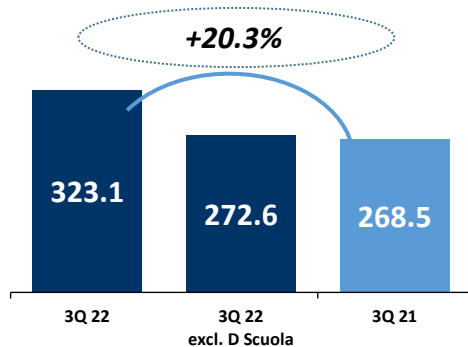
Headcount by BU



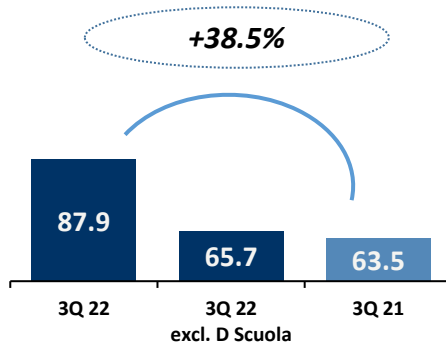
Highlights 3Q 22

€ mn

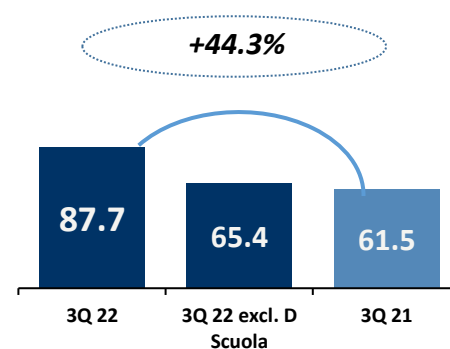
Revenue



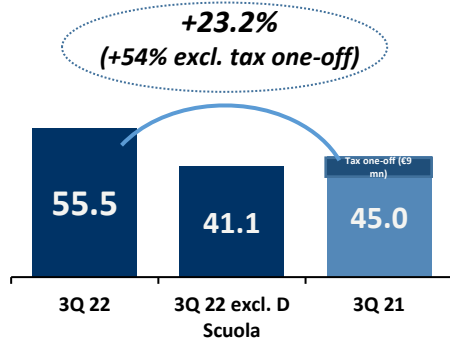
Adj. EBITDA



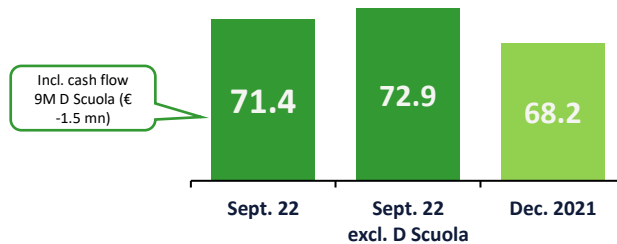
EBIT



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*
Books	247.4	196.7	179.8	+37.6%	+5.0%
Retail	48.4		44.6	+8.6%	
Media	37.1		52.6	(29.6%)	(9.4% net of disposals)
Corporate & Shared Services	10.0		9.9	+0.6%	
Intercompany	(19.7)	(19.5)	(18.4)	+7.1%	+6.0%
Total	323.1	272.6	268.5	+20.3%	+3.4%

+12% yoy trend Books

Adj. EBITDA

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

* 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

P&L 9M2022

€ millions	9M 2022		9M 2022 excl. D Scuola		9M 2021		% chg.	% chg. excl. D Scuola
REVENUE	678.2		611.3		588.9		15.2%	3.8%
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%
ADJUSTED EBITDA	115.5	17.0%	94.1	15.4%	85.0	14.4%	35.8%	10.6%
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.
EBITDA	114.5	16.9%	93.0	15.2%	80.5	13.7%	42.2%	15.6%
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%
EBIT	78.0	11.5%	63.3	10.4%	52.0	8.8%	50.0%	21.7%
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.
EBT	75.8	11.2%	61.2	10.0%	44.8	7.6%	69.3%	36.7%
TAX EXPENSE (INCOME)	17.6	2.6%	13.4	2.2%	(4.6)	(0.8%)	n.s.	n.s.
NET RESULT FOR THE PERIOD	58.2	8.6%	47.8	7.8%	49.4	8.4%	17.8%	(3.2%)
MINORITIES	(0.1)	(0.0%)	(0.1)	(0.0%)	0.0	0.0%	n.s.	n.s.
GROUP NET RESULT	58.3	8.6%	47.9	7.8%	49.4	8.4%	18.0%	(3.0%)

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
REVENUE	323.1		272.6		268.5		20.3%	1.5%
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.
ADJUSTED EBITDA	87.9	27.2%	65.7	24.1%	63.5	23.7%	38.5%	3.4%
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.
EBITDA	87.7	27.2%	65.4	24.0%	61.5	22.9%	42.7%	6.5%
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%)
EBIT	74.8	23.1%	54.8	20.1%	51.8	19.3%	44.3%	5.8%
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.
EBT	75.4	23.3%	55.4	20.3%	49.8	18.6%	n.s.	n.s.
TAX EXPENSE (INCOME)	19.4	6.0%	13.8	5.1%	4.8	1.8%	n.s.	n.s.
RESULT FROM CONTINUING OPERATIONS	56.0	17.3%	41.6	15.3%	45.0	16.8%	24.3%	(7.6%)
MINORITIES	0.4	0.1%	0.4	0.2%	(0.0)	(0.0%)		
GROUP NET RESULT	55.5	17.2%	41.1	15.1%	45.0	16.8%	23.2%	(8.6%)

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%
NET WORKING CAPITAL CONTINUING OPERATIONS	93.4	106.1	104.6	(10.7%)	1.4%
DISCONTINUED OR DISCONTINUING ASSETS (LIABILITIES)	0.0	0.0	(2.7)	n.s.	n.s.
NET WORKING CAPITAL	93.4	106.1	101.9	(8.3%)	4.1%
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%
NET FIXED ASSETS WITH NO RIGHTS OF USE IFRS 16	425.0	262.8	222.2	91.3%	18.2%
ASSETS FROM RIGHTS OF USE IFRS 16	59.3	57.6	80.9	(26.7%)	(28.9%)
NET FIXED ASSETS WITH RIGHTS OF USE IFRS 16	484.3	320.3	303.1	59.8%	5.7%
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%)
PROVISIONS	72.2	66.7	70.3	2.8%	(5.1%)
NET INVESTED CAPITAL	505.5	359.7	334.7	51.0%	7.4%
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%)
GROUP EQUITY	267.5	257.1	223.1	19.9%	15.2%
NON-CONTROLLING INTERESTS' EQUITY	2.3	2.3	0.0	n.s.	n.s.
EQUITY	269.9	259.4	223.1	20.9%	16.2%
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%)
NET FINANCIAL POSITION	235.7	100.3	111.6	111.2%	(10.2%)
SOURCES	505.5	359.6	334.7	51.0%	7.4%

LTM Cash Flow - September 2022

€ mn	9M 2022	9M 2022 Excl. D Scuola	2021 Excl. D Scuola
INITIAL NFP IFRS 16	(111.6)	(111.6)	(97.6)
FINANCIAL LIABILITIES APPLICATION OF IFRS 16	(84.2)	(84.2)	(82.8)
INITIAL NFP NO IFRS 16	(27.3)	(27.3)	(14.8)
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)
CASH FLOW FROM OPERATIONS	98.0	94.7	79.3
FINANCIAL INCOME (EXPENSE) NO IFRS 16	(2.7)	(2.7)	(2.4)
TAX	(21.1)	(16.4)	(13.9)
CASH FLOW FROM ORDINARY OPERATIONS CONTINUING OPERATIONS	74.2	75.7	62.9
ORDINARY CF FROM DISCONTINUED OR DISCONTINUING OPERATIONS	(2.8)	(2.8)	5.3
CASH FLOW FROM ORDINARY OPERATIONS	71.4	72.9	68.2
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 OPERATION:	(0.1)	(0.1)	(0.3)
CASH FLOW FROM EXTRAORDINARY OPERATIONS	(195.6)	(63.4)	(16.1)
FREE CASH FLOW	(124.1)	9.5	52.1
DIVIDENDS PAID	(22.2)	(22.2)	
TOT. CASH FLOW	(146.3)	(12.7)	52.1
NET FINANCIAL POSITION NO IFRS 16	(173.5)	(39.8)	37.4
IFRS 16 EFFECTS IN THE PERIOD	22.2	24.0	0.7
FINAL NET FINANCIAL POSITION	(235.7)	(100.3)	(44.7)

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

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Social media & IR APP



Mondadori Group IR (available on Google Play & App Store)



<https://twitter.com/gruppomondadori>



<https://www.linkedin.com/company/gruppomondadori>



<https://www.facebook.com/GruppoMondadori>



<https://www.instagram.com/gruppomondadori>



<https://www.youtube.com/c/GruppoMondadori>