



**Interim Financial Report
as at 30 September 2020**



MEDIASET S.p.A. - via Paleocapa, 3 - 20121 Milan
Share Capital Euros 614,238,333.28 fully paid up
Tax Code, VAT number and inscription number in the
Milan Enterprises Register: 09032310154
Website: www.mediaset.it

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CORPORATE BOARDS

Board of Directors

Chairman

Fedele Confalonieri

Deputy Chairman and Chief Executive Officer

Pier Silvio Berlusconi

Directors

Marina Berlusconi

Marina Brogi

Andrea Canepa

Raffaele Cappiello

Costanza Esclapon de Villeneuve

Giulio Gallazzi

Marco Giordani

Francesca Mariotti

Gina Nieri

Danilo Pellegrino

Niccolo' Querci

Stefano Sala

Carlo Secchi

Executive Committee

Fedele Confalonieri

Pier Silvio Berlusconi

Marco Giordani

Gina Nieri

Niccolo' Querci

Stefano Sala

Risk, Control and Sustainability Committee

Carlo Secchi (Chairman)

Marina Brogi

Costanza Esclapon de Villeneuve

Compensation Committee

Andrea Canepa (Chairman)

Marina Brogi

Francesca Mariotti

Governance and Appointments Committee

Raffaele Cappiello (Chairman)

Francesca Mariotti

Carlo Secchi

Related Parties Committee

Marina Brogi (Chairman)

Giulio Gallazzi

Carlo Secchi

Board of Statutory Auditors

Giovanni Fiori (Chairman)

Riccardo Perotta (Regular Auditor)

Flavia Daunia Minutillo (Regular Auditor)

Francesca di Donato (Alternate Auditor)

Leonardo Quagliata (Alternate Auditor)

Francesca Meneghel (Alternate Auditor)

Independent Auditors

Deloitte & Touche S.p.A.

MEDIASET GROUP: FINANCIAL HIGHLIGHTS

MAIN INCOME STATEMENT DATA

FY 2019			9M 2020		9M 2019	
mio €	%		mio €	%	mio €	%
2,925.7		Total Net Consolidated Revenues	1,722.8		2,030.4	
1,982.1	67.7%	Italy	1,176.2	68.3%	1,371.9	67.6%
946.2	32.3%	Spain	546.6	31.7%	660.7	32.5%
354.6		Operating Result (EBIT)	87.6		188.6	
91.3		Italy	(45.8)		0.2	
264.9		Spain	132.9		190.2	
190.3		Net Result (*)	10.5		92.1	

MAIN BALANCE SHEET AND FINANCIAL DATA

31-Dec-19		30-Sep-20		30-Sep-19	
mio €		mio €		mio €	
4,238.7	Net Invested Capital	4,123.3		3,994.5	
2,890.4	Total Net Shareholders' Equity	2,950.0		2,830.8	
2,477.9	Net Group shareholders' Equity	2,496.0		2,438.1	
412.5	Minorities Shareholders' Equity	454.0		392.7	
(1,348.3)	Net Financial Position	(1,173.3)		(1,163.7)	
265.9	Free Cash Flow	236.0		243.4	
421.0	Investments	406.5		503.4	
-	Dividends paid by the Parent Company	-		-	
46.6	Dividends paid by Subsidiaries	-		46.6	

PERSONNEL (**)

FY 2019			30-Sep-20		30-Sep-19	
	%			%		%
4,984		Mediaset Group Personnel (headcount)	5,004		5,077	
3,433	68.9%	Italy	3,445	68.8%	3,513	76.7%
1,551	31.1%	Spain	1,559	31.2%	1,564	23.3%

(*) The figures for the first nine months of 2019 have been restated to show the retrospective impact of the equity investments PPA procedures

(**) Include temporary and permanent workforce

Introduction

Legislative Decree no. 25/2016, implementing Directive 2013/50/EU containing amendments to Directive 2004/109/EC on information about listed issuers (also known as the Transparency Directive), removed the obligation to publish interim management statements as provided for in Article 154-ter, paragraph 5 of Legislative Decree no. 58/1998. This decree also gave Consob the authority to establish additional disclosure obligations to the annual and half-yearly financial reports. By Resolution no. 19770 of 26 October 2016, Consob (in accordance with the regulatory authorisation contained in the decree) made amendments to the Issuer Regulations regarding the additional interim financial disclosures applicable from 2 January 2017.

To ensure the continuity and regularity of information on the consolidated quarterly operating and financial performance, Mediaset's Board of Directors publishes, voluntarily, additional financial disclosures as at 31 March and 30 September.

The information disclosed in this Report is not comparable to that of complete financial statements prepared in accordance with IAS 1. In line with previous periodical disclosures, this additional interim financial disclosure has the structure and content deemed most appropriate - in terms of factors that contribute to investor decisions - to describe the economic performance and financial position of the Group as a whole and of its main business segments, and to describe the key events and transactions that have occurred during the reporting period.

The presentation of the income statement and balance sheet figures shown below corresponds to the presentation adopted in the Report on Operations accompanying the annual Consolidated Financial Statements. As such, the figures are summarised and restated in order to highlight the intermediate aggregates considered most significant for understanding the performance of the Group and the main operating sectors. The description of the criteria adopted during their preparation and the annotations referring the reader to the relevant statutory financial statement items in the interim and annual Financial Statements are contained in the Consolidated Financial Statements at 31 December 2019.

This interim report has been prepared in accordance with international accounting standards (IAS/IFRS) and in line with the measurement and estimation criteria applied in preparing the Consolidated Financial Statements at 31 December 2019, to which readers are referred.

In accordance with the recommendations and warnings contained in the intermediate disclosures published by ESMA on the evaluations necessary due to the economic outlook connected with the COVID-19 pandemic, the observation of the main external indicators and the development of the main performance indicators for the period have not produced evidence that would require - as at the date of this report - a revision of the recoverability testing of corporate assets that was carried out in preparing the Interim Financial Report at 30 June 2020 (largely due to the unforeseeability of these indicators' performance and of the impacts of the operational and mitigating actions already implemented to address the current phase of the crisis).

The earnings and financial figures contained in this Report refer to progressive totals at the end of the first nine months of 2020 and 2019 (earnings are also reported for the third quarter alone); balance sheet figures are stated at 30 September 2020 and at 31 December 2019.

Finally, it should be noted that the Consolidated Net Result for 2019 has been restated to show the retrospective impact on Income/(expenses) from equity investments, since 1 October 2018, of the

depreciation of the assets identified in accordance with IFRS 3, due to the EUR 9.4 million allocation of goodwill generated following the closing of 2i Towers Holding's takeover bid of EI Towers, launched in 2018.

This Quarterly Report has not been audited.

Significant events and transactions in the third quarter of the year

COVID-19: Main impacts and mitigation actions

During the third quarter of this year, as the pandemic entered a transition phase that saw the gradual relaxation of the restrictions and containment measures adopted by major national governments at the outset of the public health emergency, the Group continually updated its rigorous safety protocols in both Italy and Spain and continued to monitor the development of the public health emergency in line with the provisions put in place by national and local authorities. In doing so, the Group continued to apply sanitary, hygiene and prevention measures aimed at protecting the health and safety of employees and external staff, thus limiting the risk of infection to the greatest possible degree and readying all measures necessary to guarantee business continuity and the ordinary progress of production and management activities. This was also achieved by limiting attendance at the Group's headquarters solely to staff engaged in critical tasks who were unable to work from home and by continuing to enable and encourage all other employees to use a smart-working scheme.

This situation enabled the scheduled autumn programming to be properly delivered; the market, although still fragile, was also showing signs of improvement, in line with the gradual normalisation of the economy as a whole.

As at the reporting date, the Group's financial situation was unchanged from that reported at 30 June. In addition to the financial liabilities related to the investment in ProSiebenSat1, Mediaset S.p.A. has EUR 1,550 million in total committed credit facilities lines, of which EUR 650 million in unutilised and readily available facilities not maturing within the next 12 months, and Mediaset España has EUR 210 million in unutilised and readily available committed credit facilities maturing within the next 12 months.

MFE Cross-Border Merger Project

As reported in the Interim Financial Report, the order issued by the Court of Madrid on **30 July** made it impossible for Mediaset to complete the anticipated *MFE-MediaforEurope* Cross-Border Merger within the timescales and in the manners set forth in the Project which had been resolved on 7 June 2019.

On 1 September 2020, the court of Amsterdam upheld Vivendi's appeal requesting the suspension of the Merger project, thus overturning the first instance judgment; however, this had no effect given the above-mentioned impossibility of completing the Cross-Border Merger Project. The Dutch court requested modifications to the merger plan which, in reality, was no longer feasible for Mediaset following the above-mentioned verdict of the Court of Madrid of 30 July 2020.

On 5 August, the Board of Directors of Mediaset S.p.A. examined the measure of 30 July issued by the Court of Madrid, and found that the term for appealing was incompatible with the time limit for the Merger execution under Dutch law (2 October 2020) and, therefore, realised that the Merger Plan resolved on 7 June 2019 is not achievable. On the same date, the Board of Directors confirmed that the MFE MEDIAFOREUROPE business plan remained valid and immediately began researching how to execute the original project in a different manner, while maintaining the same objectives.

On **3 September**, the EU Court of Justice issued its decision after the Regional Administrative Court referred the issue of biased interpretation raised by Vivendi in its administrative appeal against AGCOM's Resolution of 18 April 2017.

The Court held that, although the restriction on freedom of establishment complained of by Vivendi could, in principle, be justified by an overriding reason in the public interest (namely to safeguard pluralism of information and of the media), the disputed provision of Article 43 of TUSMAR cannot be considered to be appropriate for attaining the objective which it pursues, *"in so far as it sets thresholds which bear no relation to the risk to media pluralism, since those thresholds do not make it possible to determine whether and to what extent an undertaking is actually in a position to influence the content of the media"*.

Following this ruling, on **4 September** Vivendi filed an application with the Regional Administrative Court to promptly schedule a hearing to resume the court proceedings that had been suspended pending the EU ruling. The Regional Administrative Court issued a decree scheduling the hearing for 16 December 2020.

Additional proceedings of Mediaset - Vivendi - Simon Fiduciaria

With reference to the proceedings pending before the Court of Milan involving Mediaset S.p.A. and Reti Televisive Italiane S.p.A., on the one part, and Vivendi S.A., on the other, as well as those between Mediaset S.p.A, Vivendi and Simon Fiduciaria concerning, among other things, the dispute of certain resolutions of the Shareholders' Meeting of Mediaset, there have been no further developments since the events reported in the Interim Financial Report.

On **8 September**, after having consulted the Compensation Committee, the Board of Directors of Mediaset S.p.A. completed its assessment of the terms and conditions set forth in the **2015-2017 medium-long term incentive plan** regulation for the year 2017. Following these assessments, the shares under the Plan were allocated to their respective recipients.

On 1 July, Mediaset Espana Communication S.A. acquired a 51% stake in **Aninpro Creative S.L. (Be a Lion)**, a company that provides commercial solutions in digital and social media, offering its advertisers greater brand visibility.

Group performances and financial results

Television audience

In **Italy**, total audience over the 24-hour period averaged **10.810** million viewers in the first nine months of 2020, which is an increase on 2019.

In that period, total audience was significantly higher than in the same period of last year across all time bands, particularly in Prime Time. The growth is primarily linked to the months of lockdown in response to the Covid-19 health crisis.

Auditel statistics show that, during the period reported, Mediaset networks as a whole, including both free-to-air and pay television channels, obtained an audience share of 31.8% over the 24-hour period, 31.7% in the Day Time slot and 33.3% in Prime Time.

Also, during the first three quarters of 2020, Mediaset continued its leadership with the commercial target audience (15-64 years) over the 24-hour period (34.2%), in the Day Time slot (33.9%) and in Prime Time (36.1%). Notably, Canale 5 ranks in top spot and Italia 1 in third spot in all time slots with this viewer target.

During the autumn ratings season (which began on 6 September 2020), Mediaset networks have achieved a larger share than competitors among the commercial target audience. In particular, the Group's generalist networks achieved a target audience share of 25.9% over the 24-hour period, 26.1% in the Day Time slot and 26.2% in Prime Time.

Adding to the Group's semi-generalist and pay channels, audience share over the 24-hour period came to 35.1% of all viewers, with a 35.1% share in the Day Time slot and 35.4% in Prime Time.

In **Spain**, the Mediaset España Group maintained its leadership in audience figures with a total audience share of 28.6% over the 24-hour period, and a 29.6% share with the commercial target audience. In the Prime Time slot, the Mediaset España Group achieved a 27.5% share of the total audience and 28.5% of the commercial target audience. Also, in the first nine months of 2020, Telecinco maintained its audience leadership with a 14.5% share over the 24-hour period, while reaching a share of 14.1% with the commercial target audience.

Main financial results

During the third quarter, the COVID-19 pandemic - which heavily affected all major countries in the first half of the year - entered a transitional phase, characterised by a gradual and widespread relaxation of the restrictions and containment measures adopted in the initial phase of the health emergency and a constant yet irregular decline in infection rates. Following the acute contraction recorded in the first two quarters as a result of the lockdown ordered by government authorities, all areas of economic production showed signs of recovery during this period, generally exceeding expectations, with the main macroeconomic indicators recording significant quarter-on-quarter growth. In particular, preliminary third-quarter estimates suggest that, compared to the previous quarter, GDP increased by +16.1% in Italy and by +16.7% in Spain.

In this context, the Group's advertising revenues continued on the upward trend already observed in June, recording consolidated third-quarter growth of 1.6%. The positive trend in revenues and the continuation of strong and effective action to control and limit operating costs, enabled the Group to achieve a positive **Operating Result (EBIT)** of **EUR 55.9 million** (compared to EUR -3.0 million for the corresponding period in 2019), a positive **Net Result** of **EUR 29.4 million** (compared to EUR -10 million in 2019) and **Free Cash Flow** of **EUR 23.9 million**.

As a result, the financial results, up to the end of the first nine months benefit from the positive operating performance during the third quarter, thus mitigating the economic trend observed during the first half of the year in which - from March onwards - the advertising market was affected by a sharp slowdown both in Italy and Spain, following the effective shutdown of economic activities ordered by the authorities to tackle the spread of the public health emergency in its most critical phase. This trend was at least partly compensated by the cost-cutting actions promptly put in place to tackle the crisis.

The main financial results up to the end of the first nine months are summarised below.

- **Consolidated net revenues** amounted to **EUR 1,722.8 million**, compared to EUR 2,030.4 million last year.
- **Operating Result (EBIT)** was **EUR 87.6 million**, compared to EUR 188.6 million for the same period in 2019. Operating profitability stood at **5.1%**, compared to the 9.3% recorded in 2019.
- The **Group net result** was positive at **EUR 10.5 million**, compared to the EUR 92.1 million net profit recorded for the same period in the previous year. It should be noted that the consolidated net result for the previous year has been restated (compared to the EUR 101.5 million reported) to show the retrospective impact since 1 October 2018 (-EUR 9.4 million) on Income/(expenses) from equity investments of the depreciation of the assets identified in accordance with IFRS 3, due to the definitive allocation of goodwill generated following the closing of 2i Towers Holding's takeover bid of EI Towers, launched in 2018. As a precaution, and consistent with the accounting treatment as at 30 June 2020, given the high uncertainty and limited outlook that the economy is still facing after the first nine months, the deferred tax assets for the period, relating to tax losses carried forward for an unlimited period for final IRES tax reporting purposes in the first nine months, have not been recognised.
- Consolidated **net financial debt** at 30 September 2020, calculated in accordance with Consob Communication 6064293 of 28 July 2016, amounted to **EUR 1,173.3 million**, a reduction on the EUR 1,348.3 million recorded at the start of the period. If we exclude the liabilities recognised under IFRS 16 from 2019 onwards and the financial payable for the equity investments in

ProSiebenSat.1 Media SE, **Consolidated net financial debt** was **EUR 572.4 million** compared to EUR 768.8 million at 31 December 2019. **Free cash flow** for the first nine months amounted to **EUR 236.0 million**, compared to EUR 243.4 million recorded for the same period of 2019. The Group also made disbursements of EUR 72.9 million during the reporting period, in connection with the first-quarter increase in its equity investment in ProSiebenSat.1 Media SE.

Breaking down income results by geographical area:

In **Italy**:

- In the first nine months of 2020, **Total consolidated net revenues** from the Group's Italian operations totalled **EUR 1,176.2 million**, compared to the 1,371.9 million achieved in the corresponding period of the previous year. The third-quarter contribution was positive, with a 4.1% increase in revenues compared to the corresponding period of the previous year.
- **Gross advertising revenues**, including revenues from free-to-air and pay television channels and revenue shares from websites and radio broadcasters owned by the Group and managed under concession by Mediamond reached **EUR 1,107.7 million** (-16.9% compared to the same period in 2019). In the third quarter, advertising sales continued on the upward trend already observed in the latter part of the second quarter, reflecting the gradual normalisation of the market and of the economy as a whole following the lockdown, with revenues increasing 4.7% compared to the corresponding period of the previous year. Based on data reported by Nielsen, the total advertising market during the first nine months of 2020 has dropped by -20.3% with reference to the same period of the past year.
- **Other revenues** stood at **EUR 225.4 million**, which is substantially in line with the first nine months of the previous year (EUR 227.6 million) that still included revenues from the Premium Cinema and Series offering, which was subsequently discontinued in June of last year. On a like-for-like basis, Other revenues for the first nine months are up +11.1%, mainly due to the movie distribution activities of Medusa, which in January 2020 released the blockbuster Tolo Tolo, directed by Checco Zalone and produced by Taodue, and due to increased revenues from sublicenses and third-party television broadcasters.
- **Total Operating costs** for operations in Italy during the period (*personnel expenses, purchases, services, other costs, TV rights amortisation and depreciation of fixed assets*) amounted to **EUR 1,222.0 million**, down (-10.9%) on the same period in 2019. Compared to the same period of the previous year, operating costs were impacted by the greater costs of distributing films to movie theatres at the beginning of the year and the fact that the redefinition of content and Premium assets had been debited to expenditure in the previous year. Excluding these components, the TV schedules review carried out in March to deal with the impact of the COVID-19 emergency led to a significant reduction (-14.3%) in direct television broadcasting costs compared to the same period in 2019. In the third quarter, total costs fell by -8.7% compared to the corresponding period of the previous year, despite the August broadcast of sporting events (including the final stages of the UEFA Champions League) which, prior to the pandemic, had been scheduled for the spring.
- **Operating Result (EBIT)** from all operations in Italy during the first nine months amounted to **EUR -45.8 million**, compared to EUR 0.2 million for the first nine months of 2019. The third-quarter

operating result was positive, at EUR 11.7 million, compared to EUR -39.1 million for the same period in 2019.

In Spain:

- **Total consolidated net revenues** for the Mediaset España Group up to the end of the first nine months of 2020 reached **EUR 546.6 million**, showing a -17.3% reduction on the same period of the previous year.
- **Gross television advertising revenues** stood at **EUR 488.3 million**, a decrease of -24.2% compared to the same period of the previous year, caused by the sharp slowdown in the advertising market, together with the adoption of harsh social distancing measures and restrictions on economic activity ordered by government authorities to face up to the COVID-19 public health emergency. In the third quarter, as Spain continued to be affected by irregular trends in infection rates, advertising sales decreased by just -4.6% compared to the same period of the previous year, mainly due to the international sporting events broadcast during the corresponding period of 2019. This represented a marked improvement compared to the sharp decline (-50.9%) recorded in the second quarter. According to *Infoadex* statistics, television advertising investments fell by 24.4% during the first nine months of 2020, while the television and digital media advertising market as a whole decreased by 21.0%. Mediaset España maintained its leadership in its television market with a share of 43.0%, whereas its share of the television and digital media market stood at 30.4%.
- **Other revenues** increased strongly to **EUR 76.5 million** from EUR 44.3 million for the same period of the previous year, due to the strong influence of content sales and sublicensing to third-party broadcasters and the positive trend in subscriptions to the OTT Mitele Plus service during the period.
- **Total costs** (personnel expenses, other operating costs, amortisation, depreciation and write-downs) stood at **EUR 413.8 million**, a decrease of -12.1% on the same period of the previous year, mainly due to the performance of costs directly related to non-advertising revenues, whereas television broadcasting costs decreased following the TV scheduling reviews carried out to dampen the economic impacts on advertising revenues due to the COVID-19 emergency.
- As a result of the above performance **Operating Result (EBIT)** came to **EUR 132.9 million**, compared to EUR 190.2 million in the same period of 2019, corresponding to an operating profitability of **24.3%** compared to 28.8% of the same period of 2019.

Events after 30 September 2020

On 31 October, RTI completed the sale of Mediashopping S.r.l. to Med-Ita S.r.l., a subsidiary of Ortigia Investimenti S.r.l., which intends to develop and consolidate its presence in the remote sales market. The sale comes as part of the process to simplify the Group's business portfolio and concentrate on its core business. The remote marketing and sales business sold in this transaction was launched under the Mediaset Group in 2004, with the sales channels having diversified over the years across television (thematic channel, telesales, telemarketing and commercials), online (e-commerce site), large-scale retail (products physically available at points of sale) and direct marketing (campaigns targeted at the customer base). The deal means that Mediaset's networks will continue to host advertising space for Mediashopping campaigns over the coming years.

Forecast for the full year

In the first part of the current fourth quarter, the Group's advertising sales in Italy showed an improvement, a further recovery of the decline recorded in the first nine months.

At the end of October, a progressive rise in the infection rate in the main European countries made it necessary for government authorities to adopt new restriction measures. In Italy, the government decided to adopt, until the beginning of December, a regional and progressive approach based on specified parameters and different contingent situations, with the aim of minimising the economic and social impact.

This uncertain and constantly evolving scenario has not as yet had any particular repercussions on the advertising market in Italy. On the other hand, visibility remains low for the remaining part of the year, a period, under normal conditions, characterised by high seasonality in demand ("Black Friday" and the Christmas period).

In this context, the Group will continue to operate, applying and adapting security protocols in order to guarantee operational and managerial continuity in all its business areas, as well as continuing to pursue its economic objectives and the maximisation of cash generation.

Despite the circumstances, and considering the Group's ability to adapt rapidly and flexibly on the cost side to any additional slowdowns in the advertising market, we think that our operating performance in the fourth quarter will contribute to a positive net consolidated result for the full year.

*Consolidated accounting tables
and business segments information*

(values in EUR million)

MEDIASET GROUP Income Statement	9M		3rd Quarter	
	2020	2019	2020	2019
Total consolidated net revenues	1,722.8	2,030.4	556.4	548.0
Personnel expenses	334.6	363.0	106.6	117.4
Purchases, services, other costs	903.9	1,069.3	265.7	306.4
Operating costs	1,238.5	1,432.2	372.3	423.8
EBITDA	484.3	598.2	184.1	124.1
TV and movie rights amortization	319.0	335.8	102.3	101.6
Other amortization and depreciation	77.7	73.7	25.9	25.5
Amortization and depreciation	396.7	409.6	128.2	127.1
Operating result (EBIT)	87.6	188.6	55.9	(3.0)
Financial income/(losses)	(1.1)	9.5	(2.3)	0.2
Income/(expenses) from equity investments	10.2	12.7	4.9	3.0
EBT	96.7	210.9	58.5	0.2
Income taxes	(40.5)	(46.0)	(14.2)	2.8
Minority interests in net (profit)/loss	(45.7)	(72.8)	(14.9)	(13.5)
Net result from continuing operations	10.5	92.1	29.4	(10.6)
Net profit from discontinued operations	-	-	-	-
Group net result	10.5	92.1	29.4	(10.6)

(values in EUR million)

MEDIASET GROUP Balance Sheet Summary	30/09/2020	31/12/2019
TV and movie rights	1,060.1	974.7
Goodwill	805.2	796.7
Other tangible and intangible non current assets	890.8	968.8
Equity investments and other financial assets	1,057.9	1,026.6
Net working capital and other assets/(liabilities)	376.6	541.0
Post-employment benefit plans	(67.2)	(69.2)
Net invested capital	4,123.3	4,238.7
Group shareholders' equity	2,496.0	2,477.9
Minority interests	454.0	412.5
Total Shareholders' equity	2,950.0	2,890.4
Net financial position		
Debt/(Liquidity)	1,173.3	1,348.3

(values in EUR million)

ITALY Income Statement	9M		3 rd Quarter	
	2020	2019	2020	2019
Consolidated net revenues	1,176.2	1,371.9	384.8	369.7
Personnel expenses	250.0	274.5	78.4	87.7
Purchases, services, other costs	662.8	781.4	196.6	218.8
Operating costs	912.8	1,055.9	275.0	306.5
EBITDA	263.4	316.1	109.8	63.2
TV and movie rights amortization	248.7	255.8	78.7	81.8
Other amortization and depreciation	60.5	60.0	19.4	20.5
Amortization and depreciation	309.2	315.9	98.1	102.3
Operating result (EBIT)	(45.8)	0.2	11.7	(39.1)
Financial income/(losses)	(0.7)	9.5	(2.2)	0.2
Income/(expenses) from equity investments	8.1	7.3	4.7	2.6
EBT	(38.4)	17.0	14.3	(36.3)
Income taxes	(10.9)	(9.2)	(4.0)	8.9
Minority interests in net result	1.7	1.0	0.5	0.4
Net result from continuing operations	(47.5)	8.8	10.8	(27.0)
Net result from discontinued operations	-	-	-	-
Net result	(47.5)	8.8	10.8	(27.0)

(values in EUR million)

ITALY	9M		3 rd Quarter	
	2020	2019	2020	2019
Consolidated net revenues	1,107.7	1,332.4	363.4	347.2
Gross advertising revenues	1,107.7	1,332.4	363.4	347.2
Agency discounts	(156.8)	(188.1)	(51.1)	(48.8)
Total net advertising revenues	950.8	1,144.3	312.3	298.4
Other revenues	225.4	227.6	72.6	71.3
Total net consolidated revenues	1,176.2	1,371.9	384.9	369.7

(values in EUR million)

SPAIN <i>Income Statement</i>	9M		3 rd Quarter	
	2020	2019	2020	2019
Total consolidated net revenues	546.6	660.7	171.5	178.3
Personnel expenses	84.6	88.4	28.2	29.7
Purchases, services, other costs	241.1	288.0	69.1	87.7
Operating costs	325.8	376.4	97.3	117.4
EBITDA	220.9	284.3	74.2	60.9
TV and movie rights amortization	70.8	80.4	23.7	20.0
Other amortization and depreciation	17.2	13.7	6.5	5.0
Amortization and depreciation	88.0	94.1	30.3	25.0
Operating result (EBIT)	132.9	190.2	44.0	36.0
Financial income/(losses)	(0.4)	(0.1)	(0.1)	(0.1)
Income/(expenses) from equity investments	1.9	5.3	0.2	0.4
EBT	134.4	195.5	44.0	36.3
Income taxes	(29.5)	(37.3)	(10.2)	(6.1)
Minority interests in net profit	(1.7)	(1.2)	(0.7)	(0.6)
Net profit from continuing operations	103.2	157.0	33.2	29.6
Net result from discontinued operations	-	-	-	-
Net profit	103.2	157.0	33.2	29.6

(values in EUR million)

SPAIN <i>Consolidated Revenues</i>	9M		3 rd Quarter	
	2020	2019	2020	2019
Gross advertising revenues	488.3	644.0	163.2	171.2
Agency discounts	(18.1)	(27.6)	(7.0)	(7.1)
Net advertising revenues	470.2	616.5	156.2	164.1
Other revenues	76.5	44.3	15.3	14.2
Total net consolidated revenues	546.6	660.7	171.5	178.3

(values in EUR million)

MEDIASET GROUP <i>Summery Cash Flow Statement</i>	9M 2020	9M 2019
Net Financial Position at the beginning of the year (Debt)/Liquidity	(1,348.3)	(877.0)
Free Cash Flow	236.0	243.4
Cash Flow from operating activities (*)	456.3	557.1
Investments in fixed assets	(406.5)	(503.4)
Disposals of fixed assets	1.2	10.3
Changes in net working capital and other current assets/liabilities	185.1	179.4
Change in the consolidation area	(8.5)	(19.8)
Own share's (sale)/buyback of the parent company and subsidiaries	-	(94.6)
Equity investments/Investment in other financial assets	(72.6)	(407.2)
Cashed-in dividends	20.2	37.9
Dividends paid	-	(46.6)
Financial Surplus/(Deficit) from continuing operations	175.0	(286.8)
Net Financial Position at the end of the year (Debt)/Liquidity	(1,173.3)	(1,163.7)

(*): Net profit +/- minority interests + amortisations +/- net provisions +/- valuation of investments recorded using the net equity method - gains/losses on equity investments +/- deferred tax

(values in EUR million)

Cash Flow Statement (geographical breakdown)	Italy		Spain	
	9M 2020	9M 2019	9M 2020	9M 2019
Net Financial Position at the beginning of the year				
(Debt)/Liquidity	(1,318.0)	(1,042.5)	(30.2)	165.5
				-
Free Cash Flow	116.4	75.1	119.6	168.3
Cash Flow from operating activities (*)	264.6	289.0	191.7	269.7
Investments in fixed assets	(321.9)	(354.0)	(84.6)	(151.5)
Disposals of fixed assets	0.2	5.6	1.0	4.7
Changes in net working capital and other current assets/liabilities	173.5	134.5	11.5	45.5
Change in the consolidation area	(3.2)	(13.4)	(5.4)	(6.3)
Own share's sale/(buyback) of the parent company and subsidiaries	-	-	-	(94.6)
Equity investments/Investments in other financial assets and change of stake in subsidiaries	(11.3)	(406.8)	(61.4)	(0.4)
Cashed-in dividends	17.7	89.6	2.5	1.7
Dividends paid	-	-	-	(100.0)
Financial Surplus/(Deficit) from continuing operations	119.7	(255.5)	55.3	(31.2)
Net Financial Position at the end of the period				
(Debt)/Liquidity	(1,198.4)	(1,298.0)	25.1	134.3

(*) Net result for the period +/- Amortisation, Depreciation and Impairment +/- Net provisions +/- Valuation of investments recorded using the net equity method +/- Deferred tax effects

(values in EUR million)

Increased in fixed assets	Italy		Spain	
	9M 2020	9M 2019	9M 2020	9M 2019
Investments in TV and movie rights	(308.5)	(292.5)	(98.0)	(133.3)
Changes in advances on TV rights	24.0	(27.7)	17.4	(10.9)
TV and movie rights: investments and advances	(284.5)	(320.2)	(80.6)	(144.3)
Investments in other fixed assets	(37.4)	(33.7)	(4.0)	(7.3)
Total investments in fixed assets	(321.9)	(354.0)	(84.6)	(151.5)

Company Executive Responsible Declaration

The Company Executive responsible for the preparation of the company accounting documents of Mediaset S.p.A., Luca Marconcini, herewith declares, pursuant to paragraph 2, article 154, second part, of the Consolidated Finance Act that the accounting information contained in this document corresponds to the contents of accounting documents, books and postings of the company.

for the Board of Directors
the Chairman