Interim Financial Report at 30 June 2021

MEDIASET S.p.A. - Via Paleocapa, 3 - 20121 Milan
Share Capital €614,238,333.28 fully paid up
Tax Code, VAT No. and Milan Companies
Register No.: 09032310154
website: www.mediaset.it

SUMMARY

CORPORATE BOARDS

Board of Directors	**Chairman** Fedele Confalonieri **Deputy Chairman and** **Chief Executive Officer** Pier Silvio Berlusconi **Directors** Marina Berlusconi Stefania Bariatti Marina Brogi Raffaele Cappiello Costanza Esclapon de Villeneuve Giulio Gallazzi Marco Giordani Gina Nieri Danilo Pellegrino Alessandra Piccinino 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	**Alessandra Piccinino (Chair)** Raffaele Cappiello Carlo Secchi
Compensation Committee	**Stefania Bariatti (Chair)** Marina Brogi Carlo Secchi
Governance and Appointments Committee	**Marina Brogi (Chair)** Stefania Bariatti Giulio Gallazzi
Related Parties Committee	**Constance Escaplon de Villeneuve (Chair)** Marina Brogi Alessandra Piccinino
Board of Statutory Auditors	**Giovanni Fiori (Chair)** 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.**

FINANCIAL HIGHLIGHTS

MAIN INCOME STATEMENT DATA

FY 2020 EUR M	%		1H 2021 EUR M	%	1H 2020 EUR M	%
2,636.8		**Net Consolidated Revenues**	**1,387.2**		**1,166.4**	
1,800.5	*68.3%*	Italy	963.7	*69.5%*	791.3	*67.8%*
836.6	*31.7%*	Spain	423.6	*30.5%*	375.1	*32.2%*
269.7		**Operating Result (EBIT)**	**198.7**		**31.7**	
38.5		Italy	94.6		(57.6)	
230.5		Spain	103.8		88.9	
285.9		**EBT**	**322.6**		**38.2**	
139.3		**Group Net Result**	**226.7**		**(18.9)**	

MAIN BALANCE SHEET AND FINANCIAL DATA

31-Dec-20 EUR M		30-Jun-21 EUR M	30-Jun-20 EUR M
4,230.1	**Net Invested Capital**	**3,863.2**	**4,078.6**
3,165.6	**Total Net Shareholders' Equity**	**3,131.5**	**2,881.0**
2,668.3	Net Group Shareholders' Equity	2,582.1	2,439.3
497.3	Minority Shareholders' Equity	549.4	441.7
(1,064.4)	**Net Financial Position**	**(731.7)**	**(1,197.7)**
311.8	**Free Cash Flow**	**274.7**	**212.1**
450.9	**Investments**	**226.1**	**346.5**
-	**Dividends paid by the Parent Company**	**-**	**-**
-	**Dividends paid by Subsidiaries**	**1.5**	**-**

PERSONNEL (1)

FY 2020	%		1H 2021	%	1H 2020	%
4,906		**Mediaset Group Personnel (headcount)**	**4,951**		**4,934**	
3,351	*68.3%*	Italy	3,364	*67.9%*	3,393	*76.7%*
1,555	*31.7%*	Spain	1,587	*32.1%*	1,541	*23.3%*

MAIN INDICATORS

FY 2020		1H 2021	1H 2020
10.2%	**Operating Result (EBIT)/Net Revenues**	**14.3%**	**2.7%**
2.1%	Italy	*9.8%*	*-7.3%*
27.6%	Spain	*24.5%*	*23.7%*
10.8%	**EBT/Net Revenues**	**23.3%**	**3.3%**
5.3%	**Net Result/Net Revenues**	**16.3%**	**-1.6%**
0.12	**EPS (euro per share)**	0.20	(0.02)
0.12	**Diluted EPS (euro per share)**	0.20	(0.02)

(1) Include temporary and permanent workforce

INTRODUCTION

This Interim Financial Report, prepared pursuant to Art. 154-ter of Legislative Decree no. 58/1998, includes the Interim Report on Operations, the Interim Condensed Consolidated Financial Statements and the Certification pursuant to Article 154-bis of Legislative Decree no. 58/98.

The Interim Condensed Consolidated Financial Statements are prepared on the basis of the International Accounting Standards (IAS/IFRS) applicable under the EC Regulation 1606/2002 of the European Parliament and of the Council dated 19 July 2002 and in particular IAS 34 - Interim Financial Reporting, as well as the regulations issued to implement Article 9 of Italian Legislative Decree 38/2005.

The presentation of the reclassified consolidated financial statements and of the interim financial statements provided in the Interim Report on Operations corresponds to the presentation adopted for the annual financial statements.

The notes have been prepared in accordance with the content prescribed by IAS 34 - Interim Financial Reporting, also taking into account the provisions issued by Consob Communication No. 6064293 dated 28 July 2006. As such, the information disclosed in this report is not comparable to that of complete financial statements prepared in accordance with IAS 1.

INTERIM REPORT ON OPERATIONS AT 30 JUNE 2021

SIGNIFICANT EVENTS AND TRANSACTIONS IN THE FIRST HALF OF THE YEAR

COVID-19: Main Impacts and Mitigation Actions

During the first months of the period, as the initial phase of the vaccine programme was being rolled out, new waves of infections linked to the pandemic gave rise to a renewed requirement for heavy restrictions at a national and local level. These measures were progressively eased during the second quarter as the vaccination programme gathered pace, albeit within a climate of maximum vigilance due to the spread of new variants of the virus in major European countries. In July, this situation led the state of emergency in Italy to be extended until 31 December 2021.

Against this backdrop and even though the winter months (strongly affected by the restrictions) put the brakes on economic expansion during the first half of the year, the economic recovery in Italy has been growing in strength. Indeed, the year-on-year growth in the macroeconomic indicators for all main areas of the economy are slightly up on the start-of-year forecasts, trending towards a consolidation in 2021 of the anticipated rebound of the global economy. This trend is motivated on the one hand by the progress made by vaccination programmes and, on the other, by the continuation of the monetary and fiscal stimulus measures taken by central banks. The economic growth estimates for subsequent years, both in EU countries and for Italy in particular, are contingent on achieving a sustainable recovery by delivering the investment scheme set out in the recovery plans.

Against this backdrop, the Group continued to effectively manage the COVID-19 emergency both in Italy and in Spain. This was achieved by monitoring the development of the pandemic, by updating and implementing specific safety protocols pursuant to government regulations, by continuing to provide its employees (through social partnerships) with all methodologies and tools (including preventive equipment) to protect personnel health and safety and maintain the Group's production capacity and business continuity, by limiting the risk of spreading infection as much as possible, and by extending the systematic use of flexible working methods to the rest of the workforce.

Furthermore, the Group continued to apply the monitoring and prevention system which it put in place in the second half of 2020 to gradually ensure that operations were being carried out safely across all premises and production sites. Under this system, workers were tested for infection; mandatory weekly swabs were taken for on-site employees and contractors; contact-tracing was carried out; masks were handed out daily; all working environments and common spaces were sanitised; drive-through testing stations were in operation for employees who developed flu symptoms while working from home to have a quick swab taken without leaving their cars; returns from sick leave were managed by referring cases to the relevant doctors; and the employee vaccination programme was rolled out after having obtained all necessary authorisations.

While continuing to adopt a high-vigilance approach which requires the wearing of personal protective equipment on company premises, social distancing and weekly swabs (also in light of the spread of new variants) – thus taking into account the progression of the pandemic and the vaccination uptake across the country and observing the measures put in place by the authorities – restrictions have gradually been relaxed since the end of June and staff have gradually been invited back to the company premises. Accordingly, agreements were reached with trade unions and workers' representatives in both Italy and Spain at the end of the period, with the aim of running operations according to a new smart-working model starting in the autumn and running until at least the end of the requirement for flexible working arrangements set out by both national governments under emergency legislation.

The application of these measures during the reporting period enabled a safe and managed return to live programming, while continuing to protect news and analysis output. As described in greater detail below, audience shares confirmed the centrality and consolidation of the Mediaset multimedia system, in spite of the backdrop of high fragmentation of the linear and non-linear content offering. This situation enabled the scheduled spring programming to be delivered as normal in the presence of a market which, although still fragile, showed signs of improvement in line with the gradual normalisation of the economy as a whole. In the advertising market in particular, Mediaset gradually consolidated on its shoots of recovery, as its second-quarter advertising revenues in Italy were up on the same period in 2019. Meanwhile in Spain, where the advertising market is taking more time to recover, the advertising revenues of Mediaset España recorded strong growth from March onwards. In both geographic areas, the Group has maintained a strong focus on cost control without this affecting audience figures and investment capacity, as demonstrated by the agreements entered into in Italy for the broadcasting rights to the Champions League and the Coppa Italia over the next three seasons and the broadcasting rights to the European Football Championship in Spain, broadcast between June and July.

The Group also continued to cope with the closure of cinemas ordered by the authorities, in response to which it capitalised on the films already completed by distributing them over the main non-linear platforms of OTT operators.

The Group also continued to operate with the aim of further enhancing its financial soundness in terms of its the structure, composition and counterparty diversification of its debt, its committed loan-to-value ratio, the extension of average maturity dates and the optimisation of low-cost conditions, and its availability to credit facilities in respect of average utilisation. In accordance with the Liquidity Risk Policy adopted by Mediaset, average consolidated financial exposure must not exceed 80% of all agreed credit facilities, with at least 20% of credit facilities remaining available at all times. On average, 60.5% of the Group's total credit facilities were available and unutilised during the first half of 2021.

In particular, in addition to the financial liabilities related to the investment in ProsiebenSat1, at 30 June 2021 Mediaset S.p.A. had EUR 1,679.5 million in total committed credit facilities lines, of which EUR 550 million unutilised and readily available, while Mediaset España had EUR 210 million in unutilised and readily available committed credit facilities. As at the approval date of these Interim Condensed Consolidated Financial Statements, the committed credit lines available to Mediaset S.p.A. are unchanged compared to 30 June and include EUR 150 million falling due within the next 12 months, which is in the process of being renewed for EUR 100 million; the credit lines of Mediaset España falling due within 12 months were also unchanged compared to 30 June 2021.

During the first half of the year, the Group's core business continued to generate steady cash flows, which in addition to the income from the ordinary and extraordinary dividends received from investees during the period, led to a significant reduction in consolidated debt compared to 31 December 2020.

As at the reporting date, the economic and financial ratios underlying the existing financial covenants in place for the main credit facilities entered into by the Group, which are monitored on a half-year basis, were markedly below the maximum allowable limits. Based on the evidence and elements currently available, it is reasonable to expect that these parameters will also be satisfied during the next 12 months.

Proposal to transfer the Registered Office to the Netherlands

On 23 June 2021, the Extraordinary Shareholders' Meeting of Mediaset S.p.A (called by unanimous resolution of Mediaset's Board of Directors on 26 April 2021) resolved to propose to transfer the Company's registered office to Amsterdam, the Netherlands, which the Company will achieve by adopting the Dutch-law corporate form of *naamloze vennootschap* and by adopting new bylaws in accordance with Dutch law (the "Transfer"). A total of 81.81% of the share capital was represented at the Shareholders' Meeting by shareholders holding a proxy. Of the shares represented, 95.57% voted in favour of the proposal.

The Transfer is regarded as fundamental to the Group's strategy of accessing an ecosystem (with a governance model inspired by the best international standards and in line with that adopted by Mediaset until now) capable of generating the following benefits for Shareholders:

- engender a more realistic appreciation of the Company among the stock market and the international business community more generally, which still tends to consider broadcasters as "local" businesses that are closely bound by and dependent on domestic economic concerns;
- strengthen Mediaset's ability to raise the capital and financial resources necessary to develop new business projects and to facilitate integration with new partners;
- operate within a legal system that is internationally known and appreciated by market operators and investors and capable of enhancing the pan-European dimension of the business to which Mediaset strives, while also preserving its identity and historical presence in its current markets;
- ensure that investors are extensively protected by providing a high degree of legal certainty, certainty in their contractual/commercial relations and, consequently, certainty that the internationalisation project will be fulfilled.

Following the Transfer, the Company's shares will remain listed on the electronic stock market (MTA) organised and managed by Borsa Italiana S.p.A.; The actual head office will also remain in Italy (all operational activities of Mediaset will continue to be carried out at the usual locations) and the tax residence of the Company will also remain unchanged. There will therefore be no change in how direct and indirect taxes are paid in Italy.

The Transfer will take place without any interruption of existing legal relationships.

Mediaset shareholders who did not vote in favour of the Transfer were eligible to exercise their statutory right of withdrawal, at a price of EUR 1.881 per share (EUR 2.181 per share minus the extraordinary dividend of EUR 0.30 per share which, on the same date as the Transfer was approved, the Shareholders' Meeting resolved to pay out) no later than fifteen days after the Shareholders' Meeting resolution was registered in the Companies' Register, with this registration taking place on 1 July 2021. The effective date of withdrawal will depend on the completion date of the Transfer, which will in turn be subject to certain conditions precedent being met. One such condition precedent is that Mediaset must have paid the amount due to Shareholders who exercise their right of withdrawal, an amount which must not exceed EUR 120 million. As reported in the section "*Events after 30 June 2021*" below, the statutory period for exercising right of withdrawal (pursuant to Article 2437 paragraph 1 letter c) of the Italian Civil Code) ended on **16 July 2021**. Based on the communications received by the Company by 30 July, the right of withdraw had been validly exercised on a total of 3,881 shares of the Company.

Other significant events, Corporate transactions and equity investments

Refarming of the 700 MHz Band

On **28 April 2021**, the Italian Ministry of Economic Development – pursuant to AGCOM Ruling no. 564/20/CONS of 29 October 2020, which set out the criteria for the fees-based auction to allocate additional national networks and prohibited any operator from having more than 3 DVB-T2 transmission networks in the new system – published the Call for Bids and the tender specifications for allocating the available nationwide transmission capacity (half of a multiplex) as well as the related terrestrial frequencies.

On **28 May 2021**, Elettronica Industriale, which had already been allocated two rights of use for national network frequencies and one right of use for half of a multiplex, submitted a tender submission. Based on the ranking approved by the Ministry, one of the four multiplexes was allocated to Elettronica Industriale on 2 July. The other three multiplexes were allocated to Rai, Persidera and Cairo Communication, respectively. By virtue of the order to allocate this half-multiplex (signed on 13 August 2021), Elettronica Industriale will be able to operate with three multiplexes from 1 July 2022, which is the deadline given in EU law (Decision 2017/899) and Italian law for the 700 MHz band to be refarmed to mobile telephony services for the development of 5G. As described in greater depth in the chapter *Events after 30 June 2021* below, on 30 July 2021 the Italian Ministry of Economic Development amended the Road Map Decree and set out a new timetable for transitioning the national television system for the adoption of the new MPEG4-DVB-T2 transmission standards.

Corporate transactions and equity investments

On **21 January 2021**, Mediaset España increased its stake in **ProSieben Sat1 Media SE**, acquiring a 3.4% equity interest. As a consequence of this transaction, the reverse collar entered into by Mediaset S.p.A. on April 2020 to fix a maximum price for the future acquisition of up to a further 4.1% stake in ProSiebenSat.1 Media SE was early unwinded (as the conditions underlying the agreement ceased to exist), collecting an amount of EUR 20.4 million, which was recognised as financial income in the period.

During the second quarter and in the month of July, Mediaset repaid - in the form of *cash settlement* - two tranches of the financial debt taken out in 2019 for the equity investment in ProSiebenSat.1 Media SE, thus directly acquiring the underlying shares. As an integral part of the financial structure of this investment, the tranches of financial instruments (collars) hedging those shares were simultaneously realized with the counterparty of the transaction.

As a result of these transactions, the aggregate stake secured by the Group at 30 June 2021 was 23.5% in the capital of the company (24.2% of voting rights). As at 21 July (the date of the last notice to BaFin - the Financial Supervisory Authority), 14.6% of the shares attributable to the Group were held directly and 8.9% through financial instruments.

On 1 June, the Shareholders' Meeting of ProsiebenSat1MediaSE resolved to distribute an ordinary dividend of EUR 0.49 per share. These share dividends were collected by Mediaset and Mediaset España, net of the fee contractually due to the financial counterparts under the transaction.

Furthermore, as at 30 June 2021, the non-controlling interest in ProSiebenSat.1 Media SE did not meet the conditions to qualify as an associate under IAS 28 (*Investments* in *Associates and Joint Ventures*) – in other words, an entity in which the investor can exercise significant influence by participating in its financial and operating policy decisions. Therefore, as with previous years, this investment is recognised and treated as a financial investment under IFRS 9 (*Financial Instruments*) and, as a result, the equity investment and related hedging derivatives are measured at fair value with variations recognised in Shareholders' Equity in the caption *Valuation Reserve*, with no recycling to profit and loss, recognising in profit and loss only the dividends received.

On **5 March 2021,** RTI S.p.A. sold its residual 3.9% equity interests in **Prosiebensat.1 Digital Content LP and Prosiebensat.1 Digital Content GP Ltd**.

On **30 April 2021, EI Towers SpA** (a company 40%-owned by Mediaset) completed the **sale** of its 100% equity investment in **Towertel SpA** (the company that owns the service agreements and infrastructure for telco’s operators) to Phoenix Towers Italy SpA, after having obtained the requisite regulatory authorisations. On the same date, Mediaset collected dividends of EUR 133.9 million under the distribution resolution passed by the Shareholders’ Meeting of EI Towers held on 15 April 2021. As a consequence of this transaction, the consolidated financial results of EI Towers from May onwards do not include the profit and loss generated by the investment sold (which in 2020 contributed with EUR 9.6 million profit towards the consolidated net result of EI Towers). On the other hand, in the second quarter of 2021 EI Towers benefitted from a net capital gain of EUR 216.8 million, recognised for the pro rata in the Mediaset Group interim consolidated income statement for EUR 86.7 million in the line *Income/(expenses) from equity investments*.

On 25 June 2021, Mediaset reached an agreement to **sell** its **equity interest in Deporvillage** to DJ Sport for a price of **EUR 24 million,** which could rise to EUR 34 million depending on the company's results for 2021. Of this amount, almost EUR 9 million relates to Italian business and EUR 16 million to Spanish business (EUR 12 million and EUR 22 million respectively if the targets are met). In June 2015, the **Mediaset Group**, through Ad4Ventures (Italy and Spain) and its *media **for equity*** mechanism (advertising in exchange for shares in start-ups), became a shareholder of Deporvillage, a Spanish e-commerce site selling sports goods and specialising in cycling, running, outdoor and swimming, with an established presence in some European countries including Spain, Italy, France, Germany, England and Portugal. Over the years, thanks also to the visibility that the Group offered the start-up (in Italy in particular, with campaigns planned with the concessionaire Publitalia ‘80 and broadcast between 2015 and 2017 on Italia 1 and Italia 2), brand awareness and sales had grown - with the company's turnover rising from EUR 6.5 million in 2014 to almost EUR 118 million in 2020 - with the value of the company and of Mediaset’s shareholding growing considerably as a consequence. The sale, which was finalised in August, will generate an important return of between 9 and 12 times the initial commitment of EUR 2.7 million, which was paid in the form of comprehensive advertising investment in Italy and Spain).

Acquisition of rights to sporting events and third-party advertising sub-concession agreements

In February, Mediaset secured the free-to-air rights to broadcast the top match from each round of the **UEFA Champions League**, including the final, over its generalist networks until 2024; matches will also be viewable online. Mediaset will also offer other 104 matches for the next three seasons over its Infinity live pay streaming platform. This means that Mediaset can offer all UEFA Champions League matches except for one match per round. The matches will be viewable across all devices, from smart TVs and tablets, to PCs and mobile phones. Mediaset, which is already offering matches on its free-to-air services this season, has thus been awarded the broadcasting rights to a total of 121 UEFA Champions League matches per season across its platforms for another three years.

On **17 June 2021, Digitalia'08 and DAZN** signed an agreement to manage advertising revenues for Serie A TIM for the three-year period 2021-2024, in which seasons DAZN will broadcast the entirety of Serie A TIM, making up a total of 380 matches per season, with 10 matches per matchday (7 exclusive and 3 co-exclusive).

Under this partnership, Digitalia'08 - a company with long-established experience in advertising for premium sporting events - will have the exclusive rights to collect advertising for TIM Serie A, working in close collaboration with DAZN Media to provide companies with the best possible combination of customer experience and first-class communication.

Amendment to Article 7 of the Bylaws of Mediaset S.p.A

On **27 May 2021**, the Extraordinary Shareholders' Meeting unanimously resolved to abrogate the enhanced voting rights pursuant to art. 127-quinquies of the Consolidated Finance Law (TUF), as referred to in Article 7 of the Company Bylaws and enacted by the resolution of the Extraordinary Shareholders' Meeting of 18 April 2019, as contested by Simon Fiduciaria SpA. The fact of proposing this amendment to the bylaws does not hand a right of withdrawal to Shareholders who did not vote in favour. On 26 April 2021, the Extraordinary Shareholders' Meeting had been called by the Board of Directors of Mediaset S.p.A. on behalf of the Company, with the aim of avoiding further disputes and hopefully resuming constructive dialogue with all Shareholders.

Fininvest-Mediaset-Vivendi Agreement

On **3 May 2021**, Fininvest, Mediaset and Vivendi reached a global agreement putting an end to their disputes, in which the parties withdrew all pending actions and complaints, as described in the Consolidated Annual Report at 31 December 2020.

Vivendi undertook to contribute to Mediaset's international development by voting to abolish the enhanced voting mechanism and to transfer Mediaset's registered office to the Netherlands. Mediaset and Vivendi also entered into good neighbour agreements in free-to-air television and standstill for a duration of five years. As part of this agreement, Vivendi will pay the Mediaset Group the compensation stipulated in the ruling that brought an end to proceedings no. 47205/2016 (EUR 1.7 million).

Finally, Dailymotion, a subsidiary of Vivendi, agreed to pay EUR 26.3 million to settle its copyright litigation proceedings with RTI and Medusa, Mediaset Group companies.

The closing of the agreement, as reported in the "Events after 30 June 2021" section below, was completed as provided for by the signed agreements on 22 July 2021.

Medium/Long-Term Incentive and Loyalty Plan

On **26 April 2021**, the Board of Directors resolved to submit a proposal, subsequently approved by the Shareholders' Meeting of 23 June 2021, to establish a medium/long-term incentive and loyalty plan (the "Plan") which, on the back of the experience gained from previous plans, will apply exclusively to the delegated bodies and managers of Mediaset SpA, as well as those of subsidiaries performing key strategic functions for the Mediaset Group.

This three-year Plan (2021-2023) was signed off by the Board of Directors upon the proposal of the Remuneration Committee. On the one hand, it aims to promote the creation of medium-term value to shareholders and, on the other, it aims to incentivise loyalty among its beneficiaries.

The Plan grants beneficiaries the right to a given number of regular shares in the Company. These rights will be granted to beneficiaries subject to the latter allocating a portion of their short-term target incentive bonus for the period covered by the medium/long-term plan (25% or 50% of the bonus, as appropriate).

Where this occurs (and in addition to the rights assigned in exchange for the portion of the short-term target incentive bonus allocated), the beneficiaries will also receive an identical number of rights free of charge. For the vesting of these rights, and consequently for the underlying shares to be allocated free of charge, the Board of Directors must first verify whether the three-year performance targets linked to the Group's financial results and set by the Board of Directors have been reached and whether the beneficiary remains in employment on the date on which the vesting period expires, in accordance with the provision contained in the Regulations.

The shares under the Plan will be provided from shares already in the possession of the Company (treasury shares) or will be purchasable under article 2357 et seq of the Civil Code as long as the Company does not intend to or cannot provide those already in its possession.

Resolution to distribute extraordinary dividends

On **23 June 2021**, the Shareholders' Meeting of Mediaset approved the proposal by shareholder Fininvest to distribute an extraordinary dividend of EUR 0.3 per each share in circulation, payable from the company's profits for the year and from available reserves. For shareholders who have exercised their right of withdrawal over the transfer of the registered office to the Netherlands, this amount will be deducted from the withdrawal price, meaning they will be paid the sum of EUR 1.881 per share (in other words, EUR 2.181 minus the extraordinary dividend). The extraordinary dividend was paid out on 21 July 2021.

GROUP PERFORMANCE AND HIGHLIGHTS

TELEVISION AUDIENCE

In **Italy**, total audience over the 24-hour period **averaged 10.760 million** viewers in the first half of 2021

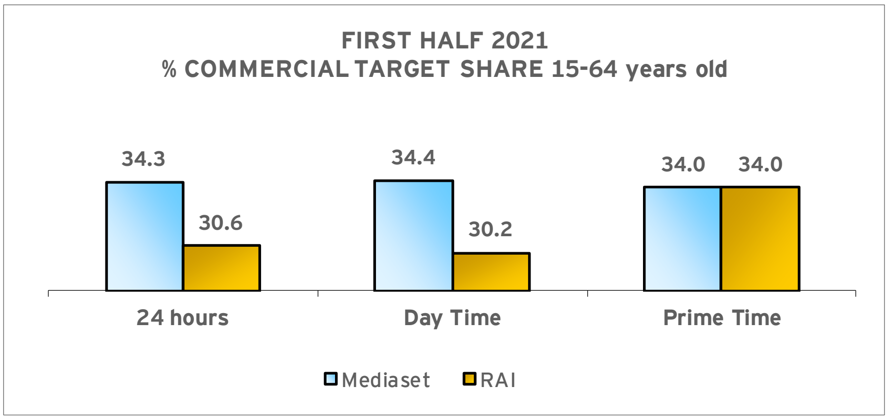
Auditel statistics show that, during the period reported, Mediaset networks as a whole obtained an audience share of 31.8% over the 24-hour period, 31.8% in the Day Time slot and 31.8% in Prime Time.

The table below shows the breakdown of audience share by network for the reporting period.

(Source: Auditel)

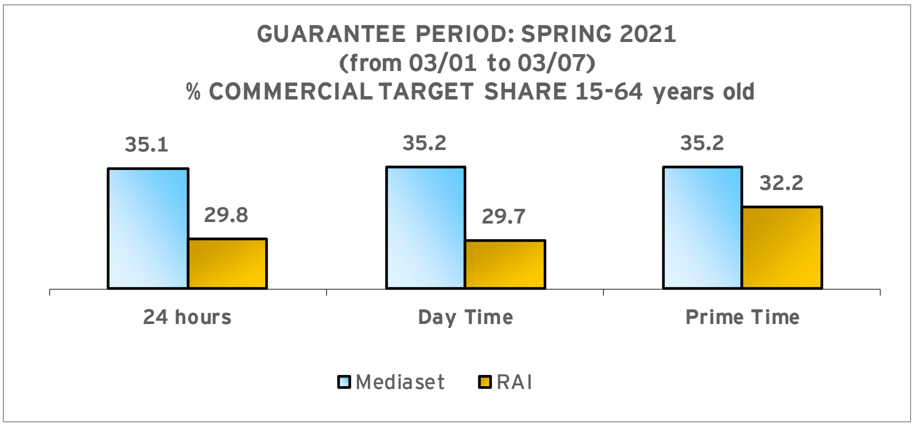
MEDIASET AUDIENCE SHARE 1H (from 03/01 to 03/07)	Individuals			Commercial Target		
	24 hours	Prime Time	Day Time	24 hours	Prime Time	Day Time
	15.6%	14.3%	16.1%	16.6%	16.0%	17.0%
	4.4%	4.9%	4.3%	6.2%	6.4%	6.2%
	3.8%	4.6%	3.7%	2.9%	3.4%	2.8%
TOTAL GENERALIST NETWORKS	**23.8%**	**23.8%**	**24.1%**	**25.7%**	**25.8%**	**26.0%**
TOTAL MULTI CHANNEL, PREMIUM CINEMA CHANNELS AND TV SERIES	**8.0%**	**8.0%**	**7.7%**	**8.6%**	**8.2%**	**8.4%**
MEDIASET	**31.8%**	**31.8%**	**31.8%**	**34.3%**	**34.0%**	**34.4%**

In the commercial target audience, the Group has maintained its leadership across all time slots. Notably, Canale 5 ranks in top spot and Italia 1 in third spot in all time slots with the 15-64 year-old viewer target. A considerable contribution also came from the thematic networks, which added approximately 8 points of audience share in total.



Mediaset's generalist networks held an audience share in the spring season of 24.5% over the 24-hour period, 24.8% in the Day Time slot and 24.6% in Prime Time. Adding to the Group's other channels, total audience share over the 24-hour period came to 32.5% of all viewers, with a 32.5% share in the Day Time slot and 32.8% in Prime Time.

A positive contribution also came from the thematic networks, which added an audience share of approximately 8 points to all viewers and 8.5 points to the commercial target.



In **Spain**, Mediaset España Group's free-to-air networks at 30 June 2021 included Telecinco and Cuatro and the thematic channels Factoría de Ficción, Boing, Divinity, Energy and the HD channel Be Mad TV. In terms of audience figures, Mediaset España consolidated its leadership position in the period. In particular, Mediaset España Group's **average audience share** over the 24-hour period in the half-year under review was **28.6%** of *all viewers* and **30.8%** of the *commercial target*. Telecinco was also the audience leader with a 15.5% share of all viewers over the 24-hour period, and 16.1% of the commercial target.

Mediaset España consolidated its web leadership position (through the Telecinco and Mitele websites) also in the half-year under review, in terms of unique visitors and page views.

The audience share breakdown for the Mediaset España Group's generalist and thematic channels is shown below.

MEDIASET ESPAÑA AUDIENCE SHARE 1H	Individuals			Commercial Target		
	24 hours	Prime Time	Day Time	24 hours	Prime Time	Day Time
	15.5%	14.6%	15.9%	16.1%	15.9%	16.1%
	5.4%	5.3%	5.4%	6.2%	6.2%	6.2%
TOTAL GENERALIST NETWORKS	**20.9%**	**19.9%**	**21.4%**	**22.3%**	**22.1%**	**22.3%**
TOTAL MULTI CHANNEL	**7.7%**	**6.6%**	**8.2%**	**8.5%**	**7.1%**	**9.2%**
MEDIASET españa.	**28.6%**	**26.5%**	**29.5%**	**30.8%**	**29.2%**	**31.5%**

Main economical and financial results

The pandemic continued to profoundly influence the wider economy during the first half of the year, also in Italy and Spain, as the stringent local and nationwide restrictions aimed at staving off new outbreaks remained, before gradually being lifted in the second quarter as the vaccination programme gathered pace. Nevertheless, the Mediaset Group performed better than in the same period of the previous year and in particular achieved a higher operating profit (EBIT) and free cash flow both in Italy (where the recovery of advertising revenues continued to be well-supported) and at a consolidated level also compared to the same period of 2019.

Following a strong performance during the first quarter, these results were further impacted by strong second-quarter growth in advertising revenues in Italy, recording an increase of 66.2% on the same period in 2020, which was the period most heavily affected by the pandemic: this figure was also higher than the same period in 2019. In Italy, the second quarter of 2021 was therefore the fourth consecutive quarter with growth in advertising revenues.

In Spain, too, where the recovery of the advertising market continues to lag behind Italy, the second-quarter advertising revenues of Mediaset España grew by 92.3% compared to 2020, thus consolidating on the signs of recovery recorded in March. This was further enhanced in June with the exclusive broadcasting rights to European Football Championship matches.

In both national markets, strong cost control measures were in place, with the operating costs during the reporting period falling below the figures for the first six months of 2019 (-7.9%).

Besides the excellent performance of its ordinary operations, the Group's consolidated net profit and cash flow generation for the period were also boosted by the Group's financial operations, with net income linked to the ProsiebenSat1 investment amounting to EUR 30.9 million and the results of the equity investments benefitting from a EUR 86.7 million share of the capital gain realized by EI Towers (in which Mediaset holds a 40% stake) from the sale of Towertel, a transaction which also led Mediaset to receive EUR 133.9 million in dividends from EI Towers.

The key economical and financial results for the period are summarised below:

- **Total consolidated net revenues** amounted to **EUR 1,387.2** million, up by 18.9% compared to the same period in 2020, with this trend primarily reflecting a 29.6% rise in aggregate gross advertising revenues from Italian and Spanish operations.

- **Operating Result (EBIT)** was positive, at **EUR 198.7 million**, compared to EUR 31.7 million for the same period in 2020 and the EUR 191.6 million recorded in 2019. Operating profitability stood at **14.3%**, compared to the 2.7% recorded in 2020 and the 12.9% figure for 2019.

- The **Group net result** was positive at **EUR 226.7 million**, compared to the EUR -18.9 million net loss recorded for the same period in the previous year. This result was higher than the EUR 102.7 million figure recorded for the same period in 2019, and this remains the case even stripping out the capital gain realized by the investee EI Towers in the first half of 2021 from the sale of Towertel and the economical components for both periods from the equity investment in ProsiebenSat.1 Media SE (dividends received and financial income/expenses relating to financial hedge instruments).

- Consolidated **net financial debt** at 30 June 2021, calculated in accordance with ESMA's "Guidelines on disclosure requirements under the Prospectus Regulation" of 4 March 2021, as adopted by Consob in its Reminder Notice No. 5/21 of 29 April 2021, amounted to EUR **731.7 million**, a reduction on the EUR 1,064.4 million recorded at the beginning of the period. Excluding the liabilities recognised under IFRS 16 from 2019 onwards and the financial payable for the equity investments in ProSiebenSat.1 Media SE, **adjusted net financial debt** was **EUR 222.0 million** compared to EUR

473.6 million at 31 December 2020. **Free cash flow** amounted to **EUR 274.7 million**, an improvement on the EUR 212.1 million recorded for the first six months of 2020 and on the EUR 189.1 million recorded for 2019. During the first half of the year, the Group made disbursements of EUR 103.9 million in connection with the increased shareholding acquired by Mediaset España in ProsiebenSat.1 Media SE. The Group also collected EUR 20.4 million from the early unwinding of financial instruments (reverse collar) entered by Mediaset S.p.A. in the first half of last year to hedge future equity investments, and dividends of EUR 133.9 million from EI Towers.

Breaking down income results by geographical area:

In **Italy**:

- In the first half of 2021, **Total consolidated net revenues** from the Group's Italian operations totalled **EUR 963.7 million**, showing an increase of 21.8% 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 totalled **EUR 979.9 million**, an increase of +31.7% compared to the same period in 2020. In the second quarter in particular, advertising revenues amounted to EUR 526.4 million, up 66.2% compared to 2020, also surpassing the EUR 501.6 million in revenues recorded for the same period of 2019, which continued to include revenues from the Group's Premium offering. Based on Nielsen data, in the first half of 2021 the overall advertising market grew by 26.7% compared to the same period in 2020.
- **Other revenues** totalled EUR **122.9** million, compared to the EUR 152.8 million recorded for the first half of 2020; however, this latter figure included income from the Medusa film distribution business, such as the January 2020 releases of "Tolo Tolo", directed by Zalone and produced by Taodue, and "Odio l'Estate", directed by the trio of Aldo, Giovanni and Giacomo and were still included the revenues from the operations of Media4Commerce, which was sold in the second half of 2020.
- **Total operating costs** for operations in Italy during the half-year (personnel expenses, Purchases, services, other costs, TV rights amortisation and depreciation of fixed assets) amounted to **EUR 869.1 million** , up 2.4% on the same period in 2020, but down on the EUR 962.9 million in total operating costs recorded for the same period in 2019.
- **Operating Result (EBIT)** from all operations in Italy was positive at **EUR 94.6 million**, which is up on the operating loss of EUR -57.6 million recorded for the first half of 2020 and the EUR 39.3 million operating profit for the first half of 2019.

In **Spain**:

- **Total consolidated net revenues** for the Mediaset España Group at the end of the first half of 2021 were EUR **423.6 million**, showing a 12.9% increase on the same period of the previous year.
- **Gross TV advertising revenues** stood at EUR **406.1 million**, a 24.9% increase on the figure for the same period of the previous year. *Infoadex* statistics estimate that TV advertising investments increased by 22.9% during the first half of the year, whereas the TV and digital media advertising market as a whole increased by 27%. Mediaset España maintained its leadership in its TV market with a share of 43.2%, whereas its share of the TV and digital media market stood at 30.7%. Of particular note, in the second quarter the television advertising market grew by 82.2% compared to the same period in the previous year, thus highlighting the significant prospects for economic growth.
- **Other revenues** decreased by 41.4% to **EUR 35.8 million**, compared to EUR 61.1 million for the same period of the previous year: in the first half of last year, the Group had benefited from film distribution revenues, the strong influence of content sales and sublicensing to third-party broadcasters, strongly affected by the inevitable interruption of production following the pandemic emergency and the positive trend in subscriptions to the new OTT Mitele Plus service.
- **Total Costs** (personnel costs, other operating costs, amortisation and depreciation) were EUR **319.8 million**, an increase (+11.7%) on the same period in the previous year as a result of the different scheduling mix enforced by the pandemic and due to the fact that the costs for broadcasting the *Euro 2020* Football Championships were recognised in accounts during the first half of this year.
- As a result of the above performance **Operating Result (EBIT)** came to **EUR 103.8 million**, compared to EUR 88.9 million in the same period of 2020, corresponding to an operating profitability of **24.5%** compared to 23.7% in the first half of 2020.

PERFORMANCE BY GEOGRAPHICAL AREA AND BUSINESS SEGMENT

In this section we give a breakdown of the consolidated income statement, balance sheet and cash flow statement to show the contribution to Group performance of the two geographical areas of business, Italy and Spain, as well as details of the geographical breakdown of revenues.

The presentation of the income statement, balance sheet and cash flow figures shown below corresponds to the presentation adopted in the Report on Operations accompanying the annual Consolidated Financial Statements. As such the figures are restated with respect to the financial statements attached, in order to highlight the intermediate aggregates considered most significant for understanding the performance of the Group and of the individual business units. The criteria adopted in preparing the aggregates and notes referring the reader to the relevant statutory financial statement items have been disclosed in accordance with guidance provided by Consob Communication no. 6064293 of 28 July 2006, Consob Communication no. 0092543 of 3 December 2016 and ESMA Guidance 2015/1415 concerning alternative performance measures (or non-GAAP measures).

The performance figures provided refer to progressive totals at the end of the first half and second quarter of 2021 and 2020; balance sheet figures are stated at 30 June 2021 and at 31 December 2020.

GROUP PERFORMANCE

The consolidated income statement reported below shows the intermediate aggregates making up *EBITDA* and *EBIT*.

EBITDA is calculated by taking the *Net result for the period*, adding *Income taxes*, then subtracting the *Income/(expenses) from equity investments* and *Financial income/(losses)* and, finally, adding *Amortisation and depreciation*.

EBIT is calculated by taking the *Net result for the period*, adding *Income taxes*, then subtracting the *Income/(expenses) from equity investments* and *Financial income/(losses)*.

(values in EUR million)

MEDIASET GROUP Income Statement	**1H 2021**	**1H 2020**	**2Q 2021**	**2Q 2020**
Consolidated net revenues	**1,387.2**	1,166.4	**753.1**	484.3
Personnel expenses	**(238.2)**	(228.0)	**(120.5)**	(111.5)
Purchases, services, other costs	**(720.0)**	(638.2)	**(385.2)**	(256.6)
Operating costs	**(958.3)**	**(866.2)**	**(505.7)**	**(368.1)**
EBITDA	**429.0**	**300.2**	**247.4**	**116.1**
Rights amortisation	**(185.0)**	(216.7)	**(93.7)**	(100.0)
Other amortisation and depreciation	**(45.2)**	(51.8)	**(22.9)**	(26.1)
Amortisation and depreciation	**(230.3)**	**(268.5)**	**(116.6)**	**(126.0)**
EBIT	**198.7**	**31.7**	**130.8**	**(9.9)**
Financial income/(losses)	**25.6**	1.2	**8.7**	(1.2)
Income/(expenses) from equity investments	**98.3**	5.3	**93.0**	2.5
EBT	**322.6**	**38.2**	**232.6**	**(8.6)**
Income taxes	**(57.8)**	(26.3)	**(36.5)**	(15.9)
Minority interests in net profit	**(38.0)**	(30.8)	**(21.8)**	(9.1)
Net profit from continuing operations	**226.7**	**(18.9)**	**174.3**	**(33.6)**
Group net result from discontinued operations				
Group net result	**226.7**	**(18.9)**	**174.3**	**(33.6)**

The following table shows key Group income statement figures stated as a percentage of consolidated net revenues.

MEDIASET GROUP	1H 2021	1H 2020	2Q 2021	2Q 2020
Consolidated net revenues	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Operating costs	-69.1%	-74.3%	-67.1%	-76.0%
EBITDA	**30.9%**	**25.7%**	**32.9%**	**24.0%**
Amortisation and depreciation	-16.6%	-23.0%	-15.5%	-26.0%
EBIT	**14.3%**	**2.7%**	**17.4%**	**-2.0%**
EBT	**23.3%**	**3.3%**	**30.9%**	**-1.8%**
Group net result	**16.3%**	**-1.6%**	**23.1%**	**-6.9%**

Below we look at the breakdown of the income statement by geographical area to report the contribution to performance of the Group's Italian and Spanish operations.

BREAKDOWN BY GEOGRAPHICAL AREA: ITALY

The following is an abridged income statement of Mediaset Group's domestic business:

(values in EUR million)

ITALY Income Statement	**1H 2021**	**1H 2020**	**2Q 2021**	**2Q 2020**
Consolidated net revenues	**963.7**	**791.3**	**513.5**	**339.0**
Personnel expenses	(177.1)	(171.5)	(89.7)	(85.0)
Purchases, services, other costs	(510.9)	(466.2)	(260.3)	(192.0)
Operating costs	**(688.0)**	**(637.8)**	**(350.0)**	**(277.0)**
EBITDA	**275.7**	**153.6**	**163.5**	**62.0**
Rights amortisation	(144.9)	(170.0)	(71.5)	(78.2)
Other amortisation and depreciation	(36.2)	(41.1)	(18.0)	(20.9)
Amortisation and depreciation	**(181.1)**	**(211.1)**	**(89.5)**	**(99.2)**
EBIT	**94.6**	**(57.6)**	**74.0**	**(37.2)**
Financial income/(losses)	21.2	1.5	3.9	(1.0)
Income/(expenses) from equity investments	96.5	3.4	91.8	1.3
EBT	**212.3**	**(52.7)**	**169.8**	**(36.9)**
Income taxes	(34.2)	(6.9)	(23.1)	(9.5)
Minority interests in net profit	0.8	1.2	0.3	0.8
Net profit from continuing operations	**178.9**	**(58.3)**	**147.1**	**(45.6)**
Group net result from discontinued operations				
Group net result	**178.9**	**(58.3)**	**147.1**	**(45.6)**

The following table shows the main income statement figures stated as a percentage of total consolidated net revenues.

ITALY	1H 2021	1H 2020	2Q 2021	2Q 2020
Consolidated net revenues	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Operating costs	-71.4%	-80.6%	-68.2%	-81.7%
EBITDA	**28.6%**	**19.4%**	**31.8%**	**18.3%**
Amortisation and depreciation	-18.8%	-26.7%	-17.4%	-29.3%
EBIT	**9.8%**	**-7.3%**	**14.4%**	**-11.0%**
EBT	**22.0%**	**-6.7%**	**33.1%**	**-10.9%**
Group net result	**18.6%**	**-7.4%**	**28.6%**	**-13.4%**

Below is a summary of the main types of revenue.

ITALY Net Consolidated Revenues	1H 2021	1H 2020	2nd Quarter 2021	2nd Quarter 2020
Gross advertising revenues	979.9	744.2	526.4	316.8
Agency discounts	(139.1)	(105.7)	(74.5)	(45.2)
Total net advertising revenues	**840.8**	**638.5**	**451.9**	**271.6**
Other revenues	122.9	152.8	61.6	67.4
Total consolidated revenues	**963.7**	**791.3**	**513.5**	**339.0**

- **Gross advertising revenues,** including free and pay-TV channels managed by the Group's concessionaires and the Group's share of website revenues, and revenues from proprietary radio broadcasters managed under a sublicense from the investee Mediamond, stood at **EUR 979.9 million**, for an increase of +31.7% compared to the same period in 2020. In the second quarter in particular, advertising revenues amounted to EUR 526.4 million, up 66.2% compared to 2020.
- **Other revenues** totalled EUR 122.9 million, compared to the EUR 152.8 **million** recorded for the first half of 2020; however, this latter figure included income from the Medusa film distribution business, such as the January 2020 releases of "Tolo Tolo", directed by Zalone and produced by Taodue, and "Odio l'Estate", directed by the trio of Aldo, Giovanni and Giacomo, and still included the revenues from the operations of Media4Commerce, which was sold in the second half of 2020.

Total Operating costs for operations in Italy during the half-year (personnel expenses, Purchases, services, other costs, TV rights amortisation and depreciation of fixed assets) amounted to EUR **869.1 million**, up slightly (+2.4%) on the same period in 2020. This trend reflects the stabilisation (as anticipated) in TV scheduling costs – which had been subject to heavy cuts during the second quarter of 2020 in particular to cope with the pandemic – as well the postponement of international sporting events due to broadcast on Mediaset networks.

BREAKDOWN BY GEOGRAPHICAL AREA: SPAIN

The following is an abridged income statement of the Group's Spanish business; figures are those of Mediaset España Group (consolidated figures).

(values in EUR million)

SPAIN Income Statement	**1H 2021**	**1H 2020**	**2Q 2021**	**2Q 2020**
Consolidated net revenues	**423.6**	375.1	**239.6**	145.3
Personnel expenses	**(61.1)**	(56.5)	**(30.8)**	(26.5)
Purchases, services, other costs	**(209.1)**	(172.0)	**(124.9)**	(64.6)
Operating costs	**(270.3)**	**(228.5)**	**(155.7)**	**(91.1)**
EBITDA	**153.3**	**146.6**	**83.9**	**54.2**
Rights amortisation	**(40.4)**	(47.1)	**(22.4)**	(21.9)
Other amortisation and depreciation	**(9.1)**	(10.7)	**(4.9)**	(5.2)
Amortisation and depreciation	**(49.5)**	**(57.7)**	**(27.2)**	**(27.1)**
EBIT	**103.8**	**88.9**	**56.6**	**27.1**
Financial income/(losses)	**4.4**	(0.3)	**4.8**	(0.2)
Income/(expenses) from equity investments	**1.8**	1.7	**1.2**	1.1
EBT	**110.0**	**90.4**	**62.6**	**28.1**
Income taxes	**(23.6)**	(19.4)	**(13.3)**	(6.4)
Minority interests in net result	**1.0**	1.0	**0.6**	0.5
Net result from continuing operations	**85.4**	**70.0**	**48.6**	**21.1**
Group net result from discontinued operations				
GROUP NET RESULT	**85.4**	**70.0**	**48.6**	**21.1**

The following table shows the main income statement figures stated as a percentage of total consolidated net revenues from Spanish operations.

SPAIN	1H 2021	1H 2020	2Q 2021	2Q 2020
Consolidated net revenues	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Operating costs	-63.8%	-60.9%	-65.0%	-62.7%
EBITDA	**36.2%**	**39.1%**	**35.0%**	**37.3%**
Amortisation and depreciation	-11.7%	-15.4%	-11.4%	-18.6%
EBIT	**24.5%**	**23.7%**	**23.6%**	**18.7%**
EBT	**26.0%**	**24.1%**	**26.1%**	**19.3%**
Group net result	**20.2%**	**18.7%**	**20.3%**	**14.5%**

The following table shows details of the main types of revenue generated by the Mediaset España Group:

(values in EUR million)

SPAIN Consolidated Revenues	1H 2021	1H 2020	2nd Quarter 2021	2nd Quarter 2020
Gross advertising revenues	**406.1**	**325.1**	**235.1**	**122.3**
Agency discounts	(18.4)	(11.1)	(11.2)	(2.7)
Net advertising revenues	**387.7**	**314.0**	**223.9**	**119.5**
Other revenues	35.8	61.1	15.7	25.8
Total net consolidated revenues	**423.6**	**375.1**	**239.6**	**145.3**

Gross advertising revenues in the first half of the year were up 24.9% on the same period of the previous year.

Other revenues contracted on the same period of the previous year, from EUR 61.1 million to EUR 35.8 million. This was due to the loss of film distribution revenues, the strong influence in the previous year of content sales and sublicensing to third-party broadcasters strongly affected by the inevitable interruption of production following the pandemic emergency and the positive trend in subscriptions to the OTT Mitele Plus service.

Total Costs (personnel costs, other operating costs, amortisation and depreciation) of the Mediaset España Group in the first half of 2021 increased by EUR 33.6 million on the same period in the previous year as a result of the different scheduling mix enforced by the pandemic and due to the fact that the costs for broadcasting the *Euro 2020* Football Championships were recognised in accounts during the first half of this year.

At 30 June 2021, **Operating Result (EBIT)** from Spanish operations totalled **EUR 103.8 million**, up from EUR 88.9 million in the first half of 2020, with an operating profitability of **24.5%.**

Other income statement components for the Mediaset Group as a whole are shown below.

(values in EUR million)

	1H 2021	1H 2020	2Q 2021	2Q 2020
Financial income/(losses)	**25.6**	1.2	**8.7**	(1.2)

Financial income/(losses) for the first half of 2021 included income of EUR 20.4 million from January's early unwinding of the reverse collar agreement entered into by Mediaset S.p.A in April 2020 with the aim to fix a maximum price for the acquisition of an additional 4.1% stake in ProSiebenSat.1 MEDIA SE, and income of EUR 10.4 million in dividends (less the costs associated with the collar agreement entered into to hedge its investment) paid out to the Group by investee ProSiebenSat.1 Media SE during the second quarter.

Net of these components that were absent in 2020, as well as the lower net foreign exchange gains of EUR 5.0 million and the gains recognised in the first half of 2020 due to the early close-out of the interest rate hedge instruments, then net financial expense remained substantially unchanged from the same period of the previous year.

(values in EUR million)

	1H 2021	1H 2020	2Q 2021	2Q 2020
Income/(expenses) from equity investments	**98.3**	5.3	**93.0**	2.5

The *Result from equity investments* includes the Group' share of net result of the investments measured **by using the equity method**, as well as any write-off of the goodwill implicit in the purchase price of those investments and capital gains/losses generated through their disposal.

In the first half of 2021, this item benefited from the EUR 86.7 million pro-rata capital gain realised by 40%-owned investment EI Towers from its sale of Towertel on 30 April.

Net of this component, the result from equity investments shows a profit of EUR 11.6 million, up strongly compared to the EUR 5.3 million recorded for the same period in 2020.

(values in EUR million)

	1H 2021	1H 2020	2Q 2021	2Q 2020
EBT	**322.6**	**38.2**	**232.6**	**(8.6)**
Income taxes	(57.8)	(26.3)	(36.5)	(15.9)
Tax Rate (%)	17.9%	69.0%	15.7%	0.0%
Minority interests in net result	(38.0)	(30.8)	(21.8)	(9.1)
Net profit from continuing operations	**226.7**	**(18.9)**	**174.3**	**(33.6)**
Group net result from discontinued operations			-	-
Group net result	**226.7**	**(18.9)**	**174.3**	**(33.6)**

The Net result is stated net of income taxes, which were recognised based on the best estimate for the period in question. As a precaution given the high uncertainty and limited outlook, the 2020 first half year report did not recognise the deferred tax assets for that period resulting from tax losses carried forward for an unlimited period (for final IRES tax reporting purposes as provided for by the Italian consolidated tax system).

Minority interests refer to interests held in the consolidated earnings of Mediaset España (44.3%), Monradio S.r.l. (20%) and Beintoo S.r.l. (20%).

STATEMENT OF FINANCIAL POSITION

The Group's Balance sheet and its breakdown by geographical area are reported below in abridged form, restated to show the two main aggregates: **Net invested capital** and **Net financial position**, the latter as provided for by ESMA's "Guidelines on disclosure requirements under the Prospectus Regulation" of 4 March 2021, as adopted by Consob in its Reminder Notice No. 5/21 of 29 April 2021, consisting of *Total Financial Debt* less *Cash and Other Cash Equivalents and Other Current Financial Assets*. Details of the items making up the *Net financial position* are provided in Note 5.13.

The following tables therefore differ in their layout from the statements of financial position, which primarily distinguishes current from non-current assets and liabilities.

Equity Investments and Other Financial Assets include assets recognised in the *Consolidated Statement of Financial Position* as *Investments in Associates and Joint Ventures* and *Other Financial Assets* (the latter item including only *equity investments* and *non-current financial receivables*, thus excluding *hedging derivative-related financial assets*, which are included in *Net Working Capital* and *Other Assets/Liabilities*).

Net Working Capital and *Other Assets/Liabilities* include *current assets* (apart from *cash and cash equivalents* and *current financial assets* included in the *Net Financial Position*), *deferred tax assets and liabilities*, *non-current assets held for sale*, *provisions for risks and charges*, *trade payables*, *tax liabilities, other current liabilities, hedging derivatives and financial liabilities not included in the Net Financial Position*.

(values in EUR million)

Mediaset Group - Balance Sheet Summary	30-Jun-21	31-Dec-20
TV and movie rights	940.1	932.7
Goodwill	803.2	803.2
Other tangible and intangible non current assets	857.3	869.9
Equity investments and other financial assets	1,409.1	1,159.8
Net working capital and other assets/liabilities	(81.1)	531.1
Post-employment benefit plans	(65.3)	(66.7)
Net invested capital	**3,863.2**	**4,230.1**
Group shareholders' equity	2,582.1	2,668.3
Minority interests	549.4	497.3
Total shareholders' equity	**3,131.5**	**3,165.6**
Net Financial Position Debt/(Liquidity)	**731.7**	**1,064.4**

The breakdown of the balance sheet by geographical area (Italy and Spain) is shown below.

(values in EUR million)

	Italy		Spain	
Balance Sheet Summary (geographical breakdown)	**30-Jun-21**	**31-Dec-20**	**30-Jun-21**	**31-Dec-20**
TV and movie rights	814.1	811.9	127.7	122.9
Goodwill	145.6	145.6	294.5	294.5
Other tangible and intangible non current assets	631.1	638.2	226.2	231.7
Equity investments and other financial assets	1,734.6	1,705.2	551.4	331.8
Net working capital and other assets/liabilities	42.8	522.6	(124.4)	7.7
Post-employment benefit plans	(65.3)	(66.7)	-	-
Net invested capital	**3,302.8**	**3,756.8**	**1,075.5**	**988.7**
Group shareholders' equity	2,411.9	2,565.7	1,230.7	1,109.6
Minority interests	2.6	3.4	1.5	2.3
Total shareholders' equity	**2,414.4**	**2,569.1**	**1,232.2**	**1,111.9**
Net Financial Position Debt/(Liquidity)	**888.4**	**1,187.7**	**(156.7)**	**(123.2)**

Please note that **Net Financial Debt**, calculated for the purpose of the covenants of certain financial loans, does not include financial liabilities recognised in accordance with IFRS 16 and the payables contracted into as part of the equity investments in ProsiebenSat.1 Media SE, equalling EUR 222.0 million at 30 June 2021 (EUR 473.6 million at 31 December 2020). As at 30 June 2021, these financial parameters were satisfied in full. Based on current evidence, albeit in an environment that is characterised by elements of uncertainty in connection with the evolution of the COVID-19 related public health emergency, there are no elements to suggest that these parameters will not be satisfied in the next 12 months.

In the table below, the Group's summary balance sheet at 30 June 2021 is broken down to show the effects of the line-by-line consolidation of Mediaset España.

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(values in EUR million)

Balance Sheet Summary (geographical breakdown)	**Italy**	**Spain**	**Eliminations/ Adjustments**	**Mediaset Group**
TV and movie rights	814.1	127.7	(1.8)	940.1
Goodwill	145.6	294.5	363.2	803.2
Other tangible and intangible non current assets	631.1	226.2	-	857.3
Equity investments and other financial assets	1,734.6	551.4	(877.0)	1,409.1
Net working capital and other assets/liabilities	42.8	(124.4)	0.4	(81.1)
Post-employment benefit plans	(65.3)	-	-	(65.3)
Net invested capital	**3,302.8**	**1,075.5**	**(515.1)**	**3,863.2**
Group shareholders' equity	2,411.9	1,230.7	(1,060.5)	2,582.1
Minority interests	2.6	1.5	545.3	549.4
Total shareholders' equity	**2,414.4**	**1,232.2**	**(515.1)**	**3,131.5**
Net Financial Position Debt/(Liquidity)	**888.4**	**(156.7)**	**-**	**731.7**

The tables below show a summary consolidated **cash flow statement**, broken down by geographical area, showing cash flows over the two periods. Items have been restated with respect to the standard IAS 7 layout, used to prepare the statutory cash flow statement, in order to show changes in *Net Financial Position*, considered the most significant indicator of the Group’s ability to meet its financial obligations. The statement shows the cash flow generated from continuing operations (*Free Cash Flow*) separately from the cash flow generated or used by M&A transactions (change in the consolidation area, acquisition and/or sale of equity investments or minority interests in subsidiaries, and other strategic/financial assets), the distribution and/or receipt of dividends, and share buybacks by the parent company or its subsidiaries, and from the net cash flows generated from operations classed as available for sale or discontinued under IFRS 5.

(values in EUR million)

Consolidated Cash Flow Statement	1H 2021	1H 2020
Net Financial Position at the beginning of the year	**(1,064.4)**	**(1,348.3)**
Free Cash Flow	**274.7**	**212.1**
Cash Flow from operating activities (*)	443.4	291.7
Investments in fixed assets	(226.1)	(346.5)
Disposals of fixed assets	0.3	0.1
Changes in net working capital and other current assets/liabilities	57.1	266.7
Change in the consolidation area	-	(3.2)
Own share (sale)/buyback of the parent company and subsidiaries	(0.7)	-
Equity investments/Investments in other financial assets and change of stake in subsidiaries	(105.5)	(77.7)
Cashed-in dividends	165.8	19.4
Dividends paid	(1.5)	-
Financial Surplus/(Deficit) from continuing operations	**332.8**	**150.6**
Net Financial Position at the end of the year	**(731.7)**	**(1,197.7)**

(*): Net result for the period +/- Amortisation, Depreciation and Impairment +/- Provisions, utilisation +/- (Income)/Expenses from equity investments +/- Deferred tax effects

(values in EUR million)

Cash Flow Statement Summary by geographical area	Italy 1H 2021	Italy 1H 2020	Spain 1H 2021	Spain 1H 2020
Net Financial Position at the beginning of the year	**(1,187.7)**	**(1,318.0)**	**123.2**	**(30.2)**
Free Cash Flow	**133.3**	**125.2**	**141.4**	**86.9**
Cash Flow from operating activities (*)	298.9	154.8	144.6	136.9
Investments in fixed assets	(175.9)	(277.8)	(50.2)	(68.7)
Disposals of fixed assets	0.3	0.1	-	-
Changes in net working capital and other current assets/liabilities	10.0	248.1	47.0	18.6
Change in the consolidation area	-	(3.2)	-	-
Own share (sale)/buyback of the parent company and subsidiaries	-	-	(0.7)	-
Equity investments/Investments in other financial assets and change of stake in subsidiaries	15.3	(17.1)	(120.8)	(60.6)
Cashed-in dividends	150.7	17.7	15.1	1.7
Dividends paid	-	-	(1.5)	-
Financial Surplus/(Deficit) from continuing operations	**299.3**	**122.6**	**33.5**	**28.0**
Net Financial Position at the end of the period	**(888.4)**	**(1,195.4)**	**156.7**	**(2.2)**

(*): Net result for the period +/- Amortisation, Depreciation and Impairment +/- Provisions, utilisation +/- (Income)/Expenses from equity investments +/- Deferred tax effects

Free cash flow was EUR **274.7 million** in the first half of 2021, compared to the EUR 212.1 million recorded for the first six months of 2020.

The table below shows the **Increases in fixed assets** reported in the cash flow statement, broken down by geographical area.

(values in EUR million)

	Italy		Spain	
Increases in fixed assets	**1H 2021**	**1H 2020**	**1H 2021**	**1H 2020**
Investments in TV and movie rights	(147.1)	(274.5)	(45.2)	(67.9)
Changes in advances on TV rights	(10.9)	22.5	(2.9)	1.2
TV and movie rights: investments and advances	**(158.0)**	**(252.0)**	**(48.2)**	**(66.7)**
Investments in other fixed assets	(17.9)	(25.8)	(2.0)	(2.0)
Total investments in fixed assets	**(175.9)**	**(277.8)**	**(50.2)**	**(68.7)**

The cash flow under **Change in the consolidation area** was driven by the acquisition of an 80% shareholding in Beintoo in 2020.

Equity investments/Investments in other financial assets and change of stake in subsidiaries in 2021 mainly comprised the cash flows from the financial investment held in ProsiebenSat.1 MediasSE, in particular relating to the increase in shareholding (3.4%) for a price EUR 103.9 million made by Mediaset España at the beginning of the year, and the hedge financial instruments (income of EUR 20.4 million from the early unwinding of the reverse collar agreement entered into by Mediaset S.p.A in April 2020 with the aim of fix a maximum price for the acquisition of an additional 4.1% stake in ProSiebenSat.1 MEDIA SE and the costs associated with the collar heding agreements in relation to the dividends received). For the same period in 2020, this item included EUR 72.9 million in investments associated with the increase in the equity investment (4.99% stake) in ProsiebenSat.1 Media SE.

In the first half of 2021, **dividends from equity investments** totalled EUR 165.8 million and mainly referred to EUR 133.9 million from EI Towers (EUR 16 million for the same period in 2020) and dividends from ProsiebenSat.1 SE Media.

For 2021, **dividends paid** referred to the distribution of dividends to some minority shareholders by Mediaset España.

GROUP HEADCOUNT

At 30 June 2021, the Mediaset Group headcount came to **4,951 employees** (4,934 at 30 June 2020 and 4,906 at 31 December 2020).

At 30 June 2021, the number of temporary employees in Italy amounted to 74 (67 employees at 30 June 2020 and 79 employees at 31 December 2020).

The following tables show the change in employee numbers for the reporting period, broken down by employment grade for the two geographical areas of operation.

Number of employees (including temporary staff) as at 30 June	**ITALY**		**SPAIN**	
	2021	**2020**	**2021**	**2020**
Managers	232	228	123	114
Journalists	325	336	306	314
Middle managers	709	715	97	99
Office workers	2,085	2,102	1,045	998
Industry workers	13	12	16	16
Total	**3,364**	**3,393**	**1,587**	**1,541**

Average workforce (including temporary staff) 1H	**ITALY**		**SPAIN**	
	2021	**2020**	**2021**	**2020**
Managers	229	229	122	114
Journalists	316	327	307	280
Middle managers	698	704	98	135
Office workers	2,034	2,063	1,036	986
Industry workers	11	10	16	35
Total	**3,287**	**3,332**	**1,579**	**1,550**

RELATED PARTY TRANSACTIONS

Transactions conducted with related parties do not qualify as "atypical" or "unusual", and are part of the normal course of business of the Group and its companies. Such transactions are conducted at arm's length, considering the nature of the goods and services provided. Detailed information on the impact on Group performance, financial position and cash flow of transactions conducted with parent companies, associates, joint ventures and affiliates is provided in Note 10, together with the disclosures required by the Consob Communication of 29 July 2006.

RIGHT TO OPT-OUT OF THE OBLIGATION TO PUBLISH REPORTS IN THE EVENT OF SIGNIFICANT TRANSACTIONS

Pursuant to Article 3 of Consob Resolution No. 18079 of 20 January 2012, on 13 November 2012 the Board of Directors decided to apply the opt-out mechanism established in Article 70, paragraph 8 and Article 71, paragraph 1-bis of Consob Regulation No. 11971/99, as amended, thereby taking advantage of the right to opt-out of obligations to publish the reports required in the event of significant transactions such as mergers, spin-offs, capital increases through the transfer of assets in kind, acquisitions and disposals.

EVENTS AFTER 30 JUNE 2021

On **1 July 2021**, the minutes of the Extraordinary Shareholders' Meeting of Mediaset S.p.A. ("Mediaset" or the "Company") held on 23 June 2021 were registered in the Milan Companies Register. At that meeting, the shareholders approved both the transfer of Mediaset's registered office to Amsterdam, the Netherlands, and the adoption of the new company bylaws in accordance with Dutch law (the "Transfer").

On **1 July**, the Shareholders' Meeting of the Lega Nazionale Professionisti Serie A ("Lega Serie A") accepted the bid submitted by RTI S.p.A. following its call for bids published on 10 June 2021, thus awarding it the broadcasting rights to matches in the **Coppa Italia** and Italian Super Cup for the 2021/2022, 2022/2023 and 2023/2024 seasons.

The statutory period for exercising the right of withdrawal (pursuant to Article 2437 paragraph 1 letter c) of the Italian Civil Code) pertaining to shareholders who had not participated in the approval of the resolution passed by the extraordinary shareholders' meeting of the Company of 23 June 2021, approving the Transfer, ended on **16 July 2021**. Based on the communications received by the Company by 30 July, the right of withdrawal had been validly exercised on a total of 3,881 shares in the Company, for a total settlement value of EUR 7,300.16.

Therefore, the first of the conditions precedent to which the completion of the Transfer is subject has been fulfilled, as described in the report of the Company's board of directors drawn up pursuant to art. 125-ter of Italian Legislative Decree no. 58/1998 and art. 72 of the Regulations adopted by way of CONSOB resolution no. 11971/99, published on the Company's website (https://corporate.mediaset.it) on 21 May 2021.

With regard to the procedure for liquidating the shares subject to withdrawal, the Company acknowledged that the small number of shares render impracticable the rights offer (*offerta in opzione*) and their subsequent placement to third parties by way of offer on the market pursuant to art. 2437-quater, paragraphs 1, 2 and 4 of the Italian Civil Code. Therefore, the Company saw fit to immediately reimburse those shares by purchasing them pursuant to art. 2437-quater, paragraph 5 of the Italian Civil Code, without having to wait for the completion of the Transfer.

On **21 July**, Mediaset paid out an extraordinary dividend of EUR 0.30 for each share in circulation, thus delivering on the resolution of the Shareholders' Meeting of 23 June, for a total pay-out of EUR 341.8 million.

On **22 July 2021**, **Fininvest, Mediaset and Vivendi** closed a global agreement made on 3 May 2021 putting an end to their disputes, in which the parties withdrew all pending actions and complaints.

In particular, Fininvest acquired from Vivendi a 5.0% shareholding in Mediaset for a price of EUR 2.70 per share (on account of the ex-dividend date and the payout date on 19 July and 21 July 2021, respectively), while Dailymotion, an investee of Vivendi, paid EUR 26.3 million to settle its copyright litigation proceedings with RTI and Medusa, Mediaset Group companies.

Under wider agreements, Vivendi also committed to Fininvest that the entire 19.19% stake in Mediaset held by Simon Fiduciaria would gradually be sold on the market over a five-year period. Fininvest will have the right to buy any unsold shares in each 12-month period, at the established annual price.

On **27 July 2021**, the Board of Directors approved the Regulations for the Medium/Long-Term Incentive and Loyalty Plan (2021-2023) established by resolution of the Shareholders' Meeting of 23 June 2021.

On **30 July2021**, the Italian Ministry of Economic Development took on board up-to-date data on the prevalence of television sets capable of meeting the new transmission standards among Italian households and, accordingly, amended the Road Map Decree of 19 June 2019 (which had set out the timetable for implementing the objectives of Decision (EU) 2017/899). In doing so, the Ministry established a transition period (1 January 2020 to 30 June 2022) that would allow the refarming of frequencies by all network operators holding rights to their use at both a national and local level and the restructuring of the regional-information multiplex by public service concessionaires.

Based on those amendments, the following new dates have been set:

- from 15 October 2021, national broadcasters will gradually stop using the MPEG2 transmission standard and will begin to transmit exclusively over MPEG4. The MPEG2 switch-off date will be defined in a subsequent order to be passed before the end of 2021. This will take into account the effects of switching off this transport stream as well as the prevalence of new television sets.

- the DVB-T2 standard is due to be rolled out from 1 January 2023.

The previous decree planned for a simultaneous nationwide switch-off of MPEG2 on 1 September 2021, followed by the commencement of DVB-T2 transmissions on 30 June 2022.

The bonuses for purchasing televisions and decoders that meet the new standards were also revised. From 21 August, each family unit will receive a 20% discount upon scrapping an old device, with this bonus combinable with the EUR 50 bonus already available to low-income families. A total of EUR 250 million has been set aside for this scheme.

RISKS AND UNCERTAINTIES FOR THE REMAINDER OF THE YEAR

As reported in the Directors' Report on Operations in the 2020 Annual Report, to which reference should be made for more details, the Group is structurally exposed to strategic risks relating to the sustainability of its business model and risks concerning its positioning among its competitors, which are both exogenous (trends in the content demand and usage, also with regard to trends in the demographic and social makeup of the population, fragmentation of the competitive environment and the risks of disintermediation by new operators operating globally, trends in domestic and international legislation) and internal (management of key market maturity, development of new supply/product models and international development, management and development of human and technological skills), as well as operational risks (relating to the management of the main operating processes aimed at safeguarding business continuity even in crisis and emergency conditions, and financial risk management), compliance risks and risks related to ESG factors.

This set of risk factors is constantly monitored as part of the Enterprise Risk Management (ERM) activities. Also during the reporting period, risk factors related to security and business continuity naturally arose as a result of the protraction of the public health emergency caused by COVID-19, which the Group continued to address – as described above – by updating its internal protocols on a daily basis under the supervision of a crisis management committee and through its constantly updated contingency plan, which were monitored in accordance with the regulations issued by public authorities. The Group moved quickly to tackle the main strategic, market and stability risk factors facing the advertising market in the first half of 2020 by repressing their economic and financial effects at the height of the pandemic. With the vaccine programme gathering pace, these risks should now be managed within a climate of gradual social and economic recovery as the epidemiological situation progressively returns to normal. Nevertheless, this climate could yet be affected by breakouts of new variants and the appearance of new hotspots. As already reported in chapter "COVID-19: Main Impacts and Mitigation Actions", the Group has also drawn up guidelines for remote working procedures in anticipation that the ongoing state of emergency will pass.

Against this background, the most recent forecasts expect GDP to grow by more than 5% this year in both Italy and Spain (compared to contractions of -8.9% and -10.8%, respectively, in 2020), thus revising upwards the forecasts made at the beginning of the year. The advertising market should also continue on an upward trend, which should then begin to stabilise in the second half of the year compared to the same period during the previous year, when Italy in particular had already begun to enter a spell of recovery.

The Group will go into the remaining part of the year on the strength of the economic-financial results achieved in the first half of the year and with the position of the publishing and advertising market further strengthened by the deals to screen matches from the upcoming editions of the UEFA Champions League (the best free-to-air match from the Tuesday slate plus all Wednesday matches except one available for streaming) and the Coppa Italia, as well as the deal with Dazn for the sale of Serie A advertising. Also from a legislative standpoint, the measures passed by the Ministry of Economic Development in July will play a role in reducing uncertainty over the pathway for DVB-T2 broadcasters in Italy to transition to the new transmission technology.

In this environment, and while acknowledging the uncertainties relating to trends in its reference market, the Group will continue to operate with a strong market position and a robust financial footing, thus ensuring operational continuity and security as regards its own resources, its own business processes (operations, production and procurement) and the operational flexibility of its own editorial and commercial products necessary to constantly adapt its risk profile to the changing environment without having to compromise its cash generation capacities, while also continuing to pursue international expansion and development drives, which are indispensable now more than ever given the competitive nature of the sector. Therefore, there are no elements of risk or uncertainty to the Directors that could compromise business continuity.

BUSINESS OUTLOOK

The Group's advertising sales remained positive also in the two summer months of July and August, compared with the same period in both 2020 and 2019.

In Italy, this result is particularly important considering that during the period two important international sporting events (the final phase of the European Football Championships and the Tokyo Olympic Games) were broadcast by the competition. It should be noted that the third quarter of 2020 was the first positive quarter after the lockdown and during the period, Mediaset broadcast the postponed final phase of the Champions League.

Based on current visibility, the positive trend in overall advertising sales on TV, radio and digital in Italy is expected to be also confirmed in the third quarter, with cumulative figures for the first nine months higher than those of both 2020 and 2019.

In terms of content, during the autumn season Mediaset aims to further strengthen both its television and streaming offer with the strengthening of sports content (Champions League) and the Mediaset Infinity platform.

It is expected that also in the coming months, the ongoing economic recovery will support the trend in the advertising market and, in particular, that of the television segment.

A more precise assessment of this scenario will be possible in the next few weeks, through the monitoring the evolution of the health emergency, currently still conditioned by the spread of some variants of the virus, as the country slowly moves towards a gradual normalization thanks to the continuing rollout of the vaccination campaign.

Based on this evidence, and thanks to the maintenance of constant cost controls, the company can confirm the objective of further strengthening the consolidated economic results and cash generation in 2021.

For the Board of Directors
the Chairman

MEDIASET GROUP

Interim Condensed Consolidated Financial Statements

Consolidated Accounting Tables and Explanatory Notes

MEDIASET GROUP
INTERIM CONSOLIDATED INCOME STATEMENT

(values in EUR million)

	Notes	2021	2020
Revenues from sales of goods and services	4.1	1,379.8	1,155.9
Other revenues and income		7.4	10.5
TOTAL NET CONSOLIDATED REVENUES		**1,387.2**	**1,166.4**
Personnel expenses		238.2	228.0
Purchases, services, other costs		720.0	638.2
Amortisation and depreciation	4.2	230.3	268.5
TOTAL COSTS		**1,188.5**	**1,134.7**
OPERATING RESULT		**198.7**	**31.7**
Financial income/(losses)	4.3	25.6	1.2
Income/(expenses) from equity investments	4.4	98.3	5.3
EBT		**322.6**	**38.2**
Income taxes	4.5	(57.8)	(26.3)
NET PROFIT FROM CONTINUING OPERATIONS		**264.7**	**11.8**
Net profit from discontinued operations			
NET RESULT FOR THE PERIOD		**264.7**	**11.8**
Attributable to: - Equity shareholders of the parent company		226.7	(18.9)
- Minority interest		38.0	30.8
Earnings per share	4.6		
- Basic		0.20	(0.02)
- Diluted		0.20	(0.02)

MEDIASET GROUP
INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(values in EUR million)

	Notes	1H 2021		1H 2020	
NET PROFIT FOR THE PERIOD (A):			**264.7**		**11.8**
Comprehensive income/(loss) reclassified to profit and loss			**7.2**		**(1.6)**
Effective portion of gains and losses on hedging instruments (cash flow hedge)	5.9	8.8		(1.3)	
Other Gains or Losses of associates valued by equity method	5.8	0.6		(0.6)	
Tax effects		(2.1)		0.3	
Comprehensive income/(loss) not reclassified to profit and loss			**42.3**		**(17.1)**
Profit/(loss) from options valuations on financial assets classified to fair value through OCI	5.9	(129.6)		47.0	
Profit/(loss) from financial assets classified to fair value through OCI	5.9	187.3		(64.9)	
Tax effects		(15.4)		0.8	
TOTAL OTHER COMPREHENSIVE INCOME FOR THE PERIOD NET OF TAX EFFECTS (B)			**49.5**		**(18.7)**
TOTAL COMPREHENSIVE INCOME (A)+(B)			**314.3**		**(6.9)**
attributable to: - owners of parent company			260.4		(36.9)
- non controlling interests			53.9		30.0

MEDIASET GROUP

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(values in EUR million)

ASSETS	Notes	30/06/2021	31/12/2020
Non-current assets			
Property, plant and equipment	5.1	324.8	335.1
TV and movie rights	5.2	940.1	932.7
Goodwill	5.2	803.2	803.2
Other intangible assets	5.2	532.5	534.8
Investments in associates and joint venture	5.4	431.3	473.2
Other financial assets	5.4	1,008.4	749.7
Deferred tax assets	5.5	422.3	475.1
TOTAL NON-CURRENT ASSETS		**4,462.6**	**4,304.0**
Current assets			
Inventories		34.2	47.9
Trade receivables	5.6	667.1	826.4
Tax receivables		42.6	44.9
Other receivables and current assets	5.7	222.6	216.6
Current financial assets	5.13	26.5	68.8
Cash and cash equivalents	5.13	740.4	447.9
TOTAL CURRENT ASSETS		**1,733.3**	**1,652.4**
Non-current assets held for sale			
TOTAL		**6,195.9**	**5,956.4**

MEDIASET GROUP

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(values in EUR million)

SHAREHOLDERS' EQUITY AND LIABILITIES	Notes	30/06/2021	31/12/2020
Share capital and reserves			
Share capital		614.2	614.2
Share premium reserve		275.2	275.2
Own shares		(389.7)	(389.7)
Other reserves	5.8	213.5	545.7
Valuation reserve	5.9	18.0	(35.2)
Retained earnings		1,624.2	1,518.7
Earnings for the period		226.7	139.3
Net Group Shareholders' Equity		**2,582.1**	**2,668.3**
Minority interests in net profit		38.0	80.0
Minority interests in share capital, reserves and retained earnings		511.4	417.3
Minorities Shareholders' Equity		**549.4**	**497.3**
TOTAL SHAREHOLDERS' EQUITY		**3,131.5**	**3,165.6**
Non-current liabilities			
Post-employment benefit plans		65.3	66.7
Deferred tax liabilities	5.5	100.6	95.7
Financial liabilities and payables	5.13	1,242.5	1,156.9
Provisions for risk and charges	5.10	43.1	41.3
TOTAL NON CURRENT LIABILITIES		**1,451.6**	**1,360.6**
Current liabilities			
Financial payables	5.13	357.0	449.5
Trade and other payables	5.11	579.8	638.6
Provisions for risk and charges	5.10	54.4	72.7
Current tax liabilities		14.9	8.6
Other financial liabilities	5.13	84.5	78.2
Other current liabilities	5.12	522.2	182.6
TOTAL CURRENT LIABILITIES		**1,612.8**	**1,430.2**
Liabilities related to non-current assets held for sale			
TOTAL LIABILITIES		**3,064.4**	**2,790.7**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**6,195.9**	**5,956.4**

MEDIASET GROUP
INTERIM CONSOLIDATED CASH FLOW STATEMENT
(values in EUR million)

	Notes	1H 2021	1H 2020
CASH FLOW FROM OPERATING ACTIVITIES:			
Operating result		198.7	31.7
+ Depreciation and amortisation		230.3	268.3
+ Other provisions and non-cash movements		8.2	6.0
+ Change in trade receivables		159.3	263.9
+ Change in trade payables		(175.3)	(22.2)
+ Change in other assets and liabilities		(21.3)	(74.3)
- Interest (paid)/received		(3.3)	(0.5)
- Income tax paid		(10.2)	(9.4)
Net cash flow from operating activities [A]		**386.4**	**463.2**
CASH FLOW FROM INVESTING ACTIVITIES:			
Proceeds from the sale of fixed assets		0.3	0.1
Proceeds from the sale of equity investments		-	-
Investments in television rights		(192.3)	(342.4)
Changes in advances for television rights		(13.8)	23.7
Purchases of other fixed assets		(19.9)	(27.8)
Equity investments		(4.0)	(0.2)
Changes in payables for investing activities		116.5	98.6
Proceeds/(Payments) for hedging derivatives		22.3	13.0
Changes in other financial assets		(102.7)	(66.8)
Loans to other companies (granted)/repaid		-	-
Cashed-in dividends		165.8	19.4
Business Combinations net of cash acquired	7.1	-	(2.7)
Changes in controlling interest/consolidation area	7.2	(3.9)	-
Net cash flow from investing activities [B]		**(31.8)**	**(285.2)**
CASH FLOW FROM FINANCING ACTIVITIES:			
Parent company and subsidiaries changes in treasury shares		(0.7)	0.5
Changes in financial liabilities		(41.0)	(62.8)
Dividends paid		(1.5)	-
Changes in other financial assets/liabilities		(14.1)	(11.4)
Interest (paid)/received		(4.8)	(4.5)
Net cash used in financing activities [C]		**(62.1)**	**(78.2)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS [D=A+B+C]		**292.5**	**99.8**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD [E]		**447.9**	**245.1**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD [F=D+E]		**740.4**	**344.9**

MEDIASET GROUP
INTERIM CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Share capital	**Share premium reserve**	**Legal and other reserves**	**Own shares**	**Valuation reserve**	**Retained earnings/(accumulated losses)**	**Profit/(loss) for the period**	**Total equity attributable to equity shareholders of the parent company**	**Total equity attributable to non-controlling interests**	**TOTAL SHAREHOLDERS' EQUITY**
Balance at 31/12/2019	**614.2**	**275.2**	**525.5**	**(401.3)**	**(66.1)**	**1,340.1**	**190.3**	**2,477.9**	**412.5**	**2,890.4**
Allocation of the parent company's 2019 net profit	-	-	-	-	-	190.3	(190.3)	-		-
Dividends paid	-	-		-	-		-	-		-
Share based payment reserve evaluation	-	-	-	-	1.8	-	-	1.8		1.8
(Purchase)/sale of treasury shares	-	-	-	-	-	-	-	-		-
Profits/(losses) from negotiation of treasury shares	-	-	-	-	-	-	-	-		-
Changes in controlling stake on subsidiaries	-	-	(3.9)	-		-	-	(3.9)		(3.9)
Changes in the consolidation area	-	-		-			-	-	0.1	0.1
Other changes	-	-	-	-	11.1	(10.8)	-	0.3	(0.9)	(0.6)
Comprehensive income/(loss)		-	(0.6)	-	(17.3)		(18.9)	(36.9)	30.0	(6.9)
Balance at 30/06/2020	**614.2**	**275.2**	**521.0**	**(401.3)**	**(70.5)**	**1,519.6**	**(18.9)**	**2,439.3**	**441.7**	**2,881.0**
Balance at 31/12/2020	**614.2**	**275.2**	**545.7**	**(389.7)**	**(35.2)**	**1,518.7**	**139.3**	**2,668.3**	**497.3**	**3,165.6**
Allocation of the parent company's 2020 net profit	-	-	-	-	-	139.3	(139.3)	-	-	-
Dividends paid	-	-	(324.8)	-	-	(17.0)	-	(341.8)	-	(341.8)
Share based payment reserve evaluation	-	-	-	-	0.9	-	-	0.9		0.9
(Purchase)/sale of treasury shares	-	-	-	-	-	-	-	-	-	-
Profits/(losses) from negotiation of treasury shares	-	-	-	-	-	-	-	-	-	-
Changes in controlling stake on subsidiaries	-	-		-		-	-	-		
Changes in the consolidation area	-	-		-			-	-		
Other changes	-	-	(5.8)		17.0	(16.9)	-	(5.7)	(1.7)	(7.4)
Comprehensive income/(loss)		-	(1.6)	-	35.3		226.7	260.4	53.9	314.3
Balance at 30/06/2021	**614.2**	**275.2**	**213.5**	**(389.7)**	**18.0**	**1,624.2**	**226.7**	**2,582.1**	**549.4**	**3,131.5**

EXPLANATORY NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2021

1. BASIS OF PREPARATION

These Interim Condensed Consolidated Financial Statements, prepared in accordance with IAS 34 - Interim Financial Reporting - are based on the same accounting standards and measurement criteria as those adopted in preparing the Consolidated Financial Statements at 31 December 2020, to which reference is made. These Interim Condensed Consolidated Financial Statements do not contain all information and disclosures required for the annual financial statements and should therefore be read in conjunction with the Consolidated Financial Statements at 31 December 2020.

The preparation of the interim financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, costs, assets and liabilities and the disclosure of contingent assets and liabilities at the reporting date.

Likewise, for the main financial assets tested under IFRS 9, the general creditworthiness of the counterparties was not seen to have deteriorated significantly enough as to significantly impact the Expected Credit Losses, which have also been updated based on the market parameters currently observable. Therefore, there were no significant impacts in terms of apply write-downs to recognised assets compared their value recognised in the 2020 Consolidated Financial Statements.

This Interim Financial Report also contains specific sections outlining the main areas of operational and economic impact linked to the COVID-19 public health crisis and the main actions carried out by the Group to mitigate the effects of this emergency. It also includes an update of the main risk and uncertainty factors connected to the new operating environment including the information required under IFRS 7 with regard to financial risks.

Given their scale, the line items in the consolidated financial statements are stated in millions of euro.

These Interim Condensed Consolidated Financial Statements have been subject to limited audit.

2. NEW ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS EFFECTIVE FROM 1 JANUARY 2021

From 1 January 2021, the following accounting standards and/or amendments and interpretations of previous standards in force have become applicable.

On **28 May 2020**, the IASB published an amendment entitled "Covid -19 Related Rent Concessions (Amendment to IFRS 16)". The document allows lessees to recognise COVID-19-related rent concessions without having to analyse contracts to assess whether these concessions meet the definition of "lease modification" under IFRS 16. Therefore, lessees applying this option may recognise the effects of the rent concessions directly in the income statement, from the date on which the concessions takes effect. This amendment applies to financial statements for the period beginning 1 June 2020. The introduction of this new amendment has had no impact on the Group's consolidated financial statements.

On **27 August 2020**, in light of the reform to interbank interest rates such as IBOR, the IASB published the document "**Interest Rate Benchmark Reform – Phase 2**", which contains amendments to the following standards:

- IFRS 9 Financial Instruments;

- IAS 39 Financial Instruments: Recognition and Measurement;

- IFRS 7 Financial Instruments: Disclosures;

- IFRS 4 Insurance Contracts; and

- IFRS 16 Leases

In particular, they modify hedge accounting requirements by bringing in temporary exemptions so as to mitigate the impact of the uncertainty surrounding the IBOR transition on future cash flows. The amendment also requires companies to provide, in their annual reports, additional information on their hedge relationships which are directly affected by the transition's uncertainty and to which the above mentioned exemptions apply. All amendments came into force on 1 January 2021 and the introduction of this new amendment has had no impact on the Group's consolidated financial statements.

The amendments and standards already issued but not yet in force, for which the endorsement process required for their adoption has not been completed at the date of preparation of these Interim Condensed Consolidated Financial Statements, are listed below.

On **23 January 2020**, the IASB issued an amendment called "**Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current**". The amendment aims to clarify how current and non-current payables and other liabilities are classified. The amendments will enter force on 1 January 2022; however, companies may choose to adopt them early.

On **14 March 2020**, the IASB published the following amendments, which will enter force on 1 January 2022:

- **Amendments to IFRS 3 Business Combinations**: These amendments aim to update the outdated reference in IFRS 3 to the revised version of the Conceptual Framework, without significantly changing the requirements of IFRS 3.
- **Amendments to IAS 16 Property, Plant and Equipment**: These amendments aim to prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss.
- **Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets**: These amendments clarify that estimations of the possible cost of a contract must take into account all costs directly attributable to the contract. Consequently, evaluating the possible cost of a contract includes not only incremental costs (e.g. the cost of direct material used in processing), but also all costs that the Company cannot avoid due to having signed the contract (e.g. personnel expenses and the depreciation of machinery used to fulfil contractual obligations).
- **Annual Improvements 2018-2020**: Amendments were made to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and Illustrative Examples of IFRS 16 Leases.

On **12 February 2021**, the IASB published two amendments entitled "**Disclosure of Accounting Policies—Amendments to IAS 1 and IFRS Practice Statement 2**" and "**Definition of Accounting Estimates—Amendments to IAS 8**". The amendments are intended to enhance the disclosure of accounting policies so as to provide more useful information to investors and other primary users of financial statements and to help companies distinguish between changes in accounting estimates and changes in accounting policies. The amendments will apply from 1 January 2023, but early adoption is permitted. The directors do not expect the adoption of these amendments to have any significant effect on the Group's consolidated financial statements.

On **31 March 2021**, the IASB published "**Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendments to IFRS 16)**", which grants lessees a one-year extension on applying the 2020 amendment to IFRS 16 concerning Coved-19-related rent concessions. The amendments will apply from 1 April 2021, but early adoption is permitted. The directors do not expect the adoption of this amendment to have any significant effect on the Group's consolidated financial statements.

On **7 May 2021**, the IASB published an amendment entitled "**Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction**". The amendment clarifies how deferred taxes should be recognised for particular transactions for which an entity recognises both an asset and a liability of equal amounts, such as leases and decommissioning obligations. The amendments will apply from 1 January 2023, but early adoption is permitted. The directors are currently evaluating the possible effects of the introducing this amendment for the Group's consolidated financial statements.

3. KEY INFORMATION RELATING TO THE SCOPE OF CONSOLIDATION AND TRANSACTIONS IN THE FIRST HALF OF THE YEAR

The main changes in the scope of consolidation during the period under review are summarised below. For significant transactions during the period, please refer to the Interim Report on Operations.

Incorporation, acquisition of new companies, capital increases and sale of subsidiaries or interests in subsidiaries

- On **2 March 2021**, Mediaset España - through its subsidiary Aninpro Creative, S.L - incorporated the company Be a Tiger, S.L.U. This company is consolidated using the full consolidation method.
- On **18 March 2021**, Mediaset España acquired an additional 20% stake in El Desmarque Portal Deportivo, S.L., bringing its shareholding to 80%.

Incorporation, acquisition of new companies, capital increases and sale of associates

- In June the Mediaset España Group sold its 40% shareholding in **Melodia Producciones S.L.**

Incorporation, acquisition of new companies, capital increases and sale of minority interests

- On **21 January 2021**, Mediaset España increased its stake in ProSieben Sat1 Media SE, acquiring a 3.4% equity interest. The Mediaset Group therefore now holds an equity interest corresponding to 23.5% of the company share capital (24.2% of voting rights). Following this transaction, the reverse collar entered into by Mediaset S.p.A. on April 2020 to fix a maximum price for the acquisition of a further 4.1% stake in ProSiebenSat.1 Media SE was early unwinded, as the conditions underlying the agreement ceased to exist.
- On 5 March 2021, RTI S.p.A. sold its residual 3.9% equity interests in Prosiebensat.1 Digital Content LP and Prosiebensat.1 Digital Content GP Ltd.
- On **25 June 2021**, the Mediaset Group reached agreement to sell its stake in the company Deporvillage, consisting of the 6.85% stake held through subsidiary RTI S.p.A. and the 12.29% stake

held through Advertisement 4 Adventures SLU. The closing of the transaction took place during the month of August.

- During the second quarter, the stake held by Advertisement 4 Adventures SLU in **BYHOURS TRAVEL SL** changed from 5.31% to 5.52%
- During the second quarter of 2021, the stake held by RTI S.p.A. in **Satispay S.p.A** changed from 1.01% to 0.82%.
- During the second quarter of 2021, **21 Button APP SL**, in which RTI S.p.A. and Advertisement 4 Adventures SL were both stakeholders, was merged with **PEOOPLE UNLIMITED SL**. Following this transaction, RTI S.p.A. holds a 0.0142% stake, whereas Advertisement 4 Adventures S.L. holds a 0.15% stake.
- During the second quarter of 2021, the stake held by RTI S.p.A. in **Spotted GMBH** changed from 16.67% to 4.62%.
- During the first half of 2021, the stake held by RTI S.p.A. in Telesia S.p.A changed from 6.7% to 4.6% following a sale of shares in the company.

PROJECT TO TRANSFER THE REGISTERED OFFICE TO THE NETHERLANDS

On **23 June 2021**, the Extraordinary Shareholders' Meeting of Mediaset S.p.A (called by unanimous resolution of Mediaset's Board of Directors on 26 April 2021) resolved to propose to transfer the registered office to Amsterdam, the Netherlands, which is to be achieved by adopting the Dutch-law corporate form of *naamloze vennootschap* and by adopting new bylaws in accordance with Dutch law (the "Transfer"). A total of 81.81% of the share capital was represented at the Shareholders' Meeting by shareholders holding a proxy. Of the shares represented, 95.57% voted in favour of the proposal.

This Transfer is regarded as fundamental to the Group's strategy of accessing an ecosystem (with a governance model inspired by the best international standards and in line with that adopted by Mediaset until now) capable of generating the following benefits for Shareholders:

- engender a more realistic appreciation of the Company among the stock market and the international business community more generally, which still tends to consider broadcasters as "local" businesses that are closely bound by and dependent on domestic economic concerns;
- strengthen Mediaset's ability to raise the capital and financial resources necessary to develop new business projects and to facilitate integration with new partners;
- operate within a legal system that is internationally known and appreciated by market operators and investors and capable of enhancing the pan-European dimension of the business to which Mediaset strives, while also preserving its identity and historical presence in its current markets;
- ensure that investors are extensively protected by providing a high degree of legal certainty, certainty in their contractual/commercial relations and, consequently, certainty that the internationalisation project will be fulfilled.

Following the Transfer, the shares of Mediaset S.p.A will remain listed on the electronic stock market (MTA) organised and managed by Borsa Italiana S.p.A.; The actual head office will also remain in Italy and all operational activities of the Mediaset Group will continue to be carried out at the usual locations. The tax residence of the Mediaset S.p.A. will also remain unchanged. There will therefore be no change in how direct and indirect taxes are paid in Italy.

The Transfer will take place without any interruption of existing legal relationships.

Shareholders of Mediaset S.p.A. who did not vote in favour of the Transfer were eligible to exercise their statutory right of withdrawal, at a price of EUR 1.881 per share (EUR 2.181 per share minus the extraordinary dividend of EUR 0.30 per share which, on the same date as the Transfer was approved, the Shareholders' Meeting resolved to pay out) no later than fifteen days after the Shareholders' Meeting resolution was registered in the Companies' Register, with this registration taking place on 1 July 2021. The effective date of withdrawal will depend on the completion date of the Transfer, which will in turn be subject to certain conditions precedent being met. One such condition precedent is that Mediaset must have paid the amount due to Shareholders who exercise their right of withdrawal, an amount which must not exceed EUR 120 million. The statutory period for exercising right of withdrawal (pursuant to Article 2437 paragraph 1 letter c) of the Italian Civil Code) ended on **16 July 2021**. Based on the communications received by 30 July, the right of withdraw had been validly exercised on a total of 3,881 shares in Mediaset S.p.A.

4. COMMENTS ON THE MAIN CHANGES IN COSTS AND REVENUES

Key comments on the changes in revenues and operating costs are provided in the section of the Interim Report on Operations commenting on the Group's performance.

4.1 Revenues from sales and services

	1H 2021	1H 2020
TV advertising revenues	1,154.7	898.4
Other advertising revenues	85.3	57.8
Marketing of TV rights and productions	70.0	82.4
Pay streaming service	12.9	16.4
Sale of goods	0.0	7.8
Construction, rental and maintenance of TV equipment	40.5	42.3
Film distribution revenues	1.7	32.9
Other revenues	14.7	18.0
TOTAL	**1,379.8**	**1,155.9**

TV advertising revenues include the revenues, net of agency commissions, from the sale of advertising space on free-to-air networks by Publitalia '80 S.p.A.; revenues from the sale of advertising space on pay-TV channels by Digitalia '08 S.r.l.; and revenues from the sale of advertising space on Spanish broadcasters of the Mediaset España Group by Publiespaña S.A. and Publimedia S.A. **Other advertising revenues** relate to amounts due to the Group as revenues from radio advertising space on proprietary websites granted exclusively to the subsidiary Mediamond, as well as revenues for teletext commercial services and advertising revenues from non-TV media, earned by Publieurope Ltd. and Publimedia S.A.

The changes in **TV advertising revenues** and **Other advertising revenues** is due to a recovery in investment by advertisers. The trends in advertising revenues during the year are reported in more detail in the *Interim Report on Operations*, to which reference should be made.

Revenues from the **marketing** of **rights and television production** mainly refer to the proceeds generated under the agreements to sublicense SVOD rights in cinema and TV productions to third-party operators, and under the exclusive agreements in Italy to sublicense the Cinema and TV Series Premium channels to Sky. During the reporting period, this revenue stream decreased due to the performance in this component among Group companies operating in Spain.

Revenues from the Group's **Pay streaming service** refer to the proceeds from non-linear content and services on Infinity streaming platforms in Italy and on Mitele Plus in Spain, which launched in 2020 and which also markets the rights for Spanish La Liga matches.

The decrease in revenues from the **Sale of goods** is due to the sale to third parties of the marketing and telesales activities that had been operated under the Mediashopping brand up to 31 October 2020.

The year-on-year decrease in revenues from the **Construction, rental and maintenance of television equipment** can mainly be attributed to the discontinuations of transmission capacity leasing agreements with third party operators that reached their end date during the previous year.

The change in **film distribution** revenues relates to the substantial interruption of activities caused by the pandemic-induced closure of film theatres in both Italy and Spain and, later, the resumption of activities towards the end of the period. During the first half of 2020, income was taken from the Medusa film distribution business, such as the January 2020 releases of "Tolo Tolo", directed by Zalone and produced by Taodue, and "Odio l'Estate", directed by the trio of Aldo, Giovanni and Giacomo.

4.2 Depreciation, amortisation and write-downs

	1H 2021	1H 2020
Amortisation of TV and movie rights	185.0	216.7
Amortisation of other intangible assets	19.7	20.6
Amortisation of tangible assets	26.1	28.5
Write-downs/(Reversal) of TV and movies rights		0.0
Impairments of receivables	(0.5)	2.7
Total amortisation, depreciation and write-downs	**230.3**	**268.5**

For commentary on changes in depreciation, see Notes 5.1 Property, plant and equipment and 5.2 Intangible assets, television and movie broadcasting rights, below:

4.3 Financial income/(losses)

	1H 2021	1H 2020
Interests on financial assets	0.1	0.1
Interests on financial liabilities	(4.2)	(4.9)
Dividends from FVTOCI investments	26.3	
Other financial income/(losses)	2.9	0.5
Foreign exchange gains/(losses)	0.5	5.6
Total financial income/(losses)	**25.6**	**1.2**

Financial income/(losses) primarily included income of EUR 20.4 million from January's early unwinding of the reverse collar agreement entered into by Mediaset S.p.A in April 2020 with the aim to fix a maximum price for the acquisition of an additional 4.1% stake in ProSiebenSat.1 MEDIA SE, and the costs associated with the collar agreement entered into to hedge its investment in the company.

Dividends from FVTOCI investments included the dividend approved by investee ProSiebenSat.1 Media SE.

4.4 Result from investments accounted for using the equity method

This item includes the share of the net result of companies measured using the **equity method**, in addition to any capital gains/losses deriving from their sale.

	1H 2021	1H 2020
Result of equity investments accounted for using the equity method	98.2	5.2
Gain/(loss) from sale of equity investments	0.0	0.0
Total	**98.3**	**5.3**

The **Result of equity investments accounted for using the equity method** mainly included expenses and income related to the pro-rata recording of the results of equity investments in associates and joint ventures. In particular:

- income of EUR 92.2 million for the equity investment in EI Towers. The result includes the gain realised on the sale of Towertel for the pro-rated amount of EUR 86.7 million;
- income of EUR 4.0 million for the equity investment in Tivù S.r.l;
- income of EUR 1.0 million for the equity investment in La Fábrica de la Tele;
- income of EUR 0.9 million for the equity investment in Fascino PGT S.r.l.
- income of EUR 0.4 million for the equity investment in Unicorn Content SL;
- expense of EUR 1.2 million for the equity investment in Boing S.p.A.;
- expense of EUR 0.2 million for the equity investment in Mediamond S.p.A.

4.5 Taxes for the period

	1H 2021	1H 2020
Current taxes	7.3	1.2
Tax expenses (foreign companies)	12.9	10.3
Deferred tax effects	37.7	14.8
	57.8	**26.3**

IRES and IRAP tax expenses include costs for the IRAP tax base for the half year and IRES taxes for the period levied against the Group's tax-consolidated Italian companies following the generation of taxable income during the period (the part exceeding the part of income that can be offset against tax losses carried forward).

Tax expenses (foreign companies) primarily include charges for current taxes recognised by companies of the Mediaset España Group.

Deferred tax expense comprises the main financial movements for the period for the allocations and/or uses generated as a result of the changes in the temporary differences between the values for tax and accounting purposes. As indicated in Note 5.5, *Deferred tax assets and liabilities*, deferred tax assets include the utilisation of EUR 15.9 million following the taxable income generated during the years by companies scoped into the Italian tax consolidation perimeter. As a precaution given the high uncertainty and limited outlook, the 2020 first half interim financial statements did not recognise the deferred tax assets for that period resulting from tax losses carried forward for an unlimited period (for the purposes of calculating IRES tax generated within the Italian consolidated tax system).

4.6 Earnings/(loss) per share

The calculation of basic and diluted earnings per share is reported below:

	1H 2021	**1H 2020**
Net result for the period attributable to owners of parent company (EUR million)	226.7	(18.9)
Weighted average number of ordinary shares (without own shares)	1,139,195,435	1,137,944,400
Basic EPS	**0.20**	**(0.02)**
Weighted average number of ordinary shares for the diluted EPS computation	1,140,817,545	1,139,191,905
Diluted EPS	**0.20**	**(0.02)**

EPS is calculated using the ratio of the Group's net profit/loss to the weighted average number of shares in circulation during the period, net of treasury shares. The figure for diluted earnings per share is calculated using the number of shares in circulation and the potential diluting effect from the allocation of treasury shares to the beneficiaries of vested incentive plans.

5. COMMENTS ON THE MAIN CHANGES IN ASSETS AND LIABILITIES

5.1 Property, plant and equipment

	Owned property, plant and equipment	Property, plant and equipment - Right of use	TOTAL
Balance at 31/12/2020	**228.0**	**107.0**	**335.0**
Additions	16.4	1.1	17.4
Disposals	(0.2)	(0.0)	(0.3)
Amortisation and depreciation	(17.6)	(8.5)	(26.0)
Other changes	(1.4)	0.1	(1.3)
Balance at 30/06/2021	**225.1**	**99.6**	**324.8**

The EUR 16.4 million increase in owned property, plant and equipment mainly refers to the EUR 7.4 million in technical investments in facilities and radio bridges relating to the new digital terrestrial DVB-T2 technology and EUR 9.0 million in intangible assets in progress and advances.

Property, plant and equipment - Right of use include lease agreements recognised under IFRS 16 for leaseholds on real estate and television studios and rentals of staff company cars. The increases relate to new contracts stipulated during the period in question. Right-of-use depreciation rates were calculated based on the established lease terms.

5.2 Intangible fixed assets, Television and movie broadcasting rights

	TV and movie rights	Goodwill	Other intangible assets	TOTAL
Balance at 31/12/2020	**932.7**	**803.2**	**534.8**	**2,270.7**
Additions	189.0	-	19.7	208.7
Disposals	-		(0.0)	(0.0)
Amortisation and depreciation	(185.0)		(19.7)	(204.7)
Other changes	3.4		(2.3)	1.1
Balance at 30/06/2021	**940.1**	**803.2**	**532.5**	**2,275.9**

The main changes on the figures shown in the consolidated financial statements as at 31 December 2020 are summarised below:

- Increases in **Television and movie rights** of EUR 192.4 million, of which EUR 189.0 million for purchases in the period and EUR 3.4 million for capitalisation of advances paid to suppliers (recognised as *Other intangible assets* at 31 December 2020).

- Increases in **Other intangible assets**, totalling EUR 19.7 million, mainly relate to increases in intangible assets in progress and advances, particularly advances paid to suppliers for the acquisition of broadcasting rights. As already commented for TV and movie rights, the item *Other changes* includes decreases of EUR 3.4 million relating to the reclassification of capitalisation under rights of advances paid to suppliers.

5.3 Assessment of recoverability of goodwill and other non-current assets (Impairment test)

Having regard to the evolving economic outlook arising from the perduring COVID-19 pandemic, there has been no overarching evidence from the observation of the main external indicators and the development of the main performance indicators for the period that would require - as at 30 June 2021 - any update of the procedures carried out in preparing the Consolidated Financial Statements at 31 December 2020 to test the recoverability of goodwill and other tangible and intangible assets with definite and undefinite useful lives for each of the Group's CGUs.

At 30 June 2021, the identification of the CGUs was identical to the one at 31 December 2020 given the absence in the period of significant changes in the Group structure that would require them to be reviewed. In particular, the CGUs correspond to the operating segments set forth in IFRS 8 (*Mediaset España*) or with business lines that can be identified within the Italian segment (*Free TV Italy*, *Pay TV* and *Radio sector activities*).

The testing carried out when preparing the Consolidated Financial Statements as at 31 December 2020 had shown, although the market capitalisation of Mediaset and Mediaset España was still below their consolidated carrying amounts, for the CGUs Mediaset España, Free TV Italy and Radio, based on their recoverable amount calculated by applying the value-in-use methodology and on the related sensitivity analysis performed, a wide recoverability of the tested carrying amounts. The testing had also confirmed the recoverability of the residual carrying amounts of the pay/SVoD series and movie rights which, together with connected future purchase commitments, had been written off and provisioned for a total of EUR 162.7 million at 31 December 2018.

The following table shows the amounts and the allocation of goodwill to each CGU at 30 June 2021.

CGU	30/06/2021	31/12/2020
Mediaset España	657.7	657.7
Free TV Italy	145.6	145.6
Total Goodwill	**803.2**	**803.2**

The observation of the share prices for both Mediaset S.p.A. and its subsidiary Mediaset España as at the reference date of these Interim Condensed Consolidated Financial Statements shows an increase in value if compared to the figures at 31 December 2020; despite this, market cap of Mediaset España is still lower than its carrying amount at the end of the period. Nevertheless, according to the Directors, this does not highlight the presence of an impairment indicator, particularly given the significant *headroom* between the recoverable amount and the carrying amount that emerged during the CGU’s impairment testing at 31 December 2020.

No impairment indicators have been identified for any of the CGUs based on the operating results for the first half of the year, which show no negative differences compared to the budget expectations for the period. Nor did such indicators emerge from the most recently updated external forecasts, which showed no negative discontinuities either in terms of the expected trends in main macroeconomic variables or the expected performance of the reference advertising markets compared to the scenarios assumed by management when preparing the impairment tests for the consolidated financial statements as at 31 December 2020.

Finally, also the observation of the financial parameters used at the end of the previous year to determine the weighted average cost of capital updated at the reference date, allows to confirm the absence of a significant increase of the discount rates compared to the ones used in the in the various recoverability analysis carried out for the impairment tests at 31 December 2020.

5.4 Equity Investments in associates and joint ventures and other financial assets

	Equity investments in associates and joint venture	Investments in other companies	Receivables and other financial assets	Hedging derivatives	Total equity investments and other financial assets
Balance at 31/12/2020	**473.2**	**672.0**	**14.6**	**63.1**	**1,222.9**
Additions	4.0	**103.9**	1.3	-	109.2
Disposals		**(4.8)**	(1.1)	-	(5.9)
Write-ups/(Write-offs)/Fair Value Adjustments/Impairment	98.2	**190.6**	-	**(32.5)**	256.3
Other changes	(144.2)	**1.3**	-	-	(142.8)
Balance at 30/06/2021	**431.2**	**963.0**	**14.8**	**30.6**	**1,439.7**

With regard to *Equity Investments in associates and joint venture*, it should be noted that *Write-ups/(write-offs)* mainly refer to the pro-quota effect of the measurement using the equity method of the EI Towers Group, whereas *Other changes* mainly includes the EUR 133.9 million in dividends distributed by EI Towers and the EUR 5.2 million distributed by associates and joint ventures.

The additions in *Investments in other companies* for the period refer for EUR 103.9 million to the acquisition of a 3.4% stake in Prosiebensat.1 Media SE by Mediaset España S.A.. The decreases refer to the sale of a 3.9% stake in **Prosiebensat.1 Digital Content LP** and **Prosiebensat.1 Digital Content GP Ltd**.

The amount of EUR 171.7 million under *Write-ups/(Write-offs)/Fair Value Adjustments/Impairment* refers to the effects of the fair value measurement, with changes recognised through the equity valuation reserve for the equity investment held in Prosiebensat.1 Media SE. As a result of these adjustments, the fair value of the 23.5% stake held by the Group in ProsiebenSat1 Media SE amounts to EUR 919.8 million at 30 June.

The variations in the caption *Hedging derivatives* mainly relate to the change in fair value of the put options taken out to hedge changes in the fair value of the equity investment held in Prosiebensat.1 Media

SE. At 30 June 2021, the value of the put options under this caption was EUR 29.5 million. *Current financial assets* include EUR 9.1 million in put options maturing within 12 months. On the other hand, Financial liabilities and payables and Other financial liabilities include a total of EUR 181.7 million in call options granted to the counterpart under collar agreements entered into.

5.5 Deferred Tax Assets and Liabilities

	30/06/2021	**31/12/2020**
Deferred tax assets	422.3	475.1
Deferred tax liabilities	(100.6)	(95.7)
Net position	**321.7**	**379.4**

The EUR 57.7 million reduction in *Deferred tax assets* relates both to the utilisation of deferred tax assets recognised for prior-years tax losses and to the net utilisation generated by the temporary mismatch of the tax and accounting values of assets and liabilities.

As at 30 June 2021, Mediaset Group's deferred and current taxes for the period were calculated based on the applicable tax regulations.

The amount of deferred tax assets recognised (EUR 196.7 million) on IRES losses that may be carried forward without any time limit, generated within the Italian tax consolidation perimeter in previous years, decreased compared to 31 December 2020 (EUR 212.6 million). This decrease was consistent with the estimates formulated as part of the recoverability testing carried out at the end of last year. Therefore, there were no events or indicators during period that would change the medium/long-term recovery forecasts made when preparing the consolidated financial statements at 31 December 2020, which in turn were based on the estimated future taxable income of the companies included in the domestic tax consolidation perimeter as derived from the most recent business plans; the recovery period estimated was approximately 10 years.

The change in Deferred tax liabilities mainly refers to the tax effect recognised by Mediaset España in relation to derivatives for hedging equity instruments recorded at fair value.

5.6 Trade receivables

	30/06/2021	31/12/2020
Receivables from customers	611.6	763.3
Receivables from related parties	55.4	63.0
Total	**667.1**	**826.4**

The change in Trade receivables reflects the different volumes of advertising revenues due to the different seasonality of this revenue stream throughout the year.

The item includes EUR 19.6 million for the sub-licensing of the Pay Cinema and Serie TV channels (EUR 22.6 million at 31 December 2020).

The breakdown of receivables from related parties is reported in Note 10 (*Related party transactions*).

5.7 Other receivables and current assets

	30/06/2021	31/12/2020
Other receivables	172.5	163.7
Accruals and deferred income	50.1	52.9
Total	**222.6**	**216.6**

Other receivables mainly include:

- advances to suppliers, agents and professionals for television productions totalling EUR 14.9 million (EUR 12.8 million at 31 December 2020);
- receivables of EUR 132.9 million due from factoring companies (EUR 99.6 million at 31 December 2020).

Accrued income and prepayments, of which EUR 20.0 million referring to the Mediaset España Group, mainly refers (EUR 11.0 million) to the already-incurred costs not pertaining to the reporting period, paid to the Union of European Football Associations for the 2020/2021 UEFA Nations League.

Credit risk

The credit risk mainly originates from the advertising sales on the Mediaset Group's Italian and Spanish television networks.

The Group, based on a specific policy, manages the credit risk relative to the advertising sales through a comprehensive customer credit rating procedure, with an analysis of their economic and financial situations both at the time of setting the initial credit limit and through the ongoing and continuous monitoring of observance of payment terms, updating, when necessary, the previously assigned credit limit.

Based on the above-mentioned credit rating procedure and its subsequent updates, it is possible to break down customer exposure into the following three classes of risk, which represent the summary of a wider and more complex subdivision:

Low risk

Customers with a standard risk index and a financial position that adequately supports their assigned credit limit.

Medium risk

Customers who have not regularly fulfilled their contractual commitments or have current economic/financial situations that are critical compared to those relative to their original credit limit. Based on these specific credit positions, a write-down is calculated based on the percentage impact of historically observed losses.

High risk

Customers with whom there are ongoing default situations, or there is objective insolvency regarding their receivables, for which specific write-downs are made and, in some cases, recovery plans agreed, or extended payment terms which, in any case, do not exceed 12 months.

Below is a table summarising the net balances and the provision for write-downs divided into the above classes.

RISK CLASSES at 30 JUNE 2021	**Gross receivables**	**Past due**				**Total past due**	**Provision for receivables impairments**	**Net Receivables**
		0-30 days	**30-60 days**	**60-90 days**	**More than 90**			
ITALIAN ADVERTISING RECEIVABLES:								
Low	276.3	21.2	3.6	2.7	6.8	34.3	1.2	275.1
Medium	20.1	2.7	0.7	0.1	0.2	3.7	0.4	19.6
High	24.9	2.7	1.6	1.4	11.0	16.7	10.2	14.7
FOREIGN ADVERTISING RECEIVABLES:								
Low	191.5	5.7	0.2	0.1	1.5	7.6	1.6	189.8
Medium	7.4	0.1	0.0	0.1	4.9	5.0	-	7.4
High	21.5	3.1	1.8	0.3	5.6	10.8	5.6	15.9
OTHER RECEIVABLES:								
TELCO operators	49.3	0.4	0.3	0.4	2.4	3.5	1.5	47.8
Movie distribution area	15.7	10.3	0.7	0.1	4.4	15.5	6.9	8.9
Other customers	39.3	0.8	0.5	0.6	11.2	13.1	7.0	32.3
RECEIVABLES FROM RELATED PARTIES:								
Low	55.8	-	-	-	0.0	0.0	0.4	55.4
TOTAL TRADE RECEIVABLES	**701.9**	**46.9**	**9.6**	**5.7**	**48.0**	**110.3**	**34.8**	**667.1**

The item *Telephone/television operators* mainly comprises receivables from the sale of content activities.

5.8 Other reserves

	30/06/2021	31/12/2020
Legal reserve	122.8	122.8
Reserve for equity investments accounted for using the equity method	(13.1)	-
Consolidation reserve	(79.0)	(79.0)
Reserves for minority transactions	205.8	205.8
Other reserves	(23.0)	304.0
Total	**213.5**	**545.7**

The period change in the item *Reserve from equity investments accounted for using the equity method* refers - in terms of measuring equity investments accounted for using the equity method - to the pro-rata share of the components charged by investees directly through equity.

The change in *Other Reserves* refers mainly to the distribution of the extraordinary reserve of Mediaset S.p.A. as resolved by the Shareholders' Meeting of 23 June 2021.

5.9 Valuation reserves

The table below shows the changes occurred during the period.

	Cash flow hedge reserve	Stock option and incentive plans	Actuarial Gains/(Losses)	FVTOCI equity investments	Options time value reserve	Options intrinsic value reserve	Total Valuation reserve
Balance at 31/12/2020	**(3.2)**	**7.3**	**(32.4)**	**(0.5)**	**(32.3)**	**25.9**	**(35.2)**
Increase/(decrease)	1.6	0.9	-		-		2.6
Release to profit or loss	(0.0)				(0.4)	(20.0)	(20.4)
Opening balance adjustment of the hedged item	1.5		-				1.5
Fair value adjustments	5.7		-	141.0	(57.5)	(25.9)	63.3
Deferred tax effects	(2.1)		-	-	(8.6)		(10.7)
Other changes	3.3	-	-	7.1	4.6	2.1	17.0
Balance at 30/06/2021	**6.8**	**8.2**	**(32.4)**	**147.5**	**(94.2)**	**(18.0)**	**18.0**

The **Valuation reserve for financial assets for cash flow hedging purposes** is connected with valuations of derivative instruments designated as hedges against the foreign exchange risk associated with the acquisition of television and movie broadcasting rights in foreign currencies, or as hedges against the interest rate risk associated with medium and long-term financial liabilities.

At 30 June 2021, the **Stock option and incentive plans reserve** includes the costs accrued and measured in accordance with IFRS 2, relating to medium-long term incentive plans adopted by Mediaset S.p.A. The

EUR 0.9 million change for the period relates to increases in the costs accruing under incentive plans issued by the Mediaset Group in the 2019 financial year.

The **Actuarial gains/(losses) reserve** consists of components arising from the actuarial valuation of defined benefit plans, recognised directly through shareholders' equity.

The **FVTOCI equity investments reserve** consists of changes in the fair value measurement of equity investments classified in the caption *Other financial assets* in non-current assets and registered as "FVTOCI financial assets", as provided for in IFRS 9. Changes in these valuations are recognised in the other items of the Statement of Comprehensive Income, without recycling to profit and loss.

The Time value reserve and Options intrinsic value reserve were created in the context of the recognition of derivatives instruments for the hedging of equity investments measured at fair value; they provide - in line with the accounting rules adopted for the hedged item - that changes in other items of the comprehensive income statement should be recognised without reversal to the income statement.

The changes in the reserves described above - other than the Reserve for stock options and incentive plans - are reported in the Statement of Comprehensive Income before tax and before allocations to minority interests.

5.10 Risk provisions and contingent liabilities

Fininvest-Mediaset-Vivendi Agreement

On **3 May 2021**, Fininvest, Mediaset and Vivendi reached a global agreement putting an end to their disputes, in which the parties withdrew all pending actions and complaints, as reported as at 31 December 2020.

Vivendi undertook to contribute to Mediaset's international development by voting to abolish the enhanced voting mechanism and to transfer Mediaset's registered office to the Netherlands. Mediaset and Vivendi also entered into good neighbour agreements in free-to-air television and standstill for a duration of five years. As part of this agreement, Vivendi will pay the Mediaset Group the compensation stipulated in the ruling that brought an end to proceedings no. 47205/2016 (EUR 1.7 million).

Finally, Dailymotion, a subsidiary of Vivendi, agreed to pay EUR 26.3 million to settle its copyright litigation proceedings with RTI and Medusa, Mediaset Group companies.

The closing of the agreement reported in the "Events after 30 June 2021" section below was completed as provided for by the signed agreements on 22 July 2021.

Below is an update at 30 June 2021 of the main lawsuits pending and contingent liabilities associated with them, which were reported in the financial statements at 31 December 2020.

With reference to the notices of assessment served in 2004 and 2005 on Videotime S.p.A., now merged into Mediaset S.p.A, the Supreme Court of Cassation ruled in the matter of value added tax, rejecting the grounds for the appeal concerning the non-VAT deductibility of purchases of gold tokens given as part of game show initiatives. This case did not affect the income statement for the period, as the amounts in question had already been provisioned in previous years.

With reference to the proceedings of which Mediaset España S.A. was served notice on 21 February 2018 by the "Comision Nacional de los Mercados y la Competencia" (CNMC) for an alleged breach of Section 1 of the Spanish Competition Act and Article 101 of the Treaty on the Functioning of the European Union (TFEU), on 13 January 2020 (as reported in the Consolidated Annual Report 2020) Mediaset España had filed an administrative appeal against the Decision, calling for its effects to be immediately suspended as an interim measure, both in terms of the order to discontinue the conduct sanctioned and the payment of the fine handed down. By ordinance of 4 September 2020, the Audiencia Nacional froze the order to pay the fine, but did not freeze the order to stop the conduct sanctioned. As a result, the ordinance was appealed by Mediaset España and subsequently rejected by ordinance of 17 November 2020. This was then challenged in the Court of Cassation. On 19 May 2021, the Supreme Court dismissed the appeal. The administrative dispute has continued to be processed and is pending a final resolution. The serious defects of the Decision, together with the sound factual, legal and economic arguments expounded (as also supported by the reports of independent experts), should lead the requested interim measures to be granted. In any case, they allow to trust that the decision appealed will be annulled in the courts. As a consequence, the Consolidated Statement of Financial Position does not include any provision for this contingency, as the Directors and their advisers consider it improbable that this liability will ultimately materialise.

5.11 Trade and other payables

	30/06/2021	31/12/2020
Trade and other payables	532.8	585.8
Due to related parties	47.1	52.8
Total	**579.8**	**638.6**

The change in *Due to suppliers* mainly refers to payables to TV rights suppliers.

Amounts due to related parties include payables to associates, affiliates and the parent company. Details of these payables are provided in Note 10 below (Related-Party Transactions).

5.12 Other Current Liabilities

	30/06/2021	31/12/2020
Due to social security institutions	17.4	18.7
Withholding tax on employees' wages and salaries	11.9	12.8
VAT payables	31.6	15.0
Other tax payables	11.1	8.5
Advances	4.5	5.3
Other payables	427.6	96.9
Accruals and deferred income	18.1	25.3
Total	**522.2**	**182.6**

The change in the item *Other payables* refers almost exclusively to the EUR 341.8 million in dividends approved by the Shareholders' Meeting of Mediaset S.p.A of 23 June 2021, which had yet to be paid at the reporting date of these Interim Condensed Consolidated Financial Statements but were paid on 19 and 21 July 2021.

Accruals and deferred income includes EUR 3.8 million in deferred income for right-of-use TV rights licenses.

5.13 Net Financial Position

Below is a breakdown of the consolidated **Net Financial Position** in accordance with ESMA's "Guidelines on disclosure requirements under the Prospectus Regulation" of 4 March 2021, as adopted by Consob in its Reminder Notice No. 5/21 of 29 April 2021, showing the net current and non-current financial debt of the Group.

For a breakdown of changes in the Net Financial Position over the period, see the section on the Group's statement of financial position in the Interim Report on Operations.

As stated in the consolidated financial statements for the year ended 31 December 2020, the ***adjusted*** *Net Financial Position,* used to calculate some indexes for the purpose of the financial covenants set forth in the main financing agreements, is also reported. The adjustments refer to the current and non-current portions of the financial liabilities recognised in accordance with to IFRS 16 (leases) and payables relating to the loans contracted by Mediaset and Mediaset España with Credit Suisse for the acquisition of the equity interest in ProsiebenSat1.

	30/06/2021	31/12/2020
Cash in hand and cash equivalents	0.1	0.1
Bank and postal deposits	740.3	447.8
Liquidity	**740.4**	**447.9**
Current financial assets and receivables	**16.8**	**26.3**
Financial payables	(100.2)	(98.8)
Current portion of non current debt	(258.1)	(352.3)
Other current payables and financial liabilities	(68.8)	(64.2)
Current Net Financial Debt	**(427.1)**	**(515.2)**
Current Net Financial Position	**330.1**	**(41.0)**
Financial payables	(973.7)	(929.8)
Other non current payables and financial liabilities	(88.1)	(93.6)
Trade and other payables	-	-
Non-current financial debt	**(1,061.8)**	**(1,023.4)**
Net Financial Position	**(731.7)**	**(1,064.4)**
Current portion of non current debt	147.3	147.4
IFRS 16 lease financial liabilities (current portion)	16.1	19.4
Financial payables (non-current)	259.0	332.4
IFRS 16 lease financial liabilities (non current portion)	87.2	91.6
Net financial position (excluding IFRS 16 liabilities and Prosieben acquisition debt)	**(222.0)**	**(473.6)**

Below is a breakdown of certain Net Financial Position items, reported in accordance with the above-mentioned ESMA Guidelines, with comment where necessary on the main changes in the individual figures.

The Group recognised trade payables due after 12 months for the acquisition of TV and film rights for a total of EUR 11.7 million and non-current payables for minority interest acquisitions for a total of EUR 16.0 million. However, these have not been included in the Net Financial Position as the Directors believe that they do not have a significant implicit or explicit financing component in accordance with the "Guidance on Disclosure Requirements under the Prospectus Regulation" published by ESMA on 3 March 2021. The payables relating to the dividends resolved by the Shareholders' Meeting on 23 June 2021 and paid out after the end of the period are recorded for a total of EUR 341.8 million under the caption *Other current liabilities*, and therefore are not included in the Net Financial Position.

The EUR 357.9 million in **Liquidity** refers to the Mediaset España Group.

Current financial assets and receivables mainly include EUR 2.6 million (EUR 5.2 million at 31 December 2020) in government subsidies for movie productions made by Medusa Film and Taodue, which had been approved by the entities concerned, but not paid at the reporting date, EUR 3.6 million as the fair value of the derivatives hedging against foreign exchange risk exceeding the change in the foreign-currency payables hedged, and EUR 2.1 million in receivables due from Alea Media.

Due to banks (current portion) includes the payable due in September 2021 under the loan taken out with UniCredit in 2016.

The **Current portion of non current debt** consists of the current portion of medium-long term credit facilities for EUR 256.8 million (EUR 350.8 million as at 31 December 2020) and the current portion of the fair value of derivatives used to hedge interest rates for EUR 1.3 million (EUR 1.5 million as at 31 December 2020). The change compared to 31 December 2020 refers to the repayment of committed credit facilities maturing in 2020 and the reclassification of the portion of payables due within the next 12 months.

Current payables and financial liabilities mainly include the current portion of lease payables under IFRS 16 totalling EUR 16.1 million, current accounts managed by the parent Mediaset S.p.A. on behalf of associates and joint ventures totalling EUR 51.4 million (EUR 41.8 million at 31 December 2020) and amounts owed to factoring companies totalling EUR 0.6 million (EUR 0.6 million at 31 December 2020). The changes compared to 31 December 2020 mainly relate to the increase in payables deriving from current accounts operated on behalf of associates and joint ventures by the parent company of Mediaset S.p.A. and the repayment of payables for leasing recognised in accordance with IFRS 16.

Due to banks (non current portion) refers to the portion of committed credit facilities maturing beyond 12 months. These payables are recognised in the financial statements using the amortised cost method.

A breakdown of the change of EUR 43.9 million for the half-year is provided below:

- EUR 180.0 million nominal of debt due within the next 12 months was reclassified under the line item Current portion of non current debt;
- Early repayment of a credit facility totalling EUR 50 million nominal;
- Renewed and new credit facilities totalling EUR 275.0 million nominal were recognised in the Financial Statements at their amortised cost of EUR 266.9 million (net of the current portion recognised in *Current portion of non current debt*)

Existing loans and credit facilities are subject to financial covenants which are verified every six months on a consolidated basis. If any financial covenants are breached, both for the loans and credit facilities, Mediaset S.p.A. could be called upon to repay all amounts drawn. As at 30 June 2021, these financial parameters were satisfied in full. Based on current evidence, albeit in an environment characterised by high uncertainty in connection with the COVID-19 related public health emergency, it is reasonable to expect these parameters to be satisfied in the next 12 months.

Non current payables and financial liabilities consisted of the non-current portion of lease payables recognised under IFRS 16, totalling EUR 87.2 million (EUR 91.9 million at 31 December 2020), the fair value of derivatives held to hedge against interest rate risk totalling EUR 2.0 million, EUR 0.1 million in loans received for film development, distribution and production operations.

Liquidity risk

Liquidity risk is related to the difficulty of finding funds to meet commitments.

This may be due to the unavailability of sufficient funds to satisfy financial commitments in accordance with the established terms and due dates in case upon sudden revocation of uncommitted credit lines or in the event that the Company has to settle its financial liabilities before their natural maturity.

Through careful and prudent financial management, which is reflected in the policy adopted, and the constant monitoring of the relationship between granted credit lines and their use, as well as the balance between short-term debt and medium/long term debt, the Mediaset Group has put in place sufficient credit lines, both in terms of quantity and quality, to face the current crisis.

The Group's treasury activities are centralised within Mediaset S.p.A. and Mediaset España Comunicaciòn SA, operating in their respective domestic markets as well as internationally, through the use of automatic cash pooling movements used by almost all the group companies.

The management of the liquidity risk involves:

- maintaining an essential balance between the committed and uncommitted credit lines to avoid a strain on liquidity if creditors request repayment;
- keeping the average financial exposure during the year to no more than 80% of the total value granted by the lenders;
- the availability of short-term readily negotiable assets to cover any cash requirement.

In order to optimise the management of liquidity, the Group concentrates the payment dates to almost all its suppliers at the same dates as those of the most significant cash inflows.

The table below shows the Group's financial obligations, based on the contractual expiry date and considering the worst case scenario at undiscounted values. Depending on the type of finance, it shows the nearest date when the Group may be asked to make payment.

The difference between the book values and the total of the financial flows is mainly due to the calculation of interest on the contractual duration of the amounts due to banks. In addition, for loans measured at amortised cost, interest is calculated using the nominal rate instead of the actual yield rate.

Lastly, *Due to banks (current portion)* includes the interest expense on term loans due within one year.

BALANCE SHEET ITEMS at 30 JUNE 2021	Carrying amount	Time band					Total financial flows
		from 0 to 3 months	from 4 to 6 months	from 7 to 12 months	from 1 to 5 years	more than 5 years	
FINANCIAL LIABILITIES:							
Due to banks (non-current portion)	973.7	-	-	-	987.8	-	**987.8**
Due to banks (current portion)	357.0	102.5	75.2	182.8	-	-	**360.6**
Financial payables to related parties	51.4	51.4	-	-	-	-	**51.4**
Due to suppliers for rights	213.1	129.4	33.8	38.3	11.7	-	**213.1**
Due to other suppliers	319.6	319.6	-	-	-	-	**319.6**
Due to related parties	47.0	47.0	-	-	-	-	**47.0**
Due to factoring companies	0.6	0.6	-	-	-		**0.6**
Due to leasing companies	103.3	3.6	3.8	8.7	50.0	37.2	**103.3**
Other payables and financial liabilities	13.2	0.7	-	-	12.5	-	**13.2**
Total	**2,078.9**	**654.8**	**112.8**	**229.8**	**1,062.0**	**37.2**	**2,096.6**
DERIVATIVES:							
Hedging derivatives (foreign currency purchases)							
(measured at contract exchange rate)	5.0	108.3	-	77.4	127.0		**312.7**
Hedging derivatives (available foreign currency)							
(measured at year-end exchange rate)		(103.3)	-	(81.1)	(132.1)		**(316.6)**
Hedging derivatives (interest rate risk)	(2.1)	0.4	0.3	0.6	2.0		**3.3**
Total	**(2.8)**	**(5.4)**	**0.3**	**(3.2)**	**(3.1)**	**-**	**(0.6)**

The Group expects to meet these obligations through the realisation of its financial assets and, specifically, through the collection of receivables connected to its various commercial activities.

With reference to the section relating to financial derivatives, in the scenario of settlement of gross flows, the contractual exchange rate means the forward exchange rate set at the date of entry into the contract, while the year end rate means the spot rate at the measurement date.

6. GUARANTEES AND COMMITMENTS

The overall amount of guarantees received, mainly bank guarantees, for receivables from third parties totalled EUR 12.3 million, of which EUR 9.7 million relate to the Mediaset España Group (EUR 29.9 million at 31 December 2020).

In addition, bank guarantees in favour of third-party companies were issued for a total amount of EUR 88.3 million (EUR 123.4 million at 31 December 2020). This amount refers to the Mediaset España Group (EUR 123.4 million at 31 December 2020).

The main commitments of the Mediaset Group companies can be summarised as follows:

- commitments for the acquisition of television and movie broadcasting rights (free and pay), totalling EUR 780.2 million (EUR 660.9 million at 31 December 2020). These future commitments relate mainly to volume deal contracts of the Mediaset Group with some of the leading American TV producers.
- commitments for the acquisition and rental of contents of EUR 24.8 million due to associates (EUR 11.0 million at 31 December 2020).
- commitments for artistic projects, television productions and press agency contracts of approximately EUR 74.2 million (EUR 152.3 million at 31 December 2020), of which EUR 15.0 million due to Related Parties;
- commitments for digital broadcasting capacity services of EUR 44.1 million (EUR 46.4 million at 31 December 2020);
- contractual commitments for the use of satellite capacity of EUR 10.0 million (EUR 12.0 million at 31 December 2020);
- commitments to the EITowers Group of approximately EUR 622.2 million (EUR 706.5 million at 31 December 2020) relating to the long-term contract for hospitality, support and maintenance services (full service), ending 30 June 2025.
- commitments for the purchase of new equipment, multi-year commitments for radio broadcasting towers, the supply of EDP services and commitments to trade associations for the use of intellectual property rights totalling EUR 97.2 million (EUR 89.4 million at 31 December 2020.

7. STATEMENT OF CASH FLOWS

7.1 Business combinations net of cash and cash equivalents acquired

For the first half of last year, this item shows the impact on cash and cash equivalents of the transaction to acquire an 80% stake in Beintoo S.r.l.

7.2 Changes in stakes in subsidiaries/Changes in scope of consolidation

For the first half of 2021, this item refers to the disbursement made in the period for the purchase of an additional 20% stake in the company El Desmarque Portal Deportivo, S.L.

8. SEGMENT REPORTING

As required under IFRS 8, the following information relates to the operating segments identified on the basis of the Group's present organisational structure and internal reporting system.

The Group's main operating segments, already included in the analysis of results contained in the *Interim Report on Operations*, are the same as the *geographical areas* (Italy and Spain) identified according to the location of operations.

The following paragraphs contain the information and reconciliations required under IFRS 8 in relation to profits, losses, assets and liabilities, based on this segmentation process. The information can be extrapolated from the two sub-consolidated financial statements prepared at that level.

Geographical sectors

The following tables report key financial information for the two geographical operational areas of Italy and Spain, at 30 June 2021 and 2020 respectively.

The tables have been prepared on the basis of specific sub-consolidated financial statements in which the carrying amounts of the equity investments held by companies belonging to a segment in companies belonging to another segment have been kept at their respective purchase cost and eliminated upon consolidation. Likewise, in the sector income statement, income and expenses (relating to any dividends received from these investments) have been included under *Income/(expenses) from other equity investments.*

In particular, the inter-segment assets figures relate to the elimination of equity investment recognised under the assets of the Italy geographic sector in Mediaset España.

Non-monetary expenses relate to the provisions for risks and charges and the costs of medium/long-term incentive plans.

June 2021		ITALY	SPAIN	Eliminations/ Adjustments	MEDIASET GROUP
MAIN INCOME STATEMENT FIGURES					
Revenues from external customers		962.7	424.5		1,387.2
Inter-segment revenues		1.0	(1.0)	-	-
Consolidated net revenues		**963.7**	**423.6**	**-**	**1,387.2**
	%	70%	31%		100%
OPERATING RESULT		**94.6**	**103.8**	**0.3**	**198.7**
Financial income/(losses)		21.2	4.4	-	25.6
Income/(expenses) from equity investments valued with the equity method		96.5	1.7	-	98.2
Income/(expenses) from other equity investments		-	-	-	-
EBT		**212.3**	**110.0**	**0.3**	**322.6**
Income taxes		(34.2)	(23.6)	(0.1)	(57.8)
Net result from continuing operations		**178.1**	**86.4**	**0.2**	**264.7**
Net profit from discontinued operations		**-**	**-**	**-**	**-**
NET PROFIT FOR THE PERIOD		**178.1**	**86.4**	**0.2**	**264.7**
Attributable to: - Equity shareholders of the parent company		178.9	85.4	(37.6)	226.7
- Minority Interests		(0.8)	1.0	37.8	38.0
OTHER INFORMATION					
Assets		4,830.8	1,882.0	(517.0)	6,195.9
Liabilities		2,416.4	649.8	(1.8)	3,064.4
Investments in tangible and intangible non current assets		175.9	50.2	-	226.1
Amortisation and depreciation		181.1	49.5	(0.3)	230.3
Other non monetary expenses		2.8	-	-	2.8

(*) Includes the change in "Advances for television rights"

June 2020		ITALY	SPAIN	Eliminations/ Adjustments	MEDIASET GROUP
MAIN INCOME STATEMENT FIGURES					
Revenues from external customers		790.6	375.8		1,166.4
Inter-segment revenues		0.7	(0.7)	-	-
Consolidated net revenues		**791.3**	**375.1**	**-**	**1,166.4**
	%	68%	32%		100%
OPERATING RESULT		**(57.6)**	**88.9**	**0.4**	**31.7**
Financial income/(losses)		1.5	(0.3)	-	1.2
Income/(expenses) from equity investments valued with the equity method		3.4	1.7	0.1	5.2
Income/(expenses) from other equity investments		-	-	-	-
EBT		**(52.7)**	**90.4**	**0.5**	**38.2**
Income taxes		(6.9)	(19.4)	(0.1)	(26.3)
Net result from continuing operations		**(59.5)**	**71.0**	**0.4**	**11.8**
Net profit from discontinued operations		**-**	**-**	**-**	**-**
NET PROFIT FOR THE PERIOD		**(59.5)**	**71.0**	**0.4**	**11.8**
Attributable to: - Equity shareholders of the parent company		(58.3)	70.0	(30.6)	(18.9)
- Minority Interests		(1.2)	1.0	31.0	30.8
OTHER INFORMATION					
Assets		4,710.2	1,525.4	(517.0)	5,718.6
Liabilities		2,298.1	540.9	(1.4)	2,837.6
Investments in tangible and intangible non current assets		277.8	68.7	-	346.5
Amortisation and depreciation		211.1	57.7	(0.4)	268.5
Other non monetary expenses		3.4	1.3	-	4.7

(*) Includes the change in "Advances for television rights"

9. DISCLOSURES ON FINANCIAL INSTRUMENTS AND RISK MANAGEMENT POLICIES

The tables below provide show the disclosures required by IFRS 7, for the purpose evaluating the significance of the financial instruments with reference to the balance sheet, cash flow and the income statement result of the Group.

Categories of financial assets and liabilities

Below is a breakdown of the book value of the financial assets and liabilities, as required by accounting standard IFRS 9.

	IFRS 9 CATEGORIES			
FINANCIAL ASSETS at 30 JUNE 2021	**Derivative Instruments**	**Financial assets at amortised cost**	**Financial assets FVTOCI**	**CARRYING AMOUNT**
OTHER FINANCIAL LIABILITIES:				
equity investments			963.0	963.0
share option derivatives (non-current portion)	29.5			29.5
hedge derivatives (non-current portion)	1.1			1.1
Other financial assets		6.0		6.0
Financial receivables (due in more than 12 months)		8.8		8.8
TRADE RECEIVABLES:				
Due from customers		611.6		611.6
Due from related parties		55.4		55.4
OTHER RECEIVABLES/CURRENT ASSETS:				
Due from factoring companies		133.6		133.6
CURRENT FINANCIAL ASSETS:				
Financial receivables (due within 12 months)		13.2		13.2
share option derivatives	9.1			9.1
hedge derivatives	4.3			4.3
CASH AND CASH EQUIVALENTS:				
Bank and postal deposits		740.3		740.3
TOTAL FINANCIAL ASSETS	**43.9**	**1,569.0**	**963.0**	**2,576.0**

FINANCIAL LIABILITIES at 30 JUNE 2021	IFRS 9 CATEGORIES		
	Derivative Instruments	Liabilities at amortised cost	CARRYING AMOUNT
NON CURRENT FINANCIAL LIABILITIES AND PAYABLES:			
Due to banks		973.7	973.7
Hedge derivatives (non-current portion)	0.9		0.9
Hedge derivatives on equity instruments (non-current portion)	167.6		167.6
Other financial liabilities		13.2	13.2
CURRENT LIABILITIES:			
Due to banks		357.0	357.0
Due to suppliers		532.8	532.8
Due to related parties		47.1	47.1
OTHER FINANCIAL LIABILITIES:			
Due to factoring companies		0.6	0.6
Other financial liabilities		0.7	0.7
Hedging derivatives on equity	14.2		14.2
Other hedging derivatives	1.6		1.6
Financial payables to related parties		51.4	51.4
TOTAL FINANCIAL LIABILITIES	**184.2**	**1,976.3**	**2,160.6**

Fair value levels of financial assets and liabilities

The financial assets and liabilities valued at fair value are classified in the following table, based on the nature of financial parameters used in determining the fair value, on the basis of the fair value hierarchy envisaged by the standard:

- Level I: listed prices on active markets for identical instruments;
- Level II: variables other than listed prices in active markets that may be observed either directly (as in the case of prices) or indirectly (derived from the prices);
- Level III: variables that are not based on observable market values.

BALANCE SHEET ITEM at 30 JUNE 2021	CARRYING AMOUNT	Level I	Level II	Level III	TOTAL FAIR VALUE
Equity investments	963.0	919.8	43.2		963.0
Hedging derivatives on equity instruments					
- Put	38.6		38.6		38.6
- Call	(181.7)		(181.7)		(181.7)
Cash flow hedge derivatives:					
- Forward contracts	5.0		5.0		5.0
- IRS on interest rates	(2.1)		(2.1)		(2.1)

10. RELATED PARTY TRANSACTIONS

The following summary table shows, for the main income statement and balance sheet groupings, the details of the companies that are the counterparts of these transactions (identified in accordance with IAS 24 and grouped by type of relation):

	Revenues	Operating costs	Financial Income / (Charge)	Trade receivables	Trade payables	other receivables/(payables)
CONTROLLING ENTITY						
Fininvest S.p.A.	0.0	2.5	-	(0.0)	0.1	(156.5)
AFFILIATED ENTITIES						
Alba Servizi Aerotrasporti S.p.A.	0.0	2.5	-	0.0	1.5	-
Arnoldo Mondadori Editore S.p.A.*	3.2	0.5	-	2.3	1.0	(0.1)
Fininvest Gestione Servizi S.p.A.	0.0	0.0	-	0.0	0.0	0.0
Mediolanum S.p.A.*	2.0	-	-	0.5	-	-
Altre consociate	-	0.2	-	-	-	-
Total Affiliated	**5.2**	**3.2**	**-**	**2.8**	**2.5**	**(0.1)**
JOINT CONTROLLED AND ASSOCIATES ENTITIES						
Alea Media	0.0	0.3	0.0	0.0	1.9	3.9
Alma Productora Audiovisual SL	0.0	2.9	-	0.0	1.3	-
Auditel S.p.A.	-	4.7	-	-	0.1	-
Aunia Publicidad Interactiva SLU	-	-	-	-	(0.0)	-
Boing S.p.A.	3.4	10.6	0.0	2.6	11.1	4.4
Bulldog TV Spain SL	(0.0)	11.9	-	-	8.1	0.1
Gruppo El Towers **	0.8	84.5	-	0.3	1.8	0.0
Fascino Produzione Gestione Teatro S.r.l.	0.4	37.7	-	0.9	7.5	(41.2)
Fenix Media Audiovisual, SL	-	0.0	-	-	-	0.9
La Fabbrica De la Tele SL	0.0	16.3	-	0.0	6.7	0.1
Mediamond S.p.A.	48.4	0.7	-	48.7	1.3	(10.1)
Nessma Lux S.A.**	-	-	0.0	-	-	-
Produciones Mandarina SL	0.0	0.4	-	0.0	0.5	-
Studio 71 Italia S.r.L.	0.0	0.1	-	0.0	0.1	-
SUPERGUIDATV S.r.l.	-	0.3	-	-	0.3	-
Titanus Elios S.p.A.	-	2.2	-	0.0	-	2.4
Tivù S.r.l.	0.2	0.7	-	0.1	0.4	-
Unicorn Content SL	(0.0)	9.5	-	0.0	3.5	-
Total Joint controlled and affiliates entities	**53.3**	**182.9**	**0.1**	**52.6**	**44.5**	**(39.4)**
KEY STRATEGIC MANAGERS (***)	-	**1.9**	-	-	-	**(8.5)**
PENSION FUND (Mediafonf)	-	-	-	-	-	**(0.7)**
OTHER RELATED PARTIES****	-	**0.1**	-	**0.0**	**0.0**	**0.0**
TOTAL RELATED PARTIES	**58.5**	**190.6**	**0.1**	**55.4**	**47.1**	**(205.3)**

* The figure includes the company and its subsidiaries, affiliates or jointly controlled companies.
** The figure includes the company and its subsidiaries.
*** the figure includes the directors of Mediaset S.p.A. and of Fininvest S.p.A., their close family members and companies in which these persons exercise control, joint control or significant influence or in which they hold, either directly or indirectly, a significant stake of no less than 20%, of the voting rights.
**** The figure includes transactions with several consortiums that mainly carry out activities connected with the television signal transmission operational management.

Revenues and *trade receivables* due from associated entities mainly relate to the sales of television, radio and online advertising space. *Operating costs* and the related *Trade payables* mainly refer to purchases of television productions and broadcasting rights and to the fees paid to associates for the sale of advertising space managed through exclusive concessions by Group companies, as well as the costs paid to associated entities for hospitality, assistance and maintenance services (full service).

The item *other receivables/(payables)* mainly refers to intercompany current accounts and loans given to associates. This item also includes the EUR 156.5 million due for dividends resolved to be paid out to parent company Fininvest S.p.A.

During the half-year, dividends were also received from associates and joint ventures for a total of EUR 139.1 million.

11. MOVEMENTS RESULTING FROM ATYPICAL AND/OR UNUSUAL TRANSACTIONS

Pursuant to Consob Communication no. DEM/6064296 of 28 July 2006 it is hereby stated that in the first half of 2021 no atypical and/or unusual transactions were carried out by the Group as defined by the above Communication.

12. EVENTS AFTER 30 JUNE 2021

For subsequent events, reference should be made to the section entitled *Events occurring after 30 June 2021* in the Interim Report on Operations.

For the Board of Directors
the Chairman

LIST OF EQUITY INVESTMENTS INCLUDED IN THE GROUP'S CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2021

(values in EUR million)

Companies consolidated on a line-by-line basis	Registered Office	Currency	Share capital	% held by the Group (*)
Mediaset S.p.A.	Milan	EUR	614.2	0.00%
Mediaset Investment N.V.	Amsterdam	EUR	0.2	100.00%
Mediaset Italia S.p.A.	Milan	EUR	0.1	100.00%
Publitalia '80 S.p.A.	Milan	EUR	52.0	100.00%
Beintoo S.p.A.	Milan	EUR	0.0	80.00%
Digitalia '08 S.r.l.	Milan	EUR	10.3	100.00%
Publieurope Ltd.	London	GBP	5.0	100.00%
Adtech Ventures S.p.A.	Milan	EUR	0.1	77.85%
R.T.I. S.p.A.	Rome	EUR	500.0	100.00%
Elettronica Industriale S.p.A.	Lissone (MB)	EUR	363.2	100.00%
Medusa Film S.p.A.	Rome	EUR	120.0	100.00%
Monradio S.r.l.	Milan	EUR	3.0	80.00%
Taodue S.r.l.	Rome	EUR	0.1	100.00%
Medset Film S.a.s.	Paris	EUR	0.1	100.00%
R2 S.r.l.	Milan	EUR	0.1	100.00%
Radio Mediaset S.p.A.	Milan	EUR	7.4	100.00%
Radio Studio 105 S.p.A.	Milan	EUR	0.8	100.00%
Radio Aut S.r.l.	Loc.Colle Bensi PG)	EUR	0.0	100.00%
Radio Subasio S.r.l.	Assisi (PG)	EUR	0.3	100.00%
RMC Italia S.p.A.	Milan	EUR	1.1	100.00%
Virgin Radio Italy S.p.A.	Milan	EUR	10.1	99.99%
Mediaset España Comunicaciòn S.A.	Madrid	EUR	168.4	55.69%
Advertisement 4 Adventure, SLU	Madrid	EUR	0.0	55.69%
Publiespaña S.A.U	Madrid	EUR	0.6	55.69%
Publimedia Gestion S.A.U.	Madrid	EUR	0.1	55.69%
Netsonic S.L	Barcelona	EUR	0.0	55.69%
Aninpro Creative SL	Madrid	EUR	0.0	28.40%
Be a Iguana S.L.U.	Madrid	EUR	0.0	28.40%
Be a Tiger S.L.U	Madrid	EUR	0.0	28.40%
Grupo Audiovisual Mediaset España Comunicaciòn S.A.U.	Madrid	EUR	0.6	55.69%
Grupo Editorial Tele 5 S.A.U.	Madrid	EUR	0.1	55.69%
Conecta 5 Telecinco S.A.U.	Madrid	EUR	0.1	55.69%
Mediacinco Cartera S.L.	Madrid	EUR	0.1	55.69%
Produccion y Distribucio de Contenidos Audiovisuales Mediterraneo SLU (ex Sogecable Editorial S.L.U.)	Madrid	EUR	0.3	55.69%
Telecinco Cinema S.A.U.	Madrid	EUR	0.2	55.69%
El Demarque Portal Deportvo SL	Sevilla	EUR	0.0	44.55%
Megamedia Television S.L.	Madrid	EUR	0.1	36.20%
Supersport Television S.L.	Madrid	EUR	0.1	34.81%

(*) The Group's shareholding is calculated by taking into account the stake directly and indirectly held by the Parent Company at 30 June 2021, without taking into account the treasury shares of subsidiaries and investees

(values in EUR million)

Associates and joint ventures	Registered Office	Currency	Share capital	% held by the Group (*)
Agrupacion de interés Economico Furia de Titanes II A.I.E.	Santa Cruz de Tenerife	EUR	0.0	18.93%
Alea Media SA	Madrid	EUR	0.1	16.71%
Alma Productora Audiovisual S.L.	Madrid	EUR	0.0	16.71%
Auditel S.r.l.	Milan	EUR	0.3	26.67%
Aunia Publicitad Interactiva SLU	Madrid	EUR	0.0	27.85%
Boing S.p.A.	Milan	EUR	10.0	51.00%
Bulldog TV Spain SL	Madrid	EUR	0.0	16.71%
Campanilla Film SL	Madrid	EUR	0.0	16.71%
EI Towers S.p.A.	Milan	EUR	2.8	40.00%
European Broadcaster Exchange (EBX) Limited	London	GBP	1.5	19.46%
Fascino Produzione Gestione Teatro S.r.l.	Rome	EUR	0.0	50.00%
Fenix Media Audiovisual SL	Madrid	EUR	0.0	22.28%
La Fabrica De La Tele S.L.	Madrid	EUR	0.0	16.71%
Mediamond S.p.A.	Milan	EUR	2.4	50.00%
Nessma S.A.	Luxembourg	EUR	11.3	34.12%
Nessma Broadcast S.A.	Tunis	DINARO	1.0	32.27%
Producciones Mandarina S.L.	Madrid	EUR	0.0	16.71%
Titanus Elios S.p.A.	Rome	EUR	5.0	30.00%
Tivù S.r.l.	Rome	EUR	1.0	48.16%
Studio 71 Italia S.r.l.	Cologno Monzese (MI)	EUR	0.1	56.56%
Superguidatv S.r.l.	Napoli	EUR	1.4	49.00%
Unicorn Content SL	Madrid	EUR	0.0	16.71%

Other equity investments	Registered Office	Currency	Share capital	% held by the Group (*)
Aranova Freedom S.C.aR.L	Bologna	EUR	0.0	13.33%
Ares Film S.r.l.	Rome	EUR	0.1	5.00%
Audiradio S.r.l. (in liquidazione)	Milan	EUR	0.0	9.50%
Blooming Experience SL	Valencia	EUR	0.0	4.13%
ByHours Travel S.L.	Madrid	EUR	0.0	5.13%
Check Bonus S.r.l.	Milan	EUR	0.8	3.62%
Club Dab Italia Società Consortile per Azioni	Milan	EUR	0.2	10.00%
Deporvillage S.L.	Barcelona	EUR	0.2	13.69%
Gilda S.r.l.	Milan	EUR	0.0	10.31%
Innovación y desarrollo de Nuevos Canales Comerciales, SL	Madrid	EUR	0.0	4.10%
Kirch Media GmbH & Co. Kommanditgesellschaft auf Aktien	Unterföhring (Germany)	EUR	55.3	2.28%
Letisan S.r.l.	Milan	EUR	0.0	8.70%
Peoople Unlimited, SL	Madrid	EUR	0.0	0.10%
Player Editori Radio S.r.l.	Milan	EUR	0.0	14.72%
ProSiebenSat.1 MEDIA SE	Unterföhring (Germany)	EUR	226.1	17.69%
Radio e Reti S.r.l.	Milan	EUR	1.0	10.00%
Romaintv S.p.A. (in liquidazione)	Rome	EUR	0.8	13.64%
Satispay S.p.A.	Milan	EUR	0.6	0.82%
Spotted GmbH	Mannheim (Germany)	EUR	0.1	4.62%
Springlane Gmbh	Dusseldorf	EUR	0.1	5.23%
StyleRemains GmbH	Hamburg	EUR	0.0	5.16%
Tavolo Editori Radio S.r.l.	Milan	EUR	0.0	16.04%
Telesia S.p.A.	Rome	EUR	1.8	4.63%
Termo S.p.A.	Milan	EUR	0.3	8.72%
Videowall S.r.l.	Milan	EUR	0.0	15.00%
Westwing Group Gmbh	Milan	EUR	0.1	0.23%

(*) The Group's shareholding is calculated by taking into account the stake directly and indirectly held by the Parent Company at 30 June 2021, without taking into account the treasury shares of subsidiaries and investees

MEDIASET GROUP

Certification of the Interim Condensed Financial Statements pursuant to article 154-bis of Legislative Decree no. 58/98

Statement concerning the Condensed Half-Year Financial Statements in Compliance with Art. 154-bis of Italian Law Decree 58/98

1. The undersigned, Mr. Fedele Confalonieri, Chairman of the Board of Directors, and Mr. Luca Marconcini, Senior Executive Manager, responsible for the drafting of the corporate accounting documentation, of the company Mediaset S.p.A., also in compliance with the provisions set out in Art. 154-bis, par. 3 and 4 of Italian Law Decree No.58 of 24 February 1998, hereby declare:

   • the adequacy in relation to the Group's characteristics and

   • the effective application

   of the administrative and accounting procedures for the drafting of a condensed financial statements for the first half of 2021.

2. The valuation of the adequacy of the administrative and accounting procedures for the drafting of the condensed financial statements as at 30 June 2021 was carried out based on the standards and criteria defined by Mediaset S.p.A. consistently with the *Internal Control – Integrated Framework* model issued by the *Committee of Sponsoring Organizations of the Treadway Commission*, which groups together a set of general principles of reference for internal control generally accepted at the international level.

3. We also hereby declare that:

3.1 the condensed half-year financial statements:

   a) have been drafted in compliance with the applicable international accounting principles acknowledged at the EU level pursuant to EC regulation No. 1606/2002 of the EU Parliament and Council of 19 July 2002 and, in particular, IAS 34 – *Interim Financial Reporting*, as well as the provisions set out for the implementation of Art. 9 of Italian Law Decree No. 38/2005;

   b) reflect the accounting books and entries;

   c) provide a true and fair description of the financial position and results of operations of the Company and the businesses included in the consolidation area;

3.2 the half-year report on operations includes references to relevant events that have occurred in the first half of the year, their impact on the condensed half year financial statements and a description of the main risks and uncertainties for the remaining six months of the fiscal year under investigation as well as information on the relevant operations with related parties.

Date: 14th September 2021

For the Board of Directors
The Chairman

(Fedele Confalonieri)

The Senior Executive Manager responsible
for the drafting of corporate accounting
documents
(Luca Marconcini)

MEDIASET GROUP

Auditors'
limited review
report on the Interim Condensed Consolidated Financial Statements

Deloitte.

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REPORT ON REVIEW OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of
Mediaset S.p.A.

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Mediaset S.p.A. and subsidiaries (the Mediaset Group), which comprise the interim consolidated statement of financial position as of June 30, 2021 and the interim consolidated income statement, interim consolidated statement of comprehensive income, interim consolidated cash flow statement and the interim consolidated statement of changes in shareholders' equity for the six month period then ended, and the related explanatory notes. The Directors are responsible for the preparation of this interim condensed consolidated financial statements in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on this interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the criteria recommended by the Italian Regulatory Commission for Companies and the Stock Exchange ("Consob") for the review of the interim financial statements under Resolution n° 10867 of July 31, 1997. A review of interim condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements of the Mediaset Group as at June 30, 2021 are not prepared, in all material respects, in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as adopted by the European Union.

DELOITTE & TOUCHE S.p.A.

Signed by
Stefano Marnati
Partner

Milan, Italy
September 15, 2021

This report has been translated into the English language solely for the convenience of international readers