

# H1 2023 Results Presentation

Milan, 1<sup>st</sup> August 2023

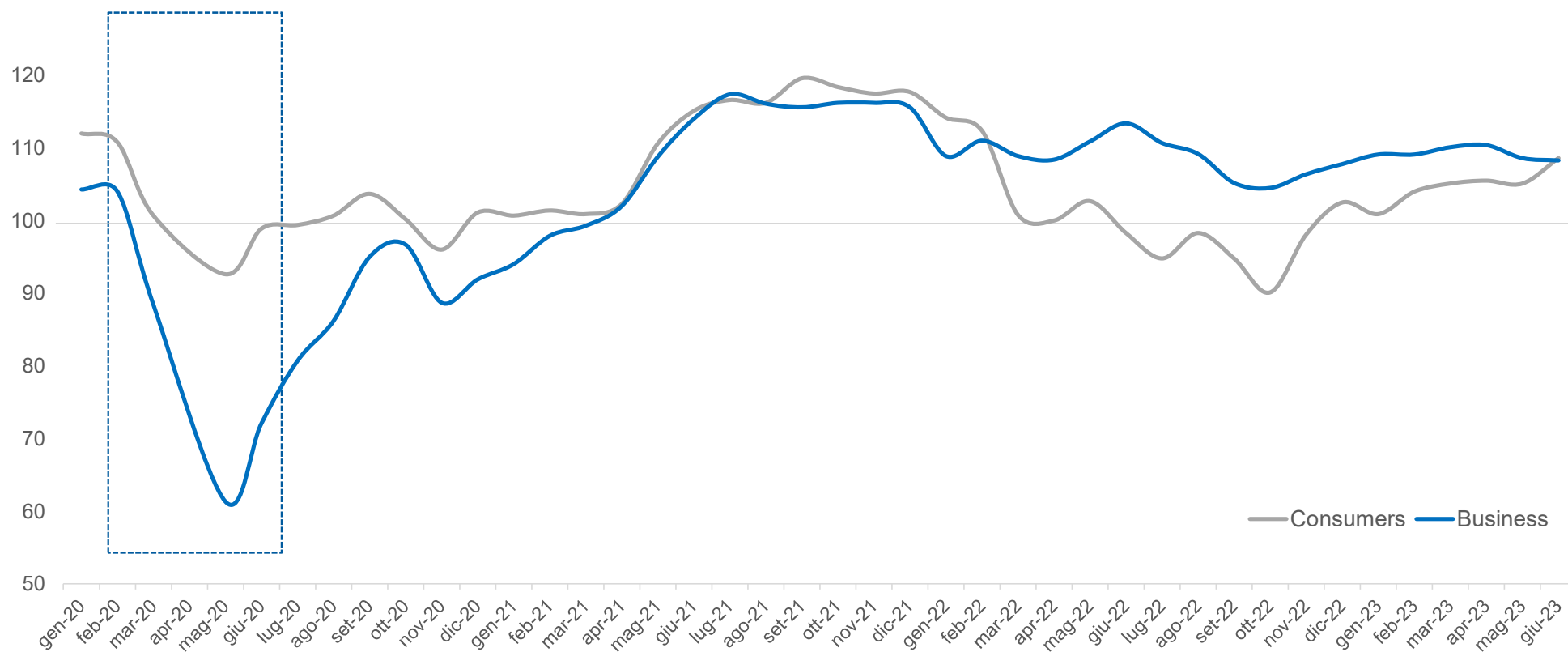
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*Audience & Advertising*

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# MFE ITALIAN BUSINESS | Evolution of confidence index in Italy

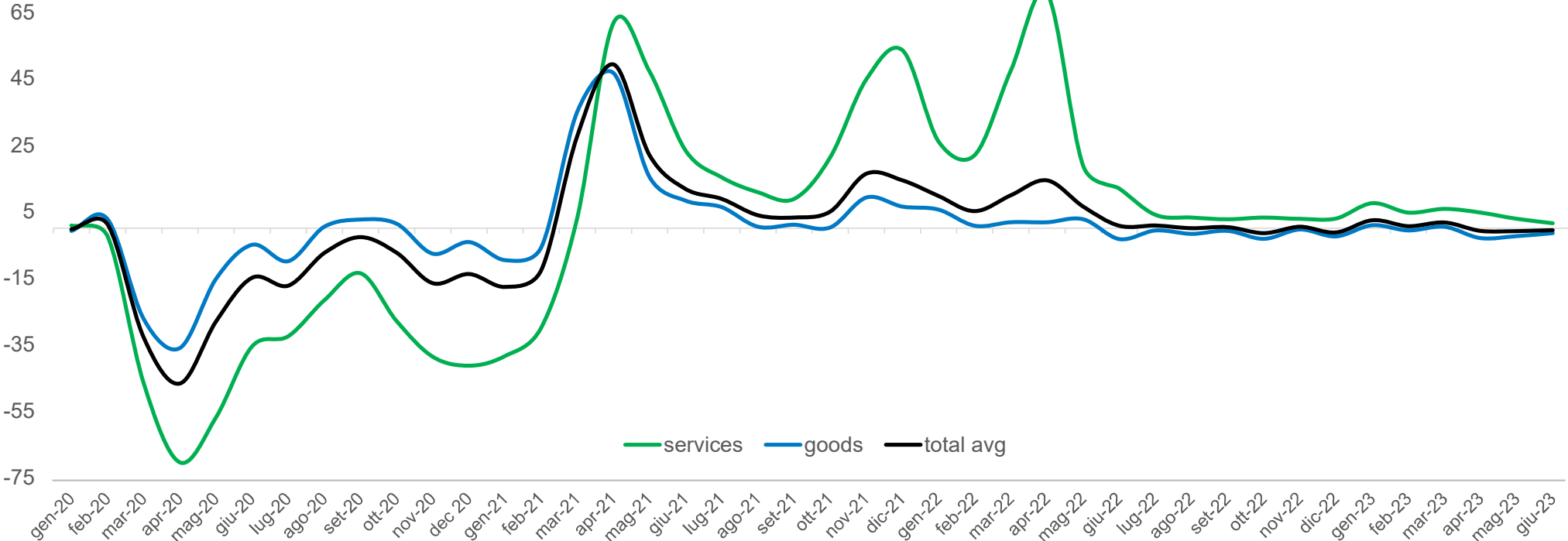
Monthly evolution, consumers and business



Source: ISTAT

# MFE ITALIAN BUSINESS | Good & Service Consumption in Italy

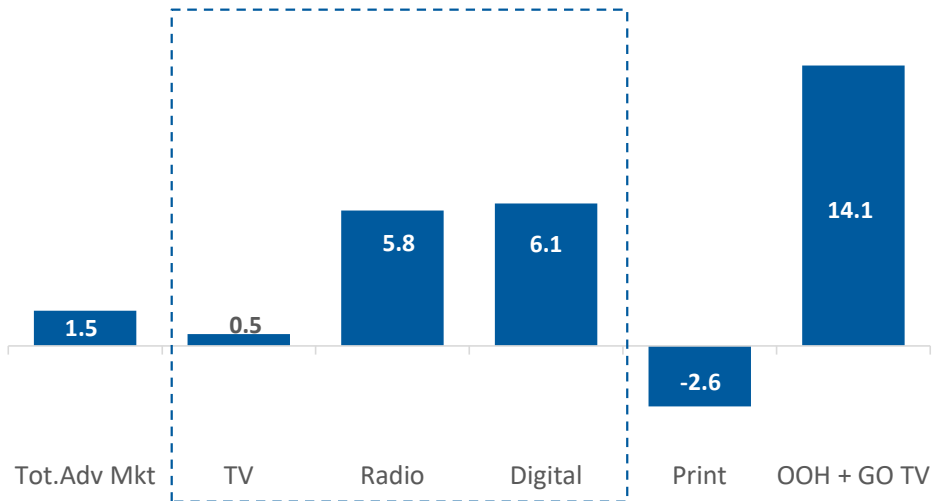
<b>12M 2021 vs 2020</b> SERVICES: +12.6% AVG: +8.3% GOODS: +7.0%	<b>12M 2021 vs 2019</b> SERVICES: -22.1% AVG: -7.4% GOODS: -0.9%	<b>12M 2022 vs 2021</b> SERVICES: +16.0% AVG: +4.2% GOODS: +0.2%	<b>12M 2022 vs 2019</b> SERVICES: -10.8% AVG: -4.1% GOODS: -1.1%	<b>H1 2023 vs 2022</b> SERVICES: +7.0% AVG: +1.1% GOODS: -1.1%
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Source: CONFCOMMERCIO

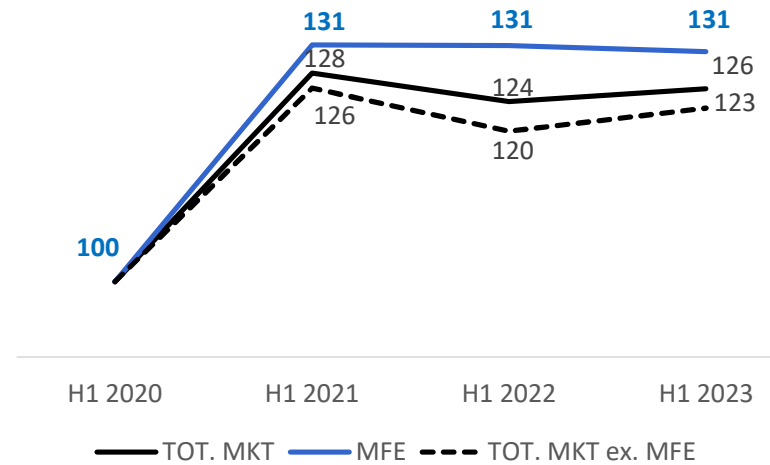
# MFE ITALIAN BUSINESS | Analysis of the advertising market

TOTAL ADVERTISING MARKET H1 2023 (% yoy)



MFE ITALIAN BUSINESS H1 2023 -0.6% yoy

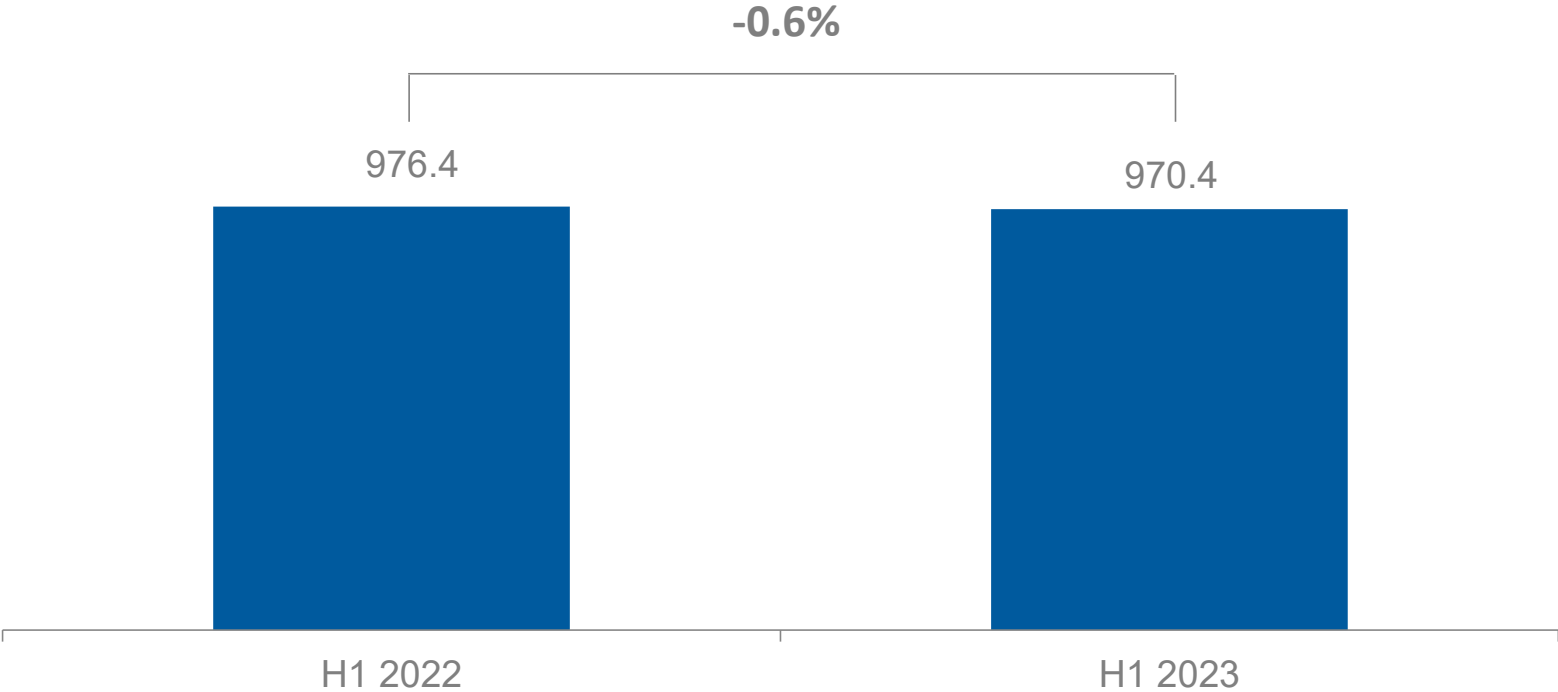
TOTAL ADVERTISING REVENUES INDEX



Source: Ac Nielsen – Direct Mail excluded

# MFE ITALIAN BUSINESS | Total advertising revenues

H1 2023 vs H1 2022 (mio Euro)





# MFE ITALIAN BUSINESS | Growing, stable and challenged sectors

H1 2023 - Advertising trend by sector (yoy)

Weighted contribution to MFE performance (H1 2023 -0.6% yoy)

TOTAL MARKET

MFE ITALIAN BUSINESS

**GROWING SECTORS**

69%

GROCERY FOOD, NON-FOOD, AUTOMOTIVE, PHARMACEUTICALS, CLOTHING, LEISURE

**STABLE OR SLIGHTLY DECLINING SECTORS**

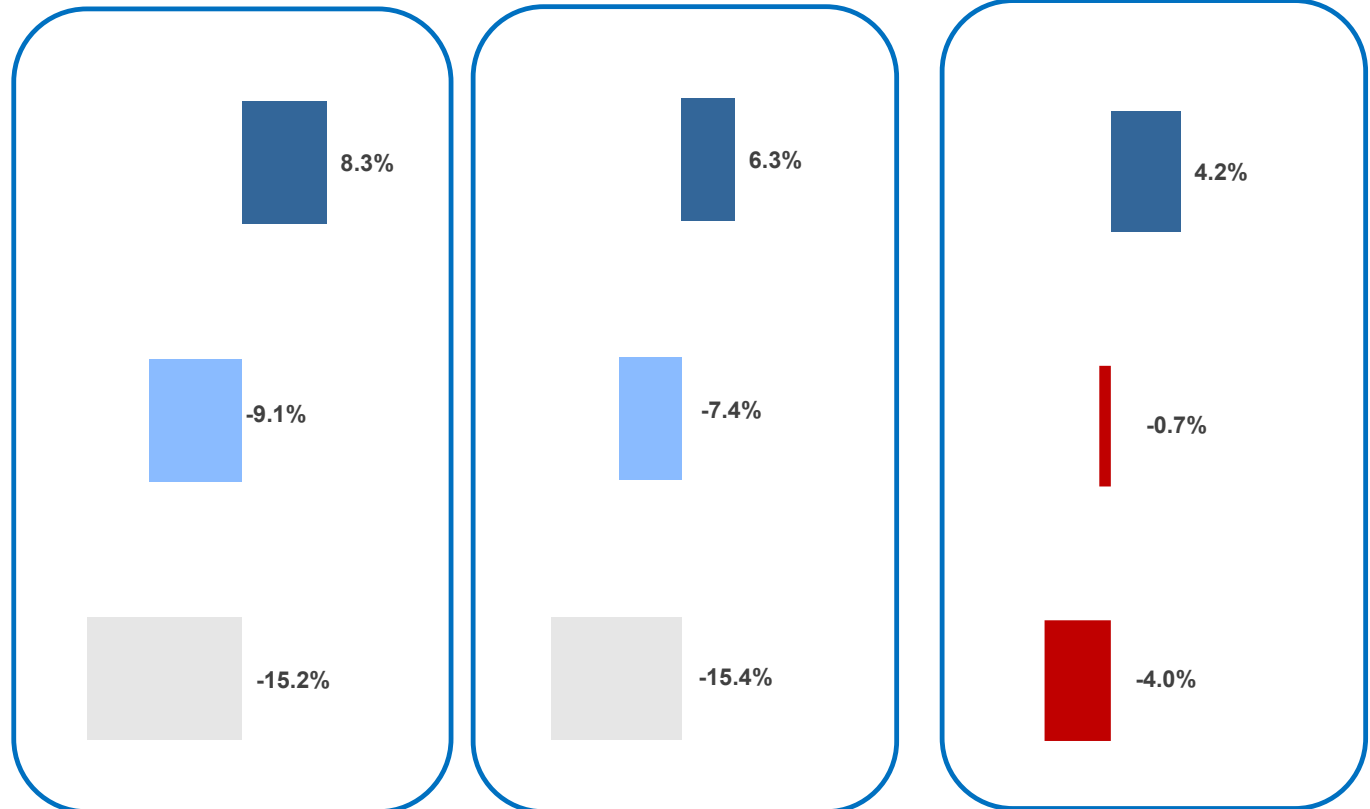
9%

RETAIL, PERSONAL OBJECTS

**CHALLENGED SECTORS**

22%

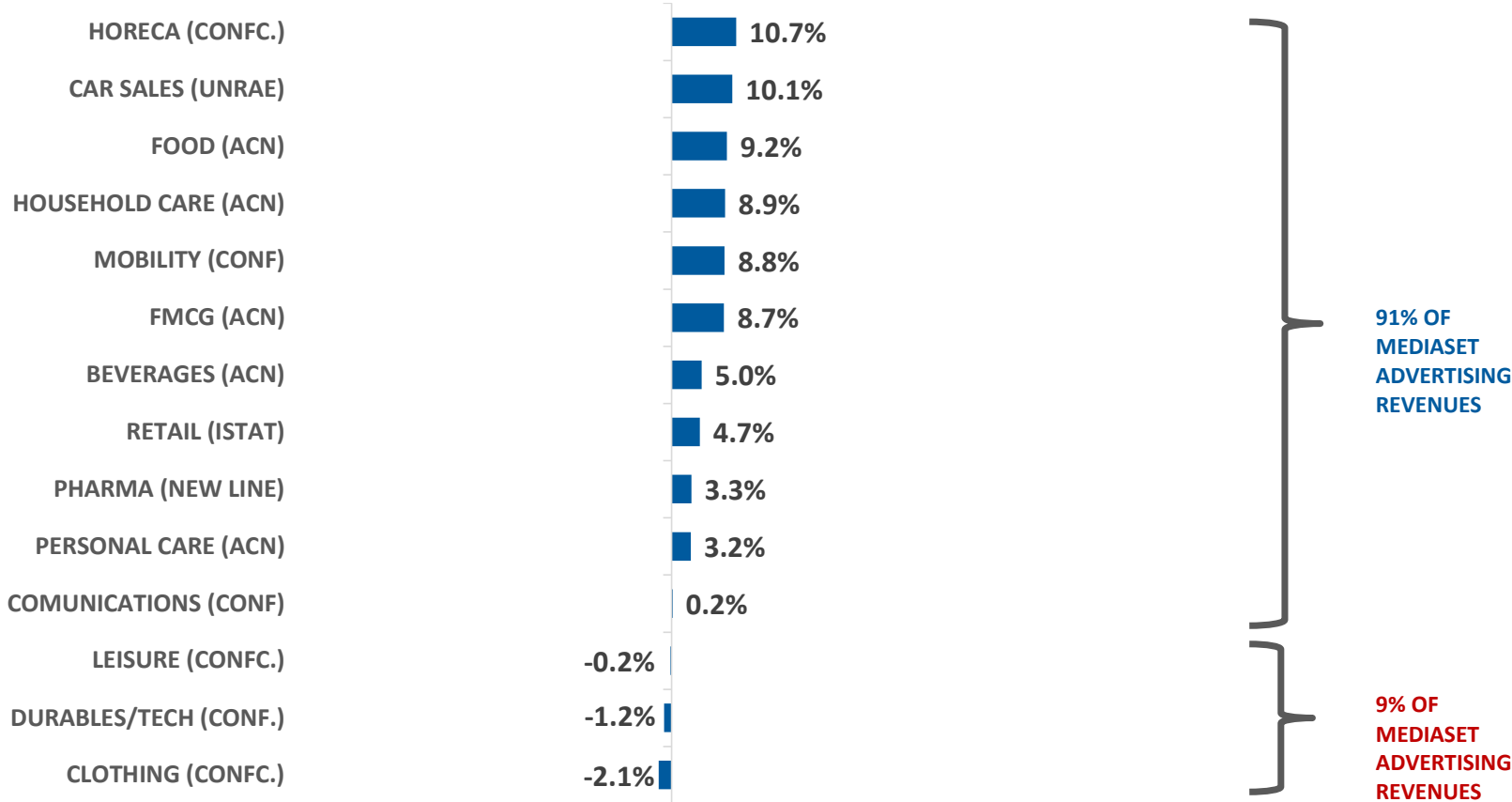
TELCOS, FINANCE & INSURANCE, MEDIA, HOUSEHOLD APPLIANCES AND CONSUMER DURABLES, TOYS



Source: company estimates based on Nielsen data

# MFE ITALIAN BUSINESS | Retail sales trend by sector

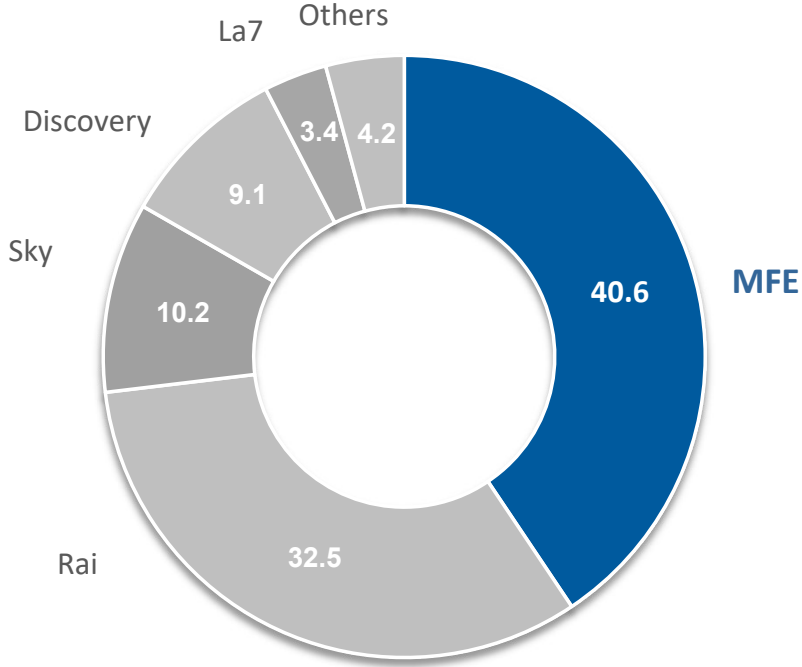
H1 2023 vs H1 2022 (Δ %)





# MFE ITALIAN BUSINESS | Total Audience performance

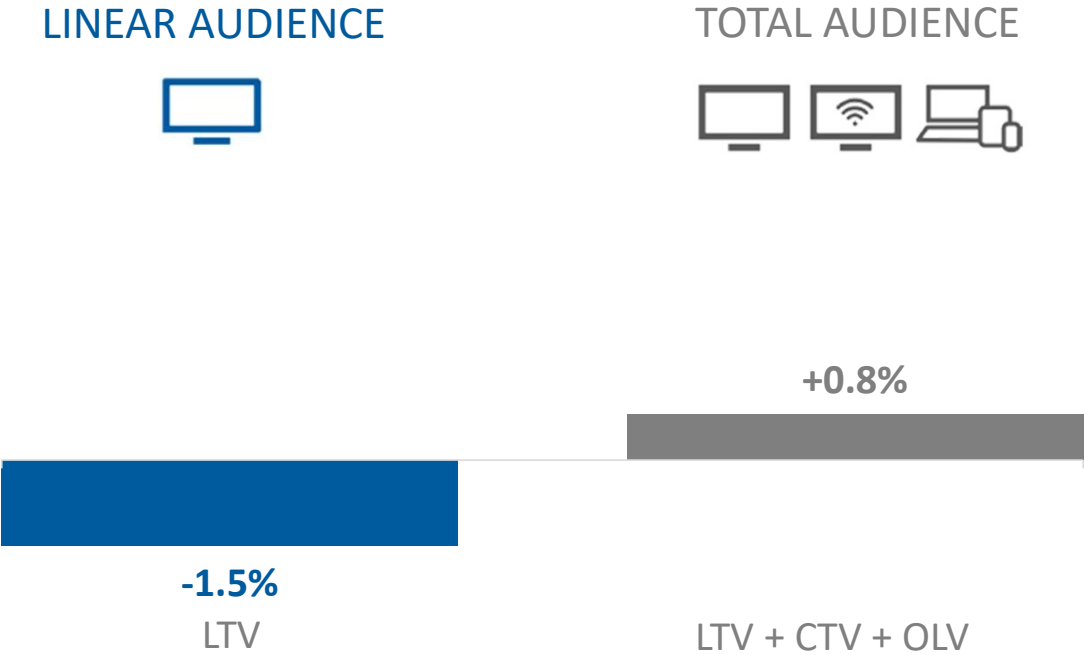
Audience share and stream views share (15-64 yrs, H1 2023)



Source: Auditel

# MFE ITALIAN BUSINESS | Linear and Total Audience Evolution

H1 2023 vs H1 2019 – yoy% growth

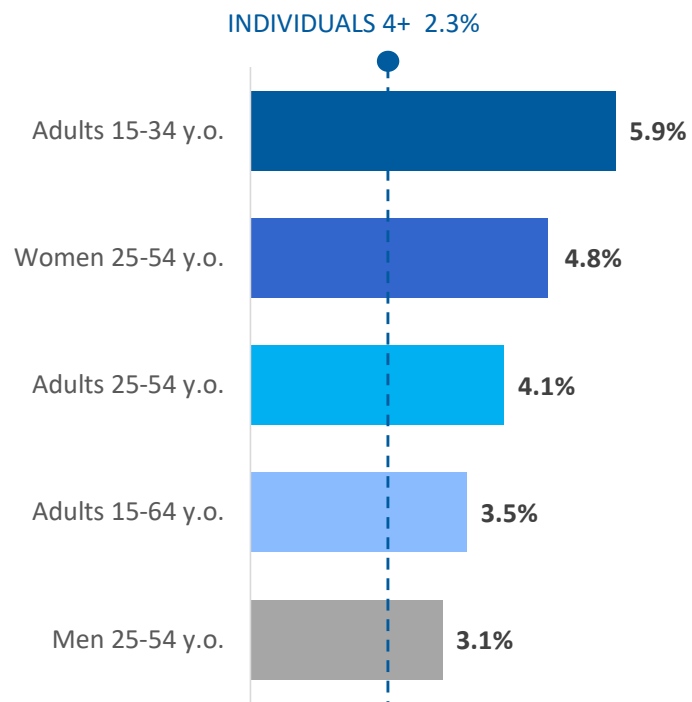


Source: Auditel; CTV Auditel & co-viewing factor estimate – Var% AMR-Average Minute Rating

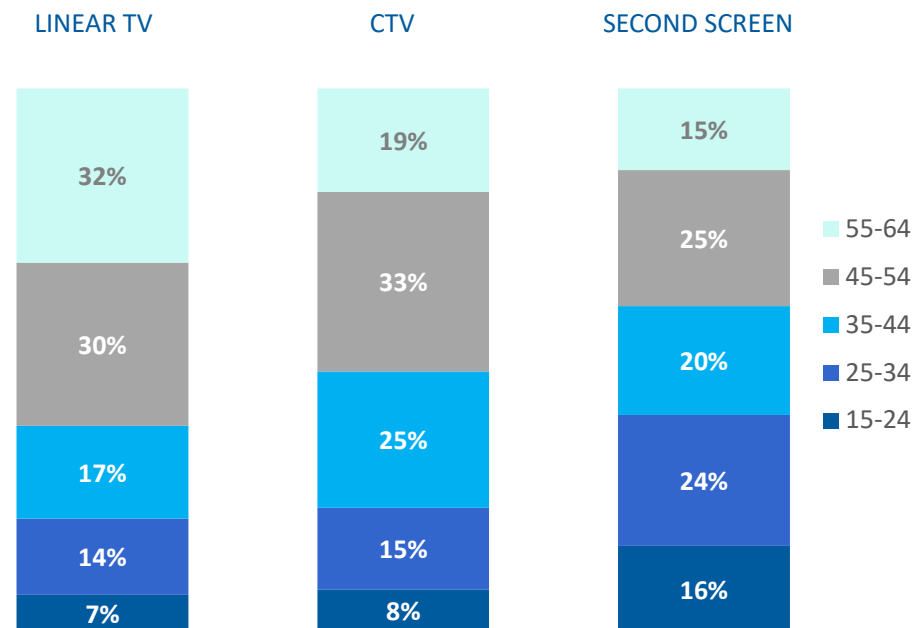
# MFE ITALIAN BUSINESS | Total Audience

The double added value of second screen & CTV (H1 2023)

## ADDITIONAL AUDIENCE



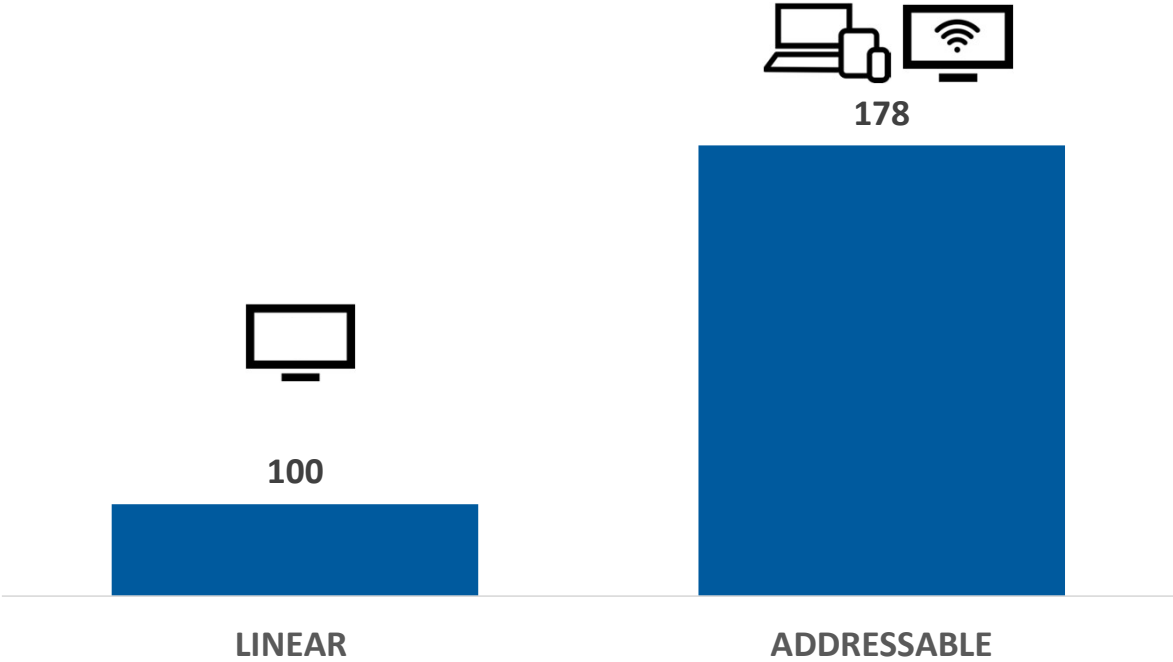
## YOUNGER AUDIENCE PROFILE



Source: Auditel

# TOTAL AUDIENCE | Migration from Linear to Digital allows pricing upside

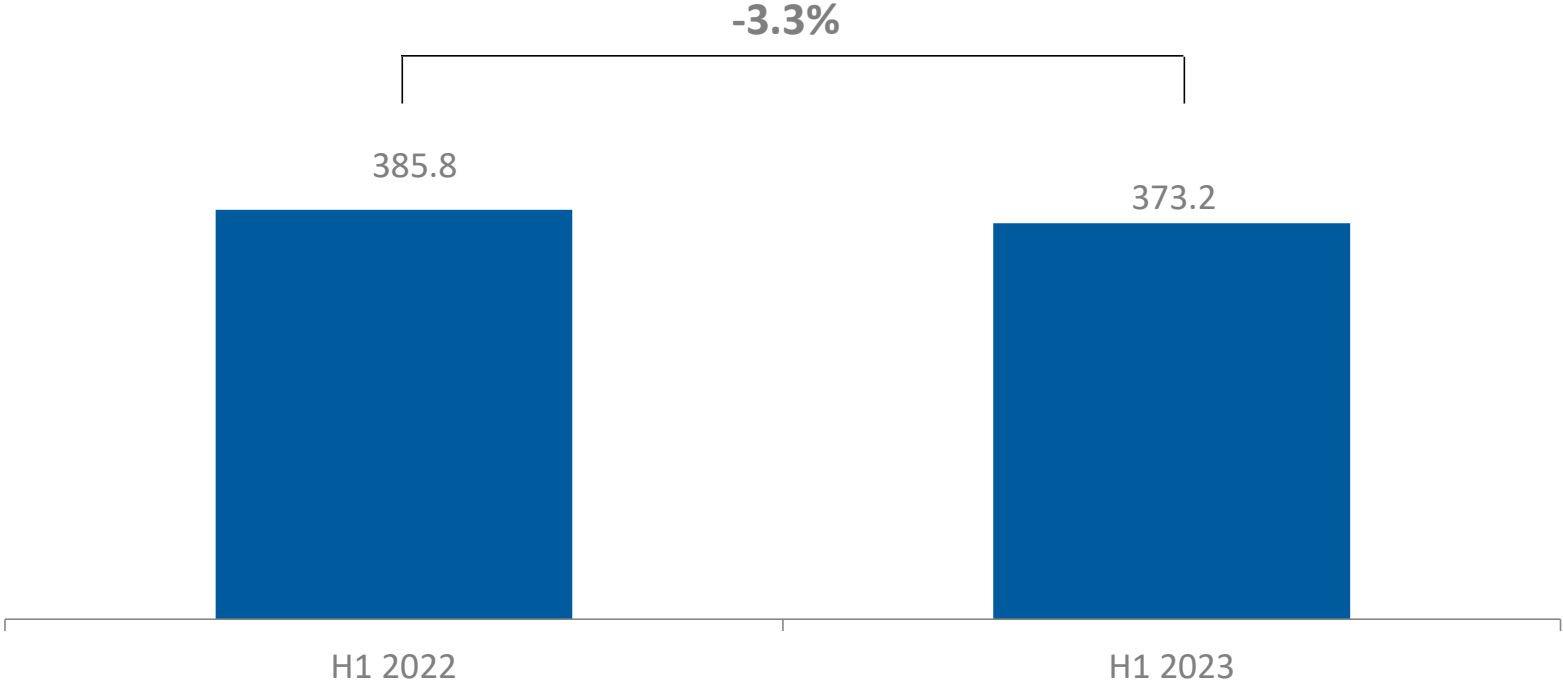
Revenue per Hour (RpH) Index (Jun '22-May '23)



Source: Company data

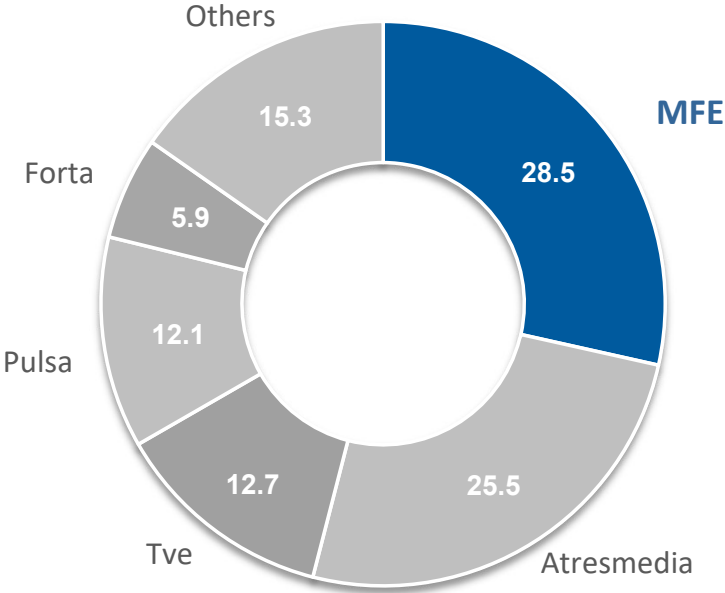
# MFE SPANISH BUSINESS | Total advertising revenues

H1 2023 vs H1 2022 (mio Euro)



# MFE SPANISH BUSINESS | Linear Audience performance

Linear audience share (Commercial Target, H1 2023)



Source: Kantar Media, Adults 16-59 y.o. in towns with more than 10.000 residents, excluding Lower socio-economic class (Spain). Total day

*Financials*

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## MFE GROUP H1 2023 | P&L highlights

(euro mio)	H1 2022	H1 2023
<b>NET CONSOLIDATED REVENUES</b>	<b>1,388.5</b>	<b>1,369.6</b>
<b>EBITDA</b>	<b>351.6</b>	<b>349.5</b>
<b>EBIT</b>	<b>112.0</b>	<b>120.9</b>
Italy	17.1	39.0
Spain	95.8	81.7
<b>NET PROFIT</b>	<b>84.6</b>	<b>87.1</b>
<b>GROUP NET FINANCIAL POSITION (30/06)</b>	<b>(630.7)</b>	<b>(807.6)</b>

## MFE GROUP H1 2023 | P&L results

(euro mio)	H1 2022	H1 2023
<b>TOTAL NET REVENUES</b>	<b>1,388.5</b>	<b>1,369.6</b>
Total Gross Adv Revenues	1,362.3	1,343.7
<i>Commissions</i>	<i>(161.1)</i>	<i>(161.0)</i>
Total Net Adv Revenues	1,201.1	1,182.7
Other Revenues	187.3	187.0
<b>TOTAL COSTS</b>	<b>(1,276.5)</b>	<b>(1,248.7)</b>
Personnel Costs	(235.1)	(238.0)
Other Operating Costs	(801.9)	(782.2)
<b>EBITDA</b>	<b>351.6</b>	<b>349.5</b>
Rights Amortisations	(199.4)	(187.9)
Other D&A	(40.2)	(40.6)
<b>EBIT</b>	<b>112.0</b>	<b>120.9</b>

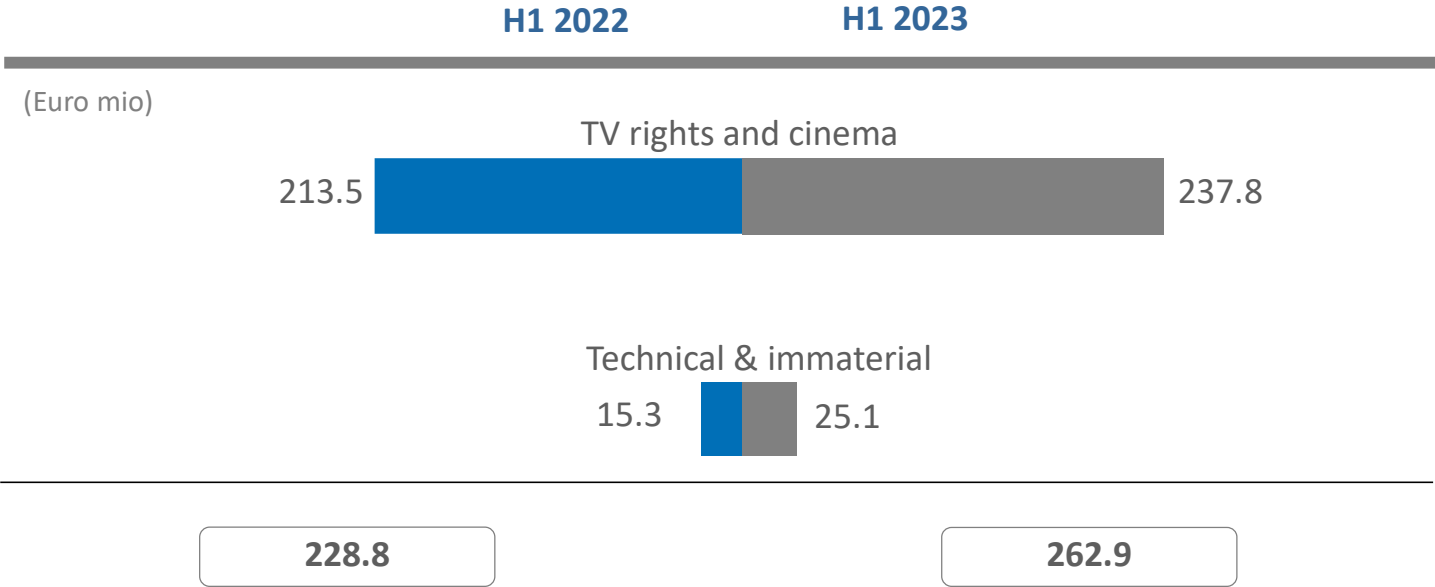
## MFE GROUP H1 2023 | P&L results

(euro mio)	H1 2022	H1 2023
<b>EBIT</b>	<b>112.0</b>	<b>120.9</b>
Financial Income (Losses)	35.4	(9.8)
Associates	9.2	7.2
<b>PRE-TAX PROFIT</b>	<b>156.6</b>	<b>118.3</b>
Taxes	(29.2)	(26.4)
Minorities	(42.9)	(4.8)
<b>NET PROFIT</b>	<b>84.6</b>	<b>87.1</b>

## MFE OPERATING SEGMENTS H1 2023 | P&L highlights

	ITALIAN BUSINESS		SPANISH BUSINESS	
(euro mio)	H1 2022	H1 2023	H1 2022	H1 2023
<b>TOTAL NET REVENUES</b>	<b>974.6</b>	<b>972.8</b>	<b>415.2</b>	<b>397.0</b>
Total Gross Adv Revenues	976.4	970.4	385.8	373.2
<i>Commissions</i>	<i>(143.7)</i>	<i>(142.7)</i>	<i>(17.4)</i>	<i>(18.3)</i>
Total Net Adv Revenues	832.7	827.6	368.4	355.0
<b>TOTAL COSTS</b>	<b>(957.5)</b>	<b>(933.8)</b>	<b>(319.3)</b>	<b>(315.3)</b>
<b>EBITDA</b>	<b>188.3</b>	<b>208.2</b>	<b>164.4</b>	<b>141.3</b>
<b>EBIT</b>	<b>17.1</b>	<b>39.0</b>	<b>95.8</b>	<b>81.7</b>

# MFE GROUP H1 2023 | Investments



## MFE GROUP H1 2023 | Cash flow statement

(euro mio)	H1 2022	H1 2023
<b>INITIAL NET FINANCIAL POSITION (01/01)</b>	<b>(869.2)</b>	<b>(873.3)</b>
FREE CASH FLOW	270.2	220.1
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>309.3</b>	<b>332.4</b>
Investments	(228.8)	(262.9)
Disinvestments	0.2	2.8
Change in Net Working Capital (CNWC)	189.4	147.7
Equity (investment)/disinvestment	(84.5)	(159.4)
Change in consolidation area	(0.1)	-
Dividends paid	(2.0)	(1.5)
Incoming dividends	54.9	6.6
<b>NET CASH FLOW</b>	<b>238.5</b>	<b>65.7</b>
<b>NET FINANCIAL POSITION (30/06)</b>	<b>(630.7)</b>	<b>(807.6)</b>

*Q&A session*

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