

PRESS RELEASE

FININVEST GROUP – FINANCIAL STATEMENTS 2018

CONSOLIDATED REVENUES EUR 4,429.5 MILLION (-4%).

**CONSOLIDATED EBIT BEFORE NON-RECURRING ITEMS: EUR 217 MILLION
(EUR 95 MILLION IN 2017)**

CONSOLIDATED EBIT: EUR 130 MILLION

**NET PROFIT BEFORE NON-RECURRING ITEMS: EUR 117 MILLION
(EUR 80 MILLION IN 2017)**

CONSOLIDATED NET PROFIT EUR 204 MILLION

**INVESTMENTS €1,213.1 MILLION
(EUR 803.8 MILLION IN 2017)**

**INDEBTEDNESS DOWN SHARPLY TO €878.8 MILLION
(1,309.4 MILLION ON 31/12/2017)**

Chaired by Marina Berlusconi, the Shareholders' Meeting of Fininvest S.p.A. approved today the financial statements of the parent company and examined the consolidated financial statements for the year ended 31 December 2018.

*In a macroeconomic context that still showed many instabilities, negatively affecting the performance of the media market and of the advertising market in particular, the companies of the **Fininvest Group** took further steps along the **strategic line** outlined for some time: concentration on their respective **core businesses**, strengthening of **leadership**, careful work on **efficiencies** and **enhancement** of assets not considered to be more strategic.*

*This commitment has enabled the Group to seize new **investment** opportunities and to carry out important **strategic development** operations, including abroad, some of which were already partially implemented in the first half of 2019.*

*On the income statement front, the Group achieved **more than satisfactory results** in 2018: excluding non-recurring items, it recorded an operating result of **EUR 217 million** (compared with EUR 95 million in 2017) and a net profit of **EUR 117 million** (compared with EUR 80 million in 2017).*

*It should also be noted that the Group's **indebtedness fell** significantly from EUR 1.3 billion to around EUR 880 million, thanks in part to an extremely positive **ordinary cash flow generation** of around **EUR 270 million**.*

FININVEST GROUP 2018 CONSOLIDATED FINANCIAL STATEMENTS

*Key highlights for the year 2018:**

Consolidated revenues for Fininvest Group in 2018 amounted to **EUR 4,429.5 million** Euro, down by 4% on the EUR 4,613.7 million Euro posted in 2017.

EBITDA was **EUR 1,155.1 million (26.1%** of revenues), compared with EUR 1,316.9 million (28.5% of revenues) in the previous year.

Group **EBIT** posted a positive **EUR 129.8 million**, compared to EUR 216.4 million in 2017. The figure is penalised by write-downs and provisions due to impairment processes and other non-recurring costs/income. Excluding the impacts of these items, consolidated EBIT in 2018 would be positive by approximately **EUR 217 million**, a clear increase compared to the figure for 2017 (EUR 95 million).

Consolidated net profit amounted to **EUR 204.2 million** compared to the profit of EUR 687.7 million in 2017, the latter being particularly affected by the capital gain realised on the sale of AC Milan.

Excluding non-recurring items, the Group's **net profit** for 2018 was approximately **EUR 117 million**, a significant improvement on the EUR 80 million profit achieved in 2017 (again excluding extraordinary items).

The **net financial position** of Fininvest Group at 31 December 2018 posted a total **debt** of **EUR 878.8 million**, a marked fall compared with the EUR 1,309.4 million at 31 December 2017. The **financial surplus** of more than EUR 430 million was achieved also thanks to a **generation of ordinary cash**, which reached **EUR 270 million**.

The Group's **investments** in 2018 amounted to **€1,213.1 million**, compared with €803.8 million in 2017.

Total **consolidated shareholders' equity** as at 31 December 2018 amounted to **€4,543.6 million**.

** Ei Towers and Mondadori France business units were reclassified as "discontinued operations" in accordance with IFRS 5.*

FININVEST S.P.A. 2018 FINANCIAL STATEMENTS

The parent company Fininvest S.p.A. posted a separate net profit of **EUR 57.8 million** (versus a profit of EUR 45.4 million in 2017).

Milan, 28 June 2019

For more information:

Fininvest S.p.A. Communication Department

Ph. +39 0285414252

dir.comunicazione@fininvest.it

BALANCE SHEET FIGURES	31.12.2018	31.12.2017	Change in amount vs. 31.12.2017
	EUR million	EUR million	EUR million
Net invested capital	5.422,4	5.824,1	(401,7)
<u>Financed by:</u>			
Shareholders' equity - Group	(2.695,0)	(2.750,1)	55,1
Shareholders' equity - non-controlling interests	(1.848,6)	(1.764,6)	(84,0)
Total shareholders' equity	(4.543,6)	(4.514,7)	(28,9)
Net financial position	(878,8)	(1.309,4)	430,6

INCOME STATEMENT FIGURES	2017	2017	% Change
	EUR million	EUR million	vs.2017
Consolidated revenues	4.429,5	4.613,7	-4,0%
EBITDA	1.155,1	1.316,8	-12,3%
EBIT	129,8	216,4	-40,0%
Group net profit (loss)	204,2	687,7	n.s.