

# RCS MediaGroup

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## 9M 2015 Results

Milan, November 13th, 2015



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# Agenda

Market & Business Trends

9M 2015 Results

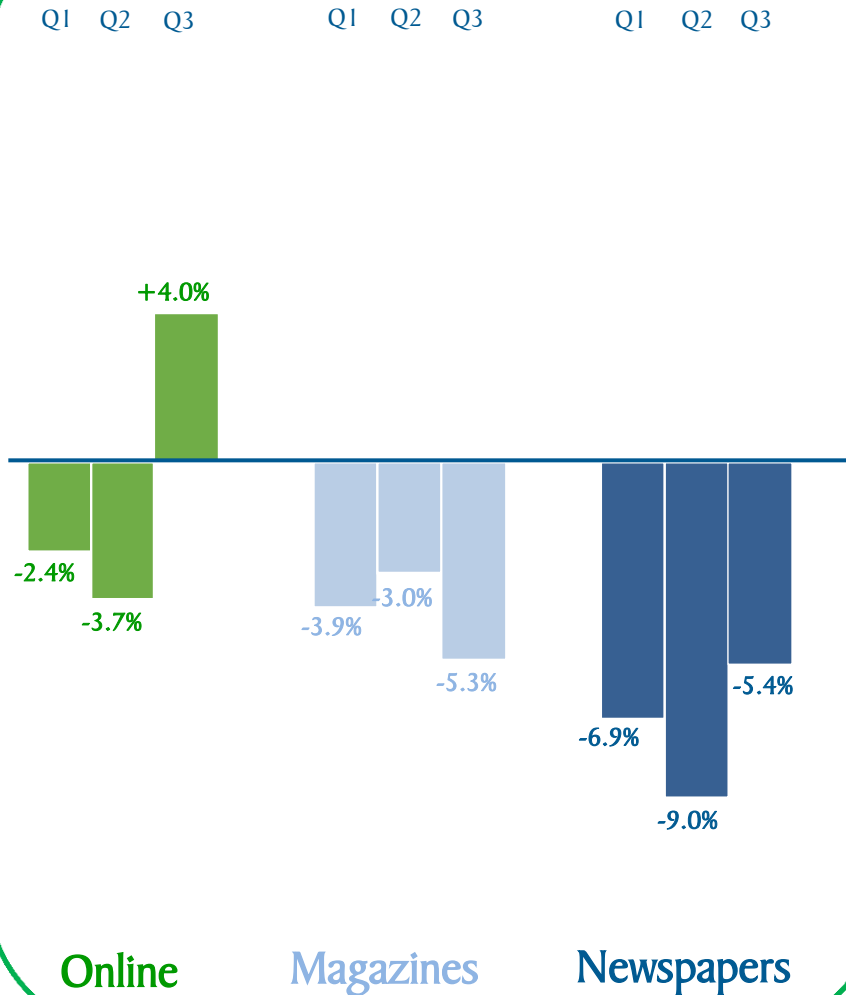
Business Units Backup

# Italian Advertising Trends: Market & RCS

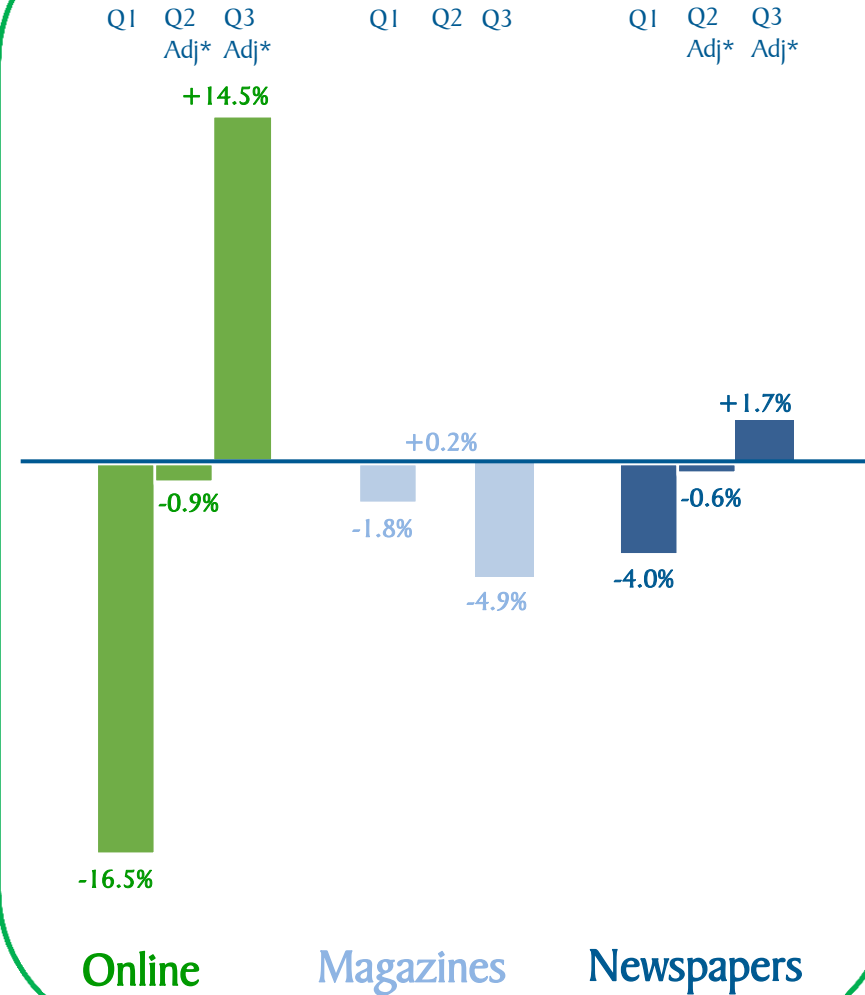


Advertising Gross Revenue, YoY %

## MARKET (Jan-Sept)



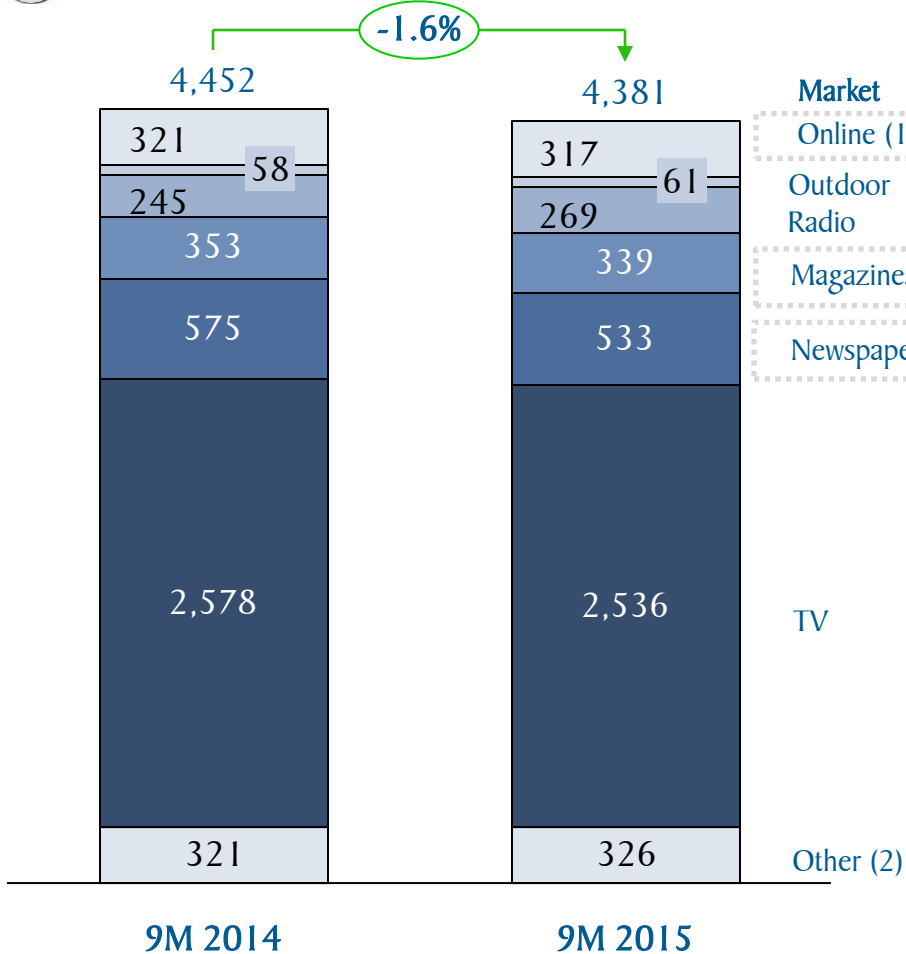
## RCS (Jan-Sept)



# Italy: Advertising Trends



Advertising Gross Revenue, EUR million



## TOTAL MARKET

(1) Excluding Search Adv

(2) Including: Cinema, Direct Mail, Transit, Out of home TV

RCS including third party

Source: Nielsen Media Research

Δ (%)

Market	Δ (%)
Market	-1.6%
Online (1)	-1.3%
Outdoor	+4.1%
Radio	+10.0%
Magazines	-3.9%
Newspapers	-7.3%
TV	-1.6%
Other (2)	1.5%

	Δ (%) 9M 15/9M 14		Δ (%) Q3 15/Q3 14	
Market	-8.1%	-2.6%	+7.1%	+14.5%
Online (1)	-8.1%	-2.6%	+7.1%	+14.5%
Outdoor	-8.1%	-2.6%	+7.1%	+14.5%
Radio	-8.1%	-2.6%	+7.1%	+14.5%
Magazines	-1.9%	-1.9%	-4.9%	-4.9%
Newspapers	-7.7%	-0.8%	-2.0%	+1.7%
TV	-7.7%	-0.8%	-2.0%	+1.7%
Other (2)	-7.7%	-0.8%	-2.0%	+1.7%

RCS

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RCS

ex. Sport Events & Special Initiatives

ex. Sport Events & Special Initiatives



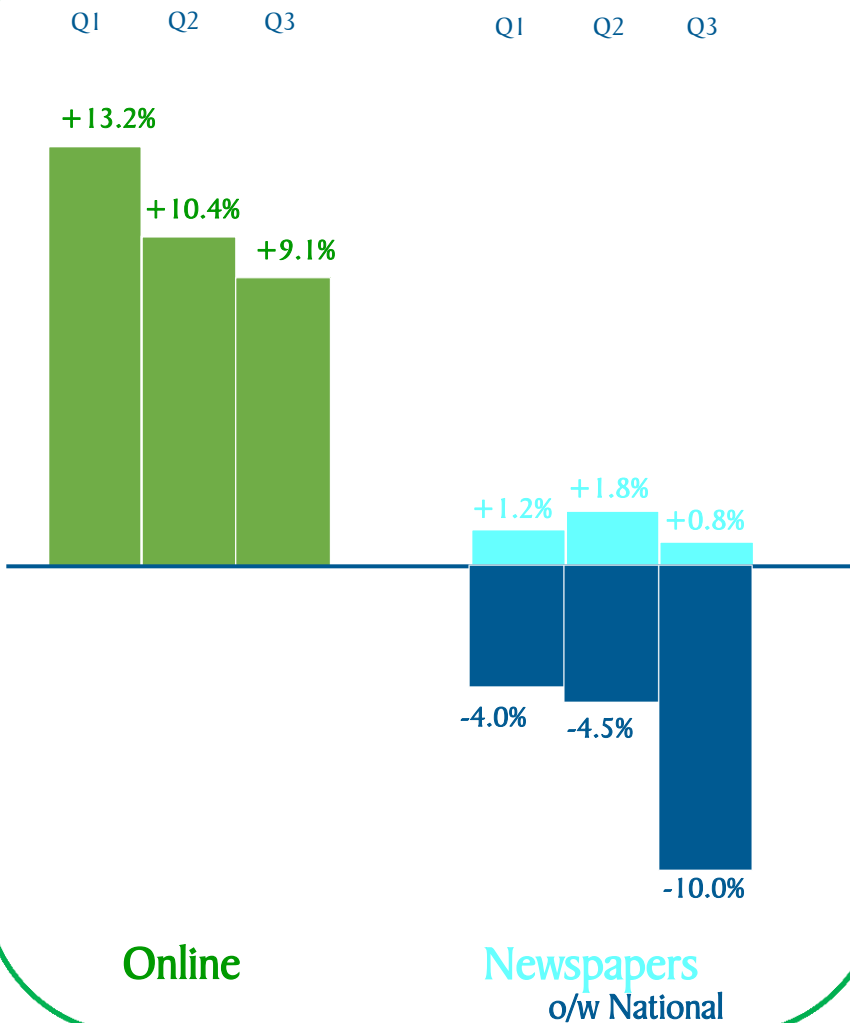
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# Spanish Advertising Trends: Market & RCS

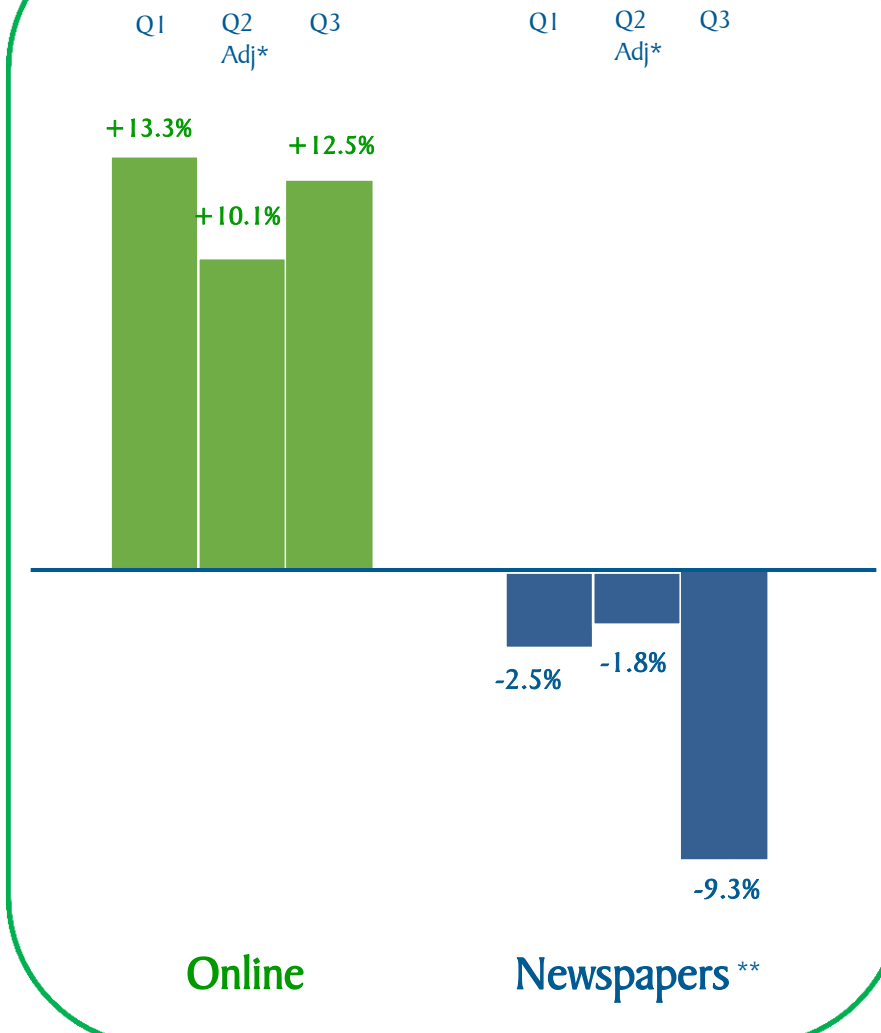


Advertising Gross Revenue, YoY %

## MARKET (Jan-Sept)



## RCS (Jan-Sept)



\*Ex Sport Events

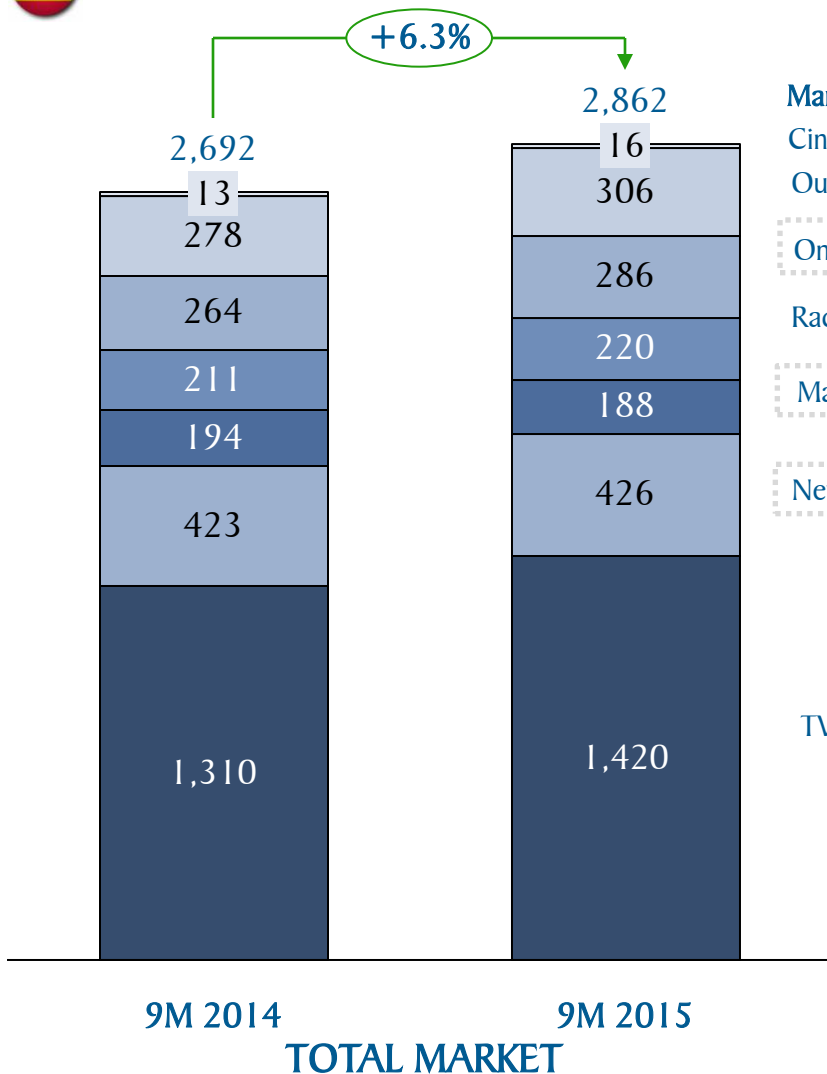
\*\* Including special branded events referring to Unidad Editorial

Source: Arce Media and internal estimates for National Newspapers

# Spain: Advertising Trends



Advertising Gross Revenue, EUR million



Market	Δ (%)	Δ (%) 9M 15/9M 14	Δ (%) Q3 15/Q3 14
Market	+6.3%		
Cinema	+28.6%		
Outdoor	+4.1%		
Online	+10.0%	+10.1%	+11.8%
Radio	+8.4%		
Magazines	-2.7%	-5.5%	-5.5%
Newspapers (1)	+0.7%	-5.6%	-4.0%
<i>o/w Local</i>	+6.1%		
<i>National</i>	-5.9%		
TV	+8.4%		

RCS      RCS ex. Sport Events      RCS

# Italy: Newspaper Circulation Trends

Circulation, copies/000 per day

## MARKET

### National Newspapers <sup>(1)</sup>

-8.2%  
ex.financial daily

-5.9%

1,922

1,808

9M 2014

9M 2015

## RCS

### CORRIERE DELLA SERA



2.6 million readers

most widely read among generalist titles

-5.8%

466

124

342

+6.5%

439

132

307

Digital

9M 2014

9M 2015

### Sports Newspapers

-8.7%

445

407

9M 2014

9M 2015

### La Gazzetta dello Sport

Tutto il rosa della vita



3.5 million readers

most widely read among all newspapers

-12.0%

283

53

230

-22.6%

249

41

208

Digital

9M 2014

9M 2015



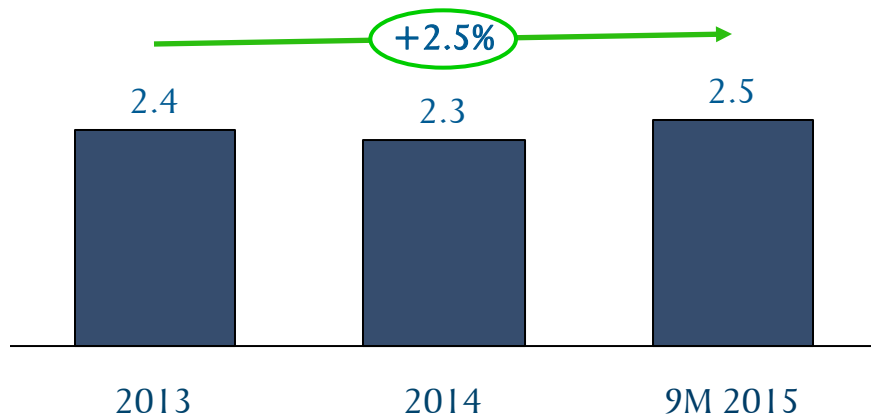
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(1) Includes newspapers with circulation > 90,000 copies  
Source: ADS + Internal Estimates (digital copies included) and Audipress 2014 III

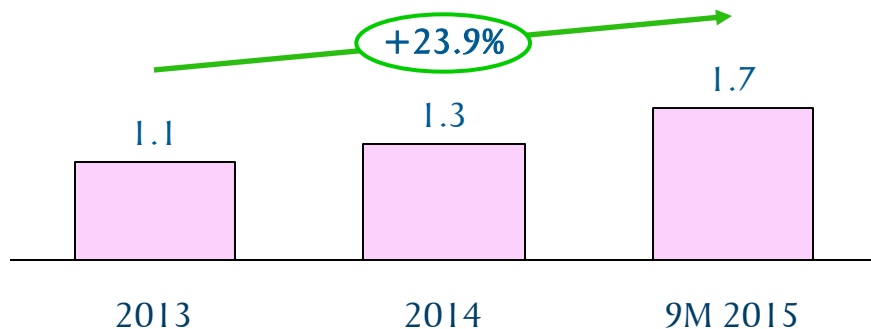
# Italy: Online Readership

## Workday Unique Browsers

**CORRIERE DELLA SERA**.it

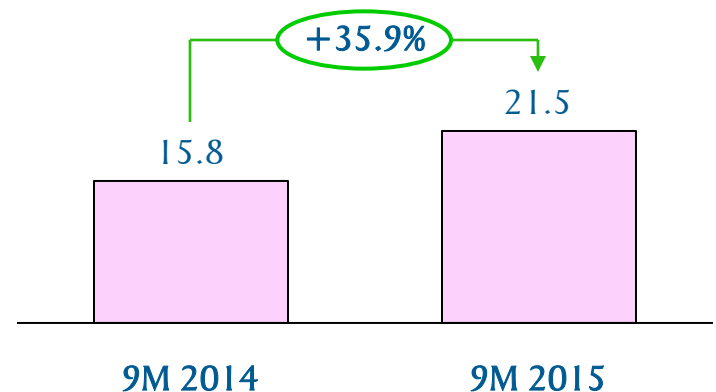
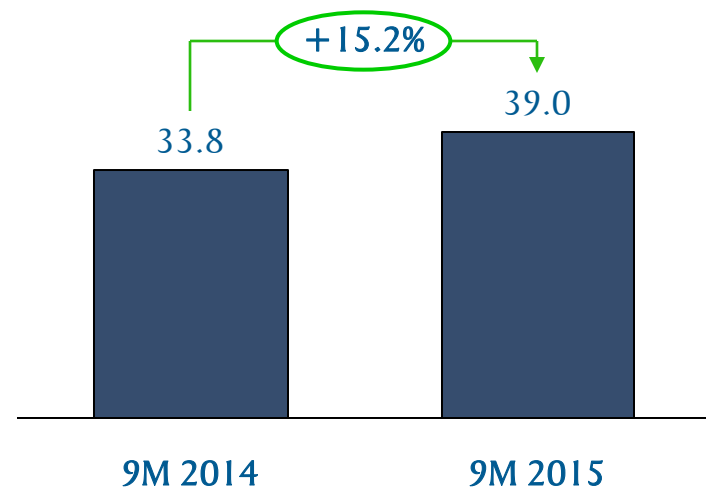


**La Gazzetta dello Sport**.it  
Tutto il rosa della vita



Million Users

## Monthly Unique Browsers



**RCS**

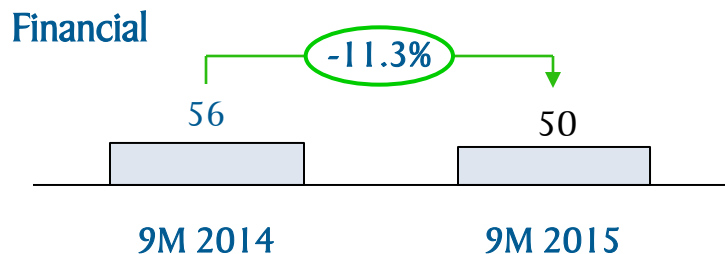
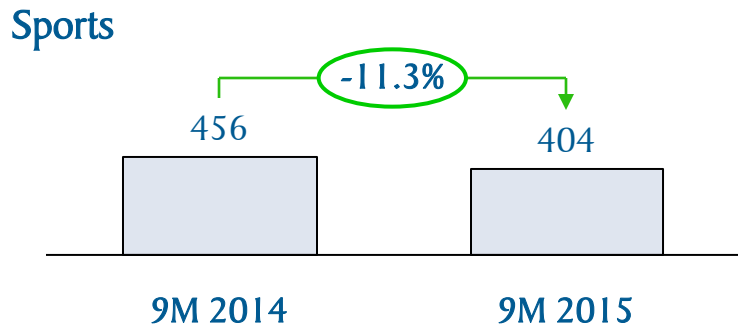
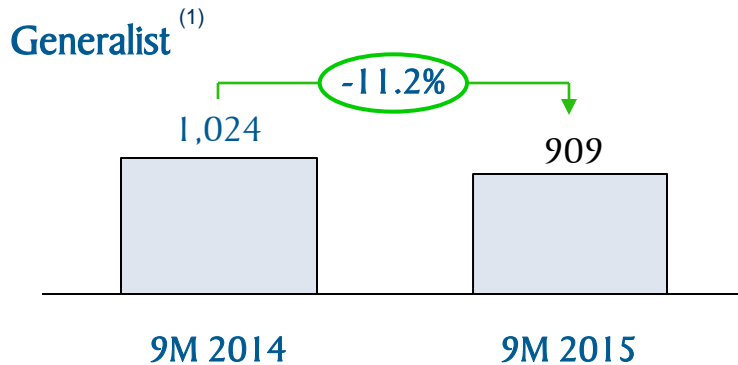
we write the future, every day



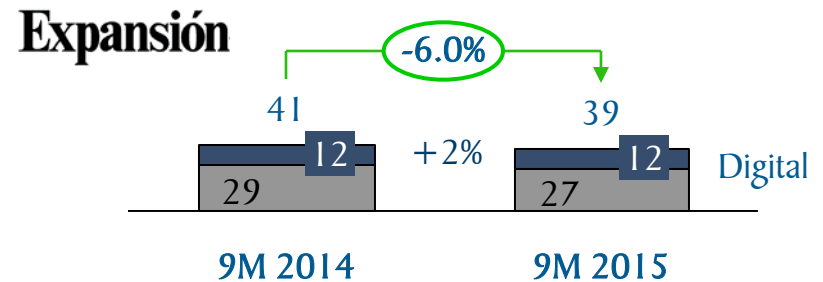
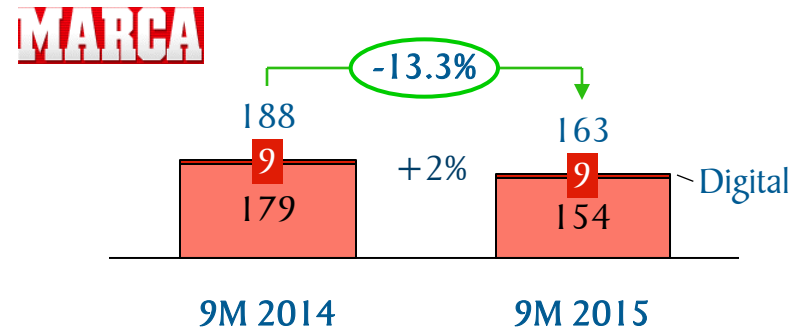
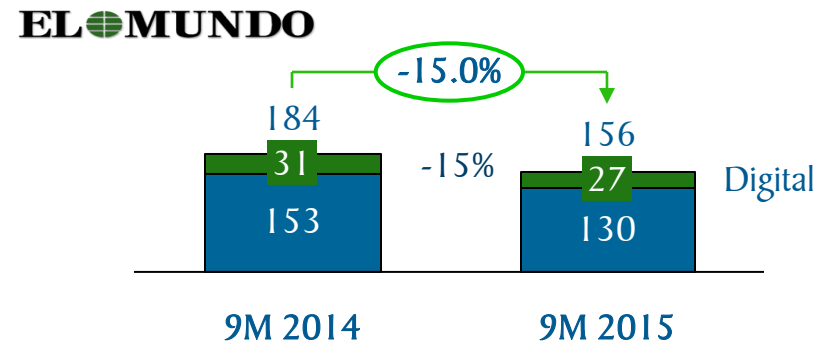
# Spain: Newspaper Circulation Trends

Circulation, copies/000 per day

## MARKET



## RCS (2)



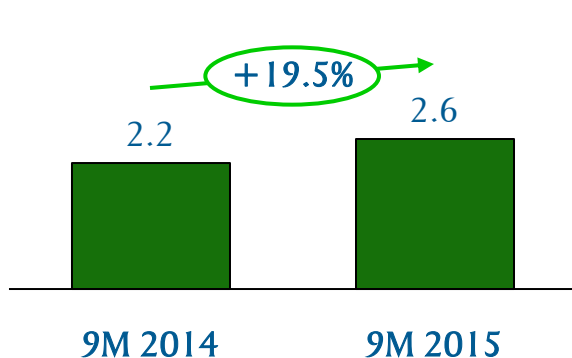
we write the future, every day

# Spain: Online Readership

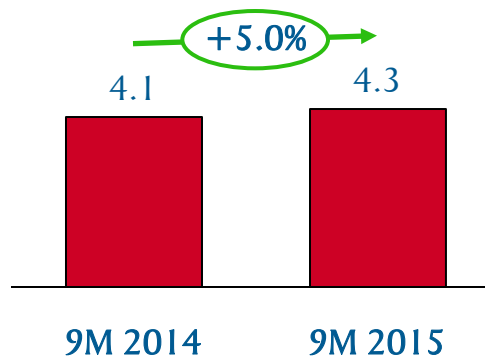
Million Users

## Weekly Unique Browsers

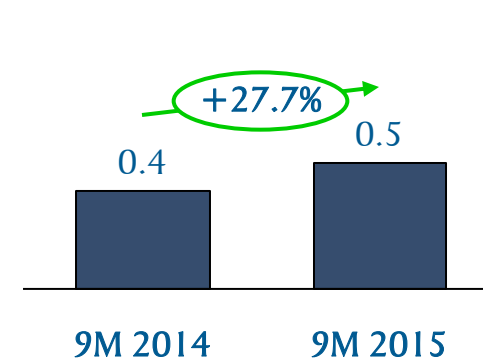
**ELMUNDO.es**



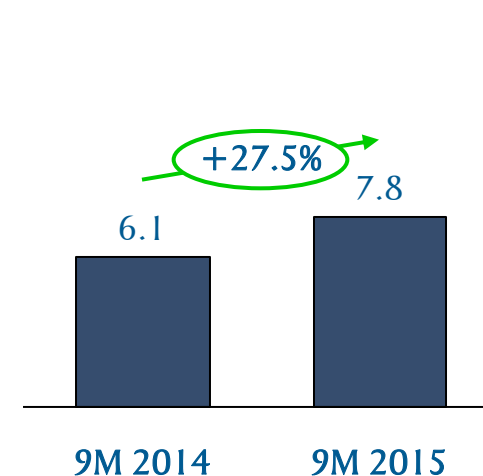
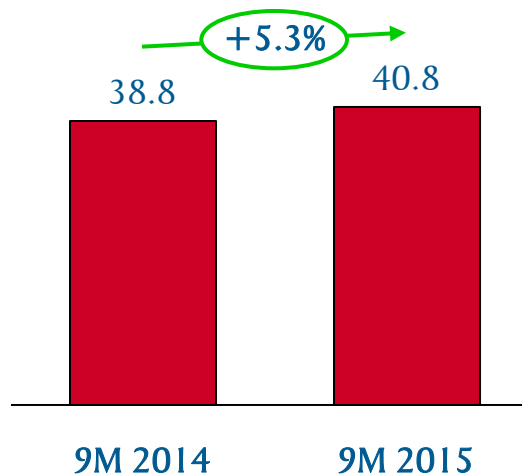
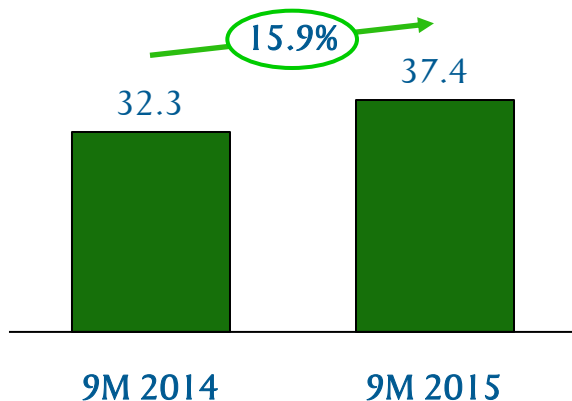
**MARCA.COM**



**Expansión.com**



## Monthly Unique Browsers



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# Agenda

Market & Business Trends

9M 2015 Results

Business Units Backup

# 9M 2015 Results – Summary

EUR million

	Q3 2015		Q3 2014 <sup>(1)</sup>		Δ%	9M 2015		9M 2014 <sup>(1)</sup>		Δ%
<b>Total Revenue</b>	223.8	100%	228.8	100%	(2.2%)	743.0	100%	771.8	100%	(3.7%)
Circulation	109.1		115.0		(5.1%)	323.8		334.4		(3.2%)
Advertising	91.5		90.7		0.9%	327.5		341.5		(4.1%)
Other	23.2		23.1		0.4%	91.7		95.9		(4.4%)
<b>EBITDA ex NR Items</b>	6.8	3.0%	3.4	1.5%	100.0%	17.4	2.3%	9.2	1.2%	89.1%
<b>Non Recurring Items</b>	(5.7)		(3.1)			(12.9)		(27.1)		
<b>EBITDA</b>	1.1	0.5%	0.3	0.1%	266.7%	4.5	0.6%	(17.9)	(2.3%)	ns
<b>EBIT</b>	(13.5)		(15.9)			(75.4)		(69.4)		
<b>Net Result</b>	(31.0)		(23.1)			(126.4)		(93.1)		
<b>NFP</b>						(500.0)		(515.3)		

<sup>(1)</sup> In 3Q15 and in 9M15 costs and revenues related to the Books activities were classified as Net Result from Discontinuing and Discontinued Op.

# Q3 & 9M 2015 Results

EUR million	Q315		Q314 <sup>(1)</sup>		9M15		9M14 <sup>(1)</sup>		Δ%
Circulation	109.1	48.7%	115.0	50.3%	323.8	43.6%	334.4	43.3%	(3.2%)
Advertising	91.5	40.9%	90.7	39.6%	327.5	44.1%	341.5	44.2%	(4.1%)
Other	23.2	10.4%	23.1	10.1%	91.7	12.3%	95.9	12.4%	(4.4%)
<b>TOTAL REVENUE</b>	<b>223.8</b>	<b>100%</b>	<b>228.8</b>	<b>100%</b>	<b>743.0</b>	<b>100%</b>	<b>771.8</b>	<b>100%</b>	<b>(3.7%)</b>
Operating costs	(149.2)	(66.7%)	(159.3)	(69.6%)	(505.5)	(68.0%)	(539.0)	(69.8%)	(6.2%)
Labour costs	(66.7)	(29.8%)	(64.3)	(28.1%)	(214.3)	(28.8%)	(215.3)	(27.9%)	(0.5%)
Writedowns	0.0	0.0%	(0.2)	(0.1%)	(2.7)	(0.4%)	(2.4)	(0.3%)	12.5%
Provisions	(1.1)	(0.5%)	(1.6)	(0.7%)	(3.1)	(0.4%)	(5.9)	(0.8%)	(47.5%)
<b>EBITDA ex Non Recurring Items</b>	<b>6.8</b>	<b>3.0%</b>	<b>3.4</b>	<b>1.5%</b>	<b>17.4</b>	<b>2.3%</b>	<b>9.2</b>	<b>1.2%</b>	<b>89.1%</b>
Non Recurring Items	(5.7)	(2.5%)	(3.1)	(1.4%)	(12.9)	(1.7%)	(27.1)	(3.5%)	ns
<b>EBITDA</b>	<b>1.1</b>	<b>0.5%</b>	<b>0.3</b>	<b>0.1%</b>	<b>4.5</b>	<b>0.6%</b>	<b>(17.9)</b>	<b>(2.3%)</b>	<b>ns</b>
D&A	(14.6)	(6.5%)	(14.3)	(6.3%)	(44.0)	(5.9%)	(42.7)	(5.5%)	
Impairment writeoffs	0.0	0.0%	(1.9)	(0.8%)	(35.9)	(4.8%)	(8.8)	(1.1%)	
<b>EBIT</b>	<b>(13.5)</b>	<b>(6.0%)</b>	<b>(15.9)</b>	<b>(6.9%)</b>	<b>(75.4)</b>	<b>(10.1%)</b>	<b>(69.4)</b>	<b>(9.0%)</b>	
Net financial incomes (charges)	(8.1)	(3.6%)	(10.0)	(4.4%)	(26.1)	(3.5%)	(30.8)	(4.0%)	
Gain (losses) on financial assets/liabilities	0.0	0.0%	(1.8)	(0.8%)	(1.6)	(0.2%)	(1.9)	(0.2%)	
Income (charges) from equity investments	0.3	0.1%	(0.1)	(0.0%)	1.4	0.2%	(1.0)	(0.1%)	
<b>PRE-TAX RESULT</b>	<b>(21.3)</b>	<b>(9.5%)</b>	<b>(27.8)</b>	<b>(12.2%)</b>	<b>(101.7)</b>	<b>(13.7%)</b>	<b>(103.1)</b>	<b>(13.4%)</b>	
Taxes	(3.1)	(1.4%)	1.3	0.6%	8.3	1.1%	12.8	1.7%	
<b>NET RESULT FROM CONTINUING OPERATIONS</b>	<b>(24.4)</b>	<b>(10.9%)</b>	<b>(26.5)</b>	<b>(11.6%)</b>	<b>(93.4)</b>	<b>(12.6%)</b>	<b>(90.3)</b>	<b>(11.7%)</b>	
Net Result from Discontinuing and Discontinued Op. <sup>(1)</sup>	(7.2)	(3.2%)	3.4	1.5%	(33.8)	(4.5%)	(3.3)	(0.4%)	
Minorities	0.6	0.3%	0.0	0.0%	0.8	0.1%	0.5	0.1%	
<b>NET RESULT</b>	<b>(31.0)</b>	<b>(13.9%)</b>	<b>(23.1)</b>	<b>(10.1%)</b>	<b>(126.4)</b>	<b>(17.0%)</b>	<b>(93.1)</b>	<b>(12.1%)</b>	

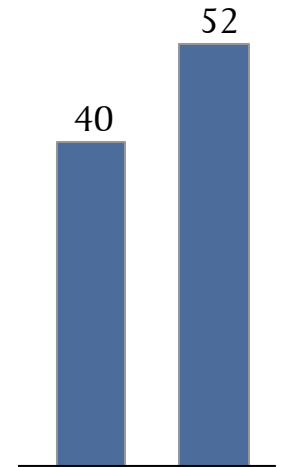
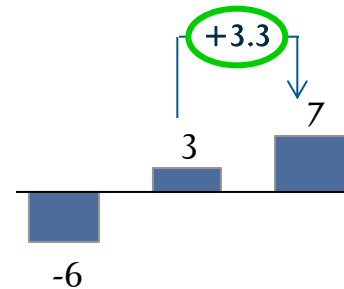
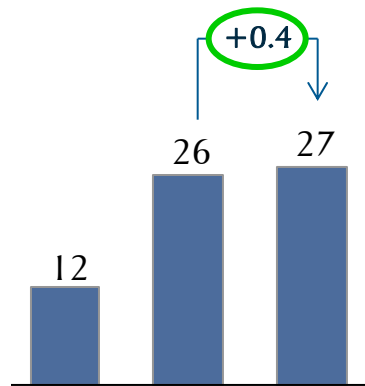
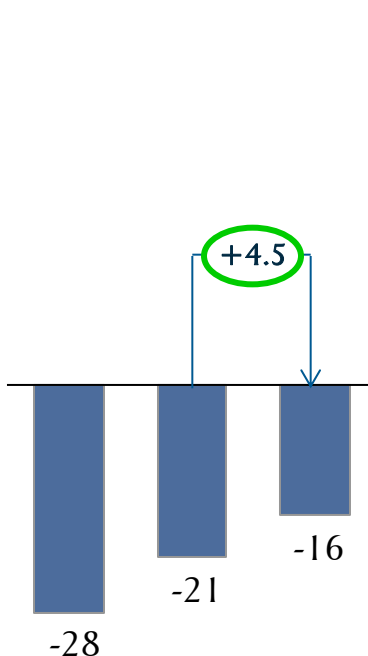
13 <sup>(1)</sup> In 3Q15 and in 9M15 costs and revenues related to the Books activities were classified as Net Result from Discontinuing and Discontinued Op. In 3Q14 and in 9M14 this Financial Statement item has been restated to take into account to Books activities results and also the IGP Decaux and Finelco Group results

# 2013-2015 EBITDA<sup>(1)</sup> Evolution by Quarter

EUR million

✓ 9 consecutive quarters of YoY improvements

Q1			Q2			Q3			Q4	
2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014
n.s.	n.s.	n.s.	4.0%	8.6%	9.3%	n.s.	1.5%	3.0%	14.5%	17.8%



(1) EBITDA before non recurring costs

2013 figures are proforma excluding RCS Libri figures.

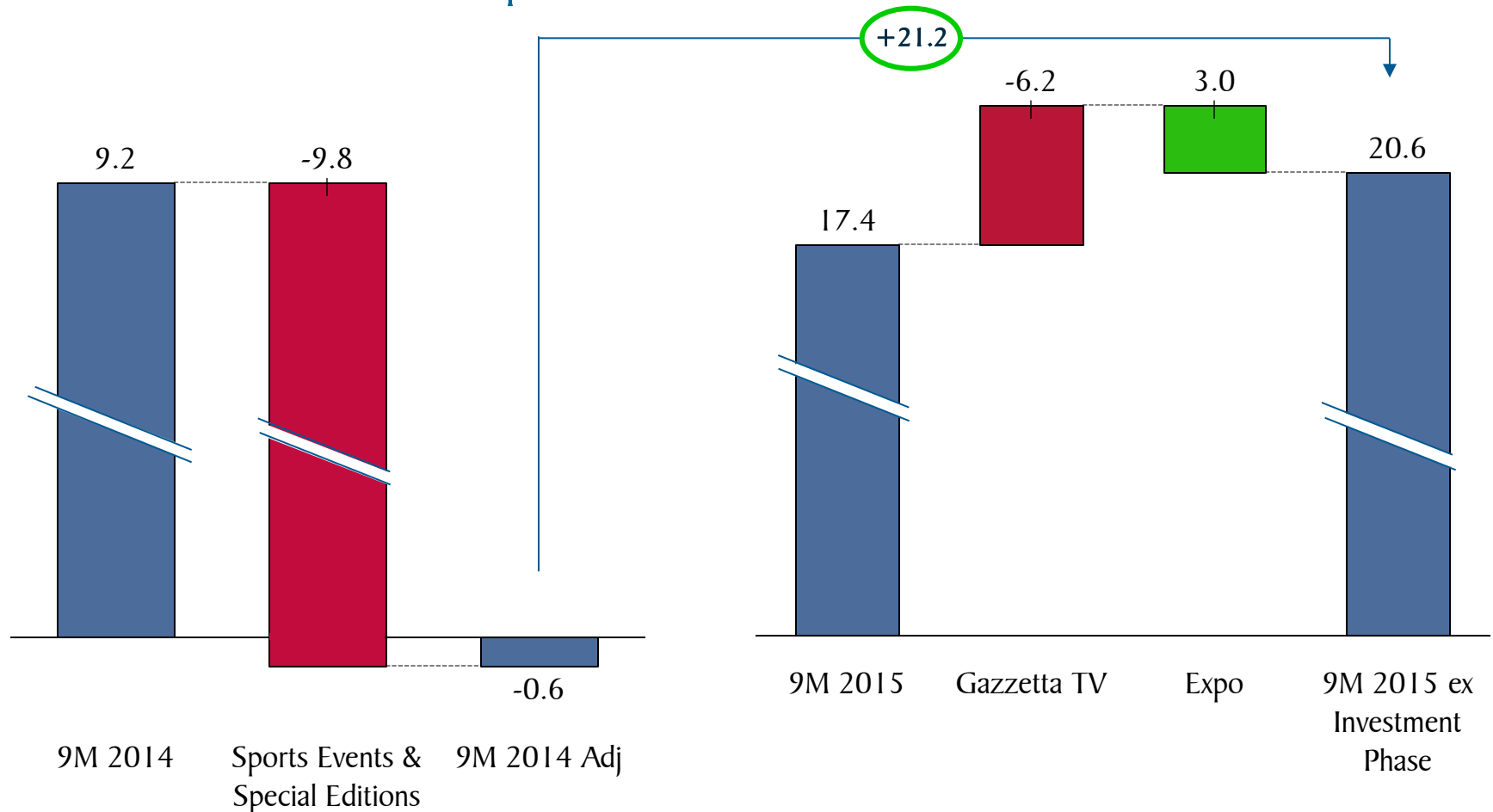
2014 Adjusted after Books disposal with the adoption of the amendment to IFRS 5

EBITDA MARGIN<sup>(1)</sup>

# Variance 9M 2015 EBITDA\*

✓ 21.2M € increase in 9M 2015 vs 9M 2014 when adjusted for:

- Sport Events
- Corriere della Sera and Gazzetta dello Sport's special editions
- Gazzetta TV launch and start-up costs



# Q3 and 9M 2015 Results – Revenue & EBITDA

EUR million	Q3 2015				
	Revenue	EBITDA Ex Non Recurring Items	Ebitda ex NR %	EBITDA	Ebitda%
Media Italy	121.1	15.9	13.1%	16.3	13.5%
Media Spain	74.5	0.6	0.8%	(5.0)	(6.7%)
Advertising & Events	59.8	(2.9)	(4.8%)	(3.1)	(5.2%)
Corporate Activities	17.0	(6.3)	(37.1%)	(6.6)	(38.8%)
Others and eliminations	(48.6)	(0.5)	n.s.	(0.5)	n.s.
<b>CONSOLIDATED</b>	<b>223.8</b>	<b>6.8</b>	<b>3.0%</b>	<b>1.1</b>	<b>0.5%</b>
Assets held for sale or sold <sup>(1)</sup>	86.0	11.6		11.5	
Others and eliminations	(1.2)	0.4		0.4	
<b>TOTAL</b>	<b>308.6</b>	<b>18.8</b>	<b>6.1%</b>	<b>13.0</b>	<b>4.2%</b>

EUR million	Q3 2014				
	Revenue	EBITDA Ex Non Recurring Items	Ebitda ex NR %	EBITDA	Ebitda%
Media Italy	123.7	12.6	10.2%	16.1	13.0%
Media Spain	80.5	1.2	1.5%	(4.9)	(6.1%)
Advertising & Events	57.8	(3.2)	(5.5%)	(3.6)	(6.2%)
Corporate Activities	17.8	(6.9)	(38.8%)	(7.0)	(39.3%)
Others and eliminations	(51.0)	(0.3)	n.s.	(0.3)	n.s.
<b>CONSOLIDATED</b>	<b>228.8</b>	<b>3.4</b>	<b>1.5%</b>	<b>0.3</b>	<b>0.1%</b>
Assets held for sale or sold <sup>(1)</sup>	83.3	14.1		12.2	
Others and eliminations	(1.7)	0.4		0.4	
<b>TOTAL</b>	<b>310.4</b>	<b>17.9</b>	<b>5.8%</b>	<b>12.9</b>	<b>4.2%</b>

EUR million	9M 2015				
	Revenue	EBITDA Ex Non Recurring Items	Ebitda ex NR %	EBITDA	Ebitda%
Media Italy	379.8	31.0	8.2%	29.9	7.9%
Media Spain	234.7	8.5	3.6%	(2.3)	(1.0%)
Advertising & Events	238.4	1.4	0.6%	0.8	0.3%
Corporate Activities	53.8	(22.6)	(42.0%)	(23.0)	(42.8%)
Others and eliminations	(163.7)	(0.9)	n.s.	(0.9)	n.s.
<b>CONSOLIDATED</b>	<b>743.0</b>	<b>17.4</b>	<b>2.3%</b>	<b>4.5</b>	<b>0.6%</b>
Assets held for sale or sold <sup>(1)</sup>	162.6	5.6		4.6	
Others and eliminations	(5.1)	0.9		0.9	
<b>TOTAL</b>	<b>900.5</b>	<b>23.9</b>	<b>2.7%</b>	<b>10.0</b>	<b>1.1%</b>

EUR million	9M 2014				
	Revenue	EBITDA Ex Non Recurring Items	Ebitda ex NR %	EBITDA	Ebitda%
Media Italy	384.3	27.5	7.2%	28.1	7.3%
Media Spain	257.1	5.2	2.0%	(21.5)	(8.4%)
Advertising & Events	251.8	(2.0)	(0.8%)	(2.8)	(1.1%)
Corporate Activities	55.6	(21.2)	(38.1%)	(21.4)	(38.5%)
Others and eliminations	(177.0)	(0.3)	n.s.	(0.3)	n.s.
<b>CONSOLIDATED</b>	<b>771.8</b>	<b>9.2</b>	<b>1.2%</b>	<b>(17.9)</b>	<b>(2.3%)</b>
Assets held for sale or sold <sup>(1)</sup>	155.4	4.2		1.3	
Others and eliminations	(5.7)	0.3		0.3	
<b>TOTAL</b>	<b>921.5</b>	<b>13.7</b>	<b>1.5%</b>	<b>(16.3)</b>	<b>(1.8%)</b>

(1) Revenues, EBITDA and EBITDA Ex Non Recurring Items related to Books area are exposed separately from the Total consolidated for both 2014 and 2015



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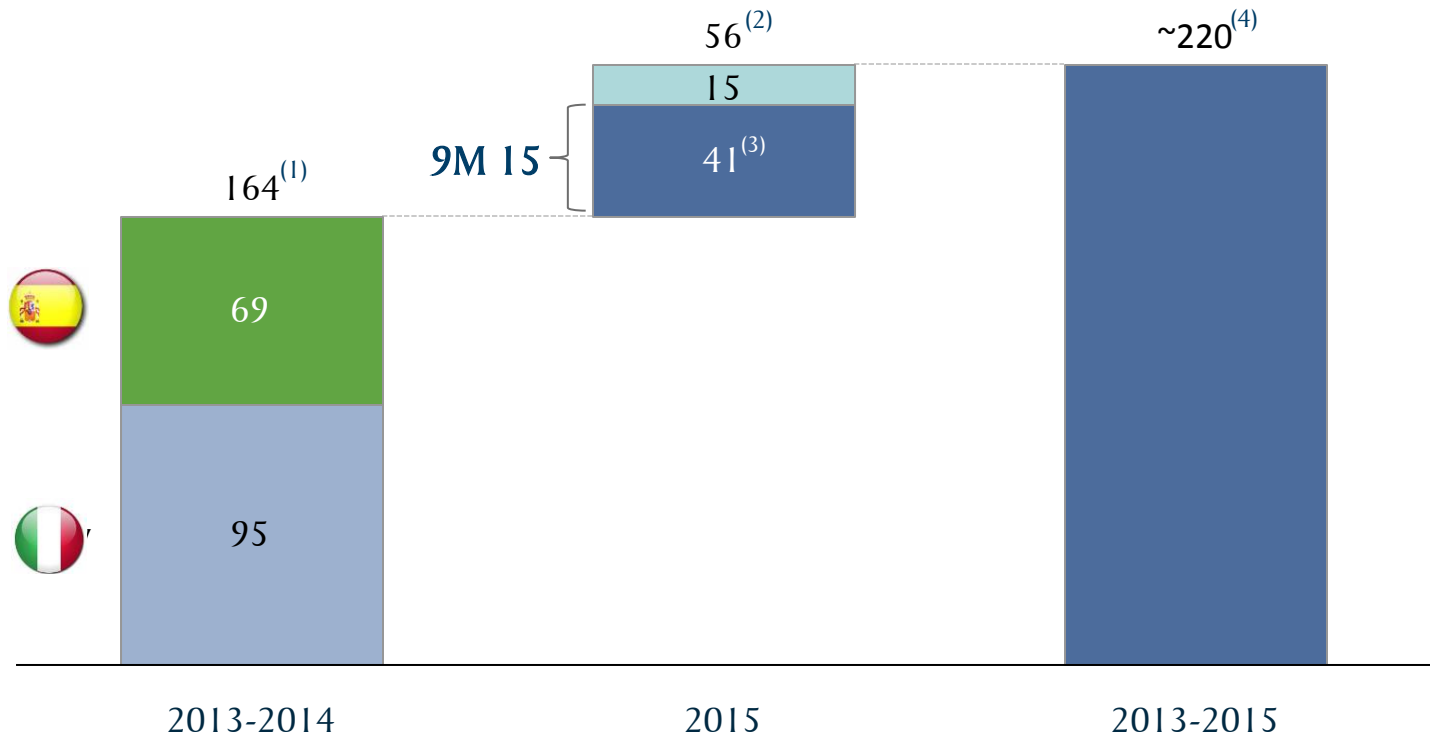


# 2015 Efficiency Program

EUR million

✓ Additional € 41 M at September 2015

✓ €205 M delivered vs enhanced target of €220 M by end 2015



(1) o/w €7.4 M from Books  
(2) o/w €3.9 M from Books

(3) o/w €2.7 M from Books  
(4) o/w €11.3 M from Books

# Balance Sheet

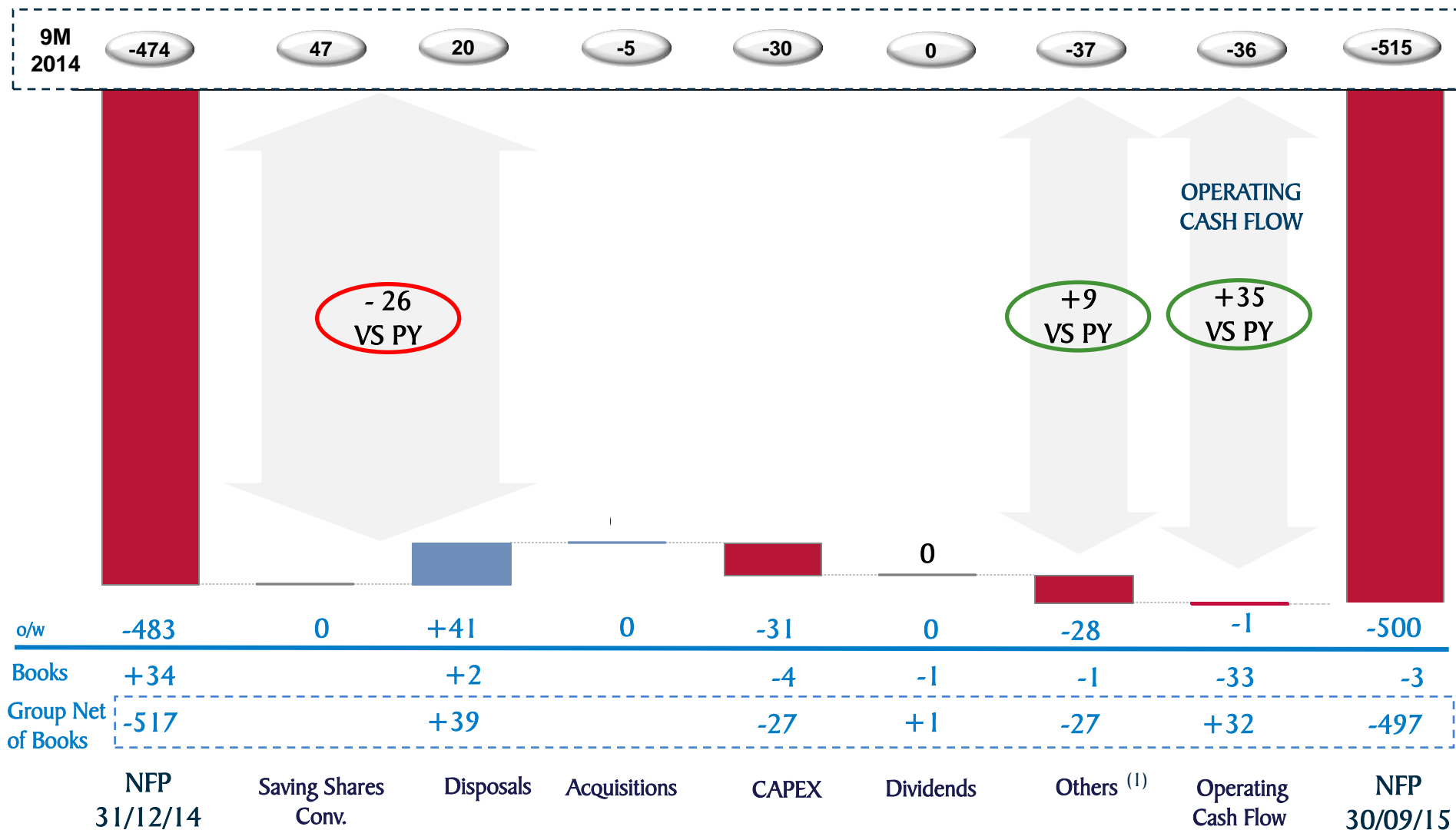
EUR million

	30/09/2015		31/12/2014	
Net fixed assets	783.8	120.3%	878.2	116.2%
<i>Tangible &amp; Intangible fixed assets</i>	571.8	87.8%	652.4	86.4%
<i>Financial fixed assets</i>	212.0	32.5%	225.8	29.9%
Net working capital	(88.4)	(13.6%)	53.4	7.1%
Reserve for risk and charges	(119.5)	(18.3%)	(159.3)	(21.1%)
Employee termination indemnity	(43.2)	(6.6%)	(53.7)	(7.1%)
Net invested capital: assets held for sale	118.6	18.2%	36.9	4.9%
<b>CAPITAL EMPLOYED</b>	<b>651.4</b>	<b>100.0%</b>	<b>755.5</b>	<b>100.0%</b>
Net financial debt (cash)	497.1	76.3%	482.5	63.9%
Net financial debt: assets held for sale	2.9	0.5%	-	
Equity	151.4	23.2%	273.0	36.1%
<b>EQUITY &amp; NFP</b>	<b>651.4</b>	<b>100.0%</b>	<b>755.5</b>	<b>100.0%</b>

# 9M 2015 Cash Flow

EUR million  
NFP 01/01/2014

NFP 30/09/2014



# FY 2015

Q4 2014 Restated <sup>(1)</sup>

REVENUE

293.3

EBITDA ex NR

52.1

Q4 2015 E

Flat

Slightly better

FY 2015 E

REVENUE vs 2014

Decrease around 3%  
on a LFL basis

EFFICIENCIES

Target matched  
(220m€ in 3 years  
including books)

EBITDA % <sup>(2)</sup>

~7%

NFD

< NFD at Sept. 30, 2015

(1) Excluding Books

(2) EBITDA excluding non-recurring items

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# Agenda

Market & Business Trends

9M 2015 Results

Business Units Backup

# Media Italy – P&L

**CORRIERE DELLA SERA**

**La Gazzetta dello Sport**

Tutto il rosa  della vita

**A M I C A**

**OGGI**

CORRIERE DELLA SERA  
**DOVE**

**ABITARE**  
SINCE 1961

CORRIERE DELLA SERA  
**Living**

CORRIERE DELLA SERA  
**IO**  
DONNA

CORRIERE DELLA SERA  
**SETTE**

**SW**  
SPORTWEEK

CORRIERE DELLA SERA  
**STYLE**  
MAGAZINE

 **DIGICAST**

EUR million

	3Q15	3Q14	YoY	9M15	9M14	YoY
Circulation	74.6	76.7	(2.7%)	219.9	215.0	2.3%
Advertising	42.2	41.9	0.7%	144.8	152.9	(5.3%)
Other	4.3	5.1	(15.7%)	15.1	16.4	(7.9%)
<b>TOTAL REVENUE</b>	<b>121.1</b>	<b>123.7</b>	<b>(2.1%)</b>	<b>379.8</b>	<b>384.3</b>	<b>(1.2%)</b>
<i>O/W add on</i>	<i>19.0</i>	<i>17.3</i>		<i>61.5</i>	<i>53.3</i>	
<b>EBITDA ex NR Items</b>	<b>15.9</b>	<b>12.6</b>	<b>26.2%</b>	<b>31.0</b>	<b>27.5</b>	<b>(12.7%)</b>
Non Recurring Items	0.4	3.5		(1.1)	0.6	
<b>EBITDA</b>	<b>16.3</b>	<b>16.1</b>	<b>1.2%</b>	<b>29.9</b>	<b>28.1</b>	<b>(6.4%)</b>

advertising  
on-line  
22.5%

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# Media Spain – P&L

**EL MUNDO**

**MARCA**

**Expansión**

**P A P E L**

**TELVA**

**MARCA**

**LastLap**  
Eventos y Comunicación

**VO**  
DONA  
DEL FIBER XXI

**METROPOLITANA**

**SIETE LEGUAS**  
(TIEMPO DEL SIGLO XXI)

**ACTUALIDAD  
ECONÓMICA**

**fuera  
de serie**

EUR million

	3Q15	3Q14	YoY	9M15	9M14	YoY
Circulation	34.5	38.6	(10.6%)	104.2	119.6	(12.9%)
Advertising	29.1	30.2	(3.6%)	101.2	105.4	(4.0%)
Other	10.9	11.7	(6.8%)	29.3	32.1	(8.7%)
<b>TOTAL REVENUE</b>	<b>74.5</b>	<b>80.5</b>	<b>(7.5%)</b>	<b>234.7</b>	<b>257.1</b>	<b>(8.7%)</b>
<i>O/W add on</i>	<i>0.4</i>	<i>0.2</i>		<i>2.7</i>	<i>1.5</i>	
<b>EBITDA ex NR Items</b>	<b>0.6</b>	<b>1.2</b>	<b>(50.0%)</b>	<b>8.5</b>	<b>5.2</b>	<b>63.5%</b>
Non Recurring Items	(5.6)	(6.1)		(10.8)	(26.7)	
<b>EBITDA</b>	<b>(5.0)</b>	<b>(4.9)</b>	<b>(2.0%)</b>	<b>(2.3)</b>	<b>(21.5)</b>	<b>89.3%</b>

advertising  
on-line  
29.8%

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# Advertising & Events – P&L



EUR million

	3Q15	3Q14	YoY	9M15	9M14	YoY
<b>Advertising and Events</b>	56.3	56.7	(0.7%)	194.4	206.6	(5.9%)
<i>O/W RCS publishing</i>	46.0	47.6		158.7	174.0	
<i>3rd party publishers</i>	9.3	8.3		31.4	30.2	
<b>Sport Events</b>	3.5	1.1	n.s.	44.0	45.2	(2.7%)
<b>TOTAL REVENUE</b>	59.8	57.8	3.5%	238.4	251.8	(5.3%)
<b>EBITDA ex NR Items</b>	(2.9)	(3.2)	(9.4%)	1.4	(2.0)	n.s.
<b>Non Recurring Items</b>	(0.2)	(0.4)		(0.6)	(0.8)	
<b>EBITDA</b>	(3.1)	(3.6)	(13.9%)	0.8	(2.8)	n.s.



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# Disclaimer

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*Riccardo Taranto, the Manager responsible for drawing up the company's accounting statements, hereby declares, pursuant to article 154-bis, paragraph 2 of the "Testo Unico della Finanza" (Legislative Decree n. 58/1998), that the information contained in this presentation corresponds to those one contained in the group's documents and books accounting records.*